

# FINANCIAL STATEMENTS

## GROUP SALIENT FEATURES

|   | 30 June 2015<br>N\$ 000's | 30 June 2014<br>N\$ 000's | %<br>Change |
|---|---------------------------|---------------------------|-------------|
| Revenue                                       | 2 434 177                 | 2 316 932                 | 5.1         |
| Profit attributable to ordinary shareholders  | 258 982                   | 205 529                   | 26.0        |
| Earnings per share (cents)                    | 125.4                     | 99.5                      | 26.0        |
| Headline earnings per ordinary share (cents)  | 187.1                     | 159.1                     | 17.6        |
| Dividends declared per ordinary share (cents) | 71.0                      | 65.0                      | 9.2         |
| Net asset value per ordinary share (cents)    | 505.5                     | 451.1                     | 12.1        |
| Return on ordinary shareholders' funds (%)    | 26.2                      | 22.9                      | 14.5        |

## GROUP VALUE ADDED STATEMENT

|   | Notes | 30 June 2015<br>N\$ 000's | 30 June 2014<br>N\$ 000's |
|---|-------|---------------------------|---------------------------|
| <b>WEALTH CREATED</b>   |       |                           |                           |
| Revenue   |       | 2 434 177                 | 2 316 932                 |
| Paid to suppliers for materials and services                                      |       | (1 927 663)               | (1 462 815)               |
| <b>VALUE ADDED</b>  |       |                           |                           |
| Income from investments   |       | 506 514                   | 854 117                   |
|   |       | 22 000                    | 12 338                    |
| <b>TOTAL WEALTH CREATED</b>   |       |                           |                           |
|   |       | 528 514                   | 866 455                   |
| <b>WEALTH DISTRIBUTION</b>  |       |                           |                           |
| Salaries, wages and other employment costs  | 1     | 268 714                   | 231 702                   |
| Providers of capital  |       |                           |                           |
| Dividends to shareholders   |       | 146 636                   | 134 244                   |
| Finance costs on borrowings   |       | 8 847                     | 14 932                    |
| Central and local governments   | 2     | 135 869                   | 91 020                    |
| Reinvested in Group to maintain and develop operations                            |       |                           |                           |
| Amortisation  |       | 3 745                     | 4 395                     |
| Depreciation  |       | 112 817                   | 103 826                   |
| Retained earnings   |       | 112 346                   | 71 285                    |
| Deferred taxation   |       | 2 057                     | 32 831                    |
| <b>TOTAL WEALTH DISTRIBUTED</b>   |       |                           |                           |
|   |       | 791 031                   | 684 235                   |
| <b>NOTES TO THE VALUE ADDED STATEMENT</b>   |       |                           |                           |
| <b>1. Salaries, wages and other employment costs</b>                              |       |                           |                           |
| Salaries, wages, overtime payments, commissions, bonuses and allowances           |       | 242 951                   | 194 495                   |
| Total contributions to medical aid and pension fund                               |       | 25 763                    | 37 207                    |
|   |       | 268 714                   | 231 702                   |
| <b>2. Central and local governments</b>   |       |                           |                           |
| Normal corporate taxation   |       | 134 035                   | 90 036                    |
| Rates and taxes paid on properties  |       | 1 834                     | 984                       |
|   |       | 135 869                   | 91 020                    |
| <b>3. Additional amounts collected on behalf of central and local governments</b> |       |                           |                           |
| Customs and excise duties including import surcharges                             |       | 605 367                   | 557 749                   |
| Value added tax collected on revenue  |       | 73 927                    | 258 591                   |
| PAYE deducted from remuneration paid  |       | 32 983                    | 37 006                    |
| Withholding taxes   |       | 7 531                     | 10 764                    |
|   |       | 719 808                   | 864 110                   |
| Number of employees   |       | 786                       | 740                       |

## FIVE-YEAR SUMMARY OF RESULTS

| N\$ 000's  | 30 June 2015     | 30 June 2014     | 30 June 2013     | 30 June 2012     | 30 June 2011     |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>CONSOLIDATED STATEMENTS OF FINANCIAL POSITION</b>           |                  |                  |                  |                  |                  |
| Property, plant and equipment                                  | 871 133          | 874 932          | 827 683          | 799 762          | 668 574          |
| Investment in joint venture                                    | 28 325           | 0                | 13 635           | 118 071          | 121 359          |
| Non-current assets held for sale                               | 4 500            | 5 925            | 0                | 0                | 0                |
| Other non-current assets                                       | 16 762           | 11 508           | 12 258           | 6 450            | 17 479           |
| Current assets   | 816 429          | 648 834          | 860 598          | 748 238          | 599 310          |
| <b>Total Assets</b>  | <b>1 737 149</b> | <b>1 541 199</b> | <b>1 714 174</b> | <b>1 672 521</b> | <b>1 406 722</b> |
| Issued capital   | 1 024            | 1 024            | 1 024            | 1 024            | 1 024            |
| Foreign currency translation reserve                           | (3)              | (126)            | 0                | 0                | 0                |
| Retained income  | 1 043 078        | 930 732          | 859 447          | 906 289          | 790 680          |
| Ordinary shareholders' equity                                  | 1 044 099        | 931 630          | 860 471          | 907 313          | 791 704          |
| Interest-bearing loans and borrowings (non-current)            | 13 821           | 8 786            | 9 231            | 265 693          | 185 268          |
| Other non-current liabilities                                  | 207 274          | 203 634          | 171 702          | 143 458          | 124 825          |
| Current liabilities  | 471 955          | 397 149          | 672 770          | 356 057          | 304 925          |
| <b>Total equity and liabilities</b>                            | <b>1 737 149</b> | <b>1 541 199</b> | <b>1 714 174</b> | <b>1 672 521</b> | <b>1 406 722</b> |
| <b>CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME</b>         |                  |                  |                  |                  |                  |
| Turnover   | 2 434 177        | 2 316 932        | 2 383 384        | 2 160 067        | 1 797 071        |
| Operating expenses   | (1 927 663)      | (1 865 601)      | (1 883 295)      | (1 731 052)      | (1 421 757)      |
| Operating profit   | 506 514          | 451 331          | 500 089          | 429 015          | 375 314          |
| Finance costs  | (8 847)          | (14 932)         | (23 648)         | (23 233)         | (14 281)         |
| Finance income   | 22 000           | 12 338           | 20 392           | 22 346           | 21 155           |
| Equity loss from joint venture (on-going operations)           | (124 593)        | (120 341)        | (109 002)        | (92 147)         | (74 867)         |
| Equity loss from joint venture (deferred tax asset write down) | 0                | 0                | (188 089)        | 0                | 0                |
| <b>Profit before income tax</b>                                | <b>395 074</b>   | <b>328 396</b>   | <b>199 742</b>   | <b>335 981</b>   | <b>307 321</b>   |
| Income tax expense   | (136 092)        | (122 867)        | (126 797)        | (114 027)        | (96 034)         |
| <b>Profit attributable to ordinary shareholders</b>            | <b>258 982</b>   | <b>205 529</b>   | <b>72 945</b>    | <b>221 954</b>   | <b>211 287</b>   |
| <b>CONSOLIDATED STATEMENTS OF CASH FLOWS</b>                   |                  |                  |                  |                  |                  |
| Cash generated by operations                                   | 736 481          | 502 637          | 706 776          | 363 084          | 401 347          |
| Dividends paid   | (146 636)        | (134 244)        | (119 787)        | (106 345)        | (97 117)         |
| Taxation paid  | (123 516)        | (102 521)        | (105 696)        | (109 442)        | (81 061)         |
| <b>Net cash flow from operating activities</b>                 | <b>466 329</b>   | <b>265 872</b>   | <b>481 293</b>   | <b>147 297</b>   | <b>223 169</b>   |
| Net cash flow applied to investing activities                  | (253 872)        | (258 937)        | (287 402)        | (204 537)        | (324 626)        |
| Net cash flow from financing activities                        | (4 179)          | (218 795)        | (17 989)         | 57 488           | 16 085           |
| <b>Net (decrease) / increase in cash and cash equivalents</b>  | <b>208 278</b>   | <b>(211 860)</b> | <b>175 902</b>   | <b>248</b>       | <b>(85 372)</b>  |

## SUMMARY OF STATISTICS

|  | 30 June 2015 | 30 June 2014 | 30 June 2013 | 30 June 2012 | 30 June 2011 |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>ORDINARY SHARE PERFORMANCE</b>                  |              |              |              |              |              |
| Weighted average number of shares in issue (000's) | 206 529      | 206 529      | 206 529      | 206 529      | 206 529      |
| Earnings per ordinary share (cents)                | 125.4        | 99.5         | 35.3         | 107.5        | 102.3        |
| Headline earnings per ordinary share (cents)       | 187.1        | 159.1        | 177.8        | 149.5        | 139.8        |
| Dividends paid per ordinary share (cents)          | 71.0         | 65.0         | 58.0         | 51.5         | 47.0         |
| Dividend cover (times)                             | 1.8          | 1.5          | 0.6          | 2.1          | 2.2          |
| Net asset value per ordinary share (cents)         | 505.5        | 451.1        | 416.6        | 439.3        | 383.3        |
| <b>PROFITABILITY AND ASSET MANAGEMENT</b>          |              |              |              |              |              |
| Operating margin (%)                               | 20.8         | 19.5         | 21.0         | 19.9         | 20.9         |
| Return on total assets (%)                         | 32.6         | 28.6         | 32.0         | 31.8         | 33.9         |
| Return on ordinary shareholders' funds (%)         | 26.2         | 22.9         | 8.3          | 26.1         | 28.8         |
| <b>LIQUIDITY AND LEVERAGE</b>                      |              |              |              |              |              |
| Total liabilities to total shareholders' funds (%) | 48.5         | 45.5         | 81.5         | 70.3         | 63.9         |
| Financial gearing ratio (%)                        | 11.4         | 12.3         | 32.0         | 29.8         | 23.9         |
| Interest cover                                     | 59.7         | 31.1         | 22.0         | 19.4         | 27.8         |
| Current ratio                                      | 1.7          | 1.6          | 1.3          | 2.1          | 2.0          |

### DEFINITIONS

**Dividend cover:** Profit attributable to ordinary shareholders divided by dividends paid in the year.

**Net asset value per share:** Ordinary shareholders' equity divided by the total number of ordinary shares in issue.

**Operating margin:** Operating profit expressed as a percentage of revenue.

**Total assets:** Property, plant and equipment, current and non-current assets.

**Return on total assets:** Operating profit plus finance income expressed as a percentage of average total assets (excluding investment in joint venture).

**Return on ordinary shareholders' funds:** Profit attributable to ordinary shareholders expressed as a percentage of average ordinary shareholders' equity.

**Total liabilities:** Interest-bearing loans and borrowings other current and non-current liabilities. Deferred taxation and income is excluded.

**Financial gearing ratio (%):** Interest-bearing loans and borrowings expressed as a percentage of ordinary shareholders' equity.

**Interest cover:** Operating profit plus finance income divided by finance costs.

**Current ratio:** Current assets divided by current liabilities.



## ORDINARY SHARE OF OWNERSHIP

|                         | Number of Shareholders | %      | Number of Shares | %      |
|-------------------------|------------------------|--------|------------------|--------|
| <b>HOLDINGS</b>         |                        |        |                  |        |
| 1 - 99                  | 21                     | 1.54   | 1 024            | 0.00   |
| 100 - 499               | 411                    | 30.18  | 97 873           | 0.05   |
| 500 - 999               | 226                    | 16.59  | 137 132          | 0.07   |
| 1 000 - 1 999           | 295                    | 21.66  | 346 305          | 0.17   |
| 2 000 - 2 999           | 143                    | 10.50  | 315 246          | 0.15   |
| 3 000 - 3 999           | 26                     | 1.91   | 87 167           | 0.04   |
| 4 000 - 4 999           | 20                     | 1.47   | 84 886           | 0.04   |
| 5 000 - 9 999           | 103                    | 7.56   | 620 507          | 0.30   |
| 10 000 shares and above | 117                    | 8.59   | 204 838 860      | 99.18  |
|                         | 1 362                  | 100.00 | 206 529 000      | 100.00 |
| <b>CATEGORY</b>         |                        |        |                  |        |
| Corporate bodies        | 32                     | 2.35   | 123 528 084      | 59.81  |
| Nominee companies       | 42                     | 3.08   | 74 812 730       | 36.22  |
| Private individuals     | 1 263                  | 92.73  | 6 976 537        | 3.38   |
| Trusts                  | 25                     | 1.84   | 1 211 649        | 0.59   |
|                         | 1 362                  | 100.00 | 206 529 000      | 100.00 |

### SHAREHOLDER SPREAD

The spread of shares held by non-public and public shareholders was as follows:

|  | at 30 June<br>2015<br>% | at 30 June<br>2014<br>% |
|--|-------------------------|-------------------------|
| Non - public shareholders  |                         |                         |
| - holding company  | 52.6                    | 52.6                    |
| - directors and their associates and trustees<br>of the Company's share purchase trust | 0.1                     | 0.2                     |
| Public shareholders  | 47.3                    | 47.2                    |
|  | 100.0                   | 100.0                   |

### MAJOR INDIVIDUAL HOLDINGS

With the exception of nominee holdings, the register of members does not reflect individual beneficial shareholdings at 30 June 2015 in excess of 1% of the total issued capital of the Company.

## FINANCIAL REVIEW

### Accounting policies

NBL's accounting policies comply with International Financial Reporting Standards and are consistent with those of the previous reporting year.

### Revenue

Consolidated revenue increased by 5% from N\$2,317 million to N\$2,434 million for the year ended 30 June 2015. The increase in revenue is primarily driven by the performance in the local market.

### Operating profit

The Group's operating profit for the year ended 30 June 2015 showed an increase of 12% over the previous reporting period. This translates into an operating margin of 21% compared with 20% registered for the previous financial year.

### Taxation

The taxation charge for the year ended 30 June 2015 was N\$136 million, while the previous reporting period reflected a slightly lower charge of N\$123 million. The accumulated tax losses of the Group's wholly owned South African subsidiary have not been recognised, due to uncertainty regarding future taxable income.

### Profit after tax and earnings per share

Profit attributable to shareholders increased from N\$206 million in the previous financial year to N\$259 million in the year under review. This represents an upsurge of 26%, resulting in the earnings per share for the year ended 30 June 2015 increasing to 125.4 cents (2014: 99.5 cents).

### Financial position

The net debt to equity ratio, which decreased from 6% in the previous financial year to -14% in the year under review, leaving sufficient headroom for the financing of the Group's expected investments in the 2016 financial year.

### Namibian market

The Namibian market continues to remain a significant contributor to total revenues and earnings, with *Tafel Lager* spear-heading the overall beer growth. Sales in the ready-to-drink category decreased compared with the prior year, however the soft drink category continued its double-digit growth.

### South Africa

The South African joint venture, DHN Drinks (Proprietary) Limited, delivered an increase in its overall volumes. Its operating loss increased during the period under review when compared with the prior year. However, taking royalties and production margins into account, we continued to make positive returns from the operations of our South African business. Nonetheless, the loss from continuing operations recorded from DHN Drinks (Pty) was N\$125 million, which is N\$4 million higher than the previous financial year.

### Exports (excluding South Africa)

Total beer volumes sold to export markets declined in comparison with the prior reporting year, and no ready-to-drink volumes were sold to these markets. Although Tanzania saw good growth, sales in Botswana, Mozambique and Zambia decreased. Alcohol levies in Botswana and Zambia continue to put pressure on volumes there.

### Cash flows

Net cash flow from operating activities increased from N\$266 million in the previous financial year to N\$466 million (per SOCF) in 2014/15, despite increased dividend payments. The increase cash flow was mainly due to more efficient working capital management and less sales to South Africa. Net cash outflow from investing activities decreased from N\$259 million in the previous year to N\$254 million in the 2014/15 financial year, due to a decrease in capital expenditure. Net cash flow from financing activities decreased from a net outflow of N\$219 million in the previous financial year to N\$4 million in 2014/15. The upsurge was mainly due to the medium-term loan repayment in the prior year. (See Annexure A to this Annual Report)





## INDEPENDENT AUDITOR'S REPORT

### **To the members of Namibia Breweries Limited**

We have audited the consolidated and separate annual financial statements of Namibia Breweries Limited, set out on pages 68 to 116 which comprise the statements of financial position as at 30 June 2015, statements of comprehensive income, statements of changes in equity and the statements of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and the report of the directors.

### **Directors' Responsibility for the Financial Statements**

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act in Namibia and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

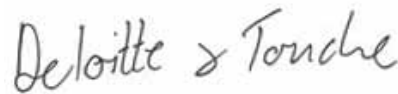
### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of accounting estimates made by the directors, as well as evaluating the overall financial statements presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Namibia Breweries Limited as at 30 June 2015 and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act in Namibia.



### **Deloitte & Touche**

Registered Accountants and Auditors  
Chartered Accountants (Namibia)

J Cronjé  
Partner  
Windhoek  
9 October 2015

Deloitte Building  
Maerua Mall Complex  
PO Box 47  
Jan Jonker Road  
Windhoek  
Namibia

ICAN practice number: 9407

**Regional Executives:** LL Bam (Chief Executive),  
A Swiegers (Chief Operating Officer), GM Pinnock

**Resident Partners:** E Tjipuka (Managing Partner),  
RH McDonald, A Matenda, H de Bruin, J Cronjé, A Akayombokwa

**Director:** G Brand













## STATEMENTS OF CHANGES IN EQUITY

|   | Notes | Issued<br>Capital<br>N\$ 000's | Foreign currency<br>translation<br>reserve | Retained<br>Earnings<br>N\$ 000's | Total<br>N\$ 000's |
|---|-------|--------------------------------|--|-----------------------------------|--------------------|
| <b>GROUP</b>  |       |                                |  |                                   |                    |
| <b>Balance at 30 June 2013</b>  |       | 1 024                          | 0  | 859 447                           | 860 471            |
| Profit for the year   |       | 0                              | 0  | 205 403                           | 205 403            |
| Other comprehensive income for the year   |       | 0                              | (126)                                      | 126                               | 0                  |
| <b>Total comprehensive income for the year attributable to equity holders of the parent</b> |       | 0                              | (126)                                      | 205 529                           | 205 403            |
| Dividends to equity holders   | 27.2  | 0                              | 0  | (134 244)                         | (134 244)          |
| <b>Balance at 30 June 2014</b>  |       | 1 024                          | (126)                                      | 930 732                           | 931 630            |
| Profit for the year   |       | 0                              | 0  | 259 105                           | 259 105            |
| Other comprehensive income for the year   |       | 0                              | 123  | (123)                             | 0                  |
| <b>Total comprehensive income for the year attributable to equity holders of the parent</b> |       | 0                              | 123  | 258 982                           | 259 105            |
| Dividends to equity holders   | 27.2  | 0                              | 0  | (146 636)                         | (146 636)          |
| <b>Balance at 30 June 2015</b>  |       | 1 024                          | (3)  | 1 043 078                         | 1 044 099          |
| <b>COMPANY</b>  |       |                                |  |                                   |                    |
| <b>Balance at 30 June 2013</b>  |       | 1 024                          | 0  | 858 121                           | 859 145            |
| Profit for the year   |       | 0                              | 0  | 207 665                           | 207 665            |
| Other comprehensive income for the year   |       | 0                              | 0  | 0                                 | 0                  |
| <b>Total comprehensive income for the year attributable to equity holders of the parent</b> |       | 0                              | 0  | 207 665                           | 207 665            |
| Dividends to equity holders   | 27.2  | 0                              | 0  | (134 244)                         | (134 244)          |
| <b>Balance at 30 June 2014</b>  |       | 1 024                          | 0  | 931 542                           | 932 566            |
| Profit for the year   |       | 0                              | 0  | 261 919                           | 261 919            |
| Other comprehensive income for the year   |       | 0                              | 0  | 0                                 | 0                  |
| <b>Total comprehensive income for the year attributable to equity holders of the parent</b> |       | 0                              | 0  | 261 919                           | 261 919            |
| Dividends to equity holders   | 27.2  | 0                              | 0  | (146 636)                         | (146 636)          |
| <b>Balance at 30 June 2015</b>  |       | 1 024                          | 0  | 1 046 825                         | 1 047 849          |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## 1. Reporting entity

Namibia Breweries Limited (the “Company”) is a company domiciled in Namibia. The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprise the Company and its subsidiaries and the Group’s interest in Joint Ventures (together referred to as the “Group” and individually as “Group entities”).

