



ANNUAL REPORT

FOR THE YEAR ENDED 29 FEBRUARY 2024

ALPHA NAMIBIA INDUSTRIES RENEWABLE POWER LIMITED

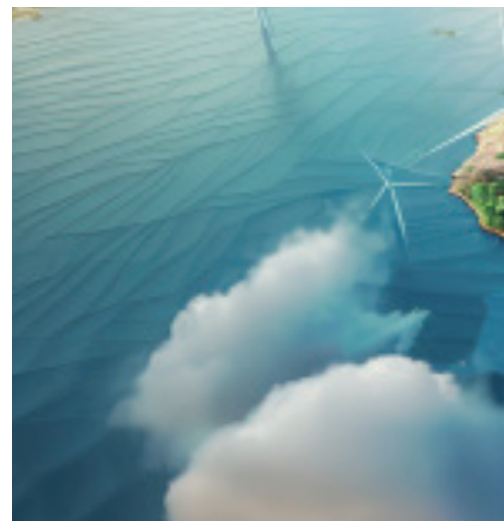
(Incorporated in the Republic of Namibia) (Registration Number 2018/0148) (Date of Registration 08/03/2018) (Share Code: ANE ISIN NAN000A2JQ364)

RENEWABLE ENERGY FOR A SUSTAINABLE WORLD





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PROXY FORM

OVERVIEW

Who is ANIREP and why do we exist:

Our strategic objective upon listing 2019, was to raise sufficient equity capital from long term institutional shareholders to establish an IPP platform through the acquisition of renewable energy IPPs and the in-house EPC capabilities and track record to develop our own assets going forwards. This platform has been successfully secured, with a generation IPP base of 13.34 MWp Solar PV and a human resources base of over 50 permanent staff and up to 400 seasonal employees depending on the EPC projects running at any given time.

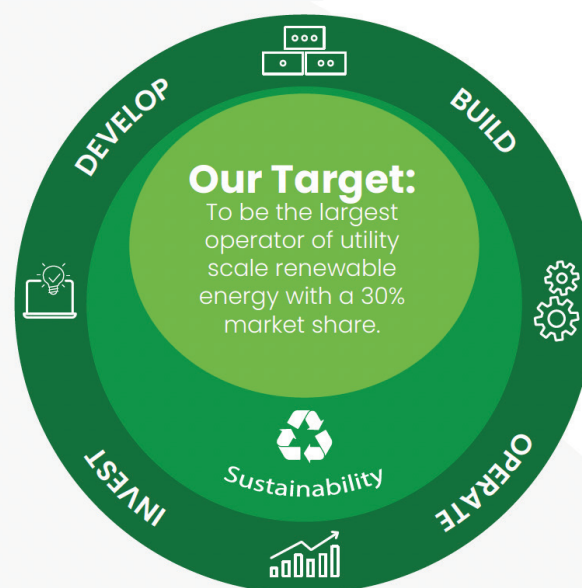
ANIREP closed an equity rights issue for N\$437 million in December 2023, thereby growing our equity capital base by 260% to N\$604 million. Our high-quality, near-term growth distinguishes us in the market, with the successful conclusion of the rights issue enabling us to increase our generation capacity by over 426%, from the current 13.34 MWp Solar PV to about 70 MWp Solar PV and Battery Energy Storage Systems (BESS); our 25MWp Khan IPP project is expected to come on stream during the fourth quarter of 2024.

At the core of our operations is a stable annuity revenue stream, providing a solid foundation for the Group, underpinned by our current solar generation capacity of 13.34MWp (being 11.34 utility scale in ANIREP Solar with 2 MWp rooftop portfolio in Hopsol Africa).





Our core business objective is to:



Operate, develop, build, acquire and invest in utility scale renewable energy in a sustainable manner in order to supply (and trade) bulk renewable energy in Namibia and the Southern African Power Pool (SAPP) on the basis of long-term PPAs with creditworthy counterparties, generating long term predictable cash flows.

ANIREP is the first listed strategic investor of renewable energy projects in Namibia and provides a bridge for capital markets into utility scale renewable energy projects. The company's objective is to provide investors with stable predictable, long term investments generating and yielding a consistent return on equity. ANIREP is taking advantage of the environment created by the Namibian government for mobilising private sector investment into power projects, well ahead of its peer governments in the SADC region. This includes cost reflective tariffs, an independent and functional regulator, and significant steps towards a competitive market structure, including the ability to purchase power from Independent Power Producer (IPP), other than NamPower.

In 2024, we reported a consistent revenue of N\$74.1 million from various business activities, which included the core annuity revenue of N\$52.2 million. The core annuity revenue for the Group, being the IPP Sale of Electricity and Operations and Maintenance (O&M) was steady at N\$52.2 million.

- **ANIREP Solar (Pty) Ltd** continued to generate a steady income of N\$37.2 million for the year on the back of the PPAs with NamPower and CENORED which are in place until 2041. This is underpinned by the utility scale generation capacity of 11.34 MWp in ANIREP Solar.
- **Recurring Operations and Maintenance (“O&M”)** revenue of N\$15 million in HopSol Africa is 13.5% higher than prior year. This is in line with the long-term strategy for the group to grow annuity income. Hopsol Africa holds generation capacity of 2 MWp rooftop portfolio.
 - This includes the rooftop solar installed by the group under finance leasing arrangements with Vivo Energy. The average lease term for each lease is 10 years. Interest income recognised on net investment in the leases was N\$1.55 million for the year. The gross investment in the leases is N\$14, 89 million at year end, with the residual net investment in the lease being N\$7, 29 million, less unearned interest income of N\$7,59 million.
- **The cash generating capacity** of this business is underpinned by the long-term power purchase agreements in place.

KHAN 20MW PV POWER PLANT	
	EMPLOYER ACCESS AUSSEKKJER SOLAR ONE NAMIBIA (PTY) LTD
	CONTRACTOR HOPSOL AFRICA (PTY) LTD
	EMPLOYER'S REPRESENTATIVE EMCON CONSULTING GROUP
	CONTRACTOR'S REPRESENTATIVE MUTSCHLER CONSULTING SERVICES
	ELECTRICAL ENGINEERS GS FAINSINGER AND ASSOCIATES CONSULTING ENGINEERS
	CIVIL/STRUCTURAL CONSULTING ENGINEERS SEELNBINDER CONSULTING ENGINEERS
	EMPLOYER'S QUANTITY SURVEYORS JORDAAN OOSTHUYSEN NANGOLO

This year, we focused on several key initiatives, notably the construction of the Khan Project, a 25MWp solar plant and the development of the 100MWp Kokerboom Project park for our IPP business.

In addition, during Q3 of 2024 we will soon embark on expanding Otjiwarongo plant with a PPA with CENORED by 6MWp from 5MWp to 11MWp solar and 2MW/10,16MWh battery BESS (the first of its kind in Namibia). This will enable us to reduce the current tariff substantially for our off-taker, as the tariff was otherwise on an escalation path to unsustainable levels in the future.

ANIREP is mindful that the tariffs agreed in the FIT and REFIT programmes, with the annual escalations are not sustainable, as the price of solar plant technology has decreased substantially since these plants were brought onto the Namibian grid.

On 18th of May 2022 ANIREP announced additional IPP project under an MSB Market Framework planned for Kokerboom to serve the Dundee Precious Metals Tsumeb Pty Ltd with deemed power capacity of 18,5MWac with an installed capacity of 25MWp .

With the pipeline under development, we have now entered in the next stage of our strategy, to increase our renewable energy generation capacity, targeting a market share of around 30% of the Namibian

Renewable Electricity market. ANIREP has established a platform with a lean and efficient execution team, which enables us to easily scale our operations without significant increases to overhead.

		Market share (current / target)
Generation IPP capacity at the beginning of the year	0	0%
Generation IPP capacity acquired during 2020 year	10.73 MWp	
Generation IPP capacity o/b at Feb 2022 year end	10.73MWp	7%
Generation commissioned as EPC in Mar 2022	25MWp	
Generation IPP under development in Mar 2022	25MWp	
Generation IPP under planning for development	31MWp	
Expected total IPP generation capacity 2022-2024	66.73MWp	29%

Our expected IPP generation capacity of 66.73MWp operating by Quarter 2 of 2026 is subject to risks related to cost of capital, exchange control movements, availability and pricing of solar equipment, raising adequate project financing, our ability to execute the increased capacity, as well as any other risks and challenges we may encounter.

ANIREP is gearing up to play a significant role in Namibia's efforts to reduce dependence on imported power and enhance local power generation capabilities, including increasing the commercial installed renewable energy generation in Namibia from the current 150MW to 760MW by 2025/26, especially as electricity import contracts are set to expire beyond 2025. We believe this can be achieved through our participation in the Modified Single Buyer Model (MSBM) and the Namibia/Botswana government initiative for large-scale solar projects. Additionally, the Namibian government's green hydrogen initiative for export could serve as a catalyst for abundant clean power, supporting the growth of the Fourth Industrial Revolution in the region and the continent.

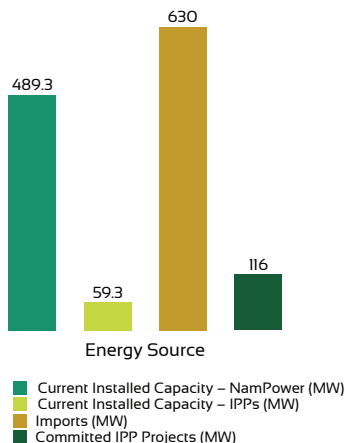
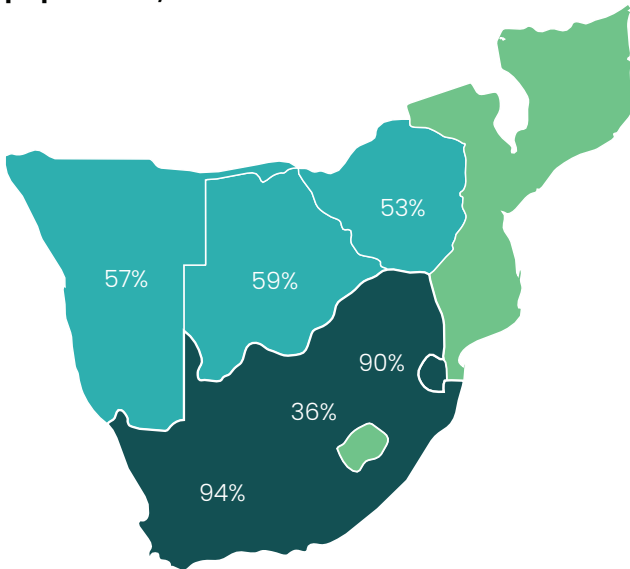
The N\$437 million we raised in December 2023 is part of our target is to have an equity base of about N\$1,2 billion in the medium term, as we develop and acquire more renewable energy generation, to increase our market share of renewable energy generation in the country, from 7% at February 2024 (up from 0% in 2020) to our target of 30% of the forecasted installed capacity of 760MW by 2026. This will go a long way towards the elimination of the current imports of about 450MW, of which there is an ongoing risk of termination of supply taking into account energy shortages within the region.

In terms of our strategic focus, as set out in the Chairman's report, we continue to concentrate on Maximizing potential from our current assets, Growing the value and quality of our asset portfolio, Developing and adding generation capacity to the grid and Continuous strengthening of our balance sheet.

ANIREP Group adheres to the highest health and safety, environmental and social standards and as we grow, we invest in improving the communities where we operate in. Our output has a positive impact powering communities and enabling modern life to take place. Through our use of solar power, we estimate that we may have avoided the release of approximately 132 million tons CO2 since inception.

The Journey

2018 Incorporate This after more circa 2 years of feasibility, financial and technical studies.	2019 12th September 2020: Listed on NSX Development Board After successfully book build up of N\$167m.	2020 January 2020: Sought Shareholders Approval After successfully concluded negotiations and DD with Hopsol Africa and Hopsol Power Generation.	2020 June 2020 Successfully acquired Hopsol Africa and Hopsol Power Generation (10.73MW).	2020 1st October 2020 List of NSX Main Board.	2021 September 2021: Acquired AASON 20MW IPP at Khan at a cost of N\$9m for 55%.	2022 May 2022: Awarded 18, 5MW IPP by Dundee Precious Metals under MSB to be situated at Kokerboom.
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ANIREP aims to sustainably provide competitively priced affordable renewable energy and energy storage solutions for the purpose of:	
Making our country self-sufficient thereby eliminating the 450MWp currently imported by Nampower, which expire 2021-2025 (being 100MWp from Eskom, 200MWp from ZESCO, and 80MWp from Zimbabwe Power Company)	Enabling the increase in the electrification from the current 57% of Namibian households with access to electricity (At present, almost 30 years after independence, only 57% of rural households have access to electricity)
Current and committed installed and imported capacity (MV)  Energy Source - Current Installed Capacity – NamPower (MW) - Current Installed Capacity – IPPs (MW) - Imports (MW) - Committed IPP Projects (MW)	Access to electricity by the proportion of the population, 2019 data 
Contestability/Eligibility Relaxation of the Contestability Criteria – unwinding of import contracts	

ANIREP Group Structure

ANIREP Limited

ANISOL (Pty) Ltd 100%	ANIREP Solar (Pty) Ltd 70% ANIREP Aussenkjer Solar Once Namibia (AASON) 55%	HopSol Africa (Pty) Ltd 80%	Neogreen Hydrogen Namibia (Pty) Ltd 40%
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ANIREP Solar (Pty) Ltd (formerly HopSol Power Generation) is the Independent Power Producer (IPP) arm of the Group, 70% owned by ANIREP Limited. Power Plants are either directly owned by ANIREP Solar or through Special Purpose Vehicles. ANIREP Solar owns and operates two Solar plants with a combined installed capacity of 11.34 MWp. We sell solar power on long-term fixed tariff (with annual escalations) contracts to our customers:

- **Otjiwarongo** – 5.61MW – with 25 Year PPA with CENORED
- **Grootfontein** – 5.73MW – (25 Year PPA with NAMPOWER)



HopSol is an EPC (Engineering, Procurement and Construction) and Operates and Maintenance (O&M) Company for designing, building, operating and maintaining photovoltaic solar power plants. Owned 80% by ANIREP Limited. HopSol is a technology leader for on – and off-grid solar power plants, fuel save controllers, storage solutions, in addition to owning and managing a portfolio of corporate and industrial scale solar PV generating plants. HopSol Africa holds generation capacity of 2 MWp rooftop portfolio.

This includes the rooftop solar installed by the group under finance leasing arrangements with Vivo Energy. The gross investment in the leases was N\$14,89 million at year end.



**ANIREP AUSSENKJER SOLAR ONE
NAMIBIA PTY LTD**

ANIREP Aussenkjer Solar One Namibia (Pty) Ltd

ANIREP Aussenkjer Solar One Namibia (AASON) is a special purpose vehicle which is finalising the construction of a 25MWp Solar PV Plant that has a 25 year Power Purchase Agreement with NamPower known as Khan Project. AASON is owed 55% by ANIREP Solar which is the IPP arm of the Group. The Khan Project is currently under construction with a target Commercial Operation Date of Quarter 4 of 2024.

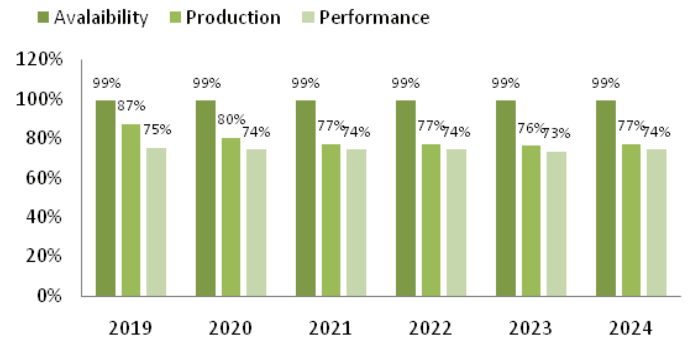


NeoGreen Hydrogen Energy Namibia (Pty) Ltd

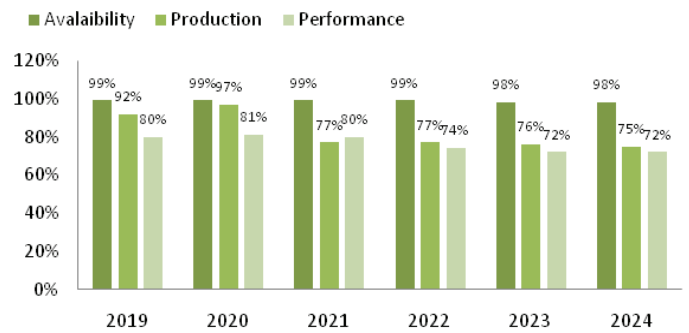
NeoGreen Hydrogen Energy Namibia (Pty) Ltd is majority owned by NeoGreen Hydrogen Energy Namibia, a leading green hydrogen development platform with 10-gigawatt project pipeline across three continents. NeoGreen Hydrogen Energy Namibia is focused on the production of price competitive green hydrogen and derivative energy carriers such as ammonia and synthetic fuels. As an integrated, pure-play green hydrogen developer, NeoGreen utilizes a full life-cycle inception-to-operation business model, to generate and distribute environmentally sustainable fuels to decarbonize heavy industry.

Highlights

Otjiwarongo Plant



Grootfontein



Key Metrics

	Unit		Feb-24	Feb-23	% Change
Revenue	N\$m		74.1	79.0	-6.2%
Gross Profit	N\$m		60.9	69.7	-12.7%
EBITDA – Reported	N\$m		19.0	53.2	-64.3%
EBITDA – Normalised	N\$m		19.0	37.9	-49.9%
Profit Before Tax	N\$m		(7.9)	28.7	-127.6%
Cash generated/ (used) in operations	N\$m		(13.3)	95.6	-113.9%
Plant Load Factor – Otjiwarongo	%		25.02	19.23	#DIV/0!
Plant Load Factor – Grootfontein	%		27.24	28.58	#DIV/0!
Plant Availability – Otjiwarongo	%		>99%	>99%	#DIV/0!
Plant Availability – Grootfontein	%		>99%	>99%	#DIV/0!
Electricity Generation - Otjiwarongo	GWh		10.958	8.421	30.1%
Electricity Generation - Grootfontein	GWh		11.932	12.518	-4.7%
Plan Generation- Otjiwarongo Expansion (Pending)	GWh	7.97	N/A	N/A	N/A
Plan Generation- Khan Project (Pending)	GWh	67.7	N/A	N/A	N/A
Plan Generation- Kokerboom (pending)	GWh	67.9	N/A	N/A	N/A

- **ANIREP Group generates revenue from three (3) revenue streams being:**

- Sale of Electricity
- Operations and Maintenance (O&M)
- And Engineering Procurement and Construction (EPC)
- The core annuity revenue for the Group, being the **IPP Sale of Electricity and Operations and Maintenance (O&M) was steady at N\$52.2 million.**
- **Overall revenue for the year amounted to N \$74 million**, marking a **6% decline** compared to the prior year. This reduction is largely due to lower EPC revenue, which was negatively impacted by delays in the **Khan project**. EPC revenue from the **25MWp Khan project** will be recognized upon its completion in the **February 2025 financial year**.
- **Normalised operating profit was adversely impacted, decreasing by 49% from N\$24.2m in 2023 to N\$12.2m for the current year as detailed below:**
 - ANIREP Solar's normalized operating profit decreased by 13%, amounting to N\$19.3 million, primarily due to delays in completing the additional 6.8 MWp capacity at the Otjiwarongo plant. However, upon completion, this expansion is expected to significantly boost the plant's revenue, enhancing overall profitability.

it will significantly increase revenue for the plant and ANIREP Solar.

- Hopsol Africa normalised operating profit decreased by 50% to N\$5.4 million, as the EPC revenue due on the Khan project was delayed and will be accounted for on completion in the February 2025 financial year.
- The costs at AASON, in which ANIREP Solar holds a **55% equity stake** in the 25 MWp Khan project currently under construction, along with costs at the Group level, increased by **40% to N\$12.5 million**. This increase is attributed to the significant management time and development expenses incurred by the Group in advancing various projects under development.
- The total operating profit for the year amounts to **N\$8.6 million**, compared to **N\$43.1 million** in the prior year, which included a **once-off warranty proceeds transaction of N\$24 million**.
- The timing of closing the rights offer had a significant impact on the Group's profitability. Several projects originally expected to commence operations in the **2023/24 financial year** are now rescheduled for completion in the **2024/25 financial year**.





CHAIRMAN'S REPORT

Mac Hengari

Chairperson of
Board of Directors



As we reflect on the past year, 2024 presented some challenges and significant achievements for ANIREP. The most significant achievements were closing the equity rights issue for N\$437 million in December 2023 thereby growing our equity capital base by 260% and starting construction on our 25MWp Khan IPP project. The rights issue proceeds are being utilized to increase generation capacity by over 426%, from the current 13.34 MWp Solar PV to about 70 MWp Solar PV and Battery Energy Storage Systems (BESS), with the 25MWp Khan IPP project expected to come on stream during the fourth quarter of 2024.

The rights issue closed almost a year later than anticipated, with the delay in closing the rights offer affecting the profitability of the group as projects that were supposed to come live during the 2024 financial year, will now only be completed in 2025 and 2026 financial year. Our challenges relate to growing pains, with significant management time and development costs being borne by the group, which adversely impacted profitability.

I am proud to report that the Group continues to successfully implement our strategy, which is rooted in our mission to create sustainable value for all stakeholders.

Despite the challenges we faced, we emerged stronger, thanks to our team's steadfast resilience and dedication. Our journey was characterized by unwavering commitment to our strategic objectives, enabling us to navigate adversity and strengthen our position.

ANIREP plans to play a significant role in Namibia's efforts to reduce dependence on imported power and enhance local power generation capabilities, especially as electricity import contracts are set to expire beyond 2025. We believe this can be achieved through our participation in the Modified Single Buyer Model (MSBM) and the Namibia/Botswana government initiative for large-scale solar projects. Additionally, the Namibian government's green hydrogen initiative for export could serve as a catalyst for abundant clean power, supporting the growth of the Fourth Industrial Revolution in the region and the continent.



This year, we focused on several key initiatives, notably the construction of the Khan Project, a 25MWp solar plant, the development of the 100MWp Kokerboom Project park for our IPP business and the expansion of our Otjiwarongo plant, incorporating new Solar PV and Battery Energy Storage to the existing facility.

Our strategic priorities remain focused on:

- **Maximizing the potential of our existing assets** through the innovation and dedication of our team.
- **Expanding and enhancing our asset portfolio** to strengthen our market presence.
- **Developing and adding generation capacity** to the grid, underscoring our commitment to sustainable energy.
- **Continuous strengthening of our balance sheet**, to enable the Group to reach financial close speedily on conclusion of a PPA and commence execution on the construction and reach COD asap.

We extend our heartfelt gratitude to all our stakeholders, including shareholders, employees, partners, and customers, for their unwavering support and confidence in ANIREP. Your trust and commitment have been instrumental in our success and will continue to propel us forward as we pursue our mission of creating sustainable value.

Looking ahead, we are excited about the next phase of our growth. The recent rights offer has enabled us to expand our generation capacity, marking a significant milestone in our journey. The successful conclusion of the rights issue for N\$437 million underscores our ability to secure the resources needed for continued growth, and we are grateful to our shareholders for supporting our mission, vision and strategy.

Additionally, ANIREP is in the process of launching its Green Bond Programme, which will enhance the company's access to the debt capital markets and reinforce our commitment to sustainable financing.

As the projects under construction progress towards commercial operations date [COD] which we expect to be within the 2025? year, and the Kokerboom development project moves forwards with the first phase of 25MWp expected to reach COD in 2026, this new generation capacity expansion not only strengthens our operational capabilities but also solidifies our position in the renewable energy market. ANIREP is indeed maturing into the company we envisaged, we have managed to increase our business prospects, at both HopSol Africa and ANIREP Solar levels, through organic means in a very competitive marketplace. ANIREP will continue to drive the acceleration of the local market's transition to lower-carbon energy and will be an invaluable enabler in the value chain of sustainable projects that reduce the country's dependence on imported energy sourced from finite supply of fossil fuels. Efforts such as those that are pursued by ANIREP are bound to help Namibia realize its affordable and clean energy targets.





Now I turn to the recent leadership changes at ANIREP. One non-executive director announced their resignation from the Board of Directors. The recruitment processes for this role are well advanced. My sincere thanks go to all my fellow directors their efforts, support and guidance, their efforts are invaluable to the company and will continue to grow ANIREP into a successful, modern, transparent and ethical company with sustainability at its core.

As the global economy transitions from a period of high inflation and interest rates, governments and stakeholders are increasingly supporting a Green Recovery. Additionally, significant shifts in workforce composition and a rapidly changing economic landscape are shaping our future.

Looking ahead, the lessons learned from this challenging year will guide our strategies and decisions. We are dedicated to improving our operational efficiency, advancing our projects, and fostering a culture of excellence. Together, we will navigate the complexities of the energy sector, harnessing the abundant power of African sunlight to create a brighter and more sustainable future.

I take this opportunity to thank my colleagues on the board of directors, management and staff for their hard work and dedication in steering ANIREP in its course as well as our valued investors for being part of our historic journey to become energy sufficient whilst providing good, consistent and predictable returns going forward.

Dr Mac Hengari

Chairperson of Board of Directors





MANAGING DIRECTOR'S REPORT

Iyaloo Nangolo
Managing Director



Despite a challenging year, ANIREP emerged from 2024 in strong financial and operational health. This achievement was made possible by the unwavering commitment of our teams and their dedication to executing our strategy, grounded in our purpose of creating sustainable value. Throughout the year, we navigated some project delays, volatile currency movements and supply chain challenges, yet we continued to make significant strides in our business. The year was marked by significant efforts in our IPP business, including construction of the Khan Project, a 25MWp solar plant and expanding our Otjiwarongo plant, adding new Solar PV with Battery Energy Storage to the existing plant. We continued to advance the Kokerboom Park development project, which will have an installed capacity of up to 100MWp. The development is planned in 25MWp blocks, with the first block now in advanced stages in collaboration with our first MSBM client. Significant progress has been made on the Khan project, and the expansion project at Otjiwarongo is underway. Both of which are on track to reach its Commercial Operation Date within the 2025 financial year. Our EPC/O&M (Engineering Procurement Operations and Maintenance) business Hopsol Africa has successfully fulfilled the EPC & OM obligations for the Omburu 26.134MWp Solar PV Project as evidenced by the issuance of the Performance Certificate by NamPower.

In terms of our strategic focus, as set out in the Chairman's report, we continue to concentrate on **Maximizing potential from our current assets, Growing the value and quality of our asset portfolio, Developing and adding generation capacity to the grid and Continuous strengthening of our balance sheet.**

Our high-quality, near-term growth distinguishes us in the market, with the successful conclusion of the rights issue proceeds of N\$437 million in December 2023 enabling us to increase our generation capacity by over 426%, from the current 13.34 MWp Solar PV to about 70 MWp Solar PV and Battery Energy Storage Systems (BESS), with the 25MWp Khan IPP project expected to come on stream during the fourth quarter of 2024.

