

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited			Audited
	Six months ended	Six months ended	Change %	Year ended
	Note	30 Sept 14 N\$'000	30 Sept 13 N\$'000	31 Mar 14 N\$'000
Revenue		483,251	288,253	725,276
Cost of sales		(388,106)	(234,955)	(582,879)
Claims incurred		(8,219)	(3,670)	124.0
Gross profit		86,926	49,628	133,835
Other income		9,377	3,448	172.0
Investment income from operations	5	12,529	5,018	149.7
Operating and administrative expenses	5	(95,044)	(56,243)	(140,694)
Operating profit		13,788	1,851	644.9
Investment income		1,375	4,121	(66.6)
Operating profit before financing costs		15,163	5,972	153.9
Financing costs		(4,136)	(2,622)	57.7
Profit before taxation		11,027	3,350	229.2
Taxation		(2,483)	(1,427)	74.0
Profit for the period		8,544	1,923	344.3
Other Comprehensive Income:				
Items that will not be reclassified to profit or loss:				
Gains on property revaluation		-	-	5,124
Income tax relating to items that will not be reclassified		-	-	(1,859)
Total items that will not be reclassified to profit or loss		-	-	3,265
Other comprehensive income for the year net of taxation		-	-	3,265
Total comprehensive income for the period		8,544	1,923	344.3
Total comprehensive income attributable to:				
Owners of the Company		8,544	1,923	344.3
Profit attributable to:				
Owners of the Company		8,544	1,923	344.3
Earnings per share				
Basic earnings per share (cents)	8	15.99	3.60	45.93
Diluted earnings per share (cents)		15.99	3.60	45.93
Number of shares in issue (000's)		53,444	53,444	53,444

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited			Audited
		30 Sept 14	30 Sept 13	31 Mar 14
	Note	N\$'000	N\$'000	N\$'000
ASSETS				
Non-current assets				
Property, plant and equipment		211,775	157,359	202,387
Intangible assets		1,404	635	808
Investments		13,109	18,950	10,668
Loans to associated companies		-	-	-
Loans and receivables		257,781	152,416	233,366
Deferred tax assets		2,882	5,510	4,175
Current assets				
Revaluation reserve		49,508	46,243	49,508
Contingency reserve		21,077	14,980	19,481
Retained earnings		36,891	19,835	37,960
Total assets		1,235,943	951,943	1,184,212
EQUITY				
Stated capital		129	129	129
Revaluation reserve		49,508	46,243	49,508
Contingency reserve		21,077	14,980	19,481
Retained earnings		36,891	19,835	37,960
Total equity		107,605	81,187	107,078
LIABILITIES				
Non-current liabilities				
Interest bearing loans and borrowings		29,954	21,080	25,278
Deferred tax liabilities		19,461	13,157	18,995
Current liabilities				
Insurance contract liability		49,415	34,237	44,273
Other current liabilities		1,078,923	836,519	1,032,861
Total liabilities		1,128,338	870,756	1,077,134
Total equity and liabilities		1,235,943	951,943	1,184,212

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Unaudited			Audited
	Six months ended	Six months ended	Year ended	
	Note	30 Sept 14 N\$'000	30 Sept 13 N\$'000	31 Mar 14 N\$'000
Cash flow from operating activities		(7,456)	19,006	164,395
Cash (utilised by) / generated from operations		1,375	4,121	6,380
Investment income from operations received		(4,136)	(2,622)	(7,852)
Interest paid		(21)	-	-
Taxation paid		-	-	-
Net cash (utilised by) / generated from operating activities		(10,238)	20,505	162,923
Net cash utilised by activities		(36,658)	(7,978)	(108,392)
Net cash generated from financing activities		23,978	51,857	33,235
Net (decrease) / increase in cash and cash equivalents		(22,918)	64,384	87,766
Cash and cash equivalents at beginning of period		340,236	252,470	252,470
Cash and cash equivalents at end of period		317,318	316,854	340,236

