

A large, intricate wireframe illustration of a cargo ship dominates the background. The ship's structure, including its hull, deck, and complex crane system, is composed of a network of glowing blue lines and dots, giving it a digital, high-tech appearance. The ship is oriented diagonally, moving towards the upper right.

Integrated Annual Report

2022

NAMIBIAN PORTS AUTHORITY



CONTENTS

| | |
|--|-----|
| Chapter 01 Performance at a Glance | 5 |
| Chapter 02 About Namport | 9 |
| Chapter 03 Our Strategic Direction | 19 |
| Chapter 04 Leadership Reflections on 2022 | 35 |
| Chapter 05 2022 Performance Review | 49 |
| Chapter 06 Governance and Leadership | 75 |
| Chapter 07 Group Annual Financial Statements | 93 |
| Chapter 08 Appendices | 141 |

ABOUT THIS REPORT

Scope, boundary and reporting cycle

This Integrated Annual Report (report) covers the financial period from 1 April 2021 to 31 March 2022. The scope of this report covers the Namibian Ports Authority (Namport, the Authority or the Group's) core operations' financial and non-financial performance. Namport reports on strategy, the capitals on which it relies, opportunities, risks and governance.

This report is available in an electronic format on Namport's website: www.namport.com.

Namport strives to improve the quality and relevance of its stakeholder communications and welcomes feedback on the report. Please send any comments regarding the report to T.Pesat@namport.com.na.

Reporting principles

Namport has applied the principles contained in the International Financial Reporting Standards (IFRSs), the Corporate Governance Code for Namibia (NamCode), and the Companies Act No. 28 of 2004. This report was developed following the IFRS Foundation's International Integrated Reporting Framework, and Namport aims to enhance its alignment with this Framework in the future.

Target audience

This report has been prepared primarily for the Government of Namibia as Namport's sole shareholder and the transport and logistics industry as key stakeholders. The report is also relevant to other stakeholders who have an interest in Namport's performance in terms of its core mandate of providing port services to seaborne trade.

Materiality

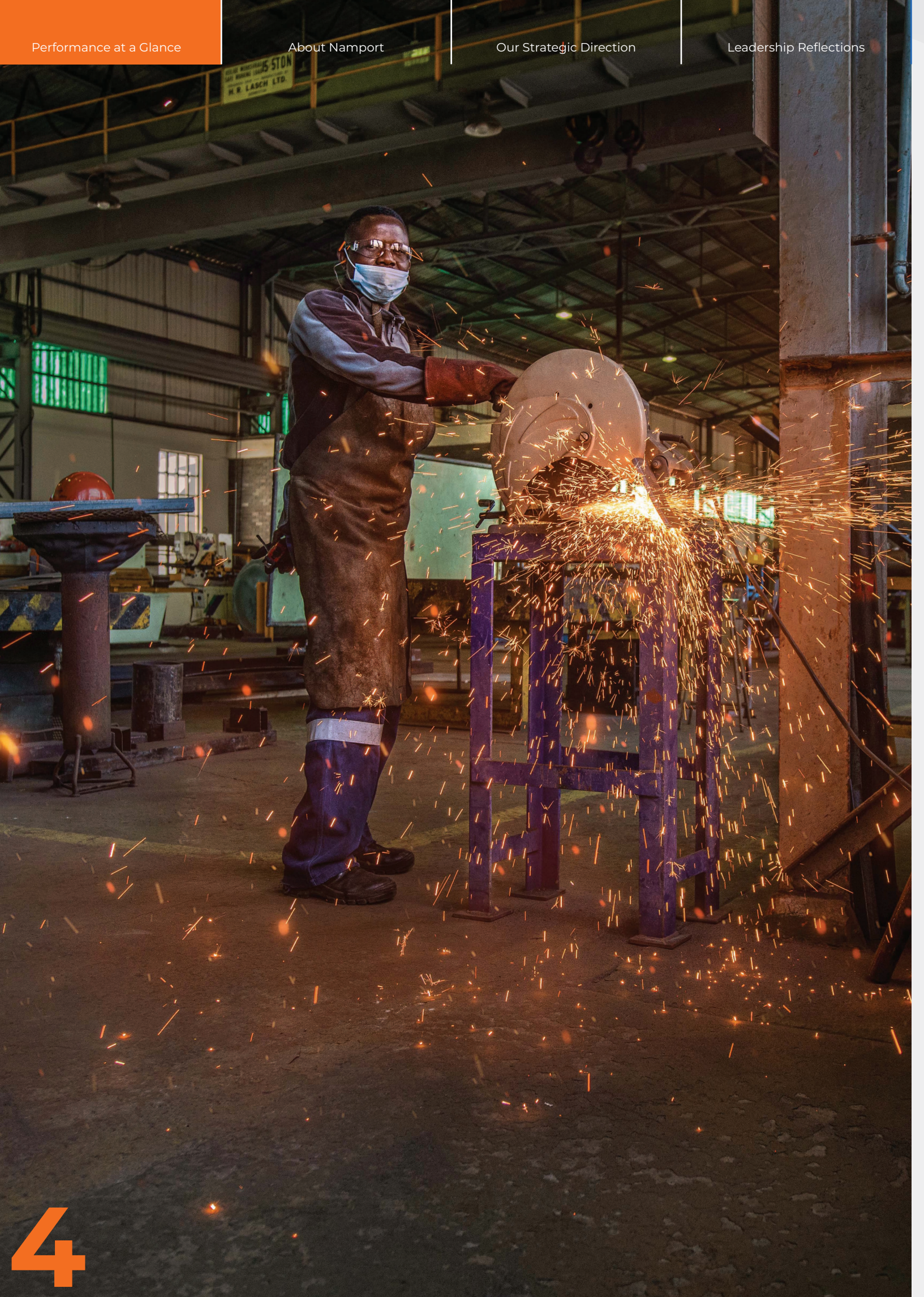
This report aims to disclose matters that substantively affect Namport's ability to create and preserve value over the short, medium and long term. The short term refers to the next 12 months, while 12 months to five years is considered the medium term. The period beyond five years is considered long-term.

Namport has ensured the reliability of this report

The following factors underpin the reliability of the information in this report:

- Namport has transparent and sound business processes underpinned by an ethical culture.
- The Board of Directors (Board) sets the Delegation of Authority Framework and delegates responsibility to executive management to oversee the departments and subsidiaries.
- The executives of each department are responsible for their financial information. Namport and all subsidiary companies Annual Financial Statements are subject to external audits.
- The Internal Audit Department executes an annual Internal Audit plan across the Group.
- The Board, assisted by other Board committees, oversees the preparation of the report and Annual Financial Statements and has unfettered access to the internal and external auditors. The report from the external auditors can be found on pages 96–97.







PERFORMANCE AT A GLANCE

**“ NAMPORT DELIVERED A SOLID FINANCIAL
PERFORMANCE DESPITE ANOTHER
CHALLENGING YEAR DUE TO POOR
ECONOMIC CONDITIONS AND INDUSTRY-WIDE
CHALLENGES, INCLUDING THE SHORTAGE OF
SHIPS AND CONTAINERS. ”**

Financial performance

Namport's revenue increased by 10.94%

▲ **N\$1.234 billion**

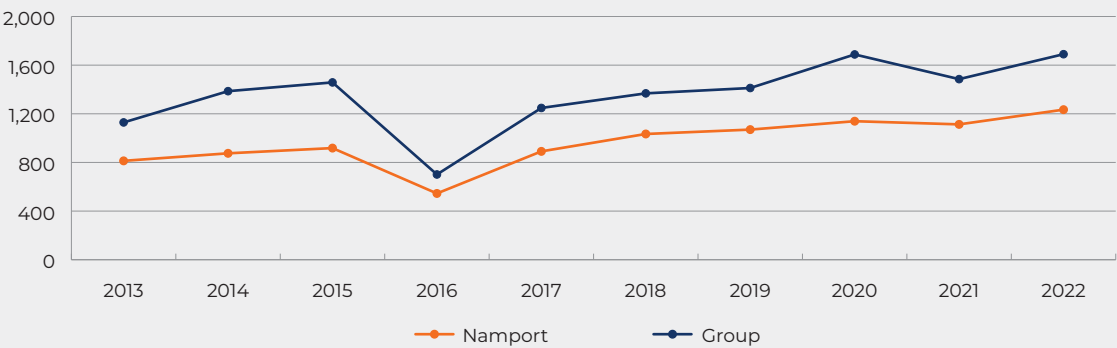
Namport's revenue increased by 10.94% to N\$1.234 billion (2021: N\$1.112 billion), and generated an operating profit of N\$374 million (2021: N\$121 million).

Group's revenue increased by 13.8%

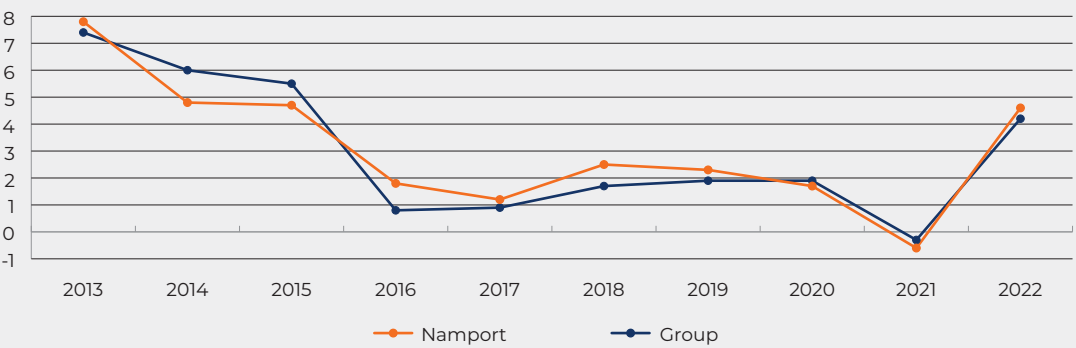
▲ **N\$1.690 billion**

The Group's revenue, which includes Namport and its subsidiaries, increased to N\$1.690 billion (2021: N\$1.485 billion); operating profit increased to N\$401 million (2021: N\$171 million).

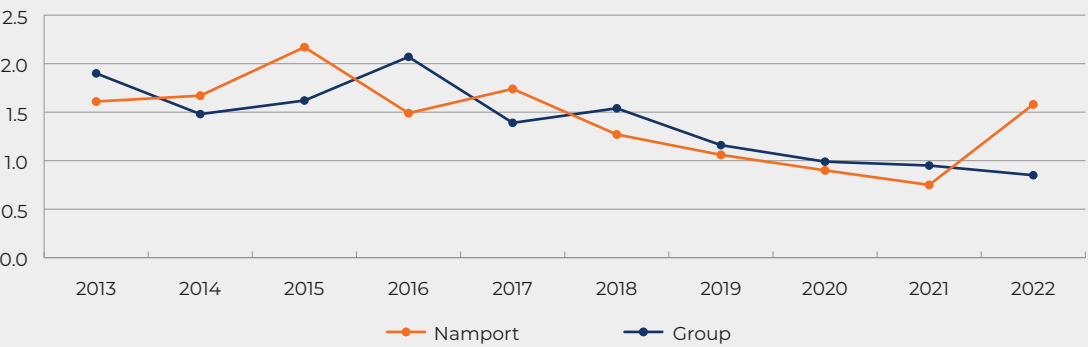
Group revenue (N\$ million)



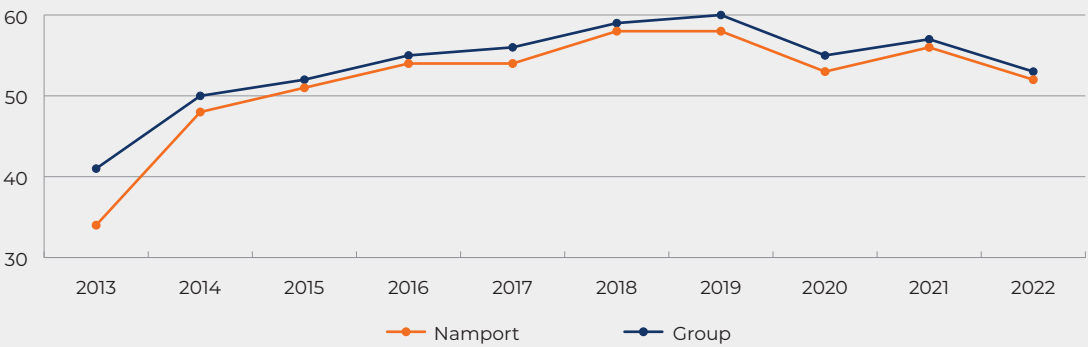
Return on assets (%)



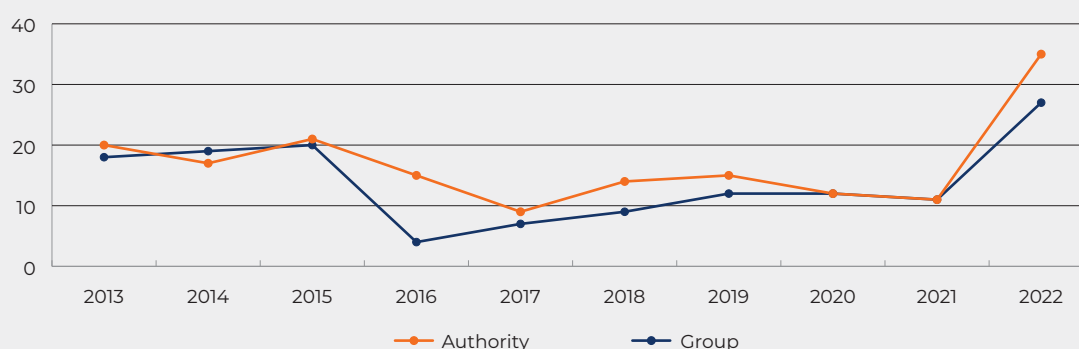
Current ratio



Debt ratio (%)



Operating profit margin (Earnings before interest and taxation) (%)



Revenue generated from services rendered

| Services | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------|----------------|------------------|----------------|------------------|------------------|------------------|------------------|
| Port Authority | 308,597 | 472,789 | 335,162 | 566,585 | 614,868 | 595,276 | 648,379 |
| Syncrolift | 17,085 | 33,661 | 37,427 | 33,501 | 38,671 | 32,846 | 31,019 |
| Cargo | 157,205 | 273,675 | 335,162 | 340,420 | 351,982 | 377,634 | 433,783 |
| Marine | 63,056 | 113,379 | 139,780 | 137,440 | 140,118 | 125,925 | 114,253 |
| Ship Repairs | 156,254 | 356,075 | 333,876 | 341,382 | 549,270 | 372,323 | 455,528 |
| Total | 702,197 | 1,249,579 | 847,531 | 1,419,328 | 1,497,310 | 1,504,004 | 1,682,962 |

Cargo handled in 2022

Total cargo handled increased 6%

▲ 6,567,370 tonnes

Total cargo handled increased by 6% to 6,567,370 tonnes. General cargo and overall container volumes reflected modest increases of 9% and 8%, respectively. The increase in general cargo was due to increased commodities imports, containerised volumes and the continued flow of goods to and from the hinterland.

Cross-border volumes increased by 10%

▲ 1,606,984 tonnes

Cross-border volumes increased by 10% to 1,606,984 tonnes (2021: 1,464,100 tonnes) representing 24% of total cargo volumes handled. The total corridor volumes comprised 550,113 tonnes destined for the hinterland and 1,56,872 tonnes from the hinterland.

TEUs handled volumes increased by 8%

▲ 168,278

Twenty-foot equivalent units (TEUs) handled increased by 8% to 168,278. This is despite the challenges posed by the global shortage of containers. While shipped and landed volumes remain depressed, transshipment volumes increased by 22%.

Vessel calls to ports increased 22%

▲ 1,592

Vessel calls to ports increased 22% to 1,592. In addition, the overall vessel gross tonnage also increased by 3.4 million tonnes or 21.6% (2021: 16,035,876 million tonnes). The increase in vessel calls was mainly due to the increase in petroleum, research, dry bulk, roll-on-roll-off, foreign tugs, and foreign fishing vessels.

Bulk and break-bulk volumes increased by 9%

▲ 4,404,831 tonnes

Total bulk and break-bulk volumes increased by 9% to 4,404,831 tonnes, boosted by increased commodities, including the 20% growth in manganese ore exports shipped through the Port of Lüderitz.





ABOUT NAMPORT

Namport has developed in size and significance, from minor local ports to a key regional player. With substantial infrastructural investment at its ports, Namport continues to consolidate its position and ability to support the global shipping industry.

Page 10 Group Profile

Page 12 Business Model

Page 16 Stakeholders

Group Profile

Namport is a state-owned enterprise established by the Namibian Ports Authority Act in 1994 (Act 2 of 1994). Namport manages Namibia's ports, namely the Port of Walvis Bay and the Port of Lüderitz.

Namport's mandate is to:

- Manage and exercise control over port operations, lighthouses and other navigational aids in Namibia and its territorial waters.
- Provide port facilities and services.
- Conduct business according to sound business principles.

Namport provides port facilities and services at competitive prices to yield a reasonable profit and ensure the Authority's sustainability. The ports handle local and cross-border cargo imports and exports through the four main trade corridors connecting the ports to the respective Southern African Development Community (SADC) markets, namely; Zambia, Democratic Republic of Congo, Botswana, South Africa, Zimbabwe and Angola. The four trade corridors are:

1. Trans-Kalahari Corridor: Namibia – Botswana – South Africa
2. Walvis Bay-Ndola-Lubumbashi Corridor: Namibia – Zambia – Democratic Republic of Congo
3. Trans-Cunene Corridor: Namibia – Angola
4. Trans-Oranje Corridor: Namibia – South Africa

The Walvis Bay Corridor Group is a public-private partnership which promotes the utilisation of Namibia's transport corridors. Namport is an active participant in the partnership. For more information, please refer to page 31.

Commodities at Namibia's ports are handled in three forms: containerised, bulk and break-bulk. Primary commodities handled are salt, copper, coal, sulphuric acid, wheat, sulphur, petroleum, manganese, ammonium nitrate, vehicles, frozen products (fish, beef and poultry), foodstuffs (rice, maize and sugar), project cargo, charcoal, malt, timber, uranium, mining chemicals and mineral ores.

Namport has the personnel and expertise to deliver excellent customer service and sustainable benefits to port users.

The Port of Walvis Bay

The Port of Walvis Bay is a secure, efficient and world-class port.

The Port of Walvis Bay is strategically located halfway down Namibia's coast and provides an easy and fast shipping route between Southern Africa, Europe, the Far East and the Americas. This is Namibia's largest commercial port, receiving 1,592

vessels, and handling about 6.5 million tonnes of cargo per annum. The Authority complies with the International Ship and Port Facility Security code (ISPS). Namport remains certified for the following ISO standards:

- ISO 45001:2018 (Occupational Health and Safety Management)
- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)

The port handles container imports, exports and transshipments, and bulk and break-bulk volumes of various commodities. The port boasts a throughput capacity of 750,000 TEUs, and has the capacity to handle ten million tonnes of bulk cargo per annum.

Namport has developed and improved its cargo-handling facilities over the years to handle a higher throughput of volumes with greater efficiency. The planned road and rail transport upgrades will support the Namibian ports to remain the preferred gateway to and from the SADC region. These upgrades will reduce transit times and provide alternative transport corridors. The port's legal jurisdiction stretches from the current port northwards up to Patrysberg, close to Swakopmund.

The port is ideally situated to serve Southern Africa's landlocked countries with links to Namibia's air, rail and road networks. The port's main transport arteries are the Trans-Kalahari, Trans-Cunene and the Walvis Bay-Ndola-Lubumbashi development corridors.

With mild weather conditions, delays are rare and turnaround times are highly competitive. Handling times for container vessels are around 24 to 48 hours, depending on volumes per call. For bulk vessels, the average is between 72 to 120 hours, depending on tonnage and shipment. For break-bulk vessels, this averages between 18 to 20 hours.

The port is a deep-water harbour comprising three sections: the South Port, the Fishing Harbour and the North Port. A natural bay protects deep-water anchorage. The Port of Walvis Bay comprises 11 commercial berths, a tanker jetty, and a dedicated passenger berth for accommodating cruise and passenger vessels. The container terminal established in 2019 has an additional 600-metre-long quay wall with a maximum water depth of -16.0 metres.

The Port of Walvis Bay offers ship repair facilities, including the Syncrolift, with a lifting capacity of up to 2,000 tonnes and three floating docks operated by Namport's subsidiary, Namibia Drydock and Ship Repair (Pty) Ltd (Namdock), with a combined lifting capacity of 29,500 tonnes.

The Port of Lüderitz

The Port of Lüderitz is 254 nautical miles south of the Port of Walvis Bay. The multi-purpose port handles bulk cargo from southern Namibia and South Africa's Northern Cape. The port serves the fishing industry and provides a base for offshore mining and southern coast oil and gas operations. The port comprises 25 hectares of land and is situated at Robert Harbour. While the current port land is nearly fully occupied, in the short to medium term additional capacity will be created by optimising existing land. Over the longer term, a new port is planned at Angra Point in Lüderitz with 886 hectares of additional land. The port's 500-metre main berth has a depth of 8.75 metres and is considered a shallow port due to it being founded on bedrock which is not financially viable to dredge.

A study commissioned in 2010 to explore expanding the port in the future indicated that the only option would be to develop a new port in the bay adjacent to Robert Harbour at Angra Point. This new port would have a water depth of 14 to 16 metres to accommodate large liquid bulk carriers.

Subsidiaries

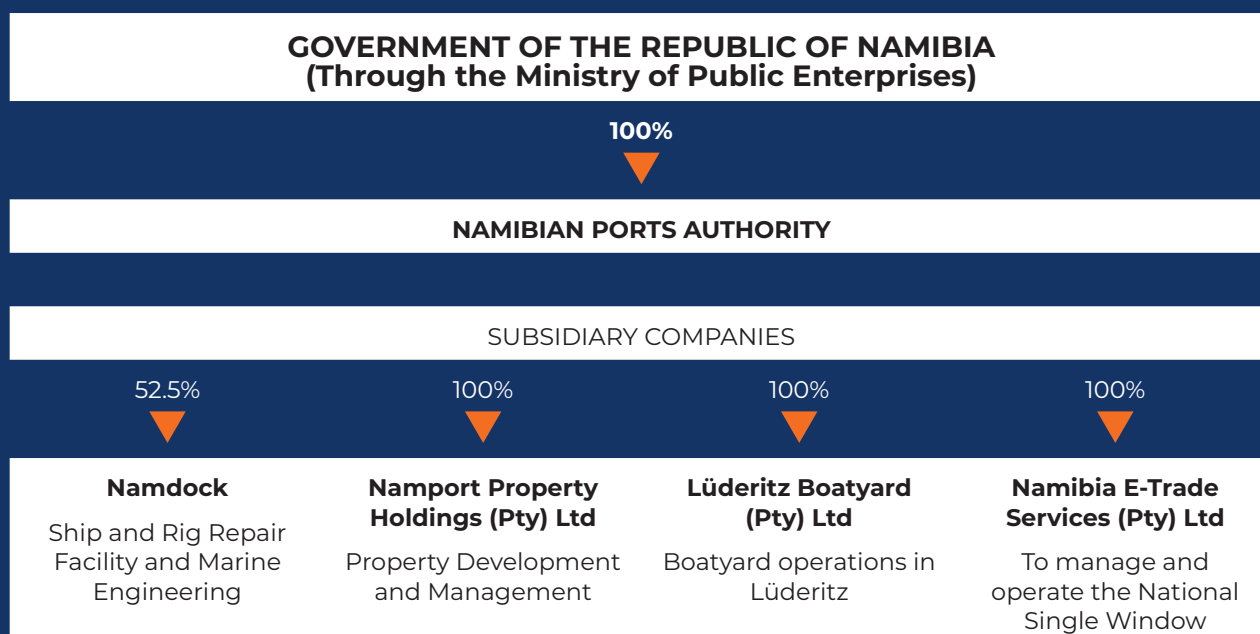
Namport, together with its subsidiary companies, **Namibia Drydock and Ship Repair (Pty) Ltd (Namdock)**, **Namport Property Holdings (Pty) Ltd**, **Lüderitz Boatyard (Pty) Ltd** and **Namibia e-Trade Services (Pty) Ltd**, are referred to as the Group. Namport has its headquarters in Walvis Bay.

Namdock is an established ship repair company strategically located on the west coast of Africa in Walvis Bay, Namibia. Namdock provides a holistic service solution in all aspects of marine engineering and ship repair to the local and international shipping and offshore industry. The company operates three floating docks in Walvis Bay, including a Panamax-sized dock. Namdock is 52.5% owned by Namport, while the 47.5% minority shareholding is owned by private Namibian companies under the EBH consortium.

Namport Property Holdings and Lüderitz Boatyard are both wholly owned subsidiaries of Namport. Namport Property Holdings oversees the management of Namport's properties at the two port towns of Walvis Bay and Lüderitz. Lüderitz Boatyard focuses on repairing fishing vessels at the Port of Lüderitz.

Namibia E-Trade Services (NETS) is a wholly owned subsidiary of Namport. NETS was set up to manage and operate the National Single Window. The National Single Window is meant to facilitate the exchange of trade-relevant information between traders and Government agencies, and among Government agencies, for obtaining permits and licences, certificates and necessary approvals. This would reduce the time it takes to clear goods and lower business costs. A National Single Window has been selected to realise Namibia's ambition to have the best in speed, efficiency and cost for trading across borders.

Namport's Group structure



Business Model

How Namport creates and preserves value.

CAPITAL INPUTS

Financial capital

- Cash and cash equivalents from operations
- Capital borrowings from international and domestic markets
- Finance income
- Project-specific funding

Infrastructure capital

- Port property, terminals and equipment
- Information and communication technology (ICT) infrastructure

Intellectual capital

- Standard operating procedures
- Policies, frameworks, management systems and processes
- National pool of skilled engineers, operators and artisans
- Research and development

Human capital

- 870 skilled and motivated employees
- Remuneration philosophy and process
- Responsible, efficient and reliable leadership team

Social and relationship capital

- Collaborative stakeholder relationships
- Social licence to operate

Natural capital

- Water, air and energy
- Land on which to run operations
- Biodiversity and ecosystem health

Our top five risks

1. Revenue and volume growth risk
2. COVID-19
3. Ageing cargo handling equipment
4. Financial risk
5. Safety, health and environmental risk

BUSINESS ACTIVITIES



Vessel traffic

General vessel traffic is the heart of Namport's business. Handled 1,592 vessel visits at the ports of Walvis Bay and Lüderitz during the 2022 financial year.



Passenger traffic

The container terminal offers a dedicated cruise-vessel berth, facilitating an expansion of the cruise tourism market. Approximately 21 cruise liners visit Namibia each year.



Container cargo

Container cargo is handled at the New Container Terminal at the Port of Walvis Bay, as well as at the Port of Lüderitz



Imports and exports

Cross-border import and export of cargo and commodities to and from SADC countries and beyond are a significant segment of Namport's activities. Salt remains the biggest export commodity handled by the Port of Walvis Bay.



Vehicle imports

New and second-hand vehicle imports through the ports have grown steadily and current facilities were expanded to handle higher volumes.



Fuel imports

Petroleum imports constitute the largest share of commodities landed at the Port of Walvis Bay (35% of freight tonnes landed). Two tanker berths accommodate 60,000 deadweight ton tankers for offloading liquid bulk commodities.



Ship and rig repairs

The Group operates three floating docks through its subsidiary, Namdock, which focuses on ship and rig repairs.



Fishing industry support

The ports of Walvis Bay and Lüderitz are vital links in exporting fish and fish products from Namibia to a global market.

By focusing on outcomes, we create shared value for all our stakeholders.

OUTCOMES

Financial capital

- Revenue increased by 13,8% to N\$1,690 billion
- Asset base of N\$ 7,2 billion
- Funding strategy based on strategic priorities
- Growing trade volumes with key hinterland customers

Infrastructure capital

- Investment strategy to maintain and upgrade infrastructure
- Improved operational efficiencies and productivity
- Steady progress on digital transformation across the value chain
- Cargo handling equipment and storage capacity that enable cargo growth
- Strategic land holding in Walvis Bay and Lüderitz

Intellectual capital

- Strong governance structure and oversight
- Reliable and efficient performance through safe and resilient operations

Human capital

- Direct and indirect job creation
- Motivated workforce
- Continuous skills development

Social and relationship capital

- Constructive partnerships with communities focused on health, education and youth development

Environmental capital

Proactive pollution prevention and focus on energy efficiency and water use minimisation

Strategic themes:

1. Build institutional capacity
2. Drive operational efficiencies
3. Enhance customer and stakeholder value
4. Optimise sustainable growth

THE OUTCOMES WE AIM FOR PER STAKEHOLDER GROUP

For customers

Provide efficient and secure port services to our customers, enabling them to provide excellent service to their customers for their long-term sustainability and growth.

For employees

Help employees earn, learn, innovate and grow as responsible stewards of Namibia's ports while creating direct and indirect local employment.

For the shareholder

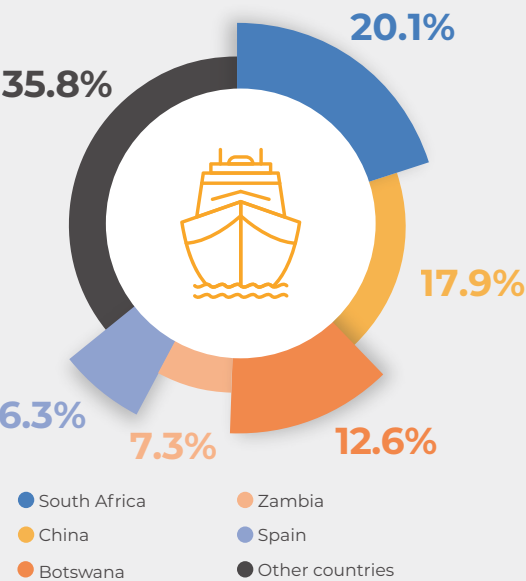
Fulfil our mandate to provide effective, efficient and sustainable port services to global, regional and local customers, and through this mandate, assist the Government in achieving its Vision 2030, the Harambee Prosperity Plan II and the Fifth National Development Plan goals.

For society

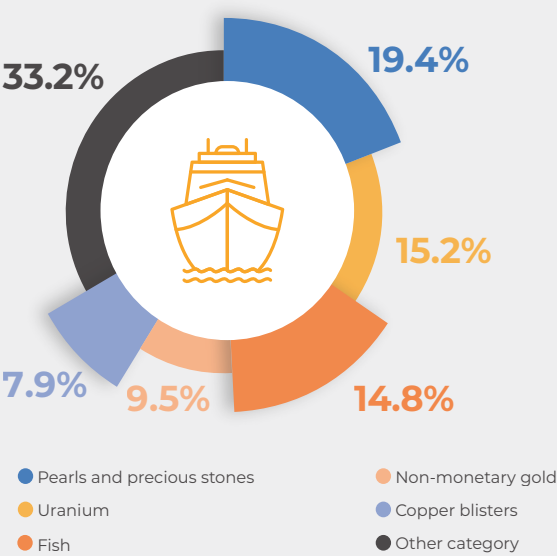
Measurably improve communities' economic, social, cultural and environmental wellbeing and serve society to the best of our ability.

Namibian trade partners and key products

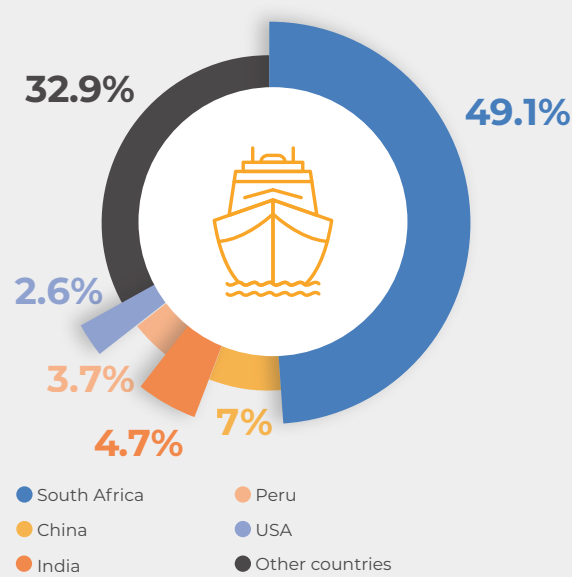
Top export partners



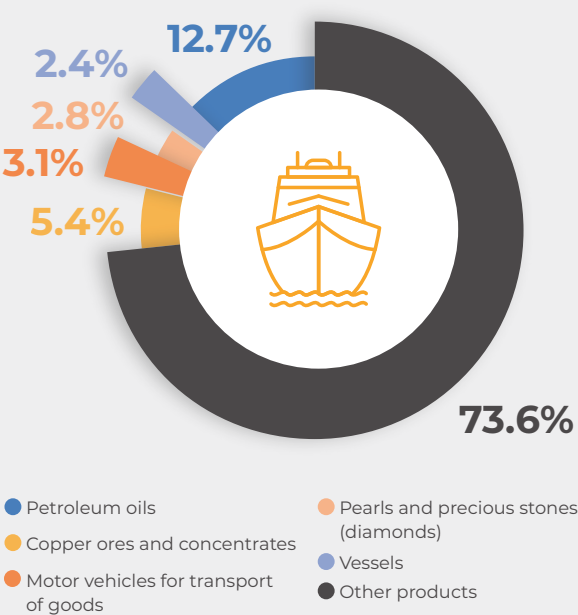
Top export products 2021



Top import partners 2021



Top imported products 2021



*Note: Figures are an average over 12 months based on the value of goods.

Source: Namibia Statistics Agency, Annual Trade Statistics Bulletin 2021

**Top Export Partners**

South Africa 20.1%

China 17.9%

**Top Export Products**Pearls and
diamonds 19.4%

Uranium 15.2%

**Top Import Partners**

South Africa 49.1%

China 7%

**Top imported products**

Petroleum oils 12.7%

Copper ores and
concentrates 5.4%

Stakeholders

Namport responds to the interests of stakeholders through effective dialogue and engagement.

