

Nimbus Infrastructure Ltd

(Incorporated in the Republic of Namibia)  
 (Registration number 2017/0558) ("Nimbus" or "the company")  
 (NSX Share code: NUSP) (ISN code: NA 000A2DTQ42)  
 www.nimbus.africa

UNAUDITED INTERIM FINANCIAL RESULTS

For the six months ended 31 August 2018

STATEMENT OF COMPREHENSIVE INCOME  
 for the six months ended 31 August 2018

	Notes	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
Revenue - dividends received	2.3	957 385	2 214 978
Operating expenses		(1 064 604)	(1 630 711)
Operating (loss) / profit		(107 219)	584 267
Share of associate		3 057 882	129 650
Interest paid		(1)	-
Interest received		-	55
Profit before taxation		2 950 662	713 972
Taxation		-	-
Profit for the period		2 950 662	713 972
Other comprehensive income		-	-
Total comprehensive income for the period	2.1	2 950 662	713 972
Basic earnings per share (cents)	2.1	17.45	10.99
Headline earnings per share (cents)	2.1	17.45	10.99
Dividends per share (cents)	2.1	Nil	Nil

STATEMENT OF FINANCIAL POSITION  
 as at 31 August 2018

	Notes	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
<b>ASSETS</b>			
Non-current assets			
Investment in associate	2.2	193 668 932	98 639 039
Current assets			

Other investments	2.3	102 360 712	3 681 550
Cash and cash equivalents		53 572	102 214
		102 414 284	3 783 764
TOTAL ASSETS		296 083 216	102 422 803

#### EQUITY AND LIABILITIES

Capital and reserves		296 072 856	102 348 013
Current liabilities			
Trade and other payables		10 360	74 790
TOTAL EQUITY AND LIABILITIES		296 083 216	102 422 803

#### STATEMENT OF CASH FLOWS

for the six months ended 31 August 2018

	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
Cash (used in)/ generated from operating activities	(171 650)	788 761
Cash utilised by operations	(1 129 034)	(1 426 272)
Interest received	-	55
Interest paid	(1)	-
Dividends received	957 385	2 214 978
Cash flows used in investing activities	(101 449 473)	(102 320 589)
Cash flows from financing activities	101 572 481	101 634 042
Net (decrease)/ increase in cash and cash equivalents	(48 642)	102 214
Cash and Cash equivalents at the beginning of the period	102 214	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	53 572	102 214

#### STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 August 2018

	Share Capital N\$	Share Premium N\$	Distributable Reserves N\$	Total N\$
Balance at inception	-	-	-	-
Share capital raised	103 634	-	-	103 634
Share premium	-	101 530 407	-	101 530 407
Total comprehensive income	-	-	713 972	713 972
Total changes	103 634	101 530 407	713 972	102 348 013

Audited balance at 28 February 2018	103 634	101 530 407	713 972	102 348 013
Share capital raised	183 473	-	-	183 473
Share premium	-	190 590 708	-	190 590 708
Total comprehensive income	-	-	2 950 662	2 950 662
Total changes	183 473	190 590 708	2 950 662	193 724 843
Unaudited balance at 31 August 2018	287 107	292 121 115	3 664 634	296 072 856

## Notes

### Basis of preparation

The announcement has been prepared in accordance with the NSX Listing Requirements and the requirements of the Companies Act of Namibia. The accounting policies applied in the preparation of this announcement is in terms of IFRS and are consistent with those applied in the previous annual financial statements.

### 1. OTHER INFORMATION

	31 August 2018 Unaudited	28 February 2018 Audited
Number of shares in issue	28 710 692	10 363 407
Net asset value per share (cents per share)	1 031.23	987.59
Listed market price per share (cents per share)	1 100.00	1 050.00
Premium to net asset value	6.3%	6.3%
Capital commitments (including approved but not contracted)	N\$ Nil	N\$ Nil

### 2. NOTES TO THE FINANCIAL RESULTS

#### 2.1 Basic and Headline earnings per share

	31 August 2018 Unaudited	28 February 2018 Audited
Shares in issue		
Total number of shares in issue	28 710 692	10 363 407
Weighted number of shares in issue	16 913 450	6 495 882
Basic earnings per share (cents)	17.45	10.99
Headline earnings per share (cents)	17.45	10.99
Dividends per share (cents)	Nil	Nil