## 2. Basis of preparation

### (a) Statement of compliance

The Company and Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Namibian Companies Act.

The financial statements were approved by the Board of Directors on 9 October 2015.

### (b) Basis of measurement

The Company and Group financial statements are prepared on the historical cost basis, modified for the fair value treatment of financial instruments.

### (c) Functional and presentation currency

These financial statements are presented in Namibia Dollars (NAD), which is the Company’s and Group’s functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. All information presented in NAD has been rounded to the nearest thousand.

### (d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included below:

### Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying amount of recognised and unrecognised tax losses are disclosed in note 16 and 24 and management’s judgement with regards to the recoverability of deferred tax asset in its joint venture in note 7.

### Post employment benefits

The cost of post employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, medical inflation, expected return on assets and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 15.

### Severance benefit obligations

Severance pay has been provided for all employees. Actuarial valuations are based on assumptions which include employee turnover, mortality rates, the discount rate, the inflation rate and rates of increases in compensation costs. Further details are given in note 15.

### Property, plant, equipment and intangible assets

The Group and Company depreciates and amortises items of property, plant, equipment and intangible assets down to residual value over the useful life of the assets. Management makes and applies assumptions about the expected useful life and residual value of these assets in determining the annual depreciation charge. Further details are given in the accounting policy note on depreciation.

In particular management have assumed a depreciation rate of 20% (2014: 20%) on returnable containers, this being management’s best estimate of breakage rate and useful life. The majority of returnable containers are with customers and the estimate of cost along with the corresponding returnable deposit liability is based on management’s judgement. Any change to these assumptions could have a significant impact on both the asset and corresponding liability.



## **2. Basis of preparation (continued)**

### ***Recoverability of investment in Jointly controlled entity***

The Company's investment in the jointly controlled entity is carried at cost less impairment. The directors again re-evaluated the value of the DHN investment and have, as in the two preceding years, considered this to approximate the company's share of DHN's net asset value at year end. Changes in the assumptions impacting expected future cash generation could affect the recoverability of the valuation of the investment in the jointly controlled entity.

The Directors have again considered the recoverability of the deferred tax asset in DHN and, as in the previous year, continue with the view to impair the Group's full portion of the deferred tax asset. Should circumstances change this judgement may also change with consequential impact to the financial statements.

See note 7 for further details on these assumptions.

## **3. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in the Company's and Group's financial statements.

### ***(a) Basis of consolidation***

#### ***(i) Subsidiaries***

Subsidiaries are those entities over whose financial and operating policies the Group has the power to exercise control, so as to obtain benefits from their activities. In assessing control potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Investment in subsidiaries are shown at cost in the Company's financial statements.

#### ***(ii) Jointly controlled entities***

The Group's interest in jointly controlled entities are accounted for using the equity method of accounting. Under the equity method, the interest in a jointly controlled operation is carried in the statement of financial position at cost plus post acquisition changes in the Group's net share of the assets. The statement of comprehensive income reflects the share of the results of the operations of the jointly controlled entity. Profits and losses resulting from transactions between the Group and the jointly controlled operation are eliminated to the extent of the interest in the jointly controlled entity.

#### ***(iii) Transactions eliminated on consolidation***

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

#### ***(b) Foreign currency***

Transactions denominated in foreign currencies are initially recorded at the functional currency rate ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

#### ***(c) Property, plant and equipment***

##### ***(i) Recognition and measurement***

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in profit or loss.

### 3. Significant accounting policies (continued)

#### (c) Property, plant and equipment (continued)

##### (ii) Subsequent costs

Subsequent expenditure relating to an item of property, plant and equipment is capitalised when it is probable that future economic benefits from the use of the asset will be increased and its cost can be reliably measured. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

##### (iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each of the items of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful life's unless it is reasonably certain that the Group and Company will obtain ownership by the end of the lease term.

The depreciation rates for the current and comparative periods are as follows:

|                              | 2015    | 2014    |
|------------------------------|---------|---------|
| Freehold buildings           | 2 - 12% | 2 - 12% |
| Leasehold land and buildings | 4%      | 4%      |
| Plant and machinery          | 4 - 20% | 4 - 20% |
| Vehicles                     | 20%     | 20%     |
| Furniture and equipment      | 10%     | 10%     |
| Returnable containers        | 20%     | 20%     |

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year-end. Land is not depreciated. The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised. Depreciation is not provided on assets during the time of construction.

#### (d) Intangible assets

##### (i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, and expenditure on internally generated goodwill and brands is recognised in profit or loss as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically feasible, costs can be reliably measured, future economic benefits are feasible and the Group or Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in profit or loss as an expense as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses.

##### (ii) Other intangible assets

Other intangible assets acquired by the Group or Company, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses.

##### (iii) Subsequent expenditure

Subsequent development expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefit embodied in the specific assets to which it relates. All other subsequent expenditure is expensed as incurred.

##### (iv) Amortisation

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually and are not amortised. If the carrying amount exceeds the recoverable amount, an impairment loss will be recognised. Amortisation and impairment charges on intangible assets are charged to profit or loss. If an intangible asset with an indefinite life has changed to a finite life the change is made on a prospective basis. See Annexure B for amortisation rates.





### 3. Significant accounting policies (continued)

#### **(e) Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Group or Company.

Operating leases are those leases which do not fall within the scope of the above definition. Payments made under leases are recognised in profit or loss on a straight line basis over the term of the lease.

#### **(f) Non-current assets held for sale**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

A non-current asset is not depreciated while it is classified as held for sale.

#### **(g) Inventories**

Inventories are carried at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition, and is determined as follows:

*Raw materials, merchandise and consumable stores:*

- Purchase cost on the weighted average basis.

*Finished goods and work in progress:*

- Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their estimated net realisable values.

Net realisable value is the estimated selling price in the ordinary course of the business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **(h) Impairment**

##### **(i) Financial assets**

A financial asset not carried at fair value through profit or loss, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the assets that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between the carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Impairment loss reversals are recognised in profit or loss except for impairment reversals of available-for-sale equity securities which are recognised in other comprehensive income.

##### **(ii) Non-financial assets**

The carrying amounts of the Company's and the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

### **3. Significant accounting policies (continued)**

#### ***(h) Impairment (continued)***

##### ***(ii) Non-financial assets (continued)***

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### ***(i) Financial instruments***

##### ***(i) Non-derivative financial instruments***

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, interest-bearing borrowings, trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Accounting for finance income and costs is discussed in note 3(m) and 3(l).

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Company and Group commits to purchase the asset.

##### ***(ii) Financial assets or liabilities at fair value through profit or loss***

Included in this category are derivative financial instruments. Financial assets or liabilities classified as at fair value through profit or loss, are subsequent to initial recognition, measured at fair value with changes in fair value recognised in profit or loss.

##### ***(iii) Loans and receivables***

Included in this category are the loans to the share purchase trust as well as to holding company and fellow subsidiaries. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Amortised cost is computed as the amount initially recognised minus principle repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

##### ***(iv) Trade and other receivables***

Trade receivables, which generally have 30-60 day terms, are subsequent to initial recognition, recognised at amortised cost, less impairment losses.

##### ***(v) Cash and cash equivalents***

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts, all of which are available for use by the Company and Group unless otherwise stated.

##### ***(vi) Interest bearing loans and borrowings***

Included in this category are long and medium term financing and short term borrowings. Non-derivative financial liabilities are recognised at amortised cost, using the effective interest method.

Interest-bearing bank loans and overdrafts are recorded at the value of proceeds received, net of direct issue costs. Finance charges are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

##### ***(vii) Derecognition of financial assets and liabilities***

Financial assets - A financial asset is derecognised where the rights to receive cash flows from the asset have expired.

Financial liabilities - A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



### 3. Significant accounting policies (continued)

#### *(i) Financial instruments (continued)*

#### *(viii) Non-interest bearing financial liabilities*

Non-interest bearing financial liabilities are recognised at amortised cost.

#### *(j) Provisions*

Provisions are recognised when the Company or Group has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made for the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

A provision for restructuring is recognised when the Company and Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating losses are not provided for.

#### *(k) Revenue*

Revenue comprises royalty and rental income and the sales of beer, soft drinks and by-products, less indirect taxes, excise duty and discounts.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company or Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### *(i) Sale of Goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

#### *(ii) Rental income*

Rental income is recognised on a straight-line basis over the term of the lease.

#### *(iii) Royalty income*

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

#### *(l) Finance income*

Finance income comprises interest income on funds. Interest income is recognised in the year as it accrues in profit or loss, using the effective interest method.

#### *(m) Finance costs*

Finance costs comprise interest expense on borrowings. Borrowing costs are recognised in profit or loss using the effective interest method. Finance costs on qualifying assets are capitalised.

#### *(n) Income tax*

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates and tax laws enacted or substantively enacted at the reporting date and any adjustment of tax payable for previous years.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for the following temporary differences:

- The initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- Investments in subsidiaries and jointly controlled entities to the extent that it is probable that the temporary differences will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

The carrying amount of deferred tax assets are reviewed at each reporting date to determine that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

### **3. Significant accounting policies (continued)**

#### **(n) Income tax (continued)**

Deferred tax assets and deferred liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **(o) Value added tax**

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

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **(p) Earnings per share**

The calculation of earnings per share is based on earnings attributable to ordinary shareholders. Account is taken of the weighted average number of ordinary shares in issue for the period during which they have participated in the income of the Group. The Group has no dilutive potential ordinary shares.

Earnings is defined as the, profit for the year after taxation and non-controlling interest.

#### **(q) Employee benefits**

##### **(i) Short term benefits**

The cost of all short term employee benefits is recognised during the period in which the employee renders the related service, on an undiscounted basis. A liability is recognised for the amount expected to be paid if the Company or Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### **(ii) Retirement benefits**

The policy of the Group and Company is to provide retirement benefits for its employees. The contribution paid by the Group and Company to fund obligations for the payment of retirement benefits are recognised as an expense in profit or loss when they are due. The Ohlthaver & List Retirement Fund, which is a defined contribution fund, covers all the Group's employees and is governed by the Pension Funds Act.

##### **(iii) Equity compensation benefits**

The Group and Company grants share options to certain employees under an employee share plan controlled by the ultimate holding company.

##### **(iv) Post employment medical benefits**

The Group and Company provides for post employment healthcare benefits to qualifying employees and retired personnel by subsidising a portion of their medical aid contributions. This scheme operates as a defined benefit plan and the cost of providing benefits under the plan is determined using the projected credit unit method.

Actuarial gains and losses are recognised in profit or loss in full. The past service cost is recognised as an expense on a straight line basis over the average period until the benefits become vested. If the benefits are already vested immediately following the introduction of, or changes to pension plan, past service cost is recognised as an expense immediately.

The entitlement to the benefits is usually based on the employee remaining in service up to retirement age and completing a minimum service period.

##### **(v) Severance benefit obligation**

In accordance with the Namibia Labour Act, 2007, severance benefits are payable to an employee, if the employee is dismissed, dies while employed or resigns/retires on reaching the age of 65 years. The obligation for severance benefits to current employees is actuarially determined in respect of all Group employees and is provided for in full. The cost of providing benefits is determined using the projected-unit-credit method, with actuarial valuations being carried out at the end of each reporting period. The movement for the year is recognised in profit or loss in the year in which it occurs.



### **3. Significant accounting policies (continued)**

#### ***(r) Operating segment***

The Chief Operating Decision Maker reviews the financial results of the Group as a whole. Therefore the Group, in terms of IFRS 8, only has one segment. Further divisional information has been provided as additional information.

The Group's operations are located in Namibia, Botswana and South Africa. The Group's products are sold on the local market and are exported to South Africa and other countries.

#### ***(s) New and amended IFRS and IFRIC interpretations adopted***

The Group and Company has adopted the following new and amended IFRS and IFRIC interpretations during the year. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Group and company.

**Adoption of new and revised Standards and Interpretations effective in current year:**

The following Standards and Interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current year:

| New/Revised International Financial Reporting Standards |  | Issued/<br>Revised | Effective for annual periods<br>beginning on or after   |
|---|--|--------------------|---|
| IFRS 2  | Amendments resulting from Annual Improvements 2010-2012 Cycle (definition of 'vesting condition')  | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IFRS 3  | Amendments resulting from Annual Improvements 2010-2012 Cycle (accounting for contingent consideration)  | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IFRS 3  | Amendments resulting from Annual Improvements 2011-2013 Cycle (scope exception for joint ventures)   | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IFRS 7  | Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9   | November 2013      | Applies when IFRS 9 is applied<br>(At the time of issue of the revised version of IFRS 9 including the hedge accounting chapter, IFRS 9 had no stated mandatory effective date, see below)  |
| IFRS 8  | Amendments resulting from Annual Improvements 2010-2012 Cycle (aggregation of segments, reconciliation of segment assets)  | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IFRS 9  | Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9 | November 2013      | Contains no stated effective date and includes consequential amendments which remove the mandatory effective date of IFRS 9 (2010) and IFRS 9 (2009), leaving the effective date open but allowing each version of the standard to be available for application<br>Note: IFRS 9 (2014) supersedes IFRS 9 (2013), but this standard remains available for application if the relevant date of initial application is before 1 February 2015. |
| IFRS 13   | Amendments resulting from Annual Improvements 2010-2012 Cycle (short-term receivables and payables)  | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IAS 16  | Amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)   | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IAS 19  | Amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service   | November 2013      | Annual periods beginning on or after 1 July 2014  |
| IAS 24  | Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities)  | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IAS 27  | Amendments for investment entities   | October 2012       | Annual periods beginning on or after 1 January 2014   |
| IAS 32  | Amendments relating to the offsetting of assets and liabilities  | December 2011      | Annual periods beginning on or after 1 January 2014   |
| IAS 36  | Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets  | May 2013           | Annual periods beginning on or after 1 January 2014   |
| IAS 38  | Amendments resulting from Annual Improvements 2010-2012 Cycle (proportionate restatement of accumulated depreciation on revaluation)   | December 2013      | Annual periods beginning on or after 1 July 2014  |
| IAS 40  | Amendments resulting from Annual Improvements 2011-2013 Cycle (interrelationship between IFRS 3 and IAS 40)  | December 2013      | Annual periods beginning on or after 1 July 2014  |



| New/Revised International Financial Reporting Standards (continued) |        | Issued/<br>Revised | Effective for annual periods<br>beginning on or after  |
|---|--------|--------------------|--|
| IFRIC 21  | Levies | May 2013           | Annual periods beginning<br>on or after 1 January 2014 |

The adoptions of the above Standards and Interpretations have introduced a number of terminology changes and have resulted in a number of changes in presentation and disclosure. The revised Standard and Interpretations had no impact on the reported results or financial position of the company.