Across Namport’s operations, engagement focuses on stakeholders with the most significant impact on the Group and its ability to create and preserve value. The table below sets out the stakeholder groups that are material to Namport. For more information about Namport’s stakeholder engagement, refer to our Relationship and Social Capital Review on page 65. For information about the Board’s approach to stakeholder engagement, refer to page 77.

| Stakeholders | Contribution to value creation | How we engage | Expectations and interests |
|------------------------------------|---|--|--|
| Government and Government agencies | The Government provides financial approval, capital, advice and guidelines critical to value creation, sustainability and growth. | Namport builds and maintains positive relationships with Government officials and departments through regular engagements, both direct and indirect. | <ul style="list-style-type: none">• Namport’s contribution to Namibia’s economic development• Progress on agreed plans• Namport’s financial performance and sustainability• Namport’s reputation as a responsible employer |
| Employees | Employees provide the necessary skills, experience, diversity and productivity to operate effectively and efficiently. | Namport’s employee engagement aims to align employees to Namport’s goals and values and motivate employees to contribute to the Group’s success. Interactions include information-sharing sessions, employee newsletters, noticeboards and emails. | <ul style="list-style-type: none">• Competitive remuneration• Training and development• Career advancement• A positive work environment• High health and safety standards• Fair policies and equal access to opportunities• Namport’s reputation as a competitive employer |
| Customers | A loyal and growing customer base is essential to value creation and Namport’s long-term viability. | Namport regularly engages with customers and is responsive to customer interests. Customer feedback is through individual and group engagements. Namport also communicates through regular meetings and discussions, annual reports, the website, visits and events. | <ul style="list-style-type: none">• Competitive tariffs• Fast service turnaround times• High levels of efficiency• Pleasant customer service• Secure facilities• High-quality vessel repair services |
| Suppliers | Long-term, mutually beneficial relationships with suppliers help Namport deliver services, identify issues and opportunities for business growth. | Namport has frequent supplier engagements through direct engagements, annual reports, the website and regular communication. In addition, Namport conducts a supplier satisfaction survey biannually. | <p>Competitive terms of procurement</p> <p>Timely payments</p> <p>Transparent and ethical procurement</p> <p>Pleasant interactions</p> |

| Stakeholders | Contribution to value creation | How we engage | Expectations and interests |
|---|--|---|---|
| Providers of financial capital | Financial institutions provide financing to Namport. | Namport engages with providers of various forms of funding. Namport also communicates through annual reports, the website, visits and events. | <ul style="list-style-type: none"> • Ability to service loans • Favourable terms • Strong corporate governance standards |
| Industry stakeholders and organisations | Engaging with these organisations is key to driving best business practices, identifying issues and opportunities, and creating conducive long-term relationships. | Namport is an active participant in various industry organisations, including the Port Management Association of Eastern and Southern Africa, Namibia Chamber of Commerce and Industry, Container Liner Operations Forum, Walvis Bay Port Users' Association, Walvis Bay Corridor Group, TransKalahari Corridor Secretariat and the Namibia Transporters Association. | <ul style="list-style-type: none"> • Financial Support • Intellectual contributions • Regular engagement • Progress on achieving Namport's goals, as aligned to industry goals |
| The Community | Communities provide Namport with the social licence to operate. | Namport communicates with communities directly and through the media. As a responsible corporate citizen, Namport contributes to the health and well-being of Namibian communities. Namport is regularly featured in the media and engages with journalists through frequent press releases and statements. Other communications are through interviews, visits, annual reports, website, events and open days. | <p>Communities and the public:</p> <ul style="list-style-type: none"> • Employment opportunities • Supplier opportunities • Sponsorship support • Care for the environment <p>The media:</p> <ul style="list-style-type: none"> • Access to spokespeople and fast response to media queries • Regular updates on activities and progress on strategic objectives • Respect for the media's role in society |



A large cargo ship is docked at a port, with several cranes and stacked shipping containers visible. The ship's hull is white with a red stripe, and the name 'TULLOCH' is visible on the side. The containers are stacked in a grid pattern, with some labeled 'MELC'. The port area is paved and has some tracks. The sky is blue with some clouds. The overall scene is a busy port environment.

OUR STRATEGIC DIRECTION

Namport aims to operate the best-performing seaports in Africa.

Page 20 Operating Context

Page 28 Our Strategy

Page 31 Alignment with Strategic Imperatives

Page 32 Our Material Risks

Operating Context

The COVID-19 pandemic elevated the importance of maritime transport as an important sector for delivering critical supplies and global trade in times of crises, recovery, and return to normality.

Approximately 80% of global trade by volume, and over 70% of global trade by value, is seaborne. Some 90% of African imports and exports are conducted by sea. The African Development Bank forecasts that Africa's port throughput will increase from 265 million tonnes in 2009 to more than two billion tonnes by 2040. Southern Africa processes 41% of Africa's container throughput and is a critical region to Africa's growth.

Economic conditions

Following more than two years of the pandemic, the Russia-Ukraine conflict continues to weigh down global economic activity, which is expected to slow to 2.9% in 2022. The conflict has led to higher commodity prices, supply disruptions, food insecurity, poverty and elevated inflation. This contributed to tighter financial conditions, financial vulnerability and heightened policy uncertainty.

The outlook for global growth in 2023 has declined to 3%, as headwinds such as high energy prices and continued monetary tightening are expected to persist. This outlook is subject to various downside risks, including intensifying geopolitical tensions, potential stagflation (persistent high inflation combined with high unemployment and stagnant demand), rising financial instability, continuing

supply chain strains and worsening food insecurity. The outlook for the various global economic regions is summarised as follows:

- **East Asia and Pacific:** Growth is projected to decelerate to 4.4% in 2022 before increasing to 5.2% in 2023.
- **Europe and Central Asia:** The regional economy is expected to shrink by 2.9% in 2022 and grow by 1.5% in 2023.
- **Latin America and the Caribbean:** Growth is projected to slow to 2.5% in 2022 and 1.9% in 2023.
- **Middle East and North Africa:** Growth is forecast to accelerate to 5.3% in 2022 before slowing to 3.6% in 2023.
- **South Asia:** Growth is projected to slow to 6.8% in 2022 and 5.8% in 2023.

Despite the tough trading environment, Namport has continued with its business development efforts and performance enhancements in operations to attract more volumes and improve customer experience.



Sub-Saharan Africa’s growth prospects

Sub-Saharan Africa’s growth is forecast to moderate to 3.7% in 2022 and increase to 3.8% in 2023. Although elevated commodity prices underpin a recovery in extractive sectors, rising inflation will erode real incomes, depress demand and deepen poverty.

Limited direct trade and financial linkages with Europe and Central Asia have contained some negative effects of the Russia-Ukraine conflict in Sub-Saharan Africa. However, the sharp deceleration of global growth and war-related food and fuel shortages have created substantial challenges, especially in countries reliant on wheat imports from Russia and Ukraine. In many countries, increasing living costs have tempered the gains from looser COVID-19 restrictions and higher commodity export prices. In addition, insecurity and social instability threaten the outlook, especially in low-income countries, while rapid living cost increases have escalated social unrest.

The Namibian economy is anticipated to grow by 3.4% in 2022 and 3.7% in 2023. This growth is driven by the primary sector, with diamond mining expected to lead this growth. Further, growth is anticipated in agriculture mainly due to increased livestock marketing. The tourism sector is also forecast to rebound following the reopening of the world to international travel. Renewable energy development, such as wind and solar, is also expected to contribute to economic output positively. These growth forecasts auger well for Namport, especially the positive developments in renewable energy and agriculture, whose imported inputs would be channelled through the Authority’s ports.

Namport continues to play a significant role in supporting onshore and offshore mining activities, which account for 10% of Namibia’s GDP. Historically, diamond mining has been the leading sub-sector of Namibia’s mining industry, and the Port of Lüderitz is the supply base for offshore diamond mining activities in the south.



Key countries' economic outlook

The respective growth prospects in countries within Namport's catchment area are as follows:

Zambia: Following the 2021 presidential and parliamentary elections, which saw a new Government elected, the country's prospects have improved tremendously. Zambia's economic outlook is promising, thanks to increased investor confidence and sound policy announcements. The Government announced plans to grow the country's copper output to three million metric tonnes within the next ten years from the current 800,000 metric tonnes per annum. As a land-locked country, this development requires preferential access to the international market by sea.

The Port of Walvis Bay is well-positioned to handle increased copper exports to international markets and throughput of requisite mining chemicals and equipment. The absence of a rail connection will reduce this potential opportunity. Other countries already have rail connectivity to the Zambian copper belt, and Namport continues to advocate for the long-overdue rollout of the rail connection from Grootfontein to Katima Mulilo.

Zimbabwe: The International Monetary Fund has welcomed the positive signs of economic recovery following two years of deep recession and commended Zimbabwe for its swift COVID-19 response and more vigorous efforts to address its socio-economic challenges. The Zimbabwean economy relies on its tertiary industry, which makes up to 60% of the total GDP. Agriculture and mining contribute to exports, and the predominant minerals include platinum, chrome, gold, coal, and diamonds.

The economic recovery offers opportunities for Namport to tap into the export of commodities such as coal and chrome and importations of mining and agricultural inputs. The downside to the attraction of Zimbabwe's imports and exports remains the distance to Namibia compared to the ports serving Zimbabwe, such as Beira in Mozambique and Durban in South Africa. Namport will continue to leverage off the Zimbabwean dry port to drive the handling of the volumes through the Port of Walvis Bay.

The Democratic Republic of Congo (DRC): The economic outlook for the DRC is encouraging, with positive GDP growth driven by mining. In addition, transport and logistical infrastructure improvements support the resumption of non-extractive activities, services, and industries, stimulating export and tax revenue. The global demand for minerals such as copper and cobalt from the DRC represents a good opportunity for Namport to continue serving the DRC market in both directions, ranging from the export of commodities and import of project cargo to mining inputs and others.

COVID-19 impact on operations

COVID-19 continued to impact operations with fewer on-site employees, low employee morale and poor economic conditions affecting volumes.

COVID-19 continued to affect operations as the number of employees on-site remained low to reduce transmission rates. This led to longer vessel turnaround times and fewer vessels handled. However, COVID-19 restrictions were more relaxed than in 2020, allowing for improved operating conditions.

The impacts of COVID-19 were severely felt throughout Namibia as the death toll during June and August 2021 rose. Employee morale remained low due to the psychological effects of COVID-19. The loss of key employees due to COVID-19 imposed absences impacted productivity and resulted in Namport missing production goals. Namport falls under a special operating licence which allowed it to operate throughout the pandemic.

Cruise passenger liners return

Since the outbreak of COVID-19 in early 2020, Namport suspended passenger vessel services at its ports, in line with prevailing international practices.

In November 2021, Namport received its first passenger vessel at the Port of Walvis Bay, the Europa since 2020. The Europa carried 408 passengers and 275 crew members. The vessel was docked at the Port of Walvis Bay before sailing to the Port of Lüderitz. Namport agreed to receive the vessel following engagements with role players and authorities to minimise the risk of new infections. This presented a huge stride towards the recovery of the cruise liner industry, which is quite important not only for Namport but for the local tourism and small-scale artefact traders.

Port congestion

Globally, port infrastructure is heavily congested with cargo backlogs and delayed deliveries. These challenges stem from a persistent lack of rail wagons and trucking capacity. The impact of the port congestion has not been confined to the Asia–North Europe and Asia–USA trade routes. It has spilled over to other regions, notably Africa, where it is now the largest factor threatening the viability of ports.

The congestion has resulted in the withdrawal of many vessels from the African and other trade routes to fill in the gap created by the ships waiting for service in ports in the USA, to the detriment of Namibian ports and other ports in the region. Additionally, skipping port calls continue to be one of the options employed by carriers to avoid lengthy delays. The situation persisted in 2022, but there are indications that this may improve in 2023.

The global maritime environment

Containerised trade is closely linked to world economic developments, consumer activity and supply chains and is severely affected by disruptions.

The industry challenges that persisted in 2021 remain prevalent and are forecast to remain for the remainder of 2022 and early 2023. The current ocean freight environment is characterised by:

- Historic high freight rates
- Congestion in many ports
- Schedule reliability at all-time lows
- Supply chain disruptions
- An opportunistic approach by some carriers
- Capacity constraints
- Equipment shortages

Although container freight rates are declining, these are still 84% higher than pre-COVID-19 levels. The spot rates have remained solidly at levels double the five-year average of about US\$3,300 per 40-foot container. Apart from being influenced by demand and supply, the higher rates are influenced by the policies adopted by the carrier industry in responding to demand shocks, container network inefficiencies, widespread port congestion and inland bottlenecks.

In the future, new factors will drive freight rates in the medium term, including decarbonisation regulations, carbon pricing and the ongoing consolidation and concentration of the carrier industry.

Other industry challenges include schedule reliability and delayed arrivals. These challenges affect ports by increasing the general costs and eroding the viability of doing business, to the serious detriment of overall business sustainability.

Global vessel schedule reliability continues to follow the trend seen in 2021, with the scores in 2022 slightly below 2021's levels. The average delay for late vessel arrivals decreased by 1.04 days to 6.41 days in April 2022, and this is the first time the delay figure has dropped below the seven-day mark since August 2021.

The adverse global schedule reliability and average delays for late vessel arrivals have reduced the number of vessels visiting our ports due to blank sailings, high cargo dwell times and customer churn to other less impacted ports. This continues to be a major challenge for the Authority's ports and poses a risk to Namport's ability to grow its volumes.

Namport continues to engage shipping lines, while increasingly handling cargo previously handled in containers in bulk and breakbulk format.

Shipping lines overview

Shipping lines are critical for the effective connectivity and sustainability of all ports. Namport has strong relationships with several major shipping lines.

The importance of trade corridors

Port authorities must look beyond national boundaries to increase port catchment areas and achieve regional efficiencies.

Hinterland transport connecting seaports are essential in the overall transport and logistics chain, and port efficiency helps improve the overall efficiency of transport infrastructure. Of the 55 countries in Africa, 16 are landlocked, and landlocked countries rely on their neighbours to import and export goods.

According to the Tripartite Transport and Transit Facilitation Programme, road transport in the world is currently the costliest due to multiple permits across countries. Long delays at border posts, weighbridges and checkpoints with trucks sitting idle add to the cost of doing business.

Ports are showing more interest in strengthening connections with the hinterland to get closer to secure cargo volumes. Similarly, terminal operators, for example, Maersk Line, are engaging in vertical integration by taking greater control of inland logistics to provide an integrated service offering.

Namport acknowledges the importance of trade corridors and regional cooperation, and thus supports the Tripartite Transport and Transit Facilitation Programme. This programme focuses on facilitating the development of harmonised road transport policies, laws, regulations and standards for efficient crossborder road transport and transit networks. Engagements have started nationally, with a call to member countries of the Common Market for Eastern and Southern Africa, East African Community and SADC regional economic communities to establish national steering committees and technical committees to address these challenges. Namport's previous vision focused on the Port of Walvis Bay as the best-performing hub port. However, the maiden loads of manganese exports from South Africa in 2019 readjusted this strategy to articulate the strategic importance of both ports and the growing relevance of hinterland markets. Namport's strategy now clearly captures the increasing relevance of the Port of Lüderitz as a port, serving customers from neighbouring countries with a particular focus on the Northern Cape in South Africa.

Transshipment cargo tends to move easily and shift to other ports if circumstances, facilities, and tariffs are unfavourable. Namport constantly evaluates its tariffs to ensure competitiveness. In April 2021, Namport launched an internal Port Efficiency Index. This tool gives management an overview of port operations, highlights operational performance shortcomings and provides improvement opportunities.

Port capacity

Trade is key to economic prosperity. Easier and more trade ensures more economic prosperity.

According to Drewry's Global Container Terminal Operators Annual Review and Forecast published in August 2022, global container port capacity is projected to increase by an average annual rate of 2.4% to reach 1.38 billion TEUs by 2026. However, the worsening economic and geopolitical situation has led to a downgrading of the cargo demand outlook. As a result, container port utilisation is now projected to moderate to 70% in 2025 compared to last year's projection of 75%.

Although many Southern African ports function as hub ports, typically, they are too small to leverage the economies of scale required to make a hub-and-spoke system cost-effective.

A port's competitiveness depends not only on its physical capacity and services but also on the quality and fluidity of its land transport networks. Providing intermodal access, warehousing and other logistics services help ports capture additional local market volumes.

Namport will continue to play its part to ensure that Namibian ports can handle bigger vessels and increased hinterland cargo and achieve sustainable efficiencies and productivity levels. With the New Container Terminal at the Port of Walvis Bay, Namport has outgrown its previous status as a feeder port over the past decade and positioned itself as a hub port. To compete with regional hub ports along Africa's west and east coasts, Namport must invest in improving capacity and efficiencies. The investments will be concentrated in the following areas:

- Sufficient water depth to accommodate larger container vessels
- Efficient transshipment facilities offering rapid loading and offloading capabilities
- Stack capacity and supporting intermodal facilities and dry ports
- Efficient land transport connections along corridors leading in and out of the port
- Back-of-port effectiveness and landside transport connections
- Operations effectiveness, including rapid container handling and quick ship turnaround times

Global commodity prices

Mineral commodities are a key driver of the ports' cargo volumes. There is a high correlation between global commodity prices and cargo movement through the port. Where the commodity prices are favourable, it drives increased mining activities and an uptick in volumes throughput through the ports supporting these activities.

Copper is an important metal for several industrial applications, including electrical and construction purposes. Even when copper prices are high, no other material can duplicate copper's unique characteristics. In 2022, the copper price increased by 17.8% to an average of \$9,985 per metric tonne during the first quarter of 2022. The increase was due to the supply disruption in Chile, which produces about 30% of global copper output, and global supply chain disruptions related to the Russia-Ukraine conflict.

Copper exports and raw material imports through the Port of Walvis Bay constitute a significant proportion of the volumes throughput through the port, especially on the back of the favourable prices and the ramp of production by Zambian and DRC mines. The shortage of vessels and twenty-foot shipping containers, the preferred method for packaging copper exports, has however resulted in some losses of this crucial business to other ports.

Coal is one of the main resources used for electricity generation worldwide. Along with natural gas and oil, coal prices have surged since Russia invaded Ukraine. In response to the war, the European Union imposed a ban on imports of Russian coal from August 2022, which increased the coal price dramatically. European countries are looking further afield for coal, including from South Africa, Botswana and Mozambique. The desire to reduce Russian gas consumption has also slowed the pace at which European countries are decommissioning coal power stations.

Namport has benefited from the spike in coal prices as Botswana exporters are now moving their coal exports through the Port of Walvis Bay. The preference for the port has been accentuated by the current congestion at other ports in the region, through which the exports were previously channelled. The coal is hauled by trucks for stockpiling and shipping, with the first consignment in March 2022. The absence of a rail connection has however hindered the full realisation of the volumes that could be shipped out of Botswana through the Port of Walvis Bay.

Uranium prices continue to increase due to global geopolitical instability, which has created uncertainty in energy supply. Namibia's uranium mines are increasing production while other mines under care and maintenance plan to resume operations.

The high uranium price augers well for the Authority's Port of Walvis Bay, as most raw material requirements for the mines are shipped through the port. This has been evident in the high volumes of imports of chemicals by the active Uranium mines in the Erongo region.

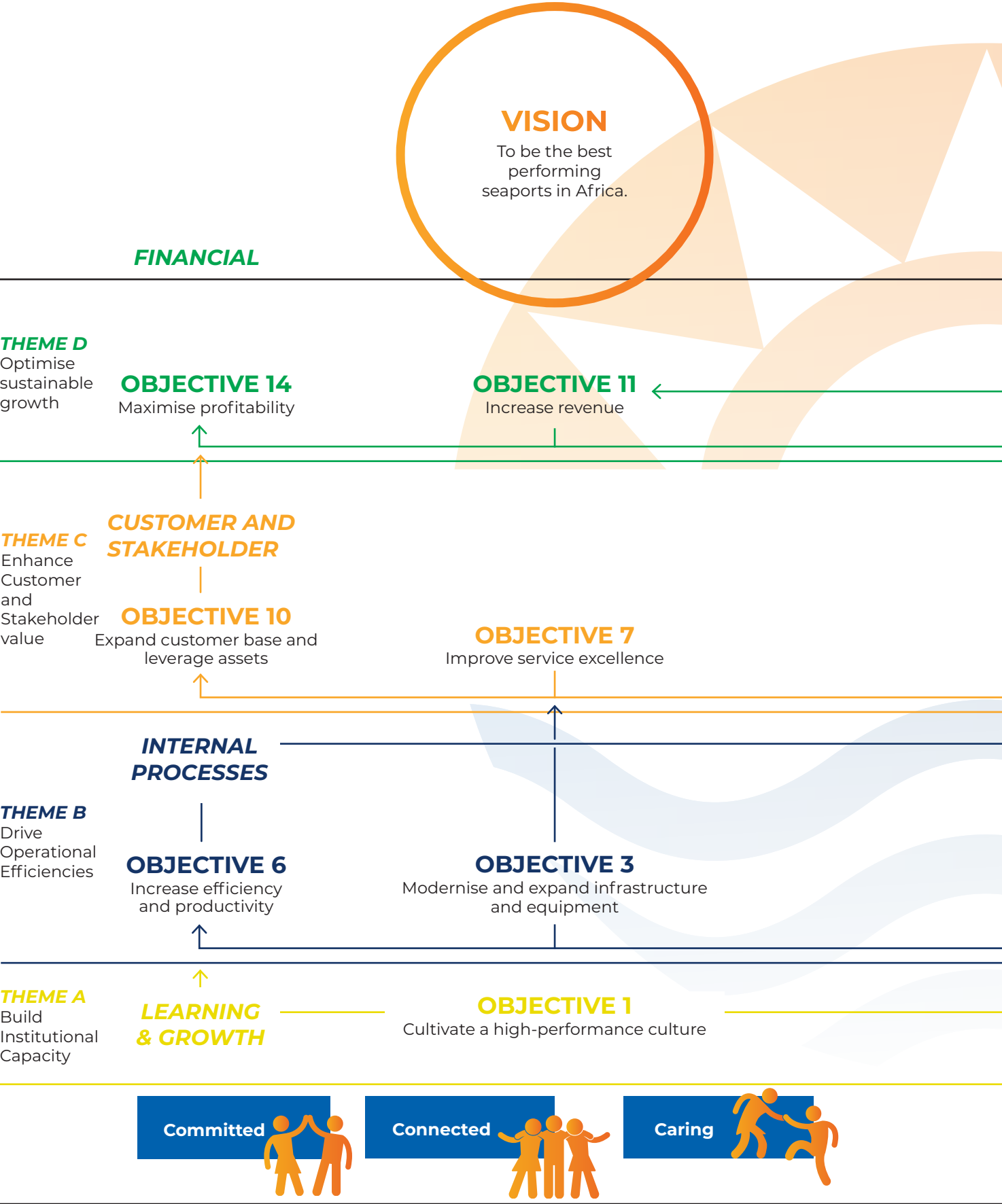
Manganese has experienced a strong rebound as global steel production has been ramped up to meet global demand, and China is restocking steel. The manganese price has increased significantly.

As the manganese price improved, the Port of Lüderitz saw a significant increase in manganese ore exports from South African mines. During the last two financial years, the Port of Lüderitz has handled 640,288 tonnes and 768,085 tonnes respectively, ramping up from initial exports in the 2020 financial year. These export volumes are expected to remain strong next year, further supported by the recently awarded Common User Manganese Export Terminal and the soon-to-be-launched offshore loading solution.





Our Strategy



MISSION

To provide excellent port services to all seaborne trade, creating sustainable value for all our stakeholders

OUTCOMES

OBJECTIVE 13

Enhance cash flow management and maximise liquidity

OBJECTIVE 12

Enhance cost optimisation

OUTPUTS ↑

OBJECTIVE 8

Build and maintain strategic partnerships

OBJECTIVE 9

Promote good corporate citizenry

PROCESSES ↑

OBJECTIVE 4

Accelerate Digital Transformation

OBJECTIVE 5

Enhance governance, social sustainability, environmental stewardship, and safety

INPUTS ↑

OBJECTIVE 2

Build and retain a sustainable and diverse talent pipeline

Collaborative



Creative



Performance against strategic themes in 2022

| Themes | Performance |
|---|--|
| Theme 1: Build institutional capacity | Building and improving institutional capacity supported Namport to withstand the COVID-19 outbreak. Namport’s human capital focus was revised to enhance and maximize organizational culture and the workforce’s capacity and employee experience, which are crucial to performance. As a result, Namport has experienced an overall increase in talent retention, employee satisfaction and productivity. |
| Theme 2: Drive operational efficiencies | Improving efficiencies and optimising costs was a key focus. Namport implemented new technology to improve turnaround times. Namport refined its capital management and expenditure forecasts to ensure smooth and seamless operations. |
| Theme 3: Enhance customer and stakeholder value | A focus on improving efficiency has improved the customer experience and customer satisfaction levels. Turnaround times have improved with minimal delays with inland cargo transportation within the four corridors. |
| Theme 4: Optimise sustainable growth | Namport exceeded revenue and cash flow expectations despite a challenging operating environment. In addition, the financial outcomes over the last year have been above predictions, thanks to aggressive customer acquisition and retention strategies. |



Alignment with Strategic Imperatives

Namport is aligned with several national strategic imperatives to support Namibia's economic growth and the development of the maritime sector.

Namibia Logistics Hub

The Government of Namibia plans to transform Namibia into an international logistics hub for SADC by 2025. Namport's strategically-positioned ports and access to key transport corridors enable Namibia to compete as a transport hub for regional and international trade between SADC, Europe, Asia and the Americas.

National strategic imperatives

Namport's strategies and actions support national strategic imperatives, including Namibia's Vision 2030, the Fifth National Development Plan (NDP5) and the Harambee Prosperity Plan II. Namport also contributes to the objectives of the Walvis Bay Corridor Group, which aims to connect Namibia to the world through infrastructure development.

Walvis Bay Corridor Group

The Walvis Bay Corridor Group is a public-private partnership established to promote the utilisation of the Walvis Bay Corridors. It is a facilitation centre and one-stop shop, coordinating trade along the Walvis Bay Corridors and linking Namibia and its ports to the rest of the Southern African region.

Regional strategic imperatives

Namport has aligned its strategies and actions to regional and global strategic imperatives and international standards, namely the African Union, SADC and the African Union's Africa Aim Strategy 2050.



Our Material Risks

Effective risk management is critical to enable Namport to deliver on its objectives. Potential risks are constantly monitored to ensure the Group remains resilient and thrives in an ever-changing environment.

Our Enterprise Risk Management (ERM) approach

Namport has a structured and systematic risk management process documented in the approved Risk Management Framework. Namport adopted an enterprise-wide approach to identifying, assessing, and prioritising risks, including how risks are managed, monitored, and reported. Risk is an inherent part of business, and Namport's approach facilitates responsible risk-taking during decision-making.

Risk approach and process:

Risk identification: A vigorous process is used in identifying risks from external or internal sources that may prevent, obstruct, and cause loss or reputational impact to the Namport strategy or strategic objectives.

Risk assessment and prioritisation: Once risks are identified, they are assessed and prioritised in terms of impact and likelihood of occurrence. Management controls are designed to mitigate risks, and their effectiveness and adequacy are assessed.

Risk treatment and response: Based on the assessed residual risk exposure and the evaluation of the control environment, certain actions

are identified to improve controls or enhance processes. These are documented, and plans developed to address, prioritise and implement initiatives. If additional controls are required, these are identified, and responsibilities are assigned.

Risk monitoring and reporting: Management is responsible for monitoring the progress of actions to treat key risks. The Risk division coordinates, monitors, and, where appropriate, facilitate any remedial action seeking to manage the key risks across Namport. The risk management process is continuous and key risks are reported to the Board Audit and Risk Committee.

Governance and oversight of risk management

While the Audit and Risk Committee oversees the Risk Management Framework, policies and process, the Board is ultimately responsible for risk management throughout the Group. Each quarter, Management reports on top risk management to the Executive Committee and the Audit and Risk Committee.

Three lines of defence

Namport uses a three lines of defence risk model, and this enables Group-wide accountability for risk management and the control environment.

| Objectives | Assurance providers | Reporting lines |
|---|---|---|
| First line of defence – Risk ownership | | |
| Identifies and manage risks in line with agreed Risk Policies. | <ul style="list-style-type: none">Management of line functions.Quality assurance functions.Policies and procedures.Internal control environment. | Executive Management Committee and operational committees that provide direction, guidance and oversight. |
| Second line of defence – Risk management oversight and compliance | | |
| Oversees and monitors significant risks and provides support to the first line with the appropriate tools to effectively monitor and manage identified risks. | <ul style="list-style-type: none">Governance, Risk and Legal Departments. | Executive Management Committee. |
| Third line of defence – Internal independent assurance and validation | | |
| Provides independent oversight and assurance on the adequacy and effectiveness of risk management processes. | <ul style="list-style-type: none">Internal audit. | Audit and Risk Committee and the Board. |

Security management at the Ports of Walvis Bay and Lüderitz

Namport has extensive surveillance and physical security systems to enhance port security and monitor operations and safety of its operations and cargo in store or in transit through the ports.

Namport entered a Memorandum of Understanding with the Namibia Revenue Agency (NamRA) to open a Container Control Programme office inside the Port of Walvis Bay. The Container Control Programme is an initiative of the United Nations

Office on Drugs and Crime (UNODC) World Customs Organization (WCO) to build capacity in countries to improve risk management, supply chain security, and trade facilitation at transport nodes to prevent the cross-border movement of illicit goods.

As per the agreement, Namport has seconded two security officials from its operations to the Container Control Programme to be trained to assist in inspecting containers imported or exported through the Port of Walvis Bay.





LEADERSHIP REFLECTIONS ON 2022

Page 36 Chairperson's Report

Page 38 CEO's Report

Page 42 CFO's Report

Page 47 Corporate Scorecard

Chairperson’s Report



The Group continued to strive towards financial sustainability despite the very challenging economic and operating environment, beset with constrained capacity of shipping slots, container shortages and escalating shipping costs.

It gives me great pleasure to present the Namport Group Integrated Annual Report for the year ended the 31st of March 2022. This incidentally is the first annual report since I took over as Board Chairperson from my predecessor, Advocate Gerson Hinda and I am especially humbled by the positive financial and operational performance more so coming on the back of a global economy that is recovering from the grips of the pandemic.

How would you summarise Namport’s 2021/22 financial year?

Namport’s business is significantly impacted by the economy and the trading environment, as the cargo that move through our ports is dependent on supply and demand in the markets we serve. While the threat of the COVID-19 pandemic subsided towards the latter part of the year, its lingering impacts remained. These impacts manifested in, amongst others, severe shortages of vessels and equipment leading to blank sailings and extended dwell times for cargo in ports. Significantly, towards the end of the year, the outbreak of the Russia-Ukraine conflict led to further escalations in energy and commodity prices, driving up inflation, while also disrupting supply chains and worsening the global economic outlook.

Despite these challenges, it is encouraging that the ongoing efforts to proactively seek for alternatives, diversify the market and, to continuously innovate, are bearing positive results as the business continued to weather the storm, with financial and operational performance for the year outstripping both the budget and the previous financial year performance. Business and volume throughput through the bulk terminals at both the ports of Walvis Bay and Lüderitz have increased during the period under review, underpinned by the development of common user bulk terminals at both ports. With the upcoming novel deployment of offshore loading operations at the Port of Lüderitz, it is Namport’s firm intent to further fossilise and grow the current streams of cargo volumes.

When the new Board assumed office on 1 April 2022, we had the opportunity, alongside management, to review the Namport corporate strategy. This review resulted in us setting the strategic initiatives for the next five years and which are based on four key strategic themes. The themes are supported by specific strategic objectives and initiatives which we are executing from the financial year 2020/2021 to the year ending the 31st of March 2026.

“ THE DELIVERY OF
WORLD CLASS
PERFORMANCE IS KEY
FOR THE SATISFACTION
OF OUR CLIENTS
AND THE
DEVELOPMENT
OF OUR BUSINESS ”

How did the external environment shape Namport's performance?

The biggest challenge to the business during the year under review was the unprecedented global shortage of ships and containers.

The skyrocketing consumer demand in the United States of America (USA) for imported goods mainly from the Far East, driven by the USA's Government's stimulus package and improved disposable incomes, created immense demand for shipping and a diversion of vessels to service the North American market. This diversion was at the expense of less lucrative and smaller markets, including the African market. As a result, schedule reliability at Namibia's ports declined to rock bottom levels and this was exacerbated by low turn times, increased freight rates and a shortage of containers, especially the twenty-footers, which are normally used for the export mineral ores.

The mismatch between supply and demand of shipping capacity has unfortunately resulted in importers and exporters and ultimately the consumer, paying more for shipping costs. The shortages will likely subsist into the near future and it therefore remains imperative, for our sustainability, that the costs of logistics and doing business through our ports remain within the reach of our valued customers by, inter alia, continuing to focus on innovation and efficiencies in our operations.

What is the outlook for Namport in 2023?

The overall outlook for Namport is positive. The COVID-19 pandemic has subsided and this presents us with an opportunity for an all-out drive towards repositioning of the overall business. Our work to improve business and operational processes, investments in infrastructure and technology and the pursuit of strategic partnerships is already in full swing and yielding positive results. We are constantly working to stay ahead of global trends and equally importantly, to exceed market demands and expectations. Our growing focus on efficiency, risk management, aggressive marketing efforts and the rationalisation of costs will ensure our continued recovery, long-term sustainability and inevitable growth.

The decision to lease out the new container terminal at the Port of Walvis Bay represents a major milestone and paradigm shift for Namport, providing for a watershed collaboration between the public sector and the private capital as we jointly focus on leveraging off each other's strengths, the effective utilisation of resources and the maximisation of returns accruing from both of our investments.

Therefore, going forward we will be going to the market to source for an operator to manage and operate the New Container Terminal at the Port of Walvis Bay. The objectives underpinning the concession include the attraction of private capital for infrastructural and equipment requirements, the increase of volumes throughput through the terminal, the enhancement of operational efficiencies for the satisfaction of our customers, the protection and growth of employment opportunities and the overall drive towards financial sustainability.

While there are already existing concessions in both the ports of Walvis Bay and Lüderitz, the concession of the New Container Terminal is the most significant one to date and is in line with Namport's increased focus on its authority and landlord roles, and the joint development with the private sector of capacity at our ports to meet increased demand from the local and regional markets.

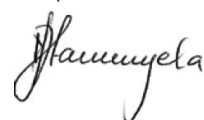
The green hydrogen revolution and oil production off the Southern Coast of Namibia are upon us and it is Namport's considered position to strongly position its operations to effectively provide support to these critical and strategic industries going forward. To this end, studies are ongoing on how best to prepare for the movement of the molecules through the Group's Ports at Walvis Bay and Lüderitz.

Simultaneously, the Group has also commenced with studies to consider the reconfiguration of the energy types utilised within its facilities and in its equipment as part of the drive towards reducing the carbon footprint and emissions in the Ports.

Appreciation

Finally, I convey my deep appreciation to our Shareholder, the Government of the Republic of Namibia, the Ministers of Public Enterprises Honourable Ipumbu Shiimi and Leon Jooste, the Minister of Works and Transport Honourable John Mutorwa and our Stakeholders for the immense support and guidance throughout the year. I thank my fellow Board members who took office in April 2021 for hitting the ground running and provided resolute support and direction to the business during the challenging year.

In closing, on my own behalf and that of my fellow Directors, we express our gratitude to the Chief Executive Officer, Andrew Kanime, the management team and staff for the great turnaround in the business prospects and outlook and the commendable financial performance for the year ended 31 March 2022. This is a giant leap in our drive towards financial sustainability and I am confident that we remain on the correct trajectory to become the best performing sea ports in Africa.



Nangula Hamunyela
Chairperson

CEO's Report

The 2021/2022 financial year was a difficult year, not only for the maritime and logistics industry but for other sectors also across the economy, the region and the globe. The positive financial performance for the year ended the 31st of March 2022 is therefore especially encouraging given the generally depressed macro-economic environment.



“
**ON A POSITIVE NOTE, THE
AUTHORITY HAS SHOWN
RESILIENCE DESPITE ALL
THE ADVERSE OPERATING
CONDITIONS WITH THE
VARIOUS BRIDGING,
INGENIOUS, STOP-GAP,
AND COLLABORATIVE
MEASURES IMPLEMENTED,
ALL COLLECTIVELY BUILDING
UP TO A FORMIDABLE
PERFORMANCE FOR 2022.**
”

Namport in 2021/2022

The year ended the 31st of March 2022 comprised of mixed fortunes for the Group, from an operational and financial performance perspective.

The global phenomenon of severe shortages of vessels and equipment persisted leading to blank sailings, long dwell times of cargo in ports, and prolonged working capital cycles for importers and exporters.

