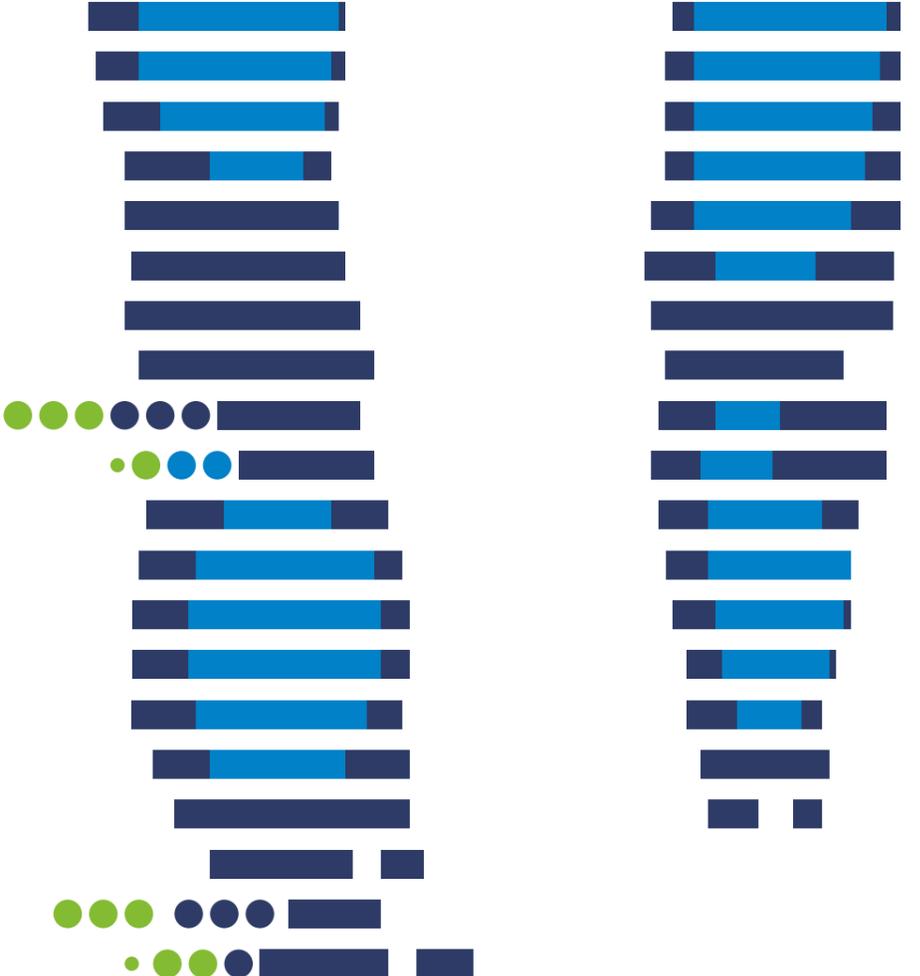
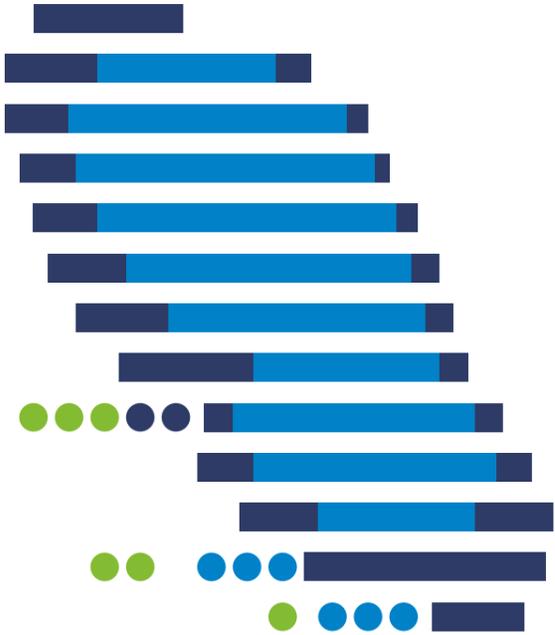




INTEGRATED ANNUAL REPORT 2022

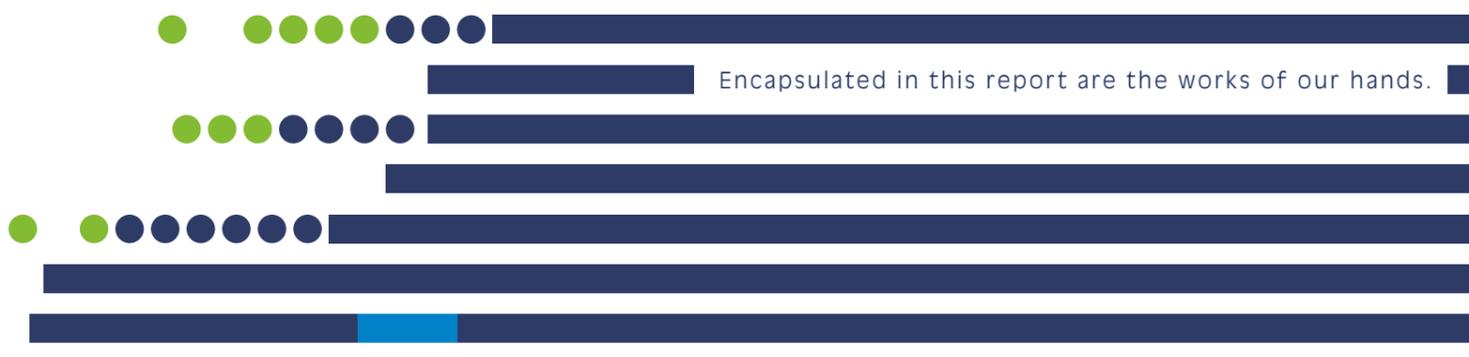


At O&L, we believe our people are our most valuable resource. Relentless yet kind, we use our hands to create, express and impact each other's lives and the world around us through the passionate work we do.

With every engaging experience, we aim to imprint our Purpose: "Creating a future, enhancing life".

By cultivating a culture of purposefulness, our hands are free to serve, and to own the whole. Like shaking hands with an old friend, we appreciate, recognize and value the contribution of all our stakeholders.

Encapsulated in this report are the works of our hands.



ABOUT THIS REPORT

Ohlthaver & List Finance and Trading Corporation Limited (Ohlthaver & List Group, O&L, OLFITRA or the Group) is the largest privately held Group of companies in Namibia. This 2022 Integrated Annual Report (the report) covers the financial year from 1 July 2021 to 30 June 2022 (the year or FY22). All information in this report pertains to the current financial year unless otherwise stated. The report covers all operations as set out in our profile on pages 6 and 7. It provides a holistic, concise view of the social, environmental and economic factors affecting the Group's ability to create, preserve and mitigate value erosion over the short, medium and long term.

The report is aimed at our stakeholders, listed on page 14.

Our integrated reporting approach and structure allows for comparability of financial and non-financial data. Any restatement of comparable information has been noted as such. The Group applied materiality to information gathered during data collection and Board and management interviews.

The Group considered the below frameworks and reporting requirements when compiling this report:

- Corporate Governance Code for Namibia (NamCode), based on the King Report on Corporate Governance in South Africa, 2009 (known as King III)
- The United Nations (UN) Sustainable Development Goals (SDGs)
- Namibian Companies Act, No 28 of 2004, amended 2011
- International Financial Reporting Standards

MATERIALITY AND PROCESS FOR IDENTIFYING CONTENT

The Board identified and approved the matters and information for inclusion in this report. It considered the relative importance of matters in terms of their known or potential effects on the Group's ability to create value for stakeholders.

FORWARD-LOOKING STATEMENTS

This report contains statements that are or may be forward-looking. By nature, these statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Group cautions readers not to rely on forward-looking statements, as they do not guarantee future performance.

BOARD APPROVAL

The Board, assisted by the Audit Committee, is ultimately responsible for the integrity and completeness of this report. The Board applied its collective mind to the preparation and presentation of the report and approved it on 16 November 2022.



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GROUP REFERENCE INFO

Please visit www.ol.na to view our financial statements

OUR PROFILE

OUR PURPOSE: CREATING A FUTURE, ENHANCING LIFE

OUR VISION:

To be a catalyst for positive change, creating new realities and fulfilling dreams

The O&L Group of companies is proudly rooted in Africa. As Namibia's largest privately held group, we contribute 3.9% to gross domestic product (GDP). The Group emerged from the early Ohlthaver & List Bank Kommission partnership between Hermann Ohlthaver and Carl List in 1919. Our head office is located in Windhoek, Namibia.

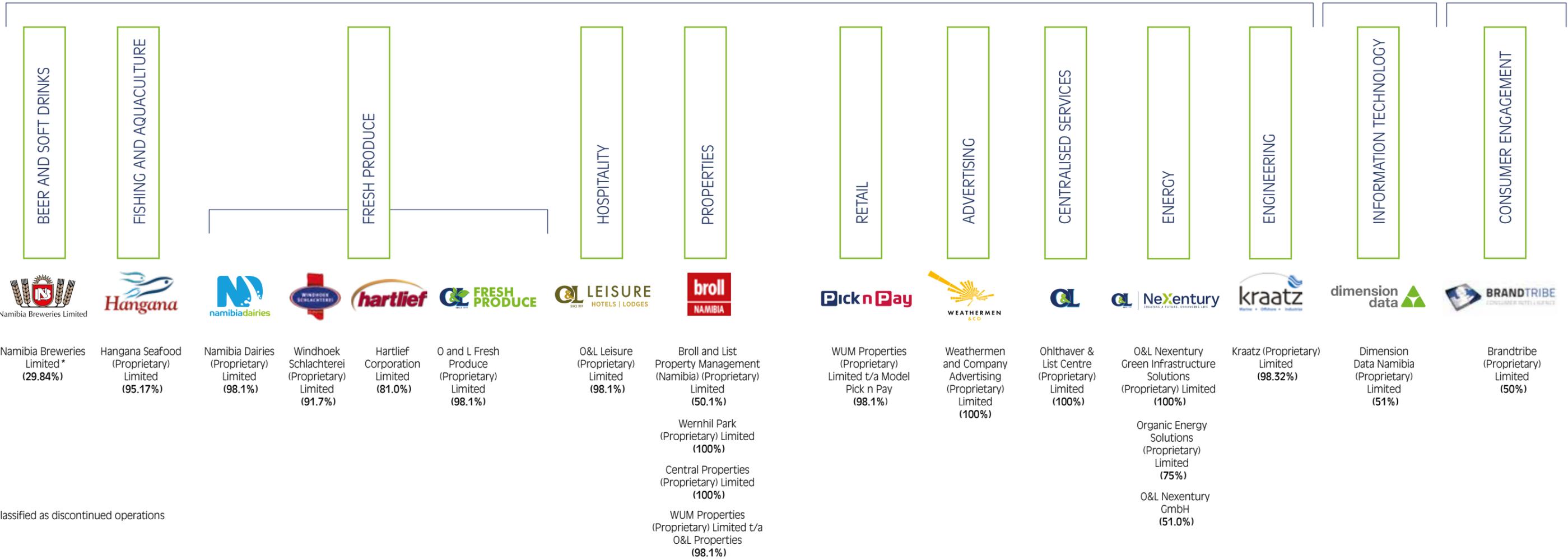
KEY FACTS ABOUT O&L

6 389 employees in 2022	N\$7 026 million revenue (including the discontinued operations), showing growth of 9.7%	19 major subsidiaries representing 12 sectors of the economy
We positively contribute to 14 UN SDGs	51.6% of our procurement spend goes to local enterprises	Only 61% of our water use is dependent on conventional sources

SUBSIDIARIES

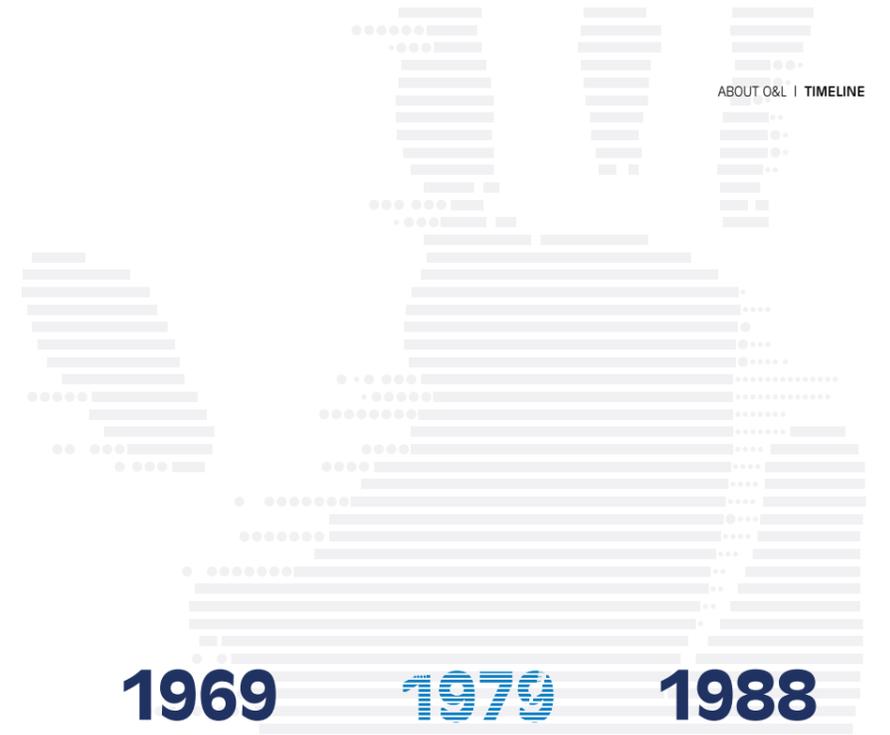
ASSOCIATE

JOINT VENTURE



*Classified as discontinued operations

TIMELINE



1919

Hermann Ohlthaver and Carl List form Ohlthaver & List Bank Kommission partnership.

1920

O&L Group acquired Klein Windhoek Brauerei, Felsenkeller Brauerei, Omaruru Brauerei and Kronen Brauerei to form South West Breweries (known today as NBL).

1923

Ohlthaver & List Bank Kommission partnership changes to Ohlthaver & List Limited on 13 May.

1937

O&L Group acquires the Midgard and Okatjemise farms, on which the current Midgard Country Estate is situated.

1965

O&L Group acquires controlling majority over Model Supermarkets Retail Chain.

1965

Carl List Haus (current Alexander Forbes House) was erected.

1968

O&L Group formed and commenced the operation of Consortium Fisheries Limited.

1969

O&L Group acquires Kraatz Welding and Engineering Works from R. Kraatz.

1979

O&L Group acquires controlling shares of Windhoek Schlachtereij.

1988

Construction of Mokuṭi Lodge commences outside Etosha Game Park.

2006

O&L Group and Dimension Data Middle East and Africa establish a partnership called Dimension Data Namibia (Proprietary) Limited.

2006

Hangana Seafood (Proprietary) Limited opens its value-added factory in Walvis Bay.

2003

The Standard Bank Centre (known as Town Square) was finalised.

2003

O&L Group forms a property management portfolio called Broll and List Property Management Namibia (Proprietary) Limited.

1999

O&L Group centralised its information, communication and technology (ICT) function by creating an ICT holding company, which later entered into a partnership agreement with Dimension Data.

1997

O&L Group enters into a franchise agreement with Pick n Pay South Africa.

1997

Through a merger between Consortium Fisheries Limited and Kuiseb Fish Products (Proprietary) Limited, Hangana Seafood (Proprietary) Limited was established.

1997

Namibia Dairies (Proprietary) Limited is founded after the merger of Rietfontein with Bonmilk.

1996

Namibia Breweries Limited is listed on the Namibian Stock Exchange.

1989

Construction of Wernhil Park shopping complex commences.

2009

Namibia Dairies (Proprietary) Limited opens the modern !Aimab Superfarm near Mariental.

2010

The List Trust Company enters into a broad based black economic empowerment transaction with EPIA Investment Holdings.

2012

The creation of O&L Energy (Proprietary) Limited.

2013

The creation of the Group's own leisure management company, O&L Leisure (Proprietary) Limited.

2013

Weathermen and Company Advertising (Proprietary) Limited launches.

2015

New Strand Hotel opens.

2019

Wernhil Phase 4 Presidential Inauguration.

2020

Hartlief acquisition.

2020

Acquisition of O&L Nexentury GmbH (formerly Cronimet Mining Power Solutions GmbH)- first German subsidiary.

2021

O and L Fresh Produce is established.

2025 BREAKTHROUGH STRATEGY

**A CATALYST FOR POSITIVE CHANGE,
DELIVERING NEW REALITIES,
FULFILLING DREAMS**

Leading Genius | Global Top 25 GPTW | 10 000 Employment Opportunities Secured | N\$4 Billion EBIT

EVERYONE LEADING, EVERYONE MAKING A POSITIVE IMPACT	ENGAGING PEOPLE, ENGAGING EXPERIENCES	OWNING THE FUTURE, CREATING NEW REALITIES, ENJOYING THE JOURNEY
<p>Everyone matters. Everyone's contribution matters.</p> <p>Everyone enjoys the benefits of leading their life.</p> <p>Always learning, learning from everyone, open to new possibilities.</p> <p>Unleashing the unlimited potential in everyone.</p>	<p>All stakeholders purposefully engaged.</p> <p>Everyone appreciated, recognised and valued.</p> <p>Free to serve, owning the whole.</p> <p>Delivering beyond expectations.</p>	<p>Lasting relationships, sustaining the future.</p> <p>Everyone operating in Genius, having fun, bringing out the best versions of themselves.</p> <p>Creating new-to-world outcomes.</p> <p>A culture of continuous innovation, anything is possible.</p>

Let's talk | Let's do it | Hooked on results | Naturally today for tomorrow | We grow people | We do the right things right | We all serve

OUR PURPOSE:

CREATING A FUTURE, ENHANCING LIFE

- LIVE THE VALUES
- LEAD GROWTH
- TAKE BOLD STANDS
- CAUSE ALIGNMENT
- BE AUTHENTIC
- INSPIRE INNOVATION
- DELIVER EXTRAORDINARY RESULTS

OUR STRATEGY

O&L GROUP BREAKTHROUGH STRATEGY

In realizing our dreams and fulfilling our purpose of "Creating a future, enhancing life", the Vision 2025 Breakthrough Strategy was put in place to amplify our socio-economic impact through purposeful leadership. Our vision: to be a catalyst for positive change, delivering new realities, fulfilling dreams, is a powerful compliment to our purpose as it not only inspires, but underpins what we as business want to deliver by 2025.

At the heart of our breakthrough strategy are our employees. Throughout the process of establishing our strategy, we realized that in order for us to achieve success, we need to unleash the unlimited potential in not only our management, but each of our valued employees by unlocking the best versions of ourselves. Discovering the power of collective effort inspires us to create amazing experiences, fully owning the present and the future and to deliver new realities while having fun on our O&L journey.

Measuring our success is vital in ensuring we stay our course, and this is done through our Vision Metrics of Leading Genius; Global Top 25 Great Place to Work (GPTW); 10,000 Employment Opportunities; and Earnings Before Interest and Tax (EBIT) of N\$4bn by 2025, all while remaining grounded in our values.

Tracking and reporting our vision metrics is shared annually with the board and quarterly to the Top Leadership Teams (TLT). Our Executives however have quarterly reporting, feedback, and collaboration sessions with the various Senior Leadership Teams (SLT) to drive joint ownership of the deliverables.

LEADING GENIUS

The O&L Leading Genius program is an initiative that sets out to empower our employees by unlocking their most unique and natural potential and abilities that drives how you think about challenges and solutions and leveraging it to achieve success. The program is a comprehensive process that identifies this unique thinking and actualizes the personal maxim (sayings/truism) that assisted them in achieving success in the face of adversity in the past. It is also a process that encourages those who have been on the program to leverage and lead in their Genius by providing an environment where our employees are consistently operating in their best versions.

O&L's Leading Genius is grounded in our unique way of thinking. We believe that everyone has genius; they only need to recognise their potential to access it. By tapping into and maximising this resource, people can solve complex challenges and realise their ambitions.

We can improve our performance and competitive abilities by accessing and leveraging the best in our people.



GREAT PLACE TO WORK

Diagnostics, culture and employee engagement surveys

In line with our Purpose, "Creating a future, enhancing life" we annually invite our employees to share their experience of being part of O&L. We use the GAP International Organizational Alignment Diagnostic®, the Great Place to Work Trust Index Survey® and Culture Audit® to measure our people's trust and experience. This demonstrates the Group-wide culture that contributes to building engagement, accountability and innovation.

Great Place to Work (GPTW) provides a benchmark against the best workplaces in Africa and globally using various employee surveys.

O&L Group has not been accredited as a 2022/2023 Global Great Place to Work on a global trust index. An overall score of 65% or more is needed to be accredited and this year, the O&L Group's overall score is 61%, 6% lower than last year. Our overall GPTW strengths indicate that 78% of our employees feel that our customers would rate the service we deliver as "excellent" We classify this as a world-class score at 5% above Africa's Top 25 Great Places to Work.

In the Culture Audit, the Group scored 3.5 (2021/2022: 3.5) out of 5, which is consistent with last year's results and reflects our unique and all-inclusive culture. Our most improved areas are leadership effectiveness, and our Values.

Our new areas of focus include: strategy and direction, values and behaviours, with a special focus on four identified O&L companies – a significant step towards our 2025 Vision to be in the top 25 Global Great Places to Work.

10 000 EMPLOYMENT OPPORTUNITIES SECURED

Namibia's unemployment rate is expected to reach 36.7% by the end of 2022, according to Trading Economics' global macro models and analysts' expectations. Economic growth is expected to recover to 3.4% and 3.7% in 2022 and 2023 respectively (Bank of Namibia Economic Outlook February 2022) after the negative growth in 2020 and only 0.9% in 2021. However, an increase in inflation and interest rates, which is expected to continue during 2022, are having a significant negative impact on disposable income. The increase in fuel prices and the effect it has on transport and subsequent input costs of major commodities has added to the high cost of living. With food security under pressure as well, the livelihoods of especially lower income households are impacted significantly.

As a responsible corporate citizen and as part of Vision 2025, O&L has resolved to secure 10 000 job opportunities by 2025. We intend to take all measures to secure the jobs of our employees in these difficult economic conditions and will continue to create job opportunities within O&L and contribute to creating indirect employment opportunities.

Our workforce complement (permanent and temporary) was 6 389 at the end of the reporting period compared to 6 425 the previous year, a slight decrease of 0.6%. O&L gave approximately 1 121 employment opportunities to permanent contractors rendering services at various operating sites – mainly security, logistics and cleaning personnel. The Midgard staff housing and Mokuti Etosha Lodge upgrade construction projects secured approximately another 90 job opportunities for contractors.

The total jobs secured by the Group is thus approximately 7 600 at the end of 2022 (2021: 7 750). This excludes opportunities created for suppliers of products and services.

"The total jobs secured by the Group is thus approximately 7 600 at the end of 2022"

OUR STAKEHOLDERS

“Creating a future, enhancing life”, is created by and with stakeholders, both internally and externally. Our proactive, stakeholder-inclusive approach to engagement which includes open dialogue is carried out because we recognise our position in society in relation to our stakeholders and the joint influences we have on each other. O&L strives to achieve an equitable and appropriate balance between the interests of stakeholders and the Group.

STAKEHOLDERS	CONTRIBUTION TO VALUE CREATION	HOW WE ENGAGE
Employees and trade unions.	Our employees form the Group’s human capital without whom business operations would cease to exist. Employees contribute directly to the results of the business by actively shaping the O&L culture and all its touchpoints and experiences. We collaborate with our trade unions to shape the O&L employee experience for the better by ensuring the fair and equitable treatment as well as preservation of rights of all our employees.	We engage with our employees regularly through our weekly “What’s On” newsletter, online forums and business updates from top leadership. We also initiate the O&L Leadership Programme which takes all employees on a rotational basis through personal development. Employees have access to our anonymous and toll-free ethics line. We engage our trade unions through wage negotiations and agreements.
Government and regulatory authorities.	Government and regulatory authorities provide the framework to ensure we comply and adhere to the relevant laws and regulations and well as industry standards. They also contribute towards an organised and fair business environment.	Knowing that real positive change can only be achieved through shared efforts, we continuously work to strengthen our relationships with our Government and regulatory partners through communication including discussions, meetings, telephone calls and emails.
Customers and consumers.	We can only mould meaningful product and service offerings for our customers and consumers if we know what they value. Their feedback informs how we define our offerings which makes our customers and consumers co-creators of the O&L experience.	We conduct consumer research to inform our campaigns and branding decisions. We also maintain an online dialogue with customers and consumers as well as our social media followers and members of the general public who engage on the social media pages of our O&L brands.
Suppliers and utilities providers.	Our suppliers and utilities service providers share their expertise and help us deliver top quality standards, improved efficiencies and best practices.	We invite our suppliers and utilities providers on the O&L journey they help co-create with us. We conduct meetings with them on a regular basis to ensure all parties are aligned on the objectives to be achieved with every project.
Industry organisations and business partners.	The business environment, locally and internationally, is shaped by the players operating within it and each of them contribute to creating the future of business. The greatest value is created when many join hands to form an inclusive, collaborative environment and this is what our fellow industry organisations and business partners enable.	We are members of various industry associations which promote constructive dialogue among the relevant industry participants. This dialogue occurs through meetings, conferences and email and telephonic communication.

STAKEHOLDERS	CONTRIBUTION TO VALUE CREATION	HOW WE ENGAGE
Community.	As members and shapers of society, our community members help inform us of the status of society along with its challenges and opportunities.	We respond to the outreach requests we receive from community members and groups such as NGOs and care homes and we support selected CSR initiatives that align with the focus areas of our CSR programme.
Media	Our media partners enable greater transparency and communication with the general public as they are tasked with disseminating information and reporting on societal interests. Our media partners range from traditional platforms such as radio, print and television to various digital formats.	We share our press releases and stories related to our businesses with our media stakeholders and invite them to attend media conferences. We also respond to media enquiries which we predominantly receive via telephone and email.
Shareholders and financiers.	The confidence our shareholders and financiers have in our business informs their investments in our business, which in turn enables us to invest in the Group and ensure its sustainability.	We are able to engage most of our shareholders through quarterly Board meetings. Our financiers are similarly engaged through regular discussions concerning business performance. Our integrated annual reports, press releases and posts on our social media pages and website are means by which we share information about business performance.