The following table contains effective dates of IFRS's, IFRIC's and recently revised IAS's, which have not been early adopted by the company and that might affect future financial periods.

|         |  |                |   |
|---------|--|----------------|---|
| IFRS 5  | Amendments resulting from September 2014 Annual Improvements to IFRSs  | September 2014 | Annual periods beginning<br>on or after 1 January 2016  |
| IFRS 7  | Financial Instruments: Disclosure - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures  | December 2011  | 1 January 2015  |
| IFRS 7  | Amendments resulting from September 2014 Annual Improvements to IFRSs  | September 2014 | Annual periods beginning<br>on or after 1 January 2016  |
| IFRS 9  | Reissue to incorporate a hedge accounting chapter and permit the early application of the requirements for presenting in other comprehensive income the 'own credit' gains or losses on financial liabilities designated under the fair value option without early applying the other requirements of IFRS 9 | July 2014      | Annual periods beginning<br>on or after 1 January 2018  |
| IFRS 9  | Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures  | December 2011  | Annual periods beginning<br>on or after 1 January 2015<br>(Effective date<br>subsequently removed.<br>This version of the<br>standard is superseded<br>by IFRS 9 (2014), but<br>remains available for<br>application if the relevant<br>date of initial application is<br>before 1 February 2015              |
| IFRS 9  | Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition.  | July 2014      | Effective for annual<br>periods beginning on or<br>after 1 January 2018<br>Note: IFRS 9 (2014)<br>supersedes IFRS 9<br>(2009), IFRS 9 (2010)<br>and IFRS 9 (2013), but<br>these standards remain<br>available for application<br>if the relevant date of<br>initial application is before<br>1 February 2015. |
| IFRS 10 | Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture<br>Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture   | September 2014 | Annual periods beginning<br>on or after 1 January 2016  |

| New/Revised International Financial Reporting Standards (continued) |   | Issued/<br>Revised | Effective for annual periods<br>beginning on or after   |
|---|---|--------------------|---|
| IFRS 10   | Amendments regarding the application of the consolidation exception   | December 2014      | Annual periods beginning on or after 1 January 2016   |
| IFRS 11   | Amendments regarding the accounting for acquisitions of an interest in a joint operation  | May 2014           | Annual periods beginning on or after 1 January 2016   |
| IFRS 12   | Amendments regarding the application of the consolidation exception   | December 2014      | Annual periods beginning on or after 1 January 2016   |
| IFRS 14   | Regulatory Deferral Accounts  | January 2014       | Applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2016 |
| IFRS 15   | Revenue from Contracts with Customers   | May 2014           | Applies to an entity's first annual IFRS financial statements for a period beginning on or after 1 January 2018 |
| IAS 1   | Amendments resulting from the disclosure initiative   | December 2014      | Annual periods beginning on or after 1 January 2016   |
| IAS 16  | Amendments regarding the clarification of acceptable methods of depreciation and amortisation   | May 2014           | Annual periods beginning on or after 1 January 2016   |
| IAS 16  | Amendments bringing bearer plants into the scope of IAS 16 rather than IAS 41   | June 2014          | Annual periods beginning on or after 1 January 2016   |
| IAS 19  | Amendments resulting from September 2014 Annual Improvements to IFRSs   | September 2014     | Annual periods beginning on or after 1 January 2016   |
| IAS 27  | Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements  | August 2014        | Annual periods beginning on or after 1 January 2016   |
| IAS 28  | Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture  | September 2014     | Annual periods beginning on or after 1 January 2016   |
| IAS 28  | Amendments regarding the application of the consolidation exception   | December 2014      | Annual periods beginning on or after 1 January 2016   |
| IAS 34  | Amendments resulting from September   | September          | Annual periods beginning on or after 1 January 2016   |
| IAS 38  | Amendments regarding the clarification of acceptable methods of depreciation and amortisation   | May 2014           | Annual periods beginning on or after 1 January 2016   |
| IAS 39  | Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception | July 2014          | Annual periods beginning on or after 1 January 2018   |
| IAS 41  | Amendments bringing bearer plants into the scope of IAS 16  | June 2014          | Annual periods beginning on or after 1 January 2016   |





| <b>COMPANY</b>  |                                       |                              | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |                              | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |                              | N\$ 000's                             | N\$ 000's                             |
| <b>4. PROPERTY, PLANT AND EQUIPMENT</b>   |                                       |                              |                                       |                                       |
| <b>At cost</b>  |                                       |                              |                                       |                                       |
| 148 087   | 150 362                               | Freehold land and buildings  | 184 470                               | 176 931                               |
| 3 892   | 3 892                                 | Leasehold land and buildings | 6 050                                 | 6 050                                 |
| 960 790   | 993 926                               | Plant and machinery          | 994 071                               | 960 790                               |
| 64 809  | 73 992                                | Vehicles                     | 74 261                                | 65 069                                |
| 46 616  | 50 053                                | Furniture and equipment      | 50 252                                | 46 669                                |
| 206 059   | 193 026                               | Returnable containers        | 207 923                               | 206 059                               |
| 9 227   | 11 042                                | Assets under construction    | 11 042                                | 9 227                                 |
| <b>1 439 480</b>  | <b>1 476 293</b>                      |                              | <b>1 528 069</b>                      | <b>1 470 795</b>                      |
| <b>Accumulated depreciation and impairment losses</b>   |                                       |                              |                                       |                                       |
| 28 392  | 29 246                                | Freehold land and buildings  | 29 246                                | 28 392                                |
| 2 656   | 3 138                                 | Leasehold land and buildings | 4 753                                 | 3 665                                 |
| 388 602   | 438 027                               | Plant and machinery          | 438 150                               | 388 602                               |
| 37 781  | 44 151                                | Vehicles                     | 44 319                                | 37 859                                |
| 30 782  | 35 167                                | Furniture and equipment      | 35 269                                | 30 788                                |
| 106 558   | 90 301                                | Returnable containers        | 105 199                               | 106 557                               |
| <b>594 771</b>  | <b>640 030</b>                        |                              | <b>656 936</b>                        | <b>595 863</b>                        |
| <b>Carrying value</b>   |                                       |                              |                                       |                                       |
| 119 695   | 121 116                               | Freehold land and buildings  | 155 224                               | 148 539                               |
| 1 236   | 754                                   | Leasehold land and buildings | 1 297                                 | 2 385                                 |
| 572 188   | 555 899                               | Plant and machinery          | 555 921                               | 572 188                               |
| 27 028  | 29 841                                | Vehicles                     | 29 942                                | 27 210                                |
| 15 834  | 14 886                                | Furniture and equipment      | 14 983                                | 15 881                                |
| 99 501  | 102 725                               | Returnable containers        | 102 724                               | 99 502                                |
| 9 227   | 11 042                                | Assets under construction    | 11 042                                | 9 227                                 |
| <b>844 709</b>  | <b>836 263</b>                        |                              | <b>871 133</b>                        | <b>874 932</b>                        |
| Movement of property, plant and equipment has been detailed in Annexure B.  |                                       |                              |                                       |                                       |
| <b>Leased assets</b>  |                                       |                              |                                       |                                       |
| Included above are leased vehicles under a number of finance lease agreements, details of which are set out below:  |                                       |                              |                                       |                                       |
| Vehicles  |                                       |                              |                                       |                                       |
| 24 699  | 26 106                                | - at cost                    | 26 106                                | 24 699                                |
| (9 574)   | (12 371)                              | - accumulated depreciation   | (12 371)                              | (9 574)                               |
| <b>15 125</b>   | <b>13 735</b>                         | <b>Carrying value</b>        | <b>13 735</b>                         | <b>15 125</b>                         |
| The leased assets are encumbered in terms of finance lease agreements (see notes 14 & 29).  |                                       |                              |                                       |                                       |
| <b>Land and buildings</b>   |                                       |                              |                                       |                                       |
| The Group's land and buildings are not encumbered. Details of the Group's land and leasehold land and buildings are maintained at the registered office of the Company. |                                       |                              |                                       |                                       |

| <b>COMPANY</b>  |                                       |                                | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|--------------------------------|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |                                | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |                                | N\$ 000's                             | N\$ 000's                             |
| <b>5. INTANGIBLE ASSETS</b>   |                                       |                                |                                       |                                       |
| <b>At cost</b>  |                                       |                                |                                       |                                       |
| 11 016  | 10 971                                | Automation processes           | 10 971                                | 11 016                                |
| 2 000   | 9 000                                 | Trademarks                     | 9 000                                 | 2 000                                 |
| 9 917   | 11 960                                | Software licences              | 11 960                                | 9 917                                 |
| 22 933  | 31 931                                |                                | 31 931                                | 22 933                                |
| <b>Accumulated amortisation</b>   |                                       |                                |                                       |                                       |
| 5 447   | 7 700                                 | Automation processes           | 7 700                                 | 5 447                                 |
| 0   | 0                                     | Trademarks                     | 0                                     | 0                                     |
| 5 992   | 7 484                                 | Software licences              | 7 484                                 | 5 992                                 |
| 11 439  | 15 184                                |                                | 15 184                                | 11 439                                |
| <b>Carrying value</b>   |                                       |                                |                                       |                                       |
| 5 569   | 3 271                                 | Automation processes           | 3 271                                 | 5 569                                 |
| 2 000   | 9 000                                 | Trademarks                     | 9 000                                 | 2 000                                 |
| 3 925   | 4 476                                 | Software licences              | 4 476                                 | 3 925                                 |
| 11 494  | 16 747                                |                                | 16 747                                | 11 494                                |
| Movement of intangible assets has been detailed in Annexure B.  |                                       |                                |                                       |                                       |
| <b>6. INVESTMENT IN SUBSIDIARIES (ANNEXURE C)</b>   |                                       |                                |                                       |                                       |
| 29 832  | 35 096                                | Shares at cost                 |                                       |                                       |
| (1 028)   | (995)                                 | Loan from subsidiary           |                                       |                                       |
| 28 804  | 34 101                                |                                |                                       |                                       |
| 0   | 0                                     | Loan to subsidiaries           |                                       |                                       |
| 28 804  | 34 101                                |                                |                                       |                                       |
| (868)   | (835)                                 | Current                        |                                       |                                       |
| 29 672  | 34 936                                | Non-current                    |                                       |                                       |
| 28 804  | 34 101                                | Net investment in subsidiaries |                                       |                                       |
| Aggregated losses of subsidiaries amounted to N\$ 54.7 million (2014 N\$38.6 million). Losses incurred by subsidiaries for the year amounted to N\$17.8 million (2014: N\$0.3 million). |                                       |                                |                                       |                                       |
| The loans are interest free and have no fixed repayment terms.  |                                       |                                |                                       |                                       |

| <b>COMPANY</b>  |                                       |                                     | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |                                     | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |                                     | N\$ 000's                             | N\$ 000's                             |
| <b>7. INVESTMENT IN A JOINT VENTURE</b>   |                                       |                                     |                                       |                                       |
| 644 507   | 784 007                               | Shares at cost                      | 784 007                               | 644 507                               |
| (704 713)   | ( 829 307)                            | Impairment in investment            | 0                                     | 0                                     |
| 60 206  | 73 625                                | Loan to Joint Venture               | 73 625                                | 60 206                                |
| 0   | 0                                     | Accumulated equity accounted losses | ( 829 307)                            | (704 713)                             |
| 0   | 28 325                                | Carrying amount of the investment   | 28 325                                | 0                                     |
| <b>Disclosed as</b>   |                                       |                                     |                                       |                                       |
| 0   | 0                                     | Current                             | 0                                     | 0                                     |
| 0   | 28 325                                | Non-current                         | 28 325                                | 0                                     |
| 0   | 28 325                                |                                     | 28 325                                | 0                                     |
| <p>Included in accumulated equity-accounted losses is an impairment of the loan to DHN Drinks (Proprietary) Limited amounting to N\$48 million (2014: N\$ 60.2 million). The loan was impaired as management considers it probable that this portion of the loan will be capitalised to offset losses incurred during 2015.</p> <p>The loan to the Joint Venture was unsecured and bears interest at JIBAR +2% and has no fixed repayment terms.</p> <p>The full equity injection in the current year was in the form of loan funding N\$ 155 million (2014: N\$ 104.6 million) of which N\$ 139.5 million (2014: N\$ 46.5 million) was capitalised during the year.</p> <p>Trade receivables from the Joint Venture are disclosed in note 10.</p> <p>Refer to Note 32 for details on the proposed transaction between NBL, Diageo and Heineken. Upon conclusion of the proposed transaction, the current joint venture arrangement will be replaced by a new arrangement between NBL and Heineken.</p> <p>The summarised financial information of material joint ventures at 30 June and for the years then ended is as follows:</p> |                                       |                                     |                                       |                                       |
| <b>Summarised Statement of Financial Position</b>   |                                       |                                     |                                       |                                       |
| Current assets  |                                       |                                     | 784 295                               | 1 024 000                             |
| Non-current assets  |                                       |                                     | 356 849                               | 356 000                               |
|   |                                       |                                     | 1 141 144                             | 1 380 000                             |
| Current liabilities   |                                       |                                     | 1 073 345                             | 1 428 000                             |
|   |                                       |                                     | 1 073 345                             | 1 428 000                             |
| Revenue   |                                       |                                     | 4 743 766                             | 4 552 411                             |
| Net interest expense  |                                       |                                     | (100 726)                             | (42 219)                              |
| Other income and expenses   |                                       |                                     | (5 424 531)                           | (5 308 500)                           |
| Loss before income tax  |                                       |                                     | (781 491)                             | (798 308)                             |
| Income tax expense  |                                       |                                     | 0                                     | 0                                     |
| Loss from continuing operations   |                                       |                                     | (781 491)                             | (798 308)                             |
| <b>Total comprehensive income</b>   |                                       |                                     | (781 491)                             | (798 308)                             |
| Royalties received from joint venture   |                                       |                                     | 79 067                                | 72 508                                |

| <b>COMPANY</b>  |                                       |  | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>8. AVAILABLE-FOR-SALE INVESTMENTS</b>  |                                       |  |                                       |                                       |
| <b>Unlisted investments</b>   |                                       |  |                                       |                                       |
| 14  | 15                                    | L&T Ventures (Proprietary) Limited                                   | 15                                    | 14                                    |
| 14  | 15                                    | Directors' valuation of unlisted investments                         | 15                                    | 14                                    |
| <b>9. INVENTORIES</b>   |                                       |  |                                       |                                       |
| 48 097  | 58 577                                | Raw materials  | 58 577                                | 48 097                                |
| 18 099  | 17 631                                | Work in progress   | 17 631                                | 18 099                                |
| 64 752  | 55 127                                | Finished products  | 55 869                                | 65 516                                |
| 76 191  | 89 821                                | Consumable stores  | 89 082                                | 76 191                                |
| 1 668   | 5 448                                 | Merchandise  | 5 448                                 | 1 668                                 |
| 208 807   | 226 604                               |  | 226 607                               | 209 571                               |
| <p>On 30 June 2015 the impairment to inventories amounted to N\$9.1 million (2014 : N\$5.2 million) . The impairment is included in operating expenses in the income statement and is mainly due to redundant spares and changes in packaging design.</p> |                                       |  |                                       |                                       |
| <b>10. TRADE AND OTHER RECEIVABLES</b>  |                                       |  |                                       |                                       |
| 162 501   | 174 756                               | Trade receivables  | 173 275                               | 163 567                               |
| (563)   | (1 860)                               | Allowance for credit losses  | (1 860)                               | (563)                                 |
| 146 658   | 62 911                                | Receivables from Joint Ventures                                      | 62 911                                | 147 079                               |
| 9 830   | 3 671                                 | Receivables from holding company and fellow subsidiaries (Note 28.1) | 740                                   | 1 853                                 |
| 11 138  | 323                                   | Receivables from other related parties (Note 28.2)                   | 323                                   | 11 138                                |
| 18 547  | 13 700                                | Value added taxation   | 14 503                                | 18 389                                |
| 13 497  | 4 244                                 | Receiver of revenue tax receivable                                   | 4 482                                 | 13 497                                |
| 10 530  | 10 830                                | Refundable deposits  | 10 830                                | 10 530                                |
| 10 100  | 30 549                                | Prepayments  | 30 549                                | 10 100                                |
| 7 733   | 29 905                                | Other receivables  | 29 850                                | 7 732                                 |
| 389 971   | 329 029                               |  | 325 603                               | 383 322                               |

Trade receivables is shown net of impairment of N\$1.9 million (2014: N\$0.6 million). The impairment is included in operating expenses in the statement of comprehensive income.

Trade receivables are non-interest bearing and are generally on 30-60 days' terms.

For terms and conditions relating to related party receivables, refer to note 28.

Trade receivables are pledged as security for the medium term loan disclosed in note 14 and annexure A.

The Directors consider that the carrying amount of trade and other receivables approximate their fair value.

The average credit period on sales of goods of the company is 45 days (2014: 45 days). No interest is charged on trade receivables. At 30 June 2015, receivables of N\$57 179 993 (2014:N\$ 153 504 196) were past due but not impaired. The company has not provided for these as there has not been a significant change in credit quality.



| <b>COMPANY</b>  |                                       |  | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>10. TRADE AND OTHER RECEIVABLES (Continued)</b>  |                                       |  |                                       |                                       |
| <b>Movement in the allowance account for impairment losses:</b>   |                                       |  |                                       |                                       |
| (725)   | (563)                                 | Balance at the beginning of the year         | (563)                                 | (725)                                 |
| (575)   | (1 865)                               | Charge for the year                          | (1 865)                               | (575)                                 |
| 14  | 568                                   | Utilised                                     | 568                                   | 14                                    |
| 723   | 0                                     | Unused/recovered amounts reversed            | 0                                     | 723                                   |
| (563)   | (1 860)                               | Balance at the end of the year               | (1 860)                               | (563)                                 |
| <b>Analysed as follows:</b>   |                                       |  |                                       |                                       |
| (563)   | (1 860)                               | Individually impaired trade receivables      | (1 860)                               | (563)                                 |
| 0   | 0                                     | Collectively impaired trade receivables      | 0                                     | 0                                     |
| (563)   | (1 860)                               |  | (1 860)                               | (563)                                 |
| <p>In determining the recoverability of a trade receivable, the Company and Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.</p> <p>The concentration of credit risk is limited and is fully detailed in note 30.3. The directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.</p> <p>The impairment recognised represents the difference between the carrying amount of these trade receivable and the present value of the expected liquidation proceeds. The group does not hold any collateral over these balances.</p> |                                       |  |                                       |                                       |
| <b>11. CASH AND CASH EQUIVALENTS</b>  |                                       |  |                                       |                                       |
| 47 248  | 31 805                                | Cash and bank                                | 32 154                                | 53 185                                |
| 2 036   | 228 752                               | Funds on call                                | 232 065                               | 2 756                                 |
| 49 284  | 260 557                               | Cash and cash equivalents at end of the year | 264 219                               | 55 941                                |
| <p>The carrying amount of these assets approximate their fair value.</p> <p>The undrawn facilities at 30 June 2015 were N\$ 30.2 million.</p>   |                                       |  |                                       |                                       |
| <b>12. NON-CURRENT ASSETS HELD FOR SALE</b>   |                                       |  |                                       |                                       |
| <p>The major classes of assets and liabilities comprising the disposal group classified as held for sale are as follows:</p>  |                                       |  |                                       |                                       |
| <b>Net assets of disposal group:</b>  |                                       |  |                                       |                                       |
| <b>Non-current assets held for sale</b>   |                                       |  |                                       |                                       |
| 5 925   | 4 500                                 | Property, Plant & Equipment                  | 4 500                                 | 5 925                                 |
| 5 925   | 4 500                                 |  | 4 500                                 | 5 925                                 |

Included in non-current assets held for sale are Camelthorn Brewing assets. The brewing assets were classified as held for sale on 30 April 2014 as the company intended to sell the assets within the next 12 months.