However, and on a positive note, the business has shown resilience despite all the adverse operating conditions with the various bridging, ingenious, stop-gap, and collaborative measures implemented by the Group and our customers, all collectively building up to a formidable performance for the year under review.

Good volumes were therefore handled across all service streams with significant increases being recorded on non-containerized business, greatly underpinned by cross-border imports and exports.

This has been augmented by the general conscientious approach towards cost savings across all sections of the business and the prioritization of expenditure to income-generating and safety and efficiency-enhancing initiatives.

From serving primarily as fishing ports prior to the reintegration of Walvis Bay into Namibia, both ports at Walvis Bay and Lüderitz have shown tremendous growth over the years.

With massive investments in expanding our terminals, cargo-handling equipment, people, and supporting systems, the Namibian ports have carved out a place amongst the top ports in Africa, providing a gateway to international markets for our land linked neighbours, and reducing Namibia and the region's reliance on other regional ports for the import and export of cargo.

We have completed the first year of our five-year Integrated Strategic Business Plan (ISBP), and very positive progress towards the set goals and operational performance has been recorded.

Our strategy is premised on four (4) strategic themes, and our performance on each of these themes is detailed as follows:

Theme 1: Building institutional capacity

Employees are our most important asset, and they play a critical role in the realisation of our strategic objectives. We are therefore working towards building institutional capacity through cultivating a high-performance culture and creating a sustainable talent pipeline. This will in turn enable us to improve our customer service capacity and quality.

A Culture Transformation Project was initiated in the first half of the year, and led to a diagnosis of the current culture, the desired culture, and the gap. Going forward, the focus will be on embedding the desired culture.

In addition, with the implementation of the Talent Management System, management of talent and succession is receiving due attention. Critical skills were identified, with the definition of development programs at an advanced stage to ensure a diverse and sustainable pipeline, whilst preserving critical skills.

Theme 2: Drive operational efficiencies

Port users are increasingly demanding quick turnaround times and reduced port fees. This requires that we have sufficient cargo-handling facilities and equipment to effectively and timely meet the needs and targets of our customers.

With the upcoming consideration to concession the New Container Terminal at the Port of Walvis and the development of common user bulk terminals at both the Port of Lüderitz and the Port of Walvis Bay, the business is now focussing on driving increased operational efficiencies through the Group's ports. This will require critical investments in the equipment and infrastructure which are core to the enhancement of operational efficiencies, the increase of handling capacity, streamlining of operational costs and ultimately the satisfaction and attraction of customers as well as the growth in volumes. A depressed economic environment and constrained finances had previously delayed our equipment acquisitions.

We have commenced with the phased and gradual replacement of our cargo handling equipment. We started with the areas of the greatest need, and two (2) reach stackers and three (3) forklifts were recently added to the cargo-handling equipment fleet, further improving operational capacity, while the procurement of additional cargo-handling equipment is at an advanced stage.

In addition, we commenced with the rollout of a new terminal operating system for general cargo and the Syncrolift. This new system will contribute greatly to streamlining the paper-based processes and enhancing the timeliness of our billing.

The planning and design of the New Gate Complex is completed, with construction commencing in the 2022/23 financial year. This will further enhance our gate processes, optimising the scheduling and flow of trucks into and out of the Port of Walvis Bay terminals.

We continued with our quest to prepare for the evolving cargo-handling requirements of current and future clients, including stakeholder engagements and review of relevant studies to prepare the ports for handling Green Hydrogen exports.

Theme 3: Enhance customer and stakeholder value

Successful companies adapt to changing market conditions and technologies. Namport recognises that change is constantly necessary given our ever-changing industry. Our mantra going forward is to strive constantly for relevance, excellence, and for continuous improvement in response to customer demands.

We are working on a robust stakeholder engagement strategy to drive our approach towards enriching and enhancing the value deriving to our varied stakeholders.

The enhancement of customer value will be underpinned by the various initiatives aiming at amplifying the satisfaction levels of our customers.

Theme 4: Optimise sustainable growth

It is critical that we operate efficiently, generate sustainable returns, earn a return for our shareholder and ensure consistent, high-quality service delivery to our customers.

We have embarked on various strategic initiatives to improve our sustainability. We have implemented an across-the-board review of our operations to identify and address wastages and inefficiencies. We aim to generate the best returns while maximising the efficiency of our resources.

As part of the roadmap towards sustainability, we are pursuing public-private partnerships to deliver critical infrastructure and facilities. This will provide external capital for the upgrades, expansion of warehouses and other cargo handling facilities and allow Namport to focus on other much needed investments in equipment, systems and common user core infrastructure.

Notable planned public-private partnerships

Among the notable initiatives being considered or in the process of implementation are:

- The development of the common user manganese export terminal at the Port of Lüderitz.
- The development of the common user bulk terminal at the Port of Walvis Bay.
- The concessioning of the New Container Terminal at the Port of Walvis.
- The construction and operation of the liquefied petroleum gas (LPG) and liquefied natural gas (LNG) terminals at North Port in Walvis Bay.
- Green hydrogen production and export from both North Port and the Port of Lüderitz.

How is Namport improving its competitiveness and client experience?

Namport is rolling out digitisation to enrich experience of our valued clients, streamlining processes and the reduction of our operating costs. Many of our current processes are being automated to expedite customer service and ultimately reduce the cost of doing business through our Ports.

On a national scale, Namport has been appointed the implementing agency for the National Single Window. This implementation will see the integration of all logistics industry role players so that processes are migrated to a paperless environment. This will enhance the ease of doing business within the transport and logistics industry and Namibia as a whole. The process of securing a partner for, and the roll out of, the National Single Window is currently in progress.

While people remain our most valuable asset, the need to streamline costs across the business amidst the uncertainties prevalent during the year under review necessitated the Group exploring and implementing methodologies to make the best and most effective use of its human capital. This has seen positive and material savings in the overall cost of employment and other operational costs.

One of the primary innovations to drive performance has been the introduction of the Port Efficiency Index (PEI) which was developed early in the financial year to provide an index of operational performance at the Port of Walvis Bay and with plans to roll it out to the Port of Lüderitz in the near-term. The PEI has aided Namport to analyse areas of concern in operational efficiencies, and address issues proactively. It forms part of the Corporate Scorecard, which is tracked monthly. Further, with the commencement of phased replacement of aged cargo-handling equipment, Namport is allocating resources to improve operational efficiency. The PEI at the end of the reporting period was 2.99 out of 5. This will serve as the baseline for improvement during the remaining years of the ISBP.

Overall, we are pleased by the financial performance of the Group for the year ended 31st of March 2022. Group revenue increased from N\$1.485 billion in the previous financial year to N\$1.690 billion representing a year on year increase of fourteen per cent (14%). The increase has been underpinned by the increase in business across the Group's service lines. Group operating profit increased year on year from N\$170 million to N\$400 million, on the back of the improved revenue and the significant inroads from the austerity measures implemented and aimed at streamlining operational costs.

Namport's vision to become the best-performing seaports in Africa is dependent not only on our own efforts, but is significantly dependent upon our ability to effectively leverage on our relationships with key stakeholders, including our Shareholder, suppliers, clients, society, and the transport and logistics sector. Details of our engagements with stakeholders are provided on pages 16–17.

The lessons from ongoing COVID-19 pandemic and global economic crunch are that businesses that are agile and can exercise austerity will be at the forefront of self-sustenance.

While the immediate future will be tough, especially given the ongoing efforts towards entrenching our strong operational performance, we remain bullish about the future performance of the Group. The ongoing projects locally and in the region, the new mines, upcoming development of green hydrogen and the positive developments in the oil and gas industry, amongst others, all represent levers for the future growth of the Group's business. It however remains critical that the Group continues to strive towards service excellence, the enhancement of operational efficiencies and the streamlining of expenditure so that it can ably attract cargo from other competing ports.

Appreciation

I am grateful for the guidance we received from our Board throughout the year as we worked on rolling out our strategic plan and the phenomenal support from our valued customers without which we would not have achieved the commendable financial performance.

I also extend my appreciation to the great Namport family of management and staff for the deep collaboration and unity of purpose in this exceptional year and I look forward to us all jointly continuing to work towards embedding our standing as one of the jewels in the Namibian public sector for the ultimate benefit of our Shareholder, the Namibian nation.

I am extremely encouraged by the contributions of our Board and employees, who held nothing back to ensure that we continued to strive to meet the demands of our clients and stakeholders.



Andrew Kanime
Chief Executive Officer



CFO's Report



“However, the challenges provided for ingenious approaches to driving business continuity and sustainability.”

Following a two year period marked by depressed operational performance and on the back of the ravaging pandemic, the operational and financial performance of the Group for the year ended 31st of March 2022 represents a material and positive turnaround.

Introduction

The Group results for Namport for the year ended 31 March 2022 comprise of the Authority, which operates the two ports at Walvis Bay and Lüderitz and the following subsidiaries:

- Namdock
- Lüderitz Boatyard
- Namport Property Holdings

Lüderitz Boatyard and Namport Property Holdings were dormant during the 2021/2022 financial year. More information on these subsidiaries can be found on page 11.

Operating environment

The year under review commenced amidst the ongoing turmoil of the pandemic with operations continuing to be bedevilled by the various disruptions along the global logistics chains. The operating environment was marked by the continued global imbalance in the allocation of available shipping capacity and the inevitable blank sailings as a result the shortage of capacity. This had a negative impact on the general stability of shipping schedules at the Authority's ports, prolonging, turnaround times of cargo through the ports and, the working capital cycles of importers and exporters. Ultimately, in the worst of cases, this resulted in the complete churn of some customers to other competitor ports in the region whose schedules were less affected by the equipment shortages. This was exacerbated by the acute shortage of shipping containers, especially the twenty foot configuration which are mainly used for the export of mineral ores.

However, the challenges provided for ingenious approaches to driving business continuity and sustainability. The business had to formulate and resort to non-traditional and innovative ways of sustaining volumes throughput through the ports and this bore positive results. New customers were brought on board during the year while some cargo previously handled in containerized format was converted to bulk. Agile decision making and flexibility enabled the Authority to provide immediate solutions to customers, in some instances at the shortest notice and as an alternative to other logistics channels in the region. These positive developments were further

augmented by the favourable prices obtaining on mineral ores which saw mines ramping up production together with the attendant imports of various raw materials, reagents and equipment for the mines.

There was increased business on the floating docks as a result of the increased activity within the oil and gas industry. The outbreak of Russia/Ukraine war created increased demand for energy resulting in more demand for dockings at the floating docks. The floating docks, for the first time, hosted one of the mining vessels of Debmarine Namibia and it provided an opportunity for Namdock to showcase its capabilities in handling this very strategic business.

Vessel calls at the Ports of Walvis Bay and Lüderitz have increased by two hundred and eighty-nine (289) vessels or twenty-two percent (22%) year on year. In addition, the overall vessel gross tonnage also increased by 3.4 million tonnes or twenty-one point six percent (21.6%). The increase in vessel calls was mainly due to the increase in petroleum, research, dry bulk, Roll-On-Roll-Off (RORO) and foreign tugs as well as foreign fishing vessels.

Container volumes increased by twelve thousand, two-hundred and ninety-eight (12,298) Twenty-Foot Equivalent Units (TEUs) or eight percent (8%) on a year on year basis. This increase was mainly attributable to the increased import and export containers of fifteen percent (15%) and three percent (3%) respectively.

Bulk and breakbulk volumes increased by three hundred and sixty thousand, one hundred and eighty-nine (360,189) tonnes or nine percent (9%), year-on-year on the back of increased exports of various mining commodities.

The floating docks successfully handled new business during the year under review and this contributed significantly to above forecast operational activity.

10% increase in revenue year on year.

Current year **operating expenditure 7%** down from the previous financial year.

EBITDA of 42% in comparison to 33% for the 2020/2021 financial year.

Gearing of 0.76% and **debt service cover** of 2.13 times.

Net asset value of N\$3.23 billion.

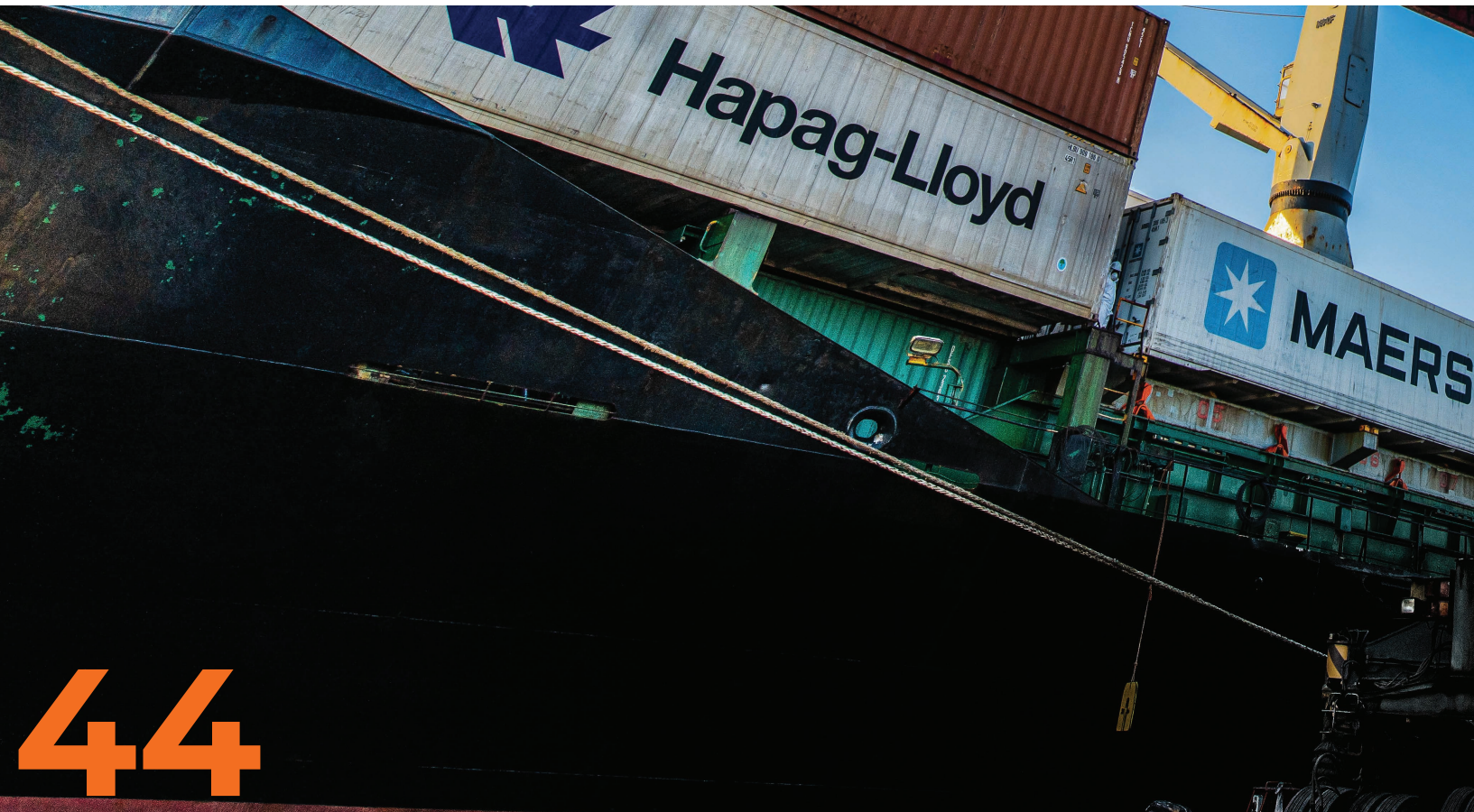
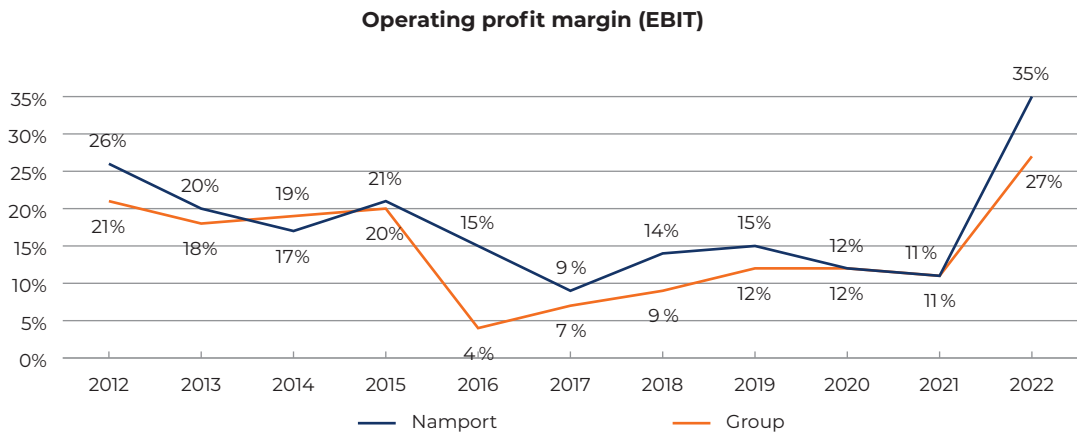
Financial performance

The Authority's revenue for the year ended the 31st of March 2022 amounted to N\$1.234 billion in comparison to the revenue generated over the previous financial year of N\$1.112 billion, representing an increase of eleven per cent (11%) year on year. Operating expenditure for the year remained generally stable and amounted to N\$1.007 billion in comparison to the N\$1.006 billion incurred in the year ended the 31st of March 2021. The general stranglehold on operating expenditure has been the result of focused interventions implemented across the business to streamline costs as part of the overall drive towards sustainability. Operating profit for the year increased more than twofold from N\$121 million to N\$375 million year on year and was largely attributable to the increase in revenue, rationalisation of operating costs and complimented by the grant received from the Shareholder during the period under review. There was a significant decrease in finance costs as a result of the repayments made towards the outstanding loans and the generally low interest rates on the debt. Overall, profit after tax increased year on year from a loss of N\$75 million to a profit of N\$230 million.

Group revenue increased by fourteen per cent (14%) from N\$1.485 billion to N\$1.690 billion and this was largely due to increased cargo throughput and repair activities at the Group's ports and floating docks, respectively. Operating expenditure increased by a nominal two per cent (2%) from N\$1.110 billion to N\$1.129 billion and in line with the general austerity and cost rationalisation approach

of the Group. Operating profit increased year on year by one hundred and thirty four per cent (134%) while the previous year's result of a loss after tax of N\$63.7 million was turned into profit after tax of N\$229.5 million.

The Group and Authority's operating margins over the years are presented below:



Credit risk management

Liquidity

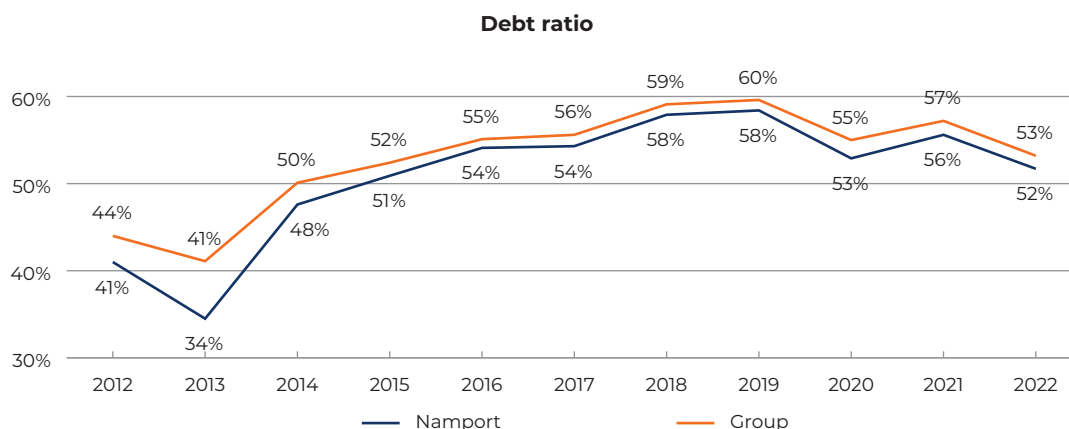
The Group's cash position increased notably during the year, buoyed by the positive growth in revenue and the gains accruing from the various cost containment measures implemented across operations. Cash and cash equivalents held as at 31st of March 2022 amounted to N\$229 million up from N\$85 million at the commencement of the year. These were complimented by undrawn short and long term facilities that have been secured with local financial institutions.

The Authority embarked on a debt restructuring exercise to, *inter alia*, realign its debt repayment profile to the current business environment and forecasts going forward. Engagements with potential counter parties to the envisaged restructuring exercise were in progress at year end.

Gearing

During the year under review, the Group secured a medium-term loan from Standard Bank Namibia. The facility was put in place to provide leg room whilst the ongoing plans for a long term restructuring of the African Development Bank are being finalised. However, the significant improvement in overall cash flow position during the year has deferred the need for immediate drawdowns of the facility.

The graph below provides an overview of the gearing positions of the Group and Authority over the years:



The Group continued to accrue good returns on short term investments held, albeit at lower levels due to the low interest rates and the shorter terms of placement of the investments.

Conversely, the prevailing low interest rates mitigated against the high finance charges on the current debt obligations and this was further complimented by the capital repayments during the year.

Credit Rating

Fitch Ratings affirmed Namport's National Long-Term Rating at 'AAA (zaf)' with a Stable Outlook and National Short-Term Rating at 'F1+(zaf)' during March 2022.

Outlook

While the positive financial performance for the year ended 31 March 2022 is commendable, the focus going forward remains on business sustainability given the ongoing structural challenges within the global shipping industry as a result of the subsisting equipment shortages. The working capital position of the Group remains delicate although showing good signs of strengthening. The immediate term requirements of equipment recapitalisation and roll out of new generation Information Communication and Technology and operating systems will however continue to pose a demand on the Group's financial resources thus accentuating the need for the continued exercise of austerity.

The various public private partnership initiatives being rolled out at both the Ports of Walvis Bay and Lüderitz provide very positive steps towards the further development and stability of cargo volumes throughput through the ports. Equally importantly, the envisaged concessioning of the New Container Terminal represents a tangible and pragmatic solution towards resuscitating a stable vessel schedule upon which the Authority can leverage to grow its overall business in the future. The recent developments in the oil and gas sector would augur positively for increased traffic for the floating docks given their strategic position at the Port of Walvis Bay. Overall, the Group is positive about the future prospects of business growth and financial performance going forward.



Gavin Harry
Executive Finance

Corporate Scorecard

The table below provides the Group's performance against key performance indicators (KPIs) in terms of the performance agreement entered into by and between the Group and the Shareholder, the Government of the Republic of Namibia, through the line Ministry of Public Enterprises.

| Financial | Key performance indicator | 2022 Targets | 2022 Actual | |
|---------------------------------|--|-----------------|----------------|---|
| F1 | Revenue | - 1,181,655,556 | -1,211,072,524 | ● |
| F2 | Operating expenses | 977,841,437 | 937,978,956 | ● |
| F3 | % EBIT | 17% | 24% | ● |
| F4 | % EBITDA | 39% | 42% | ● |
| Customers and stakeholders | Key performance indicator | 2022 Targets | 2022 Actual | |
| C1 | % Customer Satisfaction Index | 75% | 74% | ● |
| C2 | Actual value generated from identified partnerships * | On schedule | On Schedule | ● |
| C3 | % increase in volumes: | | | |
| | • Tonnes | 4,517,306 | 4,404,831 | ● |
| | • TEUs | 186,716 | 168,278 | ● |
| | • Syncrolift Vessels | 62% | 51% | ● |
| C4 | % utilisation of identified land and facilities | 197,910 | 572,723 | ● |
| Internal processes | Key performance indicator | 2022 Targets | 2022 Actual | |
| IP1 | % of capital programmes activated (equipment and infrastructure) | 22 | 20 | ● |
| IP2 | LTIFR | 0.50 | 0.57 | ● |
| IP3 | % Annual SHEQ international standards certification maintained | 3 | 5 | ● |
| IP4 | % Port Efficiency index | 3.00 | 2.99 | ● |
| People | Key performance indicator | 2022 Targets | 2022 Actual | |
| LG1 | % Employee Satisfaction Index | 75% | 70% | ● |
| LG2 | % ready-now candidates | 25% | 25% | ● |
| LG3 | % regretted losses | 10% | 3.77% | ● |
| Overall corporate rating | | | | ● |

● Achieved ● Partially achieved ● Not achieved





2022 PERFORMANCE REVIEW

Page 51 Assets and Infrastructure Capital Review

Page 53 Intellectual Capital Review

Page 58 Operational Review

Page 63 Human Capital Review

Page 65 Social and Relationship Capital Review

Page 70 Environmental Capital Review



Assets and Infrastructure Capital Review

Namport leverages its land, infrastructure and equipment to unlock value creation for the Authority.

Our assets and infrastructure capital, or manufactured capital, covers activities related to creating and developing infrastructure capacity to meet future demand whilst optimising the utilisation of our existing infrastructure

In addition, optimising land use is equally important to create and sustain value. Namport is pursuing public-private partnerships to fund, design, operate and build future projects in line with the landlord port operating model.

Leveraging our land assets

Namport owns and manages improved and unimproved lands and water areas in Walvis Bay, Lüderitz and Swakopmund, most of which are located within the two ports of Walvis and Lüderitz. This is a vast property portfolio against which it continues to leverage to grow cargo throughput through the ports.

Except for the container terminal and break-bulk operations in both ports, Namport predominantly functions as a landlord port where land, buildings and water areas are leased or concessioned to private entities that develop and operate private terminals. The leased and concessioned properties are used for handling and storing cargo, ship repair, office space, residential and aquaculture, among other uses. The leases enable the movement of cargo volumes through the port. The following major leases were allocated, reviewed and signed in 2022:

- Allocation of land for developing and operating a floating oil refinery and storage facility at North Port in Walvis Bay.
- Allocation of land to establish a dry bulk terminal to handle manganese and iron ore at the Port of Walvis Bay.
- Allocation of land to develop and operate a Common User Manganese Export Terminal onshore and offshore at the Port of Lüderitz.
- An award of a lease of property to develop and operate a bulk liquid-petroleum-gas (LPG) import storage and distribution facility at North Port in Walvis Bay.
- Issued a request for proposal for a lease for the establishment of a multipurpose bulk terminal at South Port at the Port of Walvis Bay.

Current capital projects

New main entrance gate

The project entails the construction of a new gate complex for the Port of Walvis Bay. The project's main objective is to improve the flow of vehicles in and out of the port by reducing congestion. The new gate will make use of a fully automated gate operation system, which will improve efficiencies. The project also aims to develop a pre-clearing truck staging area to ensure the seamless flow of trucks in and out of the port.

This project will be completed in phases with the following milestones achieved in 2022:

- The construction of a new level crossing and traffic intersection on 15th Road and Railway Street is at the procurement stage, with works expected to commence during 2022.
- The building works project for the gate is in the tender documentation stage, with work expected to commence by the last quarter of the next financial year 2023.

Future construction projects include the construction of the truck staging area, road works between the truck staging area and the new main entrance gate and the conversion of the current main gate into an exit gate.

Walvis Bay marina development

The project aims to prepare the marina development for operationalisation with the initial project stages, including the provision of municipal services of water, sewerage, electricity and roads. In 2022, the design and tender documentation were prepared and issued.

Berth 1 to 8 firefighting pipeline

This project entails the replacement of the berths 1 to 8 seawater firefighting pipeline as the current pipeline has reached its design lifespan. The project has been divided into phases: berth 1 to 3 and berth 4 to 8 pipeline. Phase one (berth 4 to 8 pipeline) was at the procurement stage by year-end, with the contractor on-site since July 2022. Phase two (berth 1 to 3 pipeline) is in the design stage.



Intellectual Capital Review

Intellectual capital refers to the intangible and knowledge-based assets, processes, standards and technologies that Namport has at its disposal.

Namport's intellectual capital and innovativeness position the Authority as a leading international brand that creates value for all stakeholders, increase market share and drive technological change.

The Commercial Department is responsible for promoting Namport's facilities to potential and existing customers. The ultimate aim is to increase cargo volumes, diversify income streams and grow its customer base.

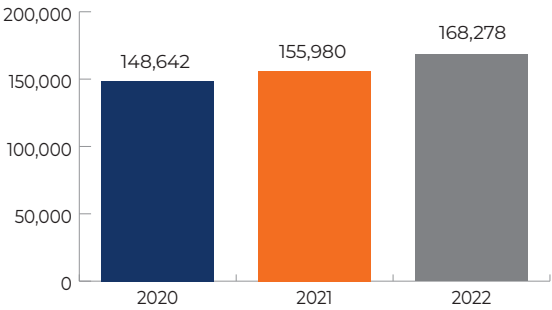
Protecting and enhancing the Namport brand is part of its mandate. In addition, pursuing strategic alliances and business opportunities through public-private partnerships are other facets of its activities. Namport is transforming into 'smart ports' where the workplace and processes are digitally-enabled. This requires a digital literacy drive and the adoption of new technologies. Information and communication technology (ICT) is a key driver of port efficiencies.



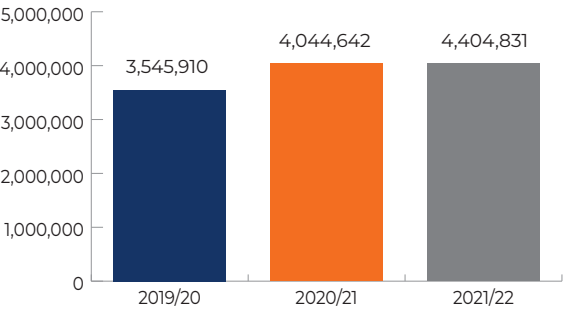
Business volumes overview

The graphs provide an overview of business volumes handled by Namport in 2022:

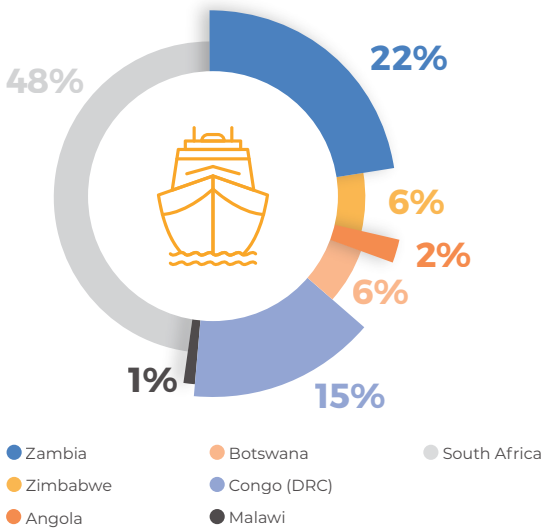
Container volumes per annum (TEUs)



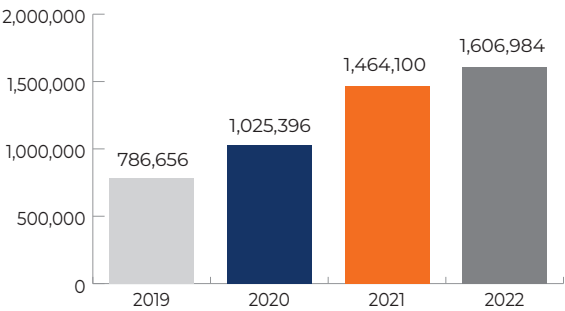
General cargo (metric tonnes)



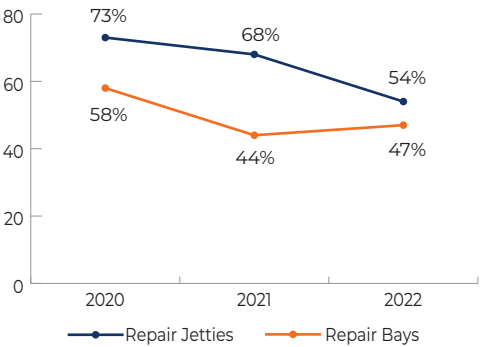
Cross border cargo market share 2022



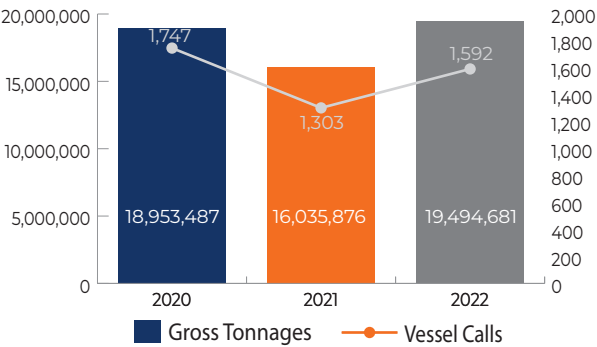
Cross-border volumes



Syncrolift occupancy



Vessel calls and gross tonnages

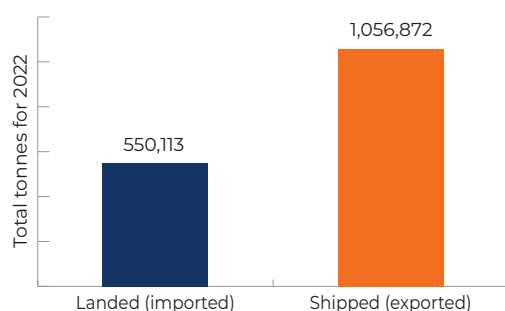


Cargo volumes growth

In 2022, general cargo volumes increased by 360,189 tonnes or 9%. This increase was due to the increased handling of commodities such as petroleum, steel, frozen fish, ammonium nitrate, iron ore, marble, ship spares, manganese ore, and flat cartons. Container volumes increased by 12,298 TEUs or 8%, continuing a positive trend over the last three years, despite the poor availability of 20-foot containers, which constrain the handling of specific cargo.

Cross-border volumes increased by 10%, accounting for 24% of total cargo volumes, on par with the previous year. This is a reaffirmation of the potential of the corridors and hinterland for business growth. South Africa and Zambia make up the bulk of Namport's cross-border volumes. Key cross-border commodities are copper and manganese, representing 22% and 68% of the export volumes through Namibia's ports. Competition for cargo to and from the hinterland from other ports remains fierce, which means that Namport must offer efficient services at competitive pricing.

Cross Border Volumes



Vessel visits increased by 289 vessels or 22%. The vessels' gross tonnage also increased by 3.4 million. The increase in vessel calls was mainly due to the increase in petroleum, research, dry bulk, roll-on-roll-off, foreign tugs, and foreign fishing vessels. In contrast, a reduction in container vessel calls was experienced due to the prevailing supply chain challenges.

Whileshipped and landed volumes remain generally subdued, transshipment volumes were up 22%. The growth of this business depends mainly on the Port of Walvis Bay's capacity to accommodate larger vessels, operational efficiencies in turning around vessels and handling costs. Namport lifted most restrictions preventing large vessels from moving in and out of the port and can now handle regular calls by larger vessels.

Namport is conducting an internal analysis of port tariffs to ensure these are both cost-reflective and competitive. The Authority faces increased competition from other regional ports, which is reflected in downward pressure on tariffs.

Syncrolift repair bay occupancy increased by 3% from 44% to 47%, while repair jetty occupancy decreased by 14% to 54%, the lowest occupancy in three years. With the implementation of the Syncrolift Turnaround Plan, an improvement in both occupancy and service delivery is anticipated.

