

NAMIBIA ASSET MANAGEMENT LTD ("NAM")
Registration No. 97/397
Registered in Namibia
ISIN Code: NA000AOJMZ44
NSX Share Code: NAM

REVIEWED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

Overview

Namibia stands at a pivotal moment in its economic journey, particularly following recent oil discoveries that highlight significant potential. As the nation approaches a presidential and parliamentary election on 27 November 2024, all eyes will be on prospective shifts in economic policy that could shape the country's financial landscape.

Global markets delivered solid returns in 2024, as financial markets absorbed many concerning geopolitical tensions while also responding positively to encouraging developments in inflation, economic growth and interest rate outlooks. Asset returns in South Africa have been robust, fuelled by growing optimism that the new Government of National Unity will deliver much-needed reforms and unlock economic growth.

Results

Total assets under management (AuM) increased by 19.5% to N\$20.2 billion (September 2023: N\$16.9 billion) for the year ended 30 September 2024. Our retail AuM grew by 13% to N\$2.6 billion (September 2023: N\$2.3 billion) while institutional AuM increased by 20.5% to N\$17.6 billion (September 2023: N\$14.6 billion). Total AuM increased by N\$3.0 billion due to strong market performance supplemented by net inflows of N\$284 million.

Revenue increased by 3.7% to N\$81.3 million (September 2023: N\$78.5 million). This was primarily a result of most of our AUM growth being recorded in the latter part of the year.

While revenue increased, total operating expenses also increased due to heightened investments in key resources, as a result of our strategic drive for an expansion of our local investment team and associated Bloomberg subscription costs. We, continue to follow a disciplined approach to managing expenses.

Key indicators from NAM's reviewed financial results for the year ended 30 September 2024 are as follows:

- Headline earnings per share decreased by 15.5% to 6.99 cents (September 2023: 8.27 cents).
- Fund management earnings per share (FMEPS) decreased by 15.7% to 5.98 cents (September 2023: 7.10 cents) primarily

due to increased resource costs in support of localisation. FMEPS is used by management to measure true operating financial performance. FMEPS excludes the net mark-to-market impact of fair value gains and losses on our investments held in marketable securities.

Business update and corporate citizenship

We are prioritising the upcoming regulatory changes associated with the Financial Institutions and Markets Act (FIMA). As of October 2024, the Namibia Financial Institutions Supervisory Authority has finalized and communicated the relevant standards. We anticipate that FIMA will come into effect in early 2025, with a 12-month transition period granted by the regulator. We will collaborate closely with all stakeholders to ensure full compliance within this timeframe.

As a responsible corporate citizen, we are committed to making a meaningful positive impact on our society through our Corporate Social Investment (CSI) programmes, with a strong focus on training and education. Our bursary scheme, administered in partnership with the University of Namibia Foundation and our Certificate in Theory of Accounting (CTA) programme in partnership with Deloitte Namibia, underscores our commitment to supporting eligible undergraduate students pursuing finance-related degrees. Additionally, we support early childhood development through the Amos Meerat Syllabus project and we have made a donation of IT equipment to the IK Tjimuhiva Combined School this year, further enhancing educational opportunities in our communities.

Governance

We continue to ensure that our Board of Directors is appropriately skilled and constituted. To this end, Mr Nixon Marcus and Mr Absalom Kapenda were appointed as independent non-executive directors to the Board on 1 August 2024. Mr Nixon Marcus is a seasoned lawyer and holds a BA (Law) and LLB Degrees from the University of Cape Town. Mr Absalom Kapenda is a Namibian Chartered Accountant and entrepreneur with interests in the energy sector. He also holds a Master's Degree in Business Administration and Post Graduate Diploma in General Management from the University of Pretoria.

Ms Birgit Rossouw, a long serving independent non-executive director of NAM, will retire from the Board at the next AGM. We thank her for her contribution to NAM and wish her well in her future endeavours. NAM will start the process of appointing an additional independent non-executive director after the AGM on 20 February 2025.

NAM appointed Ms. Janita Breedt as Chief Financial Officer and Company Secretary effective 01 August 2024. Ms Breedt is a Namibian Chartered Accountant and holds a Master's Degree in Business Administration from Stellenbosch University.