INDUSTRY ORGANISATIONS



O&L and its subsidiaries are members of the following associations:

O&L Group:

- Team Namibia
- Namibia Chamber of Commerce and Industry
- Namibia Manufacturing Association
- Recycle Namibia Forum
- Namibia Employer Federation
- Namibia Environmental and Wildlife Society
- Namibia Scientific Society

Subsidiaries:

- Self-Regulating Alcohol Industry Forum (NBL)
- Hospitality Association of Namibia (NBL and O&L Leisure)
- Dairy Producers Association (Namibia Dairies)
- Namibia Hake Fishing Association (Hangana)
- Association of Meat Importers and Exporters (Hartlief)
- Namibia Chef’s Association (Hartlief)
- Abattoir Association of Namibia (Hartlief)
- Hydrogen council

OUR MATERIAL SUSTAINABILITY MATTERS

With the introduction of our new 2025 Breakthrough Strategy in 2019, the Group committed to aligning our outcomes to the outcomes to the United Nations Sustainable Development Goals (UN SDGs). In doing so, we join an international community of governments and businesses focussed on impact and aligned with our Purpose of "Creating a future, enhancing life".

We started the SDG journey in 2020 with our material matters and 2025 Breakthrough Strategy as the foundation. This included extensive engagement with all operating companies. We aim to ensure that our sustainability efforts will support our 2025 Breakthrough Strategy and value system and create sustainable outcomes. We believe that a strong sustainability programme builds credibility, improves relationships and enhances brand awareness.

The SDGs present a set of global goals and targets to focus our efforts. We recognise that the 17 SDGs are interconnected and interdependent, which we need to prioritise to be catalysts for positive change.

O&L approached the SDG selection process by considering strategic outcomes and four major capitals: financial, human, natural and social.



BREAKTHROUGH STRATEGY, SUSTAINABILITY AND MATERIAL MATTERS ALIGNMENT

CAPITAL/DIMENSION	LINKED VISION, STRATEGIC FOCUS AREAS/OUTCOMES	SDGS
FINANCIAL/BUILD CAPITAL		
Business/Economic growth	• N\$ 4 billion EBIT	1, 2, 8,
Procurement – supporting local industries and SMEs	• 10 000 Employment Opportunities Secured	8, 9, 17
Innovation, new business (especially food production) and products/services	• Creating new-to-world outcomes	9
Productivity/efficiencies/utilisation	• A culture of continuous innovation, anything is possible	12
HUMAN CAPITAL		
Great Place to Work (GPTW)	• Top 25 GPTW	5, 8, 10
Organisational alignment (PRO diagnostic)	• Leading Genius	4, 9
Training and leadership development	• Everyone leading, everyone making a positive impact	4
Wellness		3, 8
NATURAL CAPITAL		
Energy	• Owning the future, creating new realities, enjoying the journey	7, 12, 13
Water	• Lasting relationships, sustaining the future	6, 12, 13
Waste Management (especially food)		11, 12
SOCIAL CAPITAL		
Education	• Owning the future, creating new realities, enjoying the journey	4, 11
Protection of Natural Resources	• All stakeholders purposefully engaged	6, 7, 13, 14, 15
Community Safety & Security	• Lasting relationships, sustaining the future	10, 11, 16

FINANCIAL AND BUILD CAPITAL



LOCAL PROCUREMENT

Our relationships with our product and service providers ensure collective benefits that can contribute to economic development, job creation and eradication of poverty.

O&L contributes to communities by procuring and hiring locally wherever possible. We favour Namibian businesses, especially small and medium-scale enterprises, when possible.

Our operating companies apply various controls and criteria to ensure that suppliers meet our required standards. These include pre-qualification and evaluation criteria, site audits and inspections, incoming inspection activities, detailed and approved product specifications, and the maintenance of an approved supplier list.

During the year, local procurement (as per our SAP procurement process) constituted 51.6% of total spend on goods and services compared to 55% (restated after adding Hartliet Abaserve System purchases) in the previous reporting period.

Our supply chain, inbound and outbound, faced numerous challenges during the reporting period. The increase in fuel price not only contributed to significant inflationary increases in commodities but also transport costs. There were also delays in deliveries due to certain congested ports and fewer shipping lines docking in Walvis Bay. The availability of some input materials and spare parts due to the shutdown or late start-up of some suppliers' factories due to COVID-19, added to these challenges.



INNOVATION

We create a risk-free environment for our employees to facilitate and encourage Genius and Breakthrough thinking, leading to innovative ideas, and contributing to economic and personal growth.

innovation, providing companies with a competitive edge by differentiating products, services, and brands. Innovation is also a critical steppingstone for sustained economic growth and prosperity. It enables companies to overcome the challenges of change.

During the reporting period, the Innovation team was and continues to be involved in establishing Cleanergy Solutions Namibia (Pty) Ltd. This company aspires to be at the forefront of Namibia's green hydrogen production.

Fostering food security remains a key priority at O&L and is pursued through the commercial development of Farm Otavifontein. By providing strategic and organisational support, our Innovation team also continues to incubate Dot Dune, Namibia's Online Mall.

Our Innovation team continues to explore local value creation opportunities by investigating options in the fields of:

1. Food production
2. Manufacturing
3. Health care
4. Information technology

Strong support is also provided to several operating companies in assessing additional revenue streams and/or creating new businesses.



PRODUCTIVITY, EFFICIENCIES AND UTILISATION

We need to extract the full potential from our people, infrastructure, equipment, processes and systems to contribute to profitability and growth.

We believe that the productivity of our people, the utilisation of our infrastructure and equipment, and the efficiency of our processes and systems contribute to the Group's profitability and growth expectations. True to our value "Hooked on results", we challenge the status quo to find new ways to improve on these dimensions.

We have identified critical key performance indicators at our various operating companies that we need to monitor and improve. These include (but are not limited to):

1. Productivity of our employees expressed as units produced per hour/employee
2. Utilisation indicators, such as vacancy rates at our properties, equipment and machinery availability
3. Efficiencies in various forms, e.g., line efficiencies in our production facilities, energy and water efficiencies, the yield from fish processing and agronomy activities

These indicators are reflected in the operational review section of this report from page 38.

HUMAN CAPITAL



EMPLOYMENT EQUITY

The O&L Group subscribes to the principle of equal opportunities for all and gives preference to Namibian citizens when filling vacancies within Namibia. The Group supports the Affirmative Action (Employment) Act, 1998 (No. 29 of 1998) (the Affirmative Action (Employment) Act), and files the required affirmative action report with the office of the Employment Equity Commission annually.

In September 2021 the O&L Group migrated from its in-house grading system to Paterson job grades. Due to this migration, the O&L Group will file a first AA report, based on Paterson Grades, on 30 September 2022.

As at 30 June 2022 the O&L Group had a total of 6 389 employees in service, of which 81% were in permanent employment.

O&L workforce profile as at 30 June 2022

Paterson Band	Racially Advantaged			Racially Disadvantaged			Total
	Female	Male	Total	Female	Male	Total	
F-Executive Management	0	5	5	0	1	1	6
E-Senior Management	12	34	46	4	10	14	60
D-Middle Management	59	101	160	56	89	145	305
C-Junior Management/Supervisory	34	52	86	331	445	776	862
B-Operational/Administrative	8	5	13	686	1 056	1 742	1 755
A-General Workers	1		1	1149	1 058	2 207	2 208
Total Permanent	114	197	311	2 226	2 659	4 885	5 196
Total Temporary	6	11	17	525	651	1 176	1 193
TOTAL	120	208	328	2 751	3 310	6 061	6 389

45% of O&L's total workforce are female, while 4% are previously racially advantaged and 96% are previously racially disadvantaged. Although O&L has no female executives, 27% of senior management level employees are female and 38% of middle management level employees are female.

O&L had one racially disadvantaged person and five racially advantaged persons at executive management level, 23% racially disadvantaged persons at senior management level, and 48% racially disadvantaged persons at middle management level.

O&L has 10 disabled employees, of which three are female and seven are male.

Of the total O&L workforce, only 0.6% (40) are non-Namibian citizens working in Namibia. 86 employees are employed in O&L Companies outside the borders of Namibia.

It is our Company's objective that there will be:

- no discriminatory practice of any nature anywhere within the organisation;
- no barriers to employment within the Company which restrict fair employment and opportunities for further advancement of any potential employee working for the Company; and
- equitable representation of people from designated groups across all employment levels and all occupational categories within the Company to ensure that the demographics of the society within the geographical areas in which the Company operates are met.

The O&L Group has the following practices in place to address any imbalances in demographics across all levels:

- Talent Strategy – Succession planning has received dedicated focus in FY22.
- Emerging Talent Strategy – O&L annually recruit young talent who have the potential to be promoted to management level jobs once they acquire the relevant experience.
- Learning & Development Strategy – Study loans and/or assistance are available to employees who wish to further their qualifications.
- Preference is given to previously disadvantaged persons when recruiting for new hires.

EMPLOYEE RELATIONS

74.7% (2021: 69.5%) of employees below supervisory and management are covered by collective bargaining agreements. Retrenchments, transfers and organisational changes are done per employment contracts, with a minimum of one month's notice.

All employees are subject to our Health and Safety Policy. This is a legal requirement and non-negotiable.

There have been no incidents or reports of discrimination, infringement on freedom of association and collective bargaining, and child or forced labour during the reporting period. No operations were subject to human rights reviews or impact assessments.



As a Breakthrough organisation and a GPTW, O&L ensures that its rewards strategy is in support of Vision 2025. We regularly review our policies, procedures, and practices to ensure they remain relevant, sustainable, compliant, and act in the best interest of our employees to "Create a future and enhance life".

A Total Rewards approach is used by the O&L Group to attract, retain and engage talent. This is in line with global trends, balancing financial and non-financial rewards to ensure an employee value proposition that considers employees as "whole" individuals with needs within their work environment and personal life. It can be depicted as follows:



Our remuneration consists of fixed and variable remuneration. Fixed remuneration refers to the employees' cost to company (CTC) on appointment. The CTC includes the cash value and all other elements of the salary package that are guaranteed. The O&L Group applies a remuneration philosophy of paying within a range of the 50th percentile of the appropriate market (where we attract and where we could potentially lose our Breakthrough talent to) and develops salary structures to give effect to this philosophy.

The O&L Group offers several allowances and benefits that, in many instances, are more favourable than the statutory requirements. The O&L Group is reviewing its current allowance/benefit offerings to ensure that these support the O&L Culture, are valued by our employees, are industry-relevant, and are applied consistently across the Group.

The O&L Group is made up of diverse operating companies. This provides growth and development opportunities for employees. Human Capital structures and processes facilitate internal career progression opportunities and ensure that our Breakthrough talent is ideally grown from within.

O&L recognises the importance of creating an innovative working environment for its employees. The Group aims to offer an engaged working environment where individuals feel "at home". The organisation supports practices, policies, and a philosophy of "work-life effectiveness" to ensure employees can achieve their purpose at work and at home.

REMEASURE PATERSON PROJECT

In 2021 the O&L Group moved from the O&L in-house job grades to the more widely known Paterson job grades to enable better management of internal equity (within and across operating companies) and external competitiveness.

Phase 2 of the project includes the alignment of Rewards Policies & Procedures in support of fair (internal equity and external competitiveness), transparent, sustainable and legally compliant reward practices in support of Vision 2025 and beyond.

We reviewed our Remuneration policy and procedure and approved amendments in February and May 2022. These amendments will be implemented in August 2022.



By applying Genius and Breakthrough thinking, we want to create an environment for each employee to be the best version of themselves.

The Group invested N\$7.4 million in growth and development interventions during the year. This represents 0.61% of the total payroll (2021: 0.77%) against a target of 1%.

Despite the ongoing challenges caused by the Covid-19 pandemic, the Company continued to invest in learning and development, focusing on skills required to execute operational excellence and quality, corporate governance, legislative required training, and leadership development. Companies also invested in continuous professional development, job attachments, apprenticeships, and study assistance.

Some of the unique learning and development initiatives in the Group included Namibia Breweries developing their marketing capabilities through an online platform accessible to the whole team. They invested in developing employees to use a newly implemented visual analytics platform, while Pick n Pay developed in-house training for their Heads of Department and focused on developing young people with their Apprentice programme. O&L Leisure started the development of their Leadership Development Programme for General Managers. This programme focuses on developing General Manager skills to manage our properties through operational excellence, world-class standards, and leadership capabilities. The Human Capital team attended Fit-for-Purpose structures training to build the capabilities to ensure company structures can execute strategy.

O&L WORLD – LEADERSHIP DEVELOPMENT PROGRAMME

O&L World – Leadership Development Programme is a Breakthrough learning experience facilitated monthly by the Executive Chairman, Chief Executive Officer, and the Human Capital Director. The purpose of O&L World is to expose delegates to the Breakthrough thinking methodology, which stimulates and generates new thinking from which opportunities for creation and invention emerge.

CONNECT TO INSPIRE BREAKTHROUGH

Connect to Inspire Breakthrough is a set of performance coaching skills and behaviours. Through this programme O&L leads and inspires performance. We will continue to develop these skills and behaviours over time. Breakthrough performance is inspired: leaders see their role as inspiring performance, achieving Breakthrough results through people, and having the opportunity to empower and develop people. Every leader in O&L continues to participate in a two-day internally developed leadership development programme to instil these behaviours.

TALENT MANAGEMENT

Talent management aims to future-fit the organisation as a catalyst for positive change, delivering new realities and fulfilling dreams. We achieve this by proactively attracting and engaging the best available talent, and nurturing and engaging the right values and behaviours. We apply people to their strengths to ignite and inspire Breakthrough. By implementing our inclusive Talent Strategy, we make Breakthrough, future-fit talent decisions to ensure business continuity and sustainability.

This purpose is fulfilled by leveraging and entrenching the underpinning O&L philosophy on talent, which states that:

1. we are all born with unique gifts (we all have unique Genius);
2. we must nurture, grow and develop these gifts to manifest as Breakthrough talent;
3. O&L has an inclusive approach to talent as we believe that everyone is talented in their own way; and
4. O&L operates within a growth mindset as we believe in the developable nature of talent.



In implementing this strategy, guided by the underpinning philosophy on talent, our 2025 goals are:

- O&L has a pipeline filled with future-ready talent.
- O&L employees are passionate about their growth and development.
- O&L people can see and believe in their career growth and journey.
- All O&L people have the opportunity to grow, develop and be promoted in line with their Genius.
- O&L has an inclusive employment and growth culture.
- All O&L employees use their unique Genius to bring out the best version of themselves and operate in Breakthrough – this delivers business and personal impact.
- All O&L people live the O&L Breakthrough behaviours. This causes others to live the Breakthrough behaviours and leads to engaging experiences for others.
- All O&L employees develop Breakthrough behaviours on the path to unleashing their unlimited potential.
- O&L creates engaging talent experiences for O&L people.
- O&L people live in Genius, excel in their jobs and grow within the business – this delivers impact.

The Talent Strategy focuses on three pillars, namely:

- Talent attraction, sourcing and selection: Attract, source and select external talent who portrays the O&L Breakthrough behaviours. These behaviours could predict the potential for cultural alignment, fit and Breakthrough thinking.
- Talent development: Identify and select internal employees who portray the O&L Breakthrough behaviours to fill various talent pools in the business (needs determined as per talent pipelines, industry landscape, strategy and skills matrix).
- Succession: Proactively use O&L talent pools to identify, prepare and deploy talent as needed into new and/or existing roles within the Company.

Skills for the Future – O&L places strategic focus on developing the Breakthrough talent pool to be culturally fit and future ready. This is achieved through the following:

- Group Talent Management hosts operating company (OPCO) senior leadership team (SLT) and Group leadership team (GLT) alignment sessions to identify possible candidates for this talent pool.
- Results of alignment sessions, including those with GLT are recorded in a Talent Deck, including full talent profiles, findings and recommendations.
- The Talent Deck is presented to GLT for builds, alignment and authorisation.
- The final Talent Deck is communicated to OPCO SLT teams.
- Talent Pool placement does not guarantee a promotion, transfer or any position movement. This is a development pool that exposes candidates to additional development and experience opportunities.
- Based on the respective talent profiles, development and rotation plans are prepared for each candidate, in consultation with the operating companies. Development and rotation plans are budgeted for, implemented and tracked centrally.
- To increase self-managed development, each Talent Pool candidate receives access to a digital learning platform to entrench development further. In addition to this, Breakthrough Talent Pool candidates undergo Leveraging Genius development in accordance with Group Strategic Leadership Development initiatives.
- Progress reports and recommendations are to be presented to Group Executives (GE) bi-annually.
- As talent develops, Breakthrough Behaviours are unleashed and individual Genius is leveraged, deployment recommendations and decisions are made by the top leadership team (TLT) and GE w.r.t specific succession and deployment into talent pipelines.

The following results and milestones within the Talent Management Strategy and Process were achieved during the reporting period:

- Approved nominations of 117 employees with bench strength of 1.95% (% of total headcount). Assessments must still be done to determine fit, readiness and level of potential of each candidate.
- Current approved talent pipeline position nominations at 167 positions across the Group.
- Talent pipeline average concentration, respectively:

- Breakthrough Catalyst	37.7%
- Functional Catalyst	43.7%
- Leadership Catalyst	13.2%
- Transitioning Catalyst	5.4%
- Only 43.2% of our talent pipeline positions (most critical, strategic, scarce and functionally critical) occupied by our perceived top talent (talent pool candidates).
- 56.8% of talent pipeline positions occupied by non-talent pool candidates/vacant.
- Rest is vacant, filled by a new employee or filled by an SLT member (not included in talent pool).
- Succession focus:
 - 58 (34.7%) positions with no possible successor
 - 48 (28.7%) positions with one or more successors
 - 26 (15.6%) positions with three or more successors as per Talent Pool nominations.

The following strategic initiatives are planned for FY23:

- Critical succession gaps – emerging talent focus areas for the next intake.
- Critical succession gaps – development focus (L&D).
- Group talent acquisition focus on filling talent pipeline roles.
- Talent pipeline roles – remuneration strategy to be developed for recruiting new employees and talent pool employees within those roles.
- Bursary scheme – for professional/management level critical succession gaps.

3 GOOD HEALTH AND WELL-BEING

LEADERSHIP AND EMPLOYEE DEVELOPMENT

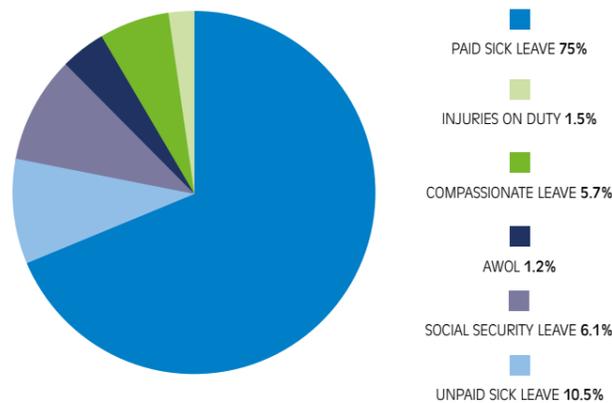
The O&L Group Health and Wellness Programme is committed to entrench an integrated health and wellness programme that will foster a holistic wellness culture focussed on maintaining optimum quality of life for all employees.

The three areas of strategic focus for 2025:

- Healthy behaviours that impact holistic wellness are owned by all. Employees make lifestyle and behaviour changes due to Wellness education and awareness campaigns.
- Holistic and fully integrated Employee Health and Wellness experience that enable people to serve and own the whole, delivering beyond expectations.
- All round healthy employees with an optimum quality of life that impact and lead the purpose.

ABSENTEEISM

The absence rate during the year under review is 3.2%, above the 2% target. This is a decrease of 9.1% compared to the 2021 rate of 3.5%. The COVID-19 pandemic had and continues to have a significant impact on absenteeism within the Group.



The spike in absenteeism during the past two years was expected since employees had to take time off work to recover from the disease, to curb the further spread of the disease and for isolation and quarantine purposes, especially during the periods when the country was experiencing waves with an increase in the infection rate.

Since the pandemic started, the Group Employee Health and Wellness team lead the Group COVID-19 Response Team and played a key role in the COVID-19 management and response.

A CALL TO VACCINATE

In continuation of the efforts of the previous year to reduce the spread of the COVID-19 virus, the Group launched the "It's about more than just me – everyone matters" campaign. The campaign ran on the Group's internal and external communication channels and emphasised the effects our actions have on the lives and wellbeing of others in this pandemic through the personal stories of our employees.

Complementary to this campaign, the Group partnered with the Ministry of Health and Social Services (MoHSS) in September 2021 to launch the O&L Vaccination campaign that offered O&L employees the opportunity to voluntarily receive their COVID-19 vaccinations at sites established at selected Operating Companies. These temporary onsite COVID-19 Vaccination Clinics were set up at Namibia Breweries Limited's Windhoek Main Plant, Hangana Seafood, Namibia Dairies and O&L Centre. Employees and their immediate family members were able to receive first and second shots of the AstraZeneca, Johnson & Johnson, Pfizer, Sputnik (while recommended) and Sinopharm as well as booster shots as they became available.

Further joint action with MoHSS included the establishment of an onsite COVID-19 Vaccination Clinic at Wernhil Shopping Centre to provide its shoppers with access to vaccines.

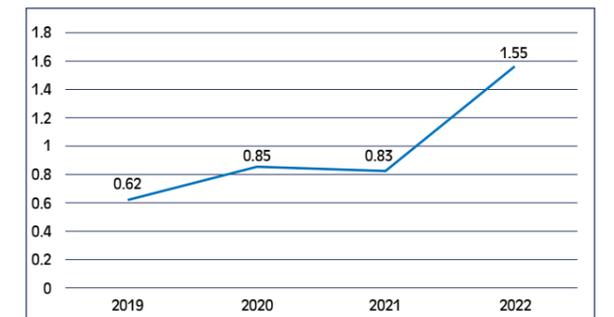
Another extension of the "It's about more than just me – everyone matters" campaign was the internal "1000xThankyou" campaign intended to celebrate and thank O&L employees who resolved to get vaccinated and support the country's drive towards increased vaccination rates. Employees were encouraged to share their reasons for protecting themselves and their loved ones and every fully vaccinated employee received a Pick n Pay shopping voucher valued at N\$1 000. The campaign concluded with a draw whereby one grand winner received a prize of N\$22 000 – an amount inspired by the Group's collective efforts to realise recovery and growth in FY2022.

Sound absence management, the enhancement of employee health and wellness programmes and initiatives and all actions and prompt responses during the pandemic were imperative in the successful management during the world health crisis.

OCCUPATIONAL HEALTH AND SAFETY

During the reporting period, a recruitment drive was undertaken to assemble a team of specialist Safety Officers across the Group to revise, implement and maintain a safety management system to address the hazards and risks involved in the Group's various operations. The team also focussed on improving the employees' competencies and achieving the Group's vision of providing a safe work environment.

Lost time injury frequency rate



Part of the revision process of the Safety Management System was to revise the definition of the incident reporting metric and procedures. The Disabling Injury Frequency Rate (DIFR) was updated to Lost Time Injury Rate (LTIR) to be consistent with international reporting standards.

The revised reporting procedure allowed for improved reporting of incidents processes. The Group LTIR (number of disabling injuries per 200 000 manhours worked) of 1.55 is higher than the previous two financial periods and well above the 0.85 target.

During the reporting period we recorded 108 lost time incidents for employees while 13 incidents were reported for contractors. We also recorded 60 customer-related incidents. There were no fatalities. No sanctions/penalties/notices were received during the year under review.

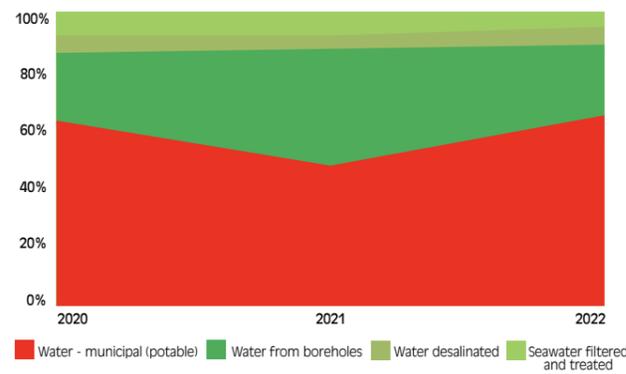
NATURAL CAPITAL



Water is a scarce and indispensable resource. By exploring alternative water sources, we aim to reduce our water dependency on conventional sources to 50% by 2025.

Water supply and availability remain a material matter to O&L. Despite significant inflows into dams during the previous two rain seasons, medium and long-term water supply remains under threat. Dam levels supplying the country's central region have decreased significantly from 87% to 60% year-on-year (source: Namwater's dam level bulletin of May 2022).

Water consumption by source:
(excl. Agronomy water)



Total water withdrawal by source:

	Unit measurement	2022	2021	Change %
Water – municipal (potable)	m ³	962 752	731 902 ₁	34.9
Water desalinated	m ³	80 927	87 815	(7.8)
Water from boreholes (estimated for leisure)	m ³	391 238	635 483	(38.4)
Seawater (filtered and treated for production purposes)	m ³	143 224	189 258	(24.3)
Total water (treated)	m³	1 578 141	1 626 458	(3.0)
Water for agronomy (!Aimab Superfarm)	m ³	2 493 380	2 758 855	(10.7)

Notes: 1. Restated due to estimates at end of the FY21 reporting period.

The Group aims to reduce water dependency on conventional (municipal) sources to 50% by 2025. During the reporting period, 39% of our water needs came from alternative (non-municipal) sources compared to 56.1% in 2021. This significant decrease was due to limitations on borehole abstraction at NBL (55% of total treated water of the Group) enforced by the regulatory authority in Windhoek and decreased seawater used at Hangana due to poor quality. This resulted in potable (treated) municipal water consumption increasing by 34.9% (2021: decrease of 22.4%).



Our 2025 target is to have at least 50% of our energy needs obtained from alternative (renewable) energy sources. This will reduce pressure on the national grid and our reliance on fossil fuels, thus positively impacting climate change.

