

Mobile Telecommunications Limited

("MTC" or "the company")

(Incorporated in the Republic of Namibia)

(Registration number: 94/458)

(Registration date: 06 October 1994)

Share Code: MOC ISIN: NA000A3CR803

PROSPECTUS

Prepared and issued in accordance with the provisions of Act 28 of the Companies Act, 2004, ("the Companies Act" as amended), the listing requirements of the Namibian Stock Exchange ("NSX"), and relating to the public offer of MTC shares by way of an offer for the subscription of:

- A maximum of 367,500,000 existing ordinary MTC shares sold by the existing shareholder at a subscription price of N$8.50 per share thereby selling N$3,123,750,000 (N$3.124 billion)
- To members of the general public in terms of a public offer (together, the "public offer"); and
- The subsequent listing of all of MTC's issued shares on the NSX.

Opening date of the public offer at 09:00 on	20 September 2021
Closing date of the public offer at 12:00 on	1 November 2021
Anticipated listing date on the NSX on	19 November 2021

This Prospectus complies with the Companies Act and the NSX listing requirements for the purpose of providing information to the applicants about the public offer by MTC. In respect of the public offer only, this Prospectus is an invitation to the public to subscribe for such MTC shares.

At incorporation, the authorised and issued share capital of MTC comprised 25,000,000 ordinary shares with a par value of N$1.00 per share. The issued ordinary share capital of MTC has been divided by a ratio of 1 to 30 to 750,000,000 at par value of N$0.033 on 17 May 2021. At the public offer a maximum of 367,500,000 ordinary MTC shares are available for sale by the existing shareholder at a subscription price of N$8.50 per share to a total value of N$3,123,750,000.

The MTC shares offered in terms of the public offer will rank pari passu with all other ordinary shares issued by MTC.

Subject to the required spread of shareholders being obtained in accordance with the NSX listing requirements, the NSX has granted MTC a listing on the NSX under the abbreviated name "MTC Limited", share code "MOC" and ISIN NA000A3CR803, with effect from the start of trade on 19 November 2021.

The directors of MTC, whose names are set out in on page 1 and in section 12, accept, collectively and individually, full responsibility for the accuracy of the information contained herein. They certify that, to the best of their knowledge and belief, there are no omissions of facts or considerations which would make any statements of fact or opinion contained in this Prospectus false or misleading. They further undertake that all reasonable enquiries to ascertain such facts have been made and that this Prospectus contains all information required by law and the NSX listing requirements.

Deloitte, whose reports are included in this Prospectus, have given and have not, prior to registration of this Prospectus, withdrawn their written consent to the inclusion of their reports in the form and context in which they appear. The Sponsors, legal advisor and transfer secretary, whose names are included in this Prospectus, have given and have not, prior to registration, withdrawn their written consents to the inclusion of their names in the capacities stated and, where applicable, to their reports being included in this Prospectus.

A copy of this Prospectus, accompanied by the documents referred to in section 36, was registered with the Registrar of Companies on 19 August 2021 in terms of section 163 of the Companies Act.

An abridged version of this Prospectus will be published on the Namibian Exchange News Services ("NENS") of the NSX and in the Namibian press on 20 September 2021 and on or about 21 September 2021, respectively.

THIS DOCUMENT IS DATED: 20 September 2021

This Prospectus is available in English only. Copies may be obtained during normal business hours from the registered office of MTC, the MTC Mobilehomes and Nampost outlets as indicated in Annexure 13. From Monday, 20 September 2021 until the Listing Date (both days inclusive), copies may also be obtained from the offices of the Sponsors and the NSX, whose addresses are set out in the "Corporate Information" section of this Prospectus. A copy of this Prospectus will also be available on the MTC website (www.mtc.com.na) as of Monday, 20 September 2021.

IMPORTANT NOTICES

Where any term is defined within the context of any particular clause or section in this Prospectus, the term so defined, unless it is clear from the clause or section in question that the term so defined has limited application to the relevant clause or section, shall bear the meaning ascribed to it for all purposes in this Prospectus, unless the context otherwise requires. Expressions defined in this Prospectus shall bear the same meanings in supplements to this Prospectus which do not themselves contain their own definitions.

