

Paratus Namibia Holdings Ltd

Registration number: 2017/0558
Country of registration: Namibia

**Condensed Consolidated and Separate
Financial Statements for the year ended
30 June 2024**



PARATUS

Always Prepared

Paratus Namibia Holdings Limited

(Registration number : 2017/0558)

Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2024

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Financial performance overview

The market and prospects

The Namibian economy continued to grow, but at a slower pace during the first quarter of 2024. The local economy registered growth of 4.7% during the first quarter of 2024, slower compared to the 5.3% growth recorded in the corresponding quarter of 2023. This is largely due to weaker growth in diamond and uranium production. Overall factors currently weigh in favour of better growth for Namibia in the foreseeable future. Namibia's overall inflation softened both on a quarterly and yearly basis to 4.6% and interest rates have been cut by 25 basis points.

For the year ended 30 June 2024, the Group, delivered strong overall revenue growth of 21% against a backdrop of weak consumer spending driven by high interest rates, high inflation and a weak local currency. The strong revenue growth for the period is mainly due to the expansion of our fiber, SKY-Fi and LTE networks across Namibia, capacity sales on the Equiano subsea cable and the increased occupation of the Data Center.

For the year ended 30 June 2024, Paratus Telecommunications (Proprietary) Limited ("Paratus Namibia"), the operating entity, realised recurring revenue of N\$508.1 million (2023: N\$428.2 million), which represents a growth of 18.7%. Non-recurring revenue, which mainly represent Local Area Network installations in the commercial office space and the sale of Telecommunication Equipment, amounts to N\$50.0 million (2023: N\$35.4 million). This represents a growth of 41.2% notwithstanding management's focus to grow recurring revenue as opposed to lower margin non-recurring revenue.

The net profit before taxation for Paratus Namibia, for the same year amounts to N\$ 39.2 million (2023: N\$33.3 million) and earnings before interest, taxation, depreciation, and amortisation ("EBITDA") amounts to N\$223.9 million (2023: N\$163.6 million). This represents a growth of 17.7% and 36.9%, respectively. The increase in profitability is mainly attributable to the strong revenue growth of 20.4% relative to the 12.3% growth in operating expenses. Finance charges increased by 38% to N\$73.5 million and is mainly due to the contract liability (refer 19), interest rate hikes and the utilisation of the overdraft facility. The disparity between profit before taxation and EBITDA stems from the large depreciation charges recorded on infrastructure deployed.

Operating expenses for Paratus Namibia, increased by 12.3% due to overheads from the network expansion, overheads emanating from the Data Centre and the increase in distribution centres across Namibia. The gross margin for the year is slightly lower at 50.2% (2023: 51.4%) due to additional depreciation charge from the Data Center and the newly acquired Equiano branch.

During May 2024 Paratus successfully concluded a rights issue and raised N\$602.2 million. These funds raised were temporarily invested in a money market fund, disclosed under investments at fair value and is ring-fenced for the expansion of Paratus's terrestrial network and the roll-out of an operations and business support system. At year-end N\$70.4 million was expended towards this project. (refer note 9)

Capital projects

For the year ended 30 June 2024 Paratus Namibia has invested N\$204.7 million in infrastructure (2023: N\$450.6 million). In line with the strategy for this financial year, the number of new sites and fiber in new areas were limited to focus on the sign-up of new customers on the existing infrastructure.

During this financial year, N\$111m was invested towards capacity expansion, customer access of the current network and the expansion of the LTE network.

During the 2023 and 2024 financial years, N\$42.2 million was invested by the company, in conjunction with Paratus Botswana, for the construction of the fiber line running through Botswana to link the Equiano subsea cable from the Cable Landing Station, in Swakopmund, to Johannesburg. The construction started during the previous financial year and the route was completed during May 2024.

The investment in infrastructure bodes well for the Group, as is evident from the improvement in the EBITDA margin, emanating from the cost savings realised by using own infrastructure, as well as adding customers to existing network infrastructure.

Dividends

The total dividends declared and paid for the 2024 financial year amounts to N\$ 9 744 625 (2023:N\$9 744 625).

The directors declared a final dividend of 5 cents per ordinary share amounting to N\$4 945 397, in line with the interim and previous dividends paid. The capital raised from the rights issue, during May 2024, was not deployed at year-end. This proposed dividend is based on the increased number of shares in issue as a result of the rights issue and reflects the performance of the current business operations.

Changes to the Board

In accordance with the Articles of Association, one third of non-executive directors are subject to retirement by rotation. Mr M.R. Mostert was subject to retirement at the Annual General Meeting and was not available for re-election.

The Board would like to convey our thanks and appreciation to Mr M.R. Mostert for his invaluable contribution and dedication towards the establishment and successes of Paratus Namibia Holdings Limited.

Mr I.D.J. van de Merwe, who has held numerous senior executive positions in the telecommunications sector, was appointed as a non-executive director with effect from 17 September 2024.

Highlights



21%

Group Revenue

N\$568.9 million
(30 June 2023: N\$471.9 million)



39%

Group EBITDA

N\$226.5 million
(30 June 2023: N\$163.0 million)



35%

Group Operating profit

N\$112.8 million
(30 June 2023: N\$83.7 million)



23%

Headline earnings per share

47.25 cents
(30 June 2023: 38.55 cents)

Paratus Namibia Holdings Limited

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Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2024

Statement of responsibilities of the board of directors

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

To enable the directors to meet these responsibilities:

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

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

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

The condensed consolidated and separate financial statements presented on pages 6 to 25 have been prepared in accordance with the provisions of the Companies Act of Namibia, 28 of 2004 (Companies Act of Namibia) and comply with the International Accounting Standard, (IAS) 34 Interim Financial Reporting.

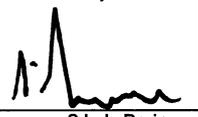
The directors are confident that the group will continue to operate as a going concern in the year ahead, based on forecasts and available cash resources. These financial statements have accordingly been prepared on a going concern basis.

The condensed consolidated and separate financial statements have been reviewed by the independent auditing firm, PricewaterhouseCoopers, who was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the review were valid and appropriate. The independent auditor's review report is presented on pages 4 to 5.

The condensed consolidated and separate financial statements, set out on pages 6 to 25, were authorised and approved for issue by the board of directors on 17 September 2024 and are signed on their behalf:



A. Hall
Managing Director



S.J. de Bruin
Chief Financial Officer



INDEPENDENT AUDITOR'S REVIEW REPORT ON FINANCIAL STATEMENTS

To the Members of Paratus Namibia Holdings Limited

We have reviewed the condensed consolidated and separate financial statements of Paratus Namibia Holdings Limited in the accompanying report, which comprise the condensed consolidated and separate statements of financial position as at 30 June 2024 and the related condensed consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and presentation of these financial statements in accordance with the International Accounting Standard (IAS) 34 *Interim Financial Reporting* and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

PricewaterhouseCoopers, Registered Auditors
Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Khomas Region, Republic of Namibia
P O Box 1571, Windhoek, Khomas Region, Republic of Namibia
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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated and separate financial statements of Paratus Namibia Holdings Limited for the year ended 30 June 2024 are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* and the requirements of the Companies Act of Namibia.

PricewaterhouseCoopers

PricewaterhouseCoopers
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Hans F Hashagen
Partner
Windhoek, Namibia
Date: 20 September 2024

Paratus Namibia Holdings Limited

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Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2024

Condensed Consolidated and Separate Statements of Comprehensive Income for the year ended 30 June 2024

Figures in Namibian Dollars	Notes	GROUP		COMPANY	
		Reviewed 30 June 2024	Audited 30 June 2023	Reviewed 30 June 2024	Audited 30 June 2023
Revenue	26	568,865,063	471,878,706	15,920,879	11,013,565
Cost of sales	27	(278,704,782)	(226,800,614)	-	-
Gross profit		290,160,281	245,078,092	15,920,879	11,013,565
Other operating income	28	782,772	1,114,088	-	-
Other operating gains / (losses)	29	4,410,729	(1,300,319)	-	-
Net impairment losses on financial assets	30	(2,406,533)	(928,064)	-	-
Operating expenses	31	(180,189,854)	(160,220,275)	(1,472,334)	(1,316,588)
Operating profit		112,757,395	83,743,522	14,448,545	9,696,977
Investment income		101,561	36,334	37,947,693	29,181,785
Finance costs	10,19,20 & 25	(73,416,170)	(52,790,440)	(37,946,605)	(29,181,644)
Profit before taxation		39,442,786	30,989,416	14,449,633	9,697,118
Taxation	32	(13,202,034)	(11,360,980)	798	-
Profit after taxation		26,240,752	19,628,436	14,450,431	9,697,118
Other comprehensive income		-	-	-	-
Total comprehensive income		26,240,752	19,628,436	14,450,431	9,697,118
Profit after taxation attributable to:					
Equity holders of the parent entity		25,882,912	18,825,653	14,450,431	9,697,118
Non-controlling interests		357,840	802,783	-	-
		26,240,752	19,628,436	14,450,431	9,697,118
Total comprehensive income attributable to:					
Equity holders of the parent entity		25,882,912	18,825,653	14,450,432	9,697,118
Non-controlling interests		357,840	802,783	-	-
		26,240,752	19,628,436	14,450,432	9,697,118
Earnings per share attributable to the ordinary equity holders of the group:					
		cents	cents		
Basic and diluted earnings per share	33	47.49	38.64		
Headline earnings per share	33	47.25	38.55		

