nictus
HOLDINGS LIMITED

ANNUAL REPORT 2022

1945 - 2022

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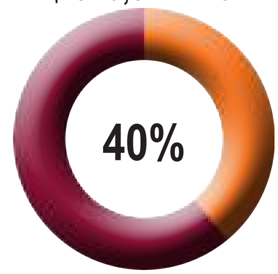
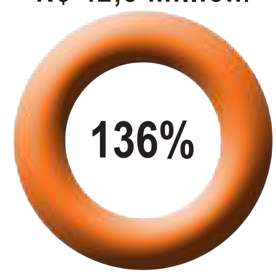
REVENUE

Revenue increased by **40%** to **N$ 920,9 million**.



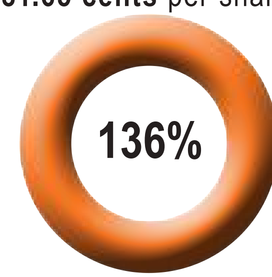
PROFIT

Profit increased by **136%** to **N$ 42,8 million**.



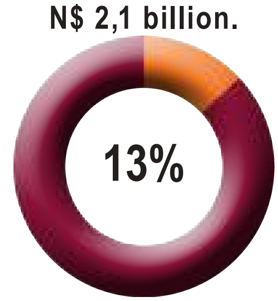
EARNINGS

Earnings per share increased by **136%** to **81.65 cents** per share.



ASSET GROWTH

Growth in Assets increased by **13%** to **N$ 2,1 billion.**



DIVIDENDS

Final Dividend of **26 cents** per share was declared.

Financial highlights are for a 15 month period.

ABOUT NICTUS

The Nictus Group of Companies was founded in 1945 and was listed on the JSE in 1969. The company's main business operations were based in South West Africa. The main reason for the listing was to build equity to expand its operations into Southern Africa.

During 2012 Nictus Holdings Limited (better known today as Nictus Namibia) was unbundled from the JSE listed company, and on 21 September 2012 was primary listed on the Namibian Stock Exchange (NSX).

Nictus Namibia is the holding company of a Group of companies, which retail motor vehicles, tyres, automotive glass, furniture and provides financial and insurance services in Namibia.
The Group operates in three segments, namely retail, properties as well as insurance and finance.

Philosophy

Nictus has been successful in change initiatives. The challenge remains to reach a top level of **EXCELLENCE** throughout the organisation. The philosophy and core focus will be to drive **EXCELLENCE** in every aspect of the organisation and, through this, establish Nictus as a leading entity wherever we are present.

Vision

Nictus is an independent diversified investment holding Group that creates above average value for shareholders and other stakeholders through sustainable growth.

Core Values

- Teamwork
- Respect
- Integrity
- Adaptability
- Fanatic Discipline
- Transparency
- Individual & Collective ownership

Mission

With a culture of **EXCELLENCE** and through visionary and dynamic leadership, we will achieve our vision through:

- Protecting our independence
- Expanding our business base in Namibia
- Growing a satisfied customer base
- Optimising all resources
- Being innovative and technology driven
- Being the preferred employer

Code of Conduct

I will:

Treat others as I want to be treated by them, the golden rule.

Always **strive** to do what is **best for my Group**, my country and my planet.

Abide by the values, policies and procedures of the Group, the laws of my country and the universal human principles of all that is good and just.

Be honest, reliable, fair and open in everything I say, write and do and accept responsibility for the consequences.

Protect the Group's assets, information and reputation.

Value and respect the diversity of beliefs, cultures, convictions and habits of the people of our Group and the country in which we operate.

Disclose to the Group any real or perceived situations where my private interests or the interests of the members of my immediate or extended family or other persons close to me may interfere with the interests of the Group.

Not give or receive gifts or benefits in contravention of the policies of the Group and no gift, irrespective of the value, should influence me to change my business decision to the detriment of the Group.

Seek new, better and more innovative ways to do my work and perform to the utmost of my abilities.

Not remain silent in the face of dishonesty, malice, disrespect, intolerance or injustice.

GROUP PROFILE

Nictus Namibia is the holding company of a group of companies, which operates in three segments, namely insurance and finance, retail and properties.

TrenTyre Namibia

One of the largest tyre service providers in Namibia. It sells new multi-brand tyres, retreaded tyres, wheels and allied services to cater for its customer needs in various sectors of the Namibian economy.

Khomas Car Rental

Khomas Car Rental & Leasing is a Namibian company based in Windhoek. The company specialises in vehicle rental services.

Auas Motors

Operates the Isuzu, Opel and Suzuki franchises throughout the whole of Namibia and also offers a wide selection of quality used vehicles. Auas is also the service agent for Chevrolet in Namibia.

Corporate Guarantee

Corporate Guarantee is a specialist insurer; providing innovative risk management solutions as an alternative to conventional insurance.

Nictus

As the largest independent furniture retailer in Namibia, quality and value for money products are sold by using the most advanced technological methods.

Hakos Capital

Hakos Capital and Finance mainly provides financial assistance for the purchase of vehicles and accessories to all Auas Motors branches.

Glasfit Namibia

Glasfit Namibia's mission is to deliver unrivaled customer service. Their aim is to be the market leaders and pace setters in the industry through unparalleled innovative thinking. These are the values that set Glasfit Namibia apart.

Properties

The property segment consists of investment property companies located geographically all over the country since the group follows a strategy of doing business in our "own houses".

OPERATIONS FOOTPRINT

Nictus Namibia is proud to have a large national footprint within the retail, insurance and finance as well as the properties segments, whom operate in an array of 14 towns.

TrenTyre At your service

AUAS MOTORS

nictus

GLASFIT We fit the best, best.

KHOMAS CAR RENTAL

Corporate Guarantee

Hakos Capital where people matter

RETAIL					INSURANCE & FINANCE		PROPERTIES
TRENTYRE	**AUAS MOTORS**	**NICTUS FURNISHERS**	**GLASFIT NAMIBIA**	**KHOMAS CAR RENTAL**	**CORPORATE GUARANTEE**	**HAKOS CAPITAL**	**PROPERTIES**
Gobabis Keetmanshoop Lüderitz Mariental Ondangwa Oshakati Otjiwarongo Rosh Pinah Rundu Swakopmund Tsumeb Walvis Bay Windhoek	Gobabis Otjiwarongo Ongwediva Swakopmund Walvis Bay Windhoek	Ongwediva Swakopmund Tsumeb Walvis Bay Windhoek	Swakopmund Walvis Bay Windhoek	Windhoek	Swakopmund Windhoek	Windhoek	Gobabis Ongwediva Rundu Swakopmund Tsumeb Walvis Bay Windhoek

GROUP STRUCTURE

All the companies are registered as private companies, except Corporate Guarantee & Insurance Company of Namibia Limited and Nictus Holdings Limited.

nictus
HOLDINGS LIMITED

PROPERTY SEGMENT

- Acacia Properties
- Bel Development
- Bonsai Investments Nineteen
- Grenada Investments Two
- Hochland 7191
- Isuzu Truck (Namibia)
- Marulaboom Properties
- Mopanie Tree Properties
- Nictus Eiendomme
- Rubber Tree Properties
- Werda Weskusontwikkeling
- Willow Properties
- Yellow Wood Properties

INSURANCE & FINANCE SEGMENT

- Corporate Guarantee & Insurance Company of Namibia Limited
- Futeni Collections
- Karas Securities
- Hakos Capital & Finance

RETAIL SEGMENT

- Auas Motors
- Nictus Furnishers
- Khomas Car Rental & Leasing
- NHL Tyre & Tire
- Glasfit Namibia

	15 months ended 30 June 2022	12 months ended 31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
	Audited	Reviewed	Audited	Audited	Audited	Audited
	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000	N$ '000
Statements of Financial Position						
Assets						
Non-current assets	1,056,901	1,005,500	829,262	876,894	827,762	898,214
Current assets	1,040,347	1,045,052	1,026,249	1,133,079	897,124	835,144
Total assets	**2,097,248**	**2,050,552**	**1,855,511**	**2,009,973**	**1,724,886**	**1,733,358**
Liabilities						
Non-current liabilities	71,791	70,489	142,356	144,906	142,471	152,430
Current liabilities *	1,824,794	1,786,291	1,533,685	1,697,508	1,415,363	1,414,884
Total liabilities	1,896,585	1,856,780	1,676,041	1,842,414	1,557,834	1,567,314
Equity						
Stated capital	129	129	129	129	129	129
Reserves	67,203	62,203	74,399	74,399	74,399	74,399
Retained income	133,331	131,440	104,942	93,031	92,524	91,516
Total equity	200,663	193,772	179,470	167,559	167,052	166,044
Total equity and liabilities	**2,097,248**	**2,050,552**	**1,855,511**	**2,009,973**	**1,724,886**	**1,733,358**

Statements of Profit or Loss and Other Comprehensive Income

	15 months ended 30 June 2022	12 months ended 31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Revenue	920,865	711,679	656,647	631,060	677,603	831,921
Cost of sales	(649,015)	(493,295)	(475,259)	(428,121)	(483,117)	(621,141)
Gross profit	**271,850**	**218,384**	**181,388**	**202,939**	**194,486**	**210,780**
Other operating income	50,365	41,231	24,598	35,839	43,235	49,515
Other operating (losses) / gains	(9,674)	(9,617)	(40)	1,132	2,254	(2,991)
Other operating expenses	(256,994)	(200,902)	(175,957)	(220,643)	(224,913)	(240,527)
Operating profit	**55,547**	**49,096**	**29,989**	**19,267**	**15,062**	**16,777**
Investment income	2,657	2,141	2,495	2,682	2,798	2,538
Finance costs	(6,778)	(5,801)	(4,864)	(8,904)	(15,046)	(20,268)
Profit / (loss) before taxation	**51,426**	**45,436**	**27,620**	**13,045**	**2,814**	**(953)**
Taxation	(8,592)	(9,493)	(9,472)	(5,683)	4,342	6,551
Profit for the year	**42,834**	**35,943**	**18,148**	**7,362**	**7,156**	**5,598**

* Included in current liabilities is the insurance contract liability. Premiums received under this liability are invested in terms of the Short-term Insurance Act of 1998, enacted in Namibia with the result that certain investments are of a long-term nature.

	15 months ended 30 June 2022	12 months ended 31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
	Audited	Unaudited	Audited	Audited	Audited	Audited
Per share data (cents)						
Basic and diluted earnings per share	81.65	68.51	34.59	14.03	13.64	10.47
Basic and diluted earnings per share (before treasury share adjustment)	80.15	67.25	33.96	13.78	13.39	-
Headline earnings per share	81.99	72.17	34.61	14.12	13.06	13.57
Headline earnings per share (before treasury share adjustment)	80.48	70.84	33.98	13.86	12.82	-
Dividends per share	18.00	18.00	12.00	12.00	12.00	12.00
Net worth per share	375.47	362.57	335.81	313.53	312.56	310.69
Financial ratios						
Liquidity ratios						
Current ratio	0.57	0.59	0.67	0.67	0.63	0.57
Liability ratio	7.78	7.84	7.86	9.69	8.35	8.24
Borrowings ratio	0.23	0.24	0.67	0.81	1.01	0.80
Dividend cover (times)	4.47	3.94	2.83	1.16	1.07	1.13
Profitability and asset management (%)						
Net operating profit to turnover	6.32	7.20	4.95	3.48	2.63	2.32
Return on shareholders' equity	21.35	18.55	10.11	4.39	4.28	3.37
Return on assets managed	19.40	15.63	9.15	6.00	4.65	4.85
Net asset turn (times)	3.07	2.17	1.85	1.73	1.77	2.09
Debt leverage						
Interest cover (including IFRS16)	8.59	8.83	6.68	2.47	1.19	0.95
Interest cover (excluding IFRS16)	9.21	9.59	7.42	2.70	1.19	0.95
Namibian Stock Exchange performance						
Market price High (cents)	180	180	160	180	180	200
Market price Low (cents)	175	175	159	160	180	50
Market price at year end (cents)	175	175	159	160	180	180
Price earnings ratio	2.13	2.42	4.60	11.33	12.25	13.26
Earnings yield (%)	46.85	41.24	21.75	8.83	8.16	7.54
Market capitalisation (N$ '000)	93,526	93,526	84,975	85,510	96,198	96,198
Volume of shares traded ('000 shares)	1,247	1,247	3,035	532	2,640	982

DEFINITIONS OF RATIOS AND TERMS

1 EARNINGS PER SHARE
Profit or loss for the year after adjusting for outside shareholders' interest, divided by the weighted average number of shares in issue during the year.

2 WEIGHTED AVERAGE NUMBER OF SHARES IN ISSUE DURING THE YEAR
The number of shares determined by relating the number of days within the year that a particular number of shares have been entitled to share in earnings to the total number of days in the year.

3 HEADLINE EARNINGS PER SHARE
Headline earnings per share is determined by adjusting basic earnings per share with separately identifiable re-measurements; divided by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.

4 DIVIDENDS PER SHARE
Dividends for the year divided by the number of shares in issue at the date of each dividend declaration.

5 NET WORTH PER SHARE
Equity attributable to equity holders of the parent divided by the number of ordinary shares in issue at year-end.

6 CURRENT RATIO
Current asset to current liabilities.

7 LIABILITY RATIO
The sum of non-current interest-bearing borrowings and current liabilities to total equity and deferred taxation.

8 BORROWINGS RATIO
The sum of current and non-current interest-bearing borrowings to the sum of total equity and deferred taxation.

9 DIVIDEND COVER
Headline earnings divided by ordinary dividends paid in the current year.

10 OPERATING PROFIT TO TURNOVER
Operating profit before financing costs divided by revenue.

11 RETURN ON SHAREHOLDERS' EQUITY
Profit or loss attributable to the equity holders of the parent for the year expressed as a percentage of equity attributable to the equity holders of the parent.

12 RETURN ON ASSETS MANAGED
Operating profit before financing costs expressed as a percentage of average net assets.

13 AVERAGE NET ASSETS
The sum of net assets at the end of the current year and the previous year, divided by two.

14 NET ASSETS
Total assets less non-interest-bearing debt and insurance contract liabilities also equivalent to total equity and liabilities plus current interest-bearing liabilities.

15 NET ASSET TURN
Revenue divided by average net assets.

16 INTEREST COVER
Operating profit or loss before financing costs divided by financing costs.

17 PRICE EARNINGS RATIO
Market price at year end to headline earnings per share.

18 EARNINGS YIELD (%)
Headline earnings per share to market price at year end.

GR de V Tromp

- CA (NAM); CA (SA)
- Years of Service: 7 years
- Non-Executive Chairperson
- Member: Audit & Risk Committee; Remuneration & Nomination Committee

PJ de W Tromp

- B. Econ; EDP: USB; SMP: USB
- Years of Service: 12 years
- Group Managing Director
- Member: Remuneration & Nominations Committee; Social, Ethics & Sustainability Committee
- Chairperson: Property segment; Retail segment; Insurance & Finance segment

WO Fourie

- CA (NAM); CA (SA)
- Years of Service: 12 years
- Group Financial Director
- Director: Property segment; Glasfit; Khomas Car Rental and Leasing

SW Walters

- CA (NAM); CA (SA)
- Years of Service: 1 year
- Certified Internal Auditor
- Independent Non-Executive Director
- Member: Audit & Risk Committee
- Chairperson: Remuneration & Nomination Committee; Social, Ethics & Sustainability Committee

TB Horn

- CA (NAM)
- Years of Service: 3 years
- Certified Internal Auditor
- Independent Non-Executive Lead Director
- Chairperson: Audit and Risk Committee

This year marks the first reporting period of our operations and results without the presence of the late Nico Tromp, who passed away due to Covid in June 2021. Nico had a passion for business, relationships, excellence, principles, integrity, and greatness. His dedication to Nictus, its staff, suppliers, customers, and other stakeholders was unrivalled. He was a son of Namibian soil and always strived to contribute to and promote Namibian prosperity. As a visionary, leader, mentor, father, and grandfather, he immensely contributed to and influenced the lives of others. It was a privilege to work with him, to learn from and be guided by his experience and knowledge. We honour his legacy and celebrate a life fully lived, as well as 48 years of exceptional service to Nictus. My heartfelt condolences also go out to our employees who lost loved ones as a result of the pandemic.

The past 15 months has once again been challenging, given the impact of global events like the war in the Ukraine, inflation, rising fuel and food prices, the escalating consumer price index, and the significant increase of interest rates during this period. Although I am optimistic that we have seen the end of the Covid19 pandemic, the aftereffects will be felt for some time. The economic downturn seems set to continue for the foreseeable future, with expectations that interest rates will continue to rise. We should all be vigilant and focused on remaining profitable and contributing positively to the Namibian economy.

We are pleased and exceptionally privileged to report a record profit for the history of the Group, despite all challenges faced. Even though the reporting period is for 15 months compared to a prior 12 months, the results are still remarkable.

The retail segment returned to superb profitability. Exceptional customer service and product availability contributed to these positive results, and we wish to maintain and continuously strive to enhance such relationships. The footprint of the retail outlets throughout Namibia ensures that our products are within close reach of all existing and prospective customers. In addition, we are excited to further enhance our customer satisfaction with the introduction and addition of the Glasfit brand, with three outlets having opened throughout Namibia as from 1 July 2022.

The insurance and finance segments showed immense growth in insurance premiums received. Historically this has contributed significantly to the results of the Group. The distinct product offering coupled with extraordinary client service remains a competitive advantage in enabling clients to manage their own risk uniquely and successfully.

As a Group, we value relationships with our Regulators and stakeholders of every business unit, and we are satisfied that all regulatory requirements are adhered to professionally and satisfactory. The Group remains committed to sound corporate governance, business ethics and living up to our values.

The Group is well positioned to excel in the next three to five years and we are confident that despite all the economic hardships and an ever-changing business environment, we will be able to humbly serve Namibia and its beautiful people.

An enormous thank you and sincere congratulations to management and to the full staff compliment for their loyalty, grit, and performance during the reporting period. We as a board cannot be prouder of each and every one who is a Nictus ambassador and who continues to build the Nictus name and its brands, as it has been done for three generations. What we as Namibian people are busy accomplishing is outstanding and I honour you all.

Thank you to my fellow board members and all board members throughout the Group, for their objectivity, insight, support, and guidance. Your contributions are significant, and we appreciate all the effort.

In conclusion, but most importantly, all glory and praise to our God Almighty who is present in every meeting, every communication, every action, and every execution. His presence and blessings are overwhelming, and we will continue to honour Him in everything we do.

GERARD TROMP

IN REMEMBRANCE OF THE LATE
Mr NC Tromp

While we were shaking off the last bit of Covid-fatigue and trying to maintain the momentum that was created, another 15 months has passed. Conditions were still challenging, but our willingness, commitment and ownership inspired us to strive for better under these circumstances. With our aim to be ***Exceptional Wealth Creators***, we are surely but steadily marching in the right direction.

For the 15 months under review we have achieved exceptional results. The retail segment are steadily achieving their longer-term goals and performed far beyond expectations. We achieved this by renewing our focus on our product range and taking a client orientated approach. We furthermore had to realistically assess the value of our properties based on the events of the last 24 months and adjusted their values to be more accurate.

The insurance and finance segment also exceeded expectations. Our insurance product achieved new heights despite the current financial conditions, proving that it is effective and tailored to fit the needs of our clients.

Together, all of the above led to exceptional results. We are humbled and proud.

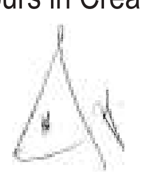
None of this would have been possible without the dedication, enthusiasm and ownership of our staff compliment and specifically that of our management teams. In our attempt to be the preferred employer, we pursued this dream and focused on the empowerment, training and mentoring of our people. A great shout out and thank you goes to every one of them for their input and efforts.

We stay committed to excellent customer service and remain on the lookout for new opportunities, synergies and related diversifications that can add value to our current portfolio. We will continue to build the group within our long-term strategy and will ensure that we optimize all our resources in the process. We believe that we should be in control of our own destiny and will shape our future in order for us to succeed going forward. We will strive to create exceptional wealth for all the families involved in the Nictus group and I am confident that we will thrive as one big family. We will protect our independence and strive to build a sought-after share for our stakeholder family.

We are excited about the short-term future and beyond, considering the prospects that we are currently pursuing.

I would like to give the praise and glory to our Heavenly Father for the opportunity and thank my fellow board members for the continuous support.

Yours in Creating Exceptional Wealth,



PHILIPPUS TROMP

The Board is committed to the highest standards of corporate governance as well as the integrity of the Company's annual report. We accept the challenge to seek excellence and create a culture of performance in the establishment of structures and processes to discharge our responsibilities. We oversee compliance by constantly comparing ourselves against international best practices throughout the Nictus Group ("Nictus").

The Group endorses The NamCode, the Corporate Governance Code for Namibia as required by the Namibian Stock Exchange (NSX). The board believes that it has essentially applied the principals of The Namcode throughout the financial year. We account in accordance with the International Financial Reporting Standards (IFRS), whilst an absolute compliance to the relevant Namibian legislation and the NSX Listing Requirements is enshrined in our business moral. While management has considered the reporting framework of the International Integrated Reporting Council, not all of these guidelines have been incorporated in this report. We continuously review the reporting framework and remain committed to enhance our reporting with the support of the recently established Social, Ethics and Sustainability Committee.

We acknowledge our responsibility, resulting from our fiduciary duties and duties of care, skill and diligence, to ensure that business within the Group is conducted with transparency, prudence, justice, accountability and integrity.