Dividend

The board resolved to declare an ordinary dividend of 6 cents per share (2023: 6 cents per share).

The salient dates are as follows:

Last day to trade:	29 November 2024
Ex-dividend:	2 December 2024
Record date:	6 December 2024
Payment date:	13 December 2024

Prospects

The operating environment has been volatile and challenging for several years. During this time, NAM's long-term investment approach and track record together with prudent expense management has delivered value to clients and shareholders. We remain excited by the return prospects available to active managers.

Looking ahead, we remain confident that we have positioned NAM for continued success in a demanding landscape. We believe that investors who embrace a long-term perspective will be well-rewarded while we continue to create value for the benefit of all our stakeholders.

External audit review

The external auditor, EY Namibia, has reviewed the Condensed Group Statement of Financial Position of the Namibia Asset Management Limited Group as at 30 September 2024, and the related Condensed Group Statement of Comprehensive Income, Condensed Group Statement of Changes in Equity, Condensed Group Statement of Cash Flows, and Notes to the Condensed Group Financial Statements. The review has been conducted in accordance with the International Standard on Review Engagements 2410. Copies of the review report of EY Namibia are available for inspection at the registered office of the Company. Any forward-looking information contained in this announcement has not been reviewed or reported on by the Group's external auditor.



L SMITH
CHAIRMAN



T SHAANIKA
CHIEF EXECUTIVE OFFICER

11 November 2024

BOARD OF DIRECTORS

L Smith* (Chairman)
T Shaanika (Chief Executive Officer)
R G Young*
B Rossouw

S Walters
N Salie*
E Kandongo
N Marcus
A Kapenda
(* South African)

COMPANY SECRETARY

J Breedt

REGISTERED OFFICE

1st Floor, Millennium House, Corner of Robert Mugabe Avenue and
DR AB May Street
P.O. Box 23329
Windhoek, Namibia

AUDITORS

Ernst & Young Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Corner of Otto Nitzsche and Maritz Streets
P.O Box 1857
Windhoek, Namibia

SPONSOR

IJG Securities (Pty) Ltd
Member of the NSX
4th Floor, 1@Steps, Corner of Grove and Chasie Streets
Windhoek, Namibia

TRANSFER SECRETARIES

Transfer Secretaries (Pty) Ltd
4 Robert Mugabe Avenue
P.O. Box 2401
Windhoek, Namibia

Release date: 15 November 2024

NAMIBIA ASSET MANAGEMENT LTD

REVIEWED CONDENSED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

CONDENSED GROUP STATEMENT OF COMPREHENSIVE INCOME

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$	% Change
Revenue (note 7)	81 346 891	78 468 832	3.7%
Other income (note 8)	2 235 025	2 853 092	(21.7%)
Operating expenditure	(69 891 744)	(64 297 928)	8.7%
Operating profit	13 690 172	17 023 996	(19.6%)
Finance income (note 9)	2 350 946	1 681 437	39.8%
Finance costs	(63 306)	(135 312)	(53.2%)
Profit before tax	15 977 812	18 570 121	(14.0%)
Taxation	(4 947 539)	(5 635 141)	(12.2%)
Profit attributable to ordinary shareholders	11 030 273	12 934 980	(14.7%)
Total comprehensive income for the year	11 030 273	12 934 980	(14.7%)
EARNINGS PER SHARE			
(cents) (note 13)			
- Basic	6.99	8.27	(15.5%)
- Diluted	6.47	7.50	(13.7%)