At the core of our operations is a stable annuity revenue stream, providing a solid foundation for the Group, underpinned by our current solar generation capacity of 13.34MWp (being 11.34 utility scale in ANIREP Solar (5.61MWp and 5.73MWp solar PV IPPs) with 2 MWp rooftop portfolio in Hopsol Africa. In 2024, we reported a consistent revenue of N\$74.1 million from various business activities, which included the core annuity revenue of N\$52.2 million. **The core annuity revenue for the Group, being the IPP Sale of Electricity and Operations and Maintenance (O&M) was steady at N\$52.2 million.**

- **ANIREP Solar (Pty) Ltd** continued to generate a steady income of N\$37.2 million for the year on the back of the PPAs with NamPower and CENORED which are in place until 2041. This is underpinned by the utility scale generation capacity of 11.34 MWp in ANIREP Solar.
- Recurring Operations and Maintenance ("O&M") revenue of N\$15 million in HopSol Africa is 13.5% higher than prior year. This is in line with the long-term strategy for the group to grow annuity income. Hopsol Africa holds generation capacity of 2 MWp rooftop portfolio.
 - This includes the rooftop solar installed by the group under finance leasing arrangements with Vivo Energy. The average lease term for each lease is 10 years. Interest income recognised on net investment in the leases was N\$1.55 million for the year. The gross investment in the leases is N\$14, 89 million at year end, with the residual net investment in the lease being N\$7, 29 million, less unearned interest income of N\$7,59 million.
- The cash generating capacity of this business is underpinned by the long-term power purchase agreements in place.

During this period, EPC revenues contributed N\$21.86 million, underpinned by our project pipeline execution, including the 25MWp Khan project. Furthermore, our recurring O&M revenue from HopSol Africa Pty Ltd increased by 13.5% to N\$15.01 million compared to the previous year, aligning with our strategy to enhance annuity income and underscoring the cash-generating capacity of our business.

We would like to extend our heartfelt gratitude to all our stakeholders, including shareholders, employees, partners, and customers, for their unwavering support and confidence in ANIREP. Your commitment and trust have been instrumental in our success and will continue to drive us forward as we pursue our mission of creating sustainable value. We are deeply grateful for your continued partnership and look forward to achieving new milestones together.

Looking ahead, we are excited about the next phase of our growth. The proceeds from the recent rights offer will be used to expand our generation capacity to nearly 70MWp, marking a significant milestone. This expansion not only enhances our operational capabilities but also solidifies our position in the renewable energy market.

In this growth phase, the Group is fully funding the development costs for future projects, underscoring our dedication to timely project execution. This strategic decision is crucial as we continue accelerating the Group's overall growth and success.

Our normalized operating profit decreased by 49%, from N\$24.2 million in 2023 to N\$12.2 million in 2024, reflecting these challenges. ANIREP Solar Pty Ltd saw a 13% reduction in normalized operating profit to N\$19.3 million, largely due to the postponement of new capacity coming online at Project Khan and a negotiated tariff reduction agreement for CENORED at the Otjiwarongo plant. This agreement is in full effect while we construct the additional capacity that was awarded in exchange for the reduced tariff. Additionally, costs at ANIREP Aussenkjer Solar One Namibia Pty Ltd (AASON), where ANIREP Solar holds a 55% equity stake in the Khan project, and the costs at Group level increased by 40% to N\$12.5 million.

HopSol Africa Pty Ltd experienced a 50% decrease in normalized operating profit to N\$5.4 million, primarily due to delayed EPC revenue from the Khan project. The total operating profit for the year was N\$8.6 million, a significant drop from N\$43.1 million in the prior year; the prior year included a one-off transaction of warranty proceeds amounting to N\$24 million.

Despite these setbacks, our commitment to growth and sustainability remains steadfast. The delay in closing our rights offer has resulted in projects initially planned for the 2023/24 financial year now being scheduled for completion in the 2024/25 financial year. Key projects are progressing well, including the 25MWp Khan Project, which is on track for commercial operation in Q4 2024, and the Otjiwarongo Project (11MWp), set for operational commencement in 2025. These projects are crucial for our revenue growth and our commitment to sustainable energy production.

Additionally, we are in the process of launching our maiden green bond, which received the highest sustainability green rating from S&P Global. This initiative deepens our engagement in the debt capital market and reinforces our commitment to sustainable financing solutions. ANIREP is well-positioned to serve as a bridge for capital markets into infrastructural renewable projects, solidifying our standing as a leader in the energy sector.

As we move forward, the lessons learned during this challenging year will inform our strategies and decisions. We are committed to enhancing our operational efficiency, advancing our projects, and delivering value to our shareholders. Together, we will navigate the complexities of the energy landscape and emerge stronger, more resilient, and better positioned for sustainable growth, leveraging the perpetual power of African sunlight.



Iyaloo Ya Nangolo
Managing Director





Our Business Strategy and Approach

Our aim is to become the largest developer and operator of utility scale renewable energy assets in Namibia, and grow a well-established brand, leveraging on the track record of Hopsol Africa and ANIREP Solar.

Scale is vital for us, since the largest renewable energy operator will have greater negotiating power with original equipment manufacturers and project finance lenders. This in turn improves our cost and capital structure, which enables us to lower our tariffs and secure more clients. We have already proven to be a reliable EPC that successfully and expediently executes on our development pipeline and wins repeat business. We will continue to leverage on the platform we have established to become the largest renewable energy company in Namibia and, in due course, in the region.

We seek to drive the levelised cost of electricity towards the long term goal of U\$ 0,03 cents per KWh, using our in-house EPC capabilities to reduce the development cost and an appropriate capital structure to reduce the funding cost, by mobilising significant long term equity capital and competitively priced debt. Solar power is a cleaner, faster-to-build and cost-effective alternative energy solution. The typical project plan timeline for our projects is approximately eighteen months. The major stages of project life cycle are bidding, PPA, EIA, land permits, financing, material ordering and delivery, installation, commissioning, as well as monitoring and maintenance.

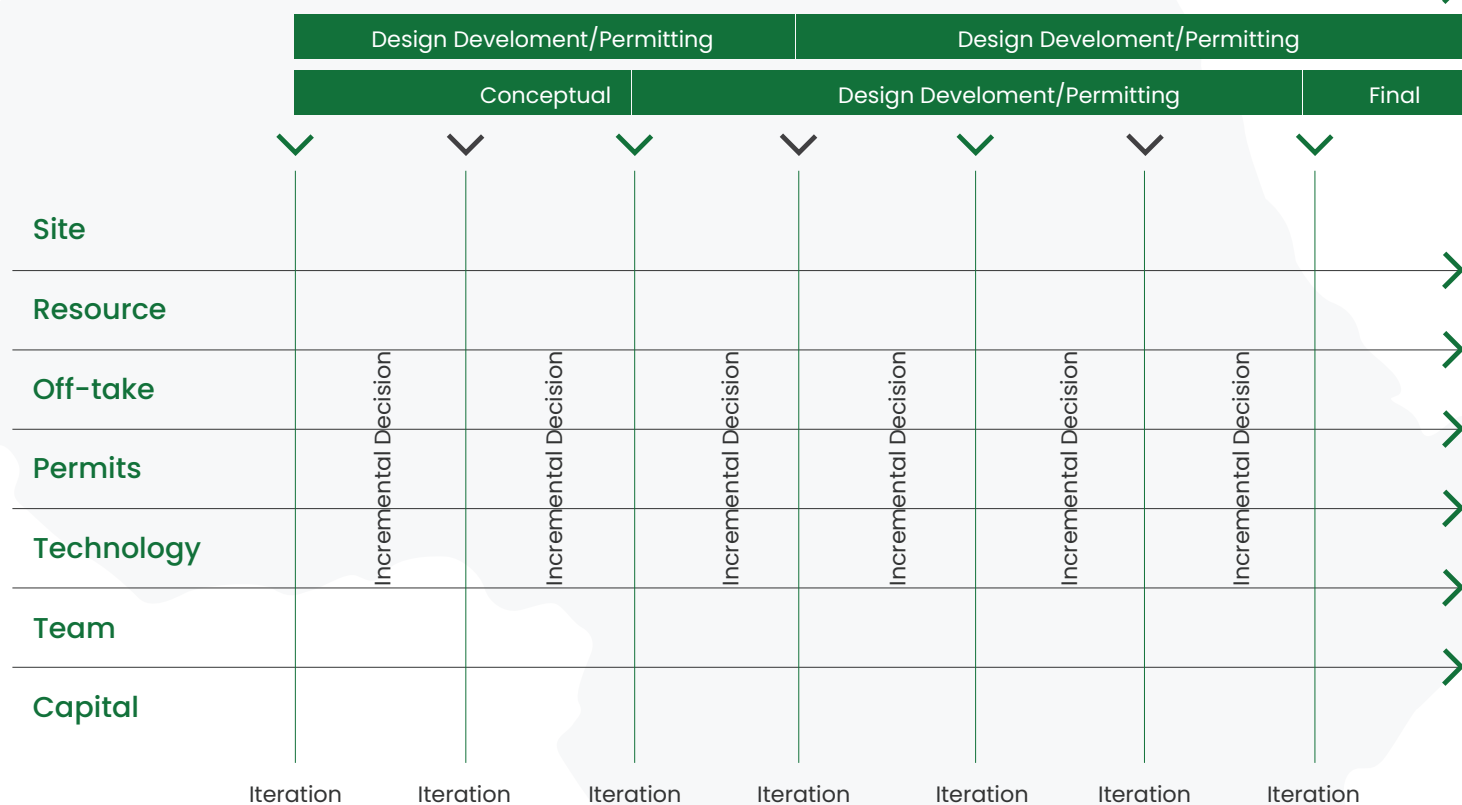
- Once a bid is won, a PPA is signed, which reflects the commercial operation date before which a plant should be commissioned.
- Once land permits are obtained, our EPC team works very closely to construct and deliver the plant in the most efficient manner.
- Once commissioned, our O&M team monitors performance of all the projects near real time.
- We finance our projects with a mix of equity and project debt.

We utilize our integrated project development, EPC, financing and O&M services without involving multiple third-party services. This approach allows us to generate efficiencies of scale that further drive down system costs and improve our returns. We also utilize our in-house operational capabilities to maximise project yield and performance through proprietary system monitoring and adjustments. We continue to innovate further to reduce the cost of energy for our customers and position ourselves and our country as a large scale and low cost producer of renewable energy.

Project Development Equity Capital

Financial
Close (FC)

Time



Before Bid	Post Bid	Project Finance	EPC
- Auction tendered - Land substation identification - Project analysis - Bid compilation and submission	- PPA signed - Land identified and acquired / leased - Permits obtained - SPVs formed	- Term sheet signed - Due diligence conducted - Loan documents disbursed	- DC, mechanical and AC designs created - Block components procured - Project constructed - Commercial operation date

We work with our partners, to provide our customers with the latest technology and innovation for:

- Seasonal solar tracking system;
- Remote tracking for photovoltaic power
- generation through National Operations Control Centre (“NOCC”);
- Battery Energy Solar System
- Hydrogen Generators
- Developing systems for scheduling and forecasting platform; and
- Plant performance analytics to identify areas for current and future loss minimization.

Feedback from our operating projects also serves to further enhance our project designs, resulting in enhancements for current and new plants. We believe the execution of our strategy provides attractive opportunities for profitable growth over the long term.

In general our operational framework involves performing six carefully balanced and controlled stages to deliver quality, on time and within budgetary constraints contracted to our clients.

At all material times, ANIREP strives to conform to standards with special attention to mitigate risks and while prioritising safety of natural and social environment;

Develop a Design Solution to Client Requirements and Secure Viability

Special attention is exerted to conform to requirements of feasibility studies complete with site solar yield appraisals and site assessments, PV Module factory test, technical designs review and foundations designs testing, review and simulation.

Secure Permits to Reduce Inherited Development Risk

We take good care to secure necessary permits from regulators, risks appraisal and analysis, conducting Environmental Impact Assessment, Geotechnical Studies, Grid Connection studies and support, gain investors and lender support to secure bankability of our plants.

Conduct Procurement to Access a Global Reliable Supply Chain

In general we conduct supply chain technical assessments by leveraging our vast experience in technical procurement through quality assurance and quality control. This includes Factory Acceptance Test, pre-shipment testing, packaging, transport, loading and unloading supervision of the equipment.

Carry out Construction Safely and Scheduling

Our experienced team of tried and tested staff is committed to deliver project and construction management, through quality assurance, quality control and cost control. This is in addition to, on site management of Safety Health and Environment Management Plans, commissioning and testing complete with take-over and end of warranty inspections.

Asset Operation To Ensure Availability And Shorten Outage Time

We subject our plants to periodic mandatory inspections. These inspections are coupled with; Non Destructive testing (NDT), corrosion monitoring, thermographic testing, drone inspections, environment monitoring, occupational health and safety, process health and safety, training and failure and damage analysis and assessment.

Asset Management to Extend Operations

We provide Operation and Maintenance (O&M) within our well-conceived inspection and maintenance strategy, ranging from; plant condition monitoring and assessment, to plant integrity management, to reliability engineering, to risk based inspections, to performance optimisation, to remaining life assessment and lifetime extension.

FOR A BRIGHTER TOMORROW SOLAR PANEL

Dedicated solutions for photovoltaic systems and concentrated solar power

Delivered on
time and
on budget



DESIGN

Meet requirements
& secure viability

- Feasibility studies
- Yield calculators & site assessment
- PV module testing & certification
- Sitting support
- Design review
- Foundation calculation verification

Conformity
verified



PERMITTING

Reduce
development risk

- Permitting support
- Risk assessment
- Environment impact assessment
- Geotechnical studies
- Grid connection support
- Due diligence investor / lender services

Condition
monitored
and managed



PROCUREMENT

Access a global,
reliable supply chain

- Supply chain technical assessment
- Technical procurement support
- Shop inspections (QA/QC)
- Expediting
- Factory acceptance tests
- Pre-shipment PV module testing
- Packaging, transport, loading, & unloading supervision

HSSE
prioritised



CONSTRUCTION

Run projects safely
& to schedule

- Project & construction management support
- On site QA/QC
- On site HSE
- Foundation construction supervision
- Take-over and end-of- warranty inspection

Risks assessed
and mitigated



ASSET OPERATION

Ensure availability &
shorten outage time

- Periodic mandatory inspections
- Non-destructive testing (NDT)
- Occupational health and safety
- Process health and safety
- Corrosion monitoring
- Thermographic testing
- Drone inspections
- Environmental monitoring
- Training
- Failure and damage analysis

Maintenance
costs optimised



ASSET MANAGEMENT

Extend operating life &
increase performance

- O&M management
- Inspections and maintenance strategies
- Condition and monitoring & assessment
- Asset integrity management
- Reliability engineering
- Risk-based inspections
- Performance optimisation
- Remaining life assessment & lifetime extension

Capital discipline

We are focused on delivering returns above our cost of capital and all new projects are expected to deliver returns that ANIREP gauges based on IRR against Investment risk at different stages of development/ acquisition from Pre – Commercial Operation Date to Post Commercial Operation Date contingent on factors that are attributable to lifecycle of business. Due to this, risk is identified in certain categories with the relevant required IRR, required for each investment stages as below:

Risk	Stage	Return
High	Development	CPI + 10.5% JIBAR + 6.0%
Medium	At a stage that a project requires funding and construction and is centred around financial close	CPI + 8.5% JIBAR + 4.0%
Low	Project has reached commercial operation stage.	CPI + 6.5% JIBAR + 4%

CPI as at 31 July 2024 is 4.90%.

JIBAR as at 1 July 2024 is 8.45%.

We apply our highly disciplined strategy towards growth and capital allocation, concentrating on developing projects which fit within our investment criteria of long-term contracted projects that can leverage the expertise we have built through our operating platform.

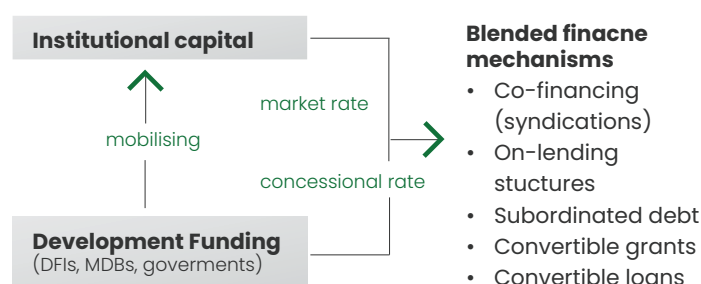
By comparison, secondary data suggest that the IRR for renewable energy projects globally is about 8-9%, with an initial dividend yield of about 6% and positive real dividend growth (IEEFA, 2017; Edwardson, 2019; Tweed, 2016). Projects in emerging and developing markets usually bring higher returns. Based on data from the Mercatus' platform of more than 80 GW of renewable energy projects, the average return (expressed as unleveraged IRR) on solar projects was 10.4% in the Middle East and 10.3% in Africa in 2016 (Tweed, 2016).

Financing strategy

Our long-term financing strategy is to access international capital markets, to enhance access to and lower the cost of capital leading to better economics for our customers and shareholders. We intend to diversify our capital sources by establishing global relationships and strategic partnership with various sources including international, regional and local pension funds, international green institutional investors, development finance institutions, export credits institutions, domestic and international lenders, and public equity. We have commenced with the process of issuance of Green Bonds which is likely to happen in the next financial year.

Developing desirable capital market instruments to link institutional capital and development funding with renewable assets by delivering efficient investment vehicles of scale is the path we seek to walk.

Blended finance approach targeting the “Green” Debt/Equity Capital Markets



Cash flows from renewable energy projects typically last 20-30 years, with an average life span of about

25 years. Thanks to low and stable operating expenses with minimal volatility, and revenues supported by long-term 25 year power purchase agreements, our cash flows from renewable projects are relatively stable and predictable and similar to the pay-outs from fixed-income investments such as bonds. As such, they match the long-term investment horizons and liabilities of most institutional investors, such as pension funds, life insurance companies, some Sovereign Wealth Funds etc.



Capital Allocation

We seek to optimize the cash flow generation from each of our projects. Our strong and predictable cash flow generation is the basis for funding new growth projects (acquisition opportunities and developments), and also supports our progressive dividend policy.

We view ANIREP as a dividend play in the short to medium term, with long term capital appreciation. We therefore intend to use the cash generated from operations to pay out dividends, not for reinvesting, with our yield to be benchmarked against cash and other industry players. We intend to source growth capital from the debt and equity capital markets, based on the strength of our opportunities.

A sustainable approach

Sustainability is core to our DNA, and we fully understand that we can only thrive in the long term through profitable solutions to the world's problems, thereby creating value simultaneously for both shareholders and society.

Sustainability for us means “providing clean affordable renewable energy while safeguarding the health and safety of our people and giving back to our environment and communities in a socially responsible way”.

Our approach to sustainability is integrated across our core business activities. We are committed to making a meaningful positive impact on the communities we operate in and we continuously look for ways to give back and empower local communities around our projects. We strive to hire from local communities, providing local communities with a stream of discretionary cash flow without displacing alternative businesses. We intend to expand this to providing courses and training to the local community in order to be able to help with construction of the solar plants.

The MTC HopSol Youth Soccer League is a professionally organized youth development soccer program in Namibia that strives to uplift and better communities and individuals.





HopSol Africa in partnership with Mobile Telecommunications Company (MTC) Namibia has a sponsorship agreement of N\$1 million over a three year period, to a youth soccer league whereby more than 2000 youth and children (120 teams) participate every weekend countrywide.

Taking our corporate social responsibility very seriously, in 2017 the HopSol Youth Soccer League started sponsored with N\$1 million by HopSol. One year after the launch of the HopSol Youth Soccer League the success of the league can only be named as phenomenal. Over 1,000 kids were participating in the soccer tournaments during 2017 and were inspired by the professional set-up and the challenging competitions between clubs and schools from all over the Windhoek region.

Seven years later, the MTC HopSol Youth Soccer League is still experiencing rapid growth and shows high consistency. It is the only Youth league currently of such dimension. The league runs on a 10-month cycle per annum and is perfect for scouting for fresh blood for Premier League teams as well as national team players for different age groups.

Our People

ANIREP Group has proven to be a reliable EPC that successfully and expediently executes on our projects, meets customer expectations and wins repeat and on-going business. We continue to leverage on the platform we have established and the track record of HopSol Africa and ANIREP Solar, as we embark on our journey to become one of the largest developers and operators of utility scale renewable assets in Namibia.

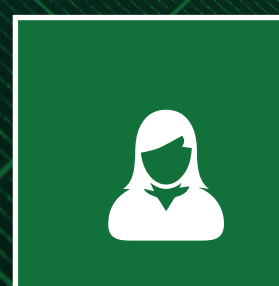
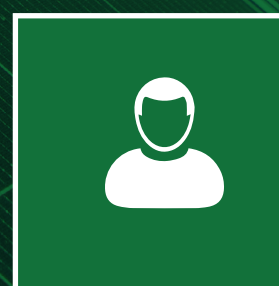
As a people-driven business, our success is dependent on the skills and experience of our 50 permanent employees and up to 400 employees depending on active projects at any given time. We work hard to recruit the right people who we know will perform well and thrive with us. We are a young, dynamic and growing, high performance company constantly looking for high achievers who are committed to excellence. We look for individuals who are motivated self-starters with a strong will to learn, to develop, work well within a team and are a good cultural fit.

The pandemic particularly showed the resilience of our employees, and we are incredibly proud of them. Values like reliability, commitment, flexibility and professional competence are as important to us as being close to our clients, exceeding their expectations and executing their projects in a professional manner.

All this demands highly developed management skills as well as hands-on mentality which we consider both indispensable in order to satisfy the needs of our clients.

It is the policy of our company to recruit, train and promote persons in all job titles without regard to race, colour, religion, sex, age, national origin, veteran status, disability, sexual orientation or gender identity.

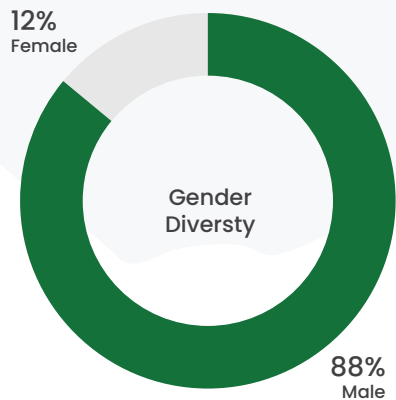
**We are a young,
dynamic and growing,
high performance
company constantly
looking for high
achievers who
are committed to
excellence.**



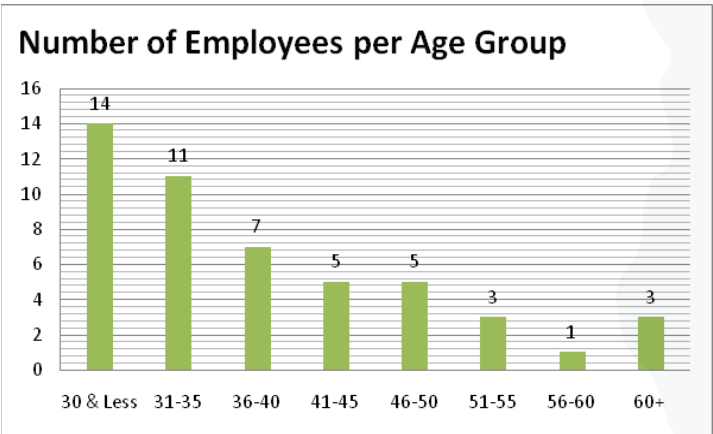
Equality, diversity and inclusion

We need a diverse workforce to be successful as a company, especially as we advance in the field of energy transition, to help us solve complex challenges that matter, build long-term and trusted relationships, and make a real contribution to a low-carbon future. Therefore we value and respect each individual, the work-life balance and the importance of a diverse and inclusive workforce.

Gender diversity in numbers



The average age of employees stands at 38 years of age



The company maintained sound company/union relations throughout the financial year.

Senior leadership and succession planning

While we are still a young and growing team, we are mindful of the need for succession planning and we will be introducing a program to identify and develop talent, designed to select individuals who are ready to step up to new challenges outside their comfort zone; following evaluation and any adjustment necessary, we expect this to result in a reliable system for growth and succession planning.

Health and Safety

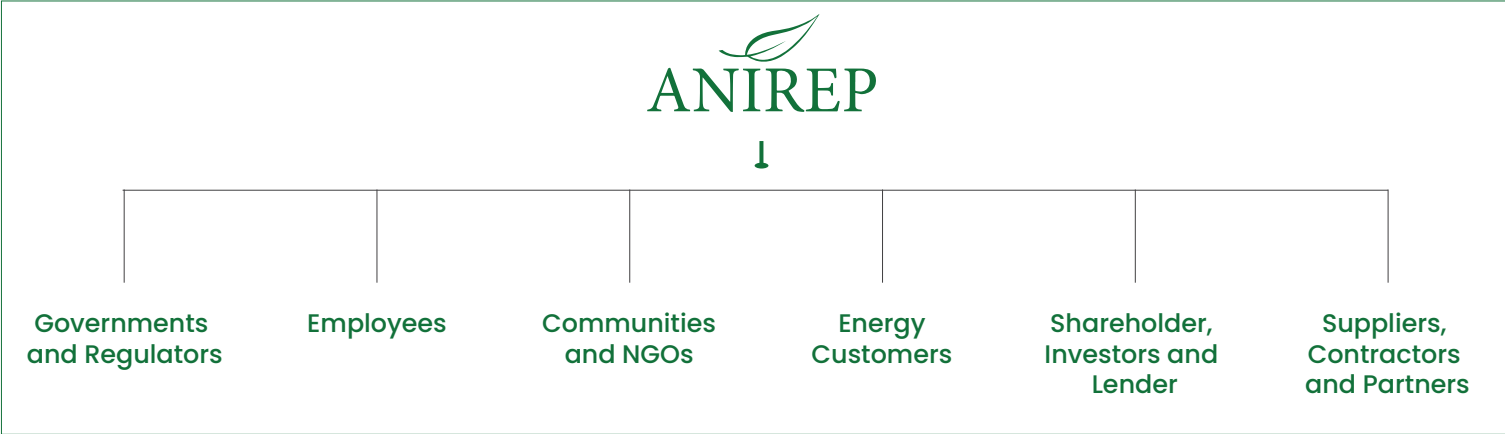
The Group is committed to comply with Namibian Legislation, international standards and the Group's health, Safety, Security & Environment (HSSE) Management System and ensuring the health, safety and welfare of all our employees, contractors, visitors and all stakeholders and the environment.