BOARD OF DIRECTORS

The Board has adopted the ideal future, mission and core values of Nictus and sets an example by actively pursuing to act within the ambit of its code of conduct. The ethical approach is further established with the appointment of its experienced executives, pursuing sustainable economic, social and environmental performance in a corporate responsible manner. The Board, with the assistance of management, requires all employees to sign the code of conduct and undertake to conform thereto. This creates an awareness of Nictus' moral and ethical compliance requirements amongst employees, and cultivates a culture of performance and ethical conduct. The Board believes that a strong ethical culture is key in building strong and lasting stakeholder relationships. A strong ethical culture is also crucial in developing talent internally to ensure growth and sustainability through appropriate succession planning.

With the assistance of the Company Secretary, an outsourced function to Veritas Eksekuteurskamer (Pty) Ltd, the Board gathers its own insights into the corporate governance of the Group and utilises these insights, together with reports received, to ultimately and effectively take responsibility for the corporate governance of the Group.

Strategy, risk, performance and sustainability, based on an ethical foundation, are all key matters in the integrated business plan of Nictus. These factors are examined and deliberated in detail to determine their individual and combined effects on the business and to drive a strategy that would create exceptional value for shareholders and other stakeholders alike.

Directors are required to act in the best interest of the Company at all times.

Solvency and liquidity are monitored on a daily basis and the going concern, liquidity and solvency analysis of Nictus is executed by management on an ongoing basis and evaluated by the Audit and Risk Committee. Business rescue or turnaround mechanisms would be considered by the Board should the Company or any of its subsidiaries become financially distressed.

The Chairperson of the Board is a Non-executive Director. A Lead Independent Director is appointed to support the Chairperson or act as such if the Chairperson is conflicted. The Managing Director's mandate is detailed in the business plan, which includes the framework for the delegation of authority. The Board boasts a spread of skills and a wealth of experience.

The majority of the members of the Board are non-executive, and the majority of the non-executive directors are independent. The Board is committed to facilitate a balance of authority and power and believes that, in terms of expertise and experience, an effective composition is achieved. Board decisions are rigorously deliberated and based on the consensus principle.

The appointment of Directors is a formal process, which the Remuneration and Nomination Committee oversees. The induction process is managed by the Chairperson and Managing Director with the assistance of the Company Secretary. Directors are exposed to various development programs. Nictus is committed to the appointment of suitably skilled and experienced Directors. Board members are expected to stay abreast with economic, social, statutory and environmental trends and changes within and outside of the Group to ensure appropriate and timely response to, and compliance with an ever-changing environment.

Internal evaluations of the Board, its Committees and individual Directors are conducted annually and consideration is given to outsource such evaluations as and when the Board deems necessary.

The Board is assisted in fulfilling its duties by well-structured Board Committees and a competent, suitably qualified and experienced Company Secretary. A governance framework exists between the Holding Company and its subsidiary Boards, whilst it has a healthy representation on all subsidiary Boards. Board Committees, appropriately constituted, comprise members and non-members of the Board and their authority, objectives and functions are governed by clearly defined terms of reference, mandates and charters, subject to annual revision. Board Committees report directly to the Board.

Directors and Executives are remunerated in accordance with the approved remuneration policy. Remuneration is based on a fair and responsible combination of factors, including performance, market research and incentives to ensure long-term value for the Group. Nictus' remuneration policy is contained in the annual report and tabled for shareholders' approval at the Annual General Meeting.

The composition of the Board, its Committees and attendance at meetings are summarised in the following table:

NAME	STATUS	BOARD	AUDIT AND RISK COMMITTEE @	INVESTMENT COMMITTEE %	REMUNERATION AND NOMINATION COMMITTEE
PJ de W Tromp*	Executive - Managing	6/6		2/2C	
WO Fourie	Executive - Financial	6/6		2/2√	
NC Tromp**	Non-executive	2/2		1/1C	
FR van Staden***	Executive	1/2	1/1√	2/2√	
TB Horn****	Independent Non-executive Lead Independent	6/6	4/4C		
GR de V Tromp	Non-executive Chairperson	6/6C	4/4√		2/2√
G Swart***	Independent Non-executive Lead Independent	3/3			
SW Walters*****	Independent Non-executive	3/3	3/3√		2/2C

"√" Indicates Board Committee membership, "C" indicates Board Committee Chairperson. The figures in each column indicate the number of meetings attended out of the maximum number of meetings held.

@ The Board decided during June 2021 to combine the functions of the Audit Committee and the Risk Committee into a single committee, to be known as the Audit and Risk Committee.

% The Investment Committee was dissolved by the board on 25 August 2021.

** Appointed as Chairperson of the Committee on 4 August 2021.*

*** Deceased 27 June 2021.*

**** G Swart retired, and FR van Staden resigned as directors on 1 September 2021.*

***** Appointed as Lead Independent Director effective 1 September 2021.*

****** Appointed as director, member of the Audit and Risk Committee, and Chairperson of the Remuneration and Nomination Committee on 1 August 2021.*

GOVERNANCE OF AUDIT AND RISK

Nictus has an effective Audit and Risk Committee, which meets quarterly to fulfill its duties. The performance of the Audit and Risk Committee is periodically assessed and reviewed. The Committee is chaired by a suitably skilled and experienced Independent Non-executive Director and further consists of a suitably skilled and experienced Independent Non-executive and a Non-executive Director. The external and internal auditors attend the meetings by invitation.

The Audit and Risk Committee assists the Board to fulfill its oversight and reporting responsibilities and provides oversight of the annual reporting activities to ensure the balance, transparency and integrity of the report. Nictus applies the considerations of combined assurance in an informal manner, which provides an approach to assurance activities in respect of key risks facing Nictus, with oversight by the Audit and Risk Committee. A review of the finance function is conducted by the Audit and Risk Committee annually in terms of resources, expertise and experience. The Audit and Risk Committee reviews the system of internal control and maintains effective working relationships with the Board, management, internal- and external audit.

The Audit and Risk Committee is responsible for the appointment, performance assessment and dismissal of the internal auditor, who has an open line of communication with, and unrestricted access to the Committee. Nictus has a suitably skilled and experienced in-house internal audit function, which reports administratively to the Group Managing Director, and functionally to the Chairperson of the Audit and Risk Committee. Internal audits' coverage plan is risk-based and is approved by the Audit and Risk Committee annually.

The internal audit function forms an important part of the risk management process and is considered in compiling the risk report, which is presented to the Board for further evaluation.

The Audit and Risk Committee oversees the external audit activities, including the recommendation of the appointment, the assessment of required qualifications, independence, audit approach and methodology, reporting and performance evaluation of the auditors.

The Audit and Risk Committee also has the objectives to attend to the overview and monitoring of Nictus' risk management processes. The Audit and Risk Committee reports to the Board on work undertaken in establishing and maintaining an understanding of the risks that need to be addressed and the adequacy of actions taken by management to appropriately address and mitigate such risk areas.

The Board considers and determines in conjunction with Subsidiary Boards the levels of risk tolerance as well as risk appetite during its periodic review of the Group's risk profile. This risk profile determines the ambit within which the Board allows management to take on risk-inclined projects. The Board has appointed the Audit and Risk Committee to assist in carrying out its risk responsibilities by providing oversight of Nictus' risk management activities.

The Board, assisted by the Audit and Risk Committee, has delegated the responsibility to design, implement and monitor Nictus' risk management plan to the Group risk management team.

Management performs risk assessments on a continual basis and provides regular feedback to the Audit and Risk Committee and the Board. The combined wealth of knowledge and experience of members together with the framework and risk methodology increase the probability of anticipating unpredictable risks.

Nictus' risk methodology includes the consideration and implementation of appropriate risk responses to identified risks, based on the strategic objectives of the Group.

Risk monitoring is achieved at Nictus through a combination of daily and periodic activities undertaken by management at various levels in the organisation, culminating in the activities of the Group risk management team and Audit and Risk Committee, which oversee the risk management process of Nictus.

Assurance regarding the effectiveness of the risk management process is provided by both management and internal audit to the Audit and Risk Committee and Board.

The Audit and Risk Committee reports to the Board as well as to the shareholders on how it has discharged its duties.

INFORMATION TECHNOLOGY ("IT") GOVERNANCE

The Board is responsible for IT governance. The Group's IT manager and consultants provide continuous feedback, through the Group Managing Director, to the Audit and Risk Committee and Board on IT governance matters. The Board delegated the responsibility for the implementation of an IT governance framework to the Group Managing Director. The Board monitors the application of policies established and implemented.

Nictus promotes an ethical IT governance culture and a common IT language. IT is aligned with the performance and sustainability objectives of Nictus from a safeguarding, strategic and business processes perspective. There are also processes to identify and exploit opportunities to improve performance and sustainability through the use of IT. All IT matters are referred to the Group's IT manager and consultants who advise on the most appropriate technological solutions for the Group. Decisions are taken by the Board. Post implementation audits are conducted on significant IT projects. The value delivered by the IT investment is presented by the Group Managing Director to the Audit and Risk Committee and Board. Risk management teams ensure that IT risk management is aligned with Nictus' risk management process. Feedback on IT risks, business continuity and disaster recovery are provided by the Group's IT manager and consultants through the Group Managing Director to the Audit and Risk Committee and the Board. Management follows appropriate processes to identify and comply with relevant IT laws, regulations and standards.

IT systems and processes have been developed for managing information assets effectively, including personal information. This includes information security, information management and privacy. The information security strategy has been approved by the Board and delegated to management for implementation. The Audit and Risk Committee, which assists the Board in risk management, has oversight of IT risks, IT controls and related combined assurance, including financial reporting matters.

Technology is used to continuously improve efficiency.

COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS

Nictus has a compliance culture, which supports efforts to identify and comply with applicable laws and regulations. Compliance also forms part of Nictus' code of conduct. The Board and Audit and Risk Committee are made aware of new laws and regulations or changes that effect the Group by the Company Secretary and NSX sponsors. A compliance function is implemented and the risk of non-compliance forms part of the risk management process. Material aspects of non-compliance would be disclosed in the annual report if applicable. The Company Secretary acts as legal compliance officer within the scope of his function. The function and positions of heads of legal compliance vests with the Executive Directors and Managing Directors within the Group with the assistance of the Company Secretary where applicable, while the ultimate responsibility for compliance vests with the Boards of Directors.

INTERNAL AUDIT

Nictus has an effective risk based internal audit function, with a charter approved by the Board. The in-house internal audit function has a support agreement with EY to assist in the performance of the internal audit mandate. Internal audit focuses on governance, risk management, the internal control framework, and follows a systematic approach and investigates and reports on fraud, corruption, unethical behaviour and irregularities.

Internal audit is independent and objective and its audit plan is informed by the strategy and risks of the Company and its subsidiaries. Internal audit provides a written assessment of the effectiveness of Nictus' systems of internal control and risk management, including an assessment of the financial controls, to the Audit and Risk Committee and Board. Controls and a framework for governance, risk and compliance have been established over financial, operational, compliance and sustainability matters. Internal audit is integral to the combined assurance model, both as a coordinator and assurance provider. The Audit and Risk Committee oversees the internal audit activity, including review and approval of the internal audit plan, evaluation of internal audit performance and review of reports submitted by internal audit to the Audit and Risk Committee. The Audit and Risk Committee is responsible for the appointment and dismissal of the internal auditor.

Internal audit is strategically positioned to achieve its objectives, is independent, objective and reports functionally to the Chairperson of Audit and Risk Committee and administratively to the Group Managing Director. The internal auditor has a standing invitation to all Management Committee meetings, but is however briefed on strategic and risk related developments by senior executives who do attend, and has access to minutes of meetings. The internal auditor attends Audit and Risk Committee meetings by invitation and meets frequently with senior executives. Internal audit is appropriately skilled, experienced and resourced to fulfill its mandate.

GOVERNING STAKEHOLDER RELATIONSHIPS

The anual report, as well as the Group business plan, reflects the interests of the Groups' stakeholders and key actions to maintain positive perceptions about the Group and its activities. The Board considers on a continuous basis the feedback regarding the perceptions of particular stakeholder groups. The Board has tasked management to manage stakeholder relationships, including identifying important stakeholder groups, and the developing of strategies and policies to manage these relationships effectively.

Constructive stakeholder engagement within the Group is facilitated through formal and informal mechanisms and shareholders are encouraged to attend the Company's Annual General Meeting. Nictus strives to achieve an appropriate balance between various stakeholder groups' interests and expectations, in making decisions in the best interest of the Company and ultimately its Shareholders. Nictus is committed to transparent and effective communication with all stakeholder groups. Such communication takes place through formal and informal channels and through general as well as direct communication initiatives, including community, group and individual meetings. Nictus endeavours to resolve disputes in an effective and efficient manner, through formal and informal processes and management action.

ANNUAL REPORTING AND DISCLOSURE

The Board, assisted by the Audit and Risk Committee and management, has established appropriate controls and processes to gather, review and report adequate information regarding Nictus' financial- and sustainability performance in the annual report.

BOARD COMMITTEES

The Board has established committees, which operate within approved mandates or charters, to assist it to fulfill its duties.

The Board committees are as follows:

- **Audit and Risk Committee**

The Audit and Risk Committee consists of two Independent Non-executive Directors and a Non-executive Director, and discharges its duties as set out in its Charter. The Audit and Risk Committee attends to the overview and monitoring of the Groups' risk management process by reviewing and assessing the effectiveness of risk management and control processes within the Group. The Committee reports its findings to the Board. Extensive risk identifying procedures are followed, with input from all operational subsidiaries, to identify, quantify and manage business-threatening risks. The Audit and Risk Committee compiles the risk management report, which is presented to the Board for evaluation and to determine the adequacy of risk controls. The Committee meets quarterly.

The external and internal auditors attend the meeting by invitation and have unrestricted access to the Chairperson and members of the Audit and Risk Committee.

- **Remuneration and Nomination Committee**

The role of the Remuneration and Nomination Committee is to determine and monitor strategy and policy in relation to terms and conditions of engagement (including remuneration), in order to attract and retain those people that will support and contribute to achieving the Nictus Group's required results and performance. The Committee is responsible for the nomination function, with one of its primary purposes being to support and advise the Board in fulfilling its responsibilities to Shareholders in ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of Directors, having regard to the law and the highest standards of Corporate Governance.

The Committee is responsible, among other things, for ensuring that the Board selection processes effectively implement the requirements of the Board Charter. The Committee meets at least bi-annually, and is chaired by a Non-executive Director, and further consists of an Independent Non-executive Director.

- **Social, Ethics and Sustainability Committee**

The Social, Ethics and Sustainability Committee was established by the Board, effective 1 July 2022.The Committee meets at least bi-annually, and is chaired by an Independent Non-executive Director, and further consists of an Executive Director and a member of Senior Management of the Company. The responsibilities of the Social, Ethics and Sustainability Committee are:

- To oversee and report on organisational ethics;
- To provide guidance on and monitor the responsible corporate citizenship of the Group;
- To provide guidance and advice on sustainability trends and issues relevant to the Group;
- To monitor stakeholder relationships and ensure that stakeholders are treated fairly;
- To monitor and make recommendations on the Group's impact on the environment, health and public safety, and the general impact of the Group's activities and of its products or services, its carbon footprint and compliance with environmental regulations; and
- To monitor and make recommendations to the Board on the appropriate risk management framework to properly capture and address environmental and social risks in line with the Group's broader strategic goals.

AUDIT AND RISK CHAIRPERSON'S REPORT

The Audit and Risk Committee oversees the Company's financial and assurance reporting process on behalf of the Board of Directors. The Committee comprise of various members with extensive financial expertise. The Company's management has the primary responsibility for the financial statements, for maintaining effective internal control over financial reporting, and for assessing the effectiveness of internal control over financial reporting. In fulfilling its oversight responsibilities, the Committee reviewed and discussed the audited consolidated and separate financial statements and the related schedules in the Annual Report with Company management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Committee is governed by a charter. A copy of the charter is available at the Company's registered office. During the period the Audit Committee was reconstituted as the Audit and Risk Committee. The revised charter was adopted on 26 November 2021. The Committee held four meetings during the 15 months ended 30 June 2022. The Committee is comprised of three directors. The Chairperson is an independent non-executive director.

The meetings of the Committee are designed to facilitate and encourage communication among the Committee, the Company, the Company's internal audit function and the Company's independent auditor. The Committee discussed with the Company's internal auditors and independent auditor, the overall scope and plans for their respective audits.

The Committee meets with the internal auditors and the independent auditor, with and without management present if required, to discuss the results of their examinations, their evaluations of the Company's internal control, including internal control over financial reporting, and the overall quality of the Company's financial reporting.

The Audit and Risk Committee recognizes the importance of maintaining the independence of the Company's independent auditor, both in fact and appearance. Each year, the Committee evaluates the qualifications, performance and independence of the Company's independent auditor, including audit partner rotation, and determines whether to re-engage the current independent auditor. In doing so, the Audit and Risk Committee considers the quality and efficiency of the services provided by the auditors, the auditors' capabilities and the auditors' technical expertise and knowledge of the Company's operations and industry.

Based on this evaluation, the Audit and Risk Committee has retained SGA as the Company's independent auditor for 2023. SGA has been the independent auditor for the Company since listing on the Namibia Stock Exchange in 2012. Rotation of audit partners occur every seven years.

The Audit and Risk Committee will continue to recommend that the Board ask the shareholders, at the Annual Meeting, to ratify the appointment of the independent auditors.

The Committee reviewed with the independent auditor, who is responsible for expressing an opinion on the conformity of the audited consolidated and separate financial statements and related schedules with International Financial Reporting Standards, its judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Committee.

In addition, the Committee has discussed with the independent auditor their independence from Company management and the Company, their internal and external audit quality assurance processes, and considered the compatibility of non-audit services with the independent auditor's independence. The Audit and Risk Committee discussed the control assurance statement with the internal auditor.

The Committee also reviewed and discussed together with management and the independent auditor the Company's audited consolidated and separate financial statements for the period ended 30 June 2022 and the results of management's assessment of the effectiveness of the Company's internal control over financial reporting. The Committee discussed with management and the independent auditor material weaknesses and significant deficiencies identified during the course of the assessment and the audit and management's plan to remediate those control deficiencies.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors, and the Board has approved, the audited consolidated and separate financial statements for the period ended 30 June 2022.

The Committee conclude that we are satisfied we complied with our responsibilities as set out in the Audit and Risk Committee charter.

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The Group's remuneration policy reflects the recommendations of the NamCode. It aims to attract and retain those people that will support and contribute to achieving the Group's results and performance.

The policy, philosophy and strategy are encapsulated in the following:

Remuneration should:

- contribute towards attracting and retaining motivated and loyal staff;
- reflect a direct correlation with the vision and results of the Group;
- be reviewed and benchmarked annually;
- support the strategy of the Group; and
- reward performance and motivate staff.

STRUCTURE OF EXECUTIVE REMUNERATION

Total cost-to-company forms the basis of the remuneration package for senior management and executive directors. The package consists of a cash component and benefits. Remuneration is linked to challenging long- and short-term financial and non-financial performance and sustainable profits attributable to shareholders.

- Long-term incentive remuneration aims to retain employees and to motivate them to meet required performance levels over a rolling three-year period; and
- Short-term incentive remuneration aims to motivate employees to meet required performance levels during the year in terms of guidelines established by the Board.

The packages are reviewed and benchmarked against independent comparable market research in order to also recognise a differentiation between high-, average- and under-performers.

The total remuneration package evaluation is undertaken annually.

INCENTIVE BONUS PLAN

The executive directors and senior management participate in an incentive bonus plan, which is based on the achievement of predetermined targets. These are based on targets set in each specific segment in order to achieve the Group's targets.

RETIREMENT BENEFITS

A total cost-to-company approach to remuneration packages is followed and no retirement benefits are offered by the Group. Employees are encouraged to make provision for retirement and assistance is offered where the need arises.

EXECUTIVE SERVICE CONTRACTS

Executive directors have consultation agreements with current notice periods of 90 days. The current retirement age is set at 60 years. No contractual entitlements on termination of employment exist, but compliance to the relevant labour acts is ensured.

SUCCESSION PLANNING

The board continuously review the position throughout the Group and is informed of senior level requirements.

The objective is to ensure continuity is provided, to develop a pool of individuals with potential and to cater for development and future placement. Succession planning at Board level is undertaken by the Remuneration and Nomination Committee.

BOARD EVALUATION PROCESS

A participative internal evaluation of the Boards' performance and the structural environment is undertaken annually.

Overall, the Board was considered to be balanced and effective. In spite of continuous progress made during the year under review, there will always remain areas for improvement.

NON-EXECUTIVE DIRECTORS

Non-executive directors are expected to perform the tasks and duties normally associated with the position of a non-executive director as defined in the Companies Act, the NamCode and articles of association of the Company. The Board and each committee has a charter, which sets out the responsibilities of the Board and the respective sub-committees.

Non-executive directors are expected to provide leadership, expertise and knowledge on strategy and business and contribute to the planning of the Group. Non-executive directors are compensated based on their contribution to the Group and are remunerated for their services as Directors and Board committees.

Annual fees payable to non-executive directors subsequent to the Annual General Meeting, as considered and recommended by the Board, are to be approved by the shareholders on 2 December 2022.

The detailed remuneration paid to directors is set out in Note 40 of the annual report.

GROUP VALUE ADDED STATEMENT

The value added statement shows the total wealth created, how it was distributed to meet certain obligations and reward those responsible for its creation, and the portion retained for the continued operation and expansion of the group.

