



NICTUS HOLDINGS LIMITED
CONSOLIDATED UNAUDITED
GROUP RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2022



1945 - 2022

HIGHLIGHTS

REVENUE

Increased by 33% to N\$ 490,1 million
(31 December 2021: N\$ 368,6 million)

PROFIT

Increased by 28% to N\$ 14,5 million
(31 December 2021: N\$ 11,3 million)

ASSETS

Increased by 19% to N\$ 2,2 billion
(31 December 2021: N\$1,9 billion)
Increased by 5% to N\$ 2,2 billion
(30 June 2022: N\$2,1 billion)

STATEMENT OF FINANCIAL POSITION

Figures in N\$'000

	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
Assets			
Non-Current Assets			
Property, plant and equipment	339,175	342,139	330,802
Right-of-use assets	4,915	4,268	5,206
Investment property	43,482	43,642	43,482
Intangible assets	2,842	3,749	3,379
Loans and receivables	588,551	491,178	552,845
Trade and other receivables	51,816	38,242	45,145
Investments at fair value	65,539	53,107	63,692
Deferred tax	9,498	9,962	12,350
	1,105,818	986,287	1,056,901
Current Assets			
Inventories	149,545	122,392	129,079
Loans and receivables	158,885	104,657	138,159
Trade and other receivables	237,219	205,235	262,840
Investments at fair value	10,640	2,993	12,163
Reinsurance asset	216,704	185,491	202,885
Cash and cash equivalents	326,437	253,843	295,221
	1,099,430	874,611	1,040,347
Total Assets	2,205,248	1,860,898	2,097,248
Equity and Liabilities			
Equity			
Stated capital	129	129	129
Reserves	67,203	74,303	67,203
Retained income	134,111	110,504	133,331
	201,443	184,936	200,663
Liabilities			
Non-Current Liabilities			
Interest bearing loans and borrowings	18,632	18,196	19,611
Lease liabilities	2,400	1,885	3,003
Deferred tax	53,498	47,523	49,177
	74,530	67,604	71,791
Current Liabilities			
Trade and other payables	111,243	70,596	108,802
Interest bearing loans and borrowings	46,232	30,071	28,586
Lease liabilities	2,843	2,588	2,434
Provisions	30	41	20
Insurance contract liability	1,768,927	1,505,062	1,684,952
	1,929,275	1,608,358	1,824,794
Total Liabilities	2,003,805	1,675,962	1,896,585
Total Equity and Liabilities	2,205,248	1,860,898	2,097,248

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in N\$'000	Notes	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	% Variance	Audited 15 months ended 30 June 2022
Revenue	9	490,133	368,584	33 %	920,865
Cost of sales		(358,077)	(265,217)	(35)%	(649,015)
Gross profit		132,056	103,367	28 %	271,850
Other operating income		6,903	9,751	(29)%	25,446
Other operating losses		(34)	(113)	70 %	(9,674)
Investment income from operations		14,080	9,414	50 %	24,919
Operating and administrative expenses		(129,782)	(103,792)	(25)%	(256,994)
Operating profit		23,223	18,627	25 %	55,547
Investment income		1,120	1,071	5 %	2,657
Finance costs		(2,660)	(2,243)	(19)%	(6,778)
Profit before taxation		21,683	17,455	24 %	51,426
Taxation		(7,173)	(6,121)	(17)%	(8,592)
Profit for the period		14,510	11,334	28 %	42,834
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Revaluation and impairment of land and buildings		-	(96)	- %	(12,196)
Other comprehensive income for the period net of taxation		-	(96)	- %	(12,196)
Total comprehensive income for the period		14,510	11,238	29 %	30,638
Earnings per share					
Per share information					
Basic and diluted earnings per share (c)	4	27.15	21.60	26 %	81.65
Basic and diluted earnings per share before treasury share adjustment (c)	4	27.15	21.21	28 %	80.15

