

Namibia Securities Exchange Group
Annual Financial Statements
for the year ended 31 December 2024

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Stock exchange operations, transfer agent services, property ownership management, an investor protection guarantee fund, and central depository services tailored for the Namibian market.
Directors	GD Marais (Chairman) C Bazuin S De Bruin AP Ithindi DE Smit HB Gerdes M Smith M Späth B Hansen
Business address	4 Robert Mugabe Avenue Windhoek Namibia
Postal address	P O Box 2401 Windhoek Namibia
Bankers	First National Bank of Namibia
Auditors	Deloitte & Touche
Secretary	Bonsai Secretarial Compliance Services
Legal advisors	Engling, Stritter & Partners

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

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Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 28 of 2004, as amended 2007 and the Stock Exchange Control Act (Act 1 of 1985) 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 annual financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards (IFRS®), Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the Companies Act of Namibia. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS®), Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the Companies Act of Namibia and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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



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

The directors have reviewed the Group and Company's cash flow forecast for the year to 31 December 2025 and, in light of this review and the current financial position, they are satisfied that the Group and Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group and Company's annual financial statements. The annual financial statements have been examined by the Group and Company's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 45 and the supplementary information on pages 46 to 47, which have been prepared on the going concern basis, were approved by the board of directors on 15 May 2025 and were signed on their behalf by:

Approval of financial statements


GD Marais (Chairman)
DE Smit

INDEPENDENT AUDITOR'S REPORT

To the Members of Namibian Securities Exchange

Report on the Audit of the Financial Statements

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Opinion

We have audited the consolidated and separate financial statements of Namibian Securities Exchange ("Company") and its subsidiaries (the "Group") set out on pages 6 to 45 which comprise the consolidated and separate statements of financial position as at 31 December 2024, consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate annual financial statements, including material accounting policy information and the Directors' report.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the consolidated and separate financial position of the Company and the Group as at 31 December 2024 and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS®) Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Companies Act of Namibia.

Basis for Opinion

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

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' responsibility and approval of the annual financial statements on page 3 and the detailed income statement as set out on pages 46 to 47 which we obtained prior to the date of this audit report. The other information does not include the consolidated and separate annual financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this audit 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 Directors for the Consolidated and Separate Annual 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 (IFRS®) Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Companies Act, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.



Directors: M Harrison G Brand
Partners: J Cronjé H De Bruin P Parry

INDEPENDENT AUDITOR'S REPORT

To the Members of Namibian Securities Exchange (continued)

Responsibilities of Directors for the Consolidated and Separate Annual Financial Statements. (continued)

In preparing the consolidated and separate annual financial statements, the Directors are responsible for assessing the Company and Group'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 intends to liquidate the Company or the Group to cease operations, or has no realistic alternative but to do so.

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

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

As part of an audit in accordance with ISAs, we exercise professional judgment 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 Company and Group'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 Company or Group'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 annual financial statements or, if such disclosures are inadequate, to modify our opinion. However, future events or conditions may cause the Company or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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.



Deloitte & Touche

Registered Accountants and Auditors

Chartered Accountants (Namibia)

Per: Piquet Parry

Partner

Windhoek

15 May 2025

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Namibia Securities Exchange Group for the year ended 31 December 2024.

1. Nature of business

During the 2024 financial year, the Namibian Stock Exchange was formally renamed and announced as trading under the new name, Namibia Securities Exchange.

Namibia Securities Exchange Group was incorporated in Namibia. The activities of the Group are undertaken through the Company and its principal Subsidiaries. The Group and Company operates in Namibia.

The Namibia Securities Exchange is a not-for-profit association. Furthermore, the Guarantee Fund, was established by the Namibia Securities Exchange for the protection of investors as mandated by section 30 of the Stock Exchanges Control Act (Act 1 of 1985). Additionally, it is highlighted that both the Namibia Securities Exchange and the Guarantee Fund are exempt from normal taxation under section 16(1)(d) of the Income Tax Act, No. 24 of 1981. Conversely, the operating subsidiaries are subject to regular taxation in accordance with the provisions of the Income Tax Act, No. 24 of 1981.

The Group's and Company's business encompasses stock exchange operations, transfer agent services, property ownership management, an investor protection guarantee fund, and central depository services tailored for the Namibian market.

There have been no material changes to the nature of the Group and Company'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 (IFRS®), Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the Companies Act of Namibia and the requirements of the Companies Act 28 of 2004, as amended 2007 and the Stock Exchange Control Act (Act 1 of 1985). 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 and Company are set out in these consolidated annual financial statements. The net profit for the year of the Group and Company is, respectively, N\$ 9,918,034; N\$ 7,630,623 (2023: N\$ 13,961,649; N\$ 11,011,287) and the net assets as at 31 December 2024 is, respectively, N\$ 144,831,743; N\$ 118,228,394 (2023: N\$ 134,723,709; N\$ 110,597,772).

3. Dividends

The board of directors do not recommend the declaration of a dividend for any of the Group's subsidiaries for the year ended 31 December 2024 (2023: Nil).

4. Directorate

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

Directors

GD Marais
C Bazuin
S De Bruin
AP Ithindi
DE Smit
HB Gerdes
M Smith
M Späth
B Hansen

5. Events after the reporting period

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

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Directors' Report

6. Going concern

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

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

7. Secretary

The company secretary is Bonsai Secretarial Compliance Services.

Postal address: PO Box 90757
Klein Windhoek
Windhoek
Namibia

Business address: Unit 6, Gold Street Business Park
Gold Street, Prosperita
Windhoek
Namibia

8. Terms of appointment of the auditors

Deloitte & Touche were appointed as the company's auditors at the general meeting held on 26 April 2023. Included in profit for the year is the agreed auditors' remuneration of N\$584,589. Shareholders wishing to inspect a copy of the terms on which the company's auditors is appointed and remunerated may do so by contacting the Company Secretary.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Statements of Financial Position as at 31 December 2024

		Group			Company		
Figures in Namibia Dollar	Note(s)	2024	2023 Restated *	2022 Restated *	2024	2023 Restated *	2022 Restated *
Assets							
Non-Current Assets							
Equipment and intangibles	3	1,321,631	1,508,076	351,280	892,995	984,024	125,282
Fixed property	4	7,950,000	7,760,000	7,535,000	-	-	-
Investments in subsidiaries	5	-	-	-	1,335,140	1,335,140	1,335,140
Loans to group companies	6	-	-	-	3,983,411	3,819,069	4,009,919
Investments at fair value	8	83,434,717	74,753,486	64,684,687	64,635,400	57,992,258	50,332,355
		92,706,348	84,021,562	72,570,967	70,846,946	64,130,491	55,802,696
Current Assets							
Loans to group companies	6	-	-	-	64,266	212,969	81,790
Trade and other receivables	7	1,755,103	2,426,461	2,060,632	1,133,507	1,526,779	1,563,331
Current tax receivable	11	57,645	56,223	8,541	-	-	-
Other investments*	10&33	64,569,241	61,334,415	56,864,938	55,454,573	53,259,679	49,836,458
Cash and cash equivalents*	12&33	1,141,130	543,790	623,223	809,701	407,263	550,621
		67,523,119	64,360,889	59,557,334	57,462,047	55,406,690	52,032,200
Total Assets		160,229,467	148,382,451	132,128,301	128,308,993	119,537,181	107,834,896
Equity and Liabilities							
Equity							
Equity Attributable to Equity Holders of Parent							
Members' contribution	13	2,320,500	2,320,500	2,320,500	2,320,500	2,320,500	2,320,500
Reserves		1,629,700	1,439,700	1,214,700	500,000	500,000	500,000
Retained income		146,032,446	135,122,228	120,477,560	115,407,894	107,777,272	96,765,984
		149,982,646	138,882,428	124,012,760	118,228,394	110,597,772	99,586,484
Non-controlling interest		(5,150,903)	(4,158,719)	(3,475,700)	-	-	-
		144,831,743	134,723,709	120,537,060	118,228,394	110,597,772	99,586,484
Liabilities							
Non-Current Liabilities							
Loans from group companies	14	-	-	-	4,000	4,000	4,000
Deferred income	16	5,800,653	5,000,951	4,451,515	5,800,653	5,000,951	4,451,515
Deferred tax	9	512,654	461,324	355,674	-	-	-
Provision for severance pay	17	513,526	391,000	363,000	474,650	371,000	317,000
		6,826,833	5,853,275	5,170,189	6,279,303	5,375,951	4,772,515

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Statements of Financial Position as at 31 December 2024