Paratus Namibia Holdings Limited

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Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2024

Condensed Consolidated and Separate Statements of Financial Position as at 30 June 2024

Figures in Namibian Dollars	Notes	GROUP		COMPANY	
		Reviewed 30 June 2024	Audited 30 June 2023	Reviewed 30 June 2024	Audited 30 June 2023
ASSETS					
Non-Current Assets					
Property, plant and equipment	9	1,093,230,715	993,867,043	-	-
Right-of-use asset	10	3,807,032	5,289,465	-	-
Intangible assets	11	293,124,226	288,666,541	-	-
Investment in subsidiaries	12	-	-	279,557,322	279,557,322
Loans to related parties	13	-	-	658,566,127	375,699,206
Deferred tax	21	-	-	798	-
		1,390,161,973	1,287,823,049	938,124,247	655,256,528
Current Assets					
Inventories	14	39,146,639	24,005,607	-	-
Loans to related parties	13	-	-	1,221,452	176,167,296
Trade and other receivables	15	57,061,263	62,619,749	-	-
Investments at fair value	16	588,847,373	2,447,532	497,928,044	31,620
Current tax receivable		1,982,481	1,982,481	-	-
Cash and cash equivalents	17	11,254,041	14,480,346	153,018	132,478
		698,291,797	105,535,715	499,302,514	176,331,394
Total Assets		2,088,453,770	1,393,358,764	1,437,426,761	831,587,922
EQUITY & LIABILITIES					
Equity					
Share capital	18	989,079	487,231	989,079	487,231
Share premium	18	1,098,200,610	500,187,472	1,098,200,610	500,187,472
Retained Income / (Accumulated Loss)		74,878,272	58,739,985	4,125,938	(579,868)
Non-controlling interest		1,243,038	1,365,198	-	-
		1,175,310,999	560,779,886	1,103,315,627	500,094,835
Non-Current Liabilities					
Borrowings	19	330,000,000	155,000,000	330,000,000	155,000,000
Lease liabilities	10	2,776,131	4,184,713	-	-
Contract liabilities	20	292,660,286	302,105,035	-	-
Deferred tax	21	56,554,344	44,294,781	-	-
		681,990,761	505,584,529	330,000,000	155,000,000
Current Liabilities					
Trade and other payables	22	155,900,108	116,906,342	2,504,074	23,433
Borrowings	19	1,221,452	176,187,447	1,221,452	176,167,296
Lease liability	10	1,441,701	1,232,208	-	-
Contract liabilities	20	25,928,051	21,602,588	-	-
Current tax payable		10,432	9,996	-	-
Provisions	23	13,514,901	10,982,831	286,925	229,908
Dividends payable	24	98,683	72,450	98,683	72,450
Bank overdraft	17	33,036,682	487	-	-
		231,152,010	326,994,349	4,111,134	176,493,087
Total Liabilities		913,142,771	832,578,878	334,111,134	331,493,087
Total Equity & Liabilities		2,088,453,770	1,393,358,764	1,437,426,761	831,587,922

The above Condensed Consolidated and Separate Statements of Financial Position should be read in conjunction with the accompanying notes.

Paratus Namibia Holdings Limited

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Condensed Consolidated and Separate Financial Statements
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Condensed Consolidated and Separate Statements of Changes in Equity for the year ended 30 June 2024

	GROUP					
	Stated share capital	Share premium	Total share capital	Retained earnings	Non-controlling interests	Total equity
	N\$	N\$	N\$	N\$	N\$	N\$
Balance as at 01 July 2022	487,231	500,187,472	500,674,703	49,658,957	562,415	550,896,075
- Profit for the year	-	-	-	18,825,653	802,783	19,628,436
- Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	18,825,653	802,783	19,628,436
Dividends declared	-	-	-	(9,744,625)	-	(9,744,625)
Total distributions to owners of company recognised directly in equity	-	-	-	(9,744,625)	-	(9,744,625)
Balance as at 01 July 2023	487,231	500,187,472	500,674,703	58,739,985	1,365,198	560,779,886
- Profit for the year	-	-	-	25,882,912	357,840	26,240,752
- Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	25,882,912	357,840	26,240,752
Issue of shares	501,848	598,013,138	598,514,986	-	-	598,514,986
Dividends declared	-	-	-	(9,744,625)	(480,000)	(10,224,625)
Total contributions by and distributions to owners of company recognised directly in equity	501,848	598,013,138	598,514,986	(9,744,625)	(480,000)	588,290,361
Balance as at 30 June 2024	989,079	1,098,200,610	1,099,189,689	74,878,272	1,243,038	1,175,310,999
Notes	18	18	18			

	COMPANY				
	Stated share capital	Share premium	Total share capital	Retained earnings	Total equity
	N\$	N\$	N\$	N\$	N\$
Balance as at 01 July 2022	487,231	500,187,472	500,674,703	(532,361)	500,142,342
- Profit for the year	-	-	-	9,697,118	9,697,118
- Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	9,697,118	9,697,118
Dividends declared	-	-	-	(9,744,625)	(9,744,625)
Total distributions to owners of company recognised directly in equity	-	-	-	(9,744,625)	(9,744,625)
Balance as at 01 July 2023	487,231	500,187,472	500,674,703	(579,868)	500,094,835
- Profit for the year	-	-	-	14,450,431	14,450,431
- Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	14,450,431	14,450,431
Issue of shares	501,848	598,013,138	598,514,986	-	598,514,986
Dividends declared	-	-	-	(9,744,625)	(9,744,625)
Total contributions by and distributions to owners of company recognised directly in equity	501,848	598,013,138	598,514,986	(9,744,625)	588,770,361
Balance as at 30 June 2024	989,079	1,098,200,610	1,099,189,689	4,125,938	1,103,315,627
Notes	18	18	18		

The above Condensed Consolidated and Separate Statements of Changes in Equity should be read in conjunction with the accompanying notes.

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Condensed Consolidated and Separate Financial Statements
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Condensed Consolidated and Separate Statements of Cash Flows for the year ended 30 June 2024

Figures in Namibian Dollars	Notes	GROUP		COMPANY	
		Reviewed Jun-24	Audited Jun-23	Reviewed Jun-24	Audited Jun-23
Cash flows from operating activities					
Cash generated from operations	25	216,059,091	201,231,980	(491,910,221)	2,646,836
Interest paid		(40,375,294)	(29,199,733)	(37,892,449)	(29,181,644)
Interest received		101,561	36,193	37,893,537	29,181,785
Tax paid		(942,035)	(745,681)	-	-
Net cash generated from operating activities		174,843,323	171,322,759	(491,909,133)	2,646,977
Cash flows from investing activities					
Acquisition of property, plant and equipment	9	(204,698,709)	(265,337,558)	-	-
Proceeds on disposal of property, plant and equipment		199,503	12,499	-	-
Acquisition of intangible assets	11	(11,410,072)	(4,160,721)	-	-
Deposits into money market funds and similar securities	16	(587,854,790)	(151,200,000)	-	-
Withdrawals from money market funds and similar securities	16	5,549,425	155,350,400	-	-
Funds advanced to subsidiary		-	-	(107,524,984)	(134,650,000)
Proceeds from loans to related parties		-	6,460	10,658,063	11,637,865
Net cash used in investing activities		(798,214,643)	(265,328,920)	(96,866,921)	(123,012,135)
Cash flows from financing activities					
Proceeds from Rights Issue		602,217,804	-	602,217,804	-
Issue costs paid directly attributable to Rights Issue		(3,702,818)	-	(3,702,818)	-
Repayment of borrowings		(20,151)	(82,020)	-	-
Proceeds from borrowings	19	-	130,000,000	-	130,000,000
Payment on lease liabilities	10	(1,199,090)	(1,384,640)	-	-
Repayment of loans from related parties		-	(23,460)	-	-
Dividends paid		(10,198,392)	(9,720,403)	(9,718,392)	(9,720,403)
Net cash generated from financing activities		587,097,353	118,789,477	588,796,594	120,279,597
(Decrease) / increase in cash equivalents		(36,273,967)	24,783,316	20,540	(85,561)
Cash equivalents at beginning of the year		14,479,859	(10,014,111)	132,478	218,039
Effect of exchange rates on cash and cash equivalents		11,467	(289,346)	-	-
Cash equivalents at end of the year	17	(21,782,641)	14,479,859	153,018	132,478

The above Condensed Consolidated and Separate Statements of Cash Flows should be read in conjunction with the accompanying notes.

