



2025 Integrated Annual Report



NICTUS
HOLDINGS

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About this Report

The 2025 Nictus Holdings Integrated Annual Report provides a holistic view of our Group's performance, governance, and strategic direction for the financial year ended 30 June 2025. It builds on the disclosures made in previous reports and reflects our commitment to transparency, accountability, and responsible leadership.

This report complies with IFRS® Accounting Standards, and while the Integrated Reporting Framework has informed our approach, its guidelines have been applied selectively where relevant to ensure it adheres to the recognised standards and regulatory frameworks of The NamCode, the Companies Act of Namibia, and the Namibia Securities Exchange (NSX) Listings Requirements. It includes our Group's audited financial statements, which are also available to shareholders on our website at www.nictusholdings.com.

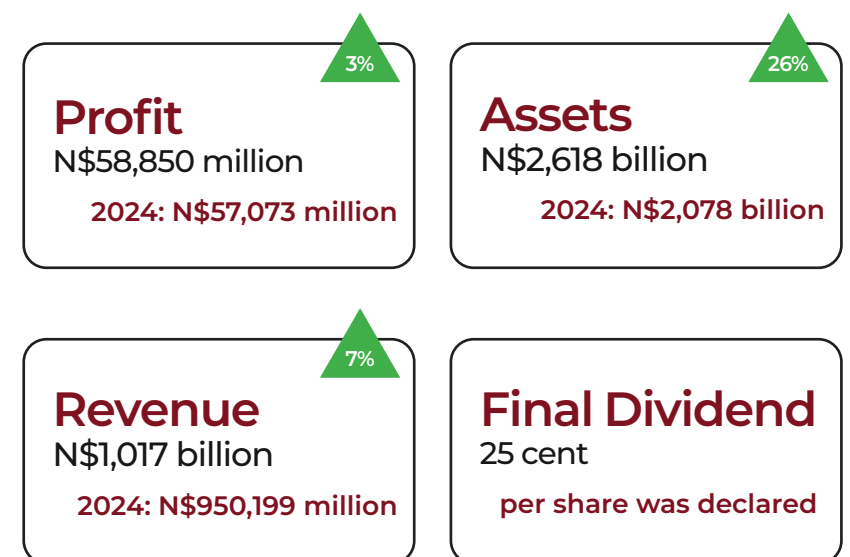
Scope and boundary of this report

This report covers the activities and performance of Nictus Holdings Limited (the holding company) and its subsidiaries, collectively referred to as the Nictus Group, whose operations are primarily based in Namibia. There have been no changes to the scope or boundary of the report compared to the previous year.

Approval of the Integrated Annual Report

Oversight of the report's preparation was provided by our Audit and Risk Committee, which reviewed and recommended it for approval to the Board of Directors. Their involvement ensures the integrity and reliability of the information presented.

Performance Highlights



About Nictus Holdings

This year, we proudly celebrate 80 years of building a legacy rooted in resilience, growth and service to the people of Namibia. What began in 1945 as a modest business in South West Africa has grown into a trusted and diversified Group that continues to evolve with purpose.

Our journey took a significant step forward in 1969 when we listed on the Johannesburg Stock Exchange (JSE) to raise equity for expansion into Southern Africa.

On 21 September 2012, we embraced a new chapter by unbundling from the JSE-listed entity and becoming primarily listed on the Namibia Securities Exchange (NSX), reaffirming our commitment to the Namibian market.

Today, Nictus Holdings Limited stands as the holding company of a dynamic Group operating across the Retail, Property and Insurance and Finance segments.

As we reflect on eight decades of progress, we remain deeply grateful for the trust placed in us and the relationships we have built. Our story is one of perseverance, partnership and pride, and we look forward to shaping the future with the same spirit that has guided us since the beginning.

Our Mission Statement

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 a preferred employer

Our Vision

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

Our Philosophy

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

Our Core Values

Stewardship:

We take full ownership and responsibility for our actions, ensuring sustainable growth and care for our resources.

Principled:

We uphold the highest standards of respect, integrity and transparency in all our dealings.

Teamwork:

We believe in the power of collaboration and working together to achieve our common goals.

Resourceful:

We adapt quickly and efficiently, finding innovative solutions to overcome challenges.

Fanatic Discipline:

We are relentless in our pursuit of excellence, maintaining strict discipline and consistency in our efforts.

Learning Culture:

We foster a culture of continuous learning and improvement, encouraging growth and development.

Our Code of Conduct

As an employee of Nictus Holdings, I will:

- Protect the Groups assets, information and reputation.
- 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.
- 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.

A few of our Milestones

1945

The Nictus Group of Companies was founded.

1969

Listed on the Johannesburg Stock Exchange (JSE).

1992

The first listed company on the Namibia Securities Exchange (NSX).

2012

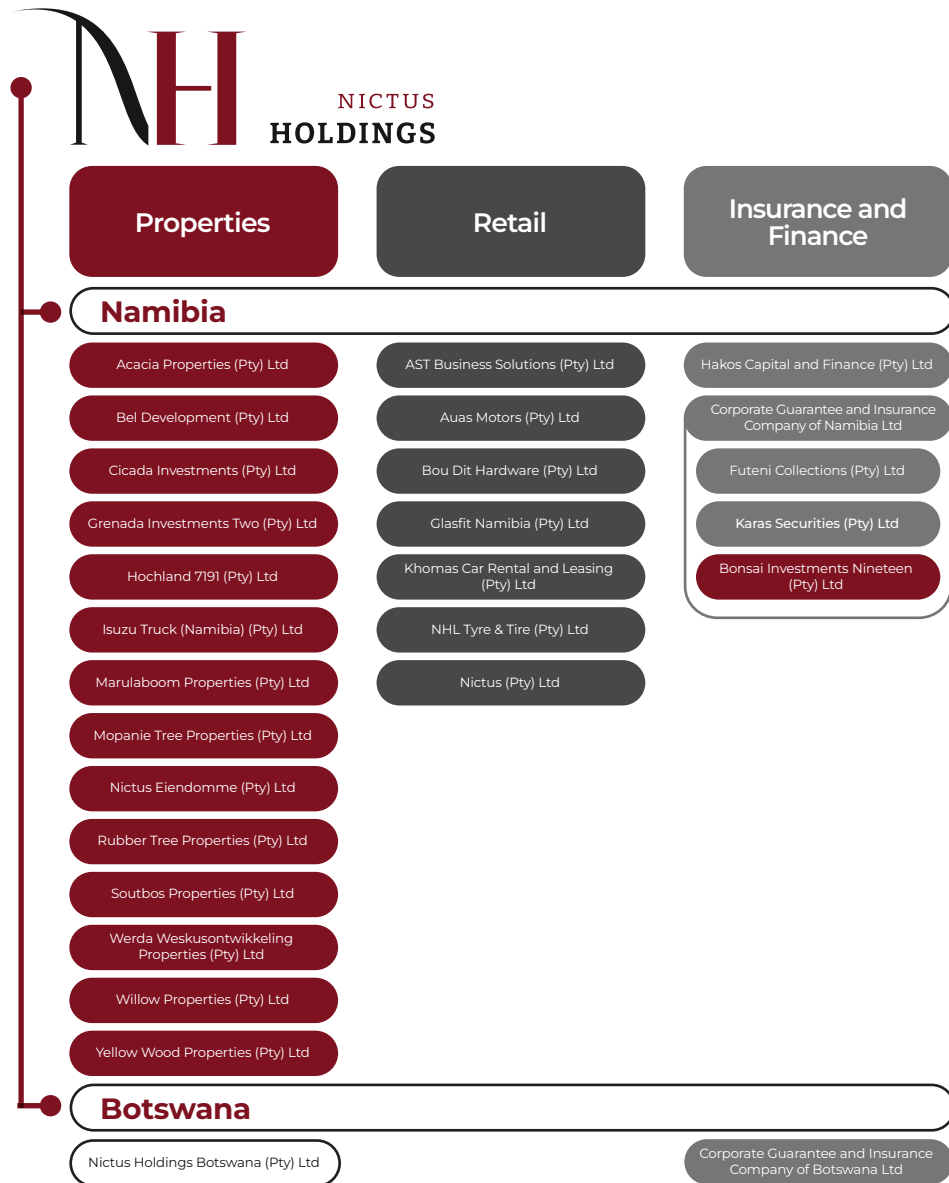
Unbundled from the Johannesburg Stock Exchange (JSE), and on 21 September 2012, was primarily listed on the Namibia Securities Exchange (NSX).

2025

Nictus celebrates 80 years.

Taking **action**
with a **strategic** focus.

Our Company Structure



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

Our Board of Directors



GR de V Tromp

CA (NAM); CA (SA)
Non-Executive Chairperson
Years of Service: 10 years
Member: Audit and Risk Committee;
Remuneration and Nomination Committee



PJ de W Tromp

B. Econ; EDP; USB; SMP; USB
Group Managing Director
Years of Service: 15 years
Member: Social, Ethics and Sustainability Committee
Chairperson: Property Segment; Retail Segment;
Insurance and Finance Segment



CA Snyman

CA (NAM); CA (SA)
Years of Service: 1 year
Group Financial Director



SW Walters

CA (NAM); CA (SA)
Certified Internal Auditor
Years of Service: 4 years
Lead Independent Non-Executive Director
Member: Audit and Risk Committee
Chairperson: Remuneration and Nomination Committee; Social, Ethics and Sustainability Committee



ME Ackermann

CA (SA), MBA
Years of Service: 1 year
Independent Non-Executive Director
Chairperson: Audit and Risk Committee

Our Footprint

As at 30 June 2025 we had 600 employees (2024: 505).

Namibia



Nictus Holdings Limited

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

Employees: 16
Location: Windhoek



AST Business Solutions (Pty) Ltd

AssistU specialises in improving operations and service delivery through advanced Business Process Management (BPM) as well as vehicle tracking, offering end-to-end support to the subsidiaries in the Nictus Holdings Group.

Employees: 3
Location: Windhoek



Auas Motors (Pty) Ltd

Auas Motors is Namibia's leading dealership for Isuzu, Suzuki, Subaru, Tafe and Hero vehicles. Established in 1953, the company operates across the country with multiple dealerships, sales boutiques, and authorised service centres, offering both new and certified pre-owned vehicles.



Employees: 131
Locations: Gobabis · Ongwediva · Otjiwarongo · Rundu · Swakopmund · Walvis Bay · Windhoek



Bou Dit Hardware (Pty) Ltd

A proud member of our Group, Build It Walvis Bay is a community-focused building materials retailer known for quality products and a "Yes We Can" service ethos.

Employees: 35
Location: Walvis Bay



Corporate Guarantee and Insurance Company of Namibia Ltd

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

Employees: 24
Locations: Tsumeb · Walvis Bay · Windhoek



Khomas Car Rental and Leasing (Pty) Ltd

A valued member of our Group, First Car Rental offers reliable, flexible vehicle hire and leasing solutions across Namibia, backed by a strong regional presence.

Employees: 7
Locations: Walvis Bay · Windhoek



Glasfit Namibia (Pty) Ltd

Glasfit Namibia's mission is to deliver unrivalled customer service. Glasfit offers automotive glass solutions to customers, including windscreen replacement, chip repairs and related rubber fitment solutions.

Employees: 24
Locations: Keetmanshoop · Ondangwa · Ongwediva · Swakopmund · Walvis Bay · Windhoek



Hakos Capital and Finance (Pty) Ltd

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

Employees: 3
Location: Windhoek



NHL Tire & Tyre (Pty) Ltd

One of the largest tyre service providers in Namibia, offering new multi-brand tyres, retreaded tyres, wheels, and allied services to meet customer needs across various sectors of the Namibian economy.



Employees: 185
Locations: Gobabis · Keetmanshoop · Luderitz · Mariental · Ondangwa · Ongwediva · Oshakati · Otjiwarongo · Rosh Pinah · Rundu · Swakopmund · Tsumeb · Walvis Bay · Windhoek



Nictus (Pty) Ltd

Nictus is Namibia's largest independent furniture retailer, offering a wide selection of household furniture, electrical appliances, and home electronics sourced from trusted suppliers known for quality and durability. Within the Nictus store, two specialised concept stores enhance the shopping experience: Bedding Boutique, which focuses on premium sleep products designed for comfort and support, and Workspace, a dedicated office furniture store that transforms work environments with stylish, functional, and ergonomic solutions.



Employees: 166
Locations: Ongwediva · Swakopmund · Tsumeb · Walvis Bay · Windhoek



Properties

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

Employees: 5
Locations: Gobabis · Ongwediva · Rundu · Swakopmund · Tsumeb · Walvis Bay · Windhoek

Botswana



Corporate Guarantee and Insurance Company of Botswana Ltd

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

Employees: 1
Location: Gaborone

Group Five Year Profile

	12 months ended 30 June 2025 N\$ '000	12 months ended 30 June 2024 N\$ '000	12 months ended 30 June 2023 N\$ '000	15 months ended 30 June 2022 N\$ '000	12 months ended 30 June 2021 N\$ '000
Statement of Financial Position					
Assets					
Non-current assets	927,367	734,682	603,230	508,131	829,262
Current assets	1,690,779	1,343,609	1,003,972	759,627	1,026,249
Total assets	2,618,146	2,078,291	1,607,202	1,267,758	1,855,511
Liabilities					
Non-current liabilities	110,759	90,195	71,744	69,740	142,356
Current liabilities	2,166,613	1,706,713	1,314,127	1,001,712	1,533,685
Total liabilities	2,277,372	1,796,908	1,385,871	1,071,452	1,676,041
Equity					
Stated capital	129	129	129	129	129
Reserves	145,602	109,003	72,203	67,203	74,399
Retained income	195,043	172,251	148,999	128,974	104,942
Total equity	340,774	281,383	221,331	196,306	179,470
Total equity and liabilities	2,618,146	2,078,291	1,607,202	1,267,758	1,855,511
Statement of Profit or Loss and Other Comprehensive Income					
Revenue	1,016,503	950,199	872,327	834,406	656,647
Cost of sales	(760,811)	(726,961)	(692,392)	(639,204)	(475,259)
Gross profit	255,692	223,238	179,935	195,202	181,388
Insurance service result	28,610	60,747	(20,165)	7,183	-
Net insurance finance expenses	(96,121)	(62,047)	(29,207)	(19,029)	-
Investment income from operations	97,262	63,601	36,519	24,919	-
Other operating income	16,363	13,416	11,248	25,446	24,598
Other operating (losses) / gains	1,384	2,595	(43)	(9,674)	(40)
Interest income reinsurance	12,435	(19,135)	49,349	11,373	-
Administrative and operating expenses	(239,512)	(206,163)	(181,154)	(186,281)	(175,957)
Operating profit	76,113	76,252	46,482	49,139	29,989
Investment income	3,601	3,114	3,130	2,657	2,495
Finance costs	(5,654)	(7,449)	(6,627)	(6,778)	(4,864)
Profit before taxation	74,060	71,917	42,985	45,018	27,620
Taxation	(15,210)	(14,844)	(4,230)	(6,541)	(9,472)
Profit for the year	58,850	57,073	38,755	38,477	18,148

Group Five Year Profile

	12 months ended 30 June 2025 N\$ '000	12 months ended 30 June 2024 N\$ '000	12 months ended 30 June 2023 N\$ '000	15 months ended 30 June 2022 N\$ '000	12 months ended 30 June 2021 N\$ '000
Per share data (cents)					
Basic and diluted earnings per share	110.12	106.79	72.52	73.34	34.59
Basic and diluted earnings per share (before treasury share adjustment)	110.12	106.79	72.52	72.00	33.96
Headline earnings per share	107.53	101.69	72.70	73.69	34.61
Headline earnings per share (before treasury share adjustment)	107.53	101.69	72.70	72.33	33.98
Dividends per share	35.00	26.00	26.00	18.00	12.00
Net worth per share	637.63	526.51	414.14	367.32	335.81
Financial ratios					
Liquidity ratios					
Current ratio	0.78	0.79	0.76	0.76	0.67
Liability ratio	5.26	5.01	5.11	4.43	7.86
Borrowings ratio	0.13	0.16	0.33	0.23	0.67
Dividend cover (times)	3.07	3.91	2.80	4.02	2.83
Profitability and asset management (%)					
Net operating profit to turnover	7.41	7.90	5.34	6.02	4.95
Return on shareholders' equity	17.27	20.28	17.51	19.60	10.11
Return on assets managed	17.69	20.46	15.09	25.98	9.15
Net asset turn (times)	2.38	2.59	2.83	2.62	1.85
Debt leverage					
Interest cover (including IFRS16)	14.10	10.65	7.49	7.64	6.68
Interest cover (excluding IFRS16)	15.86	11.21	8.05	8.20	7.42
Namibia Securities Exchange performance					
Market price High (cents)	290	222	220	180	160
Market price Low (cents)	222	220	175	175	159
Market price at year end (cents)	290	222	220	175	159
Price earnings ratio	2.70	2.18	3.03	2.37	4.60
Earnings yield (%)	37.08	45.81	33.05	42.11	21.75
Market capitalisation (N\$ '000)	154,986	118,645	117,576	93,526	84,975
Volume of shares traded ('000 shares)	32,998	6,783	2,849	1,247	3,035

Definitions of Ratios and Terms

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.
Weighted Average Number of Shares in Issue during the Year	The number of shares is 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.
Headline Earnings Per Share	Headline earnings per share is determined by adjusting basic earnings per share with separately identifiable remeasurements; divided by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.
Dividends Per Share	Dividends for the year divided by the number of shares in issue at the date of each dividend declaration.
Net Worth Per Share	Equity attributable to equity holders of the parent divided by the number of ordinary shares in issue at year-end.
Current Ratio	Current assets to current liabilities.
Liability Ratio	The sum of non-current interest-bearing borrowings and current liabilities to total equity and deferred taxation.
Borrowing Ratio	The sum of current and non-current interest-bearing borrowings to the sum of total equity and deferred taxation.
Dividend Cover	Headline earnings divided by ordinary dividends paid in the current year.
Operating Profit to Turnover	Operating profit before financing costs divided by revenue.
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.
Return on Assets Managed	Operating profit before financing costs expressed as a percentage of average net assets.
Average Net Assets	The sum of net assets at the end of the current year and the previous year, divided by two.
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.
Net Asset Turn	Revenue divided by average net assets.
Interest Cover	Operating profit or loss before financing costs divided by financing costs.
Price Earnings Ratio	Market price at year-end to headline earnings per share.
Earnings Yield (%)	Headline earnings per share to market price at year-end.

Message from our Chairperson

5 June 2025 marked the 80th anniversary of Nictus' incorporation and the commencement of its business. What a remarkable privilege it is to be part of such a significant milestone, of which we are extremely proud.

As we embrace the fourth generation of the Nictus Group of Companies, we honour, respect, and humbly thank everyone who contributed in any way over the past 80 years to Nictus' existence, success, and sustainability. We pay tribute to the founders, predecessors, and leaders throughout this remarkable period for their conviction and perseverance, as well as for guiding the Group through both prosperous and challenging times.

The Nictus Group is rooted in Namibia, and its companies and brands have become synonymous with reliability in Namibian households. Over the decades, we have experienced many ups and downs, growth spurts, and difficulties. Yet, we are fortunate that our successes have consistently outweighed these challenges, resulting in a well-established, proudly Namibian Group. Steering this organisation in the right direction has never been an easy task, but we are blessed with a wealth of experience and skills that allow us to remain loyal stewards in managing the Group for the generations to come. We will not stop dreaming, nor will we cease to pursue our dreams and make them a reality.

We are thankful to have achieved another record financial year and Group profit in our 80th year of existence. Nictus Holdings Group is proud to be an independent Namibian company, built and supported by Namibians. We look forward to continuing our contribution to serving the nation and strengthening the economy. We are proud to operate at a world-class level in our product and service offerings, and equally blessed with world-class leadership and employees whose commitment and efforts are unparalleled.

Namibia is a land of opportunity, and we strive to embrace every chance to make a positive difference in the lives of our people and our beloved country.

The past year marked exceptional growth and expansion within every segment, financed through profitability from our operations. Numerous growth strategies are progressing as expected and are performing well. We envisage further growth and diversification, particularly in the property and retail segments in the years ahead, and we are excited about the synergies and opportunities that will be created.

The Group achieved sound profitability in the past year, and we are confident this trend will continue sustainably. The insurance and finance segment, with its unique and innovative products and services, again made a substantial contribution to this profit. Despite operating in highly competitive markets, the retail segment demonstrated resilience and strong results, which can be attributed to innovation, technology, and exceptional service.

My sincere appreciation and gratitude is extended to all our stakeholders, customers, employees, and board Members for their immense effort, involvement and support. We remain humble servants to you all, and may you be blessed with the grace of God, the same grace we have experienced and received over the past 80 years. All glory to God.

GR de V Tromp

Message from our Managing Director

Dear Nictus Family,

I am once again honoured to report a prosperous financial year for the Nictus Group, despite some hurdles along the way. The Namibian business environment only experienced moderate growth over the past 12 months, primarily due to fiscal pressure and specific structural challenges in certain primary sectors.

During the past financial year, which ended in June 2025, our Group, despite facing various challenges and obstacles, succeeded in increasing profit by a single digit and expanding turnover by double digits. I am deeply grateful but also humbled by these achievements, which reflect the effectiveness of our growth strategy. As Exceptional Wealth Creators, we have strengthened the value we provide to stakeholders and reinforced our purpose of "Taking Action with Strategic Focus".

The Year under Review

Despite a slight decline in profit, the Retail Segment, as a whole, surpassed the N\$1 billion turnover mark. Our well-established tyre, furniture, and automotive businesses supported this strong performance. Although profit declined, this is directly linked to the acquisition of new ventures in the information technology, car rental, and building industries. As is often the case with new acquisitions, these businesses are still in their development phase; however, their growth to date indicates that they will deliver exceptional results once they reach maturity.

The Property Segment demonstrated stable performance during the year under review. As a Group, one of our strategic aspirations is to remain in control of our destiny. By operating from properties we own, we can realise this goal. To that end, we have committed to substantial property investments that will be realised within the next 24 months.

The Insurance and Finance Segment achieved record highs, with exponential growth in premiums, for which I am truly grateful. The strength of our insurance products is built on the solid foundation we have laid, enabling us to sustain growth, even in adverse economic conditions. I am also pleased to report that the strong performance of our financial division exceeded expectations.

A Taste of the Future

The Nictus Group stands at the forefront of a dynamic growth phase, driven by our diverse portfolio. The growth, strength, and resilience demonstrated by our leadership and employees are a direct result of our deeply entrenched purpose. Every initiative we undertake is guided by our commitment to creating lasting value for all stakeholders, a value that resonates far into the future.

For us, growth is not a destination, but the vehicle that drives innovation, uplifts livelihoods, and contributes to the long-term prosperity of Namibia, the country we proudly call home. As a Group, we take responsibility for the role we play, while recognising that our ability to improve business prospects and continue contributing positively to the Namibian economy depends on a supportive regulatory environment, solid infrastructure investment, and intentional diversification by the Namibian government.

Nictus Group was, is, and will remain a family business that thrives in the present while shaping a future of shared value. We are actively pursuing this aspiration and demonstrating our confidence in Namibia through new business acquisitions. In addition, we will be expanding our insurance business into Botswana. With the dedication and commitment of our leadership, we are optimistic about strengthening this cross-border expansion by adding more of our businesses in the near future.

A Word of Appreciation

The past 80 years have been filled with the contributions of Nictus Holdings. We are part of the soil, embedded in the rock, standing firm as we embrace this land and its people. I am confident that we are well-positioned to achieve even greater success.

To conclude, I wish to thank employees, their families, our suppliers, clients, and shareholders who have been part of our journey over the past 80 years. Thank you for your contributions and for being part of the Nictus family. I also wish to express my deep gratitude to our Heavenly Father for His grace, favour, and blessings, and for guiding our business ventures.

PJ de W Tromp

Corporate Governance Report

The Board remains steadfast in its commitment to applying the highest standards of corporate governance and safeguarding the integrity of Nictus Holdings Limited's Integrated Annual Report. We continue to cultivate a performance-driven culture, supported by strong governance structures and processes, to discharge our responsibilities effectively. The Nictus Group ("Nictus") measures its practices against recognised international benchmarks, with a view to ongoing improvement and the achievement of sustainable growth.

Our governance approach is informed by recognised international reporting frameworks and best practice, ensuring that governance remains aligned with the Group's strategic objectives and long-term value creation goals. This report sets out how our governance structures and processes enable effective oversight, responsible stewardship of resources and relationships, and position the Group for resilience, adaptability, and growth.

Corporate Governance Framework

The Nictus Group follows The NamCode, the Corporate Governance Code for Namibia as required by the Namibia Securities Exchange (NSX). Throughout the financial year, our governance approach remained aligned with the NamCode's principles. Compliance with the IFRS Accounting Standards is a core priority, supported by full adherence to applicable Namibian legislation and the NSX Listings Requirements. Our reporting is informed by the International Integrated Reporting Council's framework, and while not all guidelines have been fully applied, we continue to refine our approach under the guidance of the Social, Ethics and Sustainability Committee.

Our governance framework is designed to ensure that board structures, processes, and decision-making contribute to long-term value creation, with clear oversight over material matters such as regulatory compliance, stakeholder trust, digital transformation, and environmental stewardship.

Ethical Foundation

We recognise our fiduciary duties and the responsibility to act with care, skill, and diligence. These obligations shape the way we conduct business, guided by transparency, fairness, accountability, and integrity – and guide our engagement with stakeholders. Our decisions are anchored in these principles, reinforcing our commitment to ethical conduct and corporate social responsibility. Ethical governance is integral to safeguarding our reputation and sustaining stakeholder confidence, enabling us to maintain strong social and relationship capital.

