



Paratus Namibia Holdings Limited

Registration number: 2017/0558

Country of registration: Namibia

Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2022

Paratus Namibia Holdings Limited

(Registration number : 2017/0558)

Condensed consolidated and separate financial statements
for the year ended 30 June 2022

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Financial performance overview

The market and prospects

According to the Bank of Namibia Economic Outlook Report, Namibia's GDP growth is projected to improve in 2022, mainly supported by strong performance from the mining industry. Real GDP growth is projected to increase to 3.2% in 2022 before moderating slightly to 2.9% in 2023. The projected improvement is also on account of anticipated better growth rates across all industries.

For the financial year ending 30 June 2022, Paratus Telecommunications (Proprietary) Limited ("Paratus Namibia"), delivered strong revenue growth of 15% against a backdrop of a weak local economy. The group remains well placed to grow revenues due to the continued demand for reliable Internet coupled with the ongoing rollout of last-mile infrastructure. The anticipated growth for the 2023 financial year is to be driven mostly by the expansion of our fiber and LTE network across Namibia and the occupation of the Data Centre, which was inaugurated on 4 August 2022.

For the financial year ending 30 June 2022, Paratus Namibia, the operating entity, realised recurring revenue of N\$343 million (June 2021: N\$305 million) which represents a growth of 13%. Non-recurring revenue, which represents mainly customer premises Local Area Network installations and equipment sales amounts to N\$43 million (June 2021: N\$30.8 million). This represents a growth of 41%. The growth is mainly attributable to a Local Area Network Installation from a new property development project.

The net profit before taxation, for Paratus Namibia, for the same period amounts to N\$47 million (June 2021: N\$40.8 million) and earnings before interest, taxation, depreciation and amortisation ("EBITDA") amounts to N\$114.2 million (June 2021: N\$94.4 million). This represents growth of 15.3% and 21%, respectively. The growth in profitability is mainly attributable to the overall revenue growth of 15% and the moderate increase of 10.2% in operating expenses, despite the growth of the national network and the increase in distribution centres across Namibia. The operating margins for the period under review is slightly lower than the previous reporting period and is mainly due to the lower margins realised from the higher non-recurring revenue.

For the 2023 financial year, a further N\$280 million investment into infrastructure was approved by the Board. This investment will mainly be earmarked for the following capex projects:

- Completion of the Data Centre in Windhoek;
- Completion of the Equiano Cable Landing Station in Swakopmund, which landed on the Namibian coastline on 1 July 2022. The expected "Ready-For-Service" date is during the first quarter of the 2023 calendar year;
- Fiber-to-the-X (FTTx) rollout; and
- Expansion of network infrastructure.

The capital expenditure is to be funded by a combination of own cash resources and the proceeds from the bond programme. An amount of N\$130 million is planned to be raised through the NSX approved bond programme during September 2022.

The directors are of the opinion that the continued aggressive investment in infrastructure assets bodes well for both revenue growth and improved operating margins.

Capital projects

For the financial year ending 30 June 2022, Paratus Namibia, the operating entity, invested N\$282 million (2021: N\$178 million) in infrastructure, which was funded from the bond programme, cash reserves and operational cash flows.

Fiber

N\$128 million was invested in the National fiber network.

Data centre

To date, N\$110 million was invested in the Data Centre. The total construction cost is budgeted at N\$123 million.

Cable Landing Station

A total amount of N\$35.2 million was invested in the Cable Landing Station building in Swakopmund, which has now been completed and is ready for service.

LTE

An amount of N\$23 million was invested towards the LTE networks in Windhoek, the coastal towns, and the North of Namibia.

Management considers EBITDA as an important operational performance measure, as it mirrors Paratus Namibia's ability to generate cash flows from operations. The disparity between profit after taxation and EBITDA stems from the large depreciation charges recorded on infrastructure deployed.

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for the year ended 30 June 2022**

Financial performance overview

Funding

For the period under review, Paratus Namibia have funded approximately 50% of the total capital investment from operational cash flows. The investment in infrastructure bodes well for the group, as is evident from the improvement in the EBITDA margin, emanating from the cost savings realised by using own infrastructure, as well as adding customers to existing network infrastructure.

Dividends

A final dividend for the 2022 financial year of 10 cents per ordinary share was declared on 21 September 2021 and paid on 12 November 2021. An interim dividend for the 2022 financial year of 10 cents per ordinary share was declared on 23 March 2022 and paid on 17 June 2022. On 20 September 2022 the directors declared a final dividend of 10 cents per ordinary share for the 2022 financial year amounting to N\$4 872 312. The total dividends declared and paid for the 2022 financial year amounts to N\$ 9 744 625 (2021:N\$9 744 625).

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Statement of responsibilities of the board of directors

The directors are responsible for the preparation, integrity and objectivity of the condensed consolidated and separate financial statements that fairly present the state of affairs of the group at the end of the period, the profit and cash flow for the period and other information contained in this report.

To enable the directors to meet these responsibilities:

- The board and management set standards and management implements systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded and the risk of error, fraud or loss is reduced in a cost-effective manner. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.
- The board audit, risk and compliance committees of the group, together with the external auditors, play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

To the best of their knowledge and belief, based on the above, the directors are satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the period under review.

The group consistently adopts appropriate and recognised accounting policies and these are supported by reasonable and prudent judgements and estimates on a consistent basis.

The condensed consolidated and separate financial statements presented on pages 7 to 28 have been prepared in accordance with the provisions of the Companies Act of Namibia, 28 of 2004 (Companies Act of Namibia) and comply with the International Accounting Standard, (IAS) 34 Interim Financial Reporting.


The directors are confident that the group will continue to operate as a going concern in the year ahead, based on forecasts and available cash resources. These financial statements have accordingly been prepared on a going concern basis.

The condensed consolidated and separate financial statements have been reviewed by the independent auditing firm, PricewaterhouseCoopers, who was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the review were valid and appropriate. The independent auditor's review report is presented on pages 5 to 6.

The condensed consolidated and separate financial statements, set out on pages 7 to 28, were authorised and approved for issue by the board of directors on 21 September 2022 and are signed on their behalf:



A. Hall
Managing Director



S.I. de Bruin
Chief Financial Officer



INDEPENDENT AUDITOR'S REVIEW REPORT ON FINANCIAL STATEMENTS

To the Shareholders of Paratus Namibia Holdings Limited

We have reviewed the condensed consolidated and separate financial statements of Paratus Namibia Holdings Limited in the accompanying provisional report, which comprise the condensed consolidated and separate statement of financial position as at 30 June 2022 and the related condensed consolidated and separate statements of comprehensive income, changes in equity and cash flows for the twelve-months then ended, and selected explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting* 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

*PricewaterhouseCoopers, Registered Auditors, 344 Independence Avenue, Windhoek, P O Box 1571, Windhoek, Namibia
Practice Number 9406, T: +264 (61) 284 1000, F: +264 (61) 284 1001, www.pwc.com.na*

Country Senior Partner: Chantell N Husselmann
Partners: Louis van der Riet, Anna EJ Rossouw (Partner in charge: Coast), Gerrit Esterhuyse, Samuel N Ndahangwapo, Hans F Hashagen, Johannes P Nel,
Hannes van den Berg, Willem A Burger



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated and separate financial statements of Paratus Namibia Holdings Limited for the twelve months ended 30 June 2022 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting* and the requirements of the Companies Act of Namibia.

PricewaterhouseCoopers

PricewaterhouseCoopers
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Louis van der Riet
Partner: Assurance
Windhoek
Date: 21 September 2022

Paratus Namibia Holdings Limited

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Condensed consolidated and separate financial statements
for the year ended 30 June 2022

Condensed consolidated and separate statements of other comprehensive income for the year ended 30 June 2022

Figures in Namibian Dollars	Notes	GROUP		COMPANY	
		Reviewed 30 June 2022	Audited 30 June 2021	Reviewed 30 June 2022	Audited 30 June 2021
Revenue	25	396 588 167	340 560 820	10 007 257	9 416 544
Cost of Sales	26	(190 726 746)	(160 196 955)	-	-
Gross profit		205 861 421	180 363 865	10 007 257	9 416 544
Other operating income	27	901 773	463 852	-	-
Other operating losses	28	(4 735 297)	(39 013)	-	-
Operating expenses	29	(147 987 214)	(132 432 069)	(1 335 216)	(1 354 485)
Operating profit		54 040 683	48 356 635	8 672 041	8 062 059
Investment income		7 696	56 539	13 951 588	478 275
Finance costs		(11 014 574)	(6 164 938)	(13 951 588)	(478 275)
Profit before taxation		43 033 805	42 248 236	8 672 041	8 062 059
Taxation	30	(17 347 586)	(13 272 005)	-	-
Profit after taxation		25 686 219	28 976 231	8 672 041	8 062 059
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Loss on property revaluation		(2 920 000)	-	-	-
Deferred taxation relating to items that will not be reclassified	30	934 400	-	-	-
Total comprehensive income		23 700 619	28 976 231	8 672 041	8 062 059
Profit after taxation attributable to:					
Equity holders of the parent entity		25 274 779	28 937 115	8 672 041	8 062 059
Non-controlling interests		411 440	39 116	-	-
		25 686 219	28 976 231	8 672 041	8 062 059
Total comprehensive income attributable to:					
Equity holders of the parent entity		23 289 179	28 937 115	8 672 040	8 062 059
Non-controlling interests		411 440	39 116	-	-
		23 700 619	28 976 231	8 672 040	8 062 059

The above Condensed consolidated and separate statements of other comprehensive income for the year ended 30 June 2022 should be read in conjunction with the accompanying notes.