NAMIBIA ASSET MANAGEMENT LTD

REVIEWED CONDENSED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

CONDENSED GROUP STATEMENT OF FINANCIAL POSITION

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
ASSETS		
Non - current assets	7 805 630	9 130 603
Property, equipment and right-of-use-assets	200 167	1 508 274
Marketable securities - statutory investments (note 4)	6 000 000	6 000 000
Deferred tax	1 605 463	1 622 329
Current assets	47 942 077	44 757 799
Marketable securities - additional investments (note 4)	7 079 041	5 335 519
Trade and other receivables (note 5)	11 154 778	10 211 750
Current tax asset	312 290	100 526
Cash and cash equivalents (note 6)	29 395 968	29 110 004
TOTAL ASSETS	55 747 707	53 888 402
EQUITY AND LIABILITIES		
TOTAL EQUITY ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	32 340 581	32 317 675
Ordinary share capital	2 000 000	2 000 000
Share premium	1 811 177	1 811 177
Reserve for own shares (note 10)	(9 345 164)	(9 575 564)
Share based payment reserve	2 275 630	1 886 556
Retained earnings	35 598 938	36 195 506
Current liabilities	23 407 126	21 570 727
Shareholders for dividends	573 069	504 477
Lease liability - current portion	72 628	1 110 692
Current tax liability	200 620	-
VAT payable	142 593	119 118
Trade and other payables	22 418 216	19 836 440
TOTAL EQUITY AND LIABILITIES	55 747 707	53 888 402

NAMIBIA ASSET MANAGEMENT LTD

REVIEWED CONDENSED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

CONDENSED GROUP STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital	Share premium	Retained earnings	Share based payment reserve	Reserve for own shares (note 10)	Total
	N\$	N\$	N\$	N\$	N\$	N\$
Balance as at 1 October 2022 (audited)	2 000 000	1 811 177	34 036 609	1 672 706	(9 812 774)	29 707 718
Comprehensive income for the year	-	-	12 934 980	-	-	12 934 980
Profit for the year	-	-	12 934 980	-	-	12 934 980
Transactions with owners recorded directly to equity	-	-	(10 776 083)	213 850	237 210	(10 325 023)
Dividends declared to equity holders	-	-	(12 364 470)	-	-	(12 364 470)
Share based payments	-	-	-	888 700	-	888 700
Staff share options exercised*	-	-	-	309 504	166 146	475 650
Sale of NAM shares by the NSST Trust	-	-	604 033	-	291 864	895 897
Acquisition of NAM shares by the NSST Trust*	-	-	-	-	(220 800)	(220 800)
Transfer between equity accounts**	-	-	984 354	(984 354)	-	-
Balance as at 30 September 2023 (audited)	2 000 000	1 811 177	36 195 506	1 886 556	(9 575 564)	32 317 675
Comprehensive income for the year	-	-	11 030 273	-	-	11 030 273
Profit for the year	-	-	11 030 273	-	-	11 030 273
Transaction with owners recorded directly to equity	-	-	(11 626 841)	389 074	230 400	(11 007 367)
Share based payments	-	-	-	684 801	-	684 801
Transfer between equity accounts***	-	-	295 727	(295 727)	-	-
Dividends declared to equity holders****	-	-	(11 921 956)	-	-	(11 921 956)
Sale of NAM shares by the NSST Trust	-	-	(612)	-	230 400	229 788
Balance as at 30 September 2024 (reviewed)	2 000 000	1 811 177	35 598 938	2 275 630	(9 345 164)	32 340 581

*The exercise price payable to the NSST Trust from Staff share options exercised and the purchase price payable by the NSST Trust for the Acquisition of NAM shares from staff had been settled on a net basis. As such there is no cash impact.

**This equity transfer relates to the equity share based payments which were accrued for previously which have since been settled on the exercise of the respective share options.

***This equity transfer relates to the equity share based payments which were forfeited by the CFO upon resignation.

****Dividends of 6 cents per share were declared and paid (2023: 6 cents per share).

NAMIBIA ASSET MANAGEMENT LTD

REVIEWED CONDENSED FINANCIAL RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

CONDENSED GROUP STATEMENT OF CASH FLOWS

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Cash flows from operating activities		
Cash generated by operations	15 805 285	31 033 958
Finance income received	2 350 946	1 681 437
Income taxes paid	(4 941 817)	(5 212 771)
Net cash generated from operating activities	13 214 414	27 502 624
Cash flow from investing activities		
Acquisitions of equipment to maintain operations	(34 621)	(12 758)
Net cash utilised by investing activities	(34 621)	(12 758)
Cash flows from financing activities		
Dividend paid	(11 853 364)	(12 346 833)
Proceeds from the sale of treasury shares	-	895 897
Payment of lease liability - Capital	(1 206 947)	(1 059 728)
Payment of lease liability - Interest	(63 306)	(135 312)
Sale of shares by NSST (note 10)	229 788	-
Net cash utilised by financing activities	(12 893 829)	(12 645 976)
Increase in cash and cash equivalents	285 964	14 843 890
Cash and cash equivalents at the beginning of the year	29 110 004	14 266 114
Cash and cash equivalents at the end of the year	29 395 968	29 110 004

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS

1. Reporting entity

Namibia Asset Management Ltd (the "Company") is a Company incorporated in Namibia. The condensed Group financial statements for the year ended 30 September 2024 comprise the Company and its subsidiaries (together referred to as the "Group").