The assets were impaired by N\$1 425 000 (2014: N\$ nil) during the year. The impairment was determined as the difference between the recoverable amount of the assets which was lower than the book value of the assets. The recoverable amount was based on the amount a buyer was willing to offer for the assets at 30 June 2015. There were delays with the previous buyer which resulted in the sale not going through in the last financial year however, a new contract for the sale of these assets was concluded subsequent to year end.

| <b>COMPANY</b>   |                                       |  | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>13. SHARE CAPITAL</b>   |                                       |  |                                       |                                       |
| <b>Ordinary - Authorised</b>   |                                       |  |                                       |                                       |
| 299 000 000 shares of no par value (2014 - 299 000 000)  |                                       |  |                                       |                                       |
| <b>Ordinary - Issued</b>   |                                       |  |                                       |                                       |
| 1 024  | 1 024                                 | 206 529 000 shares of no par value (2014 - 206 529 000). All shares issued are fully paid. | 1 024                                 | 1 024                                 |
| The 92 471 000 unissued shares of the Company are under the control of the Directors in terms of a members' resolution dated 27 November 2014. In terms of the Companies Act, this authority expires at the forthcoming Annual General Meeting. Members will accordingly be asked to extend this said authority until the Annual General Meeting to be held in 2015. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on meetings of the company. |                                       |  |                                       |                                       |
| <b>14. INTEREST-BEARING LOANS AND BORROWINGS</b>   |                                       |  |                                       |                                       |
| This note provides information about the contractual terms of the Company and Group's interest-bearing loans and borrowings. For more information about the exposure to interest rate risk, see annexure A.  |                                       |  |                                       |                                       |
| <b>Non-current liabilities</b>   |                                       |  |                                       |                                       |
| <b>Secured</b>   |                                       |  |                                       |                                       |
| 8 672  | 13 811                                | Finance lease liabilities (Note 4) (Annexure A)  | 13 821                                | 8 786                                 |
| 8 672  | 13 811                                |  | 13 821                                | 8 786                                 |
| <b>Current liabilities</b>   |                                       |  |                                       |                                       |
| <b>Unsecured</b>   |                                       |  |                                       |                                       |
| 868  | 835                                   | Loans from related parties (Annexure A)  | 0                                     | 0                                     |
| <b>Secured</b>   |                                       |  |                                       |                                       |
| 100 000  | 100 000                               | Medium term loan (Annexure A)  | 100 000                               | 100 000                               |
| 5 746  | 5 611                                 | Finance lease liabilities (Annexure A) (Note 4)  | 5 711                                 | 5 822                                 |
| 106 614  | 106 446                               |  | 105 711                               | 105 822                               |

For terms and conditions relating to related party receivables, refer to note 28 and Annexure A.

| <b>COMPANY</b>   |                                       |  | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>15. RETIREMENT BENEFIT INFORMATION</b>  |                                       |  |                                       |                                       |
| <b>15.1 Retirement fund</b>  |                                       |  |                                       |                                       |
| The total value of contributions to the Ohlthaver & List Retirement Fund during the period amounted to:  |                                       |  |                                       |                                       |
| 9 690  | 7 014                                 | Members contributions                        | 7 014                                 | 9 690                                 |
| 14 522   | 18 749                                | Employer contributions                       | 18 749                                | 14 522                                |
| <u>24 212</u>  | <u>25 763</u>                         |  | <u>25 763</u>                         | <u>24 212</u>                         |
| This is a defined contribution plan and is regulated by the Pension Fund Act. The fund is valued at intervals of not more than three years. The fund was valued by an independent consulting actuary at 30 June 2015 and its assets were found to exceed its actuarially calculated liabilities.   |                                       |  |                                       |                                       |
| <b>15.2 Post employment medical aid benefit plan</b>   |                                       |  |                                       |                                       |
| 10 609   | 8 882                                 | Balance at the beginning of the year         | 8 882                                 | 10 609                                |
| 787  | 732                                   | Interest cost                                | 732                                   | 787                                   |
| (1 773)  | 566                                   | Actuarial (gain)/loss                        | 566                                   | (1 773)                               |
| (741)  | (696)                                 | Benefits paid                                | (696)                                 | (741)                                 |
| <u>8 882</u>   | <u>9 484</u>                          | Balance at the end of the year               | <u>9 484</u>                          | <u>8 882</u>                          |
| The Ohlthaver & List group provides for post employment medical aid benefits in respect of retired employees. The present value of the provision at 30 June 2015, as determined by using projected unit credit method was N\$9.5 million (2014: N\$8.8 million). Future benefits valued are projected using specific actuarial assumptions and the liability for in-service members is accrued over the expected working lifetime. |                                       |  |                                       |                                       |
| The principle actuarial assumptions used in determining post employment medical aid benefit obligations for the Group's plan are as follows:   |                                       |  |                                       |                                       |
| 8.60%  | 8.30%                                 | Discount rate                                | 8.30%                                 | 8.60%                                 |
| 8.50%  | 8.20%                                 | Healthcare cost inflation                    | 8.20%                                 | 8.50%                                 |
| 25   | 24                                    | Members                                      | 24                                    | 25                                    |
| <b>Sensitivity of results</b>  |                                       |  |                                       |                                       |
| 1% increase in medical inflation assumption  |                                       |  |                                       |                                       |
| 888  | 927                                   | Accrued liability                            | 927                                   | 888                                   |
| 10%  | 9.8%                                  | % increase                                   | 9.8%                                  | 10%                                   |
| 808  | 770                                   | Current service + interest cost in next year | 770                                   | 808                                   |
| 10.4%  | 10.2%                                 | % increase                                   | 10.2%                                 | 10.4%                                 |
| 1% decrease in medical inflation assumption  |                                       |  |                                       |                                       |
| (764)  | (800)                                 | Accrued liability                            | (800)                                 | (764)                                 |
| (8.6%)   | (8.4%)                                | % decrease                                   | (8.4%)                                | (8.6%)                                |
| (667)  | (660)                                 | Current service + interest cost in next year | (660)                                 | (667)                                 |
| (8.9%)   | (8.8%)                                | % decrease                                   | (8.8%)                                | (8.9%)                                |

| <b>COMPANY</b>   |                                       |  | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>15. RETIREMENT BENEFIT INFORMATION (Continued)</b>  |                                       |  |                                       |                                       |
| <b>15.3 Severance benefit</b>  |                                       |  |                                       |                                       |
| 8 336  | 9 164                                 | Balance at the beginning of the year             | 9 164                                 | 8 336                                 |
| 701  | 730                                   | Current service costs                            | 730                                   | 701                                   |
| 722  | 867                                   | Interest cost                                    | 867                                   | 722                                   |
| (132)  | (549)                                 | Actuarial gain                                   | (549)                                 | (132)                                 |
| (463)  | (66)                                  | Benefits paid                                    | (66)                                  | (463)                                 |
| 9 164  | 10 146                                | Non-current balance at the end of the year       | 10 146                                | 9 164                                 |
| 18 046   | 19 630                                |  | 19 630                                | 18 046                                |
| The principle actuarial assumptions used in determining severance pay obligations for the Group is as follows: |                                       |  |                                       |                                       |
| 8.80%  | 8.60%                                 | Discount rate                                    | 8.60%                                 | 8.80%                                 |
| 6.10%  | 5.70%                                 | Inflation rate                                   | 5.70%                                 | 6.10%                                 |
| 6.10%  | 5.70%                                 | Salary increase rate                             | 5.70%                                 | 6.10%                                 |
| <b>16. DEFERRED TAXATION</b>   |                                       |  |                                       |                                       |
| <b>Deferred taxation liability</b>   |                                       |  |                                       |                                       |
| 152 549  | 185 380                               | Balance at beginning of the year                 | 185 588                               | 152 757                               |
| 27 968   | 11 502                                | Accelerated depreciation for tax purposes        | 11 327                                | 27 968                                |
| (989)  | (650)                                 | Consumables                                      | (650)                                 | (989)                                 |
| (4 155)  | 1 723                                 | Customer deposits                                | 1 723                                 | (4 155)                               |
| 5 989  | (10 016)                              | Other provisions                                 | (10 016)                              | 5 989                                 |
| 492  | 174                                   | Other leases                                     | 174                                   | 492                                   |
| (581)  | 1 915                                 | Prepayments                                      | 1 915                                 | (581)                                 |
| 486  | (523)                                 | Retirement and severance pay benefit obligations | (523)                                 | 486                                   |
| (1 002)  | (476)                                 | Intangible asset                                 | (476)                                 | (1 002)                               |
| 4 623  | (1 418)                               | Prior period adjustment                          | (1 418)                               | 4 623                                 |
| 32 831   | 2 231                                 | Movement during the year                         | 2 056                                 | 32 831                                |
| 185 380  | 187 611                               | Balance at the end of the year                   | 187 644                               | 185 588                               |
| <b>Analysis of deferred taxation liability:</b>  |                                       |  |                                       |                                       |
| 206 177  | 217 679                               | Accelerated depreciation for tax purposes        | 217 712                               | 206 385                               |
| 5 178  | 4 528                                 | Consumables                                      | 4 528                                 | 5 178                                 |
| (15 273)   | (13 550)                              | Customer deposits                                | (13 550)                              | (15 273)                              |
| (4 392)  | (14 408)                              | Other provisions                                 | (14 408)                              | (4 392)                               |
| (4 758)  | (4 584)                               | Other leases                                     | (4 584)                               | (4 758)                               |
| 1 243  | 3 158                                 | Prepayments                                      | 3 158                                 | 1 243                                 |
| (5 955)  | (6 478)                               | Retirement benefit obligations                   | (6 478)                               | (5 955)                               |
| 3 160  | 2 684                                 | Intangible assets                                | 2 684                                 | 3 160                                 |
| 0  | (1 418)                               | Prior period adjustment                          | (1 418)                               | 0                                     |
| 185 380  | 187 611                               |  | 187 644                               | 185 588                               |

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement.

Unused tax losses not recognised as deferred tax assets as a result of uncertainty with regards to the recoverability thereof amount to N\$ 53.7 million (2014: N\$ 35.9 million).



| <b>COMPANY</b>   |                                       |   | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|---|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |   | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |   | N\$ 000's                             | N\$ 000's                             |
| <b>17. TRADE AND OTHER PAYABLES</b>  |                                       |   |                                       |                                       |
| 123 001  | 158 362                               | Trade and other payables                    | 162 161                               | 125 723                               |
| 39 306   | 45 685                                | Excise duties                               | 45 685                                | 39 306                                |
| 88 616   | 119 161                               | Accruals                                    | 119 332                               | 88 623                                |
| 32 010   | 28 195                                | Returnable packaging deposits               | 28 195                                | 32 010                                |
| 0  | 2 656                                 | Value added taxation                        | 3 301                                 | 0                                     |
| 3 914  | 4 694                                 | Payables to related parties (Note 28)       | 4 694                                 | 3 914                                 |
| <b>286 847</b>   | <b>358 753</b>                        |   | <b>363 368</b>                        | <b>289 576</b>                        |
| Terms and conditions of the above financial liabilities:   |                                       |   |                                       |                                       |
| For terms and conditions and balances owing to relating to related parties refer to note 28.   |                                       |   |                                       |                                       |
| Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider the carrying amount of trade and other payables approximates their fair value. |                                       |   |                                       |                                       |
| Trade payables are non-interest bearing and are normally settled on 30-60 day terms.   |                                       |   |                                       |                                       |
| Accruals relates to leave, medical, bonus, electricity and management fee accruals.  |                                       |   |                                       |                                       |
| <b>18. DERIVATIVE FINANCIAL INSTRUMENTS</b>  |                                       |   |                                       |                                       |
| (680)  | (300)                                 | Forward foreign exchange contract liability | (300)                                 | (680)                                 |
| Refer to note 31.2 for details for outstanding forward exchange contracts at year end.   |                                       |   |                                       |                                       |
| <b>19. REVENUE</b>   |                                       |   |                                       |                                       |
| 2 311 817  | 2 421 961                             | Sale of goods                               | 2 432 806                             | 2 315 627                             |
| (69 752)   | (75 795)                              | Discounts allowed                           | (77 696)                              | (71 517)                              |
| 72 508   | 79 067                                | Royalty income                              | 79 067                                | 72 508                                |
| 0  | 0                                     | Rent received                               | 0                                     | 314                                   |
| <b>2 314 573</b>   | <b>2 425 233</b>                      |   | <b>2 434 177</b>                      | <b>2 316 932</b>                      |
| The amount included in revenue arising from export sales amounts to N\$ 912 million (2014: N\$ 916 million).   |                                       |   |                                       |                                       |
| <b>20. OPERATING EXPENSES</b>  |                                       |   |                                       |                                       |
| <b>Costs by nature</b>   |                                       |   |                                       |                                       |
| 927 394  | 858 531                               | Raw material and consumables                | 860 587                               | 927 394                               |
| 230 007  | 266 365                               | Employment costs                            | 268 714                               | 231 702                               |
| 365 281  | 442 587                               | Administration and marketing expenses       | 448 969                               | 367 681                               |
| 174 065  | 177 930                               | Railage and transport                       | 177 930                               | 174 065                               |
| 52 775   | 50 147                                | Repairs and maintenance                     | 50 572                                | 52 994                                |
| 111 615  | 120 163                               | Depreciation, amortisation and impairments  | 120 891                               | 111 765                               |
| <b>1 861 137</b>   | <b>1 915 723</b>                      |   | <b>1 927 663</b>                      | <b>1 865 601</b>                      |

| <b>COMPANY</b>                        |                                       |  | <b>GROUP</b>                          |                                       |
|---------------------------------------|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014 | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's                             | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
|                                       |                                       | <b>21. OPERATING PROFIT</b>                                      |                                       |                                       |
|                                       |                                       | is arrived at after taking account of                            |                                       |                                       |
|                                       |                                       | <b>Income</b>  |                                       |                                       |
| (4 004)                               | (2 856)                               | Net loss on disposal of plant and equipment                      | (2 856)                               | (4 004)                               |
|                                       |                                       | <b>Expenses</b>  |                                       |                                       |
|                                       |                                       | Audit fees   |                                       |                                       |
| 1 325                                 | 1 404                                 | - for statutory audit  | 1 404                                 | 1 325                                 |
| 432                                   | 500                                   | - for other services   | 623                                   | 432                                   |
| 103 676                               | 112 089                               | Depreciation   | 112 817                               | 103 826                               |
| 4 395                                 | 3 745                                 | Amortisation - intangible asset                                  | 3 745                                 | 4 395                                 |
| 7 088                                 | 6 678                                 | Directors' emoluments (Annexure D)                               | 6 678                                 | 7 088                                 |
| 26 858                                | 46 846                                | Management fees  | 46 846                                | 26 858                                |
| 4 115                                 | 1 731                                 | Royalties  | 1 731                                 | 4 115                                 |
| (733)                                 | 3 158                                 | Realised profit/(loss) on foreign exchange transactions          | 4 050                                 | (733)                                 |
|                                       |                                       | Operating lease payments   |                                       |                                       |
| 7 179                                 | 7 290                                 | - land and buildings   | 7 479                                 | 7 324                                 |
| 100                                   | 1 607                                 | Impairment of inventories  | 1 607                                 | 100                                   |
| 575                                   | 1 297                                 | Impairment of trade receivables                                  | 1 297                                 | 1 754                                 |
| 0                                     | 1 425                                 | Impairment of Non-Current Assets Held for Sale                   | 1 425                                 | 0                                     |
| 0                                     | 15 405                                | Impairment of loans to subsidiaries                              | 0                                     | 0                                     |
|                                       |                                       | <b>22. FINANCE COSTS</b>   |                                       |                                       |
| 13 282                                | 7 430                                 | Interest bearing loans   | 7 455                                 | 13 282                                |
| 1 628                                 | 1 377                                 | Finance leases   | 1 392                                 | 1 650                                 |
| 14 910                                | 8 807                                 | Total finance costs  | 8 847                                 | 14 932                                |
|                                       |                                       | <b>23. FINANCE INCOME</b>  |                                       |                                       |
| 8 081                                 | 7 033                                 | Interest - bank and funds on call                                | 7 137                                 | 8 114                                 |
| 4 224                                 | 14 863                                | - jointly controlled entities                                    | 14 863                                | 4 224                                 |
| 0                                     | 0                                     | - holding company, fellow subsidiaries and other related parties | 0                                     | 0                                     |
| 12 305                                | 21 896                                | Total finance income   | 22 000                                | 12 338                                |

| <b>COMPANY</b>   |                                       |   | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|---|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |   | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |   | N\$ 000's                             | N\$ 000's                             |
| <b>24. INCOME TAX EXPENSE</b>  |                                       |   |                                       |                                       |
| The major components of income tax expense for the years ended 30 June 2015 and 2014 are:  |                                       |   |                                       |                                       |
| (102 536)  | (113 963)                             | Namibian taxation                                       | (113 968)                             | (102 578)                             |
| (20 289)   | (22 124)                              | South African taxation                                  | (22 124)                              | (20 289)                              |
| (122 825)  | (136 087)                             | Total income tax expense in income statement            | (136 092)                             | (122 867)                             |
| <b>Comprising</b>  |                                       |   |                                       |                                       |
| (69 705)   | (111 733)                             | Normal taxation - current period: Namibia               | (111 911)                             | (69 747)                              |
| (20 289)   | (22 124)                              | - current period: South Africa                          | (22 124)                              | (20 289)                              |
| (32 831)   | (2 230)                               | Deferred taxation - current period: Namibia             | (2 057)                               | (32 831)                              |
| (122 825)  | (136 087)                             | <b>Income tax expense</b>                               | (136 092)                             | (122 867)                             |
| No provision for normal taxation has been made for certain subsidiaries which have estimated tax losses of N\$53.8 million (2014: N\$35.9 million). No deferred tax asset has been recognised for these calculated tax losses as it is uncertain that future taxable profits will be available against which the associated unused tax losses can be utilised. |                                       |   |                                       |                                       |
| <b>Estimated tax losses available for</b>  |                                       |   |                                       |                                       |
| 0  | 0                                     | Set-off against future taxable income                   | 53 776                                | 35 916                                |
| 0  | 0                                     | Less: Applied to offset any deferred taxation liability | 0                                     | 0                                     |
| 0  | 0                                     | Utilised to create deferred tax asset                   | 53 776                                | 35 916                                |
| 0  | 0                                     | Available to reduce future taxable income               | 53 776                                | 35 916                                |
| <b>Reconciliation of effective tax rate</b>  |                                       |   |                                       |                                       |
| <b>%</b>   |                                       |   |                                       | <b>%</b>                              |
| 33.0   | 33.0                                  | Namibian normal tax rate                                | 33.0                                  | 33.0                                  |
|  |                                       | (Reduction)/ increase in rate of taxation               |                                       |                                       |
| (7.1)  | (9.2)                                 | - manufacturing allowances                              | (9.3)                                 | (6.9)                                 |
| 0.1  | 1.2                                   | - disallowable expenditure                              | 0.1                                   | 0.0                                   |
| (1.1)  | (1.0)                                 | - effect of rate differential between tax jurisdictions | (1.2)                                 | (1.1)                                 |
| 12.4   | 10.2                                  | - impairment of investment in joint venture             | 0.0                                   | 0.0                                   |
| 0.0  | 0.0                                   | - equity loss in joint venture                          | 10.4                                  | 12.4                                  |
| 0.0  | 0.0                                   | - deferred tax asset not recognised                     | 1.5                                   | 0.0                                   |
| 37.2   | 34.2                                  | Effective rate of taxation                              | 34.4                                  | 37.4                                  |