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Condensed Consolidated and Separate Financial Statements
for the year ended 30 June 2024

Notes to these Condensed Financial Statements for the year ended 30 June 2024

1. General information

Nature of the business

Paratus Namibia Holdings Limited was incorporated in Namibia and is an investment holding company. Paratus Telecommunications (Pty) Ltd, the main operating entity in the group, was incorporated in Namibia with principal activities in the Information and Communications Technologies ("ICT") industry, fast expanding into the Digital Service Provider industry and operates in Namibia. The core services provided by the company are internet related services.

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

Sector: Technology, Technology Hardware and Equipment, Telecommunications Equipment

Share code: PNH

ISIN: NA000A2DTQ42

Company registration number: 2017/0558

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

2. Basis of presentation

The reviewed condensed consolidated and separate financial statements for the year ended 30 June 2024, are prepared in accordance with the requirements of the NSX Listings Requirements for provisional reports and the requirements of the Companies Act of Namibia. The Listings Requirements require provisional reports to be prepared according to the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards and to also, as a minimum, contain the information required by IAS34 Interim Financial Reporting.

3. Material accounting policies

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

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

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• International tax reform - Pillar two model rules - amendments to IAS 12	01 January 2023	The impact of the amendments is not material
• Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023	The impact of the amendments is not material
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	The impact of the amendments is not material
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	The impact of the amendments is not material
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023	The impact of the amendments is not material
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	The impact of the amendments is not material
• IFRS 17 Insurance Contracts	01 January 2023	The impact of the amendments is not material

5. Standards and interpretations not yet effective

The Group and Company have chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group and Company's accounting years ending on or after 1 July 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Supplier finance arrangements - amendments to IAS 7 and IFRS 7	01 January 2024	Unlikely there will be a material impact
• Non-current liabilities with covenants - amendments to IAS 1	01 January 2024	Unlikely there will be a material impact
• Lease liability in a sale and leaseback arrangement	01 January 2024	Unlikely there will be a material impact
• Lack of exchangeability - amendments to IAS 21	01 January 2025	Unlikely there will be a material impact
• IFRS 18 Presentation and disclosure in Financial Statements	01 January 2027	Management is in the process of determining the impact
• IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027	Management is in the process of determining the impact

6. Financial risk management and financial instruments

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

The reviewed condensed consolidated and separate financial statements do not include all financial risk management information and disclosures required in the financial statements. There have been no significant changes in the risk management policies since the prior year-end.

7. Segmental reporting

The group operates in the ICT industry, and only has one segment namely provision of internet related services consisting of consumer business and enterprise business.

8. Income taxation expense

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

Paratus Namibia Holdings Limited

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Notes to these Condensed Financial Statements for the year ended 30 June 2024

9. Property, plant and equipment

Property, plant and equipment is initially measured at cost. The cost of the Data Center and Cable Landing Station, of which construction concluded during the 30 June 2023 financial year, includes all of the expenditure which is directly attributable to the construction of these assets, including the capitalisation of borrowing costs. Management applied judgement in considering whether these assets were qualifying assets and concluded that the conditions for capitalisation of borrowing costs was met.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day-to-day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment, including the Cable Landing Station, is subsequently measured at cost less accumulated depreciation and impairment losses, except for the Data Center and Commercial Buildings, which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Amounts recognised in the revaluation reserve are not distributable to shareholders. Revaluations of buildings held, are made every 2 years based on management's assessment that this interval will ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Gains and losses on revaluation are recognised in other comprehensive income and accumulated in the revaluation reserve in equity. However, losses are recognised in profit or loss to the extent that they exceed amounts previously accumulated from gains in equity. Subsequent gains are recognised in profit or loss to the extent that they reverse revaluation decreases of the same asset previously recognised in profit or loss.

On revaluation, the gross carrying amount of the asset is adjusted consistently with the revaluation of the carrying amount. The accumulated depreciation is adjusted accordingly so that the net carrying amount equals the revalued amount.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Revaluation techniques is determined by the independent valuers used and disclosed accordingly. The revaluation reserve related to a specific asset is transferred directly to retained income when the asset is derecognised.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

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

Item	Average useful life	Method
Land	Indefinite life	Not applicable
Buildings *	40 to 50 years	Straight line
Infrastructure	20 years	Straight line
Fiber (passive components)	20 years	Straight line
Equiano Submarine Cable Branch	15 years	Straight line
Botswana Kalahari Fiber	15 years	Straight line
Active equipment (fiber)	5 years	Straight line
Core network assets	5 years	Straight line
Equipment	3 to 5 years	Straight line
Furniture and fittings	5 years	Straight line
Office equipment	5 years	Straight line
Motor vehicles	4 years	Straight line

* Buildings include the Data Center, Cable Landing Station and Commercial buildings

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

GROUP

	2024			2023		
	Cost / valuation	Accumulated depreciation	Carrying value	Cost / valuation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Data Center	136,914,766	(3,924,511)	132,990,255	136,668,889	(647,382)	136,021,507
Cable Landing station	37,162,429	(936,149)	36,226,280	37,109,573	(161,539)	36,948,034
Commercial Office Properties	43,013,322	-	43,013,322	43,013,322	-	43,013,322
Infrastructure	485,113,198	(69,784,909)	415,328,289	449,646,127	(45,783,144)	403,862,983
Fiber (passive components)	73,922,560	(13,399,042)	60,523,518	53,274,078	(10,143,958)	43,130,120
Equiano Submarine Cable Branch	185,236,700	(18,523,670)	166,713,030	185,236,700	(6,174,557)	179,062,143
Botswana Kalahari Fiber	42,178,731	(791,079)	41,387,652	-	-	-
Active equipment (fiber)	31,404,611	(15,490,374)	15,914,237	22,566,535	(10,867,342)	11,699,193
Core network assets	144,273,015	(74,870,832)	69,402,183	135,591,788	(50,363,003)	85,228,785
Equipment	107,603,328	(71,388,879)	36,214,449	67,115,529	(41,798,634)	25,316,895
Furniture & Fittings	3,517,217	(2,482,224)	1,034,993	3,192,930	(1,868,448)	1,324,482
Office equipment	2,857,446	(2,066,718)	790,728	2,749,111	(1,751,813)	997,298
Motor Vehicles	8,556,444	(5,292,328)	3,264,116	7,231,091	(4,067,084)	3,164,007
Capital Work in Progress	70,427,663	-	70,427,663	24,098,274	-	24,098,274
Total	1,372,181,430	(278,950,715)	1,093,230,715	1,167,493,947	(173,626,904)	993,867,043

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9. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 30 June 2024

	Opening balance N\$	Additions N\$	Disposals N\$	Transfers N\$	Depreciation N\$	Closing Balance N\$
Data Center	136,021,507	245,877	-	-	(3,277,129)	132,990,255
Cable Landing station	36,948,034	52,856	-	-	(774,610)	36,226,280
Commercial Office Properties	43,013,322	-	-	-	-	43,013,322
Infrastructure	403,862,983	35,467,071	-	-	(24,001,765)	415,328,289
Fiber (passive components)	43,130,120	20,648,482	-	-	(3,255,084)	60,523,518
Equiano Submarine Cable Branch	179,062,143	-	-	-	(12,349,113)	166,713,030
Botswana Kalahari Fiber	-	18,080,450	-	24,098,281	(791,079)	41,387,652
Active equipment (fiber)	11,699,193	8,838,076	-	-	(4,623,032)	15,914,237
Core network assets	85,228,785	8,681,227	-	-	(24,507,829)	69,402,183
Equipment	25,316,895	40,499,022	(4,417)	-	(29,597,051)	36,214,449
Furniture & Fittings	1,324,482	324,287	-	-	(613,776)	1,034,993
Office equipment	997,298	108,335	-	-	(314,905)	790,728
Motor Vehicles	3,164,007	1,325,353	-	-	(1,225,244)	3,264,116
Capital Work in Progress ¹	24,098,274	70,427,670	-	(24,098,281)	-	70,427,663
	993,867,043	204,698,706	(4,417)	-	(105,330,617)	1,093,230,715

¹ Capital work in progress relates to Paratus Namibia's terrestrial network expansion plan and is expected to go live during the end of next year.