Figures in Namibia Dollar	Note(s)	Group			Company		
		2024	2023 Restated *	2022 Restated *	2024	2023 Restated *	2022 Restated *
Current Liabilities							
Trade and other payables	18	3,159,196	3,262,441	2,618,754	2,403,745	2,559,609	2,174,229
Loans from group companies	14	-	-	-	610,937	308,555	644,596
Loans from non-controlling interest	15	4,624,821	3,847,732	3,145,226	-	-	-
Deferred income	16	786,614	695,294	657,072	786,614	695,294	657,072
Current tax payable	11	260	-	-	-	-	-
		8,570,891	7,805,467	6,421,052	3,801,296	3,563,458	3,475,897
Total Liabilities		15,397,724	13,658,742	11,591,241	10,080,599	8,939,409	8,248,412
Total Equity and Liabilities		160,229,467	148,382,451	132,128,301	128,308,993	119,537,181	107,834,896

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Statements of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	Group		Company	
		2024	2023	2024	2023
Revenue	19	16,183,392	15,392,018	11,110,300	11,233,116
Other operating income	20	373,875	8,712	2,067,391	1,898,881
Other operating gains	21	35,844	82,811	34,695	72,353
Other operating expenses		(20,017,719)	(15,834,258)	(17,596,924)	(14,780,405)
Operating loss	22	(3,424,608)	(350,717)	(4,384,538)	(1,576,055)
Investment income	23	7,718,350	7,030,241	7,210,745	6,631,393
Finance costs	24	(519,843)	(412,426)	-	-
Other non-operating gains	25	6,252,851	7,800,201	4,804,416	5,955,949
Profit before taxation		10,026,750	14,067,299	7,630,623	11,011,287
Taxation	26	(108,716)	(105,650)	-	-
Profit for the year		9,918,034	13,961,649	7,630,623	11,011,287
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on property revaluation		190,000	225,000	-	-
Other comprehensive income for the year net of taxation	27	190,000	225,000	-	-
Total comprehensive income for the year		10,108,034	14,186,649	7,630,623	11,011,287
Profit (loss) attributable to:					
Owners of the parent		10,910,218	14,644,668	7,630,623	11,011,287
Non-controlling interest		(992,184)	(683,019)	-	-
		9,918,034	13,961,649	7,630,623	11,011,287
Total comprehensive income attributable to:					
Owners of the parent		11,100,218	14,869,668	7,630,623	11,011,287
Non-controlling interest		(992,184)	(683,019)	-	-
		10,108,034	14,186,649	7,630,623	11,011,287

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Annual Financial Statements for the year ended 31 December 2024

Statements of Changes in Equity

	Share capital	Revaluation reserve	Insurance reserve	Total reserves	Retained income	Total attributable to equity holders of the group/company	Non-controlling interest	Total equity
Figures in Namibia Dollar								
Group								
Balance at 1 January 2023	2,320,500	714,700	500,000	1,214,700	120,477,560	124,012,760	(3,475,700)	120,537,060
Profit for the year	-	-	-	-	14,644,668	14,644,668	(683,019)	13,961,649
Other comprehensive income	-	225,000	-	225,000	-	225,000	-	225,000
Total comprehensive income for the year	-	225,000	-	225,000	14,644,668	14,869,668	(683,019)	14,186,649
Balance at 1 January 2024	2,320,500	939,700	500,000	1,439,700	135,122,228	138,882,428	(4,158,719)	134,723,709
Profit for the year	-	-	-	-	10,910,218	10,910,218	(992,184)	9,918,034
Other comprehensive income	-	190,000	-	190,000	-	190,000	-	190,000
Total comprehensive income for the year	-	190,000	-	190,000	10,910,218	11,100,218	(992,184)	10,108,034
Balance at 31 December 2024	2,320,500	1,129,700	500,000	1,629,700	146,032,446	149,982,646	(5,150,903)	144,831,743
Note(s)	13	27			27			
Company								
Balance at 1 January 2023	2,320,500	-	500,000	500,000	96,765,985	99,586,485	-	99,586,485
Profit for the year	-	-	-	-	11,011,287	11,011,287	-	11,011,287
Total comprehensive income for the year	-	-	-	-	11,011,287	11,011,287	-	11,011,287
Balance at 1 January 2024	2,320,500	-	500,000	500,000	107,777,271	110,597,771	-	110,597,771
Profit for the year	-	-	-	-	7,630,623	7,630,623	-	7,630,623
Total comprehensive income for the year	-	-	-	-	7,630,623	7,630,623	-	7,630,623
Balance at 31 December 2024	2,320,500	-	500,000	500,000	115,407,894	118,228,394	-	118,228,394
Note(s)	13	27			27			

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Annual Financial Statements for the year ended 31 December 2024

Statements of Cash Flows

		Group		Company	
Figures in Namibia Dollar	Note(s)	2024	2023 Restated *	2024	2023 Restated *
Cash flows from operating activities					
Cash receipts from customers		16,813,829	15,694,913	11,483,553	13,828,562
Cash paid to suppliers and employees		(17,781,887)	(14,585,959)	(13,507,784)	(13,700,116)
Cash (used in) / generated from operations	30	(857,536)	1,108,954	(2,050,583)	128,446
Interest income*	23&33	831	-	301,399	307,160
Finance costs	24	(519,843)	(412,426)	-	-
Income tax paid	31	(58,548)	(47,682)	-	-
Net cash from operating activities		(1,435,096)	648,846	(1,749,184)	435,606
Cash flows from investing activities					
Purchase of equipment and intangibles	3	(275,474)	(1,320,981)	(160,760)	(941,958)
Proceeds from sale of property, plant and equipment		5,200	10,458	-	-
Repayment of loans to group companies*		-	-	(340,000)	(45,000)
Additional deposits in money market call accounts*	10&33	(2,854,540)	(10,107,836)	(2,550,000)	(9,655,965)
Withdrawals from money market call accounts*	10&33	4,900,000	10,400,000	4,900,000	10,400,000
Net cash from investing activities		1,775,186	(1,018,359)	1,849,240	(242,923)
Cash flows from financing activities					
Advances / (repayments) of loans from group companies	14	-	-	302,382	(336,041)
Cash advances received on loans from shareholders		257,250	290,080	-	-
Net cash from financing activities		257,250	290,080	302,382	(336,041)
Total cash movement for the year		597,340	(79,433)	402,438	(143,358)
Cash and cash equivalents at the beginning of the year*		543,790	623,223	407,263	550,621
Cash and cash equivalents at the end of the year*	12&33	1,141,130	543,790	809,701	407,263

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 28 of 2004, as amended 2007 and the Stock Exchange Control Act (Act 1 of 1985) and the Constitution of the Namibian Stock Exchange as contained in the Namibian Stock Exchange Rules promulgated under Government Notice No. 151 of 12 September 1995, as amended from time to time.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Namibia Dollars, which is the group and company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the group.

The results of subsidiaries are included in the consolidated annual financial statements from the date of obtaining control until the date that control is lost.

The accounting policies of all subsidiaries are the same as those of the parent.

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

Non-controlling interests in the net assets of subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Investments in subsidiaries in the separate financial statements

Investments in subsidiaries are carried at cost less any accumulated impairment losses in the separate financial statements.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

1.4 Equipment and intangibles

Equipment and intangibles are initially measured at cost.

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

Equipment and intangibles are subsequently stated at cost less accumulated depreciation and impairment losses.

The useful lives of items of equipment and intangibles have been assessed as follows:

Namibia Securities Exchange Group

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Material Accounting Policies

1.4 Equipment and intangibles (continued)

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
IT equipment	Straight line	3 years
Computer software	Straight line	3 years

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

There were no indicators of impairment for equipment and intangibles and no impairment tests were performed.

1.5 Financial instruments

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

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the group are presented below:

Loans receivable at amortised cost

Management have assessed and classified loans to group companies, loans to shareholders, loans to directors, managers and employees, and loans receivable as financial assets at amortised cost.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan in the application of the effective interest method. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

An exception to the above applies to loans which have become credit impaired. The effective interest rate on these loans is applied to the amortised cost rather than the gross carrying amount in the determination of interest. The interest calculation reverts to applying the effective interest rate to the gross carrying amount when the loan is no longer credit impaired.

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1.5 Financial instruments (continued)

Impairment - Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. 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 conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The group writes off an instrument 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. Instruments written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in profit or loss.

Investments in equity instruments

Dividends received on equity investments are recognised in profit or loss when the group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Investments in debt instruments at fair value through profit or loss

The group holds investments in government and corporate bonds which are measured at fair value through profit or loss. Although they are debt instruments, management have concluded that they do not qualify to be measured at amortised cost or fair value through other comprehensive income.

Borrowings and loans from related parties

Loans from group companies, loans from shareholders and borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense on borrowings is calculated on the effective interest method, and is included in profit or loss.

Trade and other payables

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

Financial liabilities at fair value through profit or loss

Fair value gains or losses on these liabilities are recognised in profit or loss.