	2022	2021
	N$ '000	N$ '000
Value Added		
Value added by operating activities		
Revenue	920,865	656,647
Cost of materials and services	(790,172)	(559,730)
Other income	25,446	7,866
Investment income from operations	24,919	16,732
	181,058	**121,515**
Value Distributed		
To Pay Employees		
Salaries, wages, medical and other benefits	101,685	74,092
	101,685	**74,092**
To Pay Providers of Capital		
Finance costs	6,778	4,864
Dividends paid	9,619	6,413
	16,397	**11,277**
To Pay Government		
Current tax	-	26
	-	**26**
To be retained in the business for expansion and future wealth creation:		
Value reinvested		
Depreciation, amortisation and impairments	11,550	8,527
Deferred tax	8,592	9,445
	20,142	**17,972**
Value retained		
Retained profit	42,834	18,148
	42,834	**18,148**
Total Value Distributed	**181,058**	**121,515**

Value added represents the additional wealth which the group has been able to create by its own and employee efforts.

	2022	2021
Direct and indirect taxes		
Value Added Tax (net payment)	33,704	13,398
Import VAT paid	71,163	45,841
Pay As You Earn	17,833	12,384
Non Resident Shareholders Tax	105,170	71,284
	227,870	**142,907**

Contents

EXCELLENCE

EXCEPTIONAL WEALTH CREATOR

The directors are required in terms of the Companies Act of Namibia to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the Group And Company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and Company and all employees are required to maintain the highest ethical standards in ensuring the Group and Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group and Company is on identifying, assessing, managing and monitoring all known forms of risk across the Group and Company. While operating risk cannot be fully eliminated, the Group and Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group and Company's cash flow forecast for the year to 30 June 2023 and, in light of this review and the current financial position, they are satisfied that the Group and Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the Group's external auditors and their report is presented on page 24 to 26.

The consolidated and separate annual financial statements set out on pages 27 to 94, which have been prepared on the going concern basis, were approved by the board on 20 September 2022 and were signed on their behalf by:

PJ DE W TROMP

TB HORN

SGA CHARTERED ACCOUNTANTS & AUDITORS

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PRACTICE NUMBER 9417

To the shareholders of Nictus Holdings Limited

Opinion

We have audited the consolidated and separate annual financial statements of Nictus Holdings Ltd and its subsidiaries set out on pages 27 to 94, which comprise the directors' report, the statement of financial position as at 30 June 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the consolidated and separate annual financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2022, and its financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate annual financial statements section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, which required significant auditor attention in performing the audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED DURING THE AUDIT
Recognition of revenue, completeness, occurrence and accuracy Insurance revenues, which are recognised in the annual financial statements of a subsidiary and the consolidated financial statements, are material and comprise of net insurance premiums received and renewal premiums received. There are accounts such as cancellations and downward endorsements that also influence revenue as disclosed in the financial statements. Due to the complexity of the composition of insurance revenue, it is considered a key audit matter.	During the audit we determined the accuracy, completeness and occurrence of revenue through extensive substantive testing and various analytical procedures. The accuracy, completeness and occurrence of revenue were satisfactorily tested.
Completeness and valuation of Insurance contract provisions Insurance contract provisions are some of the contra entries to revenue received and are also considered a key audit matter. The net liability recognised for insurance contracts is tested by management for adequacy by discounting current estimates of all future contractual cash flow and comparing this amount to the carrying value of the liability.	The accuracy and completeness of insurance contract provisions were satisfactorily tested through extensive substantive testing.
Valuation of properties Properties comprise a significant portion of the value of the assets of the group. The properties are classified as investment property in the individual company's annual financial statements and as owner-occupied in the consolidated financial statements. The directors annually perform a valuation of the property portfolio according to an approved valuation model where the following is considered: • Valuations from external qualified valuator; • Estimated rental values; • Replacement values; • Market yields; • Going concern; • Growth anticipation; The directors' calculation of the value of each property is determined as a combination of the replacement value and estimated rental value.	The accuracy of the property valuations was satisfactorily tested through extensive substantive testing with focus on market related information. We tested the inputs and assumptions used by management in the property valuations in order to ensure the reasonability thereof.

<table>
<tr><th>KEY AUDIT MATTER</th><th>HOW THE MATTER WAS ADDRESSED DURING THE AUDIT</th></tr>
<tr><td>Recoverability assessment of trade receivables

Trade receivables of the Group comprise mainly receivables in relation to the Group's (i) trading business regarding the sale of furniture, vehicles, tyres and spare parts, and (ii) insurance contracts.

The challenges in the economy and operating environment in the country during the past year have increased the risks of default on receivables from the Group's customers. In particular, in the event of insolvency of customers, the Group is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.

The recoverable amount of trade receivables was estimated by management based on their specific recoverability assessment on individual debtors with reference to the aging profile, historical payment pattern and the past record of default of the customer. Management makes specific provision against individual balances with reference to the recoverable amount.

For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables are required for the identification of impairment events and the determination of the impairment charge.</td><td>Tested the accuracy and reliability of ageing of trade receivables at year end on a sample basis;

• Obtained a list of outstanding receivables and identified any debtors with possible default events such as financial difficulty, through discussion with management;

• Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and considering if any additional provision should be made in light of contingency policies in place, where applicable;

• Tested subsequent settlement if any, of trade receivables after the reporting date on a sample basis;

• For all trade receivables for which no settlement was received subsequent to year end, ensured existence of these trade receivables by agreeing those trade receivables to signed contracts, invoices, agreements or other documentation that is considered relevant; and

• Ensured that the requirements of IFRS 9 with respect to trade receivables have been considered and correctly applied.

We found the key judgements and assumptions used by management in the recoverability assessment of trade receivables, to be supported based on the available evidence.</td></tr>
</table>

Other information

The directors are responsible for the other information. The other information comprises the Five Year Financial Review and Value Added Statement as set out on pages 6 and 21 which we obtained prior to the date of this report. Other information does not include the consolidated and separate annual financial statements and our auditor's report thereon. Our opinion on the consolidated and separate annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate annual 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 the directors for the Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate annual financial statements, the directors are responsible for assessing the group and the company'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 the directors either intend to liquidate the group and/or the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate annual 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 International Standards on Auditing 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 consolidated and separate annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate annual 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 or the company's 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 or the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 and company'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 consolidated and separate annual 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and the business activities within the group to express an opinion on the consolidated and separate annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate annual financial statements of the current period and are therefore the key 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.

SGA

Registered Accountants and Auditors
Chartered Accountants (Namibia)

SgA

Per: C Matthee
Partner

Windhoek, Namibia
21 September 2022

Partners: C. Matthee (Managing Partner) - P.O. Jacobs - A.J. Esterhuizen - R. Cloete - Y.E. Kruger - E. Geertsema

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Nictus Holdings Limited for the period ended 30 June 2022.

1. Nature of business

Nictus Holdings Limited is an investment entity incorporated in Namibia with interests in the retail, property as well as insurance and finance industries. The Group operates in Namibia.

There have been no material changes to the nature of the Group's business from the prior period.

2. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year, except for the adoption of new or revised accounting standards as set out in the notes.

The Group recorded a net profit after tax for the period ended 30 June 2022 of N$42,8 million. This represented an increase of 136% from the net profit after tax of the prior period of N$18,1million.

Group revenue increased by 40% from N$656,6 million in the prior period to N$920,9 million for the period ended 30 June 2022.

The Group's assets increased by 13% from N$1,9 billion the prior year to N$2,1 billion at 30 June 2022. The increase in the Group's assets is mainly due to the better returns from investments during the current financial period.

The Company recorded revenue for the year of N$57,3 million (2021: N$62,7 million). This represents an decrease of 9%.

The Company's assets decreased by 15% from N$322,2 million the prior year to N$274,4 million at 30 June 2022.

3. Change of year end

The board of directors has approved that Nictus Holdings Limited and its subsidiaries change their year ends from 31 March to 30 June. The period ending 30 June 2022 will be the first reporting period that will be affected by this decision. This has resulted in a 15 month reporting period from 1 April 2021 to 30 June 2022.

4. Interests in subsidiaries

Details of material interests in subsidiary companies are presented in the consolidated and separate annual financial statements in note 7.

The interest of the Group in the profits and losses of its subsidiaries for the period ended 30 June 2022 are as follows:

	2022 N$ '000	2021 N$ '000
Subsidiaries		
Total profits before income tax	57,645	54,618

The Group acquired 100% interest in Glasfit Namibia (Pty) Ltd during the current period. The main purpose of Glasfit Namibia (Pty) Ltd is for fitment of windscreen glass replacements to customers with the expectation that the company will become fully operational in the new financial year.

5. Segmental analysis

A detailed segmental analysis is included in note 42 of the annual financial statements.

6. Directorate

The directors in office at the date of this report are as follows:

Directors	Designation	Nationality
GR de V Tromp	Non-Executive Chairman	Namibian
TB Horn	Independent Non-Executive Lead Director	Namibian
PJ de W Tromp	Managing Director	Namibian
WO Fourie	Financial Director	Namibian
SW Walters	Independent Non-Executive	Namibian

NC Tromp passed away on 27 June 2021.

The following directors were re-elected at the Annual General Meeting on 25 August 2021 – TB Horn and WO Fourie.

TB Horn and GR de V Tromp were re-elected as members of the Audit and Risk Committee. TB Horn was appointed as Chairperson of the Audit and Risk Committee with effect from 25 August 2021.

SW Walters was appointed as independent non-executive director, member of the Audit and Risk Committee and Remuneration and Nomination Committee respectively, with effect from 1 August 2021.

FR van Staden resigned and G Swart retired as directors of the Board on 1 September 2021. TB Horn was appointed as lead independent director effective 1 September 2021.

7. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial period. At its discretion, the board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board may decide not to pay dividends.

Ordinary dividends of 18 cents per share (N$ 9,6 million) were declared and paid by the Company on 26 July 2021.

Final dividend of 26 cents per share (N$ 13,9 million) was approved by the board on 20 September 2022 in respect of the period ended 30 June 2022. The dividend will be declared out of retained earnings. The dividend has not been provided for and there are no accounting implications for the current financial period.

Last date to trade ordinary shares"cum" dividend	21 October 2022
Ordinary shares trade "ex" dividend	24 October 2022
Record date	28 October 2022
Payment / issue date	31 October 2022

Share certificates may not be dematerialised between Monday 24 October 2022 and Friday 28 October 2022, both days inclusive.

The non-resident shareholders tax varies according to applicable legislation.

8. Stated capital

There have been no changes to the authorised or issued share capital during the period under review. The board of directors are authorised by way of a general authority to allot and issue at their discretion to 15% of the authorised but unissued ordinary shares until the next annual general meeting of the shareholders of Nictus Holdings Limited.

9. Shareholding and Management of the Group

Public and non-public shareholding	Number of shareholdings	%	Number of shares	%
Non-public shareholders: Directors and associates	10	1.69	35,338,418	66.12
Non-public shareholders: Strategic holdings (more than 5%)	2	0.34	8,025,455	15.02
Public shareholders	581	97.97	10,079,627	18.86
	593	**100.00**	**53,443,500**	**100.00**

Distribution of shareholders per category	Number of shareholdings	%	Number of shares	%
Banks, Brokers, Nominees and Trusts	44	7.42	26,529,095	49.64
Close Corporations	4	0.68	106,402	0.20
Individuals	514	86.68	4,198,173	7.86
Insurance company	2	0.34	491,172	0.92
Other corporations	7	1.18	231,534	0.43
Private companies	19	3.20	21,449,309	40.13
Public companies	3	0.50	437,815	0.82
	593	**100.00**	**53,443,500**	**100.00**

Shareholders with an interest above 5% of issued share capital	Number of shares	%
KCB Trust	2,825,455	5.29
Landswyd Beleggings (Pty) Ltd	17,896,394	33.49
MRT Trust	5,200,000	9.73
Nico Tromp Trust	5,625,000	10.53
Saffier Trust	5,625,000	10.53
	37,171,849	**69.57**

Director's interest in share capital	Number of shares	%
Directors' indirect interest		
PJ de W Tromp and GR de V Tromp*	33,528,371	62.74
WO Fourie	1,801,046	3.37
	35,329,417	**66.11**

* Including, but not limited to investments in or via Trusts.

The register of interests of directors and others in shares of the company is available to the shareholders on request. There have been no changes in beneficial interests that occurred between the end of the reporting period and the date of this report.

Management of the Group

Various agreements have been executed with entities in which Messrs PJ de W Tromp (Nature Unlimited Consultations (Pty) Ltd) and WO Fourie (Haida Investments (Pty) Ltd) have material interest, which supply consulting and managerial services.

10. Litigation statement

The Group becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The Group is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

11. Auditors

At the annual general meeting, the shareholders will be requested to reappoint SGA Chartered Accountants & Auditors as the independent external auditors of the Company and to confirm Mrs C Matthee as the designated lead audit partner for the 2023 financial year.

12. Secretary

The company secretary is Veritas Eksekuteurskamer (Pty) Ltd.

Postal address:	PO Box 755 Windhoek Namibia
Business address:	1st Floor Nictus Building 140 Mandume Ndemufayu Avenue Windhoek Namibia

13. Going concern

The directors believe that the Group and Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated and separate annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group and Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Group and Company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group and Company.

14. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

15. Date of authorisation for issue of financial statements

The consolidated and separate annual financial statements have been authorised for issue by the directors on 20 September 2022. No authority was given to anyone to amend the consolidated and separate annual financial statements after the date of issue.

STATEMENT OF FINANCIAL POSITION

Figures in Namibia Dollar Thousand	Note(s)	Group 30 June 2022	Group 31 March 2021	Company 30 June 2022	Company 31 March 2021
Assets					
Non-Current Assets					
Property, plant and equipment	3	330,802	343,819	1,783	2,923
Right-of-use assets	4	5,206	4,810	-	9,589
Investment property	5	43,482	43,642	8,840	9,000
Intangible assets	6	3,379	4,707	1,453	1,530
Investments in subsidiaries	7	-	-	185,590	193,545
Trade and other receivables	8	45,145	31,652	-	-
Investments at fair value	9	63,692	24,048	271	245
Loans and receivables	10	552,845	365,891	-	-
Deferred tax	11	12,350	10,693	4,902	4,902
		1,056,901	**829,262**	**202,839**	**221,734**
Current Assets					
Inventories	12	129,079	110,962	-	-
Loans to group companies	13	-	-	69,037	98,400
Trade and other receivables	8	262,840	183,615	1,808	1,578
Investments at fair value	9	12,163	2,413	-	-
Loans and receivables	10	138,159	190,409	-	-
Reinsurance asset	14	202,885	193,698	-	-
Other financial assets	15	-	-	486	356
Cash and cash equivalents	16	295,221	345,152	220	151
		1,040,347	**1,026,249**	**71,551**	**100,485**
Total Assets		**2,097,248**	**1,855,511**	**274,390**	**322,219**
Equity and Liabilities					
Equity					
Stated capital	17	129	129	129	129
Reserves		67,203	74,399	-	-
Retained income		133,331	104,942	122,483	131,572
		200,663	**179,470**	**122,612**	**131,701**
Liabilities					
Non-Current Liabilities					
Interest bearing loans and borrowings	20	19,611	100,298	-	-
Finance lease liabilities	4	3,003	2,588	-	6,628
Deferred tax	11	49,177	39,470	-	-
		71,791	**142,356**	**-**	**6,628**
Current Liabilities					
Trade and other payables	21	108,802	63,627	2,015	6,336
Loans from related parties	22	-	-	122,164	147,222
Interest bearing loans and borrowings	20	28,586	34,761	27,599	27,371
Finance lease liabilities	4	2,434	2,494	-	2,961
Provisions	23	20	71	-	-
Insurance contract liability	24	1,684,952	1,432,732	-	-
		1,824,794	**1,533,685**	**151,778**	**183,890**
Total Liabilities		**1,896,585**	**1,676,041**	**151,778**	**190,518**
Total Equity and Liabilities		**2,097,248**	**1,855,511**	**274,390**	**322,219**

		Group		Company	
Figures in Namibia Dollar Thousand	Note(s)	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021
Revenue		862,732	617,234	57,268	62,652
Effective interest income		58,133	39,413	-	-
Total revenue	25	**920,865**	**656,647**	**57,268**	**62,652**
Cost of sales	26	(649,015)	(475,259)	-	-
Gross profit		**271,850**	**181,388**	**57,268**	**62,652**
Other operating income	27	25,446	7,866	348	298
Other operating (losses) / gains	28	(9,674)	(40)	(7,859)	2,751
Investment income from operations	29	24,919	16,732	-	-
Administrative expenses		(52,675)	(34,308)	(12,893)	(9,897)
Operating expenses		(204,319)	(141,649)	(25,362)	(31,286)
Operating profit	32	**55,547**	**29,989**	**11,502**	**24,518**
Investment income	29	2,657	2,495	72	47
Finance costs	33	(6,778)	(4,864)	(11,218)	(8,813)
Profit before taxation		**51,426**	**27,620**	**356**	**15,752**
Taxation	34	(8,592)	(9,472)	-	-
Profit for the period		**42,834**	**18,148**	**356**	**15,752**
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Revaluation and impairment of land and buildings		(12,738)	-	-	-
Taxation relating to revaluation and impairment of land and buildings		542	-	-	-
Other comprehensive income for the period net of taxation		**(12,196)**	**-**	**-**	**-**
Total comprehensive income for the period		**30,638**	**18,148**	**356**	**15,752**
Earnings per share					
Per share information					
Basic earnings per share (c)	43	81.65	34.59	-	-
Basic and diluted earnings per share - before treasury share adjustment (c)	43	80.15	33.96	-	-

STATEMENT OF CHANGES IN EQUITY

Figures in Namibia Dollar Thousand	Stated capital	Revaluation reserve	Insurance contingency reserve	Total reserves	Retained income	Total equity
Group						
Balance at 01 April 2020	**129**	**58,848**	**15,551**	**74,399**	**93,031**	**167,559**
Profit for the year	-	-	-	-	18,148	18,148
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**18,148**	**18,148**
Prescribed dividends	-	-	-	-	176	176
Dividends paid	-	-	-	-	(6,413)	(6,413)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**(6,237)**	**(6,237)**
Balance at 01 April 2021	**129**	**58,848**	**15,551**	**74,399**	**104,942**	**179,470**
Profit for the period	-	-	-	-	42,834	42,834
Other comprehensive income	-	(12,196)	-	(12,196)	-	(12,196)
Total comprehensive income for the period	**-**	**(12,196)**	**-**	**(12,196)**	**42,834**	**30,638**
Transfer to contingency reserve	-	-	5,000	5,000	(5,000)	-
Prescribed dividends	-	-	-	-	174	174
Dividends paid	-	-	-	-	(9,619)	(9,619)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**5,000**	**5,000**	**(14,445)**	**(9,445)**
Balance at 30 June 2022	**129**	**46,652**	**20,551**	**67,203**	**133,331**	**200,663**
Note(s)	17	18	19			

Figures in Namibia Dollar Thousand	Stated capital	Revaluation reserve	Insurance contingency reserve	Total reserves	Retained income	Total equity
Company						
Balance at 01 April 2020	**129**	**-**	**-**	**-**	**122,057**	**122,186**
Profit for the year	-	-	-	-	15,752	15,752
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**15,752**	**15,752**
Prescribed dividends	-	-	-	-	176	176
Dividends paid	-	-	-	-	(6,413)	(6,413)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**(6,237)**	**(6,237)**
Balance at 01 April 2021	**129**	**-**	**-**	**-**	**131,572**	**131,701**
Profit for the period	-	-	-	-	356	356
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**356**	**356**
Prescribed dividends	-	-	-	-	174	174
Dividends paid	-	-	-	-	(9,619)	(9,619)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**-**	**-**	**-**	**(9,445)**	**(9,445)**
Balance at 30 June 2022	**129**	**-**	**-**	**-**	**122,483**	**122,612**
Note(s)	17	18	19			

		Group		Company	
Figures in Namibia Dollar Thousand	Note(s)	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021
Cash flows from operating activities					
Cash generated from / (used in) operations	35	110,197	(96,110)	20,009	27,003
Investment income		2,657	2,495	72	47
Finance costs		(6,315)	(4,376)	(10,597)	(8,813)
Tax paid	36	-	(26)	-	-
Net cash from operating activities		**106,539**	**(98,017)**	**9,484**	**18,237**
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(16,638)	(2,978)	(167)	(819)
Sale of property, plant and equipment	3	1,370	1,467	19	-
Purchase of other intangible assets	6	(752)	(3,197)	(447)	(221)
Sale of other intangible assets	6	3	-	-	-
Purchase of investment in subsidiary	44	(1)	-	(1)	-
Movement in investments in subsidiaries	7	-	-	-	(46,200)
(Purchase) / sale of investments at fair value		(49,394)	(10,775)	(26)	23
Movement in loans and receivables		9,072	3,050	-	-
Movement in other financial assets		-	-	(130)	(356)
Net cash from investing activities		**(56,340)**	**(12,433)**	**(752)**	**(47,573)**
Cash flows from financing activities					
Proceeds from / (repayments of) loans to related parties		-	-	29,363	(6,771)
(Repayment of) / proceeds from loans from related parties	37	-	-	(25,058)	36,689
(Repayment of) / proceeds from borrowings	37	(86,862)	(8,645)	228	5,782
Payment on lease liabilities	37	(3,649)	(3,009)	(3,577)	-
Dividends paid	38	(9,619)	(6,413)	(9,619)	(6,413)
Net cash from financing activities		**(100,130)**	**(18,067)**	**(8,663)**	**29,287**
Total cash movement for the period		**(49,931)**	**(128,517)**	**69**	**(49)**
Cash at the beginning of the period		345,152	473,669	151	200
Total cash at end of the period	16	**295,221**	**345,152**	**220**	**151**

Corporate information

Nictus Holdings Limited (the Company) is a public company incorporated and domiciled in Namibia. The annual financial statements for the period ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the Group).

