FirstRand
NAMIBIA

building

a globally competitive Namibia

–

reviewed condensed consolidated interim financial results
for the six months ended **31 December 2023**

About this report

This report covers the reviewed condensed consolidated financial results of FirstRand Namibia Limited (FirstRand or the group) based on International Financial Reporting Standards (IFRS) for the six months ended 31 December 2023.

The results include a condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and selected notes.

The group chief financial officer supervised the preparation of the condensed consolidated financial results, and it has been reviewed by our auditors, Ernst & Young (EY Namibia).

Contents

overview

of results

Highlights

Pre-provision profit (N$ million)
5%
1 375
2022: 1 311

Headline earnings (N$ million)
1%
836
2022: 842

Interim dividends per share (cents)
17%
173.52
2022: 209.7

NAV per share (cents)
7%
2 185
2022: 2 346

Return on Equity (%)
0%
27.8
2022: 27.8

CET 1 ratio (%)
4%
15.5
2022: 16.2

Key financial performance features of the group results

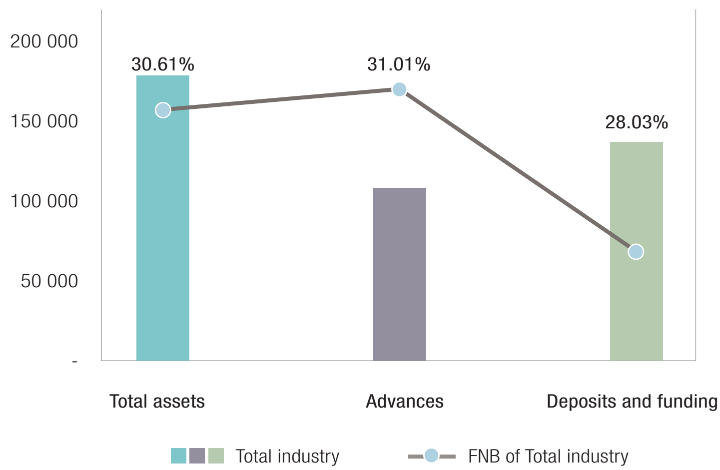
	Six months ended 31 December		Year ended 30 June
	2023	2022	2023
Financial statistics			
Headline earnings per share (cents)	312.9	318.2	587.9
Diluted headline earnings per share (cents)	312.9	318.2	587.9
Ordinary dividends per share (cents) - declared	173.52	209.7	368.14
Special dividends per share (cents) - declared	-	186.85	186.85
Number of shares in issue ('000) - ordinary*	267 093	264 527	261 441
Weighted number of shares in issue ('000) - ordinary*	267 093	264 527	264 956
* after consolidation of share trusts			
Net asset value per share (cents)	2 185	2 346	2 240
Closing share price (cents)	4 901	3 251	5 039
Market capitalisation (millions)	13 115	8 699	13 484
Price earnings ratio	7.8	5.1	8.6
Price to book ratio	2.2	1.4	2.2
Return on equity (%)	27.8	27.8	25.5
Return on average assets (%)	2.9	3.4	2.8
Cost to income ratio (%)	48.3	46.0	49.0

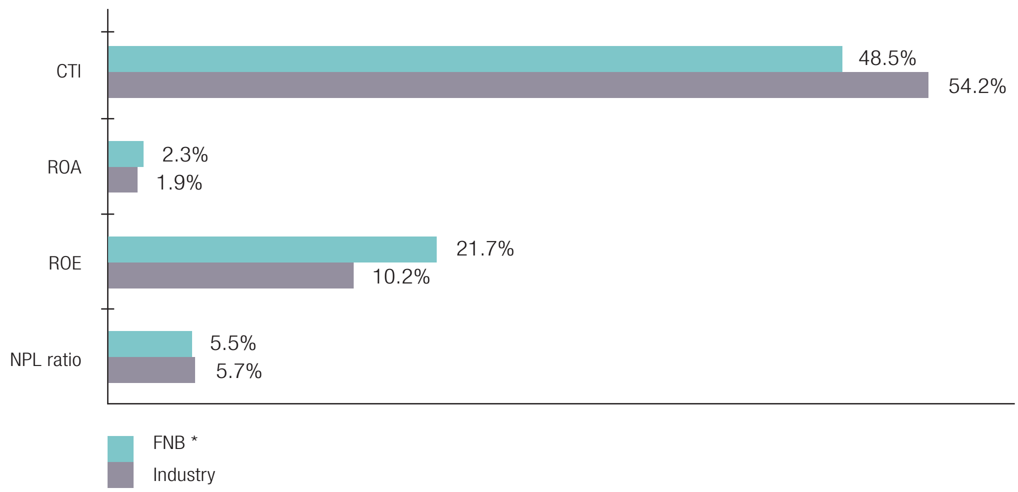
FirstRand Namibia group in context

A slowing global economy coupled with a divergent economic landscape will challenge the banking industry in new ways in 2024. Although recent efforts to combat inflation are showing signs of success in many countries, the risks brought to light will complicate economic growth worldwide.

Extreme weather-related events may also cause severe economic disruption. Major central banks in the world are tightening monetary policies at a fast pace, the phenomenon that is expected to result in a global slowdown. Despite this FNB remains in a market leading position at September 2023.

The Namibian banking sector has circa N$175 billion in total assets, of which FNB Namibia has a 31% share. FNB Namibia leads well across all metrics.





* Banking operations
(source: Bank of Namibia Sept 23 publication)

Overview of financial results

The global recovery remains slow and uneven

Despite economic resilience earlier this year, with the progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its pre-pandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, the Israel conflicts and increasing geoeconomic fragmentation.

Namibia's GDP prospects are somewhat more encouraging, driven by increased recovery of the tourism sector, as well as increased capital investments in the mining sector, oil and gas sector and renewable energy infrastructure. We have raised our inflation forecast both due to an increase in the basic fuel price, coupled with higher electricity tariffs. Drier weather conditions and impact of the bird flu in South Africa have exerted upward pressure on food price inflation.

Operating environment

Our Strategy remains to help, build a globally competitive Namibia by providing access to opportunities.

In the first half of 2024 financial year we made progress towards our year-end financial targets with a return on equity (ROE) being within or exceeding our target range of 21% - 24% and maintaining a cost-to-income ratio lower than 50%. Our medium-term and long-term targets aim to grow and improve our market leading businesses, diversify our offering and approach and creating a more efficient cost-effective operating model.

Commenting on the results FirstRand Namibia CEO, Conrad Dempsey, said:

“The results for the six months reflect the realities of the tougher operating environment and economic climate for our customers, from retail customers through to the business community. We expect a stronger second half to the financial year in line to deliver sustainable out performance through the cycle on a multi-year basis.”

The economic conditions placed pressure on the group's performance for the six months ended December 2023 resulting in pre-provision profits growing with 5% to N$1 375 million from N$1 311 million. Overall income from operations increased 6% to N$2 522 million.

We delivered positive revenue growth of 10% in the challenging and complex environment. The credit impairments are currently elevated resulting in the credit loss ratio of 50 bps on the back of the rapid interest rate hikes which has resulted in some customers being unable to meet their debt obligations in full. Our end to end credit management processes remains robust to manage the impairment levels through the cycle and assist our customers in distress with solutions wherever practically possible.

Our headline earnings decreased slightly to N$836 million (2022: N$842 million). The FirstRand Namibia group's return on equity maintained a healthy 27.8% (2022: 27.8%).

Financial performance

Revenue growth benefited from higher interest rates through positive endowment effects. At the same time, solid balance sheet growth and the focus on superior and increasingly digital customer experiences was leveraged, translating into higher transaction volumes. The strategies deployed by our portfolio of businesses continue to deliver exceptional growth across all the core business metrics.

Our insurance business performed satisfactorily with premium income increasing with 15% to N$79 million.

On the investment management side, assets under management increased to N$16 billion, maintaining the group's status as one of the key investment managers in the country.

Interest income

Net interest income growth was driven by the intrusive interest rate hike cycle and a strong average balance sheet growth. Net interest income increased 10% to N$1 464 million from N$1 328 million. Average interest-bearing assets increased by 12%, driven by average advances being up 11% vs PSCE for 1.9% in December 2023. Interest earned on advances grew with 29% whereas interest on investments also increased by 30%.

Deposits grew by 14% and totaled N$45 billion (2022: N$39 billion). Total interest paid increased with 59%, with all deposit holders earning N$1 511 million (2022: N$952 million). This is an increase in interest paid across all deposit categories for the period. The NMD hedge that was entered into in 2022 remains in place and continues to achieve its goal of removing earnings volatility.

Overview of financial results continued

Impairments

Elevated interest rates drove up instalments and suppressed affordability, and customers felt the weight of larger debt repayments, with less disposable income.

The bank's impairment charge increased to N$191 million (2022: N$89 million). This resulted in a credit loss ratio of 50 bps (2022: 26 bps). All provisions recognised reflect the groups best estimates against available data and scenario analysis and are considered suitably prudent given the prevailing risks in the economy. Inflows into NPLs are predominantly in the home loans, personal loans, overdraft and term loan products.

Total non-performing loans increased 9% to N$1 995 million (2022: N$1 825 million), now comprising 5.3% of gross loans and advances, still comparing favorable to the industry level of 5.7% as per Bank of Namibia report September 2023.

Non-interest revenue

Non-interest revenue (NIR) increased 9%, to N$1 248 million from N$1 149 million underpinned by growth in net commission and fees, benefits of foreign currency trading and investment income. Net fee and commission income grew 5% to N$1 028 million, representing 85% of total NIR. Within this, bank charges increased 6%, which is driven by increased volumes of 12% and an average price increase of 4% to 6% effective 1 July 2023.

The effort on growing the digitally active clients base continues to deliver. The improving trend in our digitally active clients remain pleasing, with the total number of digitally active clients increasing 20% to 688 659 (2022: 572 149). Digitally active clients are those that make use of at least one digital channel, platform or solution to conduct transactional banking activities.