The Group statement on HSSE is to:

- Provide adequate control of the health and safety and environment risks arising out of work activities
- Consult with our employees on matters affecting their health and safety
- Provide and maintain safe plant equipment
- Ensure safe handling and use of substances
- Provide information, instructions and supervision for employees
- Ensure all employees are compelled to do their tasks, and to give them adequate training
- Prevent accidents and cases of work related ill health
- Maintain safe and health working conditions
- Protect the environment and use as less natural resources as possible.
- ANIREP continued to maintain high Health and Safety high standards throughout the year with no major incidences reported

Stakeholder engagement

At ANIREP, we recognise that a sustainable strategy is one which is reflective of stakeholder views and input, in support of our strategic approach of creating value for shareholders and society. We therefore promote an open and transparent approach to stakeholder engagement, demonstrating how stakeholder interests have been considered in long-term plans and day-to-day decision making. Our view is that our stakeholders are people, communities, organisations with an interest in our purpose, strategy, operations and actions who may be affected by them. The relationship with key stakeholders is two-way, with ANIREP relying on a range of inputs, in return for which value is generated, as illustrated below:

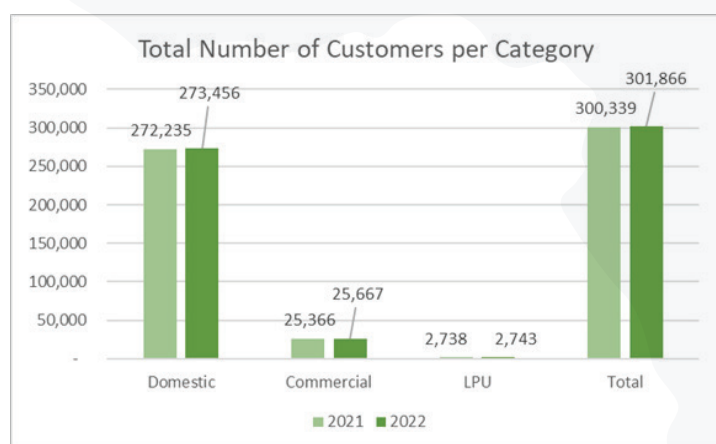


Energy customers We engage to provide clean renewable energy that represents value for customers’ money. Input to ANIREP: Customer priorities and expectations. Value created: Reliable and competitive provision of energy.	Shareholders, investors and lenders We engage to ensure confidence and support from those that invest in and lend to ANIREP. Input to ANIREP: Provision of finance, strategic direction and stewardship. Value created: Sustainable return on investment.	Employees We engage to attract, retain and develop a diverse and talented workforce now and for the future. Input to ANIREP: Talent, skills, values and output. Value created: Inclusive, fulfilling and high-performing workplace.
Government and regulators We engage to ensure fair energy sector frameworks for energy customers and investors. Input to ANIREP: Public policy and regulatory frameworks. Value created: Considered and expert sector views; delivery of policy and regulatory aims.	Communities and NGOs We engage to support the achievement of shared goals with social benefit. Input to ANIREP: Distinctive social, environmental and energy-related perspectives. Value created: Robust social contract through which value is shared.	Suppliers, contractors and partners We engage to support the greatest all-round value from our investments. Input to ANIREP: Quality goods and services and investment. Value created: Sustainable relationships, value creation and partnership expertise.

The Electricity Landscape we operate in

In Namibia, electricity users are collated by Electricity Control Board (ECB) into three main categories namely domestic (residential), commercial (corporates) and large power users (industrial). ECB also regulates corresponding tariffs for these categories. ANIREP as a generator and developer strategically strives to serve customers referred as Contestable Customers under Namibia Electricity Supply Industry Market Framework (MME, April 2019).

In general, Contestable Customers form a subset of industrial users, the Large Power Users (LPU), whose numbers were more than 2700 users in 2022. The MSB Frame Phase 1b which came into full effect in July 2021, enables not only bilateral wheeling and trading, but also exports of the power into Southern African Power Pool (SAPP). LPU are defined as customers connected with demand meters **(see the table below)**.



Source: ECB Publication on Electricity Supply Industry Statistical Bulletin Understanding Performance-Based Regulations in the Electricity Supply Industry in Namibia 2022.



Contestable Customers		Contestable Purchases	Indicative date
Phase 1a	• NamPower Transmission connected customers	30% of total	Sep 2019 - Jun 2021
Phase 1b	• NamPower Transmission connected customers • Distribution customers (1 MVA and above) • Distribution customers (below 1 MVA) - TBC	• 30% of total • Increasing cap >30% - TBC	Jul 2021 - Jun 2026
Phase 2	• As above • Further customers TBC by the ECB	TBC by ECB	Jul 2026 - Ongoing

Markets and Regulatory Environment

An efficient, resilient, and financially robust power sector is essential for the growth of the Namibian economy. A series of reforms, including the modified single buyer model (“MSBM”) which became effective 1 July 2021, are moving the Namibian power sector towards being a competitive market with multiple buyers and sellers supported by regulatory oversight.

The introduction of the MSBM is a key step in market liberalisation and establishing a wholesale power market in Namibia.

- IPPs can generate and sell power directly to municipalities, large industrial and mining companies, and regional electricity distributors. The regional electricity distributors, municipalities, large industrial and mining companies can purchase up to 30% of their energy demand from IPPs.
- IPPs have access to the transmission network.
- ECB licenced export/import vendors now have access to cross border markets of sub-Saharan Africa; and can sell electricity in bilateral terms by becoming South African Power Pool members.
- The system operation shall be a fully transparent entity, publishing its supply and demand balance in near real-time.

The Modified Single Buyer framework which became effective on 1st July 2021, builds incrementally on

the Single Buyer (SB) model. The main change to the Single Buyer model is that the Modified Single Buyer allows transmission electricity consumers and Independent Power Producers (IPPs) to transact with each other directly for the supply of electricity.

Transmission customers are now able to buy a portion (up to 30 percent) of their energy requirements directly from a private Generator.









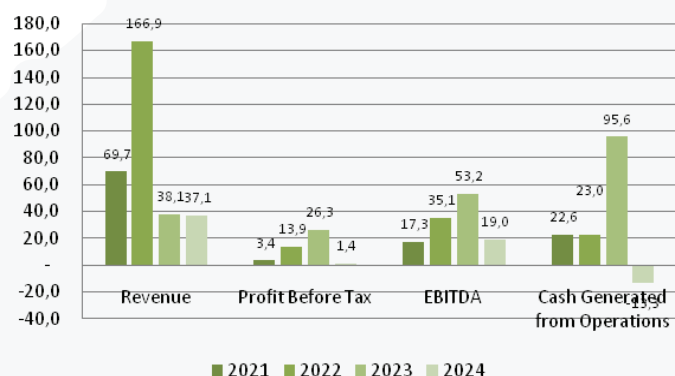
CHIEF FINANCIAL OFFICER'S REPORT

**James
Nyandoro**

Chief Financial
Officer's Report



ANIREP Group Performance



The impact of the above is a reduction of normalised operating profit from N\$24 million in 2023 to N\$12 million in 2024. In prior year the reported operating profit was boosted by once off warranty proceeds from delaminated Otjiwarongo solar panels which were replaced with suitable and more resilient crystal mono perc panels. The net impact of the warranty proceed in 2023 financial results was N\$15.3 million.

The impact of the reduced rate, delay in EPC project at Otjiwarongo as well as the fact that as a growing company, the development cost for new projects in the pipeline are being borne by Head Office resulted in the group posting :

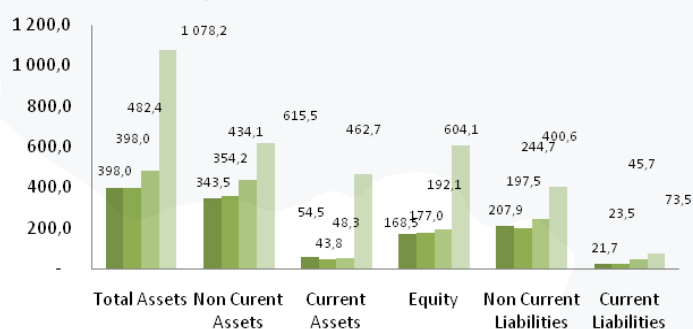
- a loss before tax of N\$7.9 million compared to a profit N\$28.7 million in prior year,
- a negative basic earnings per share of 35 cents down from 72 cents for the year ended 28 February 2023 and
- a negative headline earnings per share of 41 cents which is down from 25 cents for the year ended 28 Feb 2023.

Non-Current assets increased from N\$434 million to N\$615 million mainly due to amounts spent to date for 25MWp PV Power plant under AASON at Khan Substation.

Current assets increased from N\$48 million to N\$463 Million mainly due to cash resources held at year end. During December 2023, a rights offer was closed where ANIREP Limited raised N\$437 million which is earmarked for Khan, Otjiwarongo Expansion and Dundee projects. ANIREP Limited has 2 years to deploy the proceeds of the rights offer to projects. At year end cash resources held amounted to N\$386 million compared to N\$34 million in the prior year

Equity increased from N\$192 million to N\$604 million as a result of N\$437 million equity raised through Rights Offer. Non-current liabilities increased from N\$244 million to N\$400 million due to the debt funding that was used to finance the Khan project.

ANIREP Group Financial Position



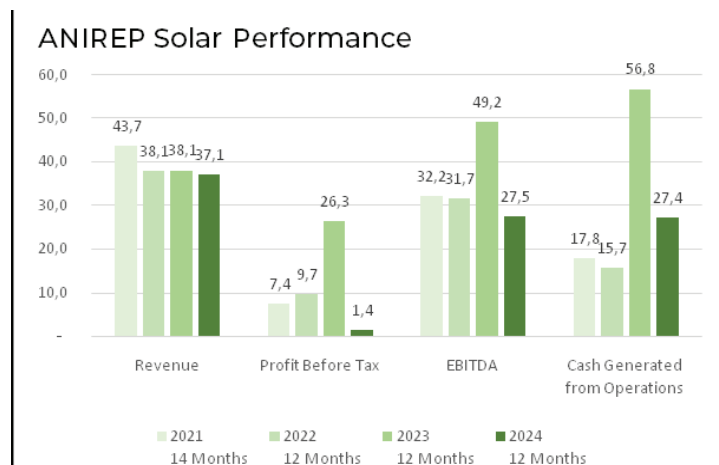
Group Financial Performance

For the year ended 29 February 2024, revenue generated by the Group amounts to N\$74 million compared to N\$79 million in prior year. This is 6% below prior year mainly due to delays in the construction of the Khan projects. Further ANIREP Solar took a deliberate decision to reduce the tariff for 5MW Otjiwarongo plant which sells power to CENORED in exchange for additional 6MW expansion for the existing plant i.e. bringing in more volumes for ANIREP Solar. The long term benefits warranted this downward exchange. The impact of the Otjiwarongo rate reduction has impacted the Gross Profit percentage from 88% in the prior year to 82% for the current year.

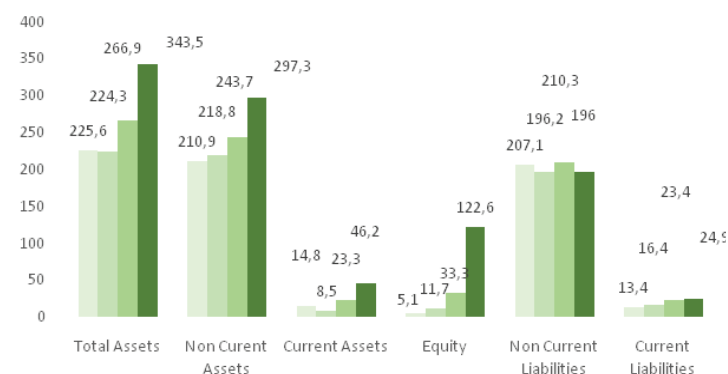
Normalised EBITDA reduced from N\$37.8 million in the previous year to N\$19 million. Reported EBITDA reduced from N\$53.2 million to N\$19 million. Although the business continues to generate cash in line with the nature of the long-term power purchase agreements the current year performance was affected by the delay in closing the rights offer which consequently caused a delay in bringing projects on stream. This is in addition to the rate reduction for Otjiwarongo plant.

Subsidiaries Performance

ANIREP Solar



ANIREP Solar Financial Position

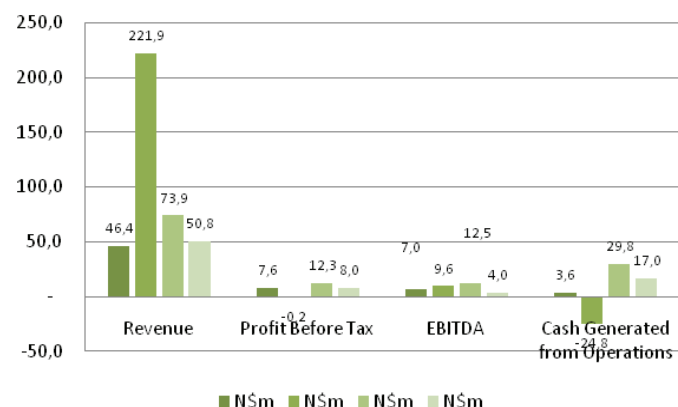


ANIREP Solar achieved a revenue of N\$37.1 million which is slightly below prior year of N\$38.1 million. Although the impact of the replaced solar panels resulted in higher output, the strategic rate reduction resulted in total revenue reducing by N\$1 million. Profit before tax for the year of N\$1.4 million is significantly lower than the previous year of N\$26 million. Prior year was positively impacted of the warranty proceeds. Normalised Profit before tax for the year is N\$11 million representing a 13.4% increase. EBITDA for the period was N\$27.5 million compared to N\$49.2 million for last year. Cash generated from operations for the year were N\$27.4 million down from N\$56.8 million for the previous year.

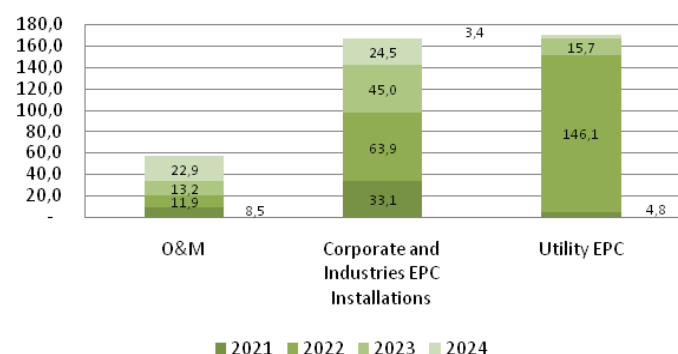
Non-Current assets for ANIREP Solar increased from N\$243.7 million to N\$297.3 million due to increased contribution of N\$48 million by ANIREP Solar into ANIREP Aussenkjer Solar One Namibia which is in the process of constructing 25MW Khan project. Current assets increased from N\$23.3 million to N\$46.2 million due to cash injection from ANIREP Limited to fund projects that ANIREP Solar is implementing. Non-Current Liabilities decreased from N\$210 million to N\$196 million due to repayments of loans to the debt funders for ANIREP Solar.

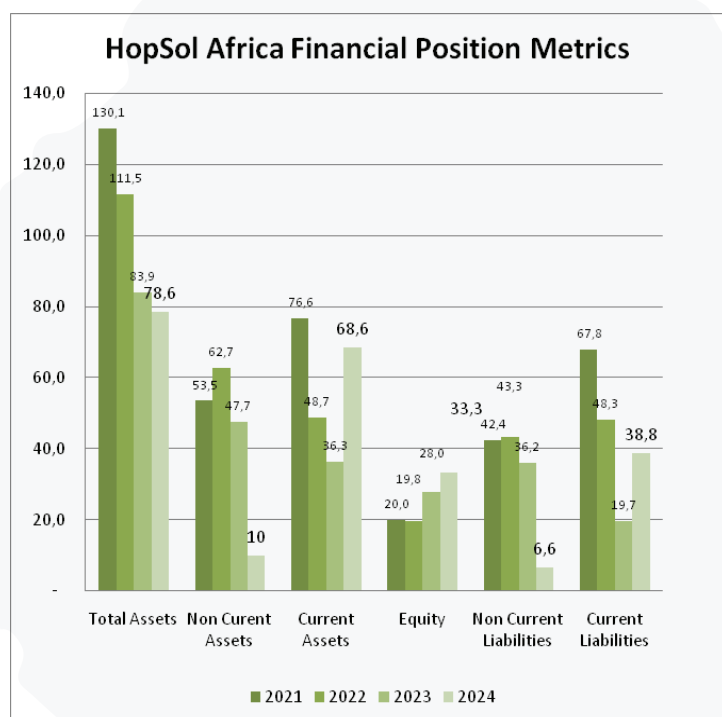
Hopsol Africa

HopSol Africa Financial Performance



HopSol Africa Revenue Analysis





Engineering Procurement and Construction (“EPC”) Revenue fluctuates in line with the contracts that HopSol Africa is working on at any point. In the current financial year EPC revenue reduced by 78.5% for the year to N\$3.4 million mainly due to the delay in the construction of Khan project which HopSol Africa had anticipated to have completed during the year. O&M Revenue increased by 73% to N\$15.6 million and commercial and industrial installations reduced by 45.6% to N\$24.6 million for the current financial year.

HopSol Africa posted a revenue of N\$50.6 million (2023: N\$73.9 million) which comprises mostly Industrial and commercial installations and O&M. Gross profit percentage for the year of 56% compared to 49% for the previous year reflects that O&M contracts and commercial installations tend to be more profitable compared to large scale EPC contracts which tends to be high value with low returns. In addition, generally, costs for Solar Plant inputs such as Solar panels, trackers and inverters have improved post Covid-19 levels.

The lower revenue at improved profitability levels with operating expenses at the same level as last year resulted in HopSol Africa achieving an operating profit of N\$5.5 million a profit before tax of N\$8 million after taking into account finance income of N\$5.8 million and finance cost of N\$3.3 million. Profit after tax for the year is N\$5.3 million an increase from last year’s profit of N\$8.2 million.

Financial Outlook

The Group will continue to provide investors with solid, predictable and long-term yields generating a consistent and growing return on equity over the long term by continuing to target investments in renewable energy plants that will deliver value to our shareholders. With the closing of the Rights offer, ANIREP Limited will increase the capacity in the next 24 months with 56MW which will positively contribute positively to the Group’s profitability as well as the cashflows. The increased capacity is in line with positioning ANIREP as a dividend play in the short to medium term, with long term capital appreciation.

James Nyandoro

Chief Financial Officer’s Report

GOVERNANCE



Our strategy is supported by high standards of corporate governance, which we review regularly to ensure robust reporting, strong relationships with our stakeholders and to align our businesses with global good practice.

OUR APPROACH TO CORPORATE GOVERNANCE

We understand that adhering to the highest standards of corporate governance is fundamental to the sustainability of our business. Our business practices are conducted in good faith, in the interests of the company and all its stakeholders, with due regard for the principles of good corporate governance. The unitary Board of directors is the foundation of our corporate governance system and is accountable for our performance. The Board retains effective control of the business through a clear governance structure and has established committees to assist it in line with the provisions of our provisional Board charter. The Board recognises that delegating authority does not reduce the responsibility of directors to discharge their statutory and fiduciary duties.

We continue to review our governance structures to ensure they support effective decision-making, establish a corporate culture aligned with ANIREP’s purpose, foster sustainable growth and align to evolving best practice.

APPLICABLE GOVERNING FRAMEWORKS



ANIREP is subject to the NSX Listings Requirements and The Companies Act 28 of 2004.

ANIREP's philosophy on Corporate Governance is driven by ethical leadership, based on the over-arching principles shown below:



Through ethical leadership, ANIREP seeks to build a sustainable business by having regard for the company's economic, social and environmental impact on the communities in which we operate through effective strategy and operations.

This triple context of economic, social and environmental considerations enhances the company's potential to create economic value. It ensures that the economic, social and environmental resources that the company requires to remain in business are treated responsibly. By looking beyond immediate financial gain, the company protects its reputation – its most significant asset – and builds trust.

THE BOARD OF DIRECTORS

The NamCode confirms the role of the Board as the focal point for corporate governance. In doing this, the NamCode has embraced the term Responsible Leadership, under which it has characterised a model Board of Directors.

The Board has collective responsibility to provide and ensure good governance. As such, it is the responsibility of the directors to ensure, among others that the company:

- operates ethically and with integrity, and as a responsible corporate citizen;
- accounts for the interests of the community within which it operates;
- integrates strategy, performance and sustainability;
- complies with laws and regulations;
- identifies and manages risks; and
- employs structures and processes to ensure the integrity of its financial reporting.

The directors are ultimately accountable for adherence to best practice principles and the direct responsibility of the Board is focused on the design and adoption of adequate policies, inculcating the required culture to adhere to such policies, and the subsequent oversight of the implementation of such policies. Management bears responsibility for the implementation of policies.

Our success is founded on a clear strategy, which delivers competitive returns and sustainable value. The Board draws on the wealth of knowledge and experience of its members to guide the company in achieving its strategic priorities. With a deep understanding of our values, each director has and makes a valuable contribution to the responsible governance of the company.

The Board has members of the appropriate calibre to provide the company with strategic direction.

The Board of directors of ANIREP acknowledges the need for a Board charter as recommended by the Code of Governance Principles for Namibia (Namcode), King IV Report on Corporate Governance for South Africa – 2016 and is subject to the provisions of Companies Act 28 of 2004.

The purpose of the charter is summarised below:

- a. the roles, responsibilities, functions and powers of the Board, individual directors and the executives of the Company;
- b. the powers delegated to various committees of the Board;
- c. relevant principles of the Company's limits and delegations of authority and matters reserved for decision-making by the Board; and
- d. the policies and practices of the Board in respect of matters such as corporate governance, declarations and conflicts of interest, Board meeting documentation and procedures, composition of the Board and the nomination, appointment, induction, training and evaluation of directors and members of Board committees.

The roles and responsibilities of the Board of Directors are set out below:

- a. Act as the focal point for, and custodian of, corporate governance by managing its relationship with management, the shareholders and other stakeholders of the Company along sound corporate governance principles.
- b. Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
 - i. Contributing to and approving the strategy
 - ii. Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management
 - iii. Identifying key performance and risk areas
 - iv. Ensuring that the strategy will result in sustainable outcomes; and
 - v. Considering sustainability as a business opportunity that guides strategy formulation.
- c. Provide effective leadership on an ethical foundation.
- d. Ensure that the Company is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the Company but also the impact that business operations have on the environment and the society within which it operates.
- e. Ensure that the Company's ethics are managed effectively.

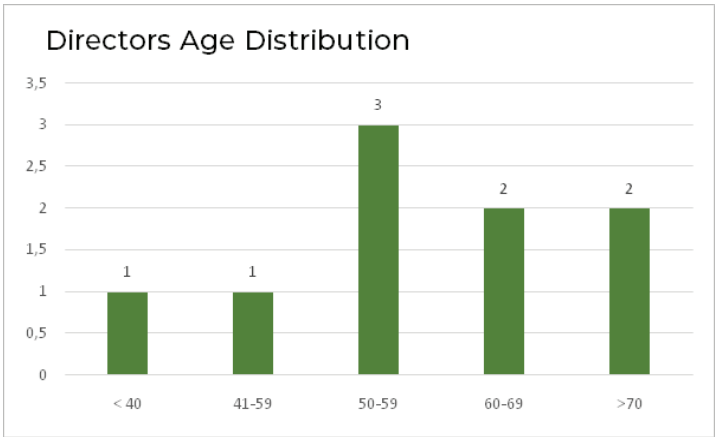
- f. Ensure that the Company has an effective and independent audit committee.
- g. Be responsible for the governance of risk.
- h. Be responsible for information technology (IT) governance.
- i. Ensure that the Company complies with applicable laws and considers adherence to non-binding rules and standards.
- j. Ensure that there is an effective risk-based internal audit.
- k. Appreciate that stakeholder's perceptions affect the Company's reputation.
- l. Ensure the integrity of the Company's integrated report.
- m. Act in the best interests of the Company by ensuring that individual directors:
 - i. Adhere to legal standards of conduct
 - ii. Are permitted to take independent advice in connection with their duties following an agreed procedure
 - iii. Disclose real or perceived conflicts to the board and deal with them accordingly and
 - iv. Deal in securities only in accordance with the policy adopted by the board
- n. Commence business rescue proceedings as soon as the Company is financially distressed.
- o. Elect a chairman of the board that is an independent non-executive director.
- p. Appoint and evaluate the performance of the Managing Director

The composition of the Board of Directors is summarised below:

- The board comprises a balance of executive and non-executive directors, with a majority of non-executive directors.
- A majority of the non-executive directors should be independent. Directors are appointed through a formal process and the Nomination and Remuneration Committee assists with the process of identifying suitable candidates to be proposed to the shareholders.
- The Managing Director and the Chief Financial Officer are ex officio members of the board.
- A formal induction programme is established for new directors. Inexperienced directors are developed through a mentorship programme. Continuing professional development programmes are implemented which ensure that directors receive regular briefings on changes in risks, laws and the environment.

**BOARD OF DIRECTORS COMPOSITION
DIVERSITY AND INCLUSION**

ANIREP recognises the benefits of a diverse Board. The Board comprised of 82% black Board members, of which 27% are women. We continue our efforts to increase female representation and as such going forward the annual performance evaluation of the Board, the nomination committee will continue to focus on gender and race diversity as priority areas..



INDEPENDENCE

Independent non-executive directors are highly experienced and have the skills, background and knowledge to fulfil their responsibilities. All directors have a duty to act with independence of mind in the best interests of the company. With the proposed augmentation of the Board, The Board believes the independent non-executive directors are of the appropriate calibre, diversity and number for their views to carry significant weight in its deliberations and decisions.

The classification of independent non-executive directors is determined by the Board on the recommendation of the remuneration and nomination committee. In determining the independence of these directors, and with due regard to the relevant criteria set out in NamCode and the NSX Listings Requirements, character and judgement are considered, along with any relationships or circumstances that are likely to affect, or could appear to affect, their judgement.

**MEETING ATTENDANCE AND REMUNERATION
– PLEASE UPDATE TABLES BELOW**

- The board holds sufficient scheduled meetings to discharge all its duties as set out in the Board charter but subject to a minimum of four meetings per year.
- Meetings in addition to those scheduled are held at the request insistence of a director.
- The chairman of the board may meet with the Managing Director and the Chief Financial Officer and/or the secretary of the board prior to a board meeting to discuss important issues and agree on the agenda.

Main Board Attendance:

Member	Meeting Date 29 May 2023	Meeting date 12 June 2023	Meeting date 29 June 2023	Meeting date 13 July 2023	Meeting date 28 September 2023	Meeting date 09 November 2023	Meeting date 17 Jan 2024	Remuneration	Executive	Non-executive
Gida Nakazibwe-Sekandi	X		X	X	X	X	X	72,000.00		X
Mac Hengari	X	X	X	X	X	X	X	112,000.00		X
Amb. Philemon Kambala	X	X	X		X	X	X	72,000.00		X
Sphiwe Mayinga	X	X	X	X	X	X	X	84,000.00		X
Faniel Kisting	X	X		X		X	X	60,000.00		X
Iyaloo Nangolo	X	X		X	X	X	X	-	X	
James Nyandoro	X	X		X	X	X	X	-	X	
Meklit Demamu	X					X		-	X	
Hans Hamukoto	X	X			X			-	X	
Antti Myllarinen	X	X		X	X	X	X	-	X	
Stephanus Oosthuysen	X	X		X	X	X	X			X

COMPANY SECRETARY

At 28 February 2024, Ellis Shilengudwa Incorporated (ESI). was the Company Secretary, duly appointed by the Board in accordance with the Companies Act. The Board considered and is satisfied that the individuals who perform the Company Secretary role, and the members of ESI, are properly qualified and experienced to competently carry out the duties and responsibilities of Company Secretary.

each individual committee. Committees terms of reference are reviewed every two years which will be in the financial year 2024/25 financial year. annually and will set out the committees'. The review takes into account amendments to applicable legislation and developments in international best practices. Committees report to the Board at each Board meeting and make recommendations in accordance with their terms of reference. The committees' Chairpersons attend annual general meetings of shareholders to answer any questions.