1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below.

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and the Companies Act of Namibia.

The annual financial statements have been prepared on the historic cost convention, except for the following material items in the statement of financial position:
- the measurement of land and buildings held for administrative purposes are stated at revalued amounts;
- financial instruments classified at fair value through profit or loss are stated at fair value;
- unlisted investments are measured at fair value.

They are presented in Namibia Dollars, which is the Group and Company's functional currency.

These accounting policies are consistent with the previous period, other than new standards and interpretations adopted and descriped in note 2.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of consolidated and separate annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The Group assesses its loans and receivables for impairment at the end of each reporting period. The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset. In making these assumptions and selecting the inputs to the impairment calculation, the Group's past history, existing market conditions as well as forward looking estimates are considered at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Allowance for slow moving, damaged and obsolete inventory

The Group assesses its inventory for impairment at each reporting date.

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

Allowance for slow moving, damaged and obsolete inventory is included in the inventory balance at the reporting date.

1.2 Significant judgements and sources of estimation uncertainty (continued)

Fair value adjustment of investment properties and land and buildings

The Group's board of directors value the Group's investment property portfolio on an annual basis. The fair values are based on valuations and other market information that take into consideration the estimated rental value (40%) and replacement value (60%) of the property. A market yield (9%-10%) is applied to the estimated rental value to arrive at the gross property valuation. Should any of the assumptions used in the valuation calculation change, it could have a material impact on the results of the Group. Investment properties and land and buildings are classified as level 2 in terms of the fair value hierarchy.

Impairment testing

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Residual values and useful lives of property, plant and equipment and intangible assets

The residual value of items of property, plant and equipment and intangible assets is the estimated amount for which the item could be exchanged at the end of its useful life between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period, based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Expected manner of realisation of deferred tax

Deferred tax is provided for on the fair value adjustments of investment properties based on the expected manner of recovery, i.e. sale or use. This manner of recovery affects the rate used to determine the deferred tax liability. Refer Note 11 – Deferred tax.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income.

Loans and receivables

The Group assesses its loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial instruments for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

1.3 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the Company.

The Group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in subsidiaries in the separate financial statements

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Revaluations are performed annually by the board of directors. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to retained earnings.

Any movement in an asset’s carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity to the extent of any credit balance existing in the revaluation reserve i.r.o. that asset.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	50 years
Plant and machinery	Straight line	3 to 20 years
Motor vehicles	Straight line	2-10 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.4 Property, plant and equipment (continued)

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal.

1.5 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably. Investment property is property held to earn rental income or for strategic purposes or for both, but not for sale in the ordinary course of business, use in production or supply of goods or for administration purposes.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

1.6 Intangible assets

An intangible asset is recognised when:
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period, method, useful lives and residual values for intangible assets are reviewed at each reporting date and adjusted if appropriate.

Amortisation is provided to write down the intangible assets , on a straight line basis, to their residual values as follows:

Item	**Useful life**
Computer software	3 years
Distribution rights	5 years

1.7 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Group, as applicable, are as follows:

Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss.

Financial assets which are debt instruments:
- Amortised cost; or
- Mandatorily at fair value through profit or loss; or
- Designated at fair value through profit or loss.

Financial liabilities:
- Amortised cost; or
- Mandatorily at fair value through profit or loss; or
- Designated at fair value through profit or loss.

Note 41 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

1.7 Financial instruments (continued)

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Investments in debt and equity instruments

Classification

Investments in equity instruments are presented in note 9. They are classified as mandatorily at fair value through profit or loss. As an exception to this classification, the Group may make an irrevocable election, on an instrument by instrument basis, and on initial recognition, to designate certain investments in equity instruments as at fair value through other comprehensive income.

Recognition and measurement

Investments in debt and equity instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

Fair value gains or losses recognised on investments at fair value through profit or loss are included in other operating gains / (losses) (note 28).

Dividends received on equity investments are recognised in profit or loss when the Group's right to received the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in investment income (note 29).

Interest received on debt instruments at fair value through profit or loss are included in investment income (note 29).

Impairment

Investments in equity instruments are not subject to impairment provisions.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents (note 16) are stated at carrying amount which is deemed to be fair value.

1.7 Financial instruments (continued)

Loans receivable and trade and other receivables

Classification

Loans to related parties (note 13), loans and receivables (note 10) and trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 8).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on these financial instruments.

Recognition and measurement

Loans receivable as well as trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 29).

The application of the effective interest method to calculate interest income on the loan or trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the loan or trade and other receivable, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

Impairment

The Group recognises a loss allowance for expected credit losses on loans and trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, then the loss allowance is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, the Group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a receivable being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a receivable or group of receivables has increased significantly since initial recognition, the Group compares the risk of a default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a receivable is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

1.7 Financial instruments (continued)

By contrast, if a receivable is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

For purposes of internal credit risk management purposes, the Group consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Group considers that default has occurred when a receivable is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 8.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in depreciation, amortisation and impairment expenses in profit or loss as a movement in credit loss allowance (note 32).

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each Group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa versa.

Write off policy

The Group writes off a loan or group of receivables when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables and loans written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 8) and the financial instruments and risk management note (note 41).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

1.7 Financial instruments (continued)

Borrowings, loans from related parties and trade payables

Classification

Loans from group companies (note 22), interest bearing loans and borrowings (note 20) as well as trade and other payables (note 21), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

These financial liabilities are recognised when the Group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Borrowings and trade payables expose the Group to liquidity risk and possibly to interest rate risk. Refer to note 41 for details of risk exposure and management thereof.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Reclassification

Financial assets

The Group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

Fair value hierarchy

For financial instruments recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measure using the unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

The fair values of quoted investments are based on current quoted closing prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

1.8 Income tax and deferred tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses, tax credits and deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised for all taxable temporary differences.

1.9 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense (note 32) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the Group has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the Group is a lessee are presented in note 4 Leases (Group as lessee).

Lease liability

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Group under residual value guarantees;
- the exercise price of purchase options, if the Group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 32).

The lease liability is presented as a separate line item on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 33).

1.9 Leases (continued)

The Group remeasures the lease liability, when applicable, in accordance with the following table:

Lease liability remeasurement scenario	Lease liability remeasurement methodology
Change to the lease term.	- discounting the revised lease payments using a revised discount rate.
Change in the assessment of whether the group will exercise a purchase, termination or extension option.	- discounting the revised lease payments using a revised discount rate.
Change to the lease payments as a result of a change in an index or a rate.	- discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
Change in expected payment under a residual value guarantee.	- discounting the revised lease payments using the initial discount rate.
Lease contract has been modified and the lease modification is not accounted for as a separate lease.	- discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.9 Leases (continued)

Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits form the use of the underlying asset are diminished. Operating lease income is included in revenue (note 25).

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

1.10 Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories relating to the furniture and motor retail businesses are determined on the first-in-first-out basis. Inventories relating to the tyre and glass fitment business is determined on the weighted average cost basis.

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Work-in-progress comprises of costs incurred during the service and repairs of vehicles and the work is not yet completed. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

Included in inventory, is the asset that represents the group's right to receive goods back from the customer, where a customer is entitled to a right of return. The assets is initially measured at the carrying amount of the goods at the time of sales, less an expected costs to recover the goods and any expected reduction in value. The return asset represented separately from the refund liability. The amount recorded as an asset is updated whenever the refund liability changes and for other changes in circumstances that might suggest an impairment of the asset.

1.11 Stated capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary no par value shares
Ordinary no par value shares are classified as equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Preference shares
Preference shares are classified as a liability if it is redeemable on a specific date or at the option of the shareholders or if dividend payments are not discretionary. Dividends thereon are recognised in profit or loss as interest expense.

Dividends
Dividends are recognised as a liability in the period in which they are declared.

1.12 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of treasury shares (if any).

1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits are recognised as cost-to-company (CTC) in the period in which the service is rendered and are not discounted.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.14 Provisions and contingencies

Provisions are recognised when:

- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expected future cash flow at a pre-tax rate that reflects current market assessments at the time, value of money and the risks specific to the liability. The unwinding of the interest is recognised as finance cost.

Contingent assets and contingent liabilities are not recognised.

1.15 Revenue from contracts with customers

The Group recognises revenue from the following major sources:

- Sales of goods - retail
- Rendering of services - retail
- Provision of alternative insurance services
- Finance income earned
- Rental income from letting of commercial properties

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Sale of goods - retail

The Group sells motor vehicles (including service plans on vehicles) and parts; tyres and related accessories and household furniture and appliances directly to customers through its own retail outlets situated all over Namibia.

Revenue is recognised from sale of goods to retail customers when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. A receivable is recognised for account holding customers. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates, and VAT.

Sales-related warranties associated with vehicles cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

A right of return entitles the customer to a full or partial refund of the amount paid or a credit against the value of the previous or future purchases. The Group will recognise a refund liability, included in trade and other payables and an asset, included in inventory for its right to recover products.

A rights of return is not a separate performance obligation, but it affects the estimated transaction price for transferred goods. Revenue is only recognised for those goods that are not expected to be returned. The estimate reflects the amount that the Group expects to repay or credit to its customers considering all available information. The transaction price would include amounts subject to return only if it is probable that there will not be a significant reversal of cumulative revenue. The Group recognise a refund liability and an asset for its right to recover products.

Rendering of services - retail and re-insurance

The Group sells services on vehicles when the the customer brings in a vehicle for a service. The Group also provides glass fitment and repairs, wheel balancing, wheel alignment, wheel repair, call out and on-site services.

Revenue is recognised at a point in time for services rendered.

1.15 Revenue from contracts with customers (continued)

For services rendered customers, revenue is recognised when the service was performed. Payment of the transaction price is due immediately after the invoice was issued or as per payment terms for account holding customers.

Provision of alternative insurance services

The Group's revenue comprises gross earned premiums (refer note 1.18).

Finance income earned

When household furniture and goods are sold under installment sale agreements, the present value of the installment sale payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Finance income is recognised over the term of the installment sale using the effective interest rate method, which reflects a constant periodic rate of return.

Interest income is recognised as it accrues, using the effective interest method. Finance income also comprise interest on installment debtors arising from credit sales of vehicles, tyres and accessories entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. The earned portion of interest received is recognised as revenue. Interest is earned from the date the sales contract is concluded, over the period of the contract, based on the terms and conditions of the sales and installment agreement.

Finance income is also recognised on loans and receivables including advances made to individuals, companies and other entities. These advances are secured by asset based financing, rights to claims insurance contracts and suretyships. Various repayment terms and interest rates apply, based on the terms and conditions of the loan agreement.

Rental income from letting of commercial properties

The Company and its subsidiaries entered into lease agreements with customers. Revenue from letting of commercial properties is therefore recognised over the period of the lease agreement. The directors consider that this input method is an appropriate measure towards complete satisfaction of these performance obligations.

1.16 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.17 Translation of foreign currencies

Functional and presentation currency

The consolidated and separate annual financial statements are presented in Namibia Dollar which is Group's functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise. Non-monetary assets and liabilities measured at historical cost are translated to functional currency at the exchange rate at the date that the historical cost was determined.

1.18 Classification of insurance contracts

Contracts under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policy holder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary are classified as insurance contracts. Insurance risk is risk other than financial risk. Insurance contracts may also transfer some financial risk.

Corporate Guarantee and Insurance Company of Namibia Limited classifies financial guarantee contracts issued as insurance contracts.

Premiums
Premiums written comprise the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. Premiums are disclosed gross of commission to intermediaries and exclude Value Added Tax. Premiums written include adjustments to premiums written in prior accounting periods.

The earned portion of premiums received is recognised as revenue. Premiums are earned from date of attachment of risk, over the indemnity period, based on the pattern of risks underwritten.

Unearned premium provision
The provision for unearned premiums comprises the proportion of premiums written that relates to the unexpired terms of policies issued reduced by claims incurred, computed separately for each insurance contract.

Cancellation and expired premiums
Cancellation and expired premiums comprise the premiums on insurance contracts entered into previously, being cancelled in terms of the insurance policy stipulations or the period of insurance expiring in terms of the policy duration. The amount is recognised as an expense on the transaction date. The expensed amount is included in net written premium during the reporting period. The cancellation and expired premiums reduce the unearned premium provision and imposes an corresponding adjustment to reduce the provision of same.

Claims incurred
Claims incurred consist of claims and claims handling and related expenses paid during the financial year together with the movement in the provision for outstanding claims. Outstanding claims comprise the Group's estimate of the undiscounted ultimate cost of settling all claims incurred but unpaid at the reporting date whether reported or not, and related internal and external claims handling expenses.

Whilst the directors consider that the gross provisions for claims and the related re-insurance recoveries are fairly stated on the basis of the information currently available to them, the ultimate liability may vary as a result of subsequent information and events and may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made, and disclosed separately if material. The methods used to value these provisions, and estimates made, are reviewed regularly.

Unexpired risk provision
Provision is made for unexpired risks arising where the expected value of claims and expenses attributable to the unexpired periods of policies in force at the reporting date exceeds the unearned premium provision in relation to such policies after the deduction of any deferred acquisition costs.

Reinsurance
The Group cedes reinsurance in the normal course of business for the purpose of limiting its net loss potential. Reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

Reinsurance premiums paid are recognised as an expense in profit or loss when they become due for payment, in terms of the contracts at the undiscounted amounts payable in terms of the contracts. Reinsurance recoveries are recognised in profit or loss in the same period as the relevant claim at the undiscounted amount receivable in terms of the contracts.

Only reinsurance agreements that give rise to a significant transfer of insurance risk are accounted for as reinsurance contracts. Amounts recoverable under such contracts are recognised in the same year as the related claim. Reinsurance agreements that do not transfer significant insurance risk are accounted for as investment contracts.

Amounts recoverable under reinsurance contracts are assessed for impairment at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer.

Liabilities and related assets under liability adequacy test
The net liability recognised for insurance contracts is tested for adequacy by discounting current estimates of all future contractual cash flows and comparing this amount to the carrying value of the liability. Where a shortfall is identified, an additional provision is made and the Group recognises the deficiency in profit or loss for the year.

1.18 Classification of insurance contracts (continued)

Contingency reserve
A reserve in equity is made for the full amount of the contingency reserve with transfers to and from this reserve being treated as appropriations of retained earnings. This reserve is based on industry practice.

No-claim bonuses
The product offered by the Group includes a profit participation measure and provides for a reward to clients for favourable loss experience in the form of a refund of premiums. The provision for the no-claim bonus commence from the inception of the contract.

1.19 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Managing Director, who is the chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Revenue, expenses, assets and liabilities are allocated on a reasonable basis to a segment from customers, suppliers and other segments but exclude non-specific transactions.

The basis of segmental reporting has been set out in note 42.

Segment revenue
Segment revenue consists of revenue reported in the Group's profit or loss that is directly attributable to a segment and the relevant portion of Group revenue that can be allocated on a reasonable basis to the segment.

Segment expense
Segment expense consists of expenses resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion of expenses that can be allocated on a reasonable basis to the segment. General administrative expenses, such as head office expenses, and other expenses that arise at Group level and relate to the Group as a whole are also excluded from segment expense. However, costs incurred at Group level on behalf of a segment are included in segment expense.

Segment result
Segment result consists of segment revenue less segment expense.

Segment assets
Segment assets consists of those assets that are employed by a segment in its operating activities and that either are directly attributable to the segment or can be allocated on a reasonable basis, but do not include income tax assets.

Segment liabilities
Segment liabilities consists of those operating liabilities that result from the operating activities of a segment that are either directly attributable to the segment or can be allocated on a reasonable basis to the segment, but do not include income tax liabilities.

1.20 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current period

In the current period, the Group has adopted the following standards and interpretations that are effective for the current financial period and that are relevant to its operations:

Standard / Interpretation:	Effective date: Years beginning on or after
• Financial Instruments (IFRS 7; IFRS 9 and IAS 39): Interest Rate Benchmark Reform phase 2	01 January 2021
• COVID-19 - Related Rent Concessions - Amendment to IFRS 16	01 June 2020

2.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after
• Amendments to IFRS 1, IFRS 9 and IAS 41: Annual Improvements to IFRS Standards 2018 - 2020	01 January 2022
• Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use	01 January 2022
• Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract	01 January 2022
• Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework	01 January 2022
• Amendments to IAS 1: Classification of Liabilities as Current or Non-current and disclosure of accounting policies	01 January 2023
• IFRS 17 Insurance Contracts	01 January 2023
• Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates	01 January 2023
• Amendments to IAS 12 Income Taxes: Deferred tax related to Assets and Liabilities arising from a Single Transaction	01 January 2023
• Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture	To be determined

Management has assessed the impact of these new and revised standards on the Group and it is unlikely that the amendments or interpretations will have a material impact on the Group's annual financial statements.

IFRS 17 Insurance Contracts

The IFRS establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts issued.

The effective date of the standard is for year beginning on or after 1 January 2023.

The Group will adopt the standard for the first time in the 2024 financial statements.

The adoption of this standard is currently not quantifiable. This may result in more disclosure than is currently provided for the annual financial statements.

3. Property, plant and equipment

Group	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	85,629	-	85,629	94,075	-	94,075
Buildings	227,169	(3,206)	223,963	235,971	(2,929)	233,042
Plant and machinery	29,996	(17,572)	12,424	25,700	(13,738)	11,962
Motor vehicles	13,148	(4,362)	8,786	8,947	(4,207)	4,740
Total	**355,942**	**(25,140)**	**330,802**	**364,693**	**(20,874)**	**343,819**

Company	2022			2021		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	403	(143)	260	403	(117)	286
Plant and machinery	5,484	(4,051)	1,433	5,568	(3,055)	2,513
Motor vehicles	138	(48)	90	138	(14)	124
Total	**6,025**	**(4,242)**	**1,783**	**6,109**	**(3,186)**	**2,923**

Reconciliation of property, plant and equipment - Group - 2022

	Opening balance	Additions	Disposals	Revaluation / impairment loss	Depreciation	Total
Land	94,075	-	-	(8,446)	-	85,629
Buildings	233,042	5,473	(55)	(13,766)	(731)	223,963
Plant and machinery	11,962	4,980	(65)	-	(4,453)	12,424
Motor vehicles	4,740	6,185	(1,302)	-	(837)	8,786
	343,819	**16,638**	**(1,422)**	**(22,212)**	**(6,021)**	**330,802**

Reconciliation of property, plant and equipment - Group - 2021

	Opening balance	Additions	Disposals	Depreciation	Total
Land	94,075	-	-	-	94,075
Buildings	233,083	479	-	(520)	233,042
Plant and machinery	12,566	2,264	(47)	(2,821)	11,962
Motor vehicles	6,549	236	(1,394)	(651)	4,740
	346,273	**2,979**	**(1,441)**	**(3,992)**	**343,819**

Reconciliation of property, plant and equipment - Company - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Buildings	286	-	-	(26)	260
Plant and machinery	2,513	167	(12)	(1,235)	1,433
Motor vehicles	124	-	-	(34)	90
	2,923	**167**	**(12)**	**(1,295)**	**1,783**

Reconciliation of property, plant and equipment - Company - 2021

	Opening balance	Additions	Depreciation	Total
Buildings	306	-	(20)	286
Plant and machinery	2,807	681	(975)	2,513
Motor vehicles	-	138	(14)	124
	3,113	**819**	**(1,009)**	**2,923**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

3. Property, plant and equipment (continued)

Property, plant and equipment encumbered as security

The following assets have been encumbered as security for the secured long-term borrowings (Note 20):

Land and buildings	151,794	160,075	-	-

Fair value hierarchy of property

Level 2

Land	85,629	94,075	-	-
Buildings	223,963	233,042	-	-
	309,592	**327,117**	**-**	**-**

Revaluations

Land and buildings are revalued annually by the Group’s board of directors. The valuation was based on the market value for existing use. These assumptions were based on current market conditions. The prior year was valued by the Group’s board of directors on the same basis.

The carrying value of the revalued assets under the cost model would have been:

Land	20,892	20,892	-	-
Buildings	158,934	156,597	-	-
	179,826	**177,489**	**-**	**-**

Impairment

On 22 September 2021 a fire damaged part of a building owned by one of the subsidiary companies in the Group. The building damaged by the fire is in the process of being repaired. The Group's directors assessed the fair value of the building and an impairment loss of N$8,2 million has been raised for the period and was included in other operating losses (note 28). The valuation was based on costs of repair estimates and the insurance recovery amount obtained. It is estimated that once construction is completed that the property's value will be the same as before the impairment loss recognised. The total insurance compensation receivable was recognised as other income in the statement of profit and loss and other comprehensive income for the period (note 27).

Sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity of 1% at the income capitalization rate. This represents management’s assessment of the reasonable change in the valuation model. All other variables remain constant.

Land and buildings - Increase	(7,995)	(11,047)	-	-
Land and buildings - Decrease	14,704	13,841	-	-

Details of properties

A register containing the information required by paragraph 22(3) of Schedule 4 of the Companies Act of Namibia is available for inspection at the registered office of the company.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

4. Leases (group as lessee)

The Group leases several buildings for use in its operations.