STATEMENT OF CHANGES IN EQUITY

Figures in N\$'000	Stated Capital	Revaluation Reserve	Insurance Contingency Reserve	Retained Income	Total Equity
Unaudited balance at 01 July 2021	129	58,848	15,551	108,615	183,143
Profit for the period	-	-	-	11,334	11,334
Other comprehensive income	-	(96)	-	-	(96)
Total comprehensive income for the period	-	(96)	-	11,334	11,238
Dividends paid	-	-	-	(9,619)	(9,619)
Prescribed dividends	-	-	-	174	174
Total contributions by and distributions to owners of group recognised directly in equity	-	-	-	(9,445)	(9,445)
Unaudited balance at 31 December 2021	129	58,752	15,551	110,504	184,936
Profit for the period	-	-	-	27,827	27,827
Other comprehensive income	-	(12,100)	-	-	(12,100)
Total comprehensive income for the period	-	(12,100)	-	27,827	15,727
Transfer to contingency reserve	-	-	5,000	(5,000)	-
Total contributions by and distributions to owners of group recognised directly in equity	-	-	5,000	(5,000)	-
Audited balance at 30 June 2022	129	46,652	20,551	133,331	200,663
Profit for the period	-	-	-	14,510	14,510
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	14,510	14,510
Dividends paid	-	-	-	(13,895)	(13,895)
Prescribed dividends	-	-	-	165	165
Total contributions by and distributions to owners of group recognised directly in equity	-	-	-	(13,730)	(13,730)
Unaudited balance at 31 December 2022	129	46,652	20,551	134,111	201,443

STATEMENT OF CASH FLOWS

Figures in N\$'000	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
Cash flows from operating activities			
Cash generated from operations	52,995	70,948	110,197
Investment income	1,120	1,071	2,657
Finance costs	(2,660)	(2,243)	(6,315)
Net cash from operating activities	51,455	69,776	106,539
Net cash from investing activities	(21,770)	(21,781)	(56,340)
Cash flows from financing activities			
Proceeds from / (repayment of) borrowings	16,667	(99,478)	(86,862)
Payment on lease liabilities	(1,241)	(1,091)	(3,649)
Dividends paid	(13,895)	(9,619)	(9,619)
Net cash from financing activities	1,531	(110,188)	(100,130)
Total cash movement for the period	31,216	(62,193)	(49,931)
Cash at the beginning of the period	295,221	316,036	345,152
Total cash at end of the period	326,437	253,843	295,221

NOTES TO THE CONSOLIDATED UNAUDITED GROUP RESULTS
1. Statement of compliance

The condensed consolidated unaudited interim results for the period ended 31 December 2022 have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), and also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting and the Companies Act of Namibia.

These condensed consolidated interim financial results have not been reviewed or audited by the independent external auditors.

2. Accounting policies

The accounting policies applied are materially consistent with those of the consolidated annual financial statements for the period ended 30 June 2022.

The condensed consolidated unaudited interim financial statements are presented in thousands of Namibia Dollars (N\$'000) on the historical cost basis, except for financial instruments which are measured at fair value and land and buildings held for administrative purposes which are measured at revalued amounts.

3. Segmental information

Retail segment: Revenue increased by 31% from the comparative period. Gross profits in the segment were however under pressure during the six months ending 31 December 2022. The impact of inflation on costs and higher interest rates negatively impacted on profitability, resulting in a 19% decrease in profit from the comparative period. Costs were further incurred to support the growing of underlying business within the segment resulting in the segment not performing as well as the comparative period.

Property companies: The segment had a growth in revenue of 9% and improved profitability compared to the previous comparative period. Higher interest rates and costs did however impact the profitability during the current six months. The property that was destroyed by fire in September 2021 have been completely rebuild and leased out again from December 2022.

Insurance and finance: The segment had a growth in revenue by 27% and profitability increased by 20%. An increase in premium income and higher interest rates contributed to the improved profitability within the segment.

