



INTEGRATED ANNUAL REPORT

2023

NAMIBIAN **PORTS** AUTHORITY



TABLE OF CONTENTS

ABOUT THIS REPORT	2
PERFORMANCE AT A GLANCE	5
CARGO HANDLED IN 2023	8
ABOUT NAMPORT	13
GROUP PROFILE	14
BUSINESS MODEL	16
NAMIBIAN TRADE PARTNERS AND KEY PRODUCTS	18
STAKEHOLDERS	20
OUR STRATEGIC DIRECTION	23
OUR OPERATING ECOSYSTEM	24
OUR STRATEGY	28
ALIGNMENT WITH STRATEGIC IMPERATIVES	31
MATERIAL RISKS	32
LEADERSHIPS REFLECTIONS ON 2022/23	35
CHAIRPERSON'S REPORT	36
CEO'S REPORT	38
CFO'S REPORT	42
CORPORATE SCORECARD	46
2023 PERFORMANCE REVIEW	49
ASSETS AND INFRASTRUCTURE CAPITAL REVIEW	50
INTELLECTUAL CAPITAL REVIEW	52
OPERATIONS REVIEW	55
HUMAN CAPITAL REVIEW	57
ESG REPORT	61
ENVIRONMENT	64
SOCIAL	67
GOVERNANCE	71
GOVERNANCE AND LEADERSHIP	73
AN OVERVIEW OF GOVERNANCE	74
THE BOARD	77
EXECUTIVE COMMITTEE	81
GOVERNANCE IN 2023	85
SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION	89
APPENDICES	137
STATISTICS	138
CORPORATE INFORMATION AND ADMINISTRATION	144



ABOUT THIS REPORT

Scope, boundary and reporting cycle

This Integrated Annual Report (report) covers the financial period from 1 April 2022 to 31 March 2023. The scope of this report covers the Namibian Ports Authority's (Namport, the Authority or the Group) core operations, financial and non-financial performance. Namport reports on strategy, the capital it relies on, opportunities, risks and governance.

This report is available in an electronic format on Namport's website: www.namport.com

Namport strives to improve the quality and relevance of its stakeholder communications and welcomes feedback on this report. Please send any comments regarding the report to Tana Pesat, Manager: Corporate Communication at T.Pesat@namport.com.na.

Reporting principles

Namport has applied the principles of the International Financial Reporting Standards (IFRSs), the Corporate Governance Code for Namibia (NamCode), and the Companies Act No. 28 of 2004. This report was developed following the IFRS Foundation's International Integrated Reporting Framework, and Namport aims to enhance its alignment with this Framework in the future.

Namport's environmental, social and governance (ESG) reporting will be guided by internationally recognised standards, guidelines, and reporting frameworks. These include the Global Reporting Initiative (GRI), King IV Corporate Governance Code, Task Force on Climate-Related Financial Disclosures (TCFD), Sustainability Accounting Standards (SASB) and the Marine Transportation Sustainability Accounting Standard.

Target audience

This report has been prepared primarily for the Government of Namibia as Namport's sole shareholder and the transport and logistics industry as key stakeholders. The report is also relevant to other stakeholders interested in Namport's performance against its core mandate of providing port services to seaborne trade.

Materiality

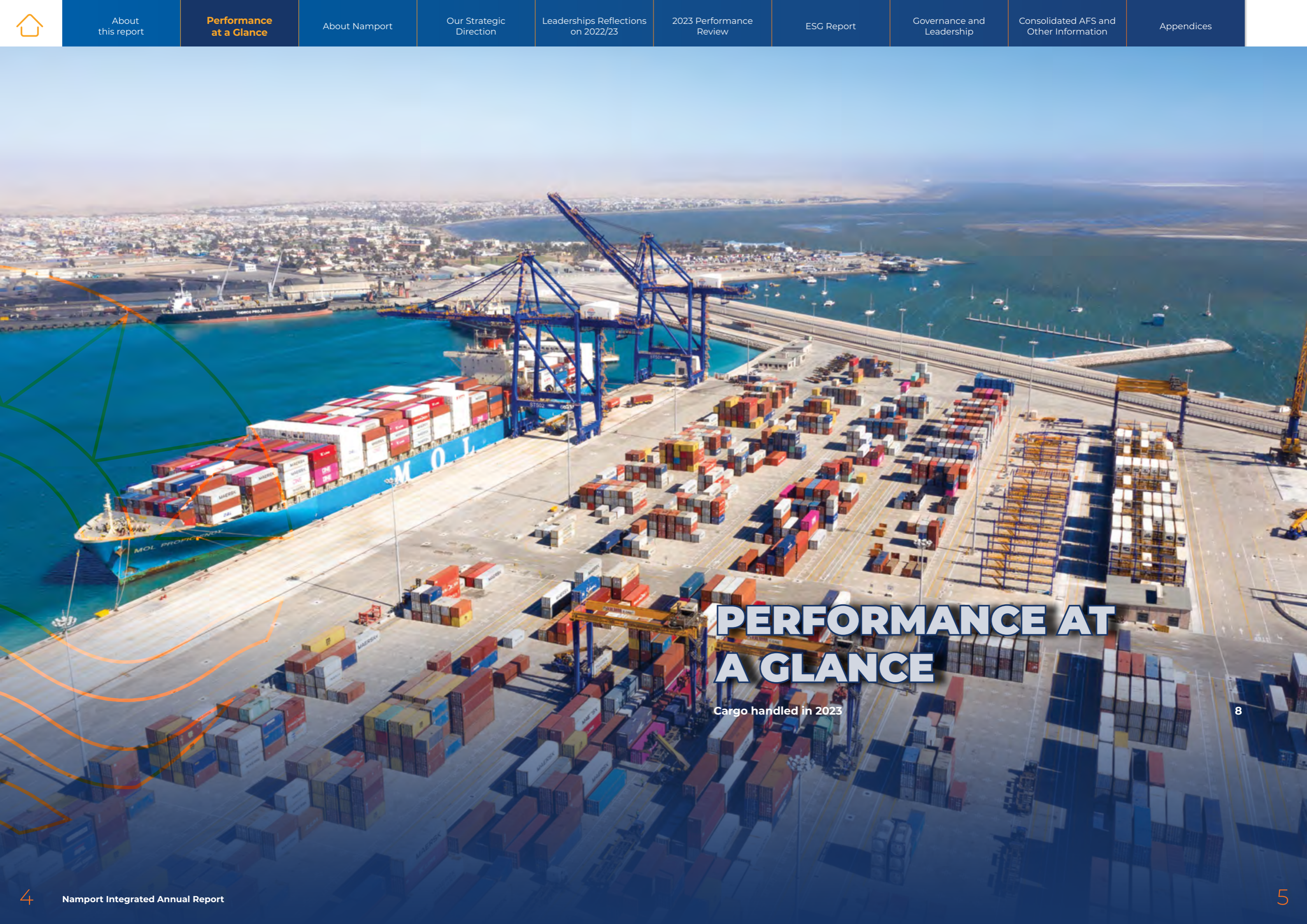
This report aims to disclose matters that substantively affect Namport's ability to create and preserve value over the short, medium and long term. The short term refers to a period of 12 months from the year end date of 31 March 2023, while 12 months to five years is considered the medium term. The period beyond five years is considered long-term.

Namport has ensured the reliability of this report

The following factors underpin the reliability of the information in this report:

- Namport has transparent and sound business processes underpinned by an ethical culture.
- The Board of Directors (Board) sets the Delegation of Authority Framework and delegates responsibility to executive management to oversee the departments and subsidiaries.
- The executives of each department are responsible for their financial information. Namport and all subsidiary companies' Annual Financial Statements are subject to external audits.
- The Internal Audit Department executes an annual Internal Audit plan across the Group.
- The Board, assisted by other Board committees, oversees the preparation of the report and Annual Financial Statements and has unfettered access to the internal and external auditors. The report from the external auditors can be found on pages 92 to 93.





PERFORMANCE AT A GLANCE

Cargo handled in 2023



In 2023, the Authority delivered a positive financial performance, supported by increased imports and exports for the local and regional markets. We remain focused on consolidating and solidifying these critical cargo streams to improve our long-term sustainability.

Financial performance

Namport's revenue increased by 22%.

▲ N\$1.503 billion

Namport's revenue increased by 22% to N\$1.503 billion (2022: N\$1.234 billion) against a target of N\$1.268 billion, with an operating profit of N\$411 million (2022: N\$375 million).

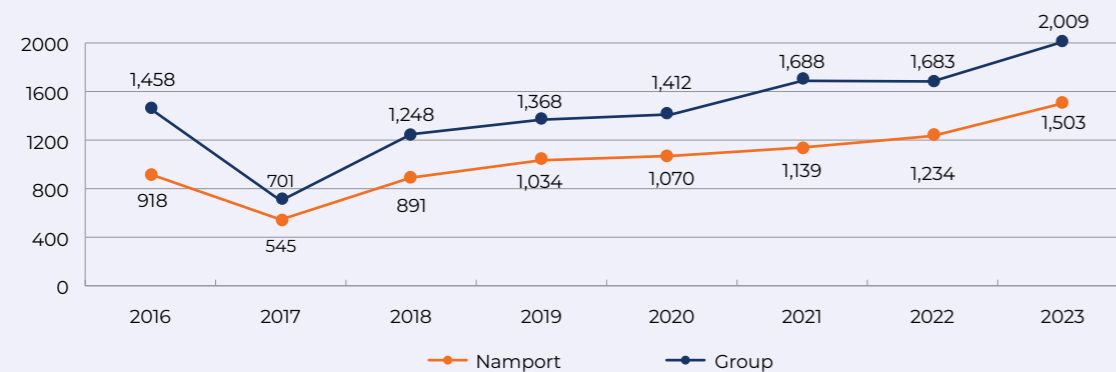
These achievements highlight our ability to adapt to market conditions, capitalise on demand, and maintain competitiveness in various sectors. We remain committed to fostering growth, optimising operational efficiency, and delivering value to our stakeholders.

▲ N\$2.009 billion

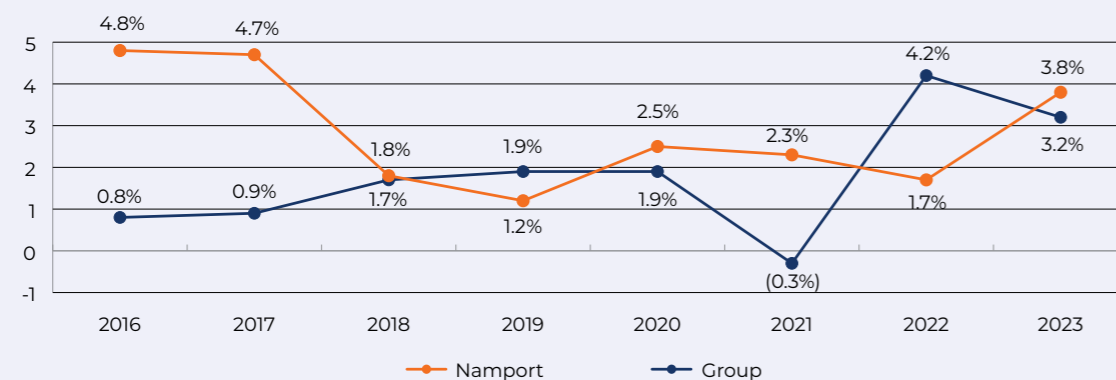
The Group's revenue, which includes Namport and its subsidiaries, increased to N\$2.009 billion (2022: N\$1.683 billion) with an operating profit of N\$407 million (2022: N\$397 million).

Namport's revenue

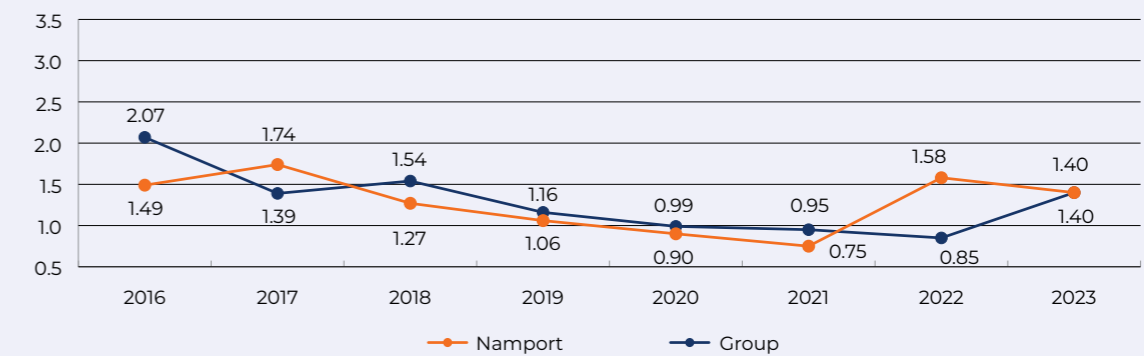
Group revenue (N\$ million)



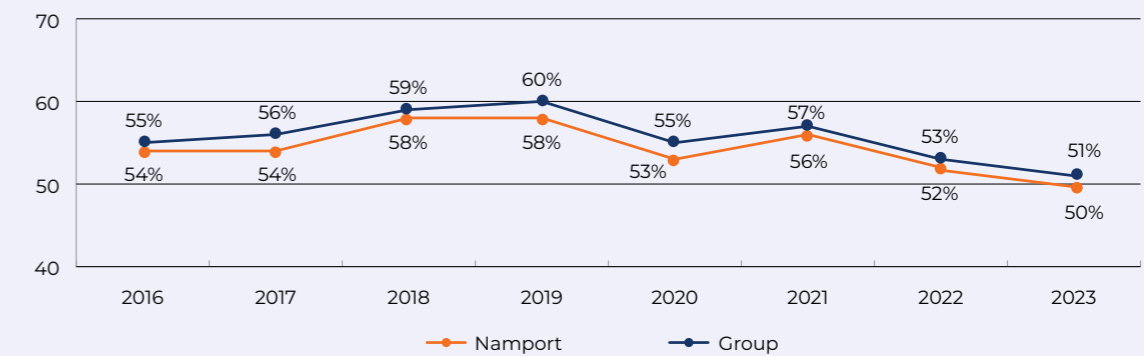
Return on assets (%)



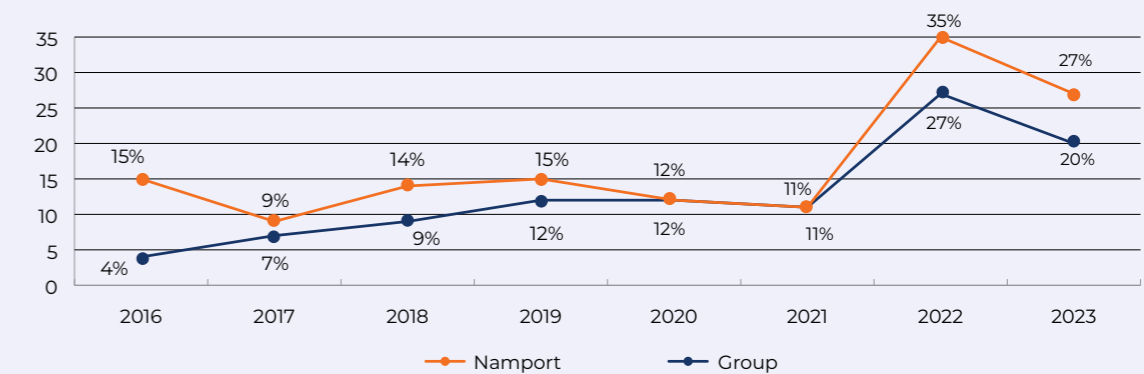
Current ratio (Liquidity)



Debt ratio (Total debt to total assets) (%)



Operating profit margin (Earnings before interest and taxes) (%)



Revenue generated from services rendered

Services	2016	2017	2018	2019	2020	2021	2022	2023
Port Authority	308 939	473 526	527 010	566 975	615 173	595 276	641 332	770 976
Syncrolift	17 085	33 661	37 427	33 501	38 671	32 846	31 019	38 739
Cargo	157 205	273 675	335 162	340 420	351 982	377 634	433 783	556 163
Marine	63 056	113 379	139 780	137 440	140 118	114 253	125 925	150 361
Ship Repairs	156 254	356 075	333 876	341 382	549 270	372 323	455 528	513 237
Rebates and discounts	(1 350)	(2 734)	(5 236)	(7 596)	(6 903)	(7 278)	(4 628)	(20 648)
Total	701 189	1 247 582	1 368 019	1 412 122	1 688 311	1 485 054	1 682 959	2 008 828



CARGO HANDLED IN 2023

These achievements reflect our commitment to operational efficiency, business expansion and strategic partnerships.

Total cargo handled increased by 17%

Total cargo handled increased by 17% to 7,691,781 million tonnes (2022: 6,576,370 million tonnes). This growth can be attributed to several factors. These include increased market demand, the allocation of additional fishing quotas and the expansion of mining activities in the region. In addition, the decrease in freight rates have enhanced the viability and affordability of imports.

The volume of general cargo handled during the year increased by 23% year-on-year, reaching 5,428,543 million tonnes for the year ended 31 March 2023.

TEUS volumes handled decreased by 4%

The volume of twenty-foot equivalent units (TEUs) handled decreased by 4% to 160,883 TEUs (2022: 168,278 TEUs). The decrease was primarily due to the reduced transshipment volumes. However, container import and export volumes recorded a year-on-year increase of 0.4% and 9%, respectively. This indicates increasing demand from the local and regional markets.

Bulk and break-bulk volumes increased by 23%

Total bulk and break-bulk volumes handled increased by 23% to 5,428,543 (2022: 4,404,831 tonnes). This growth was due to an increase in market demand for various commodities such as fish and mineral ores.

Vessel calls to ports increased by 3%

Vessel calls increased by 3% to 1,636 (2022: 1,592), while gross tonnages of the vessels were up 15% year-on-year to 22,399,714 (2022: 19,494,681). The increase in vessel calls was predominantly driven by increased calls of dry bulk, dry and liquid bulk, petroleum, passenger and patrol vessels.

Syncrolift occupancy rates increased by between 5% and 10%

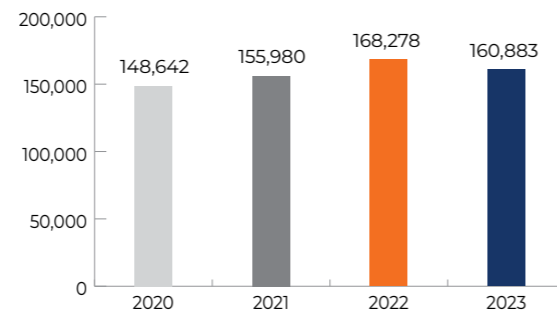
Occupancy rates for the Syncrolift repair bays and repair jetty showed positive trends, with a 5% increase and a 10% increase, respectively. Critical repairs and maintenance will be prioritised for 2024 to address operational needs promptly. Management also focused on expanding business opportunities in the West African market, fostering partnerships and strengthening relationships.

Cross-border volumes increased by 41%

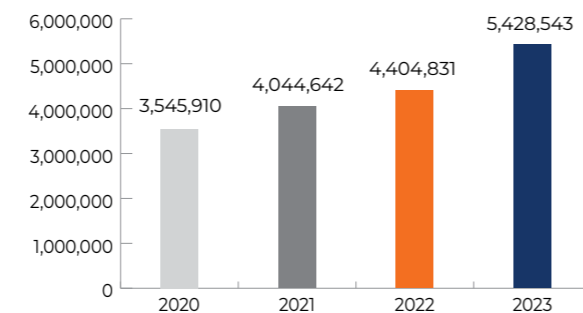
Cross-border volumes grew 41% to 2,263,362 tonnes (2022: 1,606,984 tonnes) representing 29% of total cargo volumes handled by the Authority. The total cross border volumes comprised 782,184 tonnes destined for the hinterland and 1,481,178 tonnes from the hinterland.

Key markets such as South Africa, Zambia, the Democratic Republic of Congo (DRC) and Botswana contributed to the phenomenal growth in cross border volumes. Botswana, in particular, experienced significant increase and this was driven by coal and copper concentrate exports and fuel imports, highlighting the importance of the logistics hub concept for sustained growth.

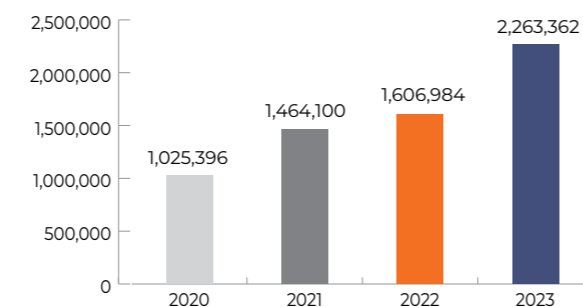
Container volumes per annum (TEUs)



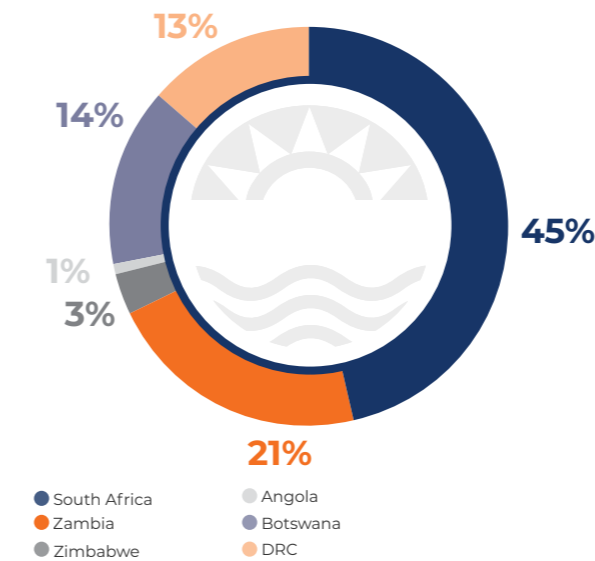
General cargo (metric tonnes)



Cross-border volumes (metric tonnes)



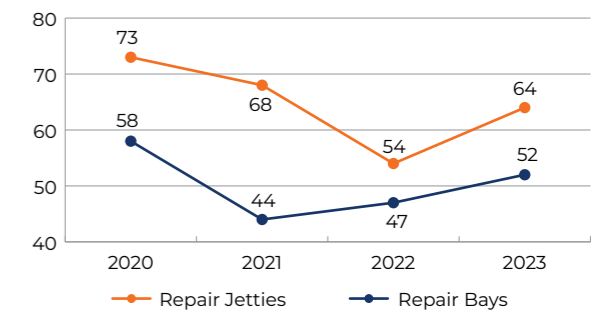
Cross border cargo market share 2023



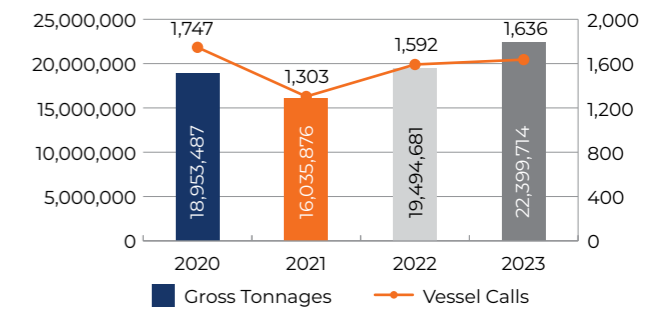
Cross-border volumes

	2022	2023
Landed (imported)	550 113	782 184
Shipped (exported)	1 056 872	1 481 178

Syncrolift occupancy (%)



Vessel calls to ports and gross tonnages



Commodities Overview

PORT OF WALVIS BAY

Main export commodities

	Share	Movement in Volume
Salt bulk	(23%)	▲ +29%
Copper/Lead and Concentrate	(15%)	▲ +152%
Charcoal	(13%)	▲ +24%
Fish and fish products	(7%)	▲ +17%
Salt bagged	(5%)	▲ +26%

Main import commodities

	Share	Movement in Volume
Petroleum	(38%)	▼ -2%
Fish and fish products	(6%)	▲ +14%
Copper/ Lead and concentrate	(6%)	▲ +31%
Sulphuric acid	(4%)	▲ +177%
Vehicles	(4%)	▼ -26%

PORT OF LÜDERITZ

Main export commodities

	Share	Movement in Volume
Manganese ore	(83%)	▼ -1%
Zinc/Zinc concentrate/ Ore	(10%)	▼ -7%
Ice	(4%)	▼ -1%
Frozen fish	(2%)	▲ +7%
Lead concentrate	(1%)	▼ -57%

Main import commodities

	Share	Movement in Volume
Petroleum	(56%)	▲ +7%
Wet fish	(29%)	▼ -6%



CARGO HANDLED IN 2023 *(CONTINUED)*

Containerised copper exports: Container availability and favourable pricing contributed to a 24% growth in copper exports, surpassing projected volumes.

Containerised uranium exports: Unfavourable price fluctuations led to a significant 70% decline in uranium exports. However, price improvements and the reopening of mines are expected to positively impact volume performance in 2024.

Containerised charcoal exports: Strong demand for high-quality Namibian charcoal, particularly in Europe, resulted in a 16% growth in volume, exceeding projections for the year.

Containerised machinery imports: The expansion of local and regional mines led to a 73% increase in machinery imports, reflecting the region's growth and mining activities.

Containerised malt imports: Difficulties in sourcing malt supplies due to the conflict in Ukraine resulted in an 8% decline in projected volume of imports. However, there was still a notable 25% increase in volume compared to the previous year.

Sugar imports in bulk and break-bulk: A shift from containerised to break-bulk packaging resulted in a 19% decline in sugar imports, with the year's volumes falling below projections.

Ammonium nitrate imports in bulk and break-bulk: Local storage and trucking capacity shortages led to a 79% decline in ammonium nitrate imports. Plans are underway to address the issue by adding more warehousing space.

Sulphuric acid imports in bulk and break-bulk: Increased reliance on imported sulphuric acid by uranium mines led to a substantial growth of 92% growth in volume, surpassing the target for the year.

Salt exports in bulk and break-bulk: The demand for Namibian salt remained strong in established markets, resulting in a 3% increase in volume. This was particularly driven by demand from the DRC. Strategic rebate rate structures have helped maintain competitiveness.

Namport handled Namibia's largest bulk coal consignment

In September 2022, the Port of Walvis Bay handled Namibia's largest-ever consignment of bulk coal, with 48,000 tonnes of bulk coal successfully exported to Germany. With the current surge in demand, Namport foresees handling approximately 300,000 tonnes of bulk coal for diverse international markets in 2024. This accomplishment underscores our dedication to meeting the bulk coal sector's requirements and reinforces our standing as a trusted partner in facilitating global trade.

54,719 tonnes of lithium destined for China via the Port of Walvis Bay

In October 2022, Namport successfully facilitated the export of a substantial parcel of lithium ore, amounting to 54,719 tonnes. This cargo was transported through the Port of Walvis Bay, destined for China. The anticipated growth in lithium demand is expected to be significant. According to Benchmark Mineral Intelligence, the current lithium market size stands at 200,000 tonnes, with an estimated growth to 800,000 tonnes by 2025. The batteries' sector is projected to contribute 65% to 70% to this growth.





ABOUT NAMPORT

Group profile	14
Business model	16
Namibian trade partners and key products	18
Stakeholders	20



GROUP PROFILE

Namport is a state-owned enterprise established by the Namibian Ports Authority Act in 1994 (Act 2 of 1994). Namport manages Namibia's ports, namely the Port of Walvis Bay and the Port of Lüderitz.

Namport's mandate is to:

- Manage and exercise control over port operations, lighthouses and other navigational aids in Namibia and its territorial waters.
- Provide port facilities and services.

Namport conducts its business in line with sound business principles and provides port facilities and services at competitive prices to yield a reasonable profit and ensure the Authority's sustainability. The ports handle local and cross-border cargo imports and exports through the four main trade corridors connecting the ports to the respective Southern African Development Community (SADC) markets, namely Zambia, the DRC, Botswana, South Africa, Zimbabwe and Angola. The four trade corridors are:

1. Trans-Kalahari Corridor: Namibia – Botswana – South Africa
2. Walvis Bay-Ndola-Lubumbashi Corridor: Namibia – Zambia – Democratic Republic of Congo
3. Trans-Cunene Corridor: Namibia – Angola
4. Trans-Oranje Corridor: Namibia – South Africa

The Walvis Bay Corridor Group is a public-private partnership that promotes the utilisation of Namibia's transport corridors. Namport is an active participant in the partnership. For more information, please refer to page 26.

Commodities at Namibia's ports are handled in three forms: containerised, bulk and break-bulk. Primary commodities handled are salt, copper, coal, sulphuric acid, wheat, sulphur, petroleum, manganese, ammonium nitrate, vehicles, frozen products (fish, beef and poultry), foodstuffs (rice, maize and sugar), project cargo, charcoal, malt, timber, uranium, mining chemicals and mineral ores.

Namport has the personnel and expertise to deliver excellent customer service and sustainable benefits to port users.

The Port of Walvis Bay

THE PORT OF WALVIS BAY IS A SECURE, EFFICIENT AND WORLD-CLASS PORT.

The Port of Walvis Bay is strategically located halfway down Namibia's coast and provides an easy and fast shipping route between Southern Africa, Europe, the Far East and the Americas. This is Namibia's largest commercial port, handling about 6.6 million tonnes of cargo per year. The Authority complies with the International Ship and Port Facility Security Code (ISPS), and is certified for the following ISO standards:

- ISO 45001:2018 (Occupational Health and Safety Management)
- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)

The port handles container imports, exports and transshipments, and bulk and break-bulk volumes of various commodities. The port boasts a container throughput capacity of 750,000 TEUs and can handle ten million tonnes of liquid bulk cargo per annum as well as ten million tons of dry and break-bulk cargo per annum.

Namport has developed and improved its cargo handling facilities over the years to handle a higher throughput of volumes with greater efficiency. The planned road and rail transport upgrades will support the Namibian ports to remain the preferred gateway to and from the SADC region. These upgrades will reduce transit times and provide alternative transport corridors. The port's legal jurisdiction stretches from the current port northwards up to Patrysberg, close to Swakopmund.

The port is ideally situated to serve Southern Africa's landlocked countries with links to Namibia's air, rail and road networks. The port's main transport arteries are the Trans-Kalahari, Trans-Cunene and the Walvis Bay-Ndola-Lubumbashi trade corridors.

With mild weather conditions, delays are rare, and turnaround times are highly competitive. Handling times for container vessels are around 24 to 48 hours, depending on volumes per call. For bulk vessels, the average is between 72 to 120 hours, depending on tonnage and shipment. For break-bulk vessels, this averages between 35 to 48 hours.

The port is a deep-water harbour comprising three sections: the South Port, the Fishing Harbour and the North Port. A natural bay protects deep-water anchorage. The Port of Walvis Bay comprises 13 commercial berths including a tanker jetty, and a dedicated passenger berth for accommodating cruise and passenger vessels. The New Container Terminal, established in 2019, has an additional 600-metre-long quay wall with a maximum water depth of 16 metres.

Two new liquid bulk jetties, each of maximum capacity of 90,000 deadweight tonnage (DWT), are located at the North port with more than 1,300 hectares of backup land for tank storage of liquids and gasses and associated industries.

The Port of Walvis Bay offers ship repair facilities, including the Syncrolift, with a lifting capacity of up to 2,000 tonnes and three floating docks. The Syncrolift is operated by Namport's subsidiary, Namibia Drydock and Ship Repair (Pty) Ltd (Namdock), with a maximum lifting capacity of 15,000 tonnes.

The Port of Lüderitz

The Port of Lüderitz is located 254 nautical miles south of the Port of Walvis Bay. The multi-purpose port handles mostly dry bulk cargo from southern Namibia and South Africa's Northern Cape Province. The port serves the fishing industry and provides a base for offshore mining and southern coast oil and gas operations. The port comprises 25 hectares of land and is situated at Robert Harbour. While the current port land is nearly fully occupied, optimising existing land will create additional capacity in the short to medium term. Over the longer term, a new port is planned at Angra Point in Lüderitz with 886 hectares of additional land. The port's 500-metre-long main berth has a depth of 8.75 metres. It is considered a shallow port and it is founded on bedrock which is not financially viable to dredge. There are, however, plans to extend this quay wall in the near future to cater for short-term demand.

A study was commissioned in 2010 to explore how the port should expand in the short, medium and long term. To date, all short and medium-term plans from that master plan study have been implemented. There is an option of developing a new port in the bay adjacent to Robert Harbour at Angra Point. This new port would have a water depth of 14 to 16 metres to accommodate deeper draught vessels.

Subsidiaries

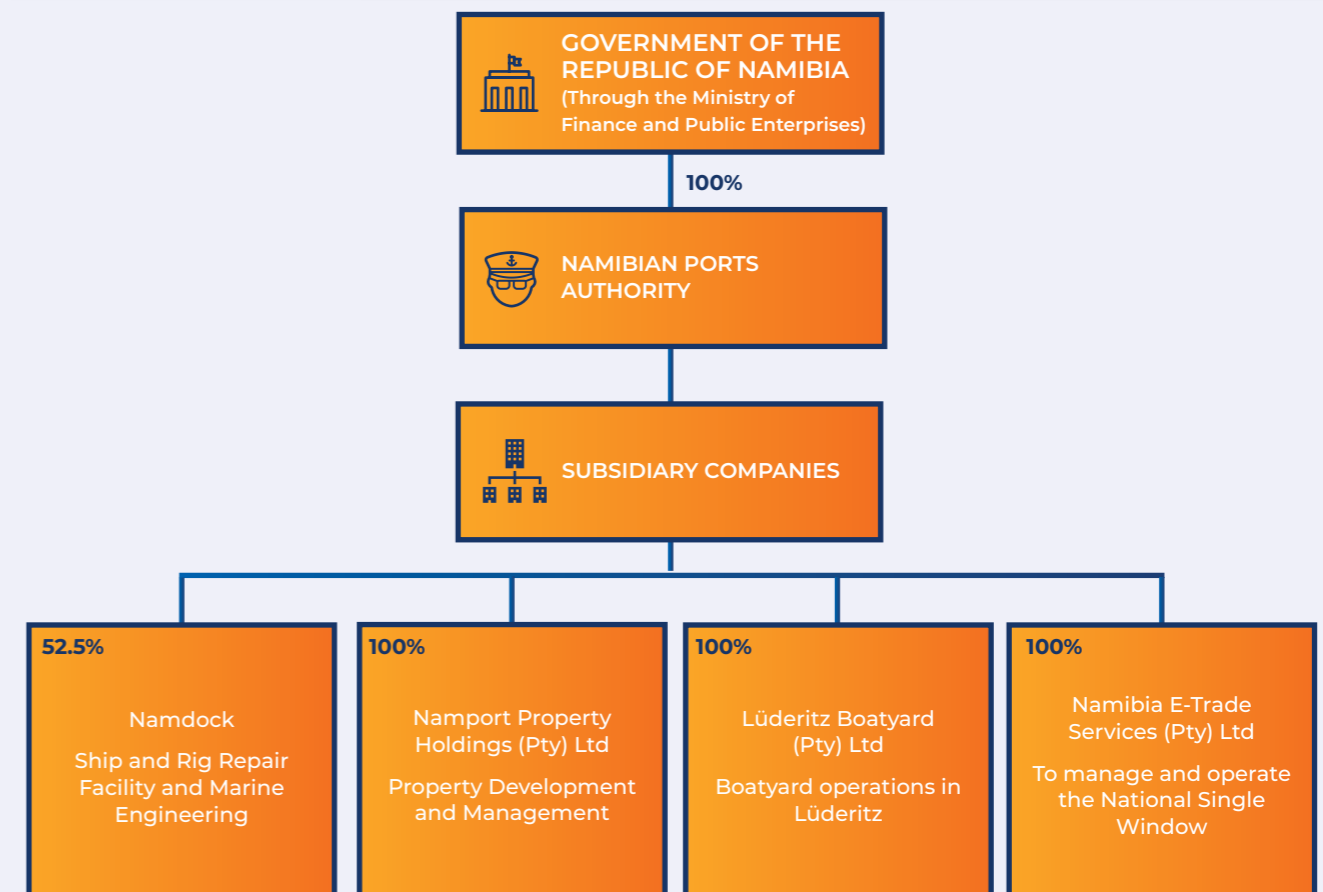
Namport, together with its subsidiary companies, **Namdock, Namport Property Holdings (Pty) Ltd, Lüderitz Boatyard (Pty) Ltd** and **Namibia e-Trade Services (Pty) Ltd**, is referred to as the Group. Namport has its headquarters in Walvis Bay.