Reconciliation of property, plant and equipment - Group - 30 June 2023

	Opening balance N\$	Additions N\$	Disposals N\$	Transfers N\$	Depreciation N\$	Closing Balance N\$
Land	14,280,005	-	-	(14,280,005)	-	-
Data Center	-	26,652,660	-	110,016,229	(647,382)	136,021,507
Cable Landing station	-	977,673	-	36,131,900	(161,539)	36,948,034
Commercial Office Properties	38,400,000	643,322	-	3,970,000	-	43,013,322
Infrastructure	310,392,566	113,802,611	(3,934)	-	(20,328,260)	403,862,983
Fiber (passive components)	45,603,400	437,823	-	-	(2,911,103)	43,130,120
Equiano Submarine Cable Branch ²	-	185,236,700	-	-	(6,174,557)	179,062,143
Active equipment (fiber)	7,476,764	8,371,437	-	-	(4,149,008)	11,699,193
Core network assets	40,789,284	61,056,131	-	1,112,695	(17,729,325)	85,228,785
Equipment	17,247,298	26,130,879	(10,896)	(1,112,695)	(16,937,691)	25,316,895
Furniture & Fittings	699,595	1,232,428	(17,779)	(36,941)	(552,821)	1,324,482
Office equipment	838,650	455,036	-	-	(296,388)	997,298
Motor Vehicles	3,077,425	1,479,278	-	-	(1,392,696)	3,164,007
Capital Work in Progress	135,801,173	24,098,284	-	(135,801,183)	-	24,098,274
	614,606,160	450,574,262	(32,609)	-	(71,280,770)	993,867,043

² Additions for the 2023 financial year include N\$185,236,700 (USD11,000,000) from the Equiano Submarine Cable Branch, which was acquired in lieu of services on existing infrastructure. This service contract resulted in a contract liability amounting to N\$151,557,300 (USD9,000,000) (refer note 19) and a portion under trade and other payables amounting to N\$36,319,800 (USD2,000,000).

Details of owner occupied land and buildings - Group

	30 June 2024 N\$	30 June 2023 N\$
Erf 232 (a portion of Erf 231), Prosperita		
- Land at cost	563,001	563,001
- Improvements since acquisition	1,768,628	1,768,628
- Revaluations since acquisition	6,901,693	6,901,693
	9,233,322	9,233,322

Property consists of Erf No. 232 (a portion of Erf 231), Prosperita, in the Municipality of Windhoek, Registration Division "K", measuring 1,343 square metres. Held under Registered Deed of Transfer T0070/2008. The total cost of buildings amount to N\$2,238,628. Additions during the previous year amounted to N\$643,322.

	30 June 2024 N\$	30 June 2023 N\$
Erf no. 348, Prosperita		
- Land at cost	3,500,000	3,500,000
- Improvements since acquisition	18,876,499	18,876,499
- Revaluations since acquisition	11,403,501	11,403,501
	33,780,000	33,780,000

Property consist of Erf No. 348, Prosperita, in the Municipality of Windhoek, Registration Division "K", measuring 2,638 square metres. Registered under Deed of Transfer T5746/2008. The total cost of buildings amount to N\$18,876,499.

	30 June 2024 N\$	30 June 2023 N\$
Erf no. 10962 (a portion of erf no. 565) Swakopmund		
Land at cost	1,069,600	1,069,600

Property consists of Erf 3560, in the municipality of Swakopmund, registration division "G", measuring 1,000 square meters. The cable landing station building was constructed on this erf at a cost of N\$29 691 662 (excluding the internal fit-out).

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9. Property, plant and equipment (continued)

Details of owner occupied land and buildings - Group (continued)

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

	30 June 2024 N\$	30 June 2023 N\$
Land at cost	9,355,005	9,355,005

The Erf 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 Data Center building was constructed on the erf at a cost of N\$110 339 370 (excluding the internal fit-out). The Data Center was awarded ISO 9001 (quality management), ISO 27001 (information security), and PCI-DSS (Payment Card Industry Data Security Standards) certifications. The carrier neutral Data Center facility is Tier- III by design and offers various co-location services, from half-cabinets to multi-tenant rows and private

Details of valuations

Erf 232 and Erf 348 in Prosperita was revalued on 28 May 2024. 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 investment property being valued.

The properties were valued as commercial property, by using the income capitalisation method, based on open market value for existing use. Capitalisation rate used amounted to 8.75%. The recommended market value amounts to N\$9,465,000 and N\$34,600,000, respectively. Based on the valuation performed the fair value of the investment property approximates its carrying amount and no revaluations were performed at year end.

10. Leases (company as a lessee)

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. These leases typically comprise IT equipment.

Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

Management change their assessment of whether renewal options will be exercised from time to time. In the event of such a change, the lease liability is remeasured by discounting the revised lease payments at a revised discount rate. Such changes have been made in the reporting period. At year-end the company gave notice to renew two existing leases of buildings for another three years. This renewal has resulted in material lease modifications that were adjusted for as a lease remeasurement against the existing leases.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Any change in the lease liability as a result of changes in a lease payment arising from a change in the interest rate applied; changes in the assessment of the lease term; lease modification not treated as a separate lease, also results in a corresponding change in the right of use asset.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated amortisation and impairment losses.

Right-of-use assets are amortised, from commencement date, over the shorter period of the lease term and the useful life of

The useful lives of right-of-use assets are presented in the following table:

Item	Average useful life	Method
Buildings	2 to 5 years	Straight line

The useful life of the asset is the shorter of the lease term or the useful life of the underlying asset. If right of use assets are considered to be impaired, the carrying value is reduced to the recoverable amount. The residual value, useful life and amortisation method of each asset are reviewed at the end of each reporting period. No material changes were made.

Details pertaining to leasing arrangements are presented below:

Right-of-use assets - Group

Reconciliation of right-of-use assets - 30 June 2024

	Opening balance N\$	Additions N\$	Remeasurement N\$	Amortisation N\$	Closing balance N\$
Buildings	5,289,465	-	-	(1,482,433)	3,807,032

Reconciliation of right-of-use assets - 30 June 2023

	Opening balance N\$	Additions N\$	Remeasurement N\$	Amortisation N\$	Closing balance N\$
Buildings	1,726,934	4,791,044	(44,379)	(1,184,134)	5,289,465

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

Amortisation recognised includes amortisation which has been expensed in the total amortisation charge in profit or loss. Right-of-use assets are amortised over the term of the respective lease and is assessed on a regular basis.

At year-end all qualifying leases are reassessed and a lease modification is accounted for if necessary. No gain or loss on lease modification has been accounted for under other operating gains during the current year. (2023:N\$Nil)

Other disclosures

	30 June 2024 N\$	30 June 2023 N\$
Interest expense on lease liabilities	(393,201)	(173,101)
Expenses on short term leases included in operating expenses	(783,093)	(719,850)
Payment - principal portion	(1,199,090)	(1,384,639)
Payment - interest portion	(393,201)	(173,101)
Total cash flow from leases	(1,592,291)	(1,557,740)

Lease liabilities - Group

Maturity analysis of lease liabilities are as follows:

	30 June 2024 N\$	30 June 2023 N\$
Within one year	1,719,113	1,629,087
Two to five years	3,095,232	4,777,545
	4,814,345	6,406,632
Less: finance charge component	(596,513)	(989,711)
	4,217,832	5,416,921
	30 June 2024 N\$	30 June 2023 N\$
Non-current liabilities	2,776,131	4,184,713
Current liabilities	1,441,701	1,232,208
	4,217,832	5,416,921

11. Intangible assets

Intangible assets are initially recognised at cost and subsequently measured at cost less any accumulated amortisation and impairment losses.

Development costs on software applications which were assessed by management as meeting the criteria to be capitalised, are included in intangible assets. All remaining development and research expenditure is recognised as an expense in profit or loss when it is incurred.

Goodwill is not amortised and tested for impairment annually. If goodwill is assessed to be impaired, that impairment is not subsequently reversed. Impairment tests were performed on Goodwill by analysing the profitability of the cash generating units.

Management assesses the appropriateness of the useful lives and residual values of intangible assets at the end of each reporting period. Intangible assets with finite useful lives include Paratus brand, computer software and customer base. These assets arise from both separate purchases and from acquisitions as part of business combinations.

The useful lives used to amortise intangible assets relate to the future performance of the assets acquired and management's judgement of the period over which economic benefits will be derived from the assets.

Amortisation is provided to write down the intangible assets, to their residual values as follows:

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

³ The customer base was fully amortised during the prior financial year.

The residual values of intangible assets are assumed to be zero.

The useful life and amortisation method of intangible assets are reviewed at the end of each reporting period. No material changes were made.