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

Cash and cash equivalents

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

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1.5 Financial instruments (continued)

Derecognition

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

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

1.6 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

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

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

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.7 Leases

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

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

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1.7 Leases (continued)

Group as lessee

At the inception of each contract, the Company evaluates whether it constitutes or includes a lease. For lease arrangements where the Company is the lessee, a right-of-use asset and a corresponding lease liability are recognized, except for leases classified as short-term (lease term of 12 months or less) or involving low-value assets. In such cases, lease payments are expensed on a straight-line basis over the lease term, unless an alternative systematic basis better reflects the consumption of economic benefits derived from the leased assets.

1.8 Impairment of assets

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

An impairment loss is recognised for an asset if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts.

Impairment losses are recognised immediately in profit or loss.

1.9 Members contributions, share capital and equity

Members contributions, equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

1.10 Employee benefits

Short-term employee benefits

Short-term employee benefits, which consist of social security, severance pay, paid annual leave and sick leave, bonuses, and medical care, are recognised in the period in which the service is rendered and are not discounted.

Defined contribution plans

The group makes contributions to the Momentum FundsAtWork Namibia Umbrella Pension Fund, which is an umbrella defined contribution fund designed for the retirement benefits of current employees. The associated costs are recognized as expenses when employees have provided services entitling them to the contributions. This umbrella fund consists of three separate components: retirement benefits, insurance benefits, and business benefits.

Payments are charged as an expense as they fall due.

1.11 Provisions and contingencies

The group recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the group will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

Contingent assets and contingent liabilities are not recognised.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1.12 Revenue from contracts with customers

The group recognises revenue from the following major sources:

- Initial documentation, capital raising and listing fees;
- Annual listing fees;
- Data subscription fees;
- Stockbroker and sponsors: annual members' and entrance fees;
- Commission received: transaction levies;
- Commission received: quoting fees;
- Stockbrokers: Guarantee fund contributions;
- Annual agency fees;
- Quarterly registry maintenance fees; and
- Service fees: corporate actions.

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

Initial documentation, capital raising and listing fees

The Group concluded that the revenue for the initial listing and documentation fees is to be recognised over an expected period that reflects the average listing period of issuers. This is based on an average historical minimum life expectancy of a listed company. The company has the obligation to provide the platform to the issuer over the term for which it receives the revenue.

For a new applicant issuer, a documentation fee is levied prior to the initial listing of securities. Subsequently, upon a successful listing, a capital raising fee is imposed.

Annual listing fees

An annual listings fee is charged each year for the duration of time that the securities remain listed.

Data subscription fees

Revenue is recognized from data subscriptions.

Stockbroker and sponsors: annual members' and entrance fees

Sponsors, with the exception of registered stockbrokers, are required to remit an initial, non-refundable application fee for sponsorship privileges. Additionally, sponsors are obligated to pay a non-refundable annual fee, except in the year of the initial annual fee payment.

Commission received: transaction levies

A transaction levy for listed securities that are traded is levied on the brokerage of each transaction.

Commission received: quoting fees

The commission rate earned is a levy on the total trade value (excluding Stamp Duties) for over-the-counter securities (OTCMN) traded. Additionally, a monthly quoting fee is charged for the duration of each quote on the OTCMN.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Material Accounting Policies

1.12 Revenue from contracts with customers (continued)

Stockbrokers: Guarantee fund contributions

Stockbroking members and / or broking firms contribute a 10% levy of the transaction levy to the fund.

Annual agency fees

The revenue stream consists of dual-listed securities lacking shareholder registers in Namibia. As per listing regulations, these securities are mandated to establish a receiving office in Namibia. The issuer designates Transfer Secretaries (Proprietary) Limited as its receiving office in the Republic of Namibia ('Namibia') to facilitate assistance for its shareholders domiciled in Namibia.

Quarterly registry maintenance fees

The revenue stream includes dual-listed securities with a shareholder register in Namibia, as well as primary listed securities. Transfer Secretaries (Proprietary) Limited oversees the maintenance of the register and operates a registration and transfer office in Namibia, providing designated registry services.

Service fees

The service fee revenue stream comprises services provided by Transfer Secretaries (Proprietary) Limited related to the execution of corporate actions. The services rendered include, but are not limited to, the establishment of the register for a security; the issuance of certificates or certified deeds to holders of the Principal's securities; and Preparation and distribution of dividend and/or interest payments.

Bond trading: levies

Trading levies are applied to each transaction conducted through the bond trading system.

1.13 Borrowing costs

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

1.14 Translation of foreign currencies

Foreign currency transactions

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

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

1.15 Fixed property

Fixed properties held for use in the production or supply of goods or services, or for administrative purposes, are recognized in the consolidated statement of financial position at their revalued amounts, which represent the fair value at the date of revaluation, reduced by any subsequent accumulated depreciation and impairment losses. Revaluations are conducted at regular intervals to ensure that the carrying amounts remain materially in line with fair values as of each reporting period's end. The valuations are based on the income capitalisation method.

Any increase in fair value resulting from the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it offsets a previously recognised revaluation decrease for the same asset, which was previously recognised in profit or loss. In such cases, the increase is recognised in profit or loss to the extent of the prior decrease. Conversely, a decrease in the carrying amount due to revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds any balance held in the properties revaluation reserve relating to a prior revaluation of that asset.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Notes to the 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 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:
<ul style="list-style-type: none">• Supplier finance arrangements - amendments to IAS 7 and IFRS 7	1 January 2024	The impact of the amendments is not material.
<ul style="list-style-type: none">• Non-current liabilities with covenants - amendments to IAS 1	1 January 2024	The impact of the amendments is not material.
<ul style="list-style-type: none">• Lease liability in a sale and leaseback	1 January 2024	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 January 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">• IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	Unlikely there will be a material impact
<ul style="list-style-type: none">• IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 7 Financial Instruments: Disclosures	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 9 Financial Instruments	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 9 Financial Instruments	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 10 Consolidated Financial Statements	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IAS 10 Statement of Cash flows	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	1 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none">• Lack of exchangeability - amendments to IAS 21	1 January 2025	Unlikely there will be a material impact

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Notes to the Annual Financial Statements

3. Equipment and intangibles

Group	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	625,993	(419,506)	206,487	515,880	(340,194)	175,686
IT equipment	1,245,544	(838,552)	406,992	1,096,002	(656,498)	439,504
Computer software	2,084,880	(1,376,728)	708,152	2,084,880	(1,191,994)	892,886
Total	3,956,417	(2,634,786)	1,321,631	3,696,762	(2,188,686)	1,508,076

Company	2024			2023		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	309,588	(212,324)	97,264	253,062	(179,176)	73,886
IT equipment	517,170	(429,591)	87,579	418,685	(401,433)	17,252
Computer software	1,415,839	(707,687)	708,152	1,415,839	(522,953)	892,886
Total	2,242,597	(1,349,602)	892,995	2,087,586	(1,103,562)	984,024

Reconciliation of equipment and intangibles - Group - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	175,686	111,863	(334)	(80,728)	206,487
IT equipment	439,504	163,611	(3,757)	(192,366)	406,992
Computer software	892,886	-	-	(184,734)	708,152
	1,508,076	275,474	(4,091)	(457,828)	1,321,631

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

3. Equipment and intangibles (continued)

Reconciliation of equipment and intangibles - Group - 2023

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	216,358	31,495	(72,167)	175,686
IT equipment	134,917	365,816	(61,229)	439,504
Computer software	5	923,670	(30,789)	892,886
	351,280	1,320,981	(164,185)	1,508,076

Reconciliation of equipment and intangibles - Company - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	73,886	58,275	(334)	(34,563)	97,264
IT equipment	17,252	102,485	(1)	(32,157)	87,579
Computer software	892,886	-	-	(184,734)	708,152
	984,024	160,760	(335)	(251,454)	892,995

Reconciliation of equipment and intangibles - Company - 2023

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	90,081	15,655	(31,850)	73,886
IT equipment	35,196	2,633	(20,577)	17,252
Computer software	5	923,670	(30,789)	892,886
	125,282	941,958	(83,216)	984,024

The company has identified evidence of impairment concerning the Securities and Trading Technology (STT) asset in Central Security Depository Limited. The asset with a capitalised cost of N\$ 669,041 was fully impaired during the 2016 financial year. This impairment arises because the asset has not been utilised due to the company lacking the necessary license for operation, as the legislative framework governing the asset's implementation has not yet been enacted, with no definitive implementation date established. Nonetheless, the Ministry of Finance has granted approval to issue the license under the existing Stock Exchange Control Act (Act 1 of 1985). On March 11, 2024, the Central Securities Depository Limited was granted its Central Securities Depository (CSD) license by Namibian Financial Institutions Supervisory Authority (NAMFISA). Given the absence of an active market in which to sell the asset, its recoverable amount has been assessed as nil. The directors plan to reassess this situation annually.