Paratus Namibia Holdings Limited

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Condensed consolidated and separate financial statements
for the year ended 30 June 2022

Condensed consolidated and separate statements of financial position as at 30 June 2022

		GROUP		COMPANY	
		Reviewed	Audited	Reviewed	Audited
Figures in Namibian Dollars	Notes	30 June 2022	30 June 2021	30 June 2022	30 June 2021
ASSETS					
Non-Current Assets					
Property, plant and equipment	9	614 606 160	390 016 662	-	-
Right-of-use asset	10	1 726 934	2 013 764	-	-
Intangible assets	11	291 266 200	296 488 834	-	-
Investment in subsidiaries	12	-	-	279 557 322	427 644 393
Loans to related parties	13	-	-	416 687 071	236 500 000
		907 599 294	688 519 260	696 244 393	664 144 393
Current Assets					
Inventories		27 306 515	18 755 187	-	-
Loans to related parties	13	6 460	216 372	521 656	478 275
Trade and other receivables	14	51 690 516	40 022 452	-	-
Investments at fair value	15	4 691 541	159 856 281	4 668 455	27 811 598
Finance lease receivables		-	4 088	-	-
Current tax receivable		1 972 681	3 509 125	-	-
Cash and cash equivalents	16	3 686 536	11 049 026	218 039	10 090 103
		89 354 249	233 412 531	5 408 150	38 379 976
Total Assets		996 953 543	921 931 791	701 652 543	702 524 369
EQUITY & LIABILITIES					
Equity					
Share capital	17	487 231	487 231	487 231	487 231
Share premium	17	500 187 472	500 187 472	500 187 472	500 187 472
Revaluation reserve		-	1 985 600	-	-
(Accumulated loss) / retained income		63 048 032	47 575 480	(532 361)	540 223
Non-controlling interest		562 414	222 192	-	-
		564 285 149	550 457 975	500 142 342	501 214 926
Non-Current Liabilities					
Loans from group companies / related parties		-	266 004	-	-
Borrowings	18	200 020 010	200 000 000	200 000 000	200 000 000
Lease liabilities	10	787 905	1 392 845	-	-
Contract liabilities	19	109 829 938	88 444 920	-	-
Deferred tax	20	37 825 885	23 697 735	-	-
		348 463 738	313 801 504	200 000 000	200 000 000
Current Liabilities					
Loans from related parties	13	23 460	-	-	-
Trade and other payables	21	41 802 723	33 878 029	818 416	678 458
Borrowings	18	597 354	478 275	521 656	478 275
Lease liability	10	1 266 989	1 104 298	-	-
Contract liabilities	19	12 998 434	9 216 668	-	-
Current tax payable		143 069	-	-	-
Provisions	22	13 623 751	8 860 735	121 900	114 409
Dividends payable	23	48 229	38 301	48 229	38 301
Bank overdraft	16	13 700 647	4 096 006	-	-
		84 204 656	57 672 312	1 510 201	1 309 443
Total Liabilities		432 668 394	371 473 816	201 510 201	201 309 443
Total Equity & Liabilities		996 953 543	921 931 791	701 652 543	702 524 369

The above Condensed consolidated and separate statements of financial position should be read in conjunction with the accompanying notes.

Paratus Namibia Holdings Limited

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Condensed consolidated and separate financial statements
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Condensed consolidated and separate statements of changes in equity for the year ended 30 June 2022

	Stated share capital N\$	Share premium N\$	Total share capital N\$	GROUP Revaluation reserve N\$	Retained earnings N\$	Non- controlling N\$	Total equity N\$
Balance at 01 July 2020	473 856	486 437 972	486 911 828	1 985 600	28 382 990	-	517 280 418
- Profit for the year	-	-	-	-	28 937 115	39 116	28 976 231
- Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	28 937 115	39 116	28 976 231
Cross-holding shares sold	13 375	13 749 500	13 762 875	-	-	-	13 762 875
Acquisition of subsidiary	-	-	-	-	-	183 076	183 076
Dividends declared	-	-	-	-	(9 744 625)	-	(9 744 625)
Total contributions by and distributions to owners of company recognised directly in equity	13 375	13 749 500	13 762 875	-	(9 744 625)	183 076	4 201 326
Balance as at 01 July 2021	487 231	500 187 472	500 674 703	1 985 600	47 575 480	222 192	550 457 975
Adjustments:							
Adjustment: Subsidiary	-	-	-	-	(57 602)	(71 217)	(128 819)
Adjusted balance as at 01 July 2021	487 231	500 187 472	500 674 703	1 985 600	47 517 878	150 975	550 329 156
- Profit for the year	-	-	-	-	25 274 779	411 440	25 686 219
- Other comprehensive income	-	-	-	(1 985 600)	-	-	(1 985 600)
Total comprehensive income for the year	-	-	-	(1 985 600)	25 274 779	411 440	23 700 619
Dividends declared	-	-	-	-	(9 744 625)	-	(9 744 625)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(9 744 625)	-	(9 744 625)
Balance as at 30 June 2022	487 231	500 187 472	500 674 703	-	63 048 032	562 415	564 285 149
Notes	17	17	17				

	Stated share capital N\$	Share premium N\$	COMPANY Total share capital N\$	Revaluation reserve N\$	Retained earnings N\$	Total equity N\$
Balance at 01 July 2020	487 231	500 187 472	500 674 703	-	2 222 789	502 897 492
- Profit for the year	-	-	-	-	8 062 059	8 062 059
- Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	8 062 059	8 062 059
Issue of shares	-	-	-	-	-	-
Dividends declared	-	-	-	-	(9 744 625)	(9 744 625)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(9 744 625)	(9 744 625)
Balance as at 01 July 2021	487 231	500 187 472	500 674 703	-	540 223	501 214 926
- Profit for the year	-	-	-	-	8 672 041	8 672 041
- Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	8 672 041	8 672 041
Dividends declared	-	-	-	-	(9 744 625)	(9 744 625)
Total contributions by and distributions to owners of company recognised directly in equity	-	-	-	-	(9 744 625)	(9 744 625)
Balance as at 30 June 2022	487 231	500 187 472	500 674 703	-	(532 361)	500 142 342
Notes	17	17	17			

The above Condensed consolidated and separate statements of changes in equity should be read in conjunction with the accompanying notes.

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Condensed consolidated and separate statements of cash flows for the year ended 30 June 2022

Figures in Namibian Dollars	Notes	GROUP		COMPANY	
		Reviewed	Audited	Reviewed	Restated
		12 months	12 months	12 months	12 months
		Jun-22	Jun-21	Jun-22	Jun-21
Cash flows from operating activities					
Cash generated from operations	24	128 421 214	95 186 318	(1 187 767)	(563 568)
Interest Paid		(10 814 056)	(5 536 000)	(10 814 056)	-
Interest Received		7 696	56 539	10 814 056	-
Tax paid		(559 924)	(1 536 444)	-	-
Net cash generated from operating activities		117 054 930	88 170 413	(1 187 767)	(563 568)
Cash flows from investing activities					
Acquisition of property, plant and equipment	9	(279 751 793)	(174 023 382)	-	-
Proceeds on disposal of property, plant and equipment		156 870	148 349	-	-
Acquisition of intangible assets	11	(2 008 593)	(4 086 289)	-	-
Cross-holding shares sold		-	14 645 625	-	-
Finance lease receipts		4 088	99 075	-	-
Acquisition of subsidiary		-	(2 080 000)	-	-
Deposits into money market funds and similar securities	15	(34 540 000)	(261 734 924)	(19 540 000)	(47 161 000)
Withdrawals from money market funds and similar securities	15	193 340 400	221 026 086	43 690 400	97 451 701
Funds advanced to subsidiary		-	-	(23 100 000)	(230 000 000)
Repayment of loans from related parties		(309 813)	-	-	-
Proceeds from related party loans		(19 409)	-	-	-
Cash acquired from subsidiary acquisition	12	-	196	-	-
Net cash used in investing activities		(123 128 250)	(206 005 264)	1 050 400	(179 709 299)
Cash flows from financing activities					
Repayment of borrowings		(65 764)	(79 884 213)	-	-
Proceeds from borrowings	18	-	200 000 000	-	200 000 000
Payment on lease liabilities	10	(1 262 185)	(1 188 707)	-	-
Proceeds from related party loans		216 372	603 859	-	-
Related party loan advanced to the group		-	266 004	-	-
Dividends paid		(9 734 697)	(14 444 886)	(9 734 697)	(14 578 635)
Net cash (used in) / generated from financing activities		(10 846 274)	105 352 057	(9 734 697)	185 421 365
Decrease in cash equivalents		(16 919 594)	(12 482 794)	(9 872 064)	5 148 498
Cash equivalents at beginning of period		6 953 020	20 922 434	10 090 103	4 941 605
Effect of exchange rates on cash and cash equivalents		(47 537)	(1 486 620)	-	-
Cash equivalents at end of period	16	(10 014 111)	6 953 020	218 039	10 090 103