Reconciliation of intangible assets - Group - 30 June 2024

	Opening balance N\$	Additions N\$	Amortisation N\$	Closing Balance N\$
Telecommunications License / Network Spectrum	241,408,500	-	-	241,408,500
Goodwill	12,306,984	-	-	12,306,984
Customer relationship - Botswana Fiber Network	2,400,667	-	(145,495)	2,255,172
Free right of use (Fiber capacity - Botswana)	20,344,954	-	(1,387,156)	18,957,798
Paratus Brand	6,923,500	-	(2,769,400)	4,154,100
Computer software	5,281,936	11,410,072	(2,650,336)	14,041,672
	288,666,541	11,410,072	(6,952,387)	293,124,226

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11. Intangible assets (continued)

Reconciliation of intangible assets - Group - 30 June 2023

	Opening balance N\$	Additions N\$	Amortisation N\$	Closing Balance N\$
Telecommunications License / Network Spectrum	241,408,500	-	-	241,408,500
Goodwill	12,306,984	-	-	12,306,984
Customer relationship - Botswana Fiber Network	2,546,162	-	(145,495)	2,400,667
Free right of use (Fiber capacity - Botswana)	21,732,110	-	(1,387,156)	20,344,954
Customer base	64,328	-	(64,328)	-
Paratus Brand	9,692,900	-	(2,769,400)	6,923,500
Computer software	3,515,216	4,160,720	(2,394,000)	5,281,936
	291,266,200	4,160,720	(6,760,379)	288,666,541

Goodwill and intangible assets with indefinite useful lives

Management assess the recoverable amount of goodwill in accordance with the stated accounting policy. The recoverable amount of the Cash Generating Units (CGU's) has been determined based on value-in-use calculations, being the net present value of the discounted cash flows of the CGU.

Key assumptions used by management to determine discounted cash flows of the CGU:

Key assumptions	Basis for determining values assigned to key assumptions
Forecast capital expenditure	The cash flow forecasts for capital expenditure are based on past experience, benchmarks in similar markets and include the ongoing normal capital expenditure. Capital expenditure includes cash outflows for the purchase of property, plant and equipment and computer software.
Forecast EBITDA	EBITDA as a % of revenue has been used as a benchmark to ensure the forecast is in line with past experience and future expected growth.
Long term growth rate	In line with the Namibian inflation rate, 5% (2023: 5%)
Risk adjusted discount rate used in adjusted present value calculations	Based on weighted average cost of equity and debt. 14.1% (2023: 13.6%) Inputs include the risk-free rate for 10-year bonds issued by the government, adjusted for an unsystematic risk premium to reflect the risk associated with investing in equities. In making this adjustment, inputs required are the equity market risk premium, the beta, applied to reflect the risk of the specific CGU relative to the market as a whole and a company specific risk premium.

Management has computed significant headroom between the carrying amount and the recoverable amount. Management believe that a change in any of the key assumptions used in the valuation would not cause the carrying amount of the CGU, to which this goodwill has been allocated, to exceed its recoverable amount.

12. Investment in subsidiaries

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

Company interest held directly by Paratus Namibia Holdings Limited

Name of company	Carrying amounts 2024 N\$	Carrying amounts 2023 N\$	% voting power 2024	% voting power 2023	% holding 2024	% holding 2023
Paratus Telecommunications (Proprietary) Limited	279,557,322	279,557,322	100%	100%	100%	100%

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

Name of company	Carrying amounts 2024 N\$	Carrying amounts 2023 N\$	% voting power 2024	% voting power 2023	% holding 2024	% holding 2023
Internet Technologies Namibia (Proprietary) Limited	10,000	10,000	100%	100%	100%	100%
Paratus Properties (Proprietary) Limited	8,933,207	8,933,207	100%	100%	100%	100%
Paratus Property Two (Proprietary) Limited	14,498,004	14,498,004	100%	100%	100%	100%
Paratus Voice Telecommunications (Proprietary) Limited	100	100	100%	100%	100%	100%
Bitstream Internet Solutions (Proprietary) Limited	2,080,000	2,080,000	52%	52%	52%	52%

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

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13. Loans to related parties

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Loans to related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	328,566,127	220,699,206
Interest is charged at 0% per annum. Even though this is a below-market interest rate loan, management deems the difference between the carrying amount of the loan as presented and its fair value to be immaterial. There are no fixed terms of repayment, other than a 12 month notice period. The loan is a variable long-term loan for inter alia the following:				
• A share buy-back from PNH;				
• Cash contributions towards capital projects within the Company;				
• Payments of expenses on behalf of the holding company; and				
• Dividends payable to Paratus Namibia Holdings Limited to replenish reserves to enable dividend payments to the shareholders of Paratus Namibia Holdings Limited.				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	331,221,452	331,167,296
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 respective Senior Unsecured Floating Rate Notes. Interest payments to be made to the note holders by Paratus Telecommunications (Proprietary) Limited on behalf of Paratus Namibia Holdings Limited. Repayment terms to be back-to-back with the Medium Term Note Programme's Applicable Pricing Supplement for the three years and five years notes issued by Paratus Namibia Holdings Limited, respectively. This loan is subject to a twelve month written notice period for repayment.				
Non-current asset	-	-	658,566,127	550,699,206
Current assets	-	-	1,221,452	1,167,296
	-	-	659,787,579	551,866,502

14. Inventories

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Merchandise	39,146,639	24,005,607	-	-
Write-down of inventories	-	-	-	-
	39,146,639	24,005,607	-	-

No inventory was pledged as security for any borrowings at year end.

Merchandise and projects in progress consist of the following items:

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

15. Trade and other receivables

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Financial instruments				
Customer receivables	31,784,197	56,540,045	-	-
Expected credit losses	(7,190,082)	(4,636,003)	-	-
	24,594,115	51,904,042	-	-
Deposits	684,083	680,482	-	-
Sundry debtors	4,646,800	200,897	-	-
Non-financial instruments				
Prepayments	17,409,717	7,171,249	-	-
VAT receivable	9,726,548	2,663,079	-	-
	57,061,263	62,619,749	-	-

All debtors of Paratus Telecommunications (Proprietary) Limited have been pledged as security to First National Bank of Namibia Limited, for its bank overdraft facility (refer note 17).

16. Investments at fair value

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Capricorn Corporate Fund (Class A)	497,894,401	-	497,894,401	-
Capricorn Corporate fund	20,940	19,841	20,940	19,841
Old Mutual Corporate Fund	12,703	11,779	12,703	11,779
Cirrus Capital Money Market Fund	119,829	2,415,912	-	-
FNB Namibia - Fixed-Term Investment Account	90,799,500	-	-	-
	588,847,373	2,447,532	497,928,044	31,620

Details of Money market funds:

Capricorn Corporate Fund (Class A)

Withdrawals	(3,149,000)	-	(3,149,000)	-
Deposits	496,124,970	-	496,124,970	-
Dividends	4,918,431	-	4,918,431	-
	497,894,401	-	497,894,401	-

During May 2024 Paratus successfully concluded a rights issue and raised N\$602.2 million. These funds raised were invested in the Capricorn Corporate Fund (Class A) and FNB Namibia - Fixed-Term Investment Account (USD denoted deposit) and is ring-fenced for the expansion of Paratus's terrestrial network and the roll-out of an operations and business support system. Day-to-day operating expenses are carried by own cash flows.

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16. Investments at fair value (continued)

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Capricorn Corporate Fund				
Opening balance	19,841	467,938	19,841	467,938
Withdrawals	(425)	(4,650,400)	(425)	(4,650,400)
Deposits	-	4,200,000	-	4,200,000
Dividends	1,524	2,303	1,524	2,303
	20,940	19,841	20,940	19,841
Old Mutual Corporate Fund				
Opening balance	11,779	4,200,516	11,779	4,200,516
Withdrawals	-	(4,200,000)	-	(4,200,000)
Dividends	924	11,263	924	11,263
	12,703	11,779	12,703	11,779
Cirrus Capital Money Market Fund				
Opening balance	2,415,912	23,087	-	-
Withdrawals	(2,400,000)	(146,500,000)	-	-
Deposits	-	147,000,000	-	-
Dividends	103,917	1,892,825	-	-
	119,829	2,415,912	-	-
FNB Namibia - Fixed-Term Investment Account				
Deposits (USD 5,000,000)	91,729,820	-	-	-
Foreign exchange loss	(930,320)	-	-	-
	90,799,500	-	-	-

Fair value hierarchy

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

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

No transfers of financial instruments have been made between fair value hierarchy levels during the year ended 30 June 2024 (30 June 2023: N\$Nil).

17. Cash and cash equivalents

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Cash on hand	120,763	136,449	-	-
Bank Balances	11,133,278	14,343,897	153,018	132,478
Bank overdraft	(33,036,682)	(487)	-	-
	(21,782,641)	14,479,859	153,018	132,478

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.

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

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

The above overdraft is secured as follows:

- Cession of debtors (refer note 15)

All excess cash not immediately required for operations is invested in money market funds to maximise returns (refer note 16).