4. Fixed property

Group	2024			2023		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Fixed property	7,950,000	-	7,950,000	7,760,000	-	7,760,000

Reconciliation of fixed property - Group - 2024

	Opening balance	Fair value adjustments	Total
Fixed property	7,760,000	190,000	7,950,000

Reconciliation of fixed property - Group - 2023

	Opening balance	Fair value adjustments	Total
Fixed property	7,535,000	225,000	7,760,000

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

4. Fixed property (continued)

Details of property

Fixed property consists of Section 9 (measuring 255 m2 with a participation quota of 18.8%) and Section 2 (measuring 91 m2 with a participation quota of 6.7%) in the Sectional Title Scheme Maerua Heights No 65 / 2012 and an undivided share of Erf 1970 Windhoek, measuring 1264 m2. The property is un-encumbered. The property was acquired in 2013 at the cost of N\$ 6,820,300.

The major portion (70%) of the fixed property is let to the Namibian Stock Exchange and the remainder to Transfer Secretaries (Proprietary) Limited.

Details of valuation

The effective date of the revaluations was 13 January 2025. Revaluations were performed by an independent valuer, Mr Scholtz, a Professional / Sworn Appraiser holding a National Diploma: Property Valuation (Technicon SA), of Property Valuation Namibia.

The valuation was based on the income capitalisation method. The most significant judgement relates to the price earnings index where a rate of 10.81% (2023: 10.81%) was used.

The information below demonstrates the sensitivity to a possible change in the price earnings index, with all other variables held constant, of fair value of the property.

Group - 2024 financial year

Increase or decrease of a 100 basis points in the price earnings index

Increase of 100 bps	Decrease of 100 bps
8,680,000	7,210,000

Group - 2023 financial year

Increase or decrease of a 100 basis points in the price earnings index

Increase of 100 bps	Decrease of 100 bps
8,480,000	7,040,000

5. Interests in subsidiaries including consolidated structured entities

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

Company

Name of company	% holding 2024	% holding 2023	Carrying amount 2024	Carrying amount 2023
Central Securities Depository Limited	51.00 %	51.00 %	2,040	2,040
Namibian Stock Exchange Trustees (Proprietary) Limited	100.00 %	100.00 %	4,000	4,000
Transfer Secretaries (Proprietary) Limited	100.00 %	100.00 %	4,000	4,000
Maerua Investments Number Nine (Proprietary) Limited	100.00 %	100.00 %	1,325,100	1,325,100
			1,335,140	1,335,140

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

6. Loans to group companies

Subsidiaries

Maerua Investments Number Nine (Proprietary) Limited (capitalised interest)	-	-	64,266	212,969
Maerua Investments Number Nine (Proprietary) Limited	-	-	3,530,000	3,530,000
Central Securities Depository Limited	-	-	453,411	289,069
	-	-	4,047,677	4,032,038

Maerua Investments Number Nine (Proprietary) Limited:

The nature of Maerua Investments Number Nine (Proprietary) Limited is property investment, to enhance diversification of the NSX's investment portfolio, with the prospect of capital appreciation.

The long-term loan of N\$ 3,530,000 (2023: N\$ 3,530,000) provided to the subsidiary, Maerua Investments Number Nine (Proprietary) Limited, does not have a fixed term of repayment, incurs monthly interest payments at an annual rate of 8.5% (2023: 8.5%). The Namibian Stock Exchange has committed to refrain from calling this loan within the next 12 months, thus classifying it as non-current.

Central Securities Depository Limited

The Namibian Stock Exchange and Bank of Namibia have provided ongoing financial support to Central Securities Depository Limited.

Interest on the loan is charged at Namibian prime interest rate and is capitalised monthly, with no capital repayment terms specified.

As a formal agreement is in place between the Namibian Stock Exchange, Bank of Namibia and Central Securities Depository Limited the loans will not be called in the next twelve months. The Namibian Stock Exchange signed their subordination agreement before or on 31 December 2024 therefore the loan has been classified as non-current. The Bank of Namibia signed their subordination agreement after year end, 31 December 2024, therefore the loan has been classified as current

Reconciliation of Central Securities Depository

Limited loan:

Opening balance	-	-	4,628,233	3,940,290
Increase in loan	-	-	1,142,754	687,943
Accumulated impairment	-	-	(4,339,165)	(3,630,371)
Impairment charge for the year	-	-	(978,411)	(708,793)
Closing balance	-	-	453,411	289,069

Split between non-current and current portions

Non-current assets	-	-	3,983,411	3,819,069
Current assets	-	-	64,266	212,969
	-	-	4,047,677	4,032,038

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

7. Trade and other receivables

Financial instruments:

Trade receivables	1,451,682	2,222,823	884,328	1,395,775
Deposits	3,400	3,400	-	-
Loans to employees	213,872	70,041	198,225	70,041

Non-financial instruments:

VAT	34,578	58,231	-	-
Prepayments	51,571	71,966	50,954	60,963

Total trade and other receivables	1,755,103	2,426,461	1,133,507	1,526,779
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Financial instrument and non-financial instrument components of trade and other receivables

Financial instruments	1,668,954	2,296,264	1,082,553	1,465,816
Non-financial instruments	86,149	130,197	50,954	60,963
	1,755,103	2,426,461	1,133,507	1,526,779

Exposure to currency risk

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

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

The average credit period on trade receivables is 60 days.

No provision for impairment loss has been recognized as the directors have deemed the expected credit loss associated with receivables to be immaterial.

Current	763,651	781,823	403,359	573,893
Receivables past due: 30 Days	84,593	258,402	27,140	4,885
Receivables past due: 60 Days	65,438	179,475	-	-
Receivables past due: 90 Days	161,706	509,409	161,610	454,290
Receivables past due: 120+ Days	376,294	493,714	292,219	362,707
Receivables past due but not impaired	1,451,682	2,222,823	884,328	1,395,775

8. Investments at fair value

Investments held by the group which are measured at fair value, are as follows:

Opening balance	74,753,486	64,684,687	57,992,258	50,332,355
Revaluation of investments at fair value	6,252,851	7,800,201	4,804,416	5,955,948
Interest on investment at fair value reinvested	2,428,380	2,268,598	1,838,726	1,703,955
Closing balance	83,434,717	74,753,486	64,635,400	57,992,258

Designated at fair value through profit or loss:

Allan Gray - South Africa Balanced Fund	25,590,665	23,180,477	25,590,665	23,180,477
Old Mutual Unit Trust - Namibia Managed Fund	29,184,085	26,141,925	19,699,257	17,645,799
Stanlib - Namibia Managed Fund	28,659,967	25,431,084	19,345,478	17,165,981
	83,434,717	74,753,486	64,635,400	57,992,258

Namibia Securities Exchange Group

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

9. Deferred tax

Deferred tax liability

Capital allowances	(524,515)	(503,304)	-	-
Prepayments	(191)	(177)	-	-
Provision for severance pay	12,052	6,400	-	-
Assessed tax losses	-	35,757	-	-
Total deferred tax liability	(512,654)	(461,324)	-	-

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 as follows:

Deferred tax liability	(512,654)	(461,324)	-	-
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Reconciliation of deferred tax asset / (liability)

At beginning of year	(461,324)	(355,674)	-	-
Reduction due to rate change (2024: 31%, 2023: 32%)	14,416	-	-	-
(Decrease) / increase in tax loss available for set off against future taxable income - gross of valuation allowance	(34,639)	120	-	-
Taxable / (deductible) temporary difference on property, plant and equipment	(36,939)	(68,282)	-	-
Taxable / (deductible) temporary difference on repayments	(20)	(7)	-	-
Provision for severance pay	5,852	(8,320)	-	-
Taxable / (deductible) temporary difference on provision for credit losses	-	7,677	-	-
Provision for doubtful debts	-	(36,838)	-	-
	(512,654)	(461,324)	-	-

Change in tax rate

The corporate tax rate was changed from 32% to 31% and considered substantively enacted on 01 January 2024. The new rate is effective for tax years ending 31 December 2024. The deferred tax balance has been calculated by applying the new rate, taking the expected timing of reversal of deferred tax components into consideration.

The corporate tax rate has been revised to 30%, with the new rate set to take effect on 1 January 2025.