Overall active customers stood at 734 270 for December 2023 which is a 4.8% increase year-on-year.

Non-interest revenue for RMB overall increased with 17%. This growth is primarily driven by a positive increase of forex income of 48% as a result of deals concluded during the period.

Operating expenses overview

Operating expenses grew 15% to N$1 311 million from N$1 140 million, landing the group's cost-to-income ratio at 48%.

Staff costs is up 17% to N$753 million, accounting for 57% of total operating expenses. Staff cost increase is mainly due to the increase in headcount by 115 people to capacitate for specific industry payment changes from PSD 9, while ensuring a delightful client experience. The annual increase in salaries and other staff costs is attributed to prior years' exceptional performance which substantiated certain above inflation increases. Total discretionary rewards included in the staff cost increased by 30% as a result of improved performance in the prior year and vesting of long-term incentives.

Other operating costs grew 13%, with IT costs being the biggest driver, reflective of the continuous focused investment in digital platforms. Total IT spend, including staff, amortisation and depreciation, grew 26% to N$365 million making up 28% of group expenses. IT costs primarily Increased due to the deterioration of NAD/USD exchange for those IT services linked to it. Investment in digital, data and automation processes remains a group priority.

Travel cost increased by 25% to N$8 million depicting the normalisation of business activities to serve clients since the lockdown era, however, still well below the 2019 level of N$10 million, reflecting the more efficient operating model for the future. Marketing expenses increased to N$34 million (2022: N$31 million), due to various campaigns during the first half of the financial year. Depreciation increased by 10% mostly due to constant investment in infrastructure be it property or physical IT infrastructure. Property cost growth is low at 2%, reflecting ongoing property portfolio optimisation.

The increase in donations paid to the FirstRand Namibia Foundation Trust reflects our contract with society which increased in line with the higher level of prior year earnings.

Overview of financial results continued

THE BALANCE SHEET

We grew our funding base and kept our lending book stable despite challenging operating conditions.

Deposits

13%

N$ 45 billion

(2022: N$ 39 billion)

The increase in the funding base was a highlight of the year, attributable to:

- A N$6 billion increase in deposits due to growth in call and savings deposits - a healthy split to alleviate concentration risk in the portfolio.
- The growth in deposits increased cash and investment securities by 24% to N$12 billion (2022: N$10 billion). With the weakened PSCE, most of the surplus liquidity was placed in instruments with a short to medium tenor with the Bank of Namibia in the form of higher-yielding capital light Treasury Bills.

Net advances

9%

N$ 37 billion

(2022: N$ 33 billion)

- Gross loans and advances to customers grew by 9% to N$38 billion, driven by double-digit growth in the overdrafts of 26%, vehicle and assets financing of 22%. Home loans growth stood at three percent.

  The house loan market noticed a deterioration in buying activity due to a weak consumer environment, high levels of indebtedness and the lagged impact of inflationary shock observed in 2022 and the first half of 2023.

Overview of financial results continued

Capital and regulation

The group has remained well capitalised throughout the period, with levels well above the minimum regulatory requirements. Capital adequacy ratio was 16.4% (2022: 18.3%) and Tier 1 capital 15.5% for December 2023 (2022: 16.2%).

The board declared an interim dividend of 173.52 cents per share to continue our long-term strategy of growing a sustainable balance sheet and building a globally competitive Namibia. The group completed its capital optimisation strategy during the previous financial year, therefore returning to our long-term dividend cover guidance range of 1.5x to 2.5x.

The interim declared dividends results in a total distribution to Namibian shareholders of circa N$190 million.

Board, leadership and other changes during the period

During the period under review the following changes took place in respect of FirstRand Namibia Ltd and First National Bank of Namibia Ltd:

- LP Smit was appointed as an Executive Director on 24 July 2023.
- ET Tjipuka resigned as an Executive Director on 4 September 2023.
- ON Shikongo, an independent non-executive director of the Company, was appointed as Deputy Chairperson of the Board effective 19 October 2023.

For First National Bank of Namibia:

- LP Smit was appointed as an Executive Director on 24 July 2023
- ET Tjipuka resigned as an Executive Director on 4 September 2023.
- ON Shikongo, an independent non-executive director of the company, was appointed as Deputy Chairperson of the Board effective 19 October 2023.

Ernst & Young Namibia was appointed as auditors for the current financial year at the October 2023 annual general meeting. They have taken over from Deloitte & Touche Namibia due to rotation.

Events subsequent to the reporting date

The directors are not aware of any material events, as defined in IAS 10, occurring between 31 December 2023 and the date of authorisation of the results announcement.

Prospects

Looking forward, the economic environment is sprouting early recovery signs with business sentiment picking up. In the short term the economic environment will remain under pressure but over the medium to longer term a strong recovery is anticipated.

When domestic inflation and interest rates start trending downward, this will slowly provide real income relief to households and those businesses that cannot relay any-price pressures, although we anticipate this relief to only start materialising towards the end of the calendar year.

Given the economy's somewhat stronger underlying growth rate, we now expect the economy to expand by lower than 2023 levels in 2024, before rising again in 2025. While lower than the recorded growth in 2022, these figures still represent solid prospective growth. Sectors underpinning our medium-term projections are mining, renewable energy, and tourism.

Private consumption in real terms remains contracted, – the weakest since 2020. Furthermore, credit growth remains concentrated in the unsecured space, suggesting that households are increasingly turning to short term credit facilities to supplement shortfalls in income. In the short term, we expect consumption spending to remain under pressure given elevated food inflation, recent sharp fuel and electricity price hikes coupled with higher-for-longer interest rates.

Growth forecasts remain well above the five-year historical pre-covid average. Fixed investment prospects are improving on the back of mining, renewable energy and oil and gas exploration. Added to this is resilient exports on the back of the robust mining activity. We also expect that the falling inflation and interest environment will aid a modest cyclical rebound in consumer spending.

NIR is expected to benefit from continuing customer number growth and proportionate volume growths. This will partly be offset by some tightening in customer spending as disposable income stays under pressure as well as regulatory impacts on our pricing structures.

FirstRand Namibia expects its ROE to remain at the upper end of its long-term range of 21% to 24%.

Condensed consolidated statement of comprehensive income

		Reviewed Six months ended 31 December	Restated* Unaudited Six months ended 31 December	Restated* Audited Year ended 30 June
N$'000	Notes	2023	2022	2023
Interest and similar income	3	2 975 587	2 280 131	4 961 308
Interest expense and similar charges	3	(1 511 095)	(951 950)	(2 265 111)
Net interest income before impairment of advances		1 464 492	1 328 181	2 696 197
Impairment and fair value of credit advances	11	(190 980)	(89 195)	(213 572)
Net interest income after impairment of advances		1 273 512	1 238 986	2 482 625
Non-interest revenue *	4	1 248 403	1 149 187	2 262 864
Income from operations		2 521 915	2 388 173	4 745 489
Operating expenses	5	(1 311 553)	(1 140 125)	(2 429 685)
Income before indirect tax		1 210 362	1 248 048	2 315 804
Indirect tax	6	(26 400)	(26 567)	(53 944)
Profit before tax		1 183 962	1 221 481	2 261 860
Income tax expense	6	(348 190)	(376 299)	(700 687)
Profit for the period		835 772	845 182	1 561 173
Other comprehensive income:				
Items that may not be subsequently reclassified to profit or loss				
Remeasurements on net defined benefit post-employment plan		-	-	8 857
Deferred income tax		-	-	(2 833)
Total items that may not be subsequently reclassified to profit or loss		-	-	6 024
Total comprehensive income for the period		835 772	845 182	1 567 197
Profit attributable to:				
Owner of the parent		835 772	841 721	1 557 712
Non-controlling interest		-	3 461	3 461
		835 772	845 182	1 561 173
Total comprehensive income attributable to:				
Owner of the parent		835 772	841 721	1 563 736
Non-controlling interest		-	3 461	3 461
		835 772	845 182	1 567 197
Earnings per share (cents)				
Basic and diluted earnings per share (cents)	7	312.9	318.2	587.9

* All non-interest revenue on the face of the condensed consolidated statement of comprehensive income has been combined. The following line items (under the previous IFRS 4 insurance accounting standard), were previously included on the face of the statement "net insurance premium income" (Dec 2022: N$69 090; June 2023: N$ 147 638) and "net claims and benefits paid" (Dec 2022: (N$39 941); June 2023: (N$92 549)). Management has decided to retrospectively condense the new IFRS 17 income statement line items (refer to note 4.2 for detail), within non-interest revenue, as they do not believe these line items are significant to the group's performance as a whole. This has resulted in the total "non-interest revenue" increasing by N$29 149 (Dec 2022) and N$55 089 (June 2023) respectively. Management believes this shows more granular information in the notes of the consolidated statement and provides more relevant information in preparation for the full year IFRS 17 disclosures. Given the impact of IFRS 17 on the income statement line items was considered immaterial, there has been no change to the overall profit from the insurance business that was previously reported. However, the breakdown of the components of the profit has changed in line with the new IFRS 17 requirements. Refer to note 4.2. for further detail.