Details of facilities available for future operating activities and commitments:

	30 June 2024	30 June 2023
	N\$	N\$
- Overdraft facility	40,000,000	30,000,000
- Contingent facility	10,000,000	10,000,000
- FOREX - forward exchange contracts	1,000,000	1,000,000
- Settlement facility	240,000	160,000
- Fleet	200,000	200,000
- First card facility	300,000	300,000
- Asset finance facility	2,500,000	2,500,000

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

18. Share capital

Reconciliation of number of shares issued:

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Reported as at 01 July	98,907,940	48,723,123	98,907,940	48,723,123
Issued				
Ordinary shares at N\$0.01	989,079	487,231	989,079	487,231
Share premium	1,098,200,610	500,187,472	1,098,200,610	500,187,472
	1,099,189,689	500,674,703	1,099,189,689	500,674,703

Total funds raised in rights issue amount to N\$602,217,804. Fees capitalised against the share premium account directly attributable to the rights issue amounted to N\$3,702,818

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19. Borrowings

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Held at amortised cost				
Secured				
Bank Windhoek Instalment Sales Agreement ⁴	-	20,151	-	-
Unsecured				
Three-year Senior Unsecured Floating Rate Notes ⁵	-	175,555,508	-	175,555,508
Three-year Senior Unsecured Floating Rate Notes ⁶	30,108,986	30,117,565	30,108,986	30,117,565
Five-year Senior Unsecured Floating Rate Notes ⁷	25,095,342	25,081,242	25,095,342	25,081,242
Five-year Senior Unsecured Floating Rate Notes ⁸	100,381,370	100,412,981	100,381,370	100,412,981
Five-year Senior Unsecured Floating Rate Notes ⁹	175,635,753	-	175,635,753	-
	331,221,451	331,167,296	331,221,451	331,167,296
Non-current liabilities	330,000,000	155,000,000	330,000,000	155,000,000
Current liabilities	1,221,452	176,187,447	1,221,452	176,167,296
	331,221,452	331,187,447	331,221,452	331,167,296

⁴ Bank Windhoek Instalment Sales Agreement was payable in monthly instalments, bears interest at prime linked interest rate per annum was fully repaid during the year under review.

⁵ The Three-year Unsecured Floating Rate Notes amounting to N\$175 million matured on 18 June 2024 at no premium. These notes carried interest at a three month ZAR-JIBAR-SAFEX rate plus 300 basis points.

⁶ The Three-year Unsecured Floating Rate Notes amounting to N\$30 million are due to mature on 16 September 2025 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 270 basis points.

⁷ The Five-year Unsecured Floating Rate Notes amounting to N\$25 million are due to mature on 18 June 2026 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 325 basis points.

⁸ The Five-year Unsecured Floating Rate Notes amounting to N\$100 million are due to mature on 16 September 2027 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 325 basis points.

⁹ The Five-year Unsecured Floating Rate Notes amounting to N\$175 million was issued to refinance the notes that matured and are due to mature on 18 June 2029 at no premium. These notes carry interest at a three month ZAR-JIBAR-SAFEX rate plus 270 basis points.

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Total interest expense for the year on the bonds:	37,946,605	29,181,644	37,946,605	29,181,644

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

	GROUP	
	30 June 2024	30 June 2023
Net interest bearing debt / EBITDA multiple (not more than 3.5x) exclude contract liabilities	-1.02x	1.96x
EBITDA interest cover multiple (not less than 2.5x) exclude contract liability interest	5.60x	5.46x

Debt covenants pertaining to this Programme has not been breached.

20. Contract liabilities

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Indefeasible right of use - Trans Kalahari fiber route	100,002,236	102,915,610	-	-
Indefeasible right of use - Equiano	147,511,190	152,087,210	-	-
Indefeasible right of use - Equiano spectrum / capacity	58,013,219	59,802,309	-	-
Various other short term contract liabilities	13,061,692	8,902,495	-	-
	318,588,337	323,707,623	-	-
Contract liabilities - non-current	292,660,286	302,105,035	-	-
Contract liabilities - current	25,928,051	21,602,588	-	-
	318,588,337	323,707,623	-	-

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Interest component : Indefeasible right of use - Trans Kalahari fiber route	10,939,965	11,206,555	-	-
Interest component : Indefeasible right of use - Equiano	15,708,229	7,455,783	-	-
Interest component : Indefeasible right of use - Equiano spectrum / capacity	6,338,524	4,276,267	-	-
	32,986,718	22,938,605	-	-

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21. Deferred taxation

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Reconciliation of deferred taxation assets / (liabilities)				
At beginning of the year	(44,294,781)	(34,135,333)	-	-
Deductible temporary difference movement on property, plant and	(55,968,996)	(65,457,217)	-	-
Taxable temporary difference movement on intangible assets	(760,051)	36,625	-	-
Deductible temporary difference movement on prepaid expense	(1,588,947)	(288,339)	-	-
(Deductible) / Taxable temporary difference movement on unrealised foreign exchange gains / losses	(1,786,590)	1,394,663	-	-
(Deductible) / Taxable temporary difference movement on provisions	907,696	448,693	-	-
(Deductible) / Taxable temporary difference movement on income received in advance	(1,649,986)	21,163,968	-	-
Taxable temporary difference movement on deposits by customers	45,607	55,520	-	-
Taxable / (Deductible) temporary difference movement on right of use	474,378	(1,140,010)	-	-
(Deductible) / Taxable temporary difference movement on lease liability	(383,709)	1,075,849	-	-
Tax loss available for set-off against taxable future taxable income	48,451,036	32,550,800	798	-
	(56,554,344)	(44,294,781)	798	-

22. Trade and other payables

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Financial instruments:				
Trade payables	134,336,163	97,916,062	2,504,074	23,433
Leave pay accrual	17,393,732	5,440,230	-	-
Salary accrual	3,762,195	3,456,463	-	-
Deposits received	350,852	220,867	-	-
Non-financial instruments				
VAT	57,166	9,872,720	-	-
	155,900,108	116,906,342	2,504,074	23,433
Financial instruments and non-financial instrument components of trade and other payables				
At amortised cost	155,842,942	107,033,622	2,504,074	23,433
Non-financial instruments	57,166	9,872,720	-	-
	155,900,108	116,906,342	2,504,074	23,433

23. Provisions

Reconciliation of group provisions - 30 June 2024

	Opening Balance	Additions	Utilised during the year	Closing Balance
	N\$	N\$	N\$	N\$
Provision: CRAN regulatory levy	618,555	2,195,383	(1,478,280)	1,335,658.00
Provision: Audit fees	1,295,108	1,363,045	(1,233,108)	1,425,045.00
Salary provision	9,069,168	9,829,270	(8,144,240)	10,754,198.00
	10,982,831	13,387,698	(10,855,628)	13,514,901

Reconciliation of group provisions - 30 June 2023

	Opening Balance	Additions	Utilised during the year	Closing Balance
	N\$	N\$	N\$	N\$
Provision: CRAN regulatory levy	2,115,441	-	(1,496,886)	618,555
Provision: Audit fees	1,003,061	1,279,298	(987,251)	1,295,108
Salary provision	10,505,249	8,443,085	(9,879,166)	9,069,168
	13,623,751	9,722,383	(12,363,303)	10,982,831

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\$9,194,505 (30 June 2023: N\$8,226,455) and provision for severance pay to the amount of N\$1,559,693 (30 June 2023: N\$842 713).

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

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24. Dividends payable

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Opening balance 01 July	72,450	48,229	72,450	48,229
Dividends declared	10,224,625	9,744,625	9,744,625	9,744,625
Dividends paid out	(10,198,392)	(9,720,404)	(9,718,392)	(9,720,404)
Closing balance	98,683	72,450	98,683	72,450

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 19 September 2023 the directors declared a final dividend of 10 cents per ordinary share for the 2023 financial year amounting to N\$4,872,312.

On 08 March 2024 the directors declared a dividend of 10 cents per ordinary share, amounting to N\$4,872,312.

Aggregate dividends declared for the year amounts to N\$9,744,625 (30 June 2022: N\$9,744,625).

During October 2023 Bitstream Internet Solutions (Pty) Ltd, a subsidiary in the group, declared and paid a dividend amounting to N\$1 million to its shareholders.