10. Other investment (restated)

At amortised cost

Opening Balance	36,572,868	46,375,755	31,728,505	44,529,266
Treasury bills - matured	(38,341,901)	(48,842,675)	(33,191,901)	(46,842,675)
Treasury bills- purchased	2,957,088	35,542,497	2,957,088	30,805,964
Interest on treasury bills reinvested	1,990,101	3,497,291	1,684,464	3,235,950
Closing Balance	3,178,156	36,572,868	3,178,156	31,728,505

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Figures in Namibia Dollar	Group		Company	
	2024	2023	2024	2023
10. Other investment (restated) (continued)				
Money market call accounts				
Opening Balance	24,761,547	10,489,183	21,531,174	5,307,192
Treasury bills - matured	38,341,901	48,842,675	33,191,901	46,842,675
Treasury bills- purchased	(2,957,088)	(35,542,497)	(2,957,088)	(30,805,964)
Interest on money market reinvested	3,290,185	1,264,351	2,860,431	931,305
Funds deposited in money market call accounts	33 2,854,540	10,107,835	2,550,000	9,655,966
Funds withdrawals from money market call accounts	33 (4,900,000)	(10,400,000)	(4,900,000)	(10,400,000)
Closing Balance	61,391,085	24,761,547	52,276,418	21,531,174
Total other investments	64,569,241	61,334,415	55,454,573	53,259,679
11. Current tax receivable				
Normal tax	57,385	56,223	-	-
Net current tax receivable				
Current assets	57,645	56,223	-	-
Current liabilities	(260)	-	-	-
	57,385	56,223	-	-
12. Cash and cash equivalents (restated)				
Cash and cash equivalents consist of:				
Cash on hand	7,000	7,000	4,000	4,000
Bank balances	1,134,130	536,790	805,701	403,263
	1,141,130	543,790	809,701	407,263
13. Members' contribution				
Issued				
Founding members' contribution	430,000	430,000	430,000	430,000
Stockbroking members' contribution	1,890,500	1,890,500	1,890,500	1,890,500
	2,320,500	2,320,500	2,320,500	2,320,500
Valuation of rights held by members				
The valuation of a new right by the Board shall be determined as the total of the entity's capital and reserves at the year-end, divided by the quantity of rights currently in circulation in accordance with Rule 2.4.6. Such valuation shall be solely intended for the computation of the prospective cost attributed to a newly issued right, if such issuance were to occur.				
Founding members' rights	43	43	43	43
Stockbroking members' contribution	35	35	35	35
	78	78	78	78
Valuation	1,894,000	1,745,000	1,487,000	1,434,000

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

14. Loans from group companies

Subsidiaries

Namibian Stock Exchange Trustees (Proprietary) Limited	-	-	4,000	4,000
Namibian Stock Exchange Guarantee Fund	-	-	19,671	24,114
Transfer Secretaries (Proprietary) Limited	-	-	591,266	284,441
	-	-	614,937	312,555

The loans are unsecured, bear no interest and has no fixed terms of repayment.

Split between non-current and current portions

Non-current liabilities	-	-	4,000	4,000
Current liabilities	-	-	610,937	308,555
	-	-	614,937	312,555

15. Loans from non-controlling interest

Loan from Bank of Namibia to Central Securities

Depository Limited	4,624,821	3,847,732	-	-
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The loan, unsecured with no fixed terms of repayment, accrues interest monthly at the Namibian prime interest rate. A formal subordination agreement, signed on 25 March 2025, exists between Bank of Namibia and Central Securities Depository Limited, ensuring that the loan will not be called up within the subsequent twelve months.

16. Deferred income

The key judgment made in determining the deferred revenue balance pertains to the period of amortisation, presently estimated at 15 years (2023: 15 years).

Opening balance	5,696,245	5,108,587	5,696,245	5,108,587
Deferred income realised during the year	(836,044)	(682,619)	(836,044)	(682,619)
Deferred income - listing and documentation fees generated during the year	1,727,066	1,270,277	1,727,066	1,270,277
	6,587,267	5,696,245	6,587,267	5,696,245

Split between non-current and current portions

Non-current liabilities	5,800,653	5,000,951	5,800,653	5,000,951
Current liabilities	786,614	695,294	786,614	695,294
	6,587,267	5,696,245	6,587,267	5,696,245

17. Provision for severance pay

Reconciliation of provision for severance pay - Group - 2024

	Opening balance	Additions	Total
Provision for severance pay	391,000	122,526	513,526

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Notes to the Annual Financial Statements

17. Provision for severance pay (continued)

Reconciliation of provision for severance pay - Group - 2023

	Opening balance	Additions	Total
Provision for severance pay	363,000	28,000	391,000

Reconciliation of provision for severance pay - Company - 2024

	Opening balance	Additions	Total
Provision for severance pay	371,000	103,650	474,650

Reconciliation of provision for severance pay - Company - 2023

	Opening balance	Additions	Total
Provision for severance pay	317,000	54,000	371,000

The provision for severance pay benefits has been determined in accordance with the Labour Act of 2007 (Act 11 of 2007).

The company made use of key assumptions to determine the liability as at year end.

Key assumptions used are:

- discount rate of 9.48% (2023: 14.07%);
- consumer price index of 3.40% (2023: 8.65%); and
- salary inflation of 3.40% (2023: 9.65%).

The severance pay liability is unfunded and is valued using the projected unit credit method prescribed by IAS 19 Employee Benefits.

The sensitivity analysis:

The value of the liability is largely dependent on the assumptions used to calculate the liability and the liability is highly sensitive to slight changes in the assumptions used due to the small number of active employees. The tables below show the impact of changes to the most significant assumptions used.

Group

The impact of a 20% increase or decrease in the withdrawal rate is as follows:

	20% Increase	20% Decrease
Total accrued liability	407,740	619,312
Service cost - year following	129,931	197,459
Interest cost - year following	38,673	58,740
	576,344	875,511

The impact of a 1% change in the discount rate is as follows:

	1% Increase	1% Decrease
Total accrued liability	432,690	610,755
Service cost - year following	137,670	195,020
Interest cost - year following	45,367	51,821
	615,727	857,596

The impact of a 1% change in the salary inflation rate is as follows:

	1% Increase	1% Decrease
Total accrued liability	615,969	427,625
Service cost - year following	196,700	136,041
Interest cost - year following	58,423	40,559
	871,092	604,225

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Notes to the Annual Financial Statements

17. Provision for severance pay (continued)

Company

The impact of a 20% increase or decrease in the withdrawal rate is as follows:

	20% Increase	20% Decrease
Total accrued liability	377,010	572,289
Service cost - year following	125,802	191,151
Interest cost - year following	35,759	54,280
	538,571	817,720

The impact of a 1% change in the discount rate is as follows:

	1% Increase	1% Decrease
Total accrued liability	401,003	562,927
Service cost - year following	133,380	188,659
Interest cost - year following	42,044	47,763
	576,427	799,349

The impact of a 1% change in the salary inflation rate is as follows:

	1% Increase	1% Decrease
Total accrued liability	567,653	396,380
Service cost - year following	190,277	131,808
Interest cost - year following	53,841	37,596
	811,771	565,784

18. Trade and other payables

Financial instruments:

Trade payables	576,674	488,771	428,011	155,054
Other payables	100,926	-	-	-
Accrued leave pay	519,675	488,519	431,120	416,189
Accrued bonus	1,035,878	1,310,080	880,427	1,217,128
Accrued salary related expenses	65,819	70,519	65,819	70,519
Accrued audit fees	653,802	613,900	471,048	442,299

Non-financial instruments:

Amounts received in advance	127,320	258,420	127,320	258,420
VAT	79,102	32,232	-	-
	3,159,196	3,262,441	2,403,745	2,559,609

Financial instrument and non-financial instrument components of trade and other payables

Financial instruments	2,952,774	2,971,789	2,276,425	2,301,189
Non-financial instruments	206,422	290,652	127,320	258,420
	3,159,196	3,262,441	2,403,745	2,559,609

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023
19. Revenue				
Revenue from contracts with customers				
Rendering of services	16,183,392	15,392,018	11,110,300	11,233,116
Namibian Stock Exchange				
Initial documentation, capital raising and listing fees	978,418	794,170	978,418	794,170
Annual listing fees	5,042,153	4,980,357	5,042,153	4,980,357
Data subscription fees	1,253,686	1,161,096	1,253,686	1,161,096
Stockbrokers and sponsors: annual members' and entrance fees	359,150	345,280	359,150	345,280
Commission received: transaction and bond trading levies	3,439,877	3,916,382	3,439,877	3,916,382
Commission received: quoting fees	37,016	35,831	37,016	35,831
Namibian Stock Exchange Guarantee Fund				
Stockbrokers: Guarantee fund contributions	320,218	388,968	-	-
Transfer Secretaries (Proprietary) Limited				
Annual agency fees	288,132	206,400	-	-
Quarterly registry maintenance fees	1,482,603	1,322,091	-	-
Service fees: corporate actions	2,982,139	2,241,443	-	-
	16,183,392	15,392,018	11,110,300	11,233,116
Disaggregation of revenue from contracts with customers				
Total revenue from contracts with customers	16,183,392	15,392,018	11,110,300	11,233,116
Timing of revenue recognition				
At a point in time				
Annual listing fees	5,042,153	4,980,357	5,042,153	4,980,357
Data subscription fees	1,253,686	1,161,096	1,253,686	1,161,096
Stockbrokers and sponsors: annual members' and entrance fees	359,150	345,280	359,150	345,280
Commission received: transaction levies	3,439,877	3,916,382	3,439,877	3,916,382
Commission received: quoting fees	37,016	35,831	37,016	35,831
Stockbrokers: Guarantee fund contributions	320,218	388,968	-	-
Annual agency fees	288,132	206,400	-	-
Quarterly registry maintenance fees	1,482,603	1,322,091	-	-
Service fees: corporate actions	2,982,139	2,241,443	-	-
	15,204,974	14,597,848	10,131,882	10,438,946
Over time				
Initial documentation, capital raising and listing fees	978,418	794,170	978,418	794,170
The key judgement made in determining the deferred revenue balance is the period of amortisation, this is currently estimated at 15 years (2023: 15 years).				
Total revenue from contracts with customers	16,183,392	15,392,018	11,110,300	11,233,116
Revenue deferral application				
Initial documentation, capital raising and listing fees earned during the year	1,869,440	1,381,828	1,869,440	1,381,828
Revenue earned during the year to be deferred	(1,727,066)	(1,270,277)	(1,727,066)	(1,270,277)
Deferred revenue from prior years realised during the current year	836,044	682,619	836,044	682,619
	978,418	794,170	978,418	794,170