Condensed consolidated statement of financial position

N$'000	Notes	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited as at 30 June 2023
Assets				
Cash and cash equivalents	8.1	4 318 798	2 790 058	1 809 926
Due from banks and other financial institutions	8.2	9 992 402	9 737 851	9 468 311
Derivative financial instruments		373 217	130 432	375 784
Investment securities	9	8 244 848	7 339 642	9 949 026
Advances	10	36 488 022	33 250 227	35 449 607
Other assets		403 170	257 869	244 136
Current tax asset		724	1 606	1 019
Reinsurance contract assets*		17 843	19 194	24 662
Property and equipment		904 514	886 620	912 660
Intangible assets		63 647	80 262	70 973
Deferred income tax asset		24 366	21 086	25 236
Total assets		**60 831 551**	**54 514 847**	**58 331 340**
Equity and liabilities				
Liabilities				
Short trading position		27 432	39 234	-
Derivative financial instruments		397 983	146 181	404 096
Creditors and accruals		754 322	592 315	850 698
Current tax liability		403 700	429 031	50 069
Deposits and current accounts	12.1	44 925 882	39 192 320	42 752 375
Due to banks and other financial institutions	12.2	7 756 783	7 355 542	7 503 075
Employee liabilities		223 602	198 889	268 413
Other liabilities		150 762	191 423	171 412
Insurance contract liabilities*		39 764	37 532	43 652
Reinsurance contract liabilities*		20 526	-	-
Deferred income tax liability		294 173	126 477	303 410
Total liabilities		**54 994 929**	**48 308 944**	**52 347 200**
Equity				
Capital and reserves attributable to ordinary equity holders of parent		5 836 622	6 205 903	5 984 140
Total equity		**5 836 622**	**6 205 903**	**5 984 140**
Total equity and liabilities		**60 831 551**	**54 514 847**	**58 331 340**

* The statement of financial position line items have been represented to align with the new IFRS 17 requirements. Refer to note 2 for further detail.

Condensed consolidated statement of changes in equity

N$'000	Notes	Total share capital	Total reserves	Retained earnings	Total equity	Non-controlling interest	Total equity
Balance at 1 July 2022		96 708	4 889	6 129 062	6 230 659	41 568	6 272 227
Total comprehensive income for the period		-	-	841 721	841 721	3 461	845 182
Change in ownership interest of subsidiary		-	4	(20 413)	(20 409)	(32 544)	(52 953)
Dividends		-	-	(846 068)	(846 068)	(12 485)	(858 553)
Unaudited balance at 31 December 2022		96 708	4 893	6 104 302	6 205 903	-	6 205 903
Balance at 1 July 2022		96 708	4 889	6 129 062	6 230 659	41 568	6 272 227
Total comprehensive income for the period		-	6 024	1 557 712	1 563 736	3 461	1 567 197
Change in ownership interest of subsidiary		-	-	(20 414)	(20 414)	(41 109)	(61 523)
Dividends		-	-	(1 895 057)	(1 895 057)	(3 920)	(1 898 977)
Consolidation of shares held by share trusts		182 650	-	(77 434)	105 216	-	105 216
Audited balance at 30 June 2023		279 358	10 913	5 693 869	5 984 140	-	5 984 140
Balance at 1 July 2023		279 358	10 913	5 693 869	5 984 140	-	5 984 140
Total comprehensive income for the period		-	-	835 772	835 772	-	835 772
Dividends		-	-	(983 290)	(983 290)	-	(983 290)
Reviewed balance at 31 December 2023		279 358	10 913	5 546 351	5 836 622	-	5 836 622

Condensed consolidated statement of cash flows

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended 30 June 2023
Net cash generated from operations	3 579 616	1 423 396	2 032 510
Tax paid	(21 683)	(32 399)	(589 537)
Net cash flow from operating activities	**3 557 933**	**1 390 997**	**1 442 973**
Acquisition of property and equipment	(37 482)	(41 678)	(120 529)
Acquisition of intangible asset	(3 724)	(9 749)	(11 585)
Proceeds from the disposal of property and equipment	1 739	2 209	3 074
Net cash flow from investing activities	**(39 467)**	**(49 218)**	**(129 040)**
Disposal of shares for the share trust	-	-	105 214
Acquisition of non-controling interest	-	(61 523)	(61 523)
Dividends paid	(983 290)	(846 068)	(1 895 057)
Dividends paid to non-controlling interests	-	(12 485)	(3 920)
Principal payments of other liabilities	(15 643)	(15 643)	(21 058)
Principal payments of lease liabilities	(10 661)	(11 400)	(23 061)
Net cash flow from financing activities	**(1 009 594)**	**(947 119)**	**(1 899 405)**
Net increase / (decrease) in cash and cash equivalents	2 508 872	394 660	(585 472)
Cash and cash equivalents at beginning of the period [1]	1 809 926	2 395 398	2 395 398
Cash and cash equivalents at end of the period	**4 318 798**	**2 790 058**	**1 809 926**

[1] Includes mandatory reserve deposits with central bank

Notes to the condensed consolidated interim results
for the reporting period ended

1. Basis of preparation

The group prepares its reviewed condensed consolidated interim financial report in accordance with:

- International Financial Reporting Standard, IAS 34 Interim Financial Reporting;
- Framework concepts and the recognition and measurement requirements of International Financial Reporting Standards (IFRS);
- Interpretations issued by the IFRS Interpretation Committee (IFRS-IC);
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council;
- The Namibian Companies Act:
- Banking Institutions Act (BID2) with regards to assets classification, suspension of interest and provisioning: and
- Banking Institutions Act (BID18) with regards to public disclosures by banking institutions.

The condensed consolidated interim results for the six months ended 31 December 2023 have been independently reviewed by the group's external auditor, EY Namibia. Any reference to future financial performance has not been reviewed or reported on by the group's auditors.

2. Accounting policies

The accounting policies and methods of computation applied in the preparation of the condensed consolidated interim financial statements are in terms of IFRS and are consistent with those applied for the year ended 30 June 2023.

The condensed consolidated interim financial report is prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

No other new or amended IFRS became effective for the six months ended 31 December 2023 that impacted the group's reported earnings, financial position or reserves, or the accounting policies except for:

IFRS 17: Insurance Contracts (IFRS 17) replaces IFRS 4: Insurance Contracts (IFRS 4) and its related interpretations for reporting periods beginning on or after 1 January 2023.

The contract universe has been completed for the FNB Short Term Insurance and the measurement model has been concluded that Premium Allocation Approach("PAA") would the most appropriate given the nature of the business. In terms of IFRS 17, insurers are required to determine the contract boundaries and discount future cash flow in accordance with the contract boundaries. For the Namibian Short Term Insurance business, contracts are issued for 12 months with a cancellation clause of 30 days. The Group has elected not to discount the liability for remaining coverage for insurance contracts issued measured using the PAA.

Insurance revenue under the PAA will primarily be recognised by allocating the premiums based on the passage of time. Given this is how the group has accounted for the recognition of revenue in the past, there is no material change to the timing of the recognition of profits. The default transition approach under IFRS 17 is the fully retrospective approach where the entity calculates the impact of IFRS 17 as it had always applied IFRS 17. The Group has assessed the impact of adopting IFRS 17 on its net asset value at 1 July 2022 and 30 June 2023 to be immaterial (i.e. there have been no measurement changes in respect of the group's insurance liabilities and reinsurance assets. Therefore, there is no retrospective adjustment to retained earnings as at 1 July 2022 and similarly at 30 June 2023. The Group has however restated its statement of comprehensive income and updated its statement of financial position to ensure that the line items used align to the new requirements of IFRS 17. The restatement has had no change to the total profits, total assets and liabilities previously reported. Refer to the statement of comprehensive income and note 4.2 for further details regarding the income statement presentation changes. For the balance sheet Policyholder liabilities is renamed to Insurance contract liabilities.

Notes to the condensed consolidated interim results
for the reporting period ended continued

2. Accounting policies continued

2.1 Significant estimates, judgements and assumptions

The table below provides an overview of the areas where additional judgement has been applied and includes references to the relevant sections in the notes to the annual financial statements, where additional information has been included. There have been no material changes to the significant judgments and estimates for expected credit losses. The assumptions in respect of forward looking information including the number of scenarios, weightings of scenarios and other macro-economic forecasts have not materially changed since the previous reporting period. For an overview on the changes to impairments, refer to page 7.

Description	Additional information
Impairment provisions on advances	
Incorporating forward-looking information	
Forward-looking information has been incorporated into expected loss estimates through the application of quantitative modelling and expert judgement based post-model adjustments. Both quantitative models and expert judgment-based adjustments consider a range of forecast macroeconomic scenarios as inputs. The macroeconomic scenarios are defined by taking global and domestic macroeconomic considerations into account, and forecasts are developed for various scenarios. To arrive at the macroeconomic forecasts teams of economists, assess the micro- and macroeconomic developments to formulate the macroeconomic forecasts. A number of internal and external economists are then requested to assign a probability to each scenario.	Refer to note 11
Significant increase in credit risk	
SICR triggers continue to be based on client behaviour, client-based behaviour scores and judgemental factors. In the prior year, such as employment in industries in distress, were calibrated into the SICR triggers. Additional enhancements were incorporated including SICR rules that cater for behaviour that had not been previously captured. These specific updates catered for performing customers, in particular those in severely impacted sectors that may have exhausted or close to having exhausted their emergency savings, but for which the strain of this was likely to only become evident shortly after year end. No additional judgemental triggers have been added.	Refer to note 11

Notes to the condensed consolidated interim results
for the reporting period ended continued

3. Analysis of interest income and interest expense

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Analysis of interest and similar income			
Instruments at amortised cost	2 975 587	2 280 131	4 961 308
Interest and similar income	**2 975 587**	**2 280 131**	**4 961 308**
Advances	2 191 870	1 696 276	3 656 502
Investment securities	377 605	289 396	625 872
Cash and cash equivalents	406 072	293 566	677 462
Accrued on off-market advances	40	893	1 472
Interest and similar income	**2 975 587**	**2 280 131**	**4 961 308**
Analysis of interest expense and similar charges			
Instruments at amortised cost	1 511 095	951 950	2 265 111
Interest expense and similar charges	**1 511 095**	**951 950**	**2 265 111**
Deposits			
Deposits from customers	897 493	550 809	1 319 333
Debt securities	276 539	180 829	438 663
Deposits from banks and other financial institutions	325 654	213 436	492 598
Other liabilities	1 424	1 356	2 675
Lease liabilities	9 985	5 520	11 842
Interest expense and similar charges	**1 511 095**	**951 950**	**2 265 111**
Net interest Income	**1 464 492**	**1 328 181**	**2 696 197**