| <b>COMPANY</b>   |                                       |   | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|---|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |   | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |   | N\$ 000's                             | N\$ 000's                             |
| <b>25. BASIC AND HEADLINE EARNINGS PER ORDINARY SHARE</b>  |                                       |   |                                       |                                       |
| Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by weighted average number of ordinary shares outstanding during the year. |                                       |   |                                       |                                       |
| Calculation of weighted average number of shares for basic earnings per share and dilutive earnings per share:   |                                       |   |                                       |                                       |
| 206 529  | 206 529                               | Shares issued at beginning of period                | 206 529                               | 206 529                               |
| 206 529  | 206 529                               | Weighted average number of shares                   | 206 529                               | 206 529                               |
| Profit attributable to ordinary shareholders   |                                       |   |                                       |                                       |
| Accumulated equity accounted losses from ongoing operations  |                                       |   |                                       |                                       |
| Net loss on the sale of property, plant and equipment (after tax)  |                                       |   |                                       |                                       |
| Impairment loss on Non-Current Assets Held for Sale (after tax)  |                                       |   |                                       |                                       |
| Headline earnings  |                                       |   |                                       |                                       |
| <b>25.1 Basic earnings per ordinary share (cents)</b>  |                                       |   |                                       |                                       |
| 207 665  | 261 919                               | Profit attributable to ordinary shareholders        | 258 982                               | 205 529                               |
| 206 529  | 206 529                               | Weighted number of shares in issue (000's)          | 206 529                               | 206 529                               |
| 100.6  | 126.8                                 | Basic earnings per ordinary share (cents)           | 125.4                                 | 99.5                                  |
| <b>25.2 Headline earnings per ordinary share (cents)</b>   |                                       |   |                                       |                                       |
| Headline earnings  |                                       |   |                                       |                                       |
| Weighted average number of shares in issue (000's)   |                                       |   |                                       |                                       |
| Headline earnings per ordinary share (cents)   |                                       |   |                                       |                                       |
| <b>26. DIVIDENDS PAID AND PROPOSED</b>   |                                       |   |                                       |                                       |
| In respect of the 2015 financial year  |                                       |   |                                       |                                       |
| 0  | 76 416                                | - interim (37 cents per share, paid 8 May 2015)     | 76 416                                | 0                                     |
| 0  | 0                                     | - final (37 cents per share, proposed)              | 0                                     | 0                                     |
| In respect of the 2014 financial year  |                                       |   |                                       |                                       |
| 70 220   | 0                                     | - interim (34 cents per share, paid 9 May 2014)     | 0                                     | 70 220                                |
| 0  | 70 220                                | - final (34 cents per share, paid 21 November 2014) | 70 220                                | 0                                     |
| In respect of the 2013 financial year  |                                       |   |                                       |                                       |
| 0  | 0                                     | - interim (31 cents per share, paid 10 May 2013)    | 0                                     | 0                                     |
| 64 024   | 0                                     | - final (31 cents per share, paid 23 November 2013) | 0                                     | 64 024                                |
| 134 244  | 146 636                               | Dividends to equity holders                         | 146 636                               | 134 244                               |
| <b>Dividend paid per ordinary share</b>  |                                       |   |                                       |                                       |
| 31.0   | 34.0                                  | Final dividend (cents)                              | 34.0                                  | 31.0                                  |
| 34.0   | 37.0                                  | Interim dividend (cents)                            | 37.0                                  | 34.0                                  |
| 65.0   | 71.0                                  |   | 71.0                                  | 65.0                                  |

| <b>COMPANY</b>   |                                       |  | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>26. DIVIDENDS PAID AND PROPOSED (Continued)</b>   |                                       |  |                                       |                                       |
| <b>Proposed dividend</b>   |                                       |  |                                       |                                       |
| On 19 August 2015 the directors declared a final dividend of 37 cents (20 August 2014: 34 cents) per ordinary share. This dividend will be paid on 13 November 2015. |                                       |  |                                       |                                       |
| 70 220   | 76 416                                |  | 76 416                                | 70 220                                |
| <b>27. NOTES TO THE CASH FLOW STATEMENTS</b>   |                                       |  |                                       |                                       |
| <b>27.1 Cash generated by operations</b>   |                                       |  |                                       |                                       |
| 330 490  | 398 006                               | Profit before income tax                                     | 395 074                               | 328 396                               |
| Adjustments for:   |                                       |  |                                       |                                       |
| 103 676  | 112 089                               | Depreciation   | 112 817                               | 103 826                               |
| 4 395  | 3 745                                 | Amortisation   | 3 745                                 | 4 395                                 |
| 4 004  | 2 856                                 | Loss on disposal of property, plant and equipment            | 2 856                                 | 4 004                                 |
| 723  | 0                                     | Net impairment (reversals)/losses                            | 0                                     | 723                                   |
| (899)  | 1 584                                 | Increase/ (decrease) in provisions                           | 1 584                                 | (899)                                 |
| 120 341  | 124 593                               | Impairment of investment in joint venture                    |                                       | 0                                     |
| 0  | 0                                     | Accumulated equity accounted losses from on-going operations | 124 593                               | 120 341                               |
| 0  | 15 405                                | Impairment loss on subsidiary loans                          | 0                                     | 0                                     |
| 0  | 1 425                                 | Impairment loss on Non-Current Assets Held for Sale          | 1 425                                 | 0                                     |
| 0  | 2 081                                 | Accrued interest on DHN loan                                 | 2 081                                 | 0                                     |
| (12 305)   | (21 896)                              | Finance income   | (22 000)                              | (12 338)                              |
| 14 910   | 8 807                                 | Finance costs  | 8 847                                 | 14 932                                |
| 565 335  | 648 695                               | Operating profit before working capital changes              | 631 022                               | 563 380                               |
| 77 084   | (17 797)                              | Inventories  | (17 036)                              | 76 319                                |
| (17 615)   | 51 689                                | Trade and other receivables                                  | 48 161                                | (18 629)                              |
| (120 516)  | 71 907                                | Trade and other payables                                     | 74 334                                | (118 433)                             |
| 504 288  | 754 494                               | Cash generated by operations                                 | 736 481                               | 502 637                               |

| <b>COMPANY</b>  |                                       |  | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>27. NOTES TO THE CASH FLOW STATEMENTS (continued)</b>  |                                       |  |                                       |                                       |
| <b>27.2 Dividends paid</b>  |                                       |  |                                       |                                       |
| Dividends paid are reconciled to the amounts disclosed in the statement of changes in equity as follows:  |                                       |  |                                       |                                       |
| (134 244)   | (146 636)                             | Ordinary dividends per statement of changes in equity              | (146 636)                             | (134 244)                             |
| <b>27.3 Income tax paid</b>   |                                       |  |                                       |                                       |
| (59)  | 12 426                                | Balance at beginning of the year                                   | 12 426                                | (59)                                  |
| (89 994)  | (133 857)                             | Current tax charge   | (134 036)                             | (90 036)                              |
| (12 426)  | (1 668)                               | Balance at end of the year   | (1 906)                               | (12 426)                              |
| (102 479)   | (123 099)                             | Income tax paid during the year                                    | (123 516)                             | (102 521)                             |
| <b>28. RELATED PARTIES</b>  |                                       |  |                                       |                                       |
| The immediate holding company of Namibia Breweries Limited is NBL Investment Holdings Limited of which the shareholding is held by Ohlthaver & List Finance and Trading Corporation Limited and Heineken International B.V. and Diageo plc.                           |                                       |  |                                       |                                       |
| The Company's ultimate holding Company is List Trust Company (Proprietary) Limited.   |                                       |  |                                       |                                       |
| During the year the Company and the Group, in the ordinary course of business, entered into various sales, purchases and loan transactions with fellow subsidiaries and its holding company.  |                                       |  |                                       |                                       |
| The following table provides the total amount of transactions, which have been entered into with related parties for the relevant financial year. For information regarding outstanding balances at 30 June 2015 and 2014, refer to notes 6, 7, 8, 10, 12, 14 and 17. |                                       |  |                                       |                                       |
| <b>28.1 Holding company and fellow subsidiaries</b>   |                                       |  |                                       |                                       |
| <b>Current assets (note 10)</b>   |                                       |  |                                       |                                       |
| 6   | 0                                     | Broll and List Property Management (Namibia) (Proprietary) Limited | 0                                     | 6                                     |
| 1 477   | 441                                   | Namibia Dairies (Proprietary) Limited                              | 441                                   | 1 477                                 |
| 76  | 71                                    | Ohlthaver & List Centre (Proprietary) Limited                      | 71                                    | 76                                    |
| 71  | 170                                   | O&L Leisure (Proprietary) Ltd                                      | 170                                   | 71                                    |
| 175   | 25                                    | W.U.M. Properties Limited t/a Model Pick 'n Pay                    | 25                                    | 175                                   |
| 20  | 0                                     | Wernhill Park (Proprietary) Limited                                | 0                                     | 20                                    |
| 1   | 2                                     | O&L Energy (Proprietary) Limited                                   | 2                                     | 1                                     |
| 7 977   | 5 135                                 | Flycatcher (Proprietary) Limited                                   | 0                                     | 0                                     |
| 21  | 26                                    | Dimension Data (Proprietary) Limited                               | 26                                    | 21                                    |
| 6   | 5                                     | Weathermen & Company   | 5                                     | 6                                     |
| 9 830   | 5 875                                 |  | 740                                   | 1 853                                 |



| <b>COMPANY</b>  |                                       |  | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014                           | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>28. RELATED PARTIES (Continued)</b>                          |                                       |  |                                       |                                       |
| <b>28.1 Holding company and fellow subsidiaries (Continued)</b> |                                       |  |                                       |                                       |
| <b>Revenue</b>  |                                       |  |                                       |                                       |
| <b>Sales during the year</b>                                    |                                       |  |                                       |                                       |
| 135   | 78                                    | Broll and List Property Management (Namibia) (Proprietary) Limited | 78                                    | 135                                   |
| 41  | 3                                     | Hangana Seafood (Proprietary) Limited                              | 3                                     | 41                                    |
| 208   | 22                                    | Weathermen & Co Advertising (Proprietary) Limited                  | 22                                    | 208                                   |
| 2   | 0                                     | Kraatz Marine (Proprietary) Limited                                | 0                                     | 2                                     |
| 2 620   | 3 372                                 | Namibia Dairies (Proprietary) Limited                              | 3 372                                 | 2 620                                 |
| 440   | 599                                   | O&L Leisure (Proprietary) Limited                                  | 599                                   | 440                                   |
| 391   | 290                                   | Ohlthaver & List Centre (Proprietary) Limited                      | 290                                   | 391                                   |
| 0   | 0                                     | Olifa Hotels & Resorts Namibia (Pty) Limited                       | 0                                     | 0                                     |
| 70  | 72                                    | Wernhill Park (Proprietary) Limited                                | 72                                    | 70                                    |
| 5   | 10                                    | O&L Energy (Proprietary) Limited                                   | 10                                    | 5                                     |
| 0   | 0                                     | W.U.M. Properties Limited t/a Kraatz Steel Division                | 0                                     | 0                                     |
| 288   | 398                                   | W.U.M. Properties Limited t/a Model Pick 'n Pay                    | 398                                   | 288                                   |
| 0   | 0                                     | W.U.M. Properties Limited t/a Namib Sun Hotels                     | 0                                     | 0                                     |
| 4 200   | 4 844                                 |  | 4 844                                 | 4 200                                 |
| <b>Rent received</b>  |                                       |  |                                       |                                       |
| 0   | 0                                     | W.U.M. Properties Limited t/a Model Pick 'n Pay                    | 0                                     | 395                                   |
| 4 200   | 4 844                                 | <b>Total Revenue from related parties</b>                          | 4 844                                 | 4 595                                 |
| <b>Current liabilities (note 17)</b>                            |                                       |  |                                       |                                       |
| 641   | 79                                    | Dimension Data (Proprietary) Limited                               | 79                                    | 641                                   |
| 0   | 0                                     | Hangana Seafood (Proprietary) Limited                              | 0                                     | 0                                     |
| 238   | 124                                   | ICT Holdings (Proprietary) Limited                                 | 124                                   | 238                                   |
| 4   | 1 626                                 | Namibia Dairies (Proprietary) Limited                              | 1 626                                 | 4                                     |
| 1 411   | 1 395                                 | Ohlthaver & List Centre (Proprietary) Limited                      | 1 395                                 | 1 411                                 |
| 0   | 0                                     | Broll and List Property Management (Namibia) (Proprietary) Limited | 0                                     | 0                                     |
| 1 565   | 1 186                                 | Weathermen & Co Advertising (Proprietary) Limited                  | 1 186                                 | 1 565                                 |
| 0   | 0                                     | O&L Energy (Proprietary) Limited                                   | 0                                     | 0                                     |
| 46  | 231                                   | Kraatz Marine (Proprietary) Limited                                | 231                                   | 46                                    |
| 0   | 0                                     | W.U.M. Properties Limited t/a Namib Sun Hotels                     | 0                                     | 0                                     |
| 9   | 53                                    | W.U.M. Properties Limited t/a Model Pick 'n Pay                    | 53                                    | 9                                     |
| 3 914   | 4 694                                 |  | 4 694                                 | 3 914                                 |
| <b>Purchases during the year</b>                                |                                       |  |                                       |                                       |
| 435   | 547                                   | Eros Air (Proprietary) Limited                                     | 547                                   | 435                                   |
| 1 240   | 1 300                                 | ICT Holdings (Proprietary) Limited                                 | 1 300                                 | 1 240                                 |
| 36  | 1 414                                 | Namibia Dairies (Proprietary) Limited                              | 1 414                                 | 36                                    |
| 17  | 246                                   | O&L Leisure (Proprietary) Limited                                  | 246                                   | 17                                    |
| 0   | 0                                     | W.U.M. Properties Limited t/a Namib Sun Division                   | 0                                     | 0                                     |
| 303   | 1 568                                 | Kraatz Marine (Proprietary) Limited                                | 1 568                                 | 303                                   |
| 5 814   | 15 755                                | Weatherman & Co Advertising (Proprietary) Limited                  | 15 755                                | 5 814                                 |
| 0   | 0                                     | W.U.M. Properties Limited t/a O&L Properties Division              | 0                                     | 0                                     |
| 161   | 178                                   | W.U.M. Properties Limited t/a Model Pick 'n Pay                    | 178                                   | 161                                   |
| 8 006   | 21 008                                |  | 21 008                                | 8 006                                 |

| <b>COMPANY</b>   |                                       |  | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
| <b>28. RELATED PARTIES (Continued)</b>   |                                       |  |                                       |                                       |
| <b>28.1 Holding company and fellow subsidiaries (Continued)</b>                              |                                       |  |                                       |                                       |
| <b>Interest received</b>   |                                       |  |                                       |                                       |
| 483  | 249                                   | O&L Centre (Proprietary) Limited                           | 249                                   | 483                                   |
| 4 224  | 14 863                                | DHN Drinks (Proprietary) Limited                           | 14 863                                | 4 224                                 |
| 4 707  | 15 112                                |  | 15 112                                | 4 707                                 |
| <b>Key management personnel</b>  |                                       |  |                                       |                                       |
| Key management are the directors of the group. For Directors emoluments refer to Annexure D. |                                       |  |                                       |                                       |
| <b>Interest paid</b>   |                                       |  |                                       |                                       |
| 0  | 3                                     | O&L Centre (Proprietary) Limited                           | 3                                     | 0                                     |
| 0  | 3                                     |  | 3                                     | 0                                     |
| <b>Management and shared service fees paid</b>   |                                       |  |                                       |                                       |
| 20 844   | 40 320                                | Ohlthaver & List Trust Company Limited                     | 40 320                                | 20 844                                |
| <b>Directors' fees</b>   |                                       |  |                                       |                                       |
| 380  | 360                                   | Ohlthaver & List Trust Company Limited                     | 360                                   | 380                                   |
| <b>28.2 Other related parties</b>  |                                       |  |                                       |                                       |
| <b>Management fees paid</b>  |                                       |  |                                       |                                       |
| 3 007  | 3 263                                 | Diageo Plc   | 3 263                                 | 3 007                                 |
| 3 007  | 3 263                                 | Heineken International B.V.                                | 3 263                                 | 3 007                                 |
| 6 014  | 6 526                                 |  | 6 526                                 | 6 014                                 |
| <b>Royalties received</b>  |                                       |  |                                       |                                       |
| 72 507   | 79 067                                | DHN Drinks (Proprietary) Limited                           | 79 067                                | 72 507                                |
| <b>Sales</b>   |                                       |  |                                       |                                       |
| 885 128  | 912 228                               | DHN Drinks (Proprietary) Limited                           | 912 228                               | 885 128                               |
| 0  | 0                                     | Diageo Great Britain Limited                               | 0                                     | 0                                     |
| 36 870   | 0                                     | Diageo South Africa (Proprietary) Limited                  | 0                                     | 36 870                                |
| 108 078  | 26 089                                | Heineken South Africa Export Company (Proprietary) Limited | 26 089                                | 108 078                               |
| 1 030 076  | 938 317                               |  | 938 317                               | 1 030 076                             |
| <b>Royalty expense</b>   |                                       |  |                                       |                                       |
| 4 115  | 1 731                                 | Heineken International B.V.                                | 1 731                                 | 4 115                                 |
| <b>Directors' fees</b>   |                                       |  |                                       |                                       |
| 135  | 125                                   | Engling, Stritter & Partners                               | 125                                   | 135                                   |
| 275  | 225                                   | Diageo Plc   | 225                                   | 275                                   |
| 225  | 190                                   | Heineken International B.V.                                | 190                                   | 225                                   |
| 635  | 540                                   |  | 540                                   | 635                                   |
| <b>Current assets (note 10)</b>  |                                       |  |                                       |                                       |
| 11 138   | 323                                   | Heineken South Africa Export Company (Proprietary) Limited | 323                                   | 11 138                                |
| 11 138   | 323                                   |  | 323                                   | 11 138                                |