MTC certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that this Prospectus contains all information required by applicable laws and the NSX listing requirements. The directors of MTC accept full responsibility for the accuracy of the information contained in this Prospectus, the annual financial statements and the annual reports and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The NSX and Sponsors take no responsibility for the contents of this Prospectus, the annual financial statements or the annual reports of MTC and any amendments or supplements to the aforementioned documents. The NSX makes no representation as to the accuracy or completeness of this Prospectus, the annual financial statements or the annual reports of MTC and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The NSX approval of the Prospectus and listings of the MTC shares is not to be taken in any way as an indication of the merits of MTC or the MTC shares and that, to the extent permitted by law, the NSX and Sponsors will not be liable for any claim whatsoever.

MTC, having made all reasonable enquiries, confirms that this Prospectus contains or incorporates by reference all information which is material in the context of the issue and the offering of MTC shares, that the information contained or incorporated by reference in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any such information or expression of any such opinions or intentions misleading in any material respect and that all proper enquiries have been made to verify the foregoing.

None of the Sponsors, the NSX nor any of their professional advisors have separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any of the Sponsors, the NSX or other professional advisors as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by MTC. None of the Sponsors, the NSX nor any of their professional advisors accept any liability in relation to the information contained in this Prospectus or any other information provided by MTC in connection with the public offer.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the public offer and, if given or made, such information or representation must not be relied upon as having been authorised by MTC, the Sponsors or any of the professional advisors.

Neither this Prospectus nor any other information supplied in connection with the public offer is intended to provide a basis for any credit or other evaluation or should be considered as a recommendation by MTC that any recipient of this Prospectus or any other information supplied in connection with the public offer should purchase any MTC shares.

Each potential investor contemplating to subscribe for the purchase of any MTC shares should make its own independent investigation of the financial condition and affairs and its own appraisal of the condition (financial or otherwise), of MTC.

The delivery of this Prospectus does not at any time imply that the information contained herein concerning MTC is correct at any time subsequent to the date hereof or that any other financial statements or other information supplied in connection with the public offer is correct as at any time subsequent to the date indicated in the document containing the same. Investors should review, among others, the most recent financial statements of MTC when deciding whether or not to subscribe for any MTC shares in the public offer.



ISSUED IN NAMIBIA ONLY

This Prospectus has been issued in Namibia only. Any person who is in doubt as to his position, including, without limitation, his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any shares in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The distribution of this Prospectus and the offer or sale of shares may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or any shares come must inform themselves about and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of shares in the United States of America, the United Kingdom, South Africa and certain other jurisdictions. MTC does not represent that this Prospectus may be lawfully distributed, or that any shares may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor does it assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by MTC which would permit a public offer of any shares or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no shares may be offered or sold, directly or indirectly and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable law and regulations.

MTC shares have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). Shares may not be offered, sold or delivered within the United States of America or to U.S. persons except in accordance with Regulation 144A under the Securities Act.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements about MTC that are or may be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. MTC cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industries in which MTC operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Pre-listing Statement.

All these forward-looking statements are based on estimates and assumptions made by MTC. Although MTC believes them to be reasonable, they are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to MTC or not currently considered material by MTC.

Investors considering subscribing for any MTC shares in the public offer should keep in mind that any forward-looking statement made in this Prospectus or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of MTC not to develop as expected may emerge from time to time and it is not possible to predict all of them. Furthermore, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known. MTC has no duty to and does not intend to, update or revise the forward-looking statements contained in this Prospectus after the date of this Prospectus, except as may be required by law.

DISCLAIMER

IMPORTANT

You must read the following before continuing. The following applies to the Prospectus following this page and you are therefore required to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

Confirmation of your representation: In order to be eligible to view this Prospectus or make an investment decision with respect to the securities, you must be a person who is (1) outside the United States or (2) a qualified institutional buyer ("QIB") in the United States. By accepting the email and accessing this Prospectus, you shall be deemed to have represented to the Republic of Namibia, that (1) you and any customers you represent are either (a) not in the United States; the electronic mail address that you have given to us and to which this e-mail has been delivered are not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia or (b) you are a QIB; and (2) you consent to delivery of such Prospectus by electronic transmission.