Notes to the condensed consolidated interim results
for the reporting period ended continued

4. Non-interest revenue

N$'000	Notes	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Fee and commission income:				
- Instruments at amortised cost		1 135 450	1 070 516	2 049 635
- Non financial instruments		43 313	43 442	138 046
Fee and commission income	4.1	**1 178 763**	**1 113 958**	**2 187 681**
Fee and commission expenses		(150 305)	(132 836)	(270 988)
Net fee and commission income		**1 028 458**	**981 122**	**1 916 693**
Fair value gains and losses		102 853	88 015	155 469
Gross gains less losses from investing activities		33 514	22 405	51 277
Other non-interest revenue		52 513	28 496	84 336
Insurance service result	4.2	31 065	29 149	55 089
Total non-interest revenue		**1 248 403**	**1 149 187**	**2 262 864**

4.1 Fee and commission income:

N$'000	Notes	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
- Card commissions		182 045	165 866	319 860
- Cash deposit fees		51 981	56 536	101 443
- Bank charges		901 424	848 114	1 628 332
Banking fee and commission income		**1 135 450**	**1 070 516**	**2 049 635**
- Brokerage income		19 683	18 789	56 750
- Management, trust and fiduciary service fees		23 630	24 653	81 296
Non banking fee and commission income		**43 313**	**43 442**	**138 046**
Fee and commission income		**1 178 763**	**1 113 958**	**2 187 681**

Notes to the condensed consolidated interim results
for the reporting period ended continued

4. Non-interest revenue

N$'000	Notes	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
4.2 Insurance service result*				
Insurance revenue		70 610	78 104	153 063
Insurance service expense		(35 231)	(43 501)	(92 563)
Insurance service result before reinsurance contracts held		**35 379**	**34 603**	**60 500**
Allocation of reinsurance premium		(9 007)	(10 984)	(19 751)
Amounts recoverable from reinsurers for incurred claims		4 693	5 530	14 340
Net expense from reinsurance contracts held		**(4 314)**	**(5 454)**	**(5 411)**
Insurance service result		**31 065**	**29 149**	**55 089**

* Previously under IFRS 4, the June 2023 insurance income and expenses were disclosed as follows:

N$'000	Notes	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Net insurance premium income				
Gross income premium written		-	-	167 671
Outward reinsurance premiums		-	-	(20 033)
Net insurance premium income		-	-	147 638
Gross insurance contract claims		-	-	90 969
Transfer to / (from) provision for unintimated claims		-	-	1 580
Net claims and benefits paid		-	-	**92 549**

Notes to the condensed consolidated interim results
for the reporting period ended continued

5. Operating expenses

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Auditors' remuneration			
- Audit fees	6 418	6 431	14 133
- Fees for other services	307	86	247
Auditors' remuneration	**6 725**	**6 517**	**14 380**
- Short term	3 516	3 758	6 834
- Low value	1 650	1 603	3 219
Non-capitalised lease charges	**5 166**	**5 361**	**10 053**
Staff costs	753 136	644 327	1 332 260
Amortisation of intangible assets	11 051	8 728	19 828
Depreciation of property and equipment	54 851	50 073	100 734
Directors fees	6 607	6 532	12 543
Other operating costs	474 017	418 587	939 887
Total operating expenses	**1 311 553**	**1 140 125**	**2 429 685**

Notes to the condensed consolidated interim results
for the reporting period ended continued

6. Taxation

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Indirect tax			
Stamp duties	3 831	7 535	13 487
Value added tax (net)	22 569	19 032	40 457
Total indirect tax	**26 400**	**26 567**	**53 944**
Direct tax			
Current	356 721	373 003	528 407
Deferred	(8 531)	2 410	172 280
Total direct tax	**348 190**	**376 299**	**700 687**
Taxation rate reconciliation			
Standard rate of Namibian normal taxation	32%	32%	32%
Dividend income	(2.08%)	(1.47%)	(1.61%)
Other non-taxable income	(0.04%)	(0.33%)	(0.28%)
Disallowed expenditure	0.39%	0.24%	0.73%
Rate adjustment	(0.79%)	-	-
Other	(0.07%)	0.37%	0.13%
Effective tax rate	**29.41%**	**30.81%**	**30.97%**

Notes to the condensed consolidated interim results
for the reporting period ended continued

7. Earnings per share

7.1 Headline earnings per share

Headline earnings per share and diluted headline earnings per share are determined by dividing headline earnings and dilutive headline earnings by the weighted average number of ordinary share outstanding during the period.

Headline earnings and diluted headline earnings are determined by adjusting basic earnings and dilutive earnings by excluding separately identifiable re-measurement items. Headline earnings and diluted headline earnings are presented after tax and non-controlling interest.

	Reviewed Six months ended 31 December	Unaudited Six months ended 31 December	Audited Year ended June
N$'000	**2023**	2022	2023
Headline earnings (N$'000)	835 740	841 799	1 557 756
Weighted average number of ordinary shares in issue	267 093 250	264 527 065	264 955 934
Headline earnings per share (cents)	**312.9**	**318.2**	**587.9**
Headline earnings (N$'000)	835 740	841 799	1 557 756
Diluted weighted average number of ordinary shares in issue	267 093 250	264 527 065	264 955 934
Diluted headline earnings per share (cents)	**312.9**	**318.2**	**587.9**
Earnings attributable to equity holders of the parent (N$'000)	835 772	841 721	1 557 712
Gains and losses on sale of property and equipment (N$'000)	(47)	114	65
Tax effect (N$ 000)	15	(36)	(21)
Headline earnings	**835 740**	**841 799**	**1 557 756**

Notes to the condensed consolidated interim results
for the reporting period ended continued

7. Earnings per share continued

7.2 Basic earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of the group, obtained from profit and loss, by the weighted average number of ordinary shares in issue during the period.

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Earnings attributable to ordinary shareholders (N$'000)	835 772	841 721	1 557 712
Weighted average number of ordinary shares in issue	267 093 250	264 527 065	264 955 934
Weighted average number of ordinary shares in issue before shares held by trust	267 593 250	267 593 250	267 593 250
Less: weighted average shares held by share trust	(500 000)	(3 066 185)	(2 637 316)
Basic earnings per share (cents)	312.9	318.2	587.9

Basic earnings per share equals diluted earnings per share as there are no potential dilutive ordinary shares in issue.

Notes to the condensed consolidated interim results
for the reporting period ended continued

8. Cash and cash equivalents

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
8.1 Cash and cash equivalents			
Coins and bank notes	686 618	649 726	557 765
Balances with other banks	10 285	90 929	3 988
Balances with central bank	3 621 895	2 049 403	1 248 173
	4 318 798	2 790 058	1 809 926
Mandatory reserve balances included above:	547 728	474 316	536 731
Banks are required to deposit a minimum average balance, calculated monthly, with the central bank, which is not available for use in the group's day to day operations. These deposits bear no interest			
8.2 Due from banks and other financial institutions			
Namibian dollar	9 992 402	9 737 851	9 468 311

Notes to the condensed consolidated interim results
for the reporting period ended continued

9. Investments securities

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Treasury bills	3 046 687	1 995 143	4 641 740
Other government and government guaranteed stock	5 061 781	5 243 326	5 189 130
Unlisted equities	9 576	9 576	9 576
Other undated securities	130 853	96 148	113 234
Total gross carrying amount of investment securities	**8 248 897**	**7 344 193**	**9 953 680**
Loss allowance on investment securities	(4 049)	(4 551)	(4 654)
Total investment securities	**8 244 848**	**7 339 642**	**9 949 026**

N$9 955 million (2022: N$8 877 million) of the financial instruments form part of the group's liquid asset portfolio in terms of the new Banking Institutions Act, No 13 of 2023 and other foreign banking regulators' requirements.

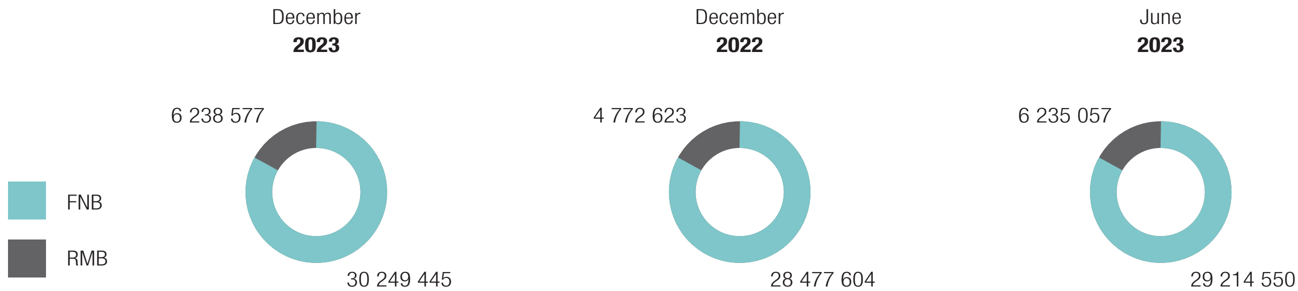
The loss allowance on investment securities measured at amortised cost is N$4.0 million (2022: N$4.6 million). The loss allowance on investment securities designated at fair value through other comprehensive income is nil.