Namdock is an established ship repair company strategically located in Walvis Bay, Namibia. Namdock provides a holistic service solution in all aspects of marine engineering and ship repair to the local and international shipping and offshore industry. The Company operates three floating docks in Walvis Bay, including a Panamax-sized dock. Namdock is 52.5% owned by Namport, while the 47.5% minority shareholding is owned by private Namibian companies under the EBH consortium.

Namport Property Holdings and **Lüderitz Boatyard** are both wholly owned subsidiaries of Namport. Namport Property Holdings oversees the management of Namport's properties at the two port towns of Walvis Bay and Lüderitz. Lüderitz Boatyard focuses on repairing fishing vessels at the Port of Lüderitz.

Namibia E-Trade Services (NETS) is a wholly owned subsidiary of Namport. NETS was set up to manage and operate the National Single Window Environment (NSWE). The NSWE is an automated trade facilitating platform providing for the seamless interchange and processing of trade entities between role players involved in the end-to-end trade chain. On implementation, it will reduce the time it takes to clear goods, increase the ease of doing business and lower the cost of trade processing and lower business costs.

Namport's Group structure





BUSINESS MODEL

HOW NAMPORT CREATES AND PRESERVES VALUE.

BY FOCUSING ON OUTCOMES, WE CREATE SHARED VALUE FOR ALL OUR STAKEHOLDERS.

CAPITAL INPUTS

Financial capital

- Cash and cash equivalents from operations
- Capital borrowings from international and domestic markets
- Finance income
- Project-specific funding

Infrastructure capital

- Port property, terminals, and equipment
- Information and communication technology (ICT) infrastructure

Intellectual capital

- Standard operating procedures
- Policies, frameworks, management systems and processes
- National pool of skilled engineers and artisans
- Research and development

Human capital

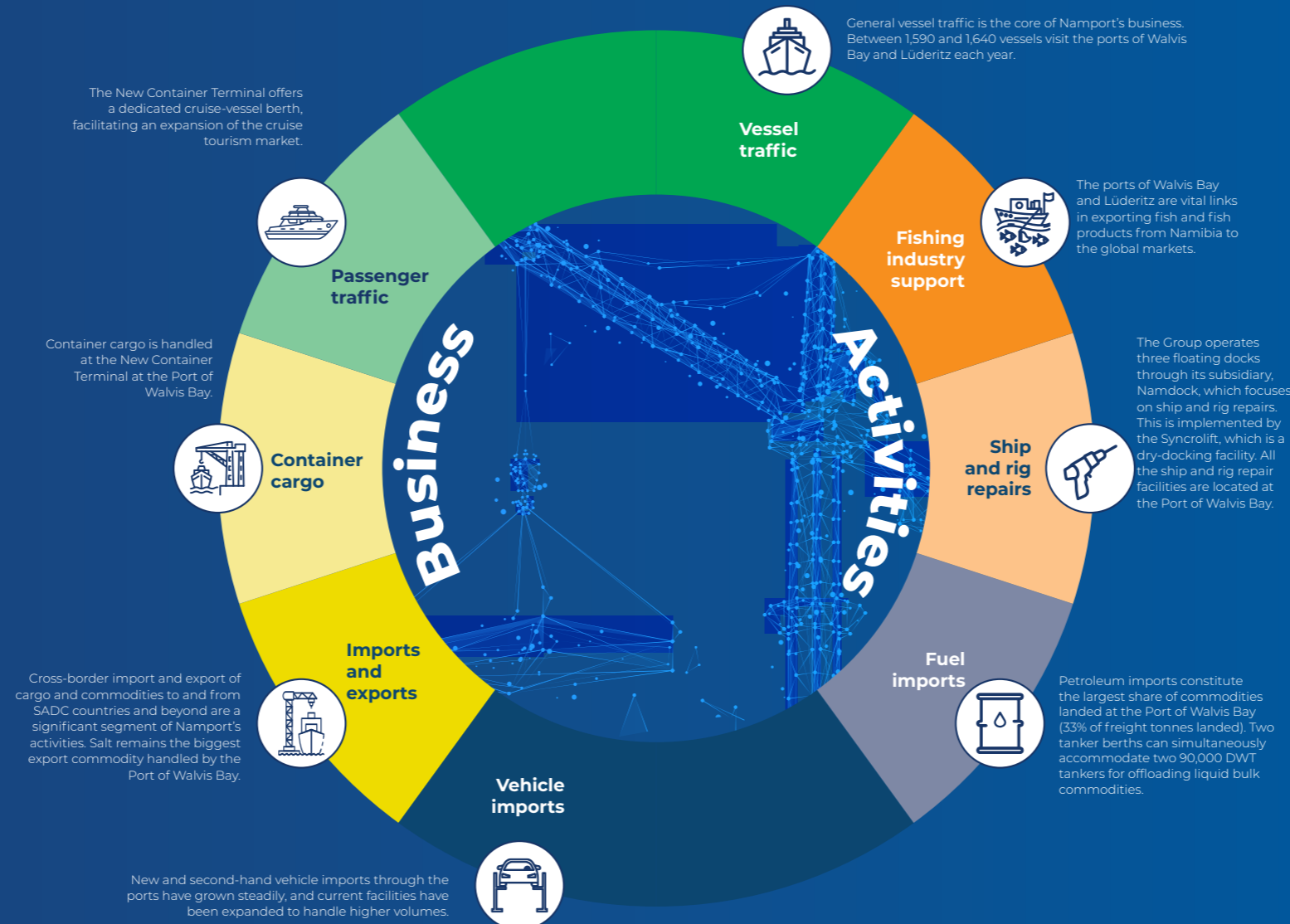
- Organisational culture transformation
- 638 skilled and motivated employees
- Remuneration philosophy and process
- Talent pipeline pool
- Responsive organisational design and structure
- Responsible, efficient, and reliable leadership team

Social and relationship capital

- Collaborative stakeholder relationships
- Social licence to operate

Natural capital

- Water, air and energy
- Land on which to run operations
- Biodiversity and ecosystem health



OUTCOMES

Financial capital

- Revenue increased 22% to N\$1.503 billion
- Asset base of N\$6.73 billion
- Funding strategy based on strategic priorities
- Growing trade volumes with key hinterland customers

Infrastructure capital

- Investment strategy to maintain and upgrade infrastructure
- Improved operational efficiencies and productivity
- Steady progress on digital transformation across the value chain
- Cargo handling equipment and storage capacity that enables cargo growth

Intellectual capital

- Strong governance structure and oversight
- Reliable and efficient performance through safe and resilient operations

Human capital

- Direct and indirect job creation
- Motivated workforce
- Continuous skills development

Social and relationship capital

- Constructive partnerships with communities focused on health, quality education and youth development

Environmental capital

- Strategic land holding in Walvis Bay and Lüderitz
- Proactive pollution prevention and focus on energy efficiency and reducing water use

Over the past financial year, Namport has continued to evolve and adapt to the changing dynamics of the global logistics and shipping industry. In line with our commitment to sustainable growth and enhancing shareholder value, we have carefully reviewed our business model. After a thorough evaluation of various options, we have made the strategic decision to transition to the landlord model for our port operations.

Ports around the world are generally operated based on one of the following four port ownership models as identified by the World Bank.

Port type	Infrastructure	Superstructure	Port labour	Other functions
Public service port	Public	Public	Public	Majority public
Tool port	Public	Public	Private	Public/private
Landlord port	Public	Private	Private	Public/private
Private service port	Private	Private	Private	Majority public

Namport's ports are currently operated as tool ports whereby infrastructure and superstructure are owned and operated by Namport. Namport operates both as a regulator (port authority) and operator. Under this model, Namport effectively holds the title for both port land and assets while at the same time is also responsible for managing port operations. A hybrid model has, however, been adopted with respect to port operations whereby Namport is responsible for container terminal operations as well as some aspects of general cargo operations. A good number of other general cargo operations are being run by the private sector whereby private entities are responsible for operations at leased facility.

As part of its long-term strategy, Namport has made a strategic decision to adopt a mostly landlord model with limited operating responsibilities and focusing almost entirely on ensuring proper development and maintenance of ports land and infrastructure. The concession of the National Container Terminal (NCT) is a first step in this direction, which is becoming increasingly common in ports across the world, including on the African continent. From numerous studies and experiences, a landlord port model typically releases the port authority from some investments by reassigning these to the private sector and results in improved operational efficiencies and turnaround times and ultimately delivers better returns to the shareholder, which can be reinvested for further expansion and other sectors of the economy where it is not viable to introduce private sectors participation.

THE OUTCOMES WE AIM FOR PER STAKEHOLDER GROUP

For customers

Provide efficient and secure port services to our customers, enabling them to provide excellent service to their customers for their long-term sustainability and growth.

For employees

Create and preserve employment and nurture employees to learn, innovate and grow, as responsible stewards of Namibia's ports.

For the shareholder

Fulfil our mandate to provide effective, efficient and sustainable port services to global, regional and local customers and complement the Government in achieving Vision 2030, the Harambee Prosperity Plan II and the Fifth National Development Plan goals.

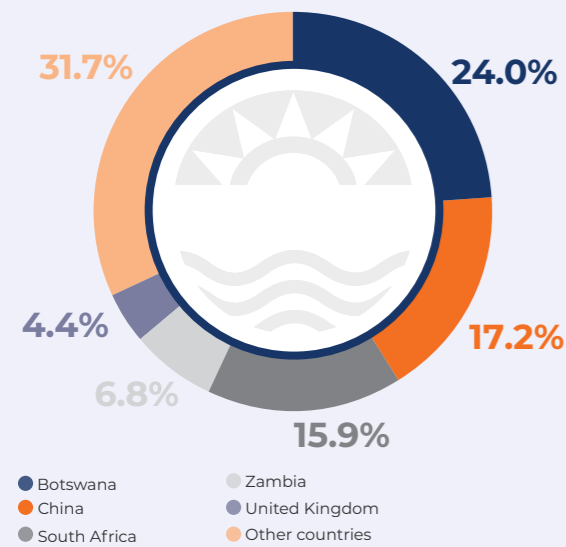
For society

Improve the economic, social, cultural and environmental well-being of communities.

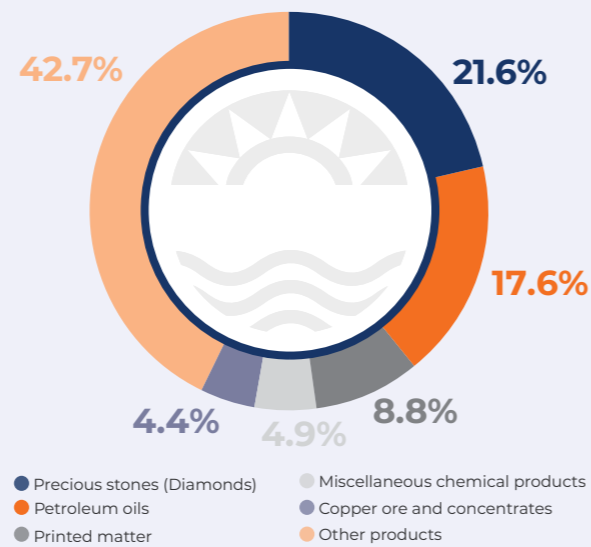


NAMIBIAN TRADE PARTNERS AND KEY PRODUCTS

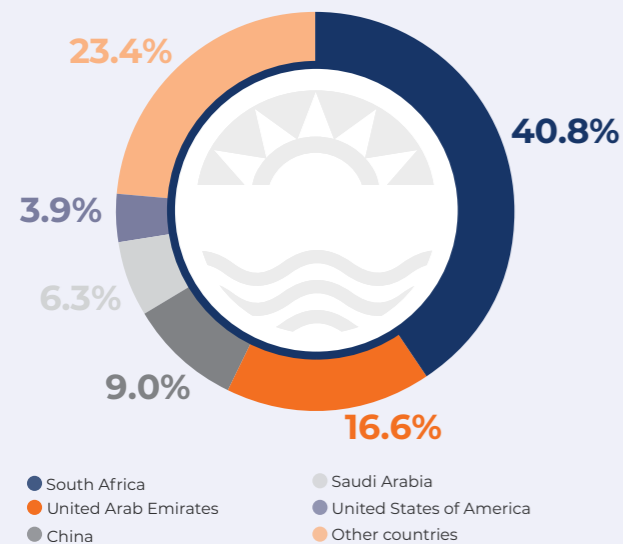
Top export partners



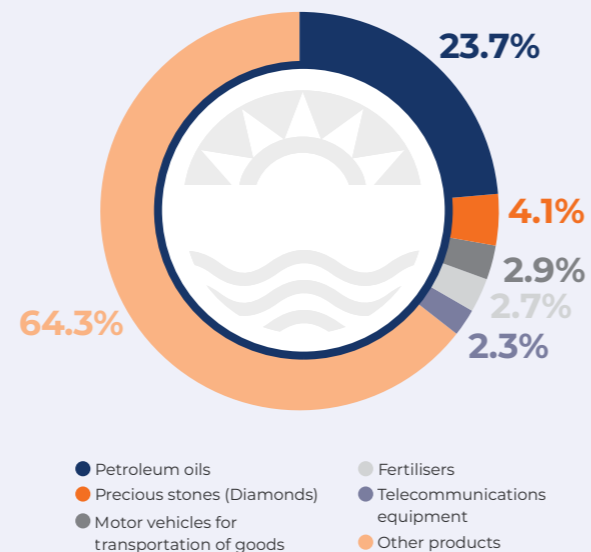
Top export products



Top import partners



Top import products



Source: Namibia Statistics Agency
Namibia Trade Statistics Bulletin – January 2022 – December 2022



Top Export Partners

Botswana 24.0%
United Kingdom 4.4%

Top Import Partners

South Africa 40.8%
United States of America 3.9%

Top Export Products

Precious stones (Diamonds) 21.6%
Copper ore and concentrates 4.4%

Top imported products

Petroleum oils 23.7%
Telecommunications equipment 2.3%



STAKEHOLDERS

Namport responds to the interests of stakeholders through effective dialogue and engagement.

Across our operations, our stakeholder engagement strategy focuses on those stakeholders that can significantly impact the Group and its ability to create and preserve value. The table below sets out the stakeholders that are material to Namport.

For more information about our stakeholder engagement activities, refer to our Relationship and Social Capital Review on page 67. For more information about our Board's approach to stakeholder engagement, refer to page 75.

Stakeholders	Contribution to value creation	How we engage	Expectations and interests
Government and Government agencies	The Government provides capital, legislation and policy guidelines critical to value creation, sustainability and growth.	Namport builds and maintains positive relationships with Government officials and departments through regular, direct and indirect engagements.	<ul style="list-style-type: none">• Namport's contribution to Namibia's economic development• Delivery of agreed mandate• Namport's financial performance, financial returns and sustainability• Position as a responsible corporate citizen
Employees	Employees provide the necessary skills, experience, diversity and productivity to operate effectively and efficiently.	Namport's employee engagement aims to align employees to Namport's goals and values and motivate employees to contribute to the Group's success. Interactions include customised employee engagement workshops, social events, information-sharing sessions, employee newsletters, noticeboards and emails.	<ul style="list-style-type: none">• Stable and rewarding employment• Training and development• Career advancement• A positive work environment• High health and safety standards• Fair policies and equal access to opportunities• Namport's reputation as a competitive employer
Customers	A loyal and growing customer base is essential to value creation and Namport's long-term viability.	Namport regularly engages with customers and is responsive to customer interests. Customer feedback is through individual and group engagements. Namport communicates through regular meetings and discussions, annual reports, the website, visits and events.	<ul style="list-style-type: none">• Competitive service delivery and tariffs• Fast service turnaround times• High levels of efficiency• Pleasant customer service• Safe and secure facilities and cargo
Suppliers	Long-term, mutually beneficial relationships with suppliers help Namport deliver services and identify issues and opportunities for business growth.	Namport has frequent supplier engagements through direct engagements, annual reports, the website and regular communication. In addition, Namport conducts a supplier satisfaction survey every second year.	<ul style="list-style-type: none">• Competitive terms of procurement• Timely payments• Transparent and ethical procurement• Pleasant interactions

Stakeholders	Contribution to value creation	How we engage	Expectations and interests
Providers of financial capital	Financial institutions provide financing to Namport.	Namport engages with providers of various forms of funding. Namport also communicates through annual reports, the website, visits and events.	<ul style="list-style-type: none">• Ability to service loans• Compliance to terms• Strong corporate governance standards
Industry stakeholders and organisations	Engaging with these organisations is key to driving best business practices, identifying issues and opportunities, and creating conducive long-term relationships.	Namport is an active participant in various industry organisations, including the Port Management Association of Eastern and Southern Africa, Namibia Chamber of Commerce and Industry, Container Liner Operations Forum, Walvis Bay Port Users' Association, Walvis Bay Corridor Group, Trans-Kalahari Corridor Secretariat and the Namibia Transporters Association.	<ul style="list-style-type: none">• Financial support• Intellectual contributions• Regular engagement• Progress in achieving Namport's goals, as aligned with industry goals
The community	Communities provide Namport with the social licence to operate.	Namport communicates with communities directly and through the media. As a responsible corporate citizen, Namport contributes to the health and well-being of Namibian communities. Namport is regularly featured in the media and engages with journalists through frequent press releases and statements. Other communications are through interviews, visits, annual reports, website, events and open days.	<p>Communities and the public:</p> <ul style="list-style-type: none">• Employment opportunities• Supplier opportunities• Sponsorship• Care for the environment <p>The media:</p> <ul style="list-style-type: none">• Access to spokespeople and fast response to media queries• Regular updates on activities and progress on strategic objectives• Respect for the media's role in society



OUR STRATEGIC DIRECTION

Our operating ecosystem	24
Our strategy	28
Alignment with strategic imperatives	31
Material risks	32



OUR OPERATING ECOSYSTEM

We operate in a dynamic industry where Africa's regional ports compete for new customers and volumes. Global, regional and local economic conditions impact our financial performance. This includes demand for key commodities imported and exported by Namibia.

According to findings by the United Nations Conference on Trade and Development (UNCTAD), many companies worldwide are reevaluating their supply chain strategies. This reassessment stems from a growing recognition of the vulnerabilities and risks exposed by recent global disruptions, including the COVID-19 pandemic and Russia/Ukraine conflict. These events have underscored the urgency for organisations to proactively address these vulnerabilities by reducing their reliance on geographically concentrated suppliers and buyers.

Diversified supply chains yield substantial economic advantages for the interconnected countries they serve. Beyond economic benefits, diversification can mitigate inflationary pressures and promote increased global stability and prosperity. It also creates opportunities for the opening of new domestic and regional markets.

In light of these developments, there is a compelling opportunity for African ports to position themselves as viable geographic alternatives and strategically enhance their value within the evolving supply chain landscape.

Global economic outlook

The global economy is entering a phase of moderate deceleration. According to the International Monetary Fund (IMF), growth is expected to decline from 3.5% in 2022 to 3.0% in both 2023 and 2024. This shift is attributed to central bank policies aimed at addressing inflation, which is impacting overall economic activity.

Inflation dynamics remain a focal point. While headline global inflation is projected to decrease from 8.7% in 2022 to 6.8% in 2023 and further to 5.2% in 2024, underlying core inflation persists. To counter the effects of high inflation on real wages, Governments are implementing support measures.

Financial stability is a key concern. The Conference Board underlines the importance of managing the potential risks associated with monetary tightening. Despite current stability, the continuous adjustment of policies raises the possibility of further market turbulence.

Emerging markets are displaying resilience. Fitch Ratings reports stronger-than-expected economic data in countries like Brazil, India, Mexico and Russia. China's swift reopening has also contributed to improving global economic activity.

However, challenges remain on the horizon. Geopolitical tensions and inflation continue to cast shadows on growth. The World Bank emphasises potential risks such as geopolitical conflicts, climate-related events, and real estate concerns in China. Effective policy responses are, therefore, paramount.

Interest rate perceptions are shifting. Global consulting firm McKinsey's survey among global business leaders indicates that they do not expect significant interest

rate increases, which may impact borrowing costs and investments.

The global economic outlook presents a nuanced landscape. While certain economies thrive, others grapple with inflation and stability concerns. The trajectory will be shaped by timely policy responses and the interplay of regional dynamics.

Southern Africa's growth prospects

According to the African Development Bank (AfDB), Southern Africa's economic performance remained subdued and compared poorly to other African sub-regions. This is largely a reflection of sluggish economic performance in South Africa where civil unrest, natural disasters renewed anti-immigrant protests, a cost-of-living crisis and the electricity crisis hamper economic growth. Intense adverse weather events also contributed to stalled growth in several countries.

Imported inflation and the depreciation of domestic currencies caused regional inflation to remain in the double-digit range, at 12.6%, slightly below Africa's average (14%). Adverse weather events also contributed to the hike in food prices in several countries.

Macroeconomic imbalances persist. The current account balance has deteriorated, recording a slight deficit at -0.6% in 2022, against a 2.9% surplus in 2021. The worsening terms of trades generally put pressure on the current account of most countries. External debt is forecasted to remain high across the Southern Africa region (at 48% in 2022). Overall debt exposure is similar across Southern African countries. However, the fiscal deficit moderated a little in 2% of gross domestic product (GDP) in 2022 compared to 3.7% of GDP in 2021. No country in the region recorded a double-digit fiscal deficit, but all countries (except for Angola, Botswana, Madagascar and Zimbabwe) recorded fiscal deficit above the regional average deficit.

The outlook for 2023 and 2024 is uncertain as the region remains subject to significant downside risks. Persistent global inflation could prompt significantly stricter monetary policy tightening with substantial spillovers effect in the region.

Key regional trading partners

South Africa

Forecast real GDP growth for 2023 is 1.7%, down from 2.7% in 2022. Ongoing power outages remain a major obstacle, leading to regulatory changes for investment in independent power producers. The South African rand's depreciation, influenced by power issues and geopolitical concerns, has pushed inflation to 6%. This impacts policy decisions in Namibia due to its significant reliance on the Southern Africa Customs Union (SACU), whose main member is South Africa.

Angola

After strong growth in 2022, economic momentum slowed down due to reduced oil production. However, elevated oil prices aided current account and fiscal balances, and the debt-to-GDP ratio dropped below 65%, easing external financing needs.

Botswana

GDP growth is expected to decrease to 4.4% in 2023 from 5.8% in 2022. Weak global demand and diamond sector uncertainty may impact growth. Diamond production growth is forecast at 2.0%, with the ongoing impasse between Botswana and De Beers remaining a risk to the remaining a risk to the long-term continuity of the relationship.

Zambia

Bouncing back from a contraction in 2020, GDP grew 4.6% in 2021. Growth in agriculture, mining and construction was hindered in 2022, but services improved. Annual growth of around 4.5% is anticipated from 2023 to 2025, backed by copper demand and domestic reforms. Inflation could rise due to exchange rate depreciation and higher energy costs. Copper exports from Zambia and raw material imports through the Port of Walvis Bay have increased, contributing to significant growth in cargo volume throughput. This highlights the ongoing importance of trade and transportation infrastructure in supporting economic activities in the region.

DRC

Achieving political stability after a peaceful transition in 2019, DRC's economy grew by 8.6% in 2022. This was largely due to mining investments. Services saw modest growth, and the upcoming 2023 election is crucial for stability and reforms. The medium-term outlook is favourable, with a growth projection of 7.5% by 2025. However, external factors like global conflicts and commodity price fluctuations remain key risks.

Namibia's economic outlook

During the first half of 2023, the Namibian economy demonstrated continued signs of improvement. However, several challenges persisted, including heightened inflationary pressures stemming from supply-side disruptions, subdued domestic credit availability, and ongoing constraints in the construction sector. The global economic landscape introduced downside risks such as tighter monetary and financial conditions, as well as geoeconomic fragmentation.

Notably, the local economy experienced a period of slightly negative real interest rates as headline inflation slightly exceeded the repo rate. Considering these developments, the Bank of Namibia (BON) implemented gradual increases in the repo rate. Over the first half of 2023, the repo rate was raised cumulatively by 100 basis points, ultimately reaching 7.75% by mid-June. This decision balances supporting domestic economic activity while mitigating inflationary pressures and maintaining the fixed currency peg to the South African rand. BON's approach aligned with the broader monetary policy directions adopted by other central banks, including in South Africa, with consideration for minimising undue capital outflows.

Impact on Namport

Namport's prospects are intricately linked to the localeconomy,with 71%ofcargovolumesoriginating from Namibia. The state of the Namibian economy, including factors like imports, exports, inflation, credit accessibility, and construction, significantly impacts Namport's operations and financial performance. Additionally, increasing cross-border volumes from key countries further bolsters Namport's role as a crucial node in Namibia's drive towards becoming the logistics hub for the region. This interdependence underscores the critical influence of both local and regional economic conditions on Namport's growth and success, which are in turn impacted by the global economy.

The global maritime environment

Container market outlook

The container market is undergoing a transformation. Increased capacity is expected to flood the segment, potentially leading to rate reductions as market power shifts to buyers. Demand adjustments and resolved port congestion are contributing factors. After two profitable years, container liners have increased their resilience, but a shift in market dynamics appears imminent.

Bulk and break-bulk outlook

The bulk and break-bulk sector faces challenges. Global trade contraction, economic slowdown and higher interest rates affect industrial activity. Iron ore and coal trades depend on Chinese production which has rebounded but remains below peak levels. Bulk trades, especially in coal, are boosted by domestic demand in China. Grain trade experienced disruptions but is recovering.

Liquid bulk outlook

The liquid bulk market has strong fundamentals. Recovered oil demand and reshaped shipping routes following Russian sanctions have contributed to prolonged higher rates. Seaborne tonne mileages are expected to grow due to longer routes, particularly in tanker shipping. The market for oil products and crude trade remains tight, supporting tanker owners and operators.

ESG considerations

ESG factors impact shipping. These include sustainability regulations and rising fossil fuel product pricing influencing vessel operations and fuel costs. Higher pricing for fossil fuel products promotes emissions reduction and could raise fuel costs, affecting shipping companies and charters.

Impact on Namport

Namport operates in a diverse market landscape. While the container market faces capacity challenges, Namport's location and capabilities position it to adapt. The anticipated increases in bulk and break-bulk trades align with Namport's current strengths and is strongly influenced by China's production. This is especially relevant for iron ore and coal volumes. In the liquid bulk sector, longer shipping routes and strong fundamentals indicate a positive outlook.



OUR OPERATING ECOSYSTEM *(CONTINUED)*

The importance of trade corridors

Namport actively promotes the Port of Walvis Bay and the Port of Lüderitz as the preferred gateways for the region. By fostering strong partnerships, the Authority strengthens the efficiency and reliability of the entire logistics network. Namibia, with its strategic location, good ports and trunk roads¹, holds significant potential to become an international logistics hub for SADC's inland countries. As a key stakeholder in developing an international logistics hub, Namport is committed to fulfilling its responsibilities and supporting coordination efforts across stakeholders. The following section highlights key issues and factors underpinning Namibia's competitiveness and attractiveness to importers and exporters in the region:

Turnaround times at the border posts

Effective from 24 February 2023, Namibia and Botswana have mutually recognised each other's national identity cards for cross-border business and tourism travel stays of up to 90 days. This regional integration measure eliminates the need for passports between the two countries and facilitates seamless travel for truck drivers. This supports intra-Africa trade, reinforces the ease of cross-border movement and will be positive for trade volumes through Namibia's ports.

This will be complemented by the NSWEE, which when completed, will significantly streamline document processing times.

Safety and security of the corridors

Namibia's trade corridors are considered among the safest in the region, and this provides assurance to importers and exporters on the safety and security of their driver, cargo and trucks.

Namibia's road network

Namibia boasts a good road network, providing for seamless transit of road traffic along the trade corridors. However, the disproportionate use of the roads instead of rail, has created an overburden on the road network, heightening safety concerns for passenger traffic and adding impetus to the need for the wholesale extension of the country's rail network.

Trade facilitation

One of the key challenges impeding the realisation of Namibia's logistics hub aspirations has been the inflexible approach of some cross-border regulatory authorities. Issues such as the indiscriminate implementation of the bond requirement and the introduction of new regulations on vehicle imports and the movement of reefer cargo through the corridor have raised concerns within the industry.

Reefer and car imports through the Authority's ports declined during 2023. This had a negative impact on exports and the wider logistics chain. To address these concerns, Namport has engaged in discussions with

the relevant authorities and industry representatives. These engagements aim to find balanced solutions which accommodate regulatory needs while supporting business interests and overall economic sustainability.

Namibia's aspiration to become Southern Africa's preferred logistics hub depends on collaboration across the value chain and the effective resolution of challenges. Namport remains committed to working with stakeholders to address these issues, capitalise on opportunities and establish itself as a reliable and efficient logistics hub for the region.

Port of Lobito development

The Port of Lobito in Angola is a significant regional competitor due to its strategic location and infrastructure investments. As an alternative gateway for landlocked countries such as the DRC and Zambia, the port has grown in recent years and has attracted cargo traditionally routed through the Port of Walvis Bay.

Further augmenting the port's growing stature is the 30-year concession that was signed at the end of 2022 for rail services and logistical support for the 1,290 km Lobito Corridor. The corridor connects Lobito port to Luau in Angola's east, close to the DRC border and offers the shortest route for copper and cobalt from DRC and Zambia. It also offers increased capacity for the transit of liquids and gases. The corridor is being lined up for some \$250 million in financing from the United States' Development Finance Corporation. The United States has also mooted an expansion of the Lobito corridor to the Tanzanian coast.

Impact on Namport

Lobito's strategic location and infrastructure improvements could potentially divert trade flows away from Walvis Bay. Furthermore, changes in trade agreements or tariffs between Angola, Zambia and DRC could impact cargo routing decisions, favouring Lobito over Walvis Bay. Lobito's increasing prominence may shape market perceptions, making it a more attractive option for cargo owners and shipping lines. If the United States investment extends to the Tanzanian coast, it would further dent Walvis Bay's competitiveness for hinterland cargo.

To mitigate these competitive challenges, management is committed to strategic investments in infrastructure and equipment within our ports. We recognise the significance of enhancing the capacity of the entrance channel to handle larger vessels, and dredging is one of the key considerations for the New Container Terminal concessioning project.

Furthermore, management is making progress in the deployment of the NSWEE, albeit encountering some delays in project kick off. The NSWEE will streamline cargo clearance processes and reduce trade barriers which is crucial to improving overall trade facilitation and enhancing our competitiveness in the region.

Rail network connectivity

Rail network connectivity is critical to the competitiveness of Namibian ports. Unfortunately, the lack of a rail connection to either Botswana or Zambia significantly impacts our ports' effectiveness in serving landlocked countries. A reliable and efficient rail link to the hinterland is crucial for port efficiency and cost-effectiveness. Rail infrastructure has the advantage of handling larger cargo volumes compared to road transport. The absence of rail connections further limits the ports' capacities to handle growing shares of hinterland cargo. It also results in higher transportation costs for cargo owners, making the overall logistics chain less competitive.

It is imperative to address the lack of rail connectivity to enhance the competitiveness of Namibian ports compared to its Southern African peers. Plans for the development of the Trans-Zambezi and Trans-Kalahari railway networks exist at the Namibian Government level, but investment decisions for both projects are still pending. The Trans-Zambezi rail feasibility has been concluded and confirming possible viability for a rail link, while the Trans-Kalahari rail feasibility assessment is not yet finalised.

Impact on Namport

The lack of a rail connection to Botswana or Zambia poses a significant challenge to the competitiveness of Namibian ports. By securing rail connectivity, we strive to strengthen the competitive position of Namibian ports in Southern Africa and enhance the overall logistics network's effectiveness.

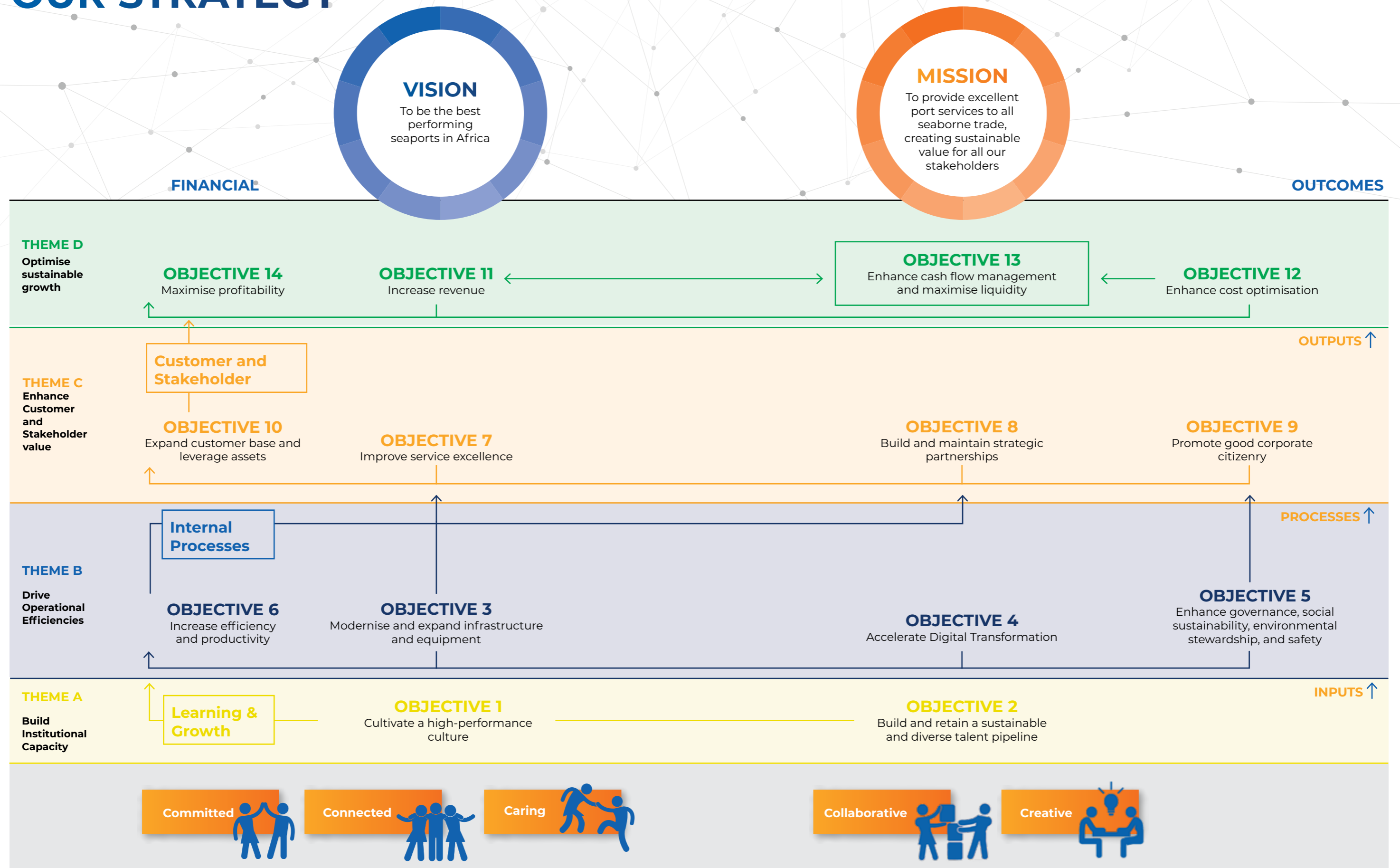
Namport is actively engaged with key stakeholders in the Government and industry to prioritise the establishment of rail connectivity to the hinterland. This collaboration seeks to emphasise the significance of a reliable rail network in bolstering the competitive edge of Namibian ports compared to other ports in the region. By advocating for rail infrastructure development, we aim to improve overall port efficiency, reduce transportation costs and attract a greater share of hinterland cargo.