Namibia's electricity supply remained stable during the year under review. However, the Group recognises that challenges may arise should the South African power producer, Eskom, with whom Namibia has a significant supply agreement, continue to experience power shortages. NamPower's efforts to continuously seek alternative suppliers in the Southern African Power Pool, increase renewable energy supplies and create more opportunities for Independent Power Producers, are encouraging.

The Group's electricity consumption from the national grid decreased by 0.3% year-on-year while consumption from solar increased by 30.3% with the introduction of solar plants at Hangana Seafood, Hangana Abalone farm, Midgard Country Estate parking area, and Pick n Pay Outapi. To date, the Group has installed solar plants at 11 sites with a capacity of 5.3 MWp. Our total electricity consumption increased by 1.2% compared to the reduction of 3.4% in 2021.

Our electricity consumption and source:

	Unit measurement	2022	2021	Change %
National grid	MWh	69 370	69 610 ₁	(0.3)
Solar (photovoltaic)	MWh	5 546	4 258 ₂	30.3
Biomass	MWh	376	532 ₁	(29.4)
Total ²	MWh	75 292	74 400	1.2

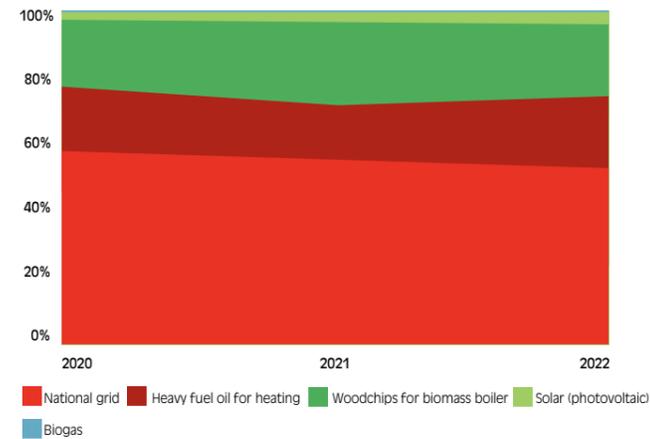
1. Restated due to estimates at end of the FY21 reporting period.

2. Restated due to estimates at end of the FY21 reporting period and Pick n Pay Wernhil added as a portion of the Wernhil Property solar consumption.

Our 2025 Vision Metric for energy is to reduce dependency on the national grid and heavy fuel oil for production purposes to 50%. During the reporting period, 26% of our energy requirements came from alternative sources compared to 28.6% in 2021.

The biomass (woodchips) boiler at NBL was under maintenance for three months which resulted in heavy furnace oil usage increasing by 32.2%. Fuel for vessels at Hangana also increased by 32.1% due to poor catch rates.

Energy by source (excluding fuel for transport/fishing vessels)
(excl. Agronomy water)



	Unit measurement	2022	2021	Change %
Heavy fuel oil for heating (NBL, Namibia Dairies and Hartlief)	litre	2 513 321	1 900 891	32.2
Woodchips for biomass boiler (NBL)	tonne	6 755	7 542	(10.4)
Fuel for fishmeal furnaces (Hangana Seafood)	litre	476 333	458 771	3.8
Fuel for fishing vessels (Hangana Seafood)	litre	6 468 008	4 897 70	32.1

To achieve our 2025 objective, various initiatives have been identified and include:

- increased awareness among users;
- improved measurement and management;
- new photovoltaic solar plants for Farm Otavifontein and some retail stores (lease based);
- new efficient heating equipment for Strand Hotel (including a building management system) early in FY23;
- optimising efficiencies in operations;
- further exploring biomass or non-fossil fuel opportunities to replace current heavy fuel oil (HFO) boilers; and
- install a large solar plant on a Modified Single Buyer agreement (wheeling).



Our objective is to dispose of waste responsibly and reduce its impact on our environment and profitability.

During the establishment of our Sustainability Programme, O&L focussed on waste beyond the traditional waste management and treatment protocols. We challenge our operating companies to minimise all forms of waste as it significantly impacts our profitability and puts strain on landfills. Waste has thus been redefined as losses culminating from our operations, whether production waste, ullages, shrinkage, write-off, major stock count variances, yield losses, rework, etc.

Each operating company identified a key performance indicator (KPI) that best represents the generation of waste. They report on these during the bi-annual sustainability reviews. These indicators are reflected in the operating companies' review dashboards in this report.

Spent grain and fish offal are not regarded as waste but as by-products and used for animal fodder and fishmeal production respectively.

When waste is generated, we aim to dispose of it responsibly. Reputable and registered waste contractors have been appointed to separate solid waste on-site where possible. Broken glass, cans, pallets, scrap metal, used oil and packaging material (plastic and paper) waste are offered for recycling or re-use purposes.

O&L is a founding member of the Recycle Namibia Forum and is an active participant in the activities of the organisation. Currently, the Group is actively supporting the development of an education and awareness programme for the Forum. This programme aims to bring the message of re-thinking the future by changing the approach to waste management and how we view waste as a nation. A big constraint for the entire waste management sector in Namibia is that it is becoming more challenging to obtain the necessary permits to export recyclables to South Africa. If materials cannot be exported, they are stockpiled locally or will need to be discarded to landfill at a later stage.

Wastewater (effluent) is disposed of according to regulatory requirements. In our water-intensive operations, we monitor the quality of our wastewater, remove solid objects through a screening process and have fat traps installed where required. A state-of-the-art wastewater treatment plant has been constructed at Midgard Country Estate to ensure that the wastewater produced during the lodge operation is adequately treated and re-used safely and efficiently. This reduces the water use on site and the environmental impact of the activities. A similar plant is planned for Mokuti Etosha Lodge.

We have not received any penalties for breaching wastewater regulations during the year under review. However, Namibia Dairies (twice), Hartlief (twice) and NBL (once) did receive an above-average treatment factor cost for effluent quality being out of parameters. Note should be taken of the summons that was issued to Namibia Dairies for the cost of an oil spill in 2019. The case is being contested.

SOCIAL CAPITAL



SOCIAL CORPORATE INVESTMENT

Over the last two years, the spread of COVID-19 severely impaired and impacted business spend on our corporate social investment programmes. Although the business remains committed to the SDGs that was adopted in 2020 and our purpose of “Creating a future, enhancing life”, in line with the Vision 2025 Breakthrough Strategy, the Group’s financial performance did not allow for the same spending as in previous years and the Group spend saw a significant decline.

We continued to focus on education, natural resource protection and community health and safety. Although restrained, we tried to enhance the lives of the communities in which we operated. We invested in COVID-19 prevention and assistance with medical equipment in 2021 that did not occur in 2022. The main contributor to the spend was towards community health and safety.

The Group’s FY22 corporate social investment (CSI) spend totalled almost N\$5.7 million compared to N\$14.9 million in 2021. 58% of the total contribution was in kind with 42% being cash donations.

Our prudent approach means that we report on pure community investment not linked to brand sponsorships, which, had we reported on brand sponsorships also, would have significantly increased the reported value of our investments into the community.

While most operations had curtailed CSI spend in line with the financial means of the business, some flagship projects continued, notably the Edulution programme which significantly improved the pass rates of learners undergoing the numeracy and literacy programme. Looking forward, our CSI strategy will have a strong focus on sustainable projects that remain in line with the SDGs and can counter the current economic and food security crisis we are facing in light of the looming recession.

EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER’S REPORT

As a player in the global business landscape, our business operations were subject to a variety of events in the macro environment this year. Since the outbreak of the COVID-19 pandemic in 2020, the course of human history changed in many ways with various, if not all industries, having suffered a catastrophic and devastating impact that may take years to recover from.

THE GLOBAL CONTEXT

The rise in geopolitical tensions, particularly Russia’s invasion of Ukraine, triggered a costly humanitarian crisis and instability in the global economy, while the rapid increase in fuel and food prices hit vulnerable communities in low-income countries, including Namibia, hardest. Some of the food staples of which Ukraine is a major global producer or supplier have seen significant annual price increases in Namibia. For instance, cooking oil costs have risen by 21.4% on average in the last year. These trading challenges will have a significant influence on world food production and pose a serious food security problem to nations like Namibia, which rely heavily on South Africa’s food imports. South Africa imports most of its wheat and sunflower oil from Russia and Ukraine, respectively. Thus, Namibia can expect to see higher prices for bread, baking flour, honey, cooking oils and many other products .

Furthermore, with South Africa being one of Namibia’s main trading partners, the dilemma of its electricity supply continues to pose a threat to economic activity and the strength of the South African currency – and as a result, the Namibian Dollar as well. With the volatile economic climate, the Group did not achieve its EBIT target of N\$ 900 million. However, we are not deterred and remain cautiously optimistic and confident that our business reset strategy will guide us on the road to recovery, ensuring a sustainable future.

THE GLOBAL CONTEXT

The year under review marks our sixth year of participation in the Great Place to Work (United Kingdom) Assessment. We aim to be in the Global Top 25 Great Places to Work by 2025. Though we have not achieved the desired result or outcome this year, our overall score in the Employee Trust Index Survey was 61% and our Group response rate was 95%. Could we have done things differently? Could we have done better at leading people during this period? Absolutely. However, our priority and primary focus was on safeguarding our employees’ livelihoods by securing their jobs and ensuring our business survives the repercussions of the ongoing recession. This has led us to evolve to a new way of leading that includes a broader human and emotional dimension in our pursuit to reimagine the future.

In continuing to build a caring, breakthrough organisation that inspires people to feel and know that anything is possible, the O&L Leadership partakes in the Gap International “Organizational Alignment Diagnostic®” survey – a business-wide pulse check – to share our experience of being part of the O&L Group. ‘Caring’ in our view means having difficult discussions and being honest, bringing thinking to everything, applying utmost emotional intelligence and ensuring excellence in administrative and other support to improve the future for everyone. Ensuring alignment around our single purpose and bringing ownership to our business means we can consistently perform at a breakthrough pace that truly stands to make people proud. The diagnostic survey measures three of The Five Factors of Breakthrough Performance – Purpose, Risk and Ownership – and focuses on engagement with the Purpose of the O&L Group, the freedom people have to communicate in service of our organisation’s Purpose, and personal ownership for company-wide results. (Detailed results on page 13.)

LEADERSHIP FOR A SUSTAINABLE FUTURE

We have reached a critical juncture in the history of the O&L Group. As a business, we were challenged to lead and inspire during difficult times, forcing us to think differently about how we run our operations and how our leadership impacts the lives of those we lead. While the COVID-19 pandemic has ripped through our communities and businesses alike, it presented us with a once-in-a-generation opportunity to do what is possible beyond our business-as-usual approach. It enabled us to change the way we operate and do things, and brought us back to the core and Purpose of our existence: "Creating a future, enhancing life." In navigating the 'new normal', we embraced agility and innovation, adapting strategy and leading our people in an inspiring way to ensure resilience and commitment, especially during uncertain times. We have had to adapt quickly by introducing remote working, managing teams online and ensuring business continuity through technological innovation. The challenge was to balance this against emotional turmoil, uncertainty about health and financial security, sustainability of business services and products and potential slowing in growth because of the medium-term disruption in global trade. We are, however, pleased to report that we have all returned to work and now value face-to-face engagement more than ever.

We are excited to write the next chapter and accelerate creating the future we desire for our children, their children, and the generations to come by unleashing the full and unlimited potential of our Group and all its operating companies. One of those opportunities is the ability to lead the O&L culture through our various business strategies and ensure an environment where each of us boldly presents our contributions and makes a positive, lasting impact. Key to our reset strategy is creating an inclusive environment where every person at O&L is encouraged and supported to reach their full potential.

It takes time to evolve our corporate culture, but it is critical for our future to build an organisation that is deeply valued by our people. Therefore, we are pleased to share that we are on an exciting and purposeful journey to Vision 2025 and creating the next 100 years of a powerful legacy that we aim to leave for every Namibian child. This journey includes building a strong culture that binds all of us working together, in all capacities, to realise rewards beyond financial performance and connecting our beliefs, values, and social responsibility with our Group's Purpose and Vision. This is what fuels our organisation; gives meaning to our roles; guides our behaviour and motivates us for reasons that go beyond a paycheck. In forming and solidifying the foundation of a great O&L culture, trust is a powerful force together with hope and fun as it builds connections between colleagues; provides a sense of security; invites us to focus on our goals without fear while also fostering community and encourages collaboration. Furthermore, we believe that one of the greatest advantages of a strong O&L culture is that it has the power to transform us into culture advocates. In doing so, not only do we contribute to our Company's culture, but we also take responsibility to transform our Company into one purposeful team rallied behind our Purpose, Vision and Values. The value of doing so is substantial as it causes organisational alignment; promotes employee engagement and cultivates a Great Place to Work for all.

VISION BOARDS DRIVING INSPIRATIONAL CHANGE

Diversity remains as one of our greatest strengths. In line with our 2025 Vision, we introduced and co-created vision boards with all the operating companies that clearly align everyone to the goals set out to achieve our strategic objectives and drive higher performance, ownership and interdependence. This visual articulation has changed our mindset around what is possible and removed any barriers that may cloud our vision. The vision boards and game plans ensure that everyone is taken along on the journey by being included in the thinking and creation processes. We create experiences for the individual first to shape an environment where such experiences can be enjoyed by others too. We can already see the first shift in how teams own and connect to their vision boards because they believe in the possibility and clarity that it brings. Projects identified from the vision boards include the "Africa Reimagined" project where Mokuti Etosha Lodge – as part of the O&L Leisure portfolio – will be transformed into a contemporary destination. The new Hartlief factory will bring new technology and product innovation while the optimisation of the new Hanganana factory will contribute to the O&L legacy that will have a lasting impact now and in the next 100 years. This is not only exciting to witness, but one can feel the new energy that has been unlocked by shifting our focus to the future instead of dwelling in the past.

As a purpose-led business, we aim to enrich people's lives. While our ambition is to achieve carbon neutrality through innovations that make a positive impact on society and contribute to a more sustainable planet, we remain resolute in our commitment to preserving the planet with additional investments made in both solar energy and biomass fuel production. These projects and joint ventures with energy partners in Europe will greatly benefit not only our Company but our country as a whole. Climate change is one of the most significant challenges faced by businesses globally and as such "sustainability" is at the heart of our business and central to the trust placed in our Company by employees, consumers and customers, suppliers and partners alike. We are committed to contributing in a material way to the United Nations' Sustainable Development Goals (SDGs) and we are proud of the actions we are undertaking to drive long-term value for our stakeholders. (Please see page 16 for more detail on the Group's contribution to the identified SDGs.)

OUTLOOK

We are genuinely inspired about the year to come and are setting up our business for success by continuing to release the potential of our people; unlocking their best versions; and co-creating a bright future for O&L and ultimately our beautiful country. The prospects around tourism and energy in Namibia point to exciting opportunities, innovations, and economic relief. In addition to that, the NBL/Heineken transaction will unlock new realities beyond 2025. We are confident in the Namibian Government's commitment to developing various industries, whether that be local manufacturing or agriculture through its Green Scheme Programme for example, which will be a major contributor to the recovery of the economy and the emergence of new business opportunities.

We share our appreciation with all our people for their dedication and commitment in helping to overcome the challenges we faced during a truly tough period and thank every employee and partner for their unique contribution.

Our heartfelt appreciation to the Board of Directors; the Government of the Republic of Namibia; our shareholders and investors; industry partners; associates; customers and consumers for your continued trust, support and confidence in the O&L Group.

Sven Thieme
Group Executive Chairman

Wessie van der Westhuizen
Group Chief Executive Officer



SVEN THIEME
Group Executive Chairman



HENDRIK VAN DER WESTHUIZEN
Group Chief Executive Officer

OPERATIONAL REVIEWS

BEER AND SOFT DRINKS

NAMIBIA BREWERIES LIMITED (NBL)

MACRO-FACTORS

O&L continued to entrench its Vision 2025 Breakthrough Strategy, which focuses on people. During the year, NBL recovered from a difficult first half of the financial year to cross the finish line in great form. There were two COVID-19 waves in the first half of the financial year, July and December, that affected consumption. NBL started the second half with a clear intent to look in the mirror and turn the race around. A strong focus on visibility and trade activations had the desired effect, despite significant price competition and pressure on disposable income. NBL was again top of mind and our brands remained leaders in the local market. This turnaround was remarkable due to supply chain disruptions becoming even more pronounced with Russia's invasion of Ukraine, which caused inflation to spike.

Demand in the South African market was healthy, resulting in excellent volume growth. Exports delivered strong results for NBL despite a slight decline in Namibian beer volumes compared to the prior year.

In November 2021, the potential Heineken/NBL/Distell transaction was announced. Therefore, NBL had to ensure it provided certainty to its people and that its stakeholders had ample information to make a sound decision about our future.

FOCUS AREAS FOR 2022

Our main focus areas for 2022 were our people strategy, the maintenance and services of equipment, maximising opportunities for growth in both local and cross border markets, proactive sourcing, cost efficiency in all business areas, consolidating our distribution facilities in Windhoek, and digital transformation.

RISKS AND OPPORTUNITIES

Competitors are creating new beverage categories for consumers outside the boundaries of premium beers committed to the Reinheitsgebot*. We are aware of the increasingly competitive landscape and we are confident in our strategies. NBL has the opportunity to use its diverse offering and further innovate the product portfolio to capture the demand moment, which is different for every consumer. Innovation across all business spheres remain a priority.

Ongoing foreign currency and exchange rate fluctuations affect our profitability and forecasting. We continually explore markets that provide exchange hedging and reduce operating expenses to mitigate the potentially negative impact on import and export opportunities. In addition, developing local suppliers remains a priority.

Changes in the legislative environment for the alcohol industry could negatively impact our business.

* The Reinheitsgebot (Purity Law) of 1516 involves quality specifications for taste, analytical and biological standards. It prescribes that malted barley, hops and water are the only ingredients used in brewing.



FUTURE OUTLOOK

We will continue future-proofing our people through upskilling while driving digital transformation in all aspects of the business. This includes further expanding our online storefront to expose customers to a wider variety of products and promotions.

The Heineken transactions are likely to bring a step-change for NBL in the next two to four years. We expect new opportunities to optimise our supply chain, especially through the use of data. Regulatory compliance in the supply chain will be an important focus area, spanning requirements from fair competition to human rights, cybersecurity and potential areas for corruption.

Innovation remains a key focus area as we continue identifying ways to reach the market quicker while offering unique experiences.

We will continue to focus on cost optimisation, overhead reduction and overall operating efficiency.

Talent management continues to receive attention, emphasising essential qualities, skills and competencies to ensure NBL's future success. These include agility, flexibility, inter-dependence, Breakthrough leadership, specialised innovation, product development, design thinking and digital commerce skills.

We will continue fine-tuning operations and find a model to enhance the business. However, the world is changing, and we need to explore new opportunities to ensure that we remain relevant in a highly competitive market.

	2022	2021	% CHANGE
Net Revenue N\$'000			
	3 021 335	2 648 576	14.1%
EBIT excluding Associate N\$'000			
	667 436	612 626	8.9%
EBIT from Associate N\$'000			
	54 484	(73 456)	174.2%
CSI Spend N\$'000			
	3 884	8 293	-53.2%
Production volumes hl packaged			
	2 041 155	1 831 348	11.5%
Employees Headcount (incl. temps)			
	860	918	-6.3%
GPTW Trust Index %			
	69%	75%	-8%
Training spend % of payroll			
	0.82	0.89	-7.9%
Alternative (Renewable) Energy usage (% of Total energy)			
	46.3	54.7	-15.4%
Alternative Water usage % of Total water			
	33.7	61.8	-45.5%
Productivity index hl packaged per employee per annum			
	2 385	1 995	19.5%
Waste index kg Waste generated/hl packaged			
	2.18	1.81	20.4%

FISHING

CONSORTIUM FISHERIES LIMITED

HANGANA SEAFOOD (PROPRIETARY) LIMITED

MACRO-FACTORS

Hangana Seafood (Pty) Ltd is a 100% Namibian-owned, land-based processing facility and was granted a seven-year hake harvesting right by the Ministry of Fisheries and Marine Resources in May 2020. Hangana owns six wet-fish trawlers with a catching capacity of 15 000mt of headed and gutted (H&G) fish annually (22 000 quota tonnes) and therefore owns the value chain up to the customer by catching the fish, processing, and selling its final products.

Hangana's processing facilities are certified to international food safety standards. The MSC Chain of Custody standard allows the Company to process and distribute sustainably harvested fish raw materials and enter new international markets.

During FY22, Hangana exported 63% of its final products, which mainly constitutes hake, kingklip and monk products, to European markets. The average EURO exchange rate of FY22 was around 16.67:1 as opposed to FY21, which was at 17.49:1 to the NAD. This has greatly impacted the Company's sales realisation.

The entity managed to operate on 70% of its quota, 6% on the governmental employment objective quota and 24% on purchased quota from another rights holder to ensure full fishing capacity. The uncertainty caused by the annual quota allocation reduction affects the sustainability of Hangana's operations. The Quota has become an expensive commodity in the fishing industry as players are maximising the demand opportunity created by the reduction of the quota allocation.

A significant portion of Hangana's fleet and factory costs is fixed. Therefore, if the allocated quota is insufficient to service the full fishing season and the company cannot secure more quota from external rights holders, this has a significant adverse impact.

FY22 was characterised by an exponential hike in fuel prices, especially in the last part of the financial year. Diesel is Hangana's second largest cost after employment. The year started with the fuel price at N\$11.78 and ended at N\$19.99 translating to a 69.7% increase. This also led to an increase in the retail commodities used by fleet and the factory staff. The Company had to endure a 48% increase in the landing cost of H&G per kg, having only a slightly increased selling price.

The sales mix depends on size, quality of raw materials, and available orders. The move to the new factory largely contributed to FY22 being a poor year for Hangana, leading to less volume processed. Consequently, the Company halted purchases of additional sourced raw material in November 2021.

Hangana enhanced its value-added strategy by introducing stricter quality and catch rate measures in terms of fish landed. The measures introduced resulted in lower volumes landed which ultimately means more expensive raw materials landed. This new strategy is also in line with the value addition opportunity in the new factory. The main opportunity remains to find a perfect balance between fleet, factory, sales and the customer.

The aftermath of COVID-19 is still pervasive in the business as Hangana faced multiple price increases from fuel and packaging suppliers since the end of last year. While the market is still recovering in Europe, sales price increases were only possible towards the middle of this calendar year.

One of Hangana's primary objectives to achieve by 2025 is to increase our total available raw material to 20 000mt by securing our quota allocation, entering into new rights holder quota agreements, and to continue to source raw material locally and abroad.

As part of the abovementioned objective, Hangana negotiated an employment deal with the Ministries of Fisheries and Marine Resources and Labour to appoint an additional 290 employees for the 2 900mt quota. This deal increased Hangana's current available quota to 13 945mt, providing Hangana with a significant basis to enable successful negotiations to secure quota within the industry.

PERFORMANCE AND FOCUS AREAS FOR 2022

The Company's land-based processing facility has a throughput capacity of up to 65mt of H&G per day. Its automated product shaping facility has a throughput capacity of 350mt per month. In addition to the main production facilities, the Company has a seawater desalination plant and a seawater purification plant.

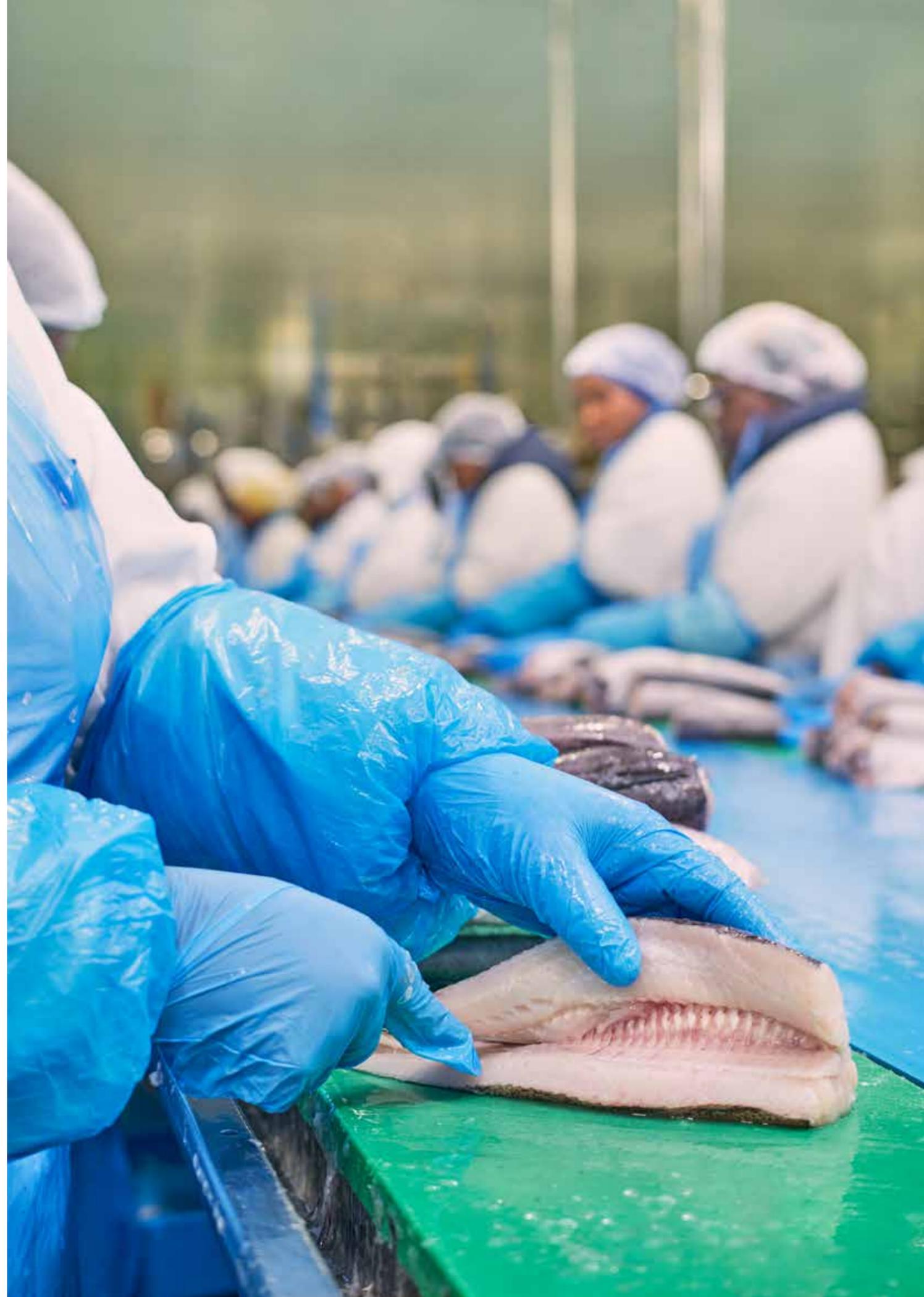
Hangana constructed a N\$300 million wet-fish processing plant which is now fully operational. This factory significantly increases processing capacity, enhances the diversification and trading strategy, and adds the potential to create additional jobs.