CONDENSED SEGMENT REPORT

	Unaudited			Audited
	Six months ended	Six months ended	Year ended	
	Note	30 Sept 14 N\$'000	30 Sept 13 N\$'000	31 Mar 14 N\$'000
Segment assets				
Motor retail		395,781	213,419	366,386
Furniture retail		148,737	135,776	134,101
Insurance & Finance		963,798	709,870	940,336
		1,508,316	1,140,065	1,440,823
Head office and eliminations		(272,373)	(188,122)	(256,611)
		1,235,943	951,943	1,184,212
Segment revenue				
Motor retail		421,120	242,004	608,361
Furniture retail		43,258	34,223	77,115
Insurance & Finance		31,209	23,075	57,852
		495,587	299,302	743,328
Head office and eliminations		(12,336)	(11,049)	(18,052)
		483,251	288,253	725,276
Operating profit after taxation				
Motor retail		4,861	4,732	7,620
Furniture retail		2,140	2,389	3,481
Insurance & Finance		7,855	4,151	17,267
		14,856	11,272	28,368
Head office and eliminations		(6,312)	(9,349)	(3,819)
		8,544	1,923	24,549

RECONCILIATION BETWEEN EARNINGS & HEADLINE EARNINGS

	Unaudited			Audited
	Six months ended	Six months ended	Year ended	
	Note	30 Sept 14 N\$'000	30 Sept 13 N\$'000	31 Mar 14 N\$'000
Profit for the period, net of taxation		8,544	1,923	24,549
Profit on disposal of property, plant and equipment		(396)	(44)	(231)
Gain from bargain purchase		-	-	(20,659)
Headline earnings		8,148	1,879	3,659
Headline earnings per share (cents)		15.25	3.52	6.85
Diluted Headline earnings per share (cents)		15.25	3.52	6.85

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited					Audited
	Stated capital	Revaluation reserve	Contingency reserve	Retained earnings	Total equity	
	Note	N\$'000	N\$'000	N\$'000	N\$'000	N\$'000
Balance at 1 April 2013	129	46,243	12,506	20,386	79,264	
Total comprehensive income	-	-	-	1,923	1,923	
Profit for the period	-	-	-	1,923	1,923	
Transfers to retained earnings	-	-	2,474	(2,474)	-	
Transfer to contingency reserve	-	-	2,474	(2,474)	-	
Contributions by and to the owners of the Group	-	-	-	-	-	
Dividends to equity holders	-	-	-	-	-	
Balance at 30 September 2013	129	46,243	14,980	19,835	81,187	
Total comprehensive income	-	3,265	-	22,626	25,891	
Profit for the period	-	3,265	-	22,626	25,891	
Transfers to retained earnings	-	-	4,501	(4,501)	-	
Transfer to contingency reserve	-	-	4,501	(4,501)	-	
Contributions by and to the owners of the Group	-	-	-	-	-	
Dividends to equity holders	-	-	-	-	-	
Balance at 31 March 2014	129	49,508	19,481	37,960	107,078	
Total comprehensive income	-	-	-	8,544	8,544	
Profit for the period	-	-	-	8,544	8,544	
Transfers to retained earnings	-	-	1,596	(1,596)	-	
Transfer to contingency reserve	-	-	1,596	(1,596)	-	
Contributions by and to the owners of the Group	-	-	-	(8,017)	(8,017)	
Dividends to equity holders	-	-	-	(8,017)	(8,017)	
Balance at 30 September 2014	129	49,508	21,077	36,891	107,605	

NOTES TO THE FINANCIAL INFORMATION
1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRSs), the presentation and disclosure requirements of IAS 34: *Interim Financial Reporting* and the Companies Act of Namibia. The accounting policies are consistent with those applied for the year ended 31 March 2014. At the date of authorisation of these condensed consolidated interim financial statements, there are standards and interpretations which were effective. The Group has adopted all relevant standards which haven't led to any material changes. The Group has chosen not to early adopt any standards and interpretations not yet effective on or after 1 April 2014. The condensed consolidated interim financial results are unaudited and have not been reviewed by the auditors.

2. FOREIGN CURRENCY

The Group's functional and presentation currency is the

Namibian Dollar, as the Company's primary listing is on the Namibian Stock Exchange (NSX).

3. COMPARATIVE FIGURES

The comparative information for the six months ended 30 September 2014, is consistent with the accounting policies and basis of presentation applied to both the current interim financial period and the previous financial year ended 31 March 2014.