You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Prospectus to any other person.

Any materials relating to the offering do not constitute and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the potential offering be made by a licensed broker or dealer and any underwriter or any affiliate of any underwriter is a licensed broker or dealer in that jurisdiction, any offering shall be deemed to be made by the underwriter or such affiliate on behalf of the Issuer in such jurisdiction.

Notwithstanding the aforesaid, this Prospectus is being distributed only to and directed only at persons who are not under any legal prohibition in terms of the laws of the countries where they reside and/or trade in securities.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED OTHER THAN AS PROVIDED HEREIN AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THIS PROSPECTUS MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES, OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN AND PURSUANT TO RULE 144A ("RULE 144A") OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED.

FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED IN THE ATTACHED DOCUMENT. NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

CORPORATE INFORMATION

Company Secretary and Registered Address

Mobile Telecommunications Limited

MTC House, corner of Mosé Tjitendero and Hamutenya Wanahepo Ndadi streets, Olympia, Windhoek, Namibia

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Registration Number: 94/458

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e-mail: NHaikali@mtc.com.na

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Holding Company of MTC

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Registration Number: 92/283

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Tel: +264 61 295 2532

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Sponsor & Placement Agent

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Member of the NSX

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Sponsor & Placement Agent

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Transfer Secretaries (Pty) Ltd

Registration number: 93/713

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SALIENT FEATURES

The definitions beginning on page xi of the Prospectus apply to these Salient Features.

I. INCORPORATION AND HISTORY

MTC was incorporated under the name "Mobile Telecommunications Limited" on 6 October 1994 in Windhoek, Namibia.

MTC is the largest mobile telecommunications operator in Namibia, with 2.469 million active customers. For 27 years, MTC has grown revenue and retained customers by providing voice and data services and solutions to individual and business customers through its extensive telecommunications transmission and distribution network.

II. INDUSTRY BACKGROUND AND OVERVIEW

The Namibian economy has faced headwinds from a global environment where prospects for growth are constrained by low commodity prices (particularly for diamonds and uranium), political instability in some parts of the world, and low demand in major economies, exacerbated by uncertainties brought on by the COVID-19 pandemic.

MTC's mobile network is spread over Namibia's vast countryside covering 824,292 km² with an estimated population of 2.5 million people.

Even though only 50% of Namibia is urbanised, mobile penetration stands at 112%. Currently 28% of the population is active on social media and 51% of the population is actively using the internet, despite broadband internet access being available to most of the population.

Namibia has two national telecommunications service providers, MTC and Telecom, both currently owned by NPTH.

MTC holds an estimated 90% of the mobile market share and remains the leading player in the Namibian market.

MTC continues to invest in technology, systems and infrastructure to deliver the 081Every1 project and cloud and FTTX solutions for individual and business customers.

MTC is now an advanced Namibian entity, preparing to broaden Namibian ownership of its shares.

CRAN issued licenses to 47 communications service providers, mostly smaller ISPs that on-sell services from the major operators such as MTC and Telecom.

Telecom is Namibia's dominant national fixed-line operator with the largest fibre network for providing fixed services. Paratus and the new wholesale provider, NamPower, are deploying national fibre infrastructure of their own in order to compete with Telecom and other licensees, relying on these entities to resell fixed line broadband services. MTC's drive to deploy its fixed service products to homes and enterprises competes with other players such as Telecom, Paratus and MTN.

Whereas MTC's business is not directly in competition with companies that hold a Class Comprehensive Telecommunications Service Licence (ECS and ECNS) without a spectrum licence or number ranges, such companies pose the risk of becoming competitors in the future.

III. BUSINESS RATIONALE/ INVESTMENT CASE

MTC seeks to close the digital divide and prevent information poverty by enabling 100% population coverage catering for urban, rural, individual and business customers. Furthermore, MTC focuses on strategic responses to emerging trends, the identification of functional goals, capabilities, issues and gaps in the context of a changing environment, and how it responds to these factors in defining its future state.

MTC continues to set itself apart by leading innovation, investing responsibly in ICT infrastructure, engaging in a way that generates shared value for its customers and other stakeholders and generating strong returns for the shareholder.