¹ A trunk road, trunk highway, or strategic road is a major road, usually connecting two or more cities, ports, airports and other places, which is the recommended route for long-distance and freight traffic.



OUR STRATEGY





OUR STRATEGY *(CONTINUED)*

Strategic direction

Namport's corporate strategy was developed based on its mandate, vision and mission and is aligned to national policies. The strategy development process considered trends in the port and shipping industry as well as to global, regional, and national imperatives such as United Nations Sustainable Development Goals (SDGs), African Union 2050 Africa's Integrated Maritime Strategy, Africa Continental Free Trade Area, the SADC Goals, Vision 2030, National Development Plans, and the Harambee Prosperity Plan II.

The strategy was developed in close collaboration with all relevant stakeholders including Namport's shareholder Ministry of Finance and Public Enterprises. It seeks to position Namport to become SADC's seaports of choice.

The core strategy remains the same as articulated in the Integrated Strategic Business Plan (ISBP) and is anchored on four strategic themes. During the latest strategy review process to develop the 2023/24 Annual Business and Financial Plan, strategic objectives were rationalised to ensure more focus in strategy execution.

Performance against strategic themes:

Build Institutional Capacity (Theme A):	Namport's operational prowess is seamlessly aligned with strategic themes. This is evident in the adoption of a new organisational structure, organisational culture transformation, workforce upskilling and robust stakeholder engagements. Notably, a collaborative Memorandum of Understanding (MoU) with the Port of Antwerp-Bruges underscores Namport's commitment to capacity building, positioning the organisation as an industry trailblazer.
Drive Operational Efficiencies (Theme B):	Operational efficiency remains paramount for Namport. Efforts to streamline processes, expedite turnaround times and optimise operations are notable. The initiation of a comprehensive process optimisation project underscores Namport's dedication to operational excellence. Augmenting the tugboat fleet and the cargo handling equipment are testament to the organisation's commitment to bolstering service delivery capacity and ensuring seamless operations.
Enhance Customer and Stakeholder Value (Theme C):	Namport's success is inherently linked to its stakeholders. Regular engagements with customers, proactive efforts to enhance container terminal performance and the launch of a new marina development underscore Namport's customer-centric approach. Global collaborations with industry counterparts such as the Port of Antwerp-Bruges and Port of Rotterdam reinforce Namport's commitment to fostering stakeholder value.
Optimise Sustainable Growth (Theme D):	Namport's growth is underpinned by a steadfast commitment to sustainability. This commitment is exemplified by the constant new business drive to diversify its customer base and broaden service offerings. The upcoming green hydrogen production and Namibia's burgeoning oil and gas sector represent exciting new opportunities to be leveraged. This strategic focus bolsters economic growth and aligns with its environmental stewardship imperatives.

ALIGNMENT WITH STRATEGIC IMPERATIVES

Namibia logistics hub

Namport's strategic direction aligns closely with Namibia's vision of becoming a regional logistics hub. Capitalising on its strategic port locations and transportation routes, Namport aims to facilitate regional and international trade between SADC, Europe, Asia, and the Americas. Namport is a key player in achieving the objectives of the master plan for Namibia's logistics hub goal. The efficient and sizeable port facilities at the Ports of Walvis Bay and Lüderitz play pivotal roles in this endeavour, connecting Namibia to global and regional markets. Notably, the completion of the New Container Terminal at the Port of Walvis Bay has bolstered capacity and connectivity. However, challenges such as limited rail connectivity and regulatory obstacles need collaborative solutions for Namport to realise its aspiration of becoming SADC's preferred logistics gateway.

Positive developments and challenges

While positive steps like streamlined border processes between Namibia and Botswana are encouraging, challenges persist. Regulatory complexities, certain regulations, proclamations and issues related to state veterinary regulations have negatively impacted cargo clearance and trade efficiency. These bottlenecks have directly affected volumes throughput on the Walvis Bay-Ndola-Lubumbashi Development Corridor (WBNLDC), and limit regional integration and trade growth.

Collaboration for success

Namibia needs unified efforts across the value chain to achieve its logistics hub aspiration. Collaboration among Government bodies, regulatory authorities, industry stakeholders and Namport is essential in jointly formulating solutions to enhance trade and facilitate business. With competition from ports like Lobito, it is crucial that all role players collaborate and align towards strengthening Namibia's attractiveness to importers and exporters in the hinterland.

Walvis Bay Corridor Group

The Walvis Bay Corridor Group is a public-private partnership established to promote the utilisation of the Walvis Bay Corridors. It is a facilitation centre and one-stop shop, coordinating trade along the Walvis Bay Corridors and linking Namibia and its ports to the Southern African region.





MATERIAL RISKS

Governance and oversight of risk management

Namport has a robust risk management system, and this is encapsulated in its Risk Management Framework. The Authority follows a holistic approach in identifying, evaluating and rating risks across its operations. It ensures that protocols are established to effectively manage, monitor, and report on these risks. Namport acknowledges that risk is an inherent part of any business and promotes prudent risk-taking, within the confines of defined controls, in the decision-making process.

The Audit, Risk, Information, Communication and Technology Governance Committee plays a crucial role in overseeing the Risk Management Framework, policies, and processes. The ultimate responsibility for risk management lies with the Board. Regular reporting on

top risk management is conducted by Management to the Executive Committee and the Audit, Risk, Information, Communication and Technology Governance on a quarterly basis. This allows for effective monitoring and mitigation of risks throughout the organisation.

During the financial year, some material risks related to ESG factors were identified. These risks are of significant importance and have been highlighted for attention and management.

Namport's commitment to a robust risk management system and its proactive approach to identifying and addressing risks demonstrates its dedication to ensuring the resilience and sustainability of its operations. By effectively managing risks, Namport can safeguard its stakeholders' interests and maintain operational excellence.

Top risks and responses

Risk description		Comment
1. Loss of revenue due to over-dependence on few commodities and sole shipping line (Concentration risk).	▼	The risk remains very high. However, the risk trajectory is on the decrease as the Authority has made significant progress toward the diversification of its commodities and shipping lines. The New Container Terminal concession project will address both revenue and volume-related risks of the port.
2. Inability to service customers due to aging cargo handling equipment.	▼	The risk remains high, however, the risk trajectory is on the decline as a result of significant investment in cargo handling equipment in 2023. This included the procurement of new forklifts, reach stackers and a tugboat.
3. Inability to meet operational and capital expenditure and financing obligations (liquidity and credit risk).	▼	This risk remains high but is decreasing. The Authority's cost optimisation plan was developed and implemented. This resulted in significant reduction in operational costs and savings on the budget have been realised. In addition, a complete improvement in the Authority's profitability and cash flows has been achieved.
4. Overdependence on original equipment manufacturers (OEMs) which could result in overpricing and business interruptions (Syncrolift, Terminals, Marine and Technical).	▶	The risk remains unchanged. Framework agreements are in place for several OEMs. The Authority is engaged in efforts to broaden the supplier base and is networking with international equipment suppliers.
5. Significant business disruption arising from accidents in the entrance channel.	▶	The risk remains unchanged. The new operator of the New Container Terminal will be required to deepen and widen the channel at the Port of Walvis Bay to mitigate the risk of accidents.

Risk description		Comment
6. Increased accidents and business interruptions as a result of non-compliance to safety, health, environment and quality (SHEQ) standards.	▼	<p>The risk level is decreasing. Key controls were implemented and are audited to verify their effectiveness. These, among other things, include:</p> <ul style="list-style-type: none">• Ticket of offence system introduced, and disciplinary action is instituted in cases of negligence.• SHEQ observation programme reactivated.• SHEQ awards programme introduced.• Lifesaving rules approved and implementation is in progress with awareness sessions being conducted. <p>During the financial year, Namport achieved over one million injury-free man-hours.</p>
7. Business interruption as a result of information breaches and cyber threats.	▶	The risk remains high. Resources have been made available to combat the risk. Advanced penetration technology is continuously deployed to secure the IT environment. A cyber security risk management project was concluded to assess the maturity level of the enterprise cyber security mitigation and control environment.
8. Shortage and loss of critical skills causing business interruptions.	▶	The risk level remains unchanged. The Succession Management Policy and Recruitment and Selection Policy have been approved. Role segmentation has been completed and critical and specialised roles, important to business continuity, have been identified. The Authority is also implementing ongoing retention and succession strategies.
9. Business reputational damage due to pollution and other environmental breaches (Blue and green economy).	▶	The risk remains unchanged. A marine pollution contingency plan has been developed and approved. Capital expenditure was approved to purchase equipment to reduce marine pollution including oil waste.
10. Decreased business sustainability due to COVID-19.	▼	The risk remains medium with a decreasing trajectory. COVID-19 is no longer a global pandemic and current controls are deemed adequate. Outbreaks in Asia could still affect commodities demand. We remain vigilant for the new COVID-19 variants. Increased diversification of customer base and revenue streams would further mitigate this risk. Our cost optimisation plan has been developed and implemented.



LEADERSHIPS REFLECTIONS ON 2022/23

Chairperson's report	36
CEO's report	38
CFO's report	42
Corporate scorecard	46



CHAIRPERSON'S REPORT

I am pleased to present the Group's Integrated Annual Report for the year ended 31 March 2023, especially given the positive financial and operational performance for the year. The Group has made significant progress towards positioning itself for long-term sustainability. Its strong financial performance for 2023 was underpinned by the recovering global maritime industry and Namport's continuous drive to improve operational efficiencies, streamline costs, broaden its service delivery capacity and create value for stakeholders.

The financial year started as the global economy was still recovering from the pandemic's lingering impacts with an associated imbalance of the distribution of shipping vessels and containers. Equally challenging, the outbreak of the war in Ukraine in February 2022 added to the uncertainty with an immediate impact on energy and grain supplies globally, pushing inflation to near ceiling high levels. Given Africa's dependency on grain imports and commodity exports, the conflict brought about serious challenges and mixed fortunes. While the spiralling inflation significantly eroded consumers' purchasing power and stifled economic growth, there was an immediate benefit for fossil fuel producing economies as prices shot up to near 2018/2019 levels.

The developments in Europe and across the world have compelled many countries to seek alternative sources of energy to reduce supply risk and added to the growing demand for energy alternative sources. Namibia's positioning as one of the most competitive and viable sources of green hydrogen production came at the right time. While the world is decarbonising, fossil fuels will remain relevant for years to come, especially in the Southern hemisphere where green energy technologies still lag or are completely non-existent. Namibia's recent oil and gas discoveries are well-placed to resolve European supply challenges resulting from the Russia-Ukraine conflict.

NAMIBIA'S POSITIONING AS ONE OF THE MOST COMPETITIVE AND VIABLE SOURCES OF GREEN HYDROGEN PRODUCTION CAME AT THE RIGHT TIME. WHILE THE WORLD IS DECARBONISING, FOSSIL FUELS WILL REMAIN RELEVANT FOR YEARS TO COME...



WHILE THE PERFORMANCE FOR 2023 HAS BEEN EXCEPTIONAL, IT RAISES THE BAR FOR FUTURE PERFORMANCE. WE MUST CONTINUE TO FIRM UP OUR FINANCIAL SUSTAINABILITY.

Positively, there was a post-pandemic resurgence in most commodity prices and many economies reopened for industrial production. This drove demand significantly, triggering production ramps ups and ultimately earning attractive market prices for producers.

Global developments provide a great platform for Namport to continue to build on its business, particularly the favourable commodity prices. These prices spurred the growth of the cargo volumes flowing through our ports, destined to and from Namibia and for the regional economies, which are largely dependent on commodities. These positive developments have underpinned the positive 2023 financial performance. It is important that the Group continues on this trajectory.

The positive volumes growth was further augmented by the continued good returns that flowed from our austerity measures put in place to streamline costs. However, more stringent interventions remain imperative to curb the high operating and overhead costs of the Group's ship and rig repair business.

The Group continued to invest in its people as they are the cornerstone of our capacity to effectively deliver our mandate. Following years of constrained financial resources, given the onerous capital expenditure demands during the construction of the New Container Terminal, we decided to dedicate attention and resources towards the recapitalisation of cargo handling equipment, marine craft, support infrastructure and systems at both ports. This is important in limiting downtime, sustaining productivity and efficiency levels and meeting service levels requirements. It is in line with our responsibility to complement the country's drive to become the logistics hub for the region.

Sustainability is a key focus for the Group, with our commitment evident in the wide range of ESG initiatives and activities either implemented or under consideration.

These are aimed at reducing our carbon footprint, investing in renewable energy and promoting good governance and social practices. Read more in our ESG Report on page 61.

While the performance for 2023 has been exceptional, it raises the bar for future performance. We must continue to firm up our financial sustainability. This can only be achieved if we strongly gear ourselves to meet and exceed the customer and stakeholder expectations. In addition, we must prepare our operations to cater for the new industries and opportunities on our horizon.

Appreciation

On behalf of the Board, I extend our deep appreciation for the ongoing support by our shareholder, the Government of the Republic of Namibia, through the Honourable Minister of Finance and Public Enterprises Honourable Ipumbu Shiimi. The great rapport with our shareholder has been instrumental in the positive strides the Group has made towards success and fulfilment of its mandate. I also thank my fellow Board members for the vibrant debates and insightful inputs as we guided the business throughout the year.

Finally, on behalf of the Board and myself, I offer our appreciation to our Chief Executive Officer (CEO), Andrew Kanime, Management team, and staff for the excellent stewardship, operational and financial performance for 2023. We must remain rooted in our resolve to provide the best services and value to our stakeholders.

Nangula Hamunyela
Chairperson



CEO'S REPORT

Namport delivered a solid financial performance for the 2023 financial year, supported by an increased flow of both imports and exports for local and regional markets. Our focus going forward is to consolidate and solidify these critical cargo streams, for the continued success and sustainability of the organisation.



I am pleased to present the CEO's report for the year ended 31 March 2023, highlighting our achievements and progress towards attaining the goals which we have set forth in our ISBP.

Namport in 2023

The 2023 financial year was characterised by a challenging global economic landscape which was shaped by the Russia-Ukraine war. The repercussions of this conflict were far-reaching, triggering an energy crisis and intensifying inflationary pressures globally. These challenges, coupled with the ongoing after-effects of the COVID-19 pandemic, presented formidable headwinds that tested our resilience and adaptability.

In the face of these adversities, the Group persevered, demonstrating the ability to navigate through turbulent waters and capitalise on emerging opportunities. We remained firm in our commitment to operational excellence and dedication to serving as a pivotal pillar of Namibia's trade and development.

Cargo volumes, particularly at our general cargo terminal, increased substantially. This was complemented by increased export and import container volumes, and heightened activities in the petroleum products sector. We successfully expanded our footprint into hinterland markets and started handling increased volumes from Botswana and Zambia. In addition, the favorable market



THROUGHOUT THE YEAR, WE HAVE CONTINUED INVESTING IN OUR TERMINALS, CARGO-HANDLING EQUIPMENT, PEOPLE AND SUPPORTING SYSTEMS TO IMPROVE OUR POSITIONING AMONG THE TOP AFRICAN PORTS AND ACHIEVE OUR VISION TO BE THE BEST-PERFORMING SEAPORTS IN AFRICA.

conditions and prices for various minerals and commodities including coal, fish, meat, poultry, marble, equipment and machinery, contributed significantly to the ramping up of production by producers, and ultimately, to the overall performance of our ports. These increased volumes were supported by the stabilising vessel calls and container availability, which allowed for the improved evacuation of goods to destination markets.

The positive momentum achieved throughout the year reflects our commitment to navigating complex and challenging global dynamics. The importance of maritime logistics in global trade and development became even more evident, given the challenges posed by both the pandemic and the Ukraine conflict. Our strategic expansion into new regional markets yielded positive results, while there was increased demand for raw materials and finished goods, following two years of pandemic-induced economic turbulence. This has created new avenues for growth.

While the Group posted a positive overall operational performance, it is worth noting that the ship repair operations at Namport subsidiary Namdock continued to operate in a difficult environment. While revenue has increased markedly, operating profit reduced significantly on the back of increased operational costs.

Throughout the year, we have continued investing in our terminals, cargo-handling equipment, people and supporting systems to improve our positioning among the top African ports and achieve our vision to be the best-performing seaports in Africa.

We have completed the second year of our ISBP and have continued to build on the successes of the first year by reaching significant strategic milestones and improving operational performance. The Namport strategy is founded on the following four strategic themes, and our performance on each of the themes is detailed as follows:

Theme A: Build Institutional Capacity

Namport operates in a highly competitive and volatile global business environment, requiring agility and resilience to meet diverse and ever-changing stakeholder demands and environmental pressures. This theme encompasses two key goals: fostering a high-performance culture and nurturing a sustainable, diverse talent pool. Our people are the backbone of our organisation, and therefore, investing in our people and performance culture is critical to enhance stakeholder experience.

The Culture Transformation Programme was successfully launched at the start of the financial year, and we have made good strides to inculcate the desired high-performance culture. We have also recorded good progress on our talent management, by augmenting existing programmes with the completion of a project to identify successors for critical and specialist roles. We will invest in the capacitation of identified successors to ensure that they are well-positioned to effectively deliver in the roles for which they have been identified. In addition, the reorganisation plan, which aims to ensure alignment between our latest ISBP, and its manning structures and plans has been finalised, with rollout scheduled for the 2024 financial year.

With the completion of these critical projects, we are well poised to further position ourselves towards improving and sustainably providing our services to our stakeholders.



THE POSITIVE MOMENTUM ACHIEVED THROUGHOUT THE YEAR REFLECTS OUR COMMITMENT TO NAVIGATING COMPLEX AND CHALLENGING GLOBAL DYNAMICS.



CEO'S REPORT *(CONTINUED)*

Theme B: Drive Operational Efficiencies

Quick turnaround times for vessels, trucks, and trains, as well as safety and security of cargo in our ports, are important considerations for our customers when they choose our ports and trade corridors for their import and export requirements. We must continue to invest in our equipment and infrastructure, while ensuring the safety of our people and customers as well as security of cargo while in our custody.

Namport has successfully completed the procurement process for the sourcing of a private operator to operate and manage the New Container Terminal, with negotiations now at an advanced stage. This concession is a key step forward to improve operational efficiencies, among others. More details on the concession are provided on page 51. Namport has also finalised plans to review its operating model.

Namport developed a composite index to objectively measure operational efficiency at the Port of Walvis Bay to assess performance gaps and implement remedial mechanisms to address these areas. The index, which is in the second year of application, has improved organisational focus on areas of operational performance, including people, processes, tools, and equipment. The index, therefore, continues to improve management information and guide management decisions. In 2023, we continued with the equipment revamp and upgrade programme, with several key cargo handling equipment already delivered or in various stages of procurement. However, the lack of availability and long lead times of new equipment and critical spares at the OEMs continued to hamper productivity, especially at the New Container Terminal.

We have prioritised the acquisition of two additional tugboats to augment the current fleet and limit the costly and time-consuming cross utilisation of tugs between our two ports. Equally importantly, the new tugs will place the Authority in good stead to handle the increased traffic and larger size vessels which are envisaged to call the Port of Walvis when the concession is finalised. In the meantime, and to provide interim relief, a used tug was bought for use at the Port of Walvis Bay.

While operational efficiencies are significantly dependent on Namport's own operations, the full efficacy of the logistics chain are dependent on the performance of all other stakeholders such as Government agencies, freight forwarding agencies, transporters, shipping lines, stevedores, among others. It is, therefore, imperative that there is full alignment and coordination amongst the role players. The Authority continued engagements with industry stakeholders to address challenges and drive service delivery to meet customer expectations.

The NSWE project, upon commissioning, will improve the collaboration and efficiency of cross-border processes. While the project implementation has faced some challenges, Namport continues to prioritise its implementation as it has significant value for the ports and the country.

The construction of the new gate complex at the Port of Walvis Bay is planned for the 2024 financial year. This aims to streamline our gate processes, improve scheduling, and optimise the flow of trucks at the port.

Theme C: Enhance Customer and Stakeholder Value

Our strategic intent is to meet our customer's productivity and efficiency requirements, while improving our performance against the connectivity index. This will simultaneously result in us improving our brand image.

We have enhanced our presence and engagements with our local and regional customers, working collaboratively with customers to achieve mutually beneficial solutions. We managed to improve vessel calls to our ports, while we continue to work with the industry to reintroduce container vessel calls to Lüderitz. Our marketing efforts have yielded increased business from the region, with cross-border volumes growing 41% year-on-year, and now comprising 29% of all cargo handled at our two ports. Key markets include South Africa, Zambia, DRC and Botswana. Notably, the Botswana market experienced robust expansion during the previous financial year, driven by increased exports of coal, copper concentrate and imports of fuel. This growth trend highlights the importance of maintaining our focus on realising the logistics hub concept, which is a key enabler for sustaining and furthering this growth trajectory.

Stakeholder relations are critical for our success. We continue to nurture relations with our stakeholders in the transport and logistics sector, customers, suppliers, shareholder, and regulatory bodies to ensure that Namport and the industry contributes positively towards the logistics hub vision.

Theme D: Optimise Sustainable Growth

Sustainability is at the core of our existence, and this requires that we continuously improve our operations and service quality levels to satisfy customers and create value for our stakeholders and shareholder.

Our plans to improve cost-effectiveness of our operations have continued to bear fruit, as we strived to eliminate wastage and inefficiencies across our operations.

While ensuring prudent usage of financial resources, we also acknowledge the role of public-private partnerships (PPPs) to grow our ports' capacity and improve efficiencies. This is especially relevant with the upcoming major developments for the green hydrogen, ship repairs, oil and gas industries. These will require significant capital investments and expertise. In addition to the PPPs, we are engaging with key institutions on MoU for collaboration and capacity building in our drive to achieve critical initiatives.

THE PROGRESS WITH THE EXPLORATION AND APPRAISAL ACTIVITIES FOR OIL AND GAS OFF NAMIBIA'S COAST AND THE ONGOING GREEN HYDROGEN ACTIVITIES IN THE TSAI KAEB NATIONAL PARK IN THE SOUTH REQUIRES OF NAMPORT TO EFFECTIVELY GEAR ITSELF TO MEET THESE SECTORS' REQUIREMENTS. TO THIS END, NAMPORT IS PLANNING IT PORT FACILITIES AND EQUIPMENT TO ADDRESS THESE UPCOMING REQUIREMENTS.

How is Namport improving its competitiveness and customer experience?

Namport is actively enhancing its competitiveness and elevating the customer experience through a well-structured strategy. The organisation's five-year ISBP for period 2022 to 2026 provides a clear roadmap to guide our transformational journey.

We place a strong emphasis on our customers and stakeholders, actively engaging with them and soliciting feedback. This proactive approach enables the identification of improvement areas and the implementation of corrective measures to meet or surpass customer expectations. Notably, our dedication to stakeholder engagement was recognised in June 2022 where we received awards for governance and compliance and the best public image at the State-Owned Enterprise Forum awards.

To support our commitment to excellence, enhance operational efficiencies and provide greater value to our customers and stakeholders we have invested in technology, infrastructure, people, and equipment. These investments streamline processes and ensure that we maintain high-quality standards while pursuing operational objectives.

Looking ahead

As we navigate the complexities of the global shipping landscape and regional economic dynamics, we remain steadfast in our commitment to providing the best service to seaborne trade. We believe that by harnessing the power of collaboration, innovation, and strategic investments, we can overcome challenges and drive sustainable growth for Namibia, the Southern Africa region, and beyond.

We will focus on strategic planning, operational excellence, and responsiveness to market changes, to effectively position Namport as a key cornerstones in Namibia's development. This is especially important with the exciting and watershed developments within the green hydrogen, oil, and gas sectors. This will require us to work in unison towards strengthening Namibia's capability to compete with other ports in the region, support the developments of the new industries and ultimately attain our goal to be the logistics hub for the region.

Appreciation

I remain grateful of the great support and guidance provided to Namport team and myself by the Ministry of Finance and Public Enterprises and our Board as we strove to deliver on our commitments and add value for our various stakeholders. With the constantly evolving dynamics of our industry, which require of us to exercise agility and ongoing ingenuity, the support received was invaluable. I extend our appreciation to our stakeholders and customers for their support throughout the year. Our positive operational and financial performance for 2023 is only possible thanks to this support.

To the Namport management team and staff, I reiterate my appreciation for the dedication, resilience and great teamwork displayed as we worked towards delivering on our respective goals, improving our financial performance and, driving towards the attainment of our vision of being the best performing seaports in Africa.



Andrew Kanime
Chief Executive Officer



CFO'S REPORT

Namport experienced significant revenue growth, registering a 22% year-on-year increase on the back of the recovering industry, favourable commodity prices and booming imports and exports.



Introduction

The Namport Group results for the year ended 31 March 2023 are made up of the Authority, which oversees the Port of Walvis and the Port of Lüderitz and the following subsidiary companies:

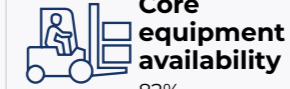
- Namdock – the ship and rig repair yard at the Port of Walvis Bay.
- Lüderitz Boatyard (Pty) Ltd – the fishing vessels repair facility at the Port of Lüderitz.
- Namport Property Holdings (Pty) Ltd – the property portfolio administration company.

The Lüderitz Boatyard and Namport Property Holdings have remained dormant during the year under review with the former having ceased operations due to the aging repair facilities and the latter still to commence operations since its registration. More information on these subsidiaries is provided on page 19.

Performance highlights


ROA
4.4%

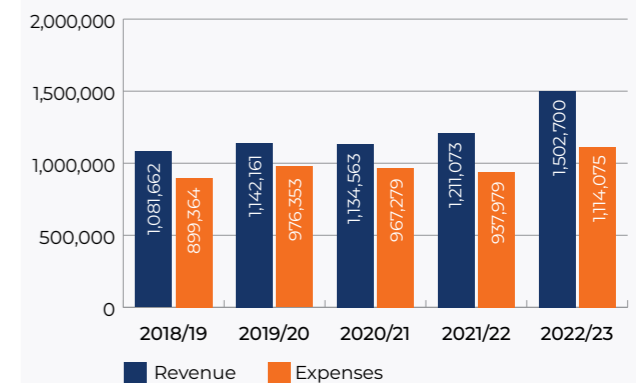
Staff
842

Debt to equity
0.01

Core equipment availability
82%

Truck turnaround time
1H01

Indicator	Previous year	Actual	Plan	Variance
Revenue (N\$ '000)	1 234 921	1 502 700	1 268 474	✓
Expenses (N\$ '000)	1 006 831	1 114 075	1 028 123	✗
EBITDA	38%	43%	39%	✓
EBIT	18%	27%	19%	✓
Current ratio	1.05	1.38	0.73	✓
Debtors days	77	76	61	✗
Interest on investments	4.87%	7.74%	6.34%	✓

Revenue and expenses by year (N\$m)



Expenses			Revenue			EBIT			TEU's			General Cargo		
Actual	Plan	Variance	Actual	Plan	Variance	Actual	Plan	Variance	Actual	Plan	Variance	Actual	Plan	Variance
1 114 075	1 028 123	(8%)	1 502 700	1 268 474	18%	410 924	240 351	71%	160 883	178 330	(10%)	5 428 543	3 807 302	4v3%
PY	PY/Var		PY	PY/Var		PY	PY/Var		PY	PY/Var		PY	PY/Var	
1 006 831	(11%)		1 234 321	22%		374 754	10%		168 278	(4.4%)		4 404 831	23%	



BULK AND BREAK-BULK VOLUMES HANDLED DURING THE YEAR AMOUNTED TO 5.4 MILLION TONNES, REPRESENTING A NOTABLE INCREASE OF 23% YEAR-ON-YEAR.



CFO'S REPORT *(CONTINUED)*

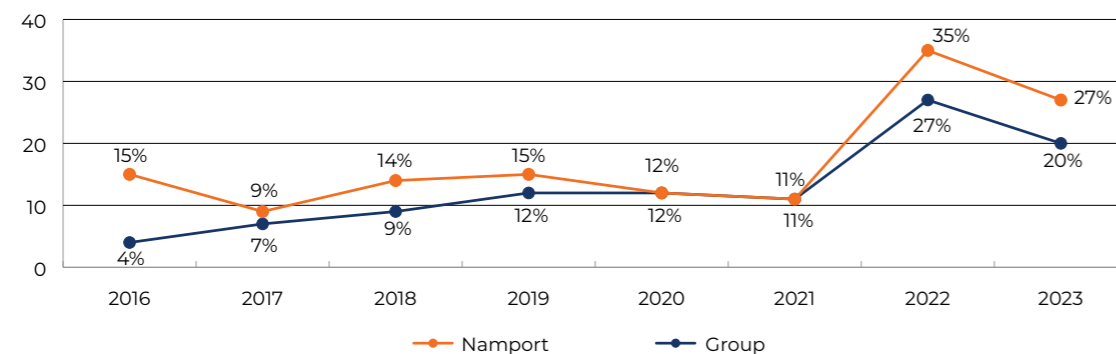
Operating environment and financial performance overview

The 2023 financial year saw a significant improvement in the operational and financial performance of the Authority. This came on the back of the resurgence of the maritime industry with the challenges of shortages of vessels and containers now moving towards normalisation. As a result, the year under review saw a growth in the number of vessel calls at both the Port of Walvis Bay and Port of Lüderitz, albeit at a nominal increase of 4% year-on-year. This was further buoyed by increased demand for a wide array of raw materials and mineral ores from the local and regional mining and agricultural industries. This was augmented by the increased requirement for imported inputs and equipment for the production processes.

Bulk and break-bulk volumes handled during the year amounted to 5.4 million tonnes, representing a notable increase of 23% year-on-year. However, total containers handled decreased from 168 278 TEUs in the previous financial year to 160 883 TEUs. This is mainly attributable to the loss of transshipment volumes to other ports in the region as shipping lines redirected some volumes in their drive to revise their shipping schedules and to rationalise operating costs. The limited channel depth at the Port of Walvis Bay continues to hamper the Authority's capacity to attract and retain this highly versatile and significant transshipment business stream. Marine services revenue experienced significant growth during 2023, supported by the increased vessel calls and the larger gross tonnage and high tariff vessels calling the Authority's ports.

Revenue for the year amounted to N\$1.503 billion (2022: N\$1.234 billion). This represents year-on-year growth of N\$268 million or 22%. Operating costs for the period amounted to N\$1,114 billion (2022: N\$1.006 billion). Operating profit increased by N\$36 million or 10% to N\$411 million (2022: N\$374 million). This is testimony to the positive spin offs from the ongoing cost rationalisation drive.

Operating profit margin (EBIT)



22% Increase in revenue year-on-year.

Operating expenditure up 11% from the previous financial year.

EBITDA of 43% compared to 50% for the 2021/2022 financial year.

Gearing of 50% and debt service cover of 2.35 times.

Net asset value of N\$3.73 billion.

Finance costs for the year increased markedly due to increasing interest rates, but the overall position was mitigated by the investment income earned from surplus funds during the year. Profit before tax for the year amounted to N\$258 million (2022: N\$254 million), while profit after tax for the year at N\$183 million, representing a 21% decrease from the 2022 financial year.

Overall, the Authority delivered a positive financial performance, supported by the increased flow of both imports and exports for the local and regional markets. The focus going forward will be to consolidate and cement these critical cargo streams for the continued sustainability of the business.

However, the Group's performance was negatively impacted by the unfavourable performance of Namdock, the ship and rig repair business, which is constrained by high operational costs. It is, therefore, imperative that Namdock's future focus is directed at eliminating production inefficiencies, enhancing the gross profit margins and streamlining overhead costs.

Credit risk management

Liquidity

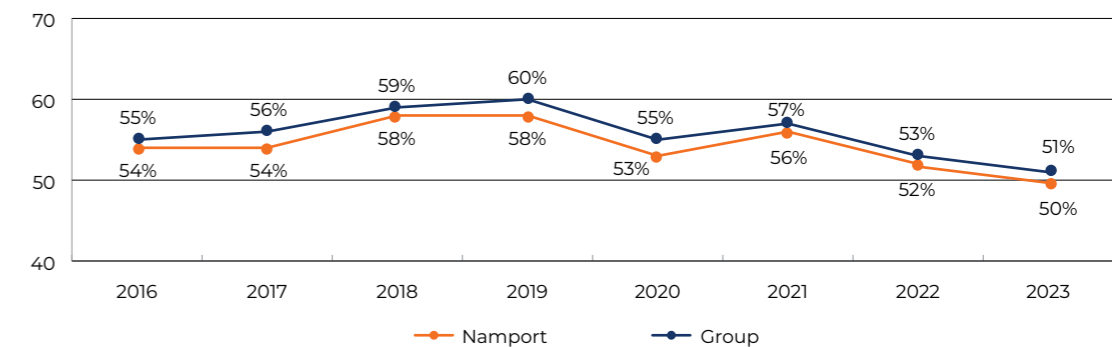
The cash flow and general liquidity position of the Group improved markedly in 2023. At year-end, the Authority had N\$388 million in cash and cash equivalents (2022: N\$228 million), while the Group had N\$417 million in cash and cash equivalents (2022: N\$230 million). This was the result of improved profitability and cost streamlining measures. During 2023, the Authority applied N\$468 million and the Group applied N\$510 million towards capital expenditure and debt servicing obligations.

Gearing

No new loans were secured by the Group in 2023 as operational and capital expenditure requirements were funded from cash flows generated from operations.

With ongoing material payments on loans, especially the AfDB loan secured for the port expansion project, the overall gearing position continue to strengthen progressively. This is important to create borrowing capacity for anticipated investments to upgrade equipment and expand facilities at both ports to cater for the growing volumes throughput and key developments in the green hydrogen, oil and gas industries.

Debt ratio



Credit rating

The Authority is presently rated by Fitch Ratings and has continued to retain a positive credit rating. This was affirmed a national long-term rating at AA+ with outlook stable for the rating decision announced in February 2023.

Outlook

The Group's prospects are positive as it builds on the existing business and gears up for the new opportunities related to the developing green hydrogen, oil and gas industries. The ports will be a critical node in the logistics chains for inbound equipment and various supplies required by these industries, the outbound hydrogen molecule and derivative exports to international markets. In addition, Namport can play a role in the repairs and maintenance requirements of the rigs, platform and offshore supply vessels serving the oil fields offshore. It is critical that all efforts are directed to continued cost streamlining and resources rationalisation so there is sufficient capacity to cater for the growing business.