Risk Appetite Statement

In pursuit of its strategic objectives, Nictus Holdings Limited accepts that certain risks may be necessary to achieve above-average returns for the Group. We do not undertake income-generating or cost-saving initiatives unless the projected benefits justify the risk profile.

Risk tolerance is reviewed annually in light of our strategic priorities and external environment, ensuring alignment between value creation objectives and risk management practices.

Board of Directors

Governance and Leadership

The Board, guided by Nictus's vision, mission, and values, demonstrates ethical leadership through adherence to the code of conduct. Experienced Directors, committed to advancing sustainable economic, social, and environmental performance, set the tone for responsible governance. All employees are required to uphold the code of conduct, embedding ethical practices across the Group. This culture underpins constructive stakeholder relationships and supports succession planning.

The Board recognises that strategy, risk, performance, and sustainability are inseparable considerations in delivering sustainable value for stakeholders.

Board Structure and Responsibilities

With the support of the Company Secretary, Veritas Eksekuteurskamer (Pty) Ltd, the Board benefits from enhanced governance insight and effective oversight. The integrated business plan ensures that strategy, risk, performance, and sustainability remain central to decision-making, underpinned by ethical considerations.

Directors act in the best interests of the Company and the Group, with solvency and liquidity monitored on an ongoing basis. The Audit and Risk Committee oversees the going concern status, and the Board remains ready to consider business rescue or turnaround measures if needed.

The Board is led by a Non-Executive Chairperson and supported by a Lead Independent Director, ensuring balanced authority and impartial decision-making. The Managing Director operates within a defined delegation of authority, and the Board's composition reflects a broad range of skills and experience, with the majority of Non-Executive Directors being independent. Deliberations aim for consensus, supported by rigorous analysis and informed discussion.

Appointment and Development of Directors

The Remuneration and Nomination Committee oversees Director appointments through a formal process. New Directors are inducted into the Group's values and governance framework, with ongoing development opportunities provided to support effectiveness in their roles.

Annual evaluations of the Board, Committees, and individual Directors are conducted, with external facilitation considered when appropriate to ensure continued effectiveness.

This focus on capability-building strengthens our human capital and ensures the Board remains equipped to oversee emerging risks and opportunities.

Board Committees

The Board is supported by Committees with defined mandates, charters, and authority, reviewed annually for relevance. Each Committee reports directly to the Board and includes, in the case of the Social, Ethics, and Sustainability Committee, a senior manager who is not a member of the Board. A robust governance framework ensures effective oversight across the Holding Company and all subsidiaries.

Committee work in 2025 was aligned to material matters identified by the Board and undertaken in accordance with each Committee's approved charter and annual work plan. This ensured that oversight responsibilities were fulfilled in a structured and transparent manner, enabling the Board to discharge its governance duties effectively.

Directors' Remuneration

Directors and Executives are remunerated in line with the approved remuneration policy, which balances performance incentives, market benchmarks, and long-term value creation. The policy is detailed in the Integrated Annual Report and submitted to shareholders for endorsement at the Annual General Meeting.

The policy supports sustainable value creation by linking remuneration outcomes to both financial performance and non-financial measures aligned with our strategic objectives.

Board Composition and Meeting Attendance

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

	Board	Audit and Risk Committee	Remuneration and Nomination Committee	Social, Ethics and Sustainability Committee
PJ de W Tromp Executive Group Managing Director	●●●●●●			(M) ●●
WO Fourie Previous Executive Group Financial Director	●●●			
GR de V Tromp Non-Executive Chairperson	(C) ●●●●●●	(M) ●●●●	(M) ●●	
TB Horn Former Lead Independent Non-Executive Director	●●●●	●●●		
SW Walters Lead Independent Non-Executive Director	●●●●●●	(M) ●●●●	(C) ●●	(C) ●●
CA Snyman Executive Group Financial Director	●●●●●●			
ME Ackermann Independent Non-Executive Director	●●●●●●	(C) ●●●●		
P Meyer Group Chief Financial Officer				(M) ●●
(C) Chairperson (M) Member ● Meeting attended ○ Meeting not attended				

Explanatory Notes

1. WO Fourie stepped down as Group Financial Director of Nictus Holdings Limited on 19 September 2024 to assume the role of Managing Director of the Property Segment on a full-time basis from that date.
2. TB Horn's term of office expired on 28 November 2024 and, as such, she was not re-elected as an Independent Non-Executive Director of the Board. She consequently ceased to be a Director, the Lead Independent Non-Executive Director, and a member and Chairperson of the Audit and Risk Committee with effect from that date.
3. On 19 September 2024, the Board resolved that SW Walters would assume the role of Lead Independent Non-Executive Director of the Company upon the expiry of TB Horn's term of office, which took place on 28 November 2024.
4. CA Snyman was appointed as an Executive Director of Nictus Holdings Limited on 16 July 2024 and assumed the role of Group Financial Director from WO Fourie on 19 September 2024.
5. ME Ackermann was appointed as an Independent Non-Executive Director of Nictus Holdings Limited and as a member of the Audit and Risk Committee on 1 June 2024. Upon the expiry of TB Horn's term of office on 28 November 2024, she was appointed Chairperson of the Audit and Risk Committee by the shareholders at the Company's 2024 Annual General Meeting.
6. P Meyer, Chairperson of the Next-Gen Board and Group Chief Financial Officer, was appointed by the Board as a member of the Social, Ethics and Sustainability Committee on 19 September 2024.

Next-Gen Board

Established in 2024, the Nictus Next-Gen Board continues to strengthen innovation, sustainability, and diversity within the Group. This auxiliary body complements the traditional Board by bringing younger perspectives and forward-looking ideas into governance deliberations. Comprising emerging leaders from across the Group, its members embody the organisation's values and contribute to shaping its strategic direction.

The Next-Gen Board provides input on matters relevant to its mandate, offering perspectives that support long-term strategic thinking. It also plays a role in leadership development by fostering governance experience among emerging leaders within the Group.

Governance and Compliance

Committees Empowering Governance

Specialist Committees, operating within approved mandates and charters, support the Board in fulfilling its responsibilities. These Committees are an integral part of the Group's governance structure and undergo regular evaluations to ensure continued effectiveness.

The Committee structure aligns oversight with our material matters, enabling targeted governance focus on areas that most affect value creation.

Audit and Risk Committee

The Audit and Risk Committee remains a central pillar of Nictus's governance framework. Comprising two Independent Non-Executive Directors and one Non-Executive Director, the Committee meets quarterly to discharge its oversight responsibilities. It is chaired by an experienced Independent Non-Executive Director, with members selected for their relevant expertise and sound judgement. Regular performance evaluations ensure the Committee remains effective in fulfilling its mandate.

The Committee's work is supported by the participation of both external and internal auditors at its meetings, enabling thorough oversight of the Group's financial reporting processes and risk management framework. It plays an active role in assisting the Board to meet its statutory and governance obligations, and it provides assurance over the integrity, transparency, and balance of the Integrated Annual Report.

The Committee's oversight extends beyond compliance to consider how risk management, assurance, and reporting processes contribute to the Group's ability to create and preserve value over the short, medium, and long term, consistent with governance best practice.

A combined assurance approach is applied to the Group's significant risks, drawing on management, internal assurance functions, external auditors, and other relevant independent assurance providers to ensure comprehensive coverage. The Committee reviews the adequacy of the finance function's resources, skills, and experience on an annual basis, alongside a detailed assessment of the effectiveness of the Group's internal control systems. Constructive relationships are maintained with the Board, management, and assurance providers to support a shared understanding of risk priorities.

The Committee is responsible for the appointment, evaluation, and, if necessary, dismissal of the internal auditor, who has unrestricted access to the Committee and communicates openly to preserve independence. Oversight also extends to the external audit process, including recommending auditor appointments, evaluating their independence and qualifications, and assessing performance. The Committee ensures that external audit approaches are responsive to the Group's risk profile and strategic needs.

The Committee monitors the Group's risk management processes, maintains a comprehensive understanding of major risks, and evaluates management's responses to them. It works closely with subsidiary Boards to determine risk tolerance and appetite, ensuring management operates within clearly defined parameters.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is tasked with shaping policies and strategies relating to the engagement and retention of Directors and Executives. It plays a critical role in ensuring that remuneration structures are competitive, performance-based, and aligned with long-term shareholder value creation. The Committee also oversees the nomination

process for new Directors, ensuring appointments support the Group's strategic direction and governance standards. Chaired by an Independent Non-Executive Director and including a Non-Executive Director as a member, the Committee meets twice a year. It evaluates whether the Board's composition remains appropriate in terms of skills, diversity, and independence, and it recommends changes as necessary.

The Committee's oversight is directly linked to the Group's human and intellectual capital, recognising that the calibre of leadership is integral to long-term value creation.

Social, Ethics, and Sustainability Committee

The Social, Ethics, and Sustainability Committee provides oversight on organisational ethics, corporate responsibility, and sustainability performance. Chaired by an Independent Non-Executive Director and including an Executive Director and a Senior Manager, the Committee meets at least twice annually to monitor and guide the Group's activities in these areas.

It ensures that stakeholder relationships are managed fairly, oversees the Group's environmental performance and compliance, and monitors its contribution to public health, safety, and the community. The Committee also keeps the Board informed of developments in sustainability trends and provides recommendations on risk management frameworks relevant to its mandate.

The Committee's work directly supports the Group's social and relationship capital, reinforcing trust with stakeholders while promoting environmental stewardship and responsible business conduct.

Risk Management

Nictus applies a comprehensive risk management methodology designed to identify, assess, and respond to risks in alignment with strategic objectives. The Board, supported by the Audit and Risk Committee, has delegated the design, implementation, and monitoring of the risk management plan to the Group's risk management team.

Management conducts ongoing risk assessments, with regular reporting to the Audit and Risk Committee and the Board. Operational monitoring is embedded in day-to-day activities to ensure that risks are addressed proactively across all levels of the Group.

Both management and internal audit provide assurance on the effectiveness of the risk management process, and the Audit and Risk Committee reports on these activities to both the Board and shareholders.

Risk disclosures are increasingly linked to the Group's material matters, consistent with governance best practice in balancing risk and opportunity to support sustainable value creation.

Information Technology ("IT") Governance

The Board retains overall responsibility for IT governance and receives regular updates from the Group's IT Manager and external consultants, coordinated through the Group Managing Director. IT is embedded into strategic and operational planning to ensure that technology initiatives support business performance, operational resilience, and sustainability objectives.

Processes are in place to identify opportunities where IT can improve efficiency, strengthen security, and create competitive advantages. Where significant IT projects are undertaken, post-implementation audits are performed to assess their effectiveness against intended objectives.

The Audit and Risk Committee monitors IT-related risks, controls, and assurance, including their impact on financial reporting and broader risk management. This oversight extends to ensuring that IT policies, systems, and controls remain relevant in a changing threat and compliance landscape.

IT governance contributes directly to the Group's intellectual capital, supporting innovation while safeguarding critical data and systems. Current IT focus areas include enhancing cybersecurity frameworks, ensuring compliance with data privacy regulations, and aligning IT investment decisions with long-term strategic goals.

Compliance with Laws, Rules, Codes, and Standards

Compliance is embedded in the Group's governance culture, with structures and processes in place to identify, assess, and manage regulatory obligations. The Company Secretary, acting as Legal Compliance Officer, ensures that the Board and Audit and Risk Committee receive timely updates on changes in legislation and codes that could impact the Group.

A compliance function is integrated into the broader risk management framework to address non-compliance risks. Executive and Managing Directors oversee compliance within their areas of responsibility, supported by the Company Secretary.

The Group's compliance approach not only safeguards against legal and reputational risk but also supports stakeholder confidence by ensuring ethical and transparent operations.

Internal Audit

The internal audit function is a key element of the Group's combined assurance model, providing independent and objective evaluations of governance, risk management, and internal control processes. Operating under a board-approved charter, it is delivered through an external service provider to maintain impartiality and specialised expertise.

Since 1 July 2024, the internal audit mandate has been outsourced to Veritas Eksekuteurskamer (Pty) Ltd, a move that has expanded the function's capacity and allowed greater focus on strategic risk areas. Internal audit plans are risk-based and aligned with the Group's objectives, covering financial, operational, compliance, and sustainability aspects.

The Audit and Risk Committee reviews and approves the annual audit plan, evaluates the function's performance, and monitors Management's progress in addressing findings. The internal audit function reports to the Chairperson of the Audit and Risk Committee, ensuring its independence and objectivity. Administratively, the internal audit function is aligned with the Group Managing Director, ensuring seamless integration with the Group's overall governance and management structures.

In 2025, internal audit reviews were conducted in accordance with the approved annual plan, with findings reported to the Audit and Risk Committee to support continuous improvement in governance, risk management, and internal control.

Governing Stakeholder Relationships

The Group recognises that maintaining strong, constructive stakeholder relationships is critical to achieving its strategic objectives. The Board receives regular updates on engagement activities, the concerns raised, and management's responses, ensuring these perspectives inform decision-making.

Stakeholder relationships are actively managed by the Group's management team, supported by targeted strategies to identify, prioritise, and respond to stakeholder needs. Engagement occurs through both formal channels, such as shareholder meetings and other planned interactions, and informal interactions with customers, employees, regulators, and community representatives.

The Group's approach prioritises transparency, equitable treatment, and timely resolution of disputes. In particular, shareholder participation is encouraged at the Annual General Meeting, which provides an open forum for discussion with the Board and Management.

Stakeholder perspectives are considered in governance deliberations, supporting informed decision-making and fostering long-term, constructive relationships.

Transparency through Annual Reporting and Disclosure

The Board, assisted by the Audit and Risk Committee and Senior Management, has established a rigorous framework for gathering, analysing, and reporting information in the Integrated Annual Report. This framework ensures that disclosures are accurate, balanced, and relevant to the decision-making needs of stakeholders.

The Integrated Annual Report presents both financial and sustainability information, enabling a holistic view of the Group's performance, the context in which it operates, and its prospects. Controls and processes are reviewed regularly to confirm that data is reliable and that narrative reporting is supported by verifiable evidence.

Board oversight of reporting extends to assessing whether disclosures reflect the Group's strategy, risks, and governance outcomes in a fair and understandable way. The inclusion of both achievements and challenges ensures that stakeholders receive a complete and transparent account. These practices help ensure that the Group's reporting remains a reliable, balanced, and meaningful tool for assessing performance, context, and long-term sustainability.

Conclusion

Nictus Holdings Limited remains committed to high standards of corporate governance that support the creation of long-term value for stakeholders. The Board and its Committees will continue to adapt governance structures and processes in line with evolving best practices, the Group's strategy, key risks, and stakeholder expectations, ensuring that governance remains a strategic enabler of sustainable growth.

Audit and Risk Committee Report

The Audit and Risk Committee is pleased to present its report for the financial year ended 30 June 2025. The Audit and Risk Committee oversees the Group's financial and assurance reporting process and assesses the effectiveness of internal controls, accounting practices, enterprise risk management, information systems and auditing processes on behalf of the Board of Directors. The Committee is composed of members with extensive financial expertise. The primary responsibility for the financial statements, the effectiveness of internal controls, accounting practices, enterprise risk management, information systems and auditing processes lies with the Group's Management.

In fulfilling its oversight responsibilities, the Committee reviewed and deliberated upon the audited consolidated and separate financial statements and related schedules in the Integrated Annual Report with Group Management. These discussions included the quality of accounting principles, reasonableness of significant judgments, and clarity of disclosures in the financial statements.

The Committee operates under a Board-approved charter, which is reviewed annually for relevance. No amendments were considered necessary during the reporting year. The Committee held four meetings during the year, attended by Management, the Internal Auditor, and the External Auditor. Meetings provided a forum for candid discussion and effective oversight of assurance processes. The Committee is composed of three Directors, with an Independent Non-Executive Director serving as Chairperson.

Maintaining the independence of the Group's External Auditor, both in actuality and appearance, is paramount to the Committee. Each year, the Committee undertakes a comprehensive evaluation of the qualifications, performance, and independence of the External Auditor. The year under review marked the first audit conducted by BDO Namibia, appointed by shareholders at the 2024 AGM. The Committee engaged with BDO regarding their audit strategy, scope, and findings, and is satisfied with their independence, objectivity, and technical competence. The Committee oversaw the transition to the new audit firm during the year and will continue to monitor its performance and engagement closely.

Together with Management and the Independent External Auditor, the Committee reviewed and discussed the Group's audited consolidated and separate financial statements for the year ended 30 June 2025, as well as Management's assessment of the effectiveness of internal controls. No material weaknesses or significant deficiencies were identified during these assessments and the external audit.

The Committee further evaluated the effectiveness of the Group's enterprise risk management processes, risk reporting and combined assurance model, confirmed the appropriateness of the going concern assumption for Board approval, and reviewed compliance with applicable legal and regulatory requirements.

Based on these reviews and deliberations, the Committee recommended, and the Board approved, the audited consolidated and separate financial statements for the year ended 30 June 2025.

Looking ahead, the Committee remains committed to ensuring that the Group's financial and risk management systems continue to evolve in line with its strategy, operations, and the dynamic environments in which it operates. We will also continue strengthening the Group's integrated reporting journey, which is essential in reflecting long term value creation for stakeholders.

In conclusion, the Committee is satisfied that it has discharged its responsibilities in accordance with its charter and remains committed to maintaining effective oversight in the year ahead.

ME Ackermann



Remuneration Report

Introduction

The remuneration report provides an overview of the Group's remuneration policies and practices, designed to attract, retain, and motivate talented individuals while aligning with the Group's strategic objectives and regulatory requirements. This report highlights the governance framework, key elements of remuneration, and implementation processes.

Governance Framework

Nictus Holdings Limited remains committed to sound corporate governance and continues to apply the principles of the NamCode and the Listings Requirements of the Namibia Securities Exchange. The Group's remuneration practices are guided by a structured and transparent framework that supports fairness, accountability, and strategic alignment. The Remuneration and Nomination Committee maintains active oversight of the remuneration policy and practices, ensuring they remain appropriate, consistently applied, and aligned with the Group's long-term objectives and stakeholder interests.

Remuneration Policy

The Group's remuneration policy is anchored in principles of fairness, responsibility, and transparency. It aims to attract and retain talented individuals who contribute to the Group's success while promoting long-term value creation. The policy is reviewed annually to ensure alignment with evolving business objectives, market trends, and regulatory changes.

The remuneration policy is set out on page 122 of the Integrated Annual Report.

Structure and Key Elements of Remuneration

Total Cost-to-Company

The Group adopts a total cost-to-company approach in structuring remuneration packages for Senior Management, Executive Directors, and general staff. This approach encompasses all elements of compensation including basic salary, short-term incentives, long-term performance-based rewards, and benefits in order to provide a balanced and competitive offering.

Remuneration structures are regularly benchmarked against relevant industry standards and market best practices to ensure both fairness and competitiveness. By linking remuneration outcomes to clearly defined short and long term performance targets, the Group promotes a culture of accountability and merit. This performance-driven approach supports the achievement of strategic priorities and incentivises executives to deliver sustainable value creation for all stakeholders.

Incentive Bonus Plan

Executives participate in a performance-based incentive bonus plan designed to reward outstanding contributions in line with the Group's strategic priorities. The plan is underpinned by clearly defined performance targets, tailored to reflect the operational focus of each business segment as well as the Group's overarching goals.

By directly linking bonus outcomes to the achievement of these targets, the Group reinforces a culture of performance, accountability, and results-driven leadership. This alignment ensures that executives remain focused on delivering value across both the short and long term, fostering sustained business performance and creating long term shareholder value.

Retirement Benefits

Although formal retirement benefits are not included as part of the Group's remuneration structure, Nictus remains committed to promoting long term financial wellbeing among its employees. The Group encourages and supports employees in making independent retirement provisions and recognises the importance of proactive financial planning to ensure security beyond active employment.

Executive Service Contracts

The Group maintains formal service contracts with Executive Directors to ensure clarity, fairness, and compliance with applicable labour legislation. These contracts typically outline key terms such as notice periods, performance expectations, and other relevant conditions of employment.

By documenting these terms in a transparent manner, the Group promotes mutual understanding and reduces the potential for future disputes.

This structured approach reflects the Group's commitment to sound corporate governance and ethical business practices, helping to build trust and continuity within the Executive Leadership Team.

Succession Planning

The Group acknowledges succession planning as a key driver of long term organisational stability and strategic continuity.

The Boards of Directors of all the companies in the Group regularly review leadership requirements and talent development initiatives to identify, develop, and retain high-potential individuals across the organisation.

By actively cultivating future leaders, the Group ensures seamless leadership transitions and reduces the risk of disruption arising from executive departures or retirements. These efforts support a strong internal talent pipeline, advance diversity and inclusion objectives, and embed a culture of learning and leadership development, all of which are essential for navigating a dynamic and evolving business environment.

Board Evaluation Process

The Boards of Directors of all the companies in the Group undertake an annual internal evaluation to assess their effectiveness in fulfilling governance responsibilities and providing strategic oversight across the Group. This structured process considers key elements such as board composition, leadership dynamics, decision-making processes, and overall performance outcomes.

The evaluation is conducted in a participatory and reflective manner, enabling the Boards to identify strengths, surface areas for improvement, and prioritise targeted governance enhancements. Action plans are developed to address any gaps identified through the process. Through regular self-assessment and continuous improvement, the Boards reaffirm their commitment to strong governance, accountability, and transparent leadership, thereby reinforcing stakeholder confidence in the Group's direction and integrity.

Non-Executive Directors Remuneration

Non-Executive Directors play a critical role in providing independent oversight, strategic guidance, and governance support to the Boards of Directors of all the companies in the Group. In recognition of their responsibilities and contributions, Non-Executive Directors receive cash-based remuneration that reflects the scope and complexity of their roles, including participation in Board and Committee activities. No performance-based or incentive components are included in their remuneration.

Remuneration levels are determined with reference to market benchmarks, industry practices, the Director's responsibilities, time commitments, regulatory considerations, and the individual's expertise and performance. This ensures that compensation remains competitive, fair, and aligned with the expectations of stakeholders.

In the case of Nictus Holdings Limited, Non-Executive Directors' remuneration is subject to shareholder approval at the Annual General Meeting, reinforcing transparency and accountability. For subsidiaries, remuneration proposals for Non-Executive Directors are considered and approved by the respective Subsidiary Boards, based on available market data and in line with the guidelines used by Nictus Holdings Limited.

Remuneration Implementation

During the 2025 financial year, the Group effected adjustments to the remuneration packages of Executive Directors, Non-Executive Directors, and general staff. These adjustments were implemented in line with the Group's Remuneration Policy, considering market benchmarks, internal equity considerations, and evolving business priorities. A summary of the changes is set out below:

Top Management or Executive Directors

The Group undertook a structured review of remuneration for Top Management and Executive Directors, resulting in an average adjustment of 11.84%, effective 1 July 2024. This adjustment forms part of a phased alignment process aimed at bringing remuneration in line with industry benchmarks.

Non-Executive Directors

The Board approved an increase of 6.5% in Non-Executive Directors' fees, which was subsequently ratified by shareholders at the 2024 Annual General Meeting. This adjustment reflects prevailing market trends and acknowledges the ongoing strategic contributions and governance responsibilities undertaken by Non-Executive Directors. The increase also ensures that the Group remains competitive in attracting and retaining individuals with the necessary expertise and independence required for effective oversight.

General Staff

Salary adjustments for general staff were implemented with effect from 1 July 2024, ranging between 6.5% and 8.5% across different job levels. These increases were guided by a combination of factors, including role grading, industry benchmarks, and the prevailing inflation rate. The approach ensured fair, equitable, and market-aligned remuneration outcomes, supporting employee retention, motivation, and cost-of-living considerations across the Group.

Statement by the Chairperson

The Remuneration and Nomination Committee operates in accordance with its Board-approved charter, which is reviewed annually to ensure continued relevance and effectiveness. Regular reporting to the Board enables appropriate oversight and integration of the Committee's work within the Group's broader governance framework.

Throughout the year, the Committee provided guidance to ensure that all employees are remunerated fairly, responsibly, and transparently in line with the Group's approved remuneration policy. Remuneration structures are informed by individual performance, decision-making accountability, market benchmarks, and the potential consequences of error, with appropriate incentives designed to drive long-term value creation for both employees and the Group.

The Committee is satisfied that it effectively discharged its responsibilities and complied with its mandate during the financial year ended 30 June 2025. The current composition of the Committee remains appropriate and supports robust engagement and decision-making. The Committee also confirms that it received sufficient, relevant information from Management to facilitate informed deliberations and sound recommendations to the Board.

Looking ahead, the Committee remains committed to evolving the Group's remuneration practices in response to an increasingly dynamic and competitive operating environment. Our focus will remain on attracting, retaining, and motivating high-performing talent while reinforcing the principles of fairness, transparency, and long term strategic alignment. We are dedicated to ensuring that our remuneration framework supports sustainable value creation, aligns with stakeholder expectations, and positions the Group for continued success into the future.

SW Walters



Social, Ethics and Sustainability Report

The Group continues to surpass expectations for the year. Despite some underperforming sectors, our overall financial position remains robust. Growth exceeds projections, and profitability is well above budget. These achievements support the Namibian economy through taxes, salaries, and economic activity. For a detailed breakdown of our social and economic contributions, please refer to the Value-Added Statement in the Integrated Annual Report.

Responsible Corporate Citizenship

We maintain a strong and growing presence in the communities we serve, with focused investments in education, social welfare, and targeted charitable efforts. We prioritise allocating resources to areas with the greatest need to create long term, meaningful impact.

