



Capricorn Group Limited
(Incorporated in the Republic of Namibia)
(Date of Registration: 5 September 1996)
(Registration Number: 96/300)
Share code: CGP ISIN: NA000A1T6SV9
("Capricorn Group")

REVIEWED CONSOLIDATED INTERIM RESULTS

	6 months ended 31 December 2023 (reviewed)	6 months ended 31 December 2022 (reviewed) (restated)*
Operating profit (N\$'000)	999 743	899 397
Profit after tax (N\$'000)	827 644	769 781
Basic earnings per share (cents)	152.4	142.1
Fully diluted earnings per share (cents)	151.5	141.6
Headline earnings per share (cents)	152.4	142.1
Net asset value per share (cents)	1 786	1 561
Interim Dividend per share (cents)	48	39
Total risk-based capital adequacy ratio (%)	17.6	16.6
Number of ordinary shares in issue at period / year-end ('000)	518 488	519 184

** Restated based on IFRS 17 as disclosed below.*

Group financial performance

Capricorn Group achieved solid results with profit after tax for the six months ended 31 December 2023, increasing by 18.5% to N\$ 827.6 million compared to a profit after tax of N\$698.2 million that was reported in the comparative period in the prior year, before restatement. This represents an increase of 19.4% in earnings per share to 152.4 cents. Annualised return on equity increased from 16.6% to 16.8% year-on-year. The strong performance is attributable to loan book growth and increased transaction volumes, offset to some extent by escalated credit impairment charges. Furthermore, the Group's profitability benefitted from the implementation of IFRS 17 – "Insurance Contracts". This improvement primarily stems from reduced discretionary policyholder reserves following the application of IFRS 17. Excluding the positive impact of IFRS 17 on the Group's capital reserves, return on equity would have been 17.3% for the 6 months ended 31 December 2023.

IFRS 17 requires full retrospective application for disclosure purposes. Consequently, the comparative figures for the six month period ended on 31 December 2022 were restated. Following this restatement of the comparative period figures, the Group's profit after tax for the six months ended 31 December 2023 represents a year-on-year increase of 7.5%. Similarly, both headline earnings and earnings per share for the same period experienced year-on-year growth of 7.2%.

Interim dividend

Notice is hereby given that an interim dividend of 48 cents per ordinary share was declared on 27 February 2024 for the six months ended 31 December 2023.

Last day to trade cum dividend: 14 March 2024
First day to trade ex dividend: 15 March 2024
Record date: 22 March 2024
Payment date: 5 April 2024

Outlook

The central banks of both Namibia and Botswana have adopted prudent monetary policy measures to counteract inflationary pressures and to protect local currencies in volatile global market conditions brought about by spreading geopolitical tensions. The current outlook is that inflation will stay within the target range of both central banks in the short to medium term, with the possibility of interest rates decreasing in the coming 12 months.

The Bank of Namibia's Economic Outlook for December 2023 predicts a deceleration in economic growth, primarily attributed to weakened global demand and an expected contraction in the agriculture sector. The projections indicate real GDP growth rates of 3.9%, 3.4%, and 3.1% for the years 2023, 2024, and 2025, respectively. Despite these challenges, the overarching commitment of Capricorn Group remains focused on sustained growth for the benefit of all stakeholders.

Short form announcement

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement accessible from 29 February 2024, via the NSX link <https://senspdf.jse.co.za/documents/2024/nsx/isse/cgpe/CGP31Dec23.pdf>

Alternatively, the full announcement is available on our website at:

<https://www.capricorn.com.na/Pages/News-Centre/Capricorn-Group-Interim-Results-as-at-31-December-2023.aspx>

The condensed consolidated interim financial statements for the six months ended 31 December 2023, from which this information is derived, have been reviewed by PricewaterhouseCoopers. A copy of the auditor's review report and the condensed consolidated interim financial statements are available for inspection at the Group's registered office at no charge, weekdays during office hours.

Non-executive directors: DG Fourie (chairperson), JW Brandt, E Fahl, HM Gaomab II, DT Kali, G Menetté, DJ Reyneke*, GN Sekandi**, E Solomon*, JJ Swanepoel

Executive directors: MJ Prinsloo* (Group chief executive officer), D Nuyoma (Group CEO-designate)

* South African

** Ugandan

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By order of the Board

29 February 2024

Sponsor on the Namibian Stock Exchange

Sponsor on the Botswana Stock Exchange



PSG Wealth Management (Namibia) (Pty) Ltd
Member of the Namibian Stock Exchange



Imara Capital Securities (Pty) Ltd
A Member of the Botswana Stock Exchange