PARATUS NAMIBIA HOLDINGS LIMITED

INTEGRATED ANNUAL REPORT

2022

PARATUS
Always Prepared

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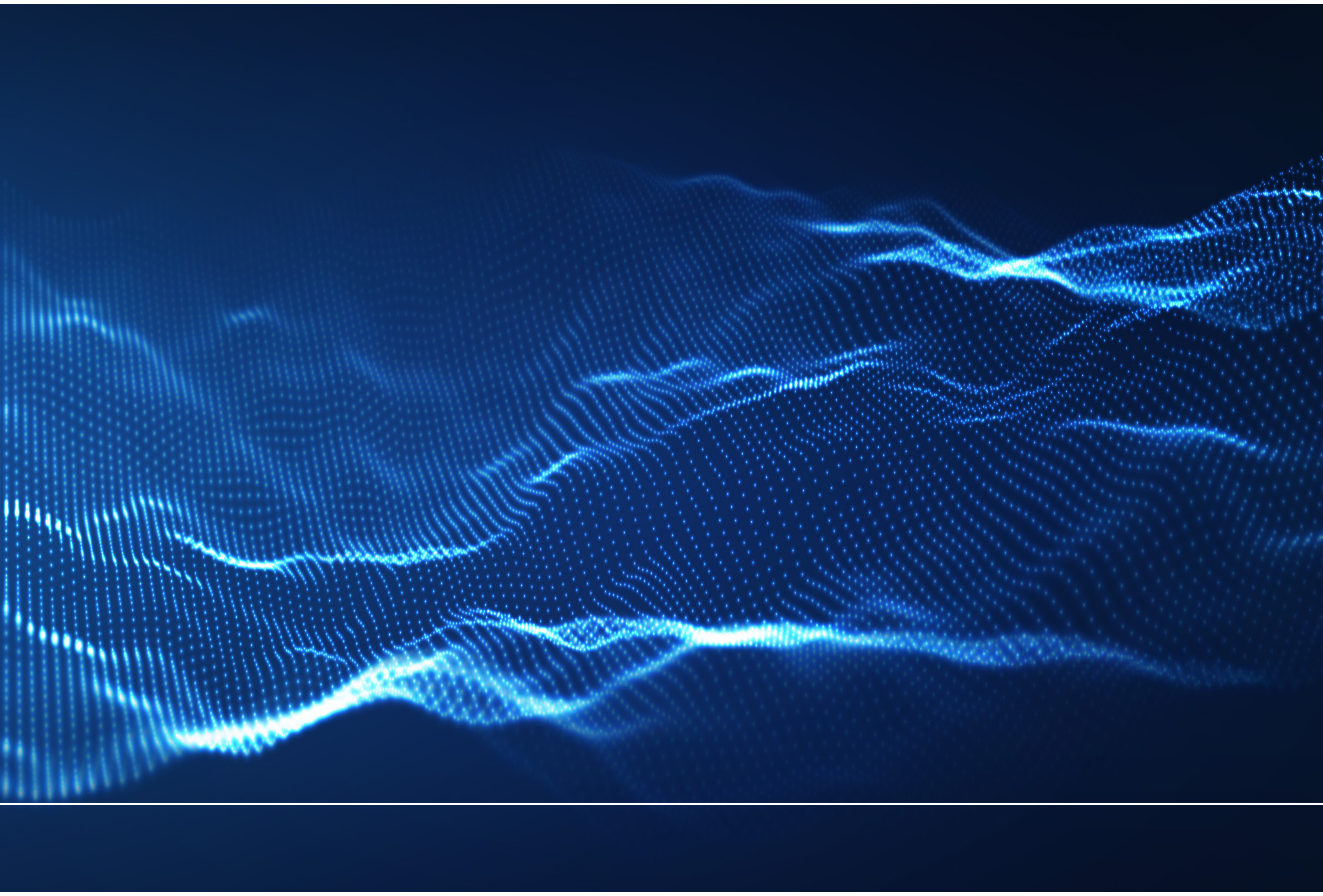
KEY HIGHLIGHTS OF THE YEAR

2022		2021
1,130.67 cents	NAV/share	1,110.40 cents
N$628.5 m	Market Cap	N$584.7 m
53.48 cents	Headline earnings/ share	54.85 cents
N$9.7 m	Dividends declared	N$9.7 m
N$39.8 m	Profit before tax	N$38.8 m
N$118.0 m	EBITDA	N$102.7 m
5.25 times	EBITDA interest cover	5.75 times

2022		2021
1,290 cents	Price/share	1,200 cents
14.1%	Premium to NAV	8.1%
20.00 cents	Dividends/ share	20.00 cents
9.20%	Total return to shareholders	10.91%
N$404.9 m	Revenue	N$348.8 m
242.22 cents	EBITDA/ share	210.80 cents

OUR 2022 INTEGRATED ANNUAL REPORT



OUR 2022 INTEGRATED ANNUAL REPORT

Paratus Namibia Holdings Limited and its subsidiaries ("the Group") are dedicated to stakeholder inclusiveness, so this report provides our stakeholders with an overview of our strategy and performance in the context of an ever-changing operating environment and shares our plans to position the Company to be a leader in the digital transformation of the continent.

REPORTING PERIOD

This Integrated Annual Report covers the year 1 July 2021 to 30 June 2022 and any material events after year end to date of approval of the report.

FINANCIAL AND NON-FINANCIAL REPORTING

We will specifically focus on the activities and performance of Paratus Telecommunications (Proprietary) Limited ("Paratus" or "PTNA"), a wholly owned subsidiary of Paratus Namibia Holdings Limited ("PNH"/ "Company") and the main contributor, in reporting on this year's performance, the business model, sustainability, governance, strategy and risks of the Company and Group.

We have compiled a concise and condensed Integrated Annual Report, containing the full Group Annual Financial Statements and thus no summarised Integrated Annual Report is issued separately.

This report provides information that we believe is of relevance to current and prospective investors, and to any other stakeholders who wish to make an informed assessment of the Group's ability to generate value over the short, medium and long-term.

We have sought to ensure that all the information in this report relates to matters that have a material bearing. A matter is material if it could affect the assessment and decisions of the Board of Directors, shareholders and providers of financial capital, and affect the Group's value creation over time.

REPORTING FRAMEWORKS

Our integrated reporting is guided by the principles and requirements of the International Financial Reporting Standards ("IFRS") and the NamCode. As a company listed on the Namibian Stock Exchange, we align with the NSX Listings Requirements and the Namibian Companies Act, 2004.

ASSURANCE

The content of the Integrated Annual Report has been reviewed by the Directors and management but has not been externally assured. The Company's external auditor, PricewaterhouseCoopers, has provided assurance on the financial statements set out on pages 76 to 151 and expressed an unmodified audit opinion.

BOARD RESPONSIBILITY STATEMENT

The Board acknowledges its responsibility to ensure the integrity of this report and believes that this Integrated Annual Report addresses all matters that are material to the Group's ability to create value and fairly presents the integrated performance of the Group.

This report was approved by the Board of Directors on 14 December 2022.

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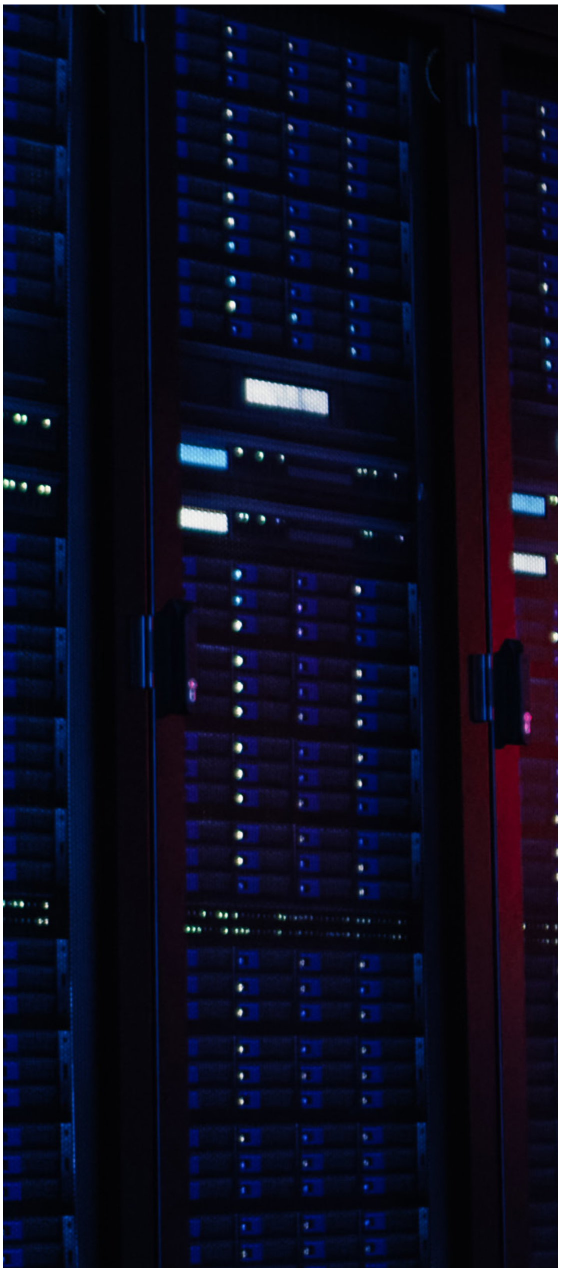

BOARD OF DIRECTORS

1. Habo Gerdes
2. Stuart Birch
3. Jaco Esterhuyse
4. Romé Mostert
5. Josephine Shikongo
6. Stefan de Bruin
7. Schalk Erasmus
8. Andrew Hall
9. Barney Harmse
10. Rolf Mendelsohn (Alternate)
11. Norbert Kreft (Alternate)

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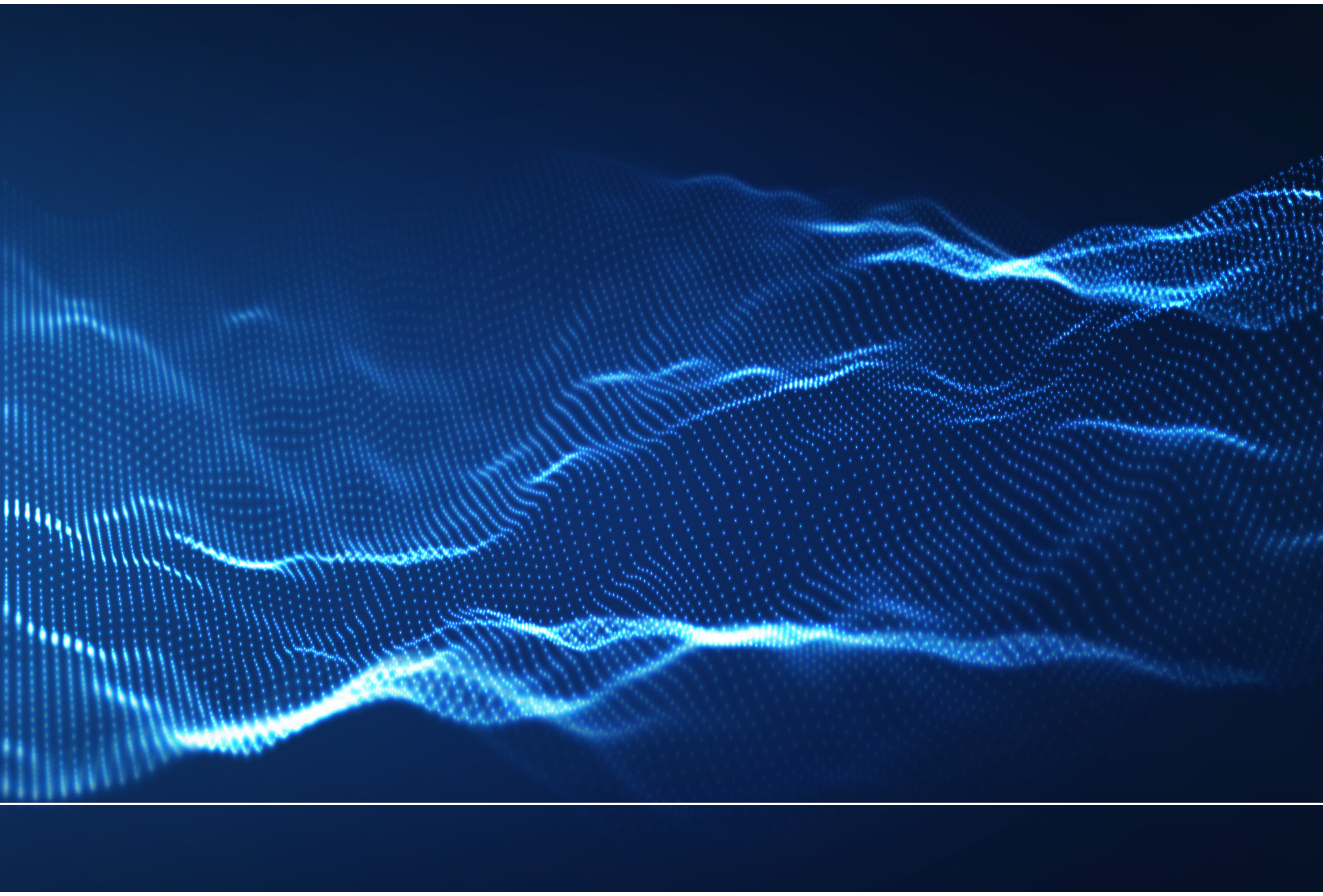
CORPORATE PROFILE



BOARD OF DIRECTORS

INDEPENDENT NON-EXECUTIVE DIRECTOR

Hans-Bruno (Habo) Gerdes (70) | Chairperson | Appointed: 8 August 2017
Qualifications: ACIS/ B.PROC (UCT)
Nationality: Namibian
Function and Committees: Audit, Risk and Compliance Committee and Remuneration and Nomination Committee

Background: Habo is an Associate of the Institute of Chartered Secretaries and holds a B.Proc degree from the University of Cape Town. He was previously the Managing Partner of Engling, Stritter and Partners and continues to consult on corporate/commercial matters and holds a number of directorships in both listed and unlisted companies including the NSX. He is the Honorary Consul for the Kingdom of Belgium to Namibia, a Commissioner on the Law Reform and Development Commission of Namibia, an Advisory Board member of the Namibia Investment and Development Board and until recently the Chairperson of the Legal Practitioners' Fidelity Fund.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Stuart Hilton Birch (54) | Appointed: 8 August 2017
Qualifications: B.Com (Computer Science), MBA
Nationality: South African
Function and Committees: Investment Committee

Background: Stuart has been in the ICT Industry for over 20 years and is currently a co-founder of IRIS Network Systems, a company that focuses on providing telecommunications and Internet Service Provider ("ISP") companies with a comprehensive Network Management Solutions. Stuart is currently the Managing Director of IRIS Network Systems who delivers and manages their software and hardware on 178 servers spread over four continents and in 10 countries. His clients include: - Undersea cable companies - Pan-African ISPs - Regional ISPs - Data and VOIP providers – North American regional Carrier Service Providers. Before IRIS Network Systems, Stuart gained extensive experience in the ICT Industry working at Dimension Data, of which Internet Solutions is a subsidiary, where he served clients in retail, financial services, telecommunications and healthcare. At Dimension Data, Stuart held positions in Account Management and Business Development. He was also the Regional Executive for the Western Cape Region for Internet Solutions where his region was awarded Region of the Year at the Annual Dimension Data Sales Awards in both 2007 and 2008 for the Africa and Middle East region. In 2004 Stuart served on the Dimension Data Western Cape Exco, and on the Internet Solutions Exco between 2006 and 2010.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Morné Romé Mostert (37) | Appointed: 30 June 2017
Qualifications: B.Com Chartered Financial Analyst Charterholder
Nationality: Namibian
Function and Committees: Investment Committee and Remuneration and Nomination Committee (Chairperson)

Background: Romé is a CFA Charterholder with a B.Com degree from the University of Stellenbosch. Romé is a co-founder and director of Cirrus Capital, a financial services company renowned for its corporate advisory, transaction advisory, capital raising and economic consulting services. Previously, Romé has run the research desk at two of Namibia's larger stockbrokers and was also the Managing Director of IJG Securities. Romé has a passion for financial markets and is extremely well regarded in this space. He developed both of Namibia's official bond and equity indices, to which billions of Namibia Dollars of invested funds are benchmarked by the country and region's asset managers. He has managed assets for various companies and individuals, focusing on customised segregated portfolios for specialised purposes. Romé served as a director of the NSX from July 2015 to April 2018 and has been involved in a number of debt and equity listings. He is a local valuation expert, having valued various companies from start-ups to large mining entities.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Josephine Naango Ndakulilwa Shikongo (39) | Appointed: 8 August 2017
Qualifications: Associate Chartered Management Accountant (ACMA), Chartered Global Management Accountant (CGMA), MPA: Strategic Public Management & Leadership, CIMA Advanced Diploma in Management Accounting, CIMA Diploma in Management Accounting, CIMA Certificate in Business Accounting, National Diploma: Accounting & Finance
Nationality: Namibian
Function and Committees: Audit, Risk and Compliance Committee and Remuneration and Nomination Committee

Background: Josephine has over 15 years experience in the accounting and finance field. She has worked in various sectors, including media, telecommunications and mainly the financial sector. She has served in a managerial capacity at the Motor Vehicle Accident Fund of Namibia, Agricultural Bank of Namibia and recently served as the Head of Finance and Administration for BFS Fund Manager. Currently, Josephine works as a researcher, focusing on academic capitalism, endowment funds, behavioural finance and entrepreneurial economics. Her experience includes overseeing the financial and management accounting functions, procurement and property management, as well as IT and HR functions. While studying in the US as a Fulbright Scholar, Josephine worked for the Strategic Initiatives department at World Business Chicago, an economic development public private partnership that drives the City of Chicago's economic growth.

NON-EXECUTIVE DIRECTOR

Johannes Jacobus (Jaco) Esterhuyse (44) | Appointed: 26 May 2018
Qualifications: CA (SA)
Nationality: South African
Function and Committees: Audit, Risk and Compliance Committee and Investment Committee

Background: Jaco currently holds the position of Financial Director of Capricorn Group Limited. He has extensive experience in the financial and investment industry. His career in the financial and investment industry commenced in 2005 in the United Kingdom where he was based until November 2011. During this time, he worked for Mitsui Sumitomo Insurance Company Ltd, Oakwood Global Finance and Barclays PLC amongst others. He returned to Namibia in December 2011 and joined the Capricorn Group in January 2012.

EXECUTIVE DIRECTOR

Stefanus Isaias (Stefan) de Bruin (49) |Appointed: 8 August 2017
Qualifications: B.Com (Hons), CA (Nam), CA (SA), H Dip (Tax)
Nationality: Namibian
Function and Committees: Group Chief Financial Officer - Paratus Group

Background: Stefan has more than 20 years of experience in operations and finance of which the last fourteen years were spent as an executive director of Namibian listed entities. Stefan is currently the Chief Financial Officer of the Paratus Group. Stefan joined Old Mutual Investment Group Property Investments (Proprietary) Limited (OMIGPI) in August 2008 and served as a representative director of Oryx Properties Limited (NSX listed company) as well as Oryx Management Services (Proprietary) Limited, a subsidiary of OMIGPI until November 2010. Stefan resigned from OMIGPI with the internalisation of the asset and finance management functions of Oryx Properties Limited and was appointed by Oryx Properties Limited as Chief Executive Officer.
He served as a non-executive director of the NSX from 2013 to 2016. During this period, he served as Chairman of the Audit and Risk Committee. Stefan also served as a non-executive director of the Old Mutual Orion Namibia Pension and Provident Funds from 2016 to 2019. During this period, he also served as Chairman of the Audit and Risk Committee. He is currently the Chairman of the Professional Provident Society Insurance Company (Namibia) Limited (PPS) board. He was previously a senior manager for Tax and Legal Services at PricewaterhouseCoopers from 2002 to 2003, Financial Manager at Siemens Namibia (Proprietary) Limited from 2003 to 2005 and Financial Director at Siemens Namibia (Proprietary) Limited from 2005 to 2008.

BOARD OF DIRECTORS

EXECUTIVE DIRECTOR

Schalk Leipoldt Van Zyl Erasmus (46) | Appointed: 8 August 2017
Qualifications: Various Diplomas (Bookkeeping, Accounting, Project Management etc), Microsoft Certified Systems Engineer (MCSE) and Cisco Certified Network Associate (CCNA)
Nationality: Namibian
Function: Group Chief Executive Officer - Paratus Group

Background: Schalk has been in the Service Provider and telecommunications Industry for almost twenty years and has co-founded various operating companies in Africa. Schalk is currently the Chief Operating Officer of the Paratus Group, operating in over twenty-five African countries with physical presence in six African Countries which include: Angola, Botswana, Mozambique, Namibia, South Africa and Zambia. The Africa success story is a testament to his technical capabilities and leadership skills. Formerly, Schalk was a cofounder, shareholder, and Technical Director of Internet Technologies Namibia (Proprietary) Limited from inception in 2004 till 2014 when the Company was incorporated into Paratus Telecommunications (Proprietary) Limited. Prior to this Schalk managed his own business ventures from 2000 till 2004, offering technical support to the Corporate Companies and various NGO's including United States Agency for International Development (USAID), Family Health International (FHI) and the United Nations (UN). Prior to 2000, Schalk obtained various Diplomas in Software Support, Bookkeeping and Accounting. Schalk also obtained his MCSE (Microsoft Certified System Engineer) and later his Cisco Certification. Schalk was also a Microsoft Certified Trainer (MCT) where he conducted training on almost all Microsoft Products in Namibia and South Africa. During the late 90's Schalk became the Branch Manager of ISU Campus (Windhoek), an authorised Training and Certification Centre in SADC. Schalk was also the Project Lead in the Gauteng province with the Lotus Notes integration to all Brokers during the reinvention of the ABSA brand in South Africa, with the consolidation of Volkskas, United Bank, Trust Bank and Allied.

EXECUTIVE DIRECTOR

Bartholomeus Roelof Jacobus (Barney) Harmse (52) | Appointed: 25 September 2019
Nationality: Namibian
Function: Group Executive Chairman

Background: Barney Harmse is a Namibian who matriculated from Academia High School in Windhoek in 1988. Directly after high-school Barney took up employment in the Government as a computer programmer at the old Personnel Institution, which forms part of the Office of the Prime Minister today. After Government he joined BCS Computers in 1991 as a Programmer, that provided Insurance Systems to the Insurance industry for Brokers and Insurance companies on a Bureau basis. It is during this time at BCS Computers that Barney fell in love with his new passion, WAN Networking. Barney has an impressive 30-year career in the networking and telecommunications service industry in Africa and has reached multiple milestones during this period. Barney was instrumental in establishing commercial Internet in Namibia. He co-founded the original UUNET Internet Africa in Namibia which is MTN today. Since 1996, he was the MD of UUNET Namibia for 7 years until 2002. After UUNET, during the last 18 years, he has co-founded various companies in Angola, Namibia, Zambia, Botswana, Mozambique as well as South Africa. Today these companies all form part of the Paratus Group, and deliver product and service to more than 24 African countries. The Paratus Group has 526 dedicated employees and 250 sub-contractors in Namibia. These employees represent more than 5000 family members, to whom Paratus provides for daily.

EXECUTIVE DIRECTOR

Andrew Hall (40) | Appointed: 25 September 2019
Qualifications: B. Com with specialization in Entrepreneurship - Cum Laude (Unisa), Project Management (PMBOK) SBL Unisa
Nationality: Namibian
Function: Managing Director - Paratus Namibia

Background: Andrew has been in the telecommunications industry for 20 years. He is passionate about customer service and a firm believer in the under-promise but over-deliver philosophy. Andrew is very service delivery orientated and is a very good communicator; having numerous teams reporting to him. Andrew started out in the telecommunications industry as a technical apprentice in 2001. He progressed rapidly due to his passion for the industry and the commitment to ensure projects are completed, implemented and planned meticulously. He progressed to become the Managing Director of Vox Telecom. He is now the Managing Director of Paratus and is responsible for all operations across the entire product spectrum and a specific focus on sales as both enterprise and consumer sales teams report to him. Due to his technical background, he understands technology and has the ability to design, plan and implement projects across diverse deployments at all levels.

ALTERNATE DIRECTOR

Rolf Peter Konrad Mendelsohn (40) | Appointed 25 September 2019
Nationality: Namibian
Function: Alternate Director to Mr Harmse, Group Chief Technology Officer – Paratus Namibia

Background: Rolf matriculated from Pretoria Boys High School and is committed to driving innovation across the African continent. He registered and started his first business, at the age of 16. Doing network installations and PC Maintenance.
He co-founded various companies across Africa which, today, form part of the Paratus Group.
After a civil war of 27 years that ended in 2002, Angola had fallen behind in its development. The conflict destroyed much of the infrastructure and had a negative impact on business and the economy. On 23 February 2003, Rolf arrived in war-torn Angola to start an Internet Service Provider ("ISP") business called Internet Technologies Angola (ITA).
More than 17 years later, Angola is still known for not being the easiest place to do business. Nevertheless, Mendelsohn and his partners have proven that it is possible to run a successful company in Angola. Rolf, Miles October and Barney Harmse worked together at UUNET, until they started ITA - Internet Technologies Angola and at the time ITN - Internet Technologies Namibia. In February 2003, Rolf and Miles October started out with the bare minimum with a company called Tesmi Angola, which was a Namibian-Angolan company. The following year Barney Harmse came up to join them in Luanda. Rolf has recently returned to Namibia on 23 August 2020, joining the team at the Paratus Group Head office.

ALTERNATE DIRECTOR

Norbert Günther Kreft (40) | Appointed 26 May 2018
Qualifications: MBA, Certificate in International Management, Diploma in Electrical Engineering
Nationality: Namibian
Function and Committees: Alternate Director to Mr Esterhuyse

Background: Norbert's career history is based on telecommunications and financial services. He has more than 14 years of telecommunication / ICT industry experience and more than five years of financial services experience. He is currently pursuing an MSc in Artificial Intelligence through the University of Bath. Norbert is the head of Digital Channel Analytics and Solution Design at Bank Windhoek where he focuses on business transformation to digitize the banking core.

INDEPENDENT COMMITTEE MEMBER

Heinrich Jansen Van Vuuren (35)
Qualifications: B.Acc LLB (Stell), B.Compt Hons (UNISA), PG Dip (Tax) (UNISA), CA (Nam), CA (SA)
Nationality: South African
Function and Committees: Independent member of the Audit, Risk and Compliance Committee (Chairperson) and Investment Committee (Chairperson)

Background: Heinrich is both a Namibian Attorney and a Chartered Accountant. He is a member of the Institute for Chartered Accountants and holds a BAcc LLB degree from the University of Stellenbosch, a BCompt Hons as well as a Postgraduate Diploma in Taxation from UNISA. He comes from a commercial background, having completed his training contract with Grant Thornton Neuhaus before being admitted as a Chartered Accountant in Namibia and thereafter in South Africa. He has gained experience in the corporate business environment during his employment as a financial manager in the short-term insurance industry.
In 2017 he was admitted as a legal practitioner in the High Court of Namibia and he currently practices law at Cronjé Inc., with a focus on commercial law, transactions and advisory.
He has since furthered his exposure, serving as a director on a number of boards. He also served as a Councilor and member of the audit- and risk committee of the Law Society of Namibia.

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 30 JUNE 2022

Paratus Namibia Holdings Limited (PNH or Company) is listed in the Technology Sector on the Namibian Stock Exchange (NSX) with the purpose to pursue investments in the Information Communication and Technology Sector in sub-Saharan Africa. During the 2021-2022 year in review, this objective was steadfastly seen through and exceeded almost on a monthly basis measured by the achievements of Paratus Telecommunications, the operating company owned by the Company. The beauty of investing in infrastructure is that one is able to see the development and improvement of the Namibian ICT landscape unfold on a daily basis. Where there was once no connectivity, Paratus Telecommunications has provided it in record time, in an expert and efficient manner, through dedicated teams and a passion for consistent improvement.

FINANCIAL RESULTS

For the financial year ended 30 June 2022, Paratus Telecommunications, the operating subsidiary realised recurring revenue of N$351.7 million (30 June 2021: N$313.5 million) which represents a growth of 12.2%. Non-recurring revenue, which represents Local Area Network installations and sale of Telecommunication Equipment, amounts to N$43 million (30 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 Telecommunications, for the same period amounts to N$45.1 million (30 June 2021: N$37.3 million) and earnings before interest, taxation, depreciation and amortisation ("EBITDA") amounts to N$122.5 million (30 June 2021: N$101.4 million). This represents growth of 20.9% and 20.8%, respectively.

The growth in profitability is mainly attributable to the overall revenue growth of 14.8% and the moderate increase of 10.2% in operating expenses, despite the growth of the national network and the increase in distributions 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.

OUTLOOK AND PROSPECTS

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 Armada Data Center 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 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 was raised through the NSX approved bond programme during September 2022.

On 4 August 2022, Paratus Telecommunications, officially opened the first carrier neutral, tier three by design data center in Namibia, called the Armada Data Center. This exceptional achievement falls outside of the reporting period, but is such an immense achievement that culminated from the intensive preparation and hard work stemming from the current reporting period.

ECONOMIC OVERVIEW

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.

The continued aggressive investment in infrastructure bodes well for both revenue growth and improved operating margins.

We remain cognisant of the aftereffects of the COVID-19 pandemic experienced both in terms of backlogs and delays in the supply of ICT equipment such as switches and microchips and the toll the pandemic has taken on our people.

GOVERNANCE AND MANAGEMENT

In accordance with the directive issued by the NSX on 14 January 2022, a Social, Ethics and Sustainability Committee was constituted. Although the Company has been operating in this fashion since its inception.

The Board recognises that it operates within the triple context of the economy, society and the environment and therefore the Board has delegated the function of reporting on these activities to a well-structured committee for detailed reporting in the coming financial year.

APPRECIATION

On behalf of the Board, I express our gratitude for the loyal support of customers and the partnership of our service providers who are critical to the continuation of our operations.

I am grateful for the exceptionally talented and dedicated Directors that I have the privilege of working with to lead the Company to another level of financial stability and also have the flexibility to be responsive during times of never-ending change. I also commend the management and all employees of the operating company for their resilience and continued drive to deliver excellent customer service through building Africa's quality network.

Hans Bruno Gerdes
Chairperson
14 December 2022

> "THE BEAUTY OF INVESTING IN INFRASTRUCTURE IS THAT ONE IS ABLE TO SEE THE DEVELOPMENT AND IMPROVEMENT OF THE NAMIBIAN ICT LANDSCAPE UNFOLD ON A DAILY BASIS."

MANAGING DIRECTOR'S REPORT

OVERVIEW

As the late Steve Jobs said, "One can only connect the dots when looking back". Reflecting on the completion of the Trans Kalahari Fiber route in 2018, stretching all the way from Swakopmund to Buitepos, which played a key role in the landing of the Equiano Submarine Cable in Swakopmund in 2022, as well as the recent completion of the Armada Data Center in Windhoek, the largest carrier neutral facility in the country. All these projects played a crucial role in the success and economic viability of the next, resulting in a total investment in excess of N$ 360 million, whilst creating much needed jobs and ICT infrastructure in Namibia.

Past and continued investment by Paratus in digital infrastructure is changing Namibia's ICT landscape. The completion of the Trans Kalahari Fiber had a significant impact on the costs of terrestrial bandwidth to the benefit of the internet users in Namibia.

The Equiano Submarine Cable is not only capable of 20 times more capacity than the current WACS Submarine Cable, but it will also provide the country with much needed resilience in a digital age where everyone and everything need to be always on.

The recent completion of the Armada Data Center with a total capacity of 240 full data racks, is the country's largest carrier neutral facility. Beside the most obvious benefits, such as power stability, multiple layers of security and an always available environment, in which both businesses and service providers can house their ICT infrastructure, we also believe this state-of-the-art facility will entice international players and hyperscalers to bring their content closer to Namibian users.

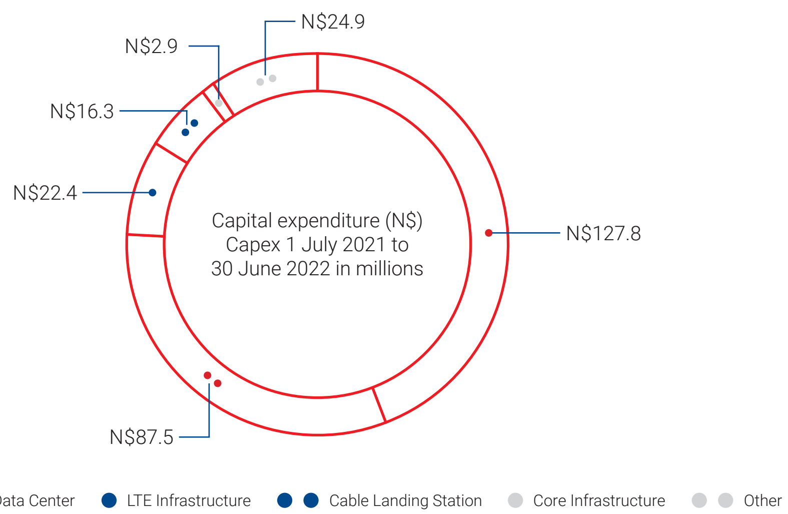
The Trans Kalahari Fiber route is the crucial component that links the data center to the Equiano Submarine Cable providing the shortest route to Europe. The Trans Kalahari Fiber route also enables the export of international capacity out of Namibia to landlocked countries, landed in Namibia via the Equiano Submarine Cable.

During the last 12 months Paratus expanded its national network footprint with various last mile technologies such as fiber / LTE and microwave solutions.

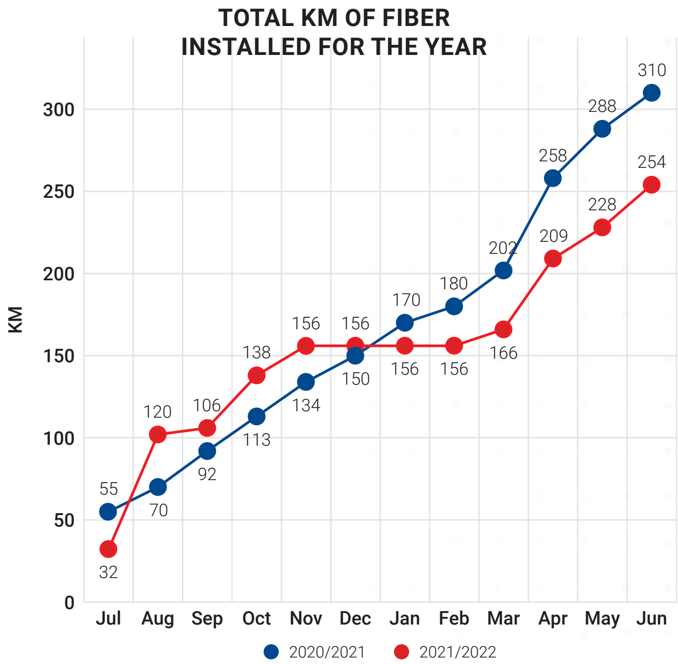
As we are always looking at innovative ways to engage our customers and to improve service levels, Paratus launched its online sign-up platform, which enables customers to select a desired service at their location and to sign up for that service online, all in the comfort of their home or office. The platform gained a lot of traction since its launch in October 2021, reaching over 1,000 signups in 10 months.

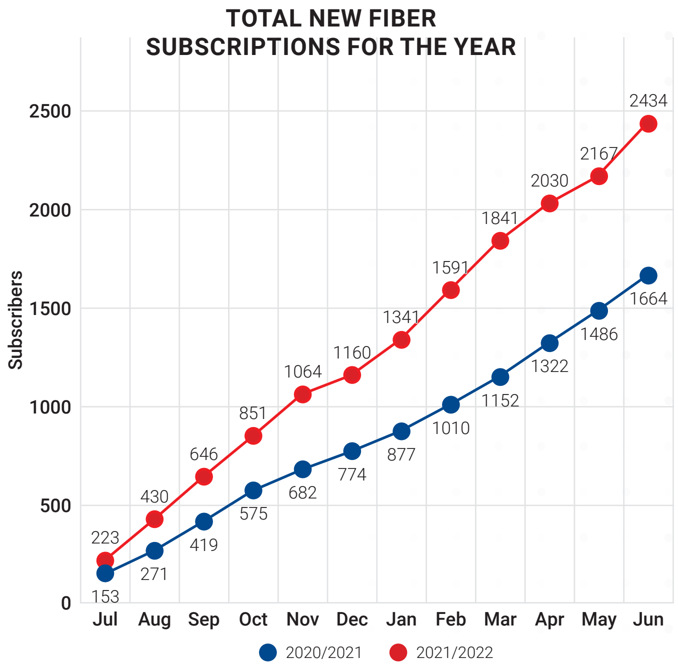
INFRASTRUCTURE INVESTMENT

The total capital expenditure ("Capex") for the financial year ended 30 June 2022 amounts to N$282 million (2021: N$178 million).



CAPITAL EXPENDITURE (N$)





The investment in our fiber network contributed to the largest portion of our 2022 financial year CAPEX, continuing the trend of the previous financial year. The other significant investments are the Armada Data Center and Equiano Submarine Cable Landing Station projects.

Paratus installed a total distance of 254 km (2021: 310 km) of fiber during the financial year and predominantly consist of last mile fiber in Windhoek, Swakopmund, Walvis Bay, Otjiwarongo, Gobabis, Ondangwa, Ongwediva, Oshakati, Grootfontein and Okahandja.

During the financial year Paratus recorded a record growth in new fiber subscribers, increasing it by 2,434 new connections (2021: 1,664). This represents a growth of 46% from the previous financial year.

INVESTMENT STRATEGY

With the completion of the Armada Data Center and the landing of the Equiano Submarine Cable, which is expected to go live during the first quarter of 2023, our primary focus will return to our national network expansion throughout the country.

We have an aggressive national network expansion planned for the coming 12 months, which include three last mile technologies namely, fiber, LTE and microwave.

We are also planning to expand our retail arm with more Paratus outlets to be opened in the north and south of Namibia.

The Board approved a Capex budget of N$280 million for the 2023 financial year, with fiber remaining the predominant focus, followed by LTE and Microwave.

Since the recent restructuring of the LTE and Microwave connectivity packages and the change in strategy in terms of its deployment, we have noted a sharp increase in the subscriber base.

We successfully rolled out a new CPQ (Configure, Price and Quote) system during the past financial year and are continually revising and adapting our back-office systems and automation processes to improve the overall customer experience.

ACKNOWLEDGMENTS

Reflecting on the performance of Paratus during the financial year, I am extremely proud of the Paratus team for the resilience displayed, which contributed to the successful completion of the mammoth projects, which will have a significant impact on the future of the Paratus Group as well as the ICT industry in Namibia.