Staff Investment

We actively invest in staff development through training courses, educational programs, and structured staff functions across all subsidiaries. These initiatives enhance employee performance, promote retention, and improve welfare. Training is aligned with career development goals and company strategy.

Supplier Relationships

Supplier relations remain a cornerstone of our ESG efforts. We emphasise ethical procurement, with a focus on building strong, long term partnerships with all suppliers. These relationships significantly support our social responsibility and welfare projects, reinforcing our role as a responsible corporate citizen.

Responsibility Monitoring

We formalised our ESG measurement process over the past 2 years. The information collected is being used to set specific, measurable targets that will guide our future sustainability activities.

United Nations Sustainable Development Goals

- We are aligned with the UN SDGs in both policy and practice. Highlights include:
- Above-average employee remuneration to reduce poverty and hunger.
 - Emphasis on clean energy, water efficiency, and safe working environments.
 - Gender-balanced, inclusive teams with a focus on training and development.
 - Responsible consumption and production practices.
 - A zero-tolerance policy on corruption and unethical conduct.

Stakeholder Relationships

We maintain open, active, and mutually beneficial relationships with clients, suppliers, and broader stakeholders. Regular interactions, including our annual Charity Padel Day, foster trust and community engagement. Monthly customer satisfaction surveys enable continuous feedback loops, with corrective actions promptly implemented where necessary. These initiatives contribute to our reputation for transparency and reliability.

Environmental, Social, and Governance Factors in Business Strategy

Our ESG strategy is embedded in the daily operations and long term vision of the Group.

Energy and Solar Installations

We are actively implementing solar energy solutions to reduce our carbon footprint and improve long term sustainability. From July 2024 to June 2025, the following results were achieved:



We aim to expand these installations to additional branches in the coming financial year.

Social, Ethics and Sustainability Report

Water Management

We achieved a 45% reduction in water usage in the 2024/2025 financial year, thanks to water reclamation systems installed in vehicle wash bays. The goal for the 2025/2026 financial year is a further 5% reduction, with additional systems planned.

Fuel Consumption

Fuel usage increased by 7% during the 2024/2025 period following a 16% decrease the previous year. This increase corresponds with a higher growth in turnover. We aim to limit future fuel consumption growth to below 5% annually through efficiency improvements and better tracking.

Electricity Usage

Electricity consumption rose by 7%, but recent solar installations are expected to help curb future increases. We are targeting an annual increase of no more than 5%, supported by energy-efficient upgrades across branches.

Oversight and Management

Compliance is strictly enforced across the Group. Our internal audit and inspection programs operate in tandem, enabling quick detection and response to issues. Control breakdowns and thefts are identified and acted upon within days. Governance, risk management, and compliance policies are continuously reinforced through ongoing training across all levels of management.

Ethics and Integrity

We uphold a stringent Code of Conduct, signed by every employee and reinforced by a zero-tolerance policy for violations. Ethical issues are thoroughly investigated, and appropriate disciplinary steps are enforced.

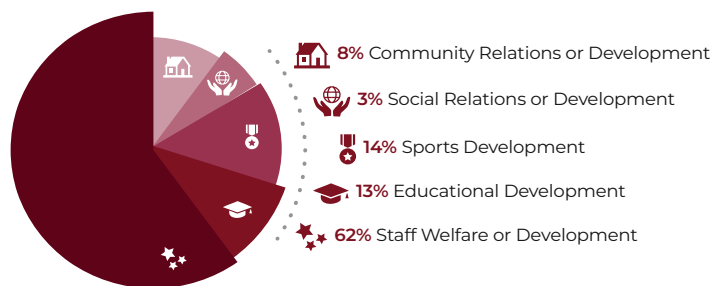
Management has undergone international ESG training, with implementation at subsidiary level now underway. Staff awareness of ethical, social, and environmental responsibilities has grown considerably, and ongoing training ensures continuous improvement.

We have robust mechanisms in place to detect and address unethical behaviour. All reports are logged, investigated, and resolved in line with our commitment to integrity and transparency.

Social Welfare Spending

Spend Breakdown

To illustrate our strategic community investments, the Social, Ethics and Sustainability Committee has allocated spend as follows for 2025:



Conclusion

We remain committed to responsible business practices that balance economic performance with environmental stewardship, social investment, and sound governance. Our achievements over the past year reflect not only financial resilience but also a deepened focus on sustainability, ethical operations, and inclusive growth.

Through strategic investments in our people, infrastructure, and communities, we continue to build long term value for all stakeholders. Our proactive approach to challenges, such as energy efficiency, water conservation, and ethical leadership, demonstrates our dedication to continuous improvement and alignment with global standards.

As we look ahead, we will continue to strengthen our sustainability framework by expanding renewable energy efforts, deepening community engagement, and further embedding ESG principles across all subsidiaries. Our journey is guided by integrity, accountability, and a shared vision to create meaningful impact within our organisation, our industry, and the Namibian society at large.

SW Walters

Group Value Added Statement

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.

	2025 N\$'000	2024 N\$'000
Value Added		
Value added by operating activities		
Revenue	1,016,503	950,199
Insurance revenue	58,790	54,041
Cost of materials and services	(955,535)	(867,570)
Other income	16,363	13,416
Investment income from operations	97,262	63,601
	233,383	213,687
Value Distributed		
To Pay Employees		
Salaries, wages, medical and other benefits	118,656	106,247
	118,656	106,247
To Pay Providers of Capital		
Finance costs	5,654	7,449
Dividends paid	18,705	13,895
	24,359	21,344
To Pay Government		
Current tax	2,682	-
	2,682	-
To be retained in the business for expansion and future wealth creation:		
Value reinvested		
Depreciation, amortisation and impairments	15,638	14,179
Deferred tax	13,198	14,844
	28,836	29,023
Value retained		
Retained profit	58,850	57,073
	58,850	57,073
Total Value Distributed	233,383	213,687
Direct and indirect taxes		
Value Added Tax (net payment)	103,089	70,652
Import VAT paid	85,277	78,706
Pay As You Earn	15,555	16,039
Non Resident Shareholders Tax	186	139
Current tax	2,682	-
	206,789	165,536

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



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Directors' Responsibilities and Approval

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 year and the results of its operations and cash flows for the year then ended, in conformity with IFRS Accounting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with IFRS Accounting 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 2026 and, in light of this review and the current financial position, they are satisfied that the Group and Company have 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 pages 30 to 34.

The consolidated and separate annual financial statements set out on pages 35 to 120, which have been prepared on the going concern basis, were approved by the board on 18 September 2025 and were signed on their behalf by:

ME Ackermann
Authorised Director

PJ de W Tromp
Authorised Director

Independent Auditor's Report



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To the Members of Nictus Holdings Limited

Opinion

We have audited the consolidated and separate annual financial statements of Nictus Holdings Limited ("the company") and Subsidiaries ("the group") set out on pages 35 to 120, which comprise the consolidated and separate statements of financial position as at 30 June 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate annual financial statements, including a summary of material accounting policy information and the directors' report.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of Namibia.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements" section of our report. We are independent of the group and company 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, were of most significance in our audit of consolidated and separate annual financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate annual financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

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Independent Auditor's Report



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Key Audit Matter	How the matter was dealt with in the audit
Reinsurance recoverable	Our audit procedures, amongst others, included:
<p>Reinsurance recoverable is a material item in the group annual financial statements and is disclosed on the face of the statement of financial position as such. (Refer to the litigation statement included in the Directors' Report and note 17 of the consolidated annual financial statements.)</p> <p>The reinsurance recoverable comprises of reinsurance premiums ceded to the reinsurer until 30 June 2022 in compliance with notices and regulations contained in Government Notices 332 - 338 as gazetted on 29 December 2017 for alternative risk transfer business. Subsequently, the asset was measured at amortised cost.</p> <p>Due to the court appeal lodged by the reinsurer, of which the outcome is uncertain, the full recovery of the asset is uncertain as the counterparty has not recognized the full provision and there is a dispute regarding the cession method and the effective date of the cession method.</p> <p>Due to the significance of the amount and the uncertainty involved in the value of the asset, the matter was considered to be a matter of most significance in the current year audit of the consolidated and separate annual financial statements.</p>	<ul style="list-style-type: none"> With the assistance of our technical expertise, we assessed the nature of the asset; Reviewed and inspected applicable governing legislations to ascertain the correct application thereof in determination of the value of the asset and compliance thereof; Reviewed management's calculations for accuracy and compliance with the court order and relevant legislations; Reviewed relevant applicable court documentations and correspondence between the affected parties; Discussed and obtained a legal confirmation on the possible outcome of the matter; and Assessed the adequacy of disclosures in the financial statements, against the requirements of IFRS Accounting Standards.

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Key Audit Matter	How the matter was dealt with in the audit
Valuation of properties	Our audit procedures, amongst others, included:
<p>The group has a significant property portfolio consisting of owner occupied property, N\$ 394,3 million included in property, plant and equipment (note 3), and investment property to the value of N\$ 75,6 million (note 5). The company has investment property to the value of N\$ 9,8 million (note 5).</p> <p>The properties are valued on an annual basis by the directors of the group using an approved valuation model. The model calculates an estimated rental value and replacement cost value. The directors apply a weighting of 40% to the rental value and 60% to the replacement cost value, in order to calculate the value of the property. Key unobservable inputs in the valuation model includes:</p> <ul style="list-style-type: none"> Estimated rental value Capitalisation rate Replacement cost Depreciation rate <p>The valuation process involves significant judgement, in particular in arriving at the values for the key unobservable inputs used and the 40:60 weighting applied.</p> <p>Further judgement is exercised by the directors in assessing that properties developed in recent years and those recently acquired does not require a valuation given that the costs incurred during development and the recent purchase price closely reflect the property's value during this initial period and therefore approximate its fair value.</p> <p>Should any of the assumptions used or values of the key inputs change, it may have a material impact on the consolidated and separate annual financial statements.</p>	<ul style="list-style-type: none"> Reviewed the valuation model as to ensure the accuracy of the calculations; Compared the valuation model to the models and methods used by external professional valuers; Recalculated the property values by using the directors' model; Compared and stress tested the key unobservable inputs used by the directors to market available data; Performed sensitivity analysis on the key inputs and assumptions; and Considered the valuation method, assumptions and disclosures in line with the requirements of IFRS 13.

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Other Information

The directors are responsible for the other information. The other information comprises the documents included in the Integrated Annual Report, which we obtained prior to the date of this auditor's 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 IFRS Accounting Standards as issued by the International Accounting Standards Board 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 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 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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's and company's internal control.

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- 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 group and 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 of the entities or business activities within the group to express an opinion on the consolidated annual financial statements. We are responsible for the direction, supervision, and performance of the group 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the 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.

BDO Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: JSW de Vos
Partner

Windhoek
18 September 2025

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Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Nictus Holdings Limited for the year ended 30 June 2025.

1. Nature of business

Nictus Holdings Limited is an operational holding company incorporated in Namibia with interests in the retail, property as well as insurance and finance industries. The Group operates primarily within Namibia and is in the process of expanding certain operations into Botswana.

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

2. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with IFRS Accounting 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 note 2.

The Group recorded a net profit after tax for the year ended 30 June 2025 of N\$58,850 million. This represented an increase of 3% from the net profit after tax of the prior year of N\$57,073 million.

Group revenue, increased by 7% from N\$950,199 million in the prior year to N\$1,017 billion for the year ended 30 June 2025. Group insurance revenue, increased by 9% from N\$54,041 million in the prior year to N\$58,790 million for the year ended 30 June 2025.

The Group's assets increased by 26% from N\$2,078 billion in the prior year to N\$2,618 billion at 30 June 2025. The increase in the Group's assets is mainly due to better returns from investments during the current financial year.

The Company recorded revenue for the year of N\$59,470 million (2024: N\$46,425 million). This represents an increase of 28%.

The Company's assets increased by 32% from N\$283,075 million the prior year to N\$374,468 million at 30 June 2025.

3. Interests in subsidiaries

Details of material interests in subsidiary companies are presented in the consolidated and separate annual financial statements in note 8.

The interest of the Group in the profits and losses of its subsidiaries for the year ended 30 June 2025 are as follows:

	2025 N\$ '000	2024 N\$ '000
Subsidiaries		
Total profits before income tax	94,819	88,262

4. Segmental analysis

A detailed segmental analysis is included in note 48 of the annual financial statements.

5. 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
ME Ackermann	Independent Non-Executive Director	Namibian
PJ de W Tromp	Managing Director	Namibian
SW Walters	Lead Independent Non-Executive Director	Namibian
CA Snyman	Financial Director	South African (permanent residence)

GR de V Tromp and SW Walters were re-elected as directors and members of the Audit and Risk Committee at the Annual General Meeting on 28 November 2024. SW Walters was appointed as lead independent non-executive director on 28 November 2024.

ME Ackermann was elected as independent non-executive director and as a member of the Audit and Risk Committee on 1 June 2024. Upon the expiry of TB Horn's term of office on 28 November 2024, ME Ackermann was appointed chairperson of the Audit and Risk Committee.

CA Snyman was appointed as an executive director on 16 July 2024 and assumed the role of group financial director on 19 September 2024. WO Fourie stepped down as group financial director on 19 September 2024.

TB Horn's term of office expired on 28 November 2024. She consequently ceased to be a director, the lead Independent non-executive director, and a member and chairperson of the Audit and Risk Committee with effect from that date.

6. Dividends

The Company's dividend policy is to consider an interim and a final dividend in respect of each financial year. 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 35 cents per share (N\$18,7 million) were declared and paid by the Company on 4 November 2024.

The board has carefully reviewed the Group's performance, future capital requirements, and growth strategy, recognising that we are entering an expansion phase requiring investment in new projects and capital across our subsidiaries. To support these opportunities and ensure sustainable shareholder value creation, the board has resolved to retain a portion of the current year's earnings. This approach balances shareholder returns with the need to maintain financial flexibility for the Group's strategic growth priorities. The board remains confident that these investments will strengthen the Group's earnings capacity and operational capabilities, positioning the Group for sustainable growth in future years.

Final dividend of 25 cents per share (N\$13,4 million) was approved by the board on 18 September 2025 in respect of the year ended 30 June 2025. 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 year.

Last date to trade ordinary shares "cum" dividend	24 October 2025
Ordinary shares trade "ex" dividend	27 October 2025
Record date	31 October 2025
Payment / issue date	3 November 2025

Share certificates may not be dematerialised between Monday 27 October 2025 and Friday 31 October 2025, both days inclusive.

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

7. Stated capital

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

8. Shareholding and management of the Group

Public and non-public shareholding	Number of shareholdings	%	Number of shares	%
Non-public shareholders: Directors and associates	8	1.36	32,143,796	60.15
Non-public shareholders: Strategic holdings (more than 5%)	1	0.17	8,025,455	15.02
Public shareholders	578	98.47	13,274,249	24.83
	587	100.00	53,443,500	100.00

Directors' Report

Distribution of shareholders per category

	Number of shareholdings	%	Number of shares	%
Banks, Brokers, Nominees and Trusts	31	5.28	12,409,618	23.22
Close Corporations	9	1.53	745,427	1.39
Individuals	519	88.42	5,146,047	9.63
Insurance company	1	0.17	9,375	0.02
Other corporations	7	1.19	231,534	0.43
Private companies	17	2.90	34,463,684	64.49
Public companies	3	0.51	437,815	0.82
	587	100.00	53,443,500	100.00

Shareholders with an interest above 5% of issued share capital

	Number of shares	%
KCB Trust	8,025,455	15.02
Ultra Investments (Pty) Ltd	15,521,636	29.04
Red Acre Trading (Pty) Ltd	14,933,982	27.94
	38,481,073	72.00

Directors' interest in share capital - 2025

Directors' indirect interest	Number of shares	%
PJ de W Tromp*	15,522,664	29.04
GR de V Tromp*	16,561,132	30.99
Director's direct interest		
CA Snyman	60,000	0.11
	32,143,796	60.14

Directors' interest in share capital - 2024

Directors' indirect interest	Number of shares	%
PJ de W Tromp and GR de V Tromp*	34,610,733	64.76
WO Fourie	1,871,046	3.50
	36,481,779	68.26

* 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 an entity in which Messrs PJ de W Tromp (Nature Unlimited Consultations (Pty) Ltd) has material interest, which supply consulting and managerial services.

9. Litigation statement

The Group occasionally engages in various claims and lawsuits that arise in the ordinary course of business.

A subsidiary previously had a legal case pending concerning reinsurance. The initial court ruling in December 2023 was favourable to the subsidiary; however, the respondent has since appealed the decision, and the matter is currently ongoing.

In accordance with the court ruling dated 7 December 2023, certain financial statement line items impacted by this case have been adjusted to accurately reflect the court's order. These adjustments had an immaterial effect on the Group's equity value. Due to the sensitive nature of the dispute, the directors have chosen not to disclose additional information, as they believe it could be prejudicial to the company's position in the ongoing matter.

10. Auditors

At the annual general meeting, the shareholders will be requested to reappoint BDO Namibia as the independent external auditors of the Company and to confirm Mr JSW de Vos as the designated lead audit partner for the 2026 financial year.

11. Secretary

The company secretary is Veritas Eksekuteurskamer (Pty) Ltd.

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Business address:	1st Floor Nictus Building 140 Mandume Ndemufayo Avenue Windhoek Namibia

12. Going concern

The directors have assessed the Group's and Company's ability to continue as going concerns. As at 30 June 2025, the Group's and Company's net asset value amounted to N\$ 340,8 million and N\$ 108,1 million (2024: N\$ 281,4 million and N\$ 116,9 million) respectively. The Group and Company achieved a profit for the year of N\$ 58,9 million and N\$ 9,7 million (2024: N\$ 57,1 million and N\$ 5,4 million) respectively and the Group's cash and cash equivalents increased by N\$ 250,2 million. The Group however has a working capital deficit of N\$ 475,8 million (2024: N\$363,1 million).

The following were also considered as part of the Group's going concern assessment for a period of at least twelve months from the reporting date:

- The Group's working capital deficit primarily reflects the operational characteristics of the insurance segment, which functions within a regulated framework. The insurance liabilities relate to short-term policies with a historically low claims ratio and are not expected to be called simultaneously.
- The Group regularly performs scenario analyses and stress testing across various risk exposures, including potential insurance claims. Based on these assessments, the directors are satisfied that reserves are sufficient to meet foreseeable obligations, with no material claim developments anticipated.
- The directors have reviewed the Group's cash flow forecasts and liquidity plans, covering at least twelve months from the reporting date, and are satisfied that the Group maintains adequate liquidity buffers.
- The Group retains access to undrawn borrowing facilities, readily available liquid assets, and unencumbered properties.
- The Group has low external debt levels, a strong capital base, and a diversified investment portfolio.
- The directors are 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.
- The directors are not aware of any new material changes that may adversely impact the Group and Company.

Having considered the Group's and Company's financial position, liquidity, operational resilience, and regulatory compliance, the directors have concluded that there are no material uncertainties that cast significant doubt on the ability of the Group or Company to continue as a going concern and that it is appropriate to adopt the going concern basis in preparing the financial statements.

13. 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.

14. Date of authorisation for issue of financial statements

The consolidated and separate annual financial statements have been authorised for issue by the directors on 18 September 2025. No authority was given to anyone to amend the consolidated and separate annual financial statements after the date of issue.

Statement of Financial Position

As at 30 June 2025

		Group		Company	
Figures in Namibia Dollar Thousand	Note(s)	2025	2024	2025	2024
Assets					
Non-Current Assets					
Property, plant and equipment	3	451,281	399,266	1,552	1,482
Right-of-use assets	4	5,911	2,009	413	-
Investment property	5	75,633	47,850	9,800	9,280
Goodwill	7	2,414	-	-	-
Intangible assets	6	5,389	4,538	4,139	2,884
Investments in subsidiaries	8	-	-	228,891	169,454
Trade and other receivables	10	53,788	40,227	-	-
Investments	11	229,788	148,158	313	305
Loans and receivables	12	81,413	65,296	-	-
Finance lease receivables	13	8,021	11,938	-	-
Deferred tax	14	13,729	15,400	4,902	4,902
		927,387	734,682	250,010	188,307
Current Assets					
Inventories	15	182,554	151,150	-	-
Loans to related parties	16	-	-	118,909	91,345
Trade and other receivables	10	207,686	150,490	4,120	2,145
Investments	11	-	771	-	-
Loans and receivables	12	20,186	22,409	-	-
Finance lease receivables	13	5,780	5,948	-	-
Reinsurance recoverable	17	237,845	226,339	-	-
Other financial assets	18	-	-	951	784
Cash and cash equivalents	19	1,036,728	786,502	478	494
		1,690,779	1,343,609	124,458	94,768
Total Assets		2,618,146	2,078,291	374,468	283,075
Equity and Liabilities					
Equity					
Stated capital	20	129	129	129	129
Reserves		145,602	109,003	-	-
Retained income		195,043	172,251	108,003	116,851
		340,774	281,383	108,132	116,980
Liabilities					
Non-Current Liabilities					
Interest bearing loans and borrowings	23	14,416	12,757	-	-
Lease liabilities	4	4,997	282	209	-
Contract liabilities	25	2,663	-	-	-
Deferred tax	14	88,683	77,156	-	-
		110,759	90,195	209	-
Current Liabilities					
Trade and other payables	24	102,412	117,883	7,807	5,917
Loans from related parties	26	-	-	232,276	125,854
Interest bearing loans and borrowings	23	32,573	39,884	25,838	34,324
Lease liabilities	4	1,400	2,059	206	-
Contract liabilities	25	1,037	-	-	-
Current tax payable	27	534	-	-	-
Provisions		93	99	-	-
Insurance contract liability	28	2,028,564	1,546,788	-	-
		2,166,613	1,706,713	266,127	166,095
Total Liabilities		2,277,372	1,796,908	266,336	166,095
Total Equity and Liabilities		2,618,146	2,078,291	374,468	283,075

Statement of Profit or Loss

and other Comprehensive Income

		Group		Company	
Figures in Namibia Dollar Thousand	Note(s)	2025	2024	2025	2024
Revenue		977,178	921,475	59,470	46,425
Effective interest income		39,325	28,724	-	-
Total revenue	29	1,016,503	950,199	59,470	46,425
Cost of sales	30	(760,811)	(726,961)	-	-
Gross profit		255,692	223,238	59,470	46,425
Insurance service result		28,610	60,747	-	-
Insurance revenue	31	58,790	54,041	-	-
Insurance service expenses	32	(29,330)	(29,077)	-	-
Net expenses from reinsurance contract held	33	(850)	35,783	-	-
Net insurance finance expenses		(96,121)	(62,047)	-	-
No claim bonus charge to profit or loss	28	(193,025)	(145,444)	-	-
Finance income earned from secured advances	28	96,904	83,397	-	-
Investment income from operations	36	97,262	63,601	-	-
Other operating income	34	16,363	13,416	404	485
Other operating gains	35	1,384	2,595	7,040	5,929
Interest income reinsurance		12,435	(19,135)	-	-
Administrative expenses		(61,145)	(57,521)	(18,431)	(13,431)
Operating expenses		(178,367)	(148,642)	(20,218)	(18,873)
Operating profit	38	76,113	76,252	28,265	20,535
Investment income	36	3,601	3,114	105	63
Finance costs	39	(5,654)	(7,449)	(18,660)	(15,176)
Profit before taxation		74,060	71,917	9,710	5,422
Taxation	40	(15,210)	(14,844)	-	-
Profit for the year		58,850	57,073	9,710	5,422
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on property revaluation		20,037	24,706	-	-
Taxation relating to property revaluation		(670)	(7,906)	-	-
Total items that will not be reclassified to profit or loss		19,367	16,800	-	-
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		(268)	-	-	-
Other comprehensive income for the year net of taxation		19,099	16,800	-	-
Total comprehensive income for the year		77,949	73,873	9,710	5,422
Earnings per share					
Per share information					
Basic earnings per share (c)	49	110.12	106.79	-	-
Basic and diluted earnings per share	49	110.12	106.79	-	-

Statement Of Changes In Equity

	Stated capital	Foreign currency translation reserve	Revaluation reserve	Insurance contingency reserve	Total reserves	Retained income	Total equity
Figures in Namibia Dollar Thousand							
Group							
Balance at 1 July 2023	129	-	46,652	25,551	72,203	148,999	221,331
Profit for the year	-	-	-	-	-	57,073	57,073
Other comprehensive income	-	-	16,800	-	16,800	-	16,800
Total comprehensive income for the year	-	-	16,800	-	16,800	57,073	73,873
Transfer to contingency reserve	-	-	-	20,000	20,000	(20,000)	-
Prescribed dividends	-	-	-	-	-	74	74
Dividends paid	-	-	-	-	-	(13,895)	(13,895)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	20,000	20,000	(33,821)	(13,821)
Balance at 1 July 2024	129	-	63,452	45,551	109,003	172,251	281,383
Profit for the year	-	-	-	-	-	58,850	58,850
Other comprehensive income	-	(268)	19,367	-	19,099	-	19,099
Total comprehensive income for the year	-	(268)	19,367	-	19,099	58,850	77,949
Transfer to contingency reserve	-	-	-	17,500	17,500	(17,500)	-
Prescribed dividends	-	-	-	-	-	147	147
Dividends paid	-	-	-	-	-	(18,705)	(18,705)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	17,500	17,500	(36,058)	(18,558)
Balance at 30 June 2025	129	(268)	82,819	63,051	145,602	195,043	340,774
Note(s)	20		21	22			
Company							
Balance at 1 July 2023	129	-	-	-	-	125,250	125,379
Profit for the year	-	-	-	-	-	5,422	5,422
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	5,422	5,422
Prescribed dividends	-	-	-	-	-	74	74
Dividends paid	-	-	-	-	-	(13,895)	(13,895)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(13,821)	(13,821)
Balance at 1 July 2024	129	-	-	-	-	116,851	116,980
Profit for the year	-	-	-	-	-	9,710	9,710
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	9,710	9,710
Prescribed dividends	-	-	-	-	-	147	147
Dividends paid	-	-	-	-	-	(18,705)	(18,705)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	-	(18,558)	(18,558)
Balance at 30 June 2025	129	-	-	-	-	108,003	108,132
Note(s)	20		21	22			

Statement Of Cash Flow

		Group		Company	
	Note(s)	2025	2024	2025	2024 Reclassified
Figures in Namibia Dollar Thousand					
Cash flows from operating activities					
Cash generated / (used in) from operations*	41	436,354	547,134	(2,298)	823
Investment income	36	3,601	3,114	105	63
Finance costs	39	(5,654)	(7,080)	(18,660)	(15,176)
Tax paid	42	(2,148)	-	-	-
Net cash from / (used in) operating activities		432,153	543,168	(20,853)	(14,290)
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(56,262)	(20,382)	(964)	(703)
Proceeds from sale of property, plant and equipment	3	18,008	4,757	493	32
Purchases of investment property	5	(27,263)	(1,982)	-	(42)
Purchases of intangible assets	6	(2,988)	(3,172)	(2,371)	(2,449)
Sale of investment in subsidiary	8	-	-	-	24,687
Investments in subsidiary		-	-	(13,800)	-
Net cash paid on business combinations	9	(2,840)	-	-	-
Cash receipts on loans to related parties*	16	-	-	26,543	38,539
Cash advanced in loans to related parties*	16	-	-	(63,046)	(16,529)
Cash advanced in loans receivable	12	(4,201)	(13,068)	-	-
Cash receipts on repayments of loans receivable	12	5,232	-	-	-
Purchase of investments	11	(80,859)	(74,015)	(8)	(12)
Movement in finance lease receivables	13	-	(6,514)	-	-
Movement in other financial assets	18	-	-	(120)	(157)
Net cash (used in) / from investing activities		(151,173)	(114,376)	(53,273)	43,366
Cash flows from financing activities					
Repayments of loans from related parties*	26&44	-	-	-	(9,160)
Cash received on loans from related parties*	26&44	-	-	101,317	21,356
Repayments of borrowings	23&44	(8,935)	(27,547)	(8,486)	(27,558)
Payment on lease liabilities	48&44	(2,841)	(3,301)	(16)	-
Dividends paid	43	(18,705)	(13,895)	(18,705)	(13,895)
Net cash from financing activities		(30,481)	(44,743)	74,110	(29,257)
Total cash movement for the year		250,499	384,049	(16)	(181)
Cash and cash equivalents at the beginning of the year		786,502	402,541	494	675
Effect of foreign exchange on cash and cash equivalents		(273)	(88)	-	-
Cash and cash equivalents at the end of the year	19	1,036,728	786,502	478	494

*Refer to note 50 for reclassification on company

Accounting Policies

Corporate information

Nictus Holdings Limited (the Company) is a public company incorporated and domiciled in Namibia. The annual financial statements for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the Group).