IV. KEY STRENGTHS AND COMPETITIVE ADVANTAGES

Leading market position

90% mobile market share in Namibia's telecommunications market.

Extensive transmission and distribution networks

97% population coverage and 100% planned by 2023 as a shared commitment to increase access to all Namibians for social and economic prosperity.

Strong customer relationships drive brand value and revenue growth

MTC is the most admired Namibian brand (Brand Africa, 2020 and 2021).

Respected, fully Namibian board, experienced executive team and 568 employees serving more than 2.469 million customers.

Solid financial position allows nimble response to customer needs

- No gearing and cash generative;
- Stable earnings; and
- Strong shareholder returns.

Leader in innovation

MTC has smart partnerships with industry leaders to keep up with technology and bring new concepts and services to Namibia.

The company's position at the forefront of innovation is demonstrated by its track record as the first to:

- Establish a 24-hour contact centre in Namibia;
- Take to market a prepaid subscription service that bundles voice, SMS and data with its seven-day Aweh offerings;
- Design and market unique data advancing, sharing and gifting options with the Taamba range;
- Commercially launch LTE in Africa and launch commercial use of LTE-advanced (LTE-A) and 4.5G LTE in Africa;
- Successfully trial 4.5G technology in Africa;
- Deploy self-help kiosks or vending machines for its products and services; and
- Open an innovation centre and foster a collaborative innovation drive with tertiary institutions and entrepreneurs.

V. PROSPECTS

Namibia's communications industry has reached market saturation in terms of customer acquisition and MTC foresees a continued stabilisation in its mobile customer base, but anticipates growth in customer numbers and revenue generated from enterprise services and other value adding services, such as MFS.

MTC will continue to focus on the expansion of data services to meet the ever-growing demand for data and to drive future growth. MTC continues its journey in the supply of fixed line services infrastructure as part of its plan to become the digital enabler of choice. MTC will continue to invest various additional revenue streams outside of its normal core business and will adopt new business models as appropriate.

As part of its vision to drive an inclusive Namibian digital economy, MTC remains focussed on the growth potential of tapping into the digital environment to cater towards a variety of customer needs. MTC's drive towards digitalisation will be accomplished through its strategies addressing mobility, dual data, affordable devices and pricing, content, digital, entertainment, other value adding services and fixed services for its customers.

VI. GOVERNANCE

As a public company with an objective to contribute to economic inclusion and growth in Namibia, MTC has a responsibility to demonstrate good governance. The Board is committed to the highest standards of governance, business integrity, ethical conduct and professionalism and recognises that these principles underpin its ability to create value.

The Board complies with the Companies Act and continues to make progress in its journey to implement the principles of good governance as set out in King IV.

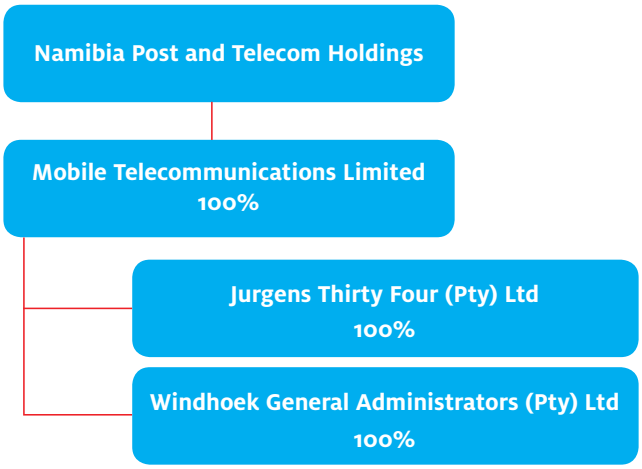
VII. SUSTAINABILITY

As a digital enabler, MTC provides agile and seamless digital solutions that meet the ever-changing needs of its customers, through which value is created for all stakeholders. MTC creates and maintains sound stakeholder relationships, whilst positioning customer-centricity at the core of its business activities.

MTC's products, services and business operations unlock positive economic, environmental and social impacts and benefits for the society in which it operates.