Kavin Harry
Executive: Finance



CORPORATE SCORECARD

The table below provides the Group's performance against key performance indicators in terms of the performance agreement entered into by and between the Group and the shareholder, the Government of the Republic of Namibia, and overseen by the Ministry of Finance and Public Enterprises.

Financial	Key performance indicator	2022/23 targets	YTD 2022/23 Actual	Variance	Performance against target	▲
F1	Increase in revenue	-1 268 474 312	-1,502,700,257	-234,225,945	118%	▲
F2	Opex within budget	1 028 122 545	1,114,075,258	85,952,713	108%	▶
F3	% EBIT	19%	27%	8%	142%	▲
F4	% EBITDA	39%	43%	4%	110%	▲

Customers and stakeholders	Key performance indicator	YTD 2022/23 targets	YTD 2022/23 Actual	Variance	Performance against target	▲
C1	% Customer Satisfaction index	75%	74%	-1%	98.67%	▶
C2	Actual value generated from identified partnerships	On schedule	On schedule	On schedule	On schedule	▶
C3	% increase in volumes					
	– Tonnes	5 059 383	5 428 543	369 161	107.30%	▲
	– TEUs	201 653	160 883	-40 770	79.78%	▼
	– Syncrolift Vessels	66%	58%	-8%	88%	▼
C4	% utilisation of identified land and facilities	451 895	604 411	152 517	133.75%	▲

Internal processes	Key performance indicator	YTD 2022/23 targets	YTD 2022/23 Actual	Variance	Performance against target	▶
IP1	% of capital programmes activated (equipment and infrastructure)	27	24	-3	88.89%	▲
IP2	LTIFR	0.50	0.49	0.01	102%	▶
IP3	% Annual SHEQ international standards certification maintained	3	4	1	4	▲
IP4	% Port Efficiency index	3.50	3.36	-0.14	96%	▶

People	Key performance indicator	YTD 2022/23 targets	YTD 2022/23 Actual	Variance	Performance against target	▶
LG1	% Employee Satisfaction index	75%	70%	-5%	93%	▲
LG2	% ready-now candidates	30%	30%	0%	100%	▶
LG3	% regretted losses	10%	0.00%	10.0%	200%	▲
OVERALL CORPORATE RATING						▶



2023 PERFORMANCE REVIEW

Assets and infrastructure capital review	50
Intellectual capital review	52
Operations review	55
Human capital review	57



ASSETS AND INFRASTRUCTURE CAPITAL REVIEW

Namport utilises its land, infrastructure and equipment to generate value for the Authority and its stakeholders. The focus is on expanding infrastructure capacity to meet present and future requirements while optimising the utilisation of the existing infrastructure.

Leveraging our land assets

Efficient land usage is important in creating and sustaining value. Namport is actively pursuing PPPs to finance, design, construct, and operate private terminals in both ports in line with the landlord port operating model which the Authority has set for itself going forward.

Namport owns and manages developed and undeveloped lands and water areas in Walvis Bay, Lüderitz and Swakopmund, with the largest proportion of our properties being situated within the ports of Walvis and Lüderitz. This extensive property portfolio is instrumental in driving cargo throughput growth in the ports. With the exception of the container terminal and break-bulk operations, Namport primarily functions as a landlord port, leasing or concessioning land, buildings and water areas to private entities for the development and operation of private terminals. These leased and concessioned properties are used for cargo handling and storage, ship repair, office space, residential purposes and aquaculture, among other uses. The following significant leases were either allocated or reviewed during the financial year:

- Awarded a lease for developing and operating liquid petroleum gas (LPG) import, storage and distribution facilities at the North Port of Walvis Bay.
- Reserved land for the Namibia PV2FUEL project (green hydrogen) and liquid natural gas (LNG) terminal at the North Port of Walvis Bay.
- Extended the lease for the storage and handling of salt stockpiles and chemicals, break-bulk and packed warehousing storage at the Port of Walvis Bay.
- Allocated land for general warehousing and handling of international cargo for exports and imports at the Port of Walvis Bay.
- Allocated the old cold storage facility in the Port of Lüderitz for ship chandling¹ operations and the establishment of a seaweed processing facility.

¹ Chandling services provide stores for the ship. These could be engine room stores and spares, or paint, additional mooring lines, or food, beverages, cleaning equipment and detergents.

Investing in new infrastructure to stay ahead of demand

Namport strives to invest ahead of demand for cargo handling capacity. Infrastructure projects which create additional cargo handling capacity typically have long lead times and should be started well before actual demand reaches 70% capacity utilisation.

The following capital projects are being implemented as at year-end:

Current capital projects

New main entrance gate at the Port of Walvis Bay

This project involves the construction of a new main gate complex for the Port of Walvis Bay, with five ingoing lanes and four outgoing lanes, to enhance the flow of vehicles and alleviate congestion. The new gate will feature a fully automated gate operation system, improving overall efficiency. Additionally, a cargo pre-clearing system and truck staging area will be developed to ensure seamless movement of trucks in and out of the port. The project will be completed in phases, with the following milestones achieved in 2023:

- Completed a new level crossing and traffic intersection on 15th Road and Railway Street with the aim of eventually closing the road over rail level crossing at Rikumbi Kandanga Road to make way for the new entrance gate.
- Awarded the contract and commenced construction for the gate's building works project. Future construction projects include the truck staging area, road works between the staging area and new entrance gate, power supply and lighting and converting the main gate into an exit gate.

Walvis Bay Marina development

This project aims to prepare the marina development for operationalisation by providing essential municipal services such as water, sewerage, electricity, and roads. Construction of services commenced in 2023 will be completed in 2024. Land plots at the Marina are also available for lease to interested parties, with several applications having been received by year-end.

Berth 1 to 8 firefighting pipeline at the Port of Walvis Bay

The project involves replacing the seawater firefighting pipeline for berths 1 to 8 as the existing pipeline has reached its design lifespan. The project has been divided into phases: berth 1 to 3 and berth 4 to 8 pipeline. Phase 1 of the project (berth 4 to 8) has been completed, and the procurement stage for berth 1 to 3 is underway.

Major maintenance projects

Conducting planned maintenance on all civil, mechanical, and electrical infrastructure is a core function of the Authority. A significant amount of resources are allocated for this purpose every year. In 2023, the following major maintenance activities took place.

Refurbishment of the Pelican Point lighthouse

Namport owns and operates three lighthouses in Namibia. Each of these lighthouses undergoes minor and major refurbishment every three to five years. The Swakopmund and Diaz Point lighthouses was refurbished in the last five years. The next in line is the Pelican Point lighthouse located on the Pelican Peninsula in Walvis Bay. The procurement process for this work was completed in 2023, with the refurbishment work scheduled to be completed in the 2024 financial year.

Major independent condition surveys of all quay walls, jetties and berths

Quay walls and jetties are important core infrastructure in the Authority's ports. These structures form what is referred to as the berths where vessels moor, and cargo can be loaded and offloaded. This infrastructure is the most expensive in terms of capital and maintenance cost, especially when the structures are old, as is the case in the two ports. It is essential that independent condition surveys are carried out periodically to verify the conditions of these heavily utilised steel and concrete structures. The next condition survey is planned for the 2024 financial year.

Monitoring of sand filling behind berth 4 to 8 sheet pile retaining wall

The berth 4 to 8 sheetpile retaining quay wall is the oldest structure in the Port of Walvis Bay and has been in service since it was commissioned in 1959. This quay wall has experienced sand losses through the sheetpile causing sinkholes to form on the retained land behind the quay wall. To prevent the formation of sinkholes an intensive monthly monitoring programme has been in place for the last five years. Sand levels are monitored, and sand filling is implemented when lower levels are recorded. Lower levels are associated with sand leaks through the wall caused by the deteriorating grout socks in between the individual concrete piles which form the sheetpile. During 2023 several new holes in the sheetpile were repaired and sand filling was completed to restore sand levels behind the wall.

Concessioning of the New Container Terminal

NAMPORT REMAINS UPBEAT ABOUT THE POSITIVE PROSPECTS AND OPPORTUNITIES PRESENTED BY THE UPCOMING CONCESSIONING OF THE NEW CONTAINER TERMINAL.

During the period under review, Namport took the decision to proceed with the concessioning of the New Container Terminal at the Port of Walvis Bay. The concession is premised on the following objectives:

- Attract private investment for much needed capital investments, especially but not limited to, deepening the channel at the Port of Walvis Bay to handle large size vessels and leverage economies of scale.
- Grow volumes throughput through the terminal to maximise utilisation and returns on investment.
- Enhance operational efficiencies and amplify both Namport's and Namibia's competitiveness within the regional logistics sector.
- Preserve and create employment in line with the Government's poverty alleviation and developmental goals.

Following a market bidding exercise, Terminal Investment Limited Sarl (TiL) Group was selected as the preferred bidder to operate the terminal for a concession period of 25 years. Negotiations with TiL were ongoing by year-end with good progress achieved.

The TiL Group operates in 31 countries across five continents, has an interest in more than 60 terminals and handles at least 65 million TEUs each year. Namport is positive that this PPP will support Namibia's drive to become a key regional logistics hub.



INTELLECTUAL CAPITAL REVIEW

Intellectual capital encompasses Namport's intangible assets, knowledge-based resources, processes, standards and technologies. Namport's intellectual capital and innovative approach to service provisioning positions the Authority as a leading brand striving to create value for all stakeholders, expand market share and drive technological advancement.

Business development

The Commercial Services Department is responsible for promoting Namport's facilities to potential and existing customers. The department's primary objective is to increase cargo volumes, diversify revenue streams and expand the customer base. Safeguarding and enhancing the Namport brand is a crucial part of our mandate. Furthermore, we actively pursue strategic alliances and business opportunities through PPPs. The Authority is also focused on expanding the bulk and break-bulk business by attracting cargo from the hinterland, particularly landlocked countries.

The Commercial Services Department is involved in the following engagements and initiatives to drive overall volumes and revenue growth:

Tariff revenue

Namport has commissioned an external maritime consultancy firm to conduct a benchmarking study to assess its competitiveness in comparison to other regional ports. The assignment includes a comparison of landside logistics costs along Namibian corridors serving the SADC markets with competing corridors in the same catchment area.

Customer engagements

In March 2023, Namport and the Walvis Bay Corridor Group representatives visited customers in Zambia and the DRC to promote the export and imports of goods through the Walvis Bay-Ndola-Lubumbashi Development Corridor. This corridor is the shortest route between the Namibian west coast Ports of Lüderitz and Walvis Bay and the vital transport hubs of Livingstone, Lusaka and Ndola in Zambia, Lubumbashi. The corridor is perfectly positioned to service the two-way trade between the SADC region and Europe, North and South America and emerging markets in the East.

Read more about Namport's strategic transport corridors on page 26.

Our ports as export hubs for green hydrogen and ammonia

Namport finalised the updated Port Master Plan and feasibility study for the proposed long-term development of the Port of Lüderitz including the planned new deep-water port at Angra Point. This master plan was completed in August 2023. The findings of the study provided valuable insights into the feasibility and rationale of the planned expansion projects. Management is dedicated to ensuring a thorough and efficient study process to guide future port developments.

The Port Master Plan will integrate green hydrogen exports from the Southern Corridor Development Initiative with Namport's expansion plans for other cargos to support regional growth. The demand forecast, which was completed as part of the initial Port Master Plan, indicated promising prospects for the port development. The strategic positioning of the port as a multi-purpose facility enables it to handle bulk cargo from the Northern Cape in South Africa, enhancing regional trade and connectivity. Key industries such as green hydrogen, manganese, and potentially oil and gas contribute to the port's commodity mix, along with other commodities like phosphate, lead and zinc, passenger liners, general cargo, and ship repair services.

The MoU between Namport and the Port of Rotterdam, signed in November 2021, provides for ongoing cooperation on various areas of mutual interest, and how to position Namibia's ports to become green hydrogen export hubs and facilitate the forecasted growth and flow of the green hydrogen supply chain from Namibia to Rotterdam in the Netherlands.

Namport recognises the significant potential of green hydrogen production and export as an emerging market and its importance in advancing sustainable energy solutions. The Authority is committed to staying well-informed, exploring further collaborative opportunities and aligning strategies within the evolving market dynamics to ensure that port facilities are adequately prepared to facilitate green hydrogen exports.

Port of Antwerp-Bruges MoU

In June 2022, Namport entered into an MoU with the Port of Antwerp-Bruges, focusing on collaboration in the following areas:

- **Port development:** Support for the transition of Namibian ports towards a landlord port model.
- **Capacity building:** Tailormade training programmes to support the development of port workers at all levels.
- **Energy transition:** Exploring ways to accelerate the development of a green hydrogen export supply chain.
- **ICT:** The development of an ICT Governance Framework and Strategy.

Namport allocated 100 hectares to the CMB Tech and Ohlthaver & List joint venture for a green hydrogen production project. The pilot project aims to produce and test technologies and develop applications within the transport sector, mining sector, and port activities. It also aims to facilitate technology transfer and skills development in Namibia.

Customer satisfaction

At Namport, we prioritise customer satisfaction and continuously seek feedback through satisfaction surveys. This allows us to evaluate the level of satisfaction of our customers with our services. By gathering this valuable feedback, the Authority identifies improvement areas and ways to enhance port services and deliver exceptional customer service to drive sustainable growth.

Celebrating customers

Namport recognises the importance of its customers and their contributions to the success of its operations. To show its appreciation, the Authority celebrated its customers during the Annual Port Users event in October 2022. This event celebrated outstanding customers who demonstrated excellence in their respective operational categories. At the event, Mr Johan Coetzer, the Security Superintendent at Debmarine Namibia, and Mrs Michelle Kirov, Marketing Director at Trade Ocean Shipping (Pty) Ltd, were honoured with lifetime achievement awards for their contributions to the Namibian maritime industry. This event serves as a platform to strengthen relationships with customers and foster a collaborative and supportive business environment.

Improving port efficiencies through ICT

As Namport strives to create "smart ports," it is embracing digitalisation in its workplaces and processes. This entails promoting digital literacy and adopting new technologies. ICT plays a pivotal role in enhancing port efficiencies.

The ICT Department has maintained exceptional performance, ensuring seamless operations and system maintenance with an availability rate exceeding 99%. Technology implementation is crucial for Namport's long-term success, and the department has executed ICT projects to enhance port productivity, efficiency, and integration. Improvements in time and cost efficiencies are critical in establishing Namport as a leading port provider.

National Single Window Environment (NSWE)

Namport was appointed as the lead agency for the implementation of the NSWE. The commencement of the project, however, remains pending due to the outstanding closure of the governance structure as well as the ownership and operator model.

ICT focus for 2023

During the period under review, the ICT Department faced significant pressure in implementing projects and meeting deadlines due to the aftermath of the pandemic. The department adopted a resource reprioritisation strategy, focusing on critical areas and projects. Completed projects include:

- Yard automation.
- Implementation of a new system for General Cargo Terminal operations.
- Data centre and server upgrades.
- Wireless network expansion.
- Process analysis.
- Developing and upgrading the Enterprise Port Efficiency Index.
- Completion of the cyber security threat and risk management project.

Future focus areas

The ICT Department has identified key areas to enhance Namport's technological capabilities and to support the Authority's strategic objectives. By addressing these areas, the department aims to improve operational efficiency and contribute to the organisation's growth.

These key areas include:

- Supporting the implementation of the NSWE.
- Implementing an integrated ICT Governance Framework and Strategy.
- Establishing a robust Cybersecurity Framework.
- Completion of the cyber security threat and risk management project.
- Developing a Digital Transformation Strategy.
- Upgrading the technology stack.
- Improving the vessel traffic system.
- Expanding CCTV coverage and networks.
- Migration of the current SAP ECC6 ERP system to SAP S4-HANA to enhance operational efficiency, enable real-time insights, and leverage advanced technologies for sustained growth and competitive advantage.



INTELLECTUAL CAPITAL REVIEW *(CONTINUED)*

The following awards were extended to customers during the respective ports' Annual Port Users' events:

Port of Walvis Bay

Top 5 revenue-based customers	Top 5 volume-based customers	Top 3 small and medium enterprise (SME) customers
<ul style="list-style-type: none">Logistics Support Services (Pty) LtdMaersk Namibia (Pty) LtdSturrock Grindrod Maritime (Pty) LtdTrade Ocean Shipping (Pty) LtdWoker Freight Services (Pty) Ltd	<ul style="list-style-type: none">Walvis Bay Salt Refiners (Pty) LtdPuma Energy (Pty) LtdSturrock Grindrod Maritime (Pty) LtdWalvis Bay Bulk Terminal (Pty) LtdLogistics Support Services (Pty) Ltd	<ul style="list-style-type: none">XYZ Investments CCZephyr Investments CCCross Border Vehicle Traders CC

Port of Lüderitz

Top 3 revenue-based customers	Top 3 volume-based customers	Top 2 SME customers
<ul style="list-style-type: none">Lüderitz Bay Shipping and Forwarding (Pty) LtdTradeport Namibia (Pty) LtdAccess World Logistics (Pty) Ltd	<ul style="list-style-type: none">Skeleton Coast Trawling (Pty) LtdTradeport Namibia (Pty) LtdAccess World Logistics (Pty) Ltd	<ul style="list-style-type: none">ILogistics Lüderitz (Pty) LtdKaranas Investments CC

OPERATIONS REVIEW

Namport's capacity to attract new business and retain existing customers is dependent on its ability to provide efficient services, maintain high productivity, and ensure quick turnaround times for ships and cargo.

The Operations Plan outlines Namport's strategies to enhance operational efficiencies and streamline processes and leveraging off its equipment, facilities and workforce.

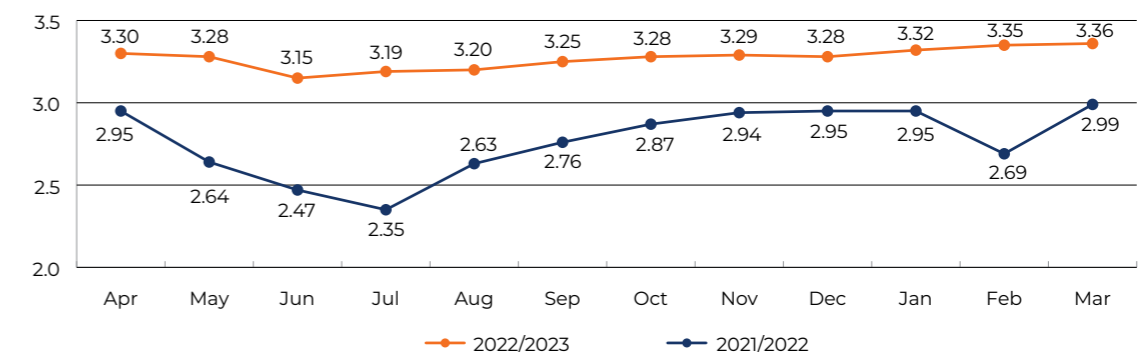
Namport's operational areas include bulk handling, container terminal handling, marine and the support and technical services for cargo operations at the Ports of Walvis Bay and Lüderitz. The goal is to offer cargo handling services in the most efficient, consistent, and cost-effective manner possible.

Overall operational performance in 2023

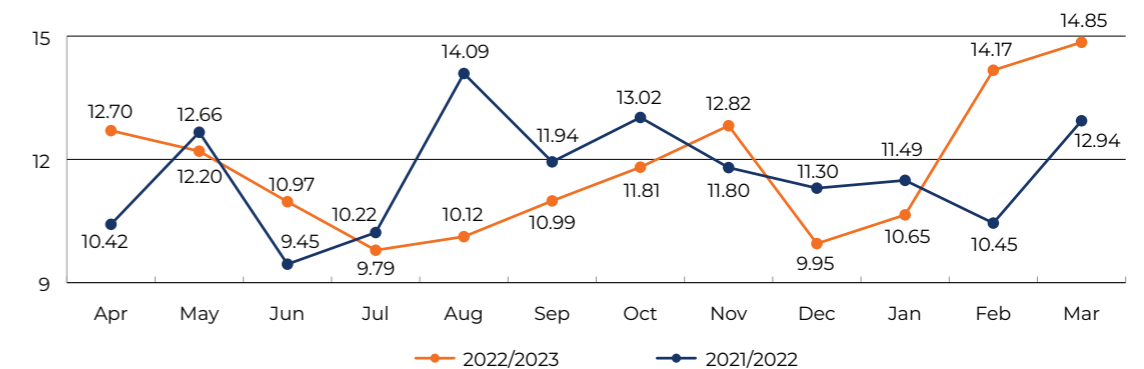
Namport has developed a Port Efficiency Index which is a composite of measures of productivity and core equipment availability. The index has been steadily improving, indicating progress in operational performance. However, the performance at the New Container Terminal is still below target levels. To address this, management is implementing various measures including continuous personnel training, equipment refurbishment and purchases and processes reviews and streamlining.

Port Efficiency Index and gross crane moves per hour

Port Efficiency Index



Gross crane moves per hour



About Namport's Port Efficiency Index

Namport's Port Efficiency Index is a composite index that assesses operational performance at the Port of Walvis Bay. It was introduced in April 2021 to proactively address operational concerns, and its performance is tracked monthly as part of the Corporate Scorecard. Berth productivity is measured by tracking the gross crane moves per hour, indicating the average number of container moves per crane per hour while a ship is berthed.



OPERATIONS REVIEW (CONTINUED)

Namport has acquired a 50 tonne bollard pull tugboat and a 60 tonne bollard pull tugboat to augment the existing fleet. The fleet is inadequate to cater for the increasingly growing needs of both ports, especially with the planned deepening and widening of the channel at the Port of Walvis Bay. Reducing truck and vessel turnaround times is also crucial to overall operational efficiency and Namport is engaging with external service providers and agencies to streamline processes, eliminate bottlenecks and to improve coordination.

Operational services capital expenditure investments

To maintain and enhance its Port Efficiency Index and service delivery capacity to customers, Namport is committed to making significant investments in key capital expenditure projects. The following are the key focus areas for the department:

- **Infrastructure modernisation:** Namport recognises the importance of modern and robust infrastructure for efficient port operations. It is investing in the upgrading and expansion of port facilities, including

berths, quays, and terminals, to accommodate larger vessels and handle increasing cargo volumes.

- **State-of-the-art equipment:** Namport is acquiring advanced and specialised equipment. This includes the procurement of cutting-edge cranes, loaders, and other handling machinery that will enhance cargo handling efficiency.
- **Technological advancements:** Technology plays a critical role in optimising port operations. The Authority is investing in innovative solutions such as terminal operating systems, real-time tracking, and digital platforms to streamline processes, enhance transparency, and provide data-driven insights for decision-making.
- **Collaboration and partnerships:** Namport is collaborating with industry partners, stakeholders, and technology providers. Joint initiatives and partnerships contribute to sharing best practices and expertise, further enhancing port efficiency.

The following is a list of some of the material capital acquisitions which were either completed or on-stream by year-end.

Capital expenditure	Status
Hoisting and boom ropes: Kuiseb and STS Cranes	Partially procured
General cargo terminal operating system (TOS)	Procured
One 50 tonne bollard pull tugboat	Procured
One 60 tonne bollard pull tugboat	In progress
Refurbishment and overhaul of three rubber tyred gantries	Procured
Six wharf cranes	Partially procured
Vessel tracking system: Port of Walvis Bay	In progress
Mobile harbour crane: grabs	Partially procured
Four seven tonne forklifts	In progress
One mobile harbour crane spreader	Partially procured
Two reach stackers	Procured
Critical mechanical and electrical spares	Partially procured
Two spreader adaptors	In progress
Replace the complete engine and gearbox: !Neib	In progress
Vessel tracking system: Port of Lüderitz	In progress
Midlife refit: Onyati	Partially procured
Marine weather station with automatic identification system	Procured
Seven four tonne forklifts	In progress

Overall, Namport’s Operations Plan demonstrates a proactive approach to enhancing operational performance and meeting customer demands. By implementing these strategic initiatives, Namport is poised to achieve its goals of efficiency, productivity, and customer satisfaction and ensuring the continued success of its operations.

HUMAN CAPITAL REVIEW

Namport aims to unlock value by developing a competent workplace which is responsive to a continuously business environment.

Overview

Namport has made significant progress in line with its strategic objective of “cultivating a high-performance culture”. A high-performance culture is a key component in delivering the Authority’s service offerings in a highly competitive and volatile global maritime industry. Namport recognises the importance of ensuring that it’s management systems, structures, processes and policies are effective in managing our human capital and are relevant to our business.

A new Performance Optimisation Policy was developed and approved and was being rolled out by year-end. In 2023, the successful completion of the leadership capacity development on performance management and key performance indicators (KPIs) was followed by the development and alignment of departmental and individual scorecards. An internal learning intervention on performance coaching and conducting constructive performance review conversations was developed and implemented across the organisation.

Another noteworthy milestone was the completion of scoping for the SAP human capital project which aims to digitise critical enterprise-wide human capital processes.

Key projects for 2023

Organisational culture

Namport recognises the significance of its organisational culture in executing strategy and fostering a high-performance culture. Significant investment has been made in the organisation’s culture transformation journey to create a future-fit Namport. The implementation of the organisational culture transformation strategy was under full swing during 2023. These interventions span across people, leadership and infrastructure. They encompass unification of the Namport workforce, through the Company values, ensuring alignment with the behavioural changes required for strategic goal attainment and agility and aligning our structures, systems and processes to the desired culture.

The project has been paramount in enhancing employee engagement, productivity, employee experience and overall in building team cohesiveness, team spirit and Namport’s community. The introduced change management agenda and several other established employee engagement platforms has significantly improved communication, collaboration and team synergy.

In addition, we have achieved significant milestones in using culture as a business principle in our process development and reengineering. Some of our new and revised policies considered during the period under review include the Talent Development Policy, Performance Optimisation Policy and the Flexible Work Arrangements Policy.

Our change story has been of great courage, resilience and commitment in building:

- A unified culture in which everyone lives the desired Namport values.
- A workplace where employees are engaged, satisfied and happy.
- An organisation that encourages creativity and collaboration.

Review of the organisational structure

Namport recognises the importance of having the appropriate people, in the right roles, at the right time to instil a high-performance culture, boost organisational agility and ensure resilience for strategy realisation. To enable this, Namport embarked on a project to assess its organisational structure, manpower levels, and organisational design practices. The exercise analysed and benchmarked Namport’s organisational design policy and practices, as well as its operational manning and staffing principles. This was completed while learning from best practices in the port industry, as well as its unique contextual and structural factors and efficiency enablers into account.

The new organisational structure was approved by the Board in December 2022. The development of relevant guiding principles, extensive stakeholder consultations and phased implementation were promoted to ensure efficient change adoption. This project led to the critical job design procedures of job analysis, job profiling and job evaluation. This will continue in 2024.

Labour implications of the New Container Terminal concessioning

Since inception, Namport has made concerted attempts to promote open communication and engagement with its employees on the New Container Terminal concessioning project. Namport is now in the latter phases of contract negotiations with TiL for the concessioning. Through its various structures, the Authority have fostered strong collaboration and engagements between stakeholders, including its shop stewards, to build greater alignment and facilitate a smooth transition.

Read more about the New Container Terminal concessioning project on page 51.

Talent management

Namport strives to ensure a sufficient talent pool and employee succession plans to support business stability and continuity and has developed formal plans aligned to its Talent Management Framework. Various talent management interventions, including succession management, are being implemented to support Namport’s strategy execution. Our two-tier Talent Management Forums drive idea generation around talent management initiatives and create talent investment choices.



HUMAN CAPITAL REVIEW *(CONTINUED)*

Equally, Namport is committed to talent development to maintain a high-performance culture, maximise productivity and achieve optimal performance. To enable accessible and equitable access to training across all employee categories and levels, several learning and development programmes were launched using a combination of online, hybrid, and in-house channels. In 2023, the Authority supported expedited programmes for port capacity building, bursaries, cadetships, maritime traineeship, leadership development, and study assistance for its employees. These efforts aim to continuously upskill employees, foster organisational flexibility and capacitate personnel to better deliver on customer value propositions. In 2023, Namport invested N\$9.6 million in various learning and development initiatives, covering areas such as leadership development, performance coaching, port management, and governance.

Additional training interventions and capacity building initiatives during the year ended review included:

- Refresher courses for 460 mechanical lifting operators.
- Study loans for 19 employees pursuing undergraduate and postgraduate qualifications.
- Cadetship programmes for marine engineering and deck officers.
- Revalidation training for 90 marine employees.
- Work experience for vocational training trainees.
- Industrial attachments for students from higher learning institutions.
- Graduate opportunities in finance and marine engineering.

Employee relations

The employee relations climate remained stable during the reporting period, with no incidents of labour tension. Namport and the Namibia Transport and Allied Workers' Union (NATAU), the recognised bargaining trade union for our employees, continues to effectively collaborate and engage in the best interest of our employees and the business. Consultative meetings between management and NATAU were held regularly, particularly concerning the organisation structure review and concessioning projects and relations. The engagements between the parties remained cordial.

Additionally, the parties successfully engaged in and concluded the salary and wages negotiations for the 2023 financial year. The negotiations were effectively ended with the overall increase in labour cost year-on-year. The increase reflects the worsening macroeconomic environment, in which rising inflation and interest rates have had a negatively impact on disposal income.

The successful completion of negotiations is a potent reflection of the good partnership and relations between Namport and the NATAU and bodes well for continued workplace harmony.

Employee well-being

Employee health and well-being are prioritised to foster a positive and healthy work environment, stimulate high employee engagement and performance. Various wellness interventions were implemented during the year, ranging from fitness and physical, psychosocial support, rehabilitation, financial and work-life support. Promoting

mental health is imperative to ensure high-performance. Significant psychosocial support and employee education was provided on managing stress and depression, managing financial resources, the dangers of alcohol and drug abuse, conflict management, workplace bullying and bereavement.

"Care for employees" is one of Namport's cultural strengths, which together with other strengths anchors and defines the organisation. Namport is devoted to continually harnessing this strength.

Employee recognition

Employee recognition is crucial in acknowledging and appreciating the contributions, efforts, and achievements of Namport employees. A dedicated event to acknowledge and celebrate employees who achieved significant service milestones, ranging from five to 40 years of dedicated service was hosted. In addition, engagement awards were bestowed to individuals and teams who showcased exceptional commitment to enhancing customer and employee engagement, and therefore, cultivating motivation, loyalty and improved job performance.

Workforce profile

Over the last couple of years, cost of labour relative to revenue and employee numbers have steadily decreased and were both well below the targets of 41% and 885 employees, at year-end. Business activities and revenue from operations have increased markedly, highlighting the efficient deployment of employees, supported by the ongoing drive to upskill the workforce. A key training intervention in progress at year-end was performance management and this will augment the Authority's efforts to improve organisational performance.

As at year-end, Namport had a total human capital complement of 841 employees, comprising of:

- Short and long-term contracts - 15 employees (1% of the total workforce).
- Management (senior and middle) - 4%.
- Non-managerial personnel accounting - 96%, with skilled (36%) and semi-skilled (22%) categories.

Our employer brand is strong and Namport prides itself in being a Namibian employer of choice. The Authority attracted and onboarded ten high potential employees from the Namibian market. Namport's average employment tenure of 12 years and an attrition rate of less than 5% demonstrate Namport's capability to retain its human capital.

Future focus areas for 2024

Namport's Human Capital Department has identified key priorities for 2024. These are oriented at building capacity across our talent, leadership and organisation for business success. This include the delivery and promotion of customised talent management solutions that foster high-performance and a positive employee experience, allowing Namport to build and retain a diversified talent pipeline. Moreover, the acceleration of digital transformation is imperative in optimising costs and improving our effectiveness. These priority areas will lead Namport's efforts to ensure continued growth, success and organisational excellence in the years ahead.





ESG REPORT

Environment

64

Social

67

Governance

71



Our ESG journey

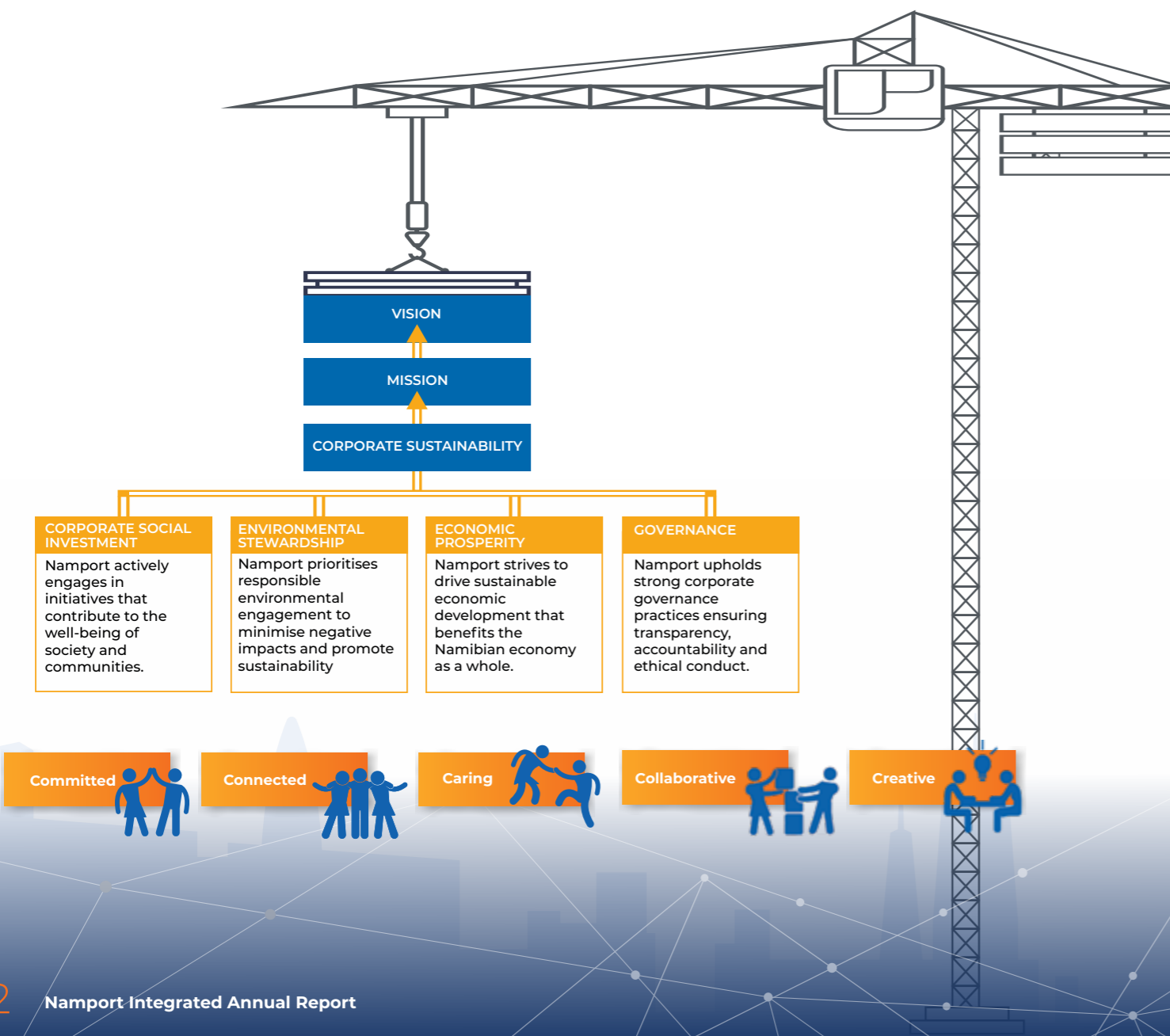
Namport, as a responsible corporate citizen, recognises its significant role in the Namibian economy and the need to embrace sustainability as a key area of strategic focus.