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

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, IFRS Accounting Standards 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 and investment property is 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. The annual financial statements are presented in thousands of Namibia Dollars (N\$'000).

These accounting policies are consistent with the previous year, other than new standards and interpretations adopted and described 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 Accounting Standards 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

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Going concern assumption

Management prepared these annual financial statements on a going concern basis. In making this judgement management considered the facts and events disclosed in note 53 of the annual financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The Group assesses its financial assets 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.

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 and owner occupied property portfolio on an annual basis.

For commercial and residential properties, 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. The following unobservable inputs are significant to the valuation of the Group's property portfolio:

- Estimated rental value
- Capitalisation rate
- Replacement cost
- Depreciation factor

Commercial land acquired but not yet developed has not been revalued, as the directors have assessed that the acquisition cost closely reflects the land's value and continues to approximate its fair value.

Recently acquired and developed properties are not revalued, as the directors' judgement is that the costs incurred during development and the recent purchase prices closely reflect the property's value during this initial period and approximate its fair value.

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 3 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 determines 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.

Insurance contracts

Areas of significant judgement that the Group considers include:

- Unit of account
- Significant insurance risk
- Component of the insurance contract
- Portfolios - given that a multi-peril policy is issued by the Group; and
- Premium allocation approach (PAA eligibility).

The classification of insurance contracts is disclosed in detail in note 1.21.

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.

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

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.

Share-based payments

For cash-settled share-based payment transactions, the services received and the liability incurred are recognised at the fair value of the liability. The performance conditions for the share-based payment plan are based on achieving specific targets which are assessed annually based on management forecasts. The instruments do not vest until the employee has completed a specified period of service. The determination of the fair value of the liability involves an assessment that considers the cumulative five-year performance of the recipient and the likelihood of continued provision of services.

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 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 of 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.

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liabilities or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRS Accounting Standards. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets Held For Sale and Discontinued Operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

1.3 Consolidation (continued)

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

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 year.

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 year in which they are incurred.

Revaluations on land and buildings 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 to 10 years

Land is not depreciated.

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 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 year is recognised in profit or loss unless it is included in the carrying amount of another asset.

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.

Accounting Policies

1.5 Investment property (continued)

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 to 15 years
Distribution rights	2 to 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 47 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

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.

1.7 Financial instruments (continued)

Investments in debt and equity instruments

Classification

Investments in equity instruments are presented in note 11. 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 35).

Dividends received on equity investments are recognised in profit or loss when the Group's right to receive 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 from operations (note 36).

Interest received on debt instruments at fair value through profit or loss are included in investment income (note 36).

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 19) are stated at carrying amount which is deemed to be fair value.

Other financial assets

Classification

The Company has designated certain financial instruments in other financial assets at fair value through profit or loss. The reason for the designation is to reduce or eliminate an accounting mismatch which would occur if the instruments were not classified as such. Refer to note 18 for details.

Recognition and measurement

Other financial assets at fair value through profit or loss are recognised when the Company 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.

Loans receivable and trade and other receivables

Classification

Loans to related parties (note 16), loans and receivables (note 12) and trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 10).

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.

Accounting Policies

1.7 Financial instruments (continued)

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 from operations (note 36).

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 receivables, 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.

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, 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.

1.7 Financial instruments (continued)

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 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 10.

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 operating profit in profit or loss as a movement in credit loss allowance (note 38).

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 10) and the financial instruments and risk management note (note 47).

Derecognition

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

Borrowings, loans from related parties and trade payables

Classification

Loans from related parties (note 26), interest bearing loans and borrowings (note 23) as well as trade and other payables (note 24), 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.

Accounting Policies

1.7 Financial instruments (continued)

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 47 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 measured 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 38) 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 Right-of-use assets.

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 38).

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 39).

Accounting Policies

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.

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.

1.9 Leases (continued)

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 from the use of the underlying asset are diminished. Operating lease income is included in revenue (note 29).

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.

Finance leases

Amounts due from lessees are recognised from commencement date at an amount equal to the Group net investment in the lease. They are presented as lease receivables (note 13) on the statement of financial position.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease.

Lease payments included in the measurement of the net investment in the lease comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives payable;
- 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 receivable by the Group from the lessee, a party related to the lessee or a third party unrelated to the Group under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option;
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The Group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in revenue (note 29).

The Group applies the impairment provisions of IFRS 9 to lease receivables. Refer to the accounting policy for trade and other receivables as lease receivables are impaired on a consistent basis with that accounting policy.

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, glass filament, tracking, building supplies and hardware businesses 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 are initially measured at the carrying amount of the goods at the time of sales, less any expected costs to recover the goods and any expected reduction in value. The return asset is 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.

Accounting Policies

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.

Where there are a number of similar obligations, the likelihood that an outflow will be required is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class may be small.

The most common provisions recognised by the Group relate to warranties. While the Group's products and services may carry standard warranty obligations, no provisions are recognised as these are covered by standard supplier guarantees. In addition, the Group offers extended guarantees on certain product lines; however, management has assessed these obligations and concluded that they are immaterial to the financial statements.

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the financial statements. They are disclosed when an inflow of economic benefits is probable. When the realisation of income is virtually certain, the related asset is recognised.

1.15 Revenue

The Group recognises revenue from the following major sources:

- Sales of goods - retail
- Rendering of services - retail
- Finance income earned
- Rental income from letting of commercial properties and vehicles

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), parts and tracking devices for the vehicles. The Group also sells tyres and related accessories; household furniture and appliances and building supplies and hardware 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.

The Group sells its own service plans in respect of vehicles that are not covered by manufacturer service plans. These plans provide customers with coverage for specified maintenance services over defined periods, generally ranging from two to five years. Consideration for the service plans is received upfront, typically as part of the vehicle sales transaction, and is initially recognised as a contract liability. Revenue is recognised over time, in line with the satisfaction of the performance obligations, as services are provided. The amount of revenue recognised corresponds to the costs of the service work performed during the period. Contract liabilities are maintained to reflect the obligation to provide future services under the terms of the service plans.

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 right 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 amount 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

The Group sells a wide range of services to customers for vehicle servicing, maintenance and repair. These include vehicle mechanical repairs and services, glass fitment and repairs, wheel balancing, alignment, and repair, as well as call-out and on-site services. The Group also offer vehicle tracking services, voice services and business process management services.

Revenue is recognised at a point in time for all services rendered by the Group, except for vehicle tracking, voice services and business process management services which is recognised over a period of time as the customer receives and makes use of the services.

For customers who pay for tracking services in advance, the full payment received is initially recorded as a contract liability. Revenue is then recognised on a straight-line basis over the duration of the subscription period, reflecting the ongoing delivery of service. The unearned portion of the subscription is presented as a contract liability on the balance sheet and is systematically released to revenue as the service is rendered.

For services rendered to 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.

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.

Accounting Policies

1.15 Revenue (continued)

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.

For office equipment lease agreements the Group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease (refer note 1.9).

Rental income from letting of commercial properties and vehicles

The Group acts as a lessor in lease arrangements for commercial properties and vehicle rentals.

Commercial property leases

The Group has entered into lease agreements with customers for the letting of commercial properties. These leases are classified as operating leases under IFRS 16. Revenue from such leases is recognised on a straight-line basis over the lease term, reflecting the pattern in which the benefit from the use of the underlying asset is provided to the lessee. The directors consider this time-based input method to be an appropriate measure of progress toward complete satisfaction of the performance obligation under the lease arrangement (refer note 1.9).

Vehicle rentals

Vehicle rental revenue is recognised on a straight-line basis over the rental term, in accordance with the principles of IFRS 16: Leases applicable to operating leases (refer to note 1.9). Revenue is measured at the transaction price, representing the amount of consideration to which the Group expects to be entitled in exchange for the services provided, excluding value-added tax.

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.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

1.17 Translation of foreign currencies

Functional and presentation currency

The consolidated and separate annual financial statements are presented in Namibia Dollar which is the 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.

1.17 Translation of foreign currencies (continued)

In circumstances where the Group receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the Group initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, Group determines a date of transaction for each payment or receipt of advance consideration.

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 consolidated and separate 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.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollars by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

Foreign operations

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than Namibia Dollars are translated into Namibia Dollars upon consolidation. The functional currencies of entities within the Group have remained unchanged during the reporting period.

On consolidation, the results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a foreign currency translation reserve in equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation is treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.18 Segmental 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 48.

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.

Accounting Policies

1.18 Segmental reporting (continued)

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

Segment assets
Segment assets consist 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 consist 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.

1.19 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.

1.20 Share based payments

The group operates a cash-settled share-based incentive plan for executive directors.

For cash-settled share-based payment transactions, the services received and the liability incurred are recognised at the fair value of the liability. Until the liability is settled, it is carried at amortised cost, with any changes in the directors' remuneration in profit or loss for the period.

Where the equity instruments do not vest until the employee has completed a specified period of service, it is assumed that the services rendered by the employee, as consideration for those equity instruments, will be received in the future, during the vesting period. These services are accounted for in profit or loss as they are rendered during the vesting period, with a corresponding increase in the liability.

1.21 Insurance contracts

Classification of insurance policies

Unit of account

Corporate Guarantee and Insurance Company of Namibia Limited (Corporate Guarantee), a subsidiary of the group, is a registered Namibia short term insurer.

A contract is classified as an insurance contract where the Group provides insurance coverage by accepting significant insurance risk when agreeing with the policyholder to pay benefits if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary envisaged by IFRS 17. Once a contract has been classified as an insurance contract, the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

A significant judgement area for the Group is whether a policy and a loan/cession agreement with a policyholder form a single unit of account. This impacts the assessment on whether significant insurance risk is transferred to the Company as well as the accounting standard that is relevant to the arrangement.

1.21 Insurance contracts (continued)

Significant insurance risk is present if an insured event could cause the issuer to pay additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance. Consequently, the insurer risk can be significant even if there is minimal probability of significant losses for a portfolio or group of contracts.

In return for payment of an insurance premium, Corporate Guarantee, undertakes to indemnify the policyholder for loss suffered by reason of the occurrence of any of the event(s) defined in the multi-peril, income protection and credit insurance contingency policies ("the policies"), occurring during the period of insurance (12 months), in accordance with the terms and conditions of the policy. The policyholder may be indemnified by virtue of a payment up to the policy indemnity limit or, at the insurer's sole discretion, by replacement, reinstatement or repair

Insurance contract component considerations

The policies that the Group sells are insurance contracts as envisaged in the scope of IFRS 17. A policyholder may also elect to contractually apply to receive a secured advance from the Group. The policies are pledged and ceded to the group as security for the secured advance. Currently, these advances are predominantly secured by policy benefits being ceded to the Group. In terms of the guidance in IFRS 17, where a secured advance is provided to a policyholder, the agreements between the group and the policyholder are considered to be a single insurance contract due to the interdependency between the agreements. Various repayment terms, none of which exceed 60 months, and interest rates apply. The cession agreement in place, ensures that if the policyholder cancels the insurance policy after twelve months, the outstanding loan is simultaneously settled. Secured advances therefore cannot exist beyond the termination of the insurance relationship. This demonstrates a clear linkage between the insurance policy and the loan, reinforcing their treatment as a single, interrelated contract under IFRS 17.

Cash flows with regard to secured advances are solely payments of principal and interest on the principal amount outstanding. The secured advances form part of the total insurance contract liabilities, disclosed on an aggregate basis, but do not constitute a non-distinct investment component. The finance income earned from secured advances is disclosed as part of the net insurance finance expenses in the statement of profit or loss and other comprehensive income.

The Group offers insurance contracts that provide both insurance cover and the payment of a specified amount in the form of an experience bonus (the amount to be determined by the group at its discretion, from time to time, by deducting the allowable deductions from the experience account, together with interest (if any) calculated on such amount from time to time, in the sole and absolute discretion of the group. These specified amounts meet the definition of an investment component as they will be paid to policyholders in all circumstances, regardless of whether an insured event occurs. The Group considers the investment component and insurance component as highly inter-related as the lapse or maturity of one component in a contract causes the lapse or maturity of the other and the value of one component varies according to the value of the other. The entire policies, including the non-distinct investment component, issued by the Group is accounted for and measured as part of the insurance liability as a single unit of account in terms of IFRS 17.

Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of either the beginning of the coverage period or the date when the first payment from the policyholder is due or actually received, if there is no due date or when the Group determines that a group of contracts becomes onerous.

When an insurance contract is extinguished, it is no longer at risk and is therefore no longer required to transfer any economic resources to satisfy the insurance contract, the Group will derecognise it.

Contract boundary

The insurance contract issued by the Group does have a specific period and explicit policy start date – and expiry date, thus indicating the period during which the Group provides coverage for insured events, and in effect the boundary of the insurance contract. The Insurance premiums obligation to be paid are for the period of insurance as set out in the policy schedule. Either the Group or policyholder can review the terms associated with the insurance contract at the policy anniversary. The Group considers the legal rights and commercial substance of the contracts in the assessment. This supports a specific boundary of the insurance contract as the Group and the policyholder have the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks as required.

From an insurer's perspective, all insurance contracts issued have a contract boundary of one year or less. Cash flows outside the boundary of the insurance contract relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

The policyholder can renew their insurance cover should they choose, resulting in a new insurance contract being entered into on the day following the expiration of the previous insurance contract. This process will be repeated at every policy anniversary. No renewal fee will be levied upon renewal on the expiry of the policy, all circumstances remaining constant. Upon renewal, for practical consideration, no physical cash flow is applicable. The latter will not influence the full recognition of the liability for remaining coverage (LRC) associated with the newly issued insurance policy on day one of the coverage period with initial recognition.

Accounting Policies

1.21 Insurance contracts (continued)

Level of aggregation

IFRS 17 requires that the Group identifies portfolios of insurance contracts. A portfolio comprises contracts subject to similar risks and managed together. Contracts within a product line would be expected to have similar risks and hence would be expected to be in the same portfolio if they are managed together. Currently the Group has three insurance products consisting of multiple multi-peril, credit insurance and income protection contingency policies in issue. All three products are inclusive of a risk transfer represented within the annual aggregate policy indemnity limit. The Group generally manages its insurance policy on a policy- per-policy basis with the risks being limited to the risk transfer represented within the annual aggregate policy indemnity limit irrespective of the class of business underwritten. All three products entail comparable risks and are collectively managed, which is why only a singular portfolio of insurance contracts can be identified.

Portfolios are further divided into groups of insurance contracts, based on whether:

- a group of contracts that are onerous at initial recognition, if any;
- a group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; and
- a group of the remaining contracts in the portfolio, if any.

Given the IFRS 17 requirements and the loss experience, the portfolio of insurance contracts identified would be appropriately designated/grouped as a group of contracts that at initial recognition has no significant possibility of becoming onerous subsequently. 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 and updated and determines the classes of business to be written, the territories in which business is to be written and the industry sectors to which the Group is prepared to accept exposure. The strategy is cascaded down by the respective segment board to management that sets the limits for management by client size, class of business, region and industry in order to enforce appropriate risk selection within the portfolio. The Group's focus is to grow a sustainable and profitable business and does not anticipate the recognition of onerous contracts.

Measurement

The appropriate measurement model applicable to the insurance contracts is the Premium Allocation Approach.

The LRC portion of insurance liabilities and assets are measured using the PAA, which is the simplified measurement model applicable to contracts with a coverage period of 12 months or less, or where the measurement of the insurance liability is not significantly different between the PAA or GMM. This criterion is satisfied from a Corporate Guarantee perspective; all insurance contracts issued have a contract boundary of one year or less.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- The LRC; and
- The liability for incurred claims (LIC) comprising the fulfilment cash flows related to past services allocated to the group at the reporting date.

Using the PAA, the balance of the LRC for the group will consist, in essence, of the following elements:

- The carrying amount following the initial recognition or at the beginning of the reporting period;
- Plus the premiums received in the subsequent reporting period;
- Minus the amount recognised as insurance revenue for coverage provided in that period;
- Minus any investment component paid or transferred to the liability for incurred claims (LIC); and
- Minus any incurred claims paid or transferred to the LIC.

The Group is not required to adjust the carrying amount of the LRC to reflect the time value of money and the effect of financial risk, at initial recognition, as it expects that the time between providing each part of the coverage and the related premium due date is no more than a year. All of Corporate Guarantee's insurance contracts issued have a coverage period of one year or less, thus this criterion is satisfied.

Monthly no claim bonus is allocated to the experience account of the policyholder based on the terms and conditions set out within the insurance contract.

No claim bonus is calculated on the positive balance of the experience account, at a rate determined by the group, according to market conditions. The no claim bonus will not be forfeited, even if claims were made against the experience account – it is always calculated on the remaining balance in this account. The no claim bonus accrues and is due to the policyholder on expiry or cancellation of the policy. The existence of the no claim bonus component would increase the LRC subsequent to initial recognition. The increase of the LRC will not coincide with cash flow receipts. The allocation of no claim bonus is expensed and disclosed as part of the net insurance finance expenses in the statement of profit or loss and other comprehensive income.

The best estimate provision for LIC relates to claim events that have occurred before or at the reporting date, whether reported or not. The Group shall measure the LIC for the group of insurance contracts at the fulfilment cash flows relating to incurred claims.

The Group will not be required to adjust future cash flows for the time value of money and the effect of financial risk as those cash flows are expected to be paid or received in one year or less from the date the claims are incurred.

1.21 Insurance contracts (continued)

Insurance acquisition costs

Insurance acquisition costs are defined as those costs related to the selling, underwriting and starting a group of insurance contracts. The Group's policy is to expense any insurance acquisition cash flows as and when they are incurred.

Amounts recognised in the statement of comprehensive income

Insurance revenue, insurance service expenses, showing in aggregate incurred claims (excluding investment components) and other incurred insurance service expenses, and insurance acquisition costs are recognised in the statement of comprehensive income based on the principle of services provided during the period.

Expected premium receipts are allocated to insurance revenue based on the passage of time as and when the insurance contract services under the group of insurance contracts are provided.

Insurance services expenses comprise incurred claims, incurred directly attributable expenses, changes in the fulfilment cash flows relating to past services.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arise from non-financial risk as the insurer fulfils its insurance contracts. The risk adjustment for non-financial risk shall reflect the insurer's current estimates of how the actual behaviour of the policyholders may differ from the expected behaviour.

Corporate Guarantee manages its non-financial risk through underwriting limits, approval procedures for new clients, pricing guidelines, centralised management of risk and monitoring of emerging issues. Historical experience and results have demonstrated a reliable capacity to estimate cash flows. Consequently, we are confident in our continued ability to make accurate cash flow projections.

Fulfilment cash flows

The fulfilment cash flows comprise unbiased and probability weighted estimate of future cash flows within the contract boundary. The fulfilment cash flows consider all reasonable and supportable information available at the reporting date without undue cost or effort. Fulfilment cash flows are determined separately for insurance contracts issued. Fulfilment cash flows are allocated to groups of insurance contracts for measurement purposes.

Impact of changes in tax legislation

IFRS 17 will impact the allocation between current income tax and deferred tax in the statement of financial position and the Group's overall tax position. The Namibian Income Tax Act however did not change since the implementation of IFRS 17 to include any of the IFRS 17 principles, hence Corporate Guarantee still complies to the Namibian Tax Act regulations as specified in the Tax Act, irrespective of the IFRS 17 principles applied in the Financial Statements.

1.22 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.

The Group reinsure a portion as determined by the NamibRe Act of the administration fee that the Group charge our clients which is considered to be the risk portion of our business. Reinsurance premiums are recognised as expense in the profit or loss statement when they become due. The Group receives an override commission based on the terms outlined in the reinsurance agreements.

1.23 Impairment of assets

The group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also:

- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Accounting Policies

1.23 Impairment of assets (continued)

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

Notes to the Consolidated and Separate Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants

2.2 Standards and interpretations not yet effective

At the date of authorisation of the consolidated and separate annual financial statements for the year ended 30 June 2025, the following standards and interpretations were in issue, but not yet effective:

IFRS 18: Presentation and Disclosure in Financial Statements

The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general-purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 Presentation of Financial Statements and focuses on updates to the statement of profit or loss with a focus on the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its "operating profit or loss".

The effective date of the standard is for years beginning on or after 1 January 2027. The Group has made a preliminary assessment of the impact of this standard on its financial statements. It is currently management's understanding that there will be no major impact on the valuation of the income statement or balance sheet items, however, the format of the income statement will change.