Details pertaining to leasing arrangements, where the group is lessee are presented below:

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

Buildings	5,206	4,810	-	9,589

Additions to right-of-use assets

Buildings	5,563	4,507	-	9,589

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 31), as well as depreciation which has been capitalised to the cost of other assets.

Buildings	(3,452)	(2,654)	(3,196)	-

Other disclosures

Interest expense on lease liabilities	(461)	(489)	(619)	-
Expenses on short-term leases included in operating expenses	(1,656)	(8,455)	(3,579)	-
Income from subleasing right-of-use assets	572	634	-	-

Finance lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	2,771	2,793	-	3,579
Two to five years	3,175	2,823	-	7,159
	5,946	5,616	-	10,738
Less finance charges component	(509)	(534)	-	(1,149)
	5,437	**5,082**	**-**	**9,589**
Non-current liabilities	3,003	2,588	-	6,628
Current liabilities	2,434	2,494	-	2,961
	5,437	**5,082**	**-**	**9,589**

Exposure to liquidity risk

Refer to note 41 Financial instruments and risk management for the details of liquidity risk exposure and management.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

5. Investment property

Group	2022			2021		
	Valuation	Accumulated depreciation	Carrying value	Valuation	Accumulated depreciation	Carrying value
Investment property	43,482	-	43,482	43,642	-	43,642

Company	2022			2021		
	Valuation	Accumulated depreciation	Carrying value	Valuation	Accumulated depreciation	Carrying value
Investment property	8,840	-	8,840	9,000	-	9,000

Reconciliation of investment property - Group - 2022

	Opening balance	Revaluation	Total
Investment property	43,642	(160)	43,482

Reconciliation of investment property - Group - 2021

	Opening balance	Total
Investment property	43,642	43,642

Reconciliation of investment property - Company - 2022

	Opening balance	Revaluation	Total
Investment property	9,000	(160)	8,840

Reconciliation of investment property - Company - 2021

	Opening balance	Total
Investment property	9,000	9,000

The fair value hierarchy of investment property

Level 2				
Investment property	43,482	43,642	8,840	9,000

Details of property

A register containing the information required by paragraph 22(3) of Schedule 4 of the Companies Act of Namibia is available for inspection at the registered office of the Company.

Details of valuation

Investment property are revalued annually by the Group's board of directors. The valuation was based on the market value for existing use. These assumptions were based on current market conditions. The prior year was valued by the Group's board of directors on the same basis.

Amounts recognised in profit and loss for the period

Rental income from investment property	1,242	772	629	586

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

5. Investment property (continued)

Sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity of 1% at the income capitalization rate. This represents management's assessment of the reasonable change in the valuation model. All other variables remain constant.

Investment property - Increase	(531)	(546)	(240)	(267)
Investment property - Decrease	596	637	260	326

6. Intangible assets

Group	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Distribution rights	2,500	(1,123)	1,377	2,500	(498)	2,002
Computer software	9,461	(7,459)	2,002	8,800	(6,095)	2,705
Total	**11,961**	**(8,582)**	**3,379**	**11,300**	**(6,593)**	**4,707**

Company	2022			2021		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	2,694	(1,241)	1,453	2,247	(717)	1,530

Reconciliation of intangible assets - Group - 2022

	Opening balance	Additions	Disposals	Amortisation	Total
Distribution rights	2,002	-	-	(625)	1,377
Computer software	2,705	752	(3)	(1,452)	2,002
	4,707	**752**	**(3)**	**(2,077)**	**3,379**

Reconciliation of intangible assets - Group - 2021

	Opening balance	Additions	Disposals	Amortisation	Total
Distribution rights	-	2,500	-	(498)	2,002
Computer software	3,408	697	(17)	(1,383)	2,705
	3,408	**3,197**	**(17)**	**(1,881)**	**4,707**

Reconciliation of intangible assets - Company - 2022

	Opening balance	Additions	Amortisation	Total
Computer software	1,530	447	(524)	1,453

Reconciliation of intangible assets - Company - 2021

	Opening balance	Additions	Amortisation	Total
Computer software	1,695	221	(386)	1,530

7. Investment in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

	Shares at cost 2022	Shares at cost 2021
Acacia Properties (Pty) Ltd	8,729	8,729
Auas Motors (Pty) Ltd	9,848	9,848
Bel Development (Pty) Ltd	16,968	16,968
Bonsai Investments Nineteen (Pty) Ltd	40,000	40,000
Corporate Guarantee and Insurance Company of Namibia Ltd	24,012	24,012
Grenada Investments Two (Pty) Ltd	1,800	1,800
Glasfit Namibia (Pty) Ltd	-	-
Hakos Capital and Finance (Pty) Ltd	8,050	8,050
Hochland 7191 (Pty) Ltd	-	-
Isuzu Truck (Namibia) (Pty) Ltd	1,200	1,200
Khomas Car Rental and Leasing (Pty) Ltd	1,200	1,200
Marulaboom Properties (Pty) Ltd	800	800
Mopanie Tree Properties (Pty) Ltd	-	-
NHL Tyre & Tire (Pty) Ltd	12,500	12,500
Nictus (Pty) Ltd	99,012	99,012
Nictus Eiendomme (Pty) Ltd	472	472
Rubbertree Properties (Pty) Ltd	32,692	32,692
Werda Weskusontwikkeling (Pty) Ltd	200	200
Willow Properties (Pty) Ltd	1,028	1,028
Yellow Wood Properties (Pty) Ltd	231	231
Indirectly held through Corporate Guarantee and Insurance Company of Namibia Ltd:		
Futeni Collections (Pty) Ltd	-	-
Karas Securities (Pty) Ltd	-	-
	258,742	258,742
Impairment of investment in subsidiaries	(73,152)	(65,197)
	185,590	193,545

Values shown as nil have been rounded off to the nearest Namibia dollar thousand. The directors performed an impairment review on investments in subsidiaries. A net impairment of N$ 7,9 million (2021: impairment reversal of N$ 2,8 million) was recognised during the current period (note 28).

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

8. Trade and other receivables

Financial instruments:				
Trade receivables	272,381	199,447	5	14
Trade receivables - related parties	-	-	242	144
Unearned finance charges	(3,452)	(3,435)	-	-
Loss allowance	(2,049)	(1,564)	-	-
Trade receivables at amortised cost	266,880	194,448	247	158
Deposits	463	622	-	-
Sundry debtors	7,071	2,571	-	-
Other receivable	648	738	15	40
Non-financial instruments:				
VAT	17,807	12,067	719	981
Refundable taxes	20	20	-	-
Prepayments	15,096	4,801	827	399
Total trade and other receivables	**307,985**	**215,267**	**1,808**	**1,578**

Split between non-current and current portions

Non-current assets	45,145	31,652	-	-
Current assets	262,840	183,615	1,808	1,578
	307,985	**215,267**	**1,808**	**1,578**

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	275,062	198,379	262	198
Non-financial instruments	32,923	16,888	1,546	1,380
	307,985	**215,267**	**1,808**	**1,578**

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

8. Trade and other receivables (continued)

In order to mitigate the risk of financial loss from defaults, the Group only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees.

To further mitigate the financial loss from defaults, credit insurance is in place for certain retail customers. Credit insurance provide for claims to be made to reimburse the group for losses incurred should customers fail to make payment.

The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. The credit insurance in place significantly reduces the expected credit losses as any losses that will arise will be fully recovered.

Trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Group	2022	2022	2021	2021
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0,11% (2021: 0%)	248,131	(266)	187,524	-
Less than 30 days past due: 0.08% (2021: 0,28%)	19,000	(16)	993	(3)
31 - 60 days past due: 0,77% (2021: 0.24%)	2,057	(16)	2,915	(7)
61 - 90 days past due: 2,93% (2021: 2,73%)	1,255	(37)	1,371	(37)
91 - 120 days past due: 33,21% (2021: 22,55%)	3,728	(1,238)	5,029	(1,134)
More than 120 days past due: 16,19% (2021: 18,16%)	2,940	(476)	2,111	(383)
Total	**277,111**	**(2,049)**	**199,943**	**(1,564)**

Company	2022	2022	2021	2021
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0% (2021: 0%)	262	-	198	-

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for lease receivables:

Opening balance	**(1,564)**	**(4,732)**	**-**	**-**
Provision raised on new trade receivables	(1,036)	-	-	-
Provisions reversed on settled trade receivables	110	1,136	-	-
Receivables written off as uncollectible	441	2,032	-	-
Closing balance	**(2,049)**	**(1,564)**	**-**	**-**

Management has considered the financial position of the credit insurance provider and there is no risk that the insurer will not be able to reimburse the Group for claims made for receivables written off as uncollectible.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

8. Trade and other receivables (continued)

Exposure to currency risk

Refer to note 41 for details of currency risk management for trade receivables.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

9. Investments at fair value

Investments held by the group which are measured at fair value, are as follows:

Mandatorily at fair value through profit or loss:				
Listed equity investments	12,434	2,658	271	245
Debt investments	63,421	23,803	-	-
	75,855	**26,461**	**271**	**245**

Split between non-current and current portions

Non-current assets	63,692	24,048	271	245
Current assets	12,163	2,413	-	-
	75,855	**26,461**	**271**	**245**

Debt securities consist of government bonds which bear interest from 9.50% to 10.00% per annum. The government bonds will mature between 15 October 2024 and 15 January 2050.

Fair value hierarchy of investments

Level 1				
Listed equity investments	12,434	2,658	271	245
Debt investments	63,421	23,803	-	-
	75,855	**26,461**	**271**	**245**

Risk exposure

The investments held by the Group expose it to various risks, including credit risk, currency risk, interest rate risk and price risk. Refer to note 41 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

10. Loans and receivables

Secured advances	684,107	540,330	-	-
Other loans and receivables	6,897	15,970	-	-
	691,004	**556,300**	**-**	**-**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

10. Loans and receivables (continued)

Split between non-current and current portions

Non-current assets	552,845	365,891	-	-
Current assets	138,159	190,409	-	-
	691,004	**556,300**	**-**	**-**

Other loans and receivables

These loans and receivables include advances made to individuals, companies and other entities in the normal course of business as asset based financing. A portion of the receivable arising is in turn financed by a reciprocal agreement with Nedbank Namibia Limited. The loans are secured by underlying assets financed. Refer to Note 20 for further information.

Secured advances

These loans and receivables include advances made to individuals, companies and other entities. These advances are secured by asset based financing, rights to claims in Corporate Guarantee and Insurance Company of Namibia Limited, pledges and suretyships.

Loans and receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

Not past due	691,004	556,300	-	-

Credit quality of other financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Loans and receivables

Credit rating

Performing (internal credit grade)	691,004	556,300	-	-

Risk exposures

The loans and receivables held by the Group expose it to various risks, including credit risk, currency risk, interest rate risk and price risk. Refer to note 41 Financial instruments and financial risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

11. Deferred tax

Deferred tax asset

Expected credit losses	488	330	-	-
Finance lease liabilities	1,740	4,150	-	3,069
No claim bonus provision	7,931	5,294	-	-
Other provisions	1,595	2,778	243	1,483
Amounts received in advance	258	345	-	-
Deposits received	1,486	111	-	-
Deferred tax balance from temporary differences other than unused tax losses	13,498	13,008	243	4,552
Tax losses available for set off against future taxable income	75,558	83,095	6,276	5,138
Total deferred tax asset	**89,056**	**96,103**	**6,519**	**9,690**

Figures in Namibia Dollar Thousand	Group		Company	
	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

11. Deferred tax (continued)

Deferred tax liability

Plant and equipment	(3,751)	(3,843)	(293)	(602)
Land and buildings	(46,766)	(48,008)	(557)	(594)
Insurance contingency reserve	(6,576)	(4,976)	-	-
Installment debtors	(947)	(790)	-	-
Intangible assets	(824)	(1,072)	(346)	(282)
Deposits paid	(10)	(10)	-	-
Reinsurance asset	(64,923)	(61,983)	-	-
Right of use asset	(1,666)	(4,062)	-	(3,069)
Prepayments	(420)	(136)	(265)	(127)
Other financial assets	-	-	(156)	(114)
Total deferred tax liability	**(125,883)**	**(124,880)**	**(1,617)**	**(4,788)**

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Net subsidiary deferred tax asset	12,350	10,693	4,902	4,902
Net subsidiary deferred tax liability	(49,177)	(39,470)	-	-
Total net deferred tax (liability) / asset	**(36,827)**	**(28,777)**	**4,902**	**4,902**

Reconciliation of deferred tax asset / (liability)

At beginning of year	(28,777)	(19,331)	4,902	4,902
Charged to profit and loss	(8,592)	(9,446)	-	-
Deferred tax through equity	542	-	-	-
	(36,827)	**(28,777)**	**4,902**	**4,902**

Recognition of deferred tax asset / liability

Deferred tax assets have been recognised based on the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

No unrecognised deferred tax liabilities exists.

Tax rates

The deferred tax rate applied to the fair value adjustments of investment properties, financial assets or owner occupied property is determined at 32% (2021: 32%).

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

12. Inventories

Work in progress	198	775	-	-
Finished goods	210	317	-	-
Merchandise	108,858	100,837	-	-
Stock in transit	1,465	2,282	-	-
Right to return goods asset	20,195	9,384	-	-
	130,926	113,595	-	-
Provision for obsolete stock	(1,847)	(2,633)	-	-
	129,079	**110,962**	**-**	**-**

During September 2021 a fire destroyed inventories of one of the retail entities in the group. The inventores were severely damaged and was written off in full. The loss was included in other operating expenses (note 32) and the insurance compensation received was recognised as other operating income (note 27) in the statement of profit and loss and other comprehensive income.

13. Loans to related parties

Subsidiaries

Acacia Properties (Pty) Ltd	-	-	1,873	1,821
Bel Development (Pty) Ltd	-	-	8,064	8,132
Bonsai Investments Nineteen (Pty) Ltd	-	-	15,751	22,261
Glasfit Namibia (Pty) Ltd	-	-	2,703	-
Grenada Investments Two (Pty) Ltd	-	-	4,887	5,179
Hochland 7191 (Pty) Ltd	-	-	9,549	10,530
Isuzu Truck (Namibia) (Pty) Ltd	-	-	7,453	7,594
Khomas Car Rental and Leasing (Pty) Ltd	-	-	705	-
Marulaboom Properties (Pty) Ltd	-	-	3,250	3,883
Mopanie Tree Properties (Pty) Ltd	-	-	1,123	1,120
Nictus Eiendomme (Pty) Ltd	-	-	2,438	1,955
Rubber Tree Properties (Pty) Ltd	-	-	-	24,026
Werda Weskusontwikkeling (Pty) Ltd	-	-	6,586	6,801
Willow Properties (Pty) Ltd	-	-	2,110	2,424
Yellow Wood Properties (Pty) Ltd	-	-	2,545	2,674
	-	**-**	**69,037**	**98,400**

The above loans due by related parties bear interest at Namibian bank prime overdraft rates. The rates applied range from 25% of prime to prime (2021: ranging from 25% of prime to prime), are unsecured and have no fixed terms of repayment, but are repayable on demand.

Split between non-current and current portions

Current assets	-	-	69,037	98,400

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

13. Loans to related parties (continued)

Exposure to credit risk

Loans receivable inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

In determining the amount of expected credit losses, the Group has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below. The Group does not hold collateral or other credit enhancements against Group loans receivable.

Credit rating framework

The table below sets out the internal credit rating framework which is applied by management for loans for which external ratings are not available. The abbreviation "ECL" is used to depict "expected credit losses."

Internal credit grade	Description	Basis for recognising expected credit losses
Performing	Low risk of default and no amounts are past due	Lifetime ECL (not credit impaired)
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit impaired)
In default	Either 90 days past due or there is evidence that the asset is credit impaired	Lifetime ECL (credit impaired)
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

Credit loss allowances

Since all the loans are performing, the credit loss allowance for the current and prior year have been assessed to be nil.

Exposure to currency and interest rate risk

Refer to note 41 Financial instruments and financial risk management for details of currency and interest rate risk management for Group loans receivable.

Fair value of group loans receivable

The fair value of Group loans receivable approximates their carrying amounts.

14. Reinsurance asset

Reinsurance asset	202,885	193,698	-	-

The reinsurance asset has been shown due to compulsory reinsurance becoming effective in December 2019.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

14. Reinsurance asset (continued)

Exposure to credit and currency risk

Refer to note 41 Financial instruments and financial risk management for details of credit and currency risk management for reinsurance asset.

Fair value of reinsurance asset

The fair value of re-insurance asset approximates the carrying values of the ceded portion of the underlying re-insured policies.

Fair value hierarchy of reinsurance asset				
Level 2	202,885	193,698	-	-

15. Other financial assets

Other financial assets held by the Company which are measured at fair value, are as follows:

Contingency policy	-	-	486	356
	-	**-**	**486**	**356**

Split between non-current and current portions				
Current assets	-	-	486	356

Fair value hierarchy of other financial assets

For the financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 2				
Contingency policy	-	-	486	356

16. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	185	168	15	15
Bank balances	160,085	231,501	205	136
Short-term deposits	134,951	113,483	-	-
	295,221	**345,152**	**220**	**151**

Included in cash and cash equivalents are short term deposits to comply with necessary liquidity requirements in terms of insurance regulations in Namibia.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

16. Cash and cash equivalents (continued)

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating				
AA	163,276	206,934	-	-
A	-	188	-	-
AA+	2,839	63	-	-
A-	10,126	107,763	-	-
AA-	81,987	135	-	-
B	390	-	5	-
BB+	-	2	-	-
BBB-	-	30	-	-
F1+	9,877	4,097	200	136
F+	26,541	25,772	-	-
	295,036	**344,984**	**205**	**136**

Fair value of cash and cash equivalents

The fair value of cash and cash equivalents approximates their carrying amounts.

Exposure to currency risk

Refer to note 41 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.

17. Stated capital

Authorised no par value shares				
1,000,000,000 (1 billion) Ordinary no par value shares	150	150	150	150
Reconciliation of number of shares issued:				
Reported as at 01 April 2021	53,444	53,444	53,444	53,444

The board of directors are authorised by way of a general authority to allot and issue at their discretion to 15% of the auhtorised but unissued ordinary shares. This authority remains in force until the next annual general meeting.

Issued				
53,443,500 Ordinary no par value shares (2021: 53,443,500)	129	129	129	129

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All stated capital is fully paid up.

A subsidiary holds 983,107 shares in the current period which are deemed to be treasury shares.

Figures in Namibia Dollar Thousand	Group 15 months ended 30 June 2022	Group 12 months ended 31 March 2021	Company 15 months ended 30 June 2022	Company 12 months ended 31 March 2021

18. Revaluation reserve

The revaluation reserve relates to property that is carried at its revalued amounts. There are no restrictions on the distribution or transfers to or from this reserve.

Opening balance	58,848	58,848	-	-
Revaluation and impairment of land and buildings	(12,196)	-	-	-
	46,652	**58,848**	**-**	**-**

19. Insurance contingency reserve

Due to uncertain economic times, the subsidiary board decided to adjust the contingency reserve. This is to ensure that provision is made for uncertain future events that could occur.

Opening balance	15,551	15,551	-	-
Transfer from retained income to contingency reserve	5,000	-	-	-
	20,551	**15,551**	**-**	**-**

20. Interest bearing loans and borrowings

Held at amortised cost				
Secured				
Bank loans	20,598	107,688	-	-
Loan from related party	27,599	27,371	27,599	27,371
	48,197	**135,059**	**27,599**	**27,371**

Split between non-current and current portions

Non-current liabilities	19,611	100,298	-	-
Current liabilities	28,586	34,761	27,599	27,371
	48,197	**135,059**	**27,599**	**27,371**

Bank loans of the Group are from Nedbank Namibia Limited, bearing interest at Namibian bank prime overdraft rates ranging from prime less 1.5% to prime less 0.5% (2021: ranging from prime less 2% to prime less 1.25%). The loans are secured by first mortgage bonds over properties and financing of underlying assets. Refer to note 3 and 10 for details.

During the current and prior financial year, the Group complied with the stipulated covenant as set out in the facility letter. The covenant requirement is a cash to debt service cover of 1.8 times (calculated on an annual basis).

The loan from Veritrust (Pty) Ltd is repayable on demand, bearing interest at Standard Bank Namibia bank prime overdraft rate (2021: prime overdraft rate) and secured by a cash guarantee issued by Corporate Guarantee and Insurance Company of Namibia Ltd.

Refer to note 37 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 41 Financial instruments and financial risk management for the fair value of borrowings.

Exposure to liquidity, currency and interest rate risk

Refer to note 41 Financial instruments and financial risk management for details of liquidity, currency and interest rate risk management for borrowings.

Fair value

The fair value of interest bearing borrowings approximates their carrying amounts.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

21. Trade and other payables

Financial instruments:				
Trade payables	94,269	47,353	1,257	1,702
Sundry creditors	440	760	-	-
Accruals	11,027	14,170	758	4,634
Non-financial instruments:				
VAT	3,066	1,344	-	-
	108,802	**63,627**	**2,015**	**6,336**

Exposure to liquidity, currency and interest rate risk

Refer to note 41 Financial instruments and financial risk management for details of liquidity, currency and interest rate risk exposure and management.

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

22. Loans from group companies

Subsidiaries

Futeni Collections (Pty) Ltd	-	-	59,906	70,675
Karas Securities (Pty) Ltd	-	-	60,000	60,000
Auas Motors (Pty) Ltd	-	-	-	2,200
NHL Tyre & Tire (Pty) Ltd	-	-	2,258	7,497
Nictus (Pty) Ltd	-	-	-	3,508
Hakos Capital and Finance (Pty) Ltd	-	-	-	3,342
	-	**-**	**122,164**	**147,222**

Split between non-current and current portions

Current liabilities	-	-	122,164	147,222

The above loans from related parties bear interest at Namibian bank overdraft rates ranging from prime less 3% to prime (2021: ranging from 50% of prime less 1% to prime) and have no fixed terms of repayment, but are repayable on demand. The loans from subsidiaries are unsecured.