| <b>COMPANY</b>                        |                                       |  | <b>GROUP</b>                          |                                       |
|---------------------------------------|---------------------------------------|--|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014 | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's                             | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |
|                                       |                                       | <b>28. RELATED PARTIES (Continued)</b>   |                                       |                                       |
|                                       |                                       | <b>28.2 Other related parties (Continued)</b>  |                                       |                                       |
|                                       |                                       | <b>Legal fees</b>  |                                       |                                       |
| 6 997                                 | 859                                   | Engling, Stritter & Partners   | 859                                   | 6 997                                 |
|                                       |                                       | <b>Subsidiaries</b>  |                                       |                                       |
|                                       |                                       | Details of the subsidiaries are disclosed in Annexure C.   |                                       |                                       |
|                                       |                                       | <b>Joint Venture</b>   |                                       |                                       |
|                                       |                                       | Details of the Joint Venture are disclosed in note 7.  |                                       |                                       |
|                                       |                                       | <b>Retirement benefit information and post employment medical aid benefit plan</b>   |                                       |                                       |
|                                       |                                       | Details of the above are disclosed in note 15.   |                                       |                                       |
|                                       |                                       | <b>Terms and conditions of transactions with related parties</b>   |                                       |                                       |
|                                       |                                       | The sales to and purchases from related parties are made at normal market prices. Outstanding balances at year-end are unsecured, on 30-90 day terms, interest free and settlement occurs in cash. |                                       |                                       |
|                                       |                                       | For the year ended 30 June 2015, the Company impaired an amount of N\$ 15.4 million (2014: N\$ nil) with respect to a loan advanced to a subsidiary. Also refer to Note 7.                         |                                       |                                       |
|                                       |                                       | <b>Directors' interest</b>   |                                       |                                       |
|                                       |                                       | At the financial year end the directors were directly interested in the Groups issued shares as follows:   |                                       |                                       |
|                                       |                                       |  | %                                     | %                                     |
|                                       |                                       | Ordinary shares  |                                       |                                       |
|                                       |                                       | Directly   | 0.07                                  | 0.07                                  |
|                                       |                                       |  | 0.07                                  | 0.07                                  |
|                                       |                                       | No individual director has a direct shareholding in excess of 1% of the issued shares of the Company.  |                                       |                                       |
|                                       |                                       | The Company has not been informed of any material changes in these holdings between year end and the date of this report.  |                                       |                                       |

| <b>COMPANY</b>   |                                       |   | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|---|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2013  | for the year<br>ended 30 June<br>2014 |   | for the year<br>ended 30 June<br>2014 | for the year<br>ended 30 June<br>2013 |
| N\$ 000's  | N\$ 000's                             |   | N\$ 000's                             | N\$ 000's                             |
| <b>29. CAPITAL COMMITMENTS AND CONTINGENCIES</b>   |                                       |   |                                       |                                       |
| <b>Authorised</b>  |                                       |   |                                       |                                       |
| 18 657   | 55 883                                | Contracted for                              | 55 883                                | 18 657                                |
| 205 125  | 248 117                               | Not contracted for                          | 248 117                               | 205 125                               |
| <u>223 782</u>   | <u>304 000</u>                        |   | <u>304 000</u>                        | <u>223 782</u>                        |
| These capital commitments are mainly for the acquisition of new plant and machinery.   |                                       |   |                                       |                                       |
| This proposed capital expenditure above is to be financed by own funds, and is expected to be settled in the following year. This excludes amounts related to the agreement with regards to DHN and Sedibeng disclosed in Note 32.   |                                       |   |                                       |                                       |
| 6 500  | 5 675                                 | <b>Guarantees and suretyship</b>            | 5 675                                 | 6 500                                 |
| The suretyships are issued by First Rand Bank Limited in favour of the South African Revenue Services.   |                                       |   |                                       |                                       |
| <b>Finance lease liabilities</b>   |                                       |   |                                       |                                       |
| The Group has entered into finance leases on certain motor vehicles. These leases have fixed terms of repayment and purchase options. Lease payments are linked to prime variable interest rates. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:   |                                       |   |                                       |                                       |
| <b>Minimum lease payments</b>  |                                       |   |                                       |                                       |
| 6 867  | 6 712                                 | Within one year                             | 6 819                                 | 6 867                                 |
| 9 615  | 14 754                                | After one year but not more than five years | 14 763                                | 9 615                                 |
| 16 482   | 21 466                                | Total minimum lease payments                | 21 582                                | 16 482                                |
| (2 064)  | (2 044)                               | Less amounts representing finance charges   | (2 050)                               | (2 064)                               |
| <u>14 418</u>  | <u>19 422</u>                         | Principal minimum lease payments            | <u>19 532</u>                         | <u>14 418</u>                         |
| <b>Joint Venture - proposed transaction (note 5)</b>   |                                       |   |                                       |                                       |
| A potential repurchase obligation exists relating to the Group's Joint Venture in South Africa. The potential obligation arises from a change in product mix or the Joint Venture agreement terminating, necessitating a repurchase of the distribution rights by the Group. The Directors are of the opinion that in substance this obligation is derivative of a non-financial asset and as such is assessed in terms of IAS 37: Provisions, Contingent Liabilities and Contingent Assets. The obligation only arises upon termination of the agreement and, in the opinion of the Directors cannot be reliably measured at the reporting date. The agreement concluded subsequent to year end will not result in the repurchase obligation being triggered. |                                       |   |                                       |                                       |



### **30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's principal financial instruments, other than derivatives, comprise bank loans, loans to and from holding company and fellow subsidiaries, leases and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions such as forward exchange contracts. The reason for this is to manage the currency risk from the Group's operations. As a matter of principle, the Group does not enter into derivative contracts for speculative purposes.

The fair value of foreign exchange forward contracts represents the estimated amounts that the company would receive, should the contracts be terminated at the reporting date, thereby taking into account the unrealised gains or losses.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The board reviews and agrees policies for managing each of these risks.

#### **30.1 Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from purchases of raw materials and sales of the Group's products in a currency other than the Group's functional currency.

The Group appropriately hedges foreign purchases in order to manage its foreign currency exposure. The Group does not apply hedge accounting. Forward exchange contracts are entered into in order to manage the Group's exposure to fluctuations in foreign currency exchange rates on foreign transactions. Refer note 31.2 for unutilised forward exchange contracts and uncovered foreign trade receivables and payables at year end.

#### **30.2 Interest rate risk**

The Group is exposed to interest rate risk as it borrows and places funds at floating interest rates. The risk is managed by maintaining an appropriate mix between fixed and floating borrowings and placings within market expectations.

Refer to Annexure A and note 31.3 for further detail on interest rates.

#### **30.3 Credit risk**

Financial assets which potentially subject the Group to a concentration of credit risk consist principally of cash, funds on call and trade receivables. The Group's cash equivalents and funds on call are placed with high credit quality financial institutions. Trade receivables are stated at their cost less impairment losses. The Group's single largest customer is DHN Drinks (Pty) Ltd. The Group has no significant concentration of credit risk or significant exposure to any individual customer or counterparty.

The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. In respect of possible default by a counterparty, the Group holds collateral as security in the amount of N\$ Nil (2014: Nil).

Management monitors adherence to payment terms by the joint venture, on a monthly basis. Financial performance and projected cash flows of the joint venture are monitored on a monthly basis to ensure recoverability of all amounts.

The granting of credit is made on application and is approved by management. At year-end the company did not consider there to be any significant concentration of credit risk or significant exposure to any individual customer or counter party which has not been adequately provided for.

| <b>COMPANY</b>  |                                       |  | <b>GROUP</b>                          |                                       |               |            |
|---|---------------------------------------|--|---------------------------------------|---------------------------------------|---------------|------------|
| for the year<br>ended 30 June<br>2014   | for the year<br>ended 30 June<br>2015 |  | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |               |            |
| N\$ 000's   | N\$ 000's                             |  | N\$ 000's                             | N\$ 000's                             |               |            |
| <b>30. FINANCIAL RISK MANAGEMENT</b>  |                                       |  |                                       |                                       |               |            |
| <b>OBJECTIVES AND POLICIES (Continued)</b>  |                                       |  |                                       |                                       |               |            |
| <b>30.3 Credit risk (Continued)</b>   |                                       |  |                                       |                                       |               |            |
| Financial assets exposed to credit risk at year end were as follows:  |                                       |  |                                       |                                       |               |            |
| 49 284  | 260 557                               | Cash and cash equivalents              | 264 219                               | 55 941                                |               |            |
| 167 626   | 66 905                                | Loans to related parties               | 63 974                                | 160 070                               |               |            |
| 14  | 15                                    | Unlisted investments                   | 15                                    | 14                                    |               |            |
| 162 501   | 174 756                               | Trade and other receivables            | 173 275                               | 163 567                               |               |            |
| Major concentrations of credit risk that arise from the Group's receivables in relation to the location of the customers by the percentage of total receivables from customers are:   |                                       |  |                                       |                                       |               |            |
| Trading Industry  |                                       |  | %                                     | %                                     |               |            |
| Namibia   |                                       |  | 59.60                                 | 45.70                                 |               |            |
| South Africa  |                                       |  | 28.90                                 | 44.40                                 |               |            |
| Other export markets  |                                       |  | 11.50                                 | 9.90                                  |               |            |
|   |                                       |  | 100.00                                | 100.00                                |               |            |
| As at 30 June, the ageing of trade receivables is as follows:   |                                       |  |                                       |                                       |               |            |
|   |                                       | Original terms                         | Changed terms                         | Past due but not impaired             |               |            |
|   |                                       | Neither past due<br>Total              | Neither past due<br>nor impaired      | 0 - 60 days                           | 60 - 120 days | 120 + days |
|   |                                       | N\$'000                                | N\$'000                               | N\$'000                               | N\$'000       | N\$'000    |
| <b>GROUP</b>  |                                       |  |                                       |                                       |               |            |
| 2015  |                                       | 235,389                                | 178,209                               | 0                                     | 22,259        | 6,353      |
| 2014  |                                       | 323,074                                | 169,570                               | 0                                     | 72,473        | 48,764     |
| <b>COMPANY</b>  |                                       |  |                                       |                                       |               |            |
| 2015  |                                       | 239,801                                | 182,621                               | 0                                     | 22,259        | 6,353      |
| 2014  |                                       | 329,564                                | 176,060                               | 0                                     | 72,473        | 48,764     |
| <b>30.4 Liquidity risk</b>  |                                       |  |                                       |                                       |               |            |
| The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.   |                                       |  |                                       |                                       |               |            |
| Borrowing capacity is assessed by the directors of the Company. The Directors have re-evaluated the Company's risk appetite and in the current year consider a ratio of not higher than 75% of shareholders' equity as appropriate. |                                       |  |                                       |                                       |               |            |
| 466 283   | 785 887                               | 75% (2014:50%) of Shareholder's Equity | 783 074                               | 465 815                               |               |            |
| (115 286)   | (120 257)                             | Less total interest bearing borrowings | (119 532)                             | (114 608)                             |               |            |
| 350 997   | 665 630                               | Unutilised borrowing capacity          | 663 542                               | 351 207                               |               |            |



| <b>COMPANY</b>   |                                       |                                    | <b>GROUP</b>                          |                                       |
|--|---------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014  | for the year<br>ended 30 June<br>2015 |                                    | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's  | N\$ 000's                             |                                    | N\$ 000's                             | N\$ 000's                             |
| <b>30. FINANCIAL RISK MANAGEMENT<br/>OBJECTIVES AND POLICIES (Continued)</b>   |                                       |                                    |                                       |                                       |
| <b>30.5 Capital risk management</b>  |                                       |                                    |                                       |                                       |
| The Company and Group manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The company's and group's overall strategy remains unchanged from the prior year.  |                                       |                                    |                                       |                                       |
| The capital structure of the company and group consists of debt, which includes the borrowings disclosed in note 14, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital reserves and retained earnings.  |                                       |                                    |                                       |                                       |
| <b>Gearing ratio</b>   |                                       |                                    |                                       |                                       |
| The Company's and Group's management committee reviews the capital structure on a semi-annual basis. Consistent with others in the industry, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt. |                                       |                                    |                                       |                                       |
| The gearing ratio at the year end was as follows:  |                                       |                                    |                                       |                                       |
| 115 286  | 120 257                               | Debt (i)                           | 119 532                               | 114 608                               |
| (49 284)   | (260 557)                             | Less: Cash and cash equivalents    | (264 219)                             | (55 941)                              |
| 66 002   | (140 300)                             | Net debt                           | (144 687)                             | 58 667                                |
| 932 566  | 1 047 849                             | Equity (ii)                        | 1 044 099                             | 931 630                               |
| 7%   | (13%)                                 | Net debt to equity ratio           | (14%)                                 | 6%                                    |
| (i) Debt is defined as long- and short-term borrowings.  |                                       |                                    |                                       |                                       |
| (ii) Equity includes all capital and reserves of the company.  |                                       |                                    |                                       |                                       |
| <b>31. FINANCIAL INSTRUMENTS</b>   |                                       |                                    |                                       |                                       |
| <b>31.1 Fair values</b>  |                                       |                                    |                                       |                                       |
| The fair value of all financial instruments are substantially identical to the carrying amounts reflected in the balance sheet.  |                                       |                                    |                                       |                                       |
| <b>Fair value hierarchy</b>  |                                       |                                    |                                       |                                       |
| The tabel 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: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.   |                                       |                                    |                                       |                                       |
| Level 3: Unobservable inputs for the asset or liability.   |                                       |                                    |                                       |                                       |
| <b>Level 2</b>   |                                       |                                    |                                       |                                       |
| Liabilities  |                                       |                                    |                                       |                                       |
| Financial liabilities at fair value through profit or loss   |                                       |                                    |                                       |                                       |
| 680  | 300                                   | Forward foreign exchange liability | 300                                   | 680                                   |
| <b>Level 3</b>   |                                       |                                    |                                       |                                       |
| Non-recurring fair value measurements  |                                       |                                    |                                       |                                       |
| Assets held for sale in accordance with IFRS 5   |                                       |                                    |                                       |                                       |
| 5 925  | 4 500                                 | Non-current assets held for sale   | 4 500                                 | 5 925                                 |
| <b>Transfers of assets and liabilities within levels of fair value hierarchy</b>   |                                       |                                    |                                       |                                       |
| There are no transfers between level 1 and level 2 for the year ended 30 June 2015 and for the year ended 30 June 2014.  |                                       |                                    |                                       |                                       |

### 31. FINANCIAL INSTRUMENTS (Continued)

#### 31.2 Hedging activities and foreign currency risk

Forward exchange contracts are entered into with banks but are not designated as hedges for specific purchases. If contract rates are more favourable than the spot rate, on the date of payment of foreign creditors, they will be used. The maturity date represents the date when the contract must be exercised if it is not exercised before this date. The following table summarises, by major currency, the unutilised forward exchange contracts and amounts to be paid/ received in foreign currency, for the Group and Company:

|                                       | Maturity date | Foreign amount |       | Average rate |       | Namibian Dollar amount |          |
|---------------------------------------|---------------|----------------|-------|--------------|-------|------------------------|----------|
|                                       |               | 2015           | 2014  | 2015         | 2014  | 2015                   | 2014     |
|                                       |               | '000           | '000  |              |       | N\$ '000               | N\$ '000 |
| <b>Forward exchange contracts:</b>    |               |                |       |              |       |                        |          |
| Bought:                               |               |                |       |              |       |                        |          |
| Euro                                  | 1 - 12 months | 1 288          | 1 200 | 13.97        | 15.73 | 17 999                 | 18 876   |
| <b>Foreign trade receivables:</b>     |               |                |       |              |       |                        |          |
| US Dollars                            |               | 1 318          | 534   | 12.28        | 10.38 | 16 181                 | 5 543    |
| Euro                                  |               | 0              | 19    | 13.62        | 14.45 | 0                      | 275      |
| British Sterling                      |               | 12             | 12    | 19.30        | 17.36 | 233                    | 208      |
| Canada Dollar-denominated receivables |               | 0              | 15    | 9.56         | 9.56  | 0                      | 143      |
| Botswana Pula                         |               | 1 764          |       | 1.21         |       | 2 135                  | 0        |
|                                       |               |                |       |              |       | 18 549                 | 6 169    |
| <b>Foreign trade payables:</b>        |               |                |       |              |       |                        |          |
| Euro                                  |               | 1 078          | 117   | 13.62        | 14.45 | 14 686                 | 1 691    |
| British Sterling                      |               | 0              | 11    | 19.30        | 0     | 0                      | 191      |
|                                       |               |                |       |              |       | 14 686                 | 1 882    |

#### COMPANY

for the year  
ended 30 June  
2014

for the year  
ended 30 June  
2015

N\$ 000's

N\$ 000's

#### GROUP

for the year  
ended 30 June  
2015

for the year  
ended 30 June  
2014

N\$ 000's

N\$ 000's

### 31. FINANCIAL INSTRUMENTS (continued)

#### 31.2 Hedging activities and foreign currency risk (continued)

The Group is primarily exposed to the currency of the European Central Bank (Euro) and secondly to currency of the United States of America (US Dollar).