The following new or amended standards are not expected to be relevant to the Group's financial statements upon becoming effective:

	Effective date: Years beginning on or after
• Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	1 January 2025
• Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
• Annual Improvements to IFRS Standards (including amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7)	1 January 2026
• Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
• IFRS 19: Subsidiaries without Public Accountability – Disclosures	1 January 2027
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

3. Property, plant and equipment

Group	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Land	105,508	-	105,508	88,891	-	88,891
Buildings	294,592	(5,728)	288,864	267,734	(4,608)	263,126
Plant and machinery	43,935	(24,039)	19,896	36,230	(21,121)	15,109
Motor vehicles	43,985	(6,972)	37,013	41,396	(9,256)	32,140
Total	488,020	(36,739)	451,281	434,251	(34,985)	399,266

Notes to the Consolidated and Separate Annual Financial Statements

3. Property, plant and equipment (continued)

Company	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	-	-	-	403	(183)	220
Plant and machinery	3,932	(2,380)	1,552	3,849	(2,587)	1,262
Total	3,932	(2,380)	1,552	4,252	(2,770)	1,482

Reconciliation of property, plant and equipment - Group

	Land	Buildings	Plant and machinery	Motor vehicles	Total
Cost or revaluation					
At 1 July 2023	88,891	235,712	33,738	41,366	399,707
Additions	-	8,151	5,860	6,371	20,382
Disposals	-	(835)	(3,368)	(6,342)	(10,545)
Revaluation	-	24,706	-	-	24,706
At 30 June 2024	88,891	267,734	36,230	41,396	434,251
Additions	-	23,841	9,227	26,477	59,545
Additions through business combinations (note 9)	-	-	262	597	859
Disposals	-	(403)	(1,947)	(23,680)	(26,030)
Transfers	-	-	163	(163)	-
Transfers to inventories	-	-	-	(642)	(642)
Revaluation	16,617	3,420	-	-	20,037
At 30 June 2025	105,508	294,592	43,935	43,985	488,020
Accumulated depreciation					
At 1 July 2023	-	(4,242)	(20,889)	(6,382)	(31,513)
Disposals	-	835	3,298	2,007	6,140
Depreciation	-	(1,201)	(3,530)	(4,881)	(9,612)
At 30 June 2024	-	(4,608)	(21,121)	(9,256)	(34,985)
Disposals	-	185	1,666	7,318	9,169
Transfers to inventories	-	-	-	180	180
Depreciation	-	(1,305)	(4,584)	(5,214)	(11,103)
At 30 June 2025	-	(5,728)	(24,039)	(6,972)	(36,739)
Carrying amount					
Cost or revaluation	88,891	267,734	36,230	41,396	434,251
Accumulated depreciation	-	(4,608)	(21,121)	(9,256)	(34,985)
At 30 June 2024	88,891	263,126	15,109	32,140	399,266
Cost or revaluation	105,508	294,592	43,935	43,985	488,020
Accumulated depreciation	-	(5,728)	(24,039)	(6,972)	(36,739)
At 30 June 2025	105,508	288,864	19,896	37,013	451,281

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Company

	Buildings	Plant and machinery	Total
Cost or revaluation			
At 1 July 2023	403	5,631	6,034
Additions	-	703	703
Disposals	-	(2,485)	(2,485)
At 30 June 2024	403	3,849	4,252
Additions	-	964	964
Disposals	(403)	(881)	(1,284)
At 30 June 2025	-	3,932	3,932
Accumulated depreciation			
At 1 July 2023	(163)	(4,703)	(4,866)
Disposals	-	2,448	2,448
Depreciation	(20)	(332)	(352)
At 30 June 2024	(183)	(2,587)	(2,770)
Disposals	186	667	853
Depreciation	(3)	(460)	(463)
At 30 June 2025	-	(2,380)	(2,380)
Carrying amount			
Cost or revaluation	403	3,849	4,252
Accumulated depreciation	(183)	(2,587)	(2,770)
At 30 June 2024	220	1,262	1,482
Cost or revaluation	-	3,932	3,932
Accumulated depreciation	-	(2,380)	(2,380)
At 30 June 2025	-	1,552	1,552

Property, plant and equipment encumbered as security

The following assets have been encumbered as security for the secured long-term borrowings (note 23):

Motor vehicles with a book value of N\$3,1 mil (2024: nil) is serving as security for a subsidiary with installment sale agreements from First National Bank Namibia Limited.

Reassessment of fair value hierarchy

The fair value hierarchy was reassessed during the current year and classified as Level 3. Comparative disclosures have been restated accordingly.

Fair value hierarchy of property

Level 3

Land	105,508	88,891	-	-
Buildings	288,864	263,126	-	-
	394,372	352,017	-	-

Notes to the Consolidated and Separate Annual Financial Statements

3. Property, plant and equipment (continued)

Revaluations

The Group's board of directors value the Group's owner occupied property portfolio on an annual basis.

The Group's commercial and residential properties are measured at fair value, which is determined by using a combined valuation approach that incorporates both the estimated rental value and the replacement cost method. A weighting of 40% is applied to the estimated rental value and 60% to the replacement cost. The unobservable inputs used on the valuations include assumptions regarding market rental values, capitalisation rates, replacement construction costs, and adjustments for location and condition of the properties. These inputs are derived from valuations and other market information.

Recently acquired and developed properties are not revalued, as the directors' judgement is that the costs incurred during development closely reflect the property's value during this initial period and approximate its fair value.

The valuations of land and buildings include unobservable inputs and are therefore classified within Level 3 of the fair value hierarchy. The valuations were 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 directors on the same basis.

The valuation approach and significant unobservable inputs used in determining the fair value measurement of land and buildings, as well as the inter-relationship between key unobservable inputs and fair value, is detailed in the table below.

Note	Property description	2025 Valuation	2024 Valuation	Approach	Key inputs	2025	2024	Relationship of unobservable inputs to fair value
1.	Commercial	382,887	335,098	Rental value (40%) Replacement value (60%)	- Estimated rental value - Capitalisation rate - Replacement cost - Depreciation factor	- Stable to slightly increased rental growth - 10.5% to 11.5% - Based on market data - 5% to 25%	- Stable rental growth - 11.5% to 12.5% - Based on market data - 5% to 25%	- The higher the rental growth rate, the higher the fair value - The higher the capitalisation rate, the lower the fair value - The higher the replacement value, the higher the fair value - The higher the depreciation factor, the lower the fair value
2.	Commercial / Residential	8,238	16,919	Rental value (40%) Replacement value (60%)	- Estimated rental value - Capitalisation rate - Replacement cost - Depreciation factor	- Stable to slightly increased rental growth - 10.5% to 11.5% - Based on market data - 5% to 25%	- Stable rental growth - 11.5% to 12.5% - Based on market data - 5% to 25%	- The higher the rental growth rate, the higher the fair value - The higher the capitalisation rate, the lower the fair value - The higher the replacement value, the higher the fair value - The higher the depreciation factor, the lower the fair value
3.	Commercial	13,447	-	Cost approach	- Unadjusted cost to date - Based on acquisition cost & related expenditure to date	- Based on acquisition cost & related expenditure to date	- Based on acquisition cost & related expenditure to date	- The fair value reflects investment made to date

1. Comprises eleven commercial properties located in Windhoek, Gobabis, Walvis Bay, Tsumeb and Ongwediva, occupied by the Group and used for its retail stores, showrooms, warehouses, service centres and office buildings.

2. Comprises two mixed-use properties located in Swakopmund, occupied by the Group and used for its retail stores, warehouses, and residential apartments.

3. Comprises one property located in Windhoek, acquired just before the end of the financial year, which will be occupied by the Group and used as a retail store and warehouse.

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

3. Property, plant and equipment (continued)

Sensitivity analysis

Various market conditions can influence the assumptions applied to the key inputs of the valuation model. The estimated impact of such changes in the following significant unobservable inputs would result in corresponding adjustments to the valuation, as outlined below:

Estimated rental value				
1% increase	1,480	1,160	-	-
1% decrease	(1,160)	(560)	-	-
Capitalisation rate				
1% increase	(9,027)	(6,570)	-	-
1% decrease	10,896	7,768	-	-
Replacement cost				
1% increase	2,725	2,706	-	-
1% decrease	(2,725)	(2,218)	-	-
Depreciation factor				
1% increase	(1,680)	(1,680)	-	-
1% decrease	1,920	1,560	-	-
Valuation method: estimated rental value and replacement value				
Impact on valuation if a weighting of 50% was applied to the estimated rental value and 50% to the replacement cost, rather than the 40%:60% weighting applied:	(19,220)	(24,180)	-	-

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.

4. Right-of-use assets

The Group leases several buildings for use in its operations.

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

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	16,542	(10,631)	5,911	9,645	(7,636)	2,009
Company	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	431	(18)	413	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

4. Right-of-use assets (continued)

Net carrying amounts of right-of-use assets

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

Buildings	5,911	2,009	413	-
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Additions to right-of-use assets

Buildings	6,897	-	431	-
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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 38).

Buildings	(2,995)	(2,860)	(18)	-
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Other disclosures

Interest expense on lease liabilities	(628)	(368)	(4)	-
Expenses on short-term leases included in operating expenses	(3,569)	(1,312)	(1,722)	-
Income from subleasing right-of-use assets	258	251	-	-
Total cash outflow from leases	(3,469)	(3,301)	(20)	-

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	2,763	2,190	240	-
Two to five years	5,403	289	220	-
	8,166	2,479	460	-
Less finance charges component	(1,769)	(138)	(45)	-
	6,397	2,341	415	-
Non-current liabilities	4,997	282	209	-
Current liabilities	1,400	2,059	206	-
	6,397	2,341	415	-

4. Right-of-use assets (continued)

Future cash outflows not reflected in lease liabilities

The Group rents retail space for its Tiger Wheel & Tyre outlet from Atterbury Property at the Grove Mall of Namibia. In line with the lease agreement, which includes variable lease payments based on store performance, the Group has made a provision of N\$150,000 through profit or loss for the year ended 30 June 2025. This provision relates to anticipated variable lease payments not included in the initial measurement of lease liabilities in accordance with IFRS 16.

Exposure to liquidity risk

Refer to note 47 Financial instruments and risk management for the details of liquidity risk exposure and management.

5. Investment property

Group	2025			2024		
	Valuation	Accumulated depreciation	Carrying value	Valuation	Accumulated depreciation	Carrying value
Investment property	75,633	-	75,633	47,850	-	47,850

Company	2025			2024		
	Valuation	Accumulated depreciation	Carrying value	Valuation	Accumulated depreciation	Carrying value
Investment property	9,800	-	9,800	9,280	-	9,280

Reconciliation of investment property - Group - 2025

	Opening balance	Additions	Revaluation	Total
Investment property	47,850	27,263	520	75,633

Reconciliation of investment property - Group - 2024

	Opening balance	Additions	Revaluation	Total
Investment property	43,482	1,982	2,386	47,850

Reconciliation of investment property - Company - 2025

	Opening balance	Revaluation	Total
Investment property	9,280	520	9,800

Reconciliation of investment property - Company - 2024

	Opening balance	Additions	Revaluation	Total
Investment property	8,840	42	398	9,280

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

5. Investment property (continued)

Reassessment of fair value hierarchy

The fair value hierarchy was reassessed during the current year and classified as Level 3. Comparative disclosures have been restated accordingly.

Fair value hierarchy of investment property:

Level 3

Investment property	75,633	47,850	9,800	9,280
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Details of valuation

The Group's board of directors value the Group's investment property portfolio on an annual basis.

The Group's commercial investment properties (other than commercial vacant land) are measured at fair value, which is determined by using a combined valuation approach that incorporates both the estimated rental value and the replacement cost method. A weighting of 40% is applied to the estimated rental value and 60% to the replacement cost. The unobservable inputs used on the valuations include assumptions regarding market rental values, capitalisation rates, replacement construction costs, and adjustments for location and condition of the properties. These inputs are derived from valuations and other market information.

Commercial land acquired but not yet developed has not been revalued, as the directors have assessed that the acquisition cost closely reflects the land's value and continues to approximate its fair value.

The valuations of investment properties include unobservable inputs and are therefore classified within Level 3 of the fair value hierarchy. The valuations were 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 directors on the same basis.

The valuation approach and significant unobservable inputs used in determining the fair value measurement of investment properties, as well as the inter-relationship between key unobservable inputs and fair value, is detailed in the table below.

Note	Property description	2025 Valuation	2024 Valuation	Approach	Key inputs	2025	2024	Relationship of unobservable inputs to fair value
1.	Commercial	20,900	20,380	Rental value (40%) Replacement value (60%)	- Estimated rental value - Capitalisation rate - Replacement cost - Depreciation factor	- Stable to slightly increased rental growth - 10.5% to 11.5% - Based on market data - 5% to 25%	- Stable rental growth - 11.5% to 12.5% - Based on market data - 5% to 25%	- The higher the rental growth rate, the higher the fair value - The higher the capitalisation rate, the lower the fair value - The higher the replacement value, the higher the fair value - The higher the depreciation factor, the lower the fair value
2.	Commercial land (not yet developed)	54,733	27,470	Cost approach	- Unadjusted cost to date	- Based on acquisition cost & related expenditure to date	- Based on acquisition cost & related expenditure to date	- The fair value reflects investment made to date

1. Comprises two commercial properties located in Windhoek, which are rented to external parties and used as showrooms, warehouses, service centres and office buildings.

2. Comprises six undeveloped erven located in Windhoek, Walvis Bay, Tsumeb and Rundu, of which three were acquired during the financial year in Windhoek, Walvis Bay, and Tsumeb at a total cost of N\$27.5 million.

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

5. Investment property (continued)

Sensitivity analysis

Various market conditions can influence the assumptions applied to the key inputs of the valuation model. The estimated impact of such changes in the following significant unobservable inputs would result in corresponding adjustments of commercial property valued, as outlined below:

Estimated rental value				
1% increase	40	40	-	-
1% decrease	(80)	(80)	(40)	(40)
Capitalisation rate				
1% increase	(504)	(417)	233	(198)
1% decrease	559	380	(260)	161
Replacement cost				
1% increase	158	158	72	72
1% decrease	(158)	(158)	(72)	(72)
Depreciation factor				
1% increase	(60)	(60)	(60)	(60)
1% decrease	60	60	-	-
Valuation method: estimated rental value and replacement value				
Impact on valuation if a weighting of 50% was applied to the estimated rental value and 50% to the replacement cost, rather than the 40%:60% weighting applied:	(1,350)	(1,480)	(550)	(680)

Amounts recognised in profit and loss for the year

Rental income from investment property	1,494	901	499	462
Direct operating expenses from rental generating property	(336)	(352)	(48)	(46)
	1,158	549	451	416

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.

Notes to the Consolidated and Separate Annual Financial Statements

6. Intangible assets

Group	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Distribution rights	3,633	(3,045)	588	3,383	(2,342)	1,041
Computer software	14,589	(9,788)	4,801	12,528	(9,031)	3,497
Total	18,222	(12,833)	5,389	15,911	(11,373)	4,538

Company	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Computer software	6,867	(2,728)	4,139	5,131	(2,247)	2,884

Reconciliation of intangible assets - Group

	Distribution rights	Computer software	Total
Cost			
At 1 July 2023	3,000	9,883	12,883
Additions	383	2,789	3,172
Disposals	-	(144)	(144)
At 30 June 2024	3,383	12,528	15,911
Additions	250	2,738	2,988
Disposals	-	(677)	(677)
At 30 June 2025	3,633	14,589	18,222
Accumulated amortisation			
At 1 July 2023	(1,648)	(8,147)	(9,795)
Disposals	-	129	129
Amortisation	(694)	(1,013)	(1,707)
At 30 June 2024	(2,342)	(9,031)	(11,373)
Disposals	-	591	591
Amortisation	(703)	(1,348)	(2,051)
At 30 June 2025	(3,045)	(9,788)	(12,833)
Carrying amount			
Cost	3,383	12,528	15,911
Accumulated amortisation	(2,342)	(9,031)	(11,373)
At 30 June 2024	1,041	3,497	4,538
Cost	3,633	14,589	18,222
Accumulated amortisation	(3,045)	(9,788)	(12,833)
At 30 June 2025	588	4,801	5,389

6. Intangible assets (continued)

Reconciliation of intangible assets - Company

	Computer software	Total
Cost		
At 1 July 2023	2,701	2,701
Additions	2,449	2,449
Disposals	(19)	(19)
At 30 June 2024	5,131	5,131
Additions	2,371	2,371
Disposals	(635)	(635)
At 30 June 2025	6,867	6,867
Accumulated amortisation		
At 1 July 2023	(1,612)	(1,612)
Disposals	10	10
Amortisation	(645)	(645)
At 30 June 2024	(2,247)	(2,247)
Disposals	548	548
Amortisation	(1,029)	(1,029)
At 30 June 2025	(2,728)	(2,728)
Carrying amount		
Cost	5,131	5,131
Accumulated amortisation	(2,247)	(2,247)
At 30 June 2024	2,884	2,884
Cost	6,867	6,867
Accumulated amortisation	(2,728)	(2,728)
At 30 June 2025	4,139	4,139

7. Goodwill

Group	2025			2024		
	Cost	Accumulated impairment	Carrying value	Cost	Accumulated impairment	Carrying value
Goodwill	2,414	-	2,414	-	-	-

Reconciliation of goodwill - Group

	Opening balance	Additions through business combinations	Total
Goodwill	-	2,414	2,414

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

7. Goodwill (continued)

Details of goodwill additions

On 12 September 2024, the Company acquired 100% of the issued share capital in Bou Dit Hardware (Pty) Ltd (formerly Tromp Consulting International (Pty) Ltd), which was dormant at the time of acquisition. Subsequently, on 1 November 2024, Bou Dit Hardware (Pty) Ltd contractually acquired the net assets of Atlantic Hardware CC, a closed corporation, and integrated them into Bou Dit Hardware (Pty) Ltd. This acquisition and the corresponding goodwill were primarily driven by the opportunity to access the Build It franchise held by the close corporation, leveraging its strong market reputation, established operational framework, and extensive supplier network to establish a foothold in the building supplies and hardware retail industry in Namibia.

Impairment testing of goodwill

For the purposes of impairment testing in accordance with IAS 36 Impairment of Assets, management has identified Bou Dit Hardware (Pty) Ltd as a separate cash-generating unit (CGU).

Bou Dit Hardware (Pty) Ltd operates as a standalone subsidiary within the Group's retail segment. It has its own dedicated management team, customer base, and operational infrastructure. The subsidiary generates cash inflows that are largely independent from the Group's other businesses, and its financial performance is separately monitored and evaluated by Group management.

Revenue is derived from direct sales to customers within Namibia, with procurement, marketing, and sales activities independently managed. The cash flows generated by Bou Dit Hardware are not significantly affected by the operations of other subsidiaries or divisions within the Group. Accordingly, the Group considers Bou Dit Hardware (Pty) Ltd to meet the definition of a CGU under IAS 36.

As a result, the goodwill associated with Bou Dit Hardware (Pty) Ltd is tested for impairment at the level of this CGU.

Goodwill allocation				
Bou Dit Hardware (Pty) Ltd	2,414	-	-	-

The CGU represents the lowest level within the Group at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

Impairment test methodology

The Group performed its annual impairment test as at 30 June 2025. The recoverable amount of the Bou Dit Hardware (Pty) Ltd was determined based on its value in use, calculated using the discounted cash flow method. Management approved five-year cash flow forecasts were used, based on past performance and management's expectations of future market developments.

Key assumptions used in the value in use calculations include:

- Discount rate (pre-tax) - 10.5%
- Terminal growth rate - 2.5%
- Revenue growth - between 5% and 15%

These assumptions reflect management's best estimates based on current market conditions, historical trends, and industry outlooks. Cash flows beyond the five-year forecast period were extrapolated using a terminal growth rate in line with long-term inflation expectations.

Results of impairment testing

The recoverable amounts of Bou Dit Hardware (Pty) Ltd exceeded its carrying amount, and as such, no impairment loss was recognised for the year ended 30 June 2025.

Sensitivity to changes in assumptions

Management has considered reasonably possible changes in key assumptions. A reduction in the terminal growth rate by 1% or an increase in the discount rate by 1% would not result in the carrying amount of Bou Dit Hardware (Pty) Ltd exceeding its recoverable amount.

8. Investment in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries. Nictus Holdings Ltd, the ultimate holding company, holds a 100% interest (2024: 100%) either directly or indirectly in each of the entities listed:

Company		
Name of company	Carrying amount 2025	Carrying amount 2024
Acacia Properties (Pty) Ltd	14,729	8,729
Auas Motors (Pty) Ltd	9,848	9,848
Bel Development (Pty) Ltd	16,968	16,968
Cicada Investments (Pty) Ltd	3,400	-
Corporate Guarantee and Insurance Company of Namibia Ltd	24,012	24,012
Grenada Investments Two (Pty) Ltd	5,800	1,800
AST Business Solutions (Pty) Ltd	2,000	-
Bou Dit Hardware (Pty) Ltd	3,000	-
Glasfit Namibia (Pty) Ltd	8,000	2,500
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	11,200	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
Nictus Holdings Botswana (Pty) Ltd	13,800	1
Rubber Tree Properties (Pty) Ltd	32,692	32,692
Soutbos Properties (Pty) Ltd	-	-
Werda Weskusontwikkeling (Pty) Ltd	200	200
Willow Properties (Pty) Ltd	6,028	1,028
Yellow Wood Properties (Pty) Ltd	231	231
Indirectly held through Corporate Guarantee and Insurance Company of Namibia Ltd		
Bonsai Investments Nineteen (Pty) Ltd	-	-
Futeni Collections (Pty) Ltd	-	-
Karas Securities (Pty) Ltd	-	-
Indirectly held through Nictus Holdings Botswana (Pty) Ltd		
Corporate Guarantee and Insurance Company of Botswana Ltd	-	-
	273,942	221,243
	(45,051)	(51,789)
Impairment of investment in subsidiaries	228,891	169,454

Values shown as nil have been rounded off to the nearest Namibia dollar thousand.

The directors performed an impairment review of investments in subsidiaries. Based on the improved financial performance and increased equity levels observed across several subsidiaries during the current financial year, a net impairment reversal of NS\$6.7 million (2024: NS\$6.2 million) was recognised, with the resulting income recognised in other operating gains (refer to note 35). The reversal reflects the recovery in the value of these investments, supported by the subsidiaries' strengthened profitability and growth in net assets.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
8. Investment in subsidiaries (continued)				
Disposal of subsidiary				
Carrying value of assets sold				
Property, plant and equipment	-	-	-	1,881
Investment property	-	-	-	165,426
Loan to related party	-	-	-	9,165
Trade and other receivables	-	-	-	40
Trade and other payables	-	-	-	(1,094)
Cash	-	-	-	22
Preference shares	-	-	-	(60,000)
Loans from related parties	-	-	-	(89,768)
Borrowings	-	-	-	(985)
	-	-	-	24,687
Consideration received				
Cash	-	-	-	(24,687)

In the previous year, on 1 April 2024, the Company sold 100% of its interest in Bonsai Investments Nineteen (Pty) Ltd to Corporate Guarantee and Insurance Company of Namibia Ltd, a wholly-owned subsidiary of Nictus Holdings Ltd. The net carrying amount of the investment in subsidiary amounted to N\$25,379 million, resulting in a loss on disposal of N\$0,692 million (refer note 35).

9. Acquisition of subsidiaries

AST Business Solutions (Pty) Ltd

On 1 July 2024, the Company acquired 100% of the issued share capital of AST Business Solutions (Pty) Ltd, which was dormant at the time of acquisition. AST Business Solutions (Pty) Ltd is primarily established to offer call center services, vehicle tracking, and customer relationship management solutions to companies within the Nictus Group. Over time, these services will also be extended to external businesses.

Cicada Investments (Pty) Ltd

On 5 June 2025, the Company acquired 100% of the issued share capital of Cicada Investments (Pty) Ltd for a total consideration of N\$12 million. Cicada Investments (Pty) Ltd did not carry on any business activities and its sole asset was a property. The acquisition does not meet the definition of a business combination under IFRS 3, as no processes or workforce were acquired and there were no contracts or other inputs that could give rise to a business. Consequently, the transaction has been accounted for as an asset acquisition.

The acquired property has been included within buildings under property, plant and equipment (refer to note 3), as it is intended to be used to generate rental income from another Group company rather than held for capital appreciation or sale. The property was initially measured at cost, being the consideration transferred plus directly attributable transaction costs. A loss of N\$0,2 million has been recognised in profit or loss in respect of transaction costs that are not directly attributable to the acquisition.

Business combination: Bou Dit Hardware (Pty) Ltd

On 12 September 2024, the Company acquired 100% of the issued share capital in Bou Dit Hardware (Pty) Ltd (formerly Tromp Consulting International (Pty) Ltd), which was dormant at the time of acquisition. Subsequently, on 1 November 2024, Bou Dit Hardware (Pty) Ltd contractually acquired the net assets of Atlantic Hardware CC, a closed corporation, and integrated them into Bou Dit Hardware (Pty) Ltd. This acquisition and the corresponding goodwill were primarily driven by the opportunity to access the Build It franchise held by the close corporation, leveraging its strong market reputation, established operational framework, and extensive supplier network to establish a foothold in the building supplies and hardware retail industry in Namibia. Additionally, it aligns with the broader strategic objectives of the Nictus Group, to which the company belongs. By integrating into the Group's existing operations, Bou Dit Hardware (Pty) Ltd aims to drive synergies, enhance operational efficiencies, and strengthen its overall value proposition within the Namibian retail sector.

9. Acquisition of subsidiaries (continued)

The net assets of Atlantic Hardware CC were acquired for N\$4,8 million. Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

Fair value of assets acquired and liabilities assumed

	Group	
	2025	2024
Property, plant and equipment	859	-
Inventories	4,874	-
Loans receivable	3,564	-
Trade and other receivables	3,020	-
Cash and cash equivalents	2,000	-
Trade and other payables	(11,891)	-
Total identifiable net assets	2,426	-
Goodwill	2,414	-
	4,840	-

Fair value of consideration paid

Cash	(4,840)	-
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Receivables acquired

Receivables acquired per major class are as follows, as at acquisition date:

	2025	
	Fair value	Gross contractual amounts
Loans and receivables	3,564	5,853
Trade and other receivables	3,020	3,020
Total	6,584	8,873

Revenue and profit or loss of business combination: Bou Dit Hardware (Pty) Ltd

From the date of the acquisition to 30 June 2025, Bou Dit Hardware (Pty) Ltd contributed revenue of N\$34,5 million and a loss of N\$0.35 million to the Group's results.