30 Cumulative redeemable preference shares from Karas Securities (Pty) Ltd bear dividends at 70% of Namibian prime bank overdraft rate and 30 Cumulative Redeemable preference shares bear dividends at 70% of South African prime bank overdraft rate.The preference dividends are payable monthly an are redeemable after one month's notice period by any party.

Refer to note 37 Changes in liabilities arising from financing activities for details of the movement in loans from group companies during the reporting period.

Exposure to liquidity, currency and interest rate risk

Refer to note 41 Financial instruments and financial risk management for details of liquidity, currency and interest rate risk exposure and management.

Fair value of related party loans payable

The fair value of related party loans approximates their carrying amounts.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

23. Provisions

Reconciliation of provisions - Group - 2022

	Opening balance	Reversed during the year	Total
Service and maintenance plan provisions	71	(51)	20

Reconciliation of provisions - Group - 2021

	Opening balance	Reversed during the year	Total
Service and maintenance plan provisions	149	(78)	71
Used vehicle extended warranty provision	449	(449)	-
Used vehicle warranty provision	27	(27)	-
Workshop comeback provision	169	(169)	-
Workshop warranty provisions	109	(109)	-
	903	**(832)**	**71**

The provisions represent managements best estimates of the Group's liability under new and used vehicles sold during the year.

Service and maintenance plan provision covers the risk on service costs through maintenance plans sold on new vehicles.

24. Insurance contract liability

Gross provision for IBNR	21,272	6,518	-	-
Gross provision for no claim bonus	24,784	16,543	-	-
Gross provision for unearned premiums	1,638,896	1,409,671	-	-
	1,684,952	**1,432,732**	**-**	**-**
Analysis of movements in gross IBNR				
Opening balance	6,518	8,756	-	-
IBNR portion created	14,754	(2,238)	-	-
	21,272	**6,518**	**-**	**-**
Analysis of movements in no claim bonus provision				
Opening balance	16,543	24,089	-	-
No claim bonus charged to profit or loss	65,298	51,244	-	-
No claim bonus paid	(57,057)	(58,790)	-	-
	24,784	**16,543**	**-**	**-**
Analysis of movements in gross unearned premiums				
Opening balance	1,409,671	1,369,368	-	-
Claims paid	3,591	(35,306)	-	-
IBNR created	(14,754)	2,238	-	-
Net written premiums	320,181	171,467	-	-
Net underwriting result	(79,793)	(98,096)	-	-
	1,638,896	**1,409,671**	**-**	**-**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

24. Insurance contract liability (continued)

Process used to determine significant assumptions

Insurance risks are unpredictable and the Group recognises that it is impossible to forecast with certainty, future claims payable under existing insurance contracts. Over time, the Group has developed a methodology that is aimed at establishing insurance provisions that have a reasonable likelihood of being adequate to settle all its insurance obligations.

Claim provisions

The Group's outstanding claims provisions include notified claims as well as incurred but not yet reported claims.

Notified claims

Each notified claim is assessed on a separate, case-by-case basis with due regard to the specific circumstances, information available from the insured and/or loss adjuster and past experience with similar claims. The Group employs staff experienced in claims handling and applies standardised policies and procedures around claims assessment.

Claims incurred but not yet reported (IBNR)

Due to the short duration between the occurrence, reporting and settlement of claims, the IBNR is calculated at 7% of the net written premium.

Premium provisions

The Group raises provisions for unearned premiums on a basis that reflects the underlying risk profile of its insurance contracts. An unearned premium provision is created at the commencement of each insurance contract and is then released as the risk under the contract expires.

Assumptions

The assumption that has the greatest effect on the measurement of insurance contract provisions is the percentage applied to gross premiums written in the IBNR calculation. A 7% of written premium assumption has been used for 2022 and 2021 financial years.

Changes in assumptions

There was no change in the IBNR assumption for policies used during the period under review.

Sensitivity of assumptions

The table below demonstrates the impact of a hypothetical change in material assumptions. If the IBNR is calculated at 8% instead of the statutory 7%, the 1% increase will have the following effect on the before tax profit:

	3,202	1,715	-	-

Considering the nature of the insurance contracts sold, it is expected that all insurance contract liabilities will be settled within 12 months from reporting date.

Risk exposures

Refer to note 41 Financial instruments and risk management for details of liquidity, currency and interest rate risk management for the insurance contract liability.

Fair value of insurance contract liability

The fair value of the insurance contract liability approximates its carrying amount.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

25. Revenue

Revenue from contracts with customers				
Sale of goods	768,988	502,579	-	-
Rendering of services	40,114	59,797	27,815	20,059
Rental income	2,776	1,382	629	586
Insurance premium income	38,004	42,311	-	-
Interest received	58,133	39,413		-
	908,015	**645,482**	**28,444**	**20,645**
Revenue other than from contracts with customers				
Interest received (trading)	-	-	2,277	2,407
Dividends received (trading)	-	-	26,547	39,600
Reinsurance income	12,850	11,165	-	-
	920,865	**656,647**	**57,268**	**62,652**

Disaggregation of revenue from contracts with customers

Sale of goods				
Sale of goods - retail segment	768,988	502,579	-	-
Rendering of services				
Administration and management fees received from subsidiaries	-	-	27,815	20,059
Services revenue - retail segment	40,114	59,797	-	-
	40,114	**59,797**	**27,815**	**20,059**
Effective interest income				
Interest received	58,133	39,413	-	-
Rental income				
Rental income	2,776	1,382	629	586
Other revenue				
Insurance premium income - insurance and finance segment	38,004	42,311	-	-
Total revenue from contracts with customers	**908,015**	**645,482**	**28,444**	**20,645**

Figures in Namibia Dollar Thousand	Group 15 months ended 30 June 2022	Group 12 months ended 31 March 2021	Company 15 months ended 30 June 2022	Company 12 months ended 31 March 2021

25. Revenue (continued)

Timing of revenue recognition

At a point in time				
Sale of goods	768,988	502,579	-	-
Rendering of services	40,114	59,797	27,815	20,059
Insurance premium income	38,004	42,311	-	-
	847,106	**604,687**	**27,815**	**20,059**
Over time				
Rental income	2,776	1,382	629	586
Interest received	58,133	39,413	-	-
	60,909	**40,795**	**629**	**586**
Total revenue from contracts with customers	**908,015**	**645,482**	**28,444**	**20,645**
Insurance premium income consists of:				
Net written premiums	320,181	169,607	-	-
No claim bonus premiums, cancellations and downward endorsements	(45,432)	(87,292)		
Change in net provision for unearned premiums	(241,844)	(40,849)	-	-
Re-insurance premiums	5,099	845		
	38,004	**42,311**	**-**	**-**

26. Cost of sales

Sale of goods	639,831	467,669	-	-
Rendering of services	9,184	7,590	-	-
	649,015	**475,259**	**-**	**-**

27. Other operating income

Stamp duty and documentation income	518	177	-	-
Bad debts recovered	133	308	-	-
Sundry income	10,307	7,381	348	298
Insurance income	14,488	-	-	-
	25,446	**7,866**	**348**	**298**

Figures in Namibia Dollar Thousand		Group 15 months ended 30 June 2022	Group 12 months ended 31 March 2021	Company 15 months ended 30 June 2022	Company 12 months ended 31 March 2021
28. Other operating (losses) / gains					
(Losses) / gains on disposals, scrappings and settlements					
Property, plant and equipment	3	(52)	(10)	7	-
Right-of-use assets	4	-	-	236	-
Listed investments		-	(3)	-	-
		(52)	**(13)**	**243**	**-**
Fair value gains / (losses)					
Revaluation and impairment of land and buildings and investment property	3 & 5	(9,635)	-	(160)	-
Impairment of investments in subsidiaries	7	-	-	(7,955)	2,778
Fair value gains / (losses) of listed equity investments		13	(27)	13	(27)
		(9,622)	**(27)**	**(8,102)**	**2,751**
Total other operating (losses) / gains		**(9,674)**	**(40)**	**(7,859)**	**2,751**
29. Investment income					
Investment income from operations					
Equity instruments at fair value through profit or loss:					
Dividends received - listed investments		764	2,659	-	-
Interest received on bank and other		10,650	3,989	-	-
Interest and dividends received - unlisted investments		13,505	10,084	-	-
Total dividend income		**24,919**	**16,732**	**-**	**-**
Investment income from financial assets					
Investments in financial assets:					
Interest received - bank and other cash		2,644	2,483	62	35
Interest and dividends received - financial assets		13	12	10	12
Total interest income		**2,657**	**2,495**	**72**	**47**
Total investment income		**27,576**	**19,227**	**72**	**47**

30. Employee costs

As at 30 June 2022 the Group had 456 employees (2021: 413). Employee benefits expense is made up of the following for all employees, excluding executive directors:

Employee costs				
Salaries, wages, bonuses and other benefits	101,333	74,092	11,691	18,901

31. Depreciation and amortisation

Depreciation				
Property, plant and equipment	6,021	3,992	1,295	1,009
Right-of-use assets	3,452	2,654	3,196	-
	9,473	**6,646**	**4,491**	**1,009**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

31. Depreciation and amortisation (continued)

Amortisation				
Intangible assets	2,077	1,881	524	386
Total depreciation and amortisation				
Depreciation	9,473	6,646	4,491	1,009
Amortisation	2,077	1,881	524	386
	11,550	**8,527**	**5,015**	**1,395**

32. Operating profit

Operating profit for the period is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external				
Audit fees	2,346	1,989	707	449
Tax and secretarial services	-	81	-	-
	2,346	**2,070**	**707**	**449**
Remuneration, other than to employees				
Consulting fees and other benefits	17,055	11,396	11,183	11,134
Secretarial services	1,179	1,206	842	690
	18,234	**12,602**	**12,025**	**11,824**
Leases				
Premises	2,991	2,671	5,107	4,118
Equipment	217	152	-	-
	3,208	**2,823**	**5,107**	**4,118**
Movement in credit loss allowances				
Trade and other receivables	485	(3,168)	-	-
Insurance expenses				
Claims incurred	9,811	28,284	-	-
No claim bonus allocations	65,299	48,905	-	-
	75,110	**77,189**	**-**	**-**
Other operating losses				
Inventory write off	5,040	-	-	-
	5,040	**-**	**-**	**-**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

33. Finance costs

Preference dividends	-	-	3,920	2,842
Bank and other	3,334	2,041	-	-
Related parties	2,983	2,334	6,679	5,971
Lease liability interest	461	489	619	-
	6,778	**4,864**	**11,218**	**8,813**

34. Taxation

Major components of the tax expense

Current tax				
Recognised in profit and loss	-	26	-	-
Deferred tax				
Recognised in profit and loss	8,592	9,446	-	-
Recognised in other comprehensive income	(542)	-	-	-
	8,050	**9,446**	**-**	**-**
	8,050	**9,472**	**-**	**-**

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting profit before tax	51,426	27,620	356	15,752
Other comprehensive income	(12,735)	-	-	-
	38,691	27,620	356	15,752
Tax at the applicable tax rate of 32% (2021: 32%)	12,381	8,838	114	5,041
Tax effect of adjustments on taxable income				
Exempt income	(11,316)	(4,730)	(8,504)	(13,564)
Tax losses utilised	4,135	4,971	4,546	7,589
Non-deductible expenses	2,850	393	3,844	934
	8,050	**9,472**	**-**	**-**
The estimated tax losses available for set-off against future taxable income amount to	303,472	311,042	60,183	42,306

Estimated taxation losses of the Company and certain subsidiaries not utilised to create a deferred tax asset to reduce the deferred tax liability and available for future set-off against future taxable income amount to N$64,7 million (2021: N$51,7 million) for the Group and N$40,5 million (2021: N$26,2 million) for the Company. Deferred tax assets not raised amount to N$20,7 million (2021: N$16,5 million) for the Group and N$12,9million (2021: N$8,4 million) for the Company.

Figures in Namibia Dollar Thousand	Group 15 months ended 30 June 2022	Group 12 months ended 31 March 2021	Company 15 months ended 30 June 2022	Company 12 months ended 31 March 2021
35. Cash generated from / (used in) operations				
Profit before taxation	51,426	27,620	356	15,752
Adjustments for:				
Depreciation and amortisation	11,550	8,527	5,015	1,395
Losses / (gains) on disposals of property, plant and equipment	52	(10)	(7)	-
Interest income	(2,657)	(2,495)	(72)	(47)
Finance costs	6,778	4,864	11,218	8,813
Revaluations and impairment of property	9,635	-	160	-
Movements in provisions	(51)	(832)	-	-
Prescribed dividends	174	176	174	176
Gain on modification of operating leases	(307)	(1,174)	(236)	-
Impairment of investments in subsidiaries	-	-	7,955	(2,778)
Changes in working capital:				
Inventories	(18,117)	10,751	-	-
Trade and other receivables	(92,718)	30,710	(230)	(442)
Trade and other payables	45,175	(192,883)	(4,324)	4,134
Insurance contract liability	252,220	30,519	-	-
Loans and receivables	(143,776)	(6,909)	-	-
Reinsurance asset	(9,187)	(4,974)	-	-
	110,197	**(96,110)**	**20,009**	**27,003**

The cash used in prior year operations were due to a re-insurance accrual payment of N$192 million made during the prior financial year.

36. Tax paid

	Group 2022	Group 2021	Company 2022	Company 2021
Balance at beginning of the period	-	-	-	-
Current tax for the period recognised in profit or loss	-	(26)	-	-
	-	**(26)**	**-**	**-**

37. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2022

	Opening balance	Other non-cash movements	Total non-cash movements	Cash flows	Closing balance
Borrowings	135,059	-	-	(86,862)	48,197
Finance lease liabilities	5,082	4,004	4,004	(3,649)	5,437
	140,141	**4,004**	**4,004**	**(90,511)**	**53,634**
Total liabilities from financing activities	**140,141**	**4,004**	**4,004**	**(90,511)**	**53,634**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

37. Changes in liabilities arising from financing activities (continued)

Reconciliation of liabilities arising from financing activities - Group - 2021

	Opening balance	Other non-cash movements	Total non-cash movements	Cash flows	Closing balance
Borrowings	143,704	-	-	(8,645)	135,059
Finance lease liabilities	7,547	544	544	(3,009)	5,082
	151,251	**544**	**544**	**(11,654)**	**140,141**
Total liabilities from financing activities	**151,251**	**544**	**544**	**(11,654)**	**140,141**

Reconciliation of liabilities arising from financing activities - Company - 2022

	Opening balance	Other non-cash movements	Total non-cash movements	Cash flows	Closing balance
Borrowings	27,371	-	-	228	27,599
Finance lease liabilities	9,589	(6,012)	(6,012)	(3,577)	-
Loans from group companies	147,222	-	-	(25,058)	122,164
	184,182	**(6,012)**	**(6,012)**	**(28,407)**	**149,763**
Total liabilities from financing activities	**184,182**	**(6,012)**	**(6,012)**	**(28,407)**	**149,763**

Reconciliation of liabilities arising from financing activities - Company - 2021

	Opening balance	Other non-cash movements	Total non-cash movements	Cash flows	Closing balance
Borrowings	21,589	-	-	5,782	27,371
Finance lease liabilities	-	9,589	9,589	-	9,589
Loans from group companies	110,533	-	-	36,689	147,222
	132,122	**9,589**	**9,589**	**42,471**	**184,182**
Total liabilities from financing activities	**132,122**	**9,589**	**9,589**	**42,471**	**184,182**

38. Dividends paid

Dividends	(9,619)	(6,413)	(9,619)	(6,413)

39. Related parties

Relationships

Subsidiaries	Refer to note 7
Related entities	Veritrust (Pty) Ltd Nictus Ltd Nature Unlimited Consultations (Pty) Ltd Haida Investments (Pty) Ltd Premier Services (Pty) Ltd Tromp Consulting International (Pty) Ltd Namprop (Pty) Ltd Ultra Investments (Pty) Ltd P J De W Tromp & Seuns (Pty) Ltd Detour Deck Lodges of Namibia (Pty) Ltd Drinieshof Farming (Pty) Ltd Landswyd Beleggings (Pty) Ltd NC Tromp Farming (Pty) Ltd Veritas Board of Executors (Pty) Ltd Veritas Eksekuteurskamer (Pty) Ltd Quidi Farming (Pty) Ltd KCB Trust Nico Tromp Trust Saffier Trust Caris Family Trust Mejaloka Trust Salomé Trust Langverwagt Trust
Members of key management	GR de V Tromp (non-executive) PJ de W Tromp WO Fourie FR van Staden
Independent non-executive directors	TB Horn SW Walters

Related party relationships exist between the parent company, subsidiaries, related companies and key management.

A person or a close member of that person's family is related to a reporting entity if that person;
- has control or joint control of the reporting entity,
- has significant influence over the reporting entity; or
- is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Key management personnel have been identified as the executive directors, non-executive directors and the managing directors of segments within the group.

The definition of key management further includes the close members of family of key management personnel and any other entity over which key management exercises control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group. They may include that individual's domestic partner and children, the children of the individuals domestic partner, and dependants of the individual or the individual's domestic partner.

Commonly, an entity would be related to the reporting entity if a member of key management is also a member of the key management personnel of that entity (other related parties), or the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

39. Related parties (continued)

Transactions with key management personnel
Details pertaining to directors' and key management compensations are set out in Note 40. The Group encourages employees to purchase goods and services from Group companies. These transactions are generally conducted on terms no more favourable than those entered to with third parties on an arm's length basis, although in some cases, nominal discounts are granted. Transactions with key personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed, and no impairments were recognised in relation to any transactions with key personnel during the year, nor have they resulted in any non-performing debts at year-end.

Similar policies are applied to key personnel at subsidiary level who are not defined as key management personnel at Group level. Certain directors of the Group are also non-executive directors of other public companies which may transact with the Group. The relevant directors do not believe that they have significant influence over the financial and operational policies of those companies. Those companies are therefore not regarded as related parties.

The following transactions were made on terms equivalent to those that prevail in arm's-length transactions between subsidiaries of the Group and key management as defined and / or organisations in which key management personnel have significant influence:

Related party balances with subsidiaries				
Loans from subsidiaries (excl preference shares)	-	-	(62,164)	(87,222)
Loans to subsidiaries	-	-	69,037	98,400
Preference shares issued to subsidiary	-	-	(60,000)	(60,000)
Trade receivables / (trade payables)	-	-	151	144
Other financial assets	-	-	486	356
Related party balances with key management, personnel and companies affiliated with key management in the Group				
Unearned premium reverse account	(41,136)	(31,737)	-	-
Loans to / (from) related parties	(4,177)	(9,117)	(27,599)	(27,371)
Trade receivables / (trade payables)	1,941	373	-	-
Related party transactions with subsidiaries				
Interest received from subsidiaries	-	-	(2,347)	(2,627)
Interest paid to subsidiaries	-	-	3,765	3,858
Preference dividends paid to subsidiaries	-	-	3,920	2,842
Rent paid to subsidiaries	-	-	5,183	4,306
Admin fees paid / (received from) subsidiaries	-	-	(27,618)	(19,875)
Dividends received from subsidiaries	-	-	(26,547)	(39,600)
Purchases / (sales)	-	-	(91)	-
Related party transactions with key management, personnel and companies affiliated with key management in the Group				
Gross written premiums	(7,903)	(3,080)	-	-
Cancellations and endorsements	3,126	593	-	-
Claims paid	164	3,202	-	-
Change in provision for unearned premiums	(6)	(2,206)	-	-
Preference dividends (received) / paid	-	(223)	-	-
Interest paid / (interest received)	1,404	1,408	2,983	2,332
Purchases / (sales)	282	(1,472)	973	-

Loans due to and by subsidiaries, excluding preference shares, bear interest at Namibian prime bank overdraft rates ranging from prime less 3% to prime, are unsecured and have no fixed terms of repayment. Intercompany trade receivables and payables are subject to the same terms and conditions applied to the general public. Interest is charged at market related rates and settlement is expected to be made in cash.

40. Directors' emoluments

Executive

2022

Services as director	Management and consulting fees - Holding company	Management and consulting fees - Subsidiaries	Total
PJ de W Tromp	5,499	-	5,499
WO Fourie	3,146	-	3,146
FR van Staden	-	3,452	3,452
	8,645	**3,452**	**12,097**

2021

Services as director	Management and consulting fees - Holding company	Management and consulting fees - Subsidiaries	Total
PJ de W Tromp	2,849	-	2,849
WO Fourie	2,009	-	2,009
FR van Staden	1,545	713	2,258
	6,403	**713**	**7,116**

Non-executive

2022

Services as director	Director fees	Consulting fees	Directors' fees - Subsidiaries	Total
GR de V Tromp	798	-	-	798
TB Horn	480	-	-	480
SW Walters	334	-	-	334
G Swart	216	-	-	216
NC Tromp	156	251	150	557
	1,984	**251**	**150**	**2,385**

2021

Services as director	Directors' fees	Consulting fees	Directors' fees - Subsidiaries	Total
GR de V Tromp	240	-	-	240
TB Horn	276	-	-	276
NC Tromp	288	1,022	690	2,000
G Swart	420	-	-	420
	1,224	**1,022**	**690**	**2,936**

41. Financial instruments and risk management

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board has overall responsibility for the establishment and oversight of the Group's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports quarterly to the board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit and risk committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk committee.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group is exposed to credit risk on loans and receivables, trade and other receivables, the reinsurance asset and cash and cash equivalents.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The Group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the Group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

41. Financial instruments and risk management (continued)

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

For trade receivables and contract assets which do not contain a significant financing component, the loss allowance is determined as the lifetime expected credit losses of the instruments. For all other trade receivables, contract assets and lease receivables, IFRS 9 permits the determination of the credit loss allowance by either determining whether there was a significant increase in credit risk since initial recognition or by always making use of lifetime expected credit losses. Management have chosen as an accounting policy, to make use of lifetime expected credit losses. Management does therefore not make the annual assessment of whether the credit risk has increased significantly since initial recognition for trade receivables, contract assets or lease receivables.