Benefits of the new plant include:

- Maximised value extraction
- An enhanced physical work environment for employees
- Improved health and safety of employees
- Improved productivity
- A reduction in our carbon footprint
- Increased processing capacity
- Improved process flow and fish quality
- Enhances efficiencies
- Improved processing flexibility
- Improved food safety
- Spatial capacity for further expansions/developments
- Improved food defence

Hangana is driven by the O&L Group Purpose of Creating a future, enhancing life while it pursues its vision of sustainably delivering healthy aquatic offerings. As such, the Company has earmarked the following strategic initiatives as a priority in the current planning cycle:

- Leadership Development
- Securing enough quota to sustain the business
- Investing in and starting up the new factory to maximise value extraction
- In-Class certification of the fleet, equipping vessels with the latest technologies to maximise catch rates
- Buy-in of raw material to sustain the factory and to be used for value-adding in Namibia
- Secondary value adding: exploring the feasibility of investing in coating and crumbing lines
- New product development (NPD) to expand on our current product range



RISKS AND OPPORTUNITIES

Hangana's philosophy is to convert risks into opportunities. For example, the risk posed by reduced quotas can be mitigated by sourcing external/third-party raw materials to add value to Namibia.

The primary short-term focus is to:

1. Install eight Baader machines, two IPM machines and an IQF Grader, and extend/adjust the processing lines in line with the Baader machine capacity.
2. Wage negotiations.
3. Focus on product mix and maximum value extraction.
4. Increase in hard currency prices.
5. Securing extra quota and sourced raw materials as per the FY23 budget.

FUTURE OUTLOOK

In addition to ensuring the Company achieves its budget EBIT target through increased throughput, FY23 will focus on securing extra quota and achieving a sales realization of N\$ N\$62.00/kg H&G. The longer-term focus will be to establish a fully functional marketing and NPD department supporting our FY25 goals of a well-established Hangana brand.

Hangana will also explore new realities in terms of secondary value-adding (coating/crumbing) to establish our Hangana brand.

Another focus area will be establishing smart partnerships with suppliers of frozen raw material (international supply) to be imported and processed in Namibia and re-exported.

	2022	2021	% CHANGE
Revenue N\$'000			
	693 349	625 127	10.9%
EBIT profit/(loss) N\$'000			
	(22 446)	89 848	-125%
CSI Spend N\$'000			
	364.4	1 478	-75.3%
Production volumes – factory H&G Tons processed			
	11 464	11 954	-4.1%
Production volumes – fleet H&G Tons landed			
	10 317	9 032	14.2%
Employees Headcount (incl.temps)			
	1 689	1 789	-5.6%
GPTW Trust Index %			
	52	54	-3.7%
Training spends % of payroll			
	0.70	0.46	52.2%
Alternative (renewable) energy % of total energy			
	6.2	0.9	588.9%
Alternative Water usage % of total water			
	62.1	68	-8.7%
Productivity index % ton H&G processed per factory employee			
	9.4	11.3	-16.8%
Factory yield % deviation from standard			
	-75.3	-1.4	-5 278.6%

AQUACULTURE**HANGANA ABALONE (PROPRIETARY) LIMITED****MACRO-FACTORS**

Hangana Abalone is the only land-based abalone farm in Namibia. Hangana Abalone also received ranching rights in the Lüderitz Bay area. Ranching in South Africa is extremely challenging due to poaching. Hangana Abalone is entering a new and exciting phase, with sales starting to materialise. Animals must grow for four to six years before it reaches marketable sizes. Livestock increased from 15mt in 2017 to 99mt as per June 2022 with a biological asset value of N\$37 million. The estimated sales for FY23 amounts to N\$17 million or 48mt.

Hangana Abalone's sales were heavily impacted by the initial trade war between the USA and China, the Hong Kong riots and the aftermath of COVID-19. Furthermore, the delay in the the issuance of permits has also hampered the exports. Currently Hangana Abalone is allowed to export to China via Hong Kong while the application process to export directly to China is in process. This remains an opportunity and continuous engagement with the Ministry of Fisheries and Marine Resources (MFMR) is ongoing.

The market price is slowly recovering from an all-time low in 2020 (COVID-19 and Hong Kong riots). In the short-term, there are limited options for IQF abalone airfreight shipments from Walvis Bay. The farm is currently overstocked and the frozen option is critical to relieve stock pressure while generating immediate revenue.

PERFORMANCE AND FOCUS AREAS FOR 2023

Hangana Abalone successfully shipped a small batch of frozen abalone to Hong Kong in June 2022 and the product was well-received. Another shipment was sent in July 2022 and arrived successfully in Hong Kong. Hangana Abalone invested in drying equipment to be installed during August to September 2022. Dried abalone is the preferred product with the highest returns. However, dried abalone is more capital intensive as it takes up to six years for the animals to reach the preferred size for drying. However, Hangana Abalone can maximise on the opportunity due to the ranching opportunities. Hangana Abalone will also investigate the opportunity to invest in a small canning facility to diversify the product mix further.

RISKS AND OPPORTUNITIES

As the pioneer in the Namibian abalone industry the following risks will have to be mitigated:

1. Finalisation of export regulations between Namibia and China
2. Ongoing global economic pressure
3. Product development and innovation
4. Logistics between Lüderitz and Asian market (distance)
5. Challenging Namibian business environment

Aquaculture has an increasingly significant role to play in global food systems, as a source of human nutrition and livelihoods. Therefore, Hangana Abalone seeks to expand its product offering beyond abalone to include other aquaculture species such as crayfish, sea cucumber, oyster, black mussels, etc.

FUTURE OUTLOOK

Hangana Abalone's Vision 2025 strategy will focus on closing the abalone spawning, weaning, growing, production and sales cycle. The primary focus for FY23 is expanding the weaning section to accommodate 280 000kg spat monthly to grow the farm capacity to 450mt in FY30.

Hangana Abalone's 2025 Vision includes the following initiatives:

- Leadership development
- Brand and product development
- Initiate expansion phase
- Secure additional 14-hectare land
- Production of dried and canned products
- Aquaculture (finalise abalone sales and marketing strategy)

Hangana Abalone is extremely excited about the future opportunities and is looking forward to FY23.

	2022	2021	% CHANGE
Revenue N\$'000			
	455	1.8	24 655.2%
EBIT profit/(loss) N\$'000			
	1 227	(14 085)	100%
Abalone Stock (tonnes)			
	98.9	76.3	29.6%
Fair value adjustment N\$'000			
	19 387	1 935	901.9%
Employees Headcount (incl.temps)			
	37	36	2.8%
GPTW Trust Index %			
	65	N/A	N/A



FRESH PRODUCE

NAMIBIA DAIRIES (PROPRIETARY) LIMITED

MACRO-FACTORS

Namibia Dairies, including its !Aimab Superfarm operations, is a Namibian fast-moving consumer goods (FMCGs) producer that sells its products locally and regionally.

The overall slowdown in the economy and poor buying power by customers in Southern Africa continued to negatively affect the Company.

The increase in fuel prices had a big impact on Namibia Dairies. The fuel price directly impacted the procurement of raw materials and the distribution of final products.

The price of Skim Milk Powder (SMP) increased significantly during the past financial year, which has increased the cost of production of by products.

The steep increase in the maize price led to an increase in feed prices of more than 20% in the last financial year, which increased the cost of milk production in Namibia.

PERFORMANCE AND FOCUS AREAS FOR 2022

The past year has been a challenging year for Namibia Dairies, a year of profound change and growth. In line with making our FY25 dream a reality, we decided to go back to basics to focus on our core business which is the production and distribution of dairy products in Namibia. We discontinued the agency contracts with Hartlief, O and L Fresh and other smaller companies. As a direct result of the current depressed economic climate and subsequent decrease in sales, we decided to close all outside depots and distribute only from our Windhoek and Oshakati depots.

Our employees remain the pivotal part of our business.

In line with our 2025 Breakthrough Strategy and our Vision of being “a catalyst for positive change, delivering new realities, and fulfilling dreams”, the Company leverages the O&L Group’s employee engagement platforms – O&L World, GPTW survey and Organisational Alignment Diagnostics, and the Genius Conference and Connect to Inspire platforms to continuously build and entrench the O&L Culture and grow and empower its people.

Superfarm had a complete turnaround and has consistently contributed positively to the Company’s bottom line – a clear indication that anything is possible with purpose, focus and discipline.

RISKS AND OPPORTUNITIES

The economic recession continues to place dairy farming in Namibia under severe pressure. Namibian legislation does not permit the use of hormones in milk production, which skews the playing field in favour of South African and other competitors. This unequal competitive situation is exceedingly burdening Namibian dairy farmers, so much so that many farmers struggle to maintain operations and might have to exit dairy production, unless the public and private sectors find a Breakthrough.

However, we continue to see significant opportunity for stabilisation and steady growth by focusing on our world-class quality milk with no artificial hormones, nothing added, nothing taken away, and increasing the reach of our cultures portfolio range through an in-depth understanding and education of our consumers. We will also focus on further optimising our world-class route-to-market network and will focus on channelling more products through the network, further optimising it, and widening its footprint and reach.



FUTURE OUTLOOK

Namibia Dairies' focus will be to maintain and grow our products' share of the dairy segment to at least 80%.

We will invest in maximising plant and factory capacities and efficiencies through automation and upgrading of the Avis plant, entrenching our portfolio, and optimising our distribution footprint.

To ensure the Company can best support and contribute to the dairy industry in Namibia, the !Aimab Superfarm will focus on herd health, comfort, management, and improving feed costs and milk yields. Superfarm will further focus on augmenting and modernising processes to bring the farm ever closer to world-class operational standards, diversifying agronomy with low volume, high-value crops and feed plants to improve and optimise feed cost and milk yields continuously.

We will continue to focus on and invest in lean manufacturing and optimised capacity in the factory.

	2022	2021	% CHANGE
Revenue N\$'000			
	636 158	730 573	-12.9%
EBIT N\$'000			
	(19 139)	(39 341)	51.4%
CSI Spend N\$'000			
	35.1	2 341	-98.5%
Production volumes 1 000 L produced			
	23 119.6	27 983	-17.4%
Milk produced at !Aimab Superfarm 1 000 L produced			
	10 641.4	8 849	20.3%
Employees Headcount (incl. temps)			
	465	676	-31.2%
GPTW Trust Index Overall %			
	64%	72%	-11.1%
Training spend % of payroll			
	0.34	0.17	100%
Productivity litres product produced per factory employee per annum ('000)			
	317	226	40.3%
Alternative Energy % of Total Energy			
	12.9	15.2	-15.1%
Waste Ullages/losses as % of Revenue			
	3.14	3.18	-1.3%

O AND L FRESH PRODUCE (PROPRIETARY) LIMITED**MACRO-FACTORS**

2022 showed continued economic challenges in the agricultural sector, particularly for Namibia's fresh producers. Moreover, the increase in fuel prices had a significant impact on O and L Fresh Produce (OLFP)'s transport costs and pricing of fresh produce products. Nevertheless, healthier eating habits have been observed in consumer trends, which resulted in a substantial increase in revenue in FY22.

PERFORMANCE AND FOCUS AREAS FOR 2023

Since this was a 12-month trading year as opposed to six months in the prior year, there was a 137.4% increase in sales. The primary focus remains on processes, systems and people integration and having an efficient value chain in place. The continuous need to establish good sustainable relationships with local and regional producers, especially during the fuel price and interest rate increases, proved to be a crucial part of sustaining our business.

For FY22, OLFP's main performance objective was to become sustainable by focusing on margins to improve the profitability of the company. This will continue with a more stringent focus in FY23.

Great Place to Work (GPTW):

OLFP took part in the GPTW survey for the first time during February/March 2022. The survey yielded the following results:

- Participation rate: 98%
- Trust Index: 63%

Based on these results, focus will be placed on:

- credibility;
- respect;
- fairness;
- pride; and
- camaraderie

RISKS AND OPPORTUNITIES

The biggest risk to the business is potential future fuel price increases, which will significantly impact the cost of imports and transport of products. Cold atmospheric temperatures also proved to be another risk on the production of fresh produce at the Otavifontein Farm. The biggest opportunity lies in the increase in local supply of fresh produce, not only for the business, but also for the country. The opportunity lies in dedicated growing plans, efficiency through a well-structured distribution facility and optimising the opportunities that will grow customers' portfolios.

FUTURE OUTLOOK

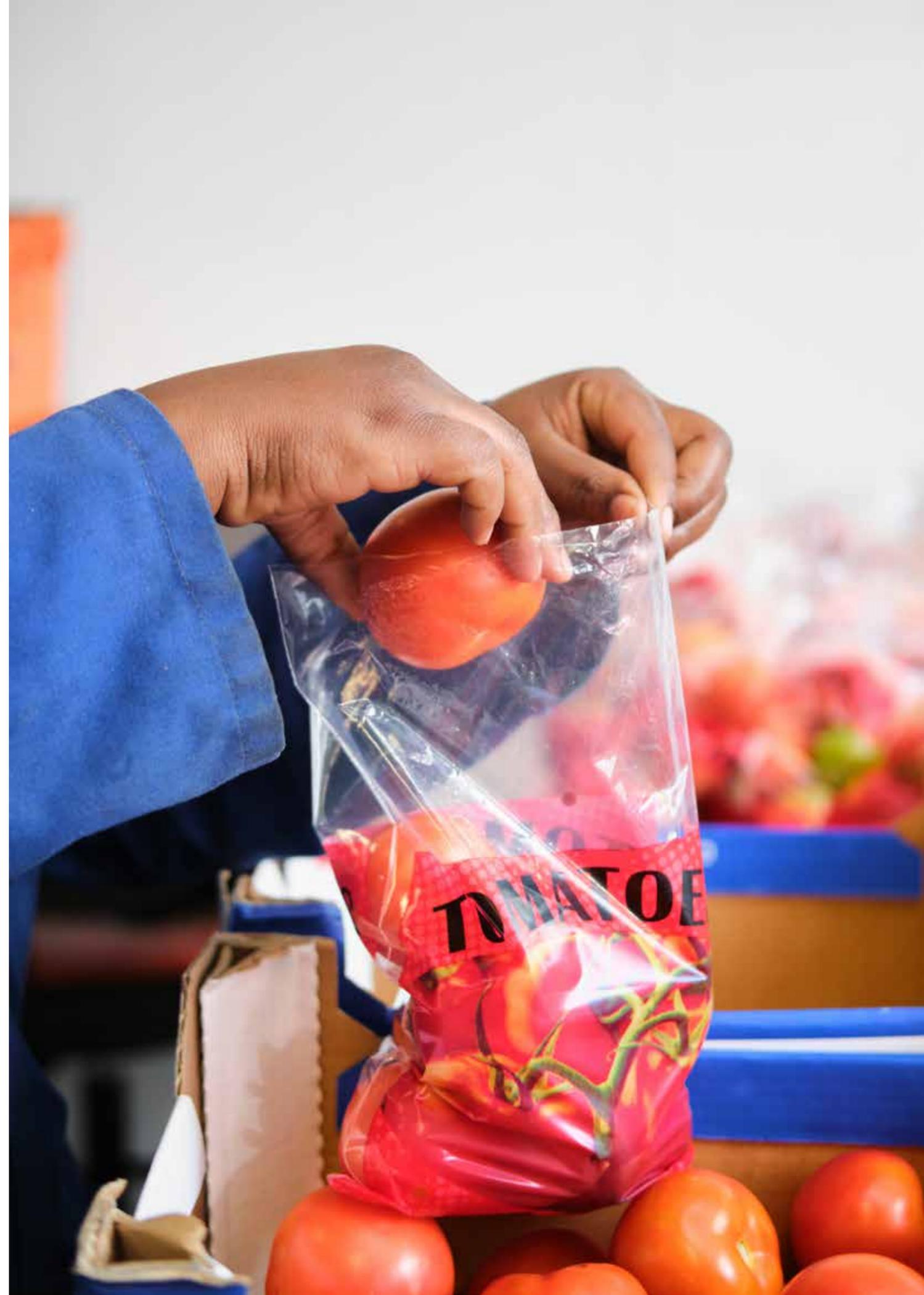
The FY25 Breakthrough strategy is built on the foundation of the following three objectives:

- Foster food security in the country.
- Growing the local agriculture sector.
- Nurture sustainable food production systems.

OLFP has an optimistic outlook on the FY25 strategy by upgrading and implementing distribution facilities. This will result in synergies to unlock OLFP's fullest potential in the local market. This will increase local supply and therefore drive excellence in local growth.

The FY25 Breakthrough Strategy focuses on creating a GPTW with employees being the best versions of themselves by establishing and living the Breakthrough culture and leadership daily in their professional and personal lives.

	2022	2021	% CHANGE
Revenue N\$'000			
	129 632	54 594	137.4%
EBIT N\$'000			
	(30 233)	(19 298)	-56.7%
Employees Headcount (including temps)			
	106	56	89.3%
GPTW Trust Index %			
	64	N/A	N/A
Training spend % of payroll			
	0.78	N/A	N/A



HARTLIEF CORPORATION LIMITED

MACRO-FACTORS

The Hartlief factory's legacy started in 1946 with a small family butchery in the heart of Windhoek, the capital city of Namibia. It has since grown into a leading meat business in Namibia built on trusted brands and meat traditions. In November 2019, Hartlief with its 75-year heritage merged with the 100-year heritage of the O&L Group, resulting in Hartlief taking over the Windhoek Schlachtereier operations and brands in 2020. The Hartlief Group consists of Hartlief Continental Meat Products Namibia, Hartlief Continental Meat Products South Africa and the Farmers Meat Market Mariental Abattoir.

The Hartlief Group comprises these main operations:

- Hartlief Factory which currently employs 349 people serving the value chain, from manufacturing to distribution to sales.
- Hartlief Shop & Bistro (S&B), next to the Hartlief factory, which employs 56 people who provide food and retail services to the public.
- Hartlief SA employs 71 people at its four outlets in the Western Cape, namely the Cape Town Depot, the Gardens Deli, the Constantia Deli and the Hermanus Deli.

Farmers Meat Market (FMM) operations closed down in September 2020 due to the limited number of sheep available in Namibia.

While input costs increased and remain high, there is a general decline in sales mainly related to reduced spending power by consumers.

The cost of raw materials remains very high mainly due to continuing high prices paid for beef, pork, lamb and mechanically deboned meat (MDM). There is a positive emerging trend in the recovery of livestock numbers in Namibia which is expected to bring more price stability to the economics of Hartlief. These recovering livestock numbers also keep Hartlief and FMM positive to consider the re-opening of the sheep abattoir in Mariental in 2023.

Namibia's stagnant economic growth, COVID-19 aftermath economic impacts, and the economic impacts caused by the Ukraine and Russia war all contribute to a difficult macro-economic landscape for Hartlief to trade in.

PERFORMANCE AND FOCUS AREAS FOR 2022

In the 2022 financial year, we still needed to implement and fine-tune various merger-related transitions around culture and people. Certain disputes resulted in industrial action by employees. Around 250 bargaining unit employees went on a two-week strike between December 2021 and January 2022, resulting in the factory coming to a complete standstill. Successful negotiations ended the strike, including the agreement that all other disputes were concurrently resolved. As work commenced, it took another two weeks to get all processes up and running.

While 2022 showed continued economic challenges, including the impact of the drought on meat availability and prices, the COVID-19 crisis and change management, FY23 will focus on efficiencies and performance to ensure a financial turnaround in FY23. This turnaround will build on the following critical Breakthrough focus areas:

Great Place to Work

In February 2022 Hartlief participated in the GPTW employee survey for the second time. A high participation rate of 98% resulted in an overall rating for Hartlief of 53% on the Trust Index, a decrease of 15% compared to the previous year and against a 65% GPTW certification mark. While it is unclear whether the lower results correlate to the timing of the beforementioned strike, the focus will be on fairness, improved leadership, communication, involvement and innovation to make Hartlief an even better GPTW.

Creativity and innovation

Focus will be on leading a risk-free environment for all Hartlief employees allowing all to challenge the status quo resulting in increased creativity and innovation. This will lead to positive changes and improved processes to deliver quality products and services, creating Breakthrough achievements.



Production efficiency and capacity

Focus is required to improve processes and procedures to minimise cost and maximise output. Due to system limitations, our planning and procurement departments have not been working optimally. A planned systems upgrade is expected to resolve these challenges and bring Hartlief to a new level regarding yields and efficiency management. Further initiatives include the creation of optimal factory flow to ensure better efficiencies and the optimal utilisation of space for packaging and dispatch operations. These factory-focus areas for 2023 will require capital investment and more human resources to realise efficiencies and increase capacity.

Brand and portfolio integration

Developing a brand and portfolio strategy in FY23 starts with consumer insights. This will give clear understanding, direction and prioritisation of the multiple Hartlief brands and related products. This is the foundation to develop commercial strategies to grow and expand sales values and volumes not only locally, but also beyond the borders of Namibia. Focus will be on exporting Hartlief brands and products.

Margin management

All products will again undergo a costing review in 2023 to understand margins and establish the rightly sized and streamlined portfolio, pricing and costing decisions to ensure sustainable cash generating operations in 2023.

Farmers Meat Market (FMM) Mariental Abattoir

Hartlief, the Namibian Agriculture Union and Namibian sheep producers formed a working committee that commissioned a value chain analysis for FMM in 2021. This will assist the future decision of re-opening FMM which is mainly subject to a constant supply of sheep on the one side and finding new markets and customers on the other side. To date, the research indicated that sheep numbers in Namibia improved to levels where a re-opening of the abattoir makes commercial sense, subject to securing international export take-off agreements. FMM is currently reviewing the opportunities of regaining full export certification.

RISKS AND OPPORTUNITIES

Hartlief faces the following risks:

- Significantly lower sales due to the COVID-19 pandemic and lower consumer spending due to the economic downturn. In addition, during the 2022 financial year, sales were lost due to an MDM shortage (August 2021) and the strike impact (December 2021 and January 2022). In April 2022 Hartlief returned sales and distribution as an in-house function.
- Although the drought is something of the past with good rains received in 2020 and 2021, it continues to significantly impact the Namibian meat industry due to the short supply and extremely high cost of raw material, contributing to the loss-making position in 2022.
- A large portion of Hartlief's processed meat volumes are manufactured from MDM which is a frozen poultry commodity imported from Brazil. The cost of MDM remained high over the past 12 months due to a global supply shortage.
- Hartlief has budgeted an aggressive sales growth from 2022 to 2023. This increase caters for lost sales due to unforeseen circumstances (strike, MDM shortage and resumption of sales and distribution function) in FY22. In addition, the target also includes a portion of new sales initiatives which need to be realised during the coming financial year. With available consumer spending remaining low, this growth target is at risk.

FUTURE OUTLOOK

The O&L and Hartlief merger is a catalyst for positive change to deliver new futures and realities within the Namibian meat industry as part of the O&L 2025 Breakthrough Strategy. The merger allows us to consolidate opportunities and potential within Hartlief and Windhoek Schlachtereij. This enables Namibia to compete with the best in the region, bringing Namibian goodness to Namibian homes and beyond. Focus lies on aggressive market share growth in the Namibian market while expanding and investing into foreign trade in the region shelved.

The FY25 outlook works towards the re-opening of the Farmers Meat Market Mariental Abattoir operations, with a positive outlook based on regenerated supply in the form of sheep and game numbers due to a good rain season in 2020/2021. Unlocking the full potential depends on access to new regional and overseas markets for lamb and venison, and growing market share in the local market for lamb, goat and game meat. The FY25 Breakthrough strategy focuses on creating a GPTW with employees in their best versions; and unlocking the potential and opportunities within the Hartlief and Windhoek Schlachtereij (WDS) brands to multiply local and regional sales. Significant cost savings and efficiencies are possible in realising internal and external opportunities from synergies in procurement, manufacturing, distribution, merchandising and marketing.

	2022	2021	% CHANGE
Revenue N\$'000			
	322 920	348 509	-7.3%
EBIT N\$'000			
	(30 065)	(32 539)	7.6%
CSI Spend N\$'000			
	63	149	-57.7%
GPTW Trust Index Overall %			
	53	69	-23.2%
Employees (excl. RSA)			
	349	313	11.5%
Training spend % of Payroll			
	0.43	0.11	290.9%
Alternative energy % of Total			
	0	6	-100%
Productivity Tonnes produced per employee per annum			
	27.3	30	-9%

HOSPITALITY

O&L LEISURE (PROPRIETARY) LIMITED

MACRO-FACTORS

FY22 was another tumultuous year for O&L Leisure. The earlier half of the year was characterised by ongoing disruptions and uncertainties caused by the global COVID-19 pandemic with its corresponding impact on the business. Restrictions on opening hours, alcohol sales and travel once again eliminated the historical high season for tourism in Namibia and further disrupted local business and leisure travel, thereby limiting opportunities otherwise realised through social gatherings. Disruptions to the business became so severe that despite all attempts to the contrary, the Company was forced to implement business rescue measures during the third quarter of the 2021 calendar year, whereby Mokuti Etosha Lodge and Chobe Water Villas were closed for a period of three months from August 2021. This was accompanied by a determined focus on cost reductions across the business, including elimination of overtime, a recruitment freeze, reduced working hours and a reduction in remuneration of between 50%–25% during the same period for the entire Group.