Notes to the condensed consolidated interim results
for the reporting period ended continued

10. Advances

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Notional value of advances	37 957 173	34 686 098	36 778 906
Gross advances	**37 957 173**	**34 686 098**	**36 778 906**
Category analysis			
Overdrafts and cash management accounts	4 325 964	3 440 377	4 405 082
Card loans	554 418	518 630	551 041
Instalment sales and hire purchase agreements	3 915 095	3 234 501	3 499 579
Lease payments receivable	95 090	101 381	116 894
Property finance	16 674 510	16 165 968	16 394 784
Term loans	10 711 967	9 752 244	10 541 963
Preference share agreements	1 332 309	906 295	852 178
Assets under agreement to resell	16 865	39 143	-
Invoice financing	22 295	341 652	145 033
Other	308 660	185 907	272 352
Gross advances	37 957 173	34 686 098	36 778 906
Impairment and fair value of credit of advances	(1 469 151)	(1 435 871)	(1 329 299)
Net advances	**36 488 022**	**33 250 227**	**35 449 607**
Portfolio Analysis			
Designated at fair value through profit or loss	16 865	39 143	-
Amortised cost	36 471 157	33 211 084	35 449 607
	36 488 022	33 250 227	35 449 607

Loans and advances to customers by segment



Notes to the condensed consolidated interim results
for the reporting period ended continued

10. Advances continued

%	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Loans and advances to customers			
FNB	83%	86%	82%
RMB	17%	14%	18%
FCC and other	0%	0%	0%
	100%	100%	100%

Analysis of advances per class

December 2023

N$'000	Amortised cost	Fair value through profit or loss	Loss allowance	Total
Residential mortgages	16 558 169	-	(454 590)	16 103 579
Wesbank VAF	1 889 771	-	(56 475)	1 833 296
Total retail secured	**18 447 940**	**-**	**(511 065)**	**17 936 875**
Credit card	499 594	-	(47 579)	452 015
Personal loans	3 339 339	-	(371 076)	2 968 263
Retail other	671 646	-	(49 190)	622 456
Total retail unsecured	**4 510 579**	**-**	**(467 845)**	**4 042 734**
FNB Commercial	6 277 584	-	(371 076)	5 906 508
Wesbank commercial VAF	2 429 280	-	(65 952)	2 363 328
RMB Corporate and Investment banking	6 274 925	16 865	(53 213)	6 238 577
Total corporate and commercial	**14 981 789**	**16 865**	**(490 241)**	**14 508 413**
Total advances	37 940 308	16 865	(1 469 151)	36 488 022

Notes to the condensed consolidated interim results
for the reporting period ended continued

10. Advances continued

Analysis of advances per class continue

December 2022

N$'000	Amortised cost	Fair value through profit or loss	Loss allowance	Total
Residential mortgages	16 150 884	-	(424 721)	15 726 163
Wesbank VAF	1 770 947	-	(73 869)	1 697 078
Total retail secured	**17 921 831**	**-**	**(498 590)**	**17 423 241**
Credit card	501 393	-	(39 424)	461 969
Personal loans	3 061 213	-	(287 170)	2 774 043
Retail other	504 269	-	(74 063)	430 206
Total retail unsecured	**4 066 875**	**-**	**(400 657)**	**3 666 218**
FNB Commercial	6 108 885	-	(405 889)	5 702 996
Wesbank commercial VAF	1 762 627	-	(77 478)	1 685 149
RMB Corporate and investment banking	4 786 737	39 143	(53 257)	4 772 623
Total corporate and commercial	**12 658 249**	**39 143**	**(536 624)**	**12 160 768**
Total advances	**34 646 955**	**39 143**	**(1 435 871)**	**33 250 227**

June 2023

N$'000	Amortised cost	Fair value through profit or loss	Loss allowance	Total
Residential mortgages	16 408 976	-	(435 073)	15 973 903
Wesbank VAF	1 794 879	-	(66 377)	1 728 502
Total retail secured	**18 203 855**	**-**	**(501 450)**	**17 702 405**
Credit card	532 095	-	(49 562)	482 533
Personal loans	3 117 628	-	(263 058)	2 854 570
Retail other	539 111	-	(75 767)	463 344
Total retail unsecured	**4 188 834**	**-**	**(388 387)**	**3 800 447**
FNB Commercial	6 003 963	-	(324 213)	5 679 750
Wesbank commercial VAF	2 093 939	-	(61 992)	2 031 947
RMB Corporate and investment banking	6 288 315	-	(53 257)	6 235 058
Total corporate and commercial	**14 386 217**	**-**	**(439 462)**	**13 946 755**
Total	**36 778 906**	**-**	**(1 329 299)**	**35 449 607**

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances

	December		June
	2023	2022	2023
Increase in loss allowance	202 931	101 984	238 480
Recoveries of bad debts	(11 951)	(12 789)	(24 908)
Impairment of advances recognised during the period	**190 980**	**89 195**	**213 572**
Specific / stage 3 impairments	223 219	101 069	318 756
Portfolio / stage 1 and stage 2 impairments	(32 239)	(11 874)	(105 184)
	190 980	**89 195**	**213 572**

Impairment of advances recognised during the period 31 December 2023

	Gross advances			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2023	32 059 275	2 948 269	1 771 362	36 778 906
Transfer between stages	(264 934)	41 190	223 744	-
Transfer from Stage 1 to Stage 2	(479 888)	479 888	-	-
Transfer from Stage 1 to Stage 3	(88 264)	-	88 264	-
Transfer from Stage 2 to Stage 3	-	(144 393)	144 393	-
Transfer from Stage 2 to Stage 1	300 057	(300 057)	-	-
Transfer from Stage 3 to Stage 2	-	5 752	(5 752)	-
Transfer from Stage 3 to Stage 1	3 161	-	(3 161)	-
Opening balances of back book after transfer	**31 794 341**	**2 989 459**	**1 995 106**	**36 778 906**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	(551)	(41 122)	-	(41 673)
- Other current year change in exposure/net movement on GCA*	(2 730 724)	(746 105)	84 592	(3 392 237)
Total new book exposure				
- Change in exposure due to new business in the current year	4 557 451	139 374	20 271	4 717 097
Bad debts written off	-	-	(104 708)	(104 708)
Amount as at 31 December 2023	**33 620 306**	**2 341 606**	**1 995 261**	**37 957 173**
Amortised cost	33 603 441	2 341 606	1 995 261	37 940 308
Fair value	16 865	-	-	16 865

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Reconciliation of the gross advances and loss allowance on total advances as at 31 December 2023 continued

	Loss allowance			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2023	248 014	274 096	807 189	1 329 299
Transfer between stages	16 755	(31 581)	14 826	-
Transfer from Stage 1 to Stage 2	(5 289)	5 289	-	-
Transfer from Stage 1 to Stage 3	(1 739)	-	1 739	-
Transfer from Stage 2 to Stage 3	-	(18 176)	18 176	-
Transfer from Stage 2 to Stage 1	21 572	(21 572)	-	-
Transfer from Stage 3 to Stage 2	-	2 878	(2 878)	-
Transfer from Stage 3 to Stage 1	2 211	-	(2 211)	-
				-
Opening balances of back book after transfer	**264 769**	**242 515**	**822 015**	**1 329 299**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	(8)	26 856	-	26 848
- Other current year impairment charge/(release)**	(59 948)	(3 632)	224 472	160 892
Total new book exposure				
- Change in exposure due to new business in the current year	29 474	13 647	13 699	56 820
Bad debts written off	-	-	(104 708)	(104 708)
Amount as at 31 December 2023	**234 287**	**279 386**	**955 478**	**1 469 151**
Amortised cost	234 287	279 386	955 478	1 469 151
Fair value	-	-	-	-

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Reconciliation of the gross advances and loss allowance on total advances as at 31 December 2022

	Gross advances			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2022	28 789 345	2 760 686	1 787 929	33 337 960
Transfer between stages	(87 750)	(40 706)	128 456	-
Transfer from Stage 1 to Stage 2	(326 919)	326 919	-	-
Transfer from Stage 1 to Stage 3	(47 545)	-	47 545	-
Transfer from Stage 2 to Stage 3	-	(92 271)	92 271	-
Transfer from Stage 2 to Stage 1	286 277	(286 277)	-	-
Transfer from Stage 3 to Stage 2	-	10 923	(10 923)	-
Transfer from Stage 3 to Stage 1	437	-	(437)	-
Opening balances of back book after transfer	**28 701 595**	**2 719 980**	**1 916 385**	**33 337 960**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	-	(2 911)	-	(2 911)
- Other current year change in exposure/net movement on GCA* #	(1 044 544)	(629 997)	(53 679)	(1 728 220)
Total new book exposure				
- Change in exposure due to new business in the current year	2 931 656	185 027	27 718	3 144 401
Bad debts written off	-	-	(65 132)	(65 132)
	-	-	-	-
Amount as at 31 December 2022	**30 588 707**	**2 272 099**	**1 825 292**	**34 686 098**
Amortised cost	30 549 564	2 272 099	1 825 292	34 646 955
Fair value	39 143	-	-	39 143

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Reconciliation of the gross advances and loss allowance on total advances as at 31 December 2022 continued

	Loss allowance			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2022	269 924	332 363	773 109	1 375 396
Transfer between stages	7 376	(15 562)	8 186	-
Transfer from Stage 1 to Stage 2	(3 914)	3 914	-	-
Transfer from Stage 1 to Stage 3	(909)	-	909	
Transfer from Stage 2 to Stage 3	-	(15 413)	15 413	-
Transfer from Stage 2 to Stage 1	11 832	(11 832)	-	-
Transfer from Stage 3 to Stage 2	-	7 769	(7 769)	-
Transfer from Stage 3 to Stage 1	367	-	(367)	-
Opening balances of back book after transfer	**277 300**	**316 801**	**781 295**	**1 375 396**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	-	25 191	-	25 191
- Other current year impairment charge/(release)* #	1 910	(54 732)	99 148	46 326
Total new book exposure				
- Change in exposure due to new business in the current year	21 867	14 868	17 356	54 090
Bad debts written off	-	-	(65 132)	(65 132)
Amount as at 31 December 2022	**301 076**	**302 128**	**832 667**	**1 435 871**
Amortised cost	301 076	302 128	832 667	1 435 871
Fair value	-	-	-	-

Restated stage 1 amount due to refinements in processes, moved (N$1 044 544) from 'Exposures with a change in measurement basis from 12 months to LECL' to "other current year change in exposure/net movement on GCA" line and N$1 910 from "Exposures with a change in measurement basis from 12 months to LECL" to "other current year impairment charge/(release)" line.

