



**Bidvest
Namibia**

Further detailed information regarding our group can be found on the Bidvest Namibia website:

www.bidvestnamibia.com.na

Announcement of annual audited financial results for the year ended June 30 2016

Revenue
– increased by 9,2% to N\$3,9 billion

Trading profit
– declined by 28% to N\$294,9 million

Headline earnings per share
– declined by 16,5% to 86,2 cents

Cash generated by operations
– 28,3% decrease to N\$391,4 million

Net tangible asset value per share
– 4,6% decrease to 734 cents

Dividends per share
– 32,1% decrease to 38 cents



Commentary

Financial performance

Bidvest Namibia (BVN) had a very difficult financial year resulting in below expectation performances. Although revenue increased by 9,2% to N\$3,9 billion, trading profit decreased by 28% to N\$294,9 million. The increase in revenue is mainly attributable to the acquisition of Novel Motor Company, which made a N\$755,2 million contribution to revenue.

The Fishing division continued to face challenges on various fronts. Horse mackerel quotas were insufficient to fully utilise catching capacity, despite reducing the horse mackerel fleet by two vessels. Although the division continued to secure third-party quotas at a cost, the horse mackerel volumes sold decreased by 36,2%. The hard currency prices also declined by 21,0% compared to the previous year, due to various external market forces including import restrictions in Nigeria. The lack of large fish in the size mix of fish caught suppressed the average selling prices. Fortunately the exchange rate helped to offset lower volumes and selling prices.

The Carapau Joint Venture, which was constituted during the previous year worked well and contributed N\$8,3 million in equity accounted earnings for the year.

The Namibian pilchard resource is under great strain which put the industry and operations under severe pressure. Consequently it was not feasible for Walvis Bay's two canneries to both open this pilchard season. Therefore agreement was reached with Etosha Fishing for them to can and our United Fishing to catch the pilchards.

Our Angolan operations generated lower than expected profits, mainly due to technical breakdowns of the two vessels.

The Fishing division nevertheless still contributed 67,0% of our trading profit.

The new Automotive division performed remarkably well in a declining market and is in line with our expectations at acquisition.

Freight and logistics struggled due to lack of projects and reduced port and freight volumes in the current financial year. Structural changes have been made to correct size operations and the division should show improved results.

Food and distribution performed well compared to the previous year. This year's trading profit includes a N\$7 million settlement received from Namibian Poultry Industry Proprietary Limited regarding their cancellation of a chicken distribution agreement.

Most of our businesses in the Commercial and industrial products and services division showed double-digit growth in revenue and in profits, which, however, were negated by a poor performance at Voltex. A turnaround plan is currently being implemented in this operation.

Prospects

The Fishing division continues to face significant challenges in the horse mackerel and pilchard operations. The current market prices, the strengthening of the Namibian dollar and the declining pilchard resource availability are external market factors placing pressure on our performance in the short term.

We will continue to right-size our fishing operations with our quota availability and will strive to secure further joint ventures with new horse mackerel right holders.

The commercial businesses are also facing challenging economic conditions, and efforts are being made to align or keep cost structures in line with revenue streams.

For and on behalf of the board

LP Ralphp **S Kankondi**
Chairman *Chief executive*

Dividend declaration

Notice is hereby given that a final cash dividend of 18 cents per share has been awarded to members recorded in the register of the company at the close of business on Friday, September 9 2016. Shareholders are advised that the last day to trade "Cum" the distribution will be Friday, September 2 2016. The shares will trade "Ex" the distribution as from Monday, September 5 2016 and the record date will be Friday, September 9 2016. Payment will be made on Friday, September 23 2016.

For and on behalf of the board

V Hocutt

Company secretary

Windhoek

August 22 2016

Analyst presentation

The presentation to investors will be available on the Bidvest Namibia website from 10:00 on August 23 2016.

Summarised consolidated statement of profit or loss and other comprehensive income for the year ended June 30