To align with global best practices, Namport has proactively developed an ESG and Sustainability Policy. This policy provides an effective framework to fulfil Namport's commitment to creating a sustainable organisation.

The ESG and Sustainability Policy aims to enhance Namport's positive social, environmental and economic impacts while promoting the sustainable use of the environment, good corporate governance and the reduction of social inequality. By incorporating sustainable economic development into its mandate, Namport seeks to elevate sustainability from being a legal obligation to a self-driven business imperative.

Namport's policy seeks to ensure compliance with global sustainability frameworks and is aligned to international standards such as the United Nations Sustainable Development Goals (SDGs), the 10 principles of the United Nations Global Compact, the International Labour Organization (ILO) Core Conventions, King IV principles and the GRI.

Namport's ESG and sustainability approach is based on the triple bottom line principles, which consider the interests of stakeholders, beyond financial performance. This approach recognises the importance of balancing the needs of people, the planet and profit. Namport's sustainability approach encompasses four pillars:



Namport has developed an integrated ESG and Sustainability action plan to support the implementation of its ESG and Sustainability Policy. This action plan outlines specific initiatives within each sustainability pillar that Namport is currently undertaking or planning to undertake.

To ensure effective implementation of the policy, the Board has established a strategy for corporate sustainability, as well as a governance structure to execute the strategy. The Board Social, Ethics and Sustainability Committee (SESCO) has been assigned the responsibility of overseeing the policy's implementation, strategy management and reporting, environmental management, and occupational health and safety.

Furthermore, Namport aims to become a "green port" by 2026. This objective follows the signing of a tripartite MoU in February 2020 with Grand Port Maritime de Dunkerque (GPMD) and Agence Française de Développement (AFD). The MoU involves a review and assessment of the environmental performance of the Port of Walvis Bay, identifying improvement opportunities, and developing a green port strategy and implementation action plan.

Namport also actively participates in the "Blue Ports Initiative" under the Food and Agriculture Organization of the United Nations (FAO). The Blue Ports Initiative encourages and supports ports in implementing a blue transformation approach in their strategic and operational processes. It enables commercial and fishing ports to enhance their sustainability practices and promote sustainable development in their respective regions. Namport's participation in the Blue Ports Initiative demonstrates its commitment to contributing to the advancement of sustainable practices within the port industry.

The initiative focuses on various key areas, including poverty alleviation and food security through reinforcing food quality, conservation of natural resources through effective marine policies, strengthening value chains, ensuring compliance with labour rights and promoting gender equality within the maritime sectors.

Responsibility for ESG

The ESG responsibilities of Namport are summarised in the following table, which also guides the content that should be included in the ESG report.

Board of Directors	The Namport Board reviews and approves the ESG and Sustainability Policy and, if needed, revises the policy. The Board also oversees the development of a corporate sustainability strategy and the establishment of a governance structure to effectively implement the strategy.
SESCO	Responsible for overseeing the effective implementation of the ESG and Sustainability Policy, strategy, management, reporting, environmental management, and occupational health and safety.
Executive Committee	Executive management is accountable for implementing the policy and demonstrating leadership and commitment to Namport's sustainability. They are also responsible for executing the corporate sustainability strategy and implementing the governance structure set by the Board.
Executive Risk Management	This function is in charge of risk management and holds overall accountability for ensuring the successful implementation of the ESG and Sustainability Policy across the organisation.
SHEQ Manager	Responsible for coordinating and implementing the operational aspects of the ESG and Sustainability Policy.

Function areas responsibilities

Environmental stewardship	Corporate social investment and responsibility	Governance
SHEQ	Corporate Communications and Human Capital	Risk Management, Legal and Company Secretariat



ENVIRONMENT

Environmental commitments and initiatives

Policies and standards: Namport has a range of environmental policies and operating standards, including ISO certifications, to guide its environmental practices.

Energy consumption: Namport is dedicated to reducing its carbon footprint by 10% through alternative energy sources. Projects such as the feasibility study on solar and wind energy at the Port of Walvis Bay, and pilot project to convert a tugboat to hydrogen/diesel dual fuel technology, are currently being considered.

Water consumption: With increased business volumes leading to higher water usage, Namport is committed to using water efficiently and raising water conservation awareness among employees and stakeholders. Bulk water consumers use seawater and recycled water to minimise reliance on freshwater resources.

Waste management: Namport's external waste contractors oversee waste management and disposal. Port reception facilities are provided for visiting vessels and port users to dispose of their waste. Hazardous waste is treated separately and disposed of at approved facilities.

Pollution: Namport has addressed hydraulic hose failures that resulted in oil spills and operational disruptions. We identified corrosive resistant materials and the adoption of better-quality hydraulic hoses to mitigate pollution risks.

Environmental education and awareness: Namport emphasises the importance of environmental education and awareness among its employees. Understanding the environmental impacts of their activities and adopting collective mitigation measures are key focus areas.

Environmental management: Namport's environmental management programme aligns with ISO 14001:2015 standard. The objective is to minimise or eliminate any negative effects on the environment, nearby residents, or port users. Incidents such as hydraulic pipe bursts and air emissions non-conformities are reported and addressed through water suppression measures.

Namport is committed to environmental stewardship and continuously seeks opportunities to improve its sustainability practices, ensuring a healthier planet for future generations. Namport has an environmental grievances channel and process for reporting incidents and concerns. In 2023, we received three environmental grievances related to noise, dust, and air pollution. We are resolving the underlying issues.

Namport's Environmental Grievances

Nr	Grievance Date	Stakeholder	Internal or External to the Port	
----	----------------	-------------	----------------------------------	--

2022				
1	26 July 2022	Walvis Bay Bulk Terminal (WBBT)	Internal	<p>Grievance Description Exposure to airborne pollutants and unpaved road particulate.</p> <p>Status Namport currently on tender to pave all unpaved roads within the bulk terminals area.</p> <p>Resolution Date In progress</p>
2	15 September 2022	Bigen Kuumba Bulk Terminal	Internal	<p>Grievance Description Non-compliance with dust suppression measures..</p> <p>Status Closed.</p> <p>Resolution Date September 2022</p>

2023				
3	2 January 2023	Lagoon Residents Association	External	<p>Grievance Description South Gate conditions for informal traders (Noise, lack of ablution facilities, litter and unhygienic conditions) during docking of passenger vessels.</p> <p>Status Temporary solution employed for ablution facilities and increased security presence.</p> <p>Resolution Date To be monitored once the cruise season starts.</p>

Carbon emissions reporting

We provide transparent reporting on our carbon emissions, using a clear set of boundaries to ensure accurate and reliable data. Our reporting follows the following categorisation:

Scope 1 (Direct emissions): This includes emissions from sources that are owned and directly controlled by Namport. This includes fuel combustion in vehicles and equipment. There has been an increase of 347 tCO₂e¹ in Scope 1 emissions compared to the previous year. This rise can primarily be attributed to higher fuel consumption (diesel and petrol) resulting from increased operational activities.

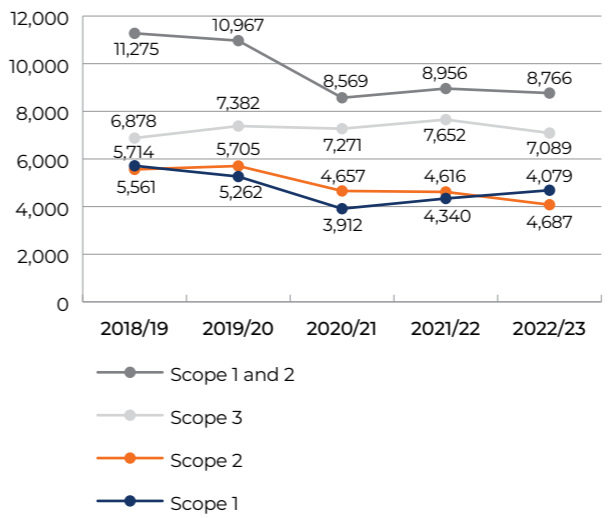
Scope 2 (Indirect electricity emissions): These emissions arise from the generation of electricity by the utility company, ErongoRed, which supplies electricity to our facilities. Scope 2 emissions have decreased by 537 tCO₂e. This reduction is primarily due to lower electricity consumption at our facilities.

Scope 3 (Indirect emissions): This category encompasses a broad range of indirect greenhouse gas emissions resulting from activities outside of our direct control. Scope 3 emissions include emissions from our suppliers, customers and other external stakeholders. Examples of such emissions include those generated by our port tenants and vessels utilising our facilities.

By delineating our carbon emissions into these distinct scopes, we ensure comprehensive coverage and avoid double counting. Our commitment to carbon emissions reduction extends to all relevant aspects of our operations, including those within our control and those influenced by external parties. Through accurate reporting and clear boundaries, we strive to foster transparency and accountability in our sustainability efforts.

Carbon emission source	2019	2020	2021	2022	2023
Total fuel					
Petrol (liters)	76,422	72,449	63,306	58,068	59,502
Diesel (liters)	2,060,521	1,895,594	1,401,076	1,565 848	1,692,826
Total electricity					
Namport use (kWh)	7,724,302	7,085,058	5,167,423	6,410,527	5,665,637
Total waste					
Volumes of waste (tonnes) (Waste discharged from visiting vessels, largely made up of domestic waste)	1,198	1,702	1,617	1,994	2,372
Total water					
Namport water use (m ³)	231,269	211,762	169,228	186,969	286,071

Namport carbon emissions 2018/19 – 2022/23



In 2023, we have closely monitored and analysed our carbon emissions, and the following are the key findings:

- In comparison to the preceding financial year (2022), the Scope 1 emissions have increased by tCO₂e, and this is primarily attributable to increased fuel utilisation (diesel and petrol).
- In contrast, the Scope 2 emissions have witnessed a reduction of 537 tCO₂e, and this is largely ascribed to the decreased electricity consumption at the port.
- Namport has consistently observed a decline in Scope 1 and Scope 2 emissions, which are its primary reporting parameters, over the last five years. Both electricity and fuel usage are directly proportional to business activity. Prolonged maintenance of yard equipment and tugboats would have an impact of overall CO₂ emissions as these would reduce the availability of equipment and subsequent fuel or electricity usage.
- However, waste volumes have continued to increase year-on-year, thereby contributing to the rise in CO₂ emissions for Scope 3. Additionally, an increase of 3% in vessel calls amounting to 44 additional calls further propelled the growth in emissions.

¹ The "e" in the CO₂e stands for equivalent. CO₂e is the standard unit for measure for greenhouse gases.



ENVIRONMENT *(CONTINUED)*

Namport launched Environmental Week

Namport successfully launched its inaugural Environmental Week in June 2022, under the theme “Only One Earth”, and this coincided with World Environment Day (5 June) and World Oceans Day (8 June).

Environmental Week activities included:

Beat plastic pollution competition: Encouraging employees to shift from using plastic bags to more environmentally friendly alternatives when shopping.

Tree planting: Establishing green belts within the port premises as part of Namport’s corporate sustainability initiatives.

Port clean-up campaign: Ensuring a clean and conducive environment for port users, tourists and vessels.

Exhibiting at the World Oceans Day event: Namport participated in this event hosted by the Walvis Bay Municipality that focused on ocean conservation and preservation.

To raise awareness leading up to Environmental Week, employees received reusable shopping bags, promoting the discontinuation of single-use plastic bags. Improper disposal of plastic waste poses a threat to the environment, biodiversity, ocean health, food safety, and quality, and human health. Plastic pollution also contributes to climate change. By actively addressing plastic pollution and promoting sustainable practices, Namport contributes to a cleaner and healthier planet.

The Environmental Week will become an annual event, demonstrating our dedication to creating a sustainable organisation by safeguarding and, whenever possible, enhancing its social, environmental, and economic impacts.

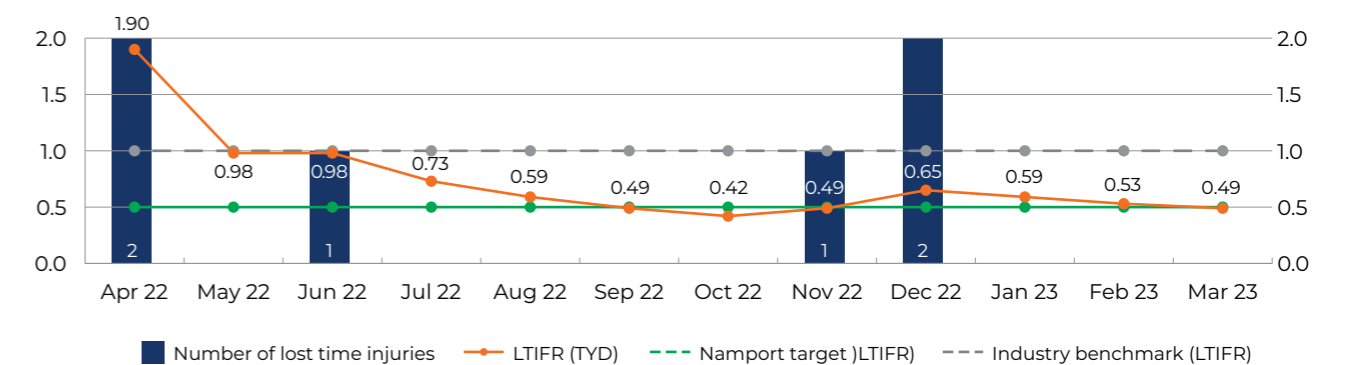
SOCIAL

Namport demonstrates its commitment to sustainable practices, employee well-being, community development, and maintaining high health and safety standards within its operations.

Health and safety

Namport prioritises the well-being and safety of its employees. To ensure this, the Company has implemented an integrated occupational health and safety system certified with ISO 45001:2015. This system includes comprehensive policies, risk assessment processes, performance monitoring and targets, inspections, compliance audits, incident management, and engagement activities with employees, contractors and suppliers. In line with its commitment to safety, Namport has introduced life-saving rules to enhance safety practices at the ports. Although Namport recorded six lost-time injuries throughout the reporting year, it successfully reached its overall target by maintaining a lost time injury frequency rate (LTIFR) of 0.49.

Namport SHEQ performance 2022/23



A significant milestone

In 2023, Namport achieved one million injury-free man hours. This remarkable accomplishment highlights Namport’s commitment to maintaining a safe and secure working environment for its employees. It demonstrates Namport’s diligent efforts in implementing effective health and safety measures and fostering a culture of awareness and compliance among its workforce.

	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Loss time injuries	9	11	5	7	6
LTIFR	0.68	0.83	0.38	0.57	0.49
Occupational health Injuries	0	1	0	0	0
Environmental incidents	30	35	16	20	23
Property and asset damages	4	8	5	8	12
Fatalities	0	0	0	0	0

ISO certifications

In August and September 2022, Namport successfully underwent an ISO surveillance and recertification audit. This comprehensive assessment examined the Company’s compliance with a range of international standards. We are delighted to share that Namport has garnered favourable endorsements, affirming the extension of its existing certifications.



SOCIAL (CONTINUED)

The certifications and their audit results are as follows:

ISO 9001:2015 (Quality Management): The first surveillance audit was conducted in September 2022, and Namport was recommended for the continuation of this certification.

ISO 14001:2015 (Environmental Management): The first surveillance audit also took place in September 2022, and Namport received a positive recommendation to maintain this certification.

ISO 45001:2018 (Occupational Health and Safety): Namport has been recertified for its commitment to maintaining a safe and healthy workplace.

By upholding these certifications, Namport aligns with several of the SDGs, furthering our positive impact on society and the environment. We remain committed to

upholding the highest standards of quality, environmental management, and occupational health and safety, as demonstrated by our successful ISO certifications.

Supply chain management

Namport demonstrated its commitment to supporting local businesses through its supply chain management. A significant portion of procurement opportunities was allocated to bolster the local economy. Specifically, 40.76% of procurement opportunities, totalling N\$88,190,624, were awarded to large Namibian firms. Furthermore, 27.11% of procurement opportunities, amounting to N\$57,599,872, were granted to local SMEs. This strategic focus on supporting local businesses highlights Namport's dedication to promoting economic growth and development within Namibia.

GRI human capital indicators

Performance indicators	Status
1.1 Year-over-year change of full-time employees (%)	The number of full-time employees year over year decreased by 3%.
1.2 Increase in the total number of full-time employees compared to the same period of the previous year (%)	A total number of 870 full-time employees were employed at 31 March 2022 compared to the 841 employed at 31 March 2023. This represents a decrease of 3% and was due to natural attrition.
1.3 Annual average hours of training per employee	Five hours
3.1 Does your company have a gender policy (stand-alone or integrated)? (yes/no)	No. All gender-related cases are dealt with in line with the Affirmative Action requirements. However, the Recruitment Policy provides for equal opportunity in employment regardless of sex, marital status, race, religion, age, creed, colour, or nationality.
3.2 Does your company have an anti-sexual harassment policy (stand-alone/integrated)?	No. All cases related to anti-sexual harassment are dealt with in line with the disciplinary policy.
3.3 Does your company have a non-discrimination policy (stand-alone/integrated)?	No. All cases related to discrimination are dealt with in line with the disciplinary policy.
3.4 Percentage of total employee headcount by men and women (%)	Men: 80% Women: 20%
3.5 Percentage of Board-level positions held by men and women	Men: 57% (4 of 7) Women: 43% (3 of 7)
3.6 Percentage of executive-level positions held by men and women	Men: 0.83% Women: 0.12%
3.7 Percentage of junior-level positions held by men and women	The junior category comprises of skilled, semi-skilled and unskilled. Men: 66% Women: 12%
3.8 Ratio of average male salary to average female salary	The ratio stood at 0.9:1 at the end of the reporting period.
4.1 Publicly available disability policy (stand-alone/integrated)	No. Namport's Recruitment Selection Policy includes a provision for prioritising individuals with disabilities during the recruitment process.
S4.2 Percentage of employees with disability, by gender	Male: 0.83%% Female: 0.36%%
S4.3 Assessment of facility accessibility	All facilities are accessible to people with disability. Elevators have been installed to aid the mobility of these employees while other areas such as bathrooms are to be considered.

Corporate social responsibility (CSR)

Namport recognises the importance of maintaining strong connections and interactions with its customers and communities. The organisation actively engages with stakeholders and allocates resources through the Namport Social Investment Fund (NSIF) to support all fourteen regions of Namibia.

Namport's Alignment with Sustainable Development Goals and Contributions to Social Development

Namport remains dedicated to aligning with global strategic imperatives, specifically the SDGs. These goals provide a comprehensive long-term roadmap for poverty alleviation, environmental protection, and inclusive prosperity by 2030. Aligned with its core values of commitment, connectivity, and compassion, Namport places special emphasis on five SDGs: Zero Hunger, Quality Education, Good Health and Well-being, and Partnership for Goals. In 2023, Namport actively demonstrated its commitment to social development by making significant contributions to various social programs aimed at improving the well-being and advancement of communities across Namibia. A donation of N\$554,986 was made to support these initiatives.

Namport Social Investment Fund (NSIF)

Established in 2006, the NSIF has made substantial CSR investments exceeding N\$50 million. The fund is focused on enhancing the quality of life within Namibian communities. By implementing projects and initiatives that contribute to socio-economic development, upliftment, and overall well-being, the NSIF has benefited numerous individuals and communities across the country. The NSIF operates under the guidance of a Board of Trustees of experienced individuals who provide valuable insights and expertise to ensure effective governance and successful implementation of social investment initiatives. These trustees play a crucial role in guiding the operations and decision-making processes of the NSIF, ensuring that social investment initiatives are effectively implemented for the benefit of Namibian communities.

The Board of Trustees:
Andrew Kanime
Amos Shiyuka
Irene Simeon-Kurtz
Elias Mwenyo
Max Kooper
Mbingee Hindjou



Good health and well-being

The fund invests in the development of health infrastructure and health services in order to protect the health, well-being and welfare needs of Namibian citizens. During the reporting period, the NSIF made several

contributions to promote health and well-being in various communities.

Engela ELCIN Private School received a donation of N\$150,000 from the NSIF for the construction of ablution facilities and the renovation of three classrooms. The new ablution facilities, equipped with modern flushing facilities and a septic tank, replaced the previous bucket system, ensuring improved hygiene for male and female users.

Namport employees from the Port of Walvis Bay collected 65 pairs of school shoes valued at N\$9,990. This initiative was recommended by a Namport staff member who worked at the Omhanda Combined School in a rural area of the Oshangwena Region. The donated shoes, along with socks and a cash donation, contributed to ensuring that children have comfortable footwear. This project reflects Namport's values of being connected, caring, collaborative, creative, and committed.

The NSIF donated life jackets valued at N\$66,000 to the Okatjali Constituency in the Oshana region and the Ongenga Constituency in the Oshangwena region. These regions were affected by floods, which resulted in communities having to cross deep waters to access basic services. The life jackets provide safety and support in navigating these challenging circumstances, ensuring the well-being of individuals in flood-affected areas.

The NSIF provided financial assistance of N\$300,000 to the Walvis Bay Kids Haven to support its monthly expenses and daily running costs. In addition, a contribution of N\$25,000 was made to the OONTE OVC Organisation to host their annual Christmas event, benefiting more than 700 orphans and vulnerable children with food parcels.



Quality Education

The NSIF places a high priority on improving the quality of education, with a specific focus on enhancing school infrastructure and sanitation facilities. During the reporting period, the NSIF allocated N\$1,636,586 towards education.

Auuns Primary School in the Otjozondjupa region received a newly constructed classroom valued at N\$190,000. This classroom for Grade 7 learners provides a conducive environment for teaching and learning.

The Ondangwa Commercial College in the Oshana region received electrical toolkits valued at N\$50,000. The college, registered with the Namibia Training Authority, empowers students with vocational skills for employment or entrepreneurial opportunities. This initiative is part of a MoU between Namport and the Namibia Training Authority to support the delivery of quality vocational education and training.

The NSIF donated 1,103 brand-new mattresses to the Welwitschia Secondary School Hostel in the Erongo region and the IK Tjimuhiva Combined School in the Omusati region, valued at N\$353,000. These mattresses ensure that learners have a restful night's sleep, enabling them to fully engage in their studies.

The fund further contributed N\$300,000 towards the purchase of copiers for several schools, including Ampole Primary School, Joseph Mbangula Primary School, PI Groenewaldt Secondary School, Sacona Senior Secondary School, and Omukwiyugwemanya Secondary School. This investment supports the schools' administrative and educational needs, facilitating a more efficient learning environment.

Creating a conducive study environment is a fundamental aspect of a successful education system. Recognising this, the fund donated 222 desks and 150 chairs valued at N\$150,000 to three schools in the Kavango East Region. Sarasungu Combined School, Mbambangandu Junior Primary, and Aloys Hashipara Junior Primary received chairs and desks tailored to their specific requirements. The NSIF donated 150 chairs and 100 desks, valued at N\$86,500, to the Oshikunde Combined School in the Oshangwena region. Vaalgras Primary School in the Karas region received desktops and software worth N\$79,520. Flamingo Secondary School in the Erongo region also received N\$50,000 towards their building fund.



SOCIAL *(CONTINUED)*

The Usakos Multi-Purpose Youth Center in the Erongo region received ICT equipment from the NSIF, including a laptop, projector, and six desktops valued at N\$50,000. This equipment enhances the centre's capacity to empower youth with basic computer skills and conduct training courses, contributing to the upskilling of unemployed youth in the country. Graduates from this programme have gained formal employment or started their own ICT-related businesses.

NSIF granted scholarships to eight deserving Namibian students

These scholarships, with a total value of N\$1.5 million, were awarded to support the students' practical training required to complete their Double Degree Marine Engineering Programme at the University of Science and Technology in Namibia. The practical training took place in Finland at the Satakunta University of Applied Sciences.

The programme's broader aim is to empower Namibian youth by providing training in crucial areas such as maritime navigation, maritime law, marine biology, harbour management, naval design and architecture.

Namport celebrates World Maritime Day 2022

Namport hosted its first ever Maritime Week in September 2022 aligned to World Maritime Day, with close to 800 pupils in attendance. The significance of this celebration is that it highlights the dedicated seafarers in the maritime industry, and the great sacrifices they make to navigate rough seas and conveying millions of tonnes of goods each year.

During the week, the public was invited to tour the Ministry of Fisheries vessel, Namibian Navy vessel and Namport tugboats. Scheduled port tours were hosted to display the port facilities to visitors and share infrastructure developments, commodity handling operations and general port-related information. Invited maritime stakeholders exhibited their respective companies and displayed career options and bursary schemes to inform and educate pupils of the opportunities offered by the maritime industry and related careers.

The media coverage and mileage received was impressive, and schools from various regions requested to participate. It was concluded that going forward, the event will be a permanent feature on Namport's annual calendar, with invitations extended to schools nationwide.



Partnership for Goals

Namport employees participated in the "Bring a Can of Food to Work" initiative to combat hunger in Namibia, in celebration of World Food Day. Through their efforts, 520 cans of non-perishable food items were collected,

demonstrating Namport's commitment to being a caring, connected and collaborative organisation. Additionally, Namport donated N\$50,000 to further support hunger alleviation initiatives in the country.

The Namibia Nature Foundation received financial assistance of N\$50,000 to host World Oceans Day, emphasising the importance of environmental conservation and raising awareness about the preservation of our oceans.

Through these partnerships and initiatives, Namport actively contributes to SDGs, promoting collaboration and collective action towards a better future.

GOVERNANCE

Ethics and Compliance

Namport has prioritised ethics and compliance in its sustainability reporting. We have a comprehensive Business Conduct and Ethics Policy, which addresses crucial aspects such as whistle-blowing and complaints handling, as well as bribery and corruption.

Namport established an independently managed ethics hotline to ensure a safe and confidential reporting mechanism. This hotline operates 24 hours per day 365 days a year, providing employees and stakeholders with secure telephone, fax, and email channels to report any concerns or violations. Reports received by the external

hotline service provider are submitted to and registered by the Head of Internal Audit. These reports are then reviewed by the CEO to determine the appropriate course of action. For the reporting period under review, we received one report (2022:1), that was resolved by year-end.

No employee or complainant reporting such information in good faith will face penalties, harassment, vengeance, or any form of reprisal. We guarantee protection for employees and complainants who disclose information related to maladministration, legal breaches, fraud, corruption, or unethical behaviour.





GOVERNANCE AND LEADERSHIP

An overview of governance	74
The Board	77
Executive committee	81
Governance in 2023	85



AN OVERVIEW OF GOVERNANCE

The Board takes responsibility for its decision-making and adheres to the ethical principles outlined in King IV. Acting in good faith and in the best interests of Namport, the Directors consistently demonstrate exemplary ethical conduct.

Namport corporate governance and value creation

Namport is unwavering in its commitment to upholding the highest standards of corporate governance, cultivating a robust culture of corporate governance, and ingraining integrity, transparency, and accountability in every facet of its operations as specified in the 2016 King Report on Corporate Governance™ for South Africa (King IV™), alongside relevant regulatory controls and applicable governance standards. This commitment to ethical behaviour permeates throughout the entire organisation.

To foster accountability and ethical conduct across the organisation, the Namport Corporate Governance Framework has been established and encompasses various governance policies, procedures, and codes. By implementing these measures, Namport ensures that all employees understand their responsibilities and obligations while cultivating a culture of accountability and ethical behaviour. Through its unwavering dedication to upholding governance standards, Namport demonstrates its commitment to being a trusted and valuable partner for stakeholders while actively contributing to the sustainable progress and prosperity of Namibia.

Benefits of good governance

Good corporate governance promotes transparency and accountability within companies, ensuring that stakeholders have access to accurate and timely information about the organisation's performance, strategy, and risks. This fosters trust and confidence in the Company, attracting investors and enhancing its reputation. Additionally, King IV emphasises ethical leadership, integrity, and responsible decision-making. Effective corporate governance also establishes a framework for risk management, enabling companies to proactively identify and address potential risks. This helps protect the interests of shareholders and stakeholders, contributing to the overall stability of the Namibian business environment.

Application of the King IV Report on Corporate Governance

Namport has fully embraced the principles of King IV and continues to demonstrate a commitment to good governance, sustainability and transparency. Namport fosters stakeholder engagement and ensures ethical leadership, promoting a culture of accountability and responsible decision-making and its dedication to driving long-term value for stakeholders while upholding the highest standards of corporate governance.

Statement of compliance

The Board demonstrates unwavering dedication to upholding best practices through consistent compliance with legislative and statutory requirements as well as the relevant codes and standards. This commitment entails compliance with the following:

- The Namibian Ports Authority Act, 1994 (Act 2 of 1994) (as amended)
- The Public Enterprises Governance Act 2019 (Act 1 of 2019) (PEGA)
- Companies Act 28 of 2004
- King Report on Corporate Governance™ for South Africa (King IV™),
- International Organization for Standardization (ISO)
- Labour Act 11 of 2007
- Income Tax Act 24 of 1981
- Public Procurement Act 15 of 2015 (as amended)
- Consumer protection laws
- Employment legislation
- Applicable International legislation

Business conduct and ethics

Namport has committed itself to high ethical standards and behaviours and has entrenched this commitment in its mission and its values. The Board formulated the Business Conduct and Ethics Policy which provides guidelines for conducting the business of Namport in accordance with the highest standards of business conduct and ethics. Employees and stakeholders can disclose information relating to unethical conduct through Namport's anonymous reporting facility to the following hotline: 0800208211.

Purpose and use of the Delegation of Authority

The Namibian Ports Authority Act, 1994 confers the Board to delegate authority reasonably necessary to the CEO, Management and staff as set out in the Delegation of Authority Policy which defines and sets out a framework to ensure accountability and responsibility in decision-making and to carry out the day-to-day activities effectively.

Board Charter

The Charter defines the governance parameters within which the Board and its Committees exist and sets out specific responsibilities to be discharged by the collective Board in accordance with the King IV. It further provides guidance to the Board in conducting the affairs of the Company, generally but importantly, in accordance with and within the spirit of the principles of good corporate governance.

Board composition and role

Directors are appointed by the Minister of Finance and Public Enterprises, in consultation with the Cabinet of the Republic of Namibia, in accordance with Section 9 of the Public Enterprises Governance Act 2019 (Act 1 of 2019) (PEGA) and Section 4 of the Namibian Ports Authority Act.

The Board is comprised of seven non-executive Directors. Directors are appointed on three year terms, and they may be reappointed or granted an extension of the term by the Minister of Finance and Public Enterprises. The Board is entrusted with delegated powers outlined in the Governance Agreement signed with the Minister of Finance and Public Enterprises, who represents the shareholder. Furthermore, each Director enters into a Performance Agreement in compliance with the provisions of the Public Enterprises Governance Act.

Relations with stakeholders

The Board acts as the focal point for, and custodian of, corporate governance by managing its relationship with stakeholders of Namport along sound corporate governance principles. The Board ensures stakeholder consultative forums are held periodically to obtain stakeholders' views on matters of interest. Namport adopts a stakeholder-inclusive approach to safeguard the organisation's best interests over time. The approach is achieved by ensuring that the organisation actively encourages proactive engagement with all stakeholders and setting the direction and approach for stakeholder engagement.

Board evaluations

The Company conducts performance evaluations annually of the Board as a whole, its Committees, the Chairperson, individual Directors, and the governance processes which support the Board's work. The evaluation measures the performance of the Board, its Committees, the Chairperson and individual Board and Committee members against their KPIs and targets determined in the Public Enterprise's Governance Agreement, ISBP, Annual Financial Business Plan and Performance Agreements. The assessment aims to assist the Board and its Committees in improving effectiveness. The evaluation outcome is discussed at a Board meeting, and any areas of concern are addressed. Relevant action points are also noted for implementation.

Conflicts of interest

Directors and management are obligated to annually disclose their shareholdings in external companies and any potential conflicts of interest that may arise. The Company Secretary maintains a declaration of interest register for Directors and the Legal Manager maintains a register for all employees. It is the duty and obligation of all meeting attendees, including Directors with a conflict of interest, to disclose their interests in all matters to be discussed at each meeting. This requirement ensures transparency and allows for identification and management of any potential conflicts of interest within the organisation.

Board induction and training

The induction and training of Directors is a crucial process that ensures effective governance and decision-making. The Company Secretary arranges an appropriate induction programme to equip Directors with the necessary knowledge, skills, and insights to fulfil their roles and responsibilities. The Directors also undertake relevant continuous education programs during their tenure, which include updates concerning key developments in the business and the industry and environment within which Namport operates. As part of training and development, Directors are occasionally invited to accompany management on visits to other Ports to familiarise themselves with best practices worldwide.

Company Secretary

The Board was supported during the year under review by Ms Loise Kafita, the Company Secretary.



AN OVERVIEW OF GOVERNANCE *(CONTINUED)*

Governance compliance matrix

Governance aspect	Responsibility	Frequency	Compliance/ Non- Compliance	Reasons for Non-Compliance
Board composition	Minister of Finance and Public Enterprises	Triennial	Compliant	
Governance and Performance Agreement with Board	Minister of Finance and Public Enterprises	Within 90 days of Board constitution	Compliant	
Delegation of Authority		Biennially As needed	Compliant	
Meetings of the Board	Board Chairperson and Secretary	Quarterly	Compliant	
Board Charter	Board of Directors and Secretary	Biennially As needed	Compliant	
Conflict of Interest	Directors and Employees	Annually As needed	Compliant	
Stakeholder relations	Board of Directors			
Annual Business and Financial Plan	Board of Directors	Annually	Compliant	
Strategic Business And Financial Plans	Board of Directors	Every after five years		
Approval of annual budget	Board of Directors	Annually	Compliant	
Audited Annual Financial Statements	Board of Directors	Annually	Compliant	
Dividends	Board of Directors	Annually	Compliant	
Integrated Annual Report	Board of Directors	Annually	Compliant	
IT governance	Board of Directors		Non-Compliant	The ICT Governance Framework will be completed in the 2024 financial year.

Namport attained a satisfactory score (being 92.3%). There is, however, room for improvement insofar as its governance is concerned, where a score of five has been allocated due to the absence of an ICT governance framework as is recommended in the King IV report.

THE BOARD

Board committees

Committee	Roles and responsibilities
Audit and Risk and ICT Governance Committee	<ul style="list-style-type: none">• IT strategy review• IT strategy alignment to business• Oversees the integrity of Annual Financial Statements• Reports to the Board on Namport's financial statements• Recommends the annual operational and capital expenditure budget to the Board• Oversees the effectiveness of IT governance• Oversees the effectiveness of internal financial controls and the external and internal audit functions• Oversees the review of compliance with legal, regulatory codes and standards• Is responsible for the governance of risk
Human Capital and Remuneration Committee	<ul style="list-style-type: none">• Oversees the implementation of the Human Resources Strategy and Remuneration Strategy• Ensure equitable remuneration of all employees• Determines the policy for performance bonuses and incentives• Ensures succession planning for CEO and executive management• Development of a remuneration philosophy• Reviews and determines the criteria to measure the performance of the CEO and executive management
Social, Ethics and Sustainability Committee	<ul style="list-style-type: none">• Entrenches and oversees sustainable development principles• Oversees the implementation of the ESG and Sustainability Policy and strategy, management and reporting• Oversees environmental management• Oversees occupational health and safety• Oversees integrated reporting• Oversees corporate social responsibilities• Recommends the approval of the NSIF budget to the Board



THE BOARD *(CONTINUED)*

Board members as at 31 March 2023

On 1st April 2021, the Minister of Finance and Public Enterprises appointed the following Directors to the Board:

- Mrs Nangula Hamunyela (Chairperson)
- Mr Jerome Mouton (Deputy Chairperson)
- Ms Vincia Cloete
- Mrs Amanda Pick
- Mr Alfeus Kathindi
- Mr Shiwana Ndeunyema
- Mr Isac Tjombonde



Mrs Nangula Evangelina Hamunyela

Chairperson

Namibian | MBA

Appointed August 2017

Tenure: 6 years

Mrs Hamunyela is a business executive with many years of corporate experience. She has worked in the banking industry with Nedbank Namibia and in the oil and gas industry with Engen Namibia. She served as the Chairperson of the Board Risk Committee from 2017 to 2020 before her appointment as the Chairperson of the Board in 2021. Mrs Hamunyela is a coach specialising in leadership coaching and training for executive management. She currently serves as Executive Director at Namibia's International Coaching and Mentoring Institute.

