

# NOTICE TO SHAREHOLDERS

Alpha Namibia Industries Renewable Power Limited  
 (Incorporated in the Republic of Namibia)  
 Registration Number 2018/0148  
 NSX Share code: ANE  
 ISIN: NA000A2JQ364  
 ("ANIREP" or the "Company")



## GROUP HALF YEAR FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 AUGUST 2021

### STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME for the half year ended 31 August 2021

	Reviewed		Audited
	Six Months ended 31 August 2021	Six Months ended 31 August 2020	Year ended 28 February 2021
	N\$	N\$	N\$
Revenue	87,119,806	19,966,000	69,722,176
Gross profit	27,645,890	12,733,272	43,692,436
Operating profit	10,800,290	941,157	10,807,896
Profit before taxation	4,728,454	288,901	3,384,485
Taxation	(1,963,792)	(2,754,223)	(2,697,210)
Profit/(loss) for the period	2,764,662	(2,465,322)	687,275
Number of shares in issue	16,881,847	16,881,847	16,881,847
Headline earnings (no adjustment required)	2,764,662	(2,465,322)	687,275
EBITDA	15,502,241	2,867,008	17,257,827
Net asset value per share (cents per share)	1,014	984	998
Basic and Headline earnings per share (cents)	16	(15)	4
Dividend per share	Nil	Nil	Nil

#### Key features

- ANIREP posted strong revenue for the six months mainly due to a N\$317 million 20MW power plant, Omburu project that HopSol Africa is constructing for NamPower. In the six months the revenue from the Omburu project was N\$64 million.
- ANIREP Solar (Pty) Ltd continued to generate steady income on the back of the PPAs with NamPower and CENORED which are in place until 2040 and 2041 respectively.
- The subsidiaries acquired in the previous year operated for the full six months and the results have been included in these half year results.
- No new acquisitions were concluded during the six months under review.
- ANIREP generated the following for the year:
  - Six months revenue of N\$87.1 million higher than previous twelve month revenue to 28 Feb 2021 of N\$69.7 million (31 Aug 2020: N\$20 million).
  - Gross profit of N\$27.6 million, at a margin of 31.7% which is lower than full year last year due to upward pressure Covid-19 had on the prices of Solar Panels, Inventors, Trackers, Copper, Steel and Shipping costs (31 Aug 2020: N\$12.7 million).
  - EBITDA of N\$15.5 million represents 90% of 2021 financial year EBITDA. The business continues to generate cash in line with the nature of the business (31 Aug 2020: N\$2.9 million).
  - Profit before tax of N\$4.7 million (31 Aug 2020: N\$288,901)
  - Basic earnings per share of 16 cents up from 4 cents for the year ended 28 February 2021(31 Aug 2020: -15 cents).
  - Headline earnings per share of 16 cents (31 Aug 2020: -15 cents).

**ANIREP Managing Director Iyaloo Nangolo said:**

"I am pleased that ANIREP continue to post profits through the extraordinary performance of EPC contractor, HopSol Africa as well as consistent performance of PV Utility Power Plants. With a solid platform with predictable and sustainable long-term cash flows, ANIREP generated EBITDA of N\$15.5 million and operating cash flow of N\$5.8 million for the six months period ended 31 August 2021. We have a healthy pipeline of projects, which include expanding our existing capacity of 10.73 MW and installing battery storage for our current PPA utility clients. We will continue to pursue installation of renewable energy to contested buyers, further acquisition and capacity development opportunities."

**Group financial performance**

ANIREP was created to provide a bridge for Capital Markets into the Infrastructural Renewable Energy Projects. The Company intends to provide investors with good, predictable, and long-term yielding investments generating a consistent return on equity over the long term.

The Group posted revenue of N\$87.1 million, investment income from short terms investments amounted to N\$2.6 million, while interest expense of N\$8.6 million was paid out to lenders of ANIREP. ANIREP posted a half year comprehensive income for the year of N\$2.7 million which is ahead of J-Curve expectations whereby cumulative IRR is initially expected to dip before positive returns can be achieved after a 5-year period. ANIREP is reaping the benefits of investing in EPC contractor, HopSol Africa, who while driving ANIREP's growth strategy, is involved in the EPC development of Solar Power plants which will add value to shareholders. Through EPC development, revenue is generated for the Group even before Commercial Operation Date (COD) and subsequent revenue in operation and maintenance services post COD. The Solar PV Plants (if owned by ANIREP) will further generate value for shareholders through 25-year PPAs after COD. ANIREP investments are long term in nature with lifespans of 25 years, thus, the targeted IRR returns are achieved in the medium to long term.

**Interim dividend**

No dividends were declared or paid during the period under review (31 Aug 2020: N\$ Nil).

**Outlook**

The sector in which ANIREP operates is considered vital and essential, as energy is a necessity for most aspects of life and business. Namibia is facing a deficit in energy, resulting in importation from Southern African Power Pool. With a vision of becoming a 30% player in the renewable energy sector, ANIREP will continue to pursue investments into renewable energy plants through acquisitions and EPC works with the view to increase shareholder value. This is in line with Namibia's target to become a net-exporter of renewable sourced electricity by 2030. National Integrated Resource Plan estimates that 70% or more of the electricity installed capacity will come from renewable sources by 2030.

**Short form announcement**

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement accessible from 30<sup>th</sup> November 2021, via the NSX link: <https://senspdf.jse.co.za/documents/2021/nsx/isse/anenm/ANEAug2021.pdf>

Alternatively, the full announcement is available on our website at: [https://anirep.com/interim\\_results\\_2021.pdf](https://anirep.com/interim_results_2021.pdf)

The condensed consolidated financial statements for the half year ended 31 August 2021 have been reviewed by Ernst & Young. A copy of the auditor's review report and the full announcement of the annual financial statements are available for inspection at ANIREP's registered office at no charge, weekdays during office hours.

**Non-Executive Directors:** M. Hengari (Chairperson), S. Oosthuysen, Amb. P. Kambala, G. Nakazibwe-Sekandi\*\*\*, M Demamu\*\*, S Mayinga\*\*\*\*, F G Kisting

**Executive Directors:** I. Nangolo, H. Hamukoto, A. Myllärinen\*, J Nyandoro\*\*\*\*\*

\*Finnish

\*\*Ethiopian

\*\*\*Ugandan

\*\*\*\*South African

\*\*\*\*\*Zimbabwean

**Postal address:** P.O. Box 90680, Klein Windhoek, Windhoek, Namibia

**Registered address:** 47 Nelson Mandela Avenue, Klein Windhoek, Windhoek, Namibia

**Auditors**



Ernst & Young  
Registered Accountants and Auditors  
Cnr Otto Nitzsche and Maritz Streets  
Klein Windhoek,  
Windhoek, Namibia

**Company Secretaries**



Ellis Shilengudwa Incorporated  
1st Floor, 1@Steps Offices,  
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Kleine Kuppe,  
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By order of the Board

30 November 2021

**Sponsor**



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SECURITIES

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