The weighted average number of issued shares as at 31 August 2018 is 16 913 450 (28 February 2018: 6 495 882). On 1 June 2018 a share swap transaction resulted in the issuance of 8 495 400 shares and on 20 July 2018 a rights issue was concluded which resulted in the issuance of 9 851 885 shares, bringing the total to 28 710 692 shares in issue. The weighted

earnings and headline earnings per share for the period are calculated as follows:

	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
Basic earnings (Profit for the year)	2 950 662	713 972
Headline earnings (no adjustments required)	2 950 662	713 972
Basic earnings per share (cents)	17.45	10.99
Headline earnings per share (cents)	17.45	10.99

## 2.2 Investment in associate

On 1 June 2018 a share swap transaction was concluded between Nimbus and Cuvelai Telecommunications (Pty) Ltd ("Cuvelai"), Bartholomeus Roelof Jacobus Harmse ("Harmse") and Paratus Telecommunications (Pty) Ltd ("Paratus"). Through this transaction an additional 11 815 shares were acquired in Paratus at a consideration of N\$89 201 700 (see note 3.1). This brings the total shareholding of Nimbus to 51.4%. Although Nimbus owns a majority stake in Paratus it does not control Paratus and therefore the equity method of accounting was applied.

Associates are entities in which the company has significant influence but does not control or jointly control the entity. The company includes the results of associates in its financial statements using the equity accounting method from the date of acquisition.

	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
Investment in associate at cost - 24 January 2018	95 000 000	95 000 000
Costs capitalised to investment	3 509 389	3 509 389
Share of after-tax profits - 28 February 2018	129 650	129 650
Investment in associate at cost - 1 June 2018	89 201 700	-
Costs capitalised to investment	2 770 311	-
Share of after-tax profits for the period to 31 August 2018	3 057 882	-
Investment value as at 31 August 2018	193 668 932	98 639 039

The Paratus year-end coincides with the Nimbus year-end. The most recent unaudited financial results of Paratus have been used in applying the equity method of accounting. No dividends were declared or paid by Paratus during the period under review.

The summarised financial information of the associate (Paratus) is as follows:

Summarised Consolidated Statement of Comprehensive Income  
for the six months ended 31 August 2018

	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
Revenue	138 748 734	281 236 162
Cost of sales	(70 446 513)	(158 062 465)
Gross Profit	68 302 221	123 173 697
Other income	4 026 326	11 506 074
Operating expenses	(57 171 816)	(122 181 366)
Interest received	241 696	4 547 835
Interest paid	(5 607 076)	(13 396 739)
Taxation	(2 486 644)	(2 791 556)
Profit for the period	7 304 707	857 946
Total comprehensive income	7 304 707	857 946

Summarised Consolidated Statement of Financial Position  
as at 31 August 2018

	31 August 2018 Unaudited N\$	28 February 2018 Audited N\$
<b>ASSETS</b>		
Non-current assets	228 012 898	192 480 963
Current assets	76 965 058	97 386 214
Total assets	304 977 956	289 867 178
<b>LIABILITIES</b>		
Non-current liabilities	165 782 594	149 757 746
Current liabilities	44 143 701	52 212 482
Total liabilities	209 926 295	201 970 228
Total net assets	95 051 661	87 896 950

2.3 Other investments

Other financial assets of N\$102 million (28 February 2018: N\$3.7 million) consists of an investment in a Money Market Fund, which earned dividends of N\$957 386 (28 February 2018: N\$2.2 million). The dividends received are included under revenue - dividends received.

Other financial assets are classified as level 2 financial instruments. Level 2 financial instruments are valued at prices relative to prices in the market.

### 3. DIRECTORS' COMMENTARY

#### 3.1 Financial results

On 17 April 2018 the Nimbus shareholders have approved an ordinary resolution for a share swap transaction and a rights issue.