Go from
farmer to
shareholder
#GetThere with MTC

VIII. OVERVIEW OF MTC'S SUBSIDIARIES PRIOR TO LISTING



Jurgens Thirty Four (Pty) Ltd, through which sectional title units 6 (186m²) and 9 (210m²) of erf 7640, Daniel Munamava street in Windhoek are managed.

WGA, currently dormant, was used as a special purpose entity until 2008 to provide funding for the initial network investment when MTC commenced business operations and will be used for future ventures. Due to the requirements and guidelines of the Bank of Namibia with regards to e-money issuers in Namibia, MTC will make use of WGA to deliver its financial services and products in Namibia in the near future.

Financial Summary

The following table sets out the audited historical financial information for the years ended 30 September 2016 to 30 September 2020 and the reviewed interim financial information for the period ended 31 March 2021 and the unaudited financial forecast information for the years ended 30 September 2021 and 30 September 2022, for MTC and its operating subsidiary.

It is MTC's current policy to pay dividends up to a minimum of 70% of the Net Profit after tax annually, subject to the available cash resources and the need to fund growth opportunities. Payment is made bi-annually. The interim dividend which is payable during or shortly after July, is based on the reviewed financial information for the 6 months ended 31 March. The final dividend which is payable during or shortly after January, is based on the audited financial information for the year ending 30 September.

	Audited	Audited	Audited	Audited	Audited	Reviewed Interim	Forecast	Forecast
	30-Sep 2016 N$'000	30-Sep 2017 N$'000	30-Sep 2018 N$'000	30-Sep 2019 N$'000	30-Sep 2020 N$'000	31-Mar 2021 N$'000	30-Sep 2021 N$'000	30-Sep 2022 N$'000
Profit before tax	851,673	1,036,417	1,165,806	1,127,206	1,118,306	571,990	923,328	1,071,931
Profit after tax	579,368	711,405	807,685	797,040	772,399	397,391	618,630	718,194
Dividends paid	481,000	488,500	374,335	412,673	977,754	202,746	413,374	473,781
Dividends (cents per share)[1]	1,924.00	1,954.00	1,497.34	1,650.69	3,911.02	810.98	839.07	63.17
Dividend cover	1.2	1.5	2.2	1.9	0.8	2.0	1.5	1.5

Notes

[1] The dividends per share ratio for the interim period ended 31 March 2021 was calculated using the number of shares before the share split (25,000,000), whilst the dividends per share ratio for the year ended 30 September 2021 was calculated by combining the interim dividend per share, calculated using the number of shares after the share split (750,000,000).

The salient features and various contributions of the companies comprising the MTC subsidiaries are set out in Annexure 1 with historical, reviewed Interim and Forecasted Revenues and Comprehensive income as summarised hereunder:

Total Revenue (2)								
	Audited	Audited	Audited	Audited	Audited	Reviewed Interim	Forecast	Forecast
	30-Sep	30-Sep	30-Sep	30-Sep	30-Sep	31-Mar	30-Sep	30-Sep
	2016	2017	2018	2019	2020	2021	2021	2022
Subsidiary	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**
MTC	2,325,268	2,422,816	2,502,148	2,617,772	2,685,013	1,387,492	2,815,547	2,980,416
Jurgens Thirty Four	550	235	473	659	724	380	707	759
Consol JE (1)	(964)	(556)	(501)	(447)	(321)	(172)	(143)	(340)
MTC Consolidated	**2,324,854**	**2,422,494**	**2,502,120**	**2,617,984**	**2,685,416**	**1,387,700**	**2,816,110**	**2,980,835**

Total Comprehensive Income								
	Audited	Audited	Audited	Audited	Audited	Reviewed Interim	Forecast	Forecast
	30-Sep	30-Sep	30-Sep	30-Sep	30-Sep	31-Mar	30-Sep	30-Sep
	2016	2017	2018	2019	2020	2021	2021	2022
Subsidiary	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**
MTC	579,487	711,819	802,355	799,123	772,250	397,391	618,537	718,061
Jurgens Thirty Four	(69)	1,127	(205)	(2,083)	150	81	143	-
Consol JE (1)	(50)	(1,542)	5,535	-	(1)	-	(50)	133
MTC Consolidated	**579,368**	**711,405**	**807,685**	**797,040**	**772,399**	**397,472**	**618,630**	**718,194**

Notes

(1) These amounts represent the net effect of consolidation journal entries.