25. Cash generated from operations

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Profit for the year	39,442,786	30,989,416	14,449,633	9,697,118
Adjusted for non-cash items and items which are separately presented:				
Depreciation on property, plant and equipment	105,330,617	71,280,770	-	-
Depreciation right of use asset	1,482,433	1,184,134	-	-
Amortisation on intangible assets	6,952,387	6,760,379	-	-
Loss / (profit) on sale of property, plant and equipment	(195,086)	20,110	-	-
(Gains) / losses on foreign exchange	(691,825)	4,261,763	-	-
Movements in provisions	2,520,405	(2,714,108)	57,017	108,008
Revenue - contract liabilities	(51,242,035)	(16,077,040)	-	-
Interest Received	(101,561)	(36,193)	(37,947,693)	(29,181,785)
Dividend income	(5,024,796)	(1,906,390)	(15,920,879)	(11,013,565)
Interest paid - bond	37,946,605	29,181,644	37,946,605	29,181,644
Interest paid lease liability	393,201	173,101	-	-
Finance cost - Contract liability	32,986,719	22,938,605	-	-
Interest paid - other	2,089,645	497,091	-	-
Changes in working capital:				
Inventories	(15,141,032)	3,300,908	-	-
Trade and other receivables	17,410,518	(7,038,140)	-	-
Prepayments	(10,014,950)	1,801,867	-	-
Contract liabilities	38,816,908	25,303,277	-	-
Trade and other payables	13,098,153	31,310,786	2,480,641	(794,984)
Investments at fair value	-	-	(492,975,545)	4,650,400
	216,059,091	201,231,980	(491,910,221)	2,646,836

26. 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 operates in the ICT industry, with its main operating segments being consumer business and enterprise business. The company recognises revenue from customers by disaggregating between "at a point

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

The company disaggregates revenue from customers as follows:

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Timing of revenue recognition				
At a point in time				
Connectivity	24,500,218	17,206,437	-	-
Local Area Network	31,617,245	17,212,527	-	-
Cloud	379,749	381,982	-	-
Voice	3,886,660	300,218	-	-
Security	5,644	5,549	-	-
Discount	(9,784,209)	-	-	-
	50,605,306	35,106,713	-	-

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26. Revenue (continued)

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Timing of revenue recognition				
Over time				
Connectivity	412,558,712	339,910,990	-	-
Revenue recognised on delivery of goods/ services previously paid for - Indefeasible Right-of-	51,242,035	46,474,884	-	-
Revenue recognised on delivery of goods/ services previously paid for - other	4,326,706	-	-	-
Cloud	22,756,632	23,829,815	-	-
Voice	15,318,798	16,134,305	-	-
Local Area Network	11,903,474	11,579,281	-	-
Security	68,734	35,211	-	-
Commission	138,150	-	-	-
Discount allowed	(5,078,281)	(3,098,883)	-	-
	513,234,960	434,865,603	-	-
Total revenue from contracts with customers	563,840,267	469,972,316	-	-
Revenue other than through contracts with customers consists of dividends received from investments.				
Dividends received - money market funds	5,024,796	1,906,390	4,920,879	13,565
Dividends received - subsidiaries	-	-	11,000,000	11,000,000
	5,024,796	1,906,390	15,920,879	11,013,565
Total revenue	568,865,063	471,878,706	15,920,879	11,013,565

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

27. Cost of sales

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Rendering of services	179,422,364	158,901,130	-	-
Stock purchase price variance	-	(55,875)	-	-
Stock adjustments	(1,941,255)	1,416,952	-	-
Depreciation	101,261,590	66,646,368	-	-
Discount received	(37,917)	(107,961)	-	-
	278,704,782	226,800,614	-	-

28. Other operating income

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Administration and management fees received	288,055	28,223	-	-
Sundry income	494,717	1,085,865	-	-
	782,772	1,114,088	-	-

29. Other operating (losses) / gains

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Gains / (Losses) on disposal, scrapping and settlements				
Property, plant and equipment	195,086	(20,110)	-	-
Foreign exchange gains / (losses)				
Net foreign exchange gains / (losses)	4,215,643	(1,337,456)	-	-
Impairment losses				
Impairment of loan	-	57,247	-	-
Total other operating losses	4,410,729	(1,300,319)	-	-

30. Net impairment losses on financial assets

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Net impairment losses on financial asset				
Trade and other receivables	2,406,533	928,064	-	-

31. Operating profit

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Operating profit for the year is stated after charging (crediting) the following, amongst others:				
Auditor's remuneration - external				
Audit fees - PwC	1,291,544	1,215,108	286,925	229,908
Audit fees - WBM	74,450	70,625	-	-
Consulting fees - PwC	45,680	101,205	-	-
Consulting fees - WBM	13,072	-	-	-
Training - PwC	14,783	2,261	-	-
	1,439,529	1,389,199	286,925	229,908

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31. Operating profit (continued)

	GROUP		COMPANY	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	N\$	N\$	N\$	N\$
Auditor's remuneration - internal	402,622	436,000	-	-
Remuneration, other than to employees				
Consulting and professional services	4,385,609	3,486,667	242,008	543,714
Secretarial services	1,165,908	759,282	818,011	413,612
Sponsor retainer	33,834	33,834	35,864	33,834
	5,585,351	4,279,783	1,095,883	991,160

Directors' remuneration

Non-executive directors' fees	894,418	1,046,475	-	-
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Non-executive directors' fees include all directors and members of sub-committees fees.

Employee costs

As at 30 June 2024 the group had 219 permanent employees (2023: 206). The total cost of employment of all employees including executive directors and key management, was as follows:

Salaries, wages, bonuses and other benefits	102,492,121	89,317,201	-	-
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Leases

Short-term lease payments

Premises ¹⁰	771,201	611,269	-	-
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¹⁰ Payments associated with short-term lease 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.

Depreciation and amortisation

Depreciation of property, plant and equipment	105,330,617	71,280,769	-	-
Amortisation of right-of-use assets	1,482,433	1,184,134	-	-
Amortisation of intangible assets	6,952,387	6,760,379	-	-
Total depreciation and amortisation	113,765,437	79,225,282	-	-
Less: Depreciation and amortisation included in cost of sales	(101,261,590)	(66,646,368)	-	-
Total depreciation and amortisation expensed	12,503,847	12,578,914	-	-

Expenses by nature

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

Advertising	11,629,431	10,918,408	-	-
Auditor's remuneration	1,439,529	1,389,199	229,908	229,908
Bad debts	400,862	63,676	-	-
Bank charges	1,943,727	1,110,493	7,295	5,793
Cost of sales - depreciation	101,261,590	66,646,368	-	-
Cost of sales - excluding depreciation	177,443,192	160,154,246	-	-
Depreciation, amortisation and impairment	12,503,847	12,578,915	-	-
Directors remuneration - non-executive	894,418	1,046,475	-	-
Employee costs	102,492,121	89,317,201	-	-
Insurance	4,810,604	3,547,060	-	-
License fees	12,485,350	12,493,932	-	-
Motor vehicle expenses	4,099,995	3,141,750	-	-
Net impairment losses on financial assets	2,406,533	928,064	-	-
Operating lease charges	771,201	719,850	-	-
Other expenses ⁵	9,078,181	8,669,894	139,248	89,727
Remuneration, other than to employees	5,585,351	4,279,783	1,095,883	991,160
Repairs and maintenance	3,859,540	3,600,994	-	-
Staff welfare	4,608,938	3,697,807	-	-
Telephone	826,090	1,185,597	-	-
Travelling	2,760,669	2,459,241	-	-
	461,301,169	387,948,953	1,472,334	1,316,588

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

Analysis of expenses by nature:

Cost of sales	278,704,782	226,800,614	-	-
Net impairment losses on financial assets	2,406,533	928,064	-	-
Other operating expenses	180,189,854	160,220,275	1,472,334	1,316,588
	461,301,169	387,948,953	1,472,334	1,316,588

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32. Taxation

	GROUP		COMPANY	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Major components of the taxation expense				
Current				
Local income taxation - current period	533,186	602,808	-	-
Foreign income taxation or withholding taxation - recognised in current taxation	409,285	598,725	-	-
	942,471	1,201,533	-	-
Deferred				
Property, plant and equipment	55,968,996	65,457,216	-	-
Intangible assets	760,051	(36,625)	-	-
Prepaid expenses	1,588,947	720,722	-	-
Unrealised foreign gains / (losses)	1,786,590	(1,394,663)	-	-
Provisions	(907,696)	(448,693)	-	-
Income received in advance	1,649,986	(21,596,351)	-	-
Deposits by customers	(45,607)	(55,520)	-	-
Right-of use assets	(474,378)	1,140,010	-	-
Lease liability	383,709	(1,075,849)	-	-
Tax loss available for set-off against taxable future taxable income	(48,451,036)	(32,550,798)	-	-
	12,259,563	10,159,447	-	-
Taxation	13,202,034	11,360,980	-	-
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense				
Accounting profit	39,442,786	30,989,416	14,449,633	9,697,118
Other comprehensive income	-	-	-	-
Tax at the applicable tax rate of 32% (2021: 32%)	12,621,692	9,916,613	4,623,883	3,103,078
Tax effect of adjustments on taxable income				
Dividends received	(1,607,935)	(610,045)	(5,094,681)	(3,524,341)
Expenses not deductible (no taxable income)	471,147	421,263	471,147	421,263
Expenses not deductible - capital in nature	196,000	-	-	-
Capital profit on sale of fixed assets	-	(560)	-	-
Fines and penalties	5,313	144	-	-
Donations	36,976	32,083	-	-
Unutilised withholding tax - forfeited	409,285	598,724	-	-
Amortisation of intangible assets resulting from business combination	1,109,680	1,032,765	-	-
Profit on sale of shares resulting from business combination	-	(18,318)	-	-
Pension contribution - not deductible	9,345	-	-	-
Previous year tax loss not recognised	(1,146)	-	(1,146)	-
Prior period adjustment	(48,323)	(11,690)	-	-
	13,202,034	11,360,979	(798)	(0)
Effective taxation rate	33.5%	36.7%	0.0%	0.0%