Commodities overview

| Port of Walvis Bay | | |
|-------------------------------|-------|---------------|
| Main export commodities | Share | Volume change |
| Salt bulk | 27% | -2% |
| Charcoal | 16% | +10% |
| Fish and fish products | 10% | +15% |
| Salt bagged | 6% | -2% |
| Marble and granite | 6% | +76% |
| Main import commodities | Share | Volume change |
| Petroleum | 42% | +7% |
| Vehicles | 6% | -17% |
| Fish and fish products | 6% | +10% |
| Copper – Lead and concentrate | 5% | -30% |

| Port of Lüderitz | | |
|----------------------------|-------|---------------|
| Main export commodities | Share | Volume change |
| Manganese ore | 80% | +30% |
| Zinc – concentrate and ore | 10% | -8% |
| Ice | 4% | +17% |
| Lead concentrates | 3% | +30% |
| Main import commodities | Share | Volume change |
| Petroleum | 56% | +146% |
| Wet fish | 33% | +28% |

NAMPORT SECURES FIRST BREAKBULK CONSIGNMENT OF SUGAR

In March 2022, Namport welcomed its first breakbulk consignment of sugar in 50-kilogram bags, with a total consignment volume of 20,800 tonnes from Brazil. The sugar was destined for Botswana. The importation, handling and storage of this consignment was facilitated by SEARAIL Botswana, the terminal operator for the Botswana Dry Port, situated at the Port of Walvis Bay. Namport is optimistic that sugar imports will become a regular business for the Port of Walvis Bay. Over the past decade, Namport and the Walvis Bay Corridor Group have promoted the Port of Walvis Bay and the Namibian corridors linking its ports to SADC markets as a crucial hub for Brazilian imports into Southern Africa.

A LARGE SULPHUR SHIPMENT RECEIVED

The LEM MARIGOLD docked at the Port of Walvis Bay on 1 November 2021 and occupied berth between the 7th and 14th November 2021. The vessel discharged 38,499.88 tonnes of bright yellow sulphur in bulk from Norway, the consignment was destined for the Swakop Uranium and a Zambian Mine.

Business development

The Commercial Department is involved in the following engagements and initiatives to drive overall volumes and revenue growth:

Bunkering services

The Port of Lüderitz has introduced bunkering services to increase cargo volumes and expand its service offering. Namport offers backloading of petroleum products at the Port of Walvis Bay and discharging at the Port of Lüderitz. The service is run by Engen utilising a barge, and the volumes have increased significantly since its introduction in November 2021. Namport plans to establish the Port of Lüderitz as an alternative bunkering location for offshore activities.

Cross-border fuel imports

Namibia is increasingly becoming the preferred choice for regional fuel imports. As part of a broad initiative to increase the volumes flowing into the region, Namport invited the Zambian Oil Marketing Agency to visit the Port of Walvis Bay and inspect the efficiency and safety of Namibia's trade corridors. Zambia is connected through a direct pipeline stretching from Dar es Salaam to Zambia.

The pipeline supplies fuel to Zambia and Botswana. The pipeline is currently out of commission, so the two countries are turning to Namibia for their fuel requirements. The uptake rate has been positive, with significant increases in fuel landed at the Port of Walvis Bay. The increased fuel imports are being complemented by increased copper exports from Botswana, which are carried using the same and specially converted trucks to carry copper and fuel.

Growing manganese exports

Namport's local and regional marketing efforts have resulted in several new business leads. Manganese exports through the Port of Lüderitz now surpassed copper as the main export commodity. The port's successful maiden shipments alerted the market to the feasibility of this channel. There has been a surge in demand for export capacity allocation at the port by other mining houses in South Africa's Northern Cape province. Plans are in the pipeline to boost the port's capacity to handle manganese exports.

Special projects

Oil rigs projects

Namport is aggressively marketing the Port of Walvis Bay as the preferred port of call for maintenance and repair projects for rigs along Africa's west coast. In conjunction with Namdock, Namport has attracted several rigs for hot stacking within the port limits and minor repairs alongside the quay.

THE IMPACT OF THE RUSSIA-UKRAINE CONFLICT ON COMMODITIES VOLUMES

The Russian invasion of Ukraine resulted in serious challenges in some cargo movement at the Port of Walvis Bay. The biggest impact is on Ukrainian grain imports, which Namport handles on average 100,000 tonnes per year. Following the war, these cargo volumes have dwindled.

In many cases, customers made alternative arrangements to source commodities in anticipation of the crisis. For example, before the conflict, Namibia's uranium mines and Zambia and the DRC's copper mines procured excess sulphur volumes from Russia, resulting in a complete blockade of exports. This sulphur, amounting to 120,000 tonnes, is now mainly warehoused at the Port of Walvis Bay. This represents an additional revenue stream for Namport, which meaningfully mitigates losses in volumes of other commodities.



Operational Review

Namport's ability to attract and retain customers depends on its overall effectiveness and efficiency in delivering port services, at costs and performance levels which are better than those of its competitors.

The Operations Plan details the firm steps Namport is taking to continuously enhance operational efficiencies and streamline processes in a very competitive industry. The plan details how Namport will better utilize its resources to maximise operational efficiencies.

Namport's operational offerings are bulk handling, container terminal handling, marine services and support and technical services division.

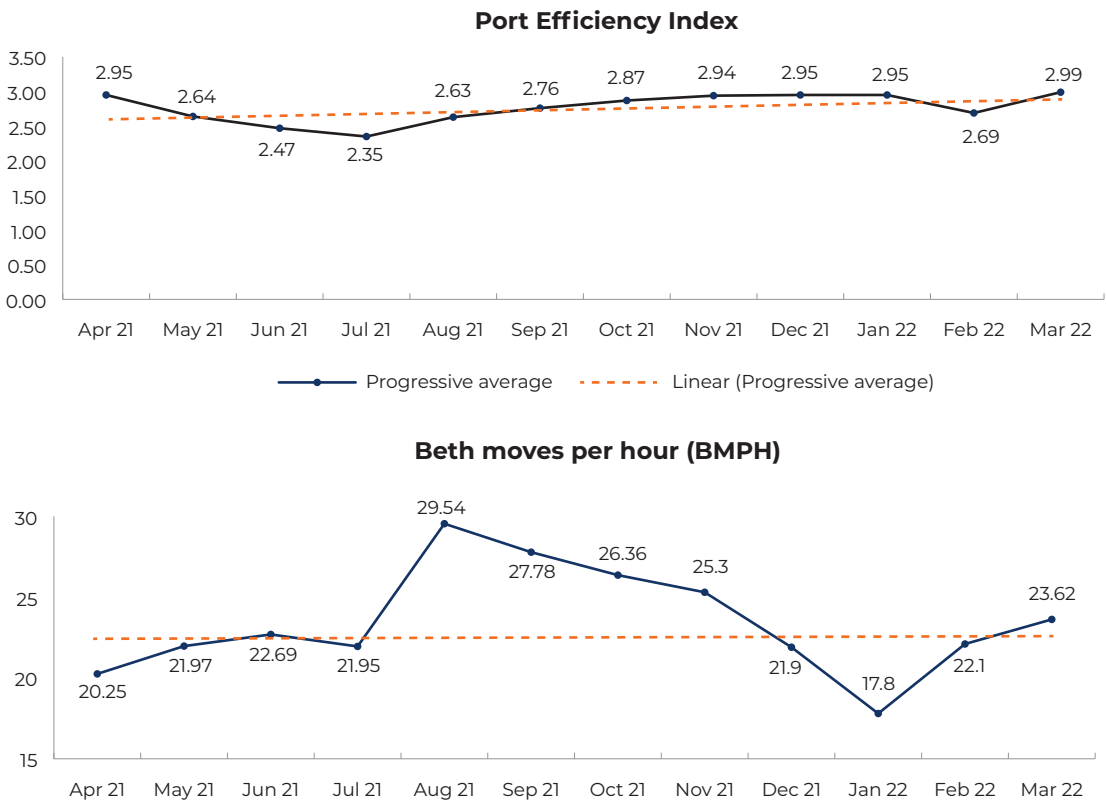
Operational performance

Namport is pro-actively seeking alternatives to diversify its market and continuously innovate. In 2022, the financial and operational performance exceeded the budget and the previous year's performance. While the shortage of containers has been a challenge, business and volumes throughput through the bulk terminals at both ports have grown. The development of common

user bulk terminals at both ports and the upcoming novel deployment of offshore loading operations at the Port of Lüderitz have been key to this growth.

Namport's port efficiency index is a composite index of operational performance at the Port of Walvis Bay. Namport introduced the index in April 2021 to measure its operational performance to proactively address operational challenges and to come up with cost-effective innovative solutions in cargo handling services. The index allows Namport to increase its performance in comparison to that of industry competitors. The index forms part of the Corporate Scorecard, with performance tracked monthly.

As an example, Namport measures its berth productivity by tracking its berth moves per hour (BMPH). Berth productivity is the average number of container moves per crane per hour while a ship is at berth, and the higher the BMPH, the higher the operational productivity.



Namport is working to improve its operational performance by replacing ageing cargo handling equipment and entrenching a high-performance culture across the organisation.

Operational highlights for 2022

Namport handled increased cargo within acceptable performance levels. Ongoing replacements of aging cargo handling equipment have however negatively impacted operational productivity and efficiencies.

To mitigate the resource shortage challenges, the Port Operations Department rolled out a Resource Optimisation Plan to align demand and resources with stakeholder expectations. This plan will assist Namport in meeting its organisational goal in a sustainable, cost-effective manner over the long term.

The operational highlights for 2022 include:

- Handling close to a million tonnes of manganese at the Port of Lüderitz.
- Handling a record number of general cargo tonnes at the Port of Walvis Bay.
- Launching the first General Cargo and Syncrolift terminal operation system.

Employee challenges

As was the case the world over, COVID-19 hampered many aspects of business operations. This resulted in the inability to optimally meet production goals and stakeholder expectations.

Future focus areas

In 2023, operations will focus on the following:

- Training and development of employees in key specialised areas, including marine operations and frontline staff in the technical and cargo terminals. This training aims to entrench a customer-centric and performance-based approach to deliver superior and consistent port operational services. Training of young professionals in port management and operational-based leadership skills.
- Acquiring state-of-the-art operational equipment.
- Automating of manual processes to enhance the ease of doing business and quicker turnaround times for port users.
- Harness synergies and collaboration with external stakeholders and the Government to align the delivery of trade-related customer services at a world-class level for instance, but not limited to, the introduction of 24-hour customer care services and gate operational services.



The global best practice for ports is to move to a landlord ownership model that allows private operators to drive port efficiencies by investing in better equipment, logistics, processes and systems. Large international operators are also well connected with global logistics companies and shipping lines, which benefits ports by attracting more business. The maritime, transport and logistics industries that carry 50% of the world's cargo are highly specialised and cost-efficient. Local Namibian companies are not able to operate a terminal of this magnitude. However, they are encouraged to collaborate with global terminal operators should they wish to participate in the concessioning.

Namport is not selling the terminal, but rather entering into a specialised lease arrangement where an external operator will run the terminal and handle containers. Instead of an upfront payment, the operator will make volume-related payments during the tenure of the concession while investing additional capital in improving the terminal. The operator will grow transshipment volumes and volumes from the transport corridors, and this should result in positive spin-offs for Namport and other local businesses.

The concessioning should generate sufficient income to service the loan due to the African Development Bank and finance all expenses and operational requirements of the terminal. In addition, the concessioning should improve Namport's overall sustainability including its dividend and returns to the shareholder.

In line with our aim of protecting and growing employment, the successful operator will be required to maintain or better the current terms and conditions of employment for the current employees affected by this arrangement. Namport will continue to be responsible for port security and vessel traffic control.

Concessioning of the New Container Terminal

Namibia is a very small market of only 2.5 million people and therefore container imports and exports that are destined to and originate from Namibia, are not enough to sustainably support the full operations of a container terminal. Hence, Namport identified the business opportunity to construct a large container terminal at the Port of Walvis Bay that has capacity to not only serve Namibia's requirements, but also those of other countries in the region either directly as corridor imports and exports or as transshipments.

Namport thus took the decision to develop the New Container Terminal (NCT) at the Port of Walvis Bay with the view to then partner with a global terminal operator who can bring in significant volumes of containers from the region, take the Authority's containers throughput to very high levels and ultimately earn Namport and the country good returns on the investment.

The specific objectives of the concessioning of the NCT are therefore to:

- Increase traffic levels at NCT, with a leading role for transshipment traffic;
- Implement a sustainable growth policy at NCT addressing domestic, corridor and transshipment traffic;
- Improve productivity standards at NCT; and
- Amplify the financial contribution of the NCT towards the overall sustainability of Namport including safeguarding employment and harnessing of sufficient financial resources to meet the business obligations to stakeholders.

Enhancing port efficiencies through ICT

The ICT Department maintained a high standard of overall performance in terms of daily operations and continuous systems maintenance and upkeep with an availability rate of 99%.

Successful technology implementation is critical to Namport's long-term success. The ICT Department is implementing Namport's ICT master plan to improve port productivity and efficiency, minimise terminal congestion and establish a fully-integrated ICT system.

ICT review

Time and price efficiencies are increasingly crucial in positioning Namport as having the most efficient ports in sub-Saharan Africa. At the same time, Namport plans to improve its efficiencies to grow the bulk and break-bulk business by attracting cargo from and to the hinterland, especially from landlocked countries.

National Single Window

Namport has finalised the appointment of the transaction advisor and commenced with the preparation of bidding documents. Namport has set up project governance frameworks and initiated engagements with key stakeholders that are affected or have a role in implementing the National Single Window. The two key ICT activities were the completion and 'go-live' for remaining container terminal-related ICT projects and the necessary systems to support remote working arrangements.

ICT focus for the year

In 2022, the ICT Department continued to experience significant pressure on implementing projects and deadlines due to COVID-19. The department adopted a strategy of reprioritising resources to areas and projects most critical to the business. Significant focus was placed on completing these projects, and once completed, the effort was shifted to the next most important projects. Through this strategy, the department was able to complete the following projects:

- Yard automation through implementing Kalmar Smart STACK at the New Container Terminal.
- Wireless network expansion in the general cargo terminals.
- Providing process analysis and recommendations on various operational processes.
- Developing enterprise cargo handling equipment demand-based resourcing model.
- Developing the Port Efficiency Index.
- Completing the Cyber Security Threat and Risk Management project.

A global supply shortage of technology-related hardware is leading to long delivery lead times and poor availability of hardware. The department ensures that existing hardware is adequately maintained to ensure high availability until the supply shortage is resolved.

Future focus areas

In 2023, the department will focus on:

- Supporting the implementation of the Namibia Single Window ecosystem.
- Replacing key hardware once the global supply shortage is resolved.
- Develop and implement an integrated ICT Governance Framework and ICT Strategy.
- Implement a robust Cyber Security Framework.
- Develop a Digital Transformation Strategy and Roadmap.
- Upgrade and future-proof the foundation layer of the technology stack.
- Improve the server environment.
- Implement enterprise storage.
- Upgrade and expand the SAP enterprise resource planning applications.
- Improve the vessel traffic system.
- Extend CCTV coverage and networks at both ports.



Human Capital Review

Overview

In the context of building towards becoming the best performing seaports in Africa, as articulated in Namport's vision statement, the focus of human capital is to deliver strategic human capital value. Namport's continued success depends on a competent and engaged workforce committed to executing the organisational strategy in an increasingly uncertain, volatile and complex business landscape amid competitive environmental pressures and shareholder expectations. The following activities were prioritised to build our institutional capacity:

Organisational culture

Namport's organisational culture remains a strategic lever for organisational competitiveness. To cultivate and strengthen a high-performance culture, especially within the challenging COVID-19 pandemic context, Namport opted to implement the Organisational Culture Transformational Project. The project seeks to re-articulate company values to ensure collective alignment and behavioural changes required for strategic goal attainment and agility. It is a vehicle to create a conducive work environment for high performance. The development of the Namport Culture Transformation Framework, Strategy and Implementation Roadmap remain key project deliverables and some of the project milestones have been achieved.

Talent management

Namport considered the disruptive macro trends such as global talent mobility coupled with the scarcity of specific skill sets and increasing volatility of the industry and the economy, and strategic efforts were focused on building and sustaining critical-talent pipelines, which entailed:

- Assessing internal and external talent pools;
- Determining the gaps between available and required talent;
- Identifying the best strategies for developing and acquiring the talent to fill those gaps (Build, buy, borrow or bridge);
- Executing, monitoring and refining pipeline strategies; and
- A Talent Management Strategy was developed and approved to provide the framework for attaining Namport's talent goals.

Talent development

In response to the constantly changing world of work and the COVID-19 pandemic's disruptive context, Namport shifted learning and development initiatives to virtual or hybrid learning platforms. The focus of these learning offerings was largely

confined to skill and capability-building initiatives through continuous upskilling of employees. Such upskilling strategies and investments aligned employees' skills to Namport's evolving business strategy, which is critical to organisational competitiveness. These strategies stimulated a more vibrant organisational culture and higher employee engagement, influencing Namport's high-performance culture drive.

In the year under review, Namport invested N\$8.8 million in various learning and development initiatives. These included investments towards a mixture of the National Training Authority (NTA), technical training, employee assistance initiatives, bursaries, and scholarships.

Since Namport's inception, 406 employees have received external and internal training from various providers, including port management, building port resilience, port security and coastguard training. During the 2021/2022 financial year, notable training interventions included:

- 144 mechanical lifting operators completed refresher courses and mandatory certification.
- 29 benefited from the study loans scheme for under and postgraduate qualifications in communication, business administration, supply chain and logistics, information and technology and financial management.
- Two bursary recipients participated in the cadetship programme for marine engineering and deck officers.
- Two marine trainees obtained Chief Mate (Class 2), and one obtained Master (Class 1).
- 25 trainees attended vocational training
- Six students from high learning institutions benefitted from industrial attachment aimed at providing experiential, work-integrated learning job exposure.

Employee relations

Nurturing a positive and conducive employee relations climate remains pivotal for Namport. During the period under review, the overall climate remained stable, with no incidences of disruptive labour unrest. On engagement, twenty-eight (28) consultative meetings were held between the management and the National Union of Namibian Workers. This included the review and approval of the Collective Bargaining and Procedural Agreement which is a framework aimed at developing and fostering sound, fair and equitable employee and management relations.

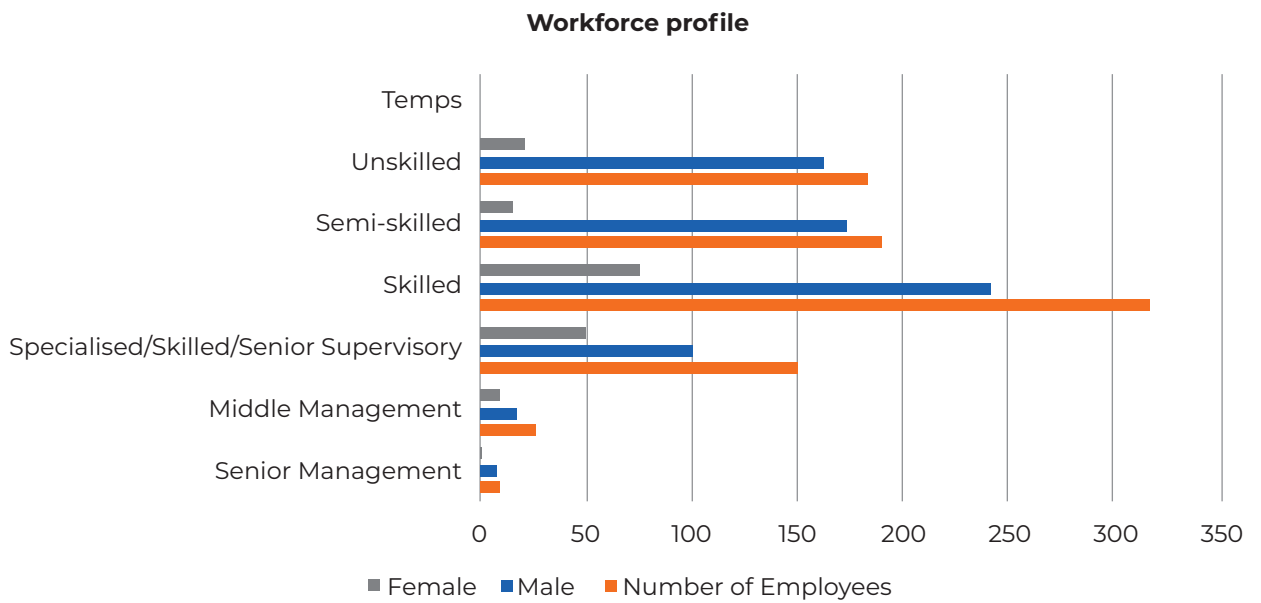
Employee wellness

To counter the negative impacts of COVID-19, the Employee Wellness strategy focused on providing extensive psychosocial support to employees and line management. This gave them much-needed skills and tools to maintain high productivity amid challenging times.

Workforce profile

At year-end, Namport's workforce stood at 870 employees. This included twelve (12) employees on short- and long-term employment contracts, constituting 1% of the total workforce.

| Gender/ Departments | CEO's Office | Port Operations | Port Engineer- ing & ICT | Com- mercial | Finance | Human Capital | Gover- nance, Risk & Legal | Total |
|------------------------|-----------------|--------------------|--------------------------------|-----------------|---------|------------------|-------------------------------------|-------|
| Male | 4 | 533 | 95 | 6 | 8 | 6 | 48 | 700 |
| Female | 3 | 67 | 26 | 10 | 34 | 16 | 14 | 170 |
| Workforce | 7 | 600 | 121 | 16 | 42 | 22 | 62 | 870 |



Management (senior & middle) makes up 4% of the workforce. The 96% comprise of non-managerial personnel, under-skilled (36%) and semi-skilled (22%) categories.

| | |
|-----------------------------------|-------------|
| New appointments: | 15 |
| Average employment tenure period: | 11.38 years |
| Overall employee turnover rate: | 4.74% |

The employee re-alignment process to improve service delivery was suspended pending the finalisation of the company-wide restructuring.

Social and Relationship Capital Review

Social and relationship capital influences business growth, customer retention, future cash flows and shareholder value.

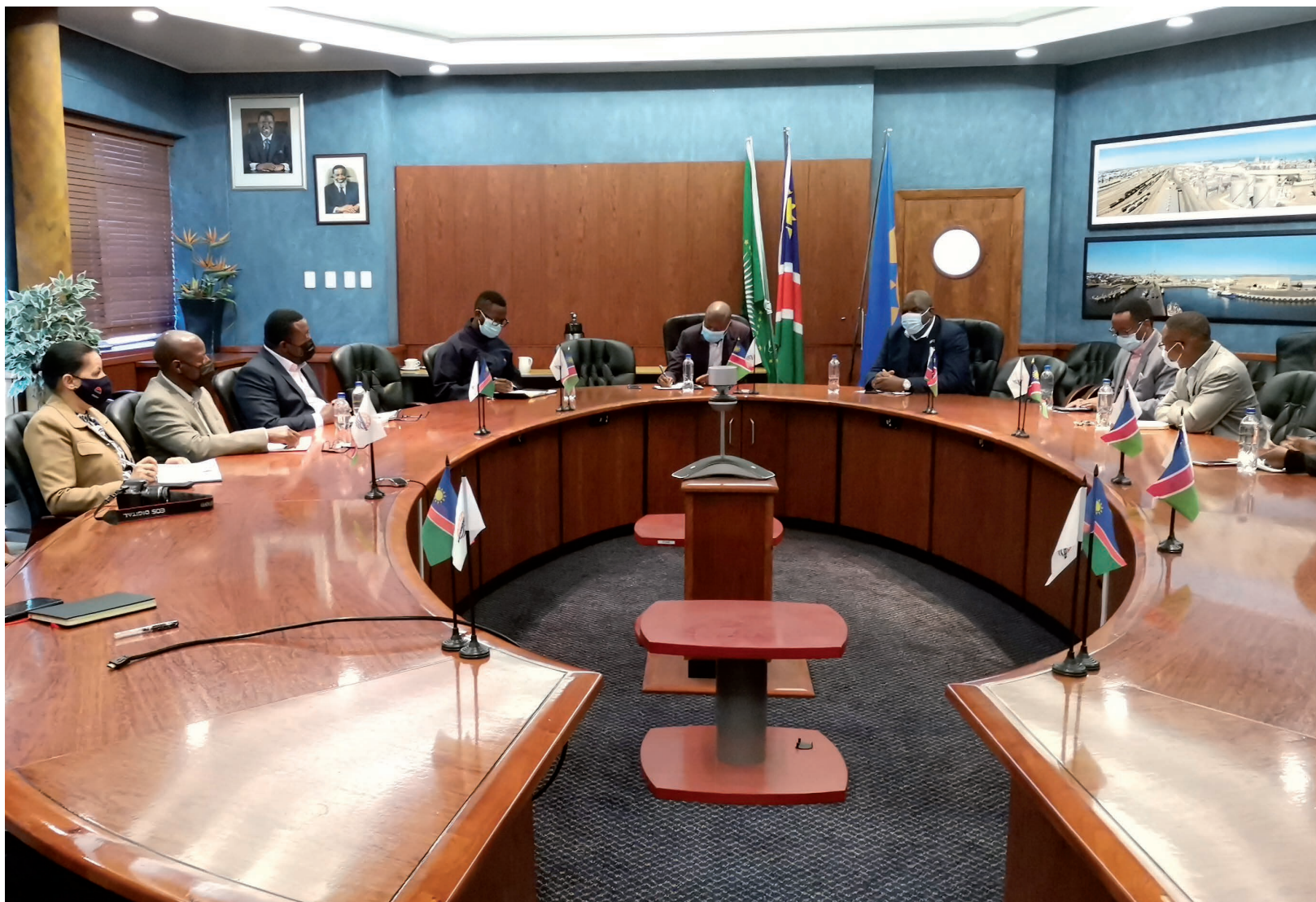
Social and relationship capital refers to the relationship Namport has with customers and communities. Namport regularly engages with stakeholders and invests in Namibia's fourteen (14) regions through the Namport Social Investment Fund.

Customer satisfaction

We regularly engage our customers through satisfaction surveys to assess their service satisfaction. This supports our efforts to provide world-class port services, deliver excellent customer service, and ensure sustainable growth.

Celebrating customers

Namport honoured its customers at the Annual Port Users function held in November 2021. This function acknowledged customers that are top performers in their categories of operations. A lifetime achievement award was presented to Mr Willie Prosser, the Managing Director of Novaship Namibia, for his contributions to developing the Namibian maritime industry.



Port of Walvis Bay Recipients

| Top five customers by revenue | Top five volume based clients | Top small and medium enterprises (SMEs) by revenue |
|---|--|--|
| <div><div>1.</div>Logistics Support Service</div> <div><div>2.</div>Maersk Namibia</div> <div><div>3.</div>Woker Freight Services</div> <div><div>4.</div>Sturrock Grindrod Maritime Namibia</div> <div><div>5.</div>Trade Ocean Shipping Namibia</div> | <div><div>1.</div>Puma Energy Namibia</div> <div><div>2.</div>Walvis Bay Salt Refiners</div> <div><div>3.</div>Engen</div> <div><div>4.</div>Walvis Bay Bulk Terminal</div> <div><div>5.</div>Sturrock Grindrod Maritime Namibia</div> | <div><div>1.</div>XYZ Investments</div> <div><div>2.</div>Dunes Investments</div> <div><div>3.</div>Faida Trading & Clearing</div> |

Port of Lüderitz Recipients

| Top three customers by revenue | Top two volume based clients |
|--|---|
| <div><div>1.</div>Skeleton Coast Trawling (Pty) Ltd</div> <div><div>2.</div>Tradeport Namibia Investments (Pty) Ltd</div> <div><div>3.</div>Lüderitz Bay Shipping & Forwarding (Pty) Ltd</div> | <div><div>1.</div>Tradeport Namibia Investments (Pty) Ltd</div> <div><div>2.</div>Access World Logistics Namibia (Pty)Ltd</div> |



Namport social responsibility

Namport continues to align with global strategic imperatives, particularly the United Nations' Sustainable Development Goals (SDGs), to provide a clear long-term plan towards poverty alleviation, protecting the planet and ensuring prosperity for all by 2030. Aligned to Namport's values of being committed, connected and caring, the Authority prioritises five SDGs: Zero Hunger, Quality Education, Good Health and Well-being, and Partnership for Goals.

In 2022, Namport donated N\$481,445 to several social development programmes.



Namport Social Investment Fund (NSIF)

Since it was established in 2006, the NSIF has invested over N\$40 million to improve the quality of life for Namibian communities.

The NSIF continued to prioritise projects to uplift Namibian communities to withstand the social and economic impacts of COVID-19 across the whole country.

The Namport Social Investment Fund Board of Trustees are:

- Mr Andrew Kanime (Chairperson)
- Mr Amos Shiyuka
- Ms Irene Simeon-Kurtz
- Mr Elias Mwenyo
- Mr Max Kooper
- Mr Mbindjee Hindjou

2 ZERO HUNGER



Zero Hunger

The NSIF contributed N\$350,000 to several projects to alleviate hunger. This included monthly support to a soup kitchen in the Khomas region and an orphanage in the Erongo region.

WORLD FOOD COMMEMORATION DAY

Namport donated 100 basic dry food parcels to celebrate World Food Commemoration Day, held on 16 October 2021. The donation was used to support Government's efforts towards reducing existing food gaps and protecting and restoring livelihoods within local communities.



Promoting Health and Wellbeing

The NSIF aims to support primary and secondary healthcare projects and improve health monitoring along Namibia's key transport corridors. In 2022, the NSIF entered into a strategic partnership with the Hardap Regional Council and Kriess Settlement. The NSIF sponsored N\$350,000 towards refurbishing two (2) 40-foot containers to serve as a clinic for the community. This clinic includes ablution facilities, a sick bay, a consulting room, and living quarters for medical staff.

Promoting healthy activities falls under the UN SDG of Promoting Health and Wellbeing. The NSIF supported NamCycling by sponsoring the Omuthiya MBX Team in the Oshikoto region. Sponsorship included N\$56,500 towards a refurbished container. The container will be a storage place for the non-profit's bicycles. NamCycling is supported by the Namibian Cycling Federation and aims to empower children with cycling and road safety skills. Since its establishment in 2015, the non-profit organisation has positively influenced the lives of more than 260 children in its community.





Quality Education

Quality education is a focus area for the NSIF, specifically school infrastructure and ablution facilities. During the year under review, the NSIF allocated N\$306,638 towards this initiative. The majority of the funding for the projects below were allocated during the previous financial year and completed and handed over during this financial year.

Kavango East region

The NSIF spent N\$231,699 in the construction of a fence at the Nakazaza Combined School to protect over 600 learners from strangers, cars and wild animals. This fence will benefit learners ranging from pre-primary to Grade 10 pupils.



Omusati region

The NSIF allocated N\$32,702 towards replacing school equipment, tables and repairing broken windows at Uutsathima Combined School.



Kunene region

Mureti High School was allocated funds amounting to N\$54,689.



Otjozondjupa region

Auuns Primary School received funding amounting to N\$190,000 for the construction of two classrooms.



Ohangwena region

Engela Elcin Private School received funding of N\$150,000 for the construction of an ablution facility.



Oshana region

The fund supported children at the Circle of Hope Academy to receive care and specialised early childhood development assistance. The academy is the first of its kind based in the north of Namibia. The sponsorship included one (1) refurbished container worth N\$138,000 to serve as a classroom.



17 PARTNERSHIPS FOR THE GOALS



Partnership for Goals

Connect Africa

The NSIF sponsored IT equipment, valued at N\$106,000.00, to Connect-Africa. The project is aimed at allowing those who are visually and hearing-impaired to access information and communication technology.

We are confident that this project will create hope in the visually - and hearing-impaired daily lives. The equipment donated will be utilised in Connect-Africa's pilot phase in various regions, Khomas, Oshana and Kavango, allowing the visually and hearing impaired community to interact with the application.

Upon completion of the pilot phase, the project aims to employ 60% of persons with visual and hearing impairment in its workforce.



Environmental Capital Review

SHEQ and ISO standards

For the first time since the implementation of the ISO management systems, Namport recorded zero audit findings during the 2020/2021 financial year, which is a major milestone for the organisation. This confirms that the integrated SHEQ Management System is aligned with the ISO operations and systems procedures. It demonstrates that Namport’s operations are effective, adequate

and suitable for delivering valued services to its customers, stakeholders and interested parties. Namport remains certified for the following ISO standards:

- ISO 45001:2018 (Occupational Health and Safety Management)
- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)



Lost time injuries for 2022

In 2022, Namport achieved a Lost Time Injury Frequency Rate (LTIFR) of 0.57 (2021: 0.38) against a target of 0.50.

Environmental compliance

Namport received Environmental Clearance Certificates for its operations in Walvis Bay and Lüderitz, and Environmental Management Plans are in place for both ports.

Namdock

Namdock’s environmental compliance is driven by ISO 9001:2015 and ISO 45001:2018 expectations, regulatory requirements as per Namibian environmental legislation. To ensure compliance, a

full gap analysis was performed in 2022. Namdock has a project plan to close the gaps identified with its dock and grit blasting operations.

Marine Pollution Response Plans

During the current reporting period, Namport developed and finalised its Marine Pollution Contingency Plans for the Ports of Walvis Bay and Lüderitz. These plans define the ports’ oil, hazardous and noxious substances pollution preparedness and response system.

The Plans cover marine pollution incidents within the port limits of Walvis Bay and Lüderitz. As defined in the Namibian Marine Port Contingency Plans (NMPCP, 2018), tier levels are:

| | |
|--------|---|
| Tier 1 | Incidents are generally able to be resolved through the application of local or initial resources only (e.g., first-strike capacity). Namport is responsible for all tier 1 marine pollution incidents. |
| Tier 2 | Incidents are more complex in size, duration, resource management and risk and may require the deployment of additional resources beyond the initial response. |
| Tier 3 | Incidents are generally characterised by a complexity that requires the Incident Commander to delegate all incident management functions to focus on strategic leadership and response coordination and may be supported by national and international resources. |



Carbon emissions

Our reporting boundaries for carbon emissions allow for different reporting methods and aim to avoid double counting. Boundaries are:

- Scope 1 (Direct emissions): Emissions from sources that are owned and controlled by Namport
- Scope 2 (Indirect electricity emissions): Emissions by a utility to generate electricity (NamPower)
 - Scope 3 (Indirect emissions): Emissions that are a consequence of activities of a company not owned and controlled by another company (e.g., port tenants, vessels)

| Carbon emission source | 2019 | 2020 | 2021 | 2022 |
|-------------------------|-----------|-----------|-----------|-----------|
| Total fuel (litres) | | | | |
| Petrol | 76,422 | 72,449 | 63,306 | 58,068 |
| Diesel | 2,060,521 | 1,895,594 | 1,401,076 | 1,565,848 |
| Total electricity (kWh) | | | | |
| Namport use | 7,724,302 | 7,085,058 | 5,167,423 | 6,410,527 |
| Total waste (tonnes) | 1,198 | 1,702 | 1,617 | 1,994 |
| Total water | | | | |
| Namport use (m³) | 231,269 | 211,762 | 169,228 | 186,969 |

| Scope | Namport tCO ₂ e (tonnes of carbon) | | | |
|------------------------|---|--------|--------|--------|
| | 2019 | 2020 | 2021 | 2022 |
| Scope 1 | 5,714 | 5,262 | 3,912 | 4,340 |
| Scope 2 | 5,561 | 5,705 | 4,657 | 4,616 |
| Scope 3 | 6,878 | 7,382 | 7,271 | 7,652 |
| Total carbon emissions | 18,153 | 18,349 | 15,840 | 16,608 |

- Notes:
- The “e” in the CO₂e stands for equivalent. CO₂e is the standard unit for measure for greenhouse gases.
 - A slight increase in diesel usage is noted, which is attributed to increasing vessel calls and machinery (tugs) usage.
 - An increase in waste volumes is also noted, attributed to increased vessel calls. An increase of 377 tCO₂e is noted compared to the previous financial year.
 - Overall, CO₂ emissions increased by 768 tCO₂e, which represents a 4.6% increase compared to the previous financial year.