Restatement on company figures: Funds advanced to subsidiary amounting to N\$230 000 000 has been reallocated from cash flows from financing activities to cash flows from investing activities. This results in Net cash flows used in investing activities to change from an inflow of N\$50 290 701 to an outflow of N\$179 709 299 and Net cash used in financing activities to change from an outflow of N\$44 578 635 to an inflow of N\$185 421 365 for the year ended 30 June 2021, respectively.

The above Condensed consolidated and separate statements of cash flows should be read in conjunction with the accompanying notes.

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Notes the condensed consolidated and separate financial statements for the year ended 30 June 2022

1. General information

Nature of the business

Paratus Namibia Holdings Limited was incorporated in Namibia and is an investment holding company. Paratus Telecommunications (Proprietary) Limited, a wholly owned subsidiary of Paratus Namibia Holdings Limited, was incorporated in Namibia and operates in the information and communications technology industry.

Paratus Namibia Holdings Limited is listed on the Namibian Stock Exchange ("NSX").

Sector: Technology, Technology Hardware and Equipment, Telecommunications Equipment

Share code: PNH

ISIN: NA000A2DTQ42

Company registration number: 2017/0558

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

2. Basis of presentation

The reviewed condensed consolidated and separate financial statements for the year ended 30 June 2022, is prepared in accordance with the requirements of the NSX Listings Requirements for provisional reports and the requirements of the Companies Act of Namibia. The Listings Requirements require provisional reports to be prepared according to the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and to also, as a minimum, contain the information required by IAS34 Interim Financial Reporting.

3. Accounting policies

The accounting policies applied in the preparation of the condensed consolidated and separate financial statements are in terms of IFRS and are consistent with those applied in the previous annual financial statements, except for the adoption of new or revised accounting standards as set out in the condensed consolidated and separate financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance since the last annual financial statements.

4. Standards and interpretations issued affecting amounts reported and disclosures in the current financial year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	01 January 2021	The impact of the amendments is not material.
Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	01 January 2021	The impact of the amendments is not material.

5. Standards and interpretations not yet effective

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined	Unlikely there will be a material impact
Deferred taxation related to assets and liabilities arising from a single transaction - Amendments to IAS12	01 January 2023	Unlikely there will be a material impact
Disclosure of accounting policies: Amendments to IAS1 and IFRS Practice Statement 2	01 January 2023	Unlikely there will be a material impact
Definition of accounting estimates: Amendments to IAS 8	01 January 2023	Unlikely there will be a material impact
Classification of liabilities as Current or Non-Current - Amendments to IAS 1	01 January 2023	Unlikely there will be a material impact
Annual Improvements to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	Unlikely there will be a material impact
Reference to the conceptual framework: Amendments to IFRS 3	01 January 2022	Unlikely there will be a material impact
Annual Improvements to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	Unlikely there will be a material impact
Property, plant and equipment: Proceeds before intended use: Amendments to IAS16	01 January 2022	Unlikely there will be a material impact
Onerous contracts - cost of fulfilling a contract: Amendments to IAS 37	01 January 2022	Unlikely there will be a material impact

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Notes the condensed consolidated and separate financial statements for the year ended 30 June 2022

6. Seasonality of operations

Paratus Namibia Holdings Limited Group does not experience any significant seasonality of business operations.

7. Financial risk management and financial instruments

The group's activities expose it to a variety of financial risks: market risks (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The reviewed condensed consolidated and separate financial statements do not include all financial risk management information and disclosures required in the financial statements; they should be read in conjunction with the group's annual financial statements. There have been no significant changes in the risk management policies since the prior year-end.

8. Income taxation expense

Income taxation expense is recognised based on a statutory income taxation rate of 32%.

The stand alone company, Paratus Namibia Holdings Limited, did not earn any taxable income for the year under review.

9. Property, plant and equipment

	GROUP 30 June 2022				
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions / revaluation	Disposals/ transfers	Depreciation	Closing Balance
Land	14 280 005	-	-	-	14 280 005
Buildings ¹	46 050 000	(7 650 000)	-	-	38 400 000
Fiber passive equipment	48 496 542	-	-	(2 893 142)	45 603 400
Fiber active equipment	5 029 593	5 750 794	-	(3 303 623)	7 476 764
Infrastructure	203 029 041	122 028 334	(144 544)	(14 520 265)	310 392 566
Core network assets	25 818 990	26 474 965	-	(11 504 671)	40 789 284
Equipment	15 937 826	14 612 805	(18 081)	(13 285 252)	17 247 298
Office equipment	358 292	676 922	-	(196 564)	838 650
Furniture & Fittings	668 524	524 844	-	(493 773)	699 595
Motor Vehicles	2 840 641	1 547 439	-	(1 310 655)	3 077 425
Capital Work in Progress	27 507 208	108 293 965	-	-	135 801 173
	390 016 662	272 260 068	(162 625)	(47 507 945)	614 606 160

In the current year additions / revaluations on property, plant and equipment include a prior year measurement adjustment amounting to N\$158 275. Of this adjustment an amount of N\$124 467 pertains to an "at acquisition", measurement adjustment, (refer note 12).

¹ During April 2022 the Land and Buildings was revalued by an independent Sworn Appraiser. The outcome was a revaluation loss of N\$7 650 000. The revaluation loss occurred mainly due to lower market rentals and higher capitalisation rates, driven by the higher interest rate environment. Land and Buildings are classified as owner occupied in the consolidated annual financial statements, which required the revaluation loss to be accounted for net of deferred tax under Other Comprehensive Income. The Revaluation Reserve balance was N\$1 985 600 as at 1 July 2021 and therefore only N\$1 985 600 (net of deferred tax) was allocated to Other Comprehensive Income. The remainder N\$4 730 000 of the revaluation loss was accounted for under Other Operating Losses (see note 28).

	GROUP 30 June 2021				
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions / revaluation	Disposals / transfers	Depreciation	Closing Balance
Land	3 970 000	10 310 005	-	-	14 280 005
Buildings	46 050 000	-	-	-	46 050 000
Fiber passive equipment	51 389 684	-	-	(2 893 142)	48 496 542
Fiber active equipment	6 277 896	1 055 505	-	(2 303 808)	5 029 593
Infrastructure	94 849 770	105 451 605	11 293 363	(8 565 697)	203 029 041
Core network assets	25 809 350	13 889 967	(15 653)	(13 864 674)	25 818 990
Equipment	11 493 543	13 808 346	(47 778)	(9 316 285)	15 937 826
Office Equipment	452 347	123 453	-	(217 508)	358 292
Furniture & Fittings	875 942	288 461	-	(495 879)	668 524
Motor Vehicles	2 516 496	1 236 060	-	(911 915)	2 840 641
Capital Work in Progress	10 559 378	28 241 193	(11 293 363)	-	27 507 208
	254 244 406	174 404 595	(63 431)	(38 568 908)	390 016 662

In the prior year additions / revaluations on property plant and equipment include assets acquired as a result of a business combination amounts to N\$381 213, (refer note 12).

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9. Property, plant and equipment (continued)

Details of owner occupied land and buildings

Erf 232 (a portion of Erf 231), Prosperita

- Land and building at cost
- Improvements since acquisition
- Revaluations since acquisition

GROUP	
30 June 2022	30 June 2021
N\$	N\$
470 000	470 000
1 125 306	1 125 306
6 994 694	9 924 694
8 590 000	11 520 000

Property consists of Erf No.232 (a portion of Erf 231), Prosperita, in the Municipality of Windhoek, Registration Division", measuring 1,343 square metres. Held under Registered Deed of Transfer T0070/2008.