On 1 June 2018 Nimbus finalised the acquisition of an additional 24.9% interest in Paratus through a share swap transaction between Nimbus and Cuvelai, Harmse and Paratus in terms whereof Nimbus acquired 8 815 ordinary shares in Paratus held by Cuvelai, representing a holding of 18.6% of the issued share capital of Paratus and 3 000 ordinary shares in Paratus held by Harmse, representing a holding of 6.3% of the issued share capital of Paratus. In terms of the share swap transaction Nimbus issued 8 495 400 new ordinary shares, which were allotted to the sellers at a price N\$10.50 per share and a total value of N\$89 201 700. This transaction resulted in Nimbus now owning a 51.4% interest in Paratus.

On 20 July 2018 Nimbus concluded the Rights Issue. In terms of the Rights Issue, Nimbus offered 15 545 085 new ordinary shares to qualifying Nimbus Rights holders in the ratio of 15 Rights Issue Shares for every 1 Nimbus Right held (qualifying shareholders received 1 Nimbus Right for every 10 ordinary shares held). The Nimbus shareholders subscribed for 9 851 885 Rights Issue Shares and therefore 63.4% of the available Rights Issue shares were subscribed for by the Nimbus shareholders. Nimbus raised an additional N\$103 444 792 through the Nimbus rights issue.

During June 2018 Nimbus received approval from the NSX to be admitted to the NSX Main Board effective 29 June 2018. The company is therefore no longer classified as a Capital Pool Company.

#### 3.2 The market and prospects

The Namibian economy continued its contraction during the first two quarters of 2018. The contraction is driven mainly by weak performance in construction, wholesale and trade, manufacturing and real estate. Weak growth in construction include base effects resulting from completion of major mines and the fiscal consolidation stance, while wholesale and retail suffer from weaker spending power of consumers and government and weaker growth in credit extension. The real estate sector is affected by the slowdown in the housing market due to the Angola effect, weaker spending power and credit extension policy.

Activity in the mining sector improved year on year during the second quarter of 2018 due to increased production of diamonds and uranium.

The Angola economic activity is projected to continue the recovery path that started in 2017, which is largely driven by the oil price increase and fiscal consolidation. The improved spending power of the Angolan consumer is expected to have a positive impact on the Namibian economy.

The Trans-Kalahari fiber line running between Swakopmund and Buitepos (Botswana border post) has been completed subsequent to 31 August 2018. The project was completed within budget.

Management is currently investigating the merits of investing in various opportunities within Namibia and neighbouring countries. These opportunities include a tier three data centre; fiber to the home; and a LTE rollout, back to back with a MVNO (Mobile Virtual Network Operator).

The potential investments, if financially viable, are anticipated to be funded from the rights issue proceeds combined with gearing from a financial institution.

### 3.3 Changes to the Board

There were no changes to the board of directors during the period under review.

### 3.4 Contingent liabilities

The Board is not aware of any contingent liabilities.

### 3.5 Dividends declared

No dividends have been declared or paid during the period under review (28 February 2018: N\$ Nil). The board is in the final stages of finalising a dividend policy for future dividend payments.

### 3.6 Appreciation

The Board would like to thank the management team and service providers for their continued support and dedication. Finally, we would like to thank our shareholders for their support and association with Nimbus.

By order of the Board  
H B Gerdes - Chairman of the Board  
19 November 2018

#### REGISTERED OFFICE

Cronje Secretarial Services (Pty) Ltd  
1 Charles Cathral Street  
Windhoek, Namibia

#### TRANSFER SECRETARIES

Transfer Secretaries (Pty) Ltd  
4 Robert Mugabe Avenue, Windhoek  
P O Box 2401, Windhoek, Namibia

#### COMPANY SECRETARY

Cronje Secretarial Services (Pty) Ltd

#### DIRECTORS

H B Gerdes (Chairman) #, I B Amuenje #, S H Birch \*#, S I de Bruin ^,  
S L V Z Erasmus ^, J J Esterhuyse \*, M R Mostert ^, J N N Shikongo #,  
C O Stork ~#  
(\*South African, #Independent, ^Executive, ~German)

21 November 2018

SPONSOR

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