We look forward to a future with endless opportunities and many more dots to connect……

Andrew Hall
Managing Director
14 December 2022

CHIEF FINANCIAL OFFICER'S REPORT

1. INTRODUCTION

This financial review offers a condensed view of the financial results of Paratus Namibia Holdings Limited ("PNH") and the 100% operating subsidiary Paratus Telecommunications (Pty) Ltd ("Paratus") for the year ended 30 June 2022. These are presented in a simplified form for ease of reference and understanding and are reflective of how the information is analysed by management. The financial review should therefore be read in conjunction with the full annual financial statements.

The financial year of 12 months came to an end on 30 June 2022. The prior year numbers also reflect a period of 12 months. The report reflects on the outcomes of the operations, objectives and initiatives implemented, and consider the challenges encountered. We are satisfied with the performance of the Group, particularly given the ongoing tough economic climate and challenging trading conditions emanating from COVID-19 and the Russian invasion of Ukraine, which magnified the slowdown in the economy.

The PNH listing offers a strong diversification opportunity for the funds of institutions and individuals alike, allowing diversified sector returns in a local environment where the financial sector dominates the Namibian Stock Exchange.

2. CORPORATE ACTIVITY DURING THE CURRENT AND PAST FINANCIAL YEARS

There was no corporate activity for the financial year under review.

However, during May 2021 PNH established an NSX approved N$1 billion Domestic Medium-Term Note Programme pursuant to a Programme Memorandum. During June 2021 a first tranche of N$200 million was raised through the Domestic Medium-Term Note Programme. The first tranche of this Programme was well received by the Asset Management community and resulted in an oversubscription of the Senior Unsecured Floating Rate Notes. The three-year and five-year notes were issued at a weighted average interest rate of 303 basis points above the 3 Month ZAR JIBAR rate. The PNH balance sheet required additional gearing to bring down the weighted average cost of capital. The Note Programme proceeds were advanced to Paratus via an inter-company loan. The inter-company loan terms are back-to-back with the PNH Note Programme terms.

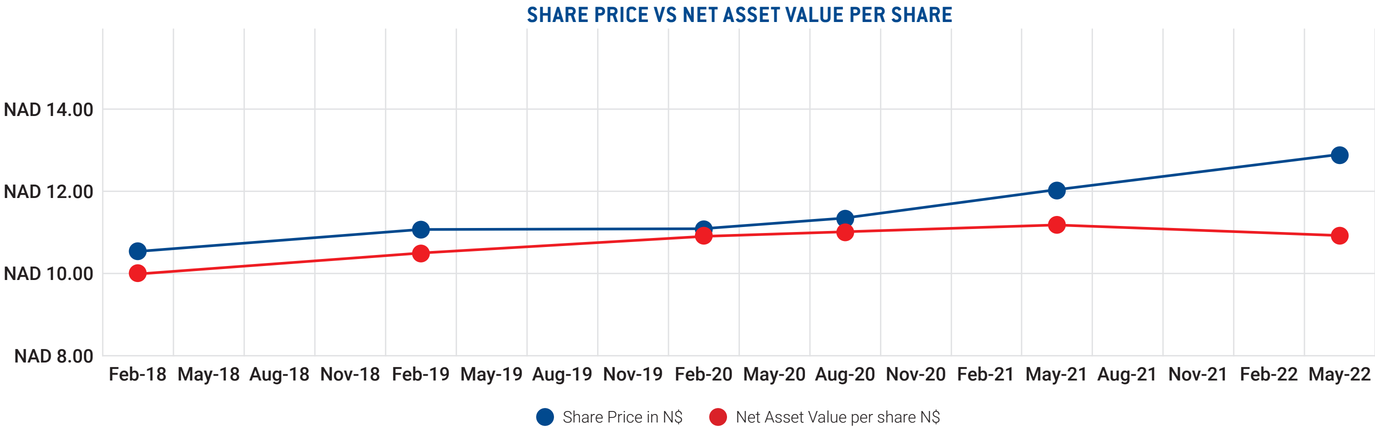
N$66 million of the proceeds were utilised to settle the Development Bank of Namibia loan and the remainder of the loan capital was invested by Paratus to fund the construction of the Data Center and other infrastructure projects.

3. PERFORMANCE OF PARATUS SHARES FOR THE YEAR UNDER REVIEW

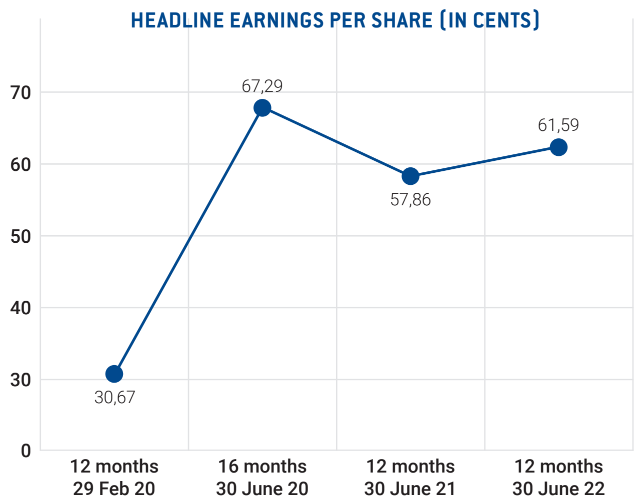
A total of 522 015 (2021: 11 702 277) share trades were recorded during the financial year. The share swap transaction and the rights issue concluded during the 2019 and 2020 financial year increased the number of shares in circulation and consequently contributed towards the liquidity of the shares. The total value of shares traded amounts to N$6.6 million (2021: N$131.6 million). The share price was 1 200 cents on 1 July 2021 and closed at 1 290 cents on 30 June 2022. Total dividends paid during the year amounts 20 cents per ordinary share (2021: 20c per ordinary share), which translates to a total return of 9.2% (2021: 10.9%) for the year ended 30 June 2022. The dividends paid to shareholders were maintained in the current financial year, despite the extensive infrastructure investment during the financial year.

As at 30 June 2022 the share was trading at a premium of 14.1% (2021: 8.1%) to the net asset value per share. The increase from the prior year is mainly due to the 7.5% rise in the share price and is testament to the investor's trust in management and the Paratus brand.

The graph below displays the share price movement compared to the net asset value per share since listing.



4. FINANCIAL PERFORMANCE



The reduction is the Headline Earnings per share from 30 June 2020 to 30 June 2021 is mainly due to the following:

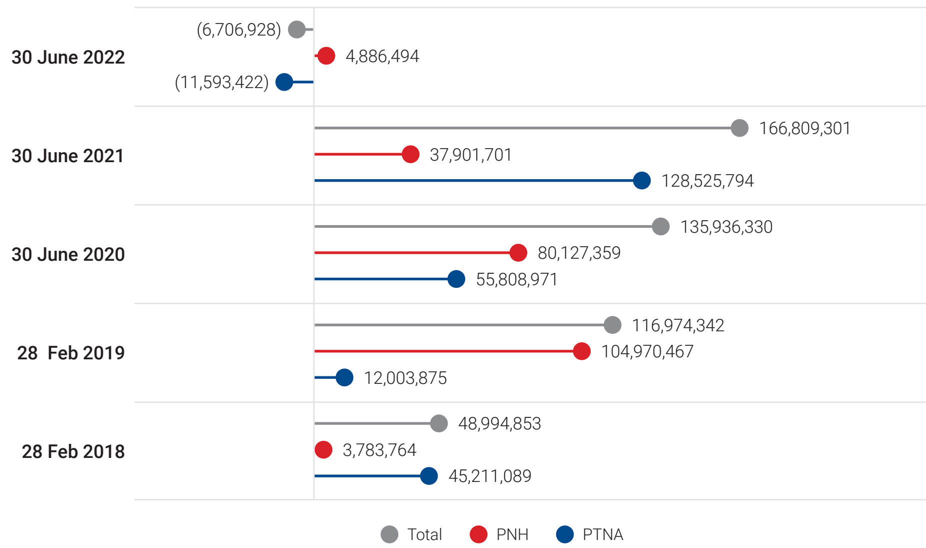
- The 30 June 2020 financial results were for a period of sixteen months, whilst the 30 June 2021 period spans over twelve months. This is due to the change of the Group's year end from February to June.
- The weighted number of shares in issue as at 30 June 2020 was 35,675,523 whilst the weighted number of shares in issue at 30 June 2021 is 48,386,000. This is mainly due to the share swap transaction concluded in January 2020, which resulted in the issuance of 20,012,431 ordinary shares.

By excluding the IFRS 15 adjustments and restatement (note 37 of the group annual financial statements), the Headline Earnings per share increased by 6.45% for the year ended 30 June 2022. This is mainly due to the finance charges which increased from N$6.2 million in the previous financial year to N$11.0 million in the current financial year emanating from the N$134 million additional debt raised during June 2021. The higher effective income tax rate has also contributed towards the moderate growth of the Headline Earnings per share. This transpired due to withholding tax deducted by a Botswana customer, which was available as a N$1.7 million income tax credit in Namibia, but due to the current income tax loss of Paratus, the withholdings tax credit was forfeited and allocated as an income tax charge. The IFRS 15 adjustment, per note 37, results that the 30 June 2021 Headline Earnings per share reduced to 54.85 cents and reduced to 53.48 cents for the financial year 2022 which equals to a 2.5% reduction.

Operating profit has increased by 18.4% from the previous financial year. The earnings growth was mainly driven by revenue growth and improved operating margins stemming from the network expansion.

The property values decreased by a total of N$7.65 million due to the economic slowdown and the rising interest rate environment, which results in lower market rentals and higher capitalisation rates. An amount of N$2.9 million of the total revaluation loss resides in other comprehensive income and does not have an impact on the Headline Earnings per share number as reported.

CASH AND CASH EQUIVALENTS (N$)*



* The Cash and Cash equivalents indicated in the graph includes the investments in money market funds, which are disclosed as "investments at fair value" in the financial statements.

The graph above depicts the decline of the cash position during the 2022 financial year, which is attributable to the extensive infrastructure investment during the year amounting to N$282 million of which N$16.3 million was invested in the Equiano Submarine Cable Landing Station ("CLS") in Swakopmund and N$87.5 million was invested in the Windhoek Data Center project, which was inaugurated on 4 August 2022.

With the listing on 6 October 2017, PNH raised N$102.8 million. In the same year, PNH expended N$95 million cash to acquire the 26.5% holding in Paratus, hence the low cash balance in PNH at the end of the 2018 financial year. In the same year, Paratus received a cash injection of N$75 million due to the shares issued to PNH. This capital injection marked the beginning of the extensive infrastructure roll-out strategy of Paratus.

On 20 July 2018 PNH completed a rights issue, which raised N$103 million capital, hence the increase in the cash position at the end of the 2019 financial year.

On 3 July 2019 Paratus concluded a rights issue and raised N$50 million, which improved the cash position in Paratus. PNH contributed N$25.7 million towards the rights issue, hence the decrease in PNH's cash position at the end of the 2020 financial year.

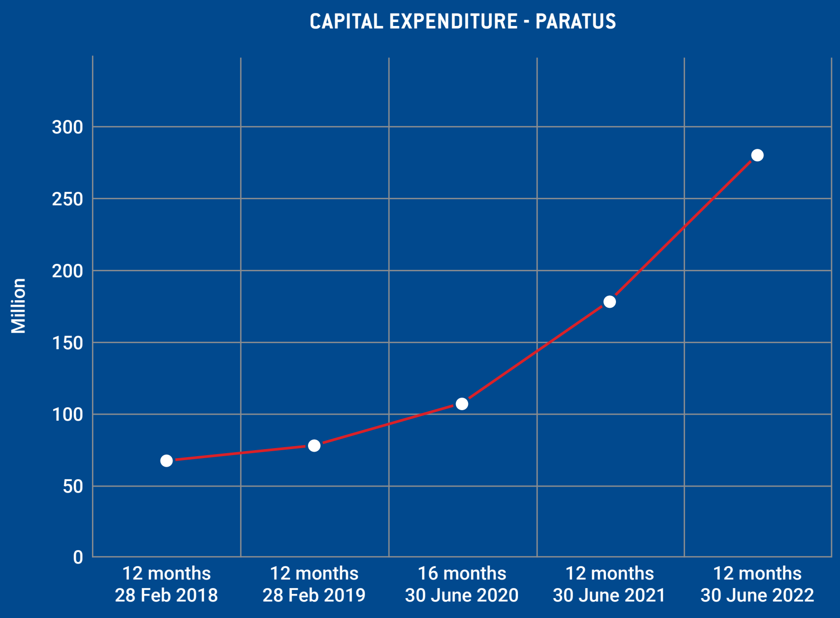
During May 2021 PNH established an NSX approved N$1 billion Domestic Medium-Term Note Programme pursuant to a Programme Memorandum. During June 2021 a first tranche of N$200 million was raised through the Domestic Medium-Term Note Programme. The Note Programme proceeds were advanced to Paratus via an inter -company loan. The inter-company loan terms are back-to-back with the PNH Note Programme terms.
N$66 million of the proceeds were utilised to settle the Development Bank of Namibia loan and the remainder of the loan capital was invested by Paratus to fund the construction of the Data Center and other infrastructure projects.

On 16 September 2022, the Group managed to raise a second tranche of N$130 million from the NSX approved N$1 billion Domestic Medium-Term Note Programme. The Group has access to adequate liquidity and resilient free cash flow generation to support the continued investment into infrastructure.

The N$130 million proceeds will be applied to fund the 2023 financial year infrastructure investment programme. PNH has a modest gearing ratio of 20.3% as at 30 June 2022 (30 June 2021: 22%), including the impact of IFRS 16: Leases.

Subsequent to the N$200 million loan capital raised through the Note Programme the net interest bearing debt (total interest-bearing debt less cash)/EBITDA multiple is 1.76 (not to exceed 3.5) and the EBITDA interest cover multiple is 5.25 (not to be less than 2.5). Our capital allocation priority is to support investment in critical network infrastructure. The Cash and Cash equivalents indicated in the graph above includes the investment in money market funds, which are disclosed as "investments at fair value" in the financial statements.

> "THE EBITDA NUMBER MIRRORS THE ABILITY OF THE COMPANY TO GENERATE CASH FLOWS FROM OPERATIONS."



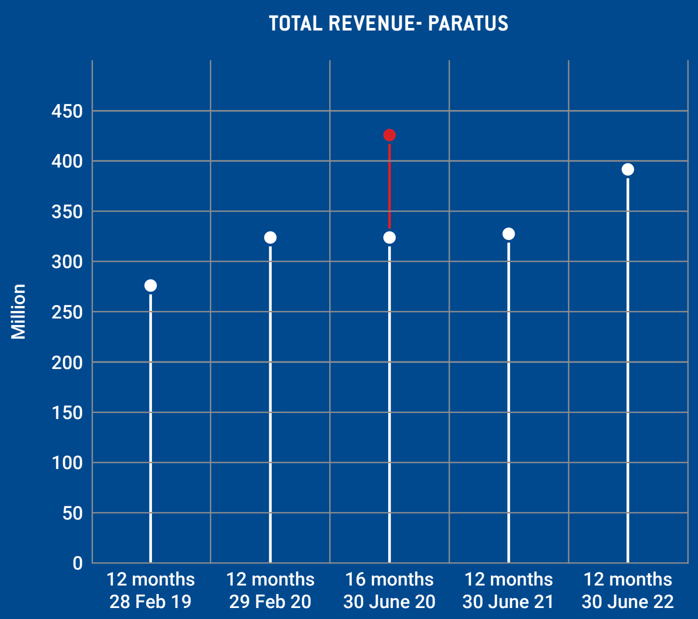
Paratus continued its aggressive infrastructure rollout as evidenced by the CAPEX graph above. During the financial year ending 30 June 2022, Paratus incurred capital expenditure amounting to N$282 million (2021: N$178 million).

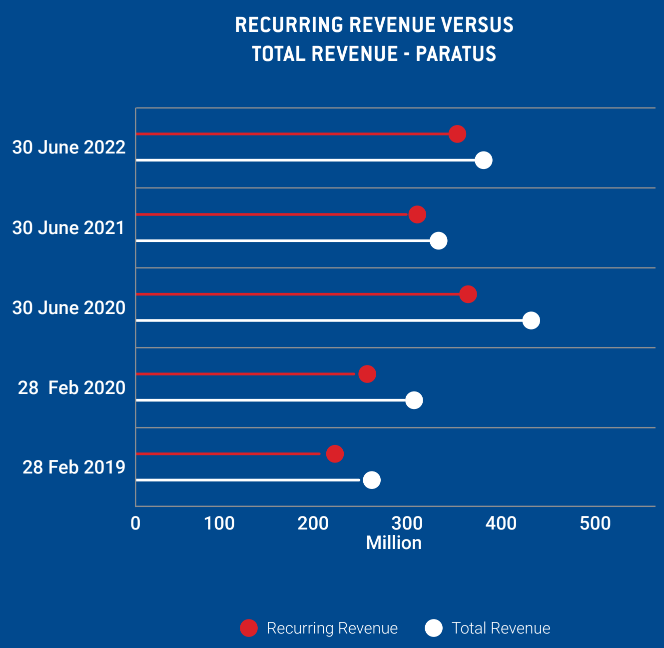
The highlights for the year include construction cost for the Data Center amounting to N$87.5 million, which brings the total year to date investment to N$110 million. The total expected cost to completion is N$123 million and the inauguration date was 4 August 2022.

A total amount of N$35.2 million was invested in the Equiano Submarine Cable Landing Station building in Swakopmund, which has now been completed.

The Equiano Submarine Cable landed on the Namibian shores on 1 July 2022 with the expected Ready-For-Service ("RFS") date to be during the first quarter of the 2023 calendar year.

Good progress was also made with the mass fiber rollout project and the rollout of LTE and SkyFi in the major towns of Namibia, which now also include the far northern regions of Namibia.





Total revenue for the year ended 30 June 2022 is N$395.2 million (2021: N$344.4 million). This represents a growth of 14.8% from the previous financial year. The compounded annual growth rate in total revenue over the last five years is 10%. Recurring revenue makes up 89% of total revenue (2021: 91%). For the financial year ending 30 June 2022, Paratus has realised recurring revenue of N$351.7 million (2021: N$313.5 million) which represents a growth of 12.2%. Non-recurring revenue, which represents customer premises Local Area Network installations and equipment sales amounts to N$43.5 million (2021: N$30.8 million). This represents a growth of 41.2%. The steep increase is mainly attributable to the Local Area Network installation at the new Nedbank Namibia headquarters.

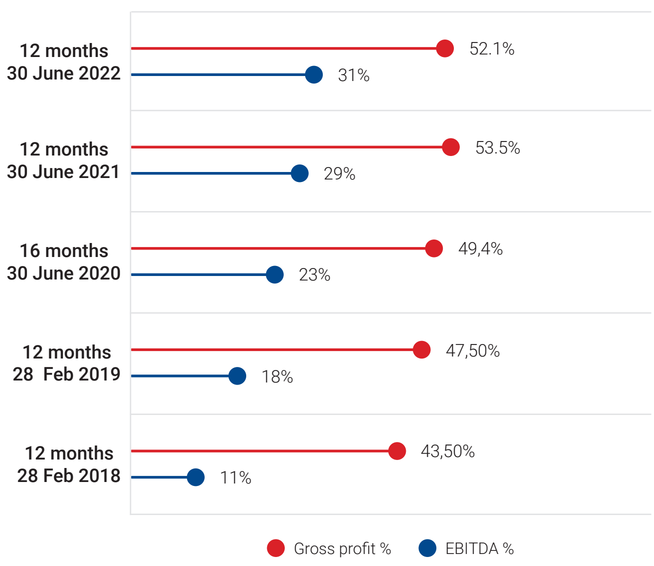
The growth in recurring revenue is attributed to the product offering to the consumer market, which include fiber, LTE, VSAT, and SkyFi. The consumer business makes up approximately 25% to 30% of total recurring revenue. The growth in consumer business has compensated for the low growth in the enterprise business emanating from the weak local economy caused by COVID-19 and high inflation and supply chain constraints due to the conflict between Russia and Ukraine.

During the 2022 financial year the earnings before interest, taxation, depreciation and amortisation ("EBITDA") for Paratus amounts to N$122.5 million (2021: N$101.4 million) This represents growth of 20.8% from the previous financial year. The EBITDA margin increased from 29.4% in 2021 to 31.0% in 2022 and is due to the increased utilisation of Paratus-owned infrastructure replacing third-party infrastructure as well as the continued increase of customers on the existing infrastructure. The containment of operating expenses has also contributed to the improved EBITDA margin.

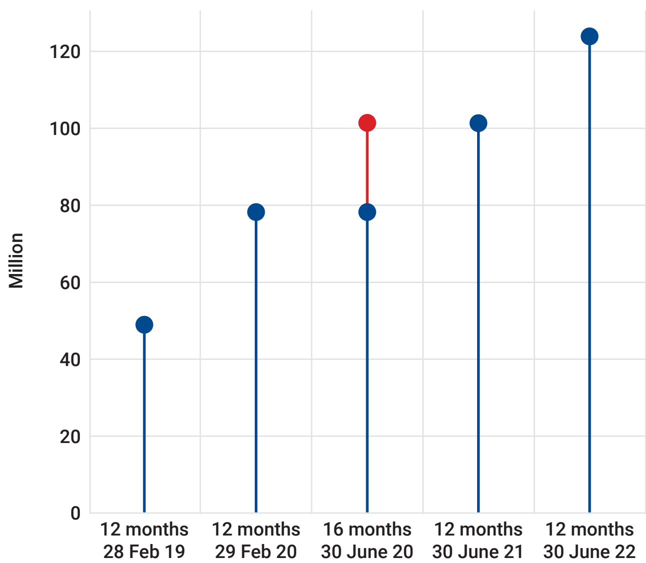
Paratus delivered net cash flow from operating activities of N$117.9 million. There is a close correlation between the EBITDA number and the cash flow from operating activities and therefore the EBITDA number mirrors the Company's ability to generate cash flows from operations. The disparity between profit after taxation and EBITDA stems from the large depreciation charges recorded on infrastructure deployed, as well as the impact of IFRS 16.

The decline in the gross profit margin ("GP%") from 53.5% for the year ended 30 June 2021 to 52.1% for the year ended 30 June 2022 stems from the larger non-recurring revenue component included in total revenue (2022: 11% versus 2021: 9%), which produced gross profit margins of between 8% and 15%.

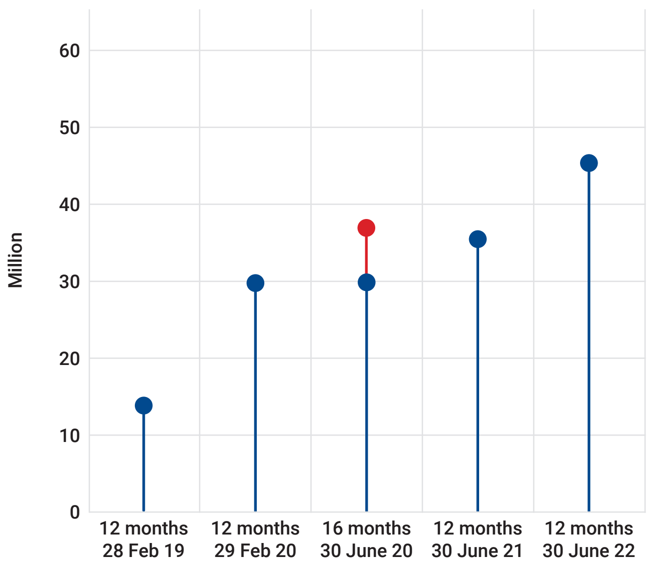
GP % AND EBITDA % - PARATUS



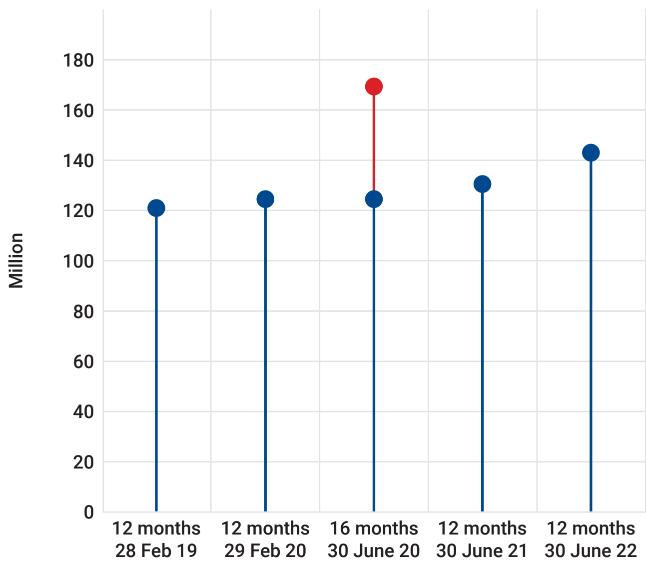
EBITDA - PARATUS



PROFIT BEFORE TAX - PARATUS



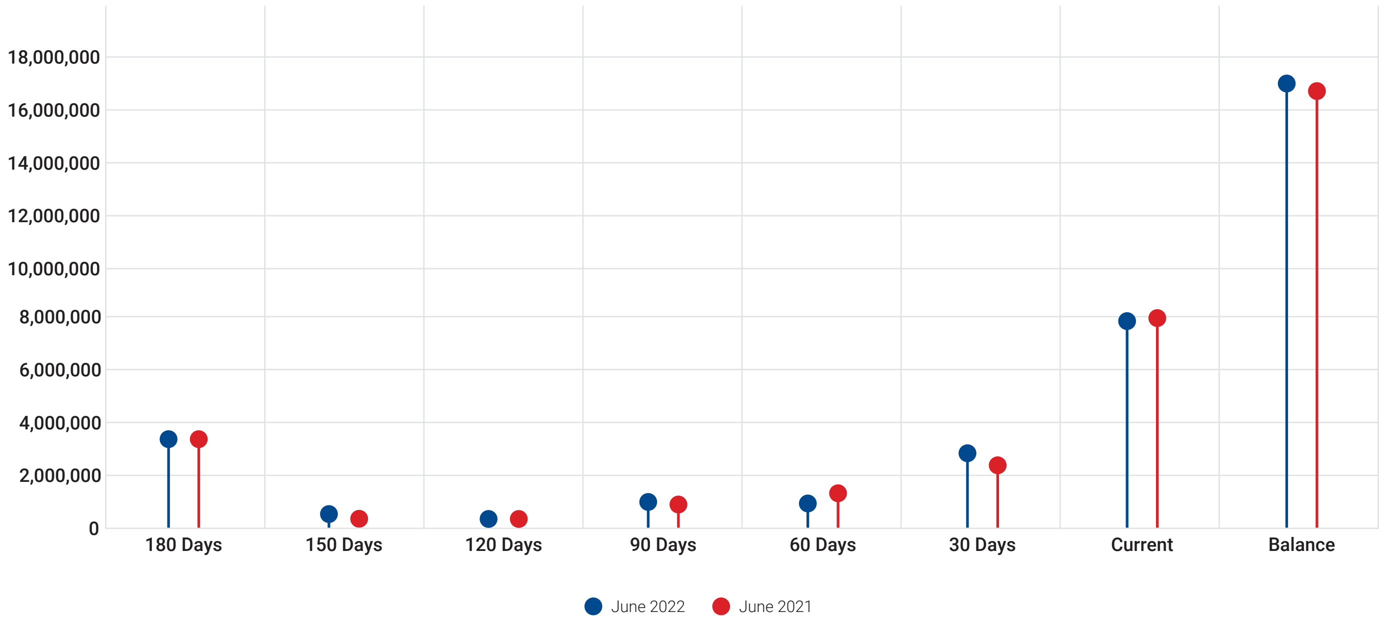
OPERATING EXPENSES - PARATUS



For the year ended 30 June 2022, the net profit before taxation for Paratus amounts to N$45.1 million (2021: N$37.3 million). This represents a growth of 20.9% from the previous financial year. The main contributor to the growth is the 15.1% growth in total revenue.

Total operating expenses for the year ended 30 June 2022 amounts to N$142.6 million (2021: N$129.4 million). This represents a growth of 10.2% and is attributable to the revenue growth and infrastructure expansion, which requires additional resources to maintain the larger network and to service the higher number of customers. The growth in operating expenses during the previous reporting period was only 1.4%, despite the revenue growth during 2021. Improving the network quality remains a priority, as customer service is key to ensuring market share growth. The increase in transaction volumes emanating from the consumer business necessitates Paratus to automate as many processes as possible and especially the sign-up process of new customers.

ACCOUNTS RECEIVABLE AGEING - PARATUS (N$)



Paratus has a policy to terminate services should customers not settle their accounts within 15 days from date of invoice. Although Paratus has experienced double digit revenue growth coupled with the ability to terminate connectivity service if customers do not settle their accounts timely, the Group's cash flow remains burdened by the challenges of high inflation and low economic growth, The economic situation ultimately results in lower disposable income for both the consumers and enterprise customers alike. Paratus has managed to grow revenue due to the demand from consumers for reliable and affordable internet. Notwithstanding the growth in revenue, Paratus has managed to improve collections as evidenced from the above graph, which displays that the arrears per age bucket are aligned with the arrears per age bucket of the previous year.

The IFRS 9 provisions for bad debts recognised by the entity considers the known impact and the estimated future impact of the current economic environment on the recoverability of debtors. As is evidenced by the Accounts Receivable Ageing graph above, the debtor's book has been adequately managed, despite the high growth in revenue and customer numbers against the backdrop of a weak local economic environment. The expected credit loss allowance as at 30 June 2022 is N$3.5 million (2021: N$3.1 million) and represents a growth of 13% from the previous financial year.

In terms of the Shareholders Agreement entered into between Paratus and PNH, the following solvency and liquidity requirements, as well as dividend policy, were provided for:

Solvency requirements:
Debt/asset ratio – 50% to 75% (for this ratio any Preference shares will be deemed to be debt)

Dividend policy:
A dividend pay-out policy of a maximum of 50% of profit after tax has been adopted, subject to the capital requirements in the following year, working capital needs and other relevant factors. The Group is in a robust financial position with good liquidity, no material short-term refinancing requirements and with resilient free cash flow generation. Paratus has extensive capital deployment commitments into infrastructure for the 2023 financial year amounting to N$280 million.

> THE DIRECTORS ARE OF THE OPINION THAT THE RECENTLY LANDED EQUIANO SUBMARINE CABLE, THE COMPLETION OF THE CARRIER NEUTRAL DATA CENTER AS WELL AS THE CONTINUED INVESTMENT IN INFRASTRUCTURE ASSETS ACROSS NAMIBIA BODES WELL FOR BOTH REVENUE GROWTH AND IMPROVED OPERATING MARGINS.

5. LOOKING AHEAD

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 delivered strong revenue growth of 15% against a backdrop of a weak local economy. Paratus 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 completion of the Data Center, which was inaugurated on 4 August 2022.

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 Center in Windhoek;
- Completion of the Equiano Submarine 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 2023;
- Fiber to the X ("FTTx") rollout; and
- LTE expansion to the major towns of Namibia, which provides inter-alia Paratus with the ability to compete in the lower market segment.

The capital expenditure is to be funded by a combination of own cash resources and the proceeds from the bond programme.

The Directors are of the opinion that the recently landed Equiano Submarine Cable, the completion of the carrier neutral Data Center as well as the continued investment in infrastructure assets across Namibia bodes well for both revenue growth and improved operating margins.

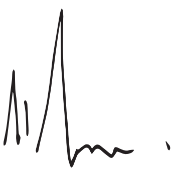
On 16 September 2022, a second tranche of N$130 million was raised through the listed Domestic Medium-Term Note Programme. The second tranche of the Note Programme was well received with bids totaling N$363 million. Three-year notes to the value of N$30 million were issued at an interest rate of 275 basis points above the 3-month ZAR JIBAR rate. Five-year notes to the value of N$100 million were issued at an interest rate of 325 basis points above the 3-month ZAR JIBAR rate. The maturity profile of the current notes in issue are as follows:

- N$175 million maturing on 18 June 2024;
- N$30 million maturing on 16 September 2025;
- N$25 million maturing on 18 June 2026; and
- N$100 million maturing on 16 September 2027.

The Board has declared a final dividend of 10 cents per ordinary share due to the various capital commitments for the 2023 financial year. The result is a full-year dividend of 20 cents per ordinary share. Our capital allocation priorities are to support investment in critical network infrastructure to create shareholder value.

The salient dates of the dividend declared are as follows:

- Board declaration date: 20 September 2022
- Last date to trade cum dividend: 21 October 2022
- First day to trade ex-dividend: 24 October 2022
- Record date: 28 October 2022
- Payment date: 11 November 2022



Stefan de Bruin
Chief Financial Officer
14 December 2022


Unlimit Namibia's digital future.
YOU'VE GOT IT

PARATUS NAMIBIA HOLDINGS LIMITED

Looking at our success story it is testimony to the comment from our Managing Director's report "One can only connect the dots when looking back" as one reflects on how PNH grew from its humble beginnings of being the first Capital Pool Company ("CPC") to list on the NSX on 06 October 2017 to being admitted to the NSX main board during June 2018, listed in the Technology Sector, to where we are now.

A milestone event in the history of PNH was the acquisition of Paratus thereby joining the paths of PNH and Paratus (and its subsidiaries) for the journey going forward.

SIGNIFICANT EVENTS IN OUR HISTORY

2005
ITN starts trading commercially

2006
Launch first commercially available MPLS solution

2007
Wimax roll-out

2008
Commission Omajova 2 VSAT Earth station

2009
ITN Group is formed

2010
Commission VSAT Hub in Rugby London

2011
First private cross-border connection to South Africa

2012
Awarded comprehensive telecommunications license
First private cross-border connection to Zambia

2013
Connect to WACS
Launch voice as a service with 083 number range

2014
Name change to Paratus
Acquisition of Vox Telecom Namibia

PNH'S TIMELINE
PTNA'S TIMELINE

2015

Acquisition of Canocopy

Completion of Paratus HQ building

Commission Private Cloud solution

Completion of Fiber ring in Windhoek

Launch of Mobile LTE in Windhoek

FTTx deployment in Windhoek

2016

2017

TKF completion Swakopmund to Windhoek

30 June 2017
Date of incorporation

25 September 2017
Pre-listing statement

06 October 2017
Listing on NSX

16 November 2017
Paratus transaction circular

26 January 2018
Acquire 26.5% of Paratus

June 2018
Acquire 51.4% of Paratus

1 June 2018
Share swap transaction concluded

29 June 2018
CPC to main board listing

20 July 2018
Rights issue

TKF completion Windhoek to Buitepos

FTTx deployment in Swakopmund

Revival of Omajova Earth station

Fiber between Walvisbay and Swakopmund

2018

2019

Mobile LTE in Swakopmund, Walvisbay and Okahandja

FTTx deployment in Walvisbay

TD-LTE Upgrade

1 January 2020
Acquire 100% of Paratus

19 May 2020
Maiden dividend declared

22 September 2020
Final dividend declared

Start construction of the CLS in Swakopmund for Equiano Submarine Cable

Start with fiber deployment in Grootfontein

Deployed LTE in Rehoboth

Deploy SkyFi in Rehoboth, Oshakati and Keetmanshoop

2020

2021

Start construction of the DC

Start with fiber installation from Ondangwa to Oshakati

Deploy SkyFi in Katima and Gobabis

01 June
Acquisition of 52% shareholding in Bitstream Internet Solutions (Proprietary) Limited

18 May 2021
Established a N$1 billion Domestic Medium-Term Note Programme ("DMTNP")

18 June 2021
First tranche of N$200 million was raised through the NSX registered DMTNP

September 2021
Fiber deployment underway in Pionierspark extension 1, Walvis Bay and Swakopmund

Fiber rollout from Ondangwa to the Omatando Power Station completed and lit before end of September

October 2021
Launch online sign-up platform

November 2021
Opened branch in Ongwediva

Deployed LTE and SkyFi in Ondangwa and Oshakati

Deployed LTE in Henties Bay, Long beach and Dolphin Beach

LTE sites completed - Otjimuise, Katutura Hospital, Soweto

LTE rollout in Grootfontein has commenced

December 2021
Launched new offering - Flex

Signed National Roaming Agreement with MTN

Retail outlets with partner retailers are being set up in Otjiwarongo, Grootfontein and Rundu

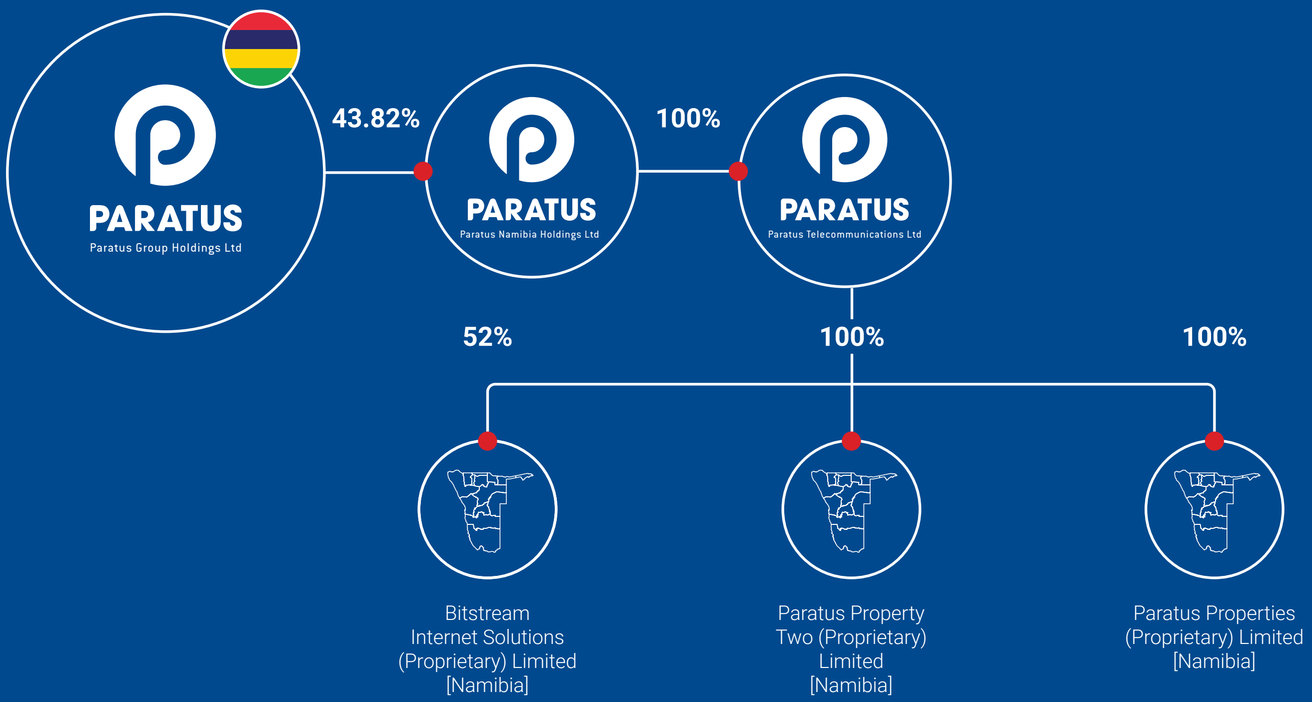
23 March 2022
Declared a dividend to its shareholders - N$4.5 million

23 March 2022
Interim dividend declared

Equiano Submarine Cable Landing Station - construction is finalised - Equiano Submarine Cable landed in Namibia on 1 July 2022, activation of the cable only effective at a later stage

2022

STRUCTURE



OBJECTIVE

We believe consistency and endurance are the key elements to our success and thus the objectives of PNH remain unchanged as we continue to pursue investments in digital infrastructure and services in sub-Saharan Africa.