Erf no. 348, Prosperita

- Land and building at cost
- Improvements since acquisition
- Revaluations since acquisition

GROUP	
30 June 2022	30 June 2021
N\$	N\$
3 500 000	3 500 000
18 876 499	18 876 499
11 403 501	16 123 501
33 780 000	38 500 000

Property consists of Erf No. 348, Prosperita, in the Municipality of Windhoek, Registration Division "K", measuring 2,638 square metres. Registered under Deed of Transfer T5746/2008.

Erf no. 5360 Swakopmund

- Land at cost

955 000	955 000
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Property consists of Erf 3560, in the municipality of Swakopmund, registration division "G", measuring 1,000 square meters.

The construction of the Cable Landing Station for the Equiano Submarine Cable in Swakopmund has been finalised and the internal fit out was completed during the financial year. The landing station is ready to accommodate the cable, which landed in Namibia on 1 July 2022 and is expected to go live during the first quarter of 2023.

The total capital expenditure at 30 June 2022 amounts to N\$36 131 900, including the cost of the erf, total work-in-progress allocated to this project amounts to N\$35 176 900.

Portion 361 (apportion of portion 26) of the farm Brakwater no. 48

- Land at cost

9 355 005	9 355 005
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Property consists of Portion 361 (a portion of portion 26 of the farm Brakwater no. 48, in the Municipality of Windhoek, Registration Division "K", measuring 12,986 square metres.

The Armada Data centre has been completed after year-end. Total capital expenditure towards this project at 30 June 2022 amounts to N\$109 979 286, total work-in-progress allocated to this project amounts to N\$96 133 880.

Details of valuations

Erf 232 and Erf 348 in Prosperita has been revalued. The effective date of the valuations was 26 April 2022. Revaluations were performed by an independent valuer, Mr. P.J.J. Wilders (valuation surveyor) of Pierewiet Property Valuations. Pierewiet Property Valuations are not connected to the company and have recent experience in location and category of the property being valued.

The valuation was based on open market value for existing use.

Property, plant and equipment are tangible assets which the group holds for its own use 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 company, 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 in respect of hedge accounting, where appropriate.

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 company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

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9. Property, plant and equipment (continued)

Any increase 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. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in profit or loss in the current year. The decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation reserve in equity.

The revaluation reserve related to a specific item of property, plant and equipment is transferred directly to retained income when the asset is derecognised.

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 company. 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	Average useful life	Method	Residual value
Land	Indefinite life	Not applicable	Not applicable
Buildings	20 years	Straight line	N\$38 400 000
Fiber (passive equipment)	20 years	Straight line	Nil
Fiber (active equipment)	5 years	Straight line	Nil
Infrastructure	20 years	Straight line	Nil
Core network assets	5 years	Straight line	Nil
Equipment	3 to 5 years	Straight line	Nil
Office equipment	5 years	Straight line	Nil
Furniture and fittings	5 years	Straight line	Nil
Motor vehicles	4 years	Straight line	Nil

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each 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. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

10. Leases (company as a lessee)

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 company 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.

Right-of-use assets are classified separately and pertains to lease agreements on buildings only. The group leases various properties. Rental contracts are typically made for fixed periods of 3 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so to produce a constant periodic rate of interest on the remaining balance of the liability each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate

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10. Leases (company as a lessee) (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment.

Extension and termination options are included in the property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable by both parties.

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

Right-of-use assets

Reconciliation of right-of-use assets

	GROUP 30 June 2022				
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions	Disposals/ modification	Depreciation	Closing balance
Buildings	2 013 764	685 600	(22 800)	(949 630)	1 726 934

	GROUP 30 June 2021				
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions	Disposals/ modification	Depreciation	Closing balance
Buildings	1 771 687	-	1 122 359	(880 282)	2 013 764

Depreciation recognised includes depreciation which has been expensed in the total depreciation charge in profit or loss, as well as depreciation which has been capitalised to the cost of other assets. Right-of-use assets are depreciated over the term of the respective lease and is assessed on a regular basis.

At year-end all qualifying leases are reassessed and a lease modification is accounted for if necessary. No gain or loss on lease modification has been accounted for under other operating gains during the current year. (2021:N\$Nil)

Other disclosures

	GROUP	
	30 June 2022 N\$	30 June 2021 N\$
Interest expense on lease liabilities	(157 137)	(150 663)
Expenses on short term leases included in operating expenses	(746 442)	(412 536)
Total cash flow from leases	(1 262 185)	(1 188 707)

Lease liabilities

Maturity analysis of lease liabilities are as follows:

Within one year
Two to five years

Less finance charge component

GROUP	
30 June 2022 N\$	30 June 2021 N\$
1 383 146	1 256 809
899 154	1 459 226
2 282 300	2 716 035
(227 406)	(218 892)
2 054 894	2 497 143

Non-current liabilities
Current liabilities

GROUP	
30 June 2022 N\$	30 June 2021 N\$
2 054 894	2 497 143
787 905	1 392 845
1 266 989	1 104 298

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11. 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 initially recognised at cost. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation year and the amortisation method for intangible assets are reviewed every year-end.

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

Item	Average useful life	Method
Paratus Brand	6 Years	Straight line
Telecommunications License / Network Spectrum	Indefinite life	Not applicable
Free right of use (Fiber capacity - Botswana)	18.17 years	Straight line
Computer software	3 years	Straight line
Goodwill	Indefinite life	Not applicable
Customer base	12 years	Straight line
Customer relationship - Botswana Fiber Network	20 years	Straight line

GROUP 30 June 2022					
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions / revaluations	Disposals	Depreciation	Closing Balance
Paratus Brand	12 462 300	-	-	(2 769 400)	9 692 900
Telecommunications License / Network Spectrum	241 408 500	-	-	-	241 408 500
Free right of use (Fiber capacity - Botswana)	23 119 266	-	-	(1 387 156)	21 732 110
Computer software	4 069 071	2 008 594	-	(2 562 451)	3 515 214
Goodwill	12 287 742	19 242	-	-	12 306 984
Customer base	450 297	-	-	(385 968)	64 329
Customer relationship - Botswana Fiber Network	2 691 658	-	-	(145 495)	2 546 163
	296 488 834	2 027 836	-	(7 250 470)	291 266 200

GROUP 30 June 2021					
	N\$	N\$	N\$	N\$	N\$
	Opening balance	Additions / revaluations	Disposals	Depreciation	Closing Balance
Paratus Brand	15 231 700	-	-	(2 769 400)	12 462 300
Telecommunications License / Network Spectrum	241 408 500	-	-	-	241 408 500
Free right of use (Fiber capacity - Botswana)	24 506 422	-	-	(1 387 156)	23 119 266
Computer software	1 930 559	4 086 289	-	(1 947 777)	4 069 071
Goodwill	10 406 074	1 881 668	-	-	12 287 742
Customer base	836 266	-	-	(385 969)	450 297
Customer relationship - Botswana Fiber Network	2 837 153	-	-	(145 495)	2 691 658
	297 156 674	5 967 957	-	(6 635 797)	296 488 834

On 1 June 2021 Paratus Telecommunications (Proprietary) Limited acquired a 52% interest in Bitstream Internet Solutions (Proprietary) Limited ("Bitstream"), through a business combination, resulting in goodwill to the amount of N\$1 881 668. A prior year measurement adjustment on the accounting records of Bitstream has resulted in an adjustment to initial Goodwill amounting to N\$19 242. Refer note 12.

Intangible assets are amortised over their useful lives, except for the telecommunications license / network spectrum and goodwill which have indefinite useful lives. Intangible assets with indefinite useful lives are tested for impairment and all impairment losses are accounted for in profit or loss. At the end of the reporting period there were no indicators for impairment.

Fair value information

Intangible assets at fair value are classified as level 3 financial instruments. Level 3 financial instruments are valued at unobservable inputs for the assets. No transfers of financial instruments have been made between fair value hierarchy levels during the reporting period.