Figures in N\$'000	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
Segment revenue			
Retail	442,563	338,283	822,615
Properties	12,893	11,801	28,275
Insurance and finance	64,691	41,754	133,869
Head office	25,937	20,416	56,639
Total	546,084	412,254	1,041,398
Eliminations	(55,951)	(43,670)	(120,533)
Total segment revenue	490,133	368,584	920,865

NOTES TO THE CONSOLIDATED UNAUDITED GROUP RESULTS

Figures in N\$'000	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
Segment results			
Retail	8,319	10,263	14,227
Properties	781	(63)	(9,095)
Insurance and finance	14,379	11,960	34,098
Head office	4,440	(505)	143
Total	27,919	21,655	39,373
Eliminations	(13,409)	(10,321)	3,461
Operating profit after taxation	14,510	11,334	42,834
Segment assets			
Retail	359,931	303,532	327,206
Properties	393,707	390,677	380,017
Insurance and finance	2,031,799	1,634,054	1,886,636
Head office	258,280	279,289	265,550
Total	3,043,717	2,607,552	2,859,409
Eliminations	(838,469)	(746,654)	(762,161)
Total segment assets	2,205,248	1,860,898	2,097,248

4. Share information

Number of ordinary shares in issue (000's)	53,444	53,444	53,444
Number of treasury shares (000's)	-	983	983
Weighted average number of ordinary shares in issue (000's)	53,444	52,461	52,461
Basic earnings per share (cents)	27.15	21.60	81.65
Basic earnings per share before treasury share adjustment (cents)	27.15	21.21	80.15
Headline earnings per share (cents)	27.22	27.29	81.99
Headline earnings per share before treasury share adjustment (cents)	27.22	26.78	80.48

Basic earnings per share

Reconciliation of earnings

Profit for the period attributable to equity holders of the parent	14,510	11,334	42,834
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Headline earnings per share

Reconciliation of headline earnings

Basic earnings	14,510	11,334	42,834
Adjusted for:			
Loss on disposal of plant and equipment	40	113	52
Revaluation and impairment of assets, net of taxation	-	7,194	9,979
Insurance proceeds, net of taxation	-	(4,327)	(9,852)
Headline earnings	14,550	14,314	43,013

5. Dividends

Ordinary dividends of 26 cents per share (N\$13,9 million) were declared and paid by the Company on 31 October 2022. No interim dividend has been proposed by the board of directors.

6. Directors

The following directors were re-elected at the Annual General Meeting on 2 December 2022 - PJ de W Tromp and GR de V Tromp. SW Walters was elected as director and member of the Audit and Risk Committee. TB Horn was re-elected as chairperson and member of the Audit and Risk Committee. GR de V Tromp was re-elected as member of the Audit and Risk Committee.

7. 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.

NOTES TO THE CONSOLIDATED UNAUDITED GROUP RESULTS

8. Fair value information of financial instruments

Fair values have been determined for measurement and/or disclosure purpose based on the following methods. The techniques used have not changed since the year end.

Investment properties and land and buildings

The board of directors assessed the values of the land and buildings at 31 December 2022 and no fair value adjustments have been proposed. 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 between 10.5% and 11.5% (2022: between 9% and 10%) is applied to the estimated rental value to arrive at the gross property valuation. Investment properties and land and buildings are classified as level 2 in terms of the fair value hierarchy.

Investment in equity and debt instruments

The investments are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents for the Group is of a short-term nature and the fair values approximates the carrying amount.

Loans receivable and trade and other receivables

The fair value of loans and receivables and trade receivables are measured, at initial recognition, at fair value plus transactions costs, if any. They are subsequently measured at amortised costs. 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.

Borrowings, loans from related parties and trade payables

Loans from related parties, interest bearing loans and borrowings as well as trade and other payables are classified as financial liabilities subsequently measured at amortised costs using the effective interest method. The fair values of these instrument approximates their carrying amounts.

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 measured using 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.

There were no transfers between the levels for the reporting period(s).