Key strengths:

- Strategic business development
- Training and development
- Corporate governance
- Risk management
- Strategic planning
- Financial management



Mr Jerome Mouton

Deputy Chairperson

Namibian | MBA, MA, BA

Appointed April 2021

Tenure: 2 years

Mr Mouton brings a wealth of experience, having previously served as the Namport Executive for Marketing and Strategic Business Development between 1996 and 2008. During this time, Mr Mouton provided strategic leadership for the Department of Marketing and Strategic Business Development in positioning the Namibian ports as a logistics hub for Southern Africa. Mr Mouton is currently the Managing Director for Myrtle Growth Capital, a private equity fund manager. With over 25 years of executive management experience and expertise in supply chain and logistics, he is well-equipped to contribute to the success of the Board. Mr Mouton's professional expertise extends beyond his role as Board Deputy Chairperson. He also serves on various boards and is a member of the Southern Africa Institute of Financial Markets (SAIFM).

Key strengths:

- Financial management
- Corporate governance
- Economic analysis
- Logistics and port management
- Marketing and sales
- Sustainability and corporate social responsibility
- Strategic business development
- Project management



Mr Alfeus Kathindi

Namibian | Master Craftsman, Mechanical Engineering Specialised in Metal Processing, National Trade Diploma, Executive Development Programme | Pedagogic of labour

Appointed April 2021

Tenure: 2 years

Mr Kathindi served as Senior Training Officer and Trade Testing Officer and Trade Advisor Committee Member at Namibia Institute of Mining and Technology (NIMT) for six years. He also served as the Namport Executive Port Operations for ten years and as a Ship Repair Manager for six years. He has 16 years of experience in port operations. Mr Kathindi is the Executive Chairman of Tse Yaa Kuku Investment, Chairman of Omankete Seafood, board member of Omankete Investment, Board Member of Chappa Ai Investment, Namibia Drydock and Ship Repair, Namdock board and various other boards.

Key strengths:

- Port operations
- Project management
- Business development
- Engineering
- Human capital
- Financial management



Mr Isac Hiriua Tjombonde

Namibian | MSc Information Systems | B.B.A. (Comp. & Info. Sci.) | MIT DS-BMC | Cert. CG | EDP

Appointed April 2021

Tenure: 2 years

Mr Tjombonde's core expertise is in ICT governance, and he is currently the Head: Information Services at NamPower. He has held various strategic positions throughout his corporate career. He started his career at the Office of the Prime Minister and moved on to Telecom Namibia before he joined NamPower in 2001. Mr Tjombonde currently also serves on the Boards of Standard Bank Namibia and MobiCash Payments Solutions. He previously served as the Board Chairperson of ErongoRed.

Key strengths:

- ICT
- Corporate governance
- Risk management
- Project Management
- Human Capital



Mrs Amanda Pick

Namibian | CA | B. Acc

Appointed April 2021

Tenure: 2 years

Mrs Pick is a qualified Chartered Accountant with 16 years' experience. She commenced her auditing career at Deloitte Namibia. She briefly worked at PWC in the Tax department as a Senior Tax Consultant and later moved to a local fishing company in the role of Financial Manager. In 2009, Mrs Pick was promoted to Financial Director at Hangana Seafood, a position she holds until today, and is responsible for overseeing commercial aspects, financial and accounting functions, compliance, IT and procurement. She has over 15 years of experience in the fishing industry, with exceptional analytical, decision-making and leadership skills, which have proved critical to the success of various projects she has been involved with over the years.

Key strengths:

- Strategy
- Business analysis
- Leadership development
- Financial planning
- Risk and audit management



THE BOARD (CONTINUED)



Ms Vincia Cloete

Namibian | LLM (IP Law) (Cum Laude), LL B, B Juris

Appointed April 2021

Tenure: 2 years

Ms Cloete is the Executive Director of the Namibia Institute of Corporate Governance. She is a qualified legal practitioner with the right of appearance in the High Court of Namibia. Apart from receiving various academic excellence awards, in 2022, Ms Cloete was a first-time nominee for the WOZA Africa Women-in-Law (WOZA) Awards in the category Best Corporate Non-Practicing Woman Lawyer. Her professional experience of over a decade in the corporate legal industry has provided her with the opportunity to understand and offer solutions to troubled and functional boards and organisations alike. Ms Cloete serves on various governing bodies, such as the PPP Committee; and is a member of numerous professional bodies including the Law Society of Namibia and SADC Lawyers Association. She has been a thought leader and columnist for The Namibian newspaper on Corporate Governance issues. She co-authored a book with John Nakuta in 2012 titled "The Justice Sector and the Rule of Law in Namibia: The Criminal Justice System".

Key strengths:

- Corporate governance
- Commercial and company law
- Intellectual property law
- ICT (Telecommunications)



Mr Shiwana Ndeunyema

*Namibian | M.Sc. Human Resources, BEcon (Hon), PG Dip HR and other qualifications
PG Dip HR*

Appointed April 2021

Tenure: 2 years

Mr Ndeunyema serves as the Executive Business Strategy at NAMCOR. He serves on various boards, including the MeatCo Board of Namibia. Mr Ndeunyema also served on the Telecom Namibia Board and as a member of the Namibian University of Science and Technology (NUST) Council.

Key strengths:

- Business strategy
- Business analysis
- Business performance management
- Human capital strategy
- Performance management
- Systems design and implementation

EXECUTIVE COMMITTEE

The Executive Committee has been established to assist the CEO in managing, directing and coordinating the business activities and affairs of the Company and ensure that Namport discharges its public interest responsibilities, in particular, prioritising its mandate as set out in the Namibian Ports Authority act, Act 2 of 1994 and the application of Public Enterprises Governance Act, act 1 of 2019.

Executive Committee members as of 31 March 2023



Mr Andrew Kanime

Chief Executive Officer

MBA, Bachelor of Accounting (Honours), B, Admin, Postgraduate Diploma in Business Management

Employment experience: Has over 27 years of corporate experience in banking, telecommunications, broadcasting, energy, public, transport and logistics sectors, with 18 years at an executive management level. He has a unique combination of academic qualifications in the fields of business administration, accounting and finance, human resources and public management.

Directorships: Previously served as a Non-Executive Director for the Namibia Power Corporation (NamPower) and the Namibian Broadcasting Corporation (NBC), Non-Executive Director and Deputy Chairperson of the Board for Namport, member of the Namibian Labour Advisory Council, Chairperson of the NAPOTEL Pension Board of Trustees, Independent Trustee for the Erongo Dependents Trust and co-opted human resources expert member for the Meat Board of Namibia HR Committee. He actively serves on various forums focusing on the country's and region's economic development, the energy revolution and integration and collaboration amongst the regional maritime sector players. Serves as patron of a school and a member of the Parish Building Committee.

Key strengths:

- Strategic planning and execution
- Business leadership
- People management
- Financial management
- Change management
- Corporate governance
- Risk management



Mr Gavin Harry

Executive: Finance

Chartered Accountant, Post Graduate Diploma in Auditing, Post Graduate Diploma in Applied Accounting, Bachelor of Accounting (Honours)

Kavin is a Chartered Accountant and served his articles at BDO Chartered Accountants. He has experience spanning over 25 years in various fields including from financial management, auditing, accounting, banking, telecommunications, maritime and logistics.

Key strengths:

- Strategy development and execution
- Financial planning and management
- Treasury
- Governance
- Risk management



EXECUTIVE COMMITTEE *(CONTINUED)*



Mr Elzevir Gelderbloem

Executive: Port Engineering and ICT

BSC Engineering

Elzevir is a professional civil engineer (structures). Elzevir has over 20 years of experience as a practising engineer, he has a broad range of expertise in the field of engineering and has not limited his professional career to one or two specialities. In his current role as Executive Port Engineering and ICT, his responsibilities include ports master planning and all new infrastructure projects and maintenance. He has expertise in project management, municipal services, geotechnical engineering, heavy haul roads and pavements, structural design, hydraulics and general port engineering, including dredging and aids to navigation. Elzevir has a specific interest in heavy reinforced concrete earth retaining and bridge-type structures such as quay walls and jetties in ports. Elzevir also has substantial experience in the design, preparation, tender, and contract management of multibillion-dollar multidisciplinary engineering infrastructure projects and overall project management. His work experience includes consulting engineering, design and construction engineering at NamWater, and Port engineering and Executive at Namport.

Key strengths:

- Port engineering (civil, structural, electrical, marine)
- Contract management
- General Management
- Multidisciplinary program and project management



Mr Raymond Visagie

Executive: Governance, Risk and Legal

MBA, BTECH Degree in Public Management, Postgraduate Diploma in Occupational Health and Higher Diploma in Environmental Health

Raymond possesses an extensive background spanning more than 26 years, encompassing diverse sectors such as public administration, mining, offshore oil, and port operations. Notably, a significant portion of his career, totaling fifteen years, has been dedicated to high-level executive management roles, primarily focusing on risk management intricacies and the intricate workings of port operations. Over the course of these extensive years, Raymond has finely refined his acumen in strategic planning and its effective implementation, financial acuity, adept negotiation skills, and the nurturing of strong interpersonal connections.

Key strengths:

- Risk management
- Stakeholder relationships
- Negotiation



Mr Elias Mwenyo

Executive: Commercial Services

MSc Shipping Management and Logistics, BTECH Degree in Marketing Management

Prior to assuming the role of Executive: Commercial Services in 2021, Elias held the position of Manager: Business Development. His professional journey showcases a consistent engagement within the maritime sector, where he has garnered valuable experience. Notably, Elias is equipped with a Master of Science in Shipping Management and Logistics from the esteemed World Maritime University in Sweden, underscoring his dedication to professional advancement. With a career spanning 17 years in the maritime industry, Elias has cultivated a robust background. Noteworthy is his prior collaboration with multinational entities operating within the dynamic fast-moving consumer goods domain.

Key strengths:

- Sales and business development
- Operations management
- International shipping, trade and logistics
- Maritime transport



Ms Johanna TM Hatutale

Executive: Human Capital

MSc Strategic Human Resource Management, BPsych in Industrial Psychology (Honours)

Johanna joined Namport in May 2021. Her role is to provide strategic leadership to the human capital function. She possesses 13 years of collective professional experience in the human capital and strategy spheres, with nine years at the management level. Her work experience spans public and private sectors and comprise multiple industries including corporate, academia, retail, hospitality, transport, and logistics. She has led various human capital teams in successfully delivering talent management solutions for organisational success.

Key strengths:

- Strategy
- Human capital
- Talent management
- Strategic engagement



Mr Richard Ibwima

Executive: Port Operations

MBA, Port Management

Richard held the Manager: Terminals position before being appointed Executive: Port Operations. He started his career with Namport as a Protection Services Officer in the Risk Management department in 1995. He later moved to the Cargo Services Department in the positions of Cargo Coordinator and Assistant Planning Coordinator and then as a Port Operations Coordinator at the then Cargo Services, responsible for operations and management of the container and general cargo terminals between 2004 and 2009. He was promoted to the position of Head: Container Terminal. He left Namport in 2012 to pursue interests in port terminal project management outside of Namibia but returned in 2015 as Manager of Terminal Planning. He was transferred to the position of Manager Terminals in February 2017, following the merging of the General Cargo and Container Terminal Divisions.

Key strengths:

- Port logistics, cargo, and operations management
- Port regulations
- Transport management
- Cargo terminal management
- Stakeholder management
- Contract negotiation
- Project management
- Cost efficiency management
- Innovation management
- Customer service management
- Performance management
- Value chain management
- Multi-disciplinary leadership



Mr Alfred Rieth

Chief Internal Auditor

Bachelor of Economics, MBA, PGD - Management Science, B. Econ, Cert – Project Management, H. Dip Education

Alfred has 20 years of internal audit and financial management experience, of which 12 years are on an executive management level. He maintains the highest level of honesty, integrity and corporate governance. His experience is across several business sectors, including fishing, mining, banking, agriculture and transport and logistics. He serves on several private company boards.

Key strengths:

- Risk
- Compliance
- Financial controls



GOVERNANCE IN 2023

Board meetings

	Board	Audit, Risk and ICT Governance Committee	Human Capital and Remuneration Committee	Social, Ethics and Sustainability Committee	AGM
Number of meetings held	7	4	5	4	1
Mrs Nangula Hamunyela	7*				1*
Mr Jerome Mouton	7	4*			1
Mr Alfeus Kathindi	7		5		1
Mr Isac Tjombonde	7	4			1
Ms Amanda Pick	7	4		4	1
Ms Vincia Cloete	7		5	4*	1
Mr Shiwana Ndeunyema	7		5*	4	1

* Represents the Chairperson of the Meeting.

Change to the Board Committees

The only adjustment to the Board Committees during the period under review involved the renaming of the Board Human Resources Committee to the Board Human Capital and Remuneration Committee and the Board Audit and Risk Committee to the Board, Audit, Risk and Information Communication and Technology Governance (ICT) Committee. The changes were necessitated by the need to aptly reflect roles and responsibilities of the Committees in their respective names.

Audit, Risk and ICT Governance Committee feedback

The Audit, Risk and ICT Governance Committee is chaired by Mr Jerome Mouton, supported by Mr Isac Tjombonde and Mrs Amanda Pick. The CEO, Executive: Port Engineering and ICT, the Executive: Governance, Risk and Legal, the Chief Internal Audit and the External Auditors attended meetings by invitation. All Committee members attended the committee meetings held during the year.

Key matters for the year	<ul style="list-style-type: none">Presented the audited Annual Financial Statements to the shareholderAcquisition of a tugboatDevelopment of the Combined Assurance PlanReview of the Namport Act and Port RegulationsRestructuring of the AfDB loanThe implementation of the ICT Strategic PlanReviewed the scope, independence and objectivity of the external auditors
Key outcomes	<ul style="list-style-type: none">Development of the ICT Governance Framework and the Cyber Risk ManagementReviewed the Company-wide risk registerReviewed the independence of the auditorsReviewed the external and internal auditors' reportsReported to the Board regarding the external and internal auditors' reports
Meeting policy	The Committee is responsible for ensuring that an adequate number of scheduled meetings are held to fulfil all its duties as outlined in terms of reference. However, it should be noted that a minimum of four meetings per year is required. In addition to the scheduled meetings, ad hoc meetings may be convened when necessary.
Future focus areas	<ul style="list-style-type: none">Financial sustainability of the businessICT strategy development and implementationImplementation of the NSW project



GOVERNANCE IN 2023 (CONTINUED)

Human Capital and Remuneration Committee feedback

Mr Shiwana Ndeunyema chairs the Board Human Capital and Remuneration Committee, supported by Mr Alfeus Kathindi and Ms Vincia Cloete. The CEO and the Executive: Human Capital attend the meetings by invitation. All committee members attended the committee meetings held during the year.

Key matters for the year	<ul style="list-style-type: none">Review and implementation of the organisational structureContinuous operations and multi-shift patternWages and salary substantive negotiationsCompany-wide leave balanceDevelopment of a Succession Management framework
Key outcomes	<ul style="list-style-type: none">Change management agendaSuccession managementOptimal staffing level projectDeveloped a Flexible Work Arrangement PolicyReviewed the Performance Optimisation PolicyReviewed the Talent Development Policy
Meeting policy	The Committee is responsible for ensuring that an adequate number of scheduled meetings are held to fulfil all its duties as outlined in terms of reference. However, it should be noted that a minimum of four meetings per year is required. In addition to the scheduled meetings, ad hoc meetings may be convened when necessary.
Future focus areas	<ul style="list-style-type: none">Talent mappingSuccession planning

Social, Ethics and Sustainability Committee feedback

Ms Vincia Cloete chairs the Board Social, Ethics and Sustainability Committee, supported by Mrs Amanda Pick and Mr Shiwana Ndeunyema. The CEO, the Executive: Governance, Risk and Legal and the Executive: Commercial Services attend the meetings by invitation. All committee members attended the committee meetings held during the year.

Key matters for the year	<ul style="list-style-type: none">Appointment of the Namport Social Investment Fund trusteesDevelopment of the CSR PolicyDevelopment of the Environmental Social Governance reportingReviewed the Namport flagship project
Key outcomes	<ul style="list-style-type: none">Reviewed the Social Media PolicyApproved the Namport Corporate Governance Checklist and Compliance
Meeting policy	The Committee is responsible for ensuring that an adequate number of scheduled meetings are held to fulfil all its duties as outlined in terms of reference. However, it should be noted that a minimum of four meetings per year is required. In addition to the scheduled meetings, ad hoc meetings may be convened when necessary.
Future focus areas	<ul style="list-style-type: none">Development of the Sponsorship and Donations Policy

New policies

During the period under review, the Board diligently reviewed and approved several policies, reflecting its commitment to robust governance practices. These policies include ensuring adherence to legal and regulatory requirements, promoting ethical conduct, managing risks effectively, and enhancing organisational transparency and accountability. The following policies were reviewed during 2023:

- Safety, Health, Environmental and Quality Policy
- Environmental, Social, Governance and Sustainability Policy
- Board Human Capital and Remuneration Terms of Reference
- Performance Optimisation Policy
- Talent Development Policy
- Immovable Property Management Policy
- Delegation of Authority Policy
- Social Media Policy

Internal audit

The Internal Audit Department successfully completed the approved audit plan within the time allocated. The plan covered various areas such as financial controls, operational efficiency, and risk management. The team's proactive approach in enhancing their technical knowledge enabled them to effectively assess and address risks associated with technological advancements.

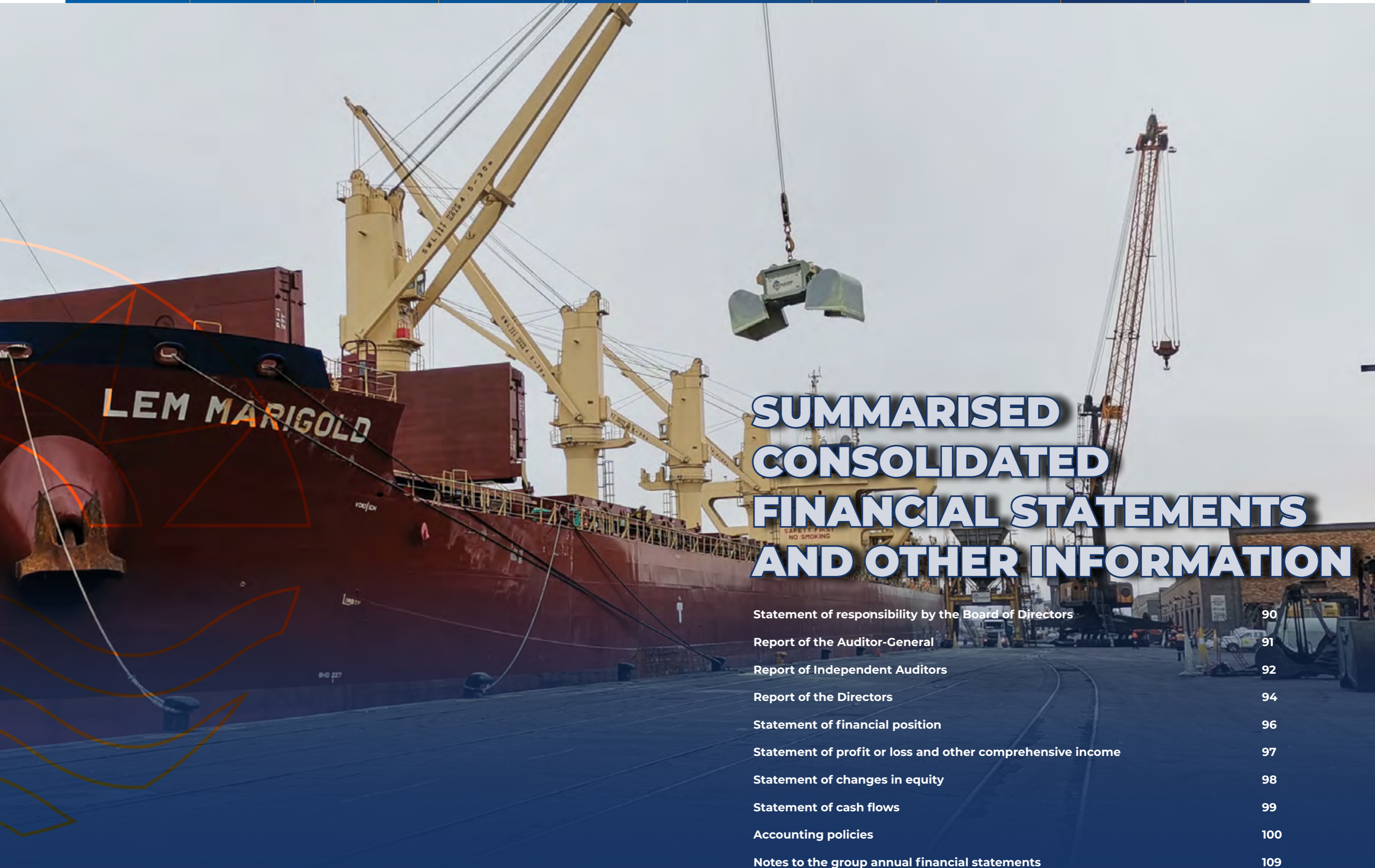
The completion of the audit plan confirmed the effectiveness of internal controls, risk management practices, and compliance with relevant laws and regulations. The findings and recommendations will contribute to improving operational efficiency and strengthening governance throughout the organisation.

Future focus areas

Looking forward, the department will focus on several key areas. These include embracing technology, leveraging data analytics, adopting agile methodologies, enhancing collaboration with other functions within the organisation and strengthening stakeholder engagement. Professional development will also be prioritised to ensure auditors stay updated on emerging trends and maintain their expertise.

In addition, Namport plans to implement a Governance, Risk, and Compliance (GRC) system. This system will enhance efficiency and productivity, improve risk management, strengthen compliance, enhance reporting and transparency, integrate processes and data, and enable continuous monitoring and auditing.

Namport has adopted a combined assurance process aligned with the King IV corporate governance framework. This utilises the "four lines of defence" model, incorporating risk management, compliance, quality assurance, internal audit, external auditors, and ISO auditors. This approach ensures the organisation's risks are adequately assessed and controlled, and the integrity of information used for reporting and decision-making is maintained.



SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION

Statement of responsibility by the Board of Directors	90
Report of the Auditor-General	91
Report of Independent Auditors	92
Report of the Directors	94
Statement of financial position	96
Statement of profit or loss and other comprehensive income	97
Statement of changes in equity	98
Statement of cash flows	99
Accounting policies	100
Notes to the group annual financial statements	109



STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

The directors are required in terms of the Namibian Ports Authority Act to maintain adequate accounting records and are responsible for the content and integrity of the Group annual financial statements and related financial information included in this report. It is their responsibility to ensure that the Group annual financial statements fairly present the state of affairs of the Authority and its subsidiaries (Group) as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the Group annual financial statements.

The Group annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Group annual financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatement or loss.

The external auditors are responsible for independently reviewing and reporting on the Group's annual financial statements. The Group annual financial statements have been examined by the Group's external auditors and their report is presented on pages 92 to 93.

The Group annual financial statements and Company annual financial statements which were prepared on the going concern basis, were approved by the Board of Directors on 18 October 2023 and were signed on its behalf by:

Nangula Hamunyela
Chairperson

Jerome Mouton
Director & Chairperson of the Standing Board Audit, Risk & ICT Governance Committee

REPORT OF THE AUDITOR-GENERAL

The documentation as compiled by the firm Grand Namibia of Windhoek which is registered in terms of the Public Accountant's and Auditor's Act, 1951, who was appointed by the Board of Directors of the Namibian Ports Authority, to audit the Namibian Ports Authority and its Subsidiaries has been examined by the Officials of the Office of the Auditor-General.

In terms of Section 26 (3) of the Ports Authority Act, 1999, I certify that the above-mentioned audit of the Annual Financial Statements for the year ended 31 March 2023 has been carried out to my satisfaction.

Junias Etuna Kandjeke
Auditor-General



REPORT OF INDEPENDENT AUDITORS

To the Member of the Namibian Ports Authority and its Subsidiaries

Opinion

We have audited the consolidated and separate financial statements of the Namibian Ports Authority ("the Authority") and its Subsidiaries ("the Group") which comprise the consolidated and separate statements of financial position as at 31 March 2023, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, the notes to the consolidated and separate financial statements, including a summary of significant accounting policies and the report of the directors.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at 31 March 2023, its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Namibian Ports Authority Act (Act 2 of 1994).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable in performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises Statement of Responsibility of the Board of Directors and the information included in the Namibian Ports Authority Integrated Annual Report which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and the separate financial statements and our auditor's report thereon.

Our opinion on the Group annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Group annual financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Namibian Ports Authority Act, and for such internal control as the directors determine is necessary to enable the preparation of Group annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Authority or to cease operations, or have no realistic alternative but to do so.

REPORT OF INDEPENDENT AUDITORS *(CONTINUED)*

Auditor's Responsibilities for the Audit of the Group Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Group annual financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: RN Beukes - Partner

Windhoek
7 November 2023



REPORT OF THE DIRECTORS

The directors submit their report for the year ended 31 March 2023.

1. Nature of business

The Namibian Ports Authority (referred to as 'Namport' or the 'Authority') is a state-owned enterprise which was established by an Act of Parliament in 1994. Namport, together with its four subsidiary companies, Namibia Drydock and Ship Repair (Pty) Ltd, Namport Property Holdings (Pty) Ltd, Namibia E-Trade Services (Pty) Ltd, and Lüderitz Boatyard (Pty) Ltd, are referred to as the 'Group'.

From its headquarters in Walvis Bay, Namport manages Namibia's ports in Walvis Bay and Lüderitz.

The Port of Walvis Bay handles container imports, exports and transshipments, as well as bulk and break-bulk of various commodities.

Namport serves a wide range of industries such as the petroleum, salt, mining and fishing industries.

The Port of Lüderitz serves the mines in the southern regions of Namibia and north-western South Africa with imports and exports of mining commodities. It is also an important base for the local fishing industry.

There have been no material changes to the nature of the Group's business from the prior year.

2. Review of financial results and activities

The consolidated Group annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Namibia Port Authority Act, 1994 (Act 2 of 1994). The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position results of operations and cash flows of the Group are set out in these consolidated annual financial statements.

3. Capital

Reflects net value at which assets were transferred from the shareholder in 1994 when the Authority was incorporated.

4. Dividends

A dividend of N\$100 million to the shareholder was declared for the current year under review (2022: Nil).

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Nationality	Appointed
Nangula Hamunyela (Chairperson)	Namibian	01 August 2017
Vincia Cloete	Namibian	01 April 2021
Jerome Mouton (Deputy Chairperson)	Namibian	01 April 2021
Amanda Pick	Namibian	01 April 2021
Alfeus Kathindi	Namibian	01 April 2021
Shiwana Ndeunyema	Namibian	01 April 2021
Isac Tjombonde	Namibian	01 April 2021

There were no contracts existing during or at the end of the financial year in which the directors were or are materially interested in.

REPORT OF THE DIRECTORS (CONTINUED)

6. Secretary

The Company Secretary is:

Loise Kafita	Nationality Namibian	Appointment date 1 May 2021
--------------	--------------------------------	---------------------------------------

7. Registered office

Postal address:	P O Box 361 Walvis Bay Namibia
Registered address:	No. 17 Rikumbi Kandanga Road Walvis Bay Namibia

8. Events after the reporting period

The Authority took a decision during the year under review to concession the New Container Terminal operations to a private terminal operator. Contract negotiations between the Authority and the preferred bidder were ongoing at the date of report, see page 51 in the Integrated Annual Report for details on the New Container Terminal concessioning.

A dividend of N\$100 million was declared to the shareholder for the year under review.

9. Going concern

The directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet financial obligations as they fall due in the normal course of business.

10. Auditors

The term of the external auditors, Grand Namibia, expires with the current audit. The Authority has embarked on a procurement process to source for an external audit firm for a period of three (3) years, commencing the year ending 31 March 2024.



STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

		Group			Authority	
Figures in Namibia Dollar thousand	Note(s)	2023	2022 Restated	2021 Restated	2023	2022
Assets						
Non-Current Assets						
Property, plant and equipment	3	5 895 920	6 069 794	6 299 042	5 547 704	5 708 506
Right-of-use assets	4	38 961	55 164	66 516	–	–
Intangible assets	5	44 783	54 061	34 443	44 783	54 061
Investments in subsidiaries	6	–	–	–	3 152	3 152
Loan to subsidiaries	7	–	–	–	4 426	4 338
Operating lease asset	8	429 575	404 440	376 862	427 401	404 228
Channel levy Fund Investment	19	144	142	140	144	142
		6 409 383	6 583 601	6 777 003	6 027 610	6 174 427
Current Assets						
Inventories	10	13 019	12 890	8 410	6 633	5 121
Trade and other receivables	11	338 911	293 849	293 789	295 906	263 497
Contract assets	12	29 794	42 849	7 305	–	–
Derivatives	13	–	19 360	8 906	–	–
Prepayments	14	5 229	5 317	4 623	5 229	5 317
Cash and cash equivalents	15	416 715	229 527	85 821	388 130	227 937
		803 668	603 792	408 854	695 898	501 872
Total Assets		7 213 051	7 187 393	7 185 857	6 723 508	6 676 299
Equity and Liabilities						
Equity						
Equity Attributable to Equity Holders of Parent						
Share capital	16	50 344	50 344	50 344	50 344	50 344
Retained income		3 416 224	3 239 749	3 004 227	3 322 963	3 140 177
		3 466 568	3 290 093	3 054 571	3 373 307	3 190 521
Non-controlling interest		67 574	75 193	75 611	–	–
		3 534 142	3 365 286	3 130 182	3 373 307	3 190 521
Liabilities						
Non-Current Liabilities						
Long-term borrowings	17	153 550	174 766	205 942	19 581	29 901
Lease liabilities	4	33 293	49 682	70 412	–	–
African Development Bank	18	2 050 490	2 266 331	2 526 187	2 050 490	2 266 331
Special purpose funds		–	–	3 015	–	–
Deferred income	20	288 594	302 081	315 569	288 594	302 081
Severance pay provision	21	20 624	10 878	10 583	8 729	8 384
Post-retirement medical aid provision	21	9 521	7 777	6 911	9 521	7 777
Loans from shareholders		3 228	3 262	3 228	–	–
Deferred tax	9	530 682	462 774	441 477	467 691	392 974
		3 089 982	3 277 551	3 583 324	2 844 606	3 007 448
Current Liabilities						
Trade and other payables	22	176 749	147 466	168 035	128 304	105 739
Long-term borrowings	17	12 794	12 144	21 548	–	–
African Development Bank	18	215 841	215 841	171 825	215 841	215 841
Special purpose funds	19	12 210	5 861	3 669	12 210	5 861
Lease liabilities	4	13 416	12 355	713	–	–
Provisions	23	139 487	122 246	98 458	139 487	122 246
Derivatives	13	8 677	–	–	–	–
Bank overdraft	15	9 753	28 643	8 105	9 753	28 643
		588 927	544 556	472 353	505 595	478 330
Total Liabilities		3 678 909	3 822 107	4 055 678	3 350 201	3 485 778
Total Equity and Liabilities		7 213 051	7 187 393	7 185 857	6 723 508	6 676 299

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group		Authority	
Figures in Namibia Dollar thousand	Note(s)	2023	2022 Restated	2023	2022
Revenue	25	2 008 828	1 682 959	1 502 700	1 234 478
Cost of sales		(341 747)	(338 966)	–	–
Gross profit		1 667 081	1 343 993	1 502 700	1 234 478
Other income	26	29 008	178 927	22 299	147 219
Other costs	27	(368 486)	(245 422)	(257 938)	(182 841)
Employee costs		(609 278)	(571 458)	(574 595)	(544 318)
Depreciation, amortisation and impairment charges		(265 691)	(274 385)	(236 260)	(245 387)
Maintenance costs		(45 282)	(34 397)	(45 282)	(34 397)
Operating profit	28	407 352	397 258	410 924	374 754
Investment income	29	22 774	9 234	21 265	8 619
Finance costs	30	(195 233)	(151 230)	(174 687)	(129 854)
Profit before taxation		234 893	255 262	257 502	253 519
Taxation	31	(67 908)	(21 297)	(74 716)	(23 036)
Profit for the year		166 985	233 965	182 786	230 483
Other comprehensive income:					
Actuarial gains/(losses)					
Severance pay		(345)	(385)	(345)	(385)
Post-retirement medical aid		(1 744)	(239)	(1 744)	(239)
Total items that will not be reclassified to profit or loss		(2 089)	(624)	(2 089)	(624)
Other comprehensive income for the year net of taxation		(2 089)	(624)	(2 089)	(624)
Total comprehensive income for the year		164 896	233 341	180 697	229 859
Profit attributable to:					
Owners of the parent		174 604	234 383	182 786	230 483
Non-controlling interest		(7 619)	(418)	–	–
		166 985	233 965	182 786	230 483



STATEMENT OF CHANGES IN EQUITY

Figures in Namibia Dollar thousand	Share capital	Retained income	Total attributable to equity holders of the Group/ company	Non- controlling interest	Total equity
Group					
Balance at 1 April 2021	50 344	2 986 331	3 036 675	75 611	3 112 286
Adjustment	–	17 896	17 896	–	17 896
Restated balance at 1 April 2021	50 344	3 004 227	3 054 571	75 611	3 130 182
Restated profit for the year	–	234 383	234 383	(418)	233 965
Adjustment	–	1 139	1 139	–	1 139
Restated balance at 31 March 2022	50 344	3 239 749	3 290 093	75 193	3 365 286
Adjustment	–	1 821	1 821	–	1 821
Total comprehensive income for the year	–	174 604	174 604	(7 619)	166 985
Balance at 31 March 2023	50 344	3 416 224	3 466 568	67 574	3 534 142
Authority					
Balance at 1 April 2021	50 344	2 909 694	3 036 675	–	3 112 286
Profit for the year	–	230 483	230 483	–	159 683
Total comprehensive income for the year	–	230 483	230 483	–	230 483
Balance at 1 April 2022	50 344	3 140 177	3 190 521	–	3 190 521
Profit for the year	–	182 786	182 786	–	182 786
Total comprehensive income for the year	–	182 786	182 786	–	182 786
Balance at 31 March 2023	50 344	3 322 963	3 373 307	–	3 373 307

Note(s)

16

STATEMENT OF CASH FLOWS

Figures in Namibia Dollar thousand		Group		Authority	
		2023	2022	2023	2022
Cash flows from operating activities					
Cash receipts from customers		2 000 158	1 641 907	1 456 019	1 173 079
Cash paid to suppliers and employees		(1 302 399)	(1 191 671)	(840 544)	(751 908)
Cash generated from operations	32	697 759	450 236	615 475	421 170
Interest income	29	22 774	9 231	21 265	8 619
Finance costs	30	(200 031)	(159 132)	(174 687)	(129 854)
Net cash from operating activities		520 502	308 240	462 053	299 935
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(73 506)	(56 834)	(66 958)	(51 441)
Proceeds from sale of property, plant and equipment	3	4 154	2 433	3 890	246
Loan extended to subsidiary		(90)	–	(90)	–
Net cash from investing activities		(69 442)	(54 401)	(63 158)	(51 195)
Cash flows from financing activities					
Proceeds from long-term borrowings	17	–	10 000	–	10 000
Repayments of long-term borrowings	17	(236 407)	(266 377)	(226 161)	(255 066)
Cash repayments on lease liabilities	4	(14 924)	(9 501)	–	–
Movement in special purpose funds		6 348	5 207	6 348	5 207
Government grant received		–	130 000	–	130 000
Net cash from financing activities		(244 983)	(130 671)	(219 813)	(109 859)
Total cash movement for the year		206 077	123 168	179 082	138 881
Cash and cash equivalents at the beginning of the year		200 885	77 717	199 295	60 414
Cash and cash equivalents at the end of the year	15	406 962	200 885	378 377	199 295



ACCOUNTING POLICIES

The Namibian Ports Authority (the Authority) is a state-owned enterprise established by the Namibian Ports Authority Act, 1994 (Act No.2 of 1994).