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12. Investment in subsidiaries

The following table lists the entities controlled directly and indirectly by the group and company:

Company interest held directly by Paratus Namibia Holdings Limited

Name of company	% voting power 2022	% voting power 2021	% holding 2022	% holding 2021
Paratus Telecommunications (Proprietary) Limited	100%	100%	100%	100%

Group interests held indirectly - held by Paratus Telecommunications (Proprietary) Limited

Name of company	% voting power 2022	% voting power 2021	% holding 2022	% holding 2021
Internet Technologies Namibia (Proprietary) Limited	100%	100%	100%	100%
Paratus Properties (Proprietary) Limited	100%	100%	100%	100%
Paratus Property Two (Proprietary) Limited	100%	100%	100%	100%
Paratus Voice Telecommunications (Proprietary) Limited	100%	100%	100%	100%
Bitstream Internet Solutions (Proprietary) Limited	52%	52%	52%	52%

The following table lists the carrying amounts of the investments:

Company interest held directly by Paratus Namibia Holdings Limited

	Carrying amount 2022 N\$	Carrying amount 2021 N\$
Paratus Telecommunications (Proprietary) Limited	279 557 322	427 644 393

Group interests held indirectly - held by Paratus Telecommunications (Proprietary) Limited

	Carrying amount 2022 N\$	Carrying amount 2021 N\$
Internet Technologies Namibia (Proprietary) Limited	10 000	10 000
Paratus Properties (Proprietary) Limited	8 933 207	8 933 207
Paratus Property Two (Proprietary) Limited	14 498 004	14 498 004
Paratus Voice Telecommunications (Proprietary) Limited	100	100
Bitstream Internet Solutions (Proprietary) Limited	2 080 000	2 080 000

The carrying amounts of the subsidiaries are shown net of impairment losses.

Business combination

On 1 June 2021 Paratus Telecommunications (Proprietary) Limited acquired a 52% interest in Bitstream Internet Solutions (Proprietary) Limited ("Bitstream"), through a business combination.

Details of the purchase consideration, the net assets acquired and goodwill, are as follows:

	30 June 2022 N\$	30 June 2021 N\$
Fair value of consideration transferred	2 080 000	2 080 000
Fair value of previously held equity interest	-	-
Fair value of purchase consideration	2 080 000	2 080 000
The assets and liabilities recognised as a result of the acquisition are as follows:		
Cash and cash equivalents	196	196
Property, plant and equipment	381 212	381 212
Measurement period adjustment : property, plant and equipment (refer note 9)	124 467	-
Measurement period adjustment : other financial liabilities (refer note 18)	(161 472)	-
Net identifiable assets acquired	344 403	381 408
Add: Goodwill	1 881 668	1 881 668
Add: measurement period adjustment - Goodwill (refer note 11)	19 242	-
Less: Non-controlling interest	(183 076)	(183 076)
Add: measurement period adjustment - Non-controlling interest	17 762	-
	2 080 000	2 080 000

The subsidiary's audited figures reflected that property, plant and equipment "at acquisition" has been remeasured at the amount of N\$505 679.82. Additional hire purchase liabilities amounting to N\$161 472 has also been accounted for "at acquisition" as per subsidiary's audited figures. A trademark asset in the standalone books of Bitstream has increased by N\$ 37 005, from N\$1 698 787 to N\$1 735 793. The results of the audit was not available to the holding company at the time of finalisation of the 30 June 2021 consolidation. The remeasurement in "at acquisition" assets and liabilities has resulted in a change in the calculated Goodwill and NCI at acquisition. Recalculated figures amount to N\$1 900 910 pertaining to Goodwill and N\$165 314 pertaining to NCI.

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13. Loans to related parties

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$

Loans to related parties

Paratus Telecommunications (Proprietary) Limited - Namibia

-	-	216 687 071	36 500 000
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Interest will be charged at 0% per annum. There are no fixed terms of repayment, other than a 12 month notice period. The loan is a variable long-term loan for inter alia the following:

- A share buy-back from PNH;
- Cash contributions towards capital projects within the Company;
- Payments of expenses on behalf of the holding company; and
- Dividends payable to Paratus Namibia Holdings Limited to replenish reserves to enable dividend payments to the shareholders of Paratus Namibia Holdings Limited.

Paratus Telecommunications (Proprietary) Limited - Namibia

-	-	200 521 656	200 478 275
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The loan is a long-term loan for capital projects within the Group. Interest will be charged as per the Applicable Pricing Supplements for the N\$25 000 000 and N\$175 000 000 Senior Unsecured Floating Rate Notes. Interest payments to be made to the note holders by Paratus Telecommunications (Proprietary) Limited on behalf of Paratus Namibia Holdings Limited. Repayment terms to be back-to-back with the Medium Term Note Programme's Applicable Pricing Supplement for the three years and five years notes issued by Paratus Namibia Holdings Limited, respectively. This loan is subject to a twelve month written notice period for repayment.

Canocopy (Proprietary) Limited - Namibia

-	216 372	-	-
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This loan bears interest at a prime linked interest rate and repayable in equal monthly instalments of N\$50 000.

Misty Bay Investments One Hundred and Forty Close Corporation

(23 460)	(266 004)	-	-
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This loan bears no interest and has no fixed repayment terms.

Synapse Business Solutions (Proprietary) Limited

6 460	-	-	-
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This loan bears no interest and has no fixed repayment terms.

Non-current asset	-	-	416 687 071	236 500 000
Current assets	6 460	216 372	521 656	478 275
Non-current liabilities	-	(266 004)	-	-
Current liabilities	(23 460)	-	-	-
	(17 000)	(49 632)	417 208 727	236 978 275

14. Trade and other receivables

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Financial instruments				
Customer receivables	26 427 232	25 406 560	-	-
Loss Allowance	(3 707 939)	(3 139 686)	-	-
	22 719 293	22 266 874	-	-
Sundry debtors	1 627 267	83 435	-	-
Deposits	664 332	607 732	-	-
Non-financial instruments				
Prepayments	8 973 115	7 726 167	-	-
VAT receivable	17 706 509	9 338 244	-	-
	51 690 516	40 022 452	-	-

Customer receivables amounting to N\$25 216 329 have been ceded to First National Bank of Namibia Limited as security for the overdraft facilities. (refer note 16)

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15. Investments at fair value

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
IJG Corporate Money Market Solutions	4 691 541	159 856 281	4 668 455	27 811 598
Cirrus Capital Money Market Fund	-	-	-	-
Capricorn Corporate fund	23 087	132 044 684	-	-
Old Mutual Corporate Fund	467 938	10 002 675	467 939	10 002 676
	4 200 516	17 808 922	4 200 516	17 808 922
Details of Money market funds:				
IJG Corporate Money Market Solutions				
Opening balance	-	39 911 073	-	-
Withdrawals	-	(40 856 197)	-	-
Deposits	-	-	-	-
Dividends	-	945 124	-	-
	-	-	-	-
Cirrus Capital Money Market Fund				
Opening balance	132 044 684	-	-	-
Withdrawals	(149 650 000)	(82 718 189)	-	-
Deposits	15 000 000	214 573 924	-	-
Dividends	2 628 403	188 949	-	-
	23 087	132 044 684	-	-
Capricorn Corporate fund				
Opening balance	10 002 675	7 948 198	10 002 675	7 948 198
Withdrawals	(26 690 400)	(45 380 700)	(26 690 400)	(45 380 700)
Deposits	17 000 000	47 161 000	17 000 000	47 161 000
Dividends	155 663	274 177	155 663	274 177
	467 938	10 002 675	467 938	10 002 675
Old Mutual Corporate Fund				
Opening balance	17 808 922	67 237 556	17 808 922	67 237 556
Withdrawals	(17 000 000)	(52 071 001)	(17 000 000)	(52 071 001)
Deposits	2 540 000	-	2 540 000	-
Dividends	851 594	2 642 367	851 594	2 642 367
	4 200 516	17 808 922	4 200 516	17 808 922

Fair value hierarchy

Investments at fair value are classified as level 2 financial instruments.

Level 2 financial instruments are valued at prices relative to prices in the market.

No transfers of financial instruments have been made between fair value hierarchy levels during the year ended 30 June 2022 (30 June 2021: N\$Nil).

16. Cash and cash equivalents

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Cash on hand	(10 014 111)	6 953 019	218 039	10 090 103
Bank Balances	59 222	27 065	-	-
Bank overdraft	3 627 314	11 021 960	218 039	10 090 103
	(13 700 647)	(4 096 006)	-	-

The group has sufficient borrowing capacity and undrawn financing facilities to sustain its cash flow requirements for the foreseeable future.

The bank overdraft facility with First National Bank of Namibia Limited, bears interest at the Namibian prime overdraft rate.

The above overdraft is secured as follows:

- Cession of debtors (refer note 14)

All excess cash not immediately required for operations is invested in money market funds to maximise returns (refer note 15).

Details of facilities available for future operating activities and commitments:

	30 June 2022 N\$	30 June 2021 N\$
- Overdraft facility	30 000 000	20 000 000
- Contingent facility	10 000 000	10 000 000
- FOREX - forward exchange contracts	1 000 000	-
- Settlement facility	160 000	120 000
- First card facility	300 000	300 000
- Asset finance facility	2 500 000	2 500 000

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was deemed to be immaterial.