OUR GOALS

1. Investing in viable ICT infrastructure projects
2. Efficient allocation of capital to lower cost
3. Benefit shareholders and stakeholders alike
4. Sustainability and future ICT development for Namibia and its citizens

ASSETS

26.5%

On 26 January 2018 PNH acquired an interest of 26.5% in Paratus for the total aggregated consideration of N$95 million.

51.4%

On 01 June 2018 PNH increased its shareholding from 26.5% to 51.4% in Paratus in terms of the share swap transaction.

100%

On 1 January 2020 PNG increased its shareholding from 51.4% to 100% in Paratus in terms of a further share swap transaction.

INVESTMENT STRATEGY

PNH has clearly defined investment criteria against which any potential investment will be evaluated.

Investment screening goes through a pre-determined process, with various rounds of approval (by the Investment Committee, the Board and the shareholders), depending on the size of the investment.

The Company's investment policy and guidelines is managed, and the investment strategy implemented, by the Investment Committee, a committee of the Board.

CRITERIA AND TARGETS FOR INVESTMENTS

A. Investments in Paratus

- Namibian infrastructure projects that complement the existing operations of PTNA; or
- Investments or acquisitions that will add value to the operations of PTNA.

B. Investments in Paratus Namibia Holdings Limited

i. Sector and geographical exposure

- Direct or indirect shareholding in companies operating in the ICT sector, and ICT infrastructure projects, or by purchasing or developing ICT infrastructure assets.
- Geographical exposure limited to sub-Saharan Africa.

ii. Strategic Ownership

- Not less than 25% holding in a company.
- Special majority veto right on the Board.
- Special majority Board Approval:
    - approval of the Company's business plans and annual budget;
    - material changes in the Company's financial policies;
    - appointment of the Chief Financial Officer.

iii. Key financial considerations

- Solvency requirements
    - Debt / Assets ranging between 50% and 75% (for purposes of this ratio, Preference Shares will be deemed to be debt);
    - EBITDA interest coverage of two and a half times (for purposes of this ratio, Preference Share dividends will be deemed to be interest);
      [(Earnings before interest, tax, depreciation and amortisation) / Finance Cost];
- Liquidity requirements
    - Acid-test or Quick-ratio of no less than 100%
      [(Current Assets – Inventory) / Current Liabilities]

C. Return requirement on investments

- Calculated per jurisdiction that is being evaluated based on the Capital Asset Pricing Model.
- Capital Asset Pricing Model:
  Required rate of return=Risk free Rate+Equity Risk Premium+Unsystematic Risk Premiums
- Whereas the Equity Risk Premium is calculated by way of a macroeconomic model.

RETURN TO SHAREHOLDERS

The Board shall attempt to pay dividends to provide shareholders with a dividend yield in terms of the following principles:

- Provide for a dividend pay-out policy of not more than 50% of the net income after tax (excluding positive fair value adjustments of financial assets which are non-cash flow items);
- Apply principles in the approved budget adjusted for the actual results;
- Make provision for cash requirements in respect of budgeted cash commitments;
- Allow for reasonable reserves to carry on with the business; and
- Apply a consistent and prudent accounting policy which is IFRS compliant.

SALIENT INFORMATION

PNH CONSOLIDATED

	12 months	12 months	16 months	12 months	12 months
	30 June 2022	30 June 2021	30 June 2020	28 February 2019	28 February 2018
Number of shares in issue	48,723,123	48,723,123	48,723,123	28,710,692	10,363,407
Weighted number of shares in issue	48,723,123	48,386,000	35,675,523	22,763,589	6,495,882
Net asset value per share (cents per share)	1,130.67	1,110.4	1,091.64	1,045.27	987.59
Listed market price per share (cents per share)	1,290	1,200	1,100	1,100	1,050
Market capitalisation (N$)	628,528,287	584,677,476	535,954,353	315,817,612	108,815,774
Premium to net asset value	14.09%	8.07%	0.77%	5.2%	6.3%
Headline earnings (N$)	26,055,323	26,538,559	24,004,504	6,981,792	713,972
Basic and diluted earnings per share (cents)	43.76	54.97	71.27	30.67	10.99
Headline earnings per share (cents)	53.48	54.85	67.26	30.67	10.99
Dividends per share (cents)	20.00	20.00	10.00	Nil	Nil
Dividends declared (N$)	9,744,625	9,744,625	4,872,312	Nil	Nil
Total return to shareholders	9.20%	10.91%	0.91%	4.76%	5%
Capital commitments (N$) (including approved but not contracted for)	293,300,000	318,800,000	323,000,000	Nil	Nil
Revenue (N$)	404,857,007	348,829,659	173,390,963	4,581,201	2,214,978
Profit before taxation for the year (N$)	39,830,216	38,805,867	31,167,355	6,981,793	713,972
EBITDA (N$)	118,017,565	102,710,461	55,148,094	6,981,792	713,917
EBITDA per share (cents)	242.22	210.80	113.19	24.32	6.89
Net Debt / EBITDA (times)	3.42	1.86	1.31	n/a	n/a
Net interest-bearing debt / EBITDA (not more than 3.5 times)	1.76	0.35	(0.89%)	n/a	n/a
EBITDA interest cover (not less than 2.5 times)	5.25	5.75	13.70	n/a	n/a

PTNA STAND-ALONE

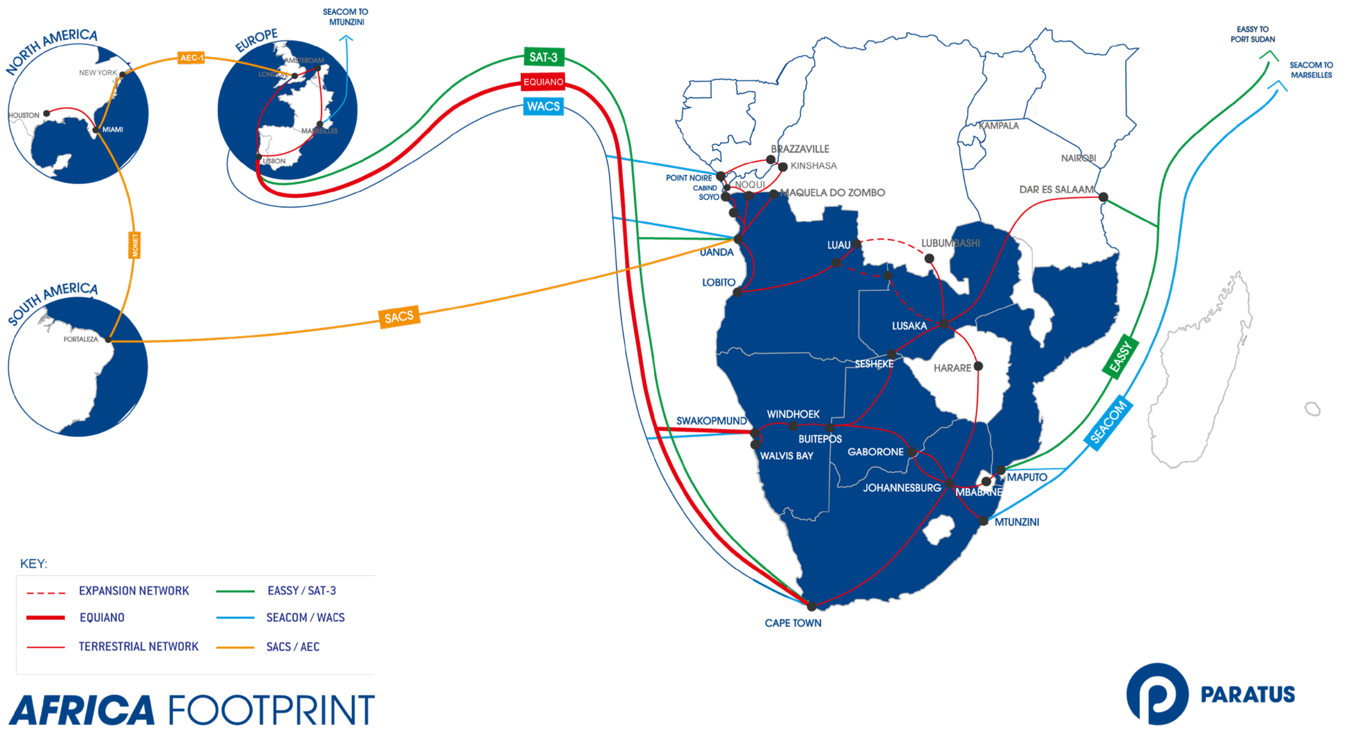
	12 months	12 months	16 months	12 months	12 months
	30 June 2022	30 June 2021	30 June 2020	28 February 2019	28 February 2018
Revenue (N$)	395,218,152	344,368,695	431,890,338	283,676,902	279,623,197
Profit before taxation (N$)	45,143,993	37,327,894	36,719,145	13,832,170	3,815,303
EBITDA (N$)	122,468,839	101,368,839	101,247,260	49,690,240	32,360,428
EBITDA margin	30.99%	29.44%	23.44%	17.52%	11.57%
GP%	52.14%	53.52%	49.4%	47.5%	43.8%
Capital expenditure (N$)	281,753,989	178,109,609	100,672,994	70,154,304	63,359,792


Unlimit Namibia's
digital future.
YOU'VE GOT IT

PARATUS TELECOMMUNICATIONS (PROPRIETARY) LIMITED

As mentioned at the start of our 2022 Integrated Annual Report, we will specifically focus on the activities and performance of Paratus Telecommunications (Proprietary) Limited ("Paratus" or "PTNA"), a wholly owned subsidiary of PNH and the main contributor, in reporting on this year's performance, the business model, sustainability, governance, strategy and risks of the Company and Group.

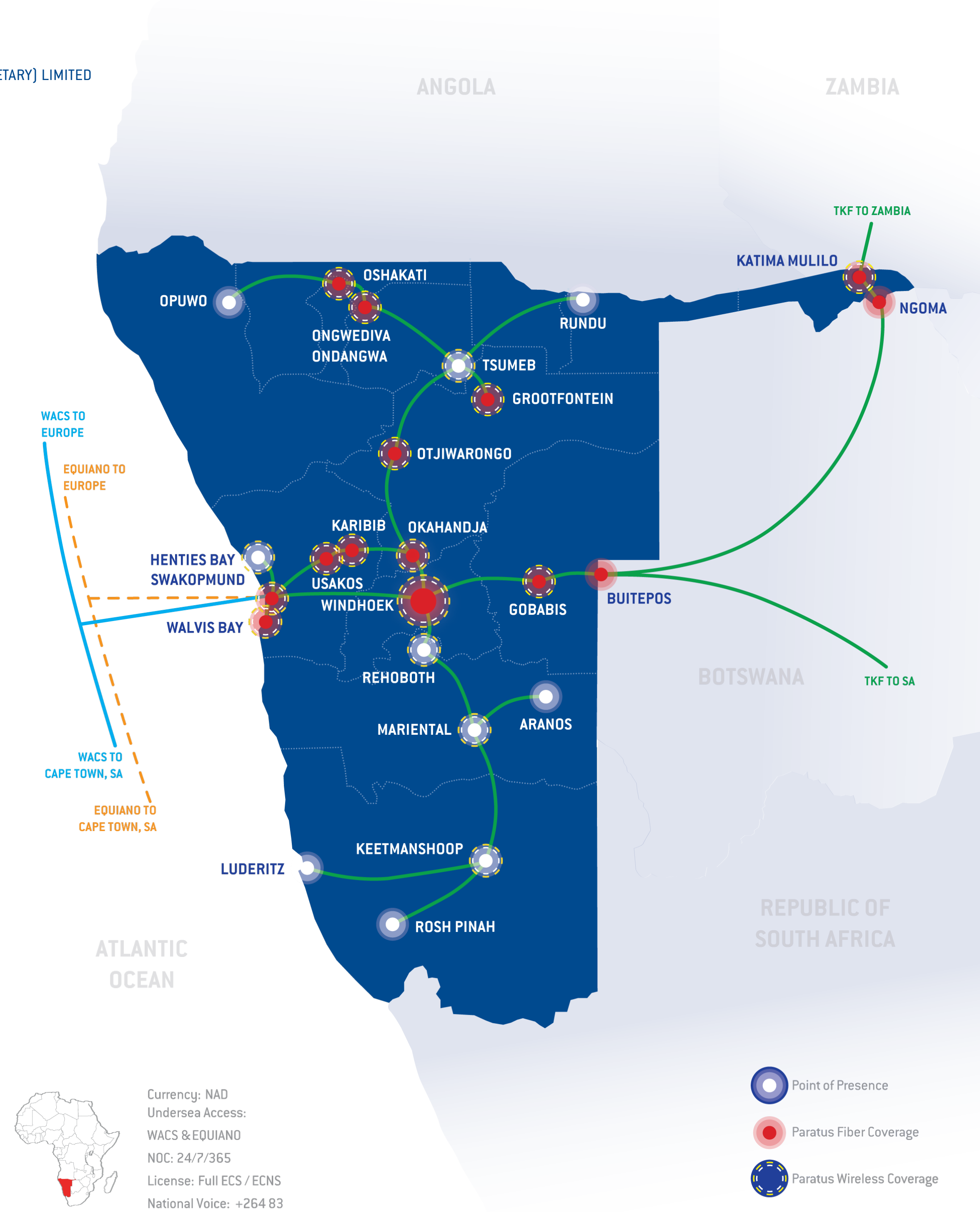
Paratus is a 100% Namibian owned company founded in 2005 (also refer to significant events in history). Based in Windhoek, Paratus is part of the Paratus Group, which is the largest privately owned pan-African network operator.



OUR WORLD IS CONSTANTLY *GROWING*

Our world is constantly growing, always finding new ways to get things done, always making new connections. Namibia is no different. Our country inspires and challenges us. Which is why we go the extra mile to meet opportunity head-on and bring connectivity to you and your enterprise. At Paratus, we are always pushing the limits, to keep you connected to your ambitions, your world, your future.

The Company holds a Class Comprehensive Telecommunications Service Licence (ECS & ECNS). Paratus believes that investing in its own infrastructure is critical to remaining competitive, meeting customer demands and complying with stringent quality of service expectations. By providing national network services through different access technologies and partner networks, Paratus offers resilience and redundancy where maximum uptime is essential.



THINKING BIG

Paratus offers various access technology offerings to both the private and corporate sectors, such as fiber, microwave, VSAT and Mobile-LTE. Customers can rest assured that the network is stable, reliable and can scale with capacity requirements while providing redundancy, disaster recovery, and route diversity.

Paratus also hosts its own digital orbit tracking Satellite Earth Station in Windhoek linked to the fiber backbone, allowing capacity to be distributed nationwide. With a full suite of satellite products, Paratus offers remote customers internet connectivity, telephony, Point-of-Sale Connectivity, and a customised Wi-Fi voucher system for guest lodges and farms.

Paratus was selected as the landing partner for the Equiano Submarine Cable system, completed the Equiano Submarine Landing Station in Swakopmund, and in August 2022 completed the first ever carrier neutral Data Center in Namibia.

EMPLOYEES

Whether you're running a large corporation, managing your own business or connecting at home, you want a reliable, quality connection. At Paratus Namibia, we're here whenever you need us – any day, any time. Through our 24/7 support, our expert and dedicated technicians work to keep you online. We're not here to meet these expectations, we're here to exceed them.

In order to do just that we focus on our employees and their needs. Even in this difficult time and the aftereffects of the Covid pandemic our headcount has remained stable at 202 employees.

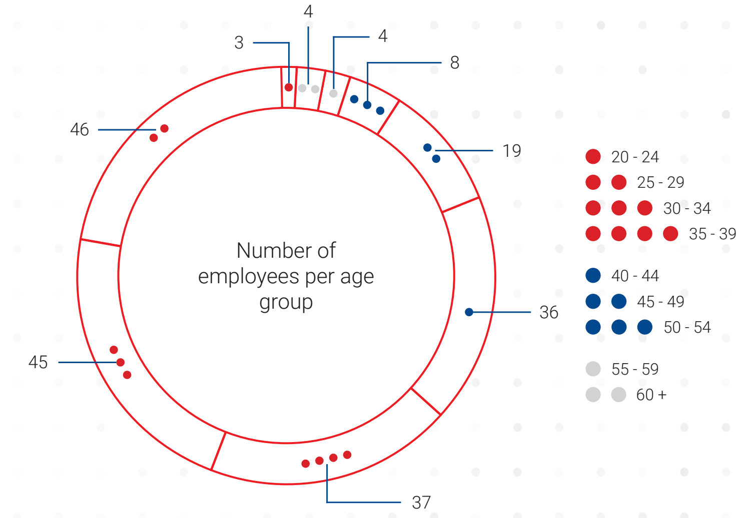
We have spent a total of N$ 85.1 million (2021: N$76 million) over the last 12 months on employee remuneration.

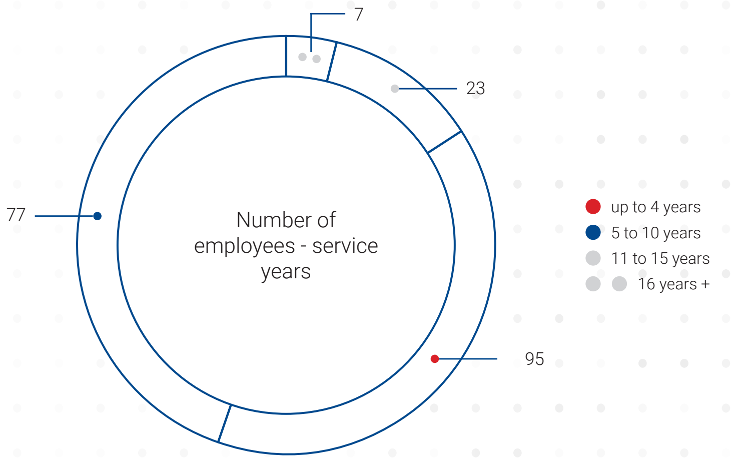
Paratus has formally constituted its Affirmative Action ("AA") Committee to serve in the interest of employment equity. The team will develop, manage, and implement the new 3-year company employment strategy, be representative of the Paratus nation by focusing on inclusivity, transparency and fairness in all dealings with employees, and ensure monitoring and reporting are aligned to the Employment Equity Commission's framework requirements.

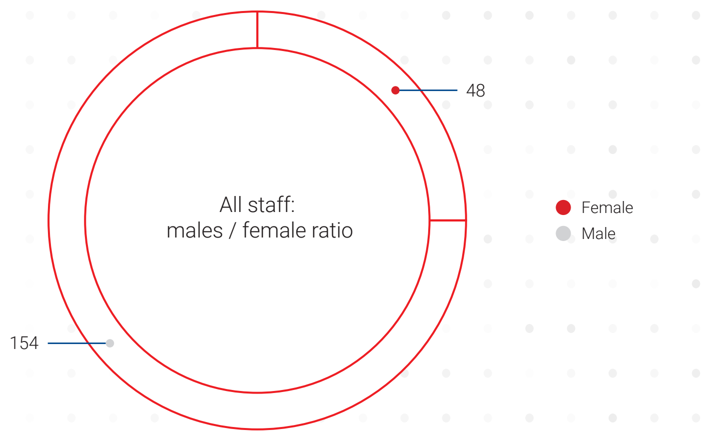
The AA Committee consists of six (6) primary members, including a chairperson, secretary, and four (4) representative members of employees in various categories. For consistency in employee representation, four (4) alternative nominated representatives have been appointed and selected should the primary members not be available to deal with any matter that arises. To ensure legal compliance, the committee has nominated a legal team member to provide internal legal advice. For the AA Committee to act transparently, the legal team member appointed to support the AA Committee may not simultaneously offer advice to the Company on any mutual issue that arises.

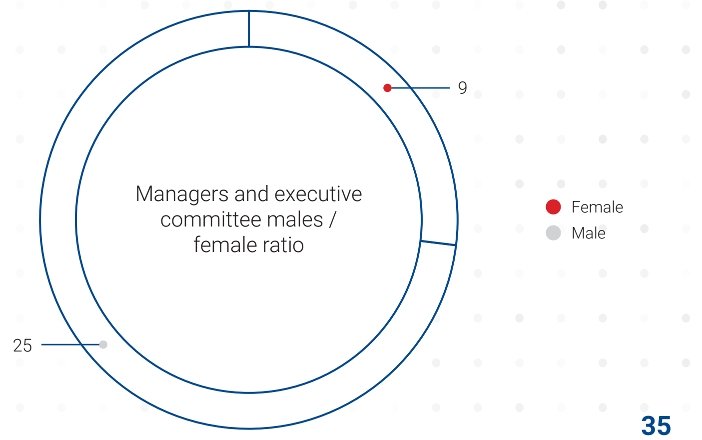
At Paratus job creation goes beyond just our own employees. Paratus also takes pride in the job creation at contractors and resellers made possible by the continued working relationship with us:

- 38 reseller;
- 14 contractors
    - Windhoek: 8 contractors - employing 210 people between them
    - Swakopmund: 2 contractors - employing 40 people between them
    - Otjiwarongo: 1 contractor - employing 20 people
    - Groofontein: 1 contractor - employing 10 people
    - Katima Mulilo: 1 contractor - employing 12 people
    - Oshakati: 1 contractor - employing 8 people









STRATEGY FOR 2023

As mentioned earlier, we believe that the key to our success is consistency and endurance.
This is no different when it comes to our strategy, the over-arching strategies remain the same.

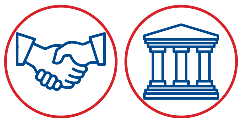
	ACTIONS
NATIONAL FOOTPRINT	We will continue to focus on our national network expansion while at the same time expanding our retail arm with the addition of more national outlets in partnership with our resellers.
SERVICE OFFERINGS	With a strong focus on digitisation to make the customer journey with Paratus as frictionless as possible, focusing on quality of experience and creating stickiness, we continue to invest in modern back-office systems and automation of business processes.
INFRASTRUCTURE	Continual upgrades of core systems to improve and plan for increased capacity to cater for customer needs and enable the end-user to experience the benefits the Equiano Submarine Cable has to offer.
INFRASTRUCTURE	The completion of our carrier neutral Data Center now provides the ideal platform for international hyperscalers to host their content locally, improving the overall experience of internet users.
INFRASTRUCTURE	The landing of the Equiano Submarine Cable in conjunction with our Trans Kalahari Fiber is the perfect enabler for Paratus to export capacity to land locked neighbouring countries

VALUE-CREATING BUSINESS MODEL

The availability and quality of our six capital inputs … enable us to deliver on our strategy by enabling value-adding business activities … that produce purpose-led outputs (products and services) … and outcomes ...

	CAPITAL	INPUTS	STRATEGY	OUTPUTS	OUTCOMES
FINANCIAL CAPITAL	Access to cost-effective financial capital – such as equity, debt, reinvestment and other financial instruments – is an essential basis for sustaining and creating future value.	- N$628.5m (2021:N$584.7m) market capitalisation - Market capitalisation; - Robust balance sheet; - Cash generated from operations; - Continued focus on strong financial discipline; - Good track record of responsible financial management practices	- Strategic partnerships; - Debt/Capital raising	- Paratus interest paid N$23.3m (2021: N$18.6m) - Paratus EBITDA N$122.5m (2021: N$101.4m) - Paratus Revenue generated N$395.2m (2021: N$344.4m)	- Return on investment 9.20% (2021: 10.91%); - Resilient and efficient balance sheet with strong cash flows; - Improving market capitalisation;
MANUFACTURED CAPITAL	Our substantial financial investment in our networks, fiber; and public infrastructure has given us the capacity to generate longer-term returns	254 km (2021: 310 km) additional fiber installed - Well maintained and functional infrastructure; - Maintaining opportunities for growth; - Reliable provision of services from service providers and contractors	- Footprint: growing our network nationally with the continued expansion of our fiber and radio access network. - Investment in Infrastructure	Investment in infrastructure	- Improved bandwidth; - Internet access to consumer and enterprise market; - Lower cost of data/ bandwidth Technology and Infrastructure enhancement; - Capital growth; - Increased network coverage
HUMAN CAPITAL	Our culture and our people, our collective knowledge, skills and vast experience allow us to provide innovative and competitive solutions in an ever-evolving field.	202 (2021: 202) employees - Competency; - Capability; - Industry-specific experience; - Motivation; - Experienced leadership	- Service offering: exceptional customer service	Total spent on employee remuneration N$85.1m (2021: N$76.0m) - Performance measurements; - Udemy activity report; N$466k (2021: N$557.8k) invested in training; - Incentives paid; (Refer to Remuneration report on pages 62 to 67)	- Effective and efficient operations; - Attracted, motivated, and retained the desired talent
SOCIAL AND RELATIONSHIP CAPITAL	Trusted relationships with all our stakeholders are essential to maintaining our reputation and licence to operate, and to enabling us to deliver on the strategy	- Constructive engagements with key stakeholders; - Investor confidence; - Positive service provider relationship; - Trusted brand and reputation	- Paratus Social investment	- Infrastructure development (refer to page 36); - Improved sustainability (refer to Paratus Social Investment report on page 40); - Employment (refer to page 35); - Stakeholder engagements (refer to page 38)	- Strong employee relations; - Improved economy; - Improved community; - Sustainable business; - Strong regulatory compliance
NATURAL CAPITAL	Spectrum, energy and land	Radio spectrum Fixed LTE 2505-2525 MHZ paired with 2625-2645 MHZ Mobile LTE 1840-1860 MHZ paired with 1745-1765 MHZ Fixed PTP 8 Ghz; 15 Ghz; 18 Ghz	- Service offering: Service provision in accordance with the triple bottom-line principles.	- Social-economic development (refer to Paratus Social Investment report on page 40) (Refer to Remuneration report on pages 62 to 67)	- Responsible corporate citizen in accordance with the triple bottom-line principles
INTELLECTUAL CAPITAL	- Delivering on our strategy requires a strong performance-based ethical culture; the use of our “know-how”; - Proprietary and licenced technology; - Procedures and processes to produce the most efficient and effective outcomes	- Governance structure; - Risk management; - Investment advisory services; - Management resources; - Continued investment in technology	- Service offering	- Effective systems and processes; - Mitigating controls; - Risk and opportunities; - Income-generating assets (Refer to our ARC report on pages 55 to 61 and our corporate governance report on pages 46 to 54)	- Ethical culture; - Effective controls; - Execution of strategy

ADDRESSING STAKEHOLDER INTERESTS

	SHAREHOLDERS AND POTENTIAL FUTURE INVESTORS	FINANCIERS	EMPLOYEES	GOVERNMENT AND REGULATORS
NEEDS AND EXPECTATIONS	- Return on investment; - Strategy execution; - Compliance with regulatory requirements; - Sustainability	- Solvency and liquidity; - Capital management; - Sustainability; - Risk management	- Job security; - Fair remuneration; - Skills development; - Favourable working conditions; - Training and development; - Transformation; - Health and safety	- Social responsibility; - Compliance with regulators and relevant legislation
COMMUNICATION/ INTERACTION	- (Annual) General meetings; - Namibian Exchange News Services (“NENS”); - Investor presentations; - Integrated Annual Report; - Website	- Adhoc meetings; - Credit reviews; - Integrated Annual Report; - Website	- Monthly staff meetings; - Direct communications with line managers; - Written communication; - Training and development goals; - Performance appraisals; - Market-related compensation; - Short-term incentives	- Regulatory and other reporting; - Regular meetings; - Integrated Annual Report; - Press releases; - Website
IMPACT ON CAPITALS				

CUSTOMER	LOCAL COMMUNITIES	CONTRACTORS, SUPPLIERS AND SERVICE PROVIDERS	SPONSORS	MEDIA
- Product/service quality and consistency; - Pricing; - Security of supply; - Performance reliably	- Safeguarding the environment; - Local recruitment; - Local economic development; - Infrastructure development; - Social economic development; - Transparency of performance; - Affordable data prices	- Contractor security in the current climate; - Overall sustainability of Company; - Transparency of procurement processes; - Ethical conduct; - Contract terms and performance	- Detailed, transparent reporting; - Return on investment; - Responsible investment	- Transparency; - Operating and financial performance; - Being informed of key activities and offerings
- Integrated Annual Report; - Regular meetings; - Website; - Client functions and promotions; - Leaflets, Pamphlets, fryers and brochures	- One-on-One meetings; - Contracts; - Site visits; - Recruiting locally; - Website, Facebook, Twitter; - Integrated Annual Report; - Complaints and grievance procedure	- Direct supplier engagement; - Contracts; - Integrated Annual Report; - Website	Regular meetings	- Press releases; - Results presentation; - Integrated Annual Report; - Interviews

PARATUS SOCIAL INVESTMENT REPORT

OVERVIEW

The Paratus Social Investment (PSI) of PNH showcase our commitment to giving back to our communities in the educational sphere. This focus area reiterates our core brand message which is to "unlimit potential – think big and be unlimited". We continuously review our corporate social priorities considering global trends and adjust our contributions in line with the needs of our stakeholders to ensure we do our part to make a difference in the lives of Namibians through education. We believe continued involvement in already identified project achieves a greater impact and you will notice that our commitments, to a great extent, have remained unchanged.

Education

There are three characteristics that will never change in education. Teaching, Learning and Assessment. Any new educational development must fit into this important educational triangle.

Lockdown has changed the direction of the educational process by making e-learning and blended teaching the prominent means of all three educational cornerstones. Without getting technical, e-learning (digital learning, online learning) can be defined as using technology in teaching, learning and assessment platforms through the internet while blended teaching is where e-learning and face-to-face teaching meet each other in an educational environment for example, the classroom.

EDUGATE – EDUVISION

EduVision was founded to offer effective, interactive classroom teaching between teachers and learners of the EduGate Academy with their counterparts in rural schools by utilising modern teaching methods and technology to help improve the pass rates for learners in grade 10, 11 and 12.

Paratus has been involved with EduVision since inception in 2017, through an invaluable sponsorship of reliable internet connectivity through interactive digital display technology and satellite services. Paratus understands the challenges that remote areas face when it comes to the teaching process. The decision to become involved and offer dependable solutions that fit the needs of remote schools is well within our mission of bridging the gap of access to information.

Paratus' established network system and infrastructure provides fast and reliable access to remote areas for their e-learning needs to help overcome the challenges associated with teaching and learning and improve the quality of education offered to rural schools in remote regions in real time. Young people are our future leaders and Paratus aims to assist them with the necessary tools to become truly limitless.

Through the use of interactive digital display technology, teachers in Otjiwarongo are able to teach real-time online classes and direct students to the interactive digital display on both sides of the connectivity, i.e., Otjiwarongo and Tsumkwe to interact and solve exercises directly on the interactive digital display. What is written by the teacher in Otjiwarongo, appears on the interactive digital display in any other school connected to the program and vice versa when the students in return interact with the teachers in Otjiwarongo.

Paratus have pledged fifty (50) satellite sites to schools throughout the country. With this donation and installation over the last few months, more than 10 000 learners were able to access the internet and blended learning programs.

THE ADVANTAGES OF THE INVOLVEMENT OF PARATUS INCLUDE:

1. removing geographic and budgetary barriers to increase equity by expanding access to the best available resources;
2. empowering teachers and learners with the choice to teach and learn in their remote environments;
3. allowing learners to learn using the same tools they must master to succeed in today's workforce;
4. leveling the playing field so that all learners, regardless of where they live, are able to have access to worldwide information;
5. giving more learners access to rigorous college/university preparatory courses;
6. enhancing great teaching with continually updated tools and concepts;
7. improving the sustainability of remote schools;
8. reducing dropout rates;
9. reducing facility demands; and
10. creating opportunities to reimagine the very nature of teaching and learning to better serve the needs of all learners.


Unlimited potential.
YOU'VE GOT IT

2022

12 OF THE 15

identified remote schools for this year are connected.

3000

pre-recorded lessons

(Namibia Cambridge Curriculum) available in the Panopto cloud, recorded by experience teachers, who can be watched at any time and any place. This was made possible by the equipment installed by Paratus as well as their fast and reliable Internet that is available @ EduGate Academy where the teachers are recording.

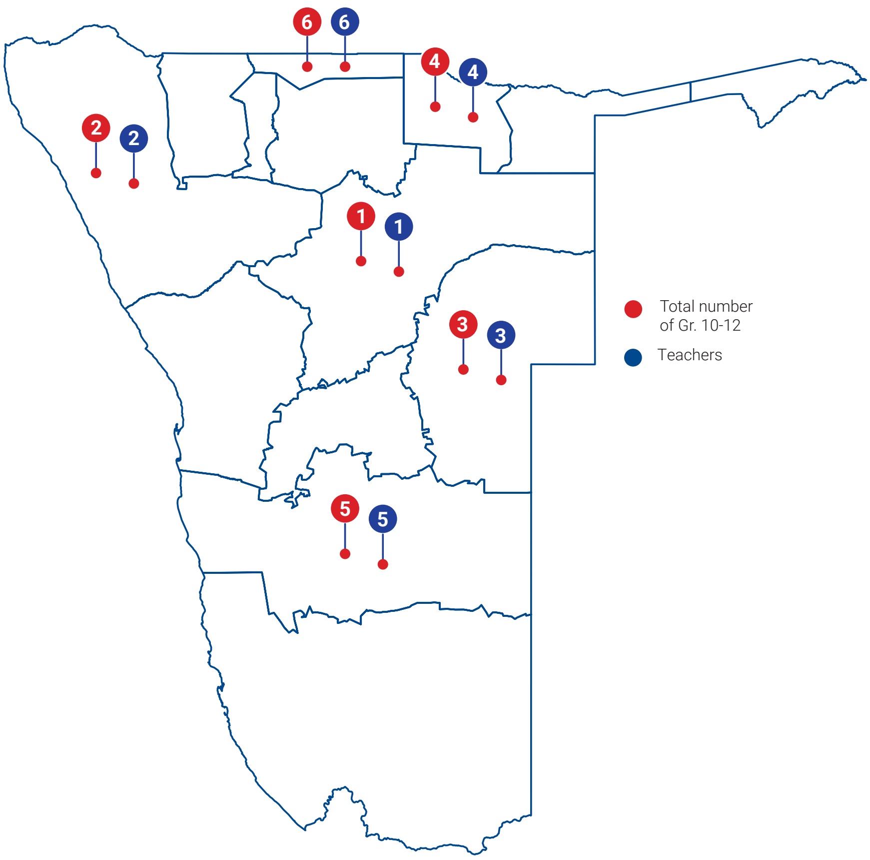
RESULTS 2021

- The two AS Schools ended 2/13 (Cornelius Goreseb SS) and 4/21 (Himarwa Ithete SS) respectively in their Regions in the Nationals Exams.
- Two learners from Himarwa Ithete SS got A symbols for three of their subjects.
- Epukiro Post 3 SS became an AS school.

Connectivity provided on Paratus VSAT

(Map does not include all urban schools connected via Paratus Fiber network.)

NUMBER OF TEACHERS AND LEARNERS WHO CURRENTLY HAVE ACCESS TO THE EDUVISION CLASSES.



1 OTJOZONDJUPA		
Gam SS	333	12
Okakarara SS	677	22
Tsumkwe SS	404	15
Waterberg JSS	426	17
2 KUNENE		
Cornelius Goreseb SS	647	24
3 OMAHEKE		
Epukiro Post 3 SS	905	29
4 KAVANGO-WEST		
Himarwa Ithete SSS	853	29
Kandjimi Murangi SS	678	34
Leevi Hakushembe SS	801	40
5 HARDAP		
Pionieer SS (Schlip)	223	9
PI Groendewaldt SS (Gochas)	250	13
SI/Oaseb (Gibeon)	550	17
6 OHANGWENA		
Oshaango CS	173	10
Epembe SS	242	18
Elundu CS	168	16
TOTAL	**7330**	**305**

THE SUBJECTS WHICH FORM PART OF THE 3000 PRE-RECORDED LESSONS

1. Biology
2. Chemistry
3. Economics
4. Mathematics
5. Physics

Other PSI Activities

PARATUS CARES WEEK 2022

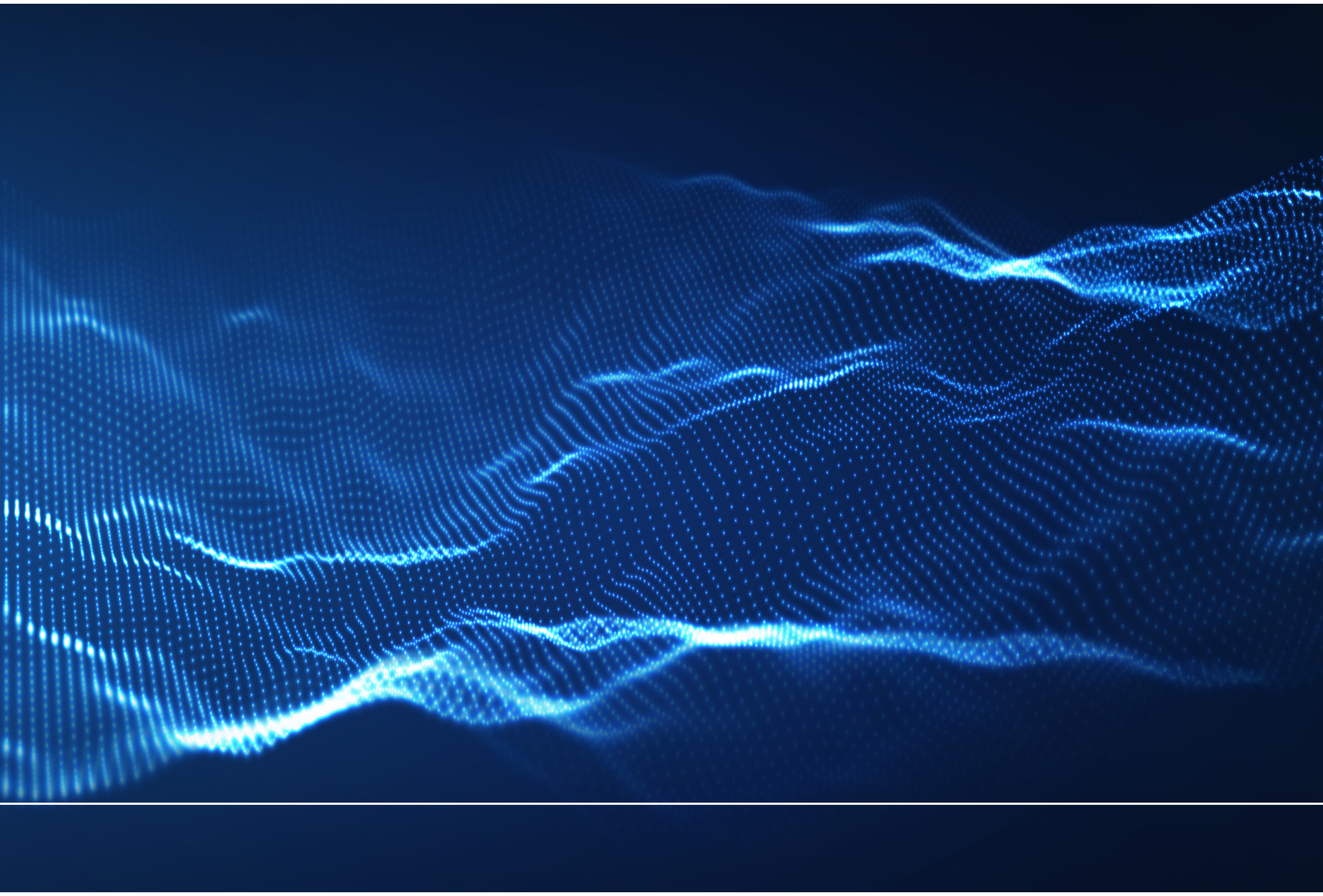
Paratus believes in making both an immediate and a long-term impact in the Namibian community. While our primary focus for PSI remains education, we are aware that the ravaging effect of the pandemic has left people emotionally and physically vulnerable. The Paratus team visited three old age homes with gift packs during the winter months. The team spent time engaging with the residents and learning from their vast life experiences.