O&L Leisure overcame these setbacks and from December 2021 experienced an increase in revenues and business volumes. This has continued to a greater or lesser extent for the remainder of the financial year. This was also supported by the opening of the new Midgard in November 2021, which showed very encouraging results since. Furthermore, the current year's sales results were impacted by the complete closure of Mokuti Etosha Lodge in March 2022 for a full upgrade and the reduction in available rooms at the Strand Hotel for ongoing technical replacements.

PERFORMANCE AND FOCUS AREAS FOR 2022

People and leadership

As the past years were focussed on preserving jobs and livelihoods, we are now in the position to build on this investment and capitalise on the huge potential that lies in the travel, tourism and hospitality industry. As such we have embarked on an aggressive recruitment drive to set the direction and standard for the Namibian industry – being the trend setter when it comes to quality, service and experiences. Furthermore, this will be supported by a large investment in talent, learning and development to ensure the sustainability of the business by developing and growing skills internally.

Product offering, expansion and upgrades

During the current period, we completed the new Midgard upgrade to a 4-star standard to deliver on its promise of becoming the preferred destination for family, friends and events. The Strand Hotel Swakopmund is in the process of an ongoing technical refurbishment, whereby back-of-house areas (including heating, cooling, plumbing, energy and utilities' infrastructure) are being repaired, replaced and/or upgraded to conform to appropriate infrastructure designs. This has resulted in several rooms being unavailable during the project, with the commensurate reduction in room revenue.

In March 2022, Mokuti Etosha Lodge was closed for a full refurbishment and upgrade, and it is expected that this project will be completed by March 2023, which will be well in time for the FY24 high season, starting between June and July 2023.

The main drivers of the N\$ 132.8 million operating loss was due to the property valuations that were performed in the current year. This resulted in an impairment loss of N\$ 91.4 million on the Mokuti Etosha Lodge and the Midgard Estates.



RISKS AND OPPORTUNITIES, AND OUR FUTURE OUTLOOK

While the impact of the global COVID-19 pandemic on the industry is slowly but surely abating and both local and international travel are increasing, significant uncertainties remain. The main risks include the lack of international flights to Namibia compared to pre-pandemic levels, the cost pressures experienced by prospective international travellers, economic pressures and low disposable income for local clientele, and cost increases for new investments or upgrades. Due to the impact the pandemic had on the industry, a significant skills shortage has emerged, which is one of the main risks facing the industry.

Our ambition is to capitalise on each opportunity that presents itself, while recovering ground lost during the last two years.

Our primary focus thus lies in getting our brands positioned as planned and our assets into full operation by completing the ongoing projects. A strong drive to recruit the right talent to fill vacancies and improve standards will form part of the foundation for the future. These will be accompanied by a focus on yields and sales together with a drive to reduce fixed costs so we can deliver improved margins.

The fundamentals of the industry remain robust, as a strong demand remains, which will fuel revenues in the short to medium term. Namibia remains a popular market with much potential as a travel destination. With the right level of investment and support at a national level, the future outlook remains good.

	2022	2021	% CHANGE
Revenue N\$'000	122 279	85 851	42.4%
EBIT N\$'000	(132 815)	(82 266)	-61.4%
CSI Spend N\$'000	81	127	-36.2%
Volume Guest nights	58 166	56 887	2.2%
Number of employees (incl. Chobe) Headcount (including temps)	479	499	-4%
GPTW Trust Index %	59	66	-10.6%
Training spend % of payroll	0.65	2.46	-73.6%
Alternative energy % of total energy	16.6	18.4	-9.8%
Alternative water % of total water	71.4	80.2	-10.9%
Productivity Guest nights per employee per annum	245	287	-14.6

*The current year EBIT includes N\$ 91.4 million impairment loss on property, plant and equipment.

PROPERTIES

BROLL & LIST PROPERTY MANAGEMENT (NAMIBIA) (PROPRIETARY) LIMITED

CENTRAL PROPERTIES (PROPRIETARY) LIMITED

O&L PROPERTIES (A DIVISION OF WUM PROPERTIES (PROPRIETARY) LIMITED)

WERNHIL PARK (PROPRIETARY) LIMITED

MACRO-FACTORS

The COVID-19 pandemic's effect on customer spending significantly affected our tenant retention in the better part of FY22. However, with the current relaxation of COVID-19 restrictions in the country, we expect more trading opportunities and a positive trajectory on the recoverability of rental debts and improvement in tenant vacancy rates.

FOCUS AREAS FOR 2022

During the year under review, there has been a lot of focus on retaining tenants that fit the optimal tenant mix for the portfolio, managing collections and reducing the debtors' book, and filling the unprecedented high vacancies without further diluting value. Despite the robust strategies implemented, we have seen vacancies increasing in the office segment, with long-standing tenants in Alexander Forbes House reducing space. The retail sector has seen a similar increase with one long-standing tenant (Ackermans) closing its doors. Ackermans occupied a sizeable gross lettable area (GLA). In the industrial sector, NBL also exited Ruhr Street. However, this vacancy has been filled as we secured a replacement tenant to take occupancy during Q1 of FY23. The debtor's book has increased compared to the prior year, with defaults experienced during the difficult COVID-19 trading environment. However, a significant portion of the debtor's book is historical debt. Closing these cases has proved a challenge with limited operations at our courts during the COVID-19 crises. Collections at the beginning of the financial year were at 84% and are now at 95%, which is confirmation of our tenants' improved trading environment and performance. The focus on cost has contributed immensely to improved performance. There also remain opportunities for cost saving on the utilities side.

Our optimal tenant mix strategy within the retail segment is starting to yield results with LC Waikiki and PNA secured as new tenant brands within our portfolio.

In relation to our environmental focus and reducing our carbon footprint, Phase II of the Wernhil Park Solar plant has been commissioned in September 2022. Projected annual savings of the solar plant is estimated at 2.11GWh. Further investments in water savings initiatives, including water saving devices, water monitoring and identifying leaks at a very early stage, is planned for the year ahead.

RISKS AND OPPORTUNITIES

Our operating environment has been changing rapidly, requiring us to be innovative and responsive by allowing our Breakthrough thinking to embrace this continually changing environment as opportunities that needs unlocking. We experienced changes in how our clients use and view space, and we need to re-align our properties accordingly. In the office segment, we have seen major clients reducing space as they embrace the accelerated trend toward remote working. However, we have also seen a return to normality from “work from office” and its resultant impact on improved performance of the retail segment. The Windhoek office segment remains very competitive, and the current over-supply will contribute to high vacancy rates and exert pressure on market rates. These risks will impact Town Square Centre as it remains vacant after the collapse of our negotiations with the previous tenant.

The rise in online shopping offers the opportunity to connect differently with clients and consumers shelved. The retail segment has seen unprecedented high vacancy rates. However, as the interest in these vacant spaces increases, it provides an opportunity for us to re-balance our tenant mix to make our malls more competitive.

FUTURE OUTLOOK

The economic recovery will stimulate demand for existing vacant GLA and developments. With exciting prospects on our Vision Board for 2025, we are optimistic that we can grow the value of the portfolio by optimising the existing portfolio and realising the development pipeline.

The focus for FY23 will be on reducing the vacancy rates to pre-COVID-19 levels and revitalising the portfolio with investments planned for some properties within the portfolio. Reducing our debtor's book to acceptable levels is essential and a huge focus will be on the historical legal cases, which accounts for 81% of the debtor's book.

With increased focus on our employees, developing Breakthrough leaders and embedding our Breakthrough culture within the business will improve our Trust Index scores and our GAP Diagnostics scores. We will also improve our operational efficiency and leverage technology to enhance decision-making and uplift our service offerings. We have initiated an assessment of our ERP system which we aim to optimize.

Recently, there has been good traction in retaining a key client on the facilities management services offering and the extension of other service lines such as occupier services. The year ahead will undoubtedly present challenges that we need to confront, but we are confident that we have the ability to overcome them.

	2022	2021	% CHANGE
Revenue N\$'000			
	179 656	181 128	-0.8%
EBIT excluding fair value gains N\$'000			
	120 497	124 824	-3.5%
Fair value gains N\$'000			
	35 631	41 418	-14.0%
CSI spend N\$'000			
	1 135	541	109.8%
Value of O&L Group Property portfolio N\$'000			
	2 323 137	2 368 241	-1.9%
Gross lettable area managed by Broll (including property not owned by O&L) m ²			
	120 706	114 190	5.7%
Number of employees Headcount (including temps)			
	50	53	-5.7%
GPTW Trust Index %			
	73	87	-16.1%
Training spend % of payroll			
	0.66	3.21	-79.4%
Vacancy rates %			
	33	25	32%
% Alternative Energy % of total energy			
	11.3	13.2	14.4%



RETAIL

MODEL PICK N PAY

(A DIVISION OF WUM PROPERTIES (PROPRIETARY) LIMITED)

MACRO-FACTORS

The COVID-19 pandemic continued to impact the economy and consumer spend. The subsequent sharp increase in inflation and petrol prices had a negative impact on our operations. Customer spending trends are also rapidly changing with public holiday and month end sales not spiking as in the past.

FOCUS AREAS FOR 2022

We focussed on reducing operating costs by renegotiating rent contracts, limiting waste and overall better expenditure management. This was successfully executed, and we mitigated the decline in EBIT by reducing costs as far as possible.

RISKS AND OPPORTUNITIES

We will focus on unlocking opportunities and adjust the business model to capitalise in the retail market. In 2022, we focussed on reducing operating cost. Our focus remains to unlock further opportunities to improve efficiencies, reduce costs and remain agile in response to the challenging economic environment. Our focus on creating premium customer experiences through our people continues to be our differentiating factor. This will allow us to weather current market conditions and reach sustainable success in the future. Pick n Pay Namibia took the strategic decision to expand our General Merchandise range across our stores, thereby unlocking a new market and attracting more customers. Our main risks remain increasing inflation and changing consumer spending trends.

FUTURE OUTLOOK

The COVID-19 pandemic has been the Namibian economy's greatest challenge yet and is expected to continue to affect the retail market for the foreseeable future. It increased unemployment rates to levels never seen before. The trading conditions will be tough, and the challenge is to grow revenue in these difficult times. Our main focus for FY23 is to increase revenue, while not neglecting the drive on efficiencies while maintaining acceptable gross profit margins.

Model Pick n Pay's continuous aim is to limit and, where possible, reduce price inflation, while giving more value to consumers.

	2022	2021	% CHANGE
Revenue N\$'000			
	2 056 372	1 932 034	6.4%
EBIT N\$'000			
	3 377	3 584	-5.8%
CSI spend N\$'000			
	60	74	18.9%
Volume Units sold ('000)			
	104 451	106 442	-1.9%
Employees Headcount (including temps)			
	1 782	1 703	4.6%
GPTW Trust Index %			
	60	64	-6.3%
Training spend % of Payroll			
	0.46	0.3	53.3%
Alternative energy % of total energy			
	3.3	1.7	94.1%
Productivity Units sold per employee per annum			
	58 780	62 320	-5.7%
Waste and Shrinkage N\$ as % of revenue			
	1.41	1.42	-0.7%



ADVERTISING

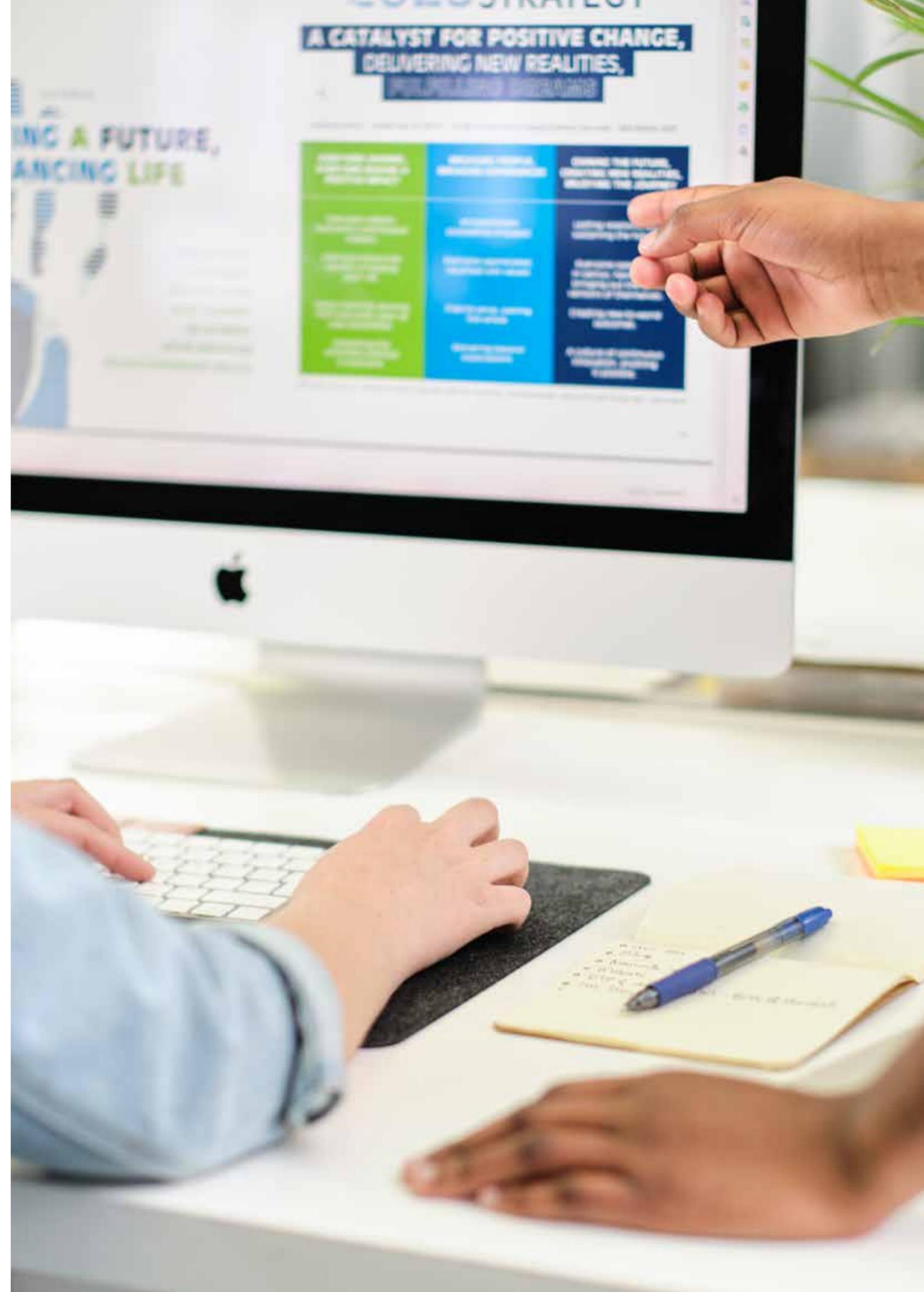
WEATHERMEN & COMPANY ADVERTISING (PROPRIETARY) LIMITED

MACRO-FACTORS

Weathermen & Company used the economic downturn to further entrench the O&L values and culture within the business, building trust and confidence among the team and with clients. As such, while clients' spend on advertising had not yet recovered after the economic downturn, the business unleashed its multidisciplinary team of experts to support clients in optimising all opportunities available to navigate these difficult times. This set the business on a path of growing demand for strategic brand support, creative services, and digital marketing services. Consequently, while other agencies were downsizing their employee base, Weathermen increased its capacity to distinguish itself through creative excellence. This resulted in key clients increasing their spend and new clients being secured.

With O&L's 2025 Breakthrough Strategy being the priority across the Group, we identified the opportunity to enhance the achievement of these business goals through a strategically led approach to marketing and brand experiences. As such, in October 2021 we tasked Weathermen to move its focus from growing external revenue, to taking control of marketing and brand activities across the diverse O&L portfolio instead. This decision set in motion the move of Weathermen away from being a client-centric agency to fostering new relationships and ways of working particularly within the O&L Group, to enhance customers/consumers/shoppers/guests and client experiences across the Group.

The decision to discontinue trading as Weathermen and migrate the team into the O&L Centre as part of a new division called BrandX as of 1 July 2022, follows the realisation that the revenue generated through strategically led experiences across the portfolio of Group brands by far exceeds the revenue opportunity of trading as a traditional advertising agency. That said, while BrandX is tasked with unlocking the potential of O&L brands, the team will still continue to service external clients as this enhances competitiveness and creativity among the BrandX talent pool. This, in turn, will support the achievement of business goals.



FOCUS AREAS FOR 2022**1. ACHIEVE BREAKTHROUGH EBIT OF N\$3 million**

For the first quarter of the financial year, focus on acquiring new clients and increasing revenue from existing clients saw the business significantly exceeding prior year performance. However, with the decision in October 2021 to start developing strategies that enable the team to lead brand experiences, the focus shifted to identifying brand priorities and developing brand strategies for O&L OPCOs.

2. GPTW AND CULTURE

From the lowest overall Group score in the GPTW at 57% in 2021, Weathermen achieved the top position with a score of 92% in 2022. Combined with the great work done to gear the business towards the establishment of BrandX, this is a testimony to the impact of entrenching the O&L Culture within the business.

3. EXPAND OFFERING AND SERVICES

During the year under review W&Co expanded its offering by acquiring talent in digital marketing, web development, strategy and copywriting. These services have been well-received by clients and enhanced revenue and overall client satisfaction and trust.

RISKS AND OPPORTUNITIES

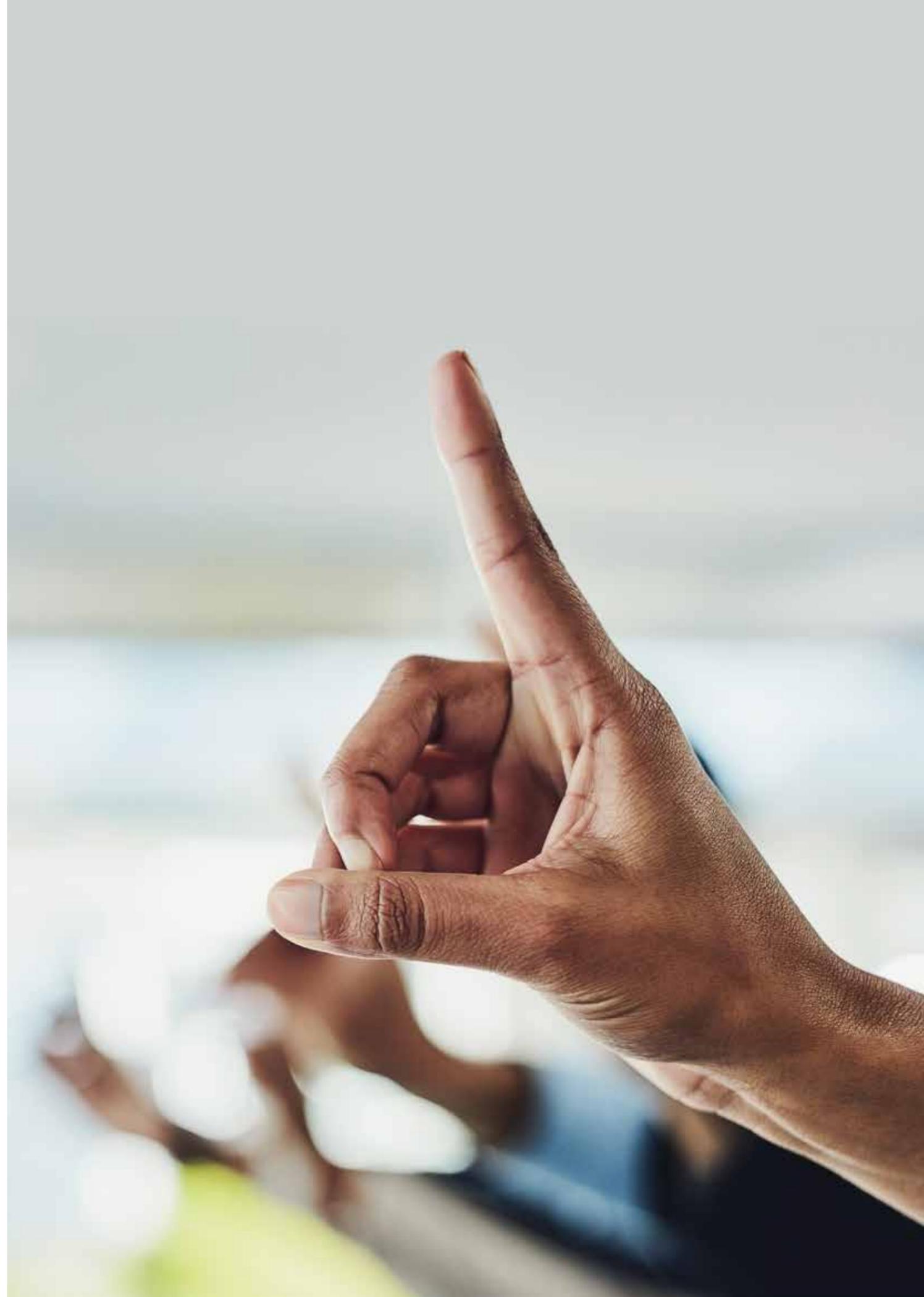
The largest business risk remains the cost of doing business and the inability of businesses to adequately invest in their brands due to economic pressures. Furthermore, there is a new emerging risk of overregulation and a reduced ease of doing business specifically brought on by the gazetting of the Lotteries Act in December 2021. The Act aims to regulate all promotional activities in the country and proposes a laborious compliance process that infringes on businesses' ability to run promotions and competitions. Engagements with Government have started and all efforts will be made to reduce the impact of this Act on the business.

FUTURE OUTLOOK

With the establishment of BrandX on 1 July 2022, the future looks bright. A team of specialists in all spheres of marketing have set out to lead brand experiences for O&L consumers and customers across all touch points. Furthermore, BrandX will continue to service external clients, truly bringing the O&L Purpose of Creating a future, enhancing life, alive for them and their brands by delivering the X-factor through purposeful, intelligent, consumer-centric brand experiences.

	2022	2021	% CHANGE
Revenue N\$'000	22 447	16 636	34.9%
EBIT N\$'000	(238)	(1 361)	82.8%
CSI Spend N\$'000	8	52	-84.6%
Employees Headcount (including temps)	17	14	21.4%
GPTW Trust Index %	N/A*	58	N/A
Training spend % of payroll	1	0.13	669.2%

*The GPTW Trust index for the current year have been included as part of Ohlthaver & List Centre (Proprietary) Limited (O&L Centre).



CENTRALISED SERVICES

OHLTHAVER & LIST CENTRE (PROPRIETARY) LIMITED

Ohlthaver & List Centre (Proprietary) Limited (O&L Centre) comprises two divisions: O&L Corporate and the Centre of Excellence.

O&L Corporate includes the Group Leadership Team that leads Group strategy, Secretarial Services, Corporate Relations, Group Finance and Group Human Capital.

The Centre of Excellence renders specialist and shared services to all operations within the O&L Group. Specialist Services includes elements of the Group strategy. Shared Services include Risk Assurance and Operational Risk Management, Sustainability, Information Systems, Information Technologies, Digital support, Operational Finance, Group Marketing and Operational Excellence projects.

During the year under review, the following projects and activities were some of the highlights:

- Achieved a GPTW score of 85%, 4% less than in 2021 and 2% less than the World's Best.
- Developing and facilitating the COVID-19 Management and Response plans.
- COVID-19 vaccination information roadshows, campaigns and on-site clinics.
- Implementation and roll-out of the Self-Care Programme.
- Completed O&L Leisure Midgard and Mokuti visions that directly informed the architectural and design redevelopments.
- Created Hartlief brand positioning and vision to establish and drive the brand for success across Namibia and South Africa.
- Developed a white milk marketing strategy to turn around Namibia Dairies to EBIT positive and accelerate growth.

- Facilitate the periodic review and improvement of the Group's Sustainability Programme in accordance with the SDGs.
- Development and continuous review of the Group's Energy and Water Strategy and related improvement initiatives.
- Provided support to operating companies on utilities-related matters.
- Implementation of Paterson job grading system across all OPCOs.
- Successful implementation of the various digital marketing strategies and campaigns for our OPCOs.
- Certification of our OPCO Digital Marketing Champions in the Google Digital Marketing Fundamentals.
- Successful Pick n Pay e-commerce migration and optimisation.
- Successful implementation of various IT security initiatives and awareness campaigns.
- Finalising the core data centre hardware refresh and SAP upgrade proposal and plan.
- Upgrade of the SAP Solution Manager back-end support systems.
- Successful SAP Paterson migration and implementation of other Human Capital/Payroll policy amendments.
- Merged current Sales Organisation structure to streamline integration between Salesforce and SAP for NBL.
- Maintaining good relationships with bargaining units and labour unions. The Hartlief strike was amicably resolved within only two weeks.
- Maintaining a high arbitration success rate of more than 90%.

	2022	2021	% CHANGE
Revenue N\$'000	145 969	145 502	0.3%
EBIT N\$'000	(55 826)	(29 464)	-89.5%
CSI spend N\$'000	34	80	57.5%
Employees Headcount (including temps)	118	112	5.4%
GPTW Trust Index %	85	89	4.5%
Training spend N\$'000	0.76	1	-24.0%



ENERGY

O&L NEXENTURY GROUP

MACRO-FACTORS

O&L Nexentury is a vertically integrated Independent Power Producer (IPP) developer, an Engineering, Procurement and Construction (EPC) contractor and a technical operating and maintenance and asset manager service provider to the IPPs it realises.

The Company's geographical focus is primarily concentrated on developing IPPs in the high growth markets of Germany and Namibia. Beyond our primary geographic focus, O&L Nexentury is developing selective projects and continuously reviewing business opportunities in South Africa, Botswana, Senegal, and the Netherlands. O&L Nexentury closely follows tertiary market entry opportunities in the EU and SADC.

O&L Nexentury's technical and IPP development expertise lies in commercial and industrial (C&I), and utility scale grid-connected photovoltaic (PV) power plants that supply electricity through power purchase agreements (PPA). Supplementary to our core solar PV infrastructure, O&L Nexentury has references and growing expertise in an off-grid and mini-grid solar PV ecosystems in conjunction with electrical generators and/or large lithium-ion energy storage systems (ESS). Beyond hybrid ESS/off-grid and ESS/mini-grid solutions, O&L Nexentury is developing large multi-megawatt hour grid-connected ESS applications for network operators and large C&I off-takers in both Africa and Europe.