(2) Total revenue comprises net interest income and all other income.

IX. THE PUBLIC OFFER

The salient features of the public offer are as follows:

• Public offer price per share	N$8.50
• Number of MTC shares offered in terms of the public offer	367,500,000
• Issue consideration in terms of the public offer	N$3.124 billion
• Opening date of the public offer at 09:00 on	20 September 2021
• Closing date of the public offer at 12:00 on	1 November 2021
• Anticipated listing on the NSX	19 November 2021

The primary objective for listing is:
To unlock shareholder value and encourage private sector (both institutional and retail investors) investment in MTC.

Financial and Commercial Objectives
- Maximising the value of shares in MTC post listing; and
- Generating proceeds for Namibia's national fiscus.

Economic and Social Objectives
- Undertaking a successful IPO;
- Increasing confidence in GRN's ongoing public enterprise restructuring programme; and
- Stimulating the local economy.

Public Enterprise Related Objectives
- Creating a new mind-set for MTC as a listed entity adhering to international best practices; and
- Injection of new commercial and market influences into GRN's public enterprises.

The secondary objective for listing is:
To broaden economic empowerment through ownership by ordinary Namibians in a profitable public enterprise.

Economic and Social Objective
- Broadening Namibian share ownership.

Empowerment Objectives
- Encouraging a culture of share ownership by historically disadvantaged individuals; and
- Ensuring broad-based economic empowerment in the retail offer.

Public Enterprise Related Objective
- Establishment of a broad shareholder base; and
- Complying with the directives set by CRAN.

The public offer is open to members of the general public.

X. LISTING ON THE NSX

Subject to the achievement of the required spread of shareholders, the NSX has formally approved the listing of 750,000,000 ordinary shares in the share capital of MTC on the NSX with effect from the start of trading on 19 November 2021. The shares will trade under the abbreviated name "MTC Limited", with the code "MOC" and ISIN NA000A3CR803.

XI. EXTRACTS OF HISTORICAL, AUDITED INCOME STATEMENT AND UNAUDITED FORECAST FINANCIAL INFORMATION

Consolidated, historical and forecast income statements

Set out below is an extract from the Audited Consolidated Statement of Profit or Loss and Other Comprehensive Income of MTC for the financial years ended 30 September 2016 to 30 September 2020; and the Reviewed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 March 2021; and the Forecast Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial years ending 30 September 2021 and 30 September 2022, the preparation of which is the responsibility of the Directors. The Audited Historical Financial Information as detailed in Annexure 5, should be read in conjunction with the Independent Reporting Accountant's Report set out in Annexure 6. The Reviewed Interim Financial Information set out in Annexure 7 should be read in conjunction with the Independent Reporting Accountant's Report set out in Annexure 8. The Unaudited Profit Forecast Financial Information should be read in conjunction with the Assumptions set out in Annexure 9 and the Independent Reporting Accountant's Report set out in Annexure 10.