SUSTAINABILITY

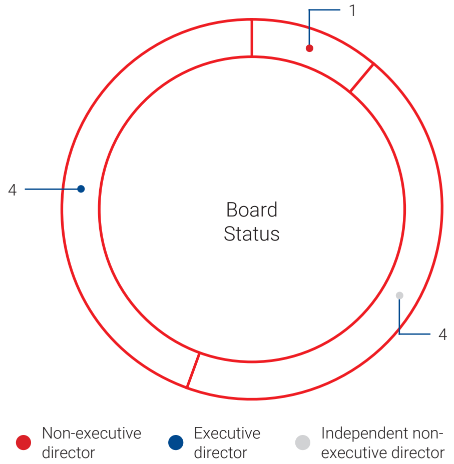
As a Namibian company, we are committed to bring change to its economy, its people and its environment and to leave a legacy that we are proud of. In light of this, Paratus has established an ESG Committee who has been engaged to evaluate the Paratus footprint, make recommendations to the Board and work towards Paratus leaving a true and meaningful impact.

> “WE ARE PROUD TO BE INVOLVED IN AND CONTRIBUTE TO NAMIBIA’S FUTURE THROUGH EDUCATION.”

CORPORATE GOVERNANCE AND RISK MANAGEMENT

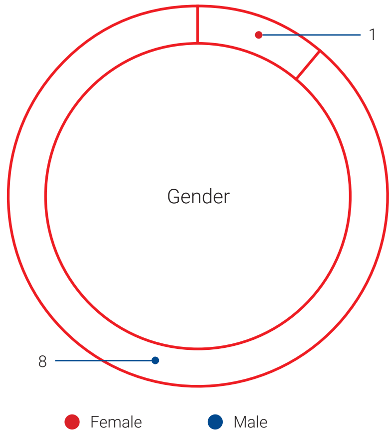


CORPORATE GOVERNANCE



The Group's corporate governance is established by the tone set at the top as the Board is responsible for the overall conduct of the Group's businesses. The Group is committed to the highest standard of governance and as such, we embrace the establishment of a corporate governance framework that takes into account the best practice recommendations as set by the Audit, Risk and Compliance ("ARC") Committee, the Companies Act of Namibia, the Namibian Code ("NamCode") report and the Namibian Stock Exchange Listings Requirements.

The Board of PNH fully subscribes to the principles of good corporate governance and regard these as fundamentally important to the business's success and sustainability of the Group.

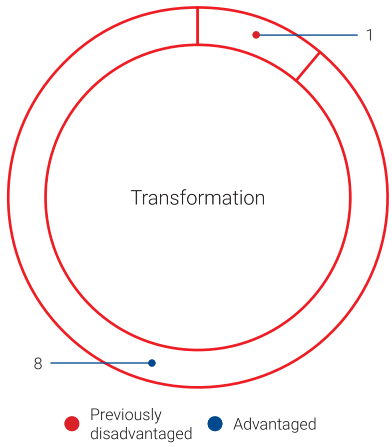


BOARD CHARTER

The Board charter provides guidelines to directors in respect of, inter alia, the Board's responsibilities, authority, composition, procedures, meetings and the need for performance evaluations. The Board charter also provides for a clear division of responsibilities to ensure a balance of power and authority to ensure that no single director has unfettered powers of decision-making.

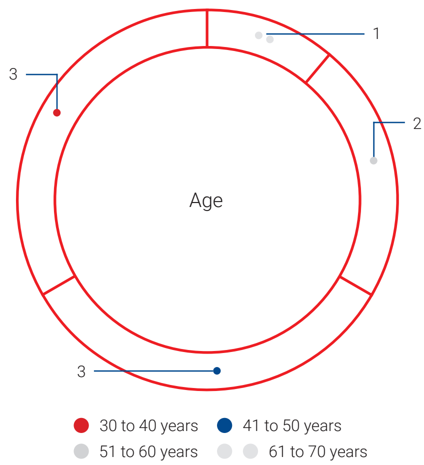
The charter is reviewed on an annual basis by the Board.

> "THE BOARD WILL ON AN ANNUAL BASIS CONSIDER ITS SIZE, DIVERSITY, DEMOGRAPHICS AND SKILLS REQUIREMENTS AS PART OF THE ASSESSMENT OF THE BOARD AND DIRECTORS' PERFORMANCE."



The Board subscribes to a unitary board structure with a balance of executive and non-executive directors. The Board of Directors will at all times be a majority of non-executive directors, the majority of whom must be independent as defined in NamCode.

The Chairperson of the Board is an independent non-executive director. The Chairperson will be appointed on an annual basis and will be responsible for the effective leadership of the Board. The Chairperson, together with the Board, will consider the number of outside appointments held and the Board will ensure a proper succession plan for the position of chairperson.



The Managing Director ("MD"), Group Chief Executive Officer ("CEO"), Group Chief Financial Officer ("CFO") and Group Chief Operations Officer ("COO") are ex officio members of the Board.

There is a clear division of responsibilities between the executive responsibility for the running of the business and the leadership of the Board, such that no one individual has unfettered powers of decision-making.

The Remuneration and Nomination Committee ("REMCO") of the Board will assist with the identification of suitable candidates for appointment to the Board and to board committees. Directors appointed by the Board based on the recommendation of the REMCO will stand down at the first annual general meeting of shareholders following such appointment and may offer themselves for re-election.

BOARD SKILLS AND EXPERIENCE:

Skill/experience	Number of board members with said experience
Accounting, auditing and tax	4
Digital innovation	5
Information technology	5
Human resources	1
Legal	1
Investment management	3
Governance and stakeholder management	9
Strategy	9

At least one third of the non-executive directors will retire by rotation on an annual basis.

The independence of all independent non-executive directors will be assessed on an annual basis with a specific focus on the independence of independent non-executive directors who have served for more than six (6) years.

The Directors of PNH and Paratus are aligned to create mirror boards.

THE DIRECTORS AT DATE OF THIS REPORT ARE:

Director	Date appointed	Status
Habo Gerdes	08 August 2017	Independent Non-Executive Director | Chairperson
Romé Mostert	30 June 2017	Independent Non-Executive Director
Stuart Birch[1]	08 August 2017	Independent Non-Executive Director
Jaco Esterhuyse[1]	26 May 2018	Non-Executive Director
Josephine Shikongo	08 August 2017	Independent Non-Executive Director
Stefan de Bruin	08 August 2017	Group Chief Financial Officer, Executive Director
Schalk Erasmus[4]	08 August 2017	Group Chief Executive Officer, Executive Director
Andrew Hall	25 September 2019	Managing Director: Namibia, Executive Director
Barney Harmse[3]	25 September 2019	Group Executive Chairman, Executive Director
Rolf Mendelsohn[2]	25 September 2019	Group Chief Technology Officer, Alternate Director
Norbet Kreft	26 May 2018	Alternative Director to Jaco Esterhuyse

[1] South African

[2] Alternate Director to Barney Harmse

[3] Group Chief Executive Officer until 1 August 2022

[4] Group Chief Operations Officer until 1 August 2022

ROLE AND FUNCTION OF THE BOARD

- As its primary function, the Board is responsible for determining the strategic direction and to exercise prudent control over the Company and/or Group and its affairs.

- The Board and the individual directors will at all times act in the best interest of the Company and/or Group and adhere to all relevant legal standards of conduct.

- The Board serves as the focal point and custodian of corporate governance in the Group and exercises its leadership role by:
  - steering the Group and setting its strategic direction;
  - approving policy and planning that give effect to the direction provided;
  - overseeing and monitoring of implementation and execution by management; and
  - ensuring accountability for performance by means of, among others, reporting and disclosure.

- The Board appointed the MD, CEO, CFO and COO and formally evaluate the performance of such officers annually against agreed performance measures and targets. The Board satisfies itself that there is succession planning for the MD, CEO, CFO and COO (emergency situations and succession over the longer term) and periodically review these plans. In addition, the Board, via the REMCO, provides input regarding senior management appointments, remuneration and succession plans.

- The Board approves and annually reviews a delegation of authority framework that articulates its set direction on reservation and delegation of power. The Board oversees that key management functions are headed by an individual with the necessary competence and authority and are adequately resourced.

- The Board implemented a formal governance framework in respect of subsidiary companies and other related entities in the Group.

- The Board, with the support and guidance of the REMCO, adopted remuneration policies that are fair, responsible and aligned with the strategy of the Company and/or Group while linked to individual performance. A remuneration report is included in the integrated report and the remuneration policy and implementation report shall be submitted to shareholders annually for a non-binding, advisory vote.

RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

- In fulfilling due responsibility to the Company and/or Group, a director will at all times:

  - act in the best interest of the Company and/or Group, in good faith and with integrity and adhere to all relevant legal standards of conduct;
  - conduct themself in a professional manner;
  - avoid any conflict of interest between their personal affairs and that of the Company and/or Group or, where unavoidable, in writing disclose any such conflict or potential conflict;
  - disclose any information that they may be aware of that is material to the Company and/or Group and which the Board is not aware of, unless such director is bound by ethical or contractual obligations of non-disclosure;
  - only use their powers for the purposes for which they were conferred and not to gain an advantage for themself or a third party or to harm the Company and/or Group in any way;
  - only act within their powers as formally delegated by the Board;
  - keep all information learned in his capacity as a director strictly confidential;
  - use their best endeavours to attend Board and relevant Board committee meetings where at all possible and devote appropriate preparation time ahead of each meeting to ensure that they are in a position to contribute to board and committee discussions and to make informed decisions on matters placed before the Board or Board committee;
  - exhibit the degree of skill and care as may be reasonably expected from a person of their skill and experience, but also exercise both the care and skill any reasonable person would be expected to show in looking after their own affairs; and
  - actively participate in and contribute to board deliberations in a constructive and frank manner under the leadership and guidance of the Chairperson.

- Individual directors will be expected to participate in the induction programme of the Company and/or Group on appointment and attend such professional development programmes as deemed necessary by the Chairperson based on the outcome of the annual assessment of the director's performance.

- Directors who are not able to attend a meeting of the Board must submit a formal written apology, with reasons, to the Chairperson or Company Secretary prior to the relevant meeting.

- The Directors are entitled to have access, at reasonable times, to all relevant Company and/or Group information and to management. Such access shall be arranged through the Chairperson of the Board or the Chief Executive Officer.

DEVELOPMENT OF DIRECTORS

A formal induction programme will be in place for new directors who will also be provided with a letter of appointment.

Inexperienced directors will be assisted, with the guidance of the Chairperson, to participate in mentoring programmes where available. The need for continuing professional development programmes will be identified as part of the annual assessment of the performance of the directors.

Directors will be provided with regular briefings on changes in risks, laws and the environment but will also be expected to keep abreast of developments in the business environment and markets that may have a material impact on the business.

As part of the succession policy of the Board, suitably qualified candidates can be appointed as members of board committees as to ensure that such candidates obtain sufficient exposure and experience.

BOARD COMMITTEES

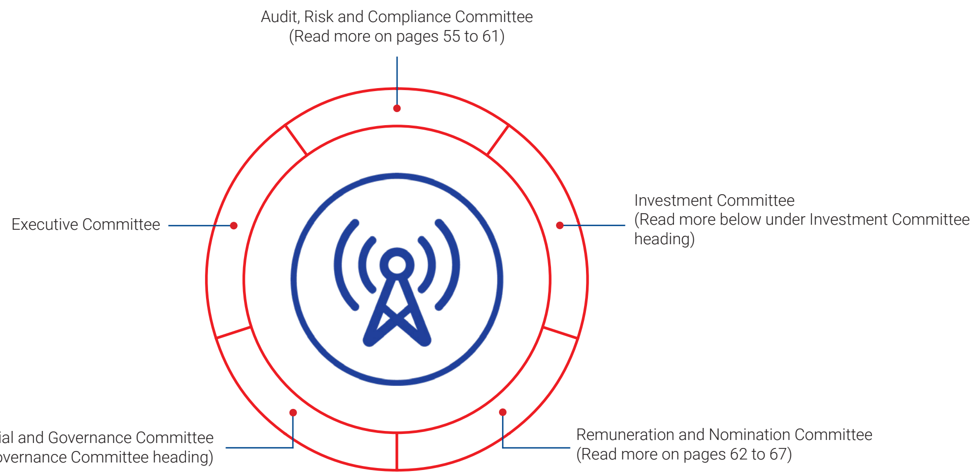
The Board has delegated certain of its functions to well-structured committees but without abdicating its own responsibilities.

Each board committee as established by the Board will have a committee charter to be approved by the Board and annually reviewed.

The Committees will be appropriately constituted with due regard to the skills required by each committee.

The Committees will be chaired by an independent non-executive director or by a suitably qualified non-executive committee member and the majority of committee members must be independent non-executive directors.

As a minimum, the Board has established an Audit, Risk and Compliance Committee ("ARC"), Investment Committee ("IC") a Remuneration and Nomination Committee ("REMCO") and an Environmental, Social and Governance Committee ("ESG").



THE TABLE BELOW DEPICTS THE COMPOSITION OF THE BOARD COMMITTEES:

Director	ARC	REMCO	IC
Habo Gerdes	✓	✓	
Stuart Birch[1]			✓
Jaco Esterhuyse[1]	✓		CP
Romé Mostert		CP	✓
Josephine Shikongo	✓	✓	

Independent committee member	ARC	REMCO	IC
Heinrich Jansen van Vuuren	CP		✓

CP - chairperson
✓ - member
1 - South African

INVESTMENT COMMITTEE

TERMS OF REFERENCE

The Committee has adopted a formal charter, approved by the Board, which informs its agenda and work plan to ensure that all the Committee's responsibilities are addressed in each financial period.

MEMBERS

There has been no change to the membership of the Committee during the year.

The Committee meets as required.

THE MEMBERS ARE DETAILED BELOW:

Jaco Esterhuyse (CP)

Stuart Birch

Heinrich Jansen van Vuuren[1]

Romé Mostert

CP - chairperson
[1] - independent committee member

COMPOSITION

The Committee is constituted as a committee of the Board of Directors. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

The Committee comprises of at least three non-executive directors and/or other suitably qualified person(s) appointed by the Board. A majority of the members of the Committee shall be independent non-executive directors.

The deliberations of the Committee do not reduce the individual and collective responsibilities of the Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.

The members of the Committee as a whole have sufficient qualifications and experience to fulfil their duties.

ROLE AND RESPONSIBILITIES

The Committee has an independent role, operating as an overseer and makes recommendations to the Board for their consideration and final approval. The Committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The Committee is responsible for:

- setting criteria and targets for investments;
- advising on and/or effecting disposals, acquisitions and developments within the approved investment policy and approval framework;
- recommending disposals, acquisitions and developments to the Board which exceed the authority limits; and
- developing and recommending sustainability practices for the Company and Group.

The Committee has the authority to approve expenditure relating to potential transactions, disposals and/or acquisitions.

Unlimited potential.
YOU'VE GOT IT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Organisations operate within the triple context of the economy, society and the environment.

The Environmental, Social and Governance Committee is constituted as a committee of the Board of Directors. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

The deliberations of the ESG Committee do not reduce the individual and collective responsibilities of the Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.

This Committee shall meet at least twice per annum and more frequently as required.

COMPOSITION

The ESG Committee consists of at least three members who shall be non-executive directors and/or other suitably qualified person(s) appointed by the Board. A majority of the members of the ESG Committee shall be independent non-executive directors.

The Chairman of the Board will not be the Chairman of the ESG Committee. The members of the Committee are not yet confirmed. Proposed members are Romé Mostert and Reagon Graig.

The ESG Committee has an independent role, operating as overseer and formulator of recommendations to the Board for its consideration and final approval.

The members of the ESG Committee as a whole must have sufficient qualifications and experience to fulfil their duties.

SCOPE AND RESPONSIBILITIES

The Committee assists the Board to ensure that:

- as a responsible corporate citizen, the Company and Group protect, enhance and invest in the wellbeing of the economy, society and the natural environment;
- policies and guidelines for matters relating to the strategy for social, ethics and sustainability issues and developed and implemented;
- strategies and policies, designed to achieve responsible corporate citizenship, be planned and
- coordinated across all sections of the Company and Group;
- the company's ethics risks and opportunities are assessed, monitored, reported and disclosed; and
- participation, co-operation and consultation with the Company's Stakeholders on environmental, social and ethical matters is encouraged.

COMMITTEE RESPONSIBILITIES:

- **Monitor any relevant legislation, other legal requirements or prevailing codes of best practice regarding:**
  - Sustainable development;
  - Responsible corporate citizenship;
  - Environment, health and public safety; and
  - Stakeholder relationships.
- Monitor the Company's activities, having regard to relevant legislation and other legal requirements or prevailing codes of best practice;
- Report to the ARC on material matters regarding sustainability, ethics and risk;
- Oversee the preparation of the social, ethics and sustainability report included in the Integrated Annual Report to ensure that it is accurate, complete and transparent, and provide a clear explanation of how the social, ethics and sustainability policies have been implemented.

Oversee the implementation of the Company and Group's strategy for social and economic development, including:

- Human capital and employee development;
- Supply chain labour standards;
- ESG related aspects of product liability;
- ESG related aspects of product safety and quality; and
- ESG related aspects of privacy and data security.

Ensure that the Company and Group's ethics are managed in a way that supports the establishment of an ethical culture including:

- Review and recommend to the Board for approval, the Company and Group's code of ethical conduct and supporting policies;
- Review and recommend to the Board for approval, the Company and Group's whistle-blower policy;
- Consider with management, any breaches of the Company and Group's code of ethical conduct and management's response and action taken in light of such events;
- Oversee how ethics are being managed and simultaneously ensure that ethical standards are applied in the processes of recruitment, evaluation of performance and reward of employees as well as the sourcing of suppliers; and
- Consider and review the adequacy of mechanisms to prevent and detect breaches of ethical standards;.

Ensure that the implementation of the Company and Group's values, strategy and conduct are congruent with being a good corporate citizen, including advising management of ways to improve the effectiveness of its sustainability policies relating to:

- Managing climate change risks;
- Effective stewardship of natural resources; and
- Effective waste management.

COMPANY SECRETARY

The Board appoints and removes the Company Secretary and empowers the Company Secretary to enable him to properly fulfil his duties.

The Board ensures that the Company Secretary has the requisite knowledge, skills and experience to fulfil the function of company secretary.

The Company Secretary is not a director of the Company.

BOARD PROCEDURES AND POLICIES

The Board has adopted and approved the policies and procedures it deemed necessary to ensure the proper governance and management of its affairs. Specifically, the Board adopted the following policies and procedures:

Conflict of Interest: The Board adopted a formal Code of Conduct and Conflict of Interest Policy in terms of which conflicts are defined and appropriate procedures for dealing with conflicts are prescribed.

Directors are at liberty to accept other board appointments so long as the appointment does not conflict with the business of the Company and/or Group and does not detrimentally affect the director's performance as a director on the Board of PNH.

Trading in company equities: The Board adopted and approved a formal procedure to regulate the trading by directors, officers and senior management in the Company's equities.

Dissemination of company information: The Board approved a policy in respect of the dissemination of Company and/or Group information in order to regulate the circulation of price sensitive information and to ensure equal treatment of all shareholders.

BOARD AND DIRECTOR EVALUATION

A regular assessment of the performance of the Board, chairman, individual directors and board committees will be done. Every second year this will be done by way of a formal process.

An overview of the evaluation process, results and action plans will be disclosed in the Integrated Annual Report.

DIRECTORS' FEES

Directors' fees will be approved by shareholders on an annual basis on recommendation by the Board with the input and assistance of the REMCO.

Full disclosure of all fees paid to directors for their services as directors will be made in the Integrated Annual Report, refer to the REMCO report.

GOVERNANCE FRAMEWORK: SUBSIDIARY COMPANIES

The Board, on behalf of the Company, recognises the statutory and fiduciary duties of the Directors of subsidiary companies and in particular their duty to act in the best interests of the subsidiary company at all times whether or not the director is nominated to the Board of the subsidiary company by the holding company. In the case of a conflict between the duties of a director to a subsidiary company and the interests of the holding company, the duties of the Director to the subsidiary company must prevail.

To the extent provided for in the formal delegation of authority framework, adopting and implementing policies and procedures of the holding company in the operations of the subsidiary company is a matter for the Board of the subsidiary company to consider and approve, if the subsidiary company's board considers it appropriate.

BOARD MEETING ATTENDANCE FOR THE YEAR

The Board held sufficient meetings during the year to discharge all its duties. The agendas of the meetings covered the annual work plan and all relevant matters, as set out in the charter. Open and constructive discussions assisted the Board in reaching appropriate decisions.

Board meetings conducted via telephone or electronic communication, are permitted and all concerned could actively participate in the meeting. Directors participating via these facilities were counted for quorum purposes.

THE TABLE BELOW DEPICTS THE BOARD MEETING ATTENDANCE DURING THE YEAR:

Director	15 June 2022	23 March 2022	25 November 2021	21 September 2021	Total
Habo Gerdes (CP)	✓	✓	✓	✓	4/4
Stuart Birch	✓	✓	✓	✓	4/4
Stefan de Bruin	✓	✓	✓	✓	4/4
Schalk Erasmus	✓	✓	✓	✓	4/4
Jaco Esterhuyse	✓	✓	✓	✓	4/4
Andrew Hall	✓	✓	✓	✓	4/4
Barney Harmse	✓	✓	✓	✓	4/4
Romé Mostert	Apologies	✓	✓	✓	3/4
Josephine Shikongo	✓	✓	✓	✓	4/4

✓ - present
CP - chairperson

RETIREMENT BY ROTATION OF BOARD MEMBERS

In accordance with the Articles of Association, one-third of non-executive directors are subject to retirement by rotation.

In this regard the Board resolved that the two most senior non-executive board members are to retire annually. Seniority is determined by the date of appointment. Where more than one director was appointed on the same day, the director who is older is deemed to be more senior.

Stuart Birch and Jaco Esterhuyse shall retire at the Annual General Meeting.

AUDIT, RISK AND COMPLIANCE COMMITTEE

The ARC is constituted as a committee of the Board of Directors. The ARC is appointed for a three-year term. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

TERMS OF REFERENCE

The Committee has adopted a formal charter, approved by the Board, which inform its agenda and work plan to ensure that all the responsibilities of the Committee are addressed in each financial period. The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

MEMBERS

There has been no change to the membership of the Committee during the year.

THE MEMBERS ARE DETAILED BELOW:

Heinrich Jansen van Vuuren (CP)

Jaco Esterhuyse

Habo Gerdes

Josephine Shikongo

CP - chairperson

ATTENDANCE AT MEETINGS

The meetings and the attendance by the members are detailed below. In accordance with the charter adopted the Committee should meet at least twice per annum.

THE TABLE BELOW DEPICTS THE COMMITTEE MEETING ATTENDANCE DURING THE YEAR:

Members	8 June 2022	15 March 2022	14 September 2021	Total
Heinrich Jansen van Vuuren[1] (CP)	✓	✓	✓	3/3
Jaco Esterhuyse	✓	✓	✓	3/3
Habo Gerdes	✓	✓	✓	3/3
Josephine Shikongo	✓	✓	✓	3/3

✓ - present
CP - chairperson
[1] - independent member

COMPOSITION

The Board appoints the ARC for a three year term.

The Committee comprises of at least three members, who shall be non-executives and of whom the majority shall be independent persons. The Chairperson of the Committee is appointed by the Board. Heinrich Jansen van Vuuren, an independent member and deemed to be a suitably qualified person, is appointed chairperson.

The Chairperson of the Committee understands the function of the ARC and is able to lead constructive dialogue with management, the internal and external auditors, other external assurance providers and the Board. The Chairperson is afforded sufficient time to participate in and agree the Committee agenda before meetings are convened.

The Committee has a basic level of qualification and experience. The REMCO and the Board evaluate whether collectively (but not necessarily individually) the ARC has an understanding of:

- integrated reporting, which includes financial reporting;
- internal financial controls;
- external audit process;
- internal audit process;
- corporate law;
- risk management
- sustainability issues;
- information technology governance as it relates to integrated reporting; and
- the governance processes within the company.

The collective skills of the members of the ARC are deemed appropriate to the Company and the Group's size and circumstances, as well as its industry.

It is the ARC's responsibility to oversee integrated reporting, and as such the Committee, collectively, has an understanding of IFRS, and any other financial or sustainability reporting standards, regulations or guidelines applicable to the Company and Group.

SCOPE AND RESPONSIBILITIES

The roles and responsibilities include, but are not limited to:

- consider and recommend the strategic objectives to Board;
- review of internal controls and systems;
- monitoring that decisions taken by the Board affecting the Committee are followed through;
- monitoring compliance with the Articles of Association, NSX Listings Requirements, Companies Act of Namibia and NamCode on corporate governance and other applicable legislation;
- review the audit management letter;
- recommend letters of representation and other documentation for Board approval;
- recommend approval of annual reports and interim results to Board;
- recommend approval of annual budgets to Board;
- recommend approval of NSX announcements to Board;
- agree and recommend accounting policies to Board;
- approve funding structures and hedges;
- approve valuations of fixed property;
- agree and recommend the declaration and payment of dividends to Board;
- reporting to Board on proceedings of the Committee;
- monitor the corporate risk assessment process;
- monitor the financial risk assessment process and the Committee must review;
    - financial risks;
    - internal financial controls;
    - fraud risk as they relate to financial reporting;
    - IT risk as they relate to financial reporting; and
    - reporting to the NSX in the annual NSX compliance, that the Committee has monitored compliance during the year concerned;
- consider problems identified in the going concern assumption;
- consider the appropriateness and disclosure of related party transactions;
- the Committee oversees integrated reporting;
    - have reasonable regard to all material factors and risks that may impact on the integrity of the Integrated Annual Report;
    - review the financial statements, interim reports, preliminary or provisional results announcement, summarised integrated information, any other intended release of price-sensitive information and prospectuses, trading statements and similar documents;
- the Committee ensures that a combined assurance model is applied to provide a coordinated approach to all assurance activities;
- the Committee satisfies itself of the expertise, resources and experience of the finance function of the Company and Group; and
- the Committee shall be responsible for overseeing any internal audit function.

EXTERNAL AUDIT

As regards External Audit, the Committee:

- is satisfied with their independence especially where non-audit services are performed;
- agreed the principles with the external auditors without limiting their statutory obligations;
- decided on the extent of external verification of non-financial information;
- decided on the external review of interim results; and
- recommends that PricewaterhouseCoopers ("PWC") be re-appointed for the financial year ending 30 June 2023 and has overseen the external audit process; and
- recommended the proposed audit fees by the external auditors to the Board during June 2023.

The external auditor attended the majority of committee meetings and has unfettered access to the ARC chairperson and the Board.

The ARC meets at least once a year with the external auditors without management present, if so required.
These may be separate meetings or meetings held before or after a scheduled ARC meeting.

INTERNAL AUDIT

The Committee has established an appropriate internal audit function taking into consideration the size of the Company and/or Group.

The Committee outsourced this function to address specified risk areas to external service providers.

INTERNAL CONTROLS

These financial statements support the viability, accountability and effective internal control processes of PNH.

The system of internal financial and operational controls are the responsibility of the Board. Management ensures that assets are protected, systems operate effectively, and all valid transactions are recorded properly.

Risks and controls are reviewed and monitored regularly for relevance and effectiveness. Internal controls are designed to mitigate and not to eliminate significant risks faced. Such a system provides reasonable but not absolute assurance against error, omission, misstatement or loss. This is achieved through a combination of risk identification, evaluation and monitoring processes, appropriate decision-making, assurance and control functions such as risk management and compliance.

Based on reviews, information and explanations given by management, reports from the internal audit function and discussions with the external auditors on the results of their audit, the Committee is satisfied that the system of internal controls of PNH operated effectively in the year under review. Nothing has come to the Committee's attention that causes it to believe that the system of internal financial controls is not effective.

FINANCE FUNCTION

The Committee has reviewed the financial statements of the Company and Group and is satisfied that they comply with IFRS.

The external auditor has expressed an unmodified opinion on the financial statements for the year ended June 2022, refer to page 72.

The Committee is satisfied that Stefan de Bruin, the Group CFO for the financial year ended 30 June 2022, has the appropriate expertise and experience to meet his responsibilities in the position. The expertise, experience and adequacy of the resources making up the finance function were also considered, and the Committee is satisfied that these are appropriate.

GOING CONCERN

The Committee has reviewed a documented assessment, including key assumptions prepared by Management. The Group has adequate access to borrowing facilities and investments to meet foreseeable cash requirements; no non-compliance with statutory or regulatory requirements; no pending changes to litigation which may affect the Group; no pending legal action or litigation against the companies in the Group; all key management positions have been filled; the forecasted cash flows and operational budgets indicate that the Group has sufficient operating profit and cash flows to service its financial obligations and no breach of loan/ bond covenants.

The Committee, reported to the Board that it supports management's view that the Company and Group will continue as a going concern for the foreseeable future. The going-concern basis has been adopted in preparing the financial statements.

COMPLIANCE GOVERNANCE

The Committee is responsible for the compliance with applicable laws, rules, codes and standards. All of the laws, codes and standards applicable to PNH have been identified and the responsibility for implementing compliance has been delegated to management.

> "MANAGEMENT ENSURES THAT ASSETS ARE PROTECTED, SYSTEMS OPERATE EFFECTIVELY, AND ALL VALID TRANSACTIONS ARE RECORDED PROPERLY."

RISK MANAGEMENT

The Board affirms its responsibility towards upholding risk management, including the governance of technology and information. The governance model reflects both business and IT requirements, focusing on strategic alignment, value delivery, risk management (including information security, resilience, as well as legislative, health and safety compliance), resource management and performance management. The Committee assists the Board in carrying out its responsibilities for risk management, including risk appetite and IT risk.

The Committees and the management team promote a culture of risk governance and awareness throughout the organisation.

Management is accountable to the Board, through the Committee, for:

- the implementation of the risk frameworks and methodologies and the recommendation for approval thereof to the Board;
- embedding the risk management process in the business;
- regularly provide the Committee with a register of the Company and Group's key risks and potential material risk exposures; and
- reports to the Board any material changes and/or divergence to the risk profile of the Company and Group.

Management is also accountable for the following key matters specifically related to IT risk:

- IT strategy;
- IT policy;
- IT reference architecture;
- IT organisational and governance structures;
- IT risk management inclusive of information security/cybersecurity;
- Strategic projects;
- Significant outsourcing; and
- Adequacy of IT resources.

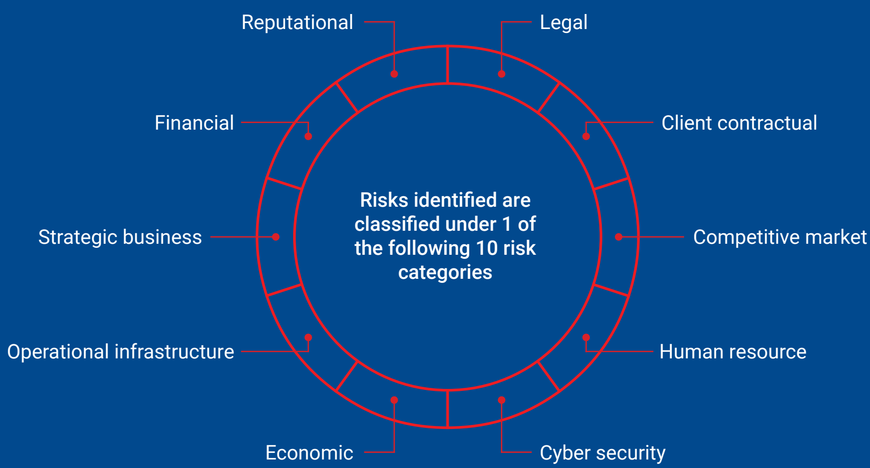
The Committees oversee the integrated risk management process and receive regular feedback from management on all risk-related activities. The Committees regularly assess all risk governance structures and lines of defence to ensure that roles, responsibilities and accountabilities for identifying, managing, mitigating, reporting and escalating risks and opportunities within the Company and Group are appropriately defined and responded to.

RISK MANAGEMENT PROCESS

1. Ensure that appropriate controls and responses are in place to mitigate the risks and manage identified opportunities (recorded in risk registers)
2. Regularly analysing and monitoring the effectiveness of current controls. Regular and timely reporting to the ARC committee and the Board. Risk management is integrated within management's everyday agenda to ensure that mitigation actions for identified risks are implemented.

The Committee is satisfied with the progress made with respect to the risk assessment and risk management process and the effectiveness thereof.

RISK REGISTER



AS AT YEAR END 30 (2021: 33) RISKS HAVE BEEN IDENTIFIED AND CLASSIFIED AS SET OUT BELOW:

	Pre-mitigation			Pre-mitigation	Post-mitigation			Post-mitigation
	Low	Medium	High	Total	Low	Medium	High	Total
Client contractual risks	-	-	3	3	-	3	-	3
Competitive market risks	-	2	2	4	-	3	1	4
Human resource risks	-	-	1	1	-	1	-	1
Cyber security risks	-	1	-	1	-	1	-	1
Economic risks	1	-	1	2	1	1	-	2
Operational infrastructure	2	5	1	8	2	6	-	8
Strategic business risks	-	3	-	3	2	1	-	3
Financial risks	1	3	-	4	3	1	-	4
Reputational risks	-	1	-	1	1	-	-	1
Legal risks	1	1	1	3	2	1	-	3
	5	**16**	**9**	**30**	**11**	**18**	**1**	**30**

MANAGING RISKS
TOP RISKS

RISK CATEGORY	OUR RESPONSE	RISK LINK TO SIX CAPITALS
Client Contractual Risks Significant client reliance	- Maintain good service levels - Provide competitive pricing on broadband and other last miles - Regular client engagement	
Competitive Market Risks Price wars	- Deploy own infrastructure - Product innovation - Competitor analysis - Negotiations with our upstream providers on contracts - Maintain our service levels	
Human Resource Risks Attraction of skilled staff / key staff retention	- Career Planning - In-house training / Udemy Online training - Internship - Management Training	
Economic Risks Depressed local economy	- Manage costs - Risk assessment of customers at onboarding - Early legal action (if required) - Suspension of service in timely manner - Annual budget and updated forecasts - Make provision for emergency reserves	
Operational Infrastructure Risks Billing	- Automation of billing - Billing process review - Documentation of process flows - Dedicated Revenue Assurance Department - Maintain adequate resource levels	
Legal Risks Institutional interruptions	- Reputable legal firm to provide legal assistance - Strict compliance with Section 62 of Communication Act - Regular feedback to the Board - Managing contractors	

THE HIGH LEGAL RISK EMANATES FROM THE LITIGATION BROUGHT AGAINST THE PARTIES AS SET OUT IN THE TABLE BELOW:

Court case	Nature of Proceedings and status
Paratus Telecommunications Limited // Municipal Council of Windhoek ("COW") and CRAN	Paratus brought an urgent application seeking the High Court to halt the COW from preventing Paratus from exercising its rights in terms of section 69 of the Communications Act. The COW lodged an appeal to the Supreme Court. The Supreme Court confirmed the decision of the High Court, a finding in favour of Paratus.
Paratus Telecommunications Limited // Municipal Council of Windhoek ("COW") and CRAN	Paratus brought an application to the High Court of Namibia to review the granting of a Class Comprehensive Telecommunications Service license (ECNS and ECS) to COW by CRAN.

NAMCODE REVIEW

The Board is committed to effective corporate governance, and the need to conduct the business of the Group in a manner which upholds the principles of responsibility, accountability, fairness and transparency advocated by the NamCode.

The review of the NamCode is done on a "apply or explain" basis.

Where items are indicated as applied, the Board evaluated and concluded that PNH complies with all requirements. Items indicated as partially applied, indicates that not all aspects as recommended by the NamCode were complied with and the exceptions are explained.

PRINCIPLE		STATUS	EXPLANATIONS
1.	Ethical leadership and corporate citizenship	Applied	
2.	Boards and directors	Partially applied	
2.10.	The Board should ensure that there is an effective risk-based internal audit	Partially applied	The Board decided to outsource this function to address specified risk areas.
3.	Audit committees	Applied	
4	The governance of risk	Applied	
5.	The governance of Information Technology ("IT")	Applied	
6.	Compliance with laws, rules, codes and standards	Applied	
7.	Internal Audit	Partially applied	
7.1. to 7.5.	Principles dealing with internal audit	Explain	Please refer to principle 2.10. above. The Board will review all internal audit reports.
8.	Governing stakeholder relationships	Applied	
9.	Integrated reporting and disclosure	Applied	

INTEGRATED REPORT

The Committee is responsible for overseeing the Group's Integrated Annual Report and the reporting process.

This Integrated Annual Report for the year ended 30 June 2022, which has been reviewed by the Committee, focuses not only on the Group's financial performance, but also its economic, social and environmental performance. This report sets out how the Group has engaged with stakeholders, addressed its material issues and governed its business.

The Committee is satisfied with the quality and integrity of the information contained in the Integrated Annual Report for the year ended 30 June 2022 and recommended it to the Board for approval.

Heinrich Jansen van Vuuren
Chairperson – Audit, Risk and Compliance Committee
14 December 2022

REMUNERATION AND NOMINATION COMMITTEE

The REMCO is constituted as a sub-committee of the Board of directors.

TERMS OF REFERENCE

The REMCO has adopted a formal charter, approved by the Board, which inform its agenda and work plan to allow for the specific responsibilities to be discharged by committee members collectively.