Net cash outflow on acquisition

The net cash outflow on the acquisition of the business was as follows:

Cash consideration paid	(4,840)	-
Cash acquired	2,000	-
	(2,840)	-

Group revenue and profit for the full year

Had the business combination been effected at the beginning of the reporting year, the Group's consolidated revenue would have approximated N\$1,13 billion, with an estimated net profit of N\$60 million.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
10. Trade and other receivables				
Financial instruments:				
Trade receivables	58,861	55,102	1,307	21
Trade receivables - Installment sale receivables	110,645	96,547	-	-
Loss allowance	(4,953)	(4,092)	-	-
Trade receivables at amortised cost	164,553	147,557	1,307	21
Deposits	3,154	547	20	-
Insurance claim receivable	-	1,600	-	-
Sundry debtors	6,712	6,283	-	-
Other receivable	1,622	918	341	420
Non-financial instruments:				
VAT	52,748	20,774	28	46
Refundable taxes	20	20	-	-
Prepayments	32,665	13,018	2,424	1,658
Total trade and other receivables	261,474	190,717	4,120	2,145
Split between non-current and current portions				
Non-current assets	53,788	40,227	-	-
Current assets	207,686	150,490	4,120	2,145
	261,474	190,717	4,120	2,145
Financial instrument and non-financial instrument components of trade and other receivables				
At amortised cost	176,041	156,905	1,668	441
Non-financial instruments	85,433	33,812	2,452	1,704
	261,474	190,717	4,120	2,145
Maturity analysis of installment sale receivables				
- first year	75,691	62,251	-	-
- second year	32,183	32,982	-	-
- third year	11,489	13,526	-	-
- fourth year	6,071	4,247	-	-
- fifth year	2,195	1,365	-	-
Gross investment in the installment sale receivables	127,629	114,371	-	-
Less: Unearned interest income	(16,984)	(17,824)	-	-
	110,645	96,547	-	-

Comparative figures

In the current year, the Group revised the presentation of trade and other receivables in the notes to the statement of financial position. Trade and other receivables are now separately disclosed from trade and other receivables arising from installment sale agreements, whereas in the prior year these amounts were presented as a single aggregated line item in the above note. The revised disclosure also includes additional information introduced in the current year, specifically a detailed maturity profile of receivables from installment sale agreements.

10. Trade and other receivables (continued)

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.

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. 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.

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	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (credit loss)	Estimated gross carrying amount at default	Loss allowance (credit loss)
Expected credit loss rate:				
Not past due: 0,04% (2024: 0,03%)	145,805	(65)	111,153	(37)
Less than 30 days past due: 1,89% (2024: 0,06%)	17,639	(333)	26,150	(16)
31 - 60 days past due: 8,71% (2024: 1,09%)	4,549	(396)	15,386	(166)
61 - 90 days past due: 3,36% (2024: 2,85%)	1,519	(51)	2,803	(80)
91 - 120 days past due: 17,42% (2024: 77,95%)	1,056	(184)	4,102	(3,198)
More than 120 days past due: 37,64% (2024: 42,39%)	10,426	(3,924)	1,403	(595)
Total	180,984	(4,953)	160,997	(4,092)
Company	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (credit loss)	Estimated gross carrying amount at default	Loss allowance (credit loss)
Expected credit loss rate:				
Not past due: 0% (2024: 0%)	1,329	-	441	-
Less than 30 days past due: 0% (2024: 0%)	14	-	-	-
More than 120 days past due: 0% (2024: 0%)	325	-	-	-
Total	1,668	-	441	-

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

10. Trade and other receivables (continued)

Reconciliation of loss allowances

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

Opening balance	(4,092)	(2,433)	-	-
Provision raised on new trade receivables	(2,111)	(2,056)	-	-
Provisions reversed on settled trade receivables	266	152	-	-
Receivables written off as uncollectible	984	245	-	-
Closing balance	(4,953)	(4,092)	-	-

Fair value of trade and other receivables

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

11. Investments

At fair value through profit or loss:

Listed equity investments	1,437	1,076	313	305
At amortised cost				
Debt investments	228,351	147,853	-	-
	229,788	148,929	313	305

Split between non-current and current portions

Non-current assets	229,788	148,158	313	305
Current assets	-	771	-	-
	229,788	148,929	313	305

Debt investments consists of government bonds which bears interest from 9.50% to 10.00% per annum. The government bonds will mature between 15 April 2029 and 15 January 2050.

A register containing particulars of companies in which shares are held is available for inspection at the registered office and head office of the Group.

Fair value hierarchy of investments

Level 1

Listed equity investments	1,437	1,076	313	305
Debt investments	228,351	147,853	-	-
	229,788	148,929	313	305

Fair value information

The fair values of the financial assets were determined as follows:

- The fair values of listed or quoted investments are based on the quoted market price; and
- Debt securities are carried at amortised cost, which value approximates the fair value of the debt securities.

The maximum exposure to credit risk at the reporting date is the fair value of each investment.

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

11. Investments (continued)

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 47 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

12. Loans and receivables

Secured advances	91,121	75,037	-	-
Other loans and receivables	10,478	12,668	-	-
	101,599	87,705	-	-

Split between non-current and current portions

Non-current assets	81,413	65,296	-	-
Current assets	20,186	22,409	-	-
	101,599	87,705	-	-

Maturity analysis of secured advances

- first year	17,071	9,833	-	-
- second year	12,378	21,622	-	-
- between third and fifth year	61,672	43,582	-	-
	91,121	75,037	-	-

Reconciliation of loans and receivables

Opening balance	87,705	50,207	-	-
Loans advanced	52,166	49,954	-	-
Acquired with business combination	3,564	-	-	-
Interest accrued	12,889	9,360	-	-
Repayments received	(54,725)	(21,816)	-	-
Closing balance	101,599	87,705	-	-

Reconciliation of loans and receivables movements to statement of cash flows

Cash flows Included in operating activities	11,361	24,431	-	-
Loans advanced	47,965	33,859	-	-
Repayments received	(48,398)	(17,636)	-	-
Interest accrued	11,794	8,208	-	-
Cash flows Included in operating activities - finance income	-	-	-	-
Interest accrued	(1,095)	(1,152)	-	-
Repayments received - interest accrued	1,095	1,152	-	-
Cash flows Included in investing activities	(1,031)	13,068	-	-
Loans advanced	4,201	16,096	-	-
Repayments received	(5,232)	(3,028)	-	-
Non-cash movements	3,564	-	-	-
Acquired in business combination	3,564	-	-	-
Nett movement	13,894	37,499	-	-

Notes to the Consolidated and Separate Annual Financial Statements

12. Loans and receivables (continued)

Terms and conditions

Secured advances and other loans include advances and loans made to individuals, companies and other entities in the normal course of business as commercial loans. These advances and other loans are secured by properties, movable assets, life insurance policies, the underlying assets financed, as well as rights to claims, pledges and suretyships. Repayment terms generally range from 1 to 5 years (2024: 1 to 5 years), with interest rates ranging between 10% and 15.5% (2024: 11% to 16.5%).

Also included in other loans receivable is a loan of N\$3,6 million taken over by Bou Dit Hardware (Pty) Ltd as part of the business combination concluded during the current financial year. The loan is interest free, secured by a first covering mortgage bond of N\$ 3,6 million and must be repaid within a period of 5 years after which the entire balance become immediately due, new conditions may be agreed upon subject to the company's sole discretion.

Exposure to credit risk

Loans and receivables inherently exposes 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 order to mitigate the risk of financial loss from defaults, the group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained in all cases. 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 senior management. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Loans and receivables are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for loans and receivables is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered 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. On the other hand, if a loan is in arrears more than 90 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

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 or are employed.

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

Credit rating framework

For purposes of determining the credit loss allowances, management determine the credit rating grades of each loan at the end of the reporting period. These ratings are determined either externally through rating agencies or internally where external ratings are not available.

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.	12m ECL
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

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

12. Loans and receivables (continued)

Credit loss allowances

The following tables set out the carrying amount and measurement basis of expected credit losses for loans receivable by credit rating grade. No loss allowance is disclosed for the current or prior year, as management assessed the expected credit losses on loans and receivables and determined that no loss allowance is required, as all loans are fully secured by various types of collateral, are performing, and there has been no other significant increase in credit risk:

Group - 2025

Instrument	Internal credit rating	Basis of loss allowance	Gross Carrying amount	Amortised cost
Secured advances	Performing	12m ECL	91,121	91,121
Other loans and receivables	Performing	12m ECL	10,478	10,478
			101,599	101,599

Group - 2024

Instrument	Internal credit rating	Basis of loss allowance	Gross Carrying amount	Amortised cost
Secured advances	Performing	12m ECL	75,037	75,037
Other loans and receivables	Performing	12m ECL	12,668	12,668
			87,705	87,705

Comparative figures

In the current year, the Group revised the presentation of loans and receivables in the notes to the statement of financial position. The revised disclosure includes additional information introduced in the current year, specifically a detailed maturity profile of secured advances, as well as enhanced disclosures on credit risk exposure. In addition, a reconciliation of the opening and closing balances of loans and receivables has been presented. For comparability, the prior year disclosures have been revised in line with the current year presentation.

Exposure to interest rate risk

Refer to note 47 for details of interest rate risk management for investments in loans and receivables.

Fair value of loans receivable

The fair value of loans and receivables approximates their carrying amounts.

13. Finance lease receivables

Maturity analysis of lease payments receivable

- first year	7,620	8,621	-	-
- second year	5,823	7,274	-	-
- third year	2,812	5,451	-	-
- fourth year	598	1,754	-	-
- fifth year	123	506	-	-
Gross investment in the leases	16,976	23,606	-	-
Less: unearned interest income	(3,175)	(5,720)	-	-
Net investment in the lease	13,801	17,886	-	-

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
13. Finance lease receivables (continued)				
Non-current assets	8,021	11,938	-	-
Current assets	5,780	5,948	-	-
	13,801	17,886	-	-

The Group leases out office equipment and motor vehicles to customers under non-cancellable finance lease arrangements. These leases typically have terms ranging from 2 to 5 years, with fixed monthly payments and options to purchase the equipment at the end of the lease term. The leases transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessees.

Reconciliation of significant changes in net investment in leases

Opening balance	17,886	11,372	-	-
New leases entered	5,213	10,774	-	-
Monthly principal repayments	(5,988)	(4,260)	-	-
Derecognition - leases expired	(3,310)	-	-	-
	13,801	17,886	-	-

Exposure to credit, currency and interest rate risk

Refer to note 47 Financial instruments and financial risk management for details of credit, currency and interest rate risk management for Finance lease receivables.

14. Deferred tax

Deferred tax asset

Expected credit losses	1,024	775	-	-
Lease liabilities	1,983	749	129	-
No claim bonus provision	29,816	22,477	-	-
Insurance revenue	1,654	1,145	-	-
Other provisions	5,350	5,394	1,692	1,231
Amounts received in advance	517	844	-	-
Deposits received	599	339	-	-
	40,943	31,723	1,821	1,231
Tax losses available for set off against future taxable income	64,613	75,346	5,818	5,695
	105,556	107,069	7,639	6,926
Total deferred tax asset	105,556	107,069	7,639	6,926

Deferred tax liability

Plant and equipment	(11,194)	(10,477)	(185)	(144)
Land and buildings	(63,010)	(61,663)	(864)	(712)
Insurance contingency reserve	(19,546)	(14,576)	-	-
Installment debtors	(5,791)	(4,599)	-	-
Intangible assets	(582)	(515)	(540)	(387)
Accrued income	-	(445)	-	-
Deposits paid	(173)	(10)	-	-
Reinsurance recoverable	(77,133)	(74,970)	-	-
Right of use asset	(1,832)	(643)	(128)	-
Prepayments	(1,249)	(927)	(725)	(531)
Other financial assets	-	-	(295)	(250)
	(180,510)	(168,825)	(2,737)	(2,024)
Total deferred tax liability	(180,510)	(168,825)	(2,737)	(2,024)

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
14. Deferred tax (continued)				
At the subsidiary level, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority and pertain to the same taxable entity. The applicable legislation permits net settlement of these balances. Accordingly, in the subsidiary's separate financial statements, deferred tax assets and liabilities are offset in accordance with IAS 12.				

However, in the consolidated financial statements, deferred tax assets and deferred tax liabilities are presented separately. This is due to the fact that the Group does not intend to settle the deferred tax balances on a net basis or simultaneously. Therefore, they have been disclosed in the statement of financial position as follows:

Net subsidiary deferred tax asset	13,729	15,400	4,902	4,902
Net subsidiary deferred tax liability	(88,683)	(77,156)	-	-
Total net deferred tax (liability) / asset	(74,954)	(61,756)	4,902	4,902

Reconciliation of deferred tax (liability) / asset

At beginning of year	(61,756)	(39,006)	4,902	4,902
Reduction due to rate change through profit and loss	1,523	-	-	-
Reduction due to rate change through equity	390	-	-	-
Charge to profit and loss	(14,051)	(14,844)	-	-
Deferred tax through equity	(1,060)	(7,906)	-	-
	(74,954)	(61,756)	4,902	4,902

Recognition of deferred tax asset

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.

Tax rates

The deferred tax rate applied to the fair value adjustments of investment properties, financial assets or owner occupied property is determined at 31% (2024: 32%).

Change in tax rate

The corporate tax rate was changed from 32% to 31% and considered substantively enacted on 16 September 2024. The new rate is effective for all financial years commencing on or after 01 January 2024. The deferred tax balance has been calculated by applying the new rate, taking the expected timing of reversal of deferred tax components into consideration.

15. Inventories

Work in progress	195	162	-	-
Merchandise	183,674	142,229	-	-
Right to return goods asset	237	11,391	-	-
	184,106	153,782	-	-
Provision for obsolete stock	(1,552)	(2,632)	-	-
	182,554	151,150	-	-

No inventories have been written down to net realisable value.

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
16. Loans to group companies				
Subsidiaries				
Bel Development (Pty) Ltd	-	-	9,263	7,977
Glasfit Namibia (Pty) Ltd	-	-	1,287	4,139
Grenada Investments Two (Pty) Ltd	-	-	13,902	11,306
Hochland 7191 (Pty) Ltd	-	-	501	-
Isuzu Truck (Namibia) (Pty) Ltd	-	-	7,844	7,518
Khomas Car Rental and Leasing (Pty) Ltd	-	-	-	555
Marulaboom Properties (Pty) Ltd	-	-	2,145	2,170
Mopanie Tree Properties (Pty) Ltd	-	-	1,034	1,040
Nictus Eiendomme (Pty) Ltd	-	-	6,665	6,638
Werda Weskusontwikkeling (Pty) Ltd	-	-	285	24
Yellow Wood Properties (Pty) Ltd	-	-	2,723	2,654
Cicada Investments (Pty) Ltd	-	-	10,160	-
Soutbos Properties (Pty) Ltd	-	-	17,827	1,980
Bou Dit Hardware (Pty) Ltd	-	-	10,852	-
NHL Tyre and Tire (Pty) Ltd	-	-	3,044	-
Nictus (Pty) Ltd	-	-	5	-
Hakos Capital and Finance (Pty) Ltd	-	-	31,372	45,344
	-	-	118,909	91,345

The above loans due by related parties bear interest linked to Namibian bank prime overdraft rates. The rates applied range from 25% of prime to prime (2024: ranging from 25% of prime to prime plus 3%), are unsecured and have no fixed terms of repayment, but are repayable on demand.

Split between non-current and current portions

Current assets	-	-	118,909	91,345
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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	12m ECL
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

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
16. Loans to group companies (continued)				
Credit loss allowances				
No ECL has been recognised as the Company expects full recovery of the loan amounts through alternative means, including future cash flows generated by the subsidiaries and continued financial support from the holding company. The Company monitors the financial position of its subsidiaries on an ongoing basis and remains committed to supporting them as part of its long-term investment strategy. 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 47 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.				
17. Reinsurance recoverable				
Reinsurance recoverable	237,845	226,339	-	-

The reinsurance recoverable has been shown due to compulsory reinsurance becoming effective in December 2019. A subsidiary previously had a legal case pending concerning reinsurance. Refer to the litigation statement in the Directors' Report.

Exposure to credit and currency risk

Refer to note 47 Financial instruments and financial risk management for details of credit and currency risk management for reinsurance recoverable.

Fair value of reinsurance recoverable

The fair value of reinsurance recoverable approximates their carrying values of the ceded portion of the underlying reinsured policies.

18. Other financial assets

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

Contingency policy	-	-	951	784
	-	-	951	784

Split between non-current and current portions

Current assets	-	-	951	784
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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.

The fair value of the contingency policy approximates its carrying amount. This assessment is based on the asset's nature, the absence of an active market, and the expectation that settlement will occur in the near term at amounts not materially different from the carrying value.

Level 2				
Contingency policy	-	-	951	784

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

19. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	212	199	16	26
Bank balances	39,283	53,466	462	468
Short-term deposits	997,233	732,837	-	-
	1,036,728	786,502	478	494

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

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	-	188	-	-
AA-	94,822	6,029	-	-
A1+	907,771	736,178	344	361
F1+	33,923	43,908	118	107
	1,036,516	786,303	462	468

Fair value of cash and cash equivalents

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

Exposure to liquidity, currency and credit risk

Refer to note 47 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.

20. Stated capital

Authorised				
1,000,000,000 (1 billion) Ordinary no par value shares	150	150	150	150

Reconciliation of number of shares issued:

Reported as at 30 June 2025	53,444	53,444	53,444	53,444
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The board of directors are authorised by way of a general authority to allot and issue at their discretion up to 15% of the authorised but unissued ordinary shares. The authority remains in force until the next general meeting.

Issued				
53,443,500 Ordinary no par value shares (2024: 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.

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

21. 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	63,452	46,652	-	-
Revaluation of land and buildings	20,037	24,706	-	-
Deferred tax movement on property revaluation	(670)	(7,906)	-	-
	82,819	63,452	-	-

22. Insurance contingency reserve

As part of the risk management process the board of Corporate Guarantee and Insurance Company of Namibia Ltd decided to adjust the contingency reserve to ensure that provision is made for uncertain future events.

Opening balance	45,551	25,551	-	-
Transfer from retained income to contingency reserve	17,500	20,000	-	-
	63,051	45,551	-	-

23. Interest bearing loans and borrowings

Held at amortised cost				
Installment sale agreements	3,206	-	-	-
Bank loan	17,945	18,317	-	-
Other loans	25,838	34,324	25,838	34,324
	46,989	52,641	25,838	34,324

Split between non-current and current portions

Non-current liabilities	14,416	12,757	-	-
Current liabilities	32,573	39,884	25,838	34,324
	46,989	52,641	25,838	34,324

The Group's installment sale agreements are provided by First National Bank of Namibia Limited and bear interest at the Namibian prime rate. The agreements are secured by vehicles (refer to note 3) and are payable in monthly installments ranging from N\$3,472 to N\$8,902. The average remaining term of these agreements is 59 months (2024: nil).

The bank loan of the Group is provided by Nedbank Namibia Limited, bears interest at rates ranging from prime less 1.5% to prime less 0.5% (2024: prime less 1.5% to prime less 0.5%), and is repayable in varying monthly installments ranging from N\$1,905 to N\$25,411. The loan is secured by the underlying vehicles, which are financed by the Group through installment sale agreements, as disclosed under trade and other receivables (note 10), in favour of Nedbank Namibia Limited. The average remaining term of this facility is 29 months (2024: 38 months).

The loan from Veritrust (Pty) Ltd (included in current liabilities of the Company and the Group and shown as other loans) is repayable on demand, bearing interest at Namibian prime overdraft rate (2024: prime overdraft rate) and secured by a cash guarantee issued by Corporate Guarantee and Insurance Company of Namibia Ltd.

Refer to note 43 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 47 Financial instruments and financial risk management for the fair value of borrowings.

Exposure to liquidity and interest rate risk

Refer to note 47 Financial instruments and financial risk management for details of liquidity and interest rate risk management for borrowings.

Fair value

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

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
24. Trade and other payables				
Financial instruments:				
Trade payables	69,801	88,347	2,347	2,071
Sundry creditors	630	973	-	-
Accruals	25,313	23,710	5,460	3,846
Deposits received	2,697	3,116	-	-
Non-financial instruments:				
VAT	3,971	1,737	-	-
	102,412	117,883	7,807	5,917
Cash-settled share-based payments				
During the year, the Group recognised an expense of N\$1,25 million in respect of cash-settled share-based payment arrangements, measured in accordance with IFRS 2. The liability arising from these arrangements amounted to N\$2,5 million (2024: N\$1,25 million) at year end and is included under accruals.				
Exposure to liquidity, currency and interest rate risk				
Refer to note 47 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.				
25. Contract liabilities				
Summary of contract liabilities				
Service plans	3,552	-	-	-
Vehicle tracking subscriptions	148	-	-	-
	3,700	-	-	-
Reconciliation of contract liabilities				
Amounts deferred in the current year	4,389	-	-	-
Amounts released to revenue in the current year	(689)	-	-	-
	3,700	-	-	-
Maturity analysis				
- first year	1,037	-	-	-
- second year	754	-	-	-
- between third and fifth	1,909	-	-	-
	3,700	-	-	-
Split between non-current and current portions				
Non-current liabilities	2,663	-	-	-
Current liabilities	1,037	-	-	-
	3,700	-	-	-

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
25. Contract liabilities (continued)				
Service contracts are sold with vehicles to cover the cost of future expenditure over specified periods. The customer pays upfront in full as part of the cost of the vehicle and this value is released as revenue over the period of the performance obligation. The revenue is long-term in nature (2 to 5 years). Revenue recognised is the cost of the work performed. Contract liabilities are maintained to cover the contractual costs of future service work to be performed.				
Vehicle tracking subscription revenues are billed monthly in advance and then recognised in revenue as the service is provided. For customers who have paid for the services upfront, revenue is deferred and recognised over a period between 24 and 60 months and the service revenue is recognised over time as the services are performed.				
26. Loans from related parties				
Subsidiaries				
Futuni Collections (Pty) Ltd	-	-	-	63,544
Khomas Car Rental and Leasing (Pty) Ltd	-	-	11,261	-
Hochland 7191 (Pty) Ltd	-	-	3,755	-
Karas Securities (Pty) Ltd	-	-	60,000	60,000
Bonsai Investments Nineteen (Pty) Ltd	-	-	140,005	-
Acacia Properties (Pty) Ltd	-	-	5,919	-
Willow Properties (Pty) Ltd	-	-	4,926	-
Nictus Eiendomme (Pty) Ltd	-	-	5,134	-
NHL Tyre and Tire (Pty) Ltd	-	-	-	2,310
AST Business Solutions (Pty) Ltd	-	-	1,276	-
	-	-	232,276	125,854
Split between non-current and current portions				
Current liabilities	-	-	232,276	125,854
The above loans from related parties bear interest at Namibian bank overdraft rates ranging from prime less 4% to prime (2024: prime less 4% 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 (amounting to N\$30 million) from Karas Securities (Pty) Ltd bear dividends at 70% of Namibian prime bank overdraft rate and 30 Cumulative Redeemable preference shares (amounting to N\$30 million) from the same company bear dividends at 70% of South African prime bank overdraft rate. The preference dividends are payable monthly and are redeemable after one month's notice period by any party.				
Refer to note 44 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 47 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.				
27. Current tax payable				
Current tax	(534)	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements

28. Insurance contract liability

Group

Insurance contract issued overview

Figures in Namibia Dollar Thousand

Contingency policies - Premium allocation approach (PAA)
Insurance contract liabilities as at 30 June 2025
Insurance contract liabilities as at 30 June 2024

Figures in Namibia Dollar Thousand

Opening secured advances

Opening legal insurance contract liabilities

Insurance contract liability opening balance

Amounts recognised in the statement of comprehensive income

Insurance revenue
Incurred claims and other insurance services expenses

Insurance service results

No claim bonus charge to profit or loss

Finance income earned from secured advances

Net insurance finance expenses

Total movement recognised in the statement of comprehensive income

Cancellation and expired premiums

No claim bonus incurred

Investment component

New premiums received

Renewal premiums received

Premiums received

Claims and other insurance service expenses paid

Cancellation and expired premiums settlement

Secured advance finance income received

Secured advance payments made to policyholders

Total cash flows

Closing secured advances

Closing legal insurance contract liabilities

Insurance contract liability closing balance

	Secured advances	Legal insurance contract liabilities	Total liabilities
	(1,203,523)	3,232,087	2,028,564
	(896,412)	2,443,200	1,546,788
	2025		
	Liability for remaining coverage (LRC) Present value of expected future cash flows	Liability for incurred claims (LIC) Present value of expected future cash flows	Total
	(896,412)	-	(896,412)
	2,443,200	-	2,443,200
Insurance contract liability opening balance	1,546,788	-	1,546,788
Amounts recognised in the statement of comprehensive income			
Insurance revenue	(41,556)	-	(41,556)
Incurred claims and other insurance services expenses	(14,811)	14,811	-
Insurance service results	(56,367)	14,811	(41,556)
No claim bonus charge to profit or loss	193,025	-	193,025
Finance income earned from secured advances	(96,904)	-	(96,904)
Net insurance finance expenses	96,121	-	96,121
Total movement recognised in the statement of comprehensive income	39,754	14,811	54,565
Cancellation and expired premiums	(240,133)	240,133	-
No claim bonus incurred	(165,304)	165,304	-
Investment component	(405,437)	405,437	-
New premiums received	894,579	-	894,579
Renewal premiums received	163,088	-	163,088
Premiums received	1,057,667	-	1,057,667
Claims and other insurance service expenses paid	-	(14,812)	(14,812)
Cancellation and expired premiums settlement	-	(405,437)	(405,437)
Secured advance finance income received	96,904	-	96,904
Secured advance payments made to policyholders	(307,112)	-	(307,112)
Total cash flows	847,459	(420,249)	427,210
Closing secured advances	(1,203,523)	-	(1,203,523)
Closing legal insurance contract liabilities	3,232,087	-	3,232,087
Insurance contract liability closing balance	2,028,564	-	2,028,564

28. Insurance contract liability (continued)

Figures in Namibia Dollar Thousand

Opening secured advances

Opening legal insurance contract liabilities

Insurance contract liability opening balance

Amounts recognised in the statement of comprehensive income

Insurance revenue
Incurred claims and other insurance services expenses

Insurance service results

No claim bonus charge to profit or loss

Finance income earned from secured advances

Net insurance finance expenses

Total movement recognised in the statement of comprehensive income

Cancellation and expired premiums

No claim bonus incurred

Investment component

New premiums received

Renewal premiums received

Premiums received

Claims and other insurance service expenses paid

Cancellation and expired premiums settlement

Secured advance finance income received

Secured advance payments made to policyholders

Total cash flows

Closing secured advances

Closing legal insurance contract liabilities

Insurance contract liability closing balance

Risk exposures

Refer to note 47 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.