BOARD COMMITTEES'

ANIREP has the following functional committees of the Board:

- Investment Committee
- Audit and Risk Committee
- Remuneration and Nomination Committee
- Environment, Social and Governance

The sub-committees assist the Board with fulfilling its responsibilities in accordance with the provisions of the company's Board charter. The Board acknowledges that the delegation of authority to its committees does not detract from the Board's responsibility to discharge its fiduciary duties to the company. Each of the committees' terms roles and responsibilities, functions, scope of authority and composition are set out in the Terms of reference of

INVESTMENT COMMITTEE

The investment committee is constituted as in independent committee which makes investment recommendations to the board.

ROLES

The Committee has an independent role, operating as an overseer and a maker of recommendations to the board for its consideration and final approval. The Committee does not assume the functions of management, which remains the responsibility of the Executive directors, officers and other members of senior management.

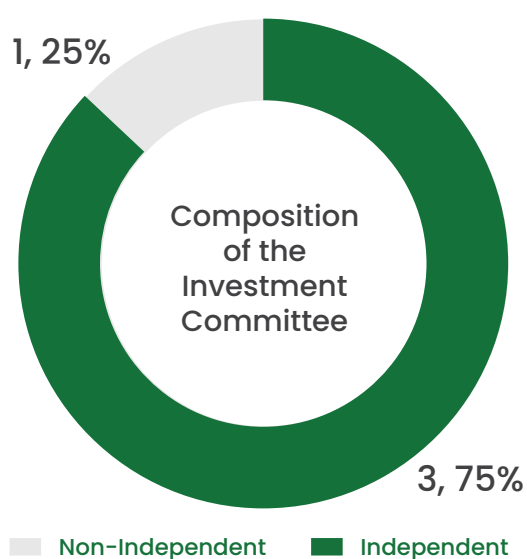
The role of the Committee is to assist the board:

- In considering investment opportunities in respect of assets in generations, transmission and distribution space of renewable electricity supply industry, listed securities and other corporate action.
- To approve acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it and in line with the strategy determined by the board.
- To approve, guide and influence key investment policies and strategies;

RESPONSIBILITIES

The Committee performs all the functions necessary to fulfil its role which include the following:

- Review the investment strategy;
- Set criteria and targets for investment;
- Approve proposals for development, acquisition and sale of properties;
- Periodically review due diligence processes for acquisitions;
- Approve equity and other strategic investments;
- Review market valuations by external valuers;
- Annually review performance of the property portfolio;
- Report regularly and make recommendations to the board for approval



Audit & Risk Committee

The Audit & Risk Committee has an independent role with accountability to both the board and shareholders.

The purpose of the Audit and Risk Committee for ANIREP is to:

- assist the Board in its oversight of the integrity of the ANIREP's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements and the financial reporting systems and internal controls;
- monitor, on behalf of the Board, the effectiveness and objectivity of internal and external auditors;
- provide input to the Board in its assessment of enterprise risks and determination of risk appetite as part of the overall setting of strategy for ANIREP; assist the Board in its oversight of ANIREP's risk management framework¹, monitoring its effectiveness through functional implementation in the 'second line of defence' and its performance to protect against and mitigate risks in the 'first line of defence'

Responsibilities

Integrated reporting

The Committee oversees integrated reporting, and in particular the Committee must:

- Have regard to all factors and risks that may impact on the integrity of the integrated report, including factors that may predispose management to present a misleading picture, significant judgements and reporting decisions made, monitoring or enforcement actions by a regulatory body, any evidence that brings into question previously published information, forward-looking statements or information
- Review the annual financial statements, interim reports, preliminary or provisional result announcements, summarised integrated information, any other intended release of price-sensitive information and prospectuses, trading statements and similar documents

- Provide comments on the accounting practices and the effectiveness of the internal financial controls in the annual financial statements.
- Review relevant disclosure issues in the integrated report to ensure they are reliable and do not conflict with the financial information in the financial statements.
- Recommend to the board the engagement of an external assurance provider on material sustainability issues
- Recommend the integrated report for approval by the board
- Issue interim results in accordance with Namibia Stock Exchange rules

Combined Assurance

The Committee will ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities, and in particular the Committee should:

- Ensure that the combined assurance received is appropriate to address all the significant risks facing the Company; and
- Monitor the relationship between the external assurance providers and the Company.

Finance function and Chief Financial Officer

- The Committee reviews the expertise, resources and experience of the Company's finance function, and discloses the results of the review in the integrated report.
- The Committee also considers and satisfies itself of the suitability of the expertise and experience of the Chief Financial Officer every year.

Internal Audit

The Committee is responsible for overseeing the internal audit function, and in particular the Committee must:

- Be responsible for the appointment, performance assessment and/or dismissal of the Internal Auditors.
- Approve the internal audit plan;

- Ensure that the internal audit function is subject to an independent quality review at least once every five years; and
- Must review and evaluate internal audit reports and effectively monitor the closure of internal audit finding.

Risk Management

- The board should be responsible for the governance of risk through formal processes, which include the total system and process risk management. This responsibility has been delegated to the Committee which should oversee the following areas in the management of risk;
- financial reporting risks
- internal financial controls
- fraud risks as it relates to financial reporting; and
- IT risks as it relates to financial reporting.

The following responsibilities should be executed by the Committee to fulfil the risk management role;

Policy development and implementation

- Oversee the development and annual review of a policy and plan for risk management to recommend for approval to the board
- Monitor implementation of the policy and plan for risk management taking place by means of risk management systems and processes

Risk Identification and mitigation

- Review the Company's strategic risks and relevant risk registers.
- Make recommendations to the board concerning the levels of tolerance and appetite and monitoring that risks are managed within the levels of tolerance and appetite as approved by the board
- Oversee that the risk management plan is widely disseminated throughout the Company and integrated in the day-to-day activities of the Company
- Ensure that risk management assessments are performed on a continuous basis

- Ensure that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks
- Ensure that management considers and implements appropriate risk responses
- Ensure that continuous risk monitoring by management takes place
- Reporting
- Liaise closely with the assurance providers to exchange information relevant to risk
- Express the Committee's formal opinion to the board on the effectiveness of the system and process of risk management; and
- Review reporting concerning risk management that is to be included in the integrated report for it being timely, comprehensive and relevant.

External Audit

- The Committee is responsible for recommending the appointment of the external auditor and to oversee the external audit process and in this regard the Committee must nominate the external auditor for appointment by the shareholders.
- Approve the terms of engagement and remuneration for the external audit engagement.
- Monitor and report on the independence of the external auditor in the annual financial statements.
- Define a policy for non-audit services provided by the external auditor.
- Pre-approve the contracts for non-audit services to be rendered by the external auditor.
- Ensure that there is a process for the Committee to be informed of any Reportable Irregularities identified and reported by the external auditor.
- Review the quality and effectiveness of the external audit process; and
- Consider whether the audit firm and, where appropriate, the individual auditor that will be responsible for performing the functions of auditor.

Compliance

The Committee is responsible to:

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation

and follow-up (including disciplinary action) of any instances of noncompliance.

- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith; and
- Obtain regular updates from management and the risk and compliance function regarding compliance matters.



Audit and Risk Committee

Member	Meeting date 22 May 2023	Meeting date 08 Jun 2023	Meeting date 27 Jun 2024	Meeting date 07 Nov 2023	Remuneration	Executive	Non-executive
Gida Nakazibwe-Sekandi	X	X		X	22,500.00		X
Sphiwe Mayinga		X	X	X	30,000.00		X
Faniel Kisting	X	X	X	X	36,000.00		X
Iyaloo Nangolo		X	X	X	-	X	
James Nyandoro	X	X	X	X	-	X	



Remuneration and Nomination Committee:

The role of the Remuneration and Nomination Committee (REMNOCOM) is to examine the selection and appointment practices of ANIREP, address Board succession issues and ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively, although the Board retains ultimate responsibility for these practices.

Roles

The Committee has an independent role, operating as an overseer and a maker of recommendations to the board for its consideration and final approval. The Committee does not assume the functions of management, which remains the responsibility of the Managing Director (MD), Chief Financial Officer (CFO), officers and other members of management.

The role of the Committee is to assist the board:

- To ensure that the Company remunerates directors and executives fairly and responsibly;
- To ensure that the disclosure of director and executives' remuneration in the integrated report is accurate, complete and transparent;
- To approve, guide and influence key human resource policies and strategies;
- To assist the Board in the implementation of programmes to ensure that the Board's composition and size is appropriate at all times;
- Monitor and guide strategic progress with regard to the Affirmative Action Act, and the Labour Act;
- Monitor and guide strategies to achieve diversity, equity, and inclusion within the Company.

Responsibilities

The Committee must perform all the functions necessary to fulfil its role as stated above and including the following:

Remuneration:

- Oversee the setting and administering of remuneration at all levels in the company;
- Oversee the establishment of a remuneration policy that will promote the achievement of strategic objectives and encourage individual performance;
- Ensure that the remuneration policy is put to a non-binding advisory vote at the general meeting of shareholders once every year;
- Review the outcomes of the implementation of the remuneration policy for whether the set objectives are being achieved;
- Ensure that the mix of fixed and variable pay, in cash, and other elements, meets the company's needs and strategic objectives;
- Satisfy itself as to the accuracy of recorded performance measures that govern the vesting of incentives.
- Ensure that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
- Oversee the performance evaluation of the committee and the Board Independent Directors performance.
- Select an appropriate benchmark with organisations within the same field and size when comparing remuneration levels;
- Regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
- Advise on the remuneration of non-executive directors;
- Oversee the preparation and recommending to the board the remuneration report, to be included in the integrated report, for whether it:
 - Is accurate, complete and transparent; and
 - Provides a clear explanation of how the remuneration policy has been implemented.

Composition, attributes and culture

- Regularly review the Board's structure, size and composition and make recommendations to the Board with regard to any adjustments deemed necessary;
- Identify and nominate suitable candidates for directorship or executive positions, in consultation with the Chairperson of the Board and the MD, for the approval of the Board;
- Ensure that formal succession plans for the Board, MD and Senior management are developed and implemented;
- Recommend to the Board the continuation (or not) in service of any director who has reached the age of 70;
- Consider annually the eligibility for re-election of those directors who retire by rotation, and recommend or advise otherwise such retiring directors' re-appointment by shareholders at the Annual General Meeting (AGM) taking into account the results of their performance evaluation;
- Oversee the development of a formal induction programme for new directors including the development and implementation of continuing professional development programmes for directors and mentorship of inexperienced directors;
- Ensure the implementation of action plans emanating from the annual evaluations; and
- Considering and recommending to the Board for approval policies relating to the Committee's mandate as set out in these terms of reference.

Evaluation

- Consider annually, as part of the Board evaluation process, the independence of the directors, to enable an appropriate statement to be made in the annual report by the Board;
- Ensure the establishment of a formal process for the appointment of directors and to regularly review such process to ensure its appropriateness and adequacy, including:
 1. Identifying suitable candidates for election to the Board;
 2. Performing reference and background checks of candidates prior to nominating them for appointment; and
 3. Formalising the appointment of directors through an agreement between the Company and the director.

Remuneration and Nomination Committee

Member	Meeting date 28 June 2023	Meeting date 07 July 2023	Meeting date 13 September 2023	Meeting date 10 November 2023	Remuneration	Executive	Non-executive
Gida Nakazibwe-Sekandi	X	X	X	X	36,000.00		X
Sphiwe Mayinga	X	X	X	X	22,500.00		X
Faniel Kisting		X		X	15,000.00		X
Mac Hengari				X	7,500.00		X
Iyaloo Nangolo	X	X	X	X	-	X	
James Nyandoro	X	X	X	X	-	X	

Environment Social and Governance Committee:

Roles and responsibilities

The Committee has the following specific responsibilities:

- Review and discuss with management the company's ESG strategy, policies and initiatives.
- Oversee the establishment of Environmental Impact Assessment Framework, Corporate Social Responsibility Policy, Corporate Governance Policy and Code of Conduct and their effective implementation, monitor and review their ongoing relevance, effectiveness, and development.
- Provide input and guidance with respect to communications with employees, investors, and other stakeholders, as appropriate, regarding the Company's position on or approach to ESG matters.
- Review and assess the performance of the Committee and the adequacy of this term of reference annually and recommend any proposed changes for approval by the Board.
- Ensure that the Company monitors and reviews current and emerging ESG trends, relevant international standards and legislative

requirements, identifies how those are likely to impact on the strategy, operations, and reputation of the Company and determines whether and how these are incorporated into or reflected in the Company's ESG policies and objectives.

- Review and monitor the operational, regulatory, and reputational risks and impact of ESG on the Company and provide insight and guidance with respect to the Company's management of such risks and impacts.
- Ensure that the Company provides appropriate information and is transparent regarding its ESG related policies with the investment community, particularly ethical/socially conscious investment funds, by whatever means are deemed to be most effective.
- The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary.

ESG Committee

Member	Meeting date 30 June 2023	Meeting date 02 November 2023	Remuneration	Executive	Non-executive
Amb. Philemon Kambala	X	X	18,000.00		X
Antti Myllarinen	X		-	X	
Stephanus Oosthuysen	X	X	-		X
Iyaloo Nangolo	X	X	-	X	
James Nyandoro	X	X	-	X	

REMUNERATION DISCLOSURE AND SHARE DISCLOSURE

Directors remuneration is established by a remuneration committee and tabled to shareholders on a yearly basis for a non-binding Vote at the AGM.

The expenses necessarily incurred by the Board in connection with the business of the Company and attending Board and committee meetings is paid by the Company For the year under review, the fees paid to non-executive directors are set out below.

Name of Shareholder	Directors' Fees
Mac Hengari (Chairperson)	194,000
Gida Nakazibwe – Sekandi	154,500
Amb. Phillemon Kambala	114,000
Sphiwe Mayinga	136,500
Faniel Kisting	111,000
Total	710,000

The director's interest is shown below:

Name of Shareholder	Direct	Indirect Through AEC	Total Number of Shares	% of Shares in Issue
Iyaloo Nangolo	16,500	1,316,661	1,333,161	1.846%
Stephanus Oosthuysen	39,600	1,288,302	1,327,902	1.839%
Hans Hamukoto	500	145,846	146,346	0.203%
Antti Myllarinen	-	93,179	93,179	0.129%
Meklit Demamu	5,000	76,974	81,974	0.114%
Philemon Kambala	2,500	-	2,500	0.003%
James Nyandoro	3,000	-	3,000	0.004%
Relatives to the Directors	264,208		246,208	0.341%
Total	313,308	2,920,962	3,234,270	4.470%

RISK MANAGEMENT

CONFLICT OF INTEREST MANAGEMENT.

In their corporate and technical advisory roles to the Board the General Partners could be perceived to have a conflict of interest due to fees earned by the General Partners in respect of the Proposed Acquisitions, in addition to any benefit the General Partners may attain as a result of the minority Shares they collectively hold in ANIREP.

In order to manage the perceived conflict, the transaction advisory costs charged by the General Partners and tabled to the Board for approval, are verified independently for costs and quality compliance.

ETHICS

ANIREP at its core operates on ethics. This is an ongoing practice and standards are constantly refined.

IT RISKS

The IT Risk of the business is governed by the IT Policy, which is reviewed by the Board annually. The Board currently still remains with the responsibility to provide an oversight for the IT function of the business.

KEY PRIORITIES AND STAKEHOLDER ENGAGEMENT

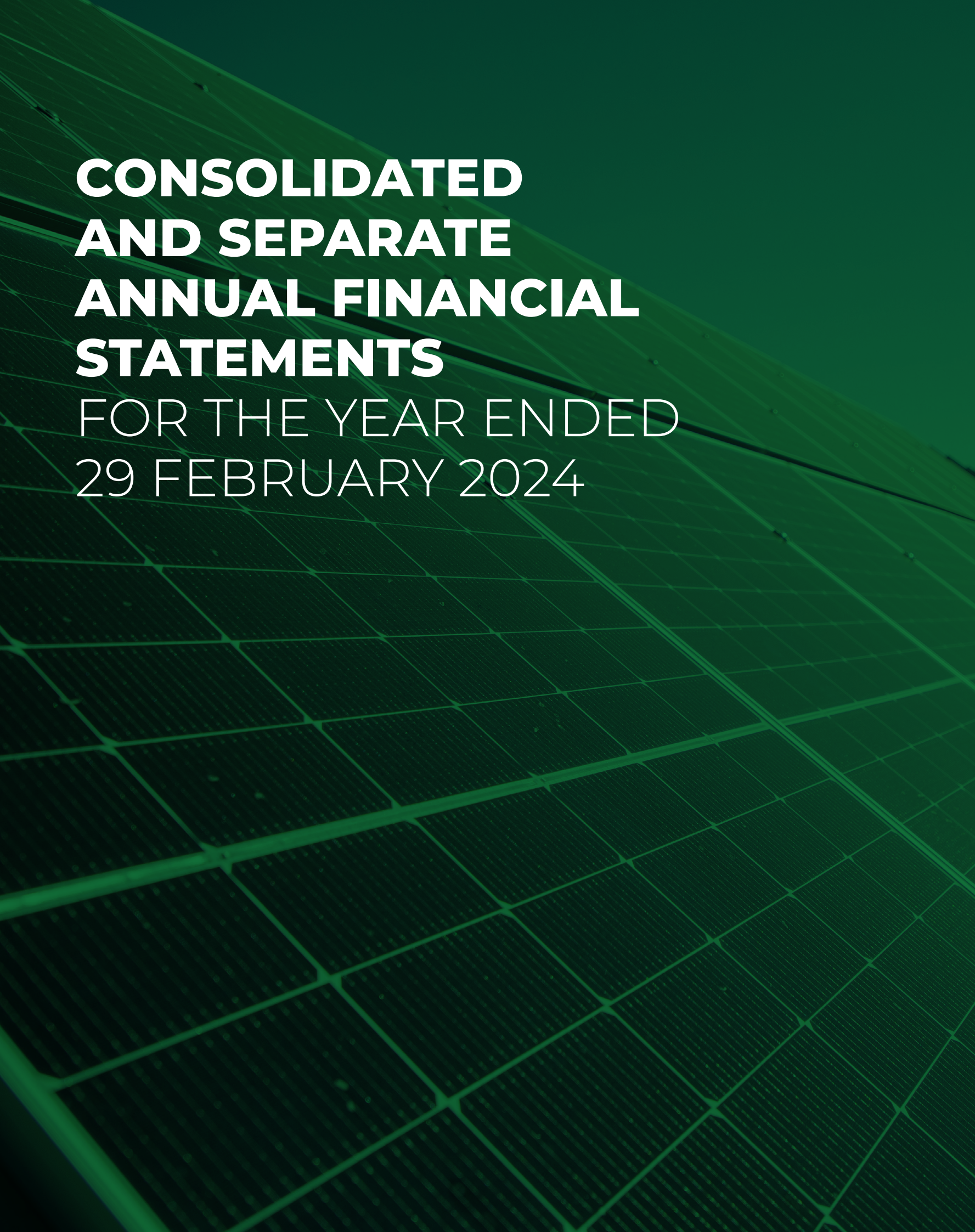
It is critical that Corporate Governance is at the essence of the business. Management strives to have the best practices in place, and as such will engage in a continuous exercise to ensure the best practices stay in place.

Corporate Governance Board Priorities for the upcoming financial year

- Rolling out a stakeholder engagement strategy, to build goodwill, trust and investor confidence.
- Adopt and roll out ANIREP Group ESG framework for implementation







CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
29 FEBRUARY 2024

General Information

Company registration number	2018/0148
Country of incorporation and domicile	Namibia
Nature of business and principal activities	To facilitate the investment of long-term capital in renewable industries incorporating artificial intelligence technology in Namibia and Sub-Sahara Africa, with an initial focus of the infrastructural renewable energy sector in generation, transmission and distribution. The infrastructural renewable energy sector includes biomass, geothermal, solar, hydro, wind and wave resources.
Directors	Dr. M.A. Hengari I.J. Nangolo A.J. Myllärinen S.A. Oosthuysen Amb. P.K. Kambala G. Nakazibwe-Sekandi S.D. Mayinga F.G. Kisting J. Nyandoro
Registered office	47 Nelson Mandela Avenue Klein Windhoek Namibia
Postal address	P.O. Box 90680 Windhoek, Namibia
Auditors	Ernst & Young Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	ESI Secretarial Services CC

CONTENTS

The reports and statements set out below comprise the consolidated and separate annual financial statements presented to the shareholders:

Directors' Responsibilities and Approval

Independent Auditor's Report

Directors' Report

Statement of Financial Position⁸

Statement of Profit or Loss and Other Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows

Accounting Policies

Notes to the Consolidated and Separate Annual Financial Statements

Analysis of Shareholding for the year ended 29 February 2024

The following supplementary information does not form part of the consolidated and separate annual financial statements and is unaudited:

Detailed Income Statement

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of Namibia to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the group and company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards and the Companies Act of Namibia. The external auditor is engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and the Companies Act of Namibia and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the 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 and company's cash flow forecast for the year to 28 February 2025 and, in light of this review and the current financial position, they are satisfied that the group and company have access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the group's consolidated and company's separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditor and their report is presented on pages 4 and 5.

The consolidated and separate annual financial statements set out on pages 6 to 72, which have been prepared on the going concern basis, were approved by the board of directors on 17 May 2024 and were signed on their behalf by:

Approval of financial statements



Director



Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALPHA NAMIBIA INDUSTRIES RENEWABLE POWER LIMITED

Opinion

We have audited the consolidated and separate annual financial statements of Alpha Namibia Industries Renewable Power Limited and its subsidiaries ("the group") set out on pages 6 to 72, which comprise the consolidated and separate statements of financial position as at 29 February 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate annual financial statements, including a summary of material accounting policy information and the directors' report.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 29 February 2024, and its consolidated and separate financial performance and 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.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements" section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)* and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the general information, the contents, the directors' responsibilities and approval and the detailed income statement, which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and separate annual financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with 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 annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements

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

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

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

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

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

Ernst & Young
Ernst & Young Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: Floris N Marx
Partner

Windhoek
Namibia

18 May 2024

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Alpha Namibia Industries Renewable Power Limited and the group for the year ended 29 February 2024.

1. Nature of business

Alpha Namibia Industries Renewable Power Limited is an investment entity incorporated in Namibia with interests in the renewable energy industry.

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

2. Review of financial results and activities

The consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated and separate annual financial statements.

3. Share capital

Refer to note 15 of the consolidated and separate annual financial statements for detail of the movement in issued share capital. The movement of issued share capital and share premium arises as a result of the rights offer that closed on 04 December 2023.

4. Dividends

The board of directors do not recommend the declaration of a dividend for the year (2023: Nil).

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Nationality	Changes
Dr. M.A. Hengari	Namibian	
I.J. Nangolo	Namibian	
A.J. Myllärinen	Finnish	
M.S. Demamu	Ethiopian	Resigned Friday, 17 November 2023
S.A. Oosthuysen	Namibian	
Amb. P.K. Kambala	Namibian	
G. Nakazibwe-Sekandi	Ugandan	
H. Hamukoto	Namibian	Resigned Friday, 17 November 2023
S.D. Mayinga	South African	
F.G. Kisting	Namibian	
J. Nyandoro	Zimbabwean	

6.Events after the reporting period

Notification was received from RMB on 08 May 2024 that the restriction on the RMB call account has been lifted and Alpha Namibia Industries Renewable Power Limited has unrestricted access to the account.

7.Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the group and company have 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 group and 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 group or 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 group or company.

We draw attention to the fact that the Omburu Project is currently in the Defect Notification Period and upon the satisfactory completion of the Defect Notification Period, Nampower will issue a Project Completion Notification and the joint operation will cease operation. It is expected that the joint operation will cease its operations before the end of the following financial year.

8.Secretary

The company secretary is ESI Secretarial Services CC.

Postal address: P.O. Box 3300

Windhoek, Namibia

Business address: 1st Floor, 1 @ Steps

c/o Grove & Chasie Street, Kleine Kuppe, Windhoek

Namibia

9.Auditors

Ernst & Young Namibia will continue in office as auditors in accordance with section 278 (2) of the Companies Act of Namibia.