2. Statement of compliance

These condensed Group financial statements have been prepared using the framework principles, the recognition and measurement principles of the International Financial Reporting Standards (IFRS) and contain the presentation and disclosures required by IAS 34, Interim Financial Reporting and in the manner required by the Namibian Companies Act 28 of 2004 (as amended). These condensed Group financial statements have not been audited but have been independently reviewed by the Group's external auditor.

The Group has only one operating segment and thus no segmental reporting has been provided.

These condensed Group interim financial statements were approved by the Board of Directors on 8 November 2024.

3. Material accounting policies

The accounting policies applied by the Group in these condensed Group financial statements are the same as those applied by the Group in its full Group annual financial statements as at and for the year ended 30 September 2023.

New or amended IFRS standards that became effective for the year ended 30 September 2024 had no material impact the Group's reported earnings, financial position or accounting policies.

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)

4. Fair value disclosure

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as closing prices) or indirectly (i.e. derived from closing prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 September 2024 (reviewed)	Level 1	Total
	N\$	N\$
Financial assets mandatorily at fair value through profit or loss:		
- Marketable securities - statutory investments	6 000 000	6 000 000
- Marketable securities - additional investments	7 079 041	7 079 041
	13 079 041	13 079 041
30 September 2023 (audited)	Level 1	Total
	N\$	N\$
Financial assets mandatorily at fair value through profit or loss:		
- Marketable securities - statutory investments	6 000 000	6 000 000
- Marketable securities - additional investments	5 335 519	5 335 519
	11 335 519	11 335 519

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)

5. Trade and other receivables

Trade and other receivables comprise:

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Trade receivables	10 636 428	9 562 557
Prepayments	272 064	230 626
Other receivables	246 286	418 567
	11 154 778	10 211 750

The carrying amounts of trade and other receivables approximate their fair values due to the short-term maturities of these assets.

6. Cash and cash equivalents

Cash and cash equivalents comprise:

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Bank balances	14 857 710	15 977 200
NAM Coronation Money	14 538 258	13 132 804
Market Fund		
	29 395 968	29 110 004

The carrying amounts of cash and cash equivalents approximate their fair values due to the short-term maturities of these assets.

7. Revenue from contracts with customers

Revenue comprises:

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Unit trust fund fees	18 493 009	18 986 161
Segregated fund management fees	49 213 944	49 059 447
Segregated fund performance fees	13 639 938	10 423 224
	81 346 891	78 468 832

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)

7. Revenue from contracts with customers (continued)

Fund management fees and unit trust fund fees are recognised over time as defined in IFRS 15. Performance fees are recognised when the Group is unconditionally entitled to the revenue and no contingency with respect to future performance exists. The Group earns a performance fee if certain performance thresholds and other criteria are met.

8. Other income

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Gains on financial assets held at fair value through profit or loss	1 589 175	1 756 773
Losses on foreign currency movements	(5 382)	-
Unit Trust fund distributions	49 130	192 178
Trailer fees and other	602 102	904 141
	2 235 025	2 853 092

9. Finance income

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$
Interest on current and call accounts	835 820	837 516
Interest on unit trust investments	1 515 126	843 921
	2 350 946	1 681 437

10. Reserve for own shares

Movement in Reserve for own shares	No. shares	N\$
At 1 October 2022	44 295 800	(9 812 774)
Sale of shares by the NSST Trust	(1 317 500)	291 864
Staff share options exercised*	(750 000)	166 146
Acquisition of shares by the NSST Trust*	320 000	(220 800)
At 30 September 2023	42 548 300	(9 575 564)
Sale of shares by the NSST Trust	(320 000)	230 400
At 30 September 2024	42 228 300	(9 345 164)

* The exercise price payable to the NSST Trust from Staff Share options exercised and the purchase price payable by the NSST Trust for the Acquisition of NAM shares from staff had been settled on a net basis. As such there is no cash impact.