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Reconciliation of the gross advances and loss allowance on total advances as at 30 June 2023

	Gross advances			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2022	28 789 345	2 760 686	1 787 929	33 337 960
Transfer between stages	(1 179 382)	1 004 384	174 998	-
Transfer from Stage 1 to Stage 2	(1 329 936)	1 329 936	-	-
Transfer from Stage 1 to Stage 3	(131 778)	-	131 778	-
Transfer from Stage 2 to Stage 3	-	(145 855)	145 855	-
Transfer from Stage 2 to Stage 1	281 555	(281 555)	-	-
Transfer from Stage 3 to Stage 2	-	101 858	(101 858)	
Transfer from Stage 3 to Stage 1	777	-	(777)	-
Opening balance after transfers	**27 609 963**	**3 765 070**	**1 962 927**	**33 337 960**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	-	(67 677)	-	(67 677)
- Other current year change in exposure/net movement on GCA*	(1 284 401)	(1 195 666)	96 232	(2 383 835)
Total new book exposure				
- Change in exposure due to new business in the current year	5 733 713	446 542	66 767	6 247 022
Bad debts written off	**-**	**-**	**(354 564)**	**(354 564)**
Amount as at 30 June 2023	**32 059 275**	**2 948 269**	**1 771 362**	**36 778 906**
Amortised cost	32 059 275	2 948 269	1 771 362	36 778 906
Fair value	-	-	-	-

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Reconciliation of the gross advances and loss allowance on total advances as at 30 June 2023 continued

	Loss allowance			
N$000's	Stage 1	Stage 2	Stage 3	Total
Amount as at 1 July 2022	269 924	332 363	773 109	1 375 396
Transfer between stages	2 235	1 016	(3 251)	-
Transfer from Stage 1 to Stage 2	(11 674)	11 674	-	-
Transfer from Stage 1 to Stage 3	(2 312)	-	2 312	-
Transfer from Stage 2 to Stage 3	-	(18 844)	18 844	-
Transfer from Stage 2 to Stage 1	15 675	(15 675)	-	-
Transfer from Stage 3 to Stage 2	-	23 861	(23 861)	-
Transfer from Stage 3 to Stage 1	546	-	(546)	-
Opening balance after transfers	**272 159**	**333 379**	**769 858**	**1 375 396**
Changes in exposure of back book in the current period				
- Exposures with a change in measurement basis from 12 months to LECL*	5	29 517	-	29 522
- Other current year impairment charge/(release)**	(69 397)	(125 032)	346 651	152 222
Total new book exposure				
- Change in exposure due to new business in the current year	45 247	36 232	45 244	126 723
Bad debts written off	-	-	(354 564)	(354 564)
Amount as at 30 June 2023	**248 014**	**274 096**	**807 189**	**1 329 299**
Amortised cost	248 014	274 096	807 189	1 329 299
Fair value	-	-	-	-

* The following line items have been renamed to more accurately describe the movements. "Exposures with a change in measurement basis from 12 months to LECL" was previously named "Attributed to change in measurement basis". "Other current year change in exposure/net movement on GCA" was previously named "Attributed to change in risk parameters"

** The following line items have been renamed to more accurately describe the movements. "Other current year impairment charge/(release)" was previously named "Attributed to change in risk parameters"

Notes to the condensed consolidated interim results
for the reporting period ended continued

11. Impairment of advances continued

Analysis of gross advances and loss allowance on total advances per class:

	Gross advances			
N$000's	Stage 1	Stage 2	Stage 3	Total
31 December 2023				
Total retail	19 751 796	1 739 732	1 466 992	22 958 520
FNB Commercial	5 390 744	411 531	475 309	6 277 584
Commercial vehicle asset finance	2 262 832	113 487	52 960	2 429 279
RMB Corporate and Investment banking	6 214 934	76 857	-	6 291 791
	33 620 306	2 341 607	1 995 261	37 957 174
31 December 2022				
Total retail	19 093 627	1 612 336	1 282 742	21 988 705
FNB Commercial	5 038 500	578 746	491 639	6 108 885
Commercial vehicle asset finance	1 640 815	70 902	50 911	1 762 628
RMB Corporate and Investment banking	4 815 765	10 115	-	4 825 880
	30 588 707	2 272 099	1 825 292	34 686 098
30 June 2023				
Total retail	18 578 535	2 503 449	1 310 705	22 392 689
FNB Commercial	5 298 634	280 583	424 746	6 003 963
Commercial vehicle asset finance	1 943 578	114 450	35 911	2 093 939
RMB Corporate and Investment banking	6 238 528	49 787	-	6 288 315
	32 059 275	2 948 269	1 771 362	36 778 906

Notes to the condensed consolidated interim results

for the reporting period ended continued

11. Impairment of advances continued

Analysis of gross advances and loss allowance on total advances per class: continued

	Loss allowance			
N$000's	Stage 1	Stage 2	Stage 3	Total
31 December 2023				
Total retail	126 800	176 408	675 702	978 910
FNB Commercial	55 614	67 038	248 424	371 076
Wesbank commercial VAF	13 275	21 335	31 342	65 952
RMB Corporate and Investment banking	38 598	14 605	10	53 213
	234 287	**279 386**	**955 478**	**1 469 151**
31 December 2022				
Total retail	173 328	164 845	561 074	899 247
FNB Commercial	51 749	119 770	234 370	405 889
Wesbank commercial VAF	23 379	16 876	37 223	77 478
RMB Corporate and Investment banking	52 621	636	-	53 257
	301 077	**302 127**	**832 667**	**1 435 871**
30 June 2023				
Total retail	143 689	155 333	590 815	889 837
FNB Commercial	51 630	73 863	198 720	324 213
Wesbank commercial VAF	16 365	27 973	17 654	61 992
RMB Corporate and Investment banking	36 330	16 927	-	53 257
	248 014	**274 096**	**807 189**	**1 329 299**

Notes to the condensed consolidated interim results
for the reporting period ended continued

12. Deposits

12.1 Deposits and current accounts

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Category analysis			
Deposits from customers			
- Current accounts	17 096 214	13 015 620	15 046 734
- Call deposits	11 402 470	10 357 913	9 748 311
- Savings accounts	825 237	696 642	649 975
- Fixed and notice deposits	9 678 664	9 664 515	11 231 655
Debt securities			
- Negotiable certificates of deposit	5 569 897	5 103 865	5 721 924
- Fixed and floating rate notes	353 400	353 765	353 776
Total deposits	**44 925 882**	**39 192 320**	**42 752 375**

12.2 Due to banks and other financial institutions

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
To banks and financial institutions			
- In the normal course of business	**7 756 783**	**7 355 542**	**7 503 075**

FNB Namibia (FNBN) entered into a series of fully collateralised repo/reverse trades with FirstRand Bank (FRB) in the 2022 financial year. The total value of the transaction amounted to N$7 billion. The repo transaction is disclosed under due to banks and other financial institutions.

Notes to the condensed consolidated interim results
for the reporting period ended continued

13. Related parties

The principal shareholder of FirstRand Namibia Limited is FirstRand EMA Holdings (Pty) Limited, with its ultimate holding company FirstRand Limited, incorporated in South Africa.

Key management personnel of the group are the FirstRand Namibia Limited board of directors and the FirstRand Namibia Limited executive committee, including any entities which provide key management personnel services to the group. Their close family members include spouse/domestic partner and children, domestic partner's children and any other dependants of the individual or their domestic partner.

	Reviewed Six months ended 31 December	Unaudited Six months ended 31 December	Audited Year ended June
N$'000	**2023**	2022	2023
Related party balances:			
Deposits			
FirstRand SA group companies	95 059	71 870	40 710
Key management personnel	5 138	10 419	2 484
Balances due to banks and other financial institutions			
FirstRand SA group companies	7 442 583	7 263 685	7 423 015
Advances			
FirstRand SA group companies	1 874 777	1 927 070	1 741 431
Key management personnel	10 111	17 700	14 481
Balances due from banks and other financial institutions			
FirstRand SA group companies	7 417 699	7 291 695	7 400 999
Derivative assets			
FirstRand SA group companies	78 725	44 964	84 908
Derivative liabilities			
FirstRand SA group companies	306 345	98 511	308 010
Other assets			
FirstRand SA group companies	11 459	-	-
Other liabilities			
FirstRand SA group companies	164	-	-

Notes to the condensed consolidated interim results
for the reporting period ended continued

13. Related parties continued

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Related party transactions:			
Interest received from related parties:			
FirstRand SA group companies	334 547	256 861	565 697
Interest paid to related parties:			
FirstRand SA group companies	321 690	210 536	489 405
Non-interest expenditure (Information, platform and other support services)			
FirstRand SA group companies	269 824	223 617	469 851

14. Contingent liabilities and capital commitments

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Contingent liabilities	4 156 163	3 693 253	4 234 794
Capital commitments	142 869	100 274	50 410

Notes to the condensed consolidated interim results

for the reporting period ended continued

15. Fair value measurements

15.1 Valuation methodology

In terms of IFRS, the group is required to or elects to measure certain assets and liabilities at fair value. The group has established control frameworks and processes to independently validate its valuation techniques and inputs used to determine its fair value measurements. Technical teams are responsible for the selection, implementation and any changes to the valuation techniques used to determine fair value measurements. Valuation committees comprising representatives from key management have been established at an overall group level and are responsible for overseeing the valuation control process and considering the appropriateness of the valuation techniques applied in fair value measurement. The valuation models and methodologies are subject to independent review and approval by the required technical teams, valuation committees, relevant risk committees and external auditors annually or more frequently if considered appropriate.