No provision has been made for 2024 tax as the company has no taxable income. At 30 June 2024 the Group and Company have combined income taxation losses available for set-off against future taxable income amounting to N\$256 099 650 (2023: N\$142 463 417)

33. Other information

	GROUP	
	30 June 2024	30 June 2023
Total number of shares in issue	98,907,940	48,723,123
Weighted number of shares in issue	54,497,814	48,723,123
Net asset value per share (cents per share)	1,188.29	1,150.95
Listed market price per share (cents per share)	1,270.00	1,275.00
Premium to net asset value	6.88%	10.78%
Capital commitments (including approved but not contracted)	N\$562 485 362	N\$137 802 395
Market capitalisation	N\$1 256 130 838	N\$621 219 818
Adjusted earnings before interest, taxation, depreciation and importation (EBITDA)	226,522,832	162,968,805
EBITDA Margin %	39.82%	34.54%
Net interest bearing debt/ EBITDA multiple (not more than 3.5x) *	-1.02x	1.96x
EBITDA interest cover multiple (not less than 2.5x) *	5.60x	5.46x

* these covenant ratios, relating to the Senior Unsecured Floating Rate Notes described in more detail in note 19, shows results excluding contract liabilities and the interest calculated thereon. PNH was established to raise equity and debt funding for the Namibian Group and has no business operations. The covenant ratios are therefore calculated based on the financial performance of the consolidated group.

	30 June 2024	30 June 2023
	N\$	N\$
Earnings		
Profit for the year attributable to the equity holders of the parent	25,882,912	18,825,653
Headline adjustments:		
After taxation loss on sale of property, plant and equipment	(132,659)	13,675
Impairment gain on loan	-	(57,247)
Headline earnings	25,750,253	18,782,081

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33. Other information (continued)

	30-Jun-24 Cents	30-Jun-23 Cents
Basic earnings per ordinary share (cents)	47.49	38.64
Headline earnings per ordinary share (cents)	47.25	38.55
Dividend per share (cents)	20.00	20.00

34. Commitments and contingencies

	Group		Company	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Capital commitments				
Authorised but not contracted for:				
Property and equipment	-	137,802,395	-	-
Contracted for but not yet incurred:				
Property and equipment	562,485,362	-	-	-

For the next three financial years, a further N\$562 million for the expansion of Paratus Telecommunications (Pty) Ltd.'s terrestrial network and the roll out of an operations and business support system was approved by the board. N\$70.4 million was expended towards this project during the current financial year.

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

35. Events occurring after the reporting period

Dividends declared

On 17 September 2024 the directors declared a dividend of 5c per ordinary share amounting to N\$4,945,397.

Other events

The directors are not aware of any material subsequent events.

36. Related parties

Executive directors	A. Hall S.L.V. Erasmus S.I. de Bruin B.R.J. Harmse R.P.K. Mendelsohn (alternate director to B.R.J. Harmse) G.P.J. Duvenhage (alternate director to A. Hall)
Non-executive directors	H.B. Gerdes (chairperson of the board) J.N.N. Shikongo R.R. Graig
Members of key management - Paratus Telecommunications (Proprietary) Limited -	D.J. Malan G.E. Cloete S. Frank-Schultz S.J. Geysler N. Fourie
Chairman of the Audit, Risk and Compliance Committee	H. Jansen van Vuuren
Subsidiaries	Paratus Telecommunications (Proprietary) Limited - Namibia
Subsidiaries of Paratus Telecommunications (Proprietary) Limited - Namibia	Paratus Properties (Proprietary) Limited Paratus Property Two (Proprietary) Limited Internet Technologies Namibia (Proprietary) Limited Paratus Voice Telecommunications (Proprietary) Limited Bitstream Internet Solutions (Proprietary) Limited
Ultimate Holding Company	Paratus Group Holdings Limited - Mauritius
Group companies (common shareholders)	Paratus Group Holdings Ltd - Mauritius Paratus Telecommunications Ltd - Mauritius Paratus Telecommunications Ltd - Zambia Paratus Telecommunications (Pty) Ltd - Botswana Paratus Telecommunications (Pty) Ltd - South Africa Paratus Telecom S.A. - Mozambique Internet Technologies Angola S.A. - Angola Canocopy (Pty) Ltd (interest held was disposed during the year)

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36. Related parties (continued)

Group companies (common shareholders) Finatic Technologies (Pty) Ltd - Namibia
- no related party transactions or balances between Internet Technologies Africa Ltd - Mauritius
the group and these group companies Exosphere Communications Ltd - Mauritius
Croc 684 (Pty) Ltd t/a Broadband Botswana Internet - Botswana
Maxwell Technologies (Pty) Ltd - South Africa
Fiber Access Services Technologies Congo S.A. - DRC
Paratus DRC S.A.U - DRC
Paratus Eswatini (Pty) Ltd - Eswatini
Paratus Tanzania Limited - Tanzania
Paratus Rwanda Limited - Rwanda
Paratus Zimbabwe (Private) Limited - Zimbabwe
Paratus Limited - Malawi
Paratus Group Kenya Ltd - Kenya
Paratus Uganda Limited - Uganda

Related party balances	Group		Company	
	30 June 2024 N\$	30 June 2023 N\$	30 June 2024 N\$	30 June 2023 N\$
Investment in subsidiary				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	279,557,322	279,557,322
Loan accounts - owing by / (to) related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	328,566,127	220,699,206
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	331,221,452	331,167,296
Amounts included in trade receivables regarding related parties				
Internet Technologies Angola S.A. - Angola	2,437,129	2,251,115	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	4,076	334,729	-	-
Canocopy (Proprietary) Limited (shown for comparative purposes only)	-	68,032	-	-
Paratus Telecommunications Limited - Mauritius	231,072	1,090,874	-	-
Paratus Telecommunications Limited - Zambia	99,060	561,539	-	-
Paratus Telecom S.A. - Mozambique	200,113	56,685	-	-
Bitstream Internet Solutions (Pty) Ltd (fully eliminated)	4,747	64,403	-	-
Amounts included in trade payables regarding related parties				
Canocopy (Proprietary) Limited (shown for comparative purposes only)	-	121,573	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	286,082	4,226,021	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	579,323	1,129,349	-	-
Paratus Telecom S.A. - Mozambique	582,155	-	-	-
Bitstream Internet Solutions (Pty) Ltd (fully eliminated)	22,393	16,727	-	-
Related party transactions				
Revenue received from related parties				
Internet Technologies Angola S.A. - Angola	7,954,871	6,082,151	-	-
Paratus Telecommunications (Proprietary) Limited - Botswana	1,332,004	1,069,017	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	552,948	569,238	-	-
Paratus Telecommunications Limited - Mauritius	27,083,374	22,409,726	-	-
Paratus Telecommunications Limited - Zambia	1,511,407	1,145,376	-	-
Paratus Telecom S.A. - Mozambique	202,901	64,024	-	-
Bitstream Internet Solutions (Pty) Ltd (fully eliminated)	5,277,670	4,118,637	-	-
Interest received from related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	37,946,605	29,181,644
Dividends received from related parties				
Paratus Telecommunications (Proprietary) Limited - Namibia	-	-	11,000,000	11,000,000
Bitstream Internet Solutions (Pty) Ltd (fully eliminated)	520,000	-	-	-
Purchases from related parties				
Paratus Telecommunications (Proprietary) Limited - Botswana	15,586,250	25,111,599	-	-
Paratus Telecommunications (Proprietary) Limited - South Africa	5,276,587	5,999,886	-	-
Paratus Telecommunications Limited - Mauritius	26,551,762	23,513,919	-	-
Paratus Telecom S.A. - Mozambique	527,548	-	-	-
Bitstream Internet Solutions (Pty) Ltd (fully eliminated)	164,380	87,301	-	-
Salary recoveries				
Paratus Telecommunications Limited - Mauritius	11,328,859	11,473,046	-	-
Compensation to directors and other key management				
Non-executive directors fees	894,418	1,046,475	-	-
Short term employee benefits - executive directors	4,187,494	4,551,606	-	-
Short term employee benefits - key management	9,405,396	8,676,234	-	-

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