It manages and exercises control over the operations of the ports and lighthouses and other navigational aids in Namibia and its territorial waters and provides facilities and services normally related to the functioning of a Port.

The Namibian Ports Authority is the holding entity of the Group. The Financial Statements for the year ended 31 March 2023 comprises the Authority, and its Subsidiaries, together referred to as the 'Group'.

The Group's financial statements were authorised for issue by the Board of Directors on 4 September 2023.

Statement of compliance

The Group and Authority's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

1. Principal accounting policies and presentation of financial statements

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Significant judgements and estimates

In preparing the Authority and Group financial statements, management is required to make estimates and assumptions that affect the amounts presented in the Authority and Group financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the Authority and Group financial statements. Significant judgements include:

a) Trade receivables and Loans and receivables

The Group and Authority assesses its trade receivables, loans and receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry- specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. This means that as soon as the Group determines that an individual financial asset is not subject to impairment, it includes this asset in a class of financial assets with similar credit risk characteristics and assesses the class for impairment collectively.

b) Asset lives

Property, plant and equipment are depreciated over its useful life taking into account residual values where appropriate. In assessing useful lives, factors such technological innovation, product life cycles as well as maintenance programmes are taken into account.

c) Residual values

The residual values of property, plant and equipment are reviewed at each statement of financial position date. The residual values are based on the assessment of useful lives and other available information.

d) Fair value estimations

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The Group and Authority uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt.

Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the statement of financial position date.

The carrying amounts of financial assets and liabilities with maturities of less than six months are assumed to approximate their fair values.

e) Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosures of these estimates of provisions are included in note 23.

f) Impairment testing

The Group and Authority reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

g) Post-employment benefit obligations

The cost of post-employment severance pay benefits is determined using actuarial valuations. These actuarial valuations involve making assumptions about discount rates, staff turnover, rates of increases in compensation costs and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Refer to note 21.

ACCOUNTING POLICIES (CONTINUED)

1. Principal accounting policies and presentation of financial statements (continued)

1.2 Property plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Authority; and
- the cost of the item can be measured reliably.

Property, plant and equipment are carried at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation

Depreciation is provided on all property, plant and equipment, other than freehold land, by a charge to profit and loss computed on a straight-line basis so as to write off the cost of the assets, less residual values over their expected useful lives.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings and structures (Including Port Infrastructure, Dry port facilities)	Straight line	5 – 99 years
Machinery and equipment	Straight line	2 – 30 years
Floating craft	Straight line	4 – 30 years
Furniture and office equipment	Straight line	3 – 40 years
Computer equipment	Straight line	3 – 15 years
Motor vehicles	Straight line	2 – 20 years
Floating dock	Straight line	25 – 40 years
Leasehold improvements	Straight line	3 – 5 years

The useful lives, depreciation method and the residual values of assets are reviewed and adjusted annually, if appropriate. Changes from resulting review are accounted for prospectively as changes in estimates. An asset's carrying value amount is written down immediately to its recoverable amount if the asset's carrying value exceeds its estimated recoverable value.

Dredging expenditure is categorised into capital dredging and maintenance dredging.

Capital dredging is expenditure, which deepens or extends the channel, berths or the swing basin. This expenditure is capitalised and amortised over the economic useful lives of the channel, berths or swing basin.

Maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. On average the channel is dredged every five to six years. At the completion of maintenance dredging, the channel has an average service potential of five to six years. Maintenance dredging is capitalised and amortised evenly over this period.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The gain or loss arising from disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.3 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Computer software and other qualifying intangible assets

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Authority are recognised as intangible assets when the required criteria are met. Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of the relevant overheads. Other development costs that do not meet these criteria are recognised as an expense as incurred. Development costs previously expensed are not recognised as an asset in a subsequent period.

Computer software development costs and other qualifying intangible items are recognised as an asset are amortised over their average estimated useful lives (5 – 99 years).

1.4 Investments in subsidiaries

Investments in subsidiaries, for the preparation of separate financial statements, are carried at cost less any accumulated impairment. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the entity; plus
- any costs directly attributable to the purchase of the subsidiary.



ACCOUNTING POLICIES (CONTINUED)

1. Principal accounting policies and presentation of financial statements (continued)

1.5 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification, possibilities which are adopted by the Group, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Trade and other receivables

Classification

Trade and other receivables excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 11).

They have been classified in this manner because their contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment

The Group and Authority recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade and other receivables which do not contain a significant financing component at an amount equal to lifetime expected credit losses (lifetime ECL). The loss allowance for all other trade and other receivables is measured at lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on these receivables has not increased significantly since initial recognition, then the loss allowance for those receivables is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL to trade and other receivables which do have a significant financing component, the Group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a receivable being credit impaired at the reporting date or of an actual default occurring.

ACCOUNTING POLICIES (CONTINUED)

1. Principal accounting policies and presentation of financial statements (continued)

1.5 Financial instruments (continued)

Trade and other receivables (continued)

Significant increase in credit risk

In assessing, whether the credit risk on a receivable or group of receivables has increased significantly since initial recognition, the Group and Authority compares the risk of a default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group and Authority considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a receivable is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

By contrast, if a receivable is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition.

The Group and Authority regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Definition of default

For purposes of internal credit risk management purposes, the Group considers that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Group considers that default has occurred when a receivable is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of expected credit losses

The Group and Authority makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and

forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 11.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account in note 28.

Write-off policy

The Group and Authority writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables (note 11) and the financial instruments and risk management (note 37).

Borrowings and loans from related parties

Classification

Loans from group companies (note 7) and borrowings (note 17) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the Group becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 30.)

Borrowings expose the Group to liquidity risk and interest rate risk. Refer to note 37 for details of risk exposure and management thereof.



ACCOUNTING POLICIES (CONTINUED)

1. Principal accounting policies and presentation of financial statements (continued)

1.5 Financial instruments (continued)

Trade and other payables

Classification

Trade and other payables (note 22), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Group and Authority becomes a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 30).

Trade and other payables expose the Group and Authority to liquidity risk and possibly to interest rate risk. Refer to note 37 for details of risk exposure and management thereof.

Financial liabilities at fair value through profit or loss

Classification

Financial liabilities which are held for trading are classified as financial liabilities mandatorily at fair value through profit or loss. Refer to note 38.

When a financial liability is contingent consideration in a business combination, the Group classifies it as a financial liability at fair value through profit or loss. Refer to note 38.

The Group and Authority does, from time to time, designate certain financial liabilities as at fair value through profit or loss. The reason for the designation is to reduce or significantly eliminate an accounting mismatch which would occur if the instruments were not classified as such; or if the instrument forms part of a group of financial instruments which are managed and evaluated on a fair value basis in accordance with a documented management strategy; or in cases where it forms part of a contract containing an embedded derivative and IFRS 9 permits the entire contract to be measured at fair value through profit or loss. Refer to note 38 for details.

Recognition and measurement

Financial liabilities at fair value through profit or loss are recognised when the Group and Authority becomes a party to the contractual provisions of the instrument. They are measured, at initial recognition and subsequently, at fair value. Transaction costs are recognised in profit or loss.

Fair value gains or losses recognised on investments at fair value through profit or loss are included in other operating gains (losses).

For financial liabilities designated at fair value through profit or loss, the portion of fair value adjustments which are attributable to changes in the Group's own credit risk, are recognised in other comprehensive income and accumulated in equity in the reserve for valuation of liabilities, rather than in profit or loss. However, if this treatment would create or enlarge an accounting mismatch in profit or loss, then that portion is also recognised in profit or loss.

Interest paid on financial liabilities at fair value through profit or loss is included in finance costs (note 30).

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The Group and Authority derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group and Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and Authority recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and Authority retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group and Authority continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Group and Authority derecognises financial liabilities when, and only when, the Group and Authority obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The Group and Authority only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

ACCOUNTING POLICIES (CONTINUED)

1. Principal accounting policies and presentation of financial statements (continued)

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Value added tax

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- the net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.



ACCOUNTING POLICIES *(CONTINUED)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is determined on the weighted average basis and includes transport and handling costs. Where necessary, provision is made for redundant and slow-moving inventories with regard to its age, condition and utility.

1.9 Impairment of non-financial assets

The Group and Authority assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Group's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight-line basis over the average period until the amended benefits become vested.

To the extent that, at the beginning of the financial year, any cumulative unrecognised actuarial gain or loss exceeds ten percent of the greater of the present value of the projected benefit obligation and the fair value of the plan assets (the corridor), that portion is recognised in profit or loss over the expected average remaining service lives of participating employees. Actuarial gains or losses within the corridor are not recognised.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

Gains or losses on the curtailment or settlement of a defined benefit plan is recognised when the Group is demonstrably committed to curtailment or settlement.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In profit or loss, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

ACCOUNTING POLICIES *(CONTINUED)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.10 Employee benefits *(continued)*

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

1.11 Provisions and contingencies

Provisions are recognised when:

- the Group and Authority has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 34.

1.12 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received, and all suspensive conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of comprehensive income over the expected useful life of the relevant asset on a straight-line basis. Refer to note 19.

1.13 Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue is recognised when/as performance obligations are satisfied in the amount of transaction price allocated to satisfied performance obligations (IFRS 15.46). A performance obligation is satisfied by transferring a promised good or service to a customer (IFRS 15.31). A good or service is transferred to a customer when they obtain

control of that asset. The Group disaggregates revenue from customers as follows given the identified revenue streams as per IFRS 15. Revenue from the handling and storage of cargo at the port terminals is recognised over time based on actual volumes handled (loading/unloading of vessels) and actual storage time provided to the customer.

Revenue in respect of access to the port infrastructure, including waterside and landside services; provision of port services which includes pilotage, berthing, craft assistance among others is recognised over-time at the applicable tariff based on time spent by the vessel within the port.

The Group and Authority recognises revenue from the following major sources:

- Cargo Services
- Marine Services
- Port Authority Services
- Syncrolift Services – dry dock

Rendering of service

Revenue arising from rendering of service is based on the stage of completion. Under this method, revenue is recognised in the accounting periods in which the services are rendered.

The Group provides repairs and maintenance of ships, vessels and oil rigs. Revenue is recognised when the services are rendered to the customers and invoiced from the work lists of the projects. Revenue for projects that are not completed at year end is recognised based on the percentage completion method. An enforceable right to payment arises as the customers are invoiced based on the work list and based on the phases of the projects completed. Therefore, revenue is recognised over time as the service is rendered to the customers.

The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when services rendered are completed. While deferred payment terms may be agreed in rare circumstances, the deferral never exceeds twelve months. The transaction price is therefore not adjusted for the effects of a significant financing component.

Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.



ACCOUNTING POLICIES *(CONTINUED)*

1. Principal accounting policies and presentation of financial statements *(continued)*

1.13 Revenue from contracts with customers *(continued)*

Cost of sales is reduced by the amount recognised in inventory as a “right to returned goods asset” which represents the Company’s right to recover products from customers where customers exercise their right of return under the Company returns policy.

Rental income

Revenue arising from the rental of property is recognised on a straight-line basis over the term of the lease in accordance with the substance of the relevant agreements. Lease incentives granted are recognised as an integral part of the total rental income.

Finance income

Finance income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset’s net carrying amount.

Dividends

Dividends are recognised, in profit and loss, when the Group and Authority’s right to receive payment has been established.

1.14 Borrowing costs

The Group and Authority capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset, until such time that the asset is subsequently ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the Group and Authority capitalises the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of these borrowings.

To the extent that a qualifying asset is funded via general borrowings, the Group and Authority determines the borrowing costs eligible for capitalisation by applying the weighted average cost of borrowings for the period to the expenditures on that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.15 Translation of foreign currencies

Functional and presentation currency

The functional currency of the Group was determined based on the currency of the primary economic environment in which the Group operates. The functional currency of the Group is Namibian Dollars.

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Assets and liabilities in foreign currencies are translated to functional currency at the rates of exchange ruling at the end of the financial year. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

1.16 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with International Financial Reporting Standards (IFRS) requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

During the current period under review, the Authority has voluntarily changed their accounting policy for certain strategic assets, freehold land, structures and buildings, floating craft and machinery. These assets had previously been stated at revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The accounting policy for these assets has been retrospectively amended so to account for these assets in terms of a cost model accounting policy respectively. This change in policy will result in more relevant and reliable information being presented to users. The assets in question are unique to the Authority, for which there are no comparable assets in Namibia, and identifying an appropriately qualified and experienced valuator in the past has proven to be somewhat difficult as a result. Refer to note 38 for disclosure.

Revenue recognition – Ship repairs – floating dock

The Group makes estimations on the revenue from service rendered at each year-end based on the percentage completion of projects that are on-going at year-end. The accounting policy for revenue recognition from the rendering of the services is based on the stated invoice amount made out to customers from the work lists of the projects. Management (operations department) exercises judgement and estimation of the percentage completion of the projects at year end and (the finance department) calculates and recognises the revenue.

In making their judgement, management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Company had met the 5-step criteria of IFRS 15 for the recognition of revenue.

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

2. New Standards and Interpretations

There are no new accounting standards implemented during the current financial year that have a significant impact on the financial statements of the Group.



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

3. Property, plant and equipment

Figures in Namibia Dollar thousand	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Group						
Land structures and buildings	5 640 256	(989 486)	4 650 770	5 633 146	(844 905)	4 788 241
Leased assets	79 922	(32 530)	47 392	80 027	(30 486)	49 541
Vehicles, machinery, equipment and furniture	1 342 965	(728 933)	614 032	1 445 385	(797 650)	647 735
Floating craft	679 338	(271 542)	407 796	679 393	(242 936)	436 457
Assets under construction	175 930	–	175 930	147 820	–	147 820
Total	7 918 411	(2 022 491)	5 895 920	7 985 771	(1 915 977)	6 069 794
Authority						
Land structures and buildings	5 640 256	(989 486)	4 650 770	5 633 146	(844 905)	4 788 241
Leased assets	74	(74)	–	74	(74)	–
Vehicles, machinery, equipment and furniture	1 284 715	(689 408)	595 307	1 343 470	(715 619)	627 851
Floating craft	306 966	(179 368)	127 598	306 966	(158 754)	148 212
Assets under construction	174 029	–	174 029	144 202	–	144 202
Total	7 406 040	(1 858 336)	5 547 704	7 427 858	(1 719 352)	5 708 506

Figures in Namibia Dollar thousand	Group					Authority	
	Opening balance	Additions	Disposals	Transfers	Revaluations	Depreciation/ impairment	Total
Reconciliation of property, plant and equipment – Group – 2023							
Land structures and buildings	4 788 241	122	(2)	7 006	–	(144 597)	4 650 770
Vehicles, machinery, equipment and furniture	647 735	8 323	(964)	27 855	–	(68 917)	614 032
Leasehold property	49 540	–	–	–	675	(2 823)	47 392
Floating craft	436 457	–	–	–	–	(28 661)	407 796
Assets under construction	147 820	65 676	–	(37 566)	–	–	175 930
	6 069 793	74 121	(966)	(2 705)	675	(244 998)	5 895 920

Figures in Namibia Dollar thousand	Group					Authority	
	Opening balance	Additions	Disposals	Transfers	Depreciation	Total	
Reconciliation of property, plant and equipment – Group – 2022							
Land structures and buildings	4 931 440	–	–	5 805	(149 003)	4 788 241	
Vehicles, machinery, equipment and furniture	673 715	3 720	(3 968)	46 833	(72 566)	647 734	
Leasehold property	52 438	–	–	–	(2 897)	49 541	
Floating craft	467 253	–	–	–	(30 796)	436 457	
Assets under construction	174 270	53 114	–	(79 564)	–	147 820	
	6 299 116	56 834	(3 968)	(26 926)	(255 262)	6 069 794	

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

3. Property, plant and equipment (continued)

Figures in Namibia Dollar thousand	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Reconciliation of property, plant and equipment Authority – 2023						
Land structures and buildings	4 788 241	122	(2)	7 006	(144 597)	4 650 770
Vehicles, machinery, equipment and furniture	627 851	1 775	(776)	27 855	(61 398)	595 307
Floating craft	148 212	–	–	–	(20 614)	127 598
Assets under construction	144 202	65 676	–	(35 849)	–	174 029
	5 708 506	67 573	(778)	(988)	(226 609)	5 547 704
Authority – 2022						
Land structures and buildings	4 931 440	–	–	5 805	(149 003)	4 788 242
Vehicles, machinery, equipment and furniture	650 297	879	(2 728)	46 833	(67 431)	627 850
Floating craft	170 964	–	–	–	(22 752)	148 212
Assets under construction	173 203	50 562	–	(79 564)	–	144 201
	5 925 904	51 441	(2 728)	(26 926)	(239 186)	5 708 505

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Property, plant and equipment encumbered as security				
Carrying value of property, plant and equipment as security:				
Vehicles, machinery, equipment and furniture – Instalment sales	–	17 204	–	–
Marine Bonds over floating docks	177 000	177 000	–	–
Transfers made up of:				
Capitalised: Intangible assets			301	25 819
Expensed transferred to Profit and loss			2 404	1 106
			2 705	26 925
Assets under construction are made up as follows:				
Other			175 930	174 270

Full details of land, buildings and structures can be obtained from the property register maintained at the offices of the Authority in Walvis Bay.



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

4. Leases (Group as lessee)

Right-of-use assets – Subsidiary – Namibia Drydock and Ship Repair (Pty) Ltd.

The subsidiary leases several assets, including buildings, plant and equipment with lease terms ranging from 2-25 years.

Details pertaining to leasing arrangements, where the subsidiary is lessee are presented below:

Figures in Namibia Dollar thousand	Opening balance	Fair value adjustment	Depreciation	Total
2023				
Property leases	55 164	(11 579)	(9 557)	34 028
Other leases	7 752	–	(2 819)	4 933
	55 164	(11 579)	(15 918)	38 961
2022 (Restated)				
Property leases	56 810	1 643	(11 041)	47 412
Other leases	9 706	–	(1 954)	7 752
	66 516	1 643	(12 995)	55 164
2021 (Restated)				
Property leases	56 514	296	–	56 810
Other leases	9 915	–	(209)	9 706
	66 429	296	(209)	66 516

Figures in Namibia Dollar thousand	Group		
	2023	2022	2021
Other disclosures			
Interest expense on lease liabilities	5 745	6 866	6 727
Lease Liability			
Minimum lease payments due			
– within one year	17 589	18 129	17 491
– in second to fifth year inclusive	37 579	58 696	44 087
– later than five years	–	–	31 228
	55 168	76 825	92 806
Less: future finance charges: Rate 10.5% (2022: 10.5%)	(8 459)	(14 788)	(21 681)
Present value of minimum lease payments	46 709	62 037	71 125

The Group figures were restated for 2022 and 2021 due to an error in eliminating related party leases.

5. Intangible assets

Figures in Namibia Dollar thousand	2023			2022		
	Cost/ Valuation	Accumulated amortisation	Carrying value	Cost/ Valuation	Accumulated amortisation	Carrying value
Group						
Computer software	113 473	(68 690)	44 783	113 100	(59 039)	54 061
Authority						
Computer software	113 473	(68 690)	44 783	113 100	(59 039)	54 061

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

5. Intangible assets (continued)

Figures in Namibia Dollar thousand	Opening balance	Additions	Transfers	Amortisation	Total
Reconciliation of intangible assets					
Group – 2023					
Computer software, other	54 061	71	301	(9 650)	44 783
Group – 2022					
Computer software, other	34 443	–	25 819	(6 201)	54 061
Authority – 2023					
Computer software, other	54 061	71	301	(9 650)	44 783
Authority – 2022					
Computer software, other	34 443	–	25 819	(6 201)	54 061

6. Investments in subsidiaries

Authority

Figures in Namibia Dollar thousand	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
Name of company				
Namibia Drydock and Ship Repair (Pty) Ltd	52.50%	52.50%	3 150	3 150
Namport Property Holdings (Pty) Ltd	100.00%	100.00%	1	1
Lüderitz Boatyard (Pty) Ltd	100.00%	100.00%	1	1
Namibia E-Trade Services (Pty) Ltd	100.00%	100.00%	–	–
			3 152	3 152

7. Loans to group companies

Figures in Namibia Dollar thousand	Authority	
	2023	2022
Subsidiaries		
Namibia Drydock and Ship Repair (Pty) Ltd	641	641
Lüderitz Boatyard (Pty) Ltd	3 785	3 697
	4 426	4 338

These loans are interest free and have no fixed terms of repayment.

8. Operating lease asset

Figures in Namibia Dollar thousand	Group			Authority	
	2023	2022	2021	2023	2022
Non-current assets	429 575	404 440	376 862	427 401	404 228

Operating lease asset/(liability) resulted from the straight-lining of lease receivables /payables and is not discounted.

The Group figures were restated for 2022 and 2021 due to an error in eliminating related party leases.



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

9. Deferred tax

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Deferred tax liability	(779 985)	(785 967)	(641 055)	(639 982)
Deferred tax asset	249 303	323 193	173 364	247 008
	(530 682)	(462 774)	(467 691)	(392 974)
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position. Refer to the reconciliation below:				
Deferred tax liability				
Property, plant and equipment	(605 854)	(618 936)	(502 164)	(508 990)
Operating lease asset	(136 768)	(129 353)	(136 768)	(129 353)
Consumable stores, prepayments and unrealised profit and loss on forex revaluation	(7 085)	(4 407)	(2 123)	(1 639)
Work in progress	(9 534)	(1 298)		–
Right-of-use asset	(20 744)	(25 777)		–
Foreign exchange contract (asset)	–	(6 195)		–
Total deferred tax liability	(779 985)	(785 967)	(641 055)	(639 982)
Deferred tax asset				
Provision for bad debts and severance pay provision and Post medical retirement	20 710	20 361	16 365	16 716
Provision for leave and bonus	38 748	35 959	38 748	35 959
Amounts received in advance	900	906	900	906
Deferred tax balance from temporary differences other than unused tax losses	30 692	35 407	–	–
FEC liability	2 776	–	–	–
Assessed losses	155 477	230 561	117 351	193 427
Total deferred tax asset	249 303	323 193	173 364	247 008
Reconciliation of deferred tax asset/(liability)				
At beginning of year	(462 774)	(441 477)	(392 974)	(369 938)
Increases (decrease) in valuation allowance of deferred tax asset	(73 890)	21 746	(73 644)	(216 463)
Taxable/(deductible) temporary difference movement on tangible fixed assets	5 982	(43 043)	(1 073)	193 427
	(530 682)	(462 774)	(467 691)	(392 974)

10. Inventories

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Consumable stores, net of write-downs	13 019	12 890	6 633	5 121

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

11. Trade and other receivables

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Financial instruments:				
Trade receivables	375 088	340 009	340 322	312 952
Loss allowance	(56 507)	(58 656)	(50 828)	(55 191)
Trade receivables at amortised cost	318 581	281 353	289 494	257 761
Deposits	1 244	1 204	491	491
Staff loans	1 004	1 474	1 004	1 474
Other receivable	5 048	4 059	4 917	3 771
Non-financial instruments:	8 026	3 608	–	–
VAT				
Prepayments (if immaterial)	5 008	2 151	–	–
Total trade and other receivables	338 911	293 849	295 906	263 497
Split between non-current and current portions				
Current assets	338 911	293 849	295 906	263 497
Financial instrument and non-financial instrument components of trade and other receivables				
At amortised cost	325 877	288 090	295 906	263 497
Non-financial instruments	13 034	5 759	–	–
	338 911	293 849	295 906	263 497

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Between 30 and 60 days	43 187	57 511	42 922	40 806
Longer than 60 days	176 984	133 890	166 922	133 890
	220 171	191 401	209 844	174 696

Account balances outstanding for more than sixty (60) days are considered to be past due. The counterparties whose account balances are neither past due nor impaired do not have any history of defaults on their accounts.

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Reconciliation of provision for impairment of trade and other receivables				
Opening balance	58 485	59 087	55 191	55 390
Impairment loss recognised	19 806	–	17 421	–
Adjustment from the adoption of IFRS 9	–	–	–	–
Impairment utilised	(21 784)	(602)	(21 784)	(199)
	56 507	58 485	50 828	55 191



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

12. Contract assets

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Contract assets	29 794	42 849	–	–

Contract assets are recognised to the extent that performance obligations have been performed by the Company and that revenue has been recognised in accordance with IFRS 15 Revenue, but for which the Company's right to consideration is not yet unconditional. When the right to consideration becomes unconditional, the contract asset is transferred to trade receivables.

Exposure to credit risk

Contract assets inherently expose the Company to credit risk, being the risk that the Company will incur financial loss if customers fail to make payments as they fall due. A loss allowance is recognised for all contract assets, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period.

The Company measures the loss allowance for contract assets by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on contract assets is determined as the lifetime expected credit losses. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

13. Derivatives

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Non-hedging derivatives				
Foreign exchange contracts	(8 677)	19 360	–	–
Split between non-current and current portions				
Current assets	–	19 360	–	–
Current liabilities	(8 677)	–	–	–
	(8 677)	19 360	–	–

14. Prepayments

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Prepayments disclosed as:				
Current assets	5 229	5 317	5 229	5 317
	5 229	5 317	5 229	5 317

15. Cash and cash equivalents

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Cash and cash equivalents consist of:				
Cash on hand	216	44	32	34
Bank balances	30 925	3 831	2 524	2 250
Short-term deposits	385 574	225 653	385 574	225 653
Bank balances	(9 753)	(28 643)	(9 753)	(28 643)
	406 962	200 885	378 377	199 294
Current assets	416 715	229 527	388 130	227 937
Current liabilities	(9 753)	(28 643)	(9 753)	(28 643)
	406 962	200 884	378 377	199 294

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

15. Cash and cash equivalents (continued)

Institution	External credit rating
Bank Windhoek Corporate fund	AA (NA)
Standard Bank	AA+(ZAR)
Hangala Capital	No rating
Nedbank	AA
Namport	No rating
IJG Wealth	AA
Letshego Bank	A(NA)
Old Mutual Namibia	AA+(ZAR)

16. Share capital

Reflects net value at which assets were transferred from the shareholder in 1994.

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Issued				
Ordinary	50 344	50 344	50 344	50 344

17. Long-term borrowings

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Standard Bank Namibia Limited	10 000	10 000	10 000	10 000
Standard Bank loan is repayable over 5 years in quarterly instalments, starting 31 August 2024, at an interest rate applicable, 3-month JIBAR plus 2.2%. No collateral.				
Nedbank Namibia Limited	9 581	19 901	9 581	19 901
Nedbank loan is repayable over 5 years in bi-annual instalments of N\$ 2 220 000 at an interest rate of 7.25% per annum.				
Bank Windhoek Limited	144 434	150 367	–	–
Bank Windhoek loan bears interest at prime less 0.5% per annum and is repayable in monthly instalments of N\$ 2 000 117 (2022: N\$ 1 750 589), the final payment will be in December 2032. The loan is secured.				
Bank Windhoek Limited	2 329	6 642	–	–
Bank Windhoek loan bears interest at prime less 1.0% per annum and is repayable in monthly instalments of N\$ 410 488 (2022: N\$ 392 472), the final payment will be in September 2023. The loan is secured.				
	166 344	186 910	19 581	29 901
Split between non-current and current portions				
Non-current liabilities	153 550	174 767	19 581	29 901
Current liabilities	12 794	12 144	–	–
	166 344	186 911	19 581	29 901



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

18. African Development Bank

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Balance at the beginning of the year	2 482 172	2 698 013	2 482 172	2 698 013
Interest capitalised	133 322	132 486	133 322	132 486
Interest repaid	(133 322)	(113 846)	(133 322)	(113 846)
Capital repayments	(215 841)	(234 481)	(215 841)	(234 481)
Total loan	2 266 331	2 482 172	2 266 331	2 482 172
Disclosed under:				
Non-current liabilities	2 050 490	2 266 331	2 050 490	2 266 331
Current liabilities	215 841	215 841	215 841	215 841
	2 266 331	2 482 172	2 266 331	2 482 172

African Development Bank loan repayable over 15 years in semi-annual instalments, following a 5 year grace period commencing from the date of signature of the Agreement. The 1st Instalment started 01 February 2019. The loan bears an interest equivalent to the JIBAR floating base rate less 0.6%. Interest is paid semi-annually from inception of loan. This loan is fully guaranteed by the Government of the Republic of Namibia.

19. Special purpose funds

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Channel Levy Fund	144	142	144	142
Namport Social Investment Fund	12 210	5 861	12 210	5 861
	12 354	6 003	12 354	6 003
Disclosed under:				
Non-current assets	144	142	144	142
Current liabilities	12 210	5 861	12 210	5 861
	12 354	6 003	12 354	6 003

The Authority manages and administers these funds on behalf of third parties. Utilisation of available resources is restricted in terms of the rules of such Funds.

Channel levy fund is for the purpose of maintaining funds for the maintenance of the channel. Navigational Aids fund is for the purpose of maintaining funds for the maintenance of the navigational equipment. Namport Social Investment fund manages the social responsibility portfolio of Namport.

20. Deferred income

Namibian Government

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Opening balance	302 081	315 569	302 081	315 569
Movement for the year	(13 487)	(13 487)	(13 487)	(13 487)
	288 594	302 082	288 594	302 082

Capital grant received from the Namibian Government are funds received towards the New Container Terminal. These funds were used for the project. The current movement accounts for the release to the income statement over 25 years.

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

21. Retirement benefits

Severance pay provision

The Namibian Labour Act provides for severance pay to be paid to all employees who are unfairly dismissed, die while still employed or go on retirement at the age of sixty-three (63). These benefits are accounted for as a defined benefit plan. An actuarial valuation was performed as at 31 March 2022 based on the projected unit credit funding method. The valuation was carried out by ZAQ Consultants and Actuaries Namibia.

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Carrying value				
Present value of the defined benefit obligation – wholly unfunded	20 624	10 878	8 729	8 384
Movements for the year				
Opening balance	11 173	10 878	8 384	7 888
Net expense recognised in profit or loss	345	295	345	496
	11 518	11 173	8 729	8 384
Net expense recognised in profit or loss				
Current service cost	633	605	633	605
Interest cost	894	943	894	943
Actuarial gain	(489)	(385)	(489)	(385)
Benefit payments	(693)	(868)	(693)	(667)
	345	295	345	496
Key assumptions used				
Discount rates used	11.24%	10.68%	11.24%	10.68%
Expected rate of return on assets	8.36%	8.66%	8.36%	8.66%

Post-retirement medical aid obligation

It is the policy of the Authority to provide retirement medical benefits to all its employees. The obligation is to pay the employees medical aid contributions for 12 months after retirement. An actuarial valuation was performed as at 31 March 2023 as prescribed by IAS 19.

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Carrying value				
Present value of the defined benefit obligation – wholly unfunded	9 521	7 777	9 521	7 777
Movement for the year				
Opening balance	7 777	6 911	7 777	6 911
Net expense recognised in profit or loss	1 744	866	1 744	866
	9 521	7 777	9 521	7 777
Net expense recognised in profit or loss				
Current service cost	582	506	582	506
Interest cost	962	822	962	822
Benefit payments	(423)	(223)	(423)	(223)
Actuarial gains (losses)	623	(239)	623	(239)
	1 744	866	1 744	866
Key assumptions used				
Discount rate	12.19%	11.79%	12.19%	11.79%
Medical inflation rate	9.19%	9.58%	9.19%	9.58%



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

22. Trade and other payables

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Financial instruments:				
Trade payables	80 314	75 552	52 093	56 062
Other payables	80 083	71 913	59 953	49 675
Deposits received	13 541	–	13 450	–
Non-financial instruments:				
Amounts received in advance	2 811	–	2 811	–
	176 749	147 465	128 307	105 737

Other payables are made up of 3rd party clearing accounts and deposits received.

23. Provisions

Figures in Namibia Dollar thousand	Opening balance	Additions	Utilised during the year	Total
Reconciliation of provisions				
Group – 2023				
Provision for customer rebates	9 875	10 902	(2 378)	18 399
Provision for leave pay	55 663	20 882	(22 750)	53 795
Provision for bonuses	56 708	106 066	(95 481)	67 293
	122 246	137 850	(120 609)	139 487
Group – 2022				
Provision for customer rebates	4 518	8 702	(3 344)	9 875
Provision for leave pay	58 936	37 749	(41 022)	55 663
Provision for bonuses	35 005	50 316	(28 613)	56 708
	98 459	96 767	(72 979)	122 246
Authority – 2023				
Provision for customer rebates	9 875	10 902	(2 378)	18 399
Provision for leave pay	55 663	20 882	(22 750)	53 795
Provision for bonuses	56 708	106 066	(95 481)	67 293
	122 246	137 850	(120 609)	139 487
Authority – 2022				
Provision for customer rebates	4 518	8 702	(3 344)	9 875
Provision for leave pay	58 936	37 749	(41 022)	55 663
Provision for bonuses	35 005	50 316	(28 613)	56 705
	98 459	96 767	(72 979)	122 243

The carrying value of provisions that are recognised in terms of requirements of IAS 37: Provisions, Contingent Liabilities and Contingent assets.

Leave pay

This is a provision for unutilised leave at year-end. The leave is expected to be taken over the next one year and its calculated based on the employees' remuneration.

Bonuses

Provisions for bonuses is the 13th cheque payable in December each year. This forms part of basic conditions of employment. This provision also includes incentive bonuses for employees in terms of a performance management policy of the Authority.

Customer rebates

Provision for rebates to customers based on cargo and container handling volumes exceeded per agreements between customers and the Authority.

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

24. Current tax payable (receivable)

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Balance at the beginning of the year	–	–	–	–
Taxation charge for the year	67 908	21 297	74 716	23 036
Adjustment to deferred tax	(67 908)	(21 297)	(74 716)	(23 036)
Net payments made during the year	–	–	–	–
Tax at the applicable tax rate of 32% (2021: 32%)	–	–	–	–

25. Revenue

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Revenue from contracts with customers				
Rendering of services	2 008 828	1 682 959	1 502 700	1 234 478
Disaggregation of revenue from contracts with customers				
The Group disaggregates revenue from customers as follows:				
Rendering of services				
Port Authority services	770 976	641 332	778 085	648 379
Syncrolift services – dry dock	38 739	31 019	38 739	31 019
Cargo services	556 163	433 783	556 163	433 783
Marine services	150 361	125 925	150 361	125 925
Ship repairs – floating dock	513 237	455 528	–	–
Discounts and rebates	(20 648)	(4 628)	(20 648)	(4 628)
	2 008 828	1 682 959	1 502 700	1 234 478
Timing of revenue recognition				
At a point in time				
Rendering of services	2 008 828	1 682 959	1 502 700	1 234 478

Included in the Port Authority services revenue stream is an amount of Rental income N\$ 101 392 000 (2022: N\$ 76 798 000).