MEMBERS

There has been no change to the membership of the Committee during the year. Romé Mostert chaired the meetings held during the year.

Romé Mostert (CP)

Habo Gerdes

Josephine Shikongo

CP - chairperson

ATTENDANCE AT MEETINGS

In accordance with the charter adopted the REMCO should meet at least twice per annum or more frequently if required, which was the case in the current year.

Director	24 May 2022	15 February 2022	3 November 2021	Total
Romé Mostert (CP)	✓	✓	✓	3/3
Hans-Bruno Gerdes	✓	✓	✓	3/3
Josephine Shikongo	✓	✓	✓	3/3

✓ - present
CP - chairperson

COMPOSITION

The duties and responsibilities of the members of the Committee are in addition to those as members of the Board.

The deliberations of the Committee do not reduce the individual and collective responsibilities of the Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.

The Committee comprises of at least three non-executive directors and/or other suitably qualified person(s) appointed by the Board, a majority of whom are independent non-executive directors.

The Committee has an independent role, operating as overseer and formulator of recommendations to the Board for their consideration and final approval.

The members of the Committee have sufficient qualifications and experience to fulfil their duties.

SCOPE AND RESPONSIBILITIES

Remuneration and Nomination

The Committee assists the Board to ensure that:

- the Directors and executives are fairly and responsibly remunerated;
- the disclosure of directors' remuneration is accurate, complete and transparent;
- the overall remuneration philosophy promotes the achievement of the strategic objectives;
- the Board has the appropriate composition to execute its duties effectively;
- directors are appointed through a formal process; and
- formal succession plans for the members of the Board, Chief Executive Officer and senior management appointments are in place.

Committee responsibilities:

- approve annual increases of EXCO;
- approve new year performance contracts in conjunction with Board approved strategy (EXCO);
- assess performance of EXCO;
- select an appropriate peer group when comparing remuneration levels;
- consider candidates and recommend appointments to Board (EXCO);
- consider candidates and recommend appointments to Board (all Board members);
- finalise employment contracts of EXCO;
- recommend non-executive directors' fees to the Board;
- recommend company secretary fees to the Board;
- consider Board composition for recommendations to the Board;
- assess committee compliance with its charter and report to the Board; and
- oversee the preparation of the remuneration report included in the integrated report to ensure that it is accurate, complete, transparent, and provides a clear explanation of how the remuneration policy has been implemented.

REMUNERATION REPORT

It is our belief that all factors which underpin enhanced performance require the highest calibre of leadership and specialist technical expertise, and that stakeholders' interests are best served by aligning strategy, the business model, the structure, staffing and compensation.

Attracting and retaining high-calibre talent depends on providing both intrinsic and extrinsic rewards. To complement this, compensation policies are directed at sustaining a performance-driven culture.

This remuneration report focuses on the fixed and variable elements of remuneration and fees paid to non-executive directors. This is in keeping with the commitment to fair, responsible, and transparent remuneration and remuneration disclosure.

OVERVIEW OF REMUNERATION POLICY AND IMPLEMENTATION REPORT

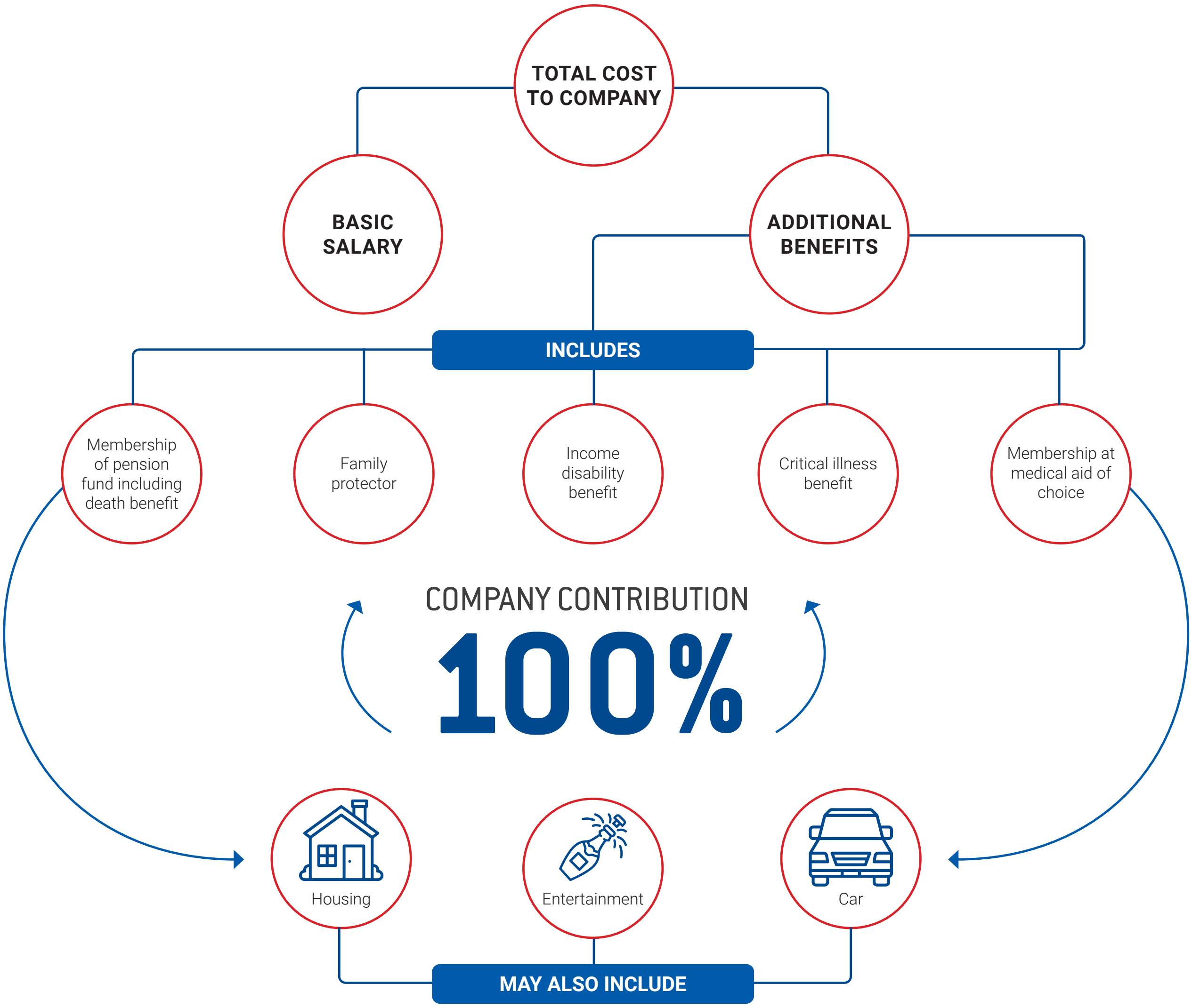
The remuneration philosophy and policy are key components of the HR strategy and govern the remuneration of executive management (executive directors and prescribed officers), non-executive directors and other employees and fully support the overall business strategy. We recognise that our employees are fundamental to our success. Paratus therefore needs to be able to attract and retain employees of the highest calibre and a strategic, professional approach to recruitment is essential to do this.

The purpose of the Remuneration policy is to provide a sound framework for the recruitment and selection of employees based upon the principles outlined in the policy, which also meet the requirements of the Affirmative Action ("AA") policy and other relevant employment legislation.

Employees	Method of remuneration
Executive directors and executive management	- Total cost to company - Annually reviewed (*) after consideration of: • the annual PWC South Africa report on executive directors' remuneration practices and trends; and • norms of director's remuneration in Namibia
Management	- Total cost to company - Annually reviewed (*) after consideration of: • Cost of living adjustments; and • Performance
Non-management	- Total cost to company - Annually reviewed (*) after consideration of: • Cost of living adjustments; and • Performance

(*) annual reviews effective from 1 November each year

Total cost to company is made up of basic salary and additional benefits.
Additional benefits include membership of a pension fund including death benefits, family protector, income disability benefit and critical illness benefit. For these benefits the company contributes 100% of the premium relevant to all employees. Membership to a medical aid fund of choice is a compulsory benefit paid by the employee, but forms part of the cost to company calculation. Benefits may also include housing, car, entertainment or other allowances, depending on the job description and seniority of the employee.



PERFORMANCE INCENTIVES

Paratus believes in adequately rewarding employees for their contribution to the overall success of the Company.

Profit share incentive

Executive management and management participate in the profit share incentive. The profit share incentive pool is derived from the portion of the after-tax profits exceeding the approved budget.

Employees	Incentive
Executive management	• 10% of the available bonus pool is to be allocated to the executive management only • the maximum incentive amount for executive management is limited to 110% of total cost to company for one month.
Management	• A manager's performance appraisal should achieve at least a "meet expectation" rating, failing that the manager will be barred from earning a profit share incentive • The maximum incentive amount for Management is limited to 100% of total cost to company for one month.

Performance bonus

All employees participate in the performance bonus and is payable when Paratus meets the approved budget. The performance bonus is equivalent to a 13th cheque and is payable in December. During the year the limit for the 13th cheque was increased from 75% to 85% of one month's salary, depending on the performance in terms of the budget.

Incentives for the 2022 Financial Year

It is Paratus practice that all employees receive an increase to mitigate the impact of inflation as well as a performance-based increase. At the November 2021 REMCO meeting a salary increase of 5.25% was recommended to the Board for all employees and was subsequently approved at the following Board meeting. The actual incentives paid during the 2022 financial year are as follows:

The actual incentives paid during the 2022 financial year are as follows:

Employees	Incentive Bonus	Performance Bonus	Total Bonuses paid
Exco	1,217,849	1,129,909	2,347,758
Manager	1,031,171	909,558	1,940,729
Other	151,769	3,806,424	3,958,193
	2,400,789	**5,845,891**	**8,246,680**

EMPLOYEE INTERNET BENEFIT

Paratus employees have the benefit of having Paratus connectivity at their homes at a discounted rate based on levels of seniority.

TRAINING

Paratus has subscribed to a well-known online training platform, Udemy, which provides a wide range of training opportunities to its members. Paratus strives to develop its employees by setting goal-orientated training in line with the career development goals of its employee utilising the vast training programs available through the platform.

“PARATUS STRIVES TO DEVELOP ITS EMPLOYEES BY SETTING GOAL-ORIENTATED TRAINING IN LINE WITH THE CAREER DEVELOPMENT GOALS OF ITS EMPLOYEES.”

NON-EXECUTIVE DIRECTORS' FEES FOR THE 2022 FINANCIAL YEAR

Non-executive directors earn a retainer fee and a portion as a sitting fee for Board meetings attended. Furthermore, non-executive directors and members of subcommittees of the Board earn a retainer fee and a portion as a sitting fee for such meeting attended. The actual fees paid to non-executive directors during the 2022 financial year are as follows:

Director/ Member	Board fees	ARC fees	IC fees	REMCO fees	AGM fees	TOTAL fees
	N$	N$	N$	N$	N$	N$
Habo Gerdes	148,392	30,360	-	30,360	37,098	246,210
Stuart Birch	120,996	-	-	-	-	120,996
Jaco Esterhuyse	120,996	26,400	-	-	-	147,396
Josephine Shikongo	120,996	30,360	-	30,360	-	181,716
Heinrich Jansen van Vuuren	9,339	37,947	-	-	-	47,286
Romé Mostert	120,996	-	-	37,947	-	158,943
Total	**641,715**	**125,067**	**-**	**98,667**	**37,098**	**902,547**

PROPOSED NON-EXECUTIVE DIRECTORS' FEES FOR THE 2023 FINANCIAL YEAR

The REMCO has proposed to the Board the non-executive directors' fees for the 2023 financial year as set out in the table below:

	Number of members	Fee per member	Meetings per year	Total cost	70% Monthly retainer	30% Sitting fee per meeting
		N$		N$	N$	N$
Board						
Chairperson	1	38,953	4	155,812	109,068	46,744
Member	5	31,761	4	635,220	444,654	190,566
Total				**791,032**	**553,722**	**237,310**
ARC						
Chairperson	1	17,324	2	34,648	24,254	10,394
Member	3	13,860	2	83,160	58,212	24,948
Total				**117,808**	**82,466**	**35,342**
REMCO						
Chairperson	1	17,324	2	34,648	24,254	10,394
Member	2	13,860	2	55,440	38,808	16,632
Total				**90,088**	**63,062**	**27,026**

	Number of members	Fee per member N$	Meetings per year	Total cost	70% Monthly retainer	30% Sitting fee per meeting
ESG				**N$**	**N$**	**N$**
Chairperson	1	17,324	1	17,324	12,127	5,197
Member	1	13,860	1	13,860	9,702	4,158
Total				**31,184**	**21,829**	**9,355**
TOTAL before IC				**1,030,112**	**721,078**	**309,034**

IC[1]	Number of members	Fee per member N$	Meetings per year	Total cost	100% Sitting fee per meeting
				N$	**N$**
Chairperson	1	17,324	2	34,648	34,648
Member	3	13,860	2	83,160	83,160
Total				**117,808**	**117,808**

[1] The Investment Committee meets on an ad-hoc basis when projects are evaluated. The proposal is that this fee remains on a sitting fee basis due to the uncertainty regarding number of meetings per annum.

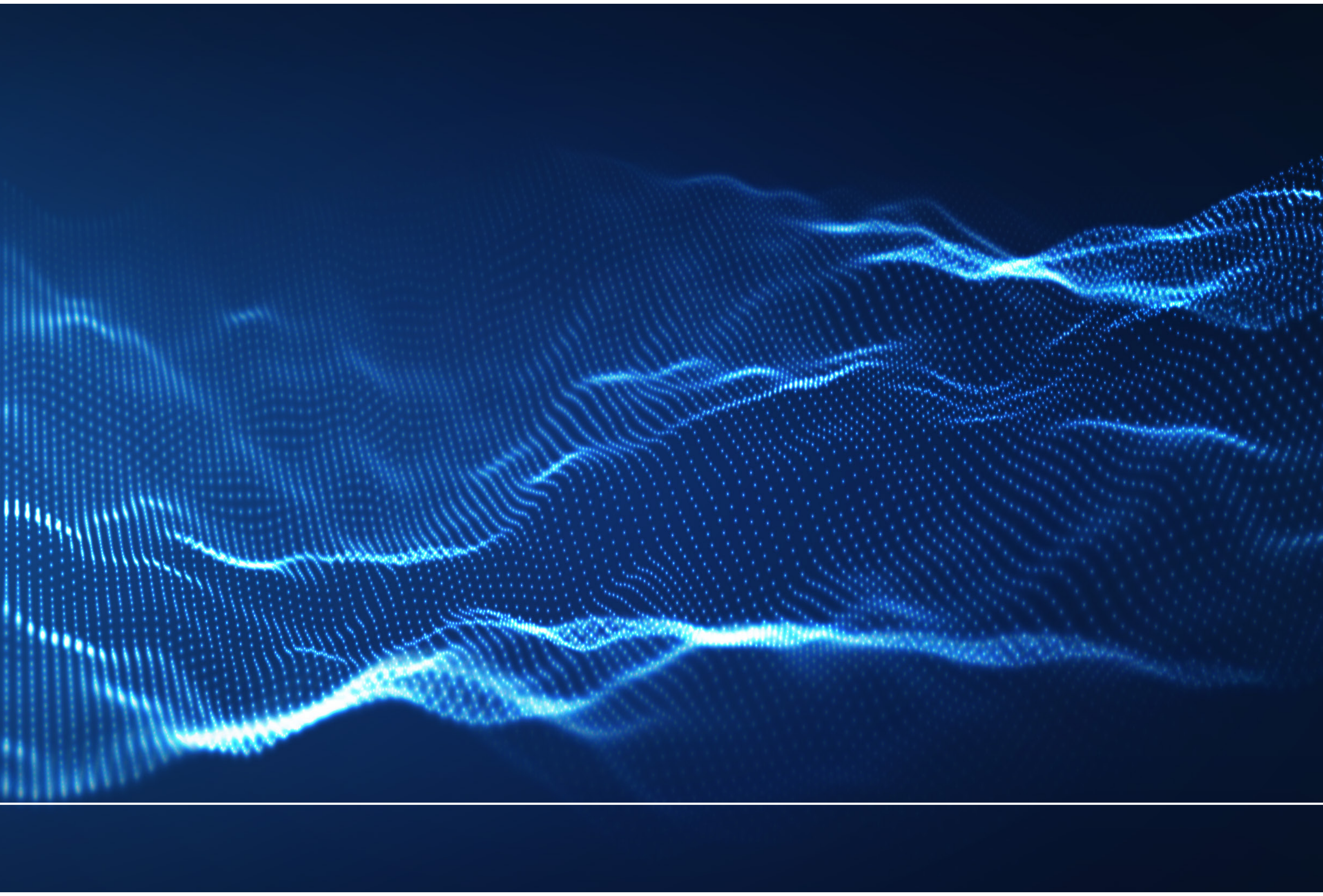
A fee of N$3,269 per hour will be paid to attend unscheduled ad-hoc meetings (excluding Investment Committee meetings).

STATEMENT BY THE COMMITTEE

The Remuneration and Nomination Committee executed its duties, during the period, in line with its roles and responsibilities as outlined above under role and responsibilities.

Romé Mostert
Chairperson - Remuneration and Nomination Committee
14 December 2022

GROUP ANNUAL FINANCIAL STATEMENTS



CONSOLIDATED AND SEPARATE STATEMENTS OF ANNUAL FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' RESPONSIBILITY AND APPROVAL

The Directors are required by the Companies Act of Namibia to maintain adequate accounting records and are responsible for the content and integrity of the Consolidated and Separate Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure that the Consolidated and Separate Annual Financial Statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standards for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the Consolidated annual financial statements.

The Consolidated and Separate Annual Financial Statements are prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

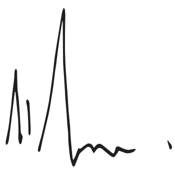
The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Consolidated and Separate Annual Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Group's cash flow forecast for the year to 30 June 2023 and, in the light of this review and the current financial position, they are satisfied that the Group has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group's Consolidated and Separate Annual Financial Statements. The Consolidated and Separate Annual Financial Statements have been examined by the Group's external auditors and their report is presented on pages 72 to 74.

The Consolidated and Separate Annual Financial Statements set out on pages 3 to 67 and pages 76 to 151, which have been prepared on the going concern basis, were approved by the Board of Directors on 14 December 2022 and were signed on their behalf by:

Hans-Bruno Gerdes
Chairman



Stefanus Isaias de Bruin
Group Chief Financial Officer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INDEPENDENT AUDITOR'S REPORT

To the Members of Paratus Namibia Holdings Limited

OUR OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Paratus Namibia Holdings Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

WHAT WE HAVE AUDITED

Paratus Namibia Holdings Limited's consolidated and separate financial statements set out on pages 76 to 151 comprise:

- the directors' report for the year ended 30 June 2022;
- the consolidated and separate statements of financial position as at 30 June 2022;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

BASIS FOR OPINION

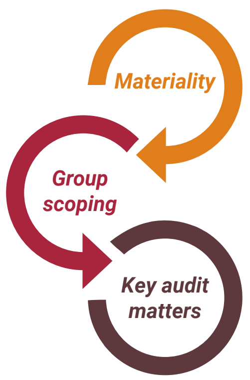
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants* (*including International Independence Standard*) (Code of Conduct) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the Code of Conduct and in accordance with other ethical requirements applicable to performing audits in Namibia.

OUR AUDIT APPROACH

OVERVIEW



OVERALL GROUP MATERIALITY

- Overall group materiality: N$ 9,969,535, which represents 1% of total assets

GROUP AUDIT SCOPE

- Our audit included full scope audits of the Company and its subsidiary, being Paratus Telecommunications (Pty) Ltd, based on their financial significance to the Group. Full scope audits were also performed on the financially significant subsidiaries of Paratus Telecommunications (Pty) Ltd, being Paratus Properties (Pty) Ltd and Paratus Property Two (Pty) Ltd. Analytical review procedures were performed on financially inconsequential components.

KEY AUDIT MATTER

- Impairment of intangible assets with indefinite useful lives

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

MATERIALITY

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	N$ 9,969,535
How we determined it	1% of total assets
Rationale for the materiality benchmark applied	We chose consolidated total assets as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users. The telecommunication industry requires intensive investment in technological infrastructure. As such, the Group is highly invested in property, plant and equipment to facilitate the provision of their services. This makes the total assets the most significant element of the consolidated financial statements and the key focus of the users of the consolidated financial statements. We chose 1% based on our professional judgement and after consideration of the range of quantitative materiality thresholds that we would typically apply when using total assets to compute materiality.

HOW WE TAILORED OUR GROUP AUDIT SCOPE

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The consolidated financial statements are a consolidation of the Company and its subsidiary, which also has five subsidiaries, each a "component" for purposes of our group audit scope. Our audit included full scope audits of the Company and its subsidiary, being Paratus Telecommunications (Proprietary) Limited, based on their financial significance to the Group. Full scope audits were also performed on the financially significant subsidiaries of Paratus Telecommunications (Proprietary) Limited, being Paratus Properties (Proprietary) Limited and Paratus Property Two (Proprietary) Limited. Analytical review procedures were performed on financially inconsequential components.

All testing was performed centrally by the group audit team. By performing the procedures outlined above, we obtained sufficient and appropriate audit evidence regarding the financial information of the Group to provide a basis for our opinion on the consolidated financial statements as a whole.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of intangible assets with indefinite useful lives

As a result of a business combination in the prior year, the Group's net assets include a significant amount of goodwill and intangible assets with indefinite useful lives at reporting date.

Goodwill and intangible assets with indefinite useful lives are tested annually for impairment and whenever there is an impairment indicator identified by management.

We considered the impairment assessment of goodwill and intangible assets with indefinite useful lives to be a matter of most significance to the current year audit due to the significant judgement and assumptions made by management in performing the impairment assessments and in estimating the discount rates, terminal growth rates and cash flow forecasts. Refer to the following notes to the consolidated financial statements for detail:

Note 1.4 Significant judgement and sources of estimation uncertainty: Useful lives and valuation methodology of intangible assets

Note 1.6 Accounting policies: Intangible assets

Note 5 Intangible assets

How our audit procedures addressed the key audit matter

We tested the mathematical accuracy of management's valuation model by recalculation and agreed the relevant data, including assumptions regarding timing of future capital and reportable expenditure, to the latest budgets. We did not note any exceptions.

We also assessed the appropriateness of the valuation model (discounted cash flows model) applied by management, with reference to market practice and the requirements of international Accounting Standard (IAS) 36 Impairment of Assets. We noted no issues in this regard.

We utilised our valuations expertise to independently source data such as the terminal growth rates, cost of debt, risk-free rates in the applicable market, market risk premiums, debt/equity ratios, sovereign risk premiums, as well as the beta of comparable companies. These estimates were used in calculating the discount rate. We independently calculated a discount rate for the cash generating unit using our independently sourced data. We applied these independently sourced data and calculated inputs to management's forecasts and compared management's recoverable amount of the cash-generating unit to the results of our calculations. No material differences were noted.

We further performed sensitivity analyses to determine the minimum changes in terminal growth rates that would result in limited or no headroom being available. We noted that the recoverable amount was not sensitive to the growth rates, which would result in the recoverable amount being less than the carrying amount of the net assets.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Paratus Namibia Holdings Limited Integrated Annual Report 2022". The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Louis van der Riet
Partner
Windhoek
Date: 14 December 2022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DIRECTORS' REPORT

The directors have pleasure in submitting their report, which forms part of the Consolidated and Separate Annual Financial Statements for the year ended 30 June 2022.

NATURE OF BUSINESS

Paratus Namibia Holdings Limited ("PNH") was incorporated in Namibia and operates principally in Namibia as an investment holding company. Its subsidiaries operate in the property holding and Information and Communications Technology ("ICT") industries and are fast expanding into the Digital Service Provider industry. All its subsidiaries operate principally in Namibia.

PNH is listed on the Namibian Stock Exchange
Sector: Technology, Technology Hardware and Equipment, Telecommunications Equipment' sector
Share Code: PNH
ISIN: NA000A2DTQ42
Company registration number: 2017/0558

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

REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The Consolidated and Separate Annual Financial Statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee ("IFRS IC"), effective at the time of preparing these Consolidated and Separate Annual Financial Statements and in the manner acquired by the Companies Act of Namibia and the Namibian Stock Exchange. The accounting policies have been applied consistently compared to the prior year, except for the adoption of new or revised accounting standards as set out in these Consolidated and Separate Annual Financial Statements.

Full details of the financial position, results of operations and cash flows of the Group and Company are set out in these Consolidated and Separate Annual Financial Statements.

SHARE CAPITAL

	2022	2021
Authorised	**Number of shares**	
60,000,000 Ordinary shares of N$0.01 each	60,000,000	60,000,000
Issued	**Number of shares**	
48,723,123 (30 June 2021: 48,723,123) Ordinary shares of N$0.01 each	48,723,123	48,723,123
Share capital and share premium	**N$**	**N$**
48,723,123 (30 June 2021: 48,723,123) Ordinary shares of N$0.01 each	487,231	487,231
Share premium (varied)	500,187,472	500,187,472
	500,674,703	**500,674,703**

Refer to note 13 of the Consolidated and Separate Annual Financial Statements for the detail of the movement in authorised and issued share capital for the year under review.

DIVIDENDS

The Group and company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the Board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the Board may pass on the payment of dividends.

A dividend policy was adopted that provides for a dividend pay-out of not more than 50% of profits after taxation.

An interim and final dividend of 10 cents per ordinary share, amounting to N$4,872,312, respectively were declared during the 2022 financial year.

The total dividends declared for the 2022 financial year amounts to N$9,744,624 (2021: N$9,744,624).

INTEREST IN SUBSIDIARIES

Details of material interest in subsidiaries are presented in the Consolidated and Separate Annual Financial Statements in notes 6.

DIRECTORATE

The Directors at the date of this report are:

Director	Date appointed	Status
Habo Gerdes	08 August 2017	Independent Non-Executive, Chairperson
Stuart Birch[1]	08 August 2017	Independent Non-Executive Director
Romé Mostert	30 June 2017	Independent Non-Executive Director
Josephine Shikongo	08 August 2017	Independent Non-Executive Director
Jaco Esterhuyse[1]	23 May 2019	Independent Non-Executive Director
Stefan de Bruin	08 August 2017	Group Chief Financial Officer, Executive Director
Schalk Erasmus[4]	08 August 2017	Group Chief Executive Officer, Executive Director
Andrew Hall	25 September 2019	Managing Director: Namibia, Executive Director
Barney Harmse[3]	25 September 2019	Group Executive Chairman, Executive Director
Rolf Mendelsohn[2]	25 September 2019	Group Chief Technology Officer, Alternate Director
Norbert Kreft	26 May 2018	Alternate director to Jaco Esterhuyse

1 South African
2 Alternate director to Barney Harmse
3 Group Chief Executive Officer until 1 August 2022
4 Group Operations Officer until 1 August 2022

ATTENDANCE OF DIRECTORS AND SUB-COMMITTEE MEETINGS

Director/Member	Board	ARC	REMCO	IC
Habo Gerdes	4/4	3/3	3/3	
Stuart Birch	4/4			-/-
Jaco Esterhuyse	4/4	3/3		-/-
Josephine Shikongo	4/4	3/3	3/3	
Romé Mostert	3/4		3/3	-/-
Heinrich Jansen van Vuuren [1]		3/3		-/-
Stefan de Bruin	4/4			
Schalk Erasmus	4/4			
Andrew Hall	4/4			
Barney Harmse	4/4			
Rolf Mendelsohn	3/4			

1 - Independent committee member

DIRECTORS' FEES

The actual fees paid to non-Executive Directors during the 2022 financial year are as follows:

Director	Board fees	ARC fees	IC fees	REMCO fees	AGM fees	TOTAL fees
	N$	N$	N$	N$	N$	N$
Habo Gerdes [1]	148,392	30,360	-	30,360	37,098	246,210
Stuart Birch	120,996	-	-	-	-	120,996
Jaco Esterhuyse	120,996	26,400	-	-	-	147,396
Josephine Shikongo	120,996	30,360	-	30,360	-	181,716
Heinrich Jansen van Vuuren [2]	9,339	37,947	-	-	-	47,286
Romé Mostert [3]	120,996	-	-	37,947	-	158,943
Total	**641,715**	**125,067**	**-**	**98,667**	**37,098**	**902,547**

[1] - Chairperson of the Board
[2] - Chairperson of the ARC
[3] - Chairperson of the REMCO

DIRECTORATE INTEREST IN SHARES

As at 30 June 2022, the Directors of the Group and Company and subsidiaries held direct and indirect beneficial interests in 33.47% (2021: 33.97%) of its issued ordinary shares, as set out below:

Director	Direct number of shares	Direct number of shares	Indirect number of shares	Indirect number of shares	Total number of shares	Total number of shares	% of shares in issue	% of shares in issue
	2022	2021	2022	2021	2022	2021	2022	2021
Stuart Birch	-	-	12,500	12,500	12,500	12,500	0.00%	0.03%
Stefan de Bruin	340,000	340,000	-	-	340,000	340,000	0.70%	0.70%
Schalk Erasmus	2,610,557	2,610,557	3,517,609	3,488,682	6,128,166	6,099,239	12.58%	12.52%
Habo Gerdes	48,000	48,000	-	-	48,000	48,000	0.10%	0.10%
Romé Mostert	1	1	100,000	100,000	100,001	100,001	0.20%	0.21%
Josephine Shikongo	2,500	2,500	-	-	2,500	2,500	0.00%	0.01%
Andrew Hall	352,689	352,689	-	-	352,689	352,689	0.70%	0.72%
Barney Harmse	722,595	1,054,139	2,448,123	2,428,123	3,170,851	3,482,262	6.51%	7.15%
Rolf Mendelsohn	52,500	52,500	6,101,698	6,051,522	6,154,198	6,104,022	12.63%	12.53%
Total shareholding	**4,128,842**	**4,460,386**	**12,180,062**	**12,080,827**	**16,308,904**	**16,541,213**	**33.47%**	**33.97%**
Total shares in issue					**48,723,123**	**48,723,123**		

The register of interests of Directors and others in shares of the Company is available to the shareholders on request.

There have been no changes in beneficial interests that occurred between the end of the reporting year and the date of this report.

AUDITORS

PricewaterhouseCoopers ("PWC") will continue to be the auditor of the Company in terms of the Namibian Companies Act, 2004 (28 of 2004), section 278(1).

COMPANY SECRETARY

Cronjé Secretarial Services CC	
1 Charles Cathral Street	P.O. Box 81588
Olympia	Olympia
Windhoek	Windhoek
Namibia	Namibia

REGISTERED OFFICE

104-106 Nickel Street	P.O. Box 81588
Prosperita	Olympia
Windhoek	Windhoek
Namibia	Namibia

GOING CONCERN

The Directors believe that the Group and Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the Consolidated and Separate Annual Financial Statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Company. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.

SUBSEQUENT EVENTS

On 16 September 2022 a second tranche of N$130 million was raised through our 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 were issued at an interest rate of 275 basis points above the 3-months ZAR JIBAR rate. Five-year notes to the value of N$100 million were issued at an interest rate of 325 basis points above the 3-months ZAR JIBAR rate.

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

The Directors are not aware of any further material events or circumstances arising after the reporting date and up to date of this report, not otherwise dealt with in the Consolidated and Separate Annual Financial Statements, which significantly affects the financial position of the Group and Company.

APPROVAL OF THE FINANCIAL STATEMENTS

The Consolidated and Separate Annual Financial Statements set out on pages 76 to 151, which have been prepared on the going concern basis, were approved by the Board on 14 December 2022.

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2022

		GROUP			COMPANY	
Figures in Namibia Dollar	Notes	2022	2021 Restated	1 July 2020	2022	2021
Assets						
Non-Current Assets						
Property, plant and equipment	3	614,606,160	390,016,662	254,244,407	-	-
Right-of-use assets	4	1,726,934	2,013,764	1,771,687	-	-
Intangible assets	5	291,266,200	296,488,834	297,156,674	-	-
Investments in subsidiaries	6	-	-	-	279,557,322	427,644,393
Loans to related parties	7	-	-	220,231	416,687,071	236,500,000
		907,599,294	**688,519,260**	**553,392,999**	**696,244,393**	**664,144,393**
Current Assets						
Inventories	8	27,306,515	18,755,187	13,735,126	-	-
Loans to related parties	7	6,460	216,372	600,000	521,656	478,275
Trade and other receivables	9	51,690,516	40,022,452	29,922,149	-	-
Investments at fair value	10	4,691,541	159,856,281	115,096,827	4,668,455	27,811,598
Finance lease receivables	11	-	4,088	103,163	-	-
Current taxation receivable		1,972,681	3,509,125	1,972,681	-	-
Cash and cash equivalents	12	3,686,536	11,049,026	20,965,432	218,039	10,090,103
		89,354,249	**233,412,531**	**182,395,378**	**5,408,150**	**38,379,976**
Total Assets		**996,953,543**	**921,931,791**	**735,788,377**	**701,652,543**	**702,524,369**

		GROUP			COMPANY	
Figures in Namibia Dollar	**Notes**	**2022**	**2021 Restated**	**1 July 2020**	**2022**	**2021**
Equity and Liabilities						
Equity						
Share capital	13	487,231	487,231	473,856	487,231	487,231
Share premium	13	500,187,472	500,187,472	486,437,972	500,187,472	500,187,472
Revaluation reserve		-	1,985,600	1,985,600	-	-
Retained income		49,658,960	38,139,777	21,288,097	(532,361)	540,223
		550,333,663	**540,800,080**	**510,185,525**	**500,142,342**	**501,214,926**
Non-controlling interest		562,414	222,192	-	-	-
		550,896,077	**541,022,272**	**510,185,525**	**500,142,342**	**501,214,926**

		GROUP			COMPANY	
Figures in Namibia Dollar	**Notes**	**2022**	**2021 Restated**	**1 July 2020**	**2022**	**2021**
Liabilities						
Non-Current Liabilities						
Loans from related parties	7	-	266,004	-	-	-
Borrowings	14	200,020,010	200,000,000	64,889,735	200,000,000	200,000,000
Lease liabilities	4	787,905	1,392,845	1,364,059	-	-
Contract liabilities	15	129,847,277	105,524,544	92,503,160	-	-
Deferred taxation	16	34,135,333	19,257,404	7,086,957	-	-
		364,790,525	**326,440,797**	**165,843,911**	**200,000,000**	**200,000,000**
Current Liabilities						
Loans from related parties	7	23,460	-	-	-	-
Trade and other payables	17	41,802,722	33,878,028	27,043,162	818,416	678,458
Borrowings	14	597,354	478,275	14,994,478	521,656	478,275
Lease liabilities	4	1,266,989	1,104,298	1,048,768	-	-
Current tax payable		143,069	-	-	-	-
Contract liabilities	15	10,060,720	6,013,079	6,242,295	-	-
Provisions	18	13,623,751	8,860,735	5,648,675	121,900	114,409
Dividend payable	19	48,229	38,301	4,738,562	48,229	38,301
Bank overdraft	12	13,700,647	4,096,006	43,001	-	-
		81,266,941	**54,468,722**	**59,758,941**	**1,510,201**	**1,309,443**
Total Liabilities		**446,057,466**	**380,909,519**	**225,602,852**	**201,510,201**	**201,309,443**
Total Equity and Liabilities		**996,953,543**	**921,931,791**	**735,788,377**	**701,652,543**	**702,524,369**

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

		GROUP		COMPANY	
Figures in Namibia Dollar	**Notes**	**2022**	**2021 Restated**	**2022**	**2021**
Revenue	**20**	404,857,007	348,829,659	10,007,257	9,416,544
Cost of sales	**21**	(190,726,746)	(160,196,955)	-	-
Gross profit		**214,130,261**	**188,632,704**	**10,007,257**	**9,416,544**
Other operating income	**22**	871,390	413,484	-	-
Other operating gains / (losses)	**23**	(5,297)	(39,013)	-	-
Movement in credit loss allowance	**24**	(598,636)	(552,963)	-	-
Operating expenses	**24**	(147,358,195)	(131,828,738)	(1,335,216)	(1,354,485)
Operating profit	**24**	**67,039,523**	**56,625,474**	**8,672,041**	**8,062,059**
Investment income	**25**	7,696	56,539	13,951,588	478,275
Finance costs	**26**	(22,487,003)	(17,876,146)	(13,951,588)	(478,275)
Revaluation loss on land and buildings	**3**	(4,730,000)	-		
Profit before taxation		**39,830,216**	**38,805,867**	**8,672,041**	**8,062,059**
Taxation	**27**	(18,097,366)	(12,170,447)	-	-
Profit after taxation		**21,732,850**	**26,635,420**	**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	**27**	934,400	-	-	-
Total comprehensive income		**19,747,250**	**26,635,420**	**8,672,041**	**8,062,059**
Profit after taxation attributable to:					
Equity holders of the parent entity		21,321,410	26,596,304	8,672,041	8,062,059
Non-controlling interests		411,440	39,116	-	-
		21,732,850	**26,635,420**	**8,672,041**	**8,062,059**
Total comprehensive income attributable to:					
Equity holders of the parent entity		19,335,810	26,596,304	8,672,041	8,062,059
Non-controlling interests		411,440	39,116	-	-
		19,747,250	**26,635,420**	**8,672,041**	**8,062,059**
Earnings per share attributable to the ordinary equity holders of the group:					
Basic and diluted earnings per share (cents)	**28**	43.76	54.97		


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CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	GROUP						
Figures in Namibia Dollar	Stated share capital	Share premium	Total share capital	Revaluation reserve on property	Retained earnings	Non-controlling interests	Total equity
Balance previously reported at 01 July 2020	**473,856**	**486,437,972**	**486,911,828**	**1,985,600**	**28,382,990**	**-**	**517,280,418**
Prior period correction (Note 37)	-	-	-	-	(7,094,893)	-	(7,094,893)
Adjusted balance at 01 July 2020	473,856	486,437,972	486,911,828	1,985,600	21,288,097	-	510,185,525
- Profit for the year	-	-	-	-	26,596,304	39,116	26,635,420
Total comprehensive income for the period	-	-	-	-	26,596,304	39,116	26,635,420
Cross-holding shares sold	13,375	13,749,500	13,762,875	-	-	-	13,762,875
Acquisition of subsidiary	-	-	-	-	-	183,077	183,077
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)	183,077	4,201,327
Balance as at 01 July 2021	**487,231**	**500,187,472**	**500,674,703**	**1,985,600**	**38,139,776**	**222,193**	**541,022,272**
Adjustments - Subsidiary	-	-	-	-	(57,603)	(71,217)	(128,820)
Adjusted balance as at 01 July 2021	487,231	500,187,472	500,674,703	1,985,600	38,082,173	150,976	540,893,452
- Profit for the year	-	-	-	-	21,321,410	411,440	21,732,850
- Other comprehensive income	-	-	-	(1,985,600)	-	-	(1,985,600)
Total comprehensive income for the year	-	-	-	(1,985,600)	21,321,410	411,440	19,747,250
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**	**-**	**49,658,958**	**562,416**	**550,896,077**
Note	**13**	**13**	**13**				

	COMPANY				
Figures in Namibia Dollar	**Stated share capital**	**Share premium**	**Total share capital**	**Retained earnings**	**Total equity**
Balance at 01 March 2019	**287,107**	**292,121,115**	**292,408,222**	**2,970,700**	**295,378,922**
- Profit for the year	-	-	-	4,124,401	4,124,401
- Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,124,401	4,124,401
Issue of shares	200,124	208,066,357	208,266,481	-	208,266,481
Dividends declared	-	-	-	(4,872,312)	(4,872,312)
Total contributions by and distributions to owners of company recognised directly in equity	200,124	208,066,357	208,266,481	(4,872,312)	203,394,169
Balance as at 01 July 2020	**487,231**	**500,187,472**	**500,674,703**	**2,222,789**	**502,897,492**
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
Total comprehensive income for the period	-	-	-	8,062,059	8,062,059
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
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	**13**	**13**	**13**		

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

		GROUP		COMPANY	
Figures in Namibia Dollar	**Notes**	**2022**	**2021 Restated**	**2022**	**2021 Restated**
Cash flows from operating activities					
Cash generated from operations	**29**	128,421,214	95,186,318	22,962,633	49,727,133
Interest paid		(10,971,193)	(5,686,664)	(13,946,773)	-
Interest received		7,696	56,539	13,946,773	-
Tax paid	**30**	(559,925)	(1,536,444)	-	-
Net cash generated from operating activities		**116,897,793**	**88,019,749**	**22,962,633**	**49,727,133**
Cash flows from investing activities					
Acquisition of property, plant and equipment	**3**	(279,751,793)	(174,023,382)	-	-
Proceeds on disposal of property, plant and equipment		156,870	148,349	-	-
Acquisition of intangible assets	**5**	(2,008,592)	(4,086,289)	-	-
Finance lease receipts		4,088	99,075	-	-
Acquisition of subsidiary	**31**	-	(2,079,804)	-	-
Deposits into money market funds and similar securities	**10**	(34,540,000)	(261,734,924)	-	-
Withdrawals from money market funds and similar securities	**10**	193,340,400	221,026,086	-	-
Funds advanced to subsidiary		-	-	(23,100,000)	(230,000,000)
Proceeds from loans to related parties		216,372	603,859	-	-
Loans to related parties		(19,409)	-	-	-
Net cash used in investing activities		**(122,602,065)**	**(220,047,030)**	**(23,100,000)**	**(230,000,000)**

		GROUP		COMPANY	
Figures in Namibia Dollar	**Notes**	**2022**	**2021 Restated**	**2022**	**2021 Restated**
Cash flows from financing activities					
Repayment of borrowings	**32**	(65,764)	(79,884,213)	-	-
Proceeds from borrowings		-	200,000,000	-	200,000,000
Lease liability - principal payment	**32**	(1,105,048)	(1,038,043)	-	-
Loans from related parties	**32**	-	266,004	-	-
Repayment of loans from related parties	**32**	(309,813)	-	-	-
Cross-holding shares sold		-	14,645,625	-	-
Dividends paid		(9,734,697)	(14,444,886)	(9,734,697)	(14,578,635)
Net cash (used in) / generated from financing activities		**(11,215,322)**	**119,544,487**	**(9,734,697)**	**185,421,365**
(Decrease) / increase 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	**12**	**(10,014,111)**	**6,953,020**	**218,039**	**10,090,103**

Restatement
Some prior year figures have been restated, refer to note 37 for a detailed explanation.