	2024		
	Liability for remaining coverage (LRC) Present value of expected future cash flows	Liability for incurred claims (LIC) Present value of expected future cash flows	Total
	(816,755)	-	(816,755)
	1,887,535	-	1,887,535
Insurance contract liability opening balance	1,070,780	-	1,070,780
Amounts recognised in the statement of comprehensive income			
Insurance revenue	(39,670)	-	(39,670)
Incurred claims and other insurance services expenses	(16,919)	16,919	-
Insurance service results	(56,589)	16,919	(39,670)
No claim bonus charge to profit or loss	145,444	-	145,444
Finance income earned from secured advances	(83,397)	-	(83,397)
Net insurance finance expenses	62,047	-	62,047
Total movement recognised in the statement of comprehensive income	5,458	16,919	22,377
Cancellation and expired premiums	(151,461)	151,461	-
No claim bonus incurred	(124,401)	124,401	-
Investment component	(275,862)	275,862	-
New premiums received	613,830	-	613,830
Renewal premiums received	128,840	-	128,840
Premiums received	742,670	-	742,670
Claims and other insurance service expenses paid	-	(16,919)	(16,919)
Cancellation and expired premiums settlement	-	(275,862)	(275,862)
Secured advance finance income received	83,398	-	83,398
Secured advance payments made to policyholders	(79,656)	-	(79,656)
Total cash flows	746,412	(292,781)	453,631
Closing secured advances	(896,412)	-	(896,412)
Closing legal insurance contract liabilities	2,443,200	-	2,443,200
Insurance contract liability closing balance	1,546,788	-	1,546,788

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
29. Revenue				
Revenue from contracts with customers				
Sale of goods	922,380	869,606	-	-
Rendering of services	45,078	40,142	27,786	22,892
Interest received	16,658	15,342	-	-
	984,116	925,090	27,786	22,892
Revenue other than from contracts with customers				
Rental income	9,720	11,722	499	462
Interest received	22,667	13,387	6,329	6,419
Dividends received	-	-	24,856	16,652
	1,016,503	950,199	59,470	46,425
Revenue reclassification				
During the current financial year, management identified that in the prior year certain income streams, namely rental income and interest received, were presented as <i>Revenue from contracts with customers</i> . In accordance with IFRS 15 Revenue from Contracts with Customers, these income streams do not arise from contracts with customers in the scope of IFRS 15 and have accordingly been reclassified to <i>Revenue other than from contracts with customers</i> to provide more reliable and relevant presentation. In addition, management also revised the presentation of its revenue disaggregation to better comply with IFRS 15 requirements. These changes had no impact on total revenue, profit for the year, equity or cash flows. For comparability, the prior year disclosures have been revised in line with the current year presentation.				
Disaggregation of revenue from customers				
Revenue from sale of goods per major product line				
Sale of goods - Automotive - vehicle sales	348,245	370,053	-	-
Sale of goods - Automotive - parts and accessories	329,972	324,934	-	-
Sale of goods - Furniture	210,220	174,619	-	-
Sale of goods - Building materials and hardware	33,943	-	-	-
	922,380	869,606	-	-
Rendering of services				
Administration and management fees received from subsidiaries	-	-	27,786	22,892
Services revenue - Automotive - services, fitting and repairs	44,685	40,142	-	-
Other revenue from rendering of services	393	-	-	-
	45,078	40,142	27,786	22,892
Effective interest income				
Interest received - Finance - Installment sales	6,269	6,491	-	-
Interest received - Furniture - Installment sales	10,389	8,851	-	-
	16,658	15,342	-	-
Total revenue from contracts with customers	984,116	925,090	27,786	22,892

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
29. Revenue (continued)				
Timing of revenue recognition				
At a point in time				
Sale of goods	922,380	869,606	-	-
Rendering of services	45,037	40,142	27,786	22,892
	967,417	909,748	27,786	22,892
Over time				
Rendering of services	41	-	-	-
Interest received	16,658	15,342	-	-
	16,699	15,342	-	-
Total revenue from contracts with customers	984,116	925,090	27,786	22,892
30. Cost of sales				
Sale of goods	751,860	718,976	-	-
Rendering of services	8,440	7,985	-	-
Depreciation	511	-	-	-
	760,811	726,961	-	-
31. Insurance revenue				
New premiums	909,366	761,785	-	-
No claim bonus premiums	163,088	128,840	-	-
Cancellations and downwards endorsements	(235,834)	(149,738)	-	-
Change in net provision for unearned premiums	(777,830)	(686,846)	-	-
	58,790	54,041	-	-
32. Insurance service expenses				
Agent commission incurred	5,946	4,590	-	-
Claims paid	14,812	16,918	-	-
Namfisa levies	8,572	7,569	-	-
	29,330	29,077	-	-
33. Net expense from reinsurance contract held				
Reinsurance premiums	(850)	273,818	-	-
Reinsurance refund on downwards endorsements	-	(233,800)	-	-
Refund on claims paid reinsurance	-	(4,235)	-	-
	(850)	35,783	-	-

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	Group		Company		
Figures in Namibia Dollar Thousand	2025	2024	2025	2024	
34. Other operating income					
Stamp duty and documentation income	1,075	351	-	-	
Bad debts recovered	1,236	67	-	-	
Sundry income	14,052	12,998	404	485	
	16,363	13,416	404	485	
35. Other operating gains / (losses)					
Gains / (losses) on disposals and acquisitions					
Property, plant and equipment	3	1,147	338	59	(13)
Loss on modification of right-of-use asset	4	-	(40)	-	-
Intangible assets	6	(86)	-	(86)	-
Investment in subsidiaries	8	(200)	-	(200)	(692)
		861	298	(227)	(705)
Reversal of impairment losses					
Investment in subsidiaries	8	-	-	6,739	6,237
		-	-	6,739	6,237
Foreign exchange losses					
Net foreign exchange loss		(5)	(88)	-	-
Fair value gains / (losses)					
Investment property	5	520	2,386	520	398
Fair value gains / (losses) of listed equity investments		8	(1)	8	(1)
		528	2,385	528	397
Total other operating gains		1,384	2,595	7,040	5,929
36. Investment income from operations					
Investment income from operations					
Dividends received - listed investments		3,812	5,172	-	-
Interest and dividends received - bank and other cash		67,667	39,560	-	-
Interest and dividends received - unlisted investments		25,783	18,869	-	-
Total income		97,262	63,601	-	-
Investment income					
Interest received - bank and other cash		3,585	3,101	89	50
Interest and dividends received - financial assets		16	13	16	13
Total income		3,601	3,114	105	63
Total investment income		100,863	66,715	105	63

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
37. Employee costs				
As at 30 June 2025 the Group had 600 employees (2024: 505). Employee benefits expense is made up of the following for all employees, excluding executive directors:				
Employee costs				
Salaries, wages, bonuses and other benefits	118,656	106,247	8,304	8,287
38. Operating profit				
Operating profit for the year is stated after charging (crediting) the following, amongst others:				
Auditor's remuneration - external				
Audit fees	3,529	2,284	618	445
Other consultation services	-	57	-	57
	3,529	2,341	618	502
Remuneration, other than to employees				
Consulting fees and other benefits	24,642	22,017	12,827	9,999
Secretarial services	1,915	1,233	1,053	847
	26,557	23,250	13,880	10,846
Leases				
Short-term - premises	3,318	1,615	1,722	3,971
Low-value assets - equipment	251	203	-	-
	3,569	1,818	1,722	3,971
Depreciation and amortisation				
Depreciation of property, plant and equipment	11,103	9,612	463	352
Depreciation of right-of-use assets	2,995	2,860	18	-
Amortisation of intangible assets	2,051	1,707	1,029	645
Total depreciation and amortisation	16,149	14,179	1,510	997
Less: depreciation included in cost of sales	(511)	-	-	-
Total depreciation and amortisation expensed	15,638	14,179	1,510	997
Movement in credit loss allowances				
Trade and other receivables	861	1,659	-	-
39. Finance costs				
Preference dividends	-	-	4,651	4,883
Lease liabilities	628	368	4	-
Bank and other	1,556	2,049	-	-
Related parties	3,470	5,032	14,005	10,293
Total finance costs	5,654	7,449	18,660	15,176

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
40. Taxation				
Major components of the tax expense				
Current				
Current tax	2,682	-	-	-
Deferred				
Recognised in profit and loss	12,528	14,844	-	-
Recognised in other comprehensive income	670	7,906	-	-
	13,198	22,750	-	-
	15,880	22,750	-	-
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense:				
Accounting profit before tax	74,060	71,917	9,710	5,422
Other comprehensive income	20,037	24,706	-	-
	94,097	96,623	9,710	5,422
Tax at the applicable tax rate of 31% (2024: 32%)	29,170	30,919	3,010	1,735
Tax effect of adjustments on taxable income				
Under provision in previous year	(87)	-	-	-
Rate change adjustment	(1,862)	-	153	-
Fair value adjustment on contingency policies	(4,541)	-	-	-
Non-taxable income: investments income from operations	(5,854)	-	-	-
Fair value adjustment on property - land	(5,151)	-	-	-
Other exempt income	(34)	(12,251)	(29)	(7,329)
Impairment reversal on investments in subsidiaries	-	-	(2,027)	-
Non-taxable income: dividends received	-	-	(7,710)	-
Other taxable income	-	3,214	-	-
Expenses deductible for tax	-	(102)	-	-
Increase of unrecognised deferred tax asset - assessed loss	3,267	92	5,037	3,633
Non-deductible expenses	972	878	1,566	1,961
Total tax expense	15,880	22,750	-	-

The Group's effective tax rate for the year was 17% (2024: 24%).

The statutory income tax rate of 32% in 2024 was reduced to 31% in the 2025 financial year.

Estimated tax losses available for set off against future taxable income	287,687	307,806	98,066	80,848
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Estimated tax 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\$ 80.6 million (2024: N\$ 70.0 million) for the Group and N\$ 79.3 million (2024: N\$63.1 million) for the Company. Deferred tax assets not raised amount to N\$25 million (2024: N\$22.4 million) for the Group and N\$24.6 million (2024: N\$20.1 million) for the Company.

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024
41. Cash generated from / (used in) operations				
Profit before taxation	74,060	71,917	9,710	5,422
Adjustments for non-cash items:				
Depreciation and amortisation	38 16,149	14,179	1,510	997
(Gains) / losses on disposal of property, plant and equipment	35 (1,147)	(338)	(59)	13
Losses on disposal of intangible assets	35 86	-	86	-
Losses on exchange differences	35 5	88	-	-
Movements in provisions	(6)	27	-	-
Dividends received	29 -	-	(24,856)	(16,652)
Interest income reinsurance	(12,435)	(19,053)	-	-
Prescribed dividends	147	74	147	74
Revaluation of investment property	35 (520)	(2,386)	(520)	(398)
Loss on disposal of investment in subsidiary	-	-	-	692
Loss on modification of operating leases	-	40	-	-
Loss on acquisition of subsidiary	35 200	-	200	-
Fair value adjustment on other financial asset	-	-	(47)	-
Impairment reversal of investments in subsidiaries	8 -	-	(6,739)	(6,237)
Adjust for items which are presented separately:				
Interest income	36 (3,601)	(3,114)	(105)	(63)
Finance costs	39 5,654	7,449	18,660	15,176
Changes in working capital:				
Inventories	(26,068)	15,860	-	-
Trade and other receivables	(67,737)	26,700	(1,975)	(12)
Trade and other payables	(27,562)	(57,861)	1,690	1,811
Finance lease receivables	4,085	-	-	-
Contract liabilities	3,700	-	-	-
Insurance contract liability	12 481,776	476,008	-	-
Loans and receivables	(11,361)	(24,431)	-	-
Reinsurance recoverable	929	41,975	-	-
	436,354	547,134	(2,298)	823
42. Tax paid				
Current tax recognised in profit or loss	(2,682)	-	-	-
Balance at end of the year	534	-	-	-
	(2,148)	-	-	-
43. Dividends paid				
Dividends	(18,705)	(13,895)	(18,705)	(13,895)
	(18,705)	(13,895)	(18,705)	(13,895)

Notes to the Consolidated and Separate Annual Financial Statements

44. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2025

	Opening balance	Finance charges	New leases	Other non-cash movements	Total non-cash movements	Cash flows - capital payments	Cash flows - Interest paid	Closing balance
Borrowings	52,641	-	-	3,283	3,283	(3,925)	(5,010)	46,989
Lease liabilities	2,341	628	6,897	-	7,525	(2,841)	(628)	6,397
Total liabilities from financing activities	54,982	628	6,897	3,283	10,808	(6,766)	(5,638)	53,386

Reconciliation of liabilities arising from financing activities - Group - 2024

	Opening balance	Other non-cash movements	Total non-cash movements	Cash flows - payments	Cash flows - receipts	Closing balance
Borrowings	80,188	-	-	(27,547)	-	52,641
Lease liabilities	4,627	1,015	1,015	(3,301)	-	2,341
Total liabilities from financing activities	84,815	1,015	1,015	(30,848)	-	54,982

Reconciliation of liabilities arising from financing activities - Company - 2025

	Opening balance	Finance charges	Dividends received	New leases	Other non-cash movements	Total non-cash movements	Cash flows - payments	Cash flows - receipts	Closing balance
Borrowings	34,324	-	-	-	-	-	(8,486)	-	25,838
Finance lease liabilities	-	4	-	431	-	435	(20)	-	415
Loans from related parties	125,854	-	(24,856)	-	(2,310)	(27,166)	-	101,317	200,005
Total liabilities from financing activities	160,178	4	(24,856)	431	(2,310)	(26,731)	(8,506)	101,317	226,258

Reconciliation of liabilities arising from financing activities - Company - 2024

	Opening balance	Dividends received	Total non-cash movements	Cash flows - payments	Cash flows - receipts	Closing balance
Borrowings	61,882	-	-	(27,558)	-	34,324
Loans from related parties	130,310	(16,652)	(16,652)	(9,160)	21,356	125,854
Total liabilities from financing activities	192,192	(16,652)	(16,652)	(36,718)	21,356	160,178

45. Related parties

Relationships
Subsidiaries
Related entities

Refer to note 8
Veritrust (Pty) Ltd
Nictus Ltd
Nature Unlimited Consultations (Pty) Ltd
Haida Investments (Pty) Ltd
Premier Services (Pty) Ltd
Namprop (Pty) Ltd
Ultra Investments (Pty) Ltd
P J De W Tromp & Seuns (Pty) Ltd
Dinieshof Farming (Pty) Ltd
Landswyd Beleggings (Pty) Ltd
Veritas Eksekuteurskamer (Pty) Ltd
KCB Trust
Nico Tromp Trust
Saffier Trust
Caris Family Trust
Mejaloka Trust
Salome Trust
Langvenwagt Trust
Nossob West Consulting Services CC
Intersection Consulting CC
Schanzen Road Investments CC
Hudab Trust
Die Kosie Pretorius Trust
Floreat Trust
Red Acre Trading (Pty) Ltd

Members of key management

GR de V Tromp (non-executive)
PJ de W Tromp
W/O Fourie
FR van Staden
H du Plessis
FJ Wahl
GC Vermeulen
BJ Gous
CA Snyman
CA Janse van Rensburg

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).

Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

45. Related parties (continued)

Transactions with key management personnel

Details pertaining to directors' and key management compensations are set out in note 46. 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

Loan accounts - Owing (to) / by related parties

Loans from subsidiaries (excl preference shares)	-	-	(172,276)	(65,854)
Loans to subsidiaries	-	-	118,909	91,345
Preference shares issued to subsidiary	-	-	(60,000)	(60,000)
Trade receivables / (trade payables)	-	-	598	(91)
Other financial assets	-	-	951	784

Related party balances with key management, personnel and companies affiliated with key management in the Group

Unearned premium reserve account	(55,248)	(50,993)	-	-
Loans to / (from) related parties	2,244	(7,555)	(25,838)	(34,324)
Trade receivables / (trade payables)	1,292	730	191	146

Related party transactions with subsidiaries

Interest received from subsidiaries	-	-	(6,329)	(6,419)
Interest paid to subsidiaries	-	-	10,536	5,262
Preference dividends paid to subsidiaries	-	-	4,651	4,883
Rent paid to subsidiaries	-	-	1,840	4,066
Admin fees paid / (received from) subsidiaries	-	-	(27,511)	(22,767)
Dividends received from subsidiaries	-	-	(24,856)	(16,652)
Purchases / (sales)	-	-	361	(26)

Related party transactions with key management, personnel and companies affiliated with key management in the Group

Gross written premiums	(6,529)	(3,376)	-	-
Cancellations and endorsements	4,148	2,597	-	-
Claims paid	28	60	-	-
Interest paid / (interest received)	774	2,428	3,469	5,031
Purchases / (sales)	(784)	(1,483)	938	689

Loans due to and by subsidiaries, excluding preference shares, bear interest at Namibian prime bank overdraft rates ranging from 25% of prime 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.

46. Directors' emoluments

Executive

2025

	Salaries, management and consulting fees - Holding company	Salaries, management and consulting fees - Subsidiaries	Incentives - Subsidiaries	Total
Services as director or prescribed officer				
PJ de W Tromp	5,607	-	-	5,607
WO Fourie	-	3,060	-	3,060
CA Snyman	1,522	-	-	1,522
FR van Staden	-	3,480	1,701	5,181
H du Plessis	-	2,160	1,000	3,160
FJ Wahl	-	1,887	274	2,161
CG Vermeulen	-	1,821	-	1,821
BJ Gous	-	2,670	-	2,670
CA Janse van Rensburg	-	1,621	-	1,621
	7,129	16,699	2,975	26,803

2024

	Salaries, management and consulting fees - Holding company	Salaries, management and consulting fees - Subsidiaries	Total
Services as director or prescribed officer			
PJ de W Tromp	5,498	-	5,498
WO Fourie	3,085	-	3,085
FR van Staden	-	5,084	5,084
H du Plessis	-	2,615	2,615
FJ Wahl	-	1,670	1,670
CG Vermeulen	-	1,753	1,753
BJ Gous	-	2,059	2,059
	8,583	13,181	21,764

Non-executive

2025

	Directors' fees	Total
Services as director		
GR de V Tromp	916	916
ME Ackermann	434	434
SW Walters	601	601
TB Horn	288	288
	2,239	2,239

2024

	Directors' fees	Total
Services as director		
GR de V Tromp	707	707
TB Horn	402	402
SW Walters	472	472
ME Ackermann	23	23
	1,604	1,604

Notes to the Consolidated and Separate Annual Financial Statements

47. 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 delegated the responsibility for developing and monitoring the Group's risk management policies to the risk committee. 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.

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.

47. Financial instruments and risk management (continued)

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		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans and receivables	12	101,599	-	101,599	87,705	-	87,705
Investments	11	229,788	-	229,788	148,929	-	148,929
Finance lease receivables	13	13,801	-	13,801	17,886	-	17,886
Trade and other receivables	10	180,994	(4,953)	176,041	160,997	(4,092)	156,905
Cash and cash equivalents	19	1,036,728	-	1,036,728	786,502	-	786,502
Reinsurance recoverable	17&51	237,845	-	237,845	226,339	-	226,339
		1,800,755	(4,953)	1,795,802	1,428,358	(4,092)	1,424,266

Company		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to related parties	16	118,909	-	118,909	91,345	-	91,345
Investments	11	313	-	313	305	-	305
Trade and other receivables	10	1,668	-	1,668	441	-	441
Cash and cash equivalents	19	478	-	478	494	-	494
		121,368	-	121,368	92,585	-	92,585

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. The funding model for subsidiaries is managed on a business as usual basis to manage the risk. 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.

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47. Financial instruments and risk management (continued)

Group - 2025		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total financial liabilities							
Trade and other payables	24	98,441	-	-	-	98,441	98,441
Borrowings	23	36,823	7,715	9,003	-	53,541	46,989
Lease liabilities	4	2,763	2,487	2,916	-	8,166	6,397
Insurance contract liability	28	2,028,564	-	-	-	2,028,564	2,028,564
		2,166,591	10,202	11,919	-	2,188,712	2,180,391
Total financial assets							
Trade and other receivables	10	141,110	32,183	19,754	-	193,047	176,041
Investments	11	1,860	1,860	5,581	238,064	247,365	229,788
Loans and receivables	12	43,848	31,874	60,647	-	136,369	101,599
Reinsurance recoverable	17	252,070	-	-	-	252,070	237,845
Finance lease receivables	13	7,620	5,823	3,533	-	16,976	13,801
Cash and cash equivalents	19	1,036,728	-	-	-	1,036,728	1,036,728
		1,483,236	71,740	89,515	238,064	1,882,555	1,795,802
		683,355	(61,538)	(77,596)	(238,064)	306,157	384,589

Group - 2024		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
Total financial liabilities							
Trade and other payables	24	116,146	-	-	-	116,146	116,146
Borrowings	23	43,831	3,379	9,378	-	56,588	52,641
Lease liabilities	4	2,125	288	-	-	2,413	2,341
Insurance contract liability	28	1,546,788	-	-	-	1,546,788	1,546,788
		1,708,890	3,667	9,378	-	1,721,935	1,717,916
Total financial assets							
Trade and other receivables	10	117,520	32,982	19,137	-	169,639	156,905
Investments	11	771	-	-	148,158	148,929	148,929
Loans and receivables	12	23,641	24,543	46,625	-	94,809	87,705
Reinsurance recoverable	17	226,339	-	-	-	226,339	226,339
Finance lease receivables	13	8,622	7,274	7,710	-	23,606	17,886
Cash and cash equivalents	19	786,502	-	-	-	786,502	786,502
		1,163,395	64,799	73,472	148,158	1,449,824	1,424,266
		545,495	(61,132)	(64,094)	(148,158)	272,111	293,650

47. Financial instruments and risk management (continued)

Company - 2025		Less than 1 year	1 to 2 years	Over 5 years	Total	Carrying amount
Total financial liabilities						
Trade and other payables	24	7,807	-	-	7,807	7,807
Loans from group companies	26	248,429	-	-	248,429	232,276
Borrowings	23	28,551	-	-	28,551	25,838
Lease liabilities		240	220	-	460	415
		285,027	220	-	285,247	266,336
Total financial assets						
Investments	11	-	-	313	313	313
Loans to related parties	16	125,481	-	-	125,481	118,909
Trade and other receivables	10	1,668	-	-	1,668	1,668
Other financial assets	18	1,017	-	-	1,017	951
Cash and cash equivalents	19	478	-	-	478	478
		128,644	-	313	128,957	122,319
		156,383	220	(313)	156,290	144,017

Company - 2024		Less than 1 year	Over 5 years	Total	Carrying amount
Total financial liabilities					
Trade and other payables	24	5,917	-	5,917	5,917
Loans from group companies	26	136,311	-	136,311	125,854
Borrowings	23	38,271	-	38,271	34,324
		180,499	-	180,499	166,095
Total financial assets					
Investments	11	-	305	305	305
Loans to related parties	16	98,096	-	98,096	91,345
Trade and other receivables	10	441	-	441	441
Other financial assets	18	840	-	840	784
Cash and cash equivalents	19	494	-	494	494
		99,871	305	100,176	93,369
		80,628	(305)	80,323	72,726

Comparative maturity figures:

In the prior year, the maturity analyses of the Group's and Company's financial liabilities and financial assets disclosed under the liquidity risk note were presented using discounted cash flows instead of the undiscounted contractual cash flows as required by *IFRS 7 Financial Instruments: Disclosures*. Consequently, the comparative maturity analyses have been restated to reflect the undiscounted contractual amounts of the Group's and Company's financial liabilities and financial assets. This adjustment relates to disclosure only and has no impact on the Group's and Company's statement of financial position, statement of profit or loss, statement of cash flows, or total equity.

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	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

47. Financial instruments and risk management (continued)

Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising primarily with respect to the Botswana Pula (BWP). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations denominated in a currency that is not the entity's functional currency.

The Group's consolidated financial statements are presented in Namibian Dollars (NAD), also the holding company's functional currency. The functional currency of the Botswana subsidiaries are the Botswana Pula (BWP).

The Group manages its foreign exchange risk by closely monitoring exchange rate movements and maintaining foreign currency-denominated bank accounts when necessary. No forward foreign exchange contracts or derivative instruments were in place at the reporting date.

Exposure in Namibia Dollar

The net carrying amounts, in Namibia Dollar, of the Group's exposure to Botswana Pula is disclosed below. The amounts have been presented in Namibia Dollar by converting the foreign currency amounts at the closing rate at the reporting date:

Non-current assets:					
Property, plant and equipment	3	26	-	-	-
Current assets:					
Trade and other receivables	10	17	-	-	-
Cash and cash equivalents	19	13,654	-	-	-
Current liabilities:					
Trade and other payables	24	(40)	-	-	-
Net Botswana Pula exposure		13,657	-	-	-

Exposure in foreign currency amounts

The net carrying amounts, in Botswana Pula of the above exposure was as follows:

Non-current assets:					
Property, plant and equipment	3	19	-	-	-
Current assets:					
Trade and other receivables	10	13	-	-	-
Cash and cash equivalents	19	10,237	-	-	-
Current liabilities:					
Trade and other payables	24	(30)	-	-	-
Net Botswana Pula exposure		10,239	-	-	-

Exchange rates

Namibia Dollar per unit of foreign currency:					
Botswana Pula		1.337	-	-	-

47. Financial instruments and risk management (continued)

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.