As scalability in this industry is achieved by spreading fixed operating expenditures across increasingly larger projects and obtaining buyer power by increasing the unit purchase size from original equipment manufacturers, O&L Nexentury focusses on larger project opportunities. In our core markets of Germany and Namibia, O&L Nexentury is largely developing projects that exceed 5MW in scale. In secondary and tertiary markets, we may drop to a single megawatt scale project only if there is a strong strategic growth angle, though in general O&L Nexentury will spread our limited resources across increasingly fewer but larger single IPP development opportunities, each of which is multi-megawatt in scale.

FOCUS AREAS FOR 2022

In 2020, with the onset of the global COVID-19 pandemic, which restricted international travel, and as the German market began to embrace the PPA as a settlement structure while it continued to wean itself of off Government subsidised feed-in tariffs, O&L Nexentury's German colleagues focussed on domestic opportunities. The German office aimed to have a few hundred megawatts of solar PV under development. By June 2022, O&L Nexentury had secured nearly 300MWs of solar PV in projects. These projects are in early to mid-stages of development. As O&L Nexentury achieves development milestones, our success is becoming known, improving brand recognition and fuelling further network expansion. This results in a virtuous cycle of increased access to proprietary and higher probability project development opportunities.

Building on years of success in Namibia with more than 10 solar PV plants in operation within the O&L Group and for external off-takers, O&L Nexentury continues to pursue distinctive IPP development opportunities including an O&L Central Plant which we are developing under the new Modified Single Buyer (MSB) market laws. We are analysing various options to develop solar PV IPPs to sell renewable energy into the Southern African Power Pool (SAPP). MSB and SAPP development strategies offer O&L Nexentury a path to scale individual project sizes up to many tens of megawatts, while pursuing bilateral off-taker avenues on which we place a higher probability of success than Government or private sector tender processes.



RISKS AND OPPORTUNITIES

Over the next few years, O&L Nexentury could see its IPP pipeline of large utility scale projects under development increase to a GW or more.

In Namibia, SADC and the rest of Africa, renewable energy continues to offer this generation's biggest opportunity to fight global warming and provide cost-effective and reliable energy. From Namibia's MSB to South Africa lifting requirements to obtain energy generation licences on IPPs up to 100MW, support for decarbonising our future is gaining momentum. Beyond the SADC markets, O&L Nexentury has set our targets on West Africa, where equally large opportunities exist.

FUTURE OUTLOOK

Historically, O&L Nexentury followed a strategy to self-fund operating expenses between long project development cycles, with income generated from minority equity stakes in PV IPP infrastructure, whereby equity was funded from the margins generated by development premiums and EPC services. O&L Nexentury is now in the process of reviewing this strategy with the shareholders. Forward looking, the strategy will be to maximise development premiums and EPC margins, while delivering market competitive equity rates of return at the level of the PV IPP. Rather than investing and locking-up our margins in infrastructure, we will use free cash flow to organically expand the self-funding business and to begin returning money to our shareholders.

O&L Nexentury is developing further solar power plants within the O&L Group for Hartlief, NBL and others, including a large-scale O&L Central Solar PV plant with the opportunity to supply customers in Namibia and export electricity. O&L Nexentury has also completed a feasibility study on green hydrogen in Namibia together with the German Development Organization DEG and will be involved in Namibia's first green hydrogen pilot project. O&L Nexentury is also busy developing various renewable energy plants, especially solar PV and wind energy, in Namibia, South Africa, West Africa and Europe.

	2022	2021	% CHANGE
Revenue N\$'000			
	64 688	43 089	50.1%
EBIT N\$'000			
	4 781	3 207	49.1%
CSI Spend N\$'000			
	6	15	-60%
Employees Headcount (including temps)			
	19	18	5.6%
GPTW Trust Index %			
	81	N/A	N/A

ORGANIC ENERGY SOLUTIONS (PTY) LTD**MACRO-FACTORS**

Organic Energy Solutions established a bush-to-energy operation, harvesting invader bush species in Namibia to generate sustainable thermal energy for industrial purposes. Further applications for the bush-based biomass have been developed, such as gardening products (compost and lawn dressing) and animal fodder.

The harvesting operations are under pressure due to increased inflation and fuel costs. However, the notable high prices for energy products such as fuel and gas due to supply chain disruptions around the world, increased international demand for alternative energy, which will pose an opportunity for Organic Energy Solutions.

FOCUS AREAS FOR 2022

During FY22, Organic Energy Solutions maintained its customer base for garden products, achieving slight growth in this category. Furthermore, numerous initiatives were introduced to reduce operating costs and waste material. Special focus was set on marketing the concept of replacing heavy fuel oil (HFO) and low fuel oil (LFO) with biofuel within the Namibian industry. These initiatives set a solid foundation, enabling Organic Energy Solutions to increase production volumes and engage in discussions with potential additional clients.

RISKS AND OPPORTUNITIES

Currently, Organic Energy Solutions depends on one large industrial customer, NBL, which presents a risk. We have the opportunity to develop additional off-takers on the heat energy side (wood chips), such as NamPower, Namibia Dairies, Meatco and Namib Poultry Industries. We are exploring further opportunities, focusing on heat conversion to provide energy solutions to bigger cooling facilities. A steep increase in fossil fuel costs is having a favourable impact on possible opportunities.

On the back of international agreements focusing on the reduction of CO₂ and the increasing trade in carbon credits, additional focus is set on the role that the Namibian biomass industry can play in this regard.

FUTURE OUTLOOK

The utilisation of Namibia's biomass becomes an ever-increasing focus area.

Organic Energy Solutions, as part of the Namibia Biomass Industry Group, are constantly evaluating export opportunities. However, due to the high logistics cost of Namibia's rail and harbour infrastructures, the export part of our strategy remains a marginal one.

We believe that we primarily have to develop application solutions within Namibia. Aside from the current side products (compost, animal fodder) we are looking into the feasibility of various alternatives, ranging from building materials to numerous other applications.

	2022	2021	% CHANGE
Revenue N\$'000			
	12 070	15 768	-23.5%
EBIT N\$'000			
	-2 131	1 794	-218.8%
Employees Headcount (incl. temps)			
	7	8	-12.5%

ENGINEERING

KRAATZ (PROPRIETARY) LIMITED

MACRO-FACTORS

Kraatz provides engineering and related services to the oil and gas, marine, mining and general industrial sectors. These services include ship repair, rig repair, fabrication, welding, and construction. Kraatz is also the Namibian agent for Hitachi Construction.

The last quarter of the previous financial year was still largely impacted by COVID-19, with a slow increase in projects awarded in the industrial engineering industry. Even though projects have started picking up in the first quarter of FY22, global steel and oil prices are forecasted to remain elevated as the move to decarbonise across the industrial sectors continue, therefore raising production costs and hindering economic recovery.

Kraatz is aware of the potential surge of capital spending on industrial assets in the industry as critical infrastructure will need to be renewed/maintained after project expenditure was cut during the pandemic. This could create an increased demand for specialised structural steel services. Kraatz will need to reinvent itself to capitalise on this opportunity to achieve maximum growth and sustainability.

A combination of demand-side factors (economic re-opening, with a particularly strong revival in the industry), opposed to supply-side factors (reduction in inventories/increased costs) should be closely monitored.

FOCUS AREAS FOR 2022

FY22 has seen Kraatz start the process of repositioning itself to facilitate more efficient and specialised fabrication and maintenance services in support of our Vision FY25.

This continuous transformation will see Kraatz move into developing new smart workshops with expert and intelligent engineering capabilities where skills and knowledge are matched with the latest cutting-edge technology. This will allow Kraatz to deliver their specialised services with speed and efficiency, differentiating Kraatz as the leader in the field of specialised structural steel engineering.

RISKS AND OPPORTUNITIES

The ongoing increase in commodity prices (steel and fuel) will continue to put pressure on structural steel services, further emphasising the need to become more competitive and streamlined.

Kraatz will aim to be innovative and reactive to capitalise on the massive growth opportunity in the industrial engineering industry as additional mines are expected to start up. Furthermore, the continued increase in oil prices also hold an opportunity on the marine and offshore side as oil rigs become operational, needing full repair for safe operations.

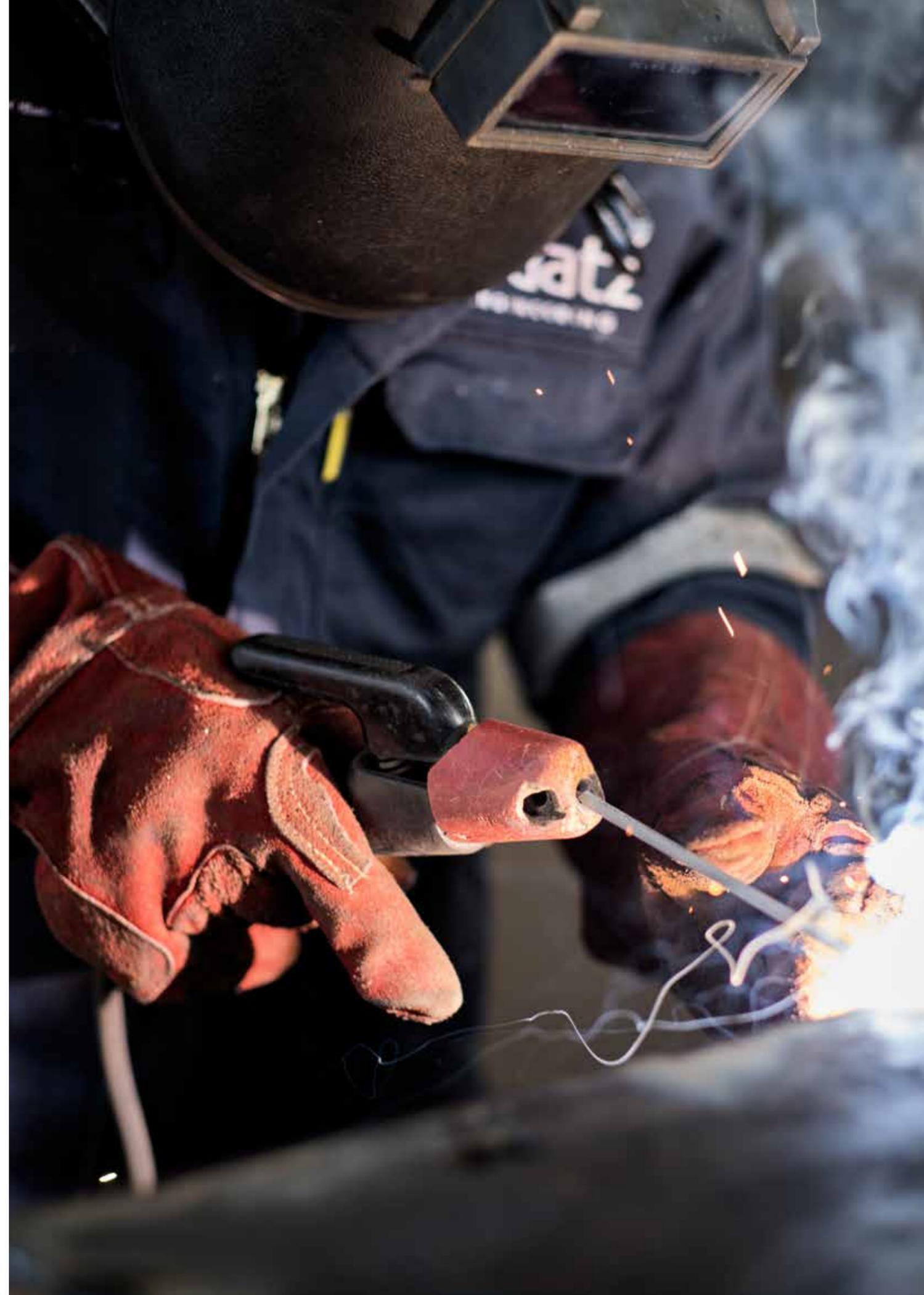
FUTURE OUTLOOK

To achieve Vision FY25 and long-term sustainability in the industrial industry, Kraatz will focus on the following objectives:

1. Ensure financial, administrative, and legal compliance by introducing correct policies and procedures; cost-effective reporting of the business and its projects; and implementing a real time inventory and asset management system.
2. Human capital will be structured to support and complement Vision FY25. A skill gap analysis will be done to identify the skill gap within Kraatz where employees will undergo re-skilling/upskilling to meet future requirements.
3. To achieve more efficient operations, Kraatz will focus on continuously improving its facilities, equipment, processes, and standards. This will ensure significant improvements to the total quality of our products.
4. Kraatz will develop and implement a clear brand strategy in line with our overall business strategy, lifting brand awareness levels, brand confidence, and increasing visibility to optimally fill the order pipeline.

Trading conditions in 2023 will remain tough but the business is well positioned to capitalise on the implementation processes of FY22 into FY23 with future opportunities.

	2022	2021	% CHANGE
Revenue N\$'000			
	114 162	78 822	44.8%
EBIT N\$'000			
	(21 454)	(12 871)	-66.7%
CSI Spend N\$'000			
	33	3	1000%
GPTW Trust Index %			
	68	57	19.3%
Employees Headcount (including temps)			
	253	215	17.7%
Training spend % of payroll			
	0.32	0.70	-54.3%
Employee Utilisation % Hours recovered vs available			
	94	83	13.3%



ASSOCIATE

INFORMATION TECHNOLOGY

DIMENSION DATA NAMIBIA (PROPRIETARY) LIMITED

MACRO-FACTORS

Dimension Data Namibia is a business partnership between the O&L Group and Dimension Data Middle East and Africa. Dimension Data Namibia is a purpose-led and performance driven information technology solution provider in Namibia with a branch in Walvis Bay.

The past financial year was challenging to the Information Technology (IT) industry, however in certain areas of the business there was a definite improvement compared to 2021.

The material shortages across the semi-conductor industry extended lead times on hardware, in some instances to over 400 days. The extended lead times and increased pricing negatively impacted our clients' environment.

From a services perspective, the economy recovered more positively. Focus on new projects and implementations, increased the technical services and support services revenue. The need for increased and reliant connectivity was a key driver in this financial year.

FOCUS AREAS FOR 2022

From a product perspective, revenue declined with 2%. A strategic driver for FY22, was to increase services revenue, with the emphasis on annuity. Annuity revenue increased with 3% and technical services with 31%.

The focus areas for FY23 are intelligent infrastructure, cyber and physical security. Understanding our client's environment and being part of their strategic planning, is becoming more critical than ever. Learning and development and embedding our culture to become more client centric, remain priorities.

RISKS AND OPPORTUNITIES

Increased hardware and fuel prices, and the rapidly increasing rate of inflation put pressure on margins. This poses a significant business risk for Dimension Data.

Digital transformation, the demand for more secure IT environments and support services, are opening up opportunities in the market.

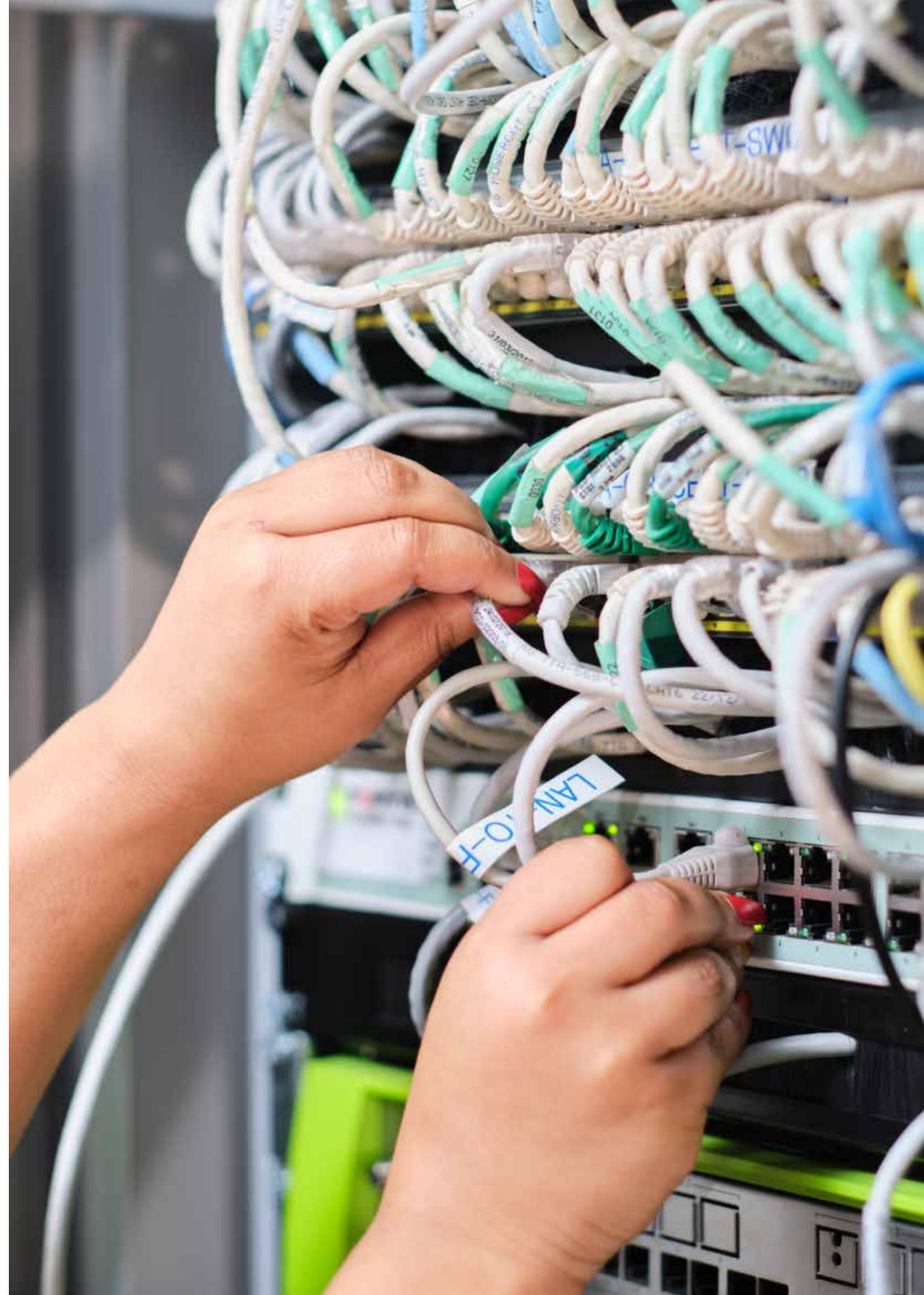
Our focus on intelligent infrastructure, security, and automation, ensures efficiencies for our clients, our business, and the O&L Group.

FUTURE OUTLOOK

Our vision is to be the most referred technology partner, focusing on delivering outstanding services and support to our clients.

Innovation and upskilling of the critical positions in our business, is of utmost importance to remain relevant in the industry and the market.

	2022	2021	% CHANGE
EBIT from associate N\$'000			
	4 492	4 873	-7.8%
Number of employees Headcount (including temps)			
	62	62	0%
CSI Spend N\$'000			
	13	1 310	-99%
Training Spend % of payroll			
	1.91	1.60	19.4%



JOINT VENTURE

CONSUMER ENGAGEMENT

BRANDTRIBE (PROPRIETARY) LIMITED

MACRO-FACTORS

Brandtribe is a joint venture between O&L and Techsys (Cape Town). Brandtribe is a Consumer Engagement platform used by brands to interact with their consumers across digital platforms to better understand who they are, what they do and what they want.

With the COVID-19 restrictions in the rear-view mirror, companies are making up for lost time and engaging with consumers in a big way. We saw this trend in the later part of FY22 and forecast that it will continue in FY23.

FOCUS AREAS FOR 2022

We will build on our positive EBIT delivered over the past two years by focusing on 100% customer retention on our CRM platform and building our SMS capabilities in Namibia. Our customer retention strategy is anchored in providing a stable platform that is always on, fast and reliable. Our SMS aggregator platform will need some upgrading to maintain reliability and speed.

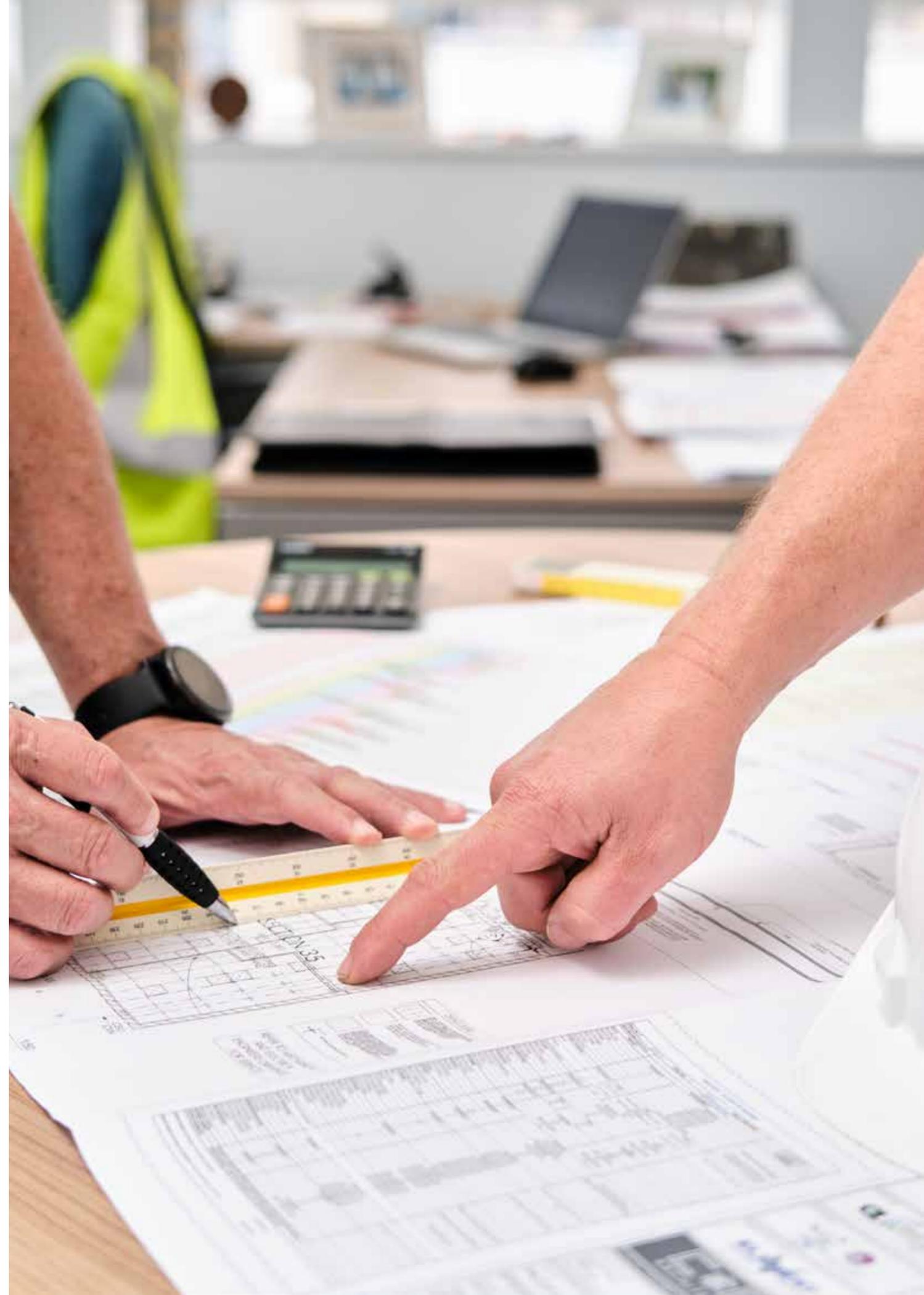
RISKS AND OPPORTUNITIES

Keeping development costs under control will be a risk in FY23. While we do ensure that all upgrades to our platforms are as "future proof" as possible, technology will inevitably evolve in ways we have not considered. Brandtribe identified our international customers as an opportunity for growth by becoming their standard CRM platform throughout the continent.

FUTURE OUTLOOK

The future looks positive for Brandtribe now that we are on a consistent positive EBIT trajectory. We expect to pay off our shareholders' loans within the next few years and then re-evaluate the business and its potential going forward.

	2022	2021	% CHANGE
Revenue N\$'000			
	4 458	3 370	32.3%
EBIT N\$'000			
	846	612	38.2%



FINANCIAL REVIEW

The first half of the financial year showed significant improvement compared to the previous year based on overall improved economic activity which related to the easing of the COVID-19 restrictions in the local and South African market. The tourism industry was still severely impacted by the global COVID-19 pandemic.

During the second half of the financial year the tourism industry picked up significantly, but the ongoing Russia-Ukraine war resulted in a significant increase in inflation, particularly in fuel and oil which contributed to higher overall inflation. The growth in the retail and manufacturing sectors moderated due to the consumers being under pressure.

ACCOUNTING POLICIES AND CLASSIFICATIONS

The Group followed the same accounting policies as in the previous financial year.

The Group entered into a sale agreement with Heineken N.V. to sell their controlling shareholding in NBL Investment Holdings (Pty) Ltd. All conditions of the sale agreement were met as at 30 June 2022, with the exception of anti-trust approvals in certain relevant jurisdictions. The Board believes that the transaction will be completed by 30 June 2023.

GROUP OPERATING PERFORMANCE

The salient features for the year under review are as follows:

	2022 NS '000	2021 NS '000	% change
Continuing operations			
Revenue	4 010 884	3 763 605	6.6%
Gross profit	902 738	941 253	-4.1%
Gross profit %	23%	25%	
Other Operating income	91 724	103 970	-11.8%
Movement in credit loss allowances	(7 032)	-	100%
Other operating losses	(19 330)	(6 499)	197.4%
Operating expenses	(1 196 724)	(1 134 772)	5.5%
Operating loss	(228 624)	(96 048)	-138.0%
Net finance costs	(226 735)	(215 731)	5.1%
Income from equity accounted investments	2 926	3 256	-10.1%
Loss before taxation	(452 433)	(308 523)	-46.6%
Taxation	(24 753)	(14 372)	72.2%
Loss from continuing operations	(477 186)	(322 895)	-47.8%
Profit from discontinued operations	592 375	427 481	38.6%
Profit for the year	115 189	104 586	10.1%

The Group's interest in NBL Investment Holdings (Pty) Ltd (the holding company of Namibia Breweries Limited) is therefor classified as an asset held for sale in terms of IFRS 5. All the consolidated assets of NBL Investment Holdings (Pty) Ltd are shown separately on one line on the Group Financial statements as Assets classified as held for sale and all the consolidated liabilities of the NBL Investment Holdings group are shown as liabilities of disposal group in the current financial year.