ACCOUNTING POLICIES

CORPORATE INFORMATION

Paratus Namibia Holdings Limited ("PNH") was incorporated in Namibia and operates principally in Namibia as an investment holding company. Its subsidiaries operate in the property holding and Information and Communications Technology ("ICT") industries and are fast expanding into the Digital Service Provider industry. All its subsidiaries operate principally in Namibia.

PNH is listed on the 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 Group and Company's business from the prior year.

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Consolidated and Separate Annual Financial Statements are set out below.

1.1 BASIS OF PREPARATION

The Consolidated and Separate Annual Financial Statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee ("IFRS IC"), effective at the time of preparing these Consolidated and Separate Annual Financial Statements and in the manner acquired by the Companies Act of Namibia and the Namibian Stock Exchange.

The Consolidated and Separate Annual Financial Statements have been prepared on the historical cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars, which is the functional and presentation currency of the Group and Company.

The preparation of the annual financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the Group and Company's accounting policies. The area's involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the Consolidated and Separate financial statements, are disclosed in note 1.4.

Under IAS 1, comparative information must be provided for all amounts reported in the Consolidated and Separate financial statements, except when a standard provides otherwise. IAS 1 further states that comparative information should also be provided for narrative and descriptive information when it is relevant to an understanding of the current period's Consolidated and Separate financial statements. Where necessary, comparative figures have been adjusted to conform to change in presentation in the current year.

These accounting policies are consistent with the previous period.

1.2 SEGMENTAL REPORTING

The Group considers its ICT segment as its only operating segment. This is in a matter consistent with the internal reporting provided to the chief operating decision-maker, identified as the Executive Committee of the Group. The chief operating decision-maker allocates resources to and assesses performance of the operating segment of the Group.

1.3 CONSOLIDATION

BASIS OF CONSOLIDATION

The Consolidated and Separate Annual Financial Statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the Group.

The Group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use of its power over the entity.

The results of subsidiaries are included in the Consolidated and Separate Annual Financial Statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group and Company.

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein and are recognised within equity at the non-controlling interest's proportionate share of the acquiree's net assets. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest. Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Consolidated and Separate Statements of Changes in Equity. The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the Group.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

INVESTMENTS IN SUBSIDIARIES IN THE SEPARATE FINANCIAL STATEMENTS

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

BUSINESS COMBINATIONS

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9, either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date. Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date. On acquisition, the acquiree's assets and liabilities are reassessed in terms of classification and are reclassified where the classification is inappropriate for group purposes.

Non-controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non- controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non-controlling interests which are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS's.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss. Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

1.4 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of Consolidated and Separate Annual Financial Statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

KEY SOURCES OF ESTIMATION UNCERTAINTY: DETERMINING THE LEASE TERM

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs, which affects this assessment and that is within the control of the lessee.

FAIR VALUE ESTIMATION

Several assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values. Observable market data is used as inputs to the extent that it is available. Qualified external valuers are consulted and used for the determination and calculation of appropriate valuation techniques and inputs.

USEFUL LIVES AND RESIDUAL VALUES OF PROPERTY, PLANT AND EQUIPMENT

Management assesses the appropriateness of the useful lives and residual values of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

USEFUL LIVES AND VALUATION METHODOLOGY OF INTANGIBLE ASSETS

Management assesses the appropriateness of the useful lives of intangible assets at the end of each reporting period.

The Multi-Period Excess Earnings Method ("MEEM") approach was used as the primary valuation methodology of Intangible assets acquired as a result of the business combination. The Paratus Brand was valued using the relief from royalty ("RTR") approach. The cost approach was used to value the Paratus Namibia's free right of use (fiber capacity – Botswana).

1.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments 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 Group 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, land and buildings are measured at its revalued value. The property is revalued every two years and the carrying value is adjusted against the revaluation reserve within the Group's equity. Revaluation technique is determined by the independent valuators used and disclosed accordingly in the note (refer note 3).

Subsequent to initial recognition, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Not applicable	Indefinite
Buildings	Straight line	20 years
Fibre (passive equipment)	Straight line	20 years
Fibre (active equipment)	Straight line	5 years
Infrastructure	Straight line	20 years
Core network assets	Straight line	5 years
Equipment	Straight line	3 to 5 years
Furniture and fittings	Straight line	5 years
Motor vehicles	Straight line	4 years

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 period 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.

1.6 INTANGIBLE ASSETS

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are 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 period and the amortisation method for intangible assets are reviewed every period-end. Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Amortisation method	Average useful life
Paratus brand	Straight line	6 years
Telecommunications License / Network Spectrum	Not applicable	Indefinite
Computer software	Straight line	3 years
Goodwill (not amortised but is tested for impairment annually)	Not applicable	Indefinite
Customer base	Straight line	12 years
Free right of use (Fiber capacity - Botswana)	Straight line	18.17 years
Customer relationship – Botswana Fiber Network	Straight line	20 years

1.7 FINANCIAL INSTRUMENTS

Financial instruments held by the Group and Company are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the Group and Company, as applicable, are as follows:

Financial assets which are equity instruments:
- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading, or which are contingent consideration in a business combination).

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Financial liabilities:
- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 36 Financial instruments and risk management presents the financial instruments held by the Group and Company based on their specific classifications.

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group and Company are as follows:

LOANS RECEIVABLE AT AMORTISED COST

CLASSIFICATION

Loans to group companies (note 7) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and the Group's business model is to collect the contractual cash flows on these loans.

RECOGNITION AND MEASUREMENT

Loans receivable are recognised when the Group and Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest).

The Group and Company recognise a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The Group and Company measure the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12-month expected credit losses (12-month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12-month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the Group and Company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

1.7 FINANCIAL INSTRUMENTS (CONTINUED)

WRITE OFF POLICY

The Group and Company write off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the Group and Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

MEASUREMENT AND RECOGNITION OF EXPECTED CREDIT LOSSES

The Group uses the general approach to calculate expected credit losses on loans receivable- that are measured at amortised cost or at fair value through other comprehensive income. The general approach is based on a stage approach – stage one being 12-month expected losses and stage two being lifetime expected losses.

Impairments of all loans receivable that are not measured using the simplified approach will be calculated as the difference between the carrying value of the asset and the present value of the expected cash flows, discounted at the original effective interest rate of the instrument.

FORWARD-LOOKING INFORMATION CONSIDERATION

Historical credit loss rates are adjusted by a forward-looking estimate when there is reason to believe that forward-looking information will have a significant impact. Forward-looking information can be based on the future projections of macro-economics and other available market information.

RECOGNITION AND MEASUREMENT

If the Group and Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date and vice versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance (note 24).

TRADE AND OTHER RECEIVABLES

CLASSIFICATION

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 9).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and the Group and Company's business model is to collect the contractual cash flows on trade and other receivables.

Trade and other receivables are recognised when the Group and Company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest), adjusted for any loss allowance.

TRADE AND OTHER RECEIVABLES DENOMINATED IN FOREIGN CURRENCIES

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Namibia Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating gains (losses) (note 23).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management (note 36).

IMPAIRMENT

The Group and Company recognise a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

MEASUREMENT AND RECOGNITION OF EXPECTED CREDIT LOSSES

The Group has elected the simplified approach to recognise lifetime expected losses for its trade receivables as permitted by IFRS 9. The historical loss rates are adjusted when their impact is material to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the financial asset.

For trade receivables, impairment losses calculated using the simplified approach are calculated using a provision matrix. The provision matrix is a probability-weighted model which applies an expected loss percentage, based on the net write-off history experienced on receivables, to each ageing category of receivables at the end of each month in order to calculate the total provision to be raised on the receivable balances.

1.7 FINANCIAL INSTRUMENTS (CONTINUED)

MEASUREMENT AND RECOGNITION OF EXPECTED CREDIT LOSSES (CONTINUED)

Trade receivables have been grouped together based on similar credit characteristics and a separate expected credit loss provision matrix has been calculated for each of the categories based on the net loss history associated with the specific category of receivables.

Following the adoption of IFRS 9, the Group implemented a process whereby trade receivable balances are only written off at the point where there is no longer any probable recovery on a trade receivable balance. Details of the provision matrix is presented note 9.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance (note 24).

FORWARD-LOOKING INFORMATION CONSIDERATION

Historical credit loss rates are adjusted by a forward-looking estimate when there is reason to believe that forward-looking information will have a significant impact. Forward-looking information can be based on the future projections of macro-economics and other available market information.

SIGNIFICANT INCREASE IN CREDIT RISK

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1. The financial instrument has a low risk of default;
2. The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3. Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

DEFINITION OF DEFAULT

The Group considers the following as constituting and event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable date about the following events:

a) Significant financial difficulty of the issuer or the borrower;
b) A breach of contract, such as a default or past due event;
c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for that financial asset because of financial difficulties.

1.7 FINANCIAL INSTRUMENTS (CONTINUED)

WRITE OFF POLICY

The Group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Group and Company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

BORROWINGS AND LOANS FROM RELATED PARTIES

CLASSIFICATION

Loans from Group and Company companies (note 7) and borrowings (note 14) are classified as financial liabilities subsequently measured at amortised cost.

RECOGNITION AND MEASUREMENT

Borrowings and loans from related parties are recognised when the Group and Company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

Borrowings expose the Group and Company to liquidity risk and interest rate risk. Refer to note 36 for details of risk exposure and management thereof.

TRADE AND OTHER PAYABLES

CLASSIFICATION

Trade and other payables (note 17), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

RECOGNITION AND MEASUREMENT

They are recognised when the Group and Company becomes a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

Trade and other payables expose the Group and Company to liquidity risk and possibly to interest rate risk. Refer to note 36 for details of risk exposure and management thereof.

TRADE AND OTHER PAYABLES DENOMINATED IN FOREIGN CURRENCIES

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the Namibia Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains (losses) (note 23).

Details of foreign currency risk exposure and the management thereof are provided in the trade and other payables note (note 36).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of petty cash, cash balances and call deposits with maturities of three months or less from the acquisition date. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in fair value.

Cash and cash equivalents are measured at amortised cost, which approximates its fair value. Interest earned on cash invested with financial institutions is recognised on an accrual basis using the effective interest method.

BANK OVERDRAFTS

Bank overdrafts are initially measured at fair value and are subsequently measured at amortised cost. All bank overdrafts are presented in current liabilities on the statement of financial position.

MONEY MARKET FUNDS

Money market funds are measured at fair value through profit or loss (“FVTPL”). Money market funds are short-term, relative liquid investments with maturities of 12 months or less.

1.8 TAX

CURRENT TAX ASSETS AND LIABILITIES

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

DEFERRED TAX ASSETS AND LIABILITIES

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

TAX EXPENSES

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 LEASES

LEASE WHERE GROUP IS LESSEE

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires as assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

At the start date of the lease, the Group recognise a right of use ("ROU") asset and lease liabilities on the statement of financial position. The ROU asset is initially measured at cost and subsequently at cost less accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The Group apply the following practical expedients for the recognition of leases:

- The short-term lease exemption, meaning that leases with a duration of less than a year are expensed in the income statement on a straight-line basis.
- The low value lease exemption, meaning that leased assets with an individual value of N$50,000 or less if bought new, are expensed in the income statement on a straight-line basis.

Lease liabilities are measured at the present value of the lease payments to be paid during the lease term, discounted using the incremental borrowing rate. Lease liabilities are subsequently increased by the interest cost on the lease liabilities and decreased by lease payments made. The lease liabilities will be re-measured when there is a change in the amount to be paid (e.g. due to indexation) or when there is a change in the assessment of the lease terms.

The lease term is determined as the non-cancellable period of a lease, together with:

- Periods covered by an unilateral option to extend the lease if the Group is reasonably certain to make use of that option; and
- Periods covered by an option to terminate the lease if the Group is reasonably certain not to make use of that option.

The Group apply the following practical expedients for the recognition of leases:

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristics; and
- Include non-lease components in the lease liability for equipment leases.

1.10 INVENTORIES

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 IMPAIRMENT OF NON-FINANCIAL ASSETS

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

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

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

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

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.12 SHARE CAPITAL AND EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

Ordinary shares are recognised at par value and classified as ‘share capital’ in equity. Any amounts received from the issue of shares in excess of par value is classified as ‘share premium’ in equity. Dividends are recognised as a liability in the Group and Company in which they are declared.

1.13 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

Liabilities for salaries, including non-monetary benefits, annual leave and accumulated sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised in respect of the employee’s services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

1.14 PROVISIONS AND CONTINGENCIES

Provisions are recognised when:

- the Group and Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

1.15 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognises revenue from the rendering of ICT services, such as access to core network, internet services, IT services, voice call services and local area network services.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control of a product or service to a customer.

1.15 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)
PROVISION OF IT SERVICES
The standard sets out the requirements for recognising revenue from contracts with customers and has impacted how the Group recognises revenue, using a five-step process which is applied below.

1. Identify the contract: the Group has contracts in each of the following revenue streams;
- Voice traffic - primarily revenue from international voice interconnects between international telecom carriers;
- Connectivity - data services sold to telecom operators; medium to large enterprises in Namibia; consumers and small businesses in Namibia;
- Local Area Network - primarily the development and installation of a local area network, telephones and telephonic systems with or without the use of wires;
- Security - primarily the installation and maintenance of security solutions; and
- Cloud - primarily the delivery of computing services—including servers, storage, databases, networking, software, analytics and intelligence.

2. Identify the performance obligations: The Group identifies deliverables in contracts with customers that qualify as separate “performance obligations”. Some of the contracts relating to the revenue sources above contain multiple deliverables or performance obligations. The Group assesses whether there are distinct performance obligations at the start of each contract and throughout the performance of the contracts. The performance obligations identified will depend on the nature of individual customer contracts, which will typically be the provision of equipment to customers and the delivery of services provided to customers.

3. Determine the transaction price: The transaction price is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer, that is, when the performance obligation is satisfied.

4. Allocate the transaction price: The transaction price receivable from customers is allocated across the Group’s performance obligations under the contracts on a relative stand-alone selling price basis. Revenue will then be recognised either at a point in time or over time when the respective performance obligations in a contract are delivered to the customer. Stand-alone selling prices will be based on observable sales prices and where stand-alone selling prices are not directly observable, estimates of stand-alone selling prices will be required.

5. Recognise revenue as and when the performance obligations are satisfied.

The Group has applied the steps set out above to each of its revenue streams, in determining its revenue recognition policy, as follows:

• VOICE TRAFFIC:
The performance obligation relating to voice traffic is to provide voice minutes for the duration of the call until termination. The transaction price is determined based on agreed upon per minute rates and the duration of the call. Revenue relating to voice is recognized at the point the call is terminated as this is the point the service is delivered to the customer. Customers are invoiced monthly based on their voice usage and a receivable is raised when the service has been delivered.

• CONNECTIVITY:
The performance obligation relating to these service contracts consists of two parts, firstly the installation of the equipment and/or connection of the service, the Non-Recurring Revenue (“NRR”) and secondly the provisioning of monthly services, the Monthly Recurring Revenue (“MRR”).

• LOCAL AREA NETWORK INSTALLATIONS:
The performance obligation relating to these service contracts consists of two parts, firstly the installation of the equipment and/or connection of the service, the Non-Recurring Revenue and secondly the provisioning of monthly services, the Recurring Revenue.

• SECURITY:
The performance obligation relating to these service contracts consists of two parts, firstly the installation of the equipment and/or connection of the service, the Non-Recurring Revenue and secondly the provisioning of monthly maintenance services, the Recurring Revenue.

• CLOUD:
The performance obligation relating to these service contracts consists of two parts, firstly the installation of the equipment and/or providing of the service, the Non-Recurring Revenue and secondly the provisioning of monthly services, the Recurring Revenue.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. Upon recognition of contract assets or contract liabilities, the transactions that give rise to these assets or liabilities are assessed for the existence of a significant financing component. If the Group concludes that a significant financing component exists, the promised amount of consideration is adjusted for the effects of the time value of money if the timing of the payments agreed to by the parties to the contract provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. When adjusting the promised amount of consideration for a significant financing component, the Group uses the discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception, adjusted to reflect the credit characteristics of the party receiving financing in the contract, as well as any collateral or security provided by the customer or the entity, including assets transferred in the contract. As a practical expedient, the Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is less than one year.

The Group and Company hold investments in various ICT infrastructure related projects or entities in sub-Saharan Africa. Surplus cash is invested in money market funds. The Group and Company earn dividends from these investments.

Sale of inventory is recognised when the control of the goods have passed to the buyer. For sales transactions, the control passes to the buyer on delivery of the products (at a point in time).

Dividends from investments are recognized when the company’s right to receive payment has been established. Interest is recognized on a time proportion basis with reference to the principal amount receivable and the effective interest rate applicable.

Sundry income includes all the revenue that is not separately disclosed, and which is not in the normal course of operations.

1.16 COST OF SALES

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.
Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- depreciation that relates to core network assets applied to deliver ICT services to customers; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

1.17 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.18 TRANSLATION OF FOREIGN CURRENCIES

FOREIGN CURRENCY TRANSACTIONS

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Consolidated and Separate Annual Financial Statements are recognised in profit or loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

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

1.19 EARNINGS PER SHARE

The calculation of basic earnings per share is based on earnings attributable to ordinary shareholders. Account is taken of the weighted average number of ordinary shares in issue for the period during which they have participated in the income of the Group. Earnings is defined as the profit for the year after taxation and non-controlling interest.

Headline earnings per share is calculated in terms of the requirement set out in Circular 1/2021 issued by SAICA.

NOTES TO THE CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS ISSUED AFFECTING AMOUNTS REPORTED AND DISCLOSURES IN THE CURRENT FINANCIAL YEAR

In the current period, 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:

Standards/ Interpretations:	Effective date: Years beginning on or after	Expected impact:
• Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7, IFRS 9, IFRS 16 and IAS 39	1 January 2021	The impact of the amendments is not material.
• COVID-19 – Related Rent Concessions – Amendments to IFRS 16	1 April 2021	The impact of the amendments is not material.

2.2 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 periods ending on or after 1 July 2022 or later periods:

Standards/ Interpretations:	Effective date: Years beginning on or after	Expected impact:
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1 January 2023	The impact was assessed thoroughly, and management concluded that it will not have a material impact.
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	1 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	1 January 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	1 January 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	1 January 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	1 January 2022	Unlikely there will be a material impact
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	1 January 2022	Unlikely there will be a material impact
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	1 January 2022	Unlikely there will be a material impact

3. PROPERTY, PLANT AND EQUIPMENT

GROUP	2022			2021		
	Cost / valuation	Accumulated depreciation	Carrying value	Cost / valuation	Accumulated depreciation	Carrying value
	N$	N$	N$	N$	N$	N$
Land	14,280,005	-	14,280,005	14,280,005	-	14,280,005
Buildings	38,400,000	-	38,400,000	46,050,000	-	46,050,000
Fiber passive equipment	52,836,255	(7,232,855)	45,603,400	52,836,255	(4,339,713)	48,496,542
Fiber active equipment	14,195,098	(6,718,334)	7,476,764	8,444,304	(3,414,711)	5,029,593
Infrastructure	335,847,450	(25,454,884)	310,392,566	213,963,660	(10,934,619)	203,029,041
Core network assets	73,422,962	(32,633,678)	40,789,284	46,947,997	(21,129,007)	25,818,990
Equipment	42,108,241	(24,860,943)	17,247,298	27,513,517	(11,575,691)	15,937,826
Office equipment	2,294,075	(1,455,425)	838,650	1,617,153	(1,258,861)	358,292
Furniture and fittings	2,015,222	(1,315,627)	699,595	1,490,378	(821,854)	668,524
Motor vehicles	5,751,813	(2,674,388)	3,077,425	4,204,374	(1,363,733)	2,840,641
Capital work in progress	135,801,173	-	135,801,173	27,507,208	-	27,507,208
Total	**716,952,294**	**(102,346,134)**	**614,606,160**	**444,854,851**	**(54,838,189)**	**390,016,662**

GROUP							
Reconciliation of property, plant and equipment - 2022							
	Opening balance	Additions	Revaluations	Transfers	Disposals	Depreciation	Total
	N$	N$	N$	N$	N$	N$	N$
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 and 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	**279,910,068**	**(7,650,000)**	**-**	**(162,625)**	**(47,507,945)**	**614,606,160**

[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 reminder N$4,730,000 of the revaluation loss was accounted for on the face of the Statement of Profit or Loss.

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Transfers	Disposals	Depreciation	Total
	N$	N$	N$	N$	N$	N$
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 and 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 2021 financial year total additions on property plant and equipment include assets acquired as a result of a business combination, amounting to N$381,213. (refer note 6)

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Property, plant and equipment encumbered as security				
The following assets have been encumbered as security for the secured long-term borrowings :				
Motor vehicles	172,088	-	-	-

The instalment sales agreement for 2022 bears interest at a rate of 9%, the average lease term is two years and is secured by motor vehicles with a book value of N$172,088 and is repayable in equal monthly instalments. (refer note 14)

Details of owner-occupied land and buildings	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Erf 232 (a portion of Erf 231), Prosperita				
- Building at cots	470,000	470,000	-	-
- Improvements since acquisition	1,125,306	1,125,306	-	-
- Revaluations since acquisition	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 "K", measuring 1,343 square meters. Held under Registered Deed of Transfer T0070/2008.

Details of owner-occupied land and buildings	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Erf no. 348, Prosperita				
- Building at cots	3,500,000	3,500,000	-	-
- Improvements since acquisition	18,876,499	18,876,499	-	-
- Revaluations since acquisition	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 meters. Registered under Deed of Transfer T5746/2008.

Details of owner-occupied land and buildings	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Erf 5360, Swakopmund				
- Land at cost	955,000	955,000	-	-

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.

Details of owner-occupied land and buildings	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Portion 361 (a portion of portion 26) of the farm Brakwater no. 48				
- Land at cost	9,355,005	9,355,005	-	-

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 Center 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.

Revaluation performed on Prosperita properties has resulted in a downward revaluation of N$7,650,000. N$2,920,000 of this revaluation was reversed against prior gains on revaluations in other comprehensive income and the remainder amounting to N$4,730,000 forms part of profit or loss (refer note 23).

BORROWING COST CAPITALISATION

Borrowing costs are capitalised if it relates to a specific asset purchased or constructed. The borrowing costs capitalised for the 2022 year relates to N$3,132,717 (2021: Nil) which directly link to the Armada Data Center and the Cable Landing Station. This is a capitalisation rate of 22%.

4. LEASES (GROUP AS LESSEE)

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 Group. 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

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

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, and considerations to this extent have been incorporated in the determination of the lease terms.

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

Net carrying amounts of right-of-use assets

Reconciliation of right-of-use assets - 2022					
	Opening balance	Additions	Disposal / modification	Depreciation	Carrying amount
	N$	N$	N$	N$	N$
Buildings	2,013,764	685,600	(22,800)	(949,630)	1,726,934

Reconciliation of right-of-use assets - 2021					
	Opening balance	Additions	Disposal / modification	Depreciation	Carrying amount
	N$	N$	N$	N$	N$
Buildings	1,771,687	1,122,359	-	(880,282)	2,013,764

4. LEASES (GROUP AS LESSEE) (CONTINUED)

	Group		Company	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
The carrying amounts of right-of-use assets are as follows:				
Buildings	1,726,934	2,013,764	-	-
Additions to right-of-use assets				
Buildings	685,600	-	-	-

Depreciation recognised on right-of-use assets

Depreciation recognised includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 24), 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.

	Group		Company	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Buildings	(949,630)	(880,282)	-	-
Other disclosures				
Interest expense on lease liabilities (refer note 26)	(157,137)	(150,663)	-	-
Expenses on short term leases included in operating expenses (refer note 24)	(746,442)	(412,536)	-	-
Total cash outflow from leases (refer note 32)	(1,262,185)	(1,188,707)	-	-
Reconciliation of lease liability				
Opening balance	2,497,143	2,412,827	-	-
Additions	685,600	1,122,359	-	-
Modifications	(22,800)	-	-	-
Interest expense	157,136	150,664	-	-
Payment for the year	(1,262,185)	(1,188,707)	-	-
Closing balance	**2,054,894**	**2,497,143**	**-**	-
Lease liabilities				
The maturity analysis of lease liabilities is as follows:				
Within one year	1,383,146	1,271,573	-	-
Two to five years	899,154	1,444,462	-	-
	2,282,300	**2,716,035**	**-**	**-**
Less finance charges component	(227,406)	(218,892)	-	-
	2,054,894	**2,497,143**	**-**	**-**
Non-current liabilities	787,905	1,392,845	-	-
Current liabilities	1,266,989	1,104,298	-	-
	2,054,894	**2,497,143**	**-**	**-**

EXPOSURE TO LIQUIDITY RISK

Refer to note 36 Financial instruments and risk management for the details of liquidity risk exposure and management.

5. INTANGIBLE ASSETS

GROUP	2022			2021		
	Cost/Valuation	Accumulated amortisation	Carrying value	Cost /Valuation	Accumulated amortisation	Carrying value
	N$	N$	N$	N$	N$	N$
Paratus Brand	16,616,400	(6,923,500)	9,692,900	16,616,400	(4,154,100)	12,462,300
Telecommunications License / Network Spectrum	241,408,500	-	241,408,500	241,408,500	-	241,408,500
Computer software	8,858,614	(5,343,398)	3,515,215	6,850,020	(2,780,948)	4,069,072
Goodwill	12,306,984	-	12,306,984	12,287,742	-	12,287,742
Customer base	1,029,250	(964,921)	64,329	1,029,250	(578,953)	450,297
Free right of use (Fiber capacity - Botswana)	25,200,000	(3,467,890)	21,732,110	25,200,000	(2,080,734)	23,119,266
Customer relationship - Botswana Fiber Network	2,909,900	(363,738)	2,546,162	2,909,900	(218,243)	2,691,657
Total	**308,329,648**	**(17,063,448)**	**291,266,200**	**306,301,812**	**(9,812,978)**	**296,488,834**

GROUP				
Reconciliation of intangible assets - 2022	Opening balance	Additions	Amortisation	Closing Balance
	N$	N$	N$	N$
Paratus Brand	12,462,300	-	(2,769,400)	9,692,900
Telecommunications License / Network Spectrum	241,408,500	-	-	241,408,500
Computer software	4,069,072	2,008,594	(2,562,451)	3,515,215
Goodwill	12,287,742	19,242	-	12,306,984
Customer base	450,297	-	(385,968)	64,329
Free right of use (Fiber capacity - Botswana)	23,119,266	-	(1,387,156)	21,732,110
Customer relationship - Botswana Fiber Network	2,691,657	-	(145,495)	2,546,162
	296,488,834	**2,027,836**	**(7,250,470)**	**291,266,200**

GROUP				
Reconciliation of intangible assets - 2021	Opening balance	Additions	Amortisation	Closing Balance
	N$	N$	N$	N$
Paratus Brand	15,231,700	-	(2,769,400)	12,462,300
Telecommunications License / Network Spectrum	241,408,500	-	-	241,408,500
Computer software	1,930,560	4,086,289	(1,947,777)	4,069,072
Goodwill	10,406,074	1,881,668	-	12,287,742
Customer base	836,266	-	(385,969)	450,297
Free right of use (Fiber capacity - Botswana)	24,506,422	-	(1,387,156)	23,119,266
Customer relationship - Botswana Fiber Network	2,837,152	-	(145,495)	2,691,657
	297,156,674	**5,967,957**	**(6,635,797)**	**296,488,834**

5. INTANGIBLE ASSETS (CONTINUED)

FAIR VALUE INFORMATION

Refer note 36 Fair value information for details of valuation policies and processes. 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 year ended 30 June 2022.

OTHER INFORMATION

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 6.

The managements' expert investigated whether qualifying intangible assets met the criteria for separate recognition by discussion with management and inspection of management accounts, forecasts and relevant agreements / contracts relating the company.

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.

PARATUS BRAND

The Paratus brand arose as a result of a business combination. The brand is shown at cost less accumulated amortisation and impairment losses. Impairment is tested annually. Paratus is a well known brand and is maintained by actively spending money to promote the brand. During the financial year Paratus Telecommunications (Proprietary) Limited has spent N$8,362,401 (2021: N$7,223,924) on advertising and marketing. The customer base has grown significantly since acquisition. In addition to this, the Company's revenue and profit after tax is growing, therefore there are no indications of impairment.

TELECOMMUNICATIONS LICENSE / NETWORK SPECTRUM

The telecommunications license / network spectrum arose as a result of a purchase price allocation at 30 June 2019. The purchase price allocation and the valuation of the telecommunications license / network spectrum was done by an independent expert. The Multi-period Excess Earnings Method ("MEEM") approach as the primary valuation methodology to value the Groups frequency spectrum license. The MEEM method measures the excess after-tax cash flows attributable to the intangible asset being valued after providing for the appropriate returns on other identifiable assets. The valuation results based on the MEEM was corroborated with the market approach.

The telecommunications license / network spectrum was determined to have an indefinite useful life after taking the following into consideration:

- Management indicated that there is no reason to believe that the license will be revoked or not renewed given that the Group complies with the licensing requirements and pays the annual nominal renewal fee.
- The license was granted to the Group in 2012.
- In addition, the spectrum license enables the Group to operate and therefore is not considered to be separate from Paratus Namibia Holdings Limited.

GOODWILL

Goodwill that arose as a result of investment in subsidiary amounting to N$12,306,984 (30 June 2021: N$10,287,742) is included in intangible assets.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGU's", or groups of CGU's, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

The recoverable amount of goodwill is tested annually for impairment in accordance with the stated accounting policy. The recoverable amount of the CGU's has been determined based on value-in-use calculations, being the net present value of the discounted cash flows of the CGU's.

Assumptions used by management to determine discounted cash flows of each CGU was between the following ranges:

- discount rate of 14.41% to 20.4% (2021: 10.33%) (based on each CGU's weighted average cost of equity and debt);
- perpetual growth rate of 5% (2021: 5%);
- EV/EBITDA multiple of 4 to 7.3 times (2021: 7 times).

Goodwill is allocated to each subsidiary based on its initial acquisition. Each subsidiary is deemed to be an individual CGU. The recoverable amount of the CGU was determines using fair value calculations of the individual companies that gave rise to the goodwill asset. No instances were detected which indicated a material impairment of the goodwill amount.

SENSITIVITY TO CHANGE KEY ASSUMPTIONS OF INTANGIBLE ASSETS

Given the significant headroom computed, management has considered the sensitivity of the headroom with respect to a small change in the key assumptions used and concluded that the impact is immaterial and would not result in an impairment loss being recognised.

6. INTERESTS IN SUBSIDIARIES

The following table lists the entities controlled directly and indirectly by the Group and Company, and the carrying amounts of the investments in the Company's separate financial statements.

Company interest held directly							
	Paratus Namibia Holdings Limited						
Name of company	Held by	% voting power	% voting power	% holding	% holding	Carrying amount	Carrying amount
		2022	2021	2022	2021	2022	2021
		%	%	%	%	N$	N$
Paratus Telecommunications (Proprietary) Limited	Paratus Namibia Holdings Limited	100%	100%	100%	100%	**279,557,322**	**427,644,393**

The decline in the carrying value relates to a share buy-back from Paratus Namibia Holdings Limited. The buy-back was not done with actual cash flows, but rather against the loan with Paratus Telecommunications (Proprietary) Limited (refer note 7).

	Paratus Telecommunications (Proprietary) Limited						
Name of company	Held by	% voting power	% voting power	% holding	% holding	Carrying amount	Carrying amount
		2022	2021	2022	2021	2022	2021
		%	%	%	%	N$	N$
Internet Technologies Namibia (Proprietary) Limited	Paratus Telecommunications (Proprietary) Limited	100%	100%	100%	100%	10,000	10,000
Paratus Properties (Proprietary) Limited	Paratus Telecommunications (Proprietary) Limited	100%	100%	100%	100%	8,933,207	8,933,207
Paratus Property Two (Proprietary) Limited	Paratus Telecommunications (Proprietary) Limited	100%	100%	100%	100%	14,498,004	14,498,004
Paratus Voice Telecommunications (Proprietary) Limited	Paratus Telecommunications (Proprietary) Limited	100%	100%	100%	100%	100	100
Bitstream Internet Solutions (Proprietary) Limited	Paratus Telecommunications (Proprietary) Limited	52%	52%	52%	52%	2,080,000	2,080,000
						25,521,311	**25,521,311**

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, through a business combination. Total consideration amounted to N$2,080,000. Transaction costs incurred has been expensed as consulting fees and is recognised in operating expenses.

The fair value of Bitstream Internet Solutions (Proprietary) Limited was performed by Cirrus Capital (Proprietary) Limited, and amounted to N$4,377,439.

6. INTERESTS IN SUBSIDIARIES (CONTINUED)

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

	30 June 2022	30 June 2021
	N$	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 3)	124,467	-
Measurement period adjustment: other financial liabilities (refer note 14)	(161,472)	-
Net identifiable assets acquired	344,403	381,408
Add: Goodwill	1,881,668	1,881,668
Add: measurement period adjustment - Goodwill	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$505,680. 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.

7. LOANS TO / (FROM) RELATED PARTIES

		GROUP		COMPANY	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Related parties	**Basis of accounting**				
Paratus Telecommunications (Proprietary) Limited	Amortised cost	**-**	**-**	**216,687,071**	**36,500,000**

Interest will be charged at a rate of -% per annum. There are no fixed terms of repayment, other than a 12 months 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 PNH to replenish reserves to enable dividend payments to the shareholders of PNH.

		GROUP		COMPANY	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Paratus Telecommunications (Proprietary) Limited	Amortised cost	**-**	**-**	**200,521,656**	**200,478,275**

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.
- The Three-year Unsecured Floating Rate Notes carry interest at the three-month ZAR-JIBAR-SAFEX rate plus 300 basis points.
- The Five-year Unsecured Floating Rate Notes carry interest at the three-month ZAR-JIBAR-SAFEX rate plus 325 basis points.

Interest payments to be made to the note holders by Paratus limited on behalf of PNH.
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 PNH, respectively.

		GROUP		COMPANY	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Canocopy (Proprietary) Limited	Amortised cost	**-**	**216,372**	**-**	**-**

The loan is unsecured, bears interest at prime plus 0.25% per annum and is repayable in 156 monthly capital instalments of N$50,000 (excluding interest which is calculated on the outstanding balance). This loan has been settled in full during the year under review.

		GROUP		COMPANY	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Misty Bay Investments One Hundred and Forty Close Corporation	Amortised cost	**(23,460)**	**(266,004)**	**-**	**-**

This loan bears no interest and has no fixed repayment terms.

		GROUP		COMPANY	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Synapse Business Solutions (Proprietary) Limited	Amortised cost	**6,460**	**-**	**-**	**-**

This loan bears no interest and has no fixed repayment terms.

Split between non-current and current portions				
Non-current assets	-	-	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**

7. LOANS TO / (FROM) RELATED PARTIES (CONTINUED)

EXPOSURE TO CREDIT RISK

Loans receivable inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

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

In determining the amount of expected credit losses, the group has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate. Group loans receivable will be assessed for impairment on an annual basis. The credit risk on group loans receivable have not increased significantly since initial recognition and the expected credit losses calculated were immaterial.

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

Management did not consider group loans receivable to be impaired at year-end as the credit risk has not increased significantly since initial recognition and the expected credit losses calculated were immaterial. Group loans receivable will be assessed for impairment on an annual basis.