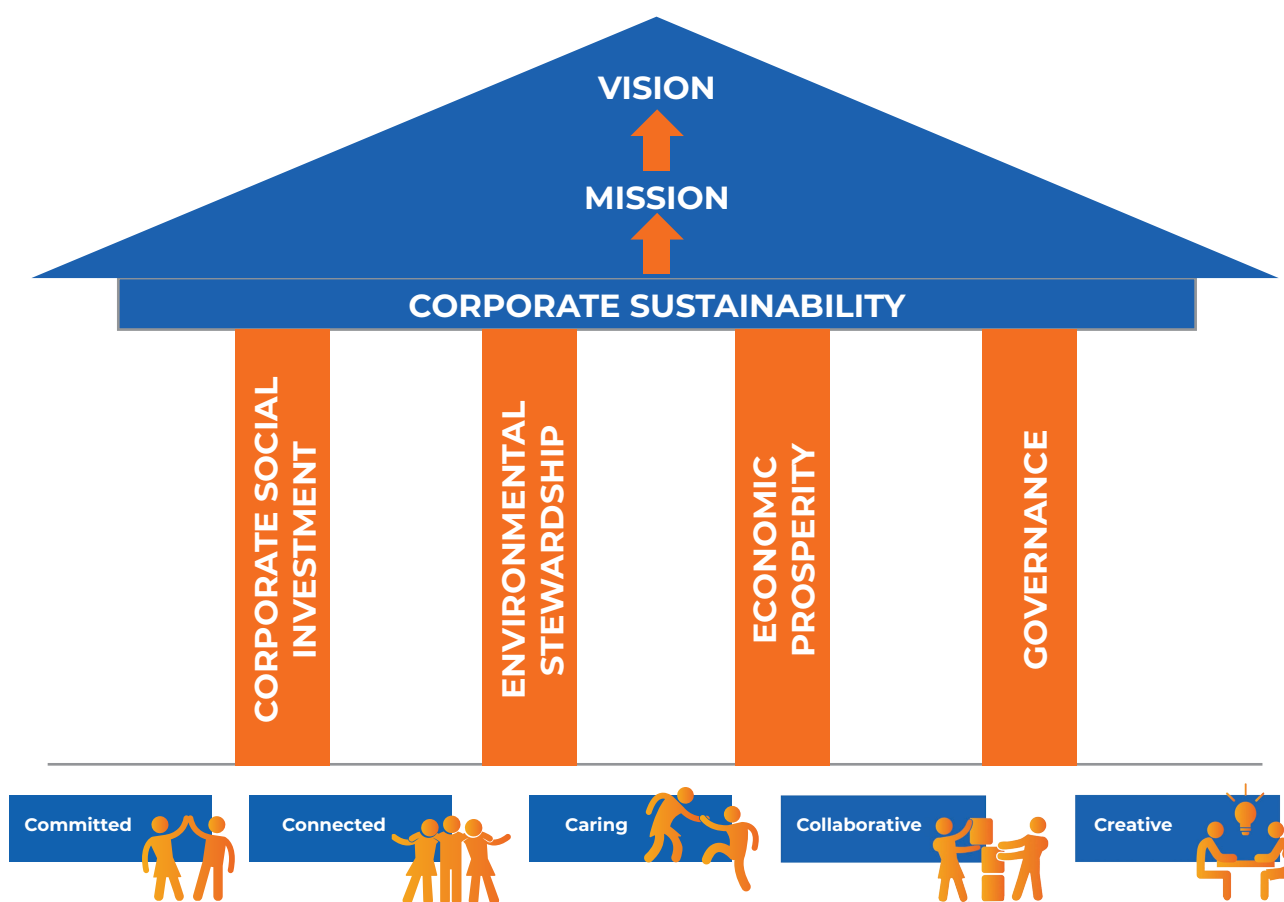
Sustainability at Namport

Sustainability features prominently in Namport's five-year (5) strategy, and the new Policy underlines this commitment. Integrating sustainability into core business practices is essential to future-proof Namport against the changing global environment.

Namport developed a Corporate Sustainability Policy, which the Board approved in March 2022. The purpose of the Policy is to provide an effective framework for realising Namport's commitment to creating a sustainable organisation by protecting and, where possible, enhancing its social,

environmental, and economic impacts, preventing pollution, ensuring good governance, reducing social inequality, and driving sustainable economic development as part of its mandate. Namport's core values underpin the Policy as a foundation, articulating the Group's sustainability aspirations and outcomes. These are further supported by the four sustainability pillars below.

The Corporate Sustainability Policy is accompanied by a detailed Sustainability Action Plan, which details the various initiatives to be pursued by Namport in the next financial year.





74



GOVERNANCE AND LEADERSHIP

Namport's governance structures and expectations are well-defined and effective.

Page 76 An Overview of Governance

Page 79 The Board

Page 83 Executive Committee

Page 86 Governance in 2022

An Overview of Governance

Namport corporate governance and value creation

Namport has a strong culture of entrenched values, which forms the basis of the expected behaviour of the Board and employees towards stakeholders. Sound corporate governance ensures Namport operates with integrity and develops successful business relationships and value for stakeholders.

The Board is ultimately responsible for ensuring that an adequate and effective corporate governance process is established and maintained. This includes understanding that governance requires ethical and effective leadership and that the governing body assumes responsibility for being the organisation's focal point and custodian of governance.

Namport is committed to the highest standards of corporate governance as described in the NamCode and the King Report on Corporate Governance™ for South Africa, 2016 (King IV™)¹, and all regulatory controls and requirements. The Board is Namport's governing body, and the directors hold each other accountable for decision-making and behave ethically, as characterised in King IV. The Board always acts ethically, in good faith and in the best interests of Namport.

The Namport Corporate Governance Framework comprises a series of governance policies, procedures, and codes to promote accountability and ethical behaviour throughout the organisation.

Benefits of good governance

Good corporate governance ensures corporate success and economic growth and maintains the confidence of the shareholder and that of other stakeholders. Good corporate governance also minimises wastage, corruption, risks and mismanagement. It helps brand formation and development by ensuring the organisation is managed in a manner that fits the best interests of all stakeholders.

Application of the NamCode

Namport regards the application of the NamCode as non-negotiable and has adopted the principles of good corporate governance. The NamCode guides various governance-related aspects, including:

- Boards and directors
- Governing stakeholder relationships
- Integrated reporting and disclosure
- Ethical leadership and corporate citizenship
- Audit committees
- Governance of risk
- Governance of information technology
- Compliance with laws, codes, rules and standards
- Internal audit

Statement of compliance

The Board requires adherence to non-binding rules, codes and standards. Board policies and charters are updated bi-annually and in compliance with statutory, regulatory and legislative requirements. Namport complies with all relevant laws, codes, rules and standards, i.e.:

- NamCode
- King IV
- The Namibian Ports Authority Act, 1994 (Act 2 of 1994) (as amended)
- Companies Act 28 of 2004
- The Public Enterprises Governance Act 2019 (Act 1 of 2019) (PEGA)
- International Organization for Standardization (ISO)
- Labour Act 11 of 2007
- Income Tax Act 24 of 1981
- Public Procurement Act 15 of 2015
- Consumer protection laws
- Employment legislation
- Applicable International legislation

¹

Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Business Conduct and Ethics

The Business Conduct and Ethics Policy addresses corruption, bribery, conflicts of interest, and human rights and governs the Authority's approach to ethical behaviour and fair business practices. Ethical behaviour is implemented across Namport. The directors and employees take pride in fairness and honesty and are intolerant of theft and dishonesty. Employees and stakeholders can report any unethical conduct via Namport's anonymous reporting facility to the following hotline: 0800208211.

Purpose and use of the Delegation of Authority

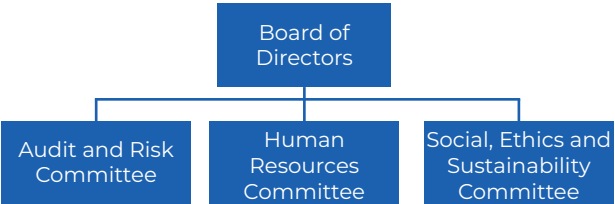
The Delegation of Authority Policy defines and sets out the authority delegated by the Board to management and general employees to effectively carry out Namport's day-to-day activities. To enable effective and efficient governance and management, the Board of Directors may delegate all or parts of these powers and functions to the CEO, employees or Board Committees.

Board Charter

The Board and its Committees are guided by a Board Charter which aims to guide the Board in conducting Namport's affairs, generally but importantly, following the spirit of the principles of good corporate governance. The Charter sets out the Board's role and responsibilities, the requirements for composition, its meetings and other procedures following King IV™ and the NamCode. The Charter defines the governance parameters within which the Board exists and sets out specific responsibilities to be discharged by the collective Board. The Charter is reviewed bi-annually to suit the needs of the business.

Board composition and role

The Board of Directors is appointed in accordance with Section 9 of the Public Enterprises Governance Act, Act 1 of 2019 and Section 4 of the Namibian Ports Authority Act by the Minister of Public Enterprises in consultation with the Cabinet of the Republic of Namibia.



The Board has a unitary structure comprised of seven (7) non-executive directors, each appointed for a three-year (3) term. The Board has powers delegated to it by the Governance Agreement signed with the Minister of Public Enterprises, the shareholder representative. In addition, each director signs a performance agreement in line with the provisions of the Public Enterprises Governance Act.

Board Sustainability, Ethics and Social Committee Charter

The Board established a Social, Ethics and Sustainability Management Committee. The Committee will support the Board in developing a Sustainability Policy and Framework, achieving sustainability objectives and reporting against these objectives.

Relations with stakeholders

Namport has adopted a stakeholder inclusive approach that seeks to balance the needs and expectations of material stakeholders in the best interests of the organisation.

Namport has strong relationships with stakeholders and is committed to the highest ethical standards and business integrity in all its activities.

The Board ensures stakeholder consultative forums are held periodically to obtain stakeholders' views on matters of interest. The Board ensures Namport fulfils its responsibility towards all relevant stakeholders having a legitimate interest in its affairs. The Board is responsible for overseeing that the organisation encourages proactive engagement with all stakeholders. Namport's stakeholder approach aims at creating long-term value for stakeholders. Namport regularly conducts customer and employee satisfaction surveys to determine concerns and levels of satisfaction.

The Chairperson is responsible for maintaining relations between the Board and Namport's shareholder and ensuring information flow between the Board and the shareholder. The Board regularly evaluates economic, political, social and legal issues and any other relevant matters that may influence or affect the development of the business or the interest of the shareholder and will take outside expert advice on these matters.

Board evaluations

The Board periodically commissions external parties to conduct performance evaluations of the Board as a whole, its committees, the Chairperson, individual directors, and the governance processes which support the Board’s work. Based on the performance assessment results, necessary training and development needs for the Board, committees and individual directors are identified.

Conflict of interest

All non-executive directors and management are required to disclose their shareholding in external companies and any potential conflicts of interest that may exist. The Group Company Secretary maintains the Declarations of Interest Register for the directors. In addition, the non-executive directors and management must declare all interests at the meetings they attend. Members of management and directors with conflicts of interest on any matter to be discussed at the meeting must inform the Group Company Secretary before the meeting and recuse themselves from discussions.

Board induction and training

The Board must be informed and appropriately trained on their roles as directors, its committees and their functions, and the industry in which the group operates. A continuing professional development programme was implemented during

the period under review, which ensures that Board members receive regular briefings on changes in risks, laws and the business environment. Directors are provided with regular site visits and workshops to ensure they understand the nature of Namport’s business.

Annual Financial Statements

The Companies Act requires the Board to maintain adequate accounting records and oversee the preparation of Annual Financial Statements using appropriate accounting policies. The Board is required to disclose the adoption of any significant change or departure in the accounting policies and practices in Namport.

The Board ensures the integrity of external reports, including the integrated report and annual financial statements, reports to the shareholder and public announcements. The external auditors design appropriate audit procedures and assess whether the Annual Financial Statements conform to IFRS. For the period under review, Grand Namibia, the external auditors offered reasonable, but not absolute, assurance on the accuracy of the Annual Financial Statements of Namport.

Group Company Secretary

The Board was supported during the year under review by Ms Loise Kafita, the Group Company Secretary.



The Board

The Board is expected to lead ethically and effectively by cultivating integrity, competence, fairness, transparency, accountability and responsibility and exhibit them in their conduct.

The Board comprises individuals of diverse backgrounds who command appropriate skills and have the relevant experience required to serve the stakeholders' interests. Diversity and regulatory requirements are considered alongside leadership characteristics, skills and experience. Nominations for committee membership are based on expertise identified in the annual Board evaluation.

Board committees

The members of the committees and the committee chairpersons are selected and appointed by the Board. Formal terms of reference are established and approved for each Committee of the Board. Each Board Committee consists of three non-executive directors, and, where necessary, an independent committee member is appointed to provide technical experience. The Board or a Committee of the Board may delegate any of its powers to the organisation's management upon such terms and conditions as deemed fit.

| COMMITTEE | ROLES AND RESPONSIBILITIES |
|--|---|
| Audit and Risk Committee | <ul style="list-style-type: none"> • IT strategy review • IT strategy alignment to business • Oversees the integrity of Annual Financial Statements • Reports to the Board on Namport's financial statements • Recommends the annual operational and capital expenditure budget to the Board • Oversees the effectiveness of IT governance • Oversees the effectiveness of internal financial controls and the external and internal audit functions • Oversees the review of compliance with legal, regulatory codes and standards • Is responsible for the governance of risk • Oversees the effective risk-based internal audit function |
| Human Resources Committee | <ul style="list-style-type: none"> • Oversees the implementation of the Human Resources Strategy and Remuneration Strategy • Ensure equitable remuneration of all employees • Determines the policy for performance bonuses and incentives • Ensures succession planning for Chief Executive Officer (CEO) and executive management • Development of a remuneration philosophy • Reviews and determines the criteria to measure the performance of the CEO and executive management |
| Social, Ethics and Sustainability Committee | <ul style="list-style-type: none"> • Entrenches and oversees sustainable development principles • Oversees the implementation of the Sustainability Policy, Strategy, management and reporting • Oversees environmental management • Oversees occupational health and safety • Oversees integrated reporting • Oversees corporate social responsibilities • Recommends the approval of the NSIF budget to the Board |

Board members as at 31 March 2022

Non-executive directors are appointed to the Board by the Shareholder Representative for a three-year term. The Minister of Public Enterprises appointed the following directors, effective 1 April 2021:

- Mrs Nangula Hamunyela (Chairperson)
- Mr Jerome Mouton (Deputy Chairperson)
- Ms Vincia Cloete
- Mrs Amanda Pick
- Mr Alfeus Kathindi
- Mr Shiwana Ndeunyema
- Mr Isac Tjombonde

Board profiles



Nangula Hamunyela
Chairperson

Namibian | MBA | Appointed August 2017
Tenure: 4 years

Mrs Hamunyela is a business executive with many years of corporate experience. She has worked in the banking industry with Nedbank Namibia and in the oil-and-gas industry with Engen Namibia. She served as the Chairperson of the Board Risk Committee from 2017 to 2020 before her appointment as the Chairperson of the Board in 2021.

Mrs Hamunyela is an integral coach specialising in leadership coaching and training for Executive Management. She currently serves as Executive Director at Namibia's International Coaching & Mentoring Institute.

Key strengths:

- Strategic Business Development
- Training and Development
- Corporate Governance
- Risk Management
- Strategic Planning
- Financial



Jerome Mouton
Deputy Chairperson

Namibian | MBA, MA, BA | Appointed March 2021
Tenure: 1 year

Mr Mouton previously served as the Namport Executive for Marketing & Strategic Business between 1996 – 2008. He provided strategic leadership for the Department of Marketing & Strategic Business Development in positioning the Namibian ports as logistics hubs for Southern Africa.

Mr Mouton serves as the Managing Director for Myrtle Growth Capital, a private equity fund manager. He has over 25 years of executive management experience as well as Supply Chain and Logistics expertise. He serves on various Boards and is a member of the Southern Africa Institute of Financial Markets (SAIFM).

Key Strengths:

- Financial Management
- Corporate Governance
- Economic Analysis
- Logistics and Port Management
- Marketing and Sales
- Sustainability and Corporate Social Responsibility
- Strategic Business Development
- Project Management



Alfeus Kathindi

Namibian | Masters Craftsman, Mechanical Engineering Specialised in Metal Processing, National Trade Diploma, Federal Republic of Germany. Executive Development Programme, University of Stellenbosch South Africa | Appointed March 2021

Tenure: 1 year

Mr Kathindi served as Senior Training Officer and Trade Testing Officer and Trade Advisor Committee Member at Namibia Institute of Mining and Technology (NIMT) for six years.

Mr Kathindi served as the Namport Executive Port Operations for ten years and has served as a Ship Repair Manager for six years. He has a total of 16 years of experience in Port Operations.

Mr Kathindi is the Executive Chairman of Tse Yaa Kuku Investment, Chairman of Omankete Seafood (Pty) Ltd, Board Member of Omankete Investment (Pty) Ltd, Board Member of Chappa Ai Investment (Pty) Ltd, Namibia Drydock and Ship Repair (Pty) Ltd, Namdock Board and various other Boards.

Key strengths:

- Port Operations
- Project Management
- Business Development
- Engineering
- Human Capital
- Finance



Amanda Pick

Namibian | CA (NAM) | Appointed April 2021

Tenure: 1 year

Mrs Pick is a Qualified Chartered Accountant with over 15 years of experience in the fishing industry. She has exceptional analytical, decision-making and leadership skills, which have proved paramount in the success of various projects she has been involved with over the years.

Key strengths:

- Strategy
- Business analysis
- Leadership development
- Financial planning

Board profiles (continued)



Isac Hiriua Tjombonde

Namibian | MSc Information Systems | Appointed March 2021

Tenure: 1 year

Mr Tjombonde is currently the Head: Information Services at NamPower and has been in various strategic positions throughout his corporate experience. He started his professional career at Telecom Namibia and joined NamPower afterwards, and his core expertise is in ICT.

Key strengths:

- Information and Communication Technology
- Corporate Governance
- Risk Management



Shiwana Ndeunyema

Namibian | M.Sc. Human Resources, BEcon (Hon), PG Dip HR | Appointed March 2021

Tenure: 1 year

Mr Ndeunyema serves as the Executive Business Strategy and Performance Management at the National Petroleum Corporation of Namibia (NAMCOR). He serves on various Boards, including the MeatCo UK Board. Mr Ndeunyema also served on the Telecom Namibia Board and as a member of the Council of the Namibian University of Science and Technology Council.

Key Strengths:

- Business Strategy
- Business Analysis
- Business Performance Management
- Human Capital Strategy
- Performance Management
- Systems Design and Implementation



Vincia Cloete

Namibian | LLM (IP Law) (Cum Laude), LL B, B Juris, B Acc | Appointed March 2021

Tenure: 1 year

Ms Cloete is a Governance and Legal Practitioner with the right of appearance in the High Court of Namibia.

Her professional experience as a non-practising in-house Legal Advisor and Company Secretary and Consultant, consecutively over a decade in the corporate legal industry, has provided her with the opportunity to understand and offer board solutions to troubled and functional boards and organisations alike. Ms Cloete serves on various Governing Bodies and has been a columnist for The Namibian newspaper on corporate governance issues. She co-authored a book with John Nakuta in 2012 titled “The Justice Sector and the Rule of Law in Namibia: The Criminal Justice System”.

Ms Cloete has been the Executive Director for the Namibia Institute of Corporate Governance since April 2021.

Key strengths:

- Corporate Governance
- Commercial and Company Law
- Intellectual Property Law
- Information and Communications Technology (Telecommunications)

Executive Committee

The Executive Committee has been established to assist the CEO in managing, directing and coordinating Namport affairs. The committee is constituted and operates under the delegated authority of the Board of Directors.

The Executive Committee comprises the CEO, six executives and the Chief Internal Auditor, who are responsible for the portfolios that constitute the heart of the business.

The committee reports to the Board through the CEO, who is accountable to the Board for managing

the business and affairs of the company in terms of the Delegation of Authority. The committee is responsible for executing and implementing the approved strategy and approving individual business unit strategies and targets (annual functional plans), company-wide strategic issues and opportunities.

Executive Committee profiles



Andrew Kanime

Chief Executive Officer

MBA, Bachelor of Accounting (Honours), B, Admin, Postgraduate Diploma in Business Management

Andrew has over 27 years corporate experience which he gathered over the years in the banking, telecommunications, broadcasting, energy, public, transport and logistics sectors, of which 18 years has been at Executive Management level. His corporate leadership experiences are complimented by a uniquely combined set of academic qualifications in the fields of Business Administration, Accounting and Finance, Human Resources and Public Management. He has served on various boards of major utilities and public enterprises, including Namport where he served for nine (9) years.

Key strengths:

- Strategic Planning and Execution
- Business Leadership
- People Management
- Financial Management
- Change Management
- Corporate Governance
- Risk Management



Elzevir Gelderbloem

Executive: Port Engineering and ICT

BSC Engineer, with a Bsc Civil Engineering degree. Elzevir has over 20 years of experience as a practicing engineer, he has a broad range of expertise in the field of engineering and has not limited his professional career to one or two specialties. As a port engineer responsible for ports master planning as well as all new infrastructure projects and maintenance, he has expertise in areas such as project management, municipal services, geotechnical engineering, heavy haul roads and pavements, structural design, hydraulics and port engineering including dredging and aids to navigation. Elzevir also has substantial experience in the design, preparation and tender and contract management of multibillion dollar engineering infrastructure projects, and the overall project management thereof.

Key strengths:

- Project management
- Port engineering
- Contract administration

Executive Committee profiles (continued)



Alfred Rieth
Chief Internal Auditor

Bachelor of Economics, MBA

Alfred has 20 years of internal audit and financial management experience, of which 12 years are on an executive management level. He maintains the highest level of honesty, integrity and corporate governance. His experience is across several business sectors, including fishing, mining, banking, agriculture and transport and logistics. He serves on several private company boards.

Key strengths:

- Risk
- Compliance
- Financial controls



Kevin Harry
Executive: Finance

Chartered Accountant, Post Graduate Diploma in Auditing, Post Graduate Diploma in Applied Accounting

Kavin is a Chartered Accountant and served his articles at BDO Chartered Accountants. He has experience spanning over 25 years in various fields spanning from financial management, auditing, accounting, banking, telecommunications, maritime and logistics.

Key strengths:

- Strategy development and execution
- Financial management
- Treasury
- Governance
- Risk management



Johanna TM Hatutale
Executive: Human Capital

MSc Strategic Human Resource Management; BPsych in Industrial Psychology (Honours)

Johanna joined Namport in May 2021. Her role is to provide strategic leadership to the Human Capital function in Namport.

She possesses 13 years of collective professional experience in the human capital and strategy spheres, with nine years at the management level. Her work experiences span public and private sectors and comprise multiple industries including corporate, academia, retail, hospitality, transport, and logistics. Ms Hatutale has led various human capital teams in successfully delivering talent management solutions for organisational success.

Key strengths:

- Strategy
- Human Capital
- Talent Management
- Strategic Engagement



Richard Ibwima

Executive: Port Operations

MBA, Port Management

Richard held the Manager: Terminals position before being appointed Executive: Port Operations.

He started his long and illustrious career with Namport as a Protection Services Officer in the Risk Management department in 1995. He later moved to the Cargo Services department in the positions of Cargo Coordinator and Assistant Planning Coordinator and then as a Port Operations Coordinator at the then Cargo Services, responsible for operations and management at the container and general cargo terminals between 2004 and 2009. He was then promoted to the position of Head: Container Terminal. He left Namport in 2012 to pursue port terminal project management interests and returned to Namport in 2015 as Manager: Terminals.

Key strengths:

- Port logistics, cargo and operations management
- Port regulations
- Transport Management
- Cargo Terminal Management
- Stakeholder Management
- Contract Negotiation
- Project Management
- Cost Efficiency Management
- Innovation Management
- Customer Service Management
- Performance Management
- Value Chain Management
- Multi-disciplinary Leadership



Raymond Visagie

Executive: Governance, Risk and Legal

MBA, BTECH Degree in Public Management, Postgraduate Diploma in Occupational Health and Higher Diploma in Environmental Health

Raymond has over 26 years of experience in the public, mining, offshore oil and port sectors. Fifteen years of his experience is on the executive management level in risk management and port operations. His many years of experience have honed his knowledge and skills in strategic planning and execution, financial orientation, negotiations and interpersonal relationships.

Key strengths:

- Risk management
- Stakeholder relationships
- Negotiation



Elias Mwenyo

Executive: Commercial Services

MSc Shipping Management & Logistics

Elias worked as a Manager of Business Development before he was appointed Executive: Commercial Services in 2021. He has a demonstrated history of working in the maritime industry.

Professionally, he holds a Master of Science in Shipping Management and Logistics from the World Maritime University in Sweden and a Bachelors of Technology in Marketing Management from the Namibian University of Science and Technology.

Having joined the Maritime industry 17 years ago, he previously worked with multinational organisations in the Fast-Moving Consumer Goods industry.

Key strengths:

- Sales and business development
- Operations management
- International shipping, trade and logistics
- Maritime transport

Governance in 2022

As the governing body, the Board directs management in exercising ethical and effective leadership. The Board acts in the best interest of Namport by ensuring that individual directors adhere to legal standards of conduct and are permitted to take independent advice in connection with their duties following an agreed procedure.

Board meetings

Mrs Nangula Hamunyela chaired the Board meetings, supported by the Deputy Chairperson, Mr Jerome Mouton.. The CEO and Executive: Finance attended the meetings by invitation.

Board meetings were held quarterly, with an additional workshop that was held with the Board and Exco to review Namport's strategy. Ad hoc meetings were mainly held to preside over the recruitment of, the Executive: Commercial Services, the Executive: Port Operations and the concessioning of the New Container Terminal.

Meetings are convened by formal notice incorporating a detailed meeting agenda together with relevant submissions and reports. Video conferencing was available for directors who could not attend face-to-face meetings. The Company Secretary recorded the Board meeting proceedings and issued Board Resolutions for decisions taken.

The table below indicates director attendance at Board and committee meetings during the year:

| | Board | Audit and Risk Committee | Human Resources Committee | Social, Ethics and Sustainability Committee | AGM | Special Board Committee |
|-------------------------|-------|--------------------------|---------------------------|---|-----|-------------------------|
| Number of meetings held | 11 | 4 | 5 | 2 | 1 | 2 |
| Ms Nangula Hamunyela | 11* | – | – | – | 1 | – |
| Mr Jerome Mouton | 10 | 4* | | – | 1 | 2 |
| Mr Alfeus Kathindi | 11 | | 5 | – | 1 | 2 |
| Mr Isac Tjombonde | 11 | 4 | – | – | 1 | – |
| Mrs Amanda Pick | 11 | 4 | – | 2 | 1 | – |
| Ms Vincia Cloete | 7 | – | 5 | 2* | 1 | 2 |
| Mr Shiwana Ndeunyema | 9 | – | 5* | 2 | – | – |
| Mr Taswald July** | – | – | – | – | – | 2 |

* Indicates the director who chaired the meeting.
** Mr Taswald July is a Namport nominated director on the Namdock Board.

Constitution of new Board committee

The Board constituted the Social, Ethics and Sustainability Committee during the 2022 financial year. This complies with NamCode, King IV™ and the Public Enterprises Governance Act requirements of 2019.

Audit and Risk Committee feedback

The Audit and Risk Committee was chaired by Mr Jerome Mouton, supported by Mr Isac Tjombonde and Mrs Amanda Pick. The CEO, Chief Internal Auditor, Executive: Finance, Executive: Information Communication and Technology and Port Engineering, the Executive: Governance, Risk and Legal, and the Chief Internal Audit and external auditors attended meetings by invitation. All directors attended the committee meetings held during the year.

| | |
|--------------------------|--|
| Key matters for the year | <ul style="list-style-type: none"> • Evaluated the expertise of the Finance Department • Reviewed the scope, independence and objectivity of the external auditors • Considered the annual audit plan and related scope of work determined the terms of engagement and fees for the external auditors • Reviewed the independence of the auditors • Reviewed the external and internal auditors' reports • Reported to the Board regarding the external and internal auditors' reports • Reviewed the company-wide Risk Register • Ensured alignment with regulatory changes and best practice |
| Key outcomes | <ul style="list-style-type: none"> • The committee is satisfied with the Namport Cybersecurity Assessment • The committee is satisfied that it fulfilled all its statutory duties assigned by the Board • The committee is satisfied that the Finance Department has the appropriate expertise and is adequately resourced |
| Meeting policy | Minimum meeting requirement of four a year with ad hoc meetings when required to approve strategic acquisitions, disposals and projects |
| Future focus areas | <ul style="list-style-type: none"> • The review of the Namport Act and Regulations • Business Continuity Management • The implementation of the ICT Strategic Plan • The development of the ICT Governance Framework and the Cyber Risk Management Programme |

Human Resources Committee

Mr Shiwana Ndeunyema chaired the Board Human Resources Committee, supported by Mr Alfeus Kathindi and Ms Vincia Cloete. The CEO and the Executive: Human Capital attended the meetings by invitation.

| | |
|--------------------------|--|
| Key matters for the year | <ul style="list-style-type: none"> • Reviewed Human Capital policies • E-Role Segmentation rollout • Launched the Culture Transformation Strategy and strategy implementation • Oversee the signing of the Executive Performance Contracts |
| Key outcomes | <ul style="list-style-type: none"> • The committee is satisfied that it fulfilled all its statutory duties assigned by the Board • The committee is satisfied that the Human Capital Department has the appropriate expertise and is adequately resourced |
| Meeting policy | <ul style="list-style-type: none"> • Minimum meeting requirement of four times a year with ad hoc meetings where required to approve human resources decisions |
| Future focus areas | <ul style="list-style-type: none"> • Organisational Review • CEO succession planning • The Optimal Staffing Project • The continuous operations status and multi-shift pattern • Review of the Performance Management policy/system |

Social, Ethics and Sustainability Committee

Ms Vincia Cloete chaired the Board Social, Ethics and Sustainability Committee, supported by Mrs Amanda Pick and Mr Shiwana Ndeunyema. The CEO, the Executive: Governance, Risk and Legal and the Executive: Commercial Services attended the meetings by invitation.

| | |
|--------------------------|---|
| Key matters for the year | <ul style="list-style-type: none">Reviewed the Committee CharterReviewed Ethics and Sustainability related policiesThe development of the Namport Corporate Governance Checklist and Compliance |
| Key outcomes | <ul style="list-style-type: none">The Committee is satisfied that it fulfilled all its statutory duties assigned by the BoardThe committee is satisfied that Namport has the appropriate expertise and is adequately resourced |
| Meeting policy | <ul style="list-style-type: none">Minimum meeting requirement of four times a year with ad hoc meetings where required to approve human resources decisions |
| Future focus areas | <ul style="list-style-type: none">Appointment of the Namport Social Investment Fund TrusteesDevelopment of the Corporate Social Responsibility Policy |

Internal audit activities

Internal audit activities support Namport to achieve its objectives by implementing a systematic, disciplined approach to evaluating and improving its risk management, controls and governance processes.

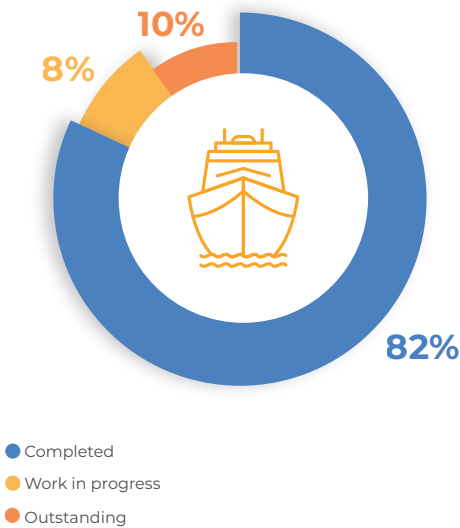
Aligned to international internal audit standards, the Chief Internal Auditor establishes an annual risk-based internal audit plan to set out the priorities of the Internal Audit Department. This involves obtaining an in-depth understanding of the strategy, key business objectives, risks and risk management process. The plan is created in consultation with management and the Board. The Board approves the plan. Internal Audit has successfully implemented 100% of the plan for the past few years.

The 2021/2022 audit plan

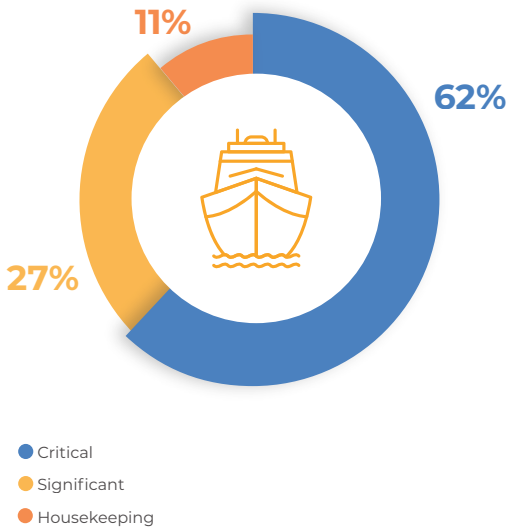
The internal audit plan for the year under review was approved by the Audit and Risk Committee in March 2021. The total number of audit assignments approved for the year was 41. As at 31 March 2022, the Internal Audit Department completed 82% of the approved plan for 2021/2022 financial year, 8% was work in progress and 10% could not be completed.

Four internal audit assignments from the 2022 audit plan were transferred to the audit plan for 2023. The remaining audit assignments were outsourced to external service provider. In terms of the audit, 62% of the findings reported were classified as critical, 27% as significant and 11% as housekeeping. The number of follow-up audit assignments for the year were 16. The Internal Audit Department followed-up on 100% of the audit assignments

Audit plan 2021/22



Audit findings reported



Internal Audit Quality Assurance and Improvement Programme

In terms of the Internal Audit Standard 1300 an Internal Audit Department must perform an internal quality review every year and an external review every five years. The results of the quality assurance exercise must be communicated to Senior Management and the Board. Based on the outcome of such a review the Internal Audit Department needs to develop an Internal Audit's Quality Assurance and Improvement Programme to provide reasonable assurance to the various stakeholders of the Internal Audit activity that Internal Audit:

- Performs its work in accordance with its Charter, which is consistent with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing;
- Operates in an effective and efficient manner;
- Is perceived by stakeholders as adding value and improving Internal Audit's operations; and
- The programme covers all aspects of the Internal Audit activity (Standard 1300).

Based on these requirements, an external quality review was performed on the Namport Internal Audit Department, the outcome of the review positioned the internal audit department on the level of an assurance provider, in relation to the PWC maturity model.

The review indicates that the department's operating practices and processes generally conforms to ten out of the eleven standards and one out of the eleven partially conforms with the standards. Providing assurance is the fundamental function of an Internal Audit Department, although the ultimate goal is to become a trusted advisor. To be a trusted advisor, it is important that each level be entrenched before a move to the next maturity level is attempted. The Quality Assurance and Improvement Programme ensures that the department is seen as a trusted advisor.