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		Group		Company	
Figures in Namibia Dollar		2024	2023	2024	2023
20. Other operating income					
Administration and management fees received		-	-	1,873,066	1,890,169
Other income		194,325	8,712	194,325	8,712
Other recoveries		179,550	-	-	-
		373,875	8,712	2,067,391	1,898,881
21. Other operating gains (losses)					
Gains (losses) on disposals, scrappings and settlements					
Property, plant and equipment	3	1,109	10,458	(335)	-
Foreign exchange gains					
Net foreign exchange gains		34,735	72,353	35,030	72,353
Total other operating gains		35,844	82,811	34,695	72,353
22. Operating profit (loss)					
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:					
Auditor's remuneration - external					
Audit fees		721,906	613,900	539,139	442,299
Non-audit fees		40,000	-	40,000	-
		761,906	613,900	579,139	442,299
Remuneration, other than to employees					
Consulting and professional services		1,378,320	92,176	943,112	54,104
Secretarial services		187,741	11,840	290	610
		1,566,061	104,016	943,402	54,714
Employee costs					
As at 31 December 2024 the group had 12 permanent employees (2023: 13). The total cost of employment of all employees, including executive directors, was as follows:					
Salaries, wages, bonuses and other benefits		9,212,310	8,089,233	7,439,754	7,122,755
Severance expense		122,526	28,000	103,650	54,000
Board and committee fees		1,107,401	804,313	936,401	630,228
Retirement benefit plans: defined contribution expense		1,775,562	1,575,736	1,435,470	1,380,777
Total employee costs		12,217,799	10,497,282	9,915,275	9,187,760
Rent paid					
Short-term leases		144,904	134,171	1,110,930	1,028,639
Total lease expenses		144,904	134,171	1,110,930	1,028,639
Depreciation and amortisation					
Depreciation of property, plant and equipment		457,828	164,185	251,454	83,216
Impairment losses					
Investments in subsidiaries, joint arrangements and associates	6	-	-	978,411	708,793

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023
23. Investment income				
Interest income				
Loans to subsidiaries	-	-	826,597	760,183
Investments in financial assets:				
Money market call accounts	3,299,037	1,264,351	2,860,431	931,305
Interest on bank account	831	-	527	-
Treasury bills	1,990,101	3,497,291	1,684,464	3,235,950
Investment at fair value through profit or loss	2,428,381	2,268,599	1,838,726	1,703,955
Total interest income	7,718,350	7,030,241	7,210,745	6,631,393

Interest received on investments and money-market funds are not received as cash, but are directly re-invested and therefore considered non-cash. The interest was incorrectly classified to be part of cash flow in prior periods.

The impact of the restatement for group and company amounts to N\$ 7,030,241 and N\$ 6,631,393 respectively, both amounts exceeding quantitative materiality and are considered IAS 8 errors due to incorrectly being shown as cash receipts in the statement of cash flows where IAS 7 requires only cash flows to be presented. Accordingly, the cash flows have been restated.

24. Finance costs

Interest expense: Bank of Namibia	519,843	412,426	-	-
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25. Other non-operating gains

Fair value gains

Financial assets designated as at fair value through profit or loss	8	6,252,851	7,800,201	4,804,416	5,955,949
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Notes to the Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

26. Taxation

Major components of the tax expense

Current

Local income tax - current period	57,386	-	-	-
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Deferred

Deferred tax	51,330	105,650	-	-
	108,716	105,650	-	-

Reconciliation of the income tax expense

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	31.00 %	32.00 %	- %	- %
Exempt income	(37.30)%	(34.42)%	- %	- %
Decrease in tax rate	(1.00)%	- %	- %	- %
Current financial year losses in subsidiaries	6.22 %	3.17 %	- %	- %
Effective tax rate	(1.08)%	0.75 %	- %	- %

Unutilised tax losses from Central Securities Depository Limited, that is available for set off against future taxable income:

At the beginning of the year	(8,505,334)	(7,111,418)	-	-
Increase during year	(2,024,866)	(1,393,916)	-	-
	(10,530,200)	(8,505,334)	-	-

No deferred tax asset has been recognised in Central Securities Depository Limited for the current financial year due to a taxable loss; however, management anticipates that the company will generate taxable income within the next five years, at which point they will reevaluate the treatment of the carried-forward assessed loss.

27. Other comprehensive income

Components of other comprehensive income - Group - 2024

	Gross	Tax	Net
Items that will not be reclassified to profit / (loss)			
Movements on revaluation			
Gains on property revaluation	190,000	-	190,000

Components of other comprehensive income - Group - 2023

	Gross	Tax	Net
Items that will not be reclassified to profit / (loss)			
Movements on revaluation			
Gains on property revaluation	225,000	-	225,000

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023
28. Employee costs				
Employee costs				
Basic	6,738,899	5,810,834	5,627,365	5,131,780
Bonus	1,292,216	1,439,538	982,783	1,279,832
Medical aid - company contributions	848,231	620,891	537,762	525,369
Social security contributions	12,393	9,593	7,533	6,920
VET levies	71,144	95,099	51,110	83,501
Leave pay provision charge	249,427	113,278	233,201	95,353
Severance pay	122,526	28,000	103,650	54,000
Directors and committee fees	1,107,401	804,313	936,401	630,228
Retirement benefit plans	1,775,562	1,575,736	1,435,470	1,380,777
	12,217,799	10,497,282	9,915,275	9,187,760
29. Depreciation, amortisation and impairment losses				
Depreciation				
Property, plant and equipment	457,828	164,185	251,454	83,216
Impairment losses				
Investments in subsidiaries, joint arrangements and associates	-	-	978,411	708,794
Total depreciation, amortisation and impairment				
Depreciation	457,828	164,185	251,454	83,216
Impairment losses	-	-	978,411	708,794
	457,828	164,185	1,229,865	792,010
30. Cash (used in) / generated from operations (restated)				
Profit before taxation	10,026,750	14,067,299	7,630,623	11,011,287
Adjustments for non-cash items:				
Depreciation, amortisation, impairments and reversals of impairments	457,828	164,185	1,229,865	792,010
(Gains) / losses on sale of assets and liabilities	(1,109)	(10,458)	335	-
Fair value gains*	(6,140,667)	(7,800,200)	(4,829,714)	(6,107,050)
Movements in severance provisions	122,526	28,000	103,650	54,000
Movement in loans from non-controlling interest (minority interest)	519,839	412,426	-	-
Interest income*	(7,718,350)	(7,030,241)	(6,909,873)	(6,324,233)
Adjust for items which are presented separately:				
Interest income*	(831)	-	(301,399)	(307,160)
Finance costs	519,843	412,426	-	-
Changes in working capital:				
(Increase) / decrease in trade and other receivables	671,358	(365,828)	393,272	36,553
Increase / (decrease) in trade and other payables	(205,745)	643,687	(258,364)	385,381
Increase / (decrease) in deferred income	891,022	587,658	891,022	587,658
	(857,536)	1,108,954	(2,050,583)	128,446
31. Tax (paid)				
Balance at beginning of the year	56,223	8,541	-	-
Current tax recognised in profit or loss	(57,386)	-	-	-
Balance at end of the year	(57,385)	(56,223)	-	-
	(58,548)	(47,682)	-	-

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

32. Related parties

Relationships	
Holding company	Namibia Securities Exchange
Subsidiaries	Central Securities Depository Limited
	Namibian Stock Exchange Trustees (Proprietary) Limited
	Maerua Investments Number Nine (Proprietary) Limited
	Namibian Stock Exchange Guarantee Fund
	Transfer Secretaries (Proprietary) Limited
Other: Non-controlling interest in Central Securities Depository Limited	Bank of Namibia