Statement of Financial Position as at 29 February 2024

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Assets					
Non-Current Assets					
Property, plant and equipment	3	414,253,463	205,610,988	128,028	208,547
Right-of-use assets	4	121,631	283,805	121,631	283,805
Goodwill	5	138,409,423	138,409,423	-	-
Investments in subsidiaries and associate	6	-	-	238,472,203	144,577,914
Loans to group companies	7	53,363,270	47,395,067	18,361,748	1,335,666
Finance lease receivables	10	6,976,481	7,296,683	-	-
Deferred tax	18	2,405,067	-	-	-
Other financial assets	12	-	35,142,248	-	-
		615,529,335	434,138,214	257,083,610	146,405,932
Current Assets					
Inventories	13	2,959,745	4,000,015	-	-
Loans to group companies	7	3,501,027	1,535,623	-	-
Loans to employees	8	55,000	-	-	-
Trade and other receivables	9	47,314,407	7,487,715	4,644,436	1,892,158
Finance lease receivables	10	320,205	338,108	-	-
Prepayments	11	297,842	246,716	47,842	71,667
Other financial assets	12	22,163,069	-	-	-
Cash and cash equivalents	14	386,069,646	34,700,749	315,373,805	4,768,584
		462,680,941	48,308,926	320,066,083	6,732,409
Total Assets		1,078,210,276	482,447,140	577,149,693	153,138,341
Equity and Liabilities Equity					
Share capital and share premium	15	590,464,139	164,240,863	590,464,139	164,240,863
Accumulated earnings/(loss)		2,037,982	12,790,631	(24,519,805)	(14,874,915)
		177,031,494	565,944,334	149,365,948	11,602,959
		604,105,080	192,053,515	565,944,334	149,365,948
Liabilities					
Non-Current Liabilities					
Loans from group companies	16	89,309,589	128,658,246	-	-
Interest-bearing borrowings	17	280,328,644	90,815,838	-	-
Lease liabilities	4	-	136,355	-	136,355
Deferred tax	18	30,973,121	25,124,159	-	-
		400,611,354	244,734,598	-	136,355
Current Liabilities					
Trade and other payables	20	22,524,971	12,729,402	11,069,002	2,050,578
Loans from group companies	16	34,136,983	12,434,499	-	1,230,383
Interest-bearing borrowings	17	13,676,013	10,334,237	-	-
Lease liabilities	4	136,357	355,077	136,357	355,077
Deferred income	19	212,989	3,570,573	-	-
Current tax payable	29	2,806,529	844,318	-	-
Bank overdraft	14	-	5,390,921	-	-
Total Liabilities 73,493,842		45,659,027	11,205,359	3,636,038	474,105,196
Total Equity and Liabilities		1,078,210,276	482,447,140	577,149,693	153,138,341

Statement of Profit or Loss and Other Comprehensive Income

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Revenue	21	74,111,646	78,979,391	3,131,203	2,926,251
Cost of sales	22	(13,240,346)	(9,281,021)	-	-
Gross profit		60,871,300	69,698,370	3,131,203	2,926,251
Other operating income	23	2,457,141	25,110,048	3,003	-
Other operating (losses)/gains		(3,589,766)	3,546,500	17,418	219,402
Other operating expenses		(51,084,276)	(55,229,812)	(12,996,438)	(10,075,304)
Operating profit/(loss)	24	8,654,399	43,125,106	(9,844,814)	(6,929,651)
Finance income	25	10,930,498	9,748,802	241,758	313,136
Finance costs	26	(27,504,115)	(24,165,040)	(41,834)	(54,299)
Share of (loss)/profit of associate		(2,008)	2,949	-	-
(Loss)/profit before taxation		(7,921,226)	28,711,817	(9,644,890)	(6,670,814)
Taxation	27	(6,250,485)	(8,854,782)	-	-
(Loss)/profit for the year		(14,171,711)	19,857,035	(9,644,890)	(6,670,814)
Other comprehensive income		-	-	-	-
Total comprehensive (loss)/income for the year		(14,171,711)	19,857,035	(9,644,890)	(6,670,814)
(Loss)/profit attributable to:					
Owners of the parent		(10,752,649)	12,221,797	(9,644,890)	(6,670,814)
Non-controlling interest		(3,419,062)	7,635,238	-	-
		(14,171,711)	19,857,035	(9,644,890)	(6,670,814)
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(10,752,649)	12,221,797	(9,644,890)	(6,670,814)
Non-controlling interest		(3,419,062)	7,635,238	-	-
		(14,171,711)	19,857,035	(9,644,890)	(6,670,814)

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Accumulated income/ (loss)	Total attributable to equity holders of the group/ company	Non-controlling interest	Total equity
	N\$	N\$	N\$	N\$	N\$	N\$	N\$
Balance at 01 March 2022	168,818	164,072,045	164,240,863	568,834	164,809,697	7,386,783	172,196,480
Profit for the year	-	-	-	12,221,797	12,221,797	7,635,238	19,857,035
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	12,221,797	12,221,797	7,635,238	19,857,035
Balance at 01 March 2023	168,818	164,072,045	164,240,863	12,790,631	177,031,494	15,022,021	192,053,515
Loss for the year	-	-	-	(10,752,649)	(10,752,649)	(3,419,062)	(14,171,711)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(10,752,649)	(10,752,649)	(3,419,062)	(14,171,711)
Share issue	553,313	436,563,688	437,117,001	-	437,117,001	-	437,117,001
Share issue costs	-	(10,893,725)	(10,893,725)	-	(10,893,725)	-	(10,893,725)
Total changes to owners of company recognised directly in equity	553,313	425,669,963	426,223,276	-	426,223,276	-	426,223,276
Balance at 29 February 2024	722,131	589,742,008	590,464,139	2,037,982	592,502,121	11,602,959	604,105,080
Note(s)	15	15	15				

Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Accumulated income/ (loss)	Total attributable to equity holders of the group/ company
	N\$	N\$	N\$	N\$	N\$
Balance at 01 March 2022	168,818	164,072,045	164,240,863	(8,204,101)	156,036,762
Profit for the year	-	-	-	(6,670,814)	(6,670,814)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(6,670,814)	(6,670,814)
Balance at 01 March 2023	168,818	164,072,045	164,240,863	(14,874,915)	149,365,948
Loss for the year	-	-	-	(9,644,890)	(9,644,890)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(9,644,890)	(9,644,890)
Share issue	553,313	436,563,688	437,117,001	-	437,117,001
Share issue costs	-	(10,893,725)	(10,893,725)	-	(10,893,725)
Total changes to owners of company recognised directly in equity	553,313	425,669,963	426,223,276	-	426,223,276
Balance at 29 February 2024	722,131	589,742,008	590,464,139	(24,519,805)	565,944,334
Note(s)	15	15	15		

Statement of Cash Flows

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Cash flows from operating activities					
Cash (used in)/generated from operations					
Finance income	28	(13,259,937)	95,615,344	(3,329,903)	(7,356,846)
Finance costs	25	2,756,511	2,713,513	241,758	313,136
Tax paid	26	(22,062,549)	(20,462,160)	(41,834)	(54,299)
Net cash (used in)/generated from operating activities	29	(844,318)	(353,795)	-	-
Cash flows from investing activities		(33,410,293)	77,512,902	(3,129,979)	(7,098,009)
Purchase of property, plant and equipment					
Proceeds from sale of property, plant and equipment					
Cash advanced in loans to group companies					
Disinvestment in other financial assets	3	(218,946,691)	(58,295,645)	-	(75,295)
	3	298,206	-	-	-
	7	(1,762,340)	(1,546,573)	(17,026,082)	(1,319,184)
	12	14,983,110	18,621,679	-	-
Cash advanced on loans to employees	8	(55,000)	-	-	-
Net cash used in investing activities		(205,482,715)	(41,220,539)	(17,026,082)	(1,394,479)
Cash flows from financing activities					
Proceeds on issue of share capital					
Repayments of loans from group companies					
Cash advances received on loans from group companies	15	426,223,276	-	426,223,276	-
Interest bearing borrowings repaid	33	(23,060,930)	(31,033,194)	(1,230,383)	-
Interest bearing borrowings received	33	-	34,463,377	-	1,230,383
Cash repayments on lease liabilities	33	(13,927,256)	(9,772,348)	-	-
	33	206,755,058	-	-	-
	4	(355,075)	(169,702)	(355,075)	(169,702)
Additional investment in subsidiary	6	-	-	(93,894,289)	-
Net cash from/(used in) financing activities		595,635,073	(6,511,867)	330,743,529	1,060,681
Total cash movement for the year		356,742,065	29,780,496	310,587,468	(7,431,807)
Cash and cash equivalents at the beginning of the year		29,309,828	(251,377)	4,768,584	12,005,454
Gains/(losses) on foreign exchange on cash and cash equivalents		17,753	(219,291)	17,753	194,937
Cash and cash equivalents at the end of the year*	14	386,069,646	29,309,828	315,373,805	4,768,584

* Included in the cash and cash equivalents at the 29 February 2024 is a balance of N\$20,999,994 which is restricted. Refer to note 14 for further details regarding the restriction.

ACCOUNTING POLICIES

Corporate information

Alpha Namibia Industries Renewable Power Limited is a public limited company incorporated and domiciled in Namibia.

1. Material 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 the International Financial Reporting Standards ("IFRS") and International Accounting Standards Board (IASB) issued and effective at the time of preparing these consolidated and separate annual financial statements and the Companies Act of Namibia.

The consolidated and separate annual financial statements have been prepared on the historic 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 group and company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated and separate annual financial statements incorporate the consolidated and separate 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 its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made when necessary to the consolidated annual financial statements of subsidiaries to bring their accounting policies in line with those of the group. All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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. 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 Statement of Changes in Equity.

Accounting Policies

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 company.

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 annual separate financial statements

In the company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Business combinations

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

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

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

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

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

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.

In cases where the group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the year.

Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Accounting Policies

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

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.

Goodwill arising on acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to the functional currency of the group at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

1.3 Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Joint operations

The group is party to a joint operation. In the consolidated annual financial statements the group recognises the following

in relation to its interests in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

1.4 Investment in associate

An associate is an entity over which the group has significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. It generally accompanies a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Consolidated Statement of Financial Position at cost adjusted for post-acquisition changes in the group's share of net assets of the associate, less any impairment losses.

The group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Accounting Policies

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

When the group reduces its level of significant influence or loses significant influence, the group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

Refer to note 6 for details of the group's investment in an associate.

1.5 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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next few years. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the forecasted revenues, gross profit margin and terminal growth rates. These estimates are most relevant to goodwill. The key assumptions used to determine the recoverable amount for the different cash generating units are disclosed and further explained in Note 5.

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives 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 group 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. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

1.6 Property, plant and equipment

Accounting Policies

Property, plant and equipment are tangible assets which the group and company 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 company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and 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 is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less 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
Leasehold property	Straight line	33 years
Plant and machinery	Straight line	3 - 25 years
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	3 years
Office equipment	Straight line	5 - 10 years
IT equipment	Straight line	3 - 6 years
Installations	Straight line	5 years
Workshop equipment	Straight line	5 years
Working tools	Straight line	3 years
Site equipment	Straight line	3 years
Buildings	Straight line	25 years
Spare parts	Units of production	63,551,537 kWh*

*This represents a change in accounting estimate as the depreciation on these spare solar panels on the straight-line basis. Refer to the property, plant and equipment note (note 3) for further details.

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

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

Accounting Policies

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.7 Financial instruments

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

Financial assets which are 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

Financial liabilities:

- **Amortised cost**

Note 32 financial instruments and risk management presents the financial instruments held by the group and company based on their specific classifications.

All regular way 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 are presented below:

Classification

Loans to group companies (note 7) and loans to employees (note 8) 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 and company'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.

Accounting Policies

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) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

Interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 25).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The group and company recognises 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 measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk 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.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the group and company compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The group and company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Accounting Policies

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group and company has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

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

Definition of default

For purposes of internal credit risk management purposes, the group and company consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the group and company considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The group and company writes 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 measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the group and company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group and company measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa 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.

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (note 32).

Trade and other receivables

Accounting Policies

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.

Recognition and measurement

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) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in finance income (note 25).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 9) and the financial instruments and risk management note (note 32).

Derecognition

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

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss.

Borrowings and loans from related parties

Classification

Loans from group companies (note 16) and interest-bearing borrowings (note 17) are classified as financial liabilities subsequently measured at amortised cost.

Accounting Policies

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.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 26). Borrowings expose the group to liquidity risk and interest rate risk. Refer to note 32 for details of risk exposure and management thereof.

Derecognition

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

Trade and other payables

Classification

Trade and other payables (note 20), excluding VAT, ECB levies, salary accruals and provisions 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 using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 26).

Trade and other payables expose the group and company to liquidity risk and possibly to interest rate risk. Refer to note 32 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.

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 32).

Accounting Policies

Derecognition

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

Cash and cash equivalents Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

Financial assets

The group and company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group and company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group and company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group and company retains substantially all the risks and rewards of ownership of a transferred financial asset, the group and company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The group and company derecognises financial liabilities when, and only when, the group and company obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The group and company only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

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.

Accounting Policies

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 and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits 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

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

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is “identified”, which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group and company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Group and company as lessee

Accounting Policies

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group and company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the group and company recognises the lease payments as an operating expense (note 24) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the group and company has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the group and company is a lessee are presented in note 4 Group and company as lessee.

Lease liability

The lease liability is 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. If this rate cannot be readily determined, the group and company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the group and company under residual value guarantees;
- the exercise price of purchase options, if the group and company is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the group and company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 24).

The lease liability is presented as a separate line item on the Consolidated and Separate Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest

charged on the lease liability is included in finance costs (note 26).

The group and company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group and company will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease

Accounting Policies

- payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability
- is remeasured by discounting the revised lease payments using the initial discount rate; and
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which
- case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

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

The cost of the right-of-use asset shall comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the group and company incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However,

if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the group and company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

Accounting Policies

When the group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the group applies the exemption described previously, then it classifies the sub-lease as an operating lease.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

Finance leases

Amounts due from lessees are recognised from commencement date at an amount equal to the group net investment in the lease. They are presented as finance lease receivables (note 10) on the consolidated statement of financial position.

The interest rate implicit in the lease is used to measure the net investment in the lease. If the interest rate implicit in a sublease cannot be readily determined for a sublease, then the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) is used to measure the net investment in the sublease.

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

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

- fixed lease payments, including in-substance fixed payments, less any lease incentives payable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be receivable by the group from the lessee, a party related to the lessee or a third party
- unrelated to the group under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option;
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The group recognises finance income over the lease term, based on a pattern that reflects a constant periodic rate of return on the net investment in the lease. Finance income recognised on finance leases is included in finance income in profit or loss (note 25).

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

1.10 Inventories

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

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.

Accounting Policies

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

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 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.

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

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment
- annually by comparing its carrying amount with its recoverable amount. This impairment test is performed
- during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

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

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

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.

Accounting Policies

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.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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.

1.13 Revenue from contracts with customers

The group recognises revenue from the following major sources:

- Sales of electricity
- Solar projects
- Provision of management and administration services

Sales of electricity

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

Revenue is recognised when it is probable that economic benefits arising from a transaction will flow to the company and when it can be measured reliably. Revenue is measured as the amount of consideration to which the company expects to be entitled in exchange for goods. Revenue is shown net of tax, rebates, trade discounts and value added tax.

Solar projects

Revenue from solar projects are recognised over time as the entity satisfies its performance obligations in terms of the contract, either based on engineer consultant milestone certificates (EPC installation projects) or on a periodic basis, either annually, quarterly or monthly (Operating & Maintenance services).

Revenue from solar projects are measured based on engineer consultant milestone certificates which are estimates of the percentage completion of the project (output method in terms of IFRS 15) as a measure of progress over time.

Revenue from additional services are recognised once the additional services are complete.

Management and administration services

The company provides management and administration services. Revenue from providing services is recognised in the accounting period in which the services are rendered.

Accounting Policies

1.14 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
- such other costs as are specifically chargeable to the customer under the terms of the contract.

Cost of sales is reduced by the amount recognised in inventory as a “right to returned goods asset” which represents the group right to recover products from customers where customers exercise their right of return under the group returns policy.

1.15 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.

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.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation: Effective date:

Years beginning on or after

- **Deferred tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12**

01 January 2023 The impact of the amendment is not material.

01 January 2023 The impact of the amendment is not material.

- **Definition of Accounting Estimates: Amendments to IAS 8**

01 January 2023 The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 March 2024 or later periods:

Standard/ Interpretation: Effective date:

Years beginning on or after

- **Classification of Liabilities as Current or Non- current and Non-current Liabilities with Covenants - Amendments to IAS 1**
- **Lease liability in a Sale and Leaseback - Amendments to IFRS 16**
- **Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7**

01 January 2024 The impact of the amendments will likely not be material.

01 January 2024 The impact of the amendments will likely not be material.

01 January 2024 The impact of the amendments will likely not be material.

Postponed indefinitely* The impact of the amendments will likely not be material.

- **IFRS Sustainability Disclosure Standard - IFRS S1** 01 January 2024 Impact is currently being assessed
- **IFRS Sustainability Disclosure Standard - IFRS S2** 01 January 2024 Impact is currently being assessed

*In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

3. Property, plant and equipment

Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Assets under construction	253,304,737	-	253,304,737	34,777,372	-	34,777,372
Buildings	36,197	(14,961)	21,236	36,197	(13,513)	22,684
Furniture and fixtures	258,424	(172,918)	85,506	380,679	(278,173)	102,506
IT equipment	699,411	(411,186)	288,225	761,068	(459,267)	301,801
Installations: Backup	212,942	(89,073)	123,869	324,686	(194,811)	129,875
Land	1,502,524	-	1,502,524	1,502,524	-	1,502,524
Leasehold property	2,115,465	(523,524)	1,591,941	2,115,465	(459,419)	1,656,046
Motor vehicles	6,426,518	(5,043,519)	1,382,999	6,616,496	(4,260,064)	2,356,432
Office equipment	190,193	(88,817)	101,376	168,280	(90,932)	77,348
Plant and machinery	207,057,032	(60,867,720)	146,189,312	207,269,285	(52,499,529)	154,769,756
Site equipment	922,852	(656,816)	266,036	964,395	(456,369)	508,026
Spare parts	12,499,466	(3,124,866)	9,374,600	12,499,466	(3,124,866)	9,374,600
Working tools	146,566	(125,464)	21,102	929,774	(905,228)	24,546
Workshop equipment	6,787	(6,787)	-	105,110	(97,638)	7,472
Total	485,379,114	(71,125,651)	414,253,463	268,450,797	(62,839,809)	205,610,988
Company						
Furniture and fixtures	165,432	(100,176)	65,256	165,432	(71,299)	94,133
IT equipment	194,864	(181,937)	12,927	194,864	(141,669)	53,195
Office equipment	76,304	(26,459)	49,845	76,304	(15,085)	61,219
Total	436,600	(308,572)	128,028	436,600	(228,053)	208,547

3. Property, plant and equipment (continued) Reconciliation of property, plant and equipment - Group - 2024 - N\$

	Opening balance	Additions	Disposals	Depreciation	Total
Land	1,502,524	-	-	-	1,502,524
Buildings	22,684	-	-	(1,448)	21,236
Plant and machinery	154,769,756	19,210	-	(8,599,654)	146,189,312
Furniture and fixtures	102,506	16,743	-	(33,743)	85,506
Motor vehicles	2,356,432	18,261	(34,512)	(957,182)	1,382,999
Office equipment	77,348	44,555	(4,149)	(16,378)	101,376
IT equipment	301,801	163,537	(23,089)	(154,024)	288,225
Installations: Backup	129,875	108,256	(55,000)	(59,262)	123,869
Leasehold property	1,656,046	-	-	(64,105)	1,591,941
Spare parts	9,374,600	-	-	-	9,374,600
Workshop equipment	7,472	-	(7,084)	(388)	-
Working tools	24,546	10,590	-	(14,034)	21,102
Site equipment	508,026	38,174	(17,959)	(262,205)	266,036
Assets under construction	34,777,372	218,527,365	-	-	253,304,737
	205,610,988	218,946,691	(141,793)	(10,162,423)	414,253,463

Reconciliation of property, plant and equipment - Group - 2023 - N\$

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total Assets under construction
Buildings	856,585	33,920,787	-	-	-	34,777,372
Furniture and fixtures	24,131	-	-	-	(1,447)	22,684
IT equipment	236,309	185,772	-	-	(120,280)	301,801
Installations: Backup	194,901	-	-	-	(65,026)	129,875
Land	1,502,524	-	-	-	-	1,502,524
Leasehold property	1,720,152	-	-	-	(64,106)	1,656,046
Motor vehicles	1,839,680	1,473,985	-	-	(957,233)	2,356,432
Office equipment	41,716	43,099	-	-	(7,467)	77,348
Plant and machinery	159,567,718	22,064,257	(9,090,566)	(9,374,600)	(8,397,053)	154,769,756
Site equipment	194,533	570,161	-	-	(256,668)	508,026
Spare parts	-	-	-	9,374,600	-	9,374,600
Workshop equipment	8,830	-	-	-	(1,358)	7,472
	166,326,184	58,295,645	(9,090,566)	-	(9,920,275)	205,610,988

Solar panels that were not suitable for the Namibian climate were originally installed in the Otjiwarongo plant. Due to high and low temperatures, the layers of the solar began separating (delaminating). This caused a decrease in the electricity generated by the solar panels. This resulted in the derecognition of solar panels with a carrying amount of N\$9,090,566 and solar panels with a carrying amount of N\$9,374,600 were transferred to spare parts during the year ended 28 February 2023. As a result of the solar panels warranty proceeds of N\$24,433,487 were received from the supplier of the delaminated panels, which were then used to purchase replacement solar panels.

Reconciliation of property, plant and equipment - Company - 2024 - N\$

	Opening balance	Depreciation	Total
Furniture and fixtures	94,133	(28,877)	65,256
IT equipment	53,195	(40,268)	12,927
Office equipment	61,219	(11,374)	49,845
	208,547	(80,519)	128,028

Reconciliation of property, plant and equipment - Company - 2023 - N\$

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	112,613	10,254	(28,734)	94,133
IT equipment	90,594	21,942	(59,341)	53,195
Office equipment	24,141	43,099	(6,021)	61,219
	227,348	75,295	(94,096)	208,547

3. Property, plant and equipment (continued)

Property, plant and equipment encumbered as security

Refer to note 34 for details of property, plant and equipment encumbered as security for borrowings.

The Leasehold Property consist of 12 hectares of Otjiwarongo Townlands West No 408. The Land consist of Portion 2 of the Farm Kranzfontein No 753, a portion of the farm Ackerbau No 3 of approximately 12 hectares, Grootfontein.

Changes in estimates

The group reassesses the useful lives and residual values of items of group at the end of each reporting period, in line with the accounting policy and IAS 16 Property, plant and equipment. These assessments are based on historic analysis, benchmarking, and the latest available and reliable information.

The depreciation methods and average useful lives of group have been assessed and based on this analysis, the depreciation method for spare parts have been revised from the straight line method to the units of production method.

The impact of the change is a reduction in the annual depreciation charge for the current and future years of N\$ 499,979. There was no change in the estimate of useful lives in 2023.

Borrowing costs capitalised	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Borrowing costs capitalised to qualifying assets		8,078,243	-	-	-
Capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation		9.50%,	15.15%	-	-

Anirep Aussenkjer Solar One Namibia (Proprietary) Limited began construction of a new solar PV plant situated close to the Khan substation close to Keetmanshoop, Namibia during the year ended 28 February 2023. The construction of the plant is expected to be completed during the year ended 28 February 2025. The carrying amount of the solar PV plant in the consolidated annual financial statements as at 28 February 2024 is N\$249,960,331 (2023: N\$33,962,736). The

purchase of the trackers, inverters and solar panel components of the solar PV plant were financed by three loans from the Development Bank of Namibia (note 17).

The amount of borrowing costs capitalised during the year ended 28 February 2024 was N\$8,078,243 (2023: nil). The

rates used to determine the amount of borrowings cost eligible for capitalisation was 9.50% (2023:nil), being the interest rates on Facility One and Two; and 15.15%, being the interest rate on Facility Three (2023:nil) from the Development Bank of Namibia (note 17).

Notes to the Consolidated And Separate Annual Financial Statements

4. Group and company as lessee

The company signed a lease agreement for the purposes of renting an office. The lease term is set to expire on 30 November 2024.

The weighted average borrowing rate as a lessee is applied at 8.54%. The rate has been determined based on the average interest rate received on cash balances and the prime lending rate of Namibia, (6.82% and 10.25% respectively at the time that lease agreement was modified on 01 December 2020). The rate was also compared to the general outlook on the

general credit rating given to Namibia by Moody's and is targeted to be lower given the short period of time of the lease, i.e. less than 5 years.

4. Group and company as lessee (continued)

Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Buildings	605,450	(483,819)	121,631	605,450	(321,645)	283,805

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 24).

Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Buildings					162,174	162,174
Lease liabilities						
Opening balance					491,432	661,134
Accretion of interest					28,925	54,299
Repayments					(384,000)	(224,001)
					136,357	491,432
The maturity analysis of lease liabilities is as follows:						
Within one year					160,000	384,000
Two to five years					-	160,000
					160,000	544,000
Less finance charges component					(23,643)	(52,568)
Non-current liabilities					-	136,355
Current liabilities					136,357	355,077
					136,357	491,432

Exposure to liquidity risk

Refer to note 32 Financial instruments and risk management for the details of liquidity risk exposure and management.

Borrowing costs capitalised	Note(s)	Group		Company	
		2023 N\$	2024 N\$	2023 N\$	2024 N\$
Interest expense on lease liabilities		28,925	54,299	28,925	54,299
Lease expense relating to leases of low value assets included in operating expenses		874,669	467,554	-	-
		903,594	521,853	28,925	54,299

5. Goodwill

Group	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
	N\$	N\$	N\$	N\$	N\$	N\$
Goodwill	138,409,423	-	138,409,423	138,409,423	-	138,409,423

Reconciliation of goodwill - Group - 2024 - N\$					Opening balance	Carrying value
					N\$	N\$
Total Goodwill					138,409,423	138,409,423

Reconciliation of goodwill - Group - 2023 - N\$					Opening balance	Carrying value
					N\$	N\$
Total Goodwill					138,409,423	138,409,423

For impairment testing goodwill acquired through business combinations are allocated to the subsidiaries acquired, each of which constitutes a cash generating unit.

					Opening balance	Carrying value
					N\$	N\$
Anirep Solar (Proprietary) Limited					85,366,503	85,366,503
Hopsol Africa (Proprietary) Limited					44,024,540	44,024,540
Anirep Aussenkjer Solar One Namibia (Proprietary) Limited					9,018,380	9,018,380
					138,409,423	138,409,423

The group performed its annual impairment test of goodwill for the year ended 29 February 2024.

Anirep Solar (Proprietary) Limited

Management performed a discounted cash flow analysis to determine an enterprise value of the cash generating unit. The cash generating unit consists of the two 5MW solar PV grid connected utility plants and the planned expansion of one of the plants. The respective cash flows were modelled over an explicit period which corresponds to the remaining

contractual period of each Power Purchase Agreement. The discount rate applied to the cash flow was calculated using Capital Assets Pricing Model (CAPM) projections which range from 12.95% (2023: 8.10%) in year 1 (i.e. 2024) to 16.25% (2023: 13.08%) in year 18 (2041). The risk free rate was determined using the rates of Government Bonds with maturities in line with the PPA Terms over the 18 year period. A risk premium of 3.5% (2023: 3.5%) was applied and a beta of 1 (2023:1).

5. Goodwill (continued)

Inflation rate of 4.5% (2023: 4.5%) p.a has been used for the period. Operating expenses have been forecasted to be 22% (2023: 19%) of revenue for the duration of the PPA. Taxation rate of 32% (2023: 32%) has been applied which is in line with Namibian Corporate tax law.

As a result of the analysis, there is headroom of N\$ 20.2 million (2023: N\$28.1 million), and management did not identify an impairment for this cash generating unit.

Hopsol Africa (Proprietary) Limited

Management performed a discounted cash flow analysis to determine an enterprise value for the cash generating unit. Hopsol Africa (Proprietary) Limited's explicit forecast period was six years, with a terminal growth assumption applied beyond this point. The discount rate applied to the cash flow projections is 13.64% (2023:13.89%). The growth rate used to extrapolate the cash flows of the unit beyond the six-year period is 4.5% (2023:4.5%). As a result of the analysis, there

is headroom of N\$85.2 million (N\$83.6 million), and management did not identify an impairment for this cash generating unit.

Anirep Aussenkjer Solar One Namibia (Proprietary) Limited

Management performed a discounted cash flow analysis to determine an enterprise value the cash generating unit. The cash generating unit consists solely of the one 20MW solar PV grid connected utility plant, which is being constructed and is yet to be connected to the grid. The respective cash flows were modelled over an explicit period which corresponds to the 25 year Power Purchase Agreement. The discount rate applied to the cash flow was calculated using Capital Assets Pricing Model (CAPM) projections which range from 12.95% (2023:8.10%) in year 1 (i.e. 2025) to 16.87% (2023: 13.91%) in year 25 (2049) (2023: 2049). The risk free rate was determined using the rates of Government Bonds with maturities in line with the PPA Terms over the 25 year period. A risk premium of 3.5% (2023: 3.5%) was applies and a beta of 1 (2023:1). As a result of the analysis, there is headroom of N\$35.7 million (2023: N\$16.3 million), and management did not identify an impairment for this cash generating unit.