The maximum exposure to credit risk is presented in the table below:

Group		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans receivable	10	691,004	-	691,004	556,300	-	556,300
Investments at fair value through profit or loss	9	75,855	-	75,855	26,461	-	26,461
Trade and other receivables	8	277,111	(2,049)	275,062	199,943	(1,564)	198,379
Cash and cash equivalents	16	295,221	-	295,221	345,152	-	345,152
Reinsurance asset	14	202,885	-	202,885	193,698	-	193,698
		1,542,076	**(2,049)**	**1,540,027**	**1,321,554**	**(1,564)**	**1,319,990**

Company		2022			2021		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to group companies	13	69,037	-	69,037	98,400	-	98,400
Investments at fair value through profit or loss	9	271	-	271	245	-	245
Trade and other receivables	8	262	-	262	198	-	198
Cash and cash equivalents	16	220	-	220	151	-	151
		69,790	**-**	**69,790**	**98,994**	**-**	**98,994**

Liquidity risk

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its cash flow requirements on a daily basis against monthly projections and focuses on optimising its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

In the current and prior year, the Company's current liabilities exceeded the current assets. Group Loans will not be recalled until such time that the Company has sufficient funds to settle these liabilities. For external payables the Company will obtain funds from its subsidiaries and related companies to settle these in the normal course of business.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

41. Financial instruments and risk management (continued)

Group - 2022

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total liabilities							
Borrowings	20	28,586	4,121	14,508	982	48,197	48,197
Lease liabilities	4	2,435	2,264	738	-	5,437	5,437
Insurance contract liability	24	1,684,952	-	-	-	1,684,952	1,684,952
Trade and other payables	21	105,736	-	-	-	105,736	105,736
		1,821,709	**6,385**	**15,246**	**982**	**1,844,322**	**1,844,322**
Total assets							
Trade and other receivables	8	229,917	13,618	31,527	-	275,062	275,062
Investments at fair value	9	12,163	-	771	62,921	75,855	75,855
Loans and receivables	10	138,159	92,764	340,720	119,361	691,004	691,004
Reinsurance asset	14	202,885	-	-	-	202,885	202,885
Cash and cash equivalents	16	295,221	-	-	-	295,221	295,221
		878,345	**106,382**	**373,018**	**182,282**	**1,540,027**	**1,540,027**
		943,364	**(99,997)**	**(357,772)**	**(181,300)**	**304,295**	**304,295**

Group - 2021

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total liabilities							
Borrowings	20	34,761	22,762	44,209	33,327	135,059	135,059
Lease liabilities	4	2,494	1,367	1,221	-	5,082	5,082
Insurance contract liability	24	1,432,732	-	-	-	1,432,732	1,432,732
Trade and other payables	21	62,283	-	-	-	62,283	62,283
		1,532,270	**24,129**	**45,430**	**33,327**	**1,635,156**	**1,635,156**
Total assets							
Trade and other receivables	8	166,727	20,040	11,612	-	198,379	198,379
Investments at fair value	9	2,413	-	789	23,259	26,461	26,461
Loans and receivables	10	190,409	70,445	276,776	18,670	556,300	556,300
Reinsurance asset	14	193,698	-	-	-	193,698	193,698
Cash and cash equivalents	16	345,152	-	-	-	345,152	345,152
		898,399	**90,485**	**289,177**	**41,929**	**1,319,990**	**1,319,990**
		633,871	**(66,356)**	**(243,747)**	**(8,602)**	**315,166**	**315,166**

41. Financial instruments and risk management (continued)

Company - 2022

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total liabilities							
Trade and other payables	21	2,015	-	-	-	2,015	2,015
Loans from group companies	22	122,164	-	-	-	122,164	122,164
Borrowings	20	27,599	-	-	-	27,599	27,599
		151,778	**-**	**-**	**-**	**151,778**	**151,778**
Total assets							
Investments at fair value	9	-	-	-	271	271	271
Loans to group companies	13	69,037	-	-	-	69,037	69,037
Trade and other receivables	8	262	-	-	-	262	262
Other financial assets	15	486	-	-	-	486	486
Cash and cash equivalents	16	220	-	-	-	220	220
		70,005	**-**	**-**	**271**	**70,276**	**70,276**
		81,773	**-**	**-**	**(271)**	**81,502**	**81,502**

Company - 2021

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total liabilities							
Trade and other payables	21	6,336	-	-	-	6,336	6,336
Loans from group companies	22	147,222	-	-	-	147,222	147,222
Borrowings	20	27,371	-	-	-	27,371	27,371
Lease liabilities	4	2,961	3,190	3,438	-	9,589	9,589
		183,890	**3,190**	**3,438**	**-**	**190,518**	**190,518**
Total assets							
Investments at fair value	9	-	-	-	245	245	245
Loans to group companies	13	98,400	-	-	-	98,400	98,400
Trade and other receivables	8	198	-	-	-	198	198
Other financial assets	15	356	-	-	-	356	356
Cash and cash equivalents	16	151	-	-	-	151	151
		99,105	**-**	**-**	**245**	**99,350**	**99,350**
		84,785	**3,190**	**3,438**	**(245)**	**91,168**	**91,168**

Foreign currency risk

The Group carries no significant foreign currency risk in its normal course of business.

The Group reviews its foreign currency exposure, including commitments on an ongoing basis.

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Group adapts a policy of ensuring that its exposure to changes in interest rates and borrowings is limited by setting the terms and conditions of loans to adjust with changes in the market conditions. The Group also aims to ensure that the profit margin is sufficient to cover any rate changes.

41. Financial instruments and risk management (continued)

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

	Note	Average effective interest rate		Carrying amount	
Group		2022	2021	2022	2021
Variable rate instruments:					
Assets					
Trade and other receivables	8	11.80 %	10.00 %	89,552	74,532
Loans and receivables: secured advances	10	6.92 %	5.82 %	684,107	540,330
Cash and cash equivalents	16	5.42 %	5.60 %	281,964	340,330
Other loans and receivables	10	9.98 %	9.30 %	6,897	15,970
				1,062,520	**971,162**
Liabilities					
Loans from group companies	20	8.50 %	7.50 %	(27,599)	(27,371)
Bank loans	20	7.31 %	6.33 %	(20,598)	(107,688)
				(48,197)	**(135,059)**
Variable rate financial assets as a percentage of total interest bearing financial assets				100.00 %	100.00 %
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities				100.00 %	100.00 %

	Note	Average effective interest rate		Carrying amount	
Company		2022	2021	2022	2021
Assets					
Loans to group companies	13	4.46 %	3.56 %	48,715	80,768
Other financial assets	15	3.93 %	3.64 %	486	356
				49,201	**81,124**
Liabilities					
Loans from group companies	20&22	5.47 %	5.19 %	(149,763)	(174,592)
Variable rate financial assets as a percentage of total interest bearing financial assets				100.00 %	100.00 %
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities				100.00 %	100.00 %

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

41. Financial instruments and risk management (continued)

Group

At 30 June 2022, if the Group interest rate had been 1% per annum (2021: 1%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N$ 7,2 million (2021: N$ 5,3 million) lower and N$ 7,2 million (2021: N$ 5,3 million) higher.

Company

At 30 June 2022, if the Company interest rate had been 1% per annum (2021: 1%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N$ 1,3 million (2021: N$ 1,3 million) lower and N$ 1,3 million (2021: N$ 1,3 million) higher.

Price risk

The Group is exposed to price risk because of its investments in equity instruments which are measured at fair value. The exposure to price risk on equity investments is managed through a diversified portfolio, and through the use of option contracts on relevant indexes, where necessary.

The Group is not exposed to commodity price risk.

There have been no significant changes in the price risk management policies and processes since the prior reporting period.

Price risk sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when price risk internally to key management personnel and represents management's assessment of the reasonably possible change in relevant prices. All other variables remain constant. The sensitivity analysis includes only investments held at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group	2022	2022	2021	2021
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Listed shares 1% (2021: 1%)	124	(124)	27	(27)

Company	2022	2022	2021	2021
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Listed shares 1% (2021: 1%)	3	(3)	2	(2)

Capital risk management

The Group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the Group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The Group monitors capital utilising a number of measures, including the gearing ratio on a company by company basis.

41. Financial instruments and risk management (continued)

Categories of financial instruments

Categories of financial assets

Group - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Total	Fair value
Loans and receivables	10	-	691,004	691,004	691,004
Investments at fair value	9	75,855	-	75,855	75,855
Trade and other receivables	8	-	275,062	275,062	275,062
Cash and cash equivalents	16	-	295,221	295,221	295,221
Reinsurance asset	14	202,885	-	202,885	202,885
		278,740	**1,261,287**	**1,540,027**	**1,540,027**

Group - 2021

	Note(s)	Fair value through profit or loss	Amortised cost	Total	Fair value
Loans and receivables	10	-	556,300	556,300	556,300
Investments at fair value	9	26,461	-	26,461	26,461
Trade and other receivables	8	-	198,379	198,379	198,379
Cash and cash equivalents	16	-	345,152	345,152	345,152
Reinsurance asset	14	193,698	-	193,698	193,698
		220,159	**1,099,831**	**1,319,990**	**1,319,990**

Company - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Total	Fair value
Loans to group companies	13	-	69,037	69,037	69,037
Investments at fair value	9	271	-	271	271
Trade and other receivables	8	-	262	262	262
Cash and cash equivalents	16	-	220	220	220
Other financial assets	15	486	-	486	486
		757	**69,519**	**70,276**	**70,276**

Company - 2021

	Note(s)	Fair value through profit or loss	Amortised cost	Total	Fair value
Loans to group companies	13	-	98,400	98,400	98,400
Investments at fair value	9	245	-	245	245
Trade and other receivables	8	-	198	198	198
Cash and cash equivalents	16	-	151	151	151
Other financial assets	15	356	-	356	356
		601	**98,749**	**99,350**	**99,350**

41. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	21	105,736	105,736	105,736
Borrowings	20	48,197	48,197	48,197
Finance lease liabilities	4	5,437	5,437	5,437
Insurance contract liability	24	1,684,952	1,684,952	1,684,952
		1,844,322	**1,844,322**	**1,844,322**

Group - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	21	62,283	62,283	62,283
Borrowings	20	135,059	135,059	135,059
Finance lease liabilities	4	5,082	5,082	5,082
Insurance contract liability	24	1,432,732	1,432,732	1,432,732
		1,635,156	**1,635,156**	**1,635,156**

Company - 2022

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	21	2,015	2,015	2,015
Loans from group companies	22	122,164	122,164	122,164
Borrowings	20	27,599	27,599	27,599
		151,778	**151,778**	**151,778**

Company - 2021

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	21	6,336	6,336	6,336
Loans from group companies	22	147,222	147,222	147,222
Borrowings	20	27,371	27,371	27,371
Finance lease liabilities	4	9,589	9,589	9,589
		190,518	**190,518**	**190,518**

41. Financial instruments and risk management (continued)

Insurance risks

Terms and conditions of insurance contracts
Corporate Guarantee and Insurance Company of Namibia Limited is registered as a short-term insurance company by the regulatory authority in Namibia and is registered for all statutory classes of short-term insurance business.

Corporate Guarantee and Insurance Company of Namibia Limited underwrites finite risk policies to a defined target market which concentrates primarily on the small and medium enterprises in the commercial market and secondary on the lower end of the corporate commercial market as well as the higher end of the personal market. In the personal segment the Group does not cater for the insurance needs of the general public. Commercial and personal clients are carefully selected according to a strategy of prudent risk selection.

The Group aims to deliver innovative and tailored insurance risk solutions to its clients allowing them to retain some insurance risk and effectively operate as autonomous insurance entities. The finite risk policies expose the Group to limited risk and include profit participation measures to promote good risk management amongst the insured. The terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out in the notes.

Insurance risk and policies for mitigating insurance risk
The primary activity of the Group relates to the assumption of the risk of loss from events involving persons or organisations. Such risks may relate to property, accident, personal accident, motor, liability, engineering, credit and other perils that may arise from an insured event. As such the Group is exposed to the uncertainty surrounding the timing, severity and frequency of claims under insurance contracts.

The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims is greater than expected and that the Group does not charge premiums appropriate for the risk accepted. Insurance events are, by nature, random, and the actual number and size of events during any one year may vary from those estimated using established statistical techniques. The Group manages its insurance risk through underwriting limits, approval procedures for new clients, pricing guidelines and centralized management of risk and monitoring of emerging issues.

Underwriting strategy
The Group's underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a portfolio of similar risks spread over a large geographical area. The underwriting strategy is continuously monitored, updated and determines the classes of business to be written and the industry sectors to which the Group is prepared to accept exposure. Management meets monthly to review underwriting information including premium income and loss ratios by class, territory and industry.

Concentrations of insurance risk and policies mitigating the concentrations
Within the insurance process, concentrations of risk may arise where a particular event or series of events could impact heavily upon the Group's resources. The Group monitors the concentration risk by geographical segment and class of business. The Group is broadly represented within Namibia and exposures to risks are representative of the economic activity in the various regions. The Group has exposure to all major lines of insurance business with very limited exposure to specialised areas of insurance.

Exposure relating to catastrophic events
The Group sets out the total aggregate exposure that it is prepared to accept in certain regions to a range of events such as natural catastrophes. The aggregate position is reviewed annually.

The Group considers that its most significant exposure would arise in the event of a major environmental disaster. This analysis has been performed through identifying key concentration of risks based on different classes of businesses exposed in the event of such an incident.

Other risk and policies for mitigating these risks
Insurance companies are exposed to the risk of false, invalid and exaggerated claims. Measurements are in place to improve the Group's ability to proactively detect fraudulent claims.

Claims development
The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term, subject to pre-determined time scales dependent on the nature of the insurance contract. The Group is therefore exposed to the risk that claims reserves will not be adequate to fund historic claims (run-off risk). To manage run-off risk the Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures and adopts sound reserving practices. Consequently, the Company's history has proven the reserves to be sufficient to fund the actual claims paid.

42. Group segmental analysis

The Group's has the following reportable segments which are differentiated by the activities that each undertake and markets they operate in.

These reportable segments as well as the products and services from which each of them derives revenue are set out below:

Reportable Segment	Products and services
Retail	Operates the Isuzu, Opel and Suzuki franchise throughout Namibia, in addition to operating as distributor and retailer of predominantly Goodyear products. Furniture retail with branches located throughout Namibia and automotive glass fitment.
Insurance and finance	Short-term insurance through the alternative risk transfer model as well as vehicle financing.
Properties	Property companies mainly for own use.
Head office	Investment holding company.

Segmental revenue and results

The board assesses the performance of the operating segments based on the measure of profit / (loss) after taxation. This measure excludes the effects of non-recurring expenditure from the operating segments such as restructure costs and legal expenses. The measure also excludes the effects of d unrealised gains/losses on financial instruments. The results of discontinued operations are not included in the measure of profit / (loss) after taxation. This measure is consistent with all prior periods which are presented.

Transactions within the Group take place on an arms length basis.

Segment assets and liabilities

The amounts provided to the board with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

The segment assets and liabilities include tax assets an liabilities and have been included in the elimination column to agree to the amounts per financial statements.

Capital expenditure reflects additions to non-current assets, other than financial instruments, deferred tax assets, post employment benefit assets and rights arising under insurance contracts.

The amounts provided to the board with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The tables below provides information on segment revenue and results, as well as assets, liabilities, cash flows and capital expenditure.

2022

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment revenue						
Sale of goods and rendering of services	816,039	-	12,850	-	(6,937)	**821,952**
Rental income	504	28,275	-	-	(26,003)	**2,776**
Finance income	6,072	-	80,126	2,277	(30,342)	**58,133**
Management fees	-	-	-	27,815	(27,815)	**-**
Insurance premium income	-	-	40,893	-	(2,889)	**38,004**
Dividends received	-	-	-	26,547	(26,547)	**-**
Total revenue from external customers	**822,615**	**28,275**	**133,869**	**56,639**	**(120,533)**	**920,865**
Inter-segment revenue	1,870	-	5,111	-	(6,981)	**-**
Total segment revenue	**824,485**	**28,275**	**138,981**	**56,639**	**(127,514)**	**920,865**

42. Group segmental analysis (continued)

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment results						
Operating profit / (loss) before finance cost	27,968	9,179	47,069	11,354	(37,366)	**58,204**
Finance cost	(8,976)	(15,905)	(1,690)	(11,211)	31,004	**(6,778)**
Profit / (loss) before taxation	**18,992**	**(6,726)**	**45,379**	**143**	**(6,362)**	**51,426**
Taxation	(4,765)	(2,369)	(11,281)	-	9,823	**(8,592)**
Net profit / (loss) for the period	**14,227**	**(9,095)**	**34,098**	**143**	**3,461**	**42,834**

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment assets, liabilities, cash flows and capital expenditure						
Segment assets	327,206	380,017	1,886,636	265,550	(762,161)	**2,097,248**
Segment liabilities	220,133	286,895	1,823,719	151,778	(585,940)	**1,896,585**
Cash flows from operating activities	40,916	11,330	13,838	9,484	30,971	**106,539**
Cash flows from investing activities	(4,856)	(3,846)	(285,598)	(752)	238,712	**(56,340)**
Cash flows from financing activities	(29,900)	(7,529)	215,642	(8,663)	(269,680)	**(100,130)**
Capital expenditure	(12,709)	(3,868)	(202)	(614)	3	**(17,390)**

2021

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment revenue						
Sale of goods and rendering of services	563,620	-	11,165	-	(1,244)	**573,541**
Rental income	9,539	21,604	-	-	(29,761)	**1,382**
Finance income	5,130	-	59,043	2,407	(27,166)	**39,413**
Management fees	-	-	-	20,059	(20,059)	**-**
Insurance premium income	-	-	41,173	-	1,138	**42,311**
Dividends received	-	-	-	39,600	(39,600)	**-**
Total revenue from external customers	**578,289**	**21,604**	**111,381**	**62,066**	**(116,692)**	**656,647**
Inter-segment revenue	9	-	2,909	-	(2,918)	**-**
Total segment revenue	**578,298**	**21,604**	**114,290**	**62,065**	**(119,610)**	**656,647**

42. Group segmental analysis (continued)

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment results						
Operating profit / (loss) before finance cost	20,537	16,614	35,514	24,247	(64,428)	**32,484**
Finance cost	(5,871)	(11,183)	(993)	(8,811)	21,994	**(4,864)**
Profit / (loss) before taxation	**14,666**	**5,431**	**34,521**	**15,436**	**(42,434)**	**27,620**
Taxation	(4,663)	(1,340)	(7,597)	-	4,128	**(9,472)**
Net profit / (loss) before taxation	**10,003**	**4,091**	**26,924**	**15,436**	**(38,306)**	**18,148**

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment assets, liabilities, cash flows and capital expenditure						
Segment assets	298,856	393,080	1,554,030	313,221	(703,677)	**1,855,511**
Segment liabilities	203,411	290,297	1,507,771	190,525	(515,963)	**1,676,041**
Cash flows from operating activities	22,335	5,145	(87,447)	18,237	(56,287)	**(98,017)**
Cash flows from investing activities	(17,272)	(2,742)	144,336	(47,573)	(89,182)	**(12,433)**
Cash flows from financing activities	(4,672)	(2,378)	(585,410)	29,287	545,106	**(18,067)**
Capital expenditure	(4,558)	(3,868)	(202)	(614)	3	**(17,390)**

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

43. Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing profit or loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares purchased by the Company and held as treasury shares. Treasury shares are held by a subsidiary and was acquired at the beginning of the previous financial year. Diluted earnings per share is equal to earnings per share because there are no dilutive potential ordinary shares in issue.

Reconciliation of profit for the period to basic earnings				
Profit for the period attributable to equity holders of the parent	42,834	18,148	-	-
Weighted average number of shares (000's)				
Shares in issue	53,444	53,444	-	-
Treasury shares	(983)	(983)	-	-
	52,461	**52,461**	**-**	**-**
Basic earnings per share				
Basic earnings per share (cents)	81.65	34.59	-	-
Basic earning er share before treasury share adjustment (cents)	80.15	33.96	-	-

Headline earnings and diluted headline earnings per share

Headline earnings per share is determined by adjusting basic earnings per share with separately identifiable re-measurement divided by the weighted average number of ordinary shares in issue during the year, excluding treasury shares. Headline earnings and diluted headline earnings are presented after tax and non- controlling interest.