CREDIT RATING FRAMEWORK

For purposes of determining the credit loss allowances, management determines the credit rating grades of each loan at the end of the reporting period. These ratings are determined internally, external ratings are not available.

The table below sets out the internal credit rating framework which is applied by management for loans. The abbreviation "ECL" is used to depict "expected credit losses.

Internal credit grade	Description	Basis for recognising expected cred-it losses
Performing	Low risk of default and no amounts are past due, and no significant increase in credit risk.	12m ECL
Doubtful	The receivable is 30 days past due, hence there has been a significant increase in credit risk, but the receivable is not credit impaired.	Lifetime ECL (not credit impaired)
In de-fault	Ei-ther 90 days past due or there is evidence that the asset is credit impaired.	Lifetime ECL (cred-it impaired)
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of re-covery.	Amount is written off

CREDIT LOSS ALLOWANCES

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

GROUP					
2022	**Internal credit rating (where applicable)**	**Basis of loss allowance**	**Gross Carrying amount**	**Loss allowance**	**Amortised cost**
Instrument			**N$**	**N$**	**N$**
Loans to related parties					
Synapse Business Solutions (Proprietary) Limited	Performing	12m ECL	6,460	-	6,460
Total			**6,460**	**-**	**6,460**

2021	**Internal credit rating (where applicable)**	**Basis of loss allowance**	**Gross Carrying amount**	**Loss allowance**	**Amortised cost**
Instrument			**N$**	**N$**	**N$**
Loans to related parties					
Canocopy (Proprietary) Limited	Performing	12m ECL	216,372	-	216,372
Total			**216,372**	**-**	**216,372**

7. LOANS TO / (FROM) RELATED PARTIES (CONTINUED)

COMPANY					
2022	**Internal credit rating (where applicable)**	**Basis of loss allowance**	**Gross Carrying amount**	**Loss allowance**	**Amortised cost**
Instrument			**N$**	**N$**	**N$**
Loans to related parties					
Paratus Telecommunications (Proprietary) Limited	Performing	12m ECL	417,208,727	-	417,208,727
Total			**417,208,727**	**-**	**417,208,727**

2021	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Instrument			**N$**	**N$**	**N$**
Loans to related parties					
Paratus Telecommunications (Proprietary) Limited	Performing	12m ECL	236,978,275	-	236,978,275
Total			**236,978,275**	**-**	**236,978,275**

EXPOSURE TO CURRENCY RISK

Refer to note 36 Financial instruments and financial risk management for details of currency risk management for group loans receivable.

8. INVENTORIES

	GROUP		COMPANY	
	30 June 2022	**30 June 2021**	**30 June 2022**	**30 June 2021**
	N$	**N$**	**N$**	**N$**
Merchandise	27,306,515	18,755,187	-	-
Inventory write downs	-	-	-	-
	27,306,515	**18,755,187**	**-**	**-**

Merchandise consist out of the following items:

- Cabling and cabinets;
- Telephony;
- Routers;
- Customer premises equipment;
- Core network equipment; and
- Other small inventories.

9. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Financial instruments:				
Trade receivables	26,427,232	25,406,561	-	-
Loss allowance	(3,707,939)	(3,139,686)	-	-
Trade receivables at amortised cost	22,719,293	22,266,875	-	-
Deposits	664,332	607,732	-	-
Sundry debtors	1,627,266	83,436	-	-
Non-financial instruments:				
Prepayments	8,973,116	7,726,166	-	-
VAT Receivables[1]	17,706,509	9,338,244	-	-
Total trade and other receivables	**51,690,516**	**40,022,453**	**-**	**-**

Financial instrument and non-financial instrument components of trade and other receivables				
At amortised cost	25,010,891	22,958,043	-	-
Non-financial instruments	26,679,625	17,064,410	-	-
	51,690,516	**40,022,453**	**-**	**-**

Split between non-current and current portions				
Current assets	51,690,516	40,022,453	-	-

[1] VAT receivables consist of outstanding VAT and import VAT refunds and deferred VAT claims amounting to N$12,724,292 (2021: N$3,052,452).

TRADE AND OTHER RECEIVABLES PLEDGED AS SECURITY

All debtors of Paratus Telecommunications (Proprietary) Limited have been ceded to First National Bank of Namibia Limited as security for its bank overdraft facility. At year end the overdraft facility amounted to N$13,701,061 (2021: N$4,096,007) (refer note 12).

EXPOSURE TO CREDIT RISK

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the Group only deals with reputable customers with consistent payment histories. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Customer credit limits are in place and are reviewed and approved by management. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The expected loss rates have been increased in 2021 to mitigate the risk of payment defaults from customers due to the impact of the Covid-19 pandemic. In 2022 the expected credit loss rate has been increased again for the "more than 90 days past due" bucket to mitigate the risk of payment defaults from customers due to the impact of the Namibian economic downturn.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The Group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables.

9. TRADE AND OTHER RECEIVABLES (CONTINUED)

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

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

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles.

The loss allowance provision is determined as follows:

Paratus Telecommunications (Proprietary) Limited

Expected credit loss rate:	2022	2022	2021	2021
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
	N$	N$	N$	N$
Current: 5% (2021: 5%)	13,874,189	693,709	12,972,830	648,642
31 - 90 days past due: 14% (2021: 14%)	5,413,442	757,882	7,065,442	989,162
More than 90 days past due: 35% (2020: 30%)	5,933,257	2,076,640	5,006,276	1,501,882
Total	**25,220,888**	**3,528,231**	**25,044,548**	**3,139,686**

BITSTREAM INTERNET SOLUTIONS (PROPRIETARY) LIMITED

Total trade receivables for the Company amounts to N$1,203,457 (2021: N$364,888) at year end. Total expected credit loss calculated on this balance in the Company amounts to N$179,708 (2021: N$-) at year end.

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Allowance account for credit losses - trade receivables	**3,707,939**	**3,139,686**	**-**	**-**
Opening balance as previously reported	3,139,686	2,637,091	-	-
Provision raised during the year	3,707,939	3,139,686	-	-
Provision reversal for the year	(2,684,608)	(2,333,221)	-	-
Net bad debts written off	(455,078)	(303,870)	-	-

10. INVESTMENTS AT FAIR VALUE

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
IJG Corporate money market solution	-	-	-	-
Cirrus Capital Money Market Fund	23,087	132,044,684	-	-
Capricorn Corporate fund - money market fund	467,938	10,002,675	467,938	10,002,675
Old Mutual Corporate Fund - money market fund	4,200,516	17,808,922	4,200,516	17,808,923
	4,691,541	**159,856,281**	**4,668,455**	**27,811,598**
Details of Money market fund:				
IJG Corporate Money Market Solution				
Opening balance / acquisition through business combination	-	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	17,808,923	67,237,556	17,808,923	67,237,556
Withdrawals	(17,000,000)	(52,071,000)	(17,000,000)	(52,071,000)
Deposits	2,540,000	-	2,540,000	-
Dividends	851,593	2,642,367	851,593	2,642,367
	4,200,516	**17,808,922**	**4,200,516**	**17,808,923**
Split between non-current and current portions				
Current assets	**4,691,541**	**159,856,281**	**4,668,455**	**27,811,598**

10. INVESTMENTS AT FAIR VALUE (CONTINUED)

INVESTMENTS PLEDGED AS SECURITIES

Money market funds do not serve as a security for any liabilities and growth pertains to dividends received on a monthly basis.

FAIR VALUE INFORMATION

Refer note 38 Fair value information for details of valuation policies and processes.

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.

RISK EXPOSURE

The investments held by the Group expose it to various risks, including credit risk, currency risk, interest rate risk and price risk. Refer to note 36 Financial instruments and risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

11. FINANCE LEASE RECEIVABLES

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Gross investment in the lease due				
- within one year	-	4,213	-	-
less: Unearned finance income	-	(125)	-	-
	-	**4,088**	**-**	**-**
Present value of minimum lease payments due				
- within one year	-	4,088	-	-
Split between non-current and current portions				
Current assets	**-**	**4,088**	**-**	**-**

The Group entered into finance leasing arrangements for certain PABX equipment. The average term of finance leases entered into is five years. The interest inherent in the leases are 15.25%.

EXPOSURE TO CREDIT RISK

Finance lease receivables inherently exposes the Group to credit risk, being the risk that the Group will incur financial loss if counterparties fail to make payments as they fall due.

Financial lease assets were collectively assessed for impairment by analysing historic default of payment. The Group only deals with reputable counterparties with consistent payment histories and the equipment is held as collateral for non-payment. Management did not consider finance lease assets to be impaired at year end as the credit risk has not increased significantly since initial recognition and the expected losses calculated were immaterial. Finance lease assets will be assessed for impairment on an annual basis.

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

CREDIT LOSS ALLOWANCES

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for finance lease receivables by credit rating grade:

GROUP					
2021	Internal credit rating (where applicable)	Basis of loss allowance	Net investment in lease	Loss allowance	Carrying amount
Instrument			N$	N$	N$
Finance lease receivable	Performing	12m ECL	**4,088**	**-**	**4,088**

12. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Cash on hand	59,222	27,065	-	-
Bank Balances	3,627,314	11,021,961	218,039	10,090,103
Bank overdraft	(13,700,647)	(4,096,006)	-	-
	(10,014,111)	**6,953,020**	**218,039**	**10,090,103**

On 1 June 2021 cash amounting to N$196 was acquired through a business combination.

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

The carrying amount of cash and cash equivalents approximates its fair value.

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 all debtors in Paratus Telecommunications (Proprietary) Limited (refer note 9).

The overdraft facility is used for cash management purposes and not a full time overdraft. The overdraft is the result of a timing difference between expenses and debit orders received. The overdraft fluctuates frequently between a credit and debit balance.

All excess cash not immediately required for operations is invested in a money market fund to maximise returns.

Details of facilities available for future operating activities and commitments:	2022	2021
	N$	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

CREDIT QUALITY OF CASH AT BANK AND SHORT TERM DEPOSITS, EXCLUDING CASH ON HAND

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or by performing internal assessments of the banking institutions credibility. Credit risk exposure is managed by the Group through dealing with well-established financial institutions with high credit ratings.

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

EXPOSURE TO CURRENCY RISK

Refer to note 36 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.

13. SHARE CAPITAL

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Authorised number of shares				
Ordinary shares	60,000,000	60,000,000	60,000,000	60,000,000
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 [2]	-	1,337,500	-	-
	48,723,123	**48,723,123**	**48,723,123**	**48,723,123**

Unissued shares are under the control of the directors until the next Annual General Meeting. No shares were issued for the year under review.

The Company's total number of issued ordinary shares at year end was 48,723,123 (2021: 48,723,123). All issued share are fully paid up.

The disclosure has been updated from the prior year to include the number of authorised shares and the number of shares issued and fully paid, since this information was previously omitted.

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
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
	500,674,703	**500,674,703**	**500,674,703**	**500,674,703**

[2] In the prior year, Paratus Telecommunications (Proprietary) Limited sold crossholding shares (1,337,500 shares) on 1 October 2020, which increased the consolidated shares in issue to 48,723,123.

14. BORROWINGS

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Held at amortised cost Secured				
Bank Windhoek loans[3]	95,708	-	-	-
Unsecured				
Three-year Senior Unsecured Floating Rate Notes [4]	175,454,501	175,416,543	175,454,501	175,416,543
Five-year Senior Unsecured Floating Rate Notes [5]	25,067,154	25,061,732	25,067,154	25,061,732
	200,521,655	**200,478,275**	**200,521,655**	**200,478,275**

[3] The instalment sales agreement for 2022 bears interest at a rate of 9%, the average lease term is two years and is secured by motor vehicles with a book value of N$172,088 and is repayable in equal monthly instalments. (refer note 3)
A prior year adjustment amounting to (N$161,472) pertains to two hire purchase agreements adjusted for as at acquisition of Bitstream Internet Solutions (Proprietary) Limited. (refer to note 6)
[4] 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.
[5] 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.

14. BORROWINGS (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
The above notes are subject to the following covenant ratios:				
Net interest bearing debt less cash / EBITDA multiple not more than 3.5 times	1.76	0.35		
EBITDA interest cover multiple not less than 2.5 times	5.25	5.75		

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Split between non-current and current portions				
Non-current liabilities	200,020,010	200,000,000	200,000,000	200,000,000
Current liabilities	597,354	478,275	521,656,00	478,275,00
	200,617,364	**200,478,275**	**200,521,656**	**200,478,275**

The non-current portion of the borrowings as disclosed relates to the capital portion of the issued bonds at year-end, whereas the current portion relates to accrued interest on the bonds at year-end.

15. CONTRACT LIABILITIES

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Summary of contract liabilities				
Indefeasible right of use - Trans Kalahari fiber route	105,524,545	107,867,604	-	-
Indefeasible right of use - Equiano	26,931,667	-	-	-
Various other short term contract liabilities	7,451,785	3,670,019	-	-
	139,907,997	**111,537,623**	**-**	**-**
Reconciliation of contract liabilities				
Opening balance	111,537,623	98,277,455	-	-
Revenue recognised on delivery of goods/services previously paid for	(12,470,261)	(6,314,397)	-	-
Payments received in advance of delivery of performance obligations	40,840,634	19,574,565	-	-
	139,907,997	**111,537,623**	**-**	**-**
Split between non-current and current portions				
Long term portion of income received in advance	129,847,277	105,524,544	-	-
Short term portion of income received in advance	10,060,720	6,013,079	-	-
	139,907,997	**111,537,623**	-	-

Income received in advance mainly relates to revenue billed in advance for the Group's ITC services which include income in advance for the Indefeasible-Right-of-Use of the Trans Kalahari Fiber route which is amortised over a period of 20 years, the Indefeasible-Right-of-Use of the Equiano Submarine Cable, which is to be amortised over the contract period and other advanced billings, which are amortised over a period of 1 year.

RESTATEMENT

Some prior year figures have been restated, refer to note 37 for a detailed explanation.

16. DEFERRED TAXATION

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Deferred taxation liability	(34,135,333)	(19,257,404)	-	-
Reconciliation of deferred taxation assets / (liabilities)				
At beginning of the year	(19,257,404)	(7,086,957)	-	-
Deferred tax acquired through business combination	-	-		
Deductible temporary difference movement on property, plant and equipment	(27,591,272)	(20,752,126)	-	-
Taxable temporary difference movement on intangible assets	523,781	46,429	-	-
Deductible temporary difference movement on prepaid expense	(1,025,515)	(150,305)	-	-
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	7,033,833	4,093,494	-	-
Deductible temporary difference movement on deposits by customers	(2,126)	(2,620)	-	-
Deductible temporary difference movement on right of use assets	91,786	(644,404)	-	-
Taxable temporary difference movement on lease liability	(141,520)	799,086	-	-
Tax loss available for set-off against taxable future taxable income	6,042,310	4,332,326	-	-
Unused tax losses not recognised as deferred tax assets				
Prior year adjustment in subsidiary - Bitstream Internet Solutions (Proprietary) Limited	45,602	-	-	-
	(34,135,333)	**(19,257,404)**	-	-
Comprising temporary differences relative to:				
Property, plant and equipment	(91,848,047)	(64,256,775)	-	-
Intangible assets	(4,156,429)	(4,680,210)	-	-
Prepaid expenditure	(1,551,093)	(525,578)	-	-
Unrealised foreign exchange (losses) / gains	(123,490)	44,421	-	-
Provisions	2,881,403	2,568,299	-	-
Income received in advance	42,725,872	35,692,039	-	-
Deposits received by customers	16,393	18,519	-	-
Right-of-use assets	(3,653,204)	(3,744,990)	-	-
Lease liabilities	4,618,222	4,759,742	-	-
Tax loss	16,909,439	10,867,130	-	-
Prior year adjustment in subsidiary - Bitstream Internet Solutions (Proprietary) Limited	45,602		-	-
	(34,135,333)	**(19,257,404)**	**-**	**-**

This disclosure has been enhanced from the prior year in order to indicate what the deferred tax balance comprises of.

RESTATEMENT
Some prior year figures have been restated, refer to note 37 for a detailed explanation.

17. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Financial instruments:				
Trade payables	33,499,978	26,437,536	705,462	678,458
Leave pay accrual	4,695,694	4,549,020	-	-
Salary accruals	3,329,944	2,717,786	-	-
Deposits received	51,229	57,873	-	-
Non-financial instruments:				
VAT	112,923	115,813	-	-
Non-resident shareholders taxation payable	112,954	-	112,954	-
	41,802,722	**33,878,028**	**818,416**	**678,458**
Financial instrument and non-financial instrument components of trade and other payables				
At amortised cost	41,576,845	33,762,215	705,462	678,458
Non-financial instruments	225,877	115,813	112,954	-
	41,802,722	**33,878,028**	**818,416**	**678,458**
Split between non-current and current portions				
Current assets	**41,802,722**	**33,878,028**	**818,416**	**678,458**

EXPOSURE TO CURRENCY RISK
Refer to note 36 Financial instruments and financial risk management for details of currency risk management for trade payables.

FAIR VALUE OF TRADE AND OTHER PAYABLES
The fair value of trade and other payables approximate their carrying amounts.

18. PROVISIONS

GROUP

Reconciliation of provisions - 2022

	Opening balance	Additions	Utilised during the year	Total
	N$	N$	N$	N$
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 provisions	6,524,751	12,117,377	(8,136,879)	10,505,249
	8,860,735	**13,445,003**	**(8,681,987)**	**13,623,751**

GROUP

Reconciliation of provisions - 2021

	Opening balance	Additions	Utilised during the year	Total
	N$	N$	N$	N$
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 provisions	4,573,060	7,647,707	(5,696,016)	6,524,751
	5,648,675	**10,124,609**	**(6,912,549)**	**8,860,735**

COMPANY

Reconciliation of provisions - 2022

	Opening balance	Additions	Utilised during the year	Total
	N$	N$	N$	N$
Provision: Audit fees	**114,409**	**110,460**	**(102,968)**	**121,900**

COMPANY

Reconciliation of provisions - 2021

	Opening balance	Additions	Utilised during the year	Total
	N$	N$	N$	N$
Provision: Audit fees	**-**	**114,409**	**-**	**114,409**

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 N$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.

19. DIVIDEND PAYABLE

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Opening balance	38,301	4,738,562	38,301	4,872,312
Dividends declared	9,744,625	9,744,625	9,744,625	9,744,624
Crossholding	-	133,750	-	-
Dividends paid out	(9,734,697)	(14,578,636)	(9,734,697)	(14,578,635)
Closing balance	**48,229**	**38,301**	**48,229**	**38,301**

The Group and Company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the Board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the Board may pass on the payment of dividends. A dividend policy was adopted that provides for a dividend pay-out of not more than 50% of profits after taxation.

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.

The total dividends for the period amounts to N$9,744,625 (30 June 2021: N$9,744,625).

20. REVENUE

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers is generated from the provision of Information and Communication Technology (ICT) services to customers.

The Company disaggregates revenue from customers as follows:

TIMING OF REVENUE RECOGNITION

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
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	-	-
	43,439,800	**30,833,108**	**-**	**-**
Over time				
Cloud	16,895,544	14,484,647	-	-
Connectivity	314,836,281	273,562,578	-	-
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)	-	-
	357,781,549	**313,945,933**	**-**	**-**
Total revenue from contracts with customers	**401,221,349**	**344,779,041**	**-**	**-**
Revenue other than through contracts with customers consist of dividends received from investments				
Dividends received - Money market funds	3,635,658	4,050,618	1,007,257	2,916,544
Dividends received - Subsidiaries	-	-	9,000,000	6,500,000
	3,635,658	4,050,618	10,007,257	9,416,544
Total revenue	**404,857,007**	**348,829,659**	**10,007,257**	**9,416,544**

Revenue other than from contracts with customers is generated from investments in money market funds and similar securities.

RESTATEMENT

Refer to note 37 for the restatement.

21. COST OF SALES

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	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 on core network assets (refer note 24)	43,166,268	34,372,546	-	-
Discount received	(26,908)	(80,004)	-	-
	190,726,746	**160,196,955**	-	-

22. OTHER OPERATING INCOME

Administration and management fees received	25,343	26,413	-	-
Sundry income	846,047	387,071	-	-
	871,390	**413,484**	-	-

The note have been changed from the prior year. The bad debts recovered was reclassified to the movement in credit loss allowance (refer note 24).

23. OTHER OPERATING GAINS (LOSSES)

Gains (losses) on disposals, scrapings and settlements				
Property, plant and equipment (refer note 3)	(5,755)	84,918	-	-
Profit on disposal of shares	-	882,750	-	-
	(5,755)	**967,668**	**-**	**-**
Foreign exchange gains (losses)				
Net foreign exchange gains	458	(1,006,681)	-	-
Total other operating gains (losses)	**(5,297)**	**(39,013)**	**-**	-

24. OPERATING PROFIT

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Operating profit for the period is stated after charging (crediting) the following, amongst others:				
Auditor's remuneration - external Audit fees				
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**
Auditor's remuneration - internal				
Consulting and professional fees	132,000	-	-	-
Remuneration, other than to employees				
Consulting and professional services	3,840,824	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
	5,231,503	**5,096,514**	**1,111,553**	**981,957**
Directors remuneration				
Non-executive directors fees	903,511	893,846	-	-
Employee costs				
As at 30 June 2022 the Group had a total employee headcount of 202 permanent employees (2021: 202). Total cost of employment of all employees, including executive directors, was as follows:				
Salaries, wages, bonuses and other benefits	85,095,996	76,012,251	-	-
Leases				
Premises [6]	746,442	412,536	-	-

[6] 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.

24. OPERATING PROFIT (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Depreciation and amortisation				
Depreciation of property, plant and equipment (refer note 3)	47,507,945	38,568,908	-	-
Depreciation of right-of-use assets (refer note 4)	949,630	880,282	-	-
Amortisation of intangible assets (refer note 5)	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 (refer note 21)	(43,166,268)	(34,372,546)	-	-
Total depreciation and amortisation expensed	**12,541,777**	**11,712,441**	**-**	**-**

EXPENSES BY NATURE

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

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Advertising	8,375,879	7,223,924	-	-
Auditor's remuneration	1,438,824	1,115,319	122,475	259,040
Bad debts written off	455,078	303,870		-
Movement in credit loss allowance	598,636	552,963		-
Depreciation, amortisation and impairment	12,541,777	11,712,441	-	-
Directors' remuneration - non-executive	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	-	-
Leases - premises	746,442	412,536	-	-
Other expenses [7]	13,849,948	11,230,769	101,188	113,487
Remuneration, other than to employees	5,231,503	5,096,514	1,111,553	981,957
Telephone	1,229,825	1,159,788	-	-
Travelling	1,730,988	848,773	-	-
	147,956,831	**132,381,701**	**1,335,216**	**1,354,484**

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

25. INVESTMENT INCOME

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Interest income				
Investment in financial assets:				
Bank and cash	7,571	49,226	-	-
Finance lease receivables	125	7,313	-	-
Loans to group companies:				
Related parties	-	-	13,951,588	478,275
Total investment income	**7,696**	**56,539**	**13,951,588**	**478,275**

26. FINANCE COSTS

Trade and other payables	-	-	-	-
Finance leases	8,403	14,714	-	-
Bank overdraft	30,163	9,508	-	-
Bank loan	-	5,511,777	-	-
Lease liabilities	157,137	150,664	-	-
Domestic Medium-Term Notes	10,818,871	478,275	13,951,588	478,275
Contract liabilities	11,472,429	11,711,208	-	-
Total finance costs	**22,487,003**	**17,876,146**	**13,951,588**	**478,275**

RESTATEMENT

Refer to note 37 for the restatement.

27. TAXATION

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Major components of the taxation expense				
Current				
Local income taxation - current period	501,662	-	-	-
Expiry of unutilised withholding tax credits - recognised in current tax 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	(7,033,833)	(4,093,494)	-	-
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)	-	-
	15,857,930	**12,170,446**	**-**	**-**
Taxation	**18,097,365**	**12,170,446**	**-**	**-**
Taxation on other comprehensive income				
Deferred taxation through other comprehensive income	(934,400)	-	-	-
Total income taxation	**17,162,965**	**12,170,446**	**-**	**-**

27. TAXATION (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021
	N$	N$	N$	N$
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense				
Profit before taxation	39,830,216	38,805,867	8,672,041	8,062,059
Other comprehensive income	(2,920,000)	-	-	-
Tax at the applicable tax rate of 32% (2021: 32%)	11,811,269	12,417,877	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)	427,269	433,435	427,269	433,435
Capital profit on sale of fixed assets	-	(12,452)	-	-
Fair value adjustment of buildings	2,448,000	-	-	-
Fines and penalties	7,190	618	-	-
Donations	22,656	12,000	-	-
Unutlised withholding tax - forfeited	1,737,772	-	-	-
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)	-	-
Prior period adjustment	839,457	(205,166)	-	-
	17,162,965	**12,170,446**	**-**	**-**
Effective taxation rate	46.50%	31.36%	-	-

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)

28. EARNINGS PER SHARE

	GROUP	
	30 June 2022	30 June 2021 Restated
Shares in issue		
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)	1,130.67	1,110.40
Listed market price per share (cents per share)	1,290.00	1,200.00
Capital commitments (including approved but not contracted) (N$)	293,300,000	318,800,000

The weighted earnings per share and headline earnings per share for the period are calculated as follows:

	N$	N$
Earnings		
Profit for the period attributable to the equity holders of the parent	21,321,410	26,596,304
Headline adjustments:		
After taxation profit on sale of property, plant and equipment	3,913	(57,745)
Loss on revaluation of owner occupied property (refer notes 3, 23)	4,730,000	-
Headline earnings	**26,055,323**	**26,538,559**

	Cents	Cents
Basic earnings per ordinary share (cents)	43.76	54.97
Headline earnings per ordinary share (cents)	53.48	54.85
Dividend per share (cents)	20.00	20.00

29. CASH GENERATED FROM OPERATIONS

	GROUP		COMPANY	
	30 June 2022	30 June 2021 Restated	30 June 2022	30 June 2021 Restated
	N$	N$	N$	N$
Profit for the period	39,830,216	38,805,867	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	-	-
Revenue - Contract liabilities	(8,268,839)	(8,268,839)	-	-
Finance cost - Contract liabilities	11,472,429	11,711,208	-	-
Changes in working capital				
Inventories	(8,551,328)	(5,020,061)	-	-
Trade and other receivables	(9,439,402)	(9,568,099)	-	-
Prepayments	(1,246,949)	(671,017)	-	-
Contract liabilities	25,166,784	9,349,799	-	-
Movements in provisions	4,763,016	3,212,060	7,491	114,409
Trade and other payables	7,218,638	6,834,865	139,958	676,508
Investments at fair value	-	-	24,150,400	50,290,701
	128,421,214	**95,186,318**	**22,962,633**	**49,727,133**

30. TAX PAID

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Balance at beginning of the period	3,509,125	1,972,681	-	-
Adjustments in respect of businesses acquired during the period	-	-	-	-
Current taxation for the period recognised in profit or loss	(2,239,437)	-	-	-
Balance at end of the period	(1,829,612)	(3,509,125)	-	-
	(559,924)	**(1,536,444)**	**-**	**-**

31. IMPACT OF ACQUISITION OF SUBSIDIARY ON STATEMENTS OF CASH FLOWS

Consideration paid				
Cash - net of issue costs	**-**	**(2,080,000)**	**-**	**-**
Net cash outflow on acquisition of additional investments				
Cash consideration paid - net of issue costs	**-**	**(2,079,804)**	**-**	**-**

32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities - 2022

GROUP	Opening balance	Interest accrued	Modifications / additions	Cash inflows	Cash outflows	Closing balance
Borrowings	200,478,275	204,853	-	-	(65,764)	200,617,364
Lease liabilities	2,497,143	157,136	662,800	-	(1,262,185)	2,054,894
Loans from related parties	266,004	67,269	-	-	(309,813)	23,460
Total liabilities from financing activities	**203,241,422**	**429,258**	**662,800**	**-**	**(1,637,762)**	**202,695,718**

Reconciliation of liabilities arising from financing activities - 2021 (Restated)

GROUP	Opening balance	Interest accrued	Modifications / additions	Cash inflows	Cash outflows	Closing balance
Borrowings	79,884,213	478,275	-	200,000,000	(79,884,213)	200,478,275
Lease liabilities	2,412,827	150,664	1,122,359	-	(1,188,707)	2,497,143
Loans from related parties	-	-	-	266,004	-	266,004
Total liabilities from financing activities	**82,297,040**	**628,939**	**1,122,359**	**200,266,004**	**(81,072,920)**	**203,241,422**

Reconciliation of liabilities arising from financing activities - 2022

COMPANY	Opening balance	Interest accrued	Modifications / additions	Cash inflows	Cash outflows	Closing balance
Borrowings	200,478,275	43,381	-	-	-	200,521,656
Total liabilities from financing activities	**200,478,275**	**43,381**	**-**	**-**	**-**	**200,521,656**

Reconciliation of liabilities arising from financing activities - 2021 (Restated)

COMPANY	Opening balance	Interest accrued	Modifications / additions	Cash inflows	Cash outflows	Closing balance
Borrowings	-	478,275	-	200,000,000	-	200,478,275
Total liabilities from financing activities	**-**	**478,275**	**-**	**200,000,000**	**-**	**200,478,275**

Disclosures of the reconciliation of liabilities arising from financing activities have been updated from the prior year. The update was done to disclose the information on a more granular level for better understanding by the users of the financial statements. The impact on the amounts as disclosed is immaterial.

33. COMMITMENTS AND CONTINGENCIES

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

33. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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 (Proprietary) Limited was approved by the Board.

For the year ended 30 June 2022 Paratus Telecommunications (Proprietary) Limited 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.

As at 30 June 2022, N$110 million was invested in the Data Center, 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 52% 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.

34. RELATED PARTIES

Executive directors	A. Hall S.L.v.Z. Erasmus S.I. de Bruin B.R.J. Harmse
Non-executive directors	J.J. Esterhuyse H.B. Gerdes J.N.N. Shikongo M.R. Mostert S.H. Birch
Alternate director	R.P.K. Mendelsohn N.G. Kreft
Members of key management	A. Hall S.L.v.Z. Erasmus S.I. de Bruin B.R.J. Harmse R.P.K. Mendelsohn S.J. Geyser G. Duvenhage C.A. van Rensburg

Relationships

Subsidiaries	Refer to note 6
Related entities (common shareholder)	Paratus Group Holdings Limited - (registered in Mauritius) Paratus Telecommunications Limited - (registered in Mauritius) Sat Space Africa Limited - (registered in Mauritius) Internet Technologies Africa Limited - (registered in Mauritius) Paratus Telecommunications Limited - (registered in Zambia) Paratus Telecommunications (Proprietary) Limited - (registered in Botswana) Broadband Botswana Internet (Proprietary) Limited - (registered in Botswana) Paratus Telecommunication (Proprietary) Limited - (registered in South Africa) Maxwell Technologies (Proprietary) Limited - (registered in South Africa) Paratus Telecom S.A. - (registered in Mozambique) Canocopy (Proprietary) Limited - (registered in Namibia) Paratus Telecom S.A. - (registered in Angola) Finatic Technologies (Proprietary) Limited - (registered in Namibia) Capricorn Investment Group Limited - (registered in Namibia)
Related entities (common members as subsidiary)	Synapse Business Solutions (Proprietary) Limited Misty Bay Investments One Hundred and Forty Close Corporation Maya Investments Close Corporation

34. RELATED PARTIES (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Related party balances				
Investment in subsidiaries - refer to note 6				
Loan accounts - Owing (to) by related parties				
Paratus Telecommunications (Proprietary) Limited (Namibia)	-	-	417,208,727	236,978,275
Canocopy (Proprietary) Limited	-	216,372	-	-
Misty Bay Investments One Hundred and Forty Close Corporation	(23,460)	(266,004)	-	-
Synapse Business Solutions (Proprietary) Limited	6,460	-	-	-
The terms and conditions of these loans is disclosed in note 7.				
Amounts included in trade receivables regarding related parties				
Paratus Telecom S.A. - (registered in Angola)	191,143	1,432,587	-	-
Paratus Telecommunications (Proprietary) Limited - (registered in Botswana)	149,445	-	-	-
Canocopy (Proprietary) Limited - (registered in Namibia)	120,275	97,292	-	-
Paratus Telecommunications 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	-	-
All related party receivables are on the same credit terms as for other customers.				
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	-	-

34. RELATED PARTIES (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
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	-	-
All related party revenue relates to actual services and goods provided to them during the year.				
Interest received on loans from related parties				
Canocopy (Proprietary) Limited	3,782	42,213	-	-
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	-	-	-
Related party purchases relate to goods and services purchased from related parties during the year.				
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	-	-
Dividends received from related parties				
Paratus Telecommunications (Proprietary) Limited	-	-	9,000,000	6,500,000

34. RELATED PARTIES (CONTINUED)

	GROUP		COMPANY	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	N$	N$	N$	N$
Salary recoveries				
Paratus Telecom S.A. - (registered in Angola)	285,468	-	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	191,257	-	-	-
Paratus Telecommunications Limited - Mauritius	10,754,801	-	-	-
Paratus Telecom S.A. - Mozambique	134,671	-	-	-
Canocopy (Proprietary) Limited	180,507	-	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	130,566	-	-	-
Paratus Telecommunications Limited - Zambia	679,921	-	-	-
Compensation to directors				
Short-term employee benefits - Executive directors	8,712,553	6,493,223	-	-
Non-executive directors' remuneration (refer to RNC report for detail)	903,511	893,846	-	-
Short-term employee benefits				
- Key management	6,792,441	6,347,533	-	-
Directors' interest in shares	**%shares in issue**	**%shares in issue**	**%shares in issue**	**%shares in issue**
Total shareholding refer to directors' report for detail	33.47%	33.97%	33.47%	33.97%

35. DIRECTORS' EMOLUMENTS

GROUP		
Executive	**N$**	**N$**
2022	**Emoluments**	**Total**
Directors	6,987,329	6,987,329

GROUP		
Executive	**N$**	**N$**
2021	**Emoluments**	**Total**
Directors	6,493,223	3,527,250

GROUP		
Non-executive	**N$**	**N$**
2022	**Committees fees**	**Total**
Directors	903,511	903,511

GROUP		
Non-executive	**N$**	**N$**
2021	**Committees fees**	**Total**
Directors	893,846	893,846

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial instruments

Categories of financial assets

GROUP

2022	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Loans to related parties	7	-	6,460	6,460
Investments at fair value	10	4,691,541	-	4,691,541
Trade and other receivables	9	-	25,010,891	25,010,891
Cash and cash equivalents	12	-	3,686,536	3,686,536
		4,691,541	**28,703,887**	**33,395,428**

2021	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Loans to related parties	7	-	216,372	216,372
Investments at fair value	10	159,856,281	-	159,856,281
Trade and other receivables	9	-	22,958,043	22,958,043
Cash and cash equivalents	12	-	11,049,026	11,049,026
		159,856,281	**34,223,441**	**194,079,722**

COMPANY

2022	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Loans to related parties	7	-	417,208,727	417,208,727
Investments at fair value	10	4,668,455	-	4,668,455
Cash and cash equivalents	12	-	218,039	218,039
		4,668,455	**417,426,766**	**422,095,221**

2021	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Loans to related parties	7	-	236,978,275	236,978,275
Investments at fair value	10	27,811,598	-	27,811,598
Cash and cash equivalents	12	-	10,090,103	10,090,103
		27,811,598	**247,068,378**	**274,879,976**

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Categories of financial liabilities

GROUP

2022	Notes	Amortised cost	Total
		N$	N$
Trade and other payables	**17**	41,576,845	41,576,845
Loans from related parties	**7**	23,460	23,460
Borrowings	**14**	200,617,364	200,617,364
Lease obligations	**4**	2,054,894	2,054,894
Bank overdraft	**12**	13,700,647	13,700,647
		257,973,211	**257,973,211**

2021	Notes	Amortised cost	Total
		N$	N$
Trade and other payables	**17**	33,762,214	33,762,214
Loans from related parties	**7**	266,004	266,004
Borrowings	**14**	200,478,275	200,478,275
Lease obligations	**4**	2,497,143	2,497,143
Bank overdraft	**12**	4,096,006	4,096,006
		241,099,642	**241,099,642**

COMPANY

2022	Notes	Amortised cost	Total
		N$	N$
Trade and other payables	**17**	705,462	705,462
Borrowings	**14**	200,521,655	200,521,655
		201,340,071	**201,340,071**

2021	Notes	Amortised cost	Total
		N$	N$
Trade and other payables	**17**	678,458	678,458
Borrowings	**14**	200,478,275	200,478,275
		201,156,733	**201,156,733**

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Pre-tax gains and losses on financial instruments

Gains and losses on financial assets

GROUP				
2022	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Recognised in profit or loss:				
Interest income	25	-	7,696	7,696
Dividend income	20	3,635,658	-	3,635,658
Net gains		**3,635,658**	**7,696**	**3,643,354**

2021	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Recognised in profit or loss:				
Interest income	25	-	56,539	56,539
Dividend income	20	4,050,618	-	4,050,618
Net gains		**4,050,618**	**56,539**	**4,107,157**

COMPANY				
2022	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Recognised in profit or loss:				
Dividend income	20	**1,007,257**	**-**	**1,007,257**

2021	Notes	Fair value through profit or loss	Amortised cost	Total
		N$	N$	N$
Recognised in profit or loss:				
Dividend income	20	**2,916,544**	**-**	**2,916,544**

In the prior year, dividends received from subsidiaries were included in the above disclosure. However, given that subsidiaries are not financial instruments, this is not appropriate and therefore disclosure has been updated in the current year.

Gains and losses on financial liabilities

GROUP				
2022	Notes		Amortised cost	Total
			N$	N$
Recognised in profit or loss:				
Finance costs	26		**22,487,003**	**22,487,003**

2021	Notes		Amortised cost	Total
			N$	N$
Recognised in profit or loss:				
Finance costs	26		**17,876,146**	**17,876,146**

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

COMPANY				
2022	**Notes**		**Amortised cost**	**Total**
			N$	**N$**
Recognised in profit or loss:				
Finance costs	**26**		**13,951,588**	**13,951,588**

2021	Notes		Amortised cost	Total
			N$	**N$**
Recognised in profit or loss:				
Finance costs	**26**		**478,275**	**478,275**

CAPITAL RISK MANAGEMENT

The group and company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The Group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity. The Group's maximum gearing ratio may not exceed 150%.

Another method used is the net debt to EBITDA ratio. The ratio is calculated as net borrowings (total interest bearing borrowings less cash) divided by EBITDA. The ratio should not exceed 3.5 times.

EBITDA-to-interest cover ratio. The ratio is calculated as EBITDA divided by interest payments. The ratio should not be less than 2.5 times.

The Group and Company adopted the following capital management policies:
- Investment screening goes through a four-stage process;
- The need to raise capital in the debt and equity market is assessed with each investment opportunity;
- Proposed investment must deliver pre-defined return on investment for the investors;
- Solvency, interest cover and liquidity requirements must be met; and
- The Group and Company further ensure that it can meet its expected capital and financing needs at all times, having regards to the business plans, forecasts and any strategic initiatives.