New policies

In the 2021/2022 financial year, new policies were developed to improve the management of Namport's affairs.

Records Management Policy

The Board approved the Records Management Policy in March 2022. The policy aims to ensure that Namport manages its records in a well-structured system as part of its overall information governance strategy. Namport must put the necessary policies and procedures in place to ensure that record keeping and electronic document records management practices comply with the requirements of the Archives Act No. 12 of 1992 (Archives Act) and acceptable international standards for recordkeeping.

With this policy, Namport aims to ensure that:

- A records management programme is in place, functional and operating effectively;
- Records are identified, protected and kept secured in line with the provisions of the Archives Act and relevant legislation;
- Complete and accurate records of Namport business activities and functions are created and captured efficiently and effectively so they can be accessed when required;
- All Namport employees involved in records management are trained and guided on legal and ethical responsibilities and good record keeping practices; and
- In line with the Archives Act, this policy covers all documents maintained, created and received by Namport, either within or outside Namibia.

Business Conduct and Ethics Policy

In March 2022, the Board approved the Business Conduct and Ethics Policy. The policy summarises the general principles and guidelines for conducting business with the highest standards of professionalism and ethics.

The policy applies to all employees. All employees are required to familiarise themselves with this policy and to abide by its provisions in all dealings with customers, suppliers, employees and all other third parties.

The Policy incorporates and replaces the following policies:

- Conflict-of-Interest Policy (Approved by the Board in 2011)
- Policy of Ethics (Approved by the Board in 2011)
- Gifts and Benefits Policy (Approved by the Board in 2011)

Combined assurance plan

The Board of Directors is responsible for ensuring that business-critical risks are being assured and adequately managed. The four-lines-of-defence model strengthens independent assurance reporting to the board and senior management on the critical risks facing the company. A fundamental foundation of the four-lines-of-defence model is effective risk management and mature risk management processes. This is further driven by the tone, culture and buy-in at the top and how this resonates with everyone in the company who is responsible for risk management.

The combined assurance plan has been compiled from the risk analysis performed by the Governance, Risk and Legal department, which was approved by the Board on 21 November 2021.

The facilitated risk assessment has identified risks, which if they materialise, may have a negative impact on the Organisation as a whole. In order to ensure that this exposure is appropriately mitigated, a combined assurance plan has been developed to allocate responsibility and accountability for the risks to Executive Management, Internal Assurance Providers, External Audit, Internal Audit, or a combination thereof. Due to the nature of risk management, Board Audit & Risk Committee is ultimately responsible for all risks within the Organisation and hence assumes overall responsibility and accountability for all the identified strategic risks.

In terms of IIA standard 2050, Internal Audit Department may rely on the work of other assurance and consulting services providers. As a result Internal Audit creates an assurance map by linking identified significant risk categories with relevant sources of assurance and rating the level of assurance provided for each risk category. The assurance map being comprehensive, exposes gaps and duplications in assurance coverage.

The Board Audit & Risk Committee ultimately decides on the most appropriate assurance provider for the identified risks.







GROUP ANNUAL FINANCIAL STATEMENTS

Page 94 Statement of Responsibility by the Board of Directors

Page 95 Report of the Auditor-General

Page 96 Report of Independent Auditors

Page 98 Report of the Directors

Page 100 Statements of Financial Position

Page 101 Statements of Profit or Loss and Other Comprehensive Income

Page 102 Statements of Changes In Equity

Page 103 Statements of Cash Flows

Page 104 Accounting Policies

Page 115 Notes to the Group Annual Financial Statements

Statement of Responsibility by the Board of Directors

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

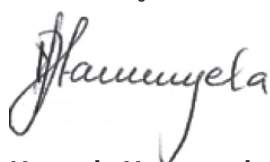
The Group annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets 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 endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior 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 Group annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The external auditors are responsible for independently reviewing and reporting on the Group's annual financial statements. The Group annual financial statements have been examined by the Group's external auditors and their report is presented on pages 96–97.

The Group annual financial statements and company annual financial statements which were prepared on the going concern basis, were approved by the board of directors on 30 September 2022 and are signed on its behalf by:



Nangula Hamunyela
Chairperson

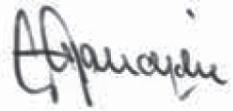


Jerome Mouton
Director & Chairperson of the Standing
Board Audit and Risk Committee

Report of the Auditor-General

I have examined the audit documentation, as required of me in terms of Section 26(3) of the Namibian Ports Authority Act, 1994, compiled by the auditor registered in terms of the Public Accountant's and Auditor's Act, 1951, who was appointed by the Board of Directors of the Namibian Ports Authority.

I therefore report that the above-mentioned audit of the annual financial statements for the year ended 31 March 2022 has been carried out to my satisfaction.



Junias Etuna Kandjeke
Auditor-General

Report of Independent Auditors

To the Member of the Namibian Ports Authority and its Subsidiaries

Opinion

We have audited the consolidated and separate financial statements of the Namibian Ports Authority ('the Authority') and its Subsidiaries ("the Group") which comprise the consolidated and separate statements of financial position as at 31 March 2022, 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, the notes to the consolidated and separate financial statements, including a summary of significant accounting policies and the report of the directors.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at 31 March 2022, its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Namibian Ports Authority Act (Act 2 of 1994).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable in 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Namibian Ports Authority Integrated Annual Report which includes Chapter 01 (Performance at a Glance), Chapter 02 (About Namport), Chapter 03 (Our Strategic Direction), Chapter 04 (Leadership Reflections on 2022), Chapter 05 (2022 Performance Review), Chapter 06 (Governance and Leadership) and Chapter 08 (Appendices) which we obtained prior to the date of this auditors' report. The other information does not include the consolidated and the separate financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed 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 Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Namibian Ports Authority Act (Act 2 of 1994) and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and Authority'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 or the Authority or to cease operations, or have no realistic alternative but to do so.

Report of Independent Auditors *(continued)*

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

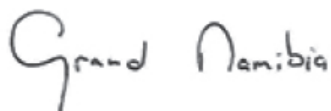
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,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

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

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

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

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



Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: RN Beukes - Partner
Windhoek
17 November 2022

Report of the Directors

The directors submit their report for the year ended 31 March 2022.

1. Nature of business

The Namibian Ports Authority (referred to as 'Namport' or the "Authority"), is a state-owned enterprise, which was established by an Act of Parliament in 1994. Namport, together with its four subsidiary companies, Namibia Drydock and Ship Repair (Pty) Ltd, Namport Property Holdings (Pty) Ltd, Namibia E-Trade Services (Pty) Ltd and Lüderitz Boatyard (Pty) Ltd, are referred to as the 'Group'.

From its headquarters in Walvis Bay, Namport manages Namibia's ports in Walvis Bay and Lüderitz.

The Port of Walvis Bay handles container imports, exports and transshipments, as well as bulk and break-bulk of various commodities. Namport serves a wide range of industries such as the petroleum, salt, mining and fishing industries.

The Port of Lüderitz serves the mines in the southern regions of Namibia and north-western South Africa with imports and exports of mining commodities. It is also an important base for the local fishing 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 annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Namibia Port Authority Act, 1994 (Act 2 of 1994). 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 annual financial statements.

3. Capital

Reflects net value at which assets were transferred from the shareholder in 1994 when the Authority was incorporated.

4. Dividends

No dividends were declared or paid to the shareholder during the year.

5. Directorate and company secretary

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

| Directors | Nationality | Appointed |
|------------------------------------|-------------|----------------|
| Nangula Hamunyela (Chairperson) | Namibian | 01 August 2017 |
| Vincia Cloete | Namibian | 01 April 2021 |
| Jerome Mouton (Deputy Chairperson) | Namibian | 01 April 2021 |
| Amanda Pick | Namibian | 01 April 2021 |
| Alfeus Kathindi | Namibian | 01 April 2021 |
| Shiwana Ndeunyema | Namibian | 01 April 2021 |
| Isac Tjombonde | Namibian | 01 April 2021 |

There were no contracts existing during or at the end of the financial year in which the directors were or are materially interested in.

The Company Secretary of the Authority is:

| | Nationality | Appointed |
|--------------|-------------|-------------|
| Loise Kafita | Namibian | 01 May 2021 |

Report of the Directors *(continued)*

6. Registered office

Postal address:

P O Box 361
Walvis Bay
Namibia

Registered address:

No. 17 Rikumbi Kandanga Road
Walvis Bay
Namibia

7. Property, plant and equipment

During the current reporting period, the Authority has voluntarily changed their accounting policy for certain strategic assets, freehold land, structures and buildings, floating craft and machinery. These assets had previously been stated at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The accounting policy for these assets has been retrospectively amended as to account for these assets in terms of a cost model accounting policy.

This change in policy will result in more relevant and reliable information being presented to users. The assets in question are unique to the Authority, for which there are no comparable assets in Namibia. Refer to note 38 for the disclosure in change in accounting policy.

At 31 March 2022 the Group's investment in property, plant and equipment amounted to N\$ 6 069 794 000 (2021: N\$ 6 299 042 000), of which N\$ 56 832 000 (2021: N\$ 85 824 000) was added in the current year through acquisitions and capitalizations.

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

9. Going concern

The directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet financial obligations as they fall due in the normal course of business.

10. Auditors

Grand Namibia will continue in office in accordance with section 278 (1) of the Companies Act.

Statements of Financial Position

as at 31 March 2022

| | | Group | | Authority | | |
|---|---------|------------------|------------------|------------------|-------------------|-----------------------|
| Figures in Namibia Dollar thousand | Note(s) | 2022 | 2021 | 2022 | 2021 *Restated | 1/4/2020 *Restated |
| Assets | | | | | | |
| Non-Current Assets | | | | | | |
| Property, plant and equipment | 3 | 6 069 794 | 6 299 042 | 5 708 506 | 5 925 904 | 6 123 503 |
| Right-of-use assets | 4 | 80 554 | 150 059 | – | – | – |
| Intangible assets | 5 | 54 061 | 34 443 | 54 061 | 34 443 | 33 516 |
| Investments in subsidiaries | 6 | – | – | 3 152 | 3 152 | 3 152 |
| Loan to subsidiaries | 7 | – | – | 4 338 | 4 338 | 4 665 |
| Operating lease asset | 8 | 404 228 | 377 414 | 404 228 | 377 414 | 346 879 |
| Channel levy Investment Fund | 18 | 142 | 140 | 142 | 140 | 138 |
| | | 6 608 779 | 6 861 099 | 6 174 427 | 6 345 391 | 6 511 854 |
| Current Assets | | | | | | |
| Inventories | 10 | 12 890 | 8 410 | 5 121 | 3 695 | 3 826 |
| Trade and other receivables | 11 | 293 849 | 293 789 | 263 497 | 226 971 | 205 048 |
| Derivatives | 12 | 19 360 | 8 906 | – | – | – |
| Prepayments | 13 | 5 317 | 4 623 | 5 317 | 4 623 | 2 971 |
| Other financial assets | 11 | 42 849 | 7 305 | – | – | – |
| Cash and cash equivalents | 14 | 229 527 | 85 821 | 227 937 | 85 815 | 178 214 |
| | | 603 792 | 408 854 | 501 872 | 321 104 | 390 059 |
| Total Assets | | 7 212 571 | 7 269 953 | 6 676 299 | 6 666 495 | 6 901 913 |
| Equity and Liabilities | | | | | | |
| Equity | | | | | | |
| Equity Attributable to Equity Holders of Parent | | | | | | |
| Share capital | 15 | 50 344 | 50 344 | 50 344 | 50 344 | 50 344 |
| Retained income | | 3 216 317 | 2 986 331 | 3 140 177 | 2 909 694 | 2 985 875 |
| | | 3 266 661 | 3 036 675 | 3 190 521 | 2 960 038 | 3 036 220 |
| Non-controlling interest | | 75 193 | 75 611 | – | – | – |
| | | 3 341 854 | 3 112 286 | 3 190 521 | 2 960 038 | 3 036 220 |
| Liabilities | | | | | | |
| Non-Current Liabilities | | | | | | |
| Long-term borrowings | 16 | 174 766 | 205 942 | 29 901 | 48 823 | 77 825 |
| Lease liabilities | 4 | 95 809 | 167 409 | – | – | – |
| African Development Bank | 17 | 2 266 331 | 2 526 187 | 2 266 331 | 2 526 187 | 2 678 751 |
| Special purpose funds | 18 | – | 3 015 | – | 3 015 | 2 868 |
| Deferred income | 19 | 302 081 | 315 569 | 302 081 | 315 569 | 329 056 |
| Severance pay provision | 20 | 10 878 | 10 583 | 8 384 | 7 888 | 6 936 |
| Post-retirement medical aid provision | 20 | 7 777 | 6 911 | 7 777 | 6 911 | 6 367 |
| Loans from shareholders | 7 | 3 262 | 3 228 | – | – | – |
| Deferred tax | 9 | 462 774 | 441 477 | 392 974 | 369 938 | 332 269 |
| | | 3 323 678 | 3 680 321 | 3 007 448 | 3 278 331 | 3 434 073 |
| Current Liabilities | | | | | | |
| Trade and other payables | 21 | 147 465 | 168 035 | 105 737 | 118 424 | 177 257 |
| Long-term borrowings | 16 | 12 144 | 21 548 | – | 10 348 | 11 295 |
| African Development Bank | 17 | 215 841 | 171 825 | 215 841 | 171 825 | 146 014 |
| Special purpose funds | 18 | 5 861 | 3 669 | 5 861 | 3 669 | 5 787 |
| Lease liabilities | 4 | 14 839 | 5 707 | – | – | – |
| Provisions | 22 | 122 246 | 98 458 | 122 246 | 98 458 | 91 269 |
| Bank overdraft | 14 | 28 643 | 8 105 | 28 643 | 25 401 | – |
| | | 547 039 | 477 348 | 478 330 | 428 125 | 431 622 |
| Total Liabilities | | 3 870 717 | 4 157 667 | 3 485 778 | 3 706 456 | 3 865 695 |
| Total Equity and Liabilities | | 7 212 571 | 7 269 953 | 6 676 299 | 6 666 495 | 6 901 913 |

Statements of Profit or Loss and Other Comprehensive Income

| Figures in Namibia Dollar thousand | Note(s) | Group | | Authority | |
|--|---------|------------------|------------------|------------------|------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Revenue | 24 | 1 690 006 | 1 485 054 | 1 234 478 | 1 112 731 |
| Cost of sales | | (338 966) | (280 484) | - | - |
| Gross profit | | 1 351 040 | 1 204 570 | 1 234 478 | 1 112 731 |
| Other income | 25 | 178 927 | 76 805 | 147 219 | 13 926 |
| Employee costs | | (571 458) | (551 811) | (544 318) | (530 992) |
| Other costs | 26 | (245 422) | (213 301) | (182 841) | (161 144) |
| Depreciation, amortization and impairment charges | | (277 927) | (300 511) | (245 387) | (268 343) |
| Maintenance costs | | (34 397) | (45 012) | (34 397) | (45 012) |
| Operating profit | 27 | 400 763 | 170 741 | 374 754 | 121 166 |
| Interest income | 28 | 9 234 | 14 173 | 8 619 | 12 919 |
| Finance costs | 29 | (159 132) | (204 723) | (129 854) | (172 211) |
| (Loss)/profit before taxation | | 250 865 | (19 810) | 253 519 | (38 126) |
| Taxation | 30 | (21 297) | (43 914) | (23 036) | (37 683) |
| (Loss)/profit for the year | | 229 568 | (63 724) | 230 483 | (75 809) |
| Other comprehensive income: | | | | | |
| Actuarial gains/(losses) | | | | | |
| Severance pay | 20 | (385) | - | (385) | - |
| Post-retirement medical aid | 20 | (239) | - | (239) | - |
| Total items that will not be reclassified to profit or loss | | (624) | - | (624) | - |
| Other comprehensive income for the year net of taxation | | - | - | - | - |
| Total comprehensive (loss) income for the year | | 229 568 | (63 724) | 230 483 | (75 809) |
| (Loss)/profit attributable to: | | | | | |
| Owners of the parent | | 229 986 | (69 486) | 230 483 | (75 809) |
| Non-controlling interest | | (418) | 5 762 | - | - |
| | | 229 568 | (63 724) | 230 483 | (75 809) |
| Total comprehensive (loss)/income attributable to: | | | | | |
| Owners of the parent | | 229 986 | (69 486) | 230 483 | (75 809) |
| Non-controlling interest | | (418) | 5 762 | - | - |
| | | 229 568 | (63 724) | 230 483 | (75 809) |

Statements of Changes in Equity

| Figures in Namibia Dollar thousand | Share capital | Revaluation reserve | Retained earnings | Total attributable to Equity holders of the group | Non-controlling interest | Total equity |
|--|---------------|---------------------|-------------------|---|--------------------------|------------------|
| Group | | | | | | |
| Balance at 01 April 2020 | 50 344 | 5 02 051 | – | 3 232 170 | 69 849 | 3 854 414 |
| Change in accounting policy | – | (502 051) | – | (195 925) | – | (697 976) |
| Restated balance at 01 April 2020 | 50 344 | – | – | 3 036 245 | 69 849 | 3 156 438 |
| Restated Total comprehensive income/(loss) for the year | – | – | – | (69 486) | 5 762 | (63 724) |
| Change in accounting policy | – | – | – | 19 944 | – | 19 944 |
| Adjustment | | | | (372) | | (372) |
| Restated Balance at 31 March 2021 | 50 344 | – | – | 2 986 331 | 75 611 | 3 112 286 |
| Total comprehensive income/(loss) for the year | – | – | – | 229 986 | (418) | 229 568 |
| Other comprehensive income/(loss) | – | – | – | – | – | – |
| Balance at 31 March 2022 | 50 344 | – | – | 3 216 317 | 75 193 | 3 341 854 |
| Note(s) | 15 | 38 | – | – | – | – |
| Company | | | | | | |
| Balance at 01 April 2020 | 50 344 | 502 051 | – | 3 181 800 | – | 3 734 195 |
| Change in accounting policy | – | (502 051) | – | (195 925) | – | (697 976) |
| Restated balance at 01 April 2020 | 50 344 | – | – | 2 985 875 | – | 3 036 219 |
| Restated Total comprehensive income/(loss) for the year | – | – | – | (75 809) | – | (75 809) |
| Adjustment | | | | (372) | | (372) |
| Restated Balance at 31 March 2021 | 50 344 | – | – | 2 909 694 | – | 2 960 038 |
| Total comprehensive income/(loss) for the year | – | – | – | 230 483 | – | 230 483 |
| Other comprehensive income | – | – | – | – | – | – |
| Total contributions by and distributions to owners of company recognized directly in equity | – | – | – | – | – | – |
| Balance at 31 March 2022 | 50 344 | – | – | 3 140 177 | – | 3 190 521 |
| Note(s) | 15 | 38 | | | | |

There was a change in accounting policy during the current period under review for property, plant and equipment resulting in 2021 balances presented being restated, retrospective change applied to 1 April 2020. The impact of the change in accounting policy on the prevailing reported statement of cash flows is presented on note 38.

Statements of Cash Flows

| Figures in Namibia Dollar thousand | Note(s) | Group | | Authority | |
|---|---------|-------------|-------------|-----------|-----------|
| | | 2022 | 2021 | 2022 | 2021 |
| Cash flows from operating activities | | | | | |
| Cash receipts from customers | | 1 648 742 | 1 430 603 | 1 173 079 | 1 057 672 |
| Cash paid to suppliers and employees | | (1 184 601) | (1 155 761) | (751 908) | (782 877) |
| Cash generated from operations | 31/38 | 458 141 | 274 842 | 421 170 | 274 796 |
| Interest received | | 9 231 | 14 170 | 8 619 | 12 919 |
| Finance costs | | (159 132) | (204 723) | (129 854) | (172 211) |
| Net cash from operating activities | | 308 240 | 84 289 | 299 935 | 115 504 |
| Cash flows from investing activities | | | | | |
| Purchase of property, plant and equipment | 3 | (56 834) | (85 502) | (51 441) | (77 814) |
| Proceeds from sale of property, plant and equipment | | 2 433 | 13 | 246 | - |
| Loan extended to subsidiary | | - | (45) | - | (45) |
| Net cash from investing activities | | (54 401) | (85 534) | (51 196) | (77 859) |
| Cash flows from financing activities | | | | | |
| Proceeds from long-term borrowings | | 10 000 | 26 276 | 10 000 | 26 276 |
| Repayment of long-term borrowings | | (266 377) | (190 775) | (255 066) | (179 602) |
| Movement in special purpose funds | | 5 207 | (2 118) | 5 207 | (2 118) |
| Government grant received | | 130 000 | - | 130 000 | - |
| Repayment of lease liabilities | | (9 501) | - | - | - |
| Net cash from financing activities | | (130 671) | (171 980) | (109 860) | (155 444) |
| Total cash movement for the year | | 123 168 | (173 223) | 138 880 | (117 800) |
| Cash at the beginning of the year | | 77 717 | 250 940 | 60 414 | 178 214 |
| Total cash at end of the year | 14 | 200 884 | 77 717 | 199 294 | 60 414 |

There was a change in accounting policy during the current period under review for property, plant and equipment resulting in 2021 balances presented being restated, retrospective change applied as of 1 April 2020, refer to Note 38 for disclosure on the change in accounting policy.

Accounting Policies

The Namibian Ports Authority (the Authority) is a state-owned enterprise established by the Namibian Ports Authority Act, 1994 (Act No.2 of 1994).

It manages and exercises control over the operations of the ports and lighthouses and other navigational aids in Namibia and its territorial waters and provides facilities and services normally related to the functioning of a Port.

The Namibian Ports Authority is the holding entity of the Group. The Financial Statements for the year ended 31 March 2022 comprises the Authority, and its Subsidiaries, together referred to as the "Group".

The Group's financial statements were authorized for issue by the Board of Directors on 30 September 2022.

Statement of compliance

The Group and Authority's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

1. Principal accounting policies and presentation of financial statements

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Significant judgements and estimates

In preparing the Authority and Group financial statements, management is required to make estimates and assumptions that affect the amounts presented in the Authority and Group financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the Authority and Group financial statements. Significant judgements include:

a) Trade receivables and Loans and receivables

The Group and Authority assesses its trade receivables, loans and receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and

industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. This means that as soon as the group determines that an individual financial asset is not subject to impairment, it includes this asset in a class of financial assets with similar credit risk characteristics and assesses the class for impairment collectively.

b) Asset lives

Property, plant and equipment are depreciated over its useful life taking account residual values where appropriate. In assessing useful lives, factors such as technological innovation, product life cycles as well as maintenance programmes are taken into account.

c) Residual values

The residual values of property, plant and equipment are reviewed at each statement of financial position date. The residual values are based on the assessment of useful lives and other available information.

d) Fair value estimations

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group and Authority uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt.

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the statement of financial position date.

The carrying amounts of financial assets and liabilities with maturities of less than six months are assumed to approximate their fair values.

e) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 22: Provisions.

f) Impairment testing

The Group and Authority reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.1 Significant judgements and estimates *(continued)*

g) Post employment benefit obligations

The cost of post employment severance pay benefits is determined using actuarial valuations. These actuarial valuations involve making assumptions about discount rates, staff turnover, rates of increases in compensation costs and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Refer to note 20.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with International Financial Reporting Standards (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 recognized in the period in which the estimates are revised and in any future periods affected.

During the current period under review, the Authority has voluntarily changed their accounting policy for certain strategic assets, freehold land, structures and buildings, floating craft and machinery. These assets had previously been stated at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The accounting policy for these assets has been retrospectively amended so to account for these assets in terms of a cost model accounting policy respectively. This change in policy will result in more relevant and reliable information being presented to users. The assets in question are unique to the Authority, for which there are no comparable assets in Namibia, and identifying an appropriately qualified and experienced valuator in the past has proven to be somewhat difficult as a result. Refer to note 38 for disclosure.

1.3 Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognized as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Authority; and
- the cost of the item can be measured reliably.

Property, plant and equipment are carried at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognized in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

Depreciation

Depreciation is provided on all property, plant and equipment, other than freehold land, by a charge to profit and loss computed on a straight-line basis so as to write off the cost of the assets, less residual values over their expected useful lives.

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

| Item | Depreciation method | Average useful life |
|---|---------------------|---------------------|
| Buildings and structures (Including Port Infrastructure) | Straight line | 5 – 99 years |
| Machinery and equipment | Straight line | 2 – 30 years |
| Floating craft | Straight line | 4 – 30 years |
| Furniture and office equipment | Straight line | 3 – 40 years |
| Computer equipment | Straight line | 3 – 15 years |
| Motor vehicles | Straight line | 2 – 20 years |
| Floating dock | Straight line | 25 – 40 years |
| Leasehold improvements | Straight line | 3 – 5 years |

The useful lives, depreciation method and the residual values of assets are reviewed and adjusted annually, if appropriate. Changes from resulting review are accounted for prospectively as changes in estimates. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying value exceeds its estimated recoverable value.

Dredging expenditure is categorized into capital dredging and maintenance dredging.

Capital dredging is expenditure, which deepens or extends the channel, berths or the swing basin. This expenditure is capitalized and amortized over the economic useful lives of the channel, berths or swing basin.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.3 Property, plant and equipment *(continued)*

Depreciation *(continued)*

Maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. On average the channel is dredged every five to six years. At the completion of maintenance dredging, the channel has an average service potential of five to six years. Maintenance dredging is capitalized and amortized evenly over this period.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year.

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

The gain or loss arising from disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

1.4 Intangible assets

An intangible asset is recognized when:

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

Intangible assets are initially recognized at cost.

Computer software and other qualifying intangible assets

Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Authority are recognized as intangible assets when the required criteria are met. Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of the relevant overheads. Other development costs that do not meet these criteria are recognized as an expense as incurred. Development costs previously expensed are not recognized as an asset in a subsequent period.

Computer software development costs and other qualifying intangible items are recognized as an asset are amortized over their average estimated useful lives (5 – 99 years).

1.5 Investments in subsidiaries

Investments in subsidiaries, for the preparation of separate financial statements, are carried at cost less any accumulated impairment. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the entity; plus
- any costs directly attributable to the purchase of the subsidiary.

1.6 Financial instruments

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

Financial assets which are equity instruments:

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

Financial assets which are debt instruments:

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

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.6 Financial instruments *(continued)*

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

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

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

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group and Authority are presented below:

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortized cost (note 11).

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 Authority's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognized when the Group and Authority 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 amortized cost.

The amortized cost is the amount recognized on the receivable initially, minus principal repayments, plus cumulative amortization (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance in line with IFRS 9.

Impairment

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

The Group and Authority measures the loss allowance for trade and other receivables which do not contain a significant financing component at an amount equal to lifetime expected credit losses (lifetime ECL). The loss allowance for all other trade and other receivables is measured at lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on these receivables has not increased significantly since initial recognition, then the loss allowance for those receivables is measured at 12 month expected credit losses (12-month ECL). Hence the simplified approach has been adopted by the Group and Authority, which applies to determining the lifetime of expected credit losses (lifetime 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 to trade and other receivables which do have a significant financing component, the Group and Authority considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a receivable 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 receivable or group of receivables has increased significantly since initial recognition, the Group and Authority compares the risk of a default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements

(continued)

1.6 Financial instruments *(continued)*

Trade and other receivables *(continued)*

Significant increase in credit risk (continued)

The Group and Authority 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 organizations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a receivable 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 Authority has reasonable and supportable information that demonstrates otherwise.

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

The Group and Authority 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 Authority 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 Authority considers that default has occurred when a receivable 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.

Measurement and recognition of expected credit losses

The Group and Authority makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate. Above all, the customer base is segmented given the variables mentioned and loss rates are determined accordingly for each segment. This approach uses unbiased probability outcomes.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated for each of the customer segments identified. All receivables possess varying risk and this is accounted for accordingly with identifying unique loss rates for the segmented receivables. Details of the provision matrix is presented in note 11.

An impairment gain or loss is recognized in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account in note 11.

Write off policy

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

Credit risk

Details of credit risk are included in the trade and other receivables note (note 11) and the financial instruments and risk management note (note 36).

Borrowings and loans from related parties

Classification

Loans from group companies (note 7) and borrowings (note 16) are classified as financial liabilities subsequently measured at amortized cost.

Accounting Policies

1. Principal accounting policies and presentation of financial statements

(continued)

1.6 Financial instruments *(continued)*

Borrowings and loans from related parties *(continued)*

Recognition and measurement

Borrowings and loans from related parties are recognized when the Group and Authority 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 amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized 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 amortized cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 29).

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

Trade and other payables

Classification

Trade and other payables (note 21), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortized cost.

Recognition and measurement

They are recognized when the Group and Authority 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 amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized 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 amortized 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 29).

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

Financial liabilities at fair value through profit or loss

Classification

Financial liabilities which are held for trading are classified as financial liabilities mandatorily at fair value through profit or loss. Refer to note 37.

When a financial liability is contingent consideration in a business combination, the Group and Authority classifies it as a financial liability at fair value through profit or loss. Refer to note 37.

The Group and Authority, does, from time to time, designate certain financial liabilities as at fair value through profit or loss. The reason for the designation is to reduce or significantly eliminate an accounting mismatch which would occur if the instruments were not classified as such; or if the instrument forms part of a group of financial instruments which are managed and evaluated on a fair value basis in accordance with a documented management strategy; or in cases where it forms part of a contract containing an embedded derivative and IFRS 9 permits the entire contract to be measured at fair value through profit or loss. Refer to note 37 for details.

Recognition and measurement

Financial liabilities at fair value through profit or loss are recognized when the Group and Authority becomes a party to the contractual provisions of the instrument. They are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognized in profit or loss.

Fair value gains or losses recognized on investments at fair value through profit or loss are included in other operating gains (losses).

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements

(continued)

1.6 Financial instruments *(continued)*

Financial liabilities at fair value through profit or loss *(continued)*

Recognition and measurement *(continued)*

For financial liabilities designated at fair value through profit or loss, the portion of fair value adjustments which are attributable to changes in the group's own credit risk, are recognized in other comprehensive income and accumulated in equity in the reserve for valuation of liabilities, rather than in profit or loss. However, if this treatment would create or enlarge an accounting mismatch in profit or loss, then that portion is also recognized in profit or loss.

Interest paid on financial liabilities at fair value through profit or loss is included in finance costs (note 29).

Cash and cash equivalents

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

Derecognition

Financial assets

The Group and Authority derecognizes 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 Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and Authority recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and Authority retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group and Authority continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities

The Group and Authority derecognizes financial liabilities when, and only when, the Group and Authority obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Reclassification

Financial assets

The Group and Authority 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.

1.7 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognized 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 recognized as an asset.

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

Deferred tax assets and liabilities

A deferred tax liability is recognized 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 recognized 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 utilized. A deferred tax asset is not recognized 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 recognized for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.7 Tax *(continued)*

Deferred tax assets and liabilities *(continued)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized 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 recognized 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 recognized, 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.

Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- the net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessee

Finance leases are recognized as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessor

Operating lease income is recognized as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognized as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Operating lease payments are recognized as an expense on a straight-line basis over the lease term. The difference between the amounts recognized as an expense and the contractual payments are recognized as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.9 Inventories

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

Cost is determined on the weighted average basis and includes transport and handling costs. Where necessary, provision is made for redundant and slow-moving inventories with regard to its age, condition and utility.

1.10 Impairment of non-financial assets

The Group and Authority 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 Authority estimates the recoverable amount of the asset.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.10 Impairment of non-financial assets *(continued)*

Irrespective of whether there is any indication of impairment, the group 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 amortization is recognized 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 recognized 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 recognized for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortization other than goodwill is recognized immediately in profit or loss. The revaluation must not lead to carrying value being higher than the historical carrying amount had no impairment been taken into account from the beginning. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognized in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognized as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognized as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Group and Authority's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognized immediately to the extent that the benefits are already vested and are otherwise amortized on a straight-line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial year, any cumulative unrecognized actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognized in profit or loss over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognized.

Accounting Policies *(continued)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.11 Employee benefits *(continued)*

Defined benefit plans *(continued)*

Actuarial gains and losses are recognized in the year in which they arise, in other comprehensive income.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognized when the Group and Authority is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognized as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In profit or loss, the expense relating to a defined benefit plan is presented as the net of the amount recognized for a reimbursement.

The amount recognized in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service costs and reduces by the fair value of plan assets.

Any asset is limited to unrecognized actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.12 Provisions and contingencies

Provisions are recognized when:

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

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Contingent assets and contingent liabilities are not recognized. Contingencies are disclosed in note 33.

1.13 Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and all suspensive conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset on a straight-line basis. Refer to note 19.

1.14 Revenue from contracts with customers

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 and Authority recognizes revenue when it transfers control of a product or service to a customer.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue is recognized when/as performance obligations are satisfied in the amount of transaction price allocated to satisfied performance obligations (IFRS 15.46). A performance obligation is satisfied by transferring a promised good or service to a customer (IFRS 15.31). A good or service is transferred to a customer when they obtain control of that asset. The Group disaggregates revenue from customers as follows given the identified revenue streams as per IFRS 15. Revenue from the handling and storage of cargo at the port terminals is recognised over time based on actual volumes handled (loading/unloading of vessels) and actual storage time provided to the customer.

The Group and Authority recognizes revenue from the following major sources:

- Cargo Services
- Marine Services
- Port Authority Services
- Syncrolift Services – dry dock
- Rebates and discounts

1. Principal accounting policies and presentation of financial statements

(continued)

1.14 Revenue from contracts with customers

(continued)

Rendering of service

Revenue arising from rendering of service is based on the stage of completion. Under this method, revenue is recognized in the accounting periods in which the services are rendered.

Rental income

Revenue arising from the rental of property is recognized on a straight-line basis over the term of the lease in accordance with the substance of the relevant agreements. Lease incentives granted are recognized as an integral part of the total rental income.

Finance income

Finance income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

Dividends

Dividends are recognized, in profit and loss, when the Group and Authority's right to receive payment has been established.

1.15 Borrowing costs

The Group and Authority capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset, until such time that the asset is subsequently ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the Group and Authority capitalizes the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of these borrowings.

To the extent that a qualifying asset is funded via general borrowings, the Group and Authority determines the borrowing costs eligible for capitalization by applying the weighted average cost of borrowings for the period to the expenditures on that asset.

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

1.16 Translation of foreign currencies

Functional and presentation currency

The functional currency of the group was determined based on the currency of the primary economic environment in which the group operates. The functional currency of the group is Namibian Dollars.

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

Assets and liabilities in foreign currencies are translated to functional currency at the rates of exchange ruling at the end of the financial year. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in profit or loss in the period in which they arise.