The operations of NBL Investment Holdings (Pty) Ltd are then classified as discontinued operations in the statement of profit or loss and other comprehensive income and cashflow statements. Discontinued operations are presented as a single post-tax line on the statement of profit or loss in both the current period as well as the prior period.

The previous financial year results are therefore reflected differently from the 2021 Annual Financial Statements as explained above.

The information below should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2022, which are available on the Group's website.



WYNAND OOSTHUIZEN

Chief Operating Officer
(CFO at 30 June 2022)

THERESA WEITZ

Acting Chief Financial Officer

REVENUE

Revenue from continuing operations increased by 6.6% compared to the previous year.

Our Leisure division reported a 42.4% increase (N\$ 36.4 million) in revenue compared to the previous year. Although the tourism industry recovered significantly post covid it is not yet at a pre-covid level, but is continuously growing. The Engineering division showed a 44.8% increase (N\$ 35.4 million) in revenue and the Fishing division a 10.9% increase in revenue (N\$ 68.2 million).

The Retail division reported a 6.4% increase in revenue (N\$ 124.3 million).

These increases were partially offset by almost flat Property division revenue, a decrease in revenue of 7.3% in Hartlief (N\$ 25.5 million) and 12.9% decrease in revenue (N\$ 94.4 million) of Namibia Dairies.

OPERATING PROFIT AND FAIR VALUE ADJUSTMENTS

Operating loss from continuing operations increased from N\$ 96.0 million to N\$ 228.6 million.

Other operating gains / (losses) included N\$ 106.8 million fair value losses on property, plant and equipment in the current financial year. In terms of our accounting policy, property, plant and equipment is only valued every three years unless there are indications that the value has changed significantly. Our investment property portfolio had a net loss of N\$ 20.3 million for the current year compared to a profit of N\$ 10.1 million for the previous year. All Namibia Breweries properties were also revalued in the current period as it is shown as a non-current asset held for sale and it also showed a general decline. Owner occupied properties were therefore valued in this year, although it should have only been valued next year in terms of the three year cycle.

The fishing segment incurred an operating loss of N\$ 22.5 million compared to an operating profit of N\$ 89.8 million in the previous year. The division achieved a gross profit of N\$ 6.5 million compared to a gross profit of N\$ 118.5 million in the previous year. The average exchange rate realised for the year was 16.67 NAD to the Euro, compared to an average exchange rate of 17.49 NAD to the Euro in the previous year. Fuel is a significant cost for Hangana Seafood. The fuel price increased by 70.5% during the financial year.

Our Fresh produce segment continued to incur operating losses despite operational improvements implemented. The steep increase in maize price led to an increase in feed prices of more than 20% in the last financial year for Namibia Dairies. Hartlief had a significant increase in beef, pork and MDM (mechanically deboned meat) prices during the current financial year. Fuel prices also impacted negatively on Namibia Dairies, Hartlief and O and L Fresh businesses. Namibia Dairies reduced operating losses from N\$ 39.5 million in the previous year to N\$ 19.1 million in the current year. O and L Fresh incurred operating losses of N\$ 30.2 million compared to a loss of N\$ 19.3 million for the previous year. Hartlief reduced operating losses from N\$ 32.5 million in the previous year to N\$ 30.1 million in the current year.

The Hospitality sector continued to be negatively impacted by COVID-19 in the first half of the financial year. Disruptions became so severe that Mokuti Etosha Lodge and Chobe Water Villas were closed for a period of 3 months from 1 August 2021. As from 1 December 2021 revenue increased significantly. O&L Leisure incurred an operating loss of N\$ 132.8 million in the current year compared to N\$ 82.3 million in the previous year. The current year's operating loss includes N\$ 99.4 million impairment loss on property, plant and equipment.

The Properties portfolio generated an operating profit before fair value losses of N\$ 120.5 million for the year (N\$ 4.3 million decrease). This can mainly be attributable to the increase in vacancies. Fair value gains decreased from N\$ 41.4 million in the previous year to N\$ 35.6 million. The N\$ 35.6 million is however a net figure of a N\$ 54.4 million gain on fair value of an interest rate hedge and a decrease of investment property value.

Model Pick n Pay reported a 6.4% increase on turnover albeit a lower base and a significant part of it relating to inflationary increase. Consumer spend is under pressure. This division however managed to generate an operating profit of N\$ 3.4 million compared to an operating profit of N\$3.6 million in the previous year.

Kraatz increased revenue by 44.8% with the major increase being in the industrial segment. The entity however incurred an operating loss of N\$ 21.5 million compared to a loss of N\$ 12.9 million in the previous year. Kraatz achieved significantly lower gross profit on projects compared to the previous year. Efforts are now focussed on better project management and quoting.

PROFIT FROM DISCONTINUED OPERATION

Namibia Breweries' profit attributable to Namibia Breweries shareholders increased with 42.9% from N\$ 378 million in the previous financial year to N\$ 540 million in the current year.

These increases were attributed to normalised trading environments, especially in South Africa. Although South Africa has still been impacted by COVID restrictions in July 2021, NBL's investment in Heineken delivered equity accounted profits of N\$ 54 million compared to N\$ 73 million losses recorded in the previous financial year.

Profit from discontinued operations increased from N\$ 427.5 million in the previous year to N\$ 592.3 million in the current year. In terms of IFRS 5 this includes service fees received by other O&L Group companies from Namibia Breweries, which relate to services that will not continue post the disposal.

FINANCE COSTS

Net finance costs increased by 5.1% compared to the previous year. This can mainly be attributed to the increase in interest rates.

TAXATION

The taxation credit for both years mainly relate to deferred taxation raised on temporary differences.

STATEMENT OF FINANCIAL POSITION

As mentioned earlier, the balance sheet is not showing the current year figures on the same basis as the previous year. NBL Investment Holdings (Proprietary) Limited assets are all shown as non-current assets held for sale and the liabilities under liabilities of disposal groups.

The Group invested N\$279 million in property, plant and equipment compared to N\$ 484 million in the previous year.

Total borrowings excluding the Namibia Breweries borrowings of the previous year, increased from N\$ 1 807 million to N\$ 2 459 million. The Group has issued preference shares of N\$ 770 million in the current year to raise sufficient cash resources for investments that need to be done ahead of the Namibia Breweries transaction. The Group (excluding Namibia Breweries) had N\$ 722 million cash and cash equivalents at 30 June 2022.

CASH FLOW

The statement of cash flows includes all cashflows from continued and discontinued operations. Net cash from operating activities decreased from N\$ 735 million to N\$ 362 million. Most of the decrease relates to an increase in working capital in Namibia Breweries Limited. Cashflow from investing activities decreased by 49.3% to N\$ 268 million. Financing activities had a net cash inflow of N\$ 372 million compared to a net cash outflow of N\$ 357 million in the previous year. This relates mainly to the N\$ 770 million preference shares issued as well as no dividends paid in Namibia Breweries Limited in the current year due to the pending transaction.

DIVIDENDS

The Company declare a dividend in respect of the year ended 30 June 2022 of N\$1.00/share (2021: no dividend declared).



Wynand Oosthuizen
Group Chief Operational Officer



Theresa Weitz
Acting Group Chief Financial
Officer

TEN YEAR REVIEW

	2022*	2021*	2020	2019	2018	2017	2016	2015	2014	2013
	N\$'000									
Financial history										
Extract from financial statements										
Net Revenue	4 010 884	3 763 605	6 476 475	6 917 055	6 333 068	6 406 980	5 660 086	5 306 276	4 928 643	4 585 661
Operating profit before fair value adjustments	(187 683)	(132 420)	557 652	2 325 136	738 905	777 132	718 525	651 745	631 315	593 949
Fair value adjustments	(40 941)	36 372	(394 000)	79 431	87 464	97 646	230 377	169 044	158 844	194 285
Operating profit/(loss)	(228 624)	(96 048)	163 652	2 404 567	826 369	874 778	948 902	820 789	790 159	788 234
Equity profits / (losses) from joint ventures & associates	2 926	3 256	(73 556)	454 197	(28 033)	(150 989)	(6 919)	(120 501)	(116 489)	(295 174)
Net finance costs	(226 735)	(215 731)	(245 370)	(185 156)	(180 379)	(201 241)	(174 863)	(120 869)	(127 440)	(121 376)
Loss\Profit before taxation	(452 433)	(308 523)	(155 274)	2 673 608	617 957	522 548	767 120	579 419	546 230	371 684
Taxation	(24 753)	(14 372)	(29 245)	(17 667)	(213 909)	(130 388)	(175 140)	(168 547)	(169 969)	(139 844)
(Loss) profit from continuing operations	(477 186)	(322 895)	(184 519)	2 496 941	404 048	392 160	591 980	410 872	376 261	231 840
Profit from discontinued operations	592 375	427 481	-	-	-	-	-	-	-	-
Profit (loss) for the year	115 189	104 586	(184 519)	2 496 941	404 048	392 160	591 980	410 872	376 261	231 840
Other comprehensive income/(loss) for the year, net of tax	(73 253)	7 983	63 307	(1 274)	(315)	134 238	84 671	8 632	151 169	59 583
Total comprehensive income/(loss) for the year	41 936	112 569	(121 212)	2 495 667	403 733	526 398	676 651	419 504	527 430	291 423
Profit/(loss) attributable to:										
Owners of the parent - continuing operations	(458 294)	(307 979)	(357 588)	1 847 198	124 443	163 351	329 366	229 881	231 438	180 969
Owners of the parent - discontinued operations	215 205	168 225	-	-	-	-	-	-	-	-
Non-controlling interests - continuing operations	(18 892)	(14 916)	173 069	649 743	279 605	228 809	262 614	180 991	144 823	50 871
Non-controlling interests - discontinued operations	377 170	259 256	-	-	-	-	-	-	-	-
	115 189	104 586	(184 519)	2 496 941	404 048	392 160	591 980	410 872	376 261	231 840
Total comprehensive income/(loss) attributable to:										
Owners of the parent	(310 606)	(134 567)	(266 461)	1 845 852	124 295	239 117	411 133	238 246	345 209	238 640
Non-controlling interests	352 542	247 136	145 249	649 815	279 438	287 281	265 518	181 258	182 221	52 783
	41 936	112 569	(121 212)	2 495 667	403 733	526 398	676 651	419 504	527 430	291 423
Equity attributable to owners of the parent	3 643 847	3 952 134	4 090 951	4 859 080	3 025 373	2 912 811	2 682 523	2 276 310	2 029 247	1 683 570
Total assets	10 874 958	10 186 589	10 159 711	10 769 800	8 367 408	7 801 939	7 464 101	6 140 472	5 439 065	5 026 557

* The numbers for 2022 and 2021 financial year excludes discontinued operations

Financial history Extract from financial statements

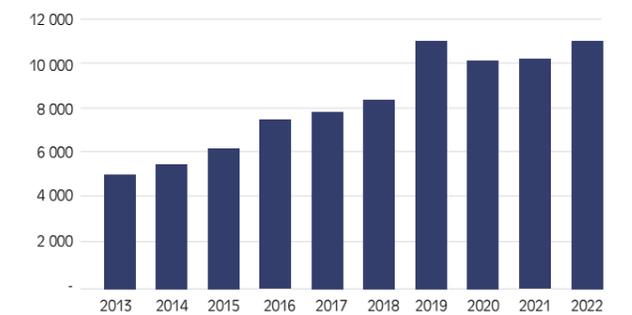
Ratio's and statistics

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Return on ordinary shareholders interest (after tax)	-6.15%	-3.42%	-7.36%	61.06%	4%	6%	14%	11%	14%	13%
Operating profit margin	-5.70%	-2.55%	2.53%	34.76%	13%	14%	17%	15%	16%	17%
Current asset ratio	4.51	1.00	1.59	1.92	1.16	1.23	1.08	1.12	1.03	0.98
Number of employees	6 389	6 425	5 517	6 140	5 866	6 091	6 093	5 568	5 057	4 977
Net Revenue per employee (N\$'000)	628	586	1 174	1 127	1 080	1 052	929	953	975	921

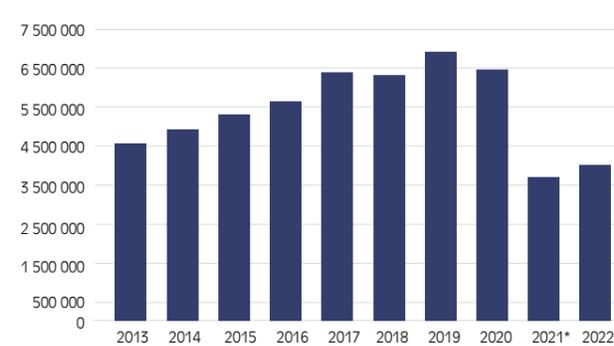
Operating Profit (N\$'000)



Total Assets (N\$ million)



Net Revenue (N\$'000)



*The net revenue and operating profit for 2021 and 2022 excludes discontinued operations.

VALUE-ADDED STATEMENT

The following value-added statement have been prepared by taking into account both the continuing and discontinued operation amounts per line item.

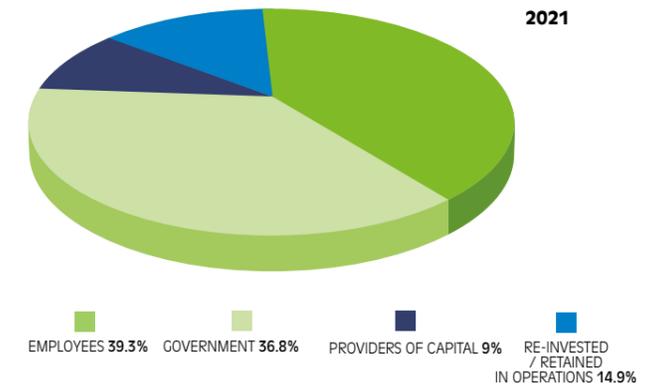
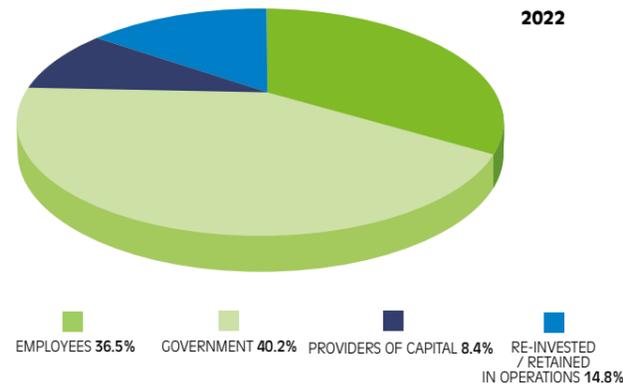
	Note	2022 N\$'000	2021 N\$'000
WEALTH CREATED			
Value added by operating activities			
Net Revenue (continuing and discontinued)		7 026 338	6 406 079
Paid to suppliers for materials and services		(3 707 848)	(3 383 577)
		<u>3 318 490</u>	<u>3 022 502</u>
Value added by investing activities			
Interest income		38 706	33 913
Fair value gain on derivatives		54 436	28 474
Fair value gain/(loss) on investment property and biological assets		(95 377)	7 898
Gain/(loss) from equity accounted investments		57 412	(70 200)
		<u>55 177</u>	<u>85</u>
Total Wealth Created		3 373 667	3 022 587
WEALTH DISTRIBUTED			
To Pay Employees			
Salaries, wages, medical and other benefits		1 231 001	1 188 056
To Pay Providers of Capital			
Finance costs		284 302	270 993
Central and local government	1	1 357 509	1 113 411
Value re-invested			
Depreciation, amortisation and impairments		358 152	344 218
Deferred taxation		27 514	1 323
		<u>385 666</u>	<u>345 541</u>
Value retained			
Profit/(loss) for the year attributable to owners of the parent - continuing operations		(458 294)	(307 979)
Profit/(loss) for the year attributable to owners of the parent - discontinued operations		215 205	168 225
Non-controlling interest - continuing operations		(18 892)	(14 916)
Non-controlling interest - discontinued operations		377 170	259 256
		<u>115 189</u>	<u>104 586</u>
Total Wealth Distributed		3 373 667	3 022 587

Notes to the Value Added Statement:

- Central and local governments
 - Current normal company taxation
 - Additional amounts collected on behalf of central and local government
- Additional amounts collected on behalf of central and local government
 - Quota levies
 - Rates and taxes paid on properties
 - Customs and excise duties
 - Net Value Added Tax paid
 - Pay-as-you-earn tax (PAYE) deducted from remuneration paid
 - Non-resident shareholders' tax deducted from dividends paid
 - Withholding tax on services, interest and royalties

	2022 N\$'000	2021 N\$'000
	160 994	156 572
	1 196 515	956 839
	<u>1 357 509</u>	<u>1 113 411</u>
	8 765	6 344
	18 654	16 593
	907 911	762 849
	77 790	9 128
	176 778	147 169
	(79)	8 951
	6 695	5 805
	<u>1 196 515</u>	<u>956 839</u>

	2022 N\$'000	2021 N\$'000
Employees	1 231 001	1 188 056
Government	1 357 509	1 113 411
Providers of capital	284 302	270 993
Re-invested / retained in operations	500 855	450 127
	<u>3 373 667</u>	<u>3 022 587</u>



GOVERNANCE REPORT

OUR COMMITMENT TO CORPORATE GOVERNANCE

The Board of Directors of O&L is committed to the highest standards of corporate governance best practices in Namibia. O&L aims to make headway to not only being recognised as consumers of good governance or being participants thereof, but to be co-creators of exceptional corporate governance. The Board views this role as fundamental to ensuring ethical and effective leadership.

The Board's commitment to best practices drives the Group to improve the way we manage and embed good governance constantly.

Although no statutory obligation exists, O&L voluntarily ascribes to the tenets of the corporate governance imperatives required to ensure the cohesive functioning across all spheres as set out in the Corporate Governance Code for Namibia (NamCode).

O&L further ascribes to the provisions of the Companies Act 2004 and its regulations, the Company's Memorandum and Articles of Association, regulatory and supervisory prescripts, and applicable corporate governance principles, codes, and best practices.

The operating companies within O&L share in this commitment to achieve our outcomes of maintaining an ethical culture, ensuring business performance, effective controls, and legitimacy, thereby creating an environment where ethical and effective leadership compliments each other.

The O&L Culture, Purpose and Values further embed our commitment to corporate governance by encouraging a culture of openness, ownership, accountability, and integrity. We believe these practices enable effective risk management and overall good corporate governance practices throughout our business operations and will continue to do so in the coming years.

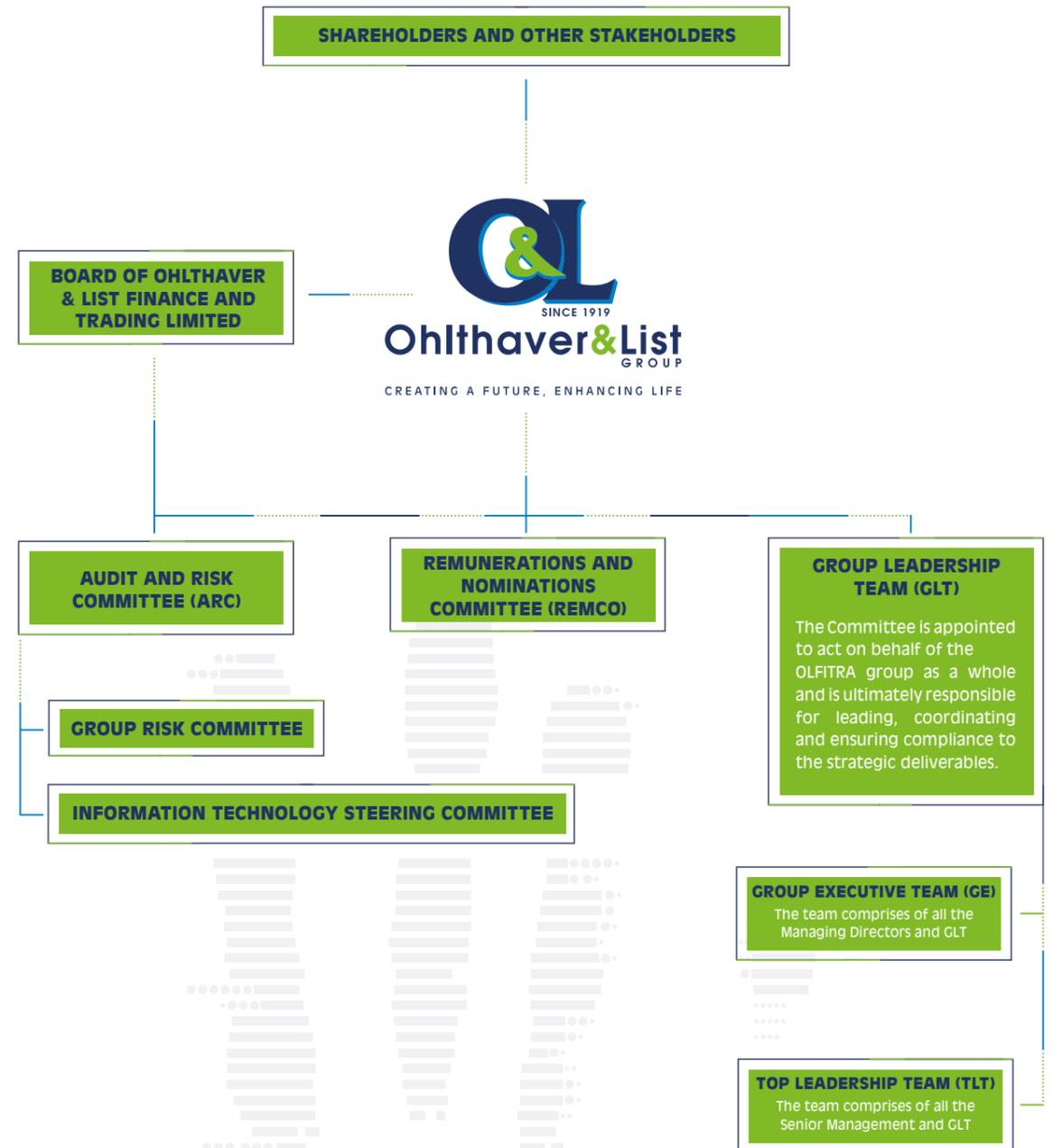
BOARD OF DIRECTORS

The roles and responsibilities of the Board of Directors include, inter alia, steering the organisation, providing leadership based on an ethical foundation, ensuring accountability, approving policy and planning, and strategic guidance to safeguard stakeholder value creation within a framework of prudent and effective controls. This makes it possible to assess and manage risk to ensure long-term sustainable development and growth.

The Board is comprised of highly skilled professionals that bring many years of industry-specific knowledge and experience to discharge its governance role and responsibilities objectively and effectively.

OUR GOVERNANCE STRUCTURE AND MANDATES

The Board further implemented appropriate governance structures to navigate and manage the complex operating environment, risks, and strategic objectives of OLFITRA. The Board is therefore supported by three Board committees, which are constituted and structured according to the needs of OLFITRA. They will assist the Board in fulfilling its fiduciary and oversight duties effectively.



BOARD PROFILES

THE O&L BOARD OF DIRECTORS LEADS BY EXAMPLE AND IN ACCORDANCE WITH OUR CULTURE, PURPOSE AND VALUES



CLAUDIA UUSHONA
Non-executive



HANS-HARALD MÜSELER
Independent Non-executive



SVEN THIEME
Group Executive Chairman



HENDRIK VAN DER WESTHUIZEN
Group Chief Executive Officer



GÜNTHER HANKE
Non-executive
(Chief Operating Officer at 30 June 2022)



WYNAND OOSTHUIZEN
Group Chief Operating Officer
(Chief Financial Officer at 30 June 2022)



LAURA MCLEOD-KATJIRUA
Non-executive

"Our Board serves as the focal point and custodian of corporate governance in O&L."



PETER GRÜTTEMEYER
Independent Non-executive



PRINS SHIIMI
Non-executive



ERNST ENDER
Independent Non-Executive



UDO STRITTER
Independent Non-executive



GIDEON SHILONGO
Group Corporate Affairs Director



BERTHOLD MUKUAHIMA
Group Human Capital Director

EXECUTIVE DIRECTORS

SVEN THIEME (54)**Executive Chairman**

Academia:
Chartered Accountant (Namibia)

Appointment:
10 October 2001
Elected Chairman of the Board 17 April 2002

Experience:
Sven currently serves as the Executive Chairperson of the O&L Group. Having worked in Luxembourg as a chartered accountant for four years, he took up the growth of O&L when he joined the Group in 1998. Continuously striving to unlock the business potential of Namibia, he was also the architect of several joint ventures entered into by O&L, including the deal between Heineken SA, Diageo, and Namibia Breweries.

External Directorships and Interest

- Member of the High-Level Panel of the President of the Republic of Namibia
- Chairman of the Windhoek Country Club and Casino
- Director of the Namibia Chamber of Commerce and Industry.

HENDRIK VAN DER WESTHUIZEN (49)**Group Chief Executive Officer**

Academia:
Bachelor of Science in Operations Management
Postgraduate degree in Association of Management
Senior Management Diploma

Appointment:
1 July 2019

Experience:
Hendrik was the former Managing Director of Namibia Breweries Limited and Hangana Seafood (Proprietary) Limited. He played an integral role in successfully placing Hangana Seafood on the road of sustained profitability and has over 19 years' experience in the food and beverage industry.

External Directorships and Interest

None

BERTHOLD MUKUAHIMA (63)**Group Human Capital Director**

Academia:
Bachelor of Business Administration
Masters in Business Administration

Appointment:
1 May 2006

Experience:
Berthold's experience spans a period of over 30 years in senior and executive management roles in the Human Capital environment. He has demonstrated skill in developing high calibre human resources teams that support business strategy, productivity, and profitability.