N\$'000	2016	2015	% change
Revenue	3 858 596	3 534 769	9,2
Cost of sales	(3 127 135)	(2 782 517)	
Gross profit	731 461	752 252	(2,8)
Other income	12 802	17 252	(25,8)
Operating expenses	(449 376)	(359 849)	(24,9)
Trading profit	294 887	409 655	(28,0)
Net capital items	(2 048)	102 267	
Operating profit	292 839	511 922	(42,8)
Net finance income	17 133	27 111	
Finance income	35 883	30 275	
Finance charges	(18 750)	(3 164)	
Share of joint venture	2 873	3 565	(19,4)
Share of associate	10 517	2 391	
Profit before taxation	323 362	544 989	(40,7)
Taxation	(88 248)	(132 523)	
Profit for the year	235 114	412 466	(43,0)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial (loss) income on valuation of post-retirement medical obligation	(212)	409	
Items that are or may be reclassified subsequently to profit or loss			
Movement on translation of foreign subsidiary	24 198	11 986	
Total comprehensive income for the year	259 100	424 861	(39,0)
Profit attributable to:			
Equity holders of the company	184 222	289 236	(36,3)
Non-controlling interest	50 892	123 230	(58,7)
	235 114	412 466	(43,0)
Comprehensive income attributable to:			
Equity holders of the company	195 867	295 518	(33,7)
Non-controlling interest	63 233	129 343	(51,1)
	259 100	424 861	(39,0)
Shares in issue			
Total ('000)	211 953	211 953	
Weighted and diluted ('000)	211 953	211 953	
Basic earnings per share (cents)	86,9	136,5	(36,2)
Headline earnings per share (cents)	86,2	103,2	(16,5)
Dividends per share (cents)	38,0	56,0	(32,1)
Interim	20,0	22,0	
Final	18,0	34,0	
HEADLINE EARNINGS			
The following adjustments to profit attributable to equity holders were taken into account in the calculation of headline earnings:			
Profit attributable to equity holders of the company	184 222	289 236	(36,3)
Net loss (profit) on disposal of property, plant and equipment deemed to be of a capital nature	(1 607)	(70 459)	
Property, plant and equipment	(1 023)	(101 353)	
Impairment of intangible assets	2 267	–	
Non-controlling interest	(2 850)	30 894	
Headline earnings	182 616	218 777	(16,5)

Segmental analysis

N\$'000	2016	2015	% change
REVENUE			
Automotive	755 152	–	100,0
Fishing	1 089 247	1 505 753	(27,7)
Freight and Logistics	309 862	368 467	(15,9)
Food and Distribution	1 197 802	1 193 985	0,3
Commercial and Industrial Services and Products	490 134	452 903	8,2
Corporate Services and Properties	16 399	13 661	20,1
	3 858 596	3 534 769	9,2
TRADING PROFIT			
Automotive	42 620	–	100,0
Fishing	197 443	339 516	(41,8)
Freight and Logistics	11 873	35 845	(66,9)
Food and Distribution	19 546	9 555	104,6
Commercial and Industrial Services and Products	22 894	28 370	(19,3)
Corporate Services and Properties	511	(3 631)	114,1
	294 887	409 655	(28,0)

Summarised consolidated statement of financial position

as at June 30	2016	2015
ASSETS		
Non-current assets		
Property, plant and equipment	864 213	828 668
Intangible assets	47 685	27 721
Goodwill	244 311	118 918
Interest in joint venture	–	1 299
Interest in associate	83 374	3 203
Long-term lease receivables	–	143
Other financial assets	12 714	12 714
Deferred tax asset	7 956	11 236
Loan receivable	55 445	104 342
Current assets	1 793 763	1 901 045
Inventories	486 560	432 002
Biological assets	3 413	4 064
Short-term portion of lease receivables	608	3 557
Trade and other receivables	557 088	546 409
Current tax assets	1 927	6 650
Cash and cash equivalents	744 167	908 363
Assets classified as held for sale	50 563	15 290
Total assets	3 160 025	3 024 579
EQUITY AND LIABILITIES		
Capital and reserves		
Attributable to equity holders of the company	1 848 693	1 775 549
Non-controlling interest in equity	455 218	502 481
Non-current liabilities	205 450	220 459
Deferred tax liability	170 946	203 646
Post-employment obligations	16 036	15 820
Long-term portion of borrowings	17 398	–
Operating lease liability	1 070	850
Long-term portion finance lease liability	–	143
Current liabilities	650 663	526 090
Trade and other payables	409 092	503 885
Borrowings	232 186	18 319
Short-term portion of finance lease liability	608	3 557
Taxation	8 777	329
Total equity and liabilities	3 160 025	3 024 579
Number of shares in issue ('000)	211 953	211 953
Net tangible asset value per share (cents)	734	769
Net asset value per share (cents)	872	838

Summarised consolidated statement of changes in equity

for the year ended June 30	2016	2015
Equity holders' interest		
Share capital	2 120	2 120
Balance at beginning and end of the year	2 120	2 120
Share premium	660 272	660 272
Balance at beginning and end of the year	660 272	660 272
Foreign currency translation reserve	31 767	19 910
Balance at beginning of the year	19 910	14 037
Arising during the year	11 857	5 873
BEE share-based payment reserve	16 988	16 988
Balance at beginning and end of the year	16 988	16 988
Share-based payment reserve	4 193	2 200
Balance at beginning of the year	2 200	1 443
Arising during the year	1 993	757
Retained earnings	1 133 353	1 074 059
Balance at beginning of the year	1 074 059	913 705
Attributable profit	184 222	289 236
Acquisition of non-controlling without change in control	(10 261)	–
Actuarial (loss) profit on valuation of post-retirement medical obligation	(212)	409
Dividends declared and paid	(114 455)	(129 291)
Capital and reserves attributable to equity holders of the company	1 848 693	1 775 549
Non-controlling interest in equity		
Balance at beginning of the year	502 481	456 597
Attributable profit	50 892	123 230
Acquisition of non-controlling without change in control	(60 142)	–
Dividends declared and paid	(50 354)	(83 459)
Movement in foreign currency translation reserve	12 341	6 113
	455 219	502 481
Total equity	2 303 912	2 278 030