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	
	2025	2024	2025	2024
Group				
Assets				
Trade and other receivables	14.90 %	15.15 %	119,879	101,586
Loans and receivables	12	9.40 %	9,121	75,037
Finance lease receivables	13	16.50 %	13,801	17,886
Cash and cash equivalents		9.33 %	1,013,235	770,756
Other loans and receivables	12	13.50 %	6,861	12,363
			1,244,897	977,628
Liabilities				
Loans from related parties	23	10.50 %	(25,838)	(34,324)
Bank loans	23	9.80 %	(21,151)	(18,317)
			(46,989)	(52,641)

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	
	2025	2024	2025	2024
Company				
Assets				
Loans to related parties		7.35 %	86,126	73,788
Other financial assets	18	6.90 %	951	784
			87,077	74,572
Liabilities				
Loans from related parties	23&26	6.18 %	(258,114)	(160,178)

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 %

Notes to the Consolidated and Separate Annual Financial Statements

47. Financial instruments and risk management (continued)

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.

Group

At 30 June 2025, if the Group interest rate had been 1% per annum (2024: 1%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N\$ 10,6 million (2024: N\$ 9,6 million) lower and N\$ 10,6 million (2024: N\$ 9,6 million) higher.

Company

At 30 June 2025, if the Company interest rate had been 1% per annum (2024: 1%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N\$ 1,2 million (2024: N\$ 0,9 million) lower and N\$ 1,2 million (2024: N\$ 0,9 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.

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	2025	2025	2024	2024
	Increase	Decrease	Increase	Decrease
Increase or decrease in rate				
Impact on profit or loss:				
Listed shares 1% (2024: 1 %)	14	(14)	11	(11)

Company	2025	2025	2024	2024
	Increase	Decrease	Increase	Decrease
Increase or decrease in rate				
Impact on profit or loss:				
Listed shares 1% (2024: 1 %)	3	(3)	3	(3)

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.

47. Financial instruments and risk management (continued)

Categories of financial instruments

Categories of financial assets

Group - 2025

	Note(s)	Fair value through profit or loss	Amortised cost	Total
Loans and receivables	12	-	101,599	101,599
Investments	11	1,437	228,351	229,788
Finance lease receivables	13	-	13,801	13,801
Trade and other receivables	10	-	176,041	176,041
Cash and cash equivalents	19	-	1,036,728	1,036,728
Reinsurance recoverable	17	-	237,845	237,845
		1,437	1,794,365	1,795,802

Group - 2024

	Note(s)	Fair value through profit or loss	Amortised cost	Total
Loans and receivables	12	-	87,705	87,705
Investments	11	1,076	147,853	148,929
Finance lease receivables	13	-	17,886	17,886
Trade and other receivables	10	-	156,905	156,905
Cash and cash equivalents	19	-	786,502	786,502
Reinsurance recoverable	17	-	226,339	226,339
		1,076	1,423,190	1,424,266

Company - 2025

	Note(s)	Fair value through profit or loss	Amortised cost	Total
Loans to related parties	16	-	118,909	118,909
Investments	11	313	-	313
Trade and other receivables	10	-	1,668	1,668
Cash and cash equivalents	19	-	478	478
Other financial assets	18	-	951	951
		313	122,006	122,319

Company - 2024

	Note(s)	Fair value through profit or loss	Amortised cost	Total
Loans to related parties	16	-	91,345	91,345
Investments	11	305	-	305
Trade and other receivables	10	-	441	441
Cash and cash equivalents	19	-	494	494
Other financial assets	18	-	784	784
		305	93,064	93,369

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47. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2025

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	24	98,441	-	98,441
Borrowings	23	46,989	-	46,989
Lease liabilities	4	-	6,397	6,397
		145,430	6,397	151,827

Group - 2024

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	24	116,146	-	116,146
Borrowings	23	52,641	-	52,641
Lease liabilities	4	-	2,341	2,341
		168,787	2,341	171,128

Company - 2025

	Note(s)	Amortised cost	Leases	Total
Trade and other payables	24	7,807	-	7,807
Loans from related parties	26	232,276	-	232,276
Borrowings	23	25,838	-	25,838
Lease liabilities	4	-	415	415
		265,921	415	266,336

Company - 2024

	Note(s)	Amortised cost	Total
Trade and other payables	24	5,917	5,917
Loans from related parties	26	125,854	125,854
Borrowings	23	34,324	34,324
		166,095	166,095

47. Financial instruments and risk management (continued)

Insurance risks

Terms and conditions of insurance contracts

Corporate Guarantee and Insurance Company of Namibia Limited (referred to as the Group for the purposes of this note) 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.

The Group 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 centralised management of risk and monitoring of emerging issues. These actions are described below.

Underwriting strategy

The Group 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, the territories in which business is to be written and the industry sectors to which the Group is prepared to accept exposure. The strategy is cascaded down by the segment executive to individual underwriters through detailed underwriting authorities that set the limits for underwriters by client size, class of business, territory and industry in order to enforce appropriate risk selection within the portfolio. In addition, 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.

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47. Financial instruments and risk management (continued)

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 Group has a history of positive claims development, i.e. the reserves created over time proved to be sufficient to fund the actual claims paid.

In terms of IFRS 17, an insurer need only disclose claims run-off information where uncertainty exists about the amount and timing of claim payments not resolved within one year. The Group does not underwrite business that is long tail in nature.

48. Group segmental analysis

The Group 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, Suzuki, Tafe, Subaru and Hero franchise throughout Namibia, in addition to operating as retailer of tyres, related products and services. Furniture retail and financing thereof, with branches located throughout Namibia. Automotive glass fitment and repairs. Rental of vehicles. Building materials and hardware retail. Providing call centre and vehicle tracking services and selling of vehicle tracking devices.
Insurance and finance	Short-term insurance and financing through the alternative risk transfer model as well as vehicle and office equipment 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 restructuring costs and legal expenses. The measure also excludes the effects of 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 and 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 following tables provide information on segment revenue and results, as well as assets, liabilities, cash flows and capital expenditure.

48. Group segmental analysis (continued)

2025

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment revenue						
Sale of goods and rendering of services	1,002,548	-	-	-	(35,090)	967,458
Rental income	7,398	33,269	-	-	(30,947)	9,720
Finance income	10,389	-	83,965	6,329	(61,358)	39,325
Management fees	-	-	-	27,786	(27,786)	-
Insurance revenue	-	-	65,573	-	(6,783)	58,790
Dividends received	-	-	-	24,856	(24,856)	-
Total segment revenue	1,020,335	33,269	149,538	58,971	(186,820)	1,075,293
Inter-segmental revenue	(35,090)	(30,947)	(61,812)	(58,971)	186,820	-
Total revenue from external customers	985,245	2,322	87,726	-	-	1,075,293

Disaggregation between revenue and insurance revenue

Revenue (note 29)	985,245	2,322	28,936	-	-	1,016,503
Insurance revenue (note 31)	-	-	58,790	-	-	58,790
Total revenue from external customers	985,245	2,322	87,726	-	-	1,075,293

Disaggregation per region

Namibia	985,245	2,322	87,726	-	-	1,075,293
Botswana	-	-	-	-	-	-
Total revenue from external customers	985,245	2,322	87,726	-	-	1,075,293

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Significant items included in operating profit / (loss) for the year						
Cost of sales	760,811	-	-	-	-	760,811
Depreciation and amortisation	13,275	546	309	1,510	-	15,640
Segment results						
Operating profit / (loss) before finance cost	39,456	23,794	64,288	27,987	(75,811)	79,714
Finance cost	(19,838)	(9,089)	(3,431)	(18,660)	45,364	(5,654)
Profit / (loss) before taxation	19,618	14,705	60,857	9,327	(30,447)	74,060
Taxation	(5,776)	(1,672)	(10,033)	-	2,271	(15,210)
Net profit / (loss) for the year	13,842	13,033	50,824	9,327	(28,176)	58,850
Disaggregation per region						
Namibia	13,842	13,033	50,881	9,357	(28,176)	58,937
Botswana	-	-	(57)	(30)	-	(87)
Profit / (loss) before taxation	13,842	13,033	50,824	9,327	(28,176)	58,850

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48. Group segmental analysis (continued)

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment assets, liabilities, cash flows and capital expenditure						
Segment assets - Namibia	553,559	516,399	3,473,636	364,668	(2,303,812)	2,604,450
Segment assets - Botswana	-	-	13,618	13,780	(13,702)	13,696
Total segment assets	553,559	516,399	3,487,254	378,448	(2,317,514)	2,618,146
Segment liabilities - Namibia	386,200	226,353	3,477,290	266,335	(2,078,843)	2,277,335
Segment liabilities - Botswana	-	-	334	14	(311)	37
Total segment liabilities	386,200	226,353	3,477,624	266,349	(2,079,154)	2,277,372
Cash flows from operating activities	(61,630)	(2,885)	260,920	(20,869)	256,617	432,153
Cash flows from investing activities	(12,868)	(37,725)	(475,723)	(66,971)	442,114	(151,173)
Cash flows from financing activities	79,101	40,886	460,360	87,906	(698,734)	(30,481)
Capital expenditure - Namibia	(36,646)	(49,200)	(1,376)	(3,335)	787	(89,770)
Capital expenditure - Botswana	-	-	(27)	-	-	(27)
Total capital expenditure	(36,646)	(49,200)	(1,403)	(3,335)	787	(89,797)
2024						
Segment revenue						
Sale of goods and rendering of services	914,112	-	-	-	(4,364)	909,748
Rental income	9,942	29,206	-	-	(27,426)	11,722
Finance income	8,851	-	68,933	6,419	(55,474)	28,729
Management fees	-	-	-	22,892	(22,892)	-
Insurance revenue	-	-	55,230	-	(1,189)	54,041
Dividends received	-	-	-	16,652	(16,652)	-
Total segment revenue	932,905	29,206	124,163	45,963	(127,997)	1,004,240
Inter-segmental revenue - restated	(4,600)	(27,190)	(50,244)	(45,963)	127,997	-
Total revenue from external customers - restated	928,305	2,016	73,919	-	-	1,004,240
Segment results						
Operating profit / (loss) before finance cost	44,442	26,418	60,201	19,944	(71,639)	79,366
Finance cost	(15,661)	(22,487)	(3,999)	(15,176)	49,874	(7,449)
Profit / (loss) before taxation	28,781	3,931	56,202	4,768	(21,765)	71,917
Taxation	(8,811)	430	(13,497)	-	7,034	(14,844)
Net profit / (loss) for the year	19,970	4,361	42,705	4,768	(14,731)	57,073

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

48. Group segmental analysis (continued)

	Retail	Properties	Insurance and finance	Head office	Eliminations	Consolidated
Segment assets, liabilities, cash flows and capital expenditure						
Segment assets	471,287	427,537	2,753,373	273,795	(1,847,701)	2,078,291
Segment liabilities	330,131	312,846	2,666,405	166,095	(1,678,569)	1,796,908
Cash flows from operating activities	35,174	434	477,012	2,362	28,186	543,168
Cash flows from investing activities	(13,068)	(7,532)	(598,707)	43,366	461,565	(114,376)
Cash flows from financing activities	(14,807)	7,102	498,842	(45,909)	(489,971)	(44,743)
Capital expenditure	(8,907)	(7,423)	(688)	(3,194)	(5,324)	(25,536)

Comparative figures

During the current year, the Group identified and adjusted the elimination of inter-segment revenues presented in the segment report. In prior years, inter-segment revenues were not fully eliminated within the respective reportable segments, although the total consolidated revenue disclosed was accurately stated. This adjustment has been applied retrospectively, and the comparative information for the prior year has been restated accordingly. This adjustment did not affect the Group's consolidated revenue, profit for the year, total assets, total liabilities, or equity. The impact was limited to the presentation of segment revenues and the related inter-segment eliminations. Management believes that the updated presentation delivers more reliable and relevant information in accordance with IFRS 8 Operating Segments and improves comparability between periods.

49. 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 year to basic earnings

Profit for the year attributable to equity holders of the parent	58,850	57,073	-	-
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Weighted average number of shares ('000's)

Shares in issue	53,444	53,444	-	-
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Basic earnings per share

Basic earnings per share (cents)	110.12	106.79	-	-
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Notes to the Consolidated and Separate Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar Thousand	2025	2024	2025	2024

49. Earnings per share (continued)

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 basic earnings and headline earnings

Basic earnings	58,850	57,073	-	-
Adjusted for:				
Profit on disposal of property, plant and equipment and intangible assets	(1,061)	(338)	-	-
Gain on revaluation of investment property	(520)	(2,386)	-	-
Loss on acquisition of subsidiary	200	-	-	-
	57,469	54,349	-	-

Headline earnings per share

Headline earnings per share (cents)	107.53	101.69	-	-
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50. Reclassification of comparative statement of cash flows

During the current financial year, the Company reassessed the classification of certain transactions presented in the statement of cash flows. In the prior year, dividends declared to the holding company were presented as cash flow movements. Upon review, management determined that the dividends represent a non-cash transactions, as they were settled through loan account adjustments rather than actual cash receipts.

In addition, at company level in the prior year, cash receipts and advances relating to loans to and from related parties were previously presented on a net basis. This has been revised in the current year to present gross movements, in accordance with IAS 7 Statement of Cash Flows requirements.

Accordingly, the prior year's comparative figures have been reclassified to ensure consistency of presentation. These reclassifications have no impact on the total cash flows reported, but only affect their classification within the statement of cash flows.

The effect of the reclassification on the prior year's statement of cash flows is as follows:

Company	Previously reported in 2024	Reclassification	Reclassified 2024
Cash flows from operating activities			
Dividends received	-	(16,652)	(16,652)
Cash flows from financing activities			
Repayments of loans from related parties	(4,456)	(4,704)	(9,160)
Cash received on loans from related parties	-	21,356	21,356
Cash flows from investing activities			
Cash receipts on loans to related parties	22,010	16,529	38,539
Cash advanced in loans to related parties	-	(16,529)	(16,529)

51. Contingencies

Company

Nictus Holdings Limited provided limited guarantee for a total amount of N\$10 million in respect of the loan between Bonsai Investments Nineteen (Pty) Ltd and Nictus Eiendomme (Pty) Ltd. The outstanding loan balance at 30 June 2025 amounted to N\$6,1 million (2024: N\$0.8 million).

Nictus Holdings Limited provided limited guarantee for a total amount of N\$12,3 million in respect of the loans between Bonsai Investments Nineteen (Pty) Ltd and Acacia Properties (Pty) Ltd. The outstanding loan balances at 30 June 2025 amounted to N\$2,3 million (2024: N\$2,5 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 2025 amounted to N\$40 million (2024: N\$40 million).

52. Commitments

Subsidiaries in the property segment of the Group have committed to various property developments, including showrooms, retail outlets, a workshop and a rental business, with a total expected capital expenditure of approximately N\$187 million, to be funded through facilities negotiated within the Group. These commitments are not recognised in the financial statements.

53. Going concern

The directors have assessed the Group's and Company's ability to continue as going concerns. As at 30 June 2025, the Group's and Company's net asset value amounted to N\$ 340.8 million and N\$ 108,1 million (2024: N\$ 281.4 million and N\$ 116.9 million) respectively. The Group and Company achieved a profit for the year of N\$ 58,9 million and N\$ 9,7 million (2024: N\$ 57,1 million and N\$ 5,4 million) respectively and the Group's cash and cash equivalents increased by N\$ 250,2 million. The Group however has a working capital deficit of N\$ 475,8 million (2024: N\$363,1 million).

The following were also considered as part of the Group's going concern assessment for a period of at least twelve months from the reporting date:

- The Group's working capital deficit primarily reflects the operational characteristics of the insurance segment, which functions within a regulated framework. The insurance liabilities relate to short-term policies with a historically low claims ratio and are not expected to be called simultaneously.
- The Group regularly performs scenario analyses and stress testing across various risk exposures, including potential insurance claims. Based on these assessments, the directors are satisfied that reserves are sufficient to meet foreseeable obligations, with no material claim developments anticipated.
- The directors have reviewed the Group's cash flow forecasts and liquidity plans, covering at least twelve months from the reporting date, and are satisfied that the Group maintains adequate liquidity buffers.
- The Group retains access to undrawn borrowing facilities, readily available liquid assets, and unencumbered properties.
- The Group has low external debt levels, a strong capital base, and a diversified investment portfolio.
- The directors are 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.
- The directors are not aware of any new material changes that may adversely impact the Group and Company.

Having considered the Group's and Company's financial position, liquidity, operational resilience, and regulatory compliance, the directors have concluded that there are no material uncertainties that cast significant doubt on the ability of the Group or Company to continue as a going concern and that it is appropriate to adopt the going concern basis in preparing the financial statements.

54. 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.



Remuneration Policy

Objective

The Group remuneration policy aims to attract and retain those people who 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 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 five-year performance levels.

Composition of the total remuneration package

The following factors are considered in structuring the total remuneration package:

- 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 incentive

Short-term incentives

Short-term incentive schemes are designed to reward staff for meeting predetermined annual targets and exceptional performance. Employees must adhere to the company's ethical code to be eligible for incentives, and extraneous factors do not influence the evaluation process.

Long-term incentive

Long-term incentive schemes aim to retain employees and align their performance with the individual company and Group goals over a five-year period. Eligibility for participation is typically extended to senior management and executive directors, with the structure and quantum of incentives determined by subsidiary boards of directors and approved by the Nictus Holdings Limited board.

Governance

The Nictus Holdings Limited board of directors, supported by the Remuneration and Nomination Committee, oversees the development and review of remuneration policies to ensure alignment with best practices and the company's overall objectives. Governance practices are implemented to promote transparency, fairness, compliance, and continuous improvement in remuneration practices.

Variation

The remuneration policy may be varied by the board at any time within the scope of their authority, with careful consideration given to market conditions, regulatory requirements, and the company's strategic objectives.

Notice of the Annual General Meeting

Nictus Holdings Limited

("Nictus" or "the Company") • (incorporated in the Republic of Namibia)
Registration Number NAM 1962/1735
NSX Share Code: NHL
ISIN Number: NA000AIJ2SS6

Notice is hereby given that the Annual General Meeting of the shareholders of Nictus ("shareholders") in respect of the financial year ended 30 June 2025 ("Annual General Meeting") will be held in the Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on Thursday, 27 November 2025 at 12:00 (Namibian time), subject to any cancellation, postponement or adjournment, to deal with the business as set out below and to consider and, if deemed appropriate, pass, with or without modification, 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 appropriate, 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 the Group and Company Audited Annual Financial Statements

The consolidated Group and Company audited Annual Financial Statements, incorporating the reports of the Auditor, the Audit and Risk Committee, the Directors, the Social, Ethics and Sustainability Committee, and the Remuneration and Nomination Committee for the financial year ended 30 June 2025, will be presented to shareholders as required in terms of sections 294 and 296 of the Companies Act, 2004 (Act No.28 of 2004) of Namibia (the Companies Act).

3. Resolutions for Consideration and Approval

3.1. Ordinary resolution 1: 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.

3.2. Ordinary resolution 2: re-election of ME Ackermann as a Director

"Resolved that ME Ackermann 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: 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 122 of the Integrated 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.

3.4. Ordinary resolution 4: 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."

Annual fees (N\$)

Board or Committee	Membership	Chairperson	Lead
			Independent (additional fee)
Board	285,739	374,059	57,148
Audit and Risk Committee	103,905	31,172	N/A
Remuneration and Nomination Committee	77,929	23,379	N/A
Social Ethics and Sustainability Committee	51,953	15,586	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.

3.5. Ordinary resolution 5: re-appointment of BDO as auditors

"Resolved that, on recommendation of the audit and risk committee of the Company, BDO Namibia 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.

3.6. Ordinary resolution 6: 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 up to 15% (fifteen per cent) of the Company's issued ordinary shares (calculated in accordance with the NSX Listings Requirements) 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 issued shares (so calculated) 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 -

3.6.1. 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;

3.6.2. the issue of the shares must be made to persons qualifying as public shareholders as defined in the Listings Requirements of the NSX;

3.6.3. the shares which are the subject of the issue -

3.6.3.1. 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;

3.6.3.2. shall not exceed 15% (fifteen 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

3.6.3.3. 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;

3.6.4. 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

3.6.5. 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 securities holders (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

3.7. Ordinary resolution 7: re-election of ME Ackermann as a Member and Chairperson of the Audit and Risk Committee

"Resolved that ME Ackermann, 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.

3.8. Ordinary resolution 8: 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.

3.9. Ordinary resolution 9: re-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 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: 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

Notice of the Annual General Meeting

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.

3.11. 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.

4. Additional Information

The following additional information, which may appear elsewhere in the Integrated 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 35 and 36;
- 4.2. Major Shareholders – pages 36 and 37;
- 4.3. Directors' Interests in Ordinary Shares – page 37; and
- 4.4. Share Capital of the Company – page 89.

5. Litigation Statement

The directors in office whose names appear on page 6 of the Integrated Annual Report, are not aware of any legal or arbitration proceedings, other than the pending proceedings disclosed in the litigation statement in the Directors' Report on page 37 of the Integrated Annual Report, that may have a material effect on the Group's financial position from the date of this Integrated Annual Report.

6. Directors' Responsibility Statement

The directors in office, whose names appear on page 6 of the Integrated Annual Report, of which this notice forms part of, 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 this notice of the Annual General Meeting contains all information required by law and the NSX Listings Requirements.

7. Material Changes

Other than the facts and developments reported on in the Integrated 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 Integrated Annual Report (incorporating the audited Annual Financial Statements).

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 25 November 2025. Before a proxy exercises any rights of a shareholder at the Annual General Meeting, such Forms of Proxy must be so delivered.

9.3. Attention is drawn to the "Notes" to the Forms of Proxy.

9.4. The completion of a Forms of Proxy does not preclude any shareholder from 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 the annual general meeting.

Brief Curricula Vitae of the Directors for Re-election

ME Ackermann (39)

**Chartered Accountant (SA), Master's Degree in Business Administration
Independent Non-Executive Director
Chairperson: Audit and Risk Committee**

ME Ackermann is a Chartered Accountant (South Africa) and holds a Master of Business Administration from the University of Cape Town. She trained and worked in audit at KPMG Inc. and has held senior roles at First National Bank of Namibia Limited, including Commercial Property Finance Manager, Acting Head: Commercial Specialised Lending, and Commercial Credit Origination Manager. With more than nine years in banking, she brings extensive financial-services expertise.

PJ de W Tromp (49)

**B.Econ, EDP: USB, SMP: USB
Group Managing Director
Chairperson: Property Segment, Retail Segment, and Insurance and Finance Segment
Member: Social, Ethics and Sustainability Committee**

PJ de W Tromp holds a B.Econ and completed the EDP and SMP at the University of Stellenbosch Business School (USB). He served as Executive Chairman of the Nictus Holdings Group from August 2013 to April 2017, when he was appointed Group Managing Director. He currently serves as the Chairperson of the Property, Retail, and Insurance & Finance segments, and is a Member of the Executive Committee. He also serves as (i) a Non-Executive Director of Nictus Limited (listed on the JSE), (ii) an Executive Director of Nictus Holdings Botswana (Pty) Ltd, and (iii) Executive Chairman of Corporate Guarantee and Insurance Company of Botswana Limited. He has served the Nictus Group for 22 years.

Form of Proxy



Nictus Holdings Limited
("Nictus" or "the Company") • (incorporated
in the Republic of Namibia)
Registration Number NAM 1962/1735
NSX Share Code: NHL
ISIN Number: NA000AIJ2SS6

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 Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on 27 November 2025 at 12:00 (Namibian time), or at any adjournment thereof.

I/We Full Names and Surnames of
 Residential Address being

the holder/s of Total Number 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:	Re-election of PJ de W Tromp as a Director.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2. Ordinary Resolution 2:	Re-election of ME Ackermann as a Director.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3. Ordinary Resolution 3:	Non-binding advisory vote for approval of the Company's remuneration policy.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4. Ordinary Resolution 4:	Approval of Non-Executive Directors' remuneration.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5. Ordinary Resolution 5:	Re-appointment of BDO as auditors.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6. Ordinary Resolution 6:	Authority to issue ordinary shares.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
7. Ordinary Resolution 7:	Re-election of ME Ackermann as a Member and Chairperson of the Audit and Risk Committee.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
8. Ordinary Resolution 8:	Re-election of GR de V Tromp as a Member of the Audit and Risk Committee.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
9. Ordinary Resolution 9:	Re-election of SW Walters as a Member of the Audit and Risk Committee.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. Ordinary Resolution 10:	Signing authority.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11. Special Resolution 1:	General authority to repurchase shares.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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 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 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 initialled 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 25 November 2025.

Company Information

Company registration number
1962/1735

NSX Share code: NHL
ISIN number:
NA000AIJ2SS6

Executive Directors
PJ de W Tromp
(Group Managing Director)
CA Snyman
(Group Financial Director)

Non-Executive Directors
GR de V Tromp
(Non-Executive Chairman)
SW Walters
(Lead Independent Non-Executive
Director)
ME Ackermann
(Independent Non-Executive Director)

Transfer Secretaries
Veritas Eksekuteurskamer (Pty) Ltd
1st Floor, Nictus Building, 140 Mandume
Ndemufayo Avenue, Windhoek
P.O. Box 755, Windhoek, Namibia

Independent External Auditors
BDO Namibia
61 Simeon Shixungileni Street,
Windhoek
PO Box 2184, Windhoek, Namibia

Registered Office
140 Mandume Ndemufayo Avenue,
Windhoek
PO Box 755, Windhoek, Namibia
1st Floor, Nictus Building,

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

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