Figures in N\$ '000	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
Levels of fair value measurements			
Level 1			
Financial assets			
Listed shares	10,917	3,254	12,434
Debt securities	65,262	52,846	63,421
	76,179	56,100	75,855
Level 2			
Financial assets			
Land	85,629	94,075	85,629
Buildings	232,213	230,515	223,963
Investment property	43,482	43,642	43,482
Loans and receivables	747,436	595,835	691,004
Reinsurance asset	216,704	185,491	202,885
	1,325,464	1,149,558	1,246,963

NOTES TO THE CONSOLIDATED UNAUDITED GROUP RESULTS

Figures in N\$'000	Amortised Cost	FVTPL	Total
8. Fair value information of financial instruments (continued)			
Categories of financial instruments			
Unaudited 6 months ended 31 December 2022			
Financial assets			
Trade and other receivables	260,924	-	260,924
Investments	65,262	10,917	76,179
Loans and receivables	747,436	-	747,436
Reinsurance asset	-	216,704	216,704
Cash and cash equivalents	326,437	-	326,437
	1,400,059	227,621	1,627,680
Unaudited 6 months ended 31 December 2021			
Financial assets			
Trade and other receivables	227,482	-	227,482
Investments	52,846	3,254	56,100
Loans and receivables	595,835	-	595,835
Reinsurance asset	-	185,491	185,491
Cash and cash equivalents	253,843	-	253,843
	1,130,006	188,745	1,318,751
Audited 15 months ended 30 June 2022			
Financial assets			
Trade and other receivables	275,062	-	275,062
Investments	63,421	12,434	75,855
Loans and receivables	691,004	-	691,004
Reinsurance asset	-	202,885	202,885
Cash and cash equivalents	295,221	-	295,221
	1,324,708	215,319	1,540,027
Figures in N\$'000			
	Amortised Cost	Total	
Unaudited 6 months ended 31 December 2022			
Financial liabilities			
Interest bearing loans and borrowings	64,864	64,864	
Lease liabilities	5,243	5,243	
Trade and other payables	109,608	109,608	
Insurance contract liability	1,768,927	1,768,927	
	1,948,642	1,948,642	
Unaudited 6 months ended 31 December 2021			
Financial liabilities			
Interest bearing loans and borrowings	48,267	48,267	
Lease liabilities	4,473	4,473	
Trade and other payables	70,207	70,207	
Insurance contract liability	1,505,062	1,505,062	
	1,628,009	1,628,009	
Audited 15 months ended 30 June 2022			
Financial liabilities			
Interest bearing loans and borrowings	48,197	48,197	
Lease liabilities	5,437	5,437	
Trade and other payables	105,735	105,735	
Insurance contract liability	1,684,952	1,684,952	
	1,844,321	1,844,321	

NOTES TO THE CONSOLIDATED UNAUDITED GROUP RESULTS

Figures in N\$'000	Unaudited 6 months ended 31 December 2022	Unaudited 6 months ended 31 December 2021	Audited 15 months ended 30 June 2022
9. Revenue			
Revenue from contracts with customers			
Sale of goods and rendering of services	437,580	335,189	809,102
Rental income	2,277	410	2,776
Insurance premium income	13,346	9,334	38,004
Interest received	36,366	21,509	58,133
	489,569	366,442	908,015
Revenue other than from contracts with customers			
Reinsurance income	564	2,142	12,850
	490,133	368,584	920,865

10. Legal matters

A subsidiary company has a pending legal case regarding reinsurance. No adjustment is required. The directors cannot disclose further information on the basis that they believe that this would be prejudicial to the subsidiary's position in the case.

11. Events after the interim period

The directors are not aware of any material events which affected the presentation of the consolidated unaudited group results which occurred after the reporting date and up to the date of this report.

12. Prospects

This is the first time the interim results are reported for the six months ending 31 December. Performance of the Group in the first six months was in line with expectations considering the increased interest rates and high inflationary business environment. The Group is well positioned within the current economic environment to optimise profitability due to our import strategies of stock in the retail segment as well as the better return on investments. Costs will however be higher than initially expected.

Praise to our Heavenly Father for giving us the insight and strength during the period to achieve these exceptional results.

On behalf of the board:



PJ de W Tromp
Windhoek, 16 March 2023



TB Horn



EXCELLENCE

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, Suzuki and Hero 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

Is the largest independent furniture retailer in Namibia providing quality and value for money products. Bedding Boutique is a concept store under the Nictus brand that provide a range of specialised sleep products.



●●● Hakos Capital

Hakos Capital and Finance mainly provides financial assistance for the purchase of vehicles and accessories to all Auas Motors branches. Hakos also offers rental solutions of office equipment and other assets to prospective clients.



●●● 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".



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