

Stimulus Investments Limited
(Incorporated in the Republic of Namibia)
(Registration number: 2004/482)
(NSX Share code: SILP)
ISIN Code: NA000A1JN0Z7
("Stimulus")

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2025

Statement of Comprehensive Income for the year ended 28 February 2025

28 February 2025 29 February 2024

	N\$	N\$
Operating profit	108,925,090	76,792,013
Profit / (Loss) before taxation	49,755,716	(5,154)
Taxation	(783)	5,154
Profit for the period	49,754,933	0
Total comprehensive income for the period	49,754,933	0
Number of preference shares	4,650,786	4,650,786
NAV attributable to preference shares (cum dividend)	165.31	156.19

Company financial performance

The Stimulus portfolio of investments in subsidiaries and associates was valued by an independent professional valuator and the resulting fair value gain for 2025 amounts to N\$97.7 million (2024: N\$60.5 million). The fair value gain of 14.2% (2024: 9.8%) is driven by a combination of strong growth in operating profits of the investment portfolio during the period under review and an increasingly positive economic outlook for Namibia.

Dividend revenue from investee companies decreased by 15.6% to N\$25.1 million (2024: N\$29.7 million). Included in dividend revenue are N\$7 million (2024: N\$12 million) in dividends from Desert Trade Investments (Pty) Ltd pertaining to the partial proceeds from the sale of the shares in Namibia Media Holdings (Pty) Ltd and Newsprint Namibia (Pty) Ltd, which transaction became effective in the prior year. Adjusting for the sale proceeds, growth in dividend revenue from investee companies amounts to +2.1%.

Preference shareholders are entitled to 80% of all returns, subject thereto that they are entitled to all returns if the hurdle rate is not achieved. During the current year, the cumulative returns of the Stimulus portfolio exceeded the hurdle rate of return. As a result, the returns above the hurdle value are attributed to the ordinary shareholders until such time that the ratio of 80:20 (preference shareholders: ordinary shareholders) is achieved. Finance costs stipulated in the Statement of Comprehensive Income comprise the net realised and unrealised portfolio returns allocated to the holders of Stimulus' listed preference shares.

Finance costs stipulated in the Statement of Cash Flows represent the preference share dividend of N\$18.7 million (2024: N\$3.5 million) paid in respect of the previous financial year. Based on the market value of the portfolio on 28 February 2025, the net asset value ascribable to each preference share, cum dividend, is N\$165.31 (2024: N\$156.19). Following the payment of the dividend detailed below, this value will reduce to N\$162.48 (2024: N\$152.17) per preference share.

Stimulus invested an additional N\$10 million (2024: N\$5 million) within its portfolio during the year under review.

Stimulus holds equity investments in Cymot Group, Khomas Solar Saver (Pty) Ltd, Neo Paints Group, Plastic Packaging Group, Polyoak Namibia (Pty) Ltd, Walvis Bay Stevedoring (Pty) Ltd, as well as Desert Trade Investments (Pty) Ltd that owned the investments in Namibia Media Holdings (Pty) Ltd and Newsprint Namibia (Pty) Ltd and still owns the properties occupied by these two entities. All entities within the portfolio have delivered satisfactory operating profits during the year – in line with, and in some cases ahead of, budgets and forecasts – and are well positioned to capitalise on further improvements in the Namibian economic environment.

The Stimulus Board is actively pursuing the sale of the properties owned by Desert Trade Investments and will consider further exits if they make economic sense. Stimulus will not make new investments, except for possible investments into existing portfolio companies where these are envisaged to enhance investor returns.

Events after the reporting date

Stimulus held special general meetings of its ordinary shareholders and preference shareholders on 16 April 2025 during which the shareholders approved the extension of the redemption date of the company's listed preference shares from 28 October 2026 to 27 February 2032. Regulatory approval by NAMFISA of the extension is pending at the date of this report.

Comparative figures

There were no material changes to comparative figures or re-classifications.

Final preference dividend

The directors have resolved that an amount of N\$13,161,724 (2024: N\$18,696,160) be declared as a final dividend to the preference shareholders, which translates into a dividend of N\$2.83 (2024: N\$4.02) per preference share based on 4,650,786 preference shares in issue. The preference dividend amount represents the total realised cash returns of Stimulus, after adjusting for fair value gains, for the financial year ended 28 February 2025.

The salient details of the dividend are:

Last day to trade: Friday, 13 June 2025

Securities start trading ex-dividend: Monday, 16 June 2025

Last day to register: Friday, 20 June 2025

Payment date: Friday, 4 July 2025

Short form announcement

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

Any investment decision should be based on the full announcement accessible as of 30 May 2025, via the **NSX link: <https://senspdf.jse.co.za/documents/2025/nsx/isse/smsp/SILRes0225.pdf>**

Copies of the full announcement are available for inspection at the Company's registered office at no charge, weekdays during office hours.

Directors

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By order of the Board
27 May 2025

Sponsor

Cirrus Securities (Pty) Ltd
Registration Number: 98/463
Member of the Namibia Securities Exchange