External Directorships and Interest

- Trustee of the O&L Pension Fund
- Alternate Trustee of the Namibia Business School

WYNAND OOSTHUIZEN (37)**Group Chief Operating Officer**

Academia:
Chartered Accountant (Namibia)
Masters in Business Administration

Appointment:
9 July 2020

Experience:
Wynand is a highly seasoned professional focusing on strategic leadership, business strategy, mergers, and acquisitions, inter alia, within the O&L Group. He started his career in the audit profession where he was in charge of various audit engagements including large multinationals and various cross-border arrangements. Wynand currently serves as the Group Chief Operating Officer of OLFITRA, formally the Chief Financial Officer of OLFITRA a position he held until 31 August 2022.

External Directorships and Interest

None

GIDEON SHILONGO (58)**Group Corporate Affairs Director**

Academia:
Advanced Diploma in Business Administration

Appointment:
1 October 2015

Experience:
Gideon gained invaluable experience at key government institutions and NGOs such as the Council of Churches in Namibia; the Ministry of Regional, Local Government Housing; the Development Centre for Research-Information-Action in Africa (CRIAA), the Ministry of Environment and Tourism; the Namibia Tourism Board.

He joined the O&L Group of Companies in 1998 as the Manager: Corporate Affairs at O&L subsidiary, Namibia Breweries Limited until 2001. Thereafter, he served for a five-year term as the first CEO of the Namibia Tourism Board before he returned to the Group in 2007 as Namibia Breweries Limited Corporate Affairs Manager.

In 2012 he was appointed as Chief Corporate Relations Officer at the O&L Centre and subsequently Director of Corporate Affairs.

External Directorships and Interest

Director of the Namibia Trade Forum.

PETER GRÜTTEMEYER (69)**Independent Non-executive**

Academia:
Chartered Accountant (Namibia)

Appointment:
1 October 2003

Experience:
Peter joined the O&L Group in October 2003 as Chief Executive Officer where he was responsible for formulating and executing strategy. Prior to joining O&L he held the position of partner in charge of the Deloitte Namibia practice.

External Directorships and Interest

- Trustee: Goreangab Trust
- Lloyd's representative Namibia
- Non-Executive Director at First National Bank of Namibia
- Non-Executive Director at Namibia Breweries

GÜNTHER HANKE (66)**Non-executive**

Academia:
CFA (South Africa)
Bachelor of Commerce (Accounting) Senior Management
Programme Certificate

Appointment:
16 November 2004

Experience:
Günther commenced his career with the O&L Group 34 years ago at Namibia Breweries Limited. He was soon promoted to Financial Director of Namibia Breweries Limited. In 1996 he left the Group and spent some time working in the Telecommunications and Mining industries internationally.

In 2004, he re-joined the O&L Group as Chief Financial Officer responsible for formulating and executing strategy as part of the Group Leadership Team. In 2020, he was appointed as Group Chief Operations Officer and was a valuable member of the Chairman's Committee, co-creating the Strategy and Vision for 2025, a position he held until 31 August 2022 when he retired from the group.

External Directorships and Interest

None

LAURA MCLEOD-KATJIRUA (63)**Non-executive**

Academia:
Diploma in Development Studies and Management
Diploma in Basic Education

Appointment:
2 April 2012

Experience:
Governor Laura McLeod-Katjirua has a long history of serving the people of Namibia. She has been active in the promotion of gender equality and education in Namibia. She is currently the appointed Governor of Khomas Region where she continues to support various initiatives that support the development and well-being of Namibians.

External Directorships and Interest

- Regional Governor: Khomas Region
- Member of the National Heritage Council of Namibia
- Director of EPIA Investment Holdings (Pty) Ltd

ERNST ENDER (77)**Independent Non-Executive**

Academia:
Two-year postgraduate commercial traineeship with A.C. Toepfer. Senior Management certificate from the University of Stellenbosch Business School, CFA (SA)

Appointment:
23 June 2008

Experience:
Ernst was appointed as Executive Director of Namibia Breweries Limited in 1983, having joined the O&L Group in 1975. He was responsible for NBL's marketing and sales function until 2002, when he became responsible for the development of the export markets. Ernst retired in 2008 and was subsequently appointed as a Non-executive Director to the O&L Board in June 2008.

External Directorships and Interest

None

HANS-HARALD MÜSELER (73)**Independent Non-executive**

Academia:
Chartered Accountant (Namibia)
Masters in Business Administration

Appointment:
20 March 2014

Experience:
Hans-Harald was a partner in the Assurance Division of PricewaterhouseCoopers Namibia (PwC) prior to his retirement in 2006. He is a member of the Institute of Chartered Accountants in Namibia. Harald has been practicing as an accountant and auditor since 1985 and has over 35 years' experience in the profession.

External Directorships and Interest

- Director and Audit Committee Chairman of Capricorn Unit Trust Management Company
- Chairman of the Benchmark Retirement Fund
- Advisor to the Audit Committees of the Meat Board and the Karakul Board

CLAUDIA UUSHONA (61)**Non-executive**

Academia:
Masters in Human Resources

Appointment:
11 July 2019

Experience:
Ambassador Uushona currently serves as the Executive Director in the Office of the President and is responsible for advising and assisting the President on administrative matters and to facilitate and support overall operations of the Office of the President.

External Directorships and Interest

Director of EPIA Investment Holdings (Pty) Ltd

PRINS SHIIMI (83)**Non-executive**

Academia:
Certificate in Education

Appointment:
27 October 2020

Experience:
Prins has vast senior management experience and over 40 years' experience in Business Leadership and trading enterprises.

External Directorships and Interest

Director of EPIA Investment (Pty) Limited.

UDO STRITTER (83)**Independent Non-executive**

Academia:
Master's degree (Business Economics)

Appointment:
24 March 1994
Elected as vice chairman on 17 April 2002

Experience:
Udo joined the O&L Group in 1971 as legal advisor and assistant to the late chairman Mr. Werner List and Director since 1994. He was a practicing attorney since 1969 and senior partner and sole owner from 1970 to 1976 of Engling Stritter & Partners focusing mainly on commercial law, management and chairmanship.

External Directorships and Interest

Executive Chairman of Namibia Estate Enterprise (Pty) Ltd t/a GocheCanas Nature Reserve and Wellness Village

NON-EXECUTIVE DIRECTORS

GROUP EXECUTIVE TEAM

While retaining overall accountability, the Board has delegated its authority to the Group Chief Executive Officer responsible for the day-to-day management of the Group. The Group Chief Executive Officer is supported in his role by the O&L Group Leadership Team. All Board members have access to the advice and services of the Group Chief Executive Officer and the Group Leadership Team and, where appropriate, may seek independent professional advice at the expense of O&L.



HENRY FERIS
MD: O and L Fresh

PATRICIA HOEKSEMA
MD: O&L BrandX

JACKY JACOBS
MD: O&L Projects



GRAEME MOUTON
MD: Model Pick n Pay

EIKE KRAFFT
Group Manager: Innovations

GÜNTHER LING
MD: Hartlief Corporation

ROUX-CHE LOCKE
Group Manager: Corporate Relations

EUGENE LOUW
MD: Kraatz

TERENCE MAKARI
MD: Broll Namibia

BERTHOLD MUKUAHIMA
Group Human Capital Director



WYNAND OOSTHUIZEN
Group Chief Operating Officer

FRANCOIS OLIVIER
MD: Hangana Seafood

LEONIE PRINSLOO
MD: Namibia Dairies

MIKE REILLY
MD: Brandtribe

GIDEON SHILONGO
Group Corporate Affairs Director

HERMAN THERON
MD: Hangana Abalone (appointed 15 July 2022)

MARTIN THERON
MD: O&L Centre

SONJA THIEME
Chief Culture Officer



SVEN THIEME
Group Executive Chairman

ANNALIZE VAN DER MERWE
MD: Dimension Data

HENDRIK VAN DER WESTHUIZEN
Group Chief Executive Officer

GERO VON DER WENSE
MD: Organic Energy

BERND WALBAUM
MD: O&L Energy

THERESA WEITZ
Acting Group Chief Financial Officer

MARCO WENK
MD: Namibia Breweries

NORBERT WURM
MD: O&L Leisure

GOVERNANCE AND RISK

The Board of Directors meet regularly to monitor the performance of the Group and other stakeholders. It addresses a range of key issues and ensures that discussion on items of policy, strategy and performance is critical, informed, and constructive.

The table below sets out the attendance by the directors at Board meetings:

DIRECTORS	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED
E Ender	3	3
P Grüttemeyer	3	3
G Hanke	3	3
LV McLeod-Katjirua	3	2
B Mukuahima	3	2
HH Müseler	3	3
W Oosthuizen	3	2
P Shiimi	3	2
UM Stritter	3	0
S Thieme	3	3
GC Uushona	3	1
H van der Westhuizen	3	2

Günther Hanke retired as Group Chief Operating Officer of OLFITRA effective 31 August 2022, but will remain as a non-executive director of OLFITRA.

Wynand Oosthuizen was appointed as Group Chief Operating Officer of OLFITRA effective 1 September 2022.

BOARD COMMITTEES

The Chairperson of each committee is tasked with delivering a feedback report at each scheduled O&L Board meeting that serves as input for decision-making purposes.

AUDIT AND RISK COMMITTEE

Chairperson: Mr HH Müseler Member: Mr P Grüttemeyer

Function

The Board delegated certain responsibilities to the Audit and Risk Committee. The nature of the delegation is set forth in the Audit and Risk Committee Terms of Reference. The deliberations of the committee do not reduce the individual and collective responsibilities of Board members regarding their fiduciary duties and responsibilities.

The role of the committee is to provide independent oversight of the effectiveness of the Group's financial, operating, compliance and risk management controls. In addition, the committee assesses the independence and effectiveness of the internal and external auditors. This assists the Board in monitoring the integrity of the Company's Annual Financial Statements and related external reports. The committee has the necessary financial literacy, skill, and experience to perform its role and functions effectively.

The table below sets out the attendance by the members of the Audit and Risk Committee:

MEMBERS	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED
HH Müseler	3	3
P Grüttemeyer	3	3

GROUP RISK COMMITTEE (MANAGEMENT COMMITTEE)

Chairperson: Mr. HJ van der Westhuizen Members: Ms T Weitz
Ms J von Hase | Mr W Oosthuizen
Mr M Theron

Function

The Management Group Risk Committee has an independent and advisory role with accountability to the Audit and Risk Committee. The committee's purpose is to assist the Board of Directors to fulfil its responsibilities relating to risk governance, the assessment and review of credit, market, fiduciary, liquidity, reputational, operational, fraud, strategic, technology, data security and business continuity risks and monitoring the overall risk profile of the Ohlthaver & List Group.

The table below sets out the attendance by the members of the Group Risk Committee:

MEMBERS	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED
H van der Westhuizen	2	2
M Theron	2	2
J von Hase	2	2
WJ Oosthuizen	2	2
T Weitz	2	2

INFORMATION TECHNOLOGY STEERING COMMITTEE (MANAGEMENT COMMITTEE)

Chairperson: Ms T Weitz Members: Ms J von Hase
Mr M Theron | Mr R Rusch
Financial Directors of the
respective operating companies

Function

The Information Technology Steering Committee was established on 17 March 2022 with a purpose to set the overall direction and strategy for the Group's information technology (IT) and operational technology (OT) environments. The committee is tasked with ensuring that the investments into technology are made in an objective and transparent manner in support of the strategic business objective. The first committee meeting was held on 19 October 2022.

REMUNERATION AND NOMINATIONS COMMITTEE

Chairperson: Dr C Swart-Opperman Member: Mr P Grüttemeyer

Function

The Remuneration and Nominations Committee acts mostly as advisory and a recommendatory body. The duties and responsibilities of the committee consists mainly of ensuring fair practice through the Group's remuneration philosophy and strategy.

The Board has delegated certain responsibilities to the Remuneration and Nominations Committee. The nature of the delegation is set forth in the committee's Terms of Reference. This includes having an independent role, to oversee the remuneration process, review key human resources practices, policies, and strategies to ensure the Company remunerates fairly and responsibly, and overseeing the appointment of directors.

The table below sets out the attendance by the members of the Remuneration and Nominations Committee:

MEMBERS	TOTAL NUMBER OF MEETINGS	TOTAL NUMBER OF MEETINGS ATTENDED
C Swart-Opperman*	1	1
P Grüttemeyer	1	1

*= Not a Board member

COMPANY SECRETARIAL

The Company Secretary for OLFITRA is Ohlthaver & List Centre (Proprietary) Limited (O&L Centre). O&L Centre is a subsidiary of OLFITRA and provides secretarial services to the various companies in the Group. The secretarial department deals with the efficient administration of the various companies and ensures statutory compliance and regulatory requirements are met. The Secretarial department aids in supporting the Board of Directors with their duties, responsibilities, and powers to prosper the best corporate governance practices.

RISK REPORT

GROUP RISK MANAGEMENT FUNCTIONS

The O&L Group Operational and Assurance functions are set up to support the Risk Committee in its role of risk management. These are two distinct but interactive functions. Though the two functions operate separately, frequent engagement and inter-dependence are crucial to the success of the overall risk management programme. This also ensures that roles and responsibilities are not duplicated or in conflict with one another.

The role of Operational Risk is to ensure that risks are governed in a way that minimises losses resulting from inadequate or failed internal processes, people, and systems or external events. The areas covered by Operational Risk include:

- Safety management
- Environmental management
- Business continuity management
- Security
- Loss prevention

The role of Risk Assurance is to ensure that risks and related opportunities are governed in a way that supports the organisation in setting and achieving its strategic objectives and covers the following areas:

- Combined assurance
- Enterprise risk management
- Compliance
- Internal audit
- Fraud and ethics

To ensure purposeful and proactive risk management, the Group Operational Risk and Group Risk Assurance functions report bi-annually to the Group Risk Committee on any risks (and related opportunities) that may prevent O&L from achieving its strategic objectives.

Besides continuous engagement between the O&L Group Operational and Assurance functions and individual operating companies' leadership teams, risk discussions also form part of our day-to-day operations.

Risks and opportunities are also discussed at the quarterly Business Leadership Review meetings that are attended by O&L Group Executives (Chairman of the Board, CEO, CFO, COO etc.)

OUR AGILE APPROACH TO RISK MANAGEMENT

The global pandemic in conjunction with depressed market conditions reinforced the importance of effective risk management practices that reflect an uncertain and changing universe of risk. We have to be able to navigate increased risk exposures in a drive to protect stakeholder value. Now more than ever, the importance of organisational resilience, agility and adaptability has been highlighted to ensure future business sustainability.

This need for agility and business enablement led us to redefine the conventional understanding of risk management. We define the purpose of risk management as "the creation and protection of value", aligned to our Group Purpose of "Creating a future, enhancing life". Through this alignment, we embrace a purposeful culture that fosters creativity and innovation. This culture is embedded through our leadership dimensions of affinity, ownership, inter-dependence, purpose, and risk. The idea of "owning the whole", where each employee understands their role in achieving our strategic outcomes, has led to each individual willingly taking up their responsibility of managing risk daily.

OUR RISK MANAGEMENT FRAMEWORK

The Risk Management Framework remains the foundation for designing, implementing, monitoring and reviewing an integrated risk management process. The framework aligns with internationally accepted standards such as NamCode:2014, ISO 31000:2018, ISO 14001:2015 and ISO 45001:2018.

The Risk Management Framework defines the risk structure and risk universe to ensure the following:

- A systematic approach to risk management
- Risk entrenchment within all operational and strategic activities
- Proactive identification of risks and opportunities for a Breakthrough Strategy within the Group
- Promotion of employee awareness and their individual responsibilities in terms of risk
- Prevention and/or minimisation of environmental damage
- Prevention and/or minimisation of loss and damage to company assets
- Prevention and/or minimisation of accidents and injuries of employees
- Risk is governed in a way that supports the setting and achievement of strategic outcomes

RISK EFFECTIVENESS ASSESSMENT

A risk management effectiveness review is performed every three years. The last one was performed in November 2020. The review aims to assist in improving the maturity of risk management in the O&L Group of Companies in the quest to become risk intelligent. The report highlighted the level of maturity of the Group's combined assurance and integration of specialist risks such as fraud, compliance and ethics risk. Risk management capacity was identified as a critical area to be addressed. The Group Risk function recruited for various vacant roles throughout the financial year and it is now believed to be adequately staffed.

KEY STRATEGIC RISKS FOR 2022

The O&L Group has spread its risk by investing in various industries and markets. However, the pandemic has brought about never seen before industry challenges on the back of already depressed market conditions. The implementation of pro-investment policies is necessary to lift business sentiment and employment.

KEY RISK AND OPPORTUNITY	HOW WE RESPOND
<p>Economic climate</p> <p>Exposure to a limited but highly competitive single Namibian market under subdued economic conditions may dilute the profitability and resulting cash flow of operations.</p>	<p>Margin management and overhead rightsizing remains a priority. We continue to explore new business opportunities and revenue streams both in Namibia and beyond the borders. The Chairman’s Committee has been established to drive strategic mergers and acquisitions to bolster the Group portfolio and to diversify into future growth sectors. Group Leadership oversight of the Company performance is executed through quarterly Business Leadership Reviews and financial reviews.</p>
<p>Fraud and theft</p> <p>Increase in opportunistic behaviour due to depressed market conditions resulted in a global and country-wide increase of fraud and theft, including Cash-In-Transit robberies.</p>	<p>The Group has a Tip-Offs Anonymous service in place whereby employees, suppliers and customers can report unethical activities without fear of being identified. Tip-Offs Anonymous is operated by a wholly independent company of the O&L Group. Tip-offs received are thoroughly investigated and corrective measures implemented. Targeted fraud awareness campaigns are rolled out continuously. Improvement opportunities within the security risk management programme are continually pursued.</p>
<p>Cybercrime</p> <p>Financial losses incurred due to phishing, ransomware, data loss, and cost of recovery of data, resulting from the exposure to cybercrime. This includes cyber attack vulnerability on operational technology.</p>	<p>Cybersecurity risk assessments continue to form part of our annual audit which guide control implementation for the Group. Cyber risk insurance is in place. Targeted IT user training and cybersecurity awareness campaigns are rolled out on a continuous basis. We regularly review and update general IT security measures, such as user identification and access management, patching, security infrastructure, sensitive data/encryption, Disaster Recovery and Business Continuity plans in line with international best practices and recommendations. Security Incident Management is continually improved.</p>

KEY RISK AND OPPORTUNITY	HOW WE RESPOND
<p>Digital transformation</p> <p>Inability to achieve strategic goals due to a slow rate of digital transformation that adopts new business and operating models which connect people (consumer, customer, employee), data and processes to create value, may lead to lower cost efficiency, not meeting people expectations, and loss of skilled staff.</p>	<p>Various initiatives are underway throughout the Group to embrace digital transformation. Furthermore, the O&L Group IT Steering Committee has been established to drive the necessary focus and leverage expertise to make the most of this opportunity.</p>
<p>Compliance</p> <p>Non-compliance to laws, regulations, standards, policies, processes, or procedures, may result in business disruption, fines/penalties, loss of income and reputational damage.</p>	<p>Ownership for compliance is instilled throughout the various levels of the organisation, as part of building a healthy risk culture. Directors across the Group attended refresher training of their fiduciary duties. Group policies, processes and procedures are reviewed on a cyclical basis. Compliance resources continue to be increased, and our compliance programme is being further embedded on a risk-based approach.</p>
<p>Sustainability</p> <p>Uncertain environmental, social or governance events or conditions that, if it occurs, can cause significant negative impact on the Group. It also includes the opportunity that may be available to the Group because of changing social or environmental factors.</p>	<p>In 2020 we launched a process to align the 2025 Breakthrough Strategy with the 2025 Sustainability Programme. We selected priority SDGs by considering its desired strategic outcomes and four major capitals: financial, human, natural and social. This ensured that our efforts support the strategy while creating sustainable outcomes aligned to our Purpose of Creating a future, enhancing life.</p>

NOTICE TO SHAREHOLDERS

OHLTHAVER & LIST FINANCE AND TRADING CORPORATION LIMITED
 ("OLFITRA" or "the Company")
 REGISTRATION NUMBER 1947/0331
 (Incorporated in the Republic of Namibia)

IMPORTANT DATES

Shareholders are advised of the following dates: 2023

Date to receive notice of AGM	23 February
Last day for lodging forms of proxy	20 March
Annual General Meeting	28 March

Notice is hereby given that the 74th Annual General Meeting (AGM) of shareholders of OLFITRA in respect of the financial year ended 30 June 2022 will be held at Werner List Boardroom, South Block, 7th Floor, Alexander Forbes House, 23-33 Fidel Castro Street, Windhoek, Namibia commencing from 09h00, to deal with such business as may lawfully be dealt with at the AGM.

This notice is important and requires your immediate attention. Please ensure that you review the notes and footnotes in this notice, which contain important information regarding participation in the Annual General Meeting.

INTEGRATED ANNUAL REPORT

The integrated annual report is available at www.ol.na.

RESOLUTIONS

1. ANNUAL FINANCIAL STATEMENTS AND REPORTS

To receive and consider and if approved adopt the Annual Financial Statements, Independent Auditors' Report, including the Directors' Report for the financial year ended 30 June 2022.

2. RE-ELECTION OF DIRECTORS

To re-elect by way of separate resolutions, Peter Grüttemeyer, Ernst Ender and Prins Shiimi who retire by rotation in accordance with the provisions of the Companies Act and the Articles of Association of the Company and being eligible, makes themselves available for re-election.

Brief biographies of each director are available on page 94 of the Integrated Report.

3. DIRECTORS REMUNERATION

To approve the directors' remuneration as reflected in the Annual Financial Statements for the financial year ended 30 June 2022.

4. RE-APPOINTMENT OF EXTERNAL AUDITORS

To re-appoint Deloitte & Touche as independent external auditors of the Company for the ensuing financial year and authorise the terms of engagement and fees.

5. UNISSUED SHARE CAPITAL

To authorise the directors of the Company, subject to the provisions of the Companies Act, as amended, to allot and issue the unissued share capital of the Company at such prices, to such persons and on such conditions as they may deem it appropriate.

By order of the Board
 Ohlthaver & List Centre (Pty) Ltd
 Company Secretary
 16 November 2022

PROXY FORM

for the 74th Annual General Meeting of

OHLTHAVER & LIST FINANCE AND TRADING CORPORATION LIMITED Registration number 1947/0331

The Company Secretary
 Ohlthaver & List Finance and Trading Corporation Limited
 PO Box 16
 Windhoek
 Namibia

I/We(name in full)
 of
 (address)
 being a shareholder of(number of shares) of the abovementioned Company hereby appoint(name)
 or failing him/her
 (name)
 or failing him/her
 (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 74th Annual General Meeting of Ohlthaver & List Finance and Trading Corporation Limited to be held in Werner List Boardroom, South Block, 7th Floor, Alexander Forbes House, 23-33 Fidel Castro Street, Windhoek, Namibia on 28 March 2023 commencing from 09h00 and at any adjournment thereof, in particular, to vote for/against/abstain* the resolutions contained in the notice of the meeting.

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 vote on a poll in his/her stead.

2. A copy of the signed proxy form must be returned by Monday, 20 March 2023 by 12h00 to: The Company Secretary, Ohlthaver & List Centre (Pty) Ltd, Alexander Forbes House, 7th Floor, South Block, 23-33 Fidel Castro Street, Windhoek, PO Box 16, Windhoek, Namibia, or deliver to the registered office of Ohlthaver & List Finance and Trading Corporation Limited or via email to #Legal@ol.na

3. In respect of shareholders that are companies, an extract of the relevant resolution of directors must be attached to the proxy form or handed in to the Company Secretary at the meeting.

I/We desire to vote as follows:	For	Against	Abstain
1. Adoption of the annual financial statements			
2. Election/re-election of Directors:			
Peter Grüttemeyer			
Ernst Ender			
Prins Shiimi			
3. Approval of Directors' Remuneration			
4. Re-appointment of external auditors			
5. To place the unissued shares under the control of the Directors			

* Please indicate your response by inserting an "X" in the appropriate block to either vote "for/against/abstain from". If no indication is given, the proxy may vote as he/she thinks fit.

Signed at
 this day of 2023.

Signature(s) of shareholder(s)

GROUP REFERENCE INFO

BROLL NAMIBIA

PO Box 2309, Windhoek
Tel: 061 - 374 500
www.brollnamibia.com.na

DIMENSION DATA NAMIBIA

PO Box 16, Windhoek
Tel: 061 - 373 300
www.dimensiondata.com

HANGANA SEAFOOD

PO Box 26, Walvis Bay
Tel: 064 - 218 400
www.hangana.com

HARTLIEF

PO Box 428, Windhoek
Tel: 061 - 267 700
www.hartlief.co.za

KRAATZ

PO Box 555, Walvis Bay
Tel: 064 - 215 800
www.kraatzmarine.com

MODEL PICK N PAY

PO Box 2200, Windhoek
Tel: 061 - 296 4500
www.ohlthaverlist.com

NAMIBIA BREWERIES LIMITED

PO Box 206, Windhoek
Tel: 061 - 320 4999
www.nambrew.com

NAMIBIA DAIRIES

P/Bag 11321, Windhoek
Tel: 061 - 299 4700
www.ol.na

OHLTHAVER & LIST CENTRE

PO Box 16, Windhoek
Tel: 061 - 207 5111
www.ol.na

O&L Nexentury

PO Box 16, Windhoek
Tel: 061 - 207 5352
www.ol.na

O and L FRESH PRODUCE

PO Box 16, Windhoek
Tel: 061 - 207 5111
www.ol.na

O&L LEISURE

PO Box 2190, Windhoek
Tel: 061 - 207 5365
www.ol-leisure.com

O&L BRANDX

PO Box 16, Windhoek
Tel: 061 - 429 600
www.weathermen.co

WINDHOEK SCHLACHTEREI

PO Box 8915, Windhoek
Tel: 061 - 261 499
www.kwsnamibia.com

ADMINISTRATION

Company Registration Number 1947/0331
(Incorporated in Namibia)

SECRETARY

Ohlthaver & List Centre (Pty) Ltd
Postal address:
PO Box 16
Windhoek

BUSINESS ADDRESS AND REGISTERED OFFICE

7th floor – South Block
Alexander Forbes House
23-33 Fidel Castro Street
Windhoek

AUDITORS

Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
PO Box 47
Windhoek

ATTORNEYS

Engling, Stritter & Partners
PO Box 43
Windhoek

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