26. Other income

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Bad debts recovered	–	278	–	–
Profit and loss on foreign exchange	–	21 915	–	–
Other income	15 521	13 247	8 812	3 732
Government grants	13 487	143 487	13 487	143 487
	29 008	178 927	22 299	147 219



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

27. Other costs by nature

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Advertising, promotions and marketing	19 372	19 564	17 728	13 634
Administration cost	47 577	48 650	–	–
Audit fees	3 031	2 739	1 925	1 847
Bad debts	22 828	(233)	20 443	–
Bank charges	5 651	3 659	4 719	3 657
Claims	410	659	410	659
Computer expenses	15 251	8 798	12 142	8 798
Consulting fees	12 901	2 826	4 275	2 826
Consumables and materials	668	941	668	941
Diesel, petrol, lubricants and tyres	38 020	22 553	38 020	22 553
Directors' emoluments	5 293	3 116	5 293	3 116
Donations	917	1 056	917	1 056
Entertainment and refreshments	3 252	2 058	3 252	2 058
Foreign exchange losses	47 210	(112)	2 041	–
Insurance	14 227	14 490	14 227	14 490
Leases of low value assets	–	5 670	–	–
Legal fees	1 218	763	1 218	763
Licences	438	441	438	441
Loss on disposal of fixed assets	–	1 781	–	–
Memberships and subscriptions	739	1 105	739	1 105
Municipal expenses	6 239	7 668	6 239	7 668
Rental	17 975	3 080	17 975	3 080
Safety, health and environmental	5 938	4 739	5 938	4 739
Security	9 325	10 047	9 325	10 047
Stationery and photocopying	720	1 053	720	1 053
Sundry expenses	9 011	7 757	9 011	6 331
Telephone, postage and courier	3 275	3 047	3 275	3 047
Travel and accommodation	3 761	2 202	3 817	2 202
Water and electricity	73 183	65 301	73 183	65 301
	368 486	245 418	257 938	181 412

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

28. Operating profit (loss)

Operating profit for the year is stated after charging (crediting) the following, among others:

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Auditor's remuneration – external				
Audit fees	3 031	2 725	1 925	1 847
Other				
Operating lease charges/rental	17 975	3 080	17 975	3 080
Consulting fees	4 275	2 826	4 275	2 826
(Profit)/loss on sale of property, plant and equipment	28 786	1 781	(778)	2 728
Depreciation of property, plant and equipment	252 325	255 262	226 611	239 186
Depreciation of right-of-use asset	13 366	16 537	–	–
Amortisation of intangible assets	9 650	6 201	9 650	6 201

29. Finance income

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Interest income				
Investments in financial assets:				
Bank balances and short-term deposits/money market accounts	21 873	7 267	20 364	6 652
Trade and other receivables	901	1 967	901	1 967
Total interest income	22 774	9 234	21 265	8 619

30. Finance costs

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Long-term borrowings	195 233	151 230	174 687	129 854



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

31. Taxation

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Major components of the tax (income) expense				
Deferred				
Originating and reversing temporary differences	(67 908)	(21 297)	(74 716)	(23 036)
Reconciliation of the tax expense				
Reconciliation between accounting profit and tax expense				
Accounting profit	234 893	250 865	257 502	253 519
Tax at the applicable tax rate of 32% (2022: 32%)	(75 166)	(80 277)	(82 401)	(81 126)
Tax effect of adjustments on taxable income				
Expenses not deductible for tax purposes	7 258	58 979	7 685	58 090
	(67 908)	(21 298)	(74 716)	(23 036)
Reconciliation between applicable tax rate and average effective tax rate				
Applicable tax rate	32%	32%	32%	32%
Expenses not deductible for tax purposes	(3%)	(24%)	(3%)	(23%)
	29%	8%	29%	9%

32. Cash generated from operations

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Profit before taxation	234 893	255 262	257 502	253 519
Adjustments for:				
Depreciation – Property, plant and equipment	252 325	255 189	236 260	239 186
Depreciation – Right-of-use assets	13 366	12 995	–	–
Amortisation of intangible assets	–	6 201	–	6 201
Losses on sale of property, plant and equipment	(1 602)	(3 431)	(3 111)	(2 484)
Impairment – Intercompany loans	–	35	–	–
Investment revenue	–	(1 708)	–	(1 704)
Interest received	(22 774)	(7 526)	(21 265)	(6 914)
Finance costs	195 233	151 230	174 687	129 854
Net impairments and movements in credit loss allowances	22 801	(233)	20 416	–
Operating lease straight-lining	(23 173)	(27 578)	(23 173)	(26 814)
Severance pay provision	345	295	345	496
Movement in provisions	9 401	–	–	–
Post-retirement medical aid provision	1 744	866	1 744	866
Lease rental	7 109	–	–	–
Grant income – New Container Terminal	(13 487)	(13 487)	(13 487)	(13 487)
Impairment loss on property, plant and equipment	1 780	–	–	–
Government grant received	–	(130 000)	–	(130 000)
Adjust for items which are presented separately:				
Changes in working capital:				
Inventories	(129)	(4 480)	(1 512)	(1 426)
Trade and other receivables	(67 990)	2 102	(52 825)	(35 139)
Contract assets	12 980	(35 540)	–	–
Inflows (outflows) from derivatives	28 037	(10 455)	–	–
(Increase) decrease in prepayments	88	(694)	88	(694)
Increase (decrease) in trade and other payables	46 812	1 193	39 806	9 712
	697 759	450 236	615 475	421 172

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

33. Commitments

Authorised capital expenditure

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
· Authorised and contracted for	143 703	118 892	143 703	118 892
· Authorised, but not yet contracted for	267 117	153 804	267 117	153 804

This committed expenditure relates to property, plant and equipment and will be financed by available bank facilities, retained profits, mortgage facilities, existing cash resources, funds internally generated.

34. Contingencies

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Provision of suretyship on financing facilities to Namdock Drydock and Ship Repair (Pty) Ltd	151 150	151 150	151 150	151 150

The bank overdraft of Namdock and other long-term borrowings are secured by first marine bonds for N\$ 47 000 000, N\$ 30 000 000 and N\$ 100 000 000 over the Floating Dock I and Floating Dock II and Floating Dick III respectively, registered cession of marine policies of N\$ 57 000 000 and N\$ 55 000 000 respectively and unlimited cession of its call account.

35. Related parties

Shareholder

Government of the Republic of Namibia

Subsidiaries

Namibia Drydock and Ship Repair (Pty) Ltd
Namibia Property Holdings (Pty) Ltd
Luderitz Boatyard (Pty) Ltd
Namibia E-Trade Services (Pty) Ltd
Various Ministries
State Owned Enterprises

Group related parties

Logistics Support Services (Pty) Ltd
Rental Support Services (Pty) Ltd
Wesco Engineering Services (Pty) Ltd
Wesco Waste Management (Pty) Ltd
Tunacor Property Ltd
Wesco Project Consultancy Services (Pty) Ltd
Kwint Offshore Service Namibia (Pty) Ltd
Tunacor Fisheries (Pty) Ltd
Wesco Investment Number One (Pty) Ltd



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

35. Related parties (continued)

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Related party balances				
Loan accounts – Owing (to) by related parties				
Namibia Drydock and Ship Repair (Pty) Ltd	–	–	641	641
Elgin Brown and Hamer Consortium (Pty) Ltd	3 228	3 228	–	–
Luderitz Boat Yard (Pty) Ltd	–	–	3 752	3 697
Amounts included in Trade Payables regarding related parties				
Logistic Support Services	590	397	–	–
Rental Support Services	48	115	–	–
Wesco Engineering Services (Pty) Ltd	–	169	–	–
Wesco Waste Management (Pty) Ltd	–	71	–	–
Namibian Ports Authority	3 247	380	–	–
Tunacor Properties Limited	31	22	–	–
Amounts included in Trade Receivables regarding related parties				
Namibia Drydock and Ship Repair (Pty) Ltd	3 018	381	3 018	381
Logistics Support Services	433	–	–	–
Wesco Engineering Services (Pty) Ltd	–	55	–	–
Namibian Ports Authority	99	–	–	–
State Owned Enterprises	3 978	2 592	3 978	2 592
Related party transactions				
Purchases from related parties				
Logistic Support Services	2 747	3 964	–	–
Rental Support Services	566	992	–	–
Wesco Engineering Services	197	996	–	–
Wesco Investment Number One (Pty) Ltd	9 100	10 606	–	–
Wesco Waste Management (Pty) Ltd	1 153	3 399	–	–
Namibian Ports Authority	11 424	9 663	–	–
Tunacor Properties Limited	3 037	3 629	–	–
Wesco Project Consultancy Services (Pty) Ltd	1 030	840	–	–
Kwint Offshore Service Namibia (Pty) Ltd	–	102	–	–
Tunacor Fisheries (Pty) Ltd	98	–	–	–
Sales to related parties				
Namibia Drydock and Ship Repair (Pty) Ltd	7 109	7 047	7 109	7 047
Logistic Support Services	3 073	1 942	–	–
Wesco Engineering Services	25	58	–	–
Namibian Ports Authority	541	–	–	–
Wesco Waste Management	2	3	–	–
Various Ministries	3 277	4 541	3 277	4 541
State Owned Enterprises	7 193	6 041	7 193	6 041
Remuneration to key management personnel				
Remuneration received	17 235	13 667	17 235	13 667

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

36. Directors' emoluments

Non-executive

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Non-executive directors' fees				
E.N. Hamunyela	435	418	435	418
V. Cloete	376	407	376	407
S. Ndeunyema	369	353	369	353
J.M. Mouton	301	463	301	463
I. Tjombonde	270	327	270	327
A.L. Kathindi	324	526	324	526
A. Pick	358	360	358	360
Subsidiary directors	1 025	776	–	–
	3 458	3 630	2 433	2 854

37. Financial instruments and risk management

Categories of financial instruments

Figures in Namibia Dollar thousand	Note(s)	Amortised cost	Total
Categories of financial assets			
Group – 2023			
Trade and other receivables	11	325 877	325 877
Cash and cash equivalents	15	406 962	406 962
Channel levy investment fund		144	144
		732 983	732 983
Group – 2022			
Trade and other receivables	11	293 849	293 849
Cash and cash equivalents	15	200 884	200 884
Channel Levy Investment Fund		142	142
Derivatives	13	19 360	19 360
		508 476	508 476



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Categories of financial instruments (continued)

Figures in Namibia Dollar thousand	Note(s)	Amortised cost	Total
Categories of financial assets			
Authority – 2023			
Loans to subsidiaries		4 426	4 426
Trade and other receivables	11	295 906	295 906
Cash and cash equivalents	15	378 377	378 377
Channel levy investment fund		144	144
		678 853	678 853
Authority – 2022			
Loans to subsidiaries	7	4 338	4 338
Trade and other receivables	11	263 497	263 497
Cash and cash equivalents	15	199 294	199 294
Channel Levy Investment Fund		142	142
		467 271	467 271

Figures in Namibia Dollar thousand	Note(s)	Fair value through profit or loss – Held for trading	Amortised cost	Total
Categories of financial liabilities				
Group – 2023				
Trade and other payables	22	–	176 749	176 749
Long-term borrowings	17	–	166 344	166 344
African Development Bank		–	2 266 331	2 266 331
Special purpose funds		–	12 210	12 210
Derivatives	13	8 677	–	8 677
		8 677	2 621 634	2 630 311

Figures in Namibia Dollar thousand	Note(s)	Amortised cost	Total
Categories of financial liabilities			
Group – 2022			
Trade and other payables	22	147 465	147 465
Long-term borrowings	17	186 910	186 910
African Development Bank		2 482 172	2 482 172
Special purpose funds		5 861	5 861
		2 822 408	2 822 408

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Categories of financial instruments (continued)

Figures in Namibia Dollar thousand	Note(s)	Amortised cost	Total
Categories of financial liabilities			
Authority – 2023			
Trade and other payables	22	128 307	128 307
Long-term borrowings	17	19 581	19 581
African Development Bank		2 266 331	2 266 331
Special purpose funds		12 210	12 210
		2 426 429	2 426 429
Authority – 2022			
Trade and other payables	22	105 737	105 737
Long-term borrowings	17	29 901	29 901
African Development Bank		2 482 172	2 482 172
Special purpose funds		5 861	5 861
		2 623 671	2 623 671

Capital risk management

The Group and Authority's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure and gearing ratio of the Group at the reporting date was as follows:

Figures in Namibia Dollar thousand	Note(s)	Group		Authority	
		2023	2022	2023	2022
Loans from shareholders		3 228	3 264	–	–
Borrowings	17	166 344	186 910	19 581	29 901
Lease liabilities		46 710	61 987	–	–
African Development Bank		2 266 331	2 482 172	2 266 331	2 482 172
Trade and other payables	22	176 749	147 465	128 307	105 737
Total borrowings		2 659 362	2 881 798	2 414 219	2 617 810
Cash and cash equivalents	15	(406 962)	(200 884)	(378 377)	(199 294)
Net borrowings		2 252 400	2 680 914	2 035 842	2 418 516
Equity		3 511 038	3 365 336	3 350 204	3 190 521
Debt/Equity ratio		64%	80%	61%	76%



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Financial risk management

Overview

The Group and Authority does not trade in financial instruments, but in the normal course of operations it is exposed to credit risk, liquidity risk and market risk. These risks are managed by the Authority through formal documented policies and procedures as approved by its Board of Directors. These policies are continuously reviewed and updated as and when the need arises.

The Group and Authority's overall risk management focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group uses derivative financial instruments on an ad hoc basis to hedge certain risk exposures. Risk management is carried out by the Group's Risk Committee under policies approved by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit risk

Credit risk is the risk of financial loss to the Group and Authority if a customer or counterparty to a financial instrument fails to meet its contractual obligations

Credit risk arises from cash and cash equivalents, short- and long-term deposits with banks and financial institutions, as well as credit exposures to outstanding receivables

The maximum exposure to credit risk is presented in the table below:

Figures in Namibia Dollar thousand	Note(s)	2023			2022		
		Gross carrying amount	Credit loss allowance	Amortised cost/fair value	Gross carrying amount	Credit loss allowance	Amortised cost/fair value
Group							
Channel Levy Investment Fund		144	–	144	142	–	142
Trade and other receivables	11	395 418	(56 507)	338 911	352 505	(58 656)	293 849
Cash and cash equivalents	15	406 962	–	406 962	200 884	–	200 884
		802 524	(56 507)	746 017	553 531	(58 656)	494 875
Authority							
Loans to subsidiaries	7	4 393	–	4 393	4 338	–	4 338
Channel Levy Investment Fund		144	–	144	142	–	142
Trade and other receivables	11	346 734	(50 828)	295 906	318 688	(55 191)	263 497
Cash and cash equivalents	15	378 377	–	378 377	199 294	–	199 294
		729 648	(50 828)	678 820	522 462	(55 191)	467 271

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Financial risk management (continued)

Credit risk (continued)

The Group and Authority holds bank guarantees and cash deposits as security in the event of defaults on its outstanding receivables. The Group and Authority has also taken out a contingency insurance plan covering it against losses suffered as a result of defaults from its trade debtors.

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Total value of bank guarantees and cash deposits held by the Group at the reporting date	113 177	106 599	113 177	106 599

Credit risk pertaining to receivables is not concentrated to a few customers as trade receivables comprise a widespread customer base. The Group and Authority has guidelines in place to ensure that services are rendered to customers with an appropriate credit history. Management evaluates credit risk relating to customers on an ongoing basis.

While credit limits were exceeded during the reporting period, management does not expect any losses from non-performance by these counterparties. The Group and Authority has not renegotiated the terms of its receivables.

The Group and Authority only deposits cash with major banks and financial institutions with high quality credit standing and its investment policy limits exposure to any one counterparty.

Liquidity risk

Liquidity risk refers to the risk that the Group and Authority will encounter difficulty in meeting its obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, management maintains flexibility in funding by maintaining availability under committed credit lines.

The Group and Authority's risk to liquidity is a result of the funds available to cover future commitments. The authority manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared, and adequate utilised borrowing facilities are maintained.

The table below analyses the Group and Authority's financial liabilities into relevant maturities based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Figures in Namibia Dollar thousand	Note(s)	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Group – 2023					
Loans from shareholders		–	–	3 228	3 228
Long-term borrowings	17	12 794	153 550	–	166 344
African Development Bank		215 841	1 079 210	971 280	2 266 331
Special purpose funds		12 210	–	–	12 210
Trade and other payables	22	176 749	–	–	176 749
		417 594	1 232 760	974 508	2 624 862
Group – 2022					
Loans from shareholders		–	–	3 264	3 264
Long-term borrowings	17	12 144	174 766	–	186 910
African Development Bank		215 841	1 079 210	1 187 120	2 482 172
Special purpose funds		5 861	–	–	5 861
Trade and other payables		147 465	–	–	147 465
		381 311	1 253 976	1 190 384	2 825 672



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Liquidity risk (continued)

Figures in Namibia Dollar thousand	Note(s)	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Authority – 2023					
Non-current liabilities					
Long-term borrowings	17	–	19 581	–	19 581
African Development Bank		215 841	1 079 210	971 280	2 266 331
Current liabilities					
Trade and other payables		128 307	–	–	128 307
Special purpose funds		12 210	–	–	12 210
		356 358	1 098 791	971 280	2 426 429
Authority – 2022					
Long-term borrowings	17	–	29 901	–	29 901
Special purpose funds		5 861	–	–	5 861
African Development Bank		215 842	1 079 210	1 187 120	2 482 172
Trade and other payables	22	105 737	–	–	105 737
		327 440	1 109 111	1 187 120	2 623 671

The credit facilities of the Group and Authority are reviewed annually and consists of the following bank overdraft facilities:

Figures in Namibia Dollar thousand	Group		Authority	
	2023	2022	2023	2022
Overdraft facilities:				
Total facilities	129 000	130 000	129 000	130 000
Utilised	(20 665)	(79 511)	(20 665)	(79 511)
	108 335	50 489	108 335	50 489

Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as interest rates and foreign exchange rates.

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management (continued)

Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group or Authority's functional currency. The Group and Authority consider the need to take out cover on outstanding foreign currency transactions on an ad hoc basis, as and when such transactions occur. Upon the discretion of management, cover is taken out from time to time.

At the reporting date, the Group and Authority's cumulative exposure to foreign receivables, foreign cash and cash equivalents and foreign long-term borrowings were not material and as such changes to the foreign exchange rates would not significantly impact on the equity of the Group and Authority.

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

		Group		Authority	
Figures in Namibia Dollar thousand	Note(s)	2023	2022	2023	2022
US Dollar exposure:					
Group					
Current assets					
Trade and other receivables	11	27 693	23 034	–	–

Foreign currency sensitivity analysis

The following information presents the sensitivity of the Group to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Figures in Namibia Dollar thousand	2023 Increase	2022 Decrease	2023 Increase	2022 Decrease
Group				
Increase or decrease in rate				
Impact on profit or loss:				
Considering a 10% increase/(decrease) in the United States Dollar	2 764	(2 764)	2 303	(2 303)



NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

37. Financial instruments and risk management *(continued)*

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group and Authority's interest rate risk results mainly from its exposure to floating interest bearing long- and short-term funds invested as well as floating interest rates on long-term borrowings.

The table below sets out the extent to which the Group and Authority's financial instruments are exposed to interest rate fluctuations:

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Financial assets				
Floating interest bearing	406 962	200 884	378 377	199 294
Fixed and non-interest bearing	341 906	293 849	298 901	263 497
	748 868	494 733	677 278	462 791

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Financial liabilities				
Floating interest bearing	2 432 675	2 669 082	2 285 912	2 512 073
Fixed and non-interest bearing	166 632	147 465	118 189	105 737
	2 599 307	2 816 547	2 404 101	2 617 810

A change of 100 basis points in interest rates at the reporting date would have increased or decreased the Authority's profits and equity by the amounts shown below.

This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as for 2023.

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Financial assets	4 070	2 008	3 784	1 992
Financial liabilities	(24 327)	(26 690)	(22 859)	(25 120)
Net effect on equity	(20 257)	(24 682)	(19 075)	(23 128)

Price risk

The Group and Authority is exposed to equity securities price risk because of investments held by the Group and Authority and classified on the statement of financial position as at fair value through profit or loss. The Group and Authority is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group and Authority diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set in its investment policy.

A change of 10% in equity prices at the reporting date would have increased or decreased the Group and Authority's profits and equity by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2023.

NOTES TO THE GROUP ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

38. Fair value information

Set out below is a comparison by category of carrying amounts and fair values of all of the Group and Authority's financial instruments.

	Group		Authority	
Figures in Namibia Dollar thousand	2023	2022	2023	2022
Financial assets				
Channel levy fund investment – Fair value through profit/(loss)	144	142	144	142
Trade and other receivables – Amortised cost	338 911	293 849	295 906	263 497
Cash and cash equivalents – Amortised cost	406 962	200 884	378 377	199 294
Total financial assets	746 017	494 875	674 427	462 933
Financial liabilities				
Loans from shareholders – Amortised cost	3 228	3 264	–	–
Long-term borrowings – Amortised cost	166 344	186 910	19 581	29 901
African Development Bank – Amortised cost	2 266 331	2 482 172	2 266 331	2 482 172
Special purpose funds – Amortised cost	12 210	5 861	12 210	5 861
Trade and other payables – Amortised cost	176 749	147 465	128 307	105 737
Total financial liabilities	2 624 862	2 825 672	2 426 429	2 623 671
	(1 878 845)	(2 330 797)	(1 752 002)	(2 160 738)

The fair value of cash and cash equivalents, trade and other receivables as well as trade and other payables approximate their carrying value due to their short-term nature. The effects of discounting loans to subsidiaries and the channel levy investment to determine its fair value are immaterial.

The fair value of long-term borrowings and instalment sales obligations were calculated by discounting future cash flows at a fair rate of return. The effects of discounting future cash flows or the special purpose funds are immaterial.

39. Prior period error

The Group financial statements for 2021 and 2022 have been restated due to error in eliminating related party lease transactions and balances. The impact is disclosed below:

		Group	
Figures in Namibia Dollar thousand	Note(s)	2022	2021
Decrease in lease liability	4	48 661	101 991
Decrease in right-of use asset	4	25 390	83 543
Increase in retained earnings		19 087	17 896
Decrease in depreciation	28	3 542	4 230
Decrease in finance costs	30	7 902	10 377
Decrease in revenue	25	7 047	5 368
(Decrease)/increase in operating lease asset	8	212	(552)
Impact on profit			
Increase (decrease) in profit		4 397	9 240



APPENDICES

Statistics

138

Corporate information and administration

144



STATISTICS

Type of vessel visits: Port of Walvis Bay 2016/17 – 2022/23 (number)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Container	356	316	297	278	208	184	160
Foreign fishing vessels	197	192	149	126	97	115	98
Petroleum	69	88	79	105	95	113	128
Reefer	34	41	41	41	20	21	26
Namibian fishing vessels	37	18	25	20	28	35	40
General cargo vessels	163	164	165	156	91	77	94
Other	489	251	246	267	210	321	353
Total	1 345	1 070	1 002	993	749	866	899

Total vessel visits: Port of Walvis Bay and Port of Lüderitz combined 2016/17 – 2022/23 (number)

Port	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Port of Walvis Bay	1 345	1 070	1 002	993	749	866	899
Port of Lüderitz	734	746	718	754	554	726	737
Total	2 079	1 816	1 720	1 747	1 303	1 592	1 636

Total vessel visits: Port of Walvis Bay by type of vessel

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Container	356	316	297	278	208	184	160
Reefer	34	41	41	41	20	21	26
Foreign fishing vessels	197	192	149	126	97	115	98
Namibian fishing vessels	37	18	25	20	28	35	40
Petroleum	69	88	79	105	95	113	128
General cargo vessels	163	164	165	156	91	77	94
Other	489	251	246	267	210	321	353
Total	1 345	1 070	1 002	993	749	866	899

Total cargo handled: Port of Walvis Bay 2016/17 – 2022/23 (Freight tonnes)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	5 168 131	4 825 920	5 374 714	4 960 313	5 327 680	5 512 196	6 667 746

Port of Walvis Bay and Port of Lüderitz combined

	Apr/Mar 2016/17	Apr/Mar 2017/18	Apr/Mar 2018/19	Apr/Mar 2019/20	Apr/Mar 2020/21	Apr/Mar 2021/22	Apr/Mar 2022/23
Cargo handled at the Port of Walvis Bay and the Port of Lüderitz (Freight tonnes)							
Cargo landed							
Bulk and break-bulk	1 123 638	1 058 009	1 253 047	962 228	1 038 345	1 107 048	1 238 611
Containerised	781 117	816 099	911 512	879 423	877 001	824 030	961 584
Sulphuric acid	115 337	147 270	170 217	158 558	44 062	59 091	143 728
Petroleum landed	1 407 028	1 222 004	1 283 819	1 234 216	1 359 279	1 479 754	1 450 519
Total landed	3 427 119	3 243 382	3 618 595	3 234 424	3 318 687	3 469 923	3 794 441
Cargo shipped							
Bulk and break-bulk	815 069	875 862	1 087 857	1 132 043	1510502	1 777 200	2 567 773
Containerised	740 847	851 070	920 927	1 083 436	1 021 808	1 094 416	1 212 753
Total shipped	1 555 916	1 726 932	2 008 784	2 215 479	2 532 310	2 871 616	3 780 526
Cargo transhipped							
Bulk and break-bulk	48 203	53 854	44 855	58 865	39 483	34 709	27 913
Containerised	525 090	279 045	124 058	53 231	305 350	200 122	88 901
Total transhipped	573 293	332 899	168 913	112 096	344 832	234 831	116 814
Total cargo handled	5 556 329	5 303 212	5 796 292	5 561 999	6 195 830	6 576 370	7 691 781
Cargo handled at the Port of Walvis Bay and the Port of Lüderitz (Freight tonnes)							
Containers handled at the Port of Walvis Bay and Port of Lüderitz (Twenty-foot Equivalent Units)							
Landed	51 851	58 591	64 846	70 551	60 376	69 467	69 775
Shipped	48 575	56 095	59 676	64 630	59 424	61 106	66 835
Transhipped	105 565	67 969	24 942	13 461	36 180	37 705	24 273
Total TEUs	205 991	182 655	149 464	148 642	155 980	168 278	160 883
Vessel visits to the Port of Walvis Bay and Port of Lüderitz							
Vessel visits	2 079	1 816	1 720	1 747	1 303	1 592	1 636

Total cargo handled: Port of Walvis Bay and Port of Lüderitz combined 2016/17 – 2022/23 (Freight tonnes)

Port	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Port of Walvis Bay	5 168 131	4 825 920	5 374 714	4 960 313	5 327 680	5 512 196	6 667 746
Port of Lüderitz	388 198	477 293	421 578	601 687	868 150	1 064 174	1 024 035
Total	5 556 329	5 303 213	5 796 292	5 562 000	6 195 830	6 576 370	7 691 781



STATISTICS (CONTINUED)

Port of Walvis Bay

Total cargo handled: Port of Walvis Bay, 2022/23 (Freight tonnes)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total landed	3 262 994	3 062 506	3 458 340	3 090 906	3 264 103	3 367 166	3 685 197
Total shipped	1 331 844	1 430 515	1 747 461	1 757 310	1 718 744	1 910 199	2 865 735
Total Transshipments	573 294	332 899	168 913	112 096	344 832	234 831	116 814
Total	5 168 131	4 825 920	5 374 714	4 960 313	5 327 680	5 512 196	6 667 746

Main commodities landed, Port of Walvis Bay, 2022/2023

Commodities	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Petroleum	1 373 941	1 176 839	1 234 346	1 212 267	1 335 869	1 422 263	1 389 316
Other cargo	711 229	707 696	805 55	671 743	770 881	648 522	969 23
Fish and fish Products	213 926	257 149	222 919	198 601	187 615	206 56	235 94
Vehicles	190 93	196 271	274 504	258 984	253 453	211 455	156 944
Copper/Lead and Concentrates	181 483	221 272	352 157	251 98	249 286	174 035	228 682
Sugar	111 459	100 292	100 071	103 544	95 685	124 173	76 71
Wheat	136 166	92 7	104 944	97 543	102 497	106 264	65 57
Chemicals	37 24	40 808	65 653	46 883	64 259	79 816	120 294
Coal	116 398	32 969	32 848	–	71 498	69 797	35 338
Spare parts	16 455	18 614	25 128	35 495	34 646	41 988	10 46
Machinery	33 918	37 601	44 877	39 894	44 405	44 647	48 804
Sulphuric acid	115 337	147 27	170 217	158 558	44 062	59 091	163 531
Malt	39 26	–	48 444	51 106	33 352	48 972	55 352
Tyres	12 496	–	25 486	27 126	28 402	36 224	40 394
Wooden products	5 989	4 687	4 749	5 207	3 13	1 608	586
Steel	61 855	–	84 752	79 237	84 32	88 143	72 163
Cement	75 334	–	50 21	594	88	–	1 898
Total	3 262 994	3 062 506	3 458 340	3 090 906	3 264 103	3 367 166	3 685 197

Main commodities shipped, Port of Walvis Bay, 2022/2023

Commodities	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Other cargo	111 048	102 470	109 317	146 841	166 022	319 776	720 206
Salt bulk	403 709	491 941	692 308	593 582	532 612	522 409	672 683
Salt bagged	184 009	119 157	122 486	97 440	123 413	121 095	152 385
Zinc ore and concentrates	–	–	–	–	–	–	–
Lithium ore	–	–	30 321	–	–	–	–
Fish and fish products	169 658	169 626	167 713	195 331	159 932	183 114	213 795
Copper/Lead and concentrates	119 088	160 308	219 222	237 204	260 254	164 983	416 120
Scrap steel	23 517	29 078	33 044	37 818	31 174	54 626	51 700
Charcoal	99 170	114 488	152 768	212 696	273 196	300 806	372 262
Wooden products	68 670	57 706	50 776	73 836	65 692	83 644	108 812
Flat cartons	23 728	31 400	25 464	17 771	13 955	22 845	28 084
Building materials	2 398	132	616	110	616	–	–
Marble and granite	104 233	136 461	114 958	111 286	66 265	116 376	100 084
Fluorspar	946	440	–	–	–	–	–
Manganese ore	21 670	17 309	28 468	33 396	25 344	20 526	29 604
Total	1 331 844	1 430 515	1 747 461	1 757 310	1 718 744	1 910 199	2 865 735

Main Commodities Transhipped, Port of Walvis Bay, 2022/23

Commodities	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Fish and fish products	48 842	50 827	44 709	58 743	45 192	78 396	27 137
Frozen products	18 502	17 006	21 045	484	69 344	9 782	14 388
Dangerous cargo	2 970	902	704	220	3 498	4 620	814
Other cargo	502 979	264 164	102 455	52 649	226 798	142 034	74 475
Total	573 294	332 899	168 913	112 096	344 832	234 831	116 814

Port of Walvis Bay, TEUs handled

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Containers handled (Twenty-foot Equivalent Units)						
Shipped	53 340	57 103	61 792	58 326	59 701	66 584
Landed	55 026	62 064	67 704	59 701	68 554	69 511
Transshipped	67 969	24 942	13 461	36 180	37 705	24 273
Total TEUs	176 335	144 109	142 957	154 207	166 545	160 368



STATISTICS (CONTINUED)

Port of Lüderitz

Cargo handled at the Port of Lüderitz (Freight tonnes)

	Apr/Mar 2016/17	Apr/Mar 2017/18	Apr/Mar 2018/19	Apr/Mar 2019/20	Apr/Mar 2020/21	Apr/Mar 2021/22	Apr/Mar 2022/23
Break-bulk cargo landed							
Petroleum	33 087	45 165	49 473	21 948	23 410	57 491	61 203
Fish	25 361	26 926	30 010	33 767	26 122	33 559	31 662
Sulphur	92 078	98 538	75 097	75 205	–	–	–
Other cargo	5 328	6 463	1 072	12 598	5 053	11 707	16 379
Total	155 853	177 092	155 652	143 518	54 585	102 757	109 245
Break-bulk cargo shipped							
Fish and bait	374	124	119	17 338	15 298	16 512	3 658
Ice	29 594	28 747	34 446	38 867	29 281	34 341	34 035
Manganese	–	–	–	204 301	640 288	768 085	761 477
Zinc/Ore/ Concentrates	155 269	178 087	157 309	157 309	103 279	95 359	88 272
Lead and lead concentrates	15 070	29 007	12 372	13 710	21 202	27 514	18 960
Other	663	191	2 597	6 828	4 218	19 605	8 389
Total	200 970	236 157	206 843	458 169	813 565	961 417	914 791
Cargo transhipped							
Fish	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–
Total break-bulk	356 823	413 249	362 495	538 282	849 322	1 046 274	1 020 070
Containerised cargo							
Landed	8 273	3 784	4 603	3 566	–	1 018	–
Shipped	23 102	60 260	54 480	59 839	–	16 882	–
Transhipped	–	–	–	–	–	–	–
Total containerised cargo	31 375	64 044	59 083	63 405	18 828	17 900	3 965
Total cargo	388 198	477 293	421 578	601 687	868 150	1 064 174	1 024 035

	Apr/Mar 2016/17	Apr/Mar 2017/18	Apr/Mar 2018/19	Apr/Mar 2019/20	Apr/Mar 2020/21	Apr/Mar 2021/22	Apr/Mar 2022/23
Containers handled at the Port of Lüderitz (Twenty-foot Equivalent Units)							
Landed	1 593	3 565	2 782	2 847	675	913	264
Shipped	1 327	2 755	2 573	2 838	1 098	820	251
TOTAL TEUs	2 920	6 320	5 355	5 685	1 773	1 733	515
Vessel visits to the Port of Lüderitz							
Vessel visits	734	746	718	754	554	726	737

Main commodities

Total commodities handled by Port of Lüderitz

Total commodities	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total imports	155 853	180 876	160 255	143 518	54 585	102 757	109 245
Total exports	200 970	296 417	261 323	458 169	813 565	961 417	914 791
Total	388 198	477 293	421 578	601 687	868 150	1 064 174	1 024 035





CORPORATE INFORMATION AND ADMINISTRATION

Namport

www.namport.com
Telephone: +264 64 208 2248
Email: info@namport.com.na

Business address and registered office

The Namibian Ports Authority
17 Rikumbi Kandanga Road
Walvis Bay
Namibia

Postal address

PO Box 361
Walvis Bay
Namibia

Company Secretary

Loise Kafita
Responsible for Company secretarial duties
Email: L.Kafita@namport.com.na
Telephone: +264 64 208 2413

Executive: Commercial Services

Elias Mwenyo
Responsible for Commercial Services
Email: elias@namport.com.na
Telephone: +264 64 208 2215

Auditors

Grand Namibia Public Accountants & Auditors
9 Axali Doeseb Street
Windhoek
Namibia
Email: info@grandnamibia.com
Telephone: +264 61 255263

Principal bankers

Bank Windhoek Limited (Namibia)
Standard Bank Namibia
Nedbank Namibia



17 Rikumbi Kandanga Rd, Walvis Bay, Namibia | P O Box 361, Walvis Bay, Namibia
Tel: +264 64 208 2111 | Email: info@namport.com.na | Website: www.namport.com