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17. Share capital

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Reconciliation of number of shares issued:				
Reported as at 01 July	48 723 123	47 385 623	48 723 123	48 723 123
Cross-shareholding	-	1 337 500	-	-
	<u>48 723 123</u>	<u>48 723 123</u>	<u>48 723 123</u>	<u>48 723 123</u>
Issued				
Ordinary shares at N\$0.01	487 231	487 231	487 231	487 231
Share premium	500 187 472	500 187 472	500 187 472	500 187 472
	<u>500 674 703</u>	<u>500 674 703</u>	<u>500 674 703</u>	<u>500 674 703</u>

18. Borrowings

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Held at amortised cost				
Secured				
Bank Windhoek Instalment Sales Agreement ¹	95 708	-	-	-
Unsecured				
Three-year Senior Unsecured Floating Rate Notes ²	175 454 501	175 416 543	175 454 501	175 416 543
Five-year Senior Unsecured Floating Rate Notes ³	25 067 155	25 061 732	25 067 155	25 061 732
	<u>200 521 656</u>	<u>200 478 275</u>	<u>200 521 656</u>	<u>200 478 275</u>
Non-current liabilities	200 020 010	200 000 000	200 000 000	200 000 000
Current liabilities	597 354	478 275	521 656	478 275
	<u>200 617 364</u>	<u>200 478 275</u>	<u>200 521 656</u>	<u>200 478 275</u>

¹ Bank Windhoek Instalment Sales Agreement are payable in monthly instalments, bears interest at prime linked interest rate per annum and is secured by assets with a carrying amount of N\$172 087 (30 June 2021: N\$277 447).

A prior year adjustment amounting to N\$161 472 pertains to two instalment sales agreements adjusted for as "at acquisition" of Bitstream Internet Solutions (Proprietary) Limited. (refer to note 12).

² The Three-year Unsecured Floating Rate Notes amounting to N\$175 million are due on 18 June 2024 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 300 basis points.

³ The Five-year Unsecured Floating Rate Notes amounting to N\$25 million are due on 18 June 2026 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 325 basis points.

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Total interest expense for the year on the bonds:	13 951 588	478 275	13 951 588	478 275

The Unsecured Floating Rate Notes are subject to the following covenant ratios:

	GROUP	
	30 June 2022	30 June 2021
Net interest bearing debt / EBITDA multiple not more than 3.5x	1.9	0.4
Net debt / EBITDA multiple	3.5	1.9
EBITDA interest cover multiple not less than 2.5x	10.0	15.3

19. Contract liabilities

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Indefeasible right of use - Trans Kalahari fiber route	88 444 920	93 991 569	-	-
Indefeasible right of use - Equiano	26 931 667	-	-	-
Various other short term contract liabilities	7 451 785	3 670 019	-	-
	<u>122 828 372</u>	<u>97 661 588</u>	<u>-</u>	<u>-</u>
	122 828 372	97 661 588	-	-
Contract liabilities - non-current	109 829 938	88 444 920	-	-
Contract liabilities - current	12 998 434	9 216 668	-	-

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20. Deferred taxation

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Deferred taxation liability	(37 825 885)	(23 697 735)	-	-
Reconciliation of deferred taxation assets / (liabilities)				
At beginning of the year	(23 697 735)	(10 425 730)	-	-
Deductible temporary difference movement on property, plant and equipment	(27 591 272)	(20 752 125)	-	-
Taxable temporary difference movement on intangible assets	523 781	46 429	-	-
Deductible temporary difference movement on prepaid expense	(1 025 515)	(150 305)	-	-
Taxable / (Deductible) temporary difference movement on unrealised foreign exchange gains / losses	(167 911)	(21 537)	-	-
Taxable temporary difference movement on provisions	313 104	129 210	-	-
Taxable temporary difference movement on income received in advance	7 783 612	2 991 936	-	-
Deductible temporary difference movement on deposits by customers	(2 126)	(2 620)	-	-
Taxable / (Deductible) temporary difference movement on right of use assets	91 786	(644 405)	-	-
(Deductible) / Taxable temporary difference movement on lease liability	(141 520)	799 086	-	-
Prior year adjustment in subsidiary - Bitstream Internet Solutions (Pty) Ltd	45 602	-	-	-
Tax loss available for set-off against taxable future taxable income	6 042 309	4 332 326	-	-
	(37 825 885)	(23 697 735)	-	-

21. Trade and other payables

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Financial instruments:				
Trade payables	33 499 980	26 437 535	705 462	678 457
Leave pay accrual	4 695 694	4 549 020	-	-
Salary accrual	3 329 944	2 717 786	-	-
Sundry payables	-	-	-	-
Deposits received	51 229	57 873	-	-
Non-financial instruments				
VAT	112 923	115 814	-	-
Non-resident shareholders taxation payable	112 954	-	112 954	-
	41 802 724	33 878 028	818 416	678 457
Financial instruments and non-financial instrument components of trade and other payables				
At amortised cost	41 576 847	33 762 214	705 462	678 457
Non-financial instruments	225 877	115 814	112 954	-
	41 802 724	33 878 028	818 416	678 457

22. Provisions

	Opening Balance N\$	Additions N\$	Utilised during the year N\$	Closing Balance N\$
Reconciliation of group provisions - 30 June 2022				
Provision: CRAN regulatory levy	1 866 934	248 507	-	2 115 441
Provision: Audit fees	469 050	1 079 119	(545 108)	1 003 061
Salary provision	6 524 751	12 117 377	(8 136 879)	10 505 249
	8 860 735	13 445 003	(8 681 987)	13 623 751
	Opening Balance N\$	Additions N\$	Utilised during the year N\$	Closing Balance N\$
Reconciliation of group provisions - 30 June 2021				
Provision: CRAN regulatory levy	117 955	1 748 979	-	1 866 934
Provision: Audit fees	957 660	727 923	(1 216 533)	469 050
Salary provision	4 573 060	7 647 707	(5 696 016)	6 524 751
	5 648 675	10 124 609	(6 912 549)	8 860 735

Every licensed telecommunications company in Namibia was subject to a universal service levy payable to Communications Regulatory Authority of Namibia ("CRAN"). The regulatory levy is paid based on a licensee's turnover which is limited to turnover derived from services or business which may be regulated under the Act.

A provision for audit fees is created based on the expected fees to be paid for the services rendered for the current financial year-end.

Salary provisions include provision for bonuses to the amount of N\$9 662 536 (30 June 2021: N\$5 908 025) and provision for severance pay to the amount of 842 713 (30 June 2021: N\$616 726).

The amount recognised as a provision is the best estimate of the expenditure required to settle the recent obligation at the balance sheet date, that is, the amount that the company would rationally pay to settle the obligation at the balance sheet date.

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23. Dividends payable

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Opening balance 01 July	38 301	4 738 562	38 301	4 872 312
Dividends declared	9 744 625	9 744 624	9 744 625	9 744 624
Crossholding	-	133 750	-	-
Dividends paid out	(9 734 697)	(14 578 635)	(9 734 697)	(14 578 635)
Closing balance	48 229	38 301	48 229	38 301

On 21 September 2021 the directors declared a final dividend of 10 cents per ordinary share for the 2021 financial year amounting to N\$4 872 312.

On 23 March 2022 the directors declared a dividend of 10 cents per ordinary share, amounting to N\$4 872 312.

Aggregate dividends declared for the year amounts to N\$9 744 625 (30 June 2021: N\$9 744 625).