Related party balances

Loan accounts - Owing (to) by related parties

Namibian Stock Exchange Trustees (Proprietary) Limited	-	-	(4,000)	(4,000)
Central Securities Depository Limited	-	-	453,411	289,069
Maerua Investments Number Nine (Proprietary) Limited	-	-	3,530,000	3,530,000
Maerua Investments Number Nine (Proprietary) Limited	-	-	64,266	212,969
Namibian Stock Exchange Guarantee Fund	-	-	(19,671)	(24,114)
Transfer Secretaries (Proprietary) Limited	-	-	(591,266)	(284,441)

Related party transactions

Interest received from related parties

Maerua Investments Number Nine (Proprietary) Limited	-	-	(300,872)	(307,160)
Central Securities Depository Limited	-	-	(525,725)	(453,023)

Rent paid to related parties

Maerua Investments Number Nine (Proprietary) Limited	-	-	966,026	894,468
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Management and Administration fees received from related parties

Maerua Investments Number Nine (Proprietary) Limited	-	-	(14,266)	(12,969)
Central Securities Depository Limited	-	-	(480,000)	(480,000)
Transfer Secretaries (Proprietary) Limited	-	-	(1,378,800)	(1,397,200)

Compensation to directors and other key management

Board and committee fees

G Marais	111,000	102,433	84,800	74,574
H Gerdes	254,067	134,527	232,492	114,055
H Bossau	24,700	23,396	24,700	23,395
B Hansen	105,000	111,131	89,600	87,734
D Smit	247,767	125,754	207,717	95,778
M Smith	136,000	76,037	120,600	61,414
M Spath	74,675	58,490	59,275	43,868
S De Bruin	98,500	52,641	73,875	39,481
P Ithindi	49,400	58,490	37,050	43,868
B van Rensburg	6,292	-	6,292	-
O Capelao	-	38,018	-	28,514
D Nuyoma	-	23,396	-	17,547
	1,107,401	804,313	936,401	630,228

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	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

33. Prior period errors

During the prior year, there was an erroneous classification of financial assets (money market funds) as cash and cash equivalents. This was due to an error in applying the requirements in the definition of Cash Equivalents, due to the assets being highly liquid. This has been corrected in the annual financial statements comparative figures presented in the Statements of Financial Position, Statements of Cash Flows and the Notes to the Annual Financial Statements, by reclassification of the money market accounts from cash and cash equivalents to other investments.

The effects of the reclassification are as follows:

Statement of Financial Position	Group 2023 N\$ Restated	Group 2023 N\$ Previously reported	Company 2023 N\$ Restated	Company 2023 N\$ Previously reported
Cash and cash equivalents	543,790	25,305,337	407,263	21,938,437
Other investments	61,334,415	36,572,868	53,259,679	31,728,505
Statement of Cash flows				
Interest income	-	7,030,241	307,160	6,631,393
Net impact on operating activities	-	7,030,241	307,160	6,631,393

Interest received on investments and money-market funds are not received as cash, but are directly re-invested and therefore considered non-cash. The interest was incorrectly classified to be part of cash flow in prior periods.

The impact of the restatement for group and company amounts to N\$ 7,030,241 and N\$ 6,631,393 respectively, both amounts exceeding quantitative materiality and are considered IAS 8 errors due to incorrectly being shown as cash receipts in the statement of cash flows where IAS 7 requires only cash flows to be presented. Accordingly, the cash flows have been restated.

Additional deposits in money market call accounts	(10,107,836)	-	(9,655,965)	-
Repayment of loans to group companies	-	-	(45,000)	-
Withdrawals from money market call accounts	10,400,000	-	10,400,000	-
Purchases of investments at fair value	-	(2,268,599)	-	(1,703,955)
Disposal of other investments (at amortised cost)	-	9,802,887	-	12,800,761
Net impact on investing activities	292,164	7,534,288	699,035	11,096,806
Cash and cash equivalents at the beginning of the year	623,223	11,112,406	550,621	5,857,813
Cash and cash equivalents at the end of the year	543,790	25,305,337	407,263	21,938,437
Total cash movement for the year	(79,433)	14,192,931	(143,358)	16,080,624

Statement of Financial Position	Group 2022 N\$ Restated	Group 2022 N\$ Previously reported	Company 2022 N\$ Restated	Company 2022 N\$ Previously reported
Cash and cash equivalents	623,223	11,112,406	550,621	5,857,813
Other investments	56,864,938	46,375,755	49,836,458	44,529,266

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34. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2024

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Investments at fair value	8	83,434,717	-	83,434,717	83,434,717
Trade and other receivables	7	-	1,668,954	1,668,954	1,668,954
Cash and cash equivalents	12	-	1,141,130	1,141,130	1,141,130
		83,434,717	2,810,084	86,244,801	86,244,801

Group - 2023

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Investments at fair value	8	74,753,486	-	74,753,486	74,753,486
Trade and other receivables	7	-	2,296,264	2,296,264	2,296,264
Cash and cash equivalents	12	-	543,790	543,790	543,790
		74,753,486	2,840,054	77,593,540	77,593,540

Company - 2024

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Loans to group companies	6	-	4,047,677	4,047,677	4,047,677
Investments at fair value	8	64,635,400	-	64,635,400	64,635,400
Trade and other receivables	7	-	1,082,553	1,082,553	1,082,553
Cash and cash equivalents	12	-	809,701	809,701	809,701
		64,635,400	5,939,931	70,575,331	70,575,331

Company - 2023

	Note(s)	Fair value through profit or loss - Designated	Amortised cost	Total	Fair value
Loans to group companies	6	-	4,032,038	4,032,038	4,032,038
Investments at fair value	8	57,992,258	-	57,992,258	57,992,258
Trade and other receivables	7	-	1,465,816	1,465,816	1,465,816
Cash and cash equivalents	12	-	407,263	407,263	407,263
		57,992,258	5,905,117	63,897,375	63,897,375

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34. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	18	2,952,774	2,952,774	2,850,274
Loans from non-controlling interest	15	4,624,821	4,624,821	4,624,821
		7,577,595	7,577,595	7,475,095

Group - 2023

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	18	2,971,789	2,971,789	2,971,789
Loans from non-controlling interest	15	3,847,732	3,847,732	3,847,732
		6,819,521	6,819,521	6,819,521

Company - 2024

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	18	2,276,425	2,276,425	2,173,925
Loans from group companies	14	614,937	614,937	614,937
		2,891,362	2,891,362	2,788,862

Company - 2023

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	18	2,301,187	2,301,187	2,301,189
Loans from group companies	14	308,555	308,555	308,555
		2,609,742	2,609,742	2,609,744

Capital risk management

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

Loans from group companies	14	-	-	614,937	312,555
Loans from non-controlling interest	15	4,624,821	3,847,732	-	-
Trade and other payables	18	2,850,274	2,971,789	2,173,925	2,301,189
Total borrowings		7,475,095	6,819,521	2,788,862	2,613,744
Cash and cash equivalents	12	(1,141,130)	(543,790)	(809,701)	(407,263)
Net borrowings		6,333,965	6,275,731	1,979,161	2,206,481
Equity		144,831,743	134,723,709	118,228,394	110,597,771
Gearing ratio		4 %	5 %	2 %	2 %

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34. Financial instruments and risk management (continued)

Financial risk management

Overview

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

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

Credit risk

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

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

Group		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Investments at fair value through profit or loss	8	83,434,717	-	83,434,717	74,753,486	-	74,753,486
Trade and other receivables	7	1,668,954	-	1,668,954	2,296,264	-	2,296,264
Cash and cash equivalents	12	1,141,130	-	1,141,130	543,790	-	543,790
		86,244,801	-	86,244,801	77,593,540	-	77,593,540
Company		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to group companies	6	4,047,677	-	4,047,677	4,032,038	-	4,032,038
Investments at fair value through profit or loss	8	64,635,400	-	64,635,400	57,992,258	-	57,992,258
Trade and other receivables	7	1,082,553	-	1,082,553	1,465,816	-	1,465,816
Cash and cash equivalents	12	809,701	-	809,701	407,263	-	407,263
		70,575,331	-	70,575,331	63,897,375	-	63,897,375

Liquidity risk

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

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows.

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

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34. Financial instruments and risk management (continued)

Group - 2024

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	18	2,850,274	2,850,274	2,952,774
Loans from non-controlling interest	15	4,624,821	4,624,821	4,624,821
		7,475,095	7,475,095	7,577,595

Group - 2023

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	18	2,971,789	2,971,789	2,971,789
Loans from non-controlling interest	15	3,847,732	3,847,732	3,847,732
		6,819,521	6,819,521	6,819,521

Company - 2024

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	18	2,173,925	2,173,925	2,276,425
Loans from group companies	14	614,937	614,937	614,937
		2,788,862	2,788,862	2,891,362

Company - 2023

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	18	2,301,189	2,301,189	2,301,189
Loans from group companies	14	308,555	308,555	308,555
		2,609,744	2,609,744	2,609,744

Foreign currency risk

The group is exposed to foreign currency risk as a result of certain transactions which are denominated in foreign currencies.