Key assumptions used in enterprise value calculations and sensitivity to changes in assumptions:

The calculation of the enterprise value for Anirep Solar (Proprietary) Limited, Hopsol Africa (Proprietary) Limited and Anirep Aussenkjer Solar One Namibia (Proprietary) Limited is most sensitive to the following assumptions:

- Revenue
- Gross profit margins
- Administration expenses
- Discount rates
- Taxation cash flows
- Terminal growth rates

Hopsol Africa (Proprietary) Limited's revenue assumptions are reflective of its new strategic position in the ANIREP Group and critically, its positioning as a key player in the Namibian renewable market. The existing contract held by this cash generating unit as well as the anticipation of further contracts of a similar nature has been used as a basis for projecting a normalised revenue level for the forecast period.

Anirep Solar (Proprietary) Limited's revenue is a function of the solar energy output at a contractually agreed rate, adjusted annually for inflation.

Anirep Solar (Proprietary) Limited's revenue is a function of the solar energy output at a contractually agreed rate, adjusted annually for inflation.

Anirep Aussenkjer Solar One Namibia (Proprietary) Limited's revenue is a function of the solar energy output at a contractually agreed rate, adjusted annually for inflation.

5. Goodwill (continued)

Gross profit margins of HopSol Africa (Proprietary) Limited have been estimated based on the historic gross profit margins.

Administration expenses have been forecasted to be a percentage of revenue based on historic periods. Specific consideration has been given to expenses which are considered to be once-off.

Taxation cash flows are estimated at 32% (2023:32%) which is consistent with the Namibian corporate tax rate.

A terminal growth rate of 4.5% (2023: 4.5%) was used for Hopsol Africa (Proprietary) Limited to extrapolate cash flows beyond the forecast period. Management recognises that the increase in demand for renewable energy solutions and the possibility of new entrants can have a significant impact on growth rate assumptions. This growth rate is reflective of the longterm growth expected.

The discount rate calculation is based on the specific circumstances of each cash generating unit and takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the investors. The cost of debt is based on the interest-bearing borrowings the cash generating unit is obliged to service.

6. Interests in subsidiaries and associates including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries and associates.

Company	Country of incorporation	% holding 2024	% holding 2023	Carryin amount 2024	Carrying amount 2023
Name of company					
Subsidiaries					
Anirep Solar (Proprietary) Limited	Namibia	70.00 %	70.00 %	182,472,201	88,577,912
Africa (Proprietary) Limited	Namibia	80.00 %	80.00 %	56,000,000	56,000,000
(Proprietary) Limited	Namibia	100.00 %	100.00 %	1	1
Anirep Aussenkjer Solar One Namibia (Proprietary) Limited (Controlled indirectly)	Namibia	55.00 %	55.00 %	-	-
Associate					
Neogreen Hydrogen Energy (Namibia) (Proprietary) Limited	Namibia	40.00 %	40.00 %	1	1
				238,472,203	144,577,914

6. Interests in subsidiaries and associates including consolidated structured entities (continued)

Hopsol Africa (Proprietary) Limited is a party to a joint operation. The assets, liabilities, revenue and expenses of the arrangement were to be shared between Hopsol Africa (Proprietary) Limited and Tulive Private Equity (Proprietary) Limited equally.

Principal activities

The principal activities of the entities above are summarised as follows:

Anirep Solar (Proprietary) Limited

Solar Power Generation.

HopSol Africa (Proprietary) Limited

To engage in import, export, production and distribution of solar products, planning construction, running and servicing of solar power plants and all related matters thereto.

Anirep Aussenkjer Solar One Namibia (Proprietary) Limited

To develop, finance, build and operate a photovoltaic power plant in Namibia.

ANISOL (Proprietary) Limited

To manufacture, distribute, produce, construct, trade, import, export consumer products, capital goods and administration, to render services and invest in property, shares, securities and/or equities of any kind and any other business which may seem directly or indirectly conducive to the business.

Neogreen Hydrogen Energy (Namibia) (Proprietary) Limited

To facilitate the investment of long-term capital in renewable industries incorporating artificial intelligence technology in Namibia and Sub-Sahara Africa, with an initial focus on the infrastructural renewable energy sector in generation, transmission, and distribution. The infrastructural renewable energy sector includes biomass, geothermal, solar, hydrogen and ammonia production, wind, and wave resources.

Capital contribution

The investment in Anirep Solar (Proprietary) Limited increased by N\$93,894,289 as part of the deployment of the rights offer proceeds, that was finalised on 04 December 2023, to the solar projects to be constructed. N\$48,163,688 of the additional investment in Anirep Solar (Proprietary) Limited will be used by Anirep Aussenkjer Solar One Namibia (Proprietary) Limited to finance the equity contribution for the construction of the solar PV plant at Khan, while N\$45,730,601 of the additional investment in Anirep Solar (Proprietary) Limited will be used by Anirep Solar (Proprietary) Limited to finance the construction of the expansion to the existing Otjiwarongo plant. As these amounts are not expected to be repaid they have been accounted for as capital contributions and not loans to group companies.

7. Loans to group companies

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Other related parties					
Sinco Investments 178 (Proprietary) Limited		53,327,640	47,369,769	-	-
The loan is unsecured, bears interest at prime plus 0.5% (12% at year end) (2023: 11.25%) per annum and has no fixed repayment terms. The loan is not expected to be settled within the next 12 months.					
Sinco Investments 178 (Proprietary) Limited		21,009	15,989	5,020	-
This loan is unsecured, interest free with no terms of repayment. The loan is not expected to be settled within the next 12 months.					
Tulive Private Equity (Proprietary) Limited		1,701,404	1,535,623	-	-
The loan bears interest at prime rate p.a (11.50% at year end) (2023:10.75%). The principal amount plus interest is payable in one instalment during the next financial year.					
Alternative Energy Consultants (Proprietary) Limited		1,799,623	-	-	-
The loans bears interest at prime rate p.a (11.50% at year end). The principal amount plus interest is payable in one instalment during the next financial year.					
		56,849,676	48,921,381	5,020	-
Subsidiaries and associates					
Anirep Aussenkjer Solar One Namibia (Proprietary) Limited		-	-	18,323,341	1,318,184
ANISOL (Proprietary) Limited				18,375	9,790
Neogreen Hydrogen Energy (Namibia) (Proprietary) Limited		14,621	9,309	15,012	7,692
		14,621	9,309	18,356,728	1,335,666

The above loans are interest free, unsecured and have no fixed terms of repayment. These arrangements are reviewed from time to time. The above loans are not expected to be settled within the next 12 months.

Split between non-current and current portions					
Non-current assets		53,363,270	47,395,067	18,361,748	1,335,666
Current assets		3,501,027	1,535,623	-	-
		56,864,297	48,930,690	18,361,748	1,335,666

7. Loans to group companies (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$

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.

The loan with Sinco Investments 178 (Proprietary) Limited (subscription of shares) is secured by a contract with the shareholder ensuring future cash flow distributions of the company will first repay the loan, hence the loan receivable is reduced by dividends paid to the shareholder each year.

Credit rating framework

Internal credit grade	Description	Basis for recognising expected credit losses
Performing	Low risk of default and no amounts are past due	Lifetime ECL (not credit impaired)
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit impaired)
	Either 90 days past due or there is evidence that the asset is in default credit impaired	Lifetime ECL (not credit impaired)
Write-off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Lifetime ECL (not credit impaired)

Based on the credit rating framework above, management has assessed that there is no need to raise an allowance for expected credit losses for the current financial period as the loss given default on the loans to Sinco Investments 178 (Proprietary) Limited is assessed to be negligible and probability of default for the other loans is assessed to be nil.

8. Loans to employees

Loans to employee of Hopsol Africa (Proprietary) Limited	55,000	-	-	-
The loan is unsecured and bears no interest. The balance of the loan will be set off against any future bonuses that are due to the employee.				

9. Trade and other receivables

Financial instruments:				
Trade receivables	9,913,798	4,903,607	3,854,237	1,424,032
Non-financial instruments:				
VAT	37,242,934	2,551,108	790,199	468,126
Deposits	157,675	33,000	-	-
Total trade and other receivables	47,314,407	7,487,715	4,644,436	1,892,158

9. Trade and other receivables (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Split between non-current and current portions					
Current assets		47,314,407	7,487,715	4,644,436	1,892,158
Financial instrument and non-financial instrument components of trade and other receivables					
At amortised cost		9,913,798	4,903,607	3,854,237	1,424,032
Non-financial instruments		37,400,609	2,584,108	790,199	468,126
		47,314,407	7,487,715	4,644,436	1,892,158

Trade and other receivables pledged as security

No trade receivables were pledged as security.

Exposure to credit and currency risk

Refer to note 32 for details of credit risk and currency risk management for trade receivables.

Fair value of trade and other receivables

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

10. Finance lease receivables

Vivo - Oshakati Service Station	1,046,736	1,102,405	-	-
Vivo - Otavi Service Station	468,841	486,082	-	-
Vivo - East End Service Station	761,288	789,806	-	-
Vivo - Three Way Service Station	997,868	1,045,305	-	-
Vivo - Okuryangava Service Station	721,434	754,798	-	-
Vivo - Zambezi Service Station	945,047	990,755	-	-
Vivo - Vineta Service Station	559,118	587,315	-	-
Vivo - Maroela Motors Service Station	846,826	882,419	-	-
Vivo - Northgate Service Station	949,528	995,906	-	-
	7,296,686	7,634,791	-	-

10. Finance lease receivables (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Maturity analysis of lease payments receivable					
- first year		1,894,017	1,837,443	-	-
- second year		1,894,017	1,894,017	-	-
- third year		1,894,017	1,894,017	-	-
- fourth year		1,894,017	1,894,017	-	-
- fifth year		1,894,017	1,894,017	-	-
- sixth year and onwards		5,418,425	7,369,013	-	-
Gross investment in the leases		14,888,510	16,782,524	-	-
Less: Unearned interest income		(7,591,824)	(9,147,733)	-	-
Net investment in the lease		7,296,686	7,634,791	-	-
Non-current assets		6,976,481	7,296,683	-	-
Current assets		320,205	338,108	-	-
		7,296,686	7,634,791	-	-

The group entered into finance leasing arrangements with Vivo Energy (Pty) Ltd for the lease of Solar plants installed by the group.

The average lease terms for each lease is 10 years.					
Other information regarding finance lease receivables:					
Interest income recognised on net investment in the leases		1,555,910	1,569,174	-	-

11. Prepayments

Prepayments		297,842	246,716	47,842	71,667
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12. Other financial assets

At amortised cost					
RMB Notice Call Deposit Account					
The account bears interest at 9.117% (2023: 8.20%) per annum. As a result of the agreement with NamPower which came to an end on 31 March 2024 and the term of the joint operation coming to an end, the redemption of the call account is expected to occur on or after during the next financial year.		22,163,069	35,142,248	-	-
Non-current assets		-	35,142,248	-	-
Current assets		22,163,069	-	-	-
		22,163,069	35,142,248	-	-
Reconciliation of other financial assets					
Opening balance		35,142,248	53,349,619	-	-
Accretion of finance income		2,003,931	414,308	-	-
Disinvestment of other financial assets		(14,983,110)	(18,621,679)	-	-

13. Inventories

Closing balance		22,163,069	35,142,248		--
		Group		Company	
	Note(s)	2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Consumables and other finished goods		3,381,590	3,616,697	-	-
Work-in-progress		-	383,318	-	-
		3,381,590	4,000,015	-	-
Provision for obsolete stock		(421,845)	-	-	-
		2,959,745	4,000,015		

Inventory to the value of N\$1,154,363 (2023: N\$1,681,644) were written off and recognised as cost of sales.

14. Cash and cash equivalents

Cash and cash equivalents consist of:					
Bank balances		386,061,754	34,656,106	315,373,391	4,768,170
Bank overdraft		-	(5,390,921)	-	-
		386,069,646	29,309,828	315,373,805	4,768,584
Current assets		386,069,646	34,700,749	315,373,805	4,768,584
Current liabilities		-	(5,390,921)	-	-
		386,069,646	29,309,828	315,373,805	4,768,584
Cash and cash equivalents held by the entity that are not available for use by the group.		20,999,994	-	-	-

Alpha Namibia Industries Renewable Power Limited completed the rights offer on 04 December 2024. To finance its take up of the rights offer, an existing shareholder reached out to Rand Merchant Bank (RMB) for a loan and the shares taken up will serve as security. RMB agreed to the terms, including the security on the loan, and opened a call account in Alpha Namibia Industries Renewable Power Limited's name where the funds from the loan were deposited. The access to the account will only be granted to Alpha Namibia Industries Renewable Power Limited once RMB has received the share certificates from the Namibia Stock Exchange (NSX), which has not yet occurred as at year end.

Notification was received from RMB on 08 May 2024 that this restriction has been lifted.

Exposure to currency risk

15. Share capital and share premium

Refer to note 32 Financial instruments and financial risk management for details of currency risk management for cash and cash equivalents.

	Note(s)	Group		Company	
		2023 N\$	2024 N\$	2023 N\$	2024 N\$
Authorised					
100,000,000 Ordinary shares with a par value of N\$0.01		100,000,000	1,000,000	1,000,000	1,000,000
Reconciliation of number of shares issued:					
Reported as at 28 February		16,881,847	16,881,847	16,881,847	16,881,847
Issue of shares – ordinary shares		55,331,266	-	55,331,266	-
		72,213,113	16,881,847	72,213,113	16,881,847
Reconciliation of shares in issue					
Reported as at 28 February		168,818	168,818	168,818	168,818
Issue of ordinary shares at N\$0.01 per share		553,313	-	553,313	-
		722,131	168,818	722,131	168,818
Issued					
Ordinary shares with a a par value of N\$0.01		722,131	168,818	722,131	168,818
Share premium		600,635,733	164,072,045	600,635,733	164,072,045
Share issue costs written off against share premium		(10,893,725)	-	(10,893,725)	-
		590,464,139	164,240,863	590,464,139	164,240,863

16. Loans from group companies

Other related parties					
The loan is secured, bears interest at the prime rate plus 2.75% per annum (14.25% at year end) (2023:13.25%).		25,368,529	25,775,057	-	-
The total principal debt over 13 years with 156 monthly payments instalments of approximately N\$359,530.56 each, with an 8 month grace period commencing on the effective date, being 19 December 2022 .					
Tulive Private Equity (Proprietary) Limited		73,181,738	76,750,094	-	-
The loan is secured, bears interest at the prime rate plus 0.50% per annum (12.00% at year end) (2023:9%). The					
total principal debt over 5 years with 60 monthly payment instalments over 144 monthly payments schedule with 59 equal monthly instalments of approximately N\$1,011,139 each. Thereafter a balloon repayment of outstanding					
amount of approximately N\$62,166,561 in month 60 and failing repayment of same, an option to refinance the outstanding capital, interest and costs owing at such time, subject to formal credit application to and approval by Tulive Private Equity (Proprietary) Limited and all credit criteria being met.					
Tulive Private Equity (Proprietary) Limited -GIPF Performance Bond		18,225,281	27,282,476	-	-
The loan bears interest at prime rate plus 1.5% (13% at year end) (2023:12.25%) and is payable annually. The principal amount is payable in one payment after 36 months.					

16. Loans from group companies (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Joint ventures		4,969,120	9,756,515	-	-
Tulive Private Equity (Proprietary) Limited					
The loan is secured by Hopsol Africa's profit share in the joint venture. It bears interest at prime lending rate (11.50% at year end) (2023: 10.75%) per annum. The total principle debt, any penalties and interest will be settled in one instalment during the next financial year.					
Subsidiaries		121,744,668	139,564,142	-	-
Anirep Solar (Pty) Ltd					
The above loan is interest free, unsecured and has no fixed terms of repayments. These arrangements are reviewed from time to time.					
Split between non-current and current portions					
Non-current liabilities		89,309,589	128,658,246	-	-
Current liabilities		34,136,983	12,434,499	-	1,230,383
		123,446,572	141,092,745	-	1,230,383

Refer to note 33 Changes in liabilities arising from financing activities for details of the movement in loans from group companies during the reporting period.

Exposure to liquidity risk

Refer to note 32 Financial instruments and financial risk management for details of liquidity risk exposure and management.

Exposure to currency risk

Refer to note 32 Financial instruments and financial risk management for details of currency risk management for group loans payable.

Exposure to interest rate risk

Refer to note 32 Financial instruments and financial risk management for details of interest rate risk management for group loans receivable.

17. Interest-bearing borrowings

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Held at amortised cost					
Development Bank of Namibia - Facility One		92,704,665	-	-	-
The loan is secured and bears interest at a fixed rate of 9.50% (2023:nil). The loan is repayable over 9 Years with 108 monthly instalments starting 31 March 2026 and a balloon payment of the outstanding amount of approximately N\$60 million in the month 108. The loan has a 12 month grace period on interest and a 36 month grace period on capital from the first disbursement from the facility, being 24 February 2023.					
Development Bank of Namibia - Facility Two		11,986,657	-	-	-
The loan is secured and bears interest at a fixed rate of 9.50% (2023:nil). The loan is repayable in a single bullet repayment in 2 Years on 30 September 2025.					
Development Bank of Namibia - Facility Three		94,266,281	-	-	-
The loan is secured and bears interest at the prime rate plus 3.65% (15.15% at year end) (2023:nil). The loan is repayable over 15 Years with 180 monthly instalments starting 31 March 2026. The loan has a 12 month grace period on interest and a 36 month grace period on capital from the first disbursement from the facility, being 08 September 2024.					
Bank Windhoek: CL 4000106892		4,971,991	-	-	-
The loan is secured and bears at the prime lending rate plus 1.00% (12.50% at year end) (2023: nil). The loan is repayable over 4 Years with 48 monthly equal instalments of N\$133,603 starting from 01 February 2024.					
Bank Windhoek: CL 4000080678		20,647,868	24,534,281	-	-
The loan is secured, bears interest at the prime lending rate plus 0.50% (12% at year end) (2023:11.25%) per annum. The loan is repayable as follows: 5 Years with 60-monthly instalments of approximately N\$345,784 calculated over a 120 Month payment schedule, starting on 01 October 2020 with 59 Equal Monthly Instalments and a balloon payment of the outstanding amount of approximately N\$17,399,295 in month 60 on 30 September 2025 and, failing repayment of same, an option to refinance the outstanding capital, interest and costs owing at such time, subject to formal credit application to and approval by the Bank and all credit criteria being met.					
Bank Windhoek: CL 4000080726		69,427,195	76,615,794	-	-
The loan is secured, bears interest at the prime lending rate (11.5% at year end) (2023: 10.75%) per annum. The loan is repayable as follows: 5 Years with 60 monthly instalments of approximately N\$1,088,472 calculated over a 120 Month payment schedule starting on 01 October 2020 with 60 Equal Monthly Instalments and a balloon payment of the outstanding amount of approximately N\$55,408,980 in month 60 on 30 September 2025 and, failing repayment of same, an option to refinance the outstanding capital, interest and costs owing at such time, subject to formal credit application to and approval by the Bank and all credit criteria being met.					
		294,004,657	101,150,075	-	-
Split between non-current and current portions					
Non-current liabilities		280,328,644	90,815,838	-	-
Current liabilities		13,676,013	10,334,237	-	-
		294,004,657	101,150,075		

17. Interest-bearing borrowings (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$

Refer to note 33 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 32 Financial instruments and financial risk management for the fair value of borrowings.

Exposure to liquidity risk

Refer to note 32 Financial instruments and financial risk management for details of liquidity risk exposure and management.

Exposure to currency risk

Refer to note 32 Financial instruments and financial risk management for details of currency risk management for borrowings.

Exposure to interest rate risk

Refer to note 32 for details of interest rate risk management for interest-bearing borrowings.

18. Deferred tax

Deferred tax liability					
Property, plant and equipment		(48,338,280)	(49,278,616)	-	-
Tax losses available for set off against future taxable income		18,744,050	25,608,823	-	-
Finance lease - lessor		(2,128,190)	(1,389,233)	-	-
Timing difference on joint operation taxable income		(47,683)	(318,165)	-	-
Prepayments		(80,000)	-	(56,016)	-
Employee cost provision		201,419	309,048	-	-
Income received in advance		675,563	-	-	-
Total deferred tax liability		(30,973,121)	(25,124,159)	-	-

18. Deferred tax (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Deferred tax asset					
Property, plant and equipment		(33,204,022)	-	-	-
Unrealised foreign exchange loss		256,970	-	-	-
Tax losses available for set off against future taxable income		35,352,119	-	-	-
Total deferred tax asset		2,405,067	-	-	-
Deferred tax liability		(30,973,121)	(25,124,159)	-	-
Deferred tax asset		2,405,067	-	-	-
Total net deferred tax liability		(28,568,054)	(25,124,159)	-	-
Reconciliation of deferred tax asset / (liability)					
At beginning of year		(25,124,159)	(18,859,194)	-	-
Increase /(decrease) in tax loss available for set off against future taxable income		28,943,608	(8,670,196)	-	-
Deductible temporary differences on income received in advance (Deductible)/taxable temporary difference movement on tangible fixed assets		675,563	-	-	-
Deductible temporary difference on unrealised foreign exchange differences		(32,719,950)	3,186,659	-	-
(Deductible)/taxable temporary difference on employee cost provisions		256,970	-	-	-
		(107,629)	50,806	-	-
Deductible temporary difference on finance lease asset		(738,957)	(761,306)	-	-
Deductible temporary difference on prepaid expenses		(23,984)	(56,015)	-	-
Taxable/(deductible) temporary difference on joint		270,484	(14,913)	-	-
		(28,568,054)	(25,124,159)	-	-

Recognition of deferred tax asset

An entity shall disclose the amount of a deferred tax asset and the nature of the evidence supporting its recognition, when:

- the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from
- the reversal of existing taxable temporary differences; and
- the entity has suffered a loss in either the current or preceding period in the tax jurisdiction to which the deferred tax asset relates.

At 29 February 2024, Anirep Aussenkjer Solar One Namibia (Pty) Ltd has an assessed loss of N\$110,475,371 (2023: N\$11,951,739) available to utilise against taxable temporary differences. The full assessed loss has been provided for because once the construction of the Khan solar plant has been completed and the plant becomes operational, it is expected that the company will have sufficient future tax profits and/or taxable temporary difference to utilise the unused tax losses.

18. Deferred tax (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Breakdown of assessed losses within the group					
Alpha Namibia Industries Renewable Power Limited		24,419,004	15,413,277	24,419,004	15,413,277
Anirep Solar (Proprietary) Limited		58,575,156	78,601,751	-	-
Anirep Aussenkjer Solar One Namibia (Pty) Ltd		110,475,371	11,951,739	-	-
ANISOL (Proprietary) Limited		22,965	14,480	-	-
		193,492,496	105,981,247	24,419,004	15,413,277
Assessed loss not recognised		(24,441,969)	(25,953,675)	(24,419,004)	(15,413,277)
		169,050,527	80,027,572	-	-

19. Deferred income

Deferred income		212,989	3,570,573	-	-
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Deferred income relates to revenue received from the Omburu project that has been received in the current financial period, however has not recognised in profit and loss as the milestone has not been reached for related contract costs to be recognised.

The significant decrease in deferred income is due to operation and maintenance services being provided to ensure that the Omburu solar PV plant operates at satisfactory levels as required per the EPC contract with Nampower. The remaining deferred income will be recognised as and when operation and maintenance services are provided until the end date of the EPC contract with NamPower.

Amounts included in deferred income at the beginning of the year		3,357,584	-	-	-
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20. Trade and other payables

Financial instruments:					
Accrued expenses*		11,083,818	2,550,589	9,017,807	877,114
Provision for faulty solar modules		-	2,200,000	-	-
Retention payables		24,358	24,358	-	-
Trade payables		5,673,327	2,660,702	1,249,969	665,445
Non-financial instruments:					
Amounts received in advance		2,111,135	-	-	-
ECB levies payable		16,713	20,721	-	-
Salary accruals and provisions		1,636,902	1,774,316	801,226	508,019
VAT		1,978,718	3,498,716	-	-
		22,524,971	12,729,402	11,069,002	2,050,578

20. Trade and other payables (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$

*In the prior year accrued expenses were incorrectly disclosed as other payables. The comparative information has been corrected for this error for improved disclosure.

Exposure to currency risk

Refer to note 32 Financial instruments and financial risk management for details of currency risk management for trade payables.

Exposure to liquidity risk

Refer to note 32 Financial instruments and financial risk management for details of liquidity risk exposure and management.

Refer to note 32 Financial instruments and financial risk management for details of interest rate risk management for trade and other payables.

21. Revenue

Revenue from contracts with customers					
Sale of goods and electricity		37,236,134	38,219,894	-	-
Rendering of services		36,875,512	40,759,497	3,131,203	2,926,251
		74,111,646	78,979,391	3,131,203	2,926,251
Disaggregation of revenue from contracts with customers					
The group disaggregates revenue from customers as follows:					
Sale of goods and electricity					
Sale of electricity to Cenored - Otjiwarongo		15,130,224	16,269,990	-	-
Sales of electricity to Nampower - Otjozondjupa		21,943,096	21,835,130	-	-
Sales of solar PV panels*		162,814	114,774	-	-
		37,236,134	38,219,894	-	-
Rendering of services					
Administration and management fees received		-	-	3,131,203	2,926,251
EPC contracts*		3,357,585	15,652,981	-	-
Operations and maintenance services*		33,517,927	25,106,516		
		36,875,512	40,759,497	3,131,203	2,926,251
*The comparative figures have been disaggregated for improved disclosure.					
Total revenue from contracts with customers		74,111,646	78,979,391	3,131,203	2,926,251

21. Revenue (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Timing of revenue recognition					
Over time					
Rendering of services		36,875,512	40,759,497	3,131,203	2,926,251
Sale of goods		37,236,134	38,219,894	-	-
		74,111,646	78,979,391	3,131,203	2,926,251
The transaction price which has been allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 29 February 2024 are as follows:					
Within one year		212,989	3,295,914	-	-
More than one year		-	274,659	-	-
		212,989	3,570,573	-	-

The remaining performance obligation expected to be recognised in more than one year relates to the EPC revenue of the delivery of operations and maintenance services to Nampower on the Omburu solar PV plant.

The group and company has applied the practical expedient in accordance with IFRS 15.121 to not disclose the transaction price allocated to its remaining performance in respect of the following revenue categories because the group and company have a right to receive consideration in an amount that directly corresponds with the value that the customer receives.