15.2 Fair value hierarchy and measurements.

The table below sets out the valuation techniques applied by the group for recurring fair value measurements of assets and liabilities categorised as Level 2 and Level 3 in the fair value hierarchy:

Instrument	Valuation technique	Description of valuation technique and main assumptions	Observable inputs level 2	Unobservable inputs level 3
Loans and advances to customers				
- Investment banking book *	Discounted cash flows	Certain of the group's investment banking advances do not meet the requirements to be carried at amortised cost and are measured at fair value through profit or loss. Credit risk is not observable and could have a significant impact on the fair value measurement of these advances. As such, these advances are classified as level 3 on the fair value hierarchy. Future cash flows are discounted using a market -related interest rate, adjusted for credit inputs.	Market interest rates	Credit inputs
Investment securities and other investments				
- Equities/ bonds listed in an inactive market	Discounted cash flows	For listed equities and bonds, the listed price is used where the market is active (i.e. Level 1). However if the market is not active and the listed price is not representative of fair value, these are classified as Level 2 and a valuation technique is used, for example the discounted cash flow is used for listed bonds. This will be based on risk parameters of comparable securities and the potential pricing difference in spread and/or price terms with the traded comparable is considered. The future cash flows are discounted using a market related interest rate.	Market interest rates and curves	Not applicable
- Unlisted bonds	Price earnings ("P/E") model	Where the valuation technique incorporates observable inputs for credit risk or the credit risk is an insignificant input, level 2 of the fair value hierarchy is deemed appropriate.	Market transactions	Not applicable
- Negotiable certificates of deposit	Discounted cash flows	The future cash flows are discounted using a market related interest rate. Inputs to these models include information that is consistent with similar market quoted instruments, where available	Market interest rates and curves	Not applicable
- Treasury Bills	Discounted cash flows	The future cash flows are discounted using market related interest rates.	Market interest rates and curves	Not applicable

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.2 Fair value hierarchy and measurements continued

Instrument	Valuation technique	Description of valuation technique and main assumptions	Observable inputs	Unobservable inputs
Derivative financial instruments				
- Option and equity derivatives	Option pricing model and industry standard models	The models calculate fair value based on input parameters such as share prices, dividends, volatilities, interest rates, equity repo curves and, for multi-asset products, correlations. Unobservable model inputs are determined by reference to liquid market instruments and by applying extrapolation techniques to match the appropriate risk profile.	Strike price of the option, market-related discount rate, spot or forward rate, the volatility of the underlying, dividends and listed share prices	Volatilities, dividends and unlisted share prices
- Forward rate agreements. Forwards and swaps	Discounted cash flows	The future cash flows are projected using a forward curve and then discounted using a market related discount curve over the contractual period. The reset date is determined in terms of legal documents.	Market interest rates, credit and currency basis curves and spot prices	Market interest rates, credit and currency basis curves
Deposits				
- Call and non-term deposits	None - the undiscounted amount is used	The undiscounted amount of the deposit is the fair value due to the short term nature of the instruments. These deposits are financial liabilities with a demand feature and the fair value is not less than the amount payable on demand i.e. the undiscounted amount of the deposit.	None - the undiscounted amount approximates fair value and no valuation is performed	Not applicable
- Deposits that represent collateral on credit linked notes	Discounted cash flows	These deposits represent the collateral leg of credit linked notes. The forward curve adjusted for liquidity premiums and business unit margins is used. The valuation methodology does not take early withdrawals and other behavioural aspects into account.	Market interest rates and curves	Credit inputs on related advance
- Other deposits	Discounted cash flows	Future cash flows are discounted using market-related interest rates. Fair value incorporates interest rate risk with no valuation adjustment for own credit risk. Valuation adjustments are affected by changes in the applicable credit ratings of the assets.	Market interest rates and curves	Credit inputs

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.2 Fair value hierarchy and measurements continued

Instrument	Valuation technique	Description of valuation technique and main assumptions	Observable inputs	Unobservable inputs
Other liabilities	Discounted cash flows	The future cash flows are discounted using a market related interest rate.	Market interest rates and curves	Not applicable
Financial assets and liabilities not measured at fair value but for which fair value is disclosed	Discounted cash flows	The future cash flows are discounted using a market related interest rate and curves adjusted for credit inputs.	Market interest rates and curves	Credit inputs

* The group has elected to designate certain investment banking book advances at fair value through profit or loss. The designation is on a deal basis. Credit risk is not observable and has a significant impact on the fair value measurement of these advances and as such, these advances are classified as Level 3 on the fair value hierarchy.

For non-recurring fair value measurements, the fair value hierarchy classification and valuation technique applied in determining fair value will depend on the underlying asset or liability being measured. Where the underlying assets or liabilities are those for which recurring fair value measurements are required as listed in the table above, the technique applied and the inputs into the models would be in line with those as set out in the table. Where the underlying assets or liabilities are not items for which recurring fair value measurements are required, for example property and equipment or intangible assets, the carrying value is considered to be equal to or a reasonable approximation of the fair value. This will be assessed per transaction and details will be provided in the relevant notes. There were no assets or liabilities measured at fair value on a non-recurring basis in the current and prior period.

During the current reporting period there were no changes in the valuation techniques used by the group.

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.2 Fair value hierarchy and measurements continued

The following table presents the fair value measurements and fair value hierarchy of assets and liabilities of the group which are recognised at fair value:

December 2023

N$'000	Level 1	Level 2	Level 3	Total carrying amount
Assets				
Recurring fair value measurements				
Investment securities	28 728	484 906	33 053	546 687
Advances	-	16 865	-	16 865
Derivative financial instruments	-	373 217	-	373 217
Total financial assets	**28 728**	**874 988**	**33 053**	**936 769**
Liabilities				
Recurring fair value measurements				
Short trading position	27 432	-	-	27 432
Derivative financial instruments	-	397 983	-	397 983
Total financial liabilities	**27 432**	**397 983**	**-**	**425 415**

December 2022

N$'000	Level 1	Level 2	Level 3	Total carrying amount
Assets				
Recurring fair value measurements				
Investment securities	-	96 148	9 576	105 724
Advances	-	-	39 143	39 143
Derivative financial instruments	-	130 432	-	130 432
Total financial assets	**-**	**226 580**	**48 719**	**275 299**
Liabilities				
Recurring fair value measurements				
Short trading position	39 234	-	-	39 234
Derivative financial instruments	-	146 181	-	146 181
Total financial liabilities	**39 234**	**146 181**	**-**	**185 415**

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.3 Fair value of financial instruments continued

June 2023

N$'000	Level 1	Level 2	Level 3	Total carrying amount
Assets				
Recurring fair value measurements				
Investment securities	21 808	513 468	37 469	572 745
Derivative financial instruments	-	375 784	-	375 784
Total financial assets	**21 808**	**889 252**	**37 469**	**948 529**
Liabilities				
Recurring fair value measurements				
Derivative financial instruments	-	404 096	-	404 096
Other Liabilities	-	-	5 984	5 984
Total financial liabilities	**-**	**404 096**	**5 984**	**410 080**

During the reporting period ending 31 December 2023 (31 December 2022), there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Sensitivity of fair values to changing significant assumptions to reasonably possible alternatives

Fair values of financial instruments recognised in the financial statements may be determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data. In these instances, the net fair value recorded in the financial statements is the sum of three components:

(i) the value given by application of a valuation model, based upon the group's best estimate of the most appropriate model inputs;

(ii) any fair value adjustments to account for market features not included within valuation model (for example, bid mid spreads, counterparty credit spreads and / or market data uncertainty); and

(iii) day one profit or loss, or an unamortised element thereof, not recognised immediately in the income statement in accordance with the group's accounting policy, and separately detailed within the derivative note above.

The group classifies financial instruments in Level 3 of the fair value hierarchy when significant inputs into the valuation model are not observable. In addition to the valuation model for Level 3, financial instruments typically also rely on a number of inputs that are readily observable either directly or indirectly. Thus, the gains and losses presented below include changes in the fair value related to both observable and unobservable inputs.

Changes in the group's best estimate of the non observable inputs (Level 3) could affect the reported fair values recognised on the statement of financial position and the movement in fair values recognised in the statement of comprehensive income. However changing these inputs to reasonably possible alternatives would change the fair value using more positive reasonable assumptions to N$36 million (2022: N$43 million) and using more negative reasonable possible assumptions to N$30 million (2022: N$67 million). These amounts are based on the assumptions without first tier margins and additional first tier margins respectively.

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.3 Fair value of financial instruments continued

Changes in level 3 fair value instruments

31 December 2023

N$000	Fair value on June 2023	Gains or losses recognised in profit or loss	Net purchases/ (sales)/ issues/ (settlements)	Fair value on December 2023
Assets				
Investment securities	37 467	584	(4 998)	33 053
Total financial assets at fair value	37 467	584	(4 998)	33 053

31 December 2022

N$000	Fair value on June 2022	Gains or losses recognised in profit or loss	Net purchases/ (sales)/ issues/ (settlements)	Fair value on December 2022
Assets				
Advances	70 844	551	(32 252)	39 143
Investment securities	9 576	-	-	9 576
Total financial assets at fair value	80 420	551	(32 252)	48 719

30 June 2023

N$000	Fair value on June 2022	Gains or losses recognised in profit or loss	Net purchases/ (sales)/ issues/ (settlements)	Fair value on June 2023
Assets				
Advances	70 844	648	(71 492)	-
Investment securities	9 576	724	27 167	37 467
Total financial assets at fair value	80 420	1 372	(44 325)	37 467
Other liabilities	774	5 210	-	5 984
Total financial liabilities at fair value	774	5 210	-	5 984

Notes to the condensed consolidated interim results
for the reporting period ended continued

15. Fair value measurements continued

15.3 Fair value of financial instruments continued

Unrealised gains or losses on level 3 instruments with recurring fair value measurements

The valuation model for level 3 assets or liabilities typically relies on a number of inputs that are readily observable either directly or indirectly. Thus, the gains and losses presented below include changes in the fair value related to both observable and unobservable inputs. The table below presents the total gains (losses) relating to financial instrument classified in Level 3 that are still held on the respective date. With the exception of interest on funding instruments all of these gains or losses are recognised in non interest revenue.