Summarised consolidated statement of cash flow

for the year ended June 30	2016	2015
Operating activities	134 851	206 006
Operating profit (including dividends received from investments)	292 839	511 922
Depreciation, amortisation and impairment charges	82 759	71 839
Other non-cash items	2 556	(98 693)
Cash generated by operations before changes in working capital	378 155	485 068
Changes in working capital	13 287	60 748
Cash generated by operations	391 442	545 816
Net finance income received	17 133	27 111
Taxation paid	(108 914)	(154 171)
Dividends paid to equity holders of the company	(114 455)	(129 291)
Dividends paid to non-controlling interest	(50 354)	(83 459)
Cash outflow of investment activities	(413 649)	(96 453)
Net additions to property, plant and equipment	(112 637)	(95 249)
Net additions to intangible assets	(25 211)	(1 204)
Acquisition of subsidiary	(205 334)	–
Acquisition of equity-accounted investees	(70 467)	–
Cash inflow/(outflow) of financing activities	53 882	(704)
Borrowings raised	24 015	989
Acquisition of non-controlling interest	(14 372)	–
Loan	44 219	(1 693)
Net (decrease)/increase in cash and cash equivalents	(224 936)	108 849
Net cash and cash equivalents at beginning of the year	891 033	780 139
Exchange rate adjustment	6 973	2 045
Net cash and cash equivalents at end of the year	673 070	891 033
Net cash equivalents are made up as follows		
Cash on hand and in the bank	744 167	908 363
Overdrafts	(71 097)	(17 330)
	673 070	891 033

Note 1 Reporting entity Bidvest Namibia Limited is a company incorporated in the Republic of Namibia. The summarised consolidated financial statements of the Company as at and for the year ended June 30 2016 comprise the Company and its subsidiaries (together referred to as "Bidvest Namibia").

Note 2 Basis of presentation of summarised financial statements These summarised consolidated financial statements for the year ended June 30 2016 are the responsibility of the directors, have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and have been extracted from the audited consolidated financial statements prepared in compliance with IFRS. The accounting policies used in the preparation of these results are in accordance with IFRS and are consistent in all material respects with those used in the audited annual financial statements for the year ended June 30 2015.

The external auditors, Deloitte & Touche, have issued their opinion on the consolidated financial statements for the year ended June 30 2016. The audit was conducted in accordance with International Standards on Auditing. They have issued an unmodified audit opinion. These summarised financial statements have been derived from and are consistent in all material respects with the audited consolidated financial statements but are themselves not audited. A copy of their audit report and the full set of audited consolidated financial statements is available for inspection at the company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's external auditors.

Note 3 Exchange rates The following exchange rates were used in the conversion of foreign interests and foreign transactions during the periods:

as at 30 June	2016	2015	% change
N\$/US\$	14,77	12,12	
Average rate	14,39	11,41	26,1

Note 4 Acquisition of subsidiary The Group acquired a 100% shareholding in International Capital Investments (Proprietary) Limited trading as Novel Motor Company and Lenkow (Proprietary) Limited with effect July 31 2015, in line with its continued strategy to diversify its business portfolio. Novel Motor Company is a well known vehicle dealership and Lenkow (Proprietary) Limited owns the Windhoek showroom and service centre premises from where Novel Motor Company operates.

as at 30 June	2016
Property, plant and equipment	72 107
Investments	36
Intangible assets	214
Inventories	152 862
Trade and other receivables	39 448
Cash and cash equivalent	22 991
Deferred tax liabilities	(2 678)
Taxation	(1 360)
Floor plan liabilities	(153 483)
Trade and other payables	(23 415)
Total identifiable net assets acquired	105 722
Goodwill	127 103
Total purchase consideration paid	232 825
Contingent consideration	(5 500)
Less cash obtained	(22 991)
Net cash outflow on acquisition of subsidiary	205 334

Note 5 Acquisition of non-controlling interest without a change in control During the financial year under review, Trachus Fishing (Proprietary) Limited, a subsidiary of Namsovo Fishing Enterprises (Proprietary) Limited, bought back 33,26% of its issued share capital from three of the minority shareholders, which resulted in Namsovo Fishing Enterprises (Proprietary) Limited shareholding increasing from 51,00% to 84,26%. The shares were repurchased at a purchase consideration of N\$70,40 million, which is the net asset value of the repurchased shares. The remaining 15,74% is owned by Atlantic Harvester of Namibia (Proprietary) Limited which is indirectly 100% owned by Namsovo Fishing Enterprises (Proprietary) Limited.

as at 30 June	2016
Fishing vessel transferred to two of the minority quota contributing shareholders	56 030
Cash	14 372
	70 402

Note 6 Acquisition of equity-accounted investees Bidvest Namibia Limited invested in the following minority holdings during the current financial year:

as at 30 June	2016
49% in Namibia Bureau de Change	8 477
40% in Industria Alimentar Carnes de Mozambique	61 990
	70 467

Note 7 Restatement of prior year numbers The share of associate and joint venture has been excluded from trading profit to be reflected as per the financial statements.