24. Cash generated from operations

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Profit for the year	43 033 805	42 248 236	8 672 041	8 062 059
Adjusted for:				
Depreciation on property, plant and equipment	47 507 945	38 568 908	-	-
Depreciation right of use asset	949 630	880 282	-	-
Amortisation on intangible assets	7 250 470	6 635 797	-	-
Loss / (profit) on sale of property, plant and equipment	5 755	(84 918)	-	-
Gain on sale of shares	-	(882 750)	-	-
(Gains) / losses on foreign exchange	(338 370)	1 625 435	-	-
Loss on fair value adjustments	4 730 000	-	-	-
Dividend income	(3 635 658)	(4 050 618)	(10 007 257)	(9 416 544)
Interest Received	(7 696)	(56 539)	(13 951 588)	(478 275)
Interest Paid	10 857 437	6 014 275	13 951 588	478 275
Interest paid lease liability	157 137	150 663	-	-
Movements in provisions	4 763 016	3 212 060	7 491	114 409
Changes in working capital				
Inventories	(8 551 328)	(5 020 061)	-	-
Trade and other receivables	(9 439 402)	(9 568 098)	-	-
Prepayments	(1 246 949)	(671 017)	-	-
Contract liabilities	25 166 784	9 349 799	-	-
Trade and other payables	7 218 638	6 834 865	139 958	676 508
	128 421 214	95 186 319	(1 187 767)	(563 568)

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25. Revenue

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Disaggregation of revenue from contracts with customers				
Revenue from contracts with customers is generated from the provision of ICT services to customers.				
The company disaggregates revenue from customers as follows:				
Timing of revenue recognition				
At a point in time				
Cloud	164 979	4 451	-	-
Connectivity	15 273 080	7 002 014	-	-
Local Area Network	27 983 694	23 745 587	-	-
Security	18 047	81 056	-	-
	<u>43 439 800</u>	<u>30 833 108</u>	<u>-</u>	<u>-</u>
Over time				
Cloud	16 895 544	14 484 647	-	-
Connectivity	306 567 441	265 293 739	-	-
Local Area Network	11 535 750	11 487 753	-	-
Security	35 211	39 961	-	-
Voice	16 340 214	15 563 723	-	-
Discount allowed	(1 861 451)	(1 192 729)	-	-
	<u>349 512 709</u>	<u>305 677 094</u>	<u>-</u>	<u>-</u>
Total revenue from contracts with customers	<u>392 952 509</u>	<u>336 510 202</u>	<u>-</u>	<u>-</u>
Revenue other than through contracts with customers consists of dividends received from investments.				
Dividends received - money market funds	3 635 658	4 050 618	1 007 258	2 916 544
Dividends received - subsidiaries	-	-	8 999 999	6 500 000
	<u>3 635 658</u>	<u>4 050 618</u>	<u>10 007 257</u>	<u>9 416 544</u>
Total revenue	<u>396 588 167</u>	<u>340 560 820</u>	<u>10 007 257</u>	<u>9 416 544</u>

26. Cost of sales

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Rendering of services	147 307 275	125 585 170	-	-
Stock purchase price variance	(71 156)	70 668	-	-
Stock adjustments	351 267	248 575	-	-
Depreciation	43 166 268	34 372 546	-	-
Discount received	(26 908)	(80 004)	-	-
	<u>190 726 746</u>	<u>160 196 955</u>	<u>-</u>	<u>-</u>

27. Other operating income

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Administration and management fees received	25 343	26 413	-	-
Bad debts recovered	30 383	50 368	-	-
Sundry income	846 047	387 071	-	-
	<u>901 773</u>	<u>463 852</u>	<u>-</u>	<u>-</u>

28. Other operating (losses) / gains

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Gains on disposal, scrapping and settlements				
Property, plant and equipment	(5 755)	84 918	-	-
Shares	-	882 750	-	-
Foreign exchange gains				
Net foreign exchange gains	458	(1 006 681)	-	-
Revaluation loss				
Revaluation loss on land and buildings	(4 730 000)	-	-	-
Total other operating gains	<u>(4 735 297)</u>	<u>(39 013)</u>	<u>-</u>	<u>-</u>

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29. Operating profit

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$

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

Auditor's remuneration - external

Audit fees - PWC	1 133 543	857 120	122 475	224 540
Consulting fees - PWC	301 151	249 764	-	34 500
Training - PWC	4 130	8 435	-	-
	1 438 824	1 115 319	122 475	259 040

Remuneration, other than to employees

Consulting and professional services	3 972 824	4 491 952	109 512	665 261
Secretarial services	1 358 760	573 722	970 122	285 856
Sponsor retainer	31 919	30 840	31 919	30 840
	5 363 503	5 096 514	1 111 553	981 957

Directors' remuneration

Non-executive directors' remuneration

Non-executive directors' fees	903 511	893 846	-	-
Non-executive directors' fees include all directors and members of sub-committees fees.				

Employee costs

As at 30 June 2022 the group had 204 permanent employees (2021: 202). The total cost of employment of all employees including executive directors and key management, was as follows:

Salaries, wages, bonuses and other benefits	85 095 996	76 012 251	-	-
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Leases

Operating lease charges

Premises ⁴	746 442	412 536	-	-
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Depreciation and amortisation

Depreciation of property, plant and equipment	47 507 945	38 568 908	-	-
Depreciation of right-of-use assets	949 630	880 282	-	-
Amortisation of intangible assets	7 250 470	6 635 797	-	-
Total depreciation and amortisation	55 708 045	46 084 987	-	-
Less: Depreciation and amortisation included in cost of sales	-43 166 268	-34 372 546	-	-
Total depreciation and amortisation expensed	12 541 777	11 712 441	-	-

⁴ Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment.

Expenses by nature

The total marketing expenses, general and administrative expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Advertising	8 375 879	7 223 924	-	-
Auditor's remuneration	1 438 824	1 115 319	122 475	259 040
Bad debts	1 084 097	907 201	-	-
Depreciation, amortisation and impairment	12 541 777	11 712 441	-	-
Non-executive directors' fees	903 511	893 846	-	-
Employee costs	85 095 996	76 012 251	-	-
Insurance	3 357 225	3 071 964	-	-
License fees	10 324 277	11 247 272	-	-
Motor vehicle expenses	2 076 922	1 499 471	-	-
Operating lease charges	746 442	412 536	-	-
Other expenses ⁵	13 717 950	11 230 769	101 188	113 488
Remuneration, other than to employees	5 363 503	5 096 514	1 111 553	981 957
Telephone	1 229 825	1 159 788	-	-
Travelling	1 730 988	848 773	-	-
	147 987 216	132 432 069	1 335 216	1 354 485

⁵ Other expenses pertains to 10% or less of total operating expenses, and has not been split out in more detail.

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30. Taxation

	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Major components of the taxation expense				
Current				
Local income taxation - current period	501 662	-	-	-
Foreign income taxation or withholding taxation - recognised in current taxation for prior periods	1 737 772	-	-	-
	2 239 435	-	-	-
Deferred				
Property, plant and equipment	28 525 672	20 752 125	-	-
Intangible assets	(523 781)	(46 429)	-	-
Prepaid expenses	1 025 515	150 305	-	-
Unrealised foreign gains / (losses)	167 911	21 537	-	-
Provisions	(313 104)	(129 210)	-	-
Income received in advance	(7 783 612)	(2 991 936)	-	-
Borrowing costs capitalised reversed on consolidation	-	-	-	-
Deposits by customers	2 126	2 620	-	-
Right-of use assets	(91 786)	644 404	-	-
Lease liability	141 520	(799 086)	-	-
Tax loss available for set-off against taxable future taxable income	(6 042 310)	(4 332 326)	-	-
	15 108 151	13 272 005	-	-
Taxation	17 347 586	13 272 005	-	-
Taxation on other comprehensive income				
Deferred taxation through other comprehensive income	(934 400)	-	-	-
Total income taxation	16 413 186	13 272 005	-	-
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense				
Accounting profit	43 033 805	42 248 236	8 672 041	8 062 059
Other comprehensive income	(2 920 000)	-	-	-
Tax at the applicable tax rate of 32% (2021: 32%)	12 836 418	13 519 436	2 775 053	2 579 859
Tax effect of adjustments on taxable income				
Dividends received	(1 163 413)	(1 296 198)	(3 202 322)	(3 013 294)
Expenses not deductible (no taxable income)	296 242	433 435	296 242	433 435
Income from equity accounted investments	-	-	-	-
Deemed profit on sale of investment in associate	-	-	-	-
Capital profit on sale of fixed assets	-	(12 452)	-	-
Fair value adjustment (profit) / loss	3 382 400	-	-	-
Fines and penalties	7 190	618	-	-
Donations	22 656	12 000	-	-
Right-of-use asset - depreciation	-	-	-	-
Interest on lease liability	-	-	-	-
Lease payments	-	-	-	-
Gain on lease modification	-	-	-	-
Amortisation of intangible assets resulting from business combination	1 032 764	1 102 813	-	-
Profit on sale of shares resulting from business combination	-	(282 480)	-	-
Consolidation adjustment - at acquisition	-	-	-	-
Prior period adjustment	(1 071)	(205 166)	-	-
	16 413 187	13 272 005	(131 027)	(0)
Effective taxation rate	40.92%	31.41%		

No provision has been made for 2022 tax as the company has no taxable income. At 30 June 2022 the Group and Company have combined income taxation losses available for set-off against future taxable income amounting to N\$42 997 923 (2021: N\$21 890 341)

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31. Other information

	30 June 2022	30 June 2021
Total number of shares in issue	48 723 123	48 723 123
Weighted number of shares in issue	48 723 123	48 386 000
Net asset value per share (cents per share)	1 158.15	1 129.77
Listed market price per share (cents per share)	1 290.00	1 200.00
Premium to net asset value	11.38%	6.22%
Capital commitments (including approved but not contracted)	N\$293 300 000	N\$318 800 000
Market capitalisation	N\$628 528 287	N\$584 677 476
Adjusted earnings before interest, taxation, depreciation and importation (EBITDA)	109 748 726	94 441 622
EBITDA Margin %	27.67%	27.73%
Net interest bearing debt/ EBITDA multiple (not more than 3.5x)	1.90	0.38
EBITDA interest cover multiple (not less than 2.5x)	9.96	15.32