	Reviewed Six months ended 31 December	Unaudited Six months ended 31 December	Audited Year ended June
	2023	2022	2023
N$'000	Gains or losses recognised in profit or loss	Gains or losses recognised in profit or loss	Gains or losses recognised in profit or loss
Advances	-	551	648
Investment securities	584	-	724
	584	551	1 372

The following represents the fair values of financial instruments not carried at fair value on the statement of financial position but, for which fair value is required to be disclosed. For all other financial instruments the carrying value is equal to or a reasonable approximation of the fair value.

	Reviewed Six months ended 31 December		Unaudited Six months ended 31 December		Audited Year ended June	
	2023		2022		2023	
N$'000	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Assets						
Advances at amortised cost	36 471 156	36 561 599	33 211 084	33 028 423	35 449 607	35 388 466
Investment securities at amortised cost	7 989 678	8 098 853	7 097 395	6 878 795	9 376 281	9 315 720
Liabilities						
Deposits	44 925 882	44 866 163	39 192 320	38 945 609	42 752 375	42 720 705
Other liabilities	191 138	189 920	141 654	141 045	165 428	125 428

Notes to the condensed consolidated interim results
for the reporting period ended continued

16. Segment information

Group's chief operating decision maker	Chief executive officer
Major customers	The FirstRand Namibia group has no major customer as defined (i.e. revenue from the customer exceeds 10% of total revenue) and is, therefore, not reliant on revenue from one or more major customers.

Reportable segments	Products and services
FNB	FNB represents FirstRand Namibia's activities in the retail and commercial segments. FNB offers a diverse set of financial products and services to market segments including consumer small business agricultural medium corporate parastatals and government entities. FNB's products cover the entire spectrum of financial services – transactional lending short-term insurance investment and savings – and include mortgage loans credit and debit cards personal loans funeral credit life and savings and investment products. Services include transactional and deposit taking card acquiring credit facilities insurance and FNB distribution channels (branch network ATMs call centres cellphone and online).
RMB	RMB represents the group's activities in the corporate and investment banking. RMB offers corporate finance, leveraged finance, resources sector solutions, infrastructure sector solutions, real estate finance, debt capital markets, debt trade solutions, sponsor services, corporate broking, loan syndications, advisory , corporate transactional banking and principal investments. From a markets perspective it offers market making, financial risk management and investment across interest rate, currency, commodity, equity and credit asset classes as well as execution, asset financing, custody and clearing services. Ashburton Investments offers focused traditional and alternative investment solutions to individual and institutional investors and combines established active fund management expertise with alternative investment solutions from product providers across the FirstRand Namibia group.
FCC and other	FCC represents group-wide functions including group treasury (capital funding and liquidity and financial resource management) group finance group tax enterprise risk management regulatory and conduct risk management and group internal audit. FCC has a custodianship mandate which includes managing relationships on behalf of the group with key external stakeholders (e.g. shareholders debt holders regulators) and the ownership of key group strategic frameworks (e.g. performance measurement risk/reward). Its objective is to ensure the group delivers on its commitments to stakeholders. The reportable segment includes all management accounting and consolidated entries. The group operates within the borders of Namibia and no material segment operations are outside Namibia.

Notes to the condensed consolidated interim results
for the reporting period ended continued

16. Segment information continued

N$'000	Reviewed six months ended 31 December 2023 FNB	RMB	FCC and other	Total
Income from operations	2 076 600	418 660	26 654	2 521 914
Profit for the period	634 418	189 543	11 811	835 772
Depreciation	53 757	1 016	78	54 851
Amortisation	10 604	447	-	11 051
Advances	30 249 445	6 238 577	-	36 488 022
Investment securities	104 782	441 905	7 698 161	8 244 848
Total assets	31 730 803	11 294 743	17 802 325	60 831 551
Deposits	25 545 561	12 839 344	6 540 977	44 925 882
Total liabilities	30 539 556	10 949 550	13 496 903	54 994 929

N$'000	Unaudited six months ended 31 December 2022 FNB	RMB	FCC and other	Total
Income from operations	1 928 930	356 745	102 498	2 388 173
Profit for the period	620 718	154 842	69 622	845 182
Depreciation	49 246	762	66	50 073
Amortisation	8 282	446	-	8 728
Advances	28 477 604	4 772 623	-	33 250 227
Investment securities	79 549	167 248	7 092 843	7 339 642
Total assets	28 074 620	8 181 161	18 259 066	54 514 847
				-
Deposits	22 497 368	9 591 456	7 103 496	39 192 320
Total liabilities	27 070 330	7 889 830	13 348 784	48 308 944

Notes to the condensed consolidated interim results
for the reporting period ended continued

16. Segment information continued

	Audited year ended 30 June			
	2023			
N$'000	FNB	RMB	FCC and other	Total
Income from operations	3 884 901	709 864	150 724	4 745 489
Profit for the period	1 189 821	280 069	91 283	1 561 173
Depreciation	99 065	1 533	136	100 734
Amortisation	5 120	893	13 815	19 828
Advances	29 214 550	6 235 057	-	35 449 607
Investment securities	81 755	490 990	9 376 281	9 949 026
Total assets	31 129 503	10 232 124	16 969 713	58 331 340
Deposits	24 160 878	11 447 719	7 143 778	42 752 375
Total liabilities	29 142 754	9 740 132	13 464 314	52 347 200

Capital management

Banking Operations - First National Bank of Namibia Limited group

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Risk weighted assets			
Credit risk	30 821 346	26 464 778	28 826 566
Market risk	70 520	123 295	104 141
Operational risk	5 984 188	5 361 446	5 628 704
Total risk weighted assets	36 876 054	31 949 519	34 559 411
Regulatory capital			
Share capital and share premium	1 142 792	1 142 792	1 142 792
Retained profits	4 294 445	3 991 582	4 468 011
Other disclosed reserve	10 913	4 893	10 913
Capital impairment*	(63 455)	(70 131)	(63 428)
Total tier 1	5 384 695	5 069 136	5 558 288
Eligible subordinated debt	-	-	-
General risk reserve, including portfolio impairment	385 267	330 810	360 332
Current board approved profits	-	381 269	-
Total tier 2	385 267	712 079	360 332
Total tier 1 and tier 2 capital	5 769 962	5 781 215	5 918 620
Banking group			
Capital adequacy ratios			
Tier 1	14.6%	15.9%	16.1%
Tier 2	1.0%	2.2%	1.0%
Total	15.6%	18.1%	17.1%
Tier 1 leverage ratio	8.4%	8.9%	9.1%

* Includes intangible assets, investment in deconsolidated entities and investment in significant minority and majority insurance entities.

Capital management
Regulated consolidated group

N$'000	Reviewed Six months ended 31 December 2023	Unaudited Six months ended 31 December 2022	Audited Year ended June 2023
Risk weighted assets			
Credit risk	30 928 022	26 596 449	28 898 330
Market risk	70 520	123 295	104 141
Operational risk	6 175 088	5 512 877	5 818 033
Total risk weighted assets	37 173 630	32 232 621	34 820 504
Regulatory capital			
Share capital and share premium	282 148	282 148	282 148
Retained profits	5 578 955	5 074 942	5 760 643
Capital impairments*	(112 095)	(127 817)	(118 976)
Total tier 1	5 749 008	5 229 273	5 923 815
Eligible subordinated debt	-	-	-
General risk reserve, including portfolio impairment	385 405	330 832	360 491
Current board approved profits	-	381 269	-
Capital impairments*	(50 707)	(50 707)	(50 707)
Total tier 2	334 698	661 394	309 784
Total tier 1 and tier 2 capital	6 083 705	5 890 667	6 233 599
Consolidated group			
Capital adequacy ratios			
Tier 1	15.5%	16.2%	17.0%
Tier 2	0.9%	2.1%	0.9%
Total	16.4%	18.3%	17.9%
Tier 1 leverage ratio	9.5%	9.6%	10.2%

* Includes intangible assets, investment in deconsolidated entities and investment in significant minority and majority insurance entities.

shareholder

information

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Declaration of dividends

Notice is hereby given that a cash dividend of 173.52 cents (number 61) for the six months ended 31 December 2023 was declared on 14 February 2024. The last day to trade shares on a cum dividend basis will be on 15 March 2024 and the first day to trade ex-dividend will be 18 March 2024. The record date will be 5 April 2024 and the payment date 19 April 2024.

Simplified group structure

General public	FirstRand EMA Holdings (Pty) Ltd	GIPF
25.9%	58.4%	15.7%

FirstRand
NAMIBIA

Banking		Capital markets and investments		Other activities		Insurance	
100%	First National Bank of Namibia Ltd	**100%**	Ashburton Property Unit Trust Management Company Ltd	**100%**	FNB Fiduciary Namibia (Pty) Ltd	**100%**	FNB Short Term Insurance Company Limited
100%	Swabou Investments (Pty) Ltd	**100%**	Ashburton Unit Trust Management Company Ltd	**100%**	FNB Nominees (Namibia) probity Ltd		
		100%	Pointbreak Investment Management (Pty) Ltd	**100%**	FNB Insurance Brokers (Namibia) (Pty) Ltd		
		100%	Ashburton Investment Managers (Pty) Ltd	**100%**	Talas Properties (Windhoek) (Pty) Ltd		
		100%	RMB Investment (Pty) Ltd	**100%**	Pointbreak Trust and Estates (Pty) Ltd		
		100%	Pointbreak Wealth Management (Pty) Ltd				

Corporate information

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