22. Cost of sales

Construction contracts		5,706	3,361,001	-	-
Movement in provision for obsolete stock		421,845	-	-	-
Sale of goods and rendering of services		12,812,795	5,920,020	-	-
		13,240,346	9,281,021	-	-

23. Other operating income

Bad debts recovered		-	119,667	-	-
Warrant proceeds		49,721	24,433,487	-	-
Reversal of provision for faulty solar modules		2,200,000	-	-	-
Sundry income		20,124	28,660	-	-
Profit on disposal of property, plant and equipment		156,413	-	-	-
NTA refund		30,883	528,234	3,003	-
		2,457,141	25,110,048	3,003	-

24. Operating profit/(loss)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Operating profit/(loss) for the year is stated after charging (crediting) the following, amongst others:					
Auditor's remuneration - external					
Audit fees		1,458,650	1,239,911	858,002	844,472
Remuneration, other than to employees					
Administrative and managerial services		2,782,563	1,798,200	2,782,563	1,798,200
Consulting and professional services		3,749,784	2,325,948	2,523,314	1,431,815
Secretarial services		193,145	203,712	180,393	150,143
		6,725,492	4,327,860	5,486,270	3,380,158
Employee costs					
Salaries, wages, bonuses and other benefits*		21,729,299	17,707,051	4,890,716	3,487,85
*The comparative figures of the group have been updated to exclude fees paid to non-executive directors amounting to N\$2,359,483.					
Leases					
Operating lease charges		874,669	467,554	-	-
Depreciation and amortisation					
Depreciation of property, plant and equipment		10,162,423	9,920,275	80,519	94,096
Depreciation of right-of-use assets		162,174	162,174	162,174	162,174
Total depreciation and amortisation		10,324,597	10,082,449	242,693	256,270
Other					
Bad debts		-	49,355	-	-
Foreign exchange loss/(gains)		3,589,766	(3,546,500)	(17,418)	(219,402)
Loss on derecognition of property, plant and equipment		-	9,090,566	-	-

25. Finance income

Bank and other cash	1,201,142	1,016,536	241,758	313,136
Finance lease receivables	1,555,910	1,569,174	-	-
Loans to group companies	6,169,515	4,380,523	-	-
Other financial assets	2,003,931	2,727,013	-	-
Trade and other receivables	-	55,556	-	-
Total finance income	10,930,498	9,748,802	241,758	313,136

Finance income of N\$8,152,936 (2023: N\$7,035,289) was capitalized in respect of other financial asset and loans to group companies.

26. Finance costs

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Bank overdraft		982,595	1,510,315	15	-
Interest-bearing borrowings		19,112,953	10,380,375	-	-
Loans from group companies		15,444,558	12,208,095	-	-
Late payment of regulatory liabilities		12,894	-	12,894	-
Lease liabilities		28,925	54,299	28,925	54,299
Other interest paid		430	11,787	-	-
Trade and other payables		3	169	-	-
Less: Capitalised to assets under construction		(8,078,243)	-	-	-
Total finance costs expensed		27,504,115	24,165,040	41,834	54,299

Finance cost of N\$5,441,566 (2023: N\$3,702,880) relating to loans from group companies and interest bearing borrowings have accrued at year-end.

27. Taxation

Major components of the tax expense					
Current					
Local income tax - current period		2,806,529	2,589,817	-	-
Deferred					
Originating and reversing temporary differences		(1,264,725)	6,230,910	-	-
Arising from prior period adjustments		4,708,681	34,055	-	-
		3,443,956	6,264,965	-	-
		6,250,485	8,854,782	-	-
Reconciliation of the tax expense					
Reconciliation between applicable tax rate and average effective tax rate.					
Applicable tax rate		32.00 %	32.00 %	32.00 %	32.00 %
Assessed loss (utilised)/not recognised		(21.92)%	8.99 %	(26.84)%	(30.94)%
Disallowable charges		(11.47)%	3.67 %	(5.22)%	(2.00)%
Exempt income		0.04 %	(13.94)%	0.06 %	0.94 %
Prior year adjustments		(43.95)%	0.12 %	- %	- %
		(45.30)%	30.84 %	- %	- %

28. Cash generated (used in)/from operations

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
(Loss)/profit before taxation		(7,921,227)	28,711,817	(9,644,890)	(6,670,814)
Adjustments for non-cash items:					
Net movement in finance lease receivable		338,105	(1,670,004)	-	-
Derecognition (gains)/losses of property, plant and equipment		(156,413)	9,090,566	-	-
Depreciation - property, plant and equipment		10,162,423	9,920,275	80,519	94,096
Depreciation - right of use assets		162,174	162,174	162,174	162,174
(Gains)/loss on exchange differences on cash and cash equivalents		(17,753)	219,291	(17,753)	(194,937)
Unrealised exchange differences on trade payables		803,030	-	-	-
Share of loss/(profit) of associate		2,008	(2,949)	-	-
Inventories written off		1,154,363	-	-	-
Movement in provision for obsolete stock		421,845	-	-	-
Finance costs		27,504,115	24,165,040	41,834	54,299
Finance income		(10,930,498)	(9,748,802)	(241,758)	(313,136)
Changes in working capital:					
(Decrease)/increase in deferred income		(3,357,584)	3,570,573	-	-
(Increase)/decrease in inventories		(535,938)	3,041,995	-	-
(Increase)/decrease in prepayments		(51,126)	(40,527)	23,825	(23,460)
(Increase)/decrease in trade and other receivables		(39,830,000)	24,815,213	(2,752,278)	(1,370,704)
Increase in trade and other payables		8,992,539	3,380,682	9,018,424	905,636
		(13,259,937)	95,615,344	(3,329,903)	(7,356,846)

29. Tax paid

Balance at beginning of the year		(844,318)	1,391,704	-	-
Current tax recognised in profit or loss		(2,806,529)	(2,589,817)	-	-
Balance at end of the year		2,806,529	844,318	-	-
		(844,318)	(353,795)	-	-

30. Related parties

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$

Relationships

Subsidiaries

Anirep Solar (Proprietary) Limited
HopSol Africa (Proprietary) Limited
Anirep Aussenkjer Solar One Namibia (Proprietary) Limited
ANISOL (Proprietary) Limited

Joint ventures

Hopsol Africa and Tulive Joint venture

Associates

Neogreen Hydrogen Energy (Namibia) (Proprietary) Limited

Other related parties

Tulive Private Equity (Proprietary) Limited
Alternative Energy Consultants (Proprietary) Limited Sinco
Investments 178 (Proprietary) Limited Neogreen
Hydrogen Corporation

Related party balances					
Loan accounts - Owing (to)/by related parties		(121,744,668)	(139,564,142)	-	-
Tulive Private Equity (Proprietary) Limited		1,701,404	1,535,623	-	-
Tulive Private Equity (Proprietary) Limited		53,348,649	47,385,758	5,020	-
Sinco Investments 178 (Proprietary) Limited		1,799,623	-	-	-
Alternative Energy Consultants (Proprietary) Limited		-	-	18,323,341	1,318,184
Anirep Aussenkjer Solar One Namibia (Proprietary) Limited					
Hopsol Africa and Tulive Joint operation		(1,701,904)	(1,528,603)	-	-
Anirep Solar (Proprietary) Limited		-	-	-	(1,230,383)
ANISOL (Proprietary) Limited		-	-	18,375	9,790
Neogreen Hydrogen Energy (Namibia) (Proprietary) Limited					
Amounts included in Trade receivable/(Trade Payable) regarding related parties					
Tulive Private Equity (Proprietary) Limited		(9,775)	(7,820)	(9,775)	-
Alternative Energy Consultants (Proprietary) Limited		(334,460)	(172,388)	(334,460)	-
Anirep Solar (Proprietary) Limited		-	-	1,439,685	385,000
Hopsol Africa (Proprietary) Limited		-	-	2,402,076	1,019,189
Loans to employee of Hopsol Africa (Proprietary) Limited					
Silvester Wayiti		55,000	-	-	-

30. Related parties (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Finance expenses paid to/(received from) related parties					
Sinco Investments 178 (Proprietary) Limited		(5,957,871)	(4,308,276)	-	-
Tulive Private Equity (Proprietary) Limited		(140,970)	(72,247)	-	-
Tulive Private Equity (Proprietary) Limited		12,190,536	12,208,095	-	-
Alternative Energy Consultants (Proprietary) Limited		(49,623)	-	-	-
Hopsol Africa and Tulive Joint venture		(148,490)	-	-	-
Purchases from/(sales to) related parties					
Tulive Private Equity (Proprietary) Limited		115,290	33,670*	115,290	33,670*
Administration fees paid to/(received from) related parties					
Anirep Solar (Proprietary) Limited		-	-	-	(2,040,000)
Hopsol Africa (Proprietary) Limited		-	-	-	(886,251)
Alternative Energy Consultants (Proprietary) Limited		2,782,563	1,798,200	2,782,563	-

31. Directors’ emoluments

Executive 2024 - N\$

Directors’ emoluments

	Basic salary	Total
I.J. Nangolo	1,953,052	1,953,052
J. Nyandoro	1,678,108	1,678,108
	3,631,160	3,631,160

2023 - N\$

Directors’ emoluments Basic salary Total

I.J. Nangolo	1,331,680	1,331,680
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32. Financial instruments and risk management

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Categories of financial instruments					
Fair value Loans to group companies	7	56,864,297	-	56,864,297	56,864,297
Loans to employee	8	55,000	-	55,000	55,000
Finance lease receivables	10	-	7,296,686	7,296,686	7,296,686
Trade and other receivables	9	9,913,798	-	9,913,798	9,913,798
Cash and cash equivalents	14	386,069,646	-	386,069,646	386,069,646
Other financial assets	12	22,163,069	-	22,163,069	22,163,069
		475,065,810	7,296,686	482,362,496	482,362,496
Fair value Loans to group companies	7	48,930,690	-	48,930,690	48,930,690
Finance lease receivables	10	-	7,634,791	7,634,791	7,634,791
Trade and other receivables	9	4,903,607	-	4,903,607	4,903,607
Cash and cash equivalents	14	34,700,749	-	34,700,749	34,700,749
Other financial assets	12	35,142,248	-	35,142,248	35,142,248
		123,677,294	7,634,791	131,312,085	131,312,085
Fair value Loans to group companies	7	18,361,748	18,361,748	18,361,748	-
	9	3,854,237	3,854,237	3,854,237	-
	14	315,373,805	315,373,805	315,373,805	-
		337,589,790	337,589,790	337,589,790	-
Fair value Loans to group companies	7	1,335,666	1,335,666	1,335,666	-
Trade and other receivables	9	1,424,032	1,424,032	1,424,032	-
Cash and cash equivalents	14	4,768,584	4,768,584	4,768,584	-
		7,528,282	7,528,282	7,528,282	-
Fair value Trade and other payables	20	16,781,503	-	16,781,503	16,781,503
Loans from group companies	16	123,446,572	-	123,446,572	123,446,572
Interest-bearing borrowings	17	294,004,657	-	294,004,657	294,004,657
Lease liabilities	4	-	136,357	136,357	136,357
		434,232,732	136,357	434,369,089	434,369,089
Fair value Trade and other payables	20	7,435,649	-	7,435,649	7,435,649
Loans from group companies	16	141,092,745	-	141,092,745	141,092,745
Interest-bearing borrowings	17	-	-	101,150,075	101,150,075
Lease liabilities	4	-	491,432	491,432	491,432
Bank overdraft	14	5,390,921	-	5,390,921	5,390,921
		255,069,390	491,432	255,560,822	255,560,822
Fair value Trade and other payables	20	10,267,776	-	10,267,776	10,267,776
Lease liabilities	4	-	-136,357	136,357	136,357
		10,267,776	136,357	10,404,133	10,404,133

32. Financial instruments and risk management (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Fair value Trade and other payables	20	1,542,559	-	1,542,559	1,542,559
Loans from group companies	16	1,230,383	-	1,230,383	1,230,383
Lease liabilities	4	-	491,432	491,432	491,432
		2,772,942	491,432	3,264,374	3,264,374

Capital risk management

The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders' equity.

The group's policy is to keep the gearing ratio at an acceptable level as determined by management based on the group's operating and investment requirements. On all projects the group aim to achieve a target ration of 70% debt and 30% equity. The group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits, excluding discontinued operations.

No changes were made in the objectives, policies or processes for managing capital during the years ended 29 February 2024 and 28 February 2023.

32. Financial instruments and risk management (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Loans from group companies	16	123,446,572	141,092,745	-	1,230,383
Interest bearing borrowings	17	294,004,657	101,150,075	-	-
Lease liabilities	4	136,357	491,432	136,357	491,432
Trade and other payables	20	22,524,971	12,729,402	11,069,002	2,050,578
Total borrowings		440,112,557	255,463,654	11,205,359	3,772,393
Cash and cash equivalents	14	(386,069,646)	(29,309,828)	(315,373,805)	(4,768,584)
Net borrowings		54,042,911	226,153,826	(304,168,446)	(996,191)
Equity		604,105,080	192,053,515	565,944,334	149,365,948
Gearing ratio		9 %	118 %	(54)%	(1)%

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The directors has overall responsibility for the establishment and oversight of the group's risk management framework.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group and company are exposed to credit risk on other financial assets, loans receivable (at amortised cost), trade and other receivables, lease receivables and cash and cash equivalents.

32. Financial instruments and risk management (continued)

Cash and cash equivalents and other financial assets

The credit risk attached to the Group's cash and cash equivalents and other financial assets is minimized by its cash resources and investment only being placed with reputable financial institutions, as well as by keeping cash on hand to a relatively low level. The credit ratings of the various financial institutions are listed below.

	Short term	Long term	Outlook	Credit rating agency
Bank Windhoek	AA(NA)	A1+(NA)	Stable	Global Credit Rating Company
Standard Bank Namibia (backed by Standard Bank Group Limited)	B	BB-	Stable	Fitch Rating
Nedbank Namibia Limited	zaAA	zaA-1+	Stable	S&P
Rand Merchant Bank	B	BB-	Stable	Fitch rating

lease receivable

The probability of default related to finance lease receivable is regarded as insignificant. Contracts for the finance leases are entered into with all customers and require a deposit to be paid. Additionally, as a result of the below credit control procedures no customers have defaulted on the instalments of the finance leases.

The group has credit control procedures that monitor activity on customer accounts and allow for remedial action should the customer not comply with payment terms. These procedures include an internal collection process follow up with the customer telephonically or electronically, negotiations of mutually acceptable payment arrangements or the disconnection of supply of goods or services.

Trade and other receivables

Trade receivables relate to long-term contracts with customers for the supply of electricity and short-term contracts with customers for the installation of solar parks/panels as well as maintenance thereof.

In order to mitigate the risk of financial loss from defaults, the company only deals with reputable customers with consistent payment histories.

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

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. 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.

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

32. Financial instruments and risk management (continued)

Solar projects

The loss given default for trade receivables relating to solar projects is regarded as nil because contracts for solar projects require a deposit of 50% - 70% of the projects' contract value before construction of the solar project commences. Furthermore, construction is halted should any balance be in arrears.

Sale of electricity and delivery of operation and maintenance services

The group has credit control procedures that monitor activity on customer accounts and allow for remedial action should the customer not comply with payment terms. These procedures include charging of interest on overdue balances at the prime rate, an internal collection process follow up with the customer telephonically or electronically, negotiations of mutually acceptable payment arrangements and the discontinuation of supply of goods or services.

The group writes off trade receivables when there are no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. Progress on collection process is reviewed on a regular basis and if it is evident that the amount will not be recovery derived, it is recommended for write-off in terms of the group's delegation of authority policy. The process of recovery continues unless it is confirmed that there is no prospect of recovery or the costs of such recovery will exceed the benefits to be derived.

As a result of the above procedures, customers have settled their balances timeously and the loss given default is negligible.

Loans receivables

The loss given default for loans receivables is regarded as insignificant due to the Group structure and loan terms. The loans receivables are secured by future dividends expected to be declared by Anirep Solar (Proprietary) Limited or future profits generated from the joint operation that Hopsol Africa (Proprietary) Limited entered into with Tulive Private Equity (Proprietary) Limited. The dividends and profits are expected to be declared in and from the 2025 financial year.

32. Financial instruments and risk management (continued)

Group		2024			2023		
	Note(s)	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N\$	N\$	N\$	N\$	N\$	N\$
Amortised cost / fair value							
Loans to group companies	7	56,864,297	-	56,864,297	48,930,690	-	48,930,690
Loans to employee	8	55,000	-	55,000	-	-	-
Finance lease receivables	10	7,296,686	-	7,296,686	7,634,791	-	7,634,791
Trade and other receivables	9	47,314,407	-	47,314,407	7,487,715	-	7,487,715
Cash and cash equivalents	14	386,069,646	-	386,069,646	34,700,749	-	34,700,749
		497,600,036	-	497,600,036	98,753,945	-	98,753,945
Company		2024			2023		
	Note(s)	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
		N\$	N\$	N\$	N\$	N\$	N\$
Loans to group companies	7	18,361,748	-	18,361,748	1,335,666	-	1,335,666
Trade and other receivables	9	4,644,436	-	4,644,436	1,892,158	-	1,892,158
Cash and cash equivalents	14	315,373,805	-	315,373,805	4,768,584	-	4,768,584
		338,379,989	-	338,379,989	7,996,408	-	7,996,408

Liquidity risk

The group and company are exposed to liquidity risk, which is the risk that the group and company will encounter difficulties in meeting its obligations as they become due.

The group and company manages 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.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

32. Financial instruments and risk management (continued)

Group - 2024 - N\$		Note(s)	1 year N\$	1 to 2 years N\$	5 years + N\$	Total N\$	Carrying amount N\$
Non-current liabilities		16	-	53,416,910	92,258,043	145,674,953	89,309,589
Loans from group companies							
Borrowings		17	-	136,551,233	258,439,136	394,990,369	280,328,644
Current liabilities		20	16,781,503	-	-	16,781,503	16,781,503
Trade and other payables							
Loans from group companies		16	47,514,285	-	-	47,514,285	34,136,983
Borrowings		17	48,584,005	-	-	48,584,005	13,676,013
Lease liabilities		4	160,000	-	-	160,000	136,357
			113,039,793	-	-	653,705,115	434,369,089
Group - 2023 - N\$		Note(s)	1 year N\$	1 to 2 years N\$	5 years + N\$	Total N\$	Carrying amount N\$
Non-current liabilities							
Loans from group companies		16	-	84,769,946	105,982,545	190,752,491	128,658,246
Interest bearing borrowings		17	-	65,940,504	76,352,162	142,292,666	90,815,838
Lease liabilities		4	-	-	-	160,000	136,355
Current liabilities							
Trade and other payables		20	7,435,649	-	-	-	-
Loans from group companies		16	20,342,838	-	-	7,435,649	7,435,649
Interest bearing borrowings		17	20,823,317	-	-	20,342,838	12,434,499
Lease liabilities		4	384,000	-	-	20,823,317	10,334,237
Bank overdraft		14	5,390,921	150,870,450	182,334,707	387,581,882	256,100,822
			54,376,725	150,870,450	182,334,707	387,581,882	256,100,822
Company - 2024 - N\$				Note(s)	1 to 2 years	Total N\$	Carrying amount N\$
Current liabilities							
Trade and other payables				20	10,267,776	10,267,776	10,267,776
Lease liabilities				16	160,000	160,000	136,357
				-	10,427,776	10,427,776	10,404,133
Company - 2023 - N\$			Note(s)	1 year N\$	1 to 2 years	Total N\$	Carrying amount N\$
Non-current liabilities			4	-	160,000	160,000	136,355
Lease liabilities							
Trade and other payables			20	1,542,559	-	1,542,559	1,542,559
Loans from group companies			16	1,230,383	-	1,230,383	1,230,383
Lease liabilities			4	384,000	-	384,000	355,077
				3,156,942	160,000	3,316,942	3,264,374

32. Financial instruments and risk management (continued)

	Note(s)	Group		Company	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The group and company is exposed to foreign currency risk as a result of certain transactions and balances which are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameter. The foreign currencies in which the group and company deals primarily are US Dollars and Euros.

The group and company manages foreign currency risk by engaging with financial institutions, who issue loans to the group and company, to issue letters of credit to foreign suppliers and request the financial institutions to hedge the letters of credit amounts at an agreed exchange rate at the time that the letter of credit is issued. For other types of foreign currency transactions, the group and company aims to settle the foreign currency balance as soon as possible to reduce the effects of fluctuations in exchange rates.

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

Exposure in foreign currency amounts

US Dollar exposure:					
Current assets:					
Cash and cash equivalents	14	359,670	426,236	359,670	426,236
Current liabilities:					
Trade and other payables	20	2,166,329	-	-	-
Net US Dollar exposure		(1,806,659)	426,236	359,670	426,236

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.

32. Financial instruments and risk management (continued)

Group - N\$	2024	2024	2023	2023
1% Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
US Dollar	(18,066)	18,066	(4,262)	4,262
Impact on equity:				
US Dollar	(12,285)	12,285	(2,898)	2,898
Company - N\$	2024	2024	2023	2023
1% Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
US Dollar	3,597	(3,597)	(4,262)	4,262
Impact on equity:				
US Dollar	2,446	(2,446)	(2,898)	2,898

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 is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary, including consideration of replacing existing debt that have floating rates with debt that have fixed rates such as green bonds.

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

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

32. Financial instruments and risk management (continued)

Group - N\$	Note(s)	interest rate		Carrying amount	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Variable rate instruments:					
Assets					
Loans to group companies	7	11.50%-12%	10.75%-11.25%	56,828,676	48,905,392
Cash and cash equivalents	14	0.25%-6.60%	2.8% - 6%	386,069,646	34,700,749
				442,898,322	83,606,141
Liabilities					
Loans from group companies	16	11.5%-14.25%	10.75%-12%	(123,446,572)	(141,092,745)
Interest-bearing borrowings	17	11.5%-15.15%	10.75%-11.25%	(189,313,335)	(101,150,075)
Bank overdraft	14	- %	11.75 %	-	(5,390,921)
				130,138,415	(164,027,600)
Fixed rate instruments:					
Assets					
Loans to group companies	7	- %	- %	35,630	25,298
Trade and other receivables	9	- %	- %	9,913,798	4,903,607
Other financial assets		9.12 %	8.20 %	22,163,069	35,142,248
Loans to employee	8	- %	- %	55,000	-
Finance lease receivables	10	1.52%-2.17%	1.52%-2.17%	7,296,686	7,634,791
				39,464,183	47,705,944
Liabilities					
Interest-bearing borrowings	17	9.50 %	- %	(104,691,322)	-
Finance lease liabilities	4	8.54 %	8.54 %	(136,357)	(491,432)
Trade and other payables	20	- %	- %	(16,781,503)	(7,435,649)
				(121,609,182)	(7,927,081)
Net fixed rate financial instruments				(82,144,999)	(82,144,999)
Variable rate financial assets as a percentage of total interest bearing financial assets		91.82 %	63.67 %		
Fixed rate financial assets as a percentage of total interest bearing financial assets		8.18 %	36.33 %		
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities		72.00 %	96.90 %		
Fixed rate financial liabilities as a percentage of total interest bearing financial liabilities		28.00 %	3.10 %		

32. Financial instruments and risk management (continued)

Company - N\$	Note(s)	interest rate		Carrying amount	
		2023	2024	2023	2024
		N\$	N\$	N\$	N\$
Variable rate instruments:					
Assets					
Cash and cash equivalents	14	0.25% - 6.55%	5.25%-6.51%	315,373,805	4,768,584
Fixed rate instruments:					
Assets					
Loans to group companies	7	- %	- %	18,361,748	1,335,666
Trade and other receivables	9	- %	- %	3,854,237	1,424,032
				22,215,985	2,759,698
Liabilities					
Loans from group companies	16			-	(1,230,383)
Finance lease liabilities	4	8.54 %	8.54 %	(136,357)	(491,432)
Trade and other payables	20			(10,267,776)	(1,542,559)
				(10,404,133)	(3,264,374)
Net fixed rate financial instruments				11,811,852	(504,676)
Variable rate financial assets as a percentage of total interest bearing financial assets		93.42 %	63.34 %		
Fixed rate financial assets as a percentage of total interest bearing financial assets		6.58 %	36.66 %		
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities		- %	- %		
Fixed 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.

32. Financial instruments and risk management (continued)

Group - N\$	2024	2024	2023	2023
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Variable interest rate impact on profit or loss	(2,338,452)	642,014	(1,250,033)	1,314,035
Company - N\$	2024	2024	2023	2023
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Variable interest rate impact on profit or loss	(412,099)	412,099	(83,870)	83,870

33. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - Group - 2024 - N\$	Opening balance	Accretion of interest	Total non-cash movements	Cash flows - principal	Cash flows - interest	Closing balance
	N\$	N\$	N\$	N\$	N\$	N\$
Interest bearing borrowings	101,150,075	26,780	26,780	192,827,802	(11,007,931)	294,004,657
Lease liabilities	491,432	-	-	(355,075)	(28,925)	136,357
Loans from group companies	141,092,745	5,414,757	5,414,757	(23,060,930)	(10,029,771)	123,446,572
Total liabilities from financing activities	242,734,252	5,441,537	5,441,537	169,411,797	(21,066,627)	417,587,586
Reconciliation of liabilities arising from financing activities - Group - 2023 - N\$						
Interest bearing borrowings	110,922,423	-	-	(9,772,348)	(10,380,375)	101,150,075
Lease liabilities	661,134	-	-	(169,702)	(54,299)	491,432
Loans from group companies	136,272,387	1,390,175	1,390,175	3,430,183	(8,505,215)	141,092,745
Total liabilities from financing activities	247,855,944	1,390,175	1,390,175	(6,511,867)	(18,939,889)	242,734,252
Reconciliation of liabilities arising from financing activities - Company - 2024 - N\$						
Lease liabilities			491,432	(355,075)	(28,925)	136,357
Loans from group companies			1,230,383	(1,230,383)	-	-
Total liabilities from financing activities			1,721,815	(1,585,458)	(28,925)	136,357

34. Contingencies

In favour of Bank Windhoek Limited

Otjiwarongo Plant

- Registered Cession of Comprehensive Insurance Policy;
- Registered Cession of the Power Purchase Agreement (PPA) and Transmission Connection Agreement (TCA) between Cenored and Anirep Solar (Proprietary) Limited;
- Registered Cession of all monies due to Anirep Solar (Proprietary) Limited in terms of PPA and TCA between Cenored and Anirep Solar (Proprietary) Limited;
- Registered Cession over the warranties and guarantees on the equipment (foundations, trackers, inventors and panels etc.), provided by the suppliers and subcontractors;
- - Standard module power output warranty 30-year module power output warranty- Otjiwarongo Plant, effective 05 December 2022 and therefore 28.8 years remain;
- - 5 year's warranty of inverters - SMA Solar Technology, effective 01 September 2015 and therefore 1 years remain;
- - 10 year's product warranty (materials and workmanship), effective 01 September 2015 and therefore 6 years remain.
- Unlimited pledge over Movable assets held at Otjiwarongo plant;
- Negative undertaking of liabilities and encumbering assets; and
- A First Notarial Leasehold Bond for N\$1 500 000 over Portion 12 of the Farm Otjiwarongo Townlands No. 18

34. Contingencies (continued)

Otjiwarongo, Namibia.