Earnings

	30 June 2022 N\$	30 June 2021 N\$
Profit for the year attributable to the equity holders of the parent	25 274 779	28 937 115
Headline adjustments:		
After taxation loss / (profit) on sale of property, plant and equipment	3 913	(57 745)
Loss on revaluation of owner occupied property	4 730 000	-
Gain on disposal of shares	-	(882 750)
Headline earnings	30 008 692	27 996 620

	30 June 2022 Cents	30 June 2021 Cents
Basic earnings per ordinary share (cents)	51.87	59.80
Headline earnings per ordinary share (cents)	61.59	57.86
Dividend per share (cents)	20.00	20.00

32. Commitments and contingencies

	Group		Company	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Capital commitments				
Authorised but not contracted for:				
Property and equipment	280 300 000	195 600 000	-	-
Contracted for but not yet incurred:				
Property and equipment	13 000 000	123 200 000	-	-

The capital expenditure is to be funded by a combination of own cash resources and the proceeds from the bond programme. An amount of N\$130 million is planned to be raised through the NSX approved bond programme during September 2022.

For the 2023 financial year, a further N\$280 million investment into infrastructure for Paratus Telecommunications (Pty) Ltd was approved by the Board.

For the year ended 30 June 2022 Paratus Telecommunications (Pty) Ltd has invested N\$282 million in infrastructure (30 June 2021: N\$178 million). Of this total investment, N\$128 million was invested in the National fiber network.

To date, N\$110 million was invested in the Data Centre, which was launched on 4 August 2022. The total construction cost is budgeted at N\$123 million.

For the year under review, Paratus Namibia have funded approximately 50% of the total capital investment from operational cash flows.

The directors have not identified any other material commitments and contingencies for the year under review.

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33. Events occurring after the reporting period

Dividends declared

On 20 September 2022 the directors declared a dividend of 10c per ordinary share amounting to N\$4 872 312.

Other events

On 16 September 2022 a second tranche of N\$130 million was raised through the listed Domestic Medium-Term Note Programme. The second tranche of this programme was well received with bids totalling N\$363 million. Three-year notes to the value of N\$30 million was issued at an interest rate of 275 basis points above the 3 Month ZAR JIBAR rate. Five-year notes to the value of N\$100 million was issued at an interest rate of 325 basis points above the 3 Month ZAR JIBAR rate.

The directors are not aware of any material subsequent events after the reporting period that will have a significant impact on the annual financial statements.

34. Related parties

Executive directors	A. Hall S.L.v.Z. Erasmus S.I. de Bruin B.R.J. Harmse R.P.K. Mendelsohn (alternate director to B.R.J. Harmse)
Non-executive directors	J.J. Esterhuyse H.B. Gerdes J.N.N. Shikongo M.R. Mostert S.H. Birch
Members of key management	A. Hall (MD) S.L.v.Z. Erasmus (Group COO) S.I. de Bruin (Group CFO) B.R.J. Harmse (Group CEO) R.P.K. Mendelsohn (Group CTO) S.J. Geyser (executive committee) G. Duvenhage (executive committee) C.A. van Rensburg (executive committee)
Subsidiaries	Paratus Telecommunications (Proprietary) Limited - Namibia Paratus Properties (Proprietary) Limited Paratus Property Two (Proprietary) Limited Internet Technologies Namibia (Proprietary) Limited Paratus Voice Telecommunications (Proprietary) Limited Bitstream Internet Solutions (Proprietary) Limited
Related entities	Paratus Group Holdings Limited - (shareholder) Paratus Telecommunications Limited - Mauritius (similar shareholder and directors) Sat Space Africa Limited - (registered in Mauritius) Internet Technologies Africa Ltd - (registered in Mauritius) Paratus Telecommunications Limited - Zambia (similar shareholder and directors) Paratus Telecommunications (Proprietary) Limited - Botswana (similar shareholder and directors) Broadband Botswana Internet (Proprietary) Limited - (registered in Botswana) Paratus Telecommunication (Proprietary) Limited - South Africa (similar shareholder and directors) Maxwell Technologies (Proprietary) Limited - South Africa (similar shareholder and directors) Paratus Telecom S.A. - Mozambique (similar shareholder and directors) Canocopy (Proprietary) Limited - Namibia (similar shareholder and directors) Paratus Telecom S.A. - registered in Angola (similar shareholder and directors) Finatic Technologies (Proprietary) Limited - (registered in Namibia) Capricorn Investment Group Limited - (registered in Namibia)
Related entities (similar members as subsidiary)	Synapse Business Solutions (Proprietary) Limited Misty Bay Investments One Hundred and Forty Close Corporation Maya Investments Close Corporation

Paratus Namibia Holdings Limited

(Registration number : 2017/0558)

Condensed consolidated and separate financial statements
for the year ended 30 June 2022

Notes the condensed consolidated and separate financial statements for the year ended 30 June 2022

34. Related parties (continued)				
	GROUP		COMPANY	
	30 June 2022 N\$	30 June 2021 N\$	30 June 2022 N\$	30 June 2021 N\$
Related party balances				
Investment in subsidiary				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	279 557 322	427 644 393
Loan accounts - owing by / (to) related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	216 687 071	36 500 000
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	200 521 656	200 478 275
Canocopy (Proprietary) Limited - Namibia	-	216 372	-	-
Misty Bay Investments One Hundred and Forty Close Corporation	(23 460)	(266 004)	-	-
Synapse Business Solutions (Proprietary) Limited	6 460	-	-	-
Amounts included in trade receivables regarding related parties				
Paratus Telecom S.A. - (registered in Angola)	191 143	1 432 587	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	149 445	-	-	-
Canocopy (Proprietary) Limited	120 275	97 292	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	320 466	54 335	-	-
Paratus Telecommunications Limited - Mauritius	2 865 117	4 340 372	-	-
Paratus Telecommunications Limited - Zambia	197 166	55 314	-	-
Paratus Telecom S.A. - Mozambique	13 165	16 717	-	-
Amounts included in trade payables regarding related parties				
Canocopy (Proprietary) Limited	35 541	48 034	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	353 363	139 310	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	471 993	488 727	-	-
Related party transactions				
Revenue received from related parties				
Paratus Telecom S.A. - (registered in Angola)	1 287 813	1 336 642	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	321 510	254 009	-	-
Canocopy (Proprietary) Limited	735 392	718 842	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	706 143	199 665	-	-
Paratus Telecommunications Limited - Mauritius	9 533 080	9 062 215	-	-
Paratus Telecommunications Limited - Zambia	330 248	727 250	-	-
Paratus Telecom S.A. - Mozambique	43 722	33 649	-	-
Synapse Business solutions (Proprietary) Limited	374 148	28 550	-	-
Interest received from related parties				
Canocopy (Proprietary) Limited	3 782	42 213	-	-
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	13 951 588	478 275
Dividends received from related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	9 000 000	6 500 000
Purchases from related parties				
Paratus Telecommunications (Proprietary) Limited - Botswana	782 095	774 291	-	-
Canocopy (Proprietary) Limited	-	517 557	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	5 571 847	5 146 078	-	-
Paratus Telecommunications Limited - Mauritius	20 289 067	13 015 718	-	-
Paratus Telecommunications Limited - Zambia	84 040	692 488	-	-
Synapse Business solutions (Proprietary) Limited	591 964	-	-	-
Rent paid to related parties				
B.R.J. Harmse	579 798	795 704	-	-
Maya Investments Close Corporation	133 600	12 000	-	-
Printing and stationery				
Canocopy (Proprietary) Limited	586 514	-	-	-
Administration fees paid to related parties				
Synapse Business solutions (Proprietary) Limited	336 000	28 000	-	-
Salary recoveries				
Paratus Telecom S.A. - (registered in Angola)	285 468.00	-	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	191 257.00	-	-	-
Paratus Telecommunications Limited - Mauritius	10 754 801.00	-	-	-
Paratus Telecom S.A. - Mozambique	134 671.00	-	-	-
Canocopy (Proprietary) Limited	180 507.00	-	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	130 566.00	-	-	-
Paratus Telecommunications Limited - Zambia	679 921.00	-	-	-
Compensation to directors and other key management				
Non-executive directors fees	903 511	893 846	-	-
Short term employee benefits - executive directors	6 987 329	6 493 223	-	-
Short term employee benefits - key management	6 792 441	6 347 533	-	-