NSST shares sold during the current year were traded on the market, and cash of N\$ 229 788 has been received.

The NSST Trust has been deregistered in the current year.

Following the closure of the NSST Trust, NAM has one scheme under the Orban Street Trust under which options to subscribe for NAM shares have been granted to employees as part of the long-term incentive scheme.

11. Related party transactions

No new significant related party transactions arose during the current period which differ in nature to those disclosed in the Group annual financial statements as at and for the year ended 30 September 2023.

12. Events subsequent to the reporting date

The directors are not aware of any material events, occurring between 30 September 2024 and the authorisation date of the announcement that would have an impact on these results.

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)

13. Earnings per share

	Reviewed	Audited
	30 Sept	30 Sept
	2024	2023
	N\$	N\$
Earnings		
Earnings per share is based on basic earnings of:	11 030 273	12 934 980
Headline earnings per share is based on headline earnings of:	11 030 273	12 934 980
Reconciliation of basic earnings to headline earnings		
Basic earnings	11 030 273	12 934 980
Headline earnings attributable to ordinary shareholders	<u>11 030 273</u>	<u>12 934 980</u>
Weighted average number of ordinary shares in issue	157 771 700	156 323 344
Diluted weighted average number of ordinary shares in issue*	170 371 700	172 550 844
Reconciliation of statutory shares in issue to diluted ordinary shares in issue		
Authorised and issued shares	200 000 000	200 000 000
Treasury shares		
- Shares held by NAM Staff Share Trust	-	(1 448 356)
- Shares held by The Orban Street Trust	(42 228 300)	(42 228 300)
Weighted average number of shares in issue**	<u>157 771 700</u>	<u>156 323 344</u>
Effect of share options outstanding	12 600 000	16 227 500
Diluted ordinary shares in issue	<u><u>170 371 700</u></u>	<u><u>172 550 844</u></u>

* Dilution of ordinary shares takes place if all staff exercise their options.

**After consolidation of treasury shares held.

NAMIBIA ASSET MANAGEMENT LTD

NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)

13. Earnings per share (continued)

	Reviewed 30 Sept 2024 N\$ (cents)	Audited 30 Sept 2023 N\$ (cents)
Basic earnings per share	6.99	8.27
Headline earnings per share#	6.99	8.27
Diluted earnings per share	6.47	7.50
Net asset value per share	20.50	20.53

Calculated in terms of JSE's HEPS circular 1/2021.

14. Reconciliation of Fund Management Earnings

Fund management earnings is used by management to measure operating financial performance, being profit for the year excluding the net impact of fair value gains and losses on marketable security investments held by the Group. In management's view, this measure represents the earnings from core business activities of the Group, being fund management activities.

The calculation of fund management earnings is based on headline earnings attributable to ordinary shareholders, adjusted for the fair value gains and losses on our investments held in marketable securities disclosed in the Condensed Group Statement of comprehensive income. These gains and losses relate to the fair value movements on marketable security investments disclosed in the Condensed Group Statement of financial position.

NAMIBIA ASSET MANAGEMENT LTD**NOTES TO THE REVIEWED CONDENSED GROUP ANNUAL FINANCIAL STATEMENTS (CONTINUED)****14. Reconciliation of Fund Management Earnings (continued)**

	Reviewed 30 Sept 2024 N\$	Audited 30 Sept 2023 N\$	%
Headline earnings attributable to ordinary shareholders	11 030 273	12 934 980	(14.7%)
Gains on financial assets held at fair value through profit or loss (note 8)	(1 589 175)	(1 756 773)	(9.5%)
Fund management earnings	<u>9 441 098</u>	<u>11 178 207</u>	<u>(15.5%)</u>
Fund management earnings per share (cents)	5.98	7.10	(15.7%)
Diluted fund management earnings per share (cents)	5.54	6.44	(13.9%)

15. Dividend declaration

Notice is hereby given that a final dividend of 6 cents per share has been declared, payable to shareholders for the year ended 30 September 2024.

The relevant dates for the dividend are as follows:

Last day to trade:	29 November 2024
Ex-dividend:	2 December 2024
Record date:	6 December 2024
Payment date:	13 December 2024