Notes to the Group Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

| Standard/Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|--|--|--|
| Definition of a business – Amendments to IFRS 3 | 01 January 2020 | Unlikely there will be a material impact |
| Presentation of Financial Statements: Disclosure initiative | 01 January 2020 | Unlikely there will be a material impact |
| Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative | 01 January 2020 | Unlikely there will be a material impact |

2.2 Standards and interpretations not yet effective

The Group and Authority 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 01 April 2021 or later periods:

| Standard/Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|--|--|--|
| Classification of Liabilities as Current or Non-Current – Amendment to IAS 1 | 01 January 2023 | Not expected to impact results but may result in additional disclosure |
| IFRS 17 Insurance Contracts | 01 January 2023 | Not expected to impact results but may result in additional disclosure |
| Reference to the Conceptual Framework: Amendments to IFRS 3 | 01 January 2022 | Unlikely there will be a material impact |

3. Property, plant and equipment

| | 2022 | | | 2021 | | |
|--|-----------------------------------|--|------------------------------|-----------------------------------|--|------------------------------|
| | Cost or revaluation N\$'000 | Accumulated depreciation N\$'000 | Carrying value N\$'000 | Cost or revaluation N\$'000 | Accumulated depreciation N\$'000 | Carrying value N\$'000 |
| Group | | | | | | |
| Land structures and buildings | 5 633 146 | (844 905) | 4 788 242 | 5 627 342 | (695 901) | 4 931 440 |
| Leased assets | 80 027 | (30 486) | 49 540 | 80 027 | (27 663) | 52 364 |
| Vehicles, machinery, equipment and furniture | 1 445 385 | (797 650) | 647 735 | 1 423 098 | (749 382) | 673 715 |
| Floating craft | 679 393 | (242 936) | 436 457 | 679 393 | (212 140) | 467 253 |
| Assets under construction | 147 820 | – | 147 820 | 174 270 | – | 174 270 |
| Total | 7 985 771 | (1 915 977) | 6 069 794 | 7 984 129 | (1 685 087) | 6 299 042 |
| Authority | | | | | | |
| Land structures and buildings | 5 633 146 | (844 905) | 4 788 242 | 5 627 342 | (695 901) | 4 931 440 |
| Leasehold property | 74 | (74) | – | 74 | (74) | – |
| Vehicles, machinery, equipment and furniture | 1 343 470 | (715 619) | 627 851 | 1 320 115 | (669 818) | 650 297 |
| Floating craft | 306 966 | (158 754) | 148 212 | 306 966 | (136 003) | 170 964 |
| Assets under construction | 144 202 | – | 144 202 | 173 203 | – | 173 203 |
| Total | 7 427 858 | (1 719 352) | 5 708 506 | 7 427 700 | (1 501 796) | 5 925 904 |

There was a change in accounting policy during the current period under review for property, plant and equipment resulting in 2021 balances presented being restated.

Notes to the Group Annual Financial Statements *(continued)*

3. Property, plant and equipment *(continued)*

| Reconciliation of property, plant, and equipment | Opening balance N\$'000 | Additions N\$'000 | Disposals N\$'000 | Transfers N\$'000 | Depreciation N\$'000 | Total N\$'000 |
|--|----------------------------|----------------------|----------------------|----------------------|-------------------------|------------------|
| Group – 2022 | | | | | | |
| Land structures and buildings | 4 931 440 | – | – | 5 805 | (149 003) | 4 788 242 |
| Leasehold property | 52 438 | – | – | – | (2 897) | 49 540 |
| Vehicles, machinery, equipment and furniture | 673 715 | 3 720 | (3 968) | 46 833 | (72 566) | 647 735 |
| Floating craft | 467 253 | – | – | – | (30 796) | 436 457 |
| Assets under construction | 174 270 | 53 114 | – | (79 564) | – | 147 820 |
| | 6 299 042 | 56 834 | (3 968) | (26 926) | (255 262) | 6 069 794 |

| | | | | | | |
|--|------------------|---------------|-------------|----------------|------------------|------------------|
| Group – 2021 | | | | | | |
| Land structures and buildings | 5 065 074 | – | – | 16 878 | (150 512) | 4 931 440 |
| Leasehold property | 51 589 | – | – | 3 562 | (2 787) | 52 364 |
| Vehicles, machinery, equipment and furniture | 715 548 | 901 | (95) | 51 542 | (94 181) | 673 715 |
| Floating craft | 492 504 | 106 | – | 5 311 | (30 669) | 467 253 |
| Assets under construction | 175 879 | 84 815 | – | (86 424) | – | 174 270 |
| | 6 500 593 | 85 823 | (95) | (9 130) | (278 149) | 6 299 042 |

| Reconciliation of property, plant, and equipment | Opening balance N\$'000 | Additions N\$'000 | Disposals N\$'000 | Transfers N\$'000 | Depreciation N\$'000 | Total N\$'000 |
|--|----------------------------|----------------------|----------------------|----------------------|-------------------------|------------------|
| Authority – 2022 | | | | | | |
| Land structures and buildings | 4 931 440 | – | – | 5 805 | (149 003) | 4 788 242 |
| Vehicles, machinery, equipment and furniture | 650 297 | 879 | (2 728) | 46 833 | (67 431) | 627 851 |
| Floating craft | 170 964 | – | – | – | (22 752) | 148 212 |
| Assets under construction | 173 203 | 50 562 | – | (79 564) | – | 144 202 |
| | 5 925 904 | 51 441 | (2 728) | (26 926) | (239 186) | 5 708 506 |

| Reconciliation of property, plant, and equipment | Opening balance N\$'000 | Additions N\$'000 | Assets scrapped N\$'000 | Transfers N\$'000 | Depreciation N\$'000 | Total N\$'000 |
|--|----------------------------|----------------------|----------------------------|----------------------|-------------------------|------------------|
| Authority – 2021 | | | | | | |
| Land structures and buildings | 5 065 074 | – | – | 16 878 | (150 512) | 4 931 440 |
| Vehicles, machinery, equipment and furniture | 689 372 | 901 | (71) | 48 455 | (88 361) | 650 297 |
| Floating craft | 189 439 | 106 | – | 4 093 | (22 675) | 170 964 |
| Assets under construction | 174 632 | 77 127 | – | (78 557) | – | 173 203 |
| | 6 118 591 | 78 135 | (71) | (9 130) | (261 622) | 5 925 904 |

Property, plant and equipment encumbered as security

| | | |
|---|---------|---------|
| Carrying value of property, plant and equipment as security: | | |
| Vehicles, machinery, equipment and furniture – instalment sales | 17 204 | 50 785 |
| Marine bonds over the floating docks | 177 000 | 177 000 |

Transfers made up off:

| | | |
|---|---------------|--------------|
| Capitalized: Intangible assets | 25 819 | 7 383 |
| Expensed transferred to Profit and loss | 1 106 | 1 747 |
| | 26 925 | 9 130 |

Assets under construction is made up as follows:

| | | |
|-------|----------------|----------------|
| Other | 174 270 | 173 203 |
| | 174 270 | 173 203 |

Full details of land, buildings and structures can be obtained from the property register maintained at the offices of the Authority in Walvis Bay.

Notes to the Group Annual Financial Statements

4. Leases (group as lessee)

Right-of-use assets – Subsidiary – Namibia Drydock and Ship Repair (Pty) Ltd.

The subsidiary leases several assets, including buildings, plant and equipment with lease terms ranging from 2-25 years.

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

| Figures in Namibia Dollar thousand | Opening balance N\$'000 | Additions N\$'000 | Transfers from PPE N\$'000 | Depreciation N\$'000 | Total N\$'000 |
|---|-------------------------------|----------------------|----------------------------------|-------------------------|------------------|
| 2022 | | | | | |
| Property leases | 140 354 | 5 521 | (58 490) | (14 583) | 72 802 |
| Other leases | 9 706 | – | – | (1 954) | 7 752 |
| | 150 060 | 5 521 | (58 490) | (16 537) | 80 554 |
| 2021 | | | | | |
| Property leases | 144 288 | – | – | (3 934) | 140 354 |
| Other leases | 9 915 | – | – | (209) | 9 706 |
| | 154 203 | – | – | (4 143) | 150 060 |
| | | | | 2022 | 2021 |
| Other disclosures | | | | | |
| Interest expense on lease liabilities | | | | 14 768 | 17 105 |
| Lease Liability | | | | | |
| Minimum lease payments due | | | | 25 410 | 23 397 |
| – within one year | | | | 93 023 | 74 230 |
| – in second to fifth year inclusive | | | | 46 255 | 323 678 |
| | | | | 164 688 | 421 305 |
| Less: future finance charges : Rate 10.5% (2021: 10.5%) | | | | (54 040) | (248 188) |
| Present value of minimum lease payments | | | | 110 648 | 173 117 |

5. Intangible assets

| | 2022 | | | 2021 | | |
|------------------------------------|-------------------------------|--|------------------------------|-------------------------------|--|------------------------------|
| Figures in Namibia Dollar thousand | Cost/ Valuation N\$'000 | Accumulated amortization N\$'000 | Carrying value N\$'000 | Cost/ Valuation N\$'000 | Accumulated amortization N\$'000 | Carrying value N\$'000 |
| Group | | | | | | |
| Computer software | 113 100 | (59 039) | 54 061 | 87 280 | (52 837) | 34 443 |
| Authority | | | | | | |
| Computer software | 113 100 | (59 039) | 54 061 | 87 280 | (52 837) | 34 443 |

Notes to the Group Annual Financial Statements *(continued)*

5. Intangible assets *(continued)*

| Reconciliation of intangible assets | Opening balance N\$'000 | Additions N\$'000 | Transfers N\$'000 | Amortization N\$'000 | Total N\$'000 |
|-------------------------------------|-------------------------------|----------------------|----------------------|-------------------------|------------------|
| Group – 2022 | | | | | |
| Computer software | 34 443 | – | 25 819 | (6 201) | 54 061 |
| Group – 2021 | | | | | |
| Computer software | 33 516 | – | 7 383 | (6 456) | 34 443 |
| Authority – 2021 | | | | | |
| Computer software | 34 443 | – | 25 819 | (6 201) | 54 061 |
| Authority – 2022 | | | | | |
| Computer software | 33 516 | – | 7 383 | (6 456) | 34 443 |

6. Investments in subsidiaries

Authority

| Name of company | Held by | % holding 2022 | % holding 2021 | Carrying amount 2022 | Carrying amount 2021 |
|---|---------|-------------------|-------------------|----------------------------|----------------------------|
| Namibia Drydock and Ship Repair (Pty) Ltd | | 52.50 | 52.50 | 3 150 | 3 150 |
| Namport Property Holdings (Pty) Ltd | | 100.00 | 100.00 | 1 | 1 |
| Lüderitz Boatyard (Pty) Ltd | | 100.00 | 100.00 | 1 | 1 |
| Namibia E-Trade Services (Pty) Ltd | | 100.00 | 100.00 | – | – |
| | | | | 3 152 | 3 152 |

7. Loans to group companies

Subsidiaries

| | | | | |
|---|---|---|--------------|--------------|
| Namibia Drydock and Ship Repair (Pty) Ltd | – | – | 641 | 641 |
| Namport Property Holdings (Pty) Ltd | – | – | – | – |
| Lüderitz Boatyard (Pty) Ltd | – | – | 3 697 | 3 697 |
| Namibia E-Trade Services (Pty) Ltd | – | – | – | – |
| | | | 4 338 | 4 338 |

These loans are interest free and have no fixed terms of repayment.

8. Operating lease asset

| | | | | |
|--------------------|----------------|----------------|----------------|----------------|
| Non-current assets | 404 228 | 377 414 | 404 228 | 377 414 |
| | 404 228 | 377 414 | 404 228 | 377 414 |

Operating lease asset/(liability) resulted from the straight lining of lease receivables/payables and is not discounted.

Notes to the Group Annual Financial Statements *(continued)*

9. Deferred tax

| | Held by | % holding 2022 | % holding 2021 | Carrying amount 2022 | Carrying amount 2021 |
|-------------------------------------|---------|-------------------|-------------------|----------------------------|----------------------------|
| Total deferred tax liability | | (785 967) | (807 713) | (639 982) | (638 412) |
| Total deferred tax asset | | 323 193 | 366 236 | 247 008 | 268 474 |
| | | (462 774) | (441 477) | (392 974) | (369 938) |

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position. Refer to the reconciliation below:

| | Group | | Authority | |
|--|------------------|------------------|------------------|------------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Deferred tax liability | | | | |
| Property, plant and equipment | (618 936) | (629 820) | (508 990) | (516 457) |
| Operating lease asset | (129 353) | (120 772) | (129 353) | (120 772) |
| Consumable stores, prepayments and unrealized profit and loss on forex revaluation | (4 407) | (3 936) | (1 639) | (1 182) |
| Work in progress | (1 298) | (2 314) | – | – |
| Right-of-use asset | (25 777) | (48 019) | – | – |
| Foreign exchange contract (asset) | (6 195) | (2 850) | – | – |
| Total deferred tax liability | (785 967) | (807 713) | (639 982) | (638 412) |
| Deferred tax asset | | | | |
| Provision for bad debts and severance pay provision and Post medical retirement | 20 361 | 18 616 | 16 716 | 16 550 |
| Provision for leave and bonus | 35 959 | 30 061 | 35 959 | 30 061 |
| Amounts received in advance | 906 | 887 | 906 | 887 |
| Leasehold liability | – | – | – | – |
| Deferred tax balance from temporary differences other than unused tax losses | 35 407 | 55 397 | – | – |
| Assessed losses | 230 561 | 261 275 | 193 427 | 220 977 |
| Total deferred tax asset | 323 193 | 366 236 | 247 008 | 268 474 |
| Reconciliation of deferred tax asset/(liability) | | | | |
| At beginning of year | (441 477) | (393 066) | (369 938) | (332 269) |
| Increases/(decrease) in valuation allowance of deferred tax asset | (251 858) | (309 686) | (216 463) | (258 646) |
| Taxable/(deductible) temporary difference movement on tangible fixed assets | 230 561 | 261 275 | 193 427 | 220 977 |
| | (462 774) | (441 477) | (392 974) | (369 938) |

10. Inventories

| | Group | | Authority | |
|--|---------------|--------------|--------------|--------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Consumable stores, net of impairment provision | 12 890 | 8 410 | 5 121 | 3 695 |
| | 12 890 | 8 410 | 5 121 | 3 695 |

Notes to the Group Annual Financial Statements

11. Trade and other receivables

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Financial instruments: | | | | |
| Trade receivables | 340 009 | 336 326 | 312 952 | 272 598 |
| Loss allowance | (58 656) | (59 087) | (55 191) | (55 390) |
| Trade receivables at amortized cost | 281 353 | 277 239 | 257 761 | 217 208 |
| Deposits | 1 204 | 579 | 491 | 17 |
| Staff loans | 1 474 | 1 695 | 1 474 | 1 695 |
| Sundry receivables | 4 059 | 8 394 | 3 771 | 8 051 |
| Non-financial instruments: | | | | |
| Value Added Tax | 3 608 | 3 739 | – | – |
| Prepayments (if immaterial) | 2 151 | 2 149 | – | – |
| Total trade and other receivables | 293 849 | 293 789 | 263 497 | 226 971 |
| Split between non-current and current portions | | | | |
| Non-current assets | – | – | – | – |
| Current assets | 293 849 | 293 789 | 263 497 | 226 971 |
| | 293 849 | 293 789 | 263 497 | 226 971 |
| Contracts in progress | 42 849 | 7 305 | – | – |
| Financial instrument and non-financial instrument components of trade and other receivables | | | | |
| At amortized cost | 288 090 | 295 141 | 263 497 | 226 971 |
| Non-financial instruments | 5 759 | 5 888 | – | – |
| | 293 849 | 301 029 | 263 497 | 226 971 |
| Exposure to credit risk | | | | |
| Trade receivables inherently expose the Group and Authority to credit risk, being the risk that the Group and Authority will incur financial loss if customers fail to make payments as they fall due. | | | | |
| Trade and other receivables past due but not impaired | | | | |
| The ageing of amounts past due but not impaired is as follows: | | | | |
| Between 30 and 60 days | 57 511 | 37 308 | 40 606 | 33 297 |
| Longer than 60 days | 133 890 | 151 418 | 133 890 | 128 015 |
| | 191 401 | 188 726 | 174 497 | 161 312 |
| Account balances outstanding for more than sixty (60) days are considered to be past due. The counterparties whose account balances are neither past due nor impaired do not have any history of defaults on their accounts | | | | |
| Reconciliation of provision for impairment of trade and other receivables | | | | |
| Opening balance | 59 087 | 61 506 | 55 390 | 57 718 |
| Impairment loss recognized | – | – | – | – |
| Adjustment from the adoption of IFRS 9 | – | – | – | – |
| Impairment utilized | (602) | (2 419) | (199) | (2 325) |
| | 58 485 | 59 087 | 55 191 | 55 390 |

Notes to the Group Annual Financial Statements *(continued)*

12. Derivatives

| | Group | | Authority | |
|---|---------------|--------------|-----------|----------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Non-hedging derivatives | | | | |
| Foreign exchange contracts | 19 360 | 8 906 | – | – |
| Split between non-current and current portions | | | | |
| Current assets | 19 360 | 8 906 | – | – |
| Current liabilities | – | – | – | – |
| | 19 360 | 8 906 | – | – |

13. Prepayments

| | Group | | Authority | |
|------------------------------------|--------------|--------------|--------------|--------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Prepayments disclosed as: | | | | |
| Non-current assets | – | – | – | – |
| Current assets | 5 317 | 4 623 | 5 317 | 4 623 |
| | 5 317 | 4 623 | 5 317 | 4 623 |

14. Cash and cash equivalents

| | Group | | Authority | |
|---------------------------------------|----------------|---------------|----------------|---------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Cash and cash equivalents consist of: | | | | |
| Cash on hand | 44 | 40 | 34 | 34 |
| Bank balances | 3 831 | – | 2 250 | – |
| Short-term deposits | 225 653 | 85 781 | 225 653 | 85 781 |
| Bank overdraft | (28 643) | (8 105) | (28 643) | (25 401) |
| | 200 884 | 77 716 | 199 294 | 60 414 |
| Current assets | 229 527 | 85 821 | 227 937 | 85 815 |
| Current liabilities | (28 643) | (8 105) | (28 643) | (25 401) |
| | 200 884 | 77 716 | 199 294 | 60 414 |

Institution

Bank Windhoek Corporate fund
Standard Bank
Hangala Capital
Nedbank
Nampost

External credit rating

AA (NA)
AA+ (ZAR)
No rating
AA
No rating

15. Share capital

Reflects net value at which assets were transferred from the shareholder in 1994.

| | Group | | Authority | |
|------------------------------------|--------|--------|-----------|--------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Issued | | | | |
| Ordinary | 50 344 | 50 344 | 50 344 | 50 344 |

Notes to the Group Annual Financial Statements *(continued)*

16. Long-term borrowings

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|----------------|----------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Standard Bank Namibia Limited | | | | |
| Standard bank loan is repayable over 5 years in quarterly instalments, starting 31 August 2024, at an interest rate applicable, 3-month JIBAR plus 2.2%. No collateral. | 10 000 | – | 10 000 | – |
| Nedbank Namibia Limited | | | | |
| Nedbank loan is repayable over 5 years in bi-annual instalments of N\$ 2 220 000 at an interest rate of 7.25% per annum. | 19 901 | 19 946 | 19 901 | 19 946 |
| Nedbank Namibia Limited | | | | |
| Nedbank loan repayable over 5 years in quarterly instalments at an interest rate of 8.50% per annum, starting 01 April 2018 and is secured by the Tug Onduli. | – | 39 225 | – | 39 225 |
| Bank Windhoek Limited | | | | |
| Bank Windhoek loan bears interest at prime less 0.5% per annum and is repayable in monthly instalments of N\$ 1 750 589 (2021: N\$ 1 718 897), the final payment will be in December 2032. The loan is secured. | 150 367 | 157 773 | – | – |
| Bank Windhoek Limited | | | | |
| Bank Windhoek loan bears interest at prime less 1.0% per annum and is repayable in monthly instalments of N\$ 392 472 (2021: N\$ 303 458), the final payment will be in September 2023. The loan is secured. | 6 642 | 10 546 | – | – |
| | 186 910 | 227 490 | 29 901 | 59 171 |
| Split between non-current and current portions | | | | |
| Non-current liabilities | 174 767 | 205 942 | 29 901 | 48 823 |
| Current liabilities | 12 144 | 21 548 | – | 10 348 |
| | 186 910 | 227 490 | 29 901 | 59 171 |

17. African Development Bank

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--------------------------------------|------------------|------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Balance at the beginning of the year | 2 698 013 | 2 824 765 | 2 698 013 | 2 824 765 |
| New loans raised | – | 26 859 | – | 26 859 |
| Interest capitalized | 132 486 | 183 025 | 132 486 | 183 025 |
| Interest repaid | (113 846) | (164 811) | (113 846) | (164 811) |
| Capital repayments | (234 481) | (171 825) | (234 481) | (171 825) |
| Total loan | 2 482 172 | 2 698 013 | 2 482 172 | 2 698 013 |
| Disclosed under: | | | | |
| Non-current liabilities | 2 266 331 | 2 526 188 | 2 266 331 | 2 526 187 |
| Current liabilities | 215 841 | 171 825 | 215 841 | 171 825 |
| | 2 482 172 | 2 698 013 | 2 482 172 | 2 698 013 |

African Development Bank loan repayable over 15 years in semi-annual instalments, following a 5-year grace period commencing from the date of signature of the Agreement. The 1st Instalment started 01 February 2019. The loan bears an interest equivalent to the JIBAR floating base rate less 0.6%. Interest is paid semiannually from inception of loan. This loan is fully guaranteed by the Government of the Republic of Namibia.

Notes to the Group Annual Financial Statements *(continued)*

18. Special purpose funds

| Figures in Namibia Dollar thousand | Group | | Authority | |
|------------------------------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| Channel Levy Fund | 142 | 140 | 142 | 140 |
| Navigational Aids Fund | – | 3 015 | – | 3 015 |
| Namport Social Investment Fund | 5 861 | 3 669 | 5 861 | 3 669 |
| | 6 003 | 6 824 | 6 003 | 6 824 |
| Disclosed under: | | | | |
| Non-current assets | 142 | 140 | 142 | 140 |
| Non-current liabilities | – | 3 015 | – | 3 015 |
| Current liabilities | 5 861 | 3 669 | 5 861 | 3 669 |
| | 6 003 | 6 824 | 6 003 | 6 824 |

The Authority manages and administers these funds on behalf of third parties. Utilization of available resources are restricted in terms of the rules of such Funds.

Channel levy fund is for the purpose of maintaining funds for the maintenance of the channel. Navigational Aids fund is for the purpose of maintaining funds for the maintenance of the navigational equipment, which was subsequently derecognized. Namport Social Investment fund manages the social responsibility portfolio of Namport.

19. Deferred income

Namibian Government

| Figures in Namibia Dollar thousand | Group | | Authority | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Opening balance | 315 569 | 329 056 | 315 569 | 329 056 |
| Movement for the year | (13 487) | (13 487) | (13 487) | (13 487) |
| | 302 081 | 315 569 | 302 081 | 315 569 |

Capital grant received from the Namibian Government relates to funds received towards the construction of the New Container Terminal. The Container Terminal was made available for use and hence the movement accounts for the release to the statement of Profit or Loss and Other Comprehensive Income over 25 years.

Notes to the Group Annual Financial Statements *(continued)*

20. Retirement benefits

Severance pay provision

The Namibian Labour Act provides for severance pay to be paid to all employees who are unfairly dismissed, die while still employed and go on retirement at the age of sixty-three (63). These benefits are accounted for as a defined benefit plan. An actuarial valuation was performed as at 31 March 2022 based on the projected unit credit funding method. The valuation was carried out by ZAQ Consultants and Actuaries Namibia.

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|---------------|---------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| Carrying value | | | | |
| Present value of the defined benefit obligation-wholly unfunded | 10 878 | 10 583 | 8 384 | 7 888 |
| Movements for the year | | | | |
| Opening balance | 10 583 | 10 552 | 7 888 | 6 936 |
| Net expense recognized in profit or loss | 295 | 31 | 496 | 952 |
| | 10 878 | 10 583 | 8 384 | 7 888 |
| Net expense recognized in profit or loss | | | | |
| Current service cost | 605 | 583 | 605 | 583 |
| Interest cost | 943 | 872 | 943 | 872 |
| Actuarial gain | (385) | – | (667) | – |
| Benefit payments | (868) | (1 424) | (385) | (503) |
| | 295 | 31 | 496 | 952 |
| Key assumptions used | | | | |
| Discount rates used | 10.68% | 12.00% | 10.68% | 12.00% |
| Expected rate of return on assets | 8.66% | 8.30% | 8.66% | 8.30% |
| Post-retirement medical aid obligation | | | | |
| It is the policy of the Authority to provide retirement medical benefits to all its employees. The obligation is to pay the employees medical aid contributions for 12 months after retirement. An actuarial valuation was performed as at 31 March 2022 as prescribed by IAS 19. | | | | |
| Carrying value | | | | |
| Present value of the defined benefit obligation-wholly unfunded | 7 777 | 6 911 | 7 777 | 6 911 |
| Movement for the year | | | | |
| Opening balance | 6 911 | 6 367 | 6 911 | 6 367 |
| Net expense recognized in profit or loss | 866 | 544 | 866 | 544 |
| | 7 777 | 6 911 | 7 777 | 6 911 |
| Net expense recognized in profit or loss | | | | |
| Current service cost | 506 | 467 | 506 | 467 |
| Interest cost | 822 | 756 | 822 | 756 |
| Benefit payments | (223) | (679) | (223) | (679) |
| Actuarial gains | (239) | – | (239) | – |
| | 866 | 544 | 866 | 544 |
| Key assumptions used: | | | | |
| Investment return | 11.79% | 12.10% | 11.79% | 12.10% |
| Medical inflation rate | 9.58% | 8.40% | 9.58% | 8.40% |

Notes to the Group Annual Financial Statements *(continued)*

21. Trade and other payables

| Figures in Namibia Dollar thousand | Group | | Authority | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Financial instruments: | | | | |
| Trade payables | 75 552 | 112 273 | 56 062 | 90 344 |
| Other payables | 71 913 | 55 762 | 49 675 | 28 080 |
| | 147 465 | 168 035 | 105 737 | 118 424 |

Other payables are made up of 3rd party clearing accounts and deposits received.

22. Provisions

| Reconciliation of provisions | Opening balance | Additions | Utilized during the year | Total |
|--------------------------------|-----------------|----------------|--------------------------|----------------|
| Group – 2022 | | | | |
| Provision for customer rebates | 4 518 | 8 702 | (3 344) | 9 875 |
| Provision for leave pay | 58 936 | 37 749 | (41 022) | 55 664 |
| Provision for bonuses | 35 005 | 50 316 | (28 613) | 56 708 |
| | 98 458 | 96 767 | (72 979) | 122 246 |
| Group – 2021 | | | | |
| Provision for customer rebates | 1 323 | 3 195 | – | 4 518 |
| Provision for leave pay | 55 250 | 89 771 | (86 085) | 58 936 |
| Provision for bonuses | 34 696 | 75 501 | (75 192) | 35 005 |
| | 91 269 | 168 467 | (161 277) | 98 458 |
| Authority – 2022 | | | | |
| Provision for customer rebates | 4 518 | 8 702 | (3 344) | 9 875 |
| Provision for leave pay | 58 936 | 37 749 | (41 022) | 55 664 |
| Provision for bonuses | 35 005 | 50 316 | (28 613) | 56 708 |
| | 98 458 | 96 767 | (72 979) | 122 246 |
| Authority – 2021 | | | | |
| Provision for customer rebates | 1 323 | 3 195 | – | 4 518 |
| Provision for leave pay | 55 250 | 89 771 | (86 085) | 58 936 |
| Provision for bonuses | 34 696 | 75 501 | (75 192) | 35 005 |
| | 91 269 | 168 467 | (161 277) | 98 458 |

The carrying value of provisions that are recognized in terms of requirements of IAS 37: Provisions, Contingent Liabilities and Contingent assets.

Leave pay

This is a provision for unutilized leave at year-end. The leave is expected to be taken over the next one year and its calculated based on the employees' remuneration.

Bonuses

Provisions for bonuses is the 13th cheque payable in December each year. This forms part of basic conditions of employment. This provision also includes incentive bonuses for employees in terms of a performance management policy of the Authority.

Customer rebates

Provision for rebates to customers based on cargo and container handling volumes exceeded per agreements between customers and the Authority.

Notes to the Group Annual Financial Statements *(continued)*

23. Current tax payable/(receivable)

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--|----------|----------|-----------|----------|
| | 2022 | 2021 | 2022 | 2021 |
| Balance at the beginning of the year | - | - | - | - |
| Taxation charge for the year | 21 297 | 43 914 | 23 036 | 37 683 |
| Adjustment to deferred tax | (21 297) | (43 914) | (23 036) | (37 683) |
| Net payments made during the year | - | - | - | - |
| Tax at the applicable tax rate of 32% (2021: 32%) | - | - | - | - |

24. Revenue

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|------------------|------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue from contracts with customers | | | | |
| Rendering of services | 1 690 006 | 1 485 054 | 1 234 478 | 1 112 731 |
| Disaggregation of revenue from contracts with customers | | | | |
| The Group and Authority disaggregates revenue from customers as follows: | | | | |
| Rendering of services | | | | |
| Port Authority services | 648 379 | 595 276 | 648 379 | 595 276 |
| Syncrolift services – dry dock | 31 019 | 32 846 | 31 019 | 32 846 |
| Cargo services | 433 783 | 377 634 | 433 783 | 377 634 |
| Marine services | 125 925 | 114 253 | 125 925 | 114 253 |
| Ship repairs – floating dock | 455 528 | 372 323 | - | - |
| Rendering of services | - | - | - | - |
| Discounts and rebates | (4 628) | (7 278) | (4 628) | (7 278) |
| | 1 690 006 | 1 485 054 | 1 234 478 | 1 112 731 |
| Included in the Port Authority services revenue stream is an amount of Rental income N\$ 76 798 000 (2021: N\$ 75 762 000) | | | | |
| Timing of revenue recognition | | | | |
| At a point in time | | | | |
| Rendering of services | 1 690 006 | 1 485 054 | 1 234 478 | 1 112 731 |
| Over time | | | | |
| Rendering of services | - | - | - | - |

25. Other income

| Figures in Namibia Dollar thousand | Group | | Authority | |
|-------------------------------------|----------------|---------------|----------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Bad debts recovered | 278 | 6 389 | - | - |
| Profit and loss on foreign exchange | 21 915 | 55 263 | - | - |
| Sundry income | 13 247 | 1 666 | 3 732 | 439 |
| Government grants | 143 487 | 13 487 | 143 487 | 13 487 |
| | 178 927 | 76 805 | 147 219 | 13 926 |

Notes to the Group Annual Financial Statements

26. Other costs by nature

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Advertising, promotions and marketing | 19 564 | 13 548 | 13 634 | 6 116 |
| Administration cost | 48 650 | 42 683 | – | – |
| Audit fees | 2 739 | 2 747 | 1 847 | 1 886 |
| Bad debts | (233) | (2 325) | – | (2 325) |
| Bank charges | 3 659 | 2 475 | 3 657 | 1 363 |
| Claims | 659 | 734 | 659 | 734 |
| Computer expenses | 8 798 | 8 752 | 8 798 | 8 752 |
| Consulting fees | 2 826 | 2 050 | 2 826 | 2 050 |
| Consumables and materials | 941 | 1 747 | 941 | 1 747 |
| Diesel, petrol, lubricants and tyres | 22 553 | 18 456 | 22 553 | 18 456 |
| Directors' emoluments | 3 116 | 1 935 | 3 116 | 1 935 |
| Donations | 1 056 | 203 | 1 056 | 203 |
| Entertainment and refreshments | 2 058 | 2 872 | 2 058 | 2 872 |
| Foreign exchange losses | (112) | 1 099 | – | 1 099 |
| Insurance | 14 490 | 14 741 | 14 490 | 14 741 |
| Leases of low value assets | 5 670 | 35 | – | – |
| Legal fees | 763 | 211 | 763 | 211 |
| Licenses | 441 | 463 | 441 | 463 |
| Loss on disposal of fixed assets | 1 781 | 12 | – | – |
| Memberships and subscriptions | 1 105 | 451 | 1 105 | 451 |
| Municipal expenses | 7 668 | 7 717 | 7 668 | 7 717 |
| Rental | 3 080 | 2 100 | 3 080 | 2 076 |
| Safety, health and environmental | 4 739 | 8 236 | 4 739 | 8 236 |
| Security | 10 047 | 10 284 | 10 047 | 10 284 |
| Stationery and photocopying | 1 053 | 904 | 1 053 | 904 |
| Sundry expenses | 7 757 | 2 878 | 6 331 | 2 878 |
| Telephone, postage and courier | 3 047 | 3 077 | 3 047 | 3 077 |
| Travel and accommodation | 2 202 | 1 445 | 2 202 | 1 445 |
| Water and electricity | 65 301 | 63 773 | 65 301 | 63 773 |
| | 245 422 | 213 301 | 182 841 | 161 144 |

27. Operating profit

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

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--|---------|---------|-----------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Auditor's remuneration – external | | | | |
| Audit fees | 2 725 | 2 407 | 1 847 | 1 886 |
| Other | | | | |
| Operating lease charges/rental | 3 080 | 2 100 | 3 080 | 2 076 |
| Consulting fees | 2 826 | 2 050 | 2 826 | 2 050 |
| (Profit)/loss on sale of property, plant and equipment | 1 781 | 12 | 2 728 | – |
| Depreciation of property, plant and equipment | 255 262 | 278 149 | 239 186 | 261 622 |
| Depreciation of right-of-use assets | 16 537 | 15 567 | – | – |
| Amortization on intangible assets | 6 201 | 6 456 | 6 201 | 6 456 |

Notes to the Group Annual Financial Statements *(continued)*

28. Finance income

| | Group | | Authority | |
|---|--------------|---------------|--------------|---------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Interest income | | | | |
| Investments in financial assets: | | | | |
| Bank balances and short-term deposits/money market accounts | 7 267 | 8 923 | 6 652 | 7 671 |
| Trade and other receivables | 1 967 | 5 247 | 1 967 | 5 247 |
| Total interest income | 9 234 | 14 170 | 8 619 | 12 918 |

29. Finance costs

| | Group | | Authority | |
|------------------------------------|---------|---------|-----------|---------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Long-term borrowings | 159 132 | 204 724 | 129 854 | 172 211 |

30. Taxation

| | Group | | Authority | |
|--|-----------------|-----------------|-----------------|-----------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Major components of the tax expense | | | | |
| Deferred | | | | |
| Originating and reversing temporary differences | (21 297) | (43 914) | (23 036) | (37 683) |
| Reconciliation of the tax expense | | | | |
| Reconciliation between accounting profit and tax expense. | | | | |
| Accounting profit/(loss) | 250 865 | (19 810) | 253 519 | (38 126) |
| Tax at the applicable tax rate of 32% (2021: 32%) | (80 277) | – | (81 126) | – |
| Tax effect of adjustments on taxable income | | | | |
| Expenses not deductible for tax purposes | 58 979 | (43 914) | 58 090 | (37 683) |
| | (21 297) | (43 914) | (23 036) | (37 683) |
| Reconciliation between applicable tax rate and average effective tax rate | | | | |
| Applicable tax rate | 32% | 32% | 32% | 32% |
| Expenses not deductible for tax purposes | (24%) | (254%) | (23%) | (131%) |
| | 8% | (222%) | 9% | (99%) |

Notes to the Group Annual Financial Statements *(continued)*

31. Cash generated from operations

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| (Loss) profit before taxation | 250 865 | (19 809) | 253 519 | (38 126) |
| Adjustments for: | | | | |
| Depreciation – Property, plant and equipment | 255 189 | 278 488 | 239 186 | 261 887 |
| Depreciation – Right-of-use assets | 16 537 | 15 567 | – | – |
| Amortization of intangible assets | 6 201 | 6 456 | 6 201 | 6 456 |
| Loss on sale of property, plant and equipment | (3 431) | 4 404 | (2 484) | 4 395 |
| Impairment – intercompany loans | 35 | 49 | – | – |
| Investment revenue | (1 707) | (3 055) | (1 704) | (3 052) |
| Interest received | (7 526) | (9 866) | (6 914) | (9 866) |
| Finance costs | 159 132 | 204 723 | 129 854 | 172 211 |
| Fair value gains | – | (1 252) | – | – |
| Net impairments and movements in credit loss allowances | (233) | 1 109 | – | – |
| Operating lease rental straight lining | (26 814) | (30 535) | (26 814) | (30 535) |
| Severance pay provision | 295 | (921) | 496 | – |
| Post-retirement medical aid provision | 866 | – | 866 | – |
| Grant income – New Container Terminal | (13 487) | (13 487) | (13 487) | (13 487) |
| Government grant received | (130 000) | – | (130 000) | – |
| Changes in working capital: | | | | |
| Inventories | (4 480) | (1 374) | (1 426) | 131 |
| Trade and other receivables | 2 102 | (37 728) | (35 139) | (23 311) |
| Contract assets | (35 540) | 14 269 | – | – |
| Derivatives | (10 455) | (61 198) | – | – |
| Prepayments | (694) | (1 652) | (694) | (1 652) |
| Trade and other payables | 1 288 | (69 346) | 9 712 | (50 255) |
| | 458 141 | 274 842 | 421 170 | 274 794 |

32. Commitments

Authorized capital expenditure

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--|---------|---------|-----------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Authorized and contracted for | 118 892 | 777 767 | 118 892 | 777 767 |
| Authorized, but not yet contracted for | 153 804 | 594 105 | 153 804 | 594 105 |

This committed expenditure relates to property, plant and equipment and will be financed by available bank facilities, retained profits, mortgage facilities, existing cash resources and funds internally generated.