- Otjozondjupa [Grootfontein] Plant
- Registered Cession of Comprehensive Insurance Policy;
- Registered Cession of all monies due to Anirep Solar (Proprietary) Limited in terms of PPA and TCA between

NamPower and Anirep Solar (Proprietary) Limited;

- Registered Cession of the Power Purchase Agreement (PPA) and Transmission Connection Agreement (TCA) between NamPower and Anirep Solar (Proprietary) Limited;
- Unlimited Pledge over Movable assets held at Otjozondjupa plant;
- Negative undertaking of liabilities and encumbering assets;
- 1st Covering Mortgage Bond for N\$1,350,000 over Portion 2 or 3 of Farm Kranzfontein Number 3, Grootfontein
- - zoning to be confirmed;
- Limited Suretyship for N\$133,000,000 by Alpha Namibia Industries Renewable Power Ltd, Reg. No. 2018/0148, supported by securities in own name;
- Limited Suretyship for N\$133,000,000 by Sinco Investments 178 (Proprietary) Limited, Reg. No. 2014/1159, supported by security in own name;
- Cession of shares held by Alpha Namibia Industries Renewable Power Ltd in Anirep Solar (Proprietary) Limited;
- A share buy-back agreement between Bank Windhoek Limited, Tulive Private Equity (Proprietary) Limited and Anirep Solar (Proprietary) Limited;
- Cession of shares held by Sinco Investments 178 (Proprietary) Limited in Anirep Solar (Proprietary) Limited;
- and
- It is a specific condition that any collateral held and/or required must be in the Bank's possession and in legal order before the loan maybe implemented.
- Registered Cession over the warranties and guarantees on the equipment (foundations, trackers, inventors and panels etc.), provided by the suppliers and subcontractors:
- - 25 years' module power output warranty, effective 01 June 2016 and therefore 22 years remain;
- - 5 years' warranty of inverters, effective 01 June 2016 and therefore 2 years remain;
- - 10 years product warranty (materials and workmanship) - effective 01 June 2016 and therefore 7 years remain.

In favour of Tulive Private Equity (Proprietary) Limited

- The notarial bond registered in favour of Tulive-GIPF Infrastructure Fund and/or Government Institutions Pension Fund ("GIPF"), against the notarial lease endorsed on the title deed pertaining to the property identified as Portion of Otjiwarongo Townland West No. 408, measuring 12 (twelve) Hectares with commencement date 01 April 2015, for a duration of 33 (thirty three years);
- The general notarial collateral bond registered in favour of Tulive-GIPF Infrastructure Fund and/or Government Institutions Pension Fund ("GIPF"), over the following movable property: all solar panels, trackers, gears and all sundry equipment on the property referred to in clause 2.8.1, to the value of N\$112,000,000 (one hundred and twelve million Namibia Dollar) for the provision of solar power to Central North Regional Electricity Distributor (Proprietary) Limited ("CENORED") in accordance with the Power Purchase Agreement concluded with CENORED;

34. Contingencies (continued)

- A first continuing covering mortgage bond registered in favour of Tulive-GIPF Infrastructure Fund and/or
- Government Institutions Pension Fund ("GIPF"), to the amount of N\$113,000,000 (one hundred and thirteen million Namibia Dollar) over the property identified as Portion 2 or 3 Farm Ackerbau No. 3, Grootfontein;
- The general notarial Collateral Bond registered in favour of Tulive-GIPF Infrastructure Fund and/or Government
- Institutions Pension Fund ("GIPF"), over the following moveable property: all solar panels, trackers, gears and all sundry equipment pertaining to the property identified in clause 2.8.3, to the value of N\$113,000,000 (one hundred and thirteen million Namibia Dollar) which are for the provision of solar power to the Namibia Power Corporation (Proprietary) Limited ("NamPower") in accordance with the Power Purchase Agreement concluded with NamPower;
- Cession of Anirep Solar (Proprietary) Limited's rights, title and interest, of any nature whatsoever, in and to the bank accounts into which proceeds under the PPA contracts are paid; and
- The above security is second ranking to the security provided to Bank Windhoek for similar claims.
- In favour of Tulive Private Equity/GIPF (Proprietary) Limited
- A notarial bond in an amount equal to N\$25,000,000 (twenty five million Namibia Dollars) to be registered against the solar panels, trackers, gears, inverters and all sundry equipment located at No. 408 Otjiwarongo Townland West, Otjizondjupa Region, Namibia; and portions 2 and 3 of Farm Ackerbau No. 3 Grootfontein, Otjizondjupa Region;
- All reversionary rights in respect of Anirep Solar's bank account which has been ceded to Bank Windhoek
- Limited;
- All related rights meaning - any monies and proceeds (including the proceeds of a disposal or other realisation) accrued or receivable in respect of all or part thereof
- - all rights and benefits in respect of any agreement for the disposal or other realisation thereof; and
- - all contracts, warrants, remedies, securities, security, indemnities and other undertakings in respect thereof.
- In favour of Development Bank of Namibia
- A notarial bond over the machinery and equipment used for Anirep Aussenkjer Solar One Namibia's operations related to solar power production for an amount of N\$99 million;
- Cession of Receivables;
- Cession of the lease agreement;
- Cession of Power Purchase Agreement;
- Cession of the Project Insurance;
- Pledge and cession of Anirep Solar's shares in Anirep Aussenkjer Solar One Namibia (Proprietary) Limited
- Pledge and cession of Aussenkjer Energy Investments (Proprietary) Limited's shares in Anirep Aussenkjer Solar
- One Namibia (Proprietary) Limited;
- Limited suretyship in favour of Development Bank of Namibia by Anirep Solar (Proprietary) Limited;
- Limited suretyship in favour of Development Bank of Namibia by Aussenkjer Energy Investments (Proprietary) Limited
- In favour of Bank Windhoek Limited
- Limited cession of N\$1,257,128 over Notice Deposit 3001060628 It is a specific condition that any collateral held and/or required must be in the Bank's possession and in legal order before the loan may be implemented

35. Going concern

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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 are satisfied that the group and company are 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 group and 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 group and company.

We draw attention to the fact that the Omburu Project is currently in the Defect Notification Period and upon the satisfactory completion of the Defect Notification Period, Nampower will issue a Project Completion Notification and the joint operation will cease operation. It is expected that the joint operation will cease its operations before the end of the following financial year.

36. Events after the reporting period

Notification was received from RMB on 08 May 2024 that the restriction on the RMB call account has been lifted and Alpha Namibia Industries Renewable Power Limited has unrestricted access to the account.

37. Earnings per share

The company underwent a rights offer that closed on 04 December 2023. The purpose of this rights offer was to raise equity for future projects that are in the pipeline for the group. The rights offer raised total additional equity of N\$437,117,001 and incurred issue costs of N\$10,893,725. Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic EPS calculations:

		(10,752,649)	12,221,797	-	-
EPS		-	16,881,947	-	-
Earnings per share (cents)		(35)	72	-	-

38. Segment reporting

For management purposes, the Group is organised into segments based on its subsidiaries and thus has one reportable segment being the Independent Power Producers (IPPs) (Anirep Solar (Proprietary) Limited and Anirep Aussenkjer Solar One Namibia (Proprietary) Limited). This segment generates revenue by producing electricity that is sold to external customers like NamPower and Cenored. Hopsol Africa (Proprietary) Limited and the Hopsol Africa and Tulive joint operation have been included in "All other segments".

The board of directors of ANIREP Limited is the Chief Operating Decision Maker (CODM) and monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on profit or loss and is measures consistently with the profit or loss in the consolidated financial statements. The amounts of the investment in associate and joint operation are not reviewed by or regularly provided to the CODM.

29 February 2024 - N\$					
Revenue					
External	37,073,320	37,038,326	74,111,646	-	74,111,646
Inter-segment	-	15,049,332	15,049,332	(15,049,332)	-
Total revenue	37,073,320	52,087,658	89,160,978	(15,049,332)	74,111,646
Finance expense	(25,518,637)	(3,502,701)	(29,021,338)	1,559,057	(27,462,281)
Segment (loss)/profit	(5,787,336)	7,971,781	2,184,445	(452,197)	1,732,248
Total assets	632,570,171	79,530,029	712,100,200	(88,835,871)	623,264,329
Total liabilities	(468,721,560)	(46,213,173) (514,934,733)	52,085,986	(462,848,747)	-
Capital expenditure	218,977,556	419,325	219,396,881	(450,190)	218,946,691
28 February 2023 - N\$					
Revenue					
External	38,105,120	40,874,271	78,979,391	-	78,979,391
Inter-segment	-	33,976,883	33,976,883	(33,976,883)	-
Total revenue	38,105,120	74,851,154	112,956,274	(33,976,883)	78,979,391
Finance expense	(20,455,423)	(5,161,241)	(25,616,664)	1,505,922	(24,110,742)
Segment profit before tax	24,474,255	12,338,601	36,812,856	(1,425,822)	35,387,034
Total assets	304,410,646	85,167,445	389,578,091	(48,707,843)	340,870,248
Total liabilities	(273,158,355)	(57,133,856) (330,292,211)	43,656,599	(286,635,612)	-
Capital expenditure	57,410,866	2,235,306	59,646,172	(1,425,822)	58,220,350

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of the detailed reconciliations presented further below. Capital expenditure consists of additions of property, plant and equipment including inter-segment construction.

38. Segment reporting (continued)

	Group	
	2023	2024
	N\$	N\$
Segment profit before tax	2,184,445	36,812,886
Finance income of ANIREP Limited	241,758	313,136
Finance expense of ANIREP Limited	(41,835)	(54,299)
Other operating income of ANIREP Limited	3,003	-
Other operating gains of ANIREP Limited	17,418	219,402
Other operating expenses of ANIREP Limited	(12,996,438)	(10,075,304)
Other operating expenses of ANISOL (Proprietary) Limited	(8,585)	(4,590)
Inter-segment elimination adjustments	2,679,008	1,500,586
(Loss)/profit before tax	(7,921,226)	28,711,817
Reconciliation of assets - N\$		
Total assets of segments	712,100,200	389,578,091
Total assets of ANIREP Limited	577,149,693	153,138,341
Goodwill	138,409,423	138,409,423
Inter-segment elimination and consolidation adjustments	(349,449,040)	(198,678,715)
	1,078,210,276	482,447,140
Reconciliation of liabilities - N\$		
Total liabilities of segments	(514,934,733)	(330,292,211)
Total liabilities of ANIREP Limited	(11,205,359)	(3,772,393)
Total liabilities of ANISOL (Proprietary) Limited	(22,965)	(14,380)
Inter-segment elimination and consolidation adjustments	52,057,861	43,685,359
Total liabilities	(474,105,196)	(290,393,625)

Geographic information

All revenue of both segments is derived from revenue to external customers that are domiciled in Namibia. All the assets of both segments are located in Namibia.

Revenue from 2 customers (Cenored and Nampower), arising from the sales of electricity amounted to N\$37,073,320 (2023: N\$38,105,120).

38. Segment reporting (continued)

Range of shares	Number of-shareholders	% of-shareholders	Number of-shares	% of shares
1. Distribution of shareholders				
100 - 499	25	11.85	6,917	0.01
500 - 999	97	45.97	51,775	0.07
1000 - 1999	23	10.90	28,215	0.04
2000 - 2999	13	6.16	29,458	0.04
3000 - 3999	10	4.74	32,900	0.05
4000 - 4999	6	2.84	24,730	0.03
5000 - 9999	9	4.27	52,368	0.07
10000 and above	28	13.27	71,986,750	99.69
	211	100	72,213,113	100
	195	92.42	547,684	0.76
Public and non-public shareholders				
Public shareholders	16	7.58	71,665,429	99.24
Non-public shareholders	211	100	72,213,113	100
2. Major shareholders				
% of shares held				
Alternative Energy Consultants (Proprietary) Limited			4,051,265	5.61
FNB Nominees (Namibia) (Proprietary) Limited (Government Employees Pension Fund)			43,023,529	59.58
Standard Bank Namibia Nominees (Proprietary) Limited (Government Institutions Pension Fund)			23,150,796	32.06
3. Directors' interest in share capital				
Number of securities				
I.J. Nangolo				16,500
M.S. Demamu				5,000
S.A. Oosthuysen				39,600
H. Hamukoto				500
Amb. P.K. Kambala				2,500
J. Nyandoro				3,000

Detailed Income Statement

	Group		Company	
	2023	2024	2023	2024
	N\$	N\$	N\$	N\$
Revenue				
Sale of goods	37,236,134	38,219,894	-	-
Rendering of services	36,875,512	40,759,497	3,131,203	2,926,251
	74,111,646	78,979,391	3,131,203	2,926,251
Cost of sales				
Opening stock	(4,000,015)	(4,913,200)	-	-
Purchases	(12,621,921)	(7,984,518)	-	-
Closing stock	3,381,590	3,616,697	-	-
	(13,240,346)	(9,281,021)	-	-
Gross profit	60,871,300	69,698,370	3,131,203	2,926,251
Other operating income				
Bad debts recovered	-	119,667	-	-
Compensation from insurance claims	49,721	24,433,487	-	-
Reversal of provision for faulty solar modules	2,200,000	-	-	-
Sundry income	20,124	28,660	-	-
Profit on disposal of property, plant and equipment	156,413	-	-	-
NTA refund	30,883	528,234	3,003	-
	2,457,141	25,110,048	3,003	-
Other operating (losses)/gains				
Foreign exchange (losses)/gains	(3,589,766)	3,546,500	17,418	219,402
Expenses (Refer to page 74)	(51,084,276)	(55,229,812)	(12,996,438)	(10,075,304)
Operating profit/(loss)	8,654,399	43,125,106	(9,844,814)	(6,929,651)
Investment income	10,930,498	9,748,802	241,758	313,136
Finance costs	(27,504,115)	(24,165,040)	(41,834)	(54,299)
Income from equity accounted investments	(2,008)	2,949	-	-
(Loss)/profit before taxation	(7,921,226)	28,711,817	(9,644,890)	(6,670,814)
Taxation	(6,250,485)	(8,854,782)	-	-
Total comprehensive (loss)/income for the year	(14,171,711)	19,857,035	(9,644,890)	(6,670,814)

The supplementary information presented does not form part of the consolidated and separate annual financial statements and is unaudited.

Detailed Income Statement

	Group		Company	
	2023	2024	2023	2024
	N\$	N\$	N\$	N\$
Other operating expenses				
Administration and management fees	(2,782,563)	(1,798,200)	(2,782,563)	(1,798,200)
Advertising	(311,801)	(790,950)	(148,785)	(370,844)
Auditor's remuneration - external audit	(1,458,650)	(1,239,911)	(858,002)	(844,472)
Bad debts	-	(49,355)	-	-
Bank charges	(259,814)	(120,396)	(25,395)	(7,361)
Cleaning	(27,664)	(19,384)	-	-
Computer expenses	(577,143)	(1,012,072)	(171,279)	(91,353)
Accounting fees	(326,625)	(736,822)	(132,690)	(659,082)
Consulting and professional fees	(2,762,809)	(1,321,699)	(1,816,703)	(622,734)
Legal fees	(660,350)	(462,461)	(573,921)	(150,000)
Consumables	(16,555)	(25,230)	(16,555)	(25,230)
Depreciation	(10,324,597)	(10,082,449)	(242,693)	(256,270)
Donations	(377,832)	(867,971)	(6,000)	(207,971)
Employee costs	(21,729,299)	(17,707,051)	(4,890,716)	(3,487,853)
Entertainment	(57,048)	(8,629)	(20,380)	(8,629)
Debt raising fees	(1,928,485)	(788,582)	-	-
License and registrations	(67,011)	(133,749)	(8,250)	(3,864)
Tender fees	(49,022)	(34,793)	(42,232)	(34,793)
Broker and corporate sponsor fees	(89,560)	(74,570)	(89,560)	(74,570)
Solar panels written off	-	(9,090,567)	-	-
Directors' fees	(1,470,536)	(3,038,308)	(710,000)	(678,825)
Fines and penalties	(22,302)	(500)	(20,067)	-
Insurance	(1,261,657)	(1,173,361)	(51,691)	(25,846)
Leases of low value assets	(874,669)	(467,554)	-	-
Levies	(143,676)	(111,327)	(111,756)	(111,327)
Medical expenses	(23,637)	(112,073)	-	-
Motor vehicle expenses	(900,780)	(1,033,493)	-	-
Municipal expenses	(553,273)	(418,063)	(36,991)	(19,658)
Placement fees	141,674	(216,652)	141,674	(216,652)
Printing and stationery	(142,679)	(102,687)	(12,107)	(14,895)
Protective clothing	(189,807)	(40,766)	-	-
Repairs and maintenance	(284,624)	(426,605)	-	-
Secretarial fees	(193,145)	(203,712)	(180,393)	(150,143)
Security	(132,941)	(129,093)	-	-
Staff welfare	(280,270)	(404,287)	-	-
Subscriptions	(122,029)	(85,952)	-	(69,862)
Telephone and fax	(259,362)	(288,626)	(7,650)	(11,719)
Training	(22,826)	(29,835)	(22,826)	(29,835)
Transport and freight	(5,771)	(7,886)	-	-
Travel - local	(535,138)	(574,191)	(158,907)	(103,316)
	(51,084,276)	(55,229,812)	(12,996,438)	(10,075,304)

The supplementary information presented does not form part of the consolidated and separate annual financial statements and is unaudited.

Shareholders

Major Shareholders

As far as the Directors are aware, as at the date of the annual report, the following persons, directly or indirectly, have an interest of 5% (five percent) or more of the shares in issue:

Name of Shareholder	Number of Shares	% of Shares in issue
Government Institution Pension Fund (GIPF)	43,023,529	59,579%
Government Institution Pension Fund (public Investment Corporation)	23,150,796	32,059%
Alternative Electricity Consultants (AEC) as General Partners	4,051,265	5.610%

Analysis of shareholders

	Number of shareholders	Percentage of shareholders	Number of shares	Percentage of shares
Range of shareholders				
1-99 shares	0	0.00	0	0.00
100-499 shares	25	11.85	6917	0.01
500-999 shares	97	45.97	51,775	0.07
1 000-1 999 shares	23	10.90	28,215	0.04
2 000-2 999 shares	13	6.16	29,458	0.04
3 000-3 999 shares	10	4.74	32,900	0.05
4 000-4 999 shares	6	2.84	24,730	0.03
5 000-9 999 shares	9	4.27	52,368	0.07
10 000 shares and above	28	13.27	71,986,750	99.69
Total shareholders	211	100.00	72,213,113	100.00
Category				
Corporate Bodies	2	0.95	4,218,412	5.84
Nominee Corporate	1	0.47	23,150,796	32.06
Nominee	11	5.21	44,286,221	61.33
Individuals	196	92.89	547,684	0.76
Trusts	1	0.47	10 000	0.01
Total	211	100%	72,213,113	100%

Notice to Shareholders of The Annual General Meeting

Notice of 6th Annual General Meeting

NOTICE IS HEREBY GIVEN TO THE ANIREP SHAREHOLDERS that the Annual General Meeting ('AGM') of the Shareholders of the Company will be held on 29 November 2024 at 10h00 (Namibian time) by a way of virtual (electronic) meeting as per the link ANIREP 6th AGM.

Proposed Agenda and Resolutions

Notice, Constitution and Quorum

To read and accept the notice of the meeting and ensure that there is a quorum of Shareholders present in person or by proxy.

Ordinary Resolution 1

Adoption of Minutes of the previous AGM

To adopt the Minutes of the 5th annual general meeting held on 17 November 2023.

Ordinary Resolution 2

Adoption of Annual Financial Statements

To receive and consider the Annual Financial Statements and consolidated Financials for the year ended 29 February 2024 together with the reports of the Directors and Auditors thereon.

Ordinary Resolution 3

Declaration of dividend

To resolve that no dividend is declared for the year ended 29 February 2024.

Ordinary Resolution 4

To accept resignation of Directors and a Member of the Investment Committee and Re-Elect Directors

To accept the retirement of the following directors:

- Ms. Sphiwe Mayinga - Non-executive director resignation (with effect from 1 May 2024)
- Mr. James Nyandoro - Executive director to resign (with effect from 29 November 2024)
- Mr. Denis Maxiwell - Member of the Investment Committee resignation (with effect from 28 April 2024)

To re-appoint Directors:

In accordance with Article 30 of the Company's Articles of Association, one third (1/3) of the Company's non-executive directors are required to rotate annually at the AGM, who being eligible can offer themselves for re-election. To re-elect the following directors who retire by rotation in accordance with the Company's Articles of Association, but being eligible, offer themselves for re-election:

- Dr Mac Hengari
- Amb. Philemon Kambala

Notice to Shareholders of The Annual General Meeting

Ordinary Resolution 5

In accordance with Articles 22 and 30.6 of the Company's Articles of Association, to appoint the following persons to the Board of ANIREP Limited:

- Mr Elvis Nashilongo – Non-executive Director
- Dr Candice Hartley – Non-executive Director
- Dr Eino Mvula – Non-Executive Director
- Ms Veneranda Mahindi – Executive Director

A brief biography of the Directors standing for appointment accompanies this Notice as Addendum 1.

Ordinary Resolution 6

Remuneration and Nomination Committee

In accordance with Article 31.6 of the Company's Articles of Association, to appoint **Dr. Candice Hartley** to the Remuneration and Nomination Committee.

Dr. Hartley will replace **Ms. Sphiwe Mayinga** who resigned on the 1st of May 2024.

Ordinary Resolution 7

Audit and Risk Committee

In accordance with Article 31.6 of the Company's Articles of Association, to appoint **Dr. Candice Hartley** to the Audit and Risk Committee.

Dr. Hartley will replace **Ms. Sphiwe Mayinga** who resigned on the 1st of May 2024.

Ordinary Resolution 8

Environment Social and Governance Committee

To appoint **Dr Eino Mvula** to the Environment, Social and Governance Committee.

Ordinary Resolution 9

Appointment of member to the Investment Committee

To appoint **Ms Michelle Handura** to the Investment Committee of the Company to replace Mr Denis Maxwell who resigned on 28 April 2024.

Ordinary Resolution 10

Re-appointment of Auditors

To authorise the directors to determine the auditors' remuneration for the past audit and to re-appoint Ernst and Young as the auditors of the ANIREP Limited Group for a three-year period from the financial year ended 28 February 2025.

Ordinary resolution 11

Re-appointment of Company Secretary

To authorise the directors to re-appoint ESI Secretarial Services as Company Secretary for the ensuing financial year.

Ordinary resolution 12

General Authority to Directors to Allot or Issue Shares

It is proposed as an ordinary resolution to grant the directors, in terms of the provisions of section 229 of the Companies Act, a general authority to allot and issue the authorised but unissued ordinary shares of the Company, upon such terms and conditions as they deem fit, subject to the provisions of the Companies Act. Such authority to remain valid until the next annual general meeting of the Company, unless revoked by general meeting of the Company prior to such annual general meeting.

Non-binding Resolution 1

Increase in Directors' Remuneration

To increase remuneration as follows for non-executive directors and members of the Board, its standing committees and advisory committees as per article 22.4 of the Company's Articles of Association. Proposed fees are as follows:

Director	Retainer Fee in NAD per annum	Per Sitting in NAD per
Board		
Chairperson	120,000.00	16,000.00
Ordinary Non-Executive Director	60,000.00	12,000.00
Board Standing & Advisory Committees		
Chairperson	72,000.00	10,000.00
Ordinary Non-Executive Director	36,000.00	7,500.00

Ordinary resolution 13

Directors' authority to implement company resolutions

Resolve that each and every director of the Company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting.

To transact such other business as may be transacted at an annual general meeting.

Any member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote in his stead. The prescribed scanned Proxy Form (as enclosed) should be forwarded to reach the Company Secretary at: anna-marie@esinamibia.com / info@anirep.com (not less than 48 hours before the time of the meeting) , i.e latest by 10h00 on the 27th of November 2024.

Below the link for the meeting: ANIREP 6th AGM

By order of the Board

08 November 2024

Sponsor Cirrus Securities (Pty) Ltd Member of the Namibian Stock Exchange



ALPHA NAMIBIA INDUSTRIES RENEWABLE POWER LIMITED

(Incorporated in the Republic of Namibia)

(Registration Number 2018/0148)

(Date of Registration: 08/03/2018)

Share Code: ANE ISIN: NA000A2JQ364

("ANIREP" or "the Company")

FORM OF PROXY (Yellow) – FOR USE BY CERTIFICATED SHAREHOLDERS ONLY

Electronic Participation Number:

I/We (full name in block letters):

of (address):

Telephone No:

e-mail Address:

being the registered holder(s) of: (numbers) ordinary Shares in ALPHA NAMIBIA INDUSTRIES RENEWABLE POWER LIMITED hereby appoint:

1..... of or failing him/her

2..... of..... or failing him/her

3 the chairperson of the 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:

Number of shares**				
		For	Against	Abstain
Ordinary Resolution 1	Resolved to adopt Minutes of the 5th Annual General Meeting held of 17th November 2023			
Ordinary Resolution 2	Resolved that the Annual Financial Statements for the year ended 29th February 2024 be received and adopted			
Ordinary Resolution 3	Resolved that no dividend is declared for the year ended 29th February 2024			

Ordinary Resolution 4.1	Resolved to accept the resignation of Sphiwe Mayinga as Non-Executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 4.2	Resolved to accept the resignation of James Nyandoro as Executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 4.3	Resolved to accept the resignation of Denis Maxwell as Member of the Investment Committee			
Ordinary Resolution 4.4	Resolved to re-elect Dr Mac Hengari as Non-Executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 4.5	Resolved to re-elect Ambassador Philemon Kambala as Non-Executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 5.1	Resolved to appoint Mr Elvis Nashilongo as Non-executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 5.2	Resolved to appoint Dr Candice Hartley as Non-executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 5.3	Resolved to appoint Dr Eino Mvula as Non-executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 5.4	Resolved to appoint Veneranda Mahindi as Executive Director on the Board of ANIREP Ltd			
Ordinary Resolution 6	Resolved to appoint Dr Candice Hartley to the Remuneration and Nomination Committee			
Ordinary Resolution 7	Resolved to appoint Dr Candice Hartley to the Audit and Risk Committee			
Ordinary Resolution 8	Resolved to appoint Dr Eino Mvula to the Environment, Social and Governance Committee			
Ordinary Resolution 9	Resolved to appoint Michelle R Handura to the Investment Committee			
Ordinary Resolution 10	Resolved that Ernst & Young Namibia are hereby re-appointed as the independent external auditors of the ANIREP Ltd Group for a three-year period from the year ended 28 February 2025.			
Ordinary Resolution 11	Resolved that ESI Secretarial Services are hereby reappointed as the company secretaries of the Company for the year ending 28 February 2025			
Ordinary Resolution 12	Resolved to place unissued shares under the control of the directors			
Non-binding Resolution 1	Resolved to increase Directors' remuneration			
Ordinary Resolution 13	Resolved to grant the directors general authority			

(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 year 2024

Signature of shareholder.....

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

Assisted by (where applicable)

.....

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 ANIREP Shareholders. ANIREP Shareholders must insert the relevant number of votes (**) they wish to vote 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.





47 Nelson Mandela Avenue
Klein Windhoek, Windhoek, Namibia

Website: <https://anirep.com/>