The following table details the company's sensitivity to a 10% increase and decrease in the Namibia Dollar (N\$) against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

Below, a positive number indicates an increase in profit, a negative number indicates a decrease in profit based on the Namibia Dollar strengthening 10% against the relevant currency. For a 10% weakening of the Namibia Dollar against the relevant currency, there would be an equal and opposite impact on the profit and other equity.

|       |         | <b>Effect on profit before taxation</b> |         |       |  |
|-------|---------|---|---------|-------|--|
| (141) | (1 469) | Euro                                    | (1 469) | (141) |  |
| 2     | 23      | British Sterling                        | 23      | 2     |  |
| 554   | 1 618   | US Dollars                              | 1 618   | 554   |  |
| 14    | 0       | Canadian Dollars                        | 0       | 14    |  |
| 429   | 172     |   | 172     | 429   |  |
| 0     | 0       | <b>Effect on equity</b>                 | 0       | 0     |  |

## 31. FINANCIAL INSTRUMENTS (Continued)

### 31.3 Maturity profile

The following tables detail the Group and Company's remaining contractual maturity for its financial liabilities and assets. The tables have been drawn up based on the undiscounted cash flows based on the earliest date on which the Group and Company can be required/anticipate to incur and outflow/inflow. The table includes both interest and principal cash flows.

|                                  | Effective<br>interest rate | 1 year<br>N\$ '000 | 2 years<br>N\$ '000 | 3-5 years<br>N\$ '000 | 5 years +<br>N\$ '000 | Total<br>N\$ '000 |
|----------------------------------|----------------------------|--------------------|---------------------|-----------------------|-----------------------|-------------------|
| <b>2015 - Group</b>              |                            |                    |                     |                       |                       |                   |
| <b>Financial assets</b>          |                            |                    |                     |                       |                       |                   |
| Cash and cash equivalents        | 6.75%                      | 264 219            | 0                   | 0                     | 0                     | 264 219           |
| Derivative financial instruments | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Loans to joint venture           | JIBAR +2.0%                | 28 325             | 0                   | 0                     |                       | 28 325            |
| Trade and other receivables      | 0.00%                      | 278 472            | 0                   | 0                     | 0                     | 278 472           |
| Available -for-sale investments  | 0.00%                      | 0                  | 0                   | 0                     | 15                    | 15                |
|                                  |                            | 571 016            | 0                   | 0                     | 15                    | 571 031           |
| <b>Financial liabilities</b>     |                            |                    |                     |                       |                       |                   |
| Interest-bearing liabilities     | Ref. Anex. A               | 105 711            | 4 702               | 9 119                 | 0                     | 119 532           |
| Non-interest-bearing liabilities | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Trade and other payables         | 0.00%                      | 195 050            | 0                   | 0                     | 0                     | 195 050           |
| Derivative financial instruments | 0.00%                      | 300                | 0                   | 0                     | 0                     | 300               |
|                                  |                            | 301 061            | 4 702               | 9 119                 | 0                     | 314 882           |
| <b>2014 - Group</b>              |                            |                    |                     |                       |                       |                   |
| <b>Financial assets</b>          |                            |                    |                     |                       |                       |                   |
| Cash and cash equivalents        | 6.75%                      | 55 941             | 0                   | 0                     | 0                     | 55 941            |
| Derivative financial instruments | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Loans to joint venture           | JIBAR +2.0%                | 0                  | 0                   | 0                     | 0                     | 0                 |
| Trade and other receivables      | 0.00%                      | 341 899            | 0                   | 0                     | 0                     | 341 899           |
| Available -for-sale investments  | 0.00%                      |                    | 0                   | 0                     | 14                    | 14                |
|                                  |                            | 397 840            | 0                   | 0                     | 14                    | 397 854           |
| <b>Financial liabilities</b>     |                            |                    |                     |                       |                       |                   |
| Interest-bearing liabilities     | Ref. Anex. A               | 105 822            | 4 225               | 4 561                 | 0                     | 114 608           |
| Non-interest-bearing liabilities | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Derivative financial instruments | 0.00%                      | 680                | 0                   | 0                     | 0                     | 680               |
| Trade and other payables         | 0.00%                      | 161 647            | 0                   | 0                     | 0                     | 161 647           |
|                                  |                            | 268 149            | 4 225               | 4 561                 | 0                     | 276 935           |

### 31. FINANCIAL INSTRUMENTS (Continued)

#### 31.3 Maturity profile (Continued)

|                                  | Effective<br>interest rate | 1 year<br>N\$ '000 | 2 years<br>N\$ '000 | 3-5 years<br>N\$ '000 | 5 years +<br>N\$ '000 | Total<br>N\$ '000 |
|----------------------------------|----------------------------|--------------------|---------------------|-----------------------|-----------------------|-------------------|
| <b>2015 - Company</b>            |                            |                    |                     |                       |                       |                   |
| <b>Financial assets</b>          |                            |                    |                     |                       |                       |                   |
| Cash and cash equivalents        | 6.75%                      | 260 557            | 0                   | 0                     | 0                     | 260 557           |
| Derivative financial instruments | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Loans to joint venture           | JIBAR +2.0%                | 28 325             | 0                   | 0                     | 0                     | 28 325            |
| Trade and other receivables      | 0.00%                      | 282 396            | 0                   | 0                     | 0                     | 282 396           |
| Available -for-sale investments  | 0.00%                      | 0                  | 0                   | 0                     | 15                    | 15                |
|                                  |                            | 571 278            | 0                   | 0                     | 15                    | 571 293           |
| <b>Financial liabilities</b>     |                            |                    |                     |                       |                       |                   |
| Interest-bearing liabilities     | Ref. Anex. A               | 106 446            | 4 692               | 9 119                 | 0                     | 120 257           |
| Trade and other payables         | 0.00%                      | 191 251            | 0                   | 0                     | 0                     | 191 251           |
| Derivative financial instruments |                            | 300                | 0                   | 0                     | 0                     | 300               |
|                                  |                            | 297 997            | 4 692               | 9 119                 | 0                     | 311 808           |
| <b>2014 - Company</b>            |                            |                    |                     |                       |                       |                   |
| <b>Financial assets</b>          |                            |                    |                     |                       |                       |                   |
| Cash and cash equivalents        | 6.75%                      | 49 284             | 0                   | 0                     | 0                     | 49 284            |
| Derivative financial instruments | 0.00%                      | 0                  | 0                   | 0                     | 0                     | 0                 |
| Loans to joint venture           | JIBAR +2.0%                | 0                  | 0                   | 0                     | 0                     | 0                 |
| Trade and other receivables      | 0.00%                      | 348 389            | 0                   | 0                     | 0                     | 348 389           |
| Available -for-sale investments  | 0.00%                      | 0                  | 0                   | 0                     | 14                    | 14                |
|                                  |                            | 397 673            | 0                   | 0                     | 14                    | 397 687           |
| <b>Financial liabilities</b>     |                            |                    |                     |                       |                       |                   |
| Interest-bearing liabilities     | Ref. Anex. A               | 106 614            | 4 111               | 4 561                 | 0                     | 115 286           |
| Trade and other payables         | 0.00%                      | 158 925            | 0                   | 0                     | 0                     | 158 925           |
| Derivative financial instruments |                            | 680                | 0                   | 0                     | 0                     | 680               |
|                                  |                            | 266 219            | 4 111               | 4 561                 | 0                     | 274 891           |

For Interest rate sensitivity analysis Refer to Annexure A.



| <b>COMPANY</b>  |                                       |   | <b>GROUP</b>                          |                                       |
|---|---------------------------------------|---|---------------------------------------|---------------------------------------|
| for the year<br>ended 30 June<br>2014                       | for the year<br>ended 30 June<br>2015 |   | for the year<br>ended 30 June<br>2015 | for the year<br>ended 30 June<br>2014 |
| N\$ 000's   | N\$ 000's                             |   | N\$ 000's                             | N\$ 000's                             |
| <b>31. FINANCIAL INSTRUMENTS (Continued)</b>                |                                       |   |                                       |                                       |
| <b>31.4 Carrying value of financial instruments</b>         |                                       |   |                                       |                                       |
| <b>Financial assets</b>                                     |                                       |   |                                       |                                       |
| 0   | 28 325                                | - Loans to joint venture (Note 7)                 | 28 325                                | 0                                     |
| 348 389   | 282 396                               | - Trade and other receivables (note 10)           | 278 472                               | 341 899                               |
| 49 284  | 260 557                               | - Cash and cash equivalents (note 11)             | 264 219                               | 55 941                                |
| 397 673   | 571 278                               |   | 571 016                               | 397 840                               |
| Available-for-sale financial assets                         |                                       |   |                                       |                                       |
| 14  | 15                                    | - Available-for-sale investments (note 9)         | 15                                    | 14                                    |
| <b>Financial liabilities</b>                                |                                       |   |                                       |                                       |
| Derivative instruments at fair value through profit or loss |                                       |   |                                       |                                       |
| 680   | 300                                   | - Forward foreign exchange contracts (note 19)    | 300                                   | 680                                   |
| Amortised cost  |                                       |   |                                       |                                       |
| 158 925   | 191 251                               | - Trade and other payables (note 18)              | 195 050                               | 161 647                               |
| 115 286   | 120 257                               | - Interest bearing loans and borrowings (note 14) | 119 532                               | 114 608                               |
| 274 211   | 311 508                               |   | 314 582                               | 276 255                               |

Fair values of financial instruments that are not the same as the carrying amounts are detailed in note 31.1.

## 32. EVENTS AFTER THE REPORTING PERIOD

On 27 July 2015, Namibia Breweries Limited entered into an agreement to acquire 25% of the issued share capital of Sedibeng Brewing (Pty) Ltd and an additional 9.5% of the issued share capital of DHN Drinks (Pty) Ltd from Diageo Highlands Holdings B.V. The total estimated investment required is N\$610 million, which will be financed out of operations and by way of a medium term loan.

The transaction is a non-adjusting subsequent event, having been confirmed after the financial year end, but before the financial statements were authorised for issue. The resulting effects have not been adjusted in the figures presented.

As part of the financing agreement, inventories, trade receivables and property, plant and equipment may be encumbered.

The directors are not aware of any other significant events subsequent to the reporting date, other than as indicated above.

### 33. DIVISIONAL REPORTING

The Chief Operating Decision Maker reviews the financial results of the Group as a whole. Therefore the Group, in terms of IFRS 8, only has one segment. Further divisional information has been provided as additional information.

Information about these divisions is presented below:

|   | <b>BEER</b> |             | <b>SOFTS</b> |           | <b>READY-TO-DRINK</b> |           | <b>OTHER</b> |           | <b>TOTAL</b> |             |
|---|-------------|-------------|--------------|-----------|-----------------------|-----------|--------------|-----------|--------------|-------------|
|   | 2015        | 2014        | 2015         | 2014      | 2015                  | 2014      | 2015         | 2014      | 2015         | 2014        |
|   | N\$ 000's   | N\$ 000's   | N\$ 000's    | N\$ 000's | N\$ 000's             | N\$ 000's | N\$ 000's    | N\$ 000's | N\$ 000's    | N\$ 000's   |
| Division revenue                                    | 2 266 443   | 2 105 731   | 133 911      | 121 247   | 29 146                | 82 808    | 4 677        | 7 146     | 2 434 177    | 2 316 932   |
| Division expenses                                   | 1 766 701   | (1 677 423) | 136 461      | (115 315) | 21 006                | (68 732)  | 3 495        | (4 131)   | (1 927 663)  | (1 865 601) |
|   | 22%         | 20%         | 2%           | 5%        | 28%                   | 17%       |              |           |              |             |
| <b>Division results</b>                             | 499 742     | 428 308     | (2 550)      | 5 932     | 8 140                 | 14 076    | 1 182        | 3 015     | 506 514      | 451 331     |
| Unallocated corporate expenses                      |             |             |              |           |                       |           |              |           | 0            | 0           |
| <b>Operating profit</b>                             |             |             |              |           |                       |           |              |           | 506 514      | 451 331     |
| Finance costs                                       |             |             |              |           |                       |           |              |           | (8 847)      | (14 932)    |
| Finance income                                      |             |             |              |           |                       |           |              |           | 22 000       | 12 338      |
| Equity loss from Joint Venture                      |             |             |              |           |                       |           |              |           | (124 593)    | ( 120 341)  |
| <b>Profit before taxation</b>                       |             |             |              |           |                       |           |              |           | 395 074      | 328 396     |
| Taxation  |             |             |              |           |                       |           |              |           | (136 092)    | (122 867)   |
| <b>Profit attributable to ordinary shareholders</b> |             |             |              |           |                       |           |              |           | 258 982      | 205 529     |

## ANNEXURE A SECURED INTEREST-BEARING LOANS AND BORROWINGS

|  | EFFECTIVE INTEREST RATE |        | Maturity date | COMPANY        |                | GROUP          |                |
|--|-------------------------|--------|---------------|----------------|----------------|----------------|----------------|
|  | 2015 %                  | 2014 % |               | 2015 N\$ 000's | 2014 N\$ 000's | 2015 N\$ 000's | 2014 N\$ 000's |
| <b>PREFERENCE SHARE CAPITAL</b>  |                         |        |               |                |                |                |                |
| <b>Authorised</b>  |                         |        |               |                |                |                |                |
| 1 000 000 Variable rate redeemable preference shares of N\$0.50 each   |                         |        |               |                |                |                |                |
|  |                         |        |               | 500            | 500            | 500            | 500            |
| <b>LOANS FROM RELATED PARTIES</b>  |                         |        |               |                |                |                |                |
| Fixed rate instruments   |                         |        |               |                |                |                |                |
| - Northgate Properties (Proprietary) Limited   |                         |        |               |                |                |                |                |
|  | 0.00                    | 0.00   |               | 835            | 868            | 0              | 0              |
| Less: Current portion included in short-term interest-bearing borrowings   |                         |        |               |                |                |                |                |
|  |                         |        |               | (835)          | (868)          | 0              | 0              |
| Long-term portion of loans from related parties  |                         |        |               |                |                |                |                |
|  |                         |        |               | 0              | 0              | 0              | 0              |
| <b>MEDIUM TERM LOAN</b>  |                         |        |               |                |                |                |                |
| Variable rate instruments  |                         |        |               |                |                |                |                |
| - FirstRand Bank Limited repayable in 3 equal quarterly instalments of R26 666 667 commencing in September 2013. |                         |        |               |                |                |                |                |
|  | JIBAR +1.85%            |        | 01/06/2015    | 100 000        | 100 000        | 100 000        | 100 000        |
| Less: Current portion included in short-term interest-bearing borrowings   |                         |        |               |                |                |                |                |
|  |                         |        |               | (100 000)      | (100 000)      | (100 000)      | (100 000)      |
| Long-term portion of medium term loans   |                         |        |               |                |                |                |                |
|  |                         |        |               | 0              | 0              | 0              | 0              |
| <b>FINANCE LEASE LIABILITIES</b>   |                         |        |               |                |                |                |                |
| Variable rate instruments  |                         |        |               |                |                |                |                |
| - Repayable in monthly instalments of N\$500 000 (2014: N\$565 000)  |                         |        |               |                |                |                |                |
|  | 9.75                    | 9.75   |               | 19 422         | 14 418         | 19 532         | 14 608         |
| Less: Current portion included in short-term interest-bearing borrowings   |                         |        |               |                |                |                |                |
|  |                         |        |               | (5 611)        | (5 746)        | (5 711)        | (5 822)        |
| Long-term portion of finance lease liabilities   |                         |        |               |                |                |                |                |
|  |                         |        |               | 13 811         | 8 672          | 13 821         | 8 786          |
| <b>TOTAL NON-CURRENT INTEREST-BEARING BORROWINGS</b>   |                         |        |               |                |                |                |                |
|  |                         |        |               | 13 811         | 8 672          | 13 821         | 8 786          |

## ANNEXURE A SECURED INTEREST-BEARING LOANS AND BORROWINGS (CONT.)

|  | COMPANY           |                   | GROUP             |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 2015<br>N\$ 000's | 2014<br>N\$ 000's | 2015<br>N\$ 000's | 2014<br>N\$ 000's |
| <b>ANALYSIS OF REPAYMENTS INCLUDING INTEREST</b> |                   |                   |                   |                   |
| Repayable within:                                |                   |                   |                   |                   |
| year 1   | 105 611           | 105 746           | 105 711           | 105 822           |
| year 2   | 4 692             | 4 111             | 4 702             | 4 225             |
| year 3   | 2 383             | 3 461             | 2 383             | 3 461             |
| year 4   | 1 079             | 1 011             | 1 079             | 1 011             |
| Repayable thereafter                             | 5 657             | 89                | 5 657             | 89                |
|  | 119 422           | 114 418           | 119 532           | 114 608           |
| <b>ANALYSIS BY CURRENCY</b>                      |                   |                   |                   |                   |
| South Africa Rands                               | 100 000           | 100 000           | 100 000           | 100 000           |
| Namibia Dollars                                  | 19 422            | 14 418            | 19 422            | 14 418            |
| Botswana Pula                                    | 0                 | 0                 | 110               | 190               |

### INTEREST RATE SENSITIVITY ANALYSIS

The sensitivity analyses have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For variable rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant:

|  |         |         |         |         |
|--|---------|---------|---------|---------|
| <b>Interest received:</b>                                    |         |         |         |         |
| - profit before tax for the year would decrease/increase by: | 2 766   | 2 766   | 2 766   | 2 766   |
| - other equity reserves would decrease/increase by:          | 0       | 0       | 0       | 0       |
| <b>Interest paid</b>   |         |         |         |         |
| - profit before tax for the year would decrease/increase by: | (1 986) | (1 986) | (1 986) | (1 986) |
| - other equity reserves would decrease/increase by:          | 0       | 0       | 0       | 0       |



## ANNEXURE B PROPERTY, PLANT & EQUIPMENT

|   | Freehold<br>land and<br>buildings<br>N\$ 000's | Leasehold<br>land and<br>buildings<br>N\$ 000's | Plant and<br>machinery<br>N\$ 000's | Vehicles<br>N\$ 000's | Furniture<br>and<br>equipment<br>N\$ 000's | Returnable<br>containers<br>N\$ 000's | Assets under<br>construction<br>N\$ 000's | Total<br>N\$ 000's |
|---|--|---|-------------------------------------|-----------------------|--|---------------------------------------|---|--------------------|
| <b>GROUP</b>                              |  |   |                                     |                       |  |                                       |   |                    |
| <b>2015</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| <b>Cost</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 176 931  | 6 050   | 960 790                             | 65 069                | 46 669                                     | 206 059                               | 9 227                                     | 1 470 795          |
| Additions                                 | 7 438  | 0   | 40 096                              | 15 194                | 3 794                                      | 39 942                                | 8 601                                     | 115 065            |
| Disposals                                 | 0  | 0   | (11 700)                            | (6 002)               | (211)                                      | (38 078)                              | (908)                                     | (56 899)           |
| Breakages and write-offs                  | 0  | 0   | 0                                   | 0                     | 0  | 0                                     | 0   | 0                  |
| Other movements                           | 101  | 0   | 4 885                               | 0                     | 0  | 0                                     | (5 878)                                   | (892)              |
| Balance at end of the year                | 184 470  | 6 050   | 994 071                             | 74 261                | 50 252                                     | 207 923                               | 11 042                                    | 1 528 069          |
| <b>Accumulated depreciation</b>           |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 28 392   | 3 665   | 388 602                             | 37 859                | 30 788                                     | 106 557                               | 0   | 595 863            |
| Depreciation charges                      | 854  | 1 088   | 60 334                              | 10 171                | 4 688                                      | 35 682                                | 0   | 112 817            |
| Accumulated depreciation on disposals     | 0  | 0   | (10 786)                            | (3 711)               | (207)                                      | (37 040)                              | 0   | (51 744)           |
| Balance at end of the year                | 29 246   | 4 753   | 438 150                             | 44 319                | 35 269                                     | 105 199                               | 0   | 656 936            |
| <b>Carrying amount at end of the year</b> | 155 224  | 1 297   | 555 921                             | 29 942                | 14 983                                     | 102 724                               | 11 042                                    | 871 133            |
| <b>2014</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| <b>Cost</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 144 154  | 6 050   | 878 830                             | 62 723                | 43 480                                     | 168 605                               | 35 628                                    | 1 339 470          |
| Additions                                 | 29 917   | 0   | 14 969                              | 12 485                | 2 062                                      | 43 060                                | 81 688                                    | 184 181            |
| Disposals                                 | (120)  | 0   | (17 778)                            | (19 117)              | (176)                                      | (7 755)                               | (40)                                      | (44 986)           |
| Breakages and write-offs                  | 0  | 0   | 0                                   | 0                     | 0  | 0                                     | 0   | 0                  |
| Other movements                           | 2 980  | 0   | 84 769                              | 0                     | 1 303                                      | 2 149                                 | (108 049)                                 | (7 870)            |
| Balance at end of the year                | 176 931  | 6 050   | 960 790                             | 65 069                | 46 669                                     | 206 059                               | 9 227                                     | 1 470 795          |
| <b>Accumulated depreciation</b>           |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 27 573   | 3 119   | 340 746                             | 35 551                | 26 348                                     | 78 450                                | 0   | 511 787            |
| Depreciation charges                      | 939  | 546   | 55 310                              | 10 514                | 4 508                                      | 32 009                                | 0   | 103 826            |
| Accumulated depreciation on disposals     | (120)  | 0   | (7 454)                             | (8 206)               | (68)                                       | (3 902)                               | 0   | (19 750)           |
| Balance at end of the year                | 28 392   | 3 665   | 388 602                             | 37 859                | 30 788                                     | 106 557                               | 0   | 595 863            |
| <b>Carrying amount at end of the year</b> | 148 539  | 2 385   | 572 188                             | 27 210                | 15 881                                     | 99 502                                | 9 227                                     | 874 932            |