	Consolidated Statement of Profit or Loss and Other Comprehensive Income							
	Audited	**Audited**	**Audited**	**Audited**	**Audited**	**Reviewed Interim[3]**	**Forecast**	**Forecast**
	30-Sep 2016 N$'000	**30-Sep 2017 N$'000**	**30-Sep 2018 N$'000**	**30-Sep 2019 N$'000**	**30-Sep 2020 N$'000**	**31-Mar 2021 N$'000**	**30-Sep 2021 N$'000**	**30-Sep 2022 N$'000**
Revenue	2,323,533	2,420,896	2,498,160	2,613,665	2,683,274	1,385,470	2,810,254	2,950,677
Other income	1,321	1,598	3,960	4,319	2,142	2,022	5,856	30,157
Total Income	**2,324,854**	**2,422,494**	**2,502,120**	**2,617,984**	**2,685,416**	**1,387,492**	**2,816,110**	**2,980,835**
Changes in inventories of finished goods	109,479	122,499	99,105	300,930	272,020	141,102	280,562	287,736
Direct costs	413,258	388,181	332,938	344,788	384,696	172,719	427,799	460,848
Sales and marketing	79,072	57,491	84,919	87,498	68,393	36,823	103,106	107,331
General and administration	178,267	185,791	196,742	206,698	193,406	96,768	258,755	238,754
Personnel costs	239,793	265,740	292,626	332,973	369,836	188,972	375,364	406,392
Depreciation	198,302	170,572	188,178	234,850	248,337	132,538	353,644	322,472
Amortisation	282,678	233,349	207,195	50,505	71,390	55,303	99,746	90,954
Profit from operations	**824,005**	**998,871**	**1,100,417**	**1,059,742**	**1,077,338**	**563,267**	**917,134**	**1,066,347**
Finance income	27,695	37,570	59,966	69,563	63,560	20,721	34,332	32,828
Fair value adjustment	-	-	5,534	(2,099)	-	-	-	-
Finance costs	27	24	111	-	22,592	11,998	28,138	27,244
Profit before taxation	**851,673**	**1,036,417**	**1,165,806**	**1,127,206**	**1,118,306**	**571,990**	**923,328**	**1,071,931**
Taxation	272,305	325,012	358,121	330,166	345,907	174,599	304,698	353,737
Profit for the year	**579,368**	**711,405**	**807,685**	**797,040**	**772,399**	**397,391**	**618,630**	**718,194**
Total comprehensive income for the year	**579,368**	**711,405**	**807,685**	**797,040**	**772,399**	**397,391**	**618,630**	**718,194**
Profit attributable to: Owners of the parent	579,368	711,405	807,685	797,040	772,399	397,391	618,630	718,194
Total comprehensive income attributable to: Owners of the parent	579,368	711 405	807,685	797,040	772,399	397,391	618,630	718,194

Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)								
	Audited	Audited	Audited	Audited	Audited	Reviewed Interim[3]	Forecast	Forecast
	30-Sep 2016 N$'000	30-Sep 2017 N$'000	30-Sep 2018 N$'000	30-Sep 2019 N$'000	30-Sep 2020 N$'000	31-Mar 2021 N$'000	30-Sep 2021 N$'000	30-Sep 2022 N$'000
Number of shares currently in issue ('000)[1]	25,000	25,000	25,000	25,000	25,000	25,000	-	-
Number of shares in issue after the share split ('000)	-	-	-	-	-	-	750,000	750,000
Weighted average number of shares in issue ('000)[1]	25,000	25,000	25,000	25,000	25,000	25,000	299,932	750,000
Headline earnings per share (cents) [2]	2,319.55	2,857.20	3,218.13	3,194.07	3,091.00	1,589.28	206.26	95.76
EARNINGS PER SHARE								
Per share information								
From continuing operations (cents) [2]	2,317.47	2,845.62	3,230.76	3,188.16	3,089.60	1,589.56	82.48	95.76
Dividends paid per share information								
Interim (cents) [2]	996.00	634.00	789.60	754.00	1,467.00	810.98	810.98	24.22
Final (cents) [2]	928.00	1,320.00	707.74	897.00	844.00	-	28.08	38.95
Special (cents) [4]	-	-	-	-	1,600.00	-	-	-
Total (cents)	**1,924.00**	**1,954.00**	**1,497.34**	**1,651.00**	**3,911.00**	**810.98**	**839.07**	**63.17**
Headline Earnings Reconciliation								
Basic earnings	579,368	711,405	807,685	797,040	772,399	397,391	618,630	718,194
Adjusted for:								
Loss or (profit) on disposal of plant and equipment	519	2,895	2,379	(623)	352	(72)	-	-
Fair value adjustments	-	-	(5,534)	2,099	-	-	-	-
	579,887	**714,300**	**804,530**	**798,516**	**772,751**	**397,319**	**618,630**	**718,194**

	Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)							
	Audited	Audited	Audited	Audited	Audited	Reviewed Interim[3]	Forecast	Forecast
	30-Sep 2016 N$'000	30-Sep 2017 N$'000	30-Sep 2018 N$'000	30-Sep 2019 N$'000	30-Sep 2020 N$'000	31-Mar 2021 N$'000	30-Sep 2021 N$'000	30-Sep 2022 N$'000
Ratios:								
EBITDA Margin	56