The Group and Company have both qualitative and quantitative risk management procedures to monitor the risk and sensitivities of the business. This is achieved through scenario analysis and risk assessments. From an understanding of the principal risks, appropriate risk limits and controls are defined.

GROUP

2022 Total assets : Total liabilities 2 : 1
2021 Total assets : Total liabilities 2 : 1

COMPANY

2022 Total assets : Total liabilities 3 : 1
2021 Total assets : Total liabilities 3 : 1

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The capital structure and gearing ratio of the Group and Company at the reporting date was as follows:

		GROUP		COMPANY	
	Notes	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Loans from related parties	7	23,460	266,004	-	-
Borrowings	14	200,521,655	200,478,275	200,521,655	200,478,275
Lease liabilities	4	2,054,894	2,497,143	-	-
Total debt		**202,600,009**	**203,241,422**	**200,521,655**	**200,478,275**
Cash and cash equivalents	12	10,014,111	(6,953,020)	(218,039)	(10,090,103)
Money Market Funds (Investments at fair value)	10	(4,691,541)	(159,856,281)	(4,668,455)	(27,811,598)
Net debt		**207,922,579**	**36,432,121**	**195,635,161**	**162,576,574**
Equity		**550,333,663**	**540,800,080**	**500,142,342**	**501,214,926**
Adjusted earnings before interest, taxation, depreciation and amortisation (EBITDA)		118,017,565	102,710,461		

COVENANT RATIO'S AS DEFINED IN LENDER AGREEMENTS

The ratios are included on group level as this is a requirement of the Domestic Medium-term bond programme that was used to raised capital. The bond holders set out required ratios which needs to be achieved on group level.

Debt / Equity ratio	79%	70%
Net interest bearing debt / EBITDA (Not more than 3.5 times)	1.76	0.35
EBITDA-to-interest cover ratio (Not less than 2.5 times)	5.25	5.75

These ratio's are calculated in accordance with the Domestic Medium-term Bond Programme.

The capital structure and the related ratio's have been updated from the prior year to comply with the covenant ratio's as determined by the Domestic Medium-term bond programme. Trade and other payable, contract liabilities, provisions and dividends payable were previously incorrectly included in the calculation of the capital structure and ratio's.

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

FINANCIAL RISK MANAGEMENT

OVERVIEW

The Group and Company are exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The Group and Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and Company's activities.

The Group and Company audit committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group and Company.

CREDIT RISK

Credit risk is the risk of financial loss to the Group and Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The valuation of the relevant financial instrument takes into account the effect of credit risk on fair value by including an appropriate adjustment for the risk taken.

The Group and Company are exposed to credit risk on loans receivable, trade and other receivables, lease receivables and cash and cash equivalents. Refer to note 1.7 for considerations relating to expected credit losses on these classes of these financial assets.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The Group and Company only deals with reputable counterparties with consistent payment histories. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

The Group and Company measure the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. Refer to note 9 for detailed information on the ageing of trade receivables.

Credit risk exposure arising on cash and cash equivalents is managed by the Group and Company through dealing with well-established financial institutions with high credit ratings and by keeping cash on hand to a relatively low level.

Cash and cash equivalents	Short-term	Long-term	Outlook	Credit rating agency
Bank Windhoek Limited	A1+(NA)	AA(NA)	Stable	Global
Standard bank Limited (South Africa)	F1+(ZA)	AA+ (ZA)	Stable	Fitch
First National Bank Limited	AA+(NA)	A1+(NA)	Stable	Global
Nedbank Limited (South Africa)	A1+(ZA)	AA(ZA)	Stable	Global

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

In order to calculate credit loss allowances for loans receivable and lease receivables, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The maximum exposure to credit risk for the Group is presented in the table below:

2022

	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N$	N$	N$
Loans to related parties	7	6,460	-	6,460
Investments at fair value through profit or loss	10	4,691,541	-	4,691,541
Trade and other receivables	9	28,718,830	(3,707,939)	25,010,891
Cash and cash equivalents	12	3,686,536	-	3,686,536
		37,103,367	**(3,707,939)**	**33,395,428**

2021

	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N$	N$	N$
Loans to related parties	7	216,372	-	216,372
Investments at fair value through profit or loss	10	159,856,281	-	159,856,281
Lease receivables	11	4,088	-	4,088
Trade and other receivables	9	26,097,729	(3,139,686)	22,958,043
Cash and cash equivalents	12	11,049,026	-	11,049,026
		197,223,496	**(3,139,686)**	**194,083,810**

The maximum exposure to credit risk for the Company are presented in the table below:

2022

	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N$	N$	N$
Loans to related parties	7	417,208,727	-	417,208,727
Investments at fair value through profit or loss	10	4,668,455	-	4,668,455
Cash and cash equivalents	12	218,039	-	218,039
		422,095,221	**-**	**422,095,221**

2021

	Notes	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N$	N$	N$
Loans to related parties	7	236,978,275	-	236,978,275
Investments at fair value through profit or loss	10	27,811,598	-	27,811,598
Cash and cash equivalents	12	10,090,103	-	10,090,103
		274,879,976	**-**	**274,879,976**

Amounts are presented at amortised cost or fair value depending on the accounting treatment of the item presented. The gross carrying amount for debt instruments at fair value through other comprehensive income is equal to the fair value because the credit loss allowance does not reduce the carrying amount. The credit loss allowance is only shown for disclosure purposes. Debt instruments at fair value through profit or loss do not include a loss allowance. The fair value is therefore equal to the gross carrying amount.

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

LIQUIDITY RISK

The Group and Company are exposed to liquidity risk, which is the risk that the Company will encounter difficulties in meeting its obligations as they become due.

The Group and Company manage its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

GROUP					
2022	Notes	Less than 1 year	2 to 5 years	Total contractual cashflows	Carrying amount
		N$	N$	N$	N$
Loans from related parties	7	23,460	-	23,460	23,460
Borrowings	14	14,646,500	218,417,500	233,064,000	200,617,364
Lease liabilities	4	1,383,146	899,154	2,282,300	2,054,894
Trade and other payables	17	41,576,845	-	41,576,845	41,576,845
Dividend payable	19	48,229	-	48,229	48,229
Bank overdraft	12	13,700,647	-	13,700,647	13,700,647
		71,378,828	**219,316,654**	**290,695,482**	**258,021,440**

GROUP					
2021	Notes	Less than 1 year	2 to 5 years	Total contractual cashflows	Carrying amount
		N$	N$	N$	N$
Loans from related parties		-	266,004	266,004	266,004
Borrowings	14	13,428,500	230,323,500	243,752,000	200,478,275
Lease liabilities	4	1,271,573	1,444,462	2,716,035	2,497,143
Trade and other payables	17	33,762,215	-	33,762,215	33,762,215
Dividend payable	19	38,301	-	38,301	38,301
Bank overdraft	12	4,096,006	-	4,096,006	4,096,006
		52,596,595	**232,033,966**	**284,630,561**	**241,137,944**

COMPANY					
2022	Notes	Less than 1 year	2 to 5 years	Total contractual cashflows	Carrying amount
		N$	N$	N$	N$
Trade and other payables	17	705,462		705,462	705,462
Dividend payable	19	48,229		48,229	48,229
		753,691	**-**	**753,691**	**753,691**

COMPANY					
2021	Notes	Less than 1 year	2 to 5 years	Total contractual cashflows	Carrying amount
		N$	N$	N$	N$
Trade and other payables	17	678,458	-	678,458	678,458
Dividend payable	19	38,301	-	38,301	38,301
		716,759	**-**	**716,759**	**716,759**

Contractual cash flows relating to the prior period has been updated to disclose actual contractual cash flows since these amounts were previously incorrectly disclosed.

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

FOREIGN CURRENCY RISK

The Group and Company are exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The foreign currencies in which the Group and Company deal primarily are US Dollars and Euros.

There have been no significant changes in the foreign currency risk management policies and processes since the prior reporting period.

		GROUP		COMPANY	
	Notes	30 June 2022	30 June 2021	30 June 2022	30 June 2021
		N$	N$	N$	N$
Exposure in foreign currency amounts					
The net carrying amounts, in foreign currency of the above exposure was as follows:					
US Dollar exposure:					
Current assets: Trade and other receivables	9	315,732	462,125	-	-
Cash and cash equivalents	12	113,737	23,911	-	-
Current liabilities: Trade and other payables	17	(255,532)	(365,269)	-	-
Net US Dollar exposure		**173,937**	**120,767**	**-**	**-**
Exchange rates					
The following closing exchange rates were applied at reporting date:					
Namibia Dollar per unit of foreign currency:		16.284	14.295	16.284	14.295

The Namibia Dollar is 1:1 in relation with the South Africa Rand

FOREIGN CURRENCY SENSITIVITY ANALYSIS

The following information presents the sensitivity of the Group and Company to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

At 30 June 2022, if the Namibian Dollar exchange rate had been 5.000% (2021: 5.000%) higher or lower during the period, with all other variables held constant, the effect on profit or loss for the year would have been N$141,615 (2021: N$86,321).

INTEREST RATE RISK

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The debt of the Group and company are comprised of different instruments, which bear interest at the Namibian prime linked interest rates and the ZAR JIBAR-SAFEX interest rate. Interest rates on all borrowings compare favourably with those rates available in the market.

The Group and Company policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

INTEREST RATE PROFILE

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

GROUP	Note	Average effective interest rate		Carrying amount	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		%	%	N$	N$
Variable rate instruments:					
Assets					
Loans to related parties	**7**	7.28%	8.19%	6,460	216,372
Investments at fair value	**10**	4.39%	3.95%	4,691,541	159,856,281
Finance lease receivables	**11**	-%	16.47%	-	4,088
				4,698,001	**160,076,741**
Liabilities					
Borrowings	**14**	6.91%	6.71%	(200,617,364)	(200,478,275)
Bank overdraft	**12**	7.71%	8.06%	(13,700,647)	(4,096,006)
				(214,318,011)	**(204,574,281)**
Net variable rate financial instruments				**(209,620,010)**	**(44,497,540)**

COMPANY	Note	Average effective interest rate		Carrying amount	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		%	%	N$	N$
Variable rate instruments:					
Assets					
Investments at fair value	**10**	4.26%	3.95%	4,668,455	27,811,598
Loans to related parties	**7**	6.91%	6.71%	417,208,727	236,978,275
				421,877,182	**264,789,873**
Liabilities					
Borrowings	**14**	6.91%	6.71%	(200,521,655)	(200,478,275)
Net variable rate financial instruments				**221,355,527**	**64,311,598**

Variable rate financial assets as a percentage of total interest bearing financial assets	100.00%	100.00%
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities	100.00%	100.00%

INTEREST RATE SENSITIVITY ANALYSIS

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

At 30 June 2022, if the interest rate had been 1.000% per annum (2021: 1.000%) higher or lower during the period, with all other variables held constant, the effect on profit or loss for the year would have been N$2,096,200 (2021: N$444,975).

36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)
PRICE RISK
PRICE RISK SENSITIVITY ANALYSIS

The Group and Company are exposed to price risk because of its investments in equity instruments which are measured at fair value. The exposure to price risk on equity investments is managed through a diversified portfolio.

There have been no significant changes in the price risk management policies and processes since the prior reporting period.

The following sensitivity analysis has been prepared using a sensitivity rate which is used when price risk internally to key management personnel and represents management's assessment of the reasonably possible change in relevant prices. All other variables remain constant. The sensitivity analysis includes only investments held at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

At 30 June 2022, if the price index on the investments at fair value had been 1.000% (2021: 1.000%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been N$ 46 915 (2021: N$1 598 563) higher or lower.

37. RESTATEMENTS
1. FINANCING COMPONENT ON CONTRACT LIABILITIES

In the current year the Group identified that the significant financing component of the Botswana Fiber Network contract with a 20 year duration was not previously accounted for in line with IFRS 15. The contractual cash flows were received upfront and the performance obligation is satisfied over a 20 year period and therefore a significant financing component arose which has to be accounted for. The correction was performed in the current financial year and the comparatives have been restated to reflect the adjustment.

The correction of this error amounts to a change in the statement of financial position and statement of profit or loss and other comprehensive income.

Statement of financial position	GROUP			GROUP		
	30 June 2021			01 July 2020		
	Previously reported	Restatement	Restated	Previously reported	Restatement	Restated
Equity						
Retained income	47,575,481	(9,435,704)	38,139,777	28,382,990	(7,094,893)	21,288,097
Non-current liabilities						
Contract liabilities	88,444,920	17,079,624	105,524,544	79,480,705	13,022,455	92,503,160
Deferred taxation	23,697,735	(4,440,331)	19,257,404	10,425,730	(3,338,773)	7,086,957
Current liabilities						
Contract liabilities	9,216,668	(3,203,589)	6,013,079	8,831,084	(2,588,789)	6,242,295

Statement of profit or loss and other comprehensive income	GROUP		
	30 June 2021		
	Previously reported	Restatement	Restated
Revenue	340,560,820	8,268,839	348,829,659
Finance cost	(6,164,938)	(11,472,429)	(17,637,367)
Taxation	(13,272,005)	1,101,558	(12,170,447)

37. RESTATEMENTS (CONTINUED)

2. STATEMENT OF CASH FLOWS

Certain items were reclassified during the current year under review in accordance with the disclosure requirements of IAS 7, the impact on the statement of cash flows is summarised below:

Statement of cash flows	Notes	GROUP			COMPANY		
		30 June 2021			30 June 2021		
		Previously reported	Restatement	Restated	Previously reported	Restatement	Restated
Cash flows from operating activities							
Cash generated from operations	(a)	-	-	-	(563,568)	50,290,701	49,727,133
Interest paid	(f)	(5,536,000)	(150,664)	(5,686,664)			
Net cash generated from / (used in) operating activities		(88,710,413)	(150,664)	88,017,749	(563,568)	50,290,701	49,727,133
Cash flows from investing activities							
Proceeds from loans to related parties	(b)	-	603,859	603,859	-	-	-
Cross-holding shares sold	(c)	14,645,625	(14,645,625)	-	-	-	-
Deposits into money markets funds and similar securities	(a)	-	-	-	(47,161,000)	47,161,000	-
Withdrawal from money markets funds and similar securities	(a)	-	-	-	97,451,701	(97,451,701)	-
Loans advanced to subsidiary	(d)	-	-	-		(230,000,000)	(230,000,000)
Acquisition of subsidiary	(e)	(2,080,000)	196	(2,079,804)	-	-	-
Cash acquired from subsidiary acquisition	(e)	196	(196)	-	-	-	-
Net cash (used in) / generated from investing activities		(206,005,264)	(14,041,766)	(220,047,030)	50,290,701	(280,290,701)	(230,000,000)
Cash flows from financing activities							
Proceeds from loans to related parties	(b)	603,859	(603,859)	-	-	-	-
Payment on lease liabilities	(f)	(1,188,707)	1,188,707	-	-	-	-
Lease liability - principal payment	(f)	-	(1,038,043)	(1,038,043)	-	-	-
Loans advanced to subsidiary	(d)	-	-	-	(230,000,000)	230,000,000	-
Cross-holding shares sold	(c)	-	14,645,625	14,645,625	-	-	-
Net cash generated from / (used in) financing activities		105,352,058	14,041,766	119,393,823	(44,578,635)	230,000,000	185,421,365

Notes:

(a) - On Company level, the cash flows relating to investments in money market funds were reclassified from investing activities to operating activities. PNH is regarded as an investment holding company and the activities relating to its investments is therefore deemed to form part of its operations.

(b) - The proceeds received from loans to related parties relates to a loan to Canocopy (Proprietary) Limited. As this is a loan receivable it is regarded as an investing activity. The loan was incorrectly disclosed as a financing activity in the prior year, and has been moved to investing activities to correct its presentation.

(c) - This relates to cross-holding shares which were owned by PTNA (100% subsidiary of PNH) in PNH for investment purposes. The cross-holding shares were sold to third parties during the 2021 financial year. The proceeds received on the sale of the cross-holding shares were previously incorrectly shown as part of investing activities in the consolidated cash flow statement, rather than being appropriately presented under financing activities.

(d) - Loans advanced to subsidiaries relates to a loan advanced to PTNA. This was previously incorrectly disclosed as a financing activity, and it is being reallocated to be appropriately presented under investing activities.

(e) - In the 2021 financial year Bitstream Internet Solutions (Proprietary) Limited was acquired as a subsidiary. The purchase price and the cash acquired was incorrectly presented separately in the cash flow statement. The presentation has been corrected by presenting these cash flows on a net basis in accordance with the requirements of IFRS 3.

(f) - The payments on lease liabilities were previously incorrectly shown as the total cash outflows relating to lease liabilities (presenting both the principal and interest portions in as a single line item). IFRS 16 requires the Group to present cash payments relating to the principal and interest portions of the lease liability separately in statement of cash flows. In order to present interest paid consistently in the statement of cash flows, cash payments relating to interest on lease liabilities were moved from the financing activities section to the operating activities section of the statement of cash flows.

37. RESTATEMENTS (CONTINUED)

3. RECLASSIFICATION ON THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In the prior year bad debts recovered and the movement in the credit loss allowance were incorrectly presented as part of the other operating income and operating expenses line items in the statement of profit or loss and other comprehensive income. During the current year the group corrected the presentation by presenting the movement in the credit loss allowance and bad debts recovered as a single line item on the statement of profit or loss and other comprehensive income as required. This resulted in a restatement of the prior year figures.

Statement of profit or loss and other comprehensive income	GROUP		
	2021		
	Previously reported	Restatement	Restated
Other operating income	463,852	(50,368)	413,484
Movement in credit loss allowance	-	(552,963)	(552,963)
Operating expenses	(132,432,069)	603,331	(131,828,738)

38. FAIR VALUE INFORMATION

FAIR VALUE HIERARCHY

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

1 Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Company can access at measurement date.

2 Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

3 Level 3: Unobservable inputs for the asset or liability.

LEVELS OF FAIR VALUE MEASUREMENTS

RECURRING FAIR VALUE MEASUREMENTS

			GROUP		COMPANY	
Assets	Notes	Level	30 June 2022	30 June 2021	30 June 2022	30 June 2021
			N$	N$	N$	N$
Current assets						
Investments at fair value						
Cirrus Capital Money Market Fund	**10**	**2**	23,087	132,044,684	-	-
Capricorn Corporate fund - money market fund	**10**	**2**	467,938	10,002,675	467,938	10,002,675
Old Mutual Corporate fund - money market fund	**10**	**2**	4,200,516	17,808,922	4,200,516	17,808,923
			4,691,541	**159,856,281**	**4,668,454**	**27,811,598**
Total			**4,691,541**	**159,856,281**	**4,668,454**	**27,811,598**

Level 2 price of the Money Market Fund was the trading price at the end of each reporting period.

39. EVENTS AFTER THE REPORTING PERIOD

Dividends declared

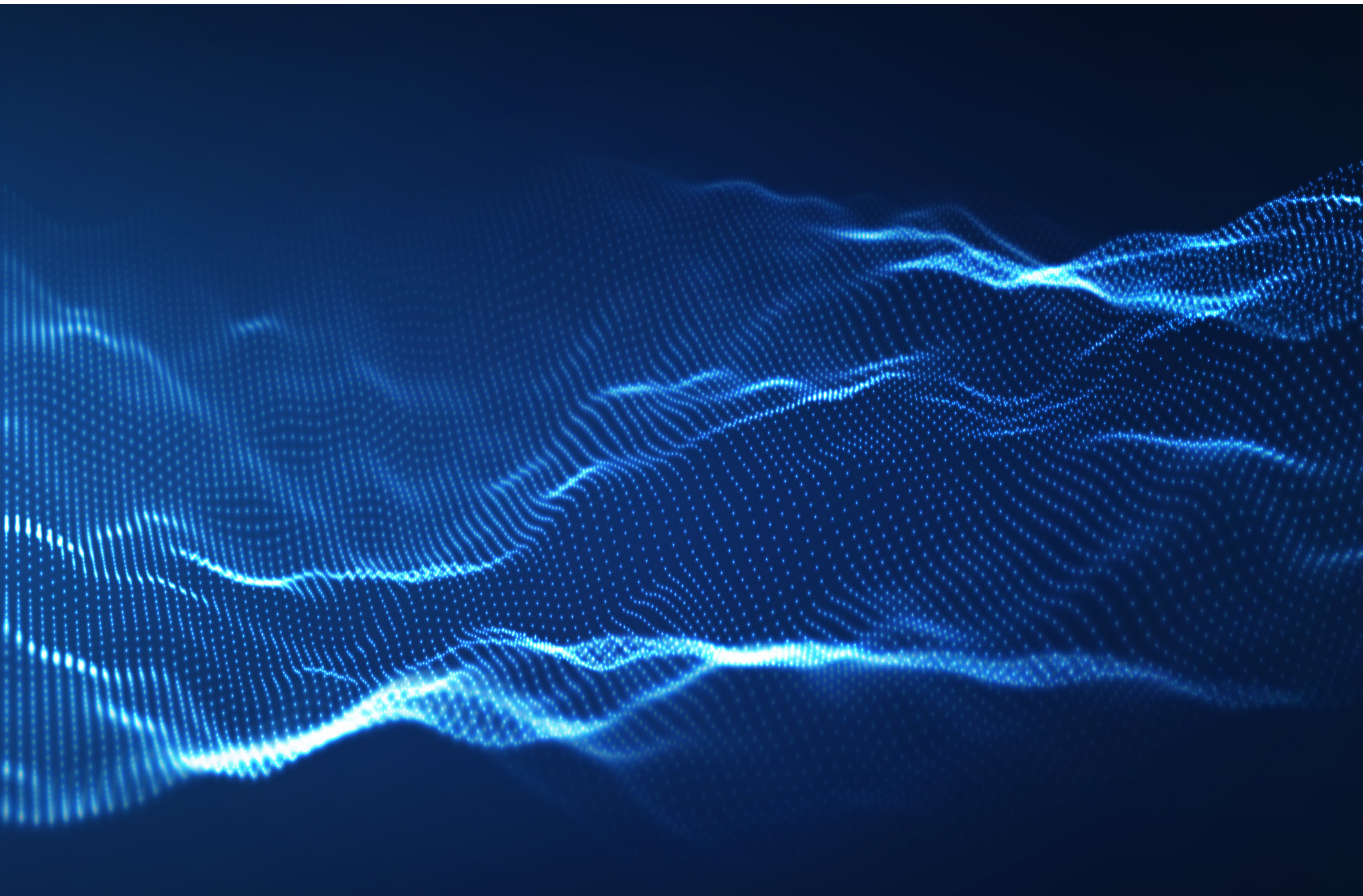
On 20 September 2022 the directors declared a dividend of 10c per ordinary share amounting to N$4,872,312.

Other events

On 16 September 2022 a second tranche of N$130 million was raised through our 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 were issued at an interest rate of 275 basis points above the 3-months ZAR JIBAR rate. Five-year notes to the value of N$100 million were issued at an interest rate of 325 basis points above the 3-months ZAR JIBAR rate.

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

SHAREHOLDERS' INFORMATION



SHAREHOLDERS' DIARY

Financial year end 30 June

Interim financial reporting date 31 December

Annual general meeting 26 January 2023

Dividend declaration dates:
The Company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the Board may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the Board may pass on the payment of dividends. A dividend policy was adopted that provides for a dividend pay-out of not more than 50% of profit after taxation.

The directors declared a final dividend of 10c per ordinary share. The salient dates of the dividend declared are as follows:

- Board declaration date: 20 September 2022
- Last date to trade cum dividend: 21 October 2022
- First day to trade ex-dividend: 24 October 2022
- Record date: 28 October 2022
- Payment date: 11 November 2022

2022						
Analysis of Shareholders			**Number of shareholders**	**% of shareholders**	**Number of shares held**	**% of shares held**
Size of holding						
1	-	99	11	3.0	255	-
100	-	499	58	16.0	13,224	-
500	-	999	38	10.5	24,275	-
1000	-	1999	52	14.4	64,761	0.1
2000	-	2999	34	9.4	79,035	0.2
3000	-	3999	16	4.4	53,710	0.1
4000	-	4999	10	2.8	43,539	0.1
5000	-	9 999	27	7.5	180,823	0.4
Over 10 000			116	32.0	48,263,501	99.1
			362	**100.0**	**48,723,123**	**100.0**

2021						
Analysis of Shareholders			**Number of shareholders**	**% of shareholders**	**Number of shares held**	**% of shares held**
Size of holding						
1	-	99	8	2.2	145	-
100	-	499	61	16.8	14,304	-
500	-	999	38	10.4	24,475	0.1
1000	-	1999	52	14.3	64,495	0.1
2000	-	2999	37	10.2	87,015	0.2
3000	-	3999	15	4.1	49,795	0.1
4000	-	4999	8	2.2	35,435	0.1
5000	-	9 999	25	6.9	174,586	0.4
Over 10 000			120	33.0	48,272,873	99.0
			364	**100.0**	**48,723,123**	**100.0**

2022				
Type of Shareholders	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Individuals & estates	295	81.5	9,197,872	18.9
Trusts	11	3.0	147,456	0.3
Nominee Corporates	39	10.8	17,137,027	35.2
Corporate bodies	17	4.7	22,240,768	45.6
	362	**100.0**	**48,723,123**	**100.0**

2021				
Type of Shareholders	Number of shareholders	% of shareholders	Number of shares held	% of shares held
Individuals & estates	294	80.8	9,450,938	19.4
Trusts	10	2.7	223,750	0.5
Nominee Corporates	40	11.0	16,862,659	34.6
Corporate bodies	20	5.5	22,185,776	45.5
	364	**100.0**	**48,723,123**	**100.0**

Significant Shareholders	Number of shares held	Number of shares held	% of shares held	% of shares held
	2022	2021	2022	2021
Shareholders invested in 1% or more of the Company				
Paratus Group Holdings Limited	21,526,953	21,349,931	44.2	43.8
Government Intuitions Pension Fund [1]	8,615,176	8,615,176	17.7	17.7
Erasmus, Schalk Leipoldt van Zyl	2,610,557	2,610,557	5.4	5.4
Old Mutual Life Assurance Company (Namibia) Limited[2]	2,000,000	2,000,000	4.1	4.1
D'Alton, Edward John	1,540,974	1,540,974	3.2	3.2
Alexander Forbes Investments Namibia Limited [3]	1,256,140	1,256,140	2.6	2.6
Retirement Fund for Local Authorities and Utility Services in Namibia [3]	792,079	792,079	1.6	1.6
Investec Namibia Trustee Account (NANAM) [3]	764,838	764,838	1.6	1.6
Harmse, Bartholomeus Roelof Jacobus	722,595	1,054,139	1.5	2.2
	39,829,312	**39,983,834**	**81.7**	**82.2**

[1] In care of FNB Namibia (Proprietary) Limited
[2] In care of CBN Nominee (Proprietary) Limited
[3] In care of Standard Bank Namibia Nominees (Proprietary) Limited

2022				
Shareholder Spread	**Number of shareholders**	**% of shareholders**	**Number of shares held**	**% of shares held**
Non-public				
Held by Directors: Direct	8	2.2	4,128,842	8.5
Held by Directors: Indirect	2	0.6	112,500	0.2
Holdings > 10% of issued shares	2	0.6	30,142,129	61.8
Public	350	96.6	14,339,652	29.5
TOTAL	**362**	**100.0**	**48,723,123**	**100.0**

2021				
Shareholder Spread	**Number of shareholders**	**% of shareholders**	**Number of shares held**	**% of shares held**
Non-public				
Held by Directors: Direct	8	2.2	4,334,786	9.2
Held by Directors: Indirect	2	0.5	152,250	0.2
Holdings > 10% of issued shares	2	0.6	21,349,931	61.5
Public	352	96.7	22,886,156	29.1
TOTAL	**364**	**100.0**	**48,723,123**	**100.0**

Shares Traded and Issued	2022	2021
Number of shares traded on the NSX for 12 month period	522,015	11,702,277
Number of shares traded off market for 12 month period	-	-
Shares traded as a weighted percentage of issued capital	1.11%	24.02%

NSX Price History	2022	2021
12 month high	13.00	12.15
12 month low	11.99	10.90
Closing price 30 June	12.90	12.00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PARATUS
Paratus Namibia Holdings Ltd

PARATUS NAMIBIA HOLDINGS LIMITED

(Registration Number 2017/0558)
Share code: PNH ISIN: NA000A2DTQ42
("Paratus")

DIRECTORS

EXECUTIVE
Stefanus Isaias de Bruin (Namibian)
Schalk Leipoldt Van Zyl Erasmus (Namibian)
Andrew Hall (Namibian)
Bartholomeus Harmse (Namibian)

NON-EXECUTIVE
Hans-Bruno Gerdes (Namibian)
Josephine Naango Ndakulilwa Shikongo (Namibian)
Stuart Hilton Birch (South African)
Morné Romé Mostert (Namibian)
Johannes Jacobus Esterhuyse (South African)

NOTICE OF ANNUAL GENERAL MEETING OF PARATUS NAMIBIA HOLDINGS LIMITED

Notice is hereby given that the Annual General Meeting of Paratus Namibia Holdings Limited ("General Meeting") will be held at the Armada Data Centre, Brakwater, Windhoek, Namibia at 10:00 on Thursday, 26 January 2023 as a hybrid meeting.

Shareholders may join and participate in the meeting either in person, or by means of electronic communication through the following link: https://jointeamsmeeting

PURPOSE

The purpose of the Annual General Meeting is to consider and, if deemed fit, to approve and adopt, with or without modification, the resolutions set out in this Notice of Annual General Meeting.

Herewith the proposed agenda and resolutions:

1. NOTICE CONVENING THE MEETING

2. APOLOGIES

3. ORDINARY RESOLUTION 1: INTEGRATED REPORT

It will be proposed as an ordinary resolution that the Integrated Annual Report for Paratus for the year ended 30 June 2022, including all the reports and the annual financial statements, be adopted and approved.

4. ORDINARY RESOLUTION 2: APPOINTMENT OF AUDITORS

It will be proposed as an ordinary resolution that, it be confirmed that PricewaterhouseCoopers be reappointed as independent auditors to Paratus for the ensuing year and that the Risk, Audit and Compliance Committee be authorised to agree to the auditors remuneration.

5. BOARD COMPOSITION

In terms of the Articles of Association, one-third of non-executive directors are subject to retirement annually but are eligible for re-election. Accordingly, Stuart Birch and Jaco Esterhuyse retire by rotation.

Neither nor Stuart Birch or Jaco Esterhuyse have made themselves available for re-election. The Board notes their appreciation for the valuable contribution that both Stuart Birch and Jaco Esterhuyse have made to Paratus.

The Board recommends that Reagon Graig is to be appointed as a director of Paratus.

ORDINARY RESOLUTION 3: ELECTION OF REAGON GRAIG

It will be proposed as an ordinary resolution that Reagon Graig is to be appointed as a director of the Company in accordance with the Companies Act and the Articles of Association.
Shareholders will be requested to note that the curriculum vitae of Reagon Graig is available on the website at https:invest.paratus.africa

Shareholders will be requested to note that the Remuneration and Nomination Committee is in the process of evaluating potential candidates whereafter the Board will make an interim appointment to fill the additional vacancy on the board. The vacancy will be filled as to ensure that Paratus remains compliant with the Namcode. The director appointed through the interim appointment will resign at the next annual general meeting.

6. ORDINARY RESOLUTION 4: RATIFICATION OF DIVIDENDS

It will be proposed as an ordinary resolution that the dividends declared and paid by Paratus, being an interim dividend of 10 cents per share declared on 23 March 2022 and paid 17 June 2022 and a final dividend of 10 cents per ordinary share declared on 20 September 2022 and paid on 11 November 2022 be ratified.

7. ORDINARY RESOLUTION NUMBER 5: AUTHORITY TO ACTION ALL ORDINARY RESOLUTIONS

It will be proposed as an ordinary resolution that, any director of Paratus, or the company secretary be and is hereby authorised to do all such things as are necessary and to sign all such documents issued by Paratus and take all actions as may be necessary to implement the above ordinary resolutions with or without amendment."

8. TO TRANSACT ANY OTHER BUSINESS WHICH, UNDER THE ARTICLES OF ASSOCIATION, MAY BE TRANSACTED AT AN ANNUAL GENERAL MEETING

By order of the Board

NOTE:

1. The date on which Paratus Namibia Holdings Limited Shareholders must be recorded in the Register for purposes of being entitled to receive this notice is Wednesday, 30 December 2022.
The date on which Paratus Namibia Holdings Limited Shareholders must be recorded in the Register for purposes of being entitled to attend and vote at the Annual General Meeting is Thursday, 12 January 2023.

Accordingly, the Last Day to Trade to be entitled to attend and vote at the Annual General Meeting is Wednesday, 4 January 2023.

Any Paratus Namibia Holdings Limited Shareholder who holds Shares in Paratus Namibia Holdings Limited may attend, participate in and vote at the Annual General Meeting or at any adjournment thereof or may appoint any other person or persons (none of whom need be a Paratus Namibia Holdings Limited Shareholder) as a proxy or proxies, to attend, participate in and vote or abstain from voting at the Annual General Meeting or at any adjournment thereof, in such Shareholder's stead.

2. A form of proxy is attached for use by such Paratus Namibia Holdings Limited Shareholders. Such form of proxy duly completed, must be forwarded to and reach the Transfer Secretaries, by no later than 10:00 on Tuesday, 24 January 2023. The completion of a form of proxy does not preclude any Shareholder registered by the Voting Record Date from attending the Annual General Meeting.

Meeting participants may be required to provide satisfactory identification. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairperson of the Annual General Meeting and must accordingly bring a copy of their identity document, passport or driver's license to the Annual General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretaries for guidance.

3. For an ordinary resolution to be approved by Paratus Namibia Holdings Limited Shareholders, it must be supported by more than 50% of the voting rights exercised on the resolution.

4. For a special resolution to be approved by Paratus Namibia Holdings Limited Shareholders, it must be approved at a general meeting where not less than one-fourth of the total votes of all the members entitled to vote are present in person or by proxy, and be passed by majority of at least 75% of the total voting rights of Shareholders present in person or by proxy.

SIGNED AT WINDHOEK, NAMIBIA, ON 14 DECEMBER 2022 ON BEHALF OF THE BOARD.

By order of the Board

Registered Office
104-106 Nickel Street
Windhoek
Namibia

P.O. Box 81588, Olympia
Windhoek
Namibia 135

PARATUS
Paratus Namibia Holdings Ltd

PARATUS NAMIBIA HOLDINGS LIMITED

(Incorporated in the Republic of Namibia)
(Registration Number 2017/0558)
(Date of Registration: 30 June 2017)
Share code: PNH ISIN: NA000A2DTQ42
("Paratus Namibia Holdings Limited" or "the Company")

FORM OF PROXY – FOR USE BY CERTIFICATED SHAREHOLDERS ONLY

I/We (full name in block letters): ______________________________
of (address): ______________________________
Telephone Number: ______________________________
E-Mail Address: ______________________________
being the registered shareholder of ______________________________ Paratus Namibia Holdings Limited,
Do hereby appoint
______________________________ of ______________________________ or failing him/her
______________________________ of ______________________________ or failing him/her
the Chairperson of the Annual General Meeting, as my/our proxy to vote for me/us on my/our behalf at the General Meeting which will be held for the purpose of considering and, if deemed fit, approving and adopting, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the said resolutions and/or to abstain from voting in respect of the Shares registered in my/our name(s), and at any adjournment thereof as follows:

RESOLUTION	For	Against	Abstain
Ordinary Resolution Number 1 – To adopt the Integrated Annual Report			
Ordinary Resolution Number 2 – Appointment of Auditors			
Ordinary Resolution Number 3 – Election of Reagon Graig			
Ordinary Resolution Number 4 – Declaration of Dividends			
Ordinary Resolution Number 5 – Implementation of Resolutions			

(Indicate instruction to proxy by way of a cross in space provided above.)
Unless otherwise instructed, my proxy may vote as he/she deems fit.

Signed this .... day of ....

....
Full Name and Surname

....
Signature

Note 1: A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend, speak and on a poll vote in his/her stead, and such proxy need not also be a Shareholder of the Company.

Note 2: One vote per Share held by Paratus Namibia Holdings Limited Shareholders. Paratus Namibia Holdings Limited Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or "X" should they wish to vote all Shares held by them. If the form of proxy is returned without an indication as to how the proxy should vote on a particular matter, the proxy will exercise his/her discretion as to whether, and if so, how he/she votes.

Note 3: If the Annual General Meeting is adjourned or postponed, forms of proxy submitted for the initial Annual General Meeting will remain valid in respect of any such adjournment or postponement.

Registered Office
104-106 Nickel Street
Windhoek
Namibia

P.O. Box 81588, Olympia
Windhoek
Namibia


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Paratus Namibia Holdings Ltd

CORPORATE INFORMATION

Company registration number: 2017/0558
Website: https://invest.paratus.africa
Share Code: PNH
ISIN: NA000A2DTQ42

HEAD OFFICE
104- 106 Nickel Street, Prosperita
Windhoek, Namibia
P.O. Box 90140
Klein Windhoek
Windhoek, Namibia
Tel: +264 83 300 1000

REGISTERED ADDRESS OF PARATUS
106 Nickel Street, Prosperita
Windhoek, Namibia
P.O. Box 81588
Olympia
Windhoek, Namibia
Tel: +264 61 247 437

COMPANY SECRETARY
Cronjé Secretarial Services (Proprietary) Limited
1 Charles Cathral Street
Windhoek, Namibia
P.O. Box 81588
Olympia
Windhoek, Namibia
Tel: +264 81 319 8200
E-mail: cronje@cronjelaw.com
www.cronjelaw.com

MANAGING DIRECTOR: NAMIBIA
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E-mail: andrew@paratus.africa

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E-mail: stefan@paratus.africa

GROUP EXECUTIVE CHAIRMAN
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E-mail: barney@paratus.africa

GROUP CHIEF EXECUTIVE OFFICER
Schalk Erasmus
Tel. +264 83 300 1000
E-mail: schalk@paratus.africa

TRANSFER SECRETARIES
Transfer Secretaries (Proprietary) Limited
4 Robert Mugabe Avenue
(entrance in Burg Street opposite 2A Chateau St)
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P.O. Box 2401
Windhoek, Namibia
Tel: +264 61 227647
E-mail: Alexandreah@nsx.com.na

AUDITORS AND REPORTING ACCOUNTANT
PricewaterhouseCoopers (Chartered Accountants (Namibia))
Registered Accountants and Auditors
344 Independence Avenue
Windhoek, Namibia
P.O. Box 1571
Windhoek, Namibia
Tel: +264 61 284 1000

COMMERCIAL BANKS

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262 Independence Avenue
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P.O. Box 15
Windhoek, Namibia

First National Bank Namibia
FNB Windhoek Parkside Head Office
130 Independence Avenue c/o Fidel Castro
Windhoek, Namibia
P.O. Box 195
Windhoek, Namibia

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www.sss.com.na/

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