## ANNEXURE B PROPERTY, PLANT & EQUIPMENT (CONT.)

|   | Freehold<br>land and<br>buildings<br>N\$ 000's | Leasehold<br>land and<br>buildings<br>N\$ 000's | Plant and<br>machinery<br>N\$ 000's | Vehicles<br>N\$ 000's | Furniture<br>and<br>equipment<br>N\$ 000's | Returnable<br>containers<br>N\$ 000's | Assets under<br>construction<br>N\$ 000's | Total<br>N\$ 000's |
|---|--|---|-------------------------------------|-----------------------|--|---------------------------------------|---|--------------------|
| <b>COMPANY</b>                            |  |   |                                     |                       |  |                                       |   |                    |
| <b>2015</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| <b>Cost</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 148 087  | 3 892   | 960 790                             | 64 809                | 46 616                                     | 206 059                               | 9 227                                     | 1 439 480          |
| Additions                                 | 2 174  | 0   | 40 070                              | 15 178                | 3 718                                      | 39 943                                | 8 601                                     | 109 684            |
| Additions through business combinations   | 0  | 0   | 0                                   | 0                     | 0  | 0                                     | 0   | 0                  |
| Disposals                                 | 0  | 0   | (11 819)                            | (5 995)               | (281)                                      | 0                                     | (908)                                     | (19 003)           |
| Breakages and write-offs                  | 0  | 0   | 0                                   | 0                     | 0  | (52 976)                              | 0   | (52 976)           |
| Other movements                           | 101  | 0   | 4 885                               | 0                     | 0  | 0                                     | (5 878)                                   | (892)              |
| Balance at end of the year                | 150 362  | 3 892   | 993 926                             | 73 992                | 50 053                                     | 193 026                               | 11 042                                    | 1 476 293          |
| <b>Accumulated depreciation</b>           |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 28 392   | 2 656   | 388 602                             | 37 781                | 30 782                                     | 106 558                               | 0   | 594 771            |
| Depreciation charges                      | 854  | 482   | 60 330                              | 10 080                | 4 661                                      | 35 682                                | 0   | 112 089            |
| Accumulated depreciation on disposals     | 0  | 0   | (10 905)                            | (3 710)               | (276)                                      | 0                                     | 0   | (14 891)           |
| Breakages and write-offs                  | 0  | 0   | 0                                   | 0                     | 0  | (51 939)                              | 0   | (51 939)           |
| Balance at end of the year                | 29 246   | 3 138   | 438 027                             | 44 151                | 35 167                                     | 90 301                                | 0   | 640 030            |
| <b>Carrying amount at end of the year</b> | <b>121 116</b>                                 | <b>754</b>                                      | <b>555 899</b>                      | <b>29 841</b>         | <b>14 886</b>                              | <b>102 725</b>                        | <b>11 042</b>                             | <b>836 263</b>     |
| <b>2014</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| <b>Cost</b>                               |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 144 154  | 3 892   | 878 830                             | 62 723                | 43 480                                     | 168 605                               | 35 628                                    | 1 337 312          |
| Additions                                 | 1 073  | 0   | 14 969                              | 12 225                | 2 009                                      | 43 060                                | 81 688                                    | 155 024            |
| Disposals                                 | (120)  | 0   | (17 778)                            | (19 117)              | (176)                                      | (7 755)                               | (40)                                      | (44 986)           |
| Breakages and write-offs                  | 0  | 0   | 0                                   | 0                     | 0  | 0                                     | 0   | 0                  |
| Other movements                           | 2 980  | 0   | 84 769                              | 8 978                 | 1 303                                      | 2 149                                 | (108 049)                                 | (7 870)            |
| Balance at end of the year                | 148 087  | 3 892   | 960 790                             | 64 809                | 46 616                                     | 206 059                               | 9 227                                     | 1 439 480          |
| <b>Accumulated depreciation</b>           |  |   |                                     |                       |  |                                       |   |                    |
| Balance at beginning of the year          | 27 573   | 2 175   | 340 746                             | 35 551                | 26 348                                     | 78 451                                | 0   | 510 844            |
| Depreciation charges                      | 939  | 481   | 55 310                              | 10 435                | 4 502                                      | 32 009                                | 0   | 103 676            |
| Accumulated depreciation on disposals     | (120)  | 0   | (7 454)                             | (8 205)               | (68)                                       | (3 902)                               | 0   | (19 749)           |
| Balance at end of the year                | 28 392   | 2 656   | 388 602                             | 37 781                | 30 782                                     | 106 558                               | 0   | 594 771            |
| <b>Carrying amount at end of the year</b> | <b>119 695</b>                                 | <b>1 236</b>                                    | <b>572 188</b>                      | <b>27 028</b>         | <b>15 834</b>                              | <b>99 501</b>                         | <b>9 227</b>                              | <b>844 709</b>     |

### GROUP & COMPANY

The carrying amount of motor vehicles held under finance leases at 30 June 2015 was N\$13 734 517 (2014 : N\$15 124 363). Additions during the year include N\$ 12 900 000 (2014: N\$8 443 000) of motor vehicles held under finance leases.

## ANNEXURE B INTANGIBLE ASSETS

|   | 20%<br>Automation<br>processes | 33%<br>Externally<br>purchased<br>software<br>licences | 0%<br>Trademarks  | Total             | 20%<br>Automation<br>processes | 33%<br>Externally<br>purchased<br>software<br>licences | %<br>Trademarks | Total             |
|---|--------------------------------|--|-------------------|-------------------|--------------------------------|--|-----------------|-------------------|
|   | 2015<br>N\$ 000's              | 2015<br>N\$ 000's                                      | 2015<br>N\$ 000's | 2015<br>N\$ 000's | 2014<br>N\$ 000's              | 2014<br>N\$ 000's                                      | 2014<br>N\$ 000 | 2014<br>N\$ 000's |
| <b>GROUP</b>                              |                                |  |                   |                   |                                |  |                 |                   |
| <b>Cost</b>                               |                                |  |                   |                   |                                |  |                 |                   |
| Balance at beginning of the year          | 11 016                         | 9 917  | 2 000             | 22 933            | 11 016                         | 8 272  | 0               | 19 288            |
| Disposals                                 | (45)                           | 0  |                   | (45)              | 0                              | 0  | 0               | 0                 |
| Additions                                 | 0                              | 1 151  | 7 000             | 8 151             | 0                              | 1 700  | 2 000           | 3 700             |
| Transfers                                 | 0                              | 892  | 0                 | 892               | 0                              | (55)   | 0               | (55)              |
| Balance at end of the year                | 10 971                         | 11 960   | 9 000             | 31 931            | 11 016                         | 9 917  | 2 000           | 22 933            |
| <b>Accumulated amortisation</b>           |                                |  |                   |                   |                                |  |                 |                   |
| Balance at beginning of the year          | 5 447                          | 5 992  | 0                 | 11 439            | 3 243                          | 3 801  | 0               | 7 044             |
| Amortisation charges                      | 2 253                          | 1 492  | 0                 | 3 745             | 2 204                          | 2 191  | 0               | 4 395             |
| Balance at end of the year                | 7 700                          | 7 484  | 0                 | 15 184            | 5 447                          | 5 992  | 0               | 11 439            |
| <b>Carrying amount at end of the year</b> | <b>3 271</b>                   | <b>4 476</b>   | <b>9 000</b>      | <b>16 747</b>     | <b>5 569</b>                   | <b>3 925</b>   | <b>2 000</b>    | <b>11 494</b>     |
| <b>COMPANY</b>                            |                                |  |                   |                   |                                |  |                 |                   |
| <b>Cost</b>                               |                                |  |                   |                   |                                |  |                 |                   |
| Balance at beginning of the year          | 11 016                         | 9 917  | 2 000             | 22 933            | 11 016                         | 8 272  | 0               | 19 288            |
| Disposals                                 | (45)                           | 0  | 0                 | (45)              | 0                              | 0  | 0               | 0                 |
| Additions                                 | 0                              | 1 151  | 7 000             | 8 151             | 0                              | 1 700  | 2 000           | 3 700             |
| Transfers                                 | 0                              | 892  | 0                 | 892               | 0                              | (55)   | 0               | (55)              |
| Balance at end of the year                | 10 971                         | 11 960   | 9 000             | 31 931            | 11 016                         | 9 917  | 2 000           | 22 933            |
| <b>Accumulated amortisation</b>           |                                |  |                   |                   |                                |  |                 |                   |
| Balance at beginning of the year          | 5 447                          | 5 992  | 0                 | 11 439            | 3 243                          | 3 801  | 0               | 7 044             |
| Amortisation charges                      | 2 253                          | 1 492  | 0                 | 3 745             | 2 204                          | 2 191  | 0               | 4 395             |
| Balance at end of the year                | 7 700                          | 7 484  | 0                 | 15 184            | 5 447                          | 5 992  | 0               | 11 439            |
| <b>Carrying amount at end of the year</b> | <b>3 271</b>                   | <b>4 476</b>   | <b>9 000</b>      | <b>16 747</b>     | <b>5 569</b>                   | <b>3 925</b>   | <b>2 000</b>    | <b>11 494</b>     |

Amortisation periods are reviewed at the end of each financial year. If the expected useful life of the asset differ from previous estimates, the amortisation period shall be changed accordingly. The amortisation charge is recognised in the operating expenses in the statement of comprehensive income.

## ANNEXURE C INTEREST IN SUBSIDIARIES

| Subsidiary Company  | Country of Incorporation | Issued Capital<br>N\$ 000's | Effective Holding |      | Interest of Holding Company |                   |                   |                   |
|---|--------------------------|-----------------------------|-------------------|------|-----------------------------|-------------------|-------------------|-------------------|
|   |                          |                             | 2015              | 2014 | Shares                      |                   | Indebtedness      |                   |
|   |                          |                             | %                 | %    | 2015<br>N\$ 000's           | 2014<br>N\$ 000's | 2015<br>N\$ 000's | 2014<br>N\$ 000's |
| <b>BEVERAGES</b>  |                          |                             |                   |      |                             |                   |                   |                   |
| Hansa Brauerei (Proprietary) Limited  | Namibia                  | 0                           | 100               | 100  | 160                         | 160               | (160)             | (160)             |
| Namibia Breweries South Africa Proprietary Limited                            | South Africa             | 0                           | 100               | 100  | 0                           | 0                 | 51 605            | 36 199            |
| Flycatcher (Proprietary) Limited  | Botswana                 | 0                           | 100               | 100  | 0                           | 0                 | 0                 | 0                 |
| <b>PROPERTY</b>   |                          |                             |                   |      |                             |                   |                   |                   |
| Northgate Properties (Proprietary) Limited                                    | Namibia                  | 0                           | 100               | 100  | 828                         | 828               | (835)             | (868)             |
| Hansa Properties (Proprietary) Limited  | Namibia                  | 0                           | 100               | 100  | 0                           | 0                 | 0                 | 0                 |
| L&T Ventues (Proprietary) Limited   | Namibia                  | 0                           | 100               | 100  | 0                           | 0                 | 0                 | 0                 |
| Northgate Exports (Proprietary) Limited                                       | Namibia                  | 0                           | 100               | 100  | 0                           | 0                 | 0                 | 0                 |
| Hallie Investments Number Four Hundred and Twenty Eight (Proprietary) Limited | Namibia                  | 0                           | 100               | 100  | 34 108                      | 28 844            | 0                 | 0                 |
| Accumulated loan impairment   |                          |                             |                   |      |                             |                   | (51 605)          | (36 199)          |
|   |                          |                             |                   |      | 35 096                      | 29 832            | (995)             | (1 028)           |





## ANNEXURE D DIRECTORS' EMOLUMENTS

|                                | 2015<br>N\$ 000's  | 2015<br>N\$ 000's | 2015<br>N\$ 000's | 2015<br>N\$ 000's | 2015<br>N\$ 000's       | 2015<br>N\$ 000's | 2014<br>N\$ 000's |
|--------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|
|                                | Directors'<br>fees | Salary            | Bonuses           | Other<br>Benefits | Pension/<br>Medical Aid | Total             | Total             |
| <b>Executive directors</b>     |                    |                   |                   |                   |                         |                   |                   |
| B Kidner                       | 0                  | 0                 | 0                 | 0                 | 0                       | 0                 | 330               |
| G Mouton                       | 0                  | 870               | 138               | 828               | 317                     | 2 153             | 1 575             |
| H van der Westhuizen           | 0                  | 1 542             | 226               | 1 199             | 443                     | 3 410             | 3 928             |
| <b>Non-executive directors</b> |                    |                   |                   |                   |                         |                   |                   |
| CL List                        | 80                 | 0                 | 0                 | 0                 | 0                       | 80                | 95                |
| E Ender                        | 80                 | 0                 | 0                 | 0                 | 0                       | 80                | 95                |
| HB Gerdes                      | 125                | 0                 | 0                 | 0                 | 0                       | 125               | 135               |
| NB Blazquez                    | 65                 | 0                 | 0                 | 0                 | 0                       | 65                | 90                |
| P Grüttemeyer                  | 125                | 0                 | 0                 | 0                 | 0                       | 125               | 130               |
| S Thieme                       | 155                | 0                 | 0                 | 0                 | 0                       | 155               | 155               |
| S Hiemstra                     | 90                 | 0                 | 0                 | 0                 | 0                       | 90                | 80                |
| L van der Borght               | 50                 | 0                 | 0                 | 0                 | 0                       | 50                | 80                |
| M Kromat                       | 70                 | 0                 | 0                 | 0                 | 0                       | 70                | 105               |
| D Leleu                        | 50                 | 0                 | 0                 | 0                 | 0                       | 50                | 65                |
| L Mcleod-Katjirua              | 65                 | 0                 | 0                 | 0                 | 0                       | 65                | 95                |
| J Milliken                     | 95                 | 0                 | 0                 | 0                 | 0                       | 95                | 80                |
| P Jenkins                      | 65                 | 0                 | 0                 | 0                 | 0                       | 65                | 50                |
| Total emoluments               | 1 115              | 2 412             | 364               | 2 027             | 760                     | 6 678             | 7 088             |

## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 94th Annual General Meeting of shareholders of the Company will be held in the auditorium of Namibia Breweries Limited, Namibia Breweries premises, Iscor Street, Northern Industrial Area, Windhoek on Thursday 3 December 2015 at 09h00 for the following purposes:

1. To receive and consider, and if approved, adopt the Group Annual Financial Statements and the Report of the Independent Auditors for the financial year ended 30 June 2015 as submitted, and to confirm all matters and things undertaken and discharged by the directors on behalf of the Company.
2. To elect directors in place of Messrs S Hiemstra, LV McLeod-Katjirua, and D Leleu who retire by rotation in accordance with the Company's Articles of Association but, being eligible, offer themselves for re-election.
3. To approve the directors remuneration as set out in the financial report.
4. To confirm the appointment of directors since the previous AGM.
5. To authorise the directors to determine the auditors' remuneration.
6. To place the unissued 92 471 000 ordinary shares of no par value of the Company under the control of the directors who shall be authorised to allot all or any of those shares at their discretion on such terms and conditions and at such times as they may deem fit.
7. To confirm the payment of a final dividend of 37.0 cents, which had been approved by the directors, to the holders of ordinary shares, registered in the books of the Company at the close of business on 23 October 2015 and payable on 13 November 2015.
8. To transact such other business as may be transacted at an Annual General Meeting. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his or her stead. A proxy need not also be a member of the Company. In order to be effective, proxy forms should be forwarded to reach the registered office of the Company not less than 48 hours prior to the time for the holding of the meeting.

### By order of the Board

Ohlthaver and List Centre (Proprietary) Limited Secretaries  
Windhoek  
9 October 2015

### Shareholders' Diary

Annual General Meeting: Thursday, 3 December 2015 at 09h00

### Reports Published

|                             |                   |
|-----------------------------|-------------------|
| Interim Financial Report    | 20 March 2015     |
| Abridged Financial Report   | 21 September 2015 |
| Annual Financial Statements | 9 October 2015    |

### Dividends

Interim  
Final

### Declared

5 March 2015  
8 September 2015

### Paid/Payable

8 May 2015  
13 November 2015



## PROXY FORM

for the 94th Annual General Meeting of

NAMIBIA BREWERIES LIMITED

Registration number 2/1920

The Secretaries  
Namibia Breweries Limited  
PO Box 16, Windhoek, Namibia

I/We.....(name in full)  
of.....(address)  
being a shareholder of.....(no. of shares) of the above mentioned Company hereby appoint  
(a).....(name); or failing him/her  
(b).....(name); or failing him/her  
(c).....(name).

or failing him/her, the chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the 94th Annual General Meeting of the Company to be held in the auditorium of Namibia Breweries Limited, Namibia Breweries premises, Iscor Street, Northern Industrial Area, Windhoek on Thursday 3 December 2015 at 09h00 and at any adjournment thereof, in particular to vote for/against/abstain\* the resolutions contained in the notice of the meeting.

I/we desire as follows:

| Item Number *   | For | Against | Abstain |
|---|-----|---------|---------|
| 1. Adoption of the annual financial statements                  |     |         |         |
| 2. Re-election of retiring directors                            |     |         |         |
| <i>S Hiemstra</i>   |     |         |         |
| <i>LV McLeod-Katjirua</i>                                       |     |         |         |
| <i>D Leleu</i>  |     |         |         |
| 3. Confirm appointment of directors since previous AGM          |     |         |         |
| 4. Approval of director's remuneration                          |     |         |         |
| 5. Authorisation of directors to approve auditors' remuneration |     |         |         |
| 6. General authority to the directors to allot and issue shares |     |         |         |
| 7. Confirmation of the final dividend                           |     |         |         |

\*Please indicate by inserting an (X) in the appropriate block either "for/against/abstain". If no indication is given, the proxy may vote as he/she deems fit.

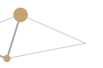
Signed at.....this.....day of 2015. Signature(s) of shareholder.....

### NOTES TO THE PROXY

1. A member entitled to attend and vote at the aforementioned meeting is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, to vote in his/her stead.
2. Shareholders who wish to appoint proxies must lodge their proxy forms at the registered office of the Company not later than 09h00 on Tuesday 1 December 2015.
3. In respect of shareholders which are companies, an extract of the relevant resolution of directors must be attached to the proxy form.



Namibia Breweries Limited





Namibia Breweries Limited

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