Notes to the Group Annual Financial Statements *(continued)*

33. Contingencies

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--|---------|---------|-----------|---------|
| | 2022 | 2021 | 2022 | 2021 |
| Provision of suretyship on financing facilities to Namdock Drydock and Ship Repair (Pty) Ltd | 151 150 | 151 150 | 151 150 | 151 150 |

The bank overdraft of Namdock and other long-term borrowings are secured by first marine bonds for N\$ 47 000 000, N\$ 30 000 000 and N\$ 100 000 000 over the Floating Dock I and Floating Dock II and Floating Dock III respectively, registered cession of marine policies of N\$ 57 000 000 and N\$ 55 000 000 respectively and unlimited cession of its call account.

The Authority at the reporting date, was involved in an ongoing legal case concerning the dismissal of 34 employees, who engaged in an illegal strike in July 2019. The Authority has disclaimed liability given that adherence to the policies and procedures were complied with and is defending the action. It is not practical to conclude on an estimation given the potential outcome, given the pro longed process, which could influence the estimation. No provision has been made in respect of other ongoing legal cases as no material financial settlements are expected from the finalization of the cases.

34. Related parties

Relationships

The Authority is wholly owned by the Namibian Government. There were no significant transactions, individually or in aggregate, entered into between the Authority and the Namibian Government except for Government Grant received as stated below.

| Figures in Namibia Dollar thousand | Group | | Authority | |
|---|--------|--------|-----------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| Remuneration to key management personnel | | | | |
| Remuneration received | 13 667 | 13 759 | 13 667 | 13 669 |

35. Directors' emoluments

Non-executive

| Figures in Namibia Dollar thousand | Group | | Authority | |
|--------------------------------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| Non-executive directors' fees | | | | |
| J. Comalie | – | 353 | – | 353 |
| Adv. G.S. Hinda | – | 298 | – | 298 |
| E.N. Hamunyela | 418 | 355 | 418 | 355 |
| J. Kangandjera | – | 336 | – | 336 |
| M. Hindjou | – | 330 | – | 330 |
| V Cloete | 407 | – | 407 | – |
| S Ndeunyema | 353 | – | 353 | – |
| JM Mouton | 463 | – | 463 | – |
| I Tjombonde | 327 | – | 327 | – |
| AL Kathindi | 526 | – | 526 | – |
| A Pick | 360 | – | 360 | – |
| Subsidiary directors | 776 | 90 | – | – |
| | 3 630 | 1 762 | 2 854 | 1 672 |

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management

Categories of financial instruments

| Categories of financial assets | Note(s) | Amortized cost | Total |
|--------------------------------|---------|-------------------|----------------|
| Group – 2022 | | | |
| Loans to subsidiaries | 7 | – | – |
| Trade and other receivables | 11 | 293 849 | 293 849 |
| Cash and cash equivalents | 14 | 200 884 | 200 884 |
| Channel levy Investment Fund | 18 | 142 | 142 |
| | | 494 875 | 494 875 |
| Group – 2021 | | | |
| Loans to subsidiaries | 7 | – | – |
| Trade and other receivables | 11 | 293 789 | 293 789 |
| Cash and cash equivalents | 14 | 77 717 | 77 717 |
| Channel levy Investment Fund | 18 | 140 | 140 |
| | | 371 646 | 371 646 |
| Authority – 2022 | | | |
| Loans to subsidiaries | 7 | 4 338 | 4 338 |
| Trade and other receivables | 11 | 263 497 | 263 497 |
| Cash and cash equivalents | 14 | 199 294 | 199 294 |
| Channel levy Investment Fund | 18 | 142 | 142 |
| | | 467 271 | 467 271 |
| Authority – 2021 | | | |
| Loans to subsidiaries | 7 | 4 338 | 4 338 |
| Trade and other receivables | 11 | 226 971 | 226 971 |
| Cash and cash equivalents | 14 | 60 414 | 60 414 |
| Channel levy Investment Fund | 18 | 140 | 140 |
| | | 291 863 | 291 863 |

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management *(continued)*

Categories of financial instruments *(continued)*

| Categories of financial liabilities | Note(s) | Amortized cost | Total |
|-------------------------------------|---------|------------------|------------------|
| Group – 2022 | | | |
| Trade and other payables | 21 | 147 465 | 147 465 |
| Long-term borrowings | 16 | 186 910 | 186 910 |
| African Development Bank | 17 | 2 482 172 | 2 482 172 |
| Special purpose funds | 18 | 5 861 | 5 861 |
| | | 2 822 408 | 2 822 408 |
| Group – 2021 | | | |
| Trade and other payables | 21 | 168 035 | 168 035 |
| Long-term borrowings | 16 | 227 490 | 227 490 |
| African Development Bank | 17 | 2 698 012 | 2 698 012 |
| Special purpose funds | 18 | 6 684 | 6 684 |
| | | 3 100 221 | 3 100 221 |
| Authority – 2022 | | | |
| Trade and other payables | 21 | 105 737 | 105 737 |
| Long-term borrowings | 16 | 29 901 | 29 901 |
| African Development Bank | 17 | 2 482 172 | 2 482 172 |
| Special purpose funds | 18 | 5 861 | 5 861 |
| | | 2 623 671 | 2 623 671 |
| Authority – 2021 | | | |
| Trade and other payables | 21 | 118 424 | 118 424 |
| Long-term borrowings | 16 | 59 171 | 59 171 |
| African Development Bank | 17 | 2 698 012 | 2 698 012 |
| Special purpose funds | 18 | 6 684 | 6 684 |
| | | 2 882 291 | 2 882 291 |

Capital risk management

The Group and Authority's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure and gearing ratio of the group at the reporting date was as follows:

| Figures in Namibia Dollar thousand | Note(s) | Group | | Authority | |
|------------------------------------|---------|------------------|------------------|------------------|------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Loans from shareholders | | 3 264 | 3 228 | – | – |
| Borrowings | 16 | 186 910 | 227 490 | 29 901 | 59 171 |
| Lease liabilities | 4 | 95 809 | 167 409 | – | – |
| African Development Bank | 17 | 2 482 172 | 2 698 012 | 2 482 172 | 2 698 012 |
| Trade and other payables | 21 | 147 465 | 168 035 | 105 737 | 118 424 |
| Total borrowings | | 2 915 620 | 3 264 174 | 2 617 810 | 2 875 607 |
| Cash and cash equivalents | 14 | (200 884) | (77 717) | (199 294) | (60 414) |
| Net borrowings | | 2 714 736 | 3 186 457 | 2 418 516 | 2 815 193 |
| Equity | | 3 341 854 | 3 112 286 | 3 190 521 | 2 960 038 |
| Debt/Equity ratio | | 81% | 102% | 76% | 95% |

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management *(continued)*

Financial risk management

Overview

The Group and Authority does not trade in financial instruments, but in the normal course of operations it is exposed to credit risk, liquidity risk and market risk. These risks are managed by the Authority through formal documented policies and procedures as approved by its Board of Directors. These policies are continuously reviewed and updated as and when the need arises.

The Group and Authority's overall risk management focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the group's financial performance.

The Group uses derivative financial instruments on an adhoc basis to hedge certain risk exposures. Risk management is carried out by the group's Risk Committee under policies approved by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit risk

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

Credit risk arises from cash and cash equivalents, short- and long-term deposits with banks and financial institutions, as well as credit exposures to outstanding receivables.

The maximum exposure to credit risk is presented in the table below:

| | | 2022 | | | 2021 | | |
|------------------------------|---------|-----------------------|-----------------------|----------------|-----------------------|-----------------------|----------------|
| | Note(s) | Gross carrying amount | Credit loss allowance | Amortized cost | Gross carrying amount | Credit loss allowance | Amortized cost |
| Group | | | | | | | |
| Loans to subsidiaries | 7 | – | – | – | – | – | – |
| Channel Levy Investment Fund | 18 | 142 | – | 142 | 140 | – | 140 |
| Trade and other receivables | 11 | 293 849 | (58 656) | 235 198 | 293 789 | (59 087) | 234 702 |
| Cash and cash equivalents | 14 | 200 884 | – | 200 884 | 77 717 | – | 77 717 |
| | | 494 875 | (58 656) | 436 224 | 371 646 | (59 087) | 312 559 |
| Authority | | | | | | | |
| Loans to subsidiaries | 7 | 4 338 | – | 4 338 | 4 338 | – | 4 338 |
| Channel Levy Investment Fund | 18 | 142 | – | 142 | 140 | – | 140 |
| Trade and other receivables | 11 | 263 497 | (55 191) | 208 306 | 226 971 | (55 390) | 171 581 |
| Cash and cash equivalents | 14 | 199 294 | – | 199 294 | 60 414 | – | 60 414 |
| | | 467 271 | (55 191) | 412 080 | 291 863 | (55 390) | 236 473 |

The Group and Authority holds bank guarantees and cash deposits as security in the event of defaults on its outstanding receivables. The Group and Authority has also taken out a contingency insurance plan covering it against losses suffered as a result of defaults from its trade debtors.

| | Group 2022 N\$'000 | Group 2021 N\$'000 | Authority 2022 N\$'000 | Authority 2021 N\$'000 |
|--|--------------------------|--------------------------|------------------------------|------------------------------|
| Figures in Namibia Dollar thousand | | | | |
| Total value of bank guarantees and cash deposits held by the group at the reporting date | 106 599 | 109 208 | 106 599 | 109 208 |

Credit risk pertaining to receivables is not concentrated to a few customers as trade receivables comprise a widespread customer base. The Group and Authority has guidelines in place to ensure that services are rendered to customers with an appropriate credit history. Management evaluates credit risk relating to customers on an ongoing basis.

Whilst credit limits were exceeded during the reporting period, management does not expect any losses from non-performance by these counterparties. The Group and Authority has not renegotiated the terms of its receivables.

The Group and Authority only deposits cash with major banks and financial institutions with high quality credit standing and its investment policy limits exposure to any one counterparty.

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management *(continued)*

Liquidity risk

Liquidity risk refers to the risk that the Group and Authority will encounter difficulty in meeting its obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, management maintains flexibility in funding by maintaining availability under committed credit lines.

The Group and Authority's risk to liquidity is a result of the funds available to cover future commitments. The authority manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared, and adequate utilized borrowing facilities are maintained.

The table below analyses the Group and Authority's financial liabilities into relevant maturities based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| | Less than one year N\$'000 | Between 1 and 5 years N\$'000 | More than 5 years N\$'000 | Total N\$'000 |
|--------------------------|----------------------------------|--|---------------------------------|------------------|
| Group – 2022 | | | | |
| Long-term borrowings | 12 144 | 174 766 | – | 186 910 |
| Special purpose funds | 5 861 | – | – | 5 861 |
| Trade and other payables | 147 465 | – | – | 147 465 |
| African Development Bank | 215 842 | 1 079 210 | 1 187 120 | 2 482 172 |
| Loan from shareholders | – | – | 3 264 | 3 264 |
| | 381 312 | 1 253 976 | 1 190 384 | 2 825 672 |
| Group – 2021 | | | | |
| Long-term borrowings | 21 548 | 205 942 | – | 227 490 |
| Special purpose funds | 3 669 | 3 015 | – | 6 684 |
| Trade and other payables | 168 035 | – | – | 168 035 |
| African Development Bank | 171 825 | 859 125 | 1 667 062 | 2 698 012 |
| Loan from shareholders | – | – | 3 228 | 3 228 |
| | 365 077 | 1 068 082 | 1 670 290 | 3 103 449 |
| Authority – 2022 | | | | |
| Long-term borrowings | – | 29 901 | – | 29 901 |
| Special purpose funds | 5 861 | – | – | 5 861 |
| Trade and other payables | 105 737 | – | – | 105 737 |
| African Development Bank | 215 842 | 1 079 210 | 1 187 120 | 2 482 172 |
| | 327 440 | 1 109 111 | 1 187 120 | 2 623 671 |
| Authority – 2021 | | | | |
| Long-term borrowings | 10 348 | 48 823 | – | 59 171 |
| Special purpose funds | 3 669 | 3 015 | – | 6 684 |
| Trade and other payables | 118 424 | – | – | 118 424 |
| African Development Bank | 171 825 | 859 125 | 1 667 062 | 2 698 012 |
| | 304 266 | 910 963 | 1 667 062 | 2 882 291 |

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management *(continued)*

Liquidity risk *(continued)*

The credit facilities of the Group and Authority are reviewed annually and consists of the following bank overdraft facilities:

| | Group 2022 N\$'000 | Group 2021 N\$'000 | Authority 2022 N\$'000 | Authority 2021 N\$'000 |
|------------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Overdraft facilities: | | | | |
| Total facilities | 130 000 | 97 840 | 130 000 | 79 000 |
| Utilized | (79 511) | (47 573) | (79 511) | (52 239) |
| | 50 488 | 50 267 | 50 488 | 26 761 |

Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as interest rates and foreign exchange rates.

Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group or Authority's functional currency. The Group and Authority consider the need to take out cover on outstanding foreign currency transactions on an ad hoc basis, as and when such transactions occur. Upon the discretion of management, cover is taken out from time to time.

At the reporting date, the Group and Authority's cumulative exposure to foreign receivables, foreign cash and cash equivalents and foreign long-term borrowings were not material and as such changes to the foreign exchange rates would not significantly impact on the equity of the Group and Authority.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group and Authority's interest rate risk results mainly from its exposure to floating interest bearing long- and short-term funds invested as well as floating interest rates on long-term borrowings.

The table below sets out the extent to which the Group and Authority's financial instruments are exposed to interest rate fluctuations:

| | Group 2022 N\$'000 | Group 2021 N\$'000 | Authority 2022 N\$'000 | Authority 2021 N\$'000 |
|--------------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Financial assets | | | | |
| Floating interest bearing | 200 884 | 77 717 | 199 294 | 60 414 |
| Fixed and non-interest bearing | 293 849 | 293 789 | 263 497 | 226 971 |
| | 494 733 | 371 506 | 462 791 | 287 385 |
| Financial liabilities | | | | |
| Floating interest bearing | 2 669 082 | 2 925 502 | 2 512 073 | 2 757 183 |
| Fixed and non-interest bearing | 147 465 | 168 035 | 105 737 | 118 424 |
| | 2 816 547 | 3 093 537 | 2 617 810 | 2 875 607 |

Notes to the Group Annual Financial Statements *(continued)*

36. Financial instruments and risk management *(continued)*

Interest rate risk *(continued)*

A change of 100 basis points in interest rates at the reporting date would have increased or decreased the Authority's profits and equity by the amounts shown below.

This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as for 2021.

| | Group 2022 N\$'000 | Group 2021 N\$'000 | Authority 2022 N\$'000 | Authority 2021 N\$'000 |
|-----------------------------|--------------------------|--------------------------|------------------------------|------------------------------|
| Financial assets | 2 008 | 777 | 1 992 | 604 |
| Financial liabilities | (26 690) | (29 255) | (25 120) | (27 571) |
| Net effect on equity | (24 682) | (28 478) | (23 128) | (26 967) |

Price risk

The Group and Authority is exposed to equity securities price risk because of investments held by the Group and Authority and classified on the statement of financial position as at fair value through profit or loss. The Group and Authority is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group and Authority diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set in its investment policy.

A change of 10% in equity prices at the reporting date would have increased or decreased the Group and Authority's profits and equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2021.

37. Fair value information

Set out below is a comparison by category of carrying amounts and fair values of all of the Group and Authority's financial instruments.

| | Group | | Authority | |
|---|--------------------|--------------------|--------------------|--------------------|
| Figures in Namibia Dollar thousand | 2022 | 2021 | 2022 | 2021 |
| Financial assets | | | | |
| Channel levy fund investment – Fair value through profit/(loss) | 142 | 140 | 142 | 140 |
| Trade and other receivables – Amortized cost | 293 849 | 293 789 | 263 497 | 226 971 |
| Cash and cash equivalents – Amortized cost | 200 884 | 77 717 | 199 294 | 60 414 |
| Total financial assets | 494 875 | 371 646 | 462 933 | 287 525 |
| Financial liabilities | | | | |
| Loans from shareholders – Amortized cost | 3 264 | 3 228 | – | – |
| Long-term borrowings – Amortized cost | 186 910 | 227 490 | 29 901 | 59 171 |
| African Development Bank – Amortized cost | 2 482 172 | 2 698 012 | 2 482 172 | 2 698 012 |
| Special purpose funds – Amortized cost | 5 861 | 6 684 | 5 861 | 6 684 |
| Trade and other payables – Amortized cost | 147 465 | 168 035 | 105 737 | 118 424 |
| Total financial liabilities | 2 825 600 | 3 103 449 | 2 623 671 | 2 879 176 |
| Total | (2 330 725) | (2 731 803) | (2 160 738) | (2 591 651) |

The fair value of cash and cash equivalents, trade and other receivables as well as trade and other payables approximate their carrying value due to their short-term nature. The effects of discounting loans to subsidiaries and the channel levy investment to determine its fair value are immaterial.

The fair value of long-term borrowings and instalment sales obligations were calculated by discounting future cash flows at a fair rate of return. The effects of discounting future cash flows or the special purpose funds are immaterial.

Notes to the Group Annual Financial Statements *(continued)*

38. Change in Accounting Policy for Property, plant and equipment

During the current reporting period, the Authority has voluntarily changed their accounting policy for certain strategic assets, freehold land, structures and buildings, floating craft and machinery. [IAS 8.29] These assets had previously been stated at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The accounting policy for these assets has been retrospectively amended so to account for these assets in terms of a cost model accounting policy respectively.

An entity is permitted to change an accounting policy only if the change:

- is required by a standard or interpretation;
- or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance, or cash flows. [IAS 8.14]

This change in policy will result in more relevant and reliable information being presented to users. The assets in question are unique to the Authority, for which there are no comparable assets in Namibia, and identifying an appropriately qualified and experienced valuator in the past has proven to be somewhat difficult as a result.

Management is of the view that a cost model would more appropriately reflect the value of the assets, as the valuation process has the potential to give rise to values not supportable nor appropriate given the nature of these assets. The table below shows the adjustments to the financial statement line items affected as at 1 April 2020 and 31 March 2021. Line items not affected by the change have not been included.

Statement of Financial Position

| | 1/04/2020 – as previously presented N\$'000 | Adjustment N\$'000 | 1/04/2020 – restated N\$'000 | Adjustment N\$'000 | 31/03/2021 Restated N\$'000 |
|-------------------------------|---|-----------------------|------------------------------------|-----------------------|-----------------------------------|
| Assets | | | | | |
| PPE | 6 969 749 | (846 246) | 6 123 503 | 197 600 | 5 925 903 |
| Deferred tax asset | 139 175 | 87 797 | 226 972 | 41 503 | 268 475 |
| Equity and liabilities | | | | | |
| Revaluation reserve | 502 051 | (502 051) | – | – | – |
| Retained earnings | 3 181 800 | (195 925) | 2 985 875 | (75 809) | 2 910 066 |
| Deferred tax liability | 639 658 | (80 431) | 559 227 | 79 185 | 638 412 |

Statement of Profit and Loss and Other Comprehensive Income

| | 31/03/2021 as previously presented | Adjustment | 31/03/2021 Restated |
|---|--|------------|------------------------|
| Depreciation, amortisation and impairment charges | (297 799) | 24 738 | (273 061) |
| Operating profit | 96 429 | 24 738 | 121 167 |
| Loss Before Tax | (62 864) | 24 738 | (38 126) |
| Taxation | (21 984) | (15 699) | (37 683) |
| Profit for the year | (84 848) | 9 039 | (75 809) |

Notes to the Group Annual Financial Statements *(continued)*

38. Change in Accounting Policy for Property, plant and equipment

Statement of Cash Flows

| | 31/03/2021 as previously presented | Adjustment | 31/03/2021 Restated |
|---|--|------------|------------------------|
| Cash generated from operations | | | |
| (Loss) profit before tax | (62 864) | 24 738 | (38 126) |
| Depreciation-Property, plant and equipment | 291 343 | (29 456) | 261 887 |
| Amortization of intangible assets | 6 456 | – | 6 456 |
| Loss on sale of property, plant and equipment | – | 4 393 | 4 393 |
| Other movements | 40 182 | – | 40 182 |
| | 275 117 | (323) | 274 794 |





APPENDICES

Page 142 Statistics

Page 149 Corporate Information and Administration

Statistics

Port of Walvis Bay and Port of Lüderitz combined

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Vessel visits | | | | | | |
| Vessel visits | 2,079 | 1,816 | 1,720 | 1,747 | 1,303 | 1,592 |
| Total vessel visits (units of vessels) | | | | | | |
| Port of Walvis Bay | 1,345 | 1,070 | 1,002 | 993 | 749 | 866 |
| Port of Lüderitz | 734 | 746 | 718 | 754 | 554 | 726 |
| Total | 2,079 | 1,816 | 1,720 | 1,747 | 1,303 | 1,592 |
| Total cargo handled (Freight tonnes) | | | | | | |
| Port of Walvis Bay | 5,168,131 | 4,825,920 | 5,374,714 | 4,960,313 | 5,327,680 | 5,512,196 |
| Port of Lüderitz | 388,198 | 477,293 | 421,578 | 601,687 | 886,978 | 1,064,174 |
| Total | 5,556,329 | 5,303,213 | 5,796,292 | 5,562,000 | 6,214,658 | 6,576,370 |
| Containers handled at the Port of Walvis Bay and Port of Lüderitz (Twenty-foot Equivalent Units) | | | | | | |
| Landed | 51,851 | 58,591 | 64,846 | 70,551 | 60,376 | 69,467 |
| Shipped | 48,575 | 56,095 | 59,676 | 64,630 | 59,424 | 61,106 |
| Transhipped | 105,565 | 67,969 | 24,942 | 13,461 | 36,180 | 37,705 |
| Total TEUs | 205,991 | 182,655 | 149,464 | 148,642 | 155,980 | 168,278 |

Port of Walvis Bay and Port of Lüderitz combined

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Cargo handled (Freight tonnes) | | | | | | |
| Cargo Landed | | | | | | |
| Bulk and Break-bulk | 1,123,638 | 1,058,009 | 1,253,047 | 962,228 | 1,091,852 | 1,049,685 |
| Containerised | 781,117 | 816,099 | 911,512 | 879,423 | 824,030 | 877,001 |
| Sulphuric Acid | 115,337 | 147,270 | 170,217 | 158,558 | 44,062 | 59,091 |
| Petroleum landed | 1,407,028 | 1,222,004 | 1,283,819 | 1,234,216 | 1,359,279 | 1,479,754 |
| Total landed | 3,427,120 | 3,243,382 | 3,618,595 | 3,234,424 | 3,319,222 | 3,465,531 |
| Cargo Shipped | | | | | | |
| Bulk and Break-bulk | 815,069 | 875,862 | 1,087,857 | 1,132,043 | 1,528,795 | 1,153,995 |
| Containerised | 740,847 | 851,070 | 920,927 | 1,083,436 | 1,021,808 | 1,094,411 |
| Total shipped | 1,555,916 | 1,726,932 | 2,008,784 | 2,215,479 | 2,550,603 | 2,248,406 |
| Cargo Transhipped | | | | | | |
| Bulk and Break-bulk | 48,203 | 53,854 | 44,855 | 58,865 | 39,483 | 34,709 |
| Containerised | 525,090 | 279,045 | 124,058 | 53,231 | 305,350 | 199,903 |
| Total Transhipped | 573,293 | 332,899 | 168,913 | 112,096 | 344,833 | 234,612 |
| Total cargo handled | 5,556,329 | 5,303,212 | 5,796,292 | 5,561,999 | 6,214,658 | 5,948,549 |

Port of Walvis Bay

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Type of vessel visits (number) | | | | | | |
| Container | 356 | 316 | 297 | 278 | 208 | 184 |
| Foreign fishing vessels | 197 | 192 | 149 | 126 | 97 | 115 |
| Petroleum | 69 | 88 | 79 | 105 | 95 | 113 |
| Reefer | 34 | 41 | 41 | 41 | 20 | 21 |
| Namibian fishing vessels | 37 | 18 | 25 | 20 | 28 | 35 |
| General cargo vessels | 163 | 164 | 165 | 156 | 91 | 77 |
| Other | 489 | 251 | 246 | 267 | 210 | 24 |
| Total | 1,345 | 1,070 | 1,002 | 993 | 1,303 | 1,592 |
| Total cargo handled | | | | | | |
| Freight tonnes | 5,168,131 | 4,825,920 | 5,374,714 | 4,960,313 | 5,327,680 | 5,512,196 |
| Total cargo handled (Freight tonnes) | | | | | | |
| Total landed | 3,262,994 | 3,062,506 | 3,458,340 | 3,090,906 | 3,264,103 | 3,367,166 |
| Total shipped | 1,331,844 | 1,430,515 | 1,747,461 | 1,757,310 | 1,718,744 | 1,910,199 |
| Total Transshipments | 573,294 | 332,899 | 168,913 | 112,096 | 344,832 | 234,831 |
| Total | 5,168,131 | 4,825,920 | 5,374,714 | 4,960,313 | 5,327,680 | 5,512,196 |

Port of Walvis Bay

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Main commodities landed | | | | | | |
| Petroleum | 1,373,941 | 1,176,839 | 1,234,346 | 1,212,267 | 1,335,869 | 1,422,263 |
| Other Cargo | 522,284 | 501,039 | 598,655 | 518,695 | 624,719 | 648,522 |
| Fish and Fish Products | 213,926 | 257,149 | 222,919 | 198,601 | 187,615 | 206,560 |
| Vehicles | 190,930 | 196,271 | 274,504 | 258,984 | 253,453 | 211,455 |
| Copper/Lead and Concentrates | 181,463 | 221,272 | 352,157 | 251,980 | 249,286 | 174,035 |
| Sugar | 111,459 | 100,292 | 100,071 | 103,544 | 95,685 | 124,173 |
| Wheat | 136,166 | 92,700 | 104,944 | 97,543 | 102,497 | 106,264 |
| Chemicals | 37,240 | 40,808 | 65,653 | 46,883 | 64,259 | 79,816 |
| Coal | 116,398 | 32,969 | 32,848 | – | 71,498 | 69,797 |
| Spare Parts | 16,455 | 18,614 | 25,128 | 35,495 | 34,646 | 41,988 |
| Machinery | 33,918 | 37,601 | 44,877 | 39,894 | 44,405 | 44,647 |
| Sulphuric Acid | 115,337 | 147,270 | 170,217 | 158,558 | 44,062 | 59,091 |
| Malt | 39,260 | 43,978 | 48,444 | 51,106 | 33,352 | 48,972 |
| Tyres | 12,496 | 24,461 | 25,486 | 27,126 | 28,402 | 36,224 |
| Wooden Products | 5,989 | 4,687 | 4,749 | 5,207 | 3,130 | 1,608 |
| Steel | 61,855 | 55,522 | 84,752 | 79,237 | 84,320 | 88,143 |
| Cement | 75,334 | 82,697 | 50,210 | 594 | 88 | – |

Port of Walvis Bay

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total | 3,262,994 | 3,062,506 | 3,458,340 | 3,090,906 | 3,264,103 | 3,367,166 |
| Main commodities shipped | | | | | | |
| Other Cargo | 111,048 | 102,470 | 109,317 | 146,841 | 166,022 | 319,776 |
| Salt Bulk | 403,709 | 491,941 | 692,308 | 593,582 | 532,612 | 522,409 |
| Salt Bagged | 184,009 | 119,157 | 122,486 | 97,440 | 123,413 | 121,095 |
| Zinc Ore and Concentrates | – | – | – | – | 273,196 | – |
| Lithium Ore | – | – | 30,321 | – | – | – |
| Fish and Fish Products | 169,658 | 169,626 | 167,713 | 195,331 | 159,932 | 183,114 |
| Copper/Lead and Concentrates | 119,088 | 160,308 | 219,222 | 237,204 | 260,254 | 164,983 |
| Scrap Steel | 23,517 | 29,078 | 33,044 | 37,818 | 31,174 | 54,626 |
| Charcoal | 99,170 | 114,488 | 152,768 | 212,696 | 273,196 | 300,806 |
| Wooden Products | 68,670 | 57,706 | 50,776 | 73,836 | 65,692 | 83,644 |
| Flat Cartons | 23,728 | 31,400 | 25,464 | 17,771 | 13,955 | 22,845 |
| Building Materials | 2,398 | 132 | 616 | 110 | 616 | – |
| Marble and Granite | 104,233 | 136,461 | 114,958 | 111,286 | 66,265 | 116,376 |
| Fluorspar | 946 | 440 | – | – | – | – |
| Manganese Ore | 21,670 | 17,309 | 28,468 | 33,396 | 25,344 | 20,526 |
| Total | 1,331,844 | 1,430,515 | 1,747,461 | 1,757,310 | 1,718,744 | 1,910,199 |
| TEUs handled | | | | | | |
| TEUs handled | 203,071 | 176,335 | 144,109 | 142,957 | 154,207 | 166,545 |
| Main Commodities Trans-shipped | | | | | | |
| Fish & Fish Products | 48,842 | 50,827 | 44,709 | 58,743 | 45,192 | 78,396 |
| Frozen Products | 18,502 | 17,006 | 21,045 | 484 | 69,344 | 9,782 |
| Dangerous Cargo | 2,970 | 902 | 704 | 220 | 3,498 | 4,620 |
| Other Cargo | 502,979 | 264,164 | 102,455 | 52,649 | 226,798 | 142,034 |
| Total | 573,294 | 332,899 | 168,913 | 112,096 | 344,832 | 234,831 |

Port of Lüderitz

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|--|----------------|----------------|----------------|----------------|----------------|------------------|
| Vessel visits to the Port of Lüderitz | | | | | | |
| Vessel visits | 734 | 746 | 718 | 754 | 554 | 726 |
| Cargo handled | | | | | | |
| Break-bulk Cargo Landed | | | | | | |
| Fuel | 33,087 | 45,165 | 49,473 | 21,948 | 23,410 | 57,491 |
| Fish | 25,361 | 26,926 | 30,010 | 33,286 | 26,122 | 33,515 |
| Sulphur | 92,078 | 98,538 | 75,097 | 75,205 | – | – |
| General cargo | 5,328 | 6,463 | 1,072 | 9,514 | 5,053 | 11,707 |
| Total | 155,853 | 177,092 | 155,652 | 39,953 | 54,585 | 102,713 |
| Break-bulk Cargo Shipped | | | | | | |
| Fish and Bait | 374 | 124 | 119 | – | 15,298 | 16,512 |
| Ice | 29,594 | 28,747 | 34,446 | 38,867 | 29,289 | 34,341 |
| Manganese | – | – | – | 204,301 | 640,288 | 768,085 |
| Zinc/Ore/ Concentrates | 155,269 | 178,087 | 157,309 | 137,965 | 103,279 | 95,359 |
| Lead and Lead Concentrates | 15,070 | 29,007 | 12,372 | 13,710 | 21,202 | 27,514 |
| Other | 663 | 191 | 2,597 | 3,487 | 3,530 | 19,605 |
| Total | 200,970 | 206,843 | 236,157 | 398,330 | 812,886 | 961,416 |
| Cargo Transshipped | | | | | | |
| Fish | – | – | – | – | – | – |
| Other | – | – | – | – | – | – |
| Total | – | – | – | – | – | – |
| Total break-bulk | 356,823 | 413,249 | 362,495 | 538,283 | 867,471 | 1,064,729 |
| Containerised Cargo | | | | | | |
| Landed | 8,273 | 3,784 | 4,603 | 3,566 | 535 | 1,018 |
| Shipped | 23,102 | 60,260 | 54,480 | 59,839 | 18,293 | 16,882 |
| Transshipped | – | – | – | – | – | – |
| Total | 31,375 | 64,044 | 59,083 | 63,405 | 18,828 | 17,900 |
| Total cargo | 388,198 | 477,293 | 421,578 | 601,687 | 886,299 | 1,082,029 |

Port of Lüderitz

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---|---------|---------|---------|---------|---------|-----------|
| Containers handled (Twenty-foot Equivalent Units) | | | | | | |
| Landed | 1,593 | 3,565 | 2,782 | 2,847 | 675 | 913 |
| Shipped | 1,327 | 2,755 | 2,573 | 2,838 | 1,098 | 820 |
| Total TEUs | 2,920 | 6,320 | 5,355 | 5,685 | 1,773 | 1,733 |
| Total commodities handled | | | | | | |
| Total imports | 164,126 | 180,876 | 160,255 | 143,518 | 54,585 | 102,757 |
| Total exports | 224,072 | 296,417 | 261,323 | 458,169 | 813,565 | 961,417 |
| Total | 388,198 | 477,293 | 421,578 | 601,687 | 868,150 | 1,064,174 |

Corporate Information and Administration

Namport

www.namport.com

Telephone: +264 64 208 2111

Email: info@namport.com.na

Business address and registered office

Namport
17 Rikumbi Kandanga Road
Walvis Bay
Namibia

Postal address

PO Box 361
Walvis Bay
Namibia

Group Company Secretarial

Loise Kafita

Company Secretary

Responsible for company secretarial duties

Email: L.Kafita@namport.com.na

Telephone: +264 64 208 2413

Corporate Communications

Taná Pesat

Manager: Corporate Communication

Responsible for communications and stakeholder relations

Email: T.Pesat@namport.com.na

Telephone: +264 64 208 2370

Auditors

Grand Namibia Public Accountants & Auditors

9 Axali Doeseb Street

Windhoek

Namibia

Email: info@grandNamibia.com

Telephone: +264 61 255263

Principal bankers

Bank Windhoek Limited (Namibia)

Standard Bank Namibia

Nedbank Namibia