Reconciliation between earnings and headline earnings				
Basic earnings	42,834	18,148	-	-
Adjusted for:				
Loss on disposal of plant and equipment	52	10	-	-
Revaluation and impairment of assets, net of taxation	9,979	-	-	-
Insurance proceeds, net of taxation	(9,852)	-	-	-
	43,013	**18,158**	**-**	**-**
Headline earnings per share				
Headline earnings per share (cents)	81.99	34.61	-	-
Headline earnings per share before treasury share adjustment (cents)	80.48	33.98	-	-

Dividends per share

Final (c)	18.00	12.00	-	-

The final dividend was declared and authorised after the end of the reporting period. The dividend has therefore not been recognised as a liability in the reporting period. It has been disclosed for information purposes only.

	Group		Company	
Figures in Namibia Dollar Thousand	15 months ended 30 June 2022	12 months ended 31 March 2021	15 months ended 30 June 2022	12 months ended 31 March 2021

44. Acquisition of subsidiary

Glasfit Namibia (Pty) Ltd

On 25 January 2022, the Group acquired 100% of the shares and voting interest in Glasfit Namibia (Pty) Ltd, which resulted in the Group obtaining control over Glasfit Namibia (Pty) Ltd. The main purpose of Glasfit Namibia (Pty) Ltd is for fitment of windscreen glass replacements to customers with the expectation that the company will become fully operational in the new financial year.

The company was dormant at acquisition date and a consideration of one thousand Namibian Dollar was paid to obtain 100% of the issued share capital of Glasfit Namibia (Pty) Ltd. The acquisition related costs amounted to seven thousand Namibian Dollar. These costs have been expensed in the period of acquisition and are included in administrative expenses in the statement of profit and loss and other comprehensive income.

45. Contingencies

Company

Nictus Holdings Limited provided limited guarantee for a total amount of N$10 million in respect of the loan between Futeni Collection (Pty) Ltd and Nictus Eiendomme (Pty) Ltd. The outstanding loan balance at 30 June 2022 amounted to N$1, 2 million (2021: N$4,3 million).

Nictus Holdings Limited provided limited guarantee for a total amount of N$12,3 million in respect of the loans between Futeni Collection (Pty) Ltd and Acacia Properties (Pty) Ltd. The outstanding loan balances at 30 June 2022 amounted to N$0,1 million (2021: N$0,5 million).

Nictus Holdings Limited provided a letter of guarantee for a total amount of N$6 million in respect of cumulative redeemable preference shares issued by Karas Securities (Pty) Ltd to Hakos Capital and Finance (Pty) Ltd. The outstanding balance at 30 June 2022 amounted to N$40 million (202: N$40 million).

46. Comparative figures

The financial year end of the Company and its subsidiaries were changed from 31 March to 30 June. Accordingly, the consolidated and separate annual financial statements are prepared for 15 months from 1 April 2021 to 30 June 2022 and as a result, the comparative figures stated in the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the related notes are not comparable.

Certain comparative figures have been reclassified. Loans and receivables of the insurance segment have been reclassified from cash flows from investing activities to cash flows from operating activities.

The effects of the reclassification are as follows:

Statement of Cash Flows				
Cash generated from / (used in) operations	-	(6,909)	-	-
Movement in loans and receivables	-	6,909	-	-

47. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

48. Events after the reporting period

The directors are not aware of any material events which affected the presentation of the annual financial statements which occurred after the reporting date and up to the date of this report.

OBJECTIVE

The Group remuneration policy aims to attract and retain those people that will support and contribute to achieving the Group's results and performance. The policy, philosophy and strategy is encapsulated in the following:

Remuneration should:

- contribute towards attracting and retaining motivated and loyal staff;
- reflect a direct correlation with the ideal future and results of the Group;
- be reviewed and benchmarked annually;
- support the strategy of the Group; and
- reward performance and motivate staff.

Remuneration structure

The Group remuneration strategy makes provision for:

- a total cost-to-company approach consisting of a cash component and benefits;
- a linkage to challenging long- and short-term financial and non-financial performance and sustainable profits;
- short-term incentives based on meeting the current year performance levels; and
- long-term incentives based on meeting rolling three-year performance levels.

COMPOSITION OF THE TOTAL REMUNERATION PACKAGE

The factors considered in structuring the total remuneration package are:

- Packages are reviewed annually, internally and externally, to ensure their integrity.
- Recognised market research is applied in the structuring and evaluation of packages.
- Organisational profiles are determined for use in the evaluation process.
- Performance evaluation and development requirements are considered during the process.
- The scarcity of appropriately qualified staff influences package structure.
- The total remuneration package consists of a cash component and benefits.

REMUNERATION INCENTIVES

Short-term incentives

Incentive schemes are aimed at achieving Group performance as set out in the rules. To qualify staff must:

- meet predetermined annual targets; and
- perform exceptionally.

Staff who have transgressed the Group ethical code are ineligible to share in the incentive schemes. Extraneous factors do not influence the incentive evaluation.

Long-term incentive

The incentive scheme is aimed at retaining employees and meeting Group performance as set out in the rules over a rolling three-year period.

- Senior management and executive directors are eligible to participate.
- The relevant Boards of Directors determine the structure and percentile quantum of the incentive. The allocation is determined by Executive Management and approved by the Board.

GOVERNANCE

The Board, assisted by the Remuneration and Nomination Committee, stands at the forefront of developing remuneration policies, reviewing the philosophy strategy and practice, to meet best practice and achieve the Group's overall objectives.

VARIATION

The policy may be varied by the Board at any time within the structure of their authority.

NICTUS HOLDINGS LIMITED
("Nictus" or "the Company") • (incorporated in the Republic of Namibia)
Registration Number NAM 1962/1735
NSX Share Code: NHL
ISIN Number: NA000A1J2SS6

Notice is hereby given that the annual general meeting of the shareholders of Nictus in respect of the period ended 30 June 2022 will be held in the ground floor boardroom, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on 2 December 2022 at 16:00 (Namibian time), to deal with the business as set out below and to consider and, if deemed appropriate, pass the ordinary and special resolutions set out in this notice.

1. GENERAL PURPOSE OF THE ANNUAL GENERAL MEETING

The general purpose of the annual general meeting is to -

1.1 consider and, if deemed fit, pass with or without modification the resolutions set out hereunder; and
1.2 deal with any business that may lawfully be dealt with at the annual general meeting.

2. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated audited annual financial statements of the Company and its subsidiaries, incorporating the reports of the auditors, the audit committee and the directors for the period ended 30 June 2022 will be presented to shareholders as required in terms of section 294 of the Companies Act.

3. RESOLUTIONS FOR CONSIDERATION AND APPROVAL

3.1 Ordinary resolution 1: election of SW Walters as a director

"Resolved that SW Walters be and is hereby elected as a director of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.2 Ordinary resolution 2: re-election of PJ de W Tromp as a director

"Resolved that PJ de W Tromp be and is hereby re-elected as a director of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.3 Ordinary resolution 3: re-election of GR de V Tromp as a director

"Resolved that GR de V Tromp be and is hereby re-elected as a director of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.4 Ordinary resolution 4: non-binding advisory vote for approval of the Company's remuneration policy

"Resolved to approve, by way of a non-binding, advisory vote, the remuneration policy of the Company as set out on page 94 of the annual report of which this notice forms part."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.5 Ordinary resolution 5: approval of non-executive directors' remuneration

"Resolved that the Company be and is hereby authorised to pay remuneration to its non-executive directors for their services as directors, and that the remuneration structure and amounts as set out below, be and are hereby approved until such time as rescinded or amended by the ordinary shareholders by way of an ordinary resolution."

Board/Committee	Annual fees (NAD)		
	Membership	Chairperson (additional fee)	Lead Independent (additional fee)
Board	234,364	306,804	46,873
Audit and Risk Committee	85,223	25,567	N/A
Remuneration and Nomination Committee	63,917	19,175	N/A
Social, Ethics and Sustainability Committee	42,612	12,783	N/A

In order for this ordinary resolution to be passed, the support of more than 75% (seventy-five per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.6 Ordinary resolution 6: re-appointment of SGA as auditors

"Resolved that, on recommendation of the audit committee of the Company, SGA Chartered Accountants and Auditors be and are hereby re-appointed as auditors of the Company (the designated auditor meeting the requirements of section 278 of the Companies Act), to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.7 Ordinary resolution 7: authority to issue ordinary shares

"Resolved that the board of directors be and are hereby authorised by way of a general authority to issue at their discretion to 15% (fifteen per cent) of the authorised but unissued ordinary shares in the Company from time to time, whether created before or after the passing of this resolution and/or to grant options to subscribe for such 15% (fifteen per cent) of the authorised but unissued shares from time to time, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/have been approved by the NSX and are subject to the NSX Listings Requirements, the Companies Act and the following conditions, namely that -

3.7.1 this authority shall only be valid until the next annual general meeting of the Company but shall not extend beyond 15 (fifteen) months from the date of this meeting;

3.7.2 the issue of the shares must be made to persons qualifying as public shareholders as defined in the Listings Requirements of the NSX;

3.7.3 the shares which are the subject of the issue -

3.7.3.1 must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;

3.7.3.2 shall not exceed 5% (five per cent) of the number of shares of the Company's issued ordinary shares in aggregate in any one financial year (including the number of any shares that may be issued in future arising out of the issue of options); and

3.7.3.3 that a paid press announcement giving full details, including the impact of the issue on net asset value, net tangible asset value, earnings and headline earnings per share and if applicable, diluted earnings and diluted headline earnings per share, be published after any issue representing, on a cumulative basis within one financial year, 5% (five per cent) of the number of shares in issue prior to the issue concerned;

3.7.4 in determining the price at which an issue of shares for cash will be made in terms of this authority, the maximum discount permitted shall be 10% (ten per cent) of the weighted average traded price of the ordinary shares on the NSX, measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the shares; and

3.7.5 separately, such shares as have been reserved to be issued by the Company in terms of its share and other employee incentive schemes."

In order for this ordinary resolution to be passed, the support of more than 75% (seventy-five per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

Election of an Audit Committee

3.8 Ordinary resolution 8: re-election of TB Horn as a member and chairperson of the Audit and Risk Committee

"Resolved that TB Horn, an independent non-executive director of the Company, be and is hereby re-elected as a member and chairperson of the Audit and Risk Committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.9 Ordinary resolution 9: re-election of GR de V Tromp as a member of the Audit and Risk Committee

"Resolved that GR de V Tromp, a non-executive director of the Company, be and is hereby re-elected as a member of the Audit and Risk Committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."
In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.10 Ordinary resolution 10: election of SW Walters as a member of the Audit and Risk Committee

"Resolved that SW Walters, an independent non-executive director of the Company, be and is hereby elected as a member of the Audit and Risk Committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.11 Ordinary resolution 11: signing authority

"Resolved that each director, or the secretary of the Company, be and is hereby authorised to do all such things and sign all such documents as may be necessary for, or incidental to the implementation of the resolutions passed at the annual general meeting of the Company and set out in this notice."

In order for this ordinary resolution to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.12 Special resolution 1: general authority to repurchase shares

"Resolved that the Company, in terms of its memorandum and articles of association, or one of its wholly-owned subsidiaries, in terms of such wholly-owned subsidiary's memorandum and articles of association as the case may be, and subject to the relevant subsidiary passing the necessary special resolution, be and is hereby authorised by way of a general approval, to acquire the Company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, subject to the Listings Requirements and the Companies Act"

Section 89 of the Companies Act authorises the board of directors of a Company to approve the acquisition of its own shares subject to the provisions of section 89 having been met. The Companies Act requires the approval of a 75% (seventy-five per cent) majority of the votes cast by shareholders present or represented by proxy at the annual general meeting for special resolution to become effective.

3.13 Special resolution 2: financial assistance to entities related or inter-related to the Company

"Resolved that, as a general approval, the Company may, in terms of section 44 of the Companies Act, provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 44(1) of the Companies Act) to any related or inter-related Company or to any juristic person who is a member of or related to any such Company/ies.

The effect of special resolution, if adopted, is to confer the authority on the board of directors of the Company to authorise financial assistance to companies related or inter-related to the Company or to any juristic person who is a member of or related to any such companies generally as the board of directors may deem fit, on the terms and conditions, and for the amounts that the board of directors may determine from time to time, for a period of two years from the date of the adoption of the special resolution and in particular as specified in the special resolution.

In order for special resolution to be passed the support of at least 75% (seventy-five per cent) of the voting rights exercised on the resolution by the shareholders present in person, or represented by proxy, at the annual general meeting is required.

4. ADDITIONAL INFORMATION

The following additional information, which may appear elsewhere in the annual report, is provided in terms of the NSX Listings Requirements for purposes of the general authority to repurchase the Company's shares set out in special resolution number 1 above -

4.1 directors and management – pages 28 and 29;

4.2 major shareholders – page 29;

4.3 directors' interests in ordinary shares – page 29; and

4.4 share capital of the Company – page 66.

5. LITIGATION STATEMENT

The directors in office whose names appear on page 9 of the annual report, are not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have, or have had, in the recent past, being at least the previous 15 (fifteen) months from the date of this annual report, a material effect on the Group's financial position.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The directors in office, whose names appear on page 9 of the annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable inquiries to ascertain such facts have been made and that the special resolutions contain all information required by the NSX Listings Requirements.

7. MATERIAL CHANGES

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the Company's financial year end and the date of signature of the annual report.

8. DIRECTORS' INTENTION REGARDING THE GENERAL AUTHORITY TO REPURCHASE THE COMPANY'S SHARES

The directors have no specific intention, at present, for the Company to repurchase any of its shares, but consider that such a general authority should be put in place should an opportunity present itself to do so during the year, which is in the best interests of the Company and its shareholders.

9. ATTENDANCE AND PROXIES

9.1 Please note that, in terms of section 197 of the Companies Act -

9.1.1 a shareholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the annual general meeting in his or her stead; and

9.1.2 a proxy need not be a shareholder of the Company.

9.2 Forms of proxy (which form may be found enclosed) must be dated and signed by the shareholder appointing a proxy and must be received at the registered offices of the Company, c/o Veritas Eksekuteurskamer (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (Private Bag 13231, Windhoek) or the Transfer Secretaries, c/o Veritas Eksekuteurskamer (Proprietary) Limited, 1st floor, Nictus Building, Mandume Ndemufayo Avenue, Windhoek (PO Box 755, Windhoek). Forms of proxy must be received by no later than 12:00 on 30 November 2022. Before a proxy exercises any rights of a shareholder at the annual general meeting, such form of proxy must be so delivered.

9.3 Attention is drawn to the "Notes" to the form of proxy.

9.4 The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

10. VOTING

10.1 Voting will be performed by way of a poll, so that every shareholder present in person or by proxy, and if a member is a body corporate, its representatives, shall have one vote for every share held or represented by him/her.

10.2 For the purpose of resolutions proposed in terms of the NSX Listings Requirements in respect of which any votes are to be excluded, any proxy given by a holder of securities to the holder of such an excluded vote shall also be excluded from voting for the purposes of that resolution.

10.3 Shareholders are encouraged to attend at the annual general meeting.

By order of the Board
Nictus Holdings Limited

Veritas Eksekuteurskamer (Proprietary) Limited
Secretary

Windhoek
30 September 2022

BRIEF CURRICULIM VITAES OF DIRECTORS FOR ELECTION AND RE-ELECTION

ELECTION

SW Walters (56)• CA (NAM); CA (SA)

SW Walters is a qualified chartered accountant (Namibia and South Africa), certified internal auditor and has obtained a certification on risk management assurance from the Institute of Internal Auditors Incorporated. He is a specialist corporate governance consultant and provides related solutions to organisations in both private and public sectors, with areas of expertise in process reviews/implementations and internal controls/ audits, corporate governance and enterprise risk management. Mr Walters was a director in and leader of the risk advisory services practice of one of the big four auditing firms in Namibia from 1999 to 2010. He was also the advisory service line and human capital leader of the firm from 2004 to 2009, and chairperson of the board of partners for the same period.

- Certified Internal Auditor
- Independent Non-Executive Director
- Member: Audit & Risk Committee
- Chairperson/member: Remuneration & Nomination Committee; Social, Ethics & Sustainability Committee

RE-ELECTION

PJ de W Tromp (46) • B. Econ; EDP: USB; SMP: USB

PJ De W Tromp has a B.Econ, EDP: USB; SMP; USB and was appointed as the Executive Chairman of Nictus Holdings Group during August 2013 until April 2017, when he was appointed Group Managing Director. He currently serves as Chairperson of the Property Segment, Retail Segment, Insurance & Finance Segment and Executive Committee. He further serves as a non-executive director of Nictus Limited listed on the JSE, and chairs it Social and Ethics Committee. He has served the Nictus Group for the past 19 years.

- Group Managing Director
- Member: Social, Ethics & Sustainability Committee
- Chairperson: Property Segment; Retail Segment; Insurance & Finance Segment

GR de V Tromp (41) • CA (NAM); CA (SA)

GR de V Tromp has a BCom marketing degree and is a chartered accountant (South Africa and Namibia) and completed his articles in 2008. After completion of his articles, he joined the Group in 2009 as Company Secretary, which role he fulfilled until 2012. During 2012, he was appointed as Managing Director of the furniture segment in South Africa. During 2014, he was appointed as deputy Managing Director of the Nictus Limited Group. On 18 April 2016, he was appointed as Managing Director of the Nictus Limited Group. He was appointed as Chairperson of the Board on 24 November 2020.

- Non-Executive Chairperson
- Member: Audit & Risk Committee; Remuneration & Nomination Committee

NICTUS HOLDINGS LIMITED
("Nictus" or "the Company") • (incorporated in the Republic of Namibia)
Registration Number NAM 1962/1735
NSX Share Code: NHL
ISIN Number: NA000A1J2SS6

To be completed by certificated shareholders with "own name" registration only

For completion by registered members of Nictus unable to attend the annual general meeting of the Company to be held in the ground floor boardroom, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on 2 December 2022 at 16:00 (Namibian time), or at any adjournment thereof.

I/We .... of

.... (address) being

the holder/s of .... shares in the Company, do hereby appoint:

1. ……………………………………………………………………….or, failing him/her

2. ……………………………………………………………………….or, failing him/her the chairperson of the annual general meeting,

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the abovementioned annual general meeting of members or at any adjournment thereof, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting:

	For	Against	Abstain	Precluded
1. **Ordinary resolution 1**: election of SW Walters as a director				
2. **Ordinary resolution 2**: re-election of PJ de W Tromp as a director				
3. **Ordinary resolution 3**: re-election of GR de V Tromp as a director				
4. **Ordinary resolution 4**: non-binding advisory vote for approval of the Company's remuneration policy				
5. **Ordinary resolution 5**: approval of non-executive directors' remuneration				
6. **Ordinary resolution 6**: re-appointment of SGA as auditors				
7. **Ordinary resolution 7**: authority to issue ordinary shares				
8. **Ordinary resolution 8**: re-election of TB Horn as a member and chairperson of the Audit and Risk Committee				
9. **Ordinary resolution 9**: re-election of GR de V Tromp as a member of the Audit and Risk Committee				
10.**Ordinary resolution 10**: election of SW Walters as a member of the Audit and Risk Committee				
11.**Ordinary resolution 11**: signing authority				
12.**Special resolution 1**: general authority to repurchase shares				
13.**Special resolution 2**: financial assistance to entities related or inter-related to the Company				

Precluded from voting in terms of the Companies Act or die NSX Listings Requirements

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. However, if you wish not to cast your votes in respect of less than all of the ordinary shares that you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote.

Signed at .... on (date) .... Signature: ....

Assisted by me, where applicable (name and signature) ....

NOTES TO THE PROXY FORM

1. *Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the Company) to attend, speak and, on a poll, vote in the stead of that shareholder at the annual general meeting.*

2. *A shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the space provided, with or without deleting 'the chairperson of the annual general meeting'. The person whose name stands first on the form of proxy and who is present at the annual general meeting shall be entitled to act as proxy to the exclusion of the persons whose names follow.*

3. *A shareholder's instructions to the proxy have to be indicated by the insertion of an "X" or the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above shall be deemed to authorise the chairperson of the annual general meeting, if the chairperson is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or any other proxy other proxy to vote or to abstain from voting at the annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.*

4. *A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such shareholder or represented by such proxy, but the total number of votes for or against the ordinary and special resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.*

5. *Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the chairperson of the annual general meeting.*

6. *The chairperson of the annual general meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these instructions and notes.*

7. *Any alterations or corrections to this form of proxy have to be initialed by the signatory(ies).*

8. *The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.*

9. *Forms of proxy have to be lodged with or posted to the registered office of the Company, c/o Veritas Eksekuteurskamer (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo avenue, Windhoek (Private Bag 13231, Windhoek or the transfer Secretaries, Veritas Eksekuteurskamer (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (PO Box 755, Windhoek). Forms of proxy must be received no later than 12:00 on* ***30 November 2022.***

NICTUS HOLDINGS LIMITED COMPANY DETAILS

Company registration number
1962/1735

NSX Share code: NHL
ISIN number: NA000A1J2SS6

Executive Directors
PJ de W Tromp (Group Managing Director)
WO Fourie (Group Financial Director)

Non-Executive Directors
TB Horn (Independent Non-Executive Lead Director)
GR de V Tromp (Non-Executive Chairman)
SW Walters (Independent Non-Executive Director)

Transfer Secretaries
Veritas Eksekuteurskamer (Proprietary) Limited
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek
P.O. Box 755, Windhoek, Namibia

Independent External Auditors
SGA Chartered Accountants and Auditors

Registered Office
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek
P.O. Box 755, Windhoek, Namibia

Sponsor on the NSX
Simonis Storm Securities (Pty) Ltd

Nictus Holdings Limited
Private Bag 13231, Windhoek, Namibia
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek

Please visit our website
www.nictusholdings.com

EXCELLENCE