4. RELATED PARTIES

During the period under review, certain companies within the Group entered into transactions with each other. These intra-Group transactions have been eliminated on consolidation. Related parties remains unchanged from that reported at 31 March 2014. Refer to the 2014 Integrated Annual Report.

5. REVIEW OF OPERATIONS
Overview of first six months

Positive growth in revenue were achieved compared to the previous six months. Growth was achieved in all segments of the group. There was also a significant increase in the profitability of the group during the first six months.

The incorporation from Trentyre is experienced as positive within the group. Trentyre is positively contributing to both revenue and profitability and is performing in line with expectation since being incorporated into the Group.

Increased operating and administration expenses are mainly contributed to the inclusion of the Trentyre results during the first 6 months. There were also costs not included in the prior year comparable results due to the new furniture outlet and upgraded motor outlet in Ongwediva only opening in during the latter part of last year.

6. SEGMENT RESULTS

There was no change in the segments from the 31 March 2014 Integrated Annual Report.



Motor retail: Revenue increased significantly by 74% and profit after tax by 3% compared to the six months ending 30 September 2013. The increased revenue is largely due to the



fact that revenue from Trentyre is included in the current year and not in the prior year.

The incorporation of Trentyre into the group is progressing well and positively contributing to both revenue and profitability of the group.



Furniture retail: Revenue increased by 10% in comparison to the previous period. For the current 6 months, revenue from our new branch are included that was not included in the comparative numbers. The expected disruption during the upgrade of the Auas Valley shopping mall did materialise. Completion of the upgrade was 3 months later than promised, negatively affecting revenue as well as profitability.

Even with this disruption, the segment remained profitable for the first 6 months.



Insurance and finance: Segment revenue as well as operating profit for the first six months ended 30 September 2014 increased. Investment income remains under pressure. This is due to low interest rates even with increase in interest rates over the past year and unpredictable capital markets caused by the current political environment in South Africa. It seems that South Africa is increasingly seen as a high risk investment destination negatively affecting investors sentiment in equity markets, resulting in limited returns.

7. HEADLINE EARNINGS

For the six month period ended 30 September 2014 the only item that impacted the headline earnings calculation was the profit on disposal of plant and equipment.

8. BASIC EARNINGS PER SHARE

Earnings per share based on profit for the six months ended 30 September 2014 was 15.99 cents (30 September 2013: 3.60 cents), compared to a headline earnings per share of 15.25 cents (30 September 2013: 3.52 cents).

9. INTERIM DIVIDEND

No interim dividend has been proposed by the Board of directors.

10. DIRECTORS

P J de W Tromp and FR van Staden were re-elected as directors during August 2014.

11. PROSPECTS

Construction of our new furniture store over the next 18 months will be one of the major capital projects within the Group. Historically the majority of the Group's earnings are earned in the second part of the financial year and the Board is of the opinion that the same will apply in the current financial year.

On behalf of the board:

P J de W Tromp
W O Fourie

Windhoek, 02 December 2014



EXCELLENCE

"We are what we repeatedly do. Excellence then, is not an act but a habit."
Aristotle (384 BC - 322 BC)



COMPANY DETAILS

Company registration number
1962/1735

NSX Share code
NHL, ISIN number: NA000A1J2SS6

Directors

P J de W Tromp (Chairman - Executive)
N C Tromp (Executive) • F R van Staden (Executive)
J J Relief (Executive) • W O Fourie (Executive)

Transfer Secretaries

Veritas Board of Executors (Proprietary) Limited
3rd Floor, Corporate House, 17 Lüderitz Street, Windhoek
P O Box 755, Windhoek, Namibia

Registered Office

3rd Floor, Corporate House, 17 Lüderitz Street, Windhoek
P O Box 755, Windhoek, Namibia

Sponsor on the NSX
Simonis Storm Securities (Pty) Ltd

Nictus Holdings Limited
P.O. Box 755, Windhoek, Namibia
3rd Floor, Corporate House, 17 Lüderitz Street, Windhoek



- ▶ Group revenue increased by 68% to **N\$483 million.**
- ▶ Gross profit increased by 75% to **N\$87 million.**
- ▶ Net profit after taxation for the period increased to **N\$8,5 million.**
- ▶ The Group's asset base increased by 30% to **N\$1,236 billion.**

2014 Condensed Unaudited Interim Report

for the six months ended
30 September 2014