The group engages in transactions denominated in foreign currencies, leading to exposures to fluctuations in exchange rates. A considerable portion of these foreign currency transactions are in South African Rand. Namibia operates within the Southern African Common Monetary Area, with the Namibian Dollar pegged to the South African Rand on a one-to-one basis. Nearly all transactions on the Stock Exchange occur within this common monetary area. Foreign data distribution vendors are invoiced in foreign currency, and these amounts remain unhedged.

As of the year-end, the group does not hold assets or liabilities denominated in foreign currency.

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

34. Financial instruments and risk management (continued)

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The debt of the group is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rates on all borrowings compare favourably with those rates available in the market.

The group policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

Interest rate profile

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

	Note	Average effective interest rate		Carrying amount	
		2024	2023	2024	2023
Group					
Variable rate instruments:					
Assets					
Trade and other receivables	7			1,668,954	2,296,264
Investments at fair value	8			83,434,717	74,753,487
Cash and cash equivalents	12			1,141,130	543,790
Other investments (at amortised cost)	10			64,569,241	61,334,415
				150,814,042	138,927,956
Liabilities					
Trade and other payables	18			2,850,274	2,971,789
Provision for severance pay	17			513,526	391,000
Loans from non-controlling interest	15	10.75 %	11.50 %	4,624,821	3,847,732
				7,988,621	7,210,521
Net variable rate financial instruments				158,802,663	146,138,477
Variable rate financial assets as a percentage of total interest bearing financial assets				100.00 %	100.00 %
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities				100.00 %	100.00 %

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

34. Financial instruments and risk management (continued)

	Note	Average effective interest rate		Carrying amount	
		2024	2023	2024	2023
Company					
Variable rate instruments:					
Assets					
Loans to group companies	6	10.75 %	11.50 %	453,412	289,068
Trade and other receivables	7			1,082,553	1,465,816
Investments at fair value	8			64,635,400	57,992,259
Cash and cash equivalents	12			809,701	407,263
Other investments (at amortised cost)	10			55,454,573	53,259,679
				122,435,639	113,414,085
Liabilities					
Trade and other payables	18			2,173,925	2,301,189
Provision for severance pay	17			474,650	371,000
				2,648,575	2,672,189
Net variable rate financial instruments				125,084,214	116,086,274
Fixed rate instruments:					
Assets					
Loans to group companies	6			64,266	212,969
Loans to group companies	6	8.50 %	8.50 %	3,530,000	3,530,000
				3,594,266	3,742,969
Liabilities					
Loans from group companies	14			4,000	4,000
Net fixed rate financial instruments				3,598,266	3,746,969
Variable rate financial assets as a percentage of total interest bearing financial assets				97.15 %	96.81 %
Fixed rate financial assets as a percentage of total interest bearing financial assets				2.85 %	3.19 %
Variable rate financial liabilities as a percentage of total interest bearing financial liabilities				99.85 %	99.85 %
Fixed rate financial liabilities as a percentage of total interest bearing financial liabilities				0.15 %	0.15 %

Price risk

The group is exposed to price risk because of its investments in equity instruments which are measured at fair value. The exposure to price risk on equity investments is managed through a diversified portfolio.

Refer to note 8 for details on exposure to price risk.

35. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 3: Unobservable inputs for the asset or liability.

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

	Group		Company	
Figures in Namibia Dollar	2024	2023	2024	2023

35. Fair value information (continued)

Levels of fair value measurements

Level 1

Recurring fair value measurements

Assets	Note(s)				
Financial assets designated at fair value through profit or loss	8				
Investment at fair value		83,434,717	74,753,487	64,635,400	57,992,259
Total		83,434,717	74,753,487	64,635,400	57,992,259

Level 3

Recurring fair value measurements

Assets	Note(s)				
Fixed property	4				
Fixed property		7,950,000	7,760,000	-	-
Total		7,950,000	7,760,000	-	-

Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Gains (losses) recognised in other comprehensive income	Closing balance
Group - 2024				
Assets				
Fixed property				
Fixed property		7,760,000	190,000	7,950,000
Total		7,760,000	190,000	7,950,000
Group - 2023				
Assets				
Fixed property	4			
Fixed property		7,535,000	225,000	7,760,000
Total		7,535,000	225,000	7,760,000

Namibia Securities Exchange Group

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Notes to the Annual Financial Statements

36. Going concern

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

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

37. 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.

38. Approval of the annual financial statements

The annual financial statements were authorized for issuance on 15 May 2025.

Namibia Securities Exchange Group

Annual Financial Statements for the year ended 31 December 2024

Detailed Income Statement

Figures in Namibia Dollar	Note(s)	Group		Company	
		2024	2023	2024	2023
Revenue					
Rendering of services		15,863,174	15,003,050	11,110,300	11,233,116
Other Income		320,218	388,968	-	-
	19	16,183,392	15,392,018	11,110,300	11,233,116
Other operating income					
Administration and management fees received		-	-	1,873,066	1,890,169
Fees earned		194,325	8,712	194,325	8,712
Other recoveries		179,550	-	-	-
	20	373,875	8,712	2,067,391	1,898,881
Other operating gains (losses)					
Gains (losses) on disposal of assets		1,109	10,458	(335)	-
Foreign exchange gains		34,735	72,353	35,030	72,353
	21	35,844	82,811	34,695	72,353
Expenses (Refer to page 47)		(20,017,719)	(15,834,258)	(17,596,924)	(14,780,405)
Operating (loss)	22	(3,424,608)	(350,717)	(4,384,538)	(1,576,055)
Investment income	23	7,718,350	7,030,241	7,210,745	6,631,393
Finance costs	24	(519,843)	(412,426)	-	-
Other non-operating gains					
Fair value gains		6,252,851	7,800,201	4,804,416	5,955,949
Profit before taxation		10,026,750	14,067,299	7,630,623	11,011,287
Taxation	26	(108,716)	(105,650)	-	-
Profit for the year		9,918,034	13,961,649	7,630,623	11,011,287

Namibia Securities Exchange Group

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Detailed Income Statement

Figures in Namibia Dollar	Note(s)	Group		Company	
		2024	2023	2024	2023
Other operating expenses					
Advertising		(37,460)	-	(37,460)	-
Auditor's remuneration - external audit	22	(761,906)	(613,900)	(579,139)	(442,299)
Bad debts		-	(8,066)	-	(8,066)
Bank charges		(48,534)	(36,092)	(42,245)	(32,309)
Body corporate levies		(91,308)	(90,388)	-	-
CFA re-imbursements		(454,938)	(109,425)	(454,938)	(109,425)
Casual wages		(351)	(79,541)	-	(59,651)
Consulting and professional fees		(1,378,320)	(92,176)	(943,112)	(54,104)
Consumables		(97,065)	(69,853)	(89,348)	(68,338)
Depreciation		(457,828)	(164,185)	(251,454)	(83,216)
Employee costs		(12,217,799)	(10,497,282)	(9,915,275)	(9,187,760)
Fines and penalties		(9,159)	(500)	(3,757)	(250)
IT expenses		(1,092,614)	(789,699)	(622,706)	(468,415)
Impairment on loan to related party		-	-	(978,411)	(708,794)
Insurance		(324,116)	(305,061)	(243,739)	(228,803)
License levies		(935,366)	(936,002)	(935,366)	(936,002)
Membership fees		(527,630)	(567,049)	(527,630)	(567,049)
Municipal expenses		(176,439)	(201,050)	-	-
Postage		(1,118)	(467)	(1,033)	(467)
Printing and stationery		(148,687)	(99,255)	(97,659)	(61,343)
Rent		(144,904)	(134,171)	(1,110,930)	(1,028,639)
Repairs and maintenance		(95,521)	(185,121)	(3,045)	(6,374)
STT: 25% revenue share on bond trading system		(59,369)	(6,850)	(59,369)	(6,850)
Secretarial fees		(187,741)	(11,840)	(290)	(610)
Security		(6,823)	(7,313)	-	(759)
Special events		(306,441)	(75,661)	(306,031)	(73,731)
Subscriptions		(31,040)	(31,764)	(31,040)	(31,764)
Telephone and fax		(70,934)	(64,107)	(67,167)	(58,540)
Training		(51,497)	(217,903)	(51,497)	(217,903)
Travel - local		(59,924)	(13,633)	(2,825)	(13,633)
Travel - overseas		(242,887)	(425,904)	(241,458)	(325,311)
		(20,017,719)	(15,834,258)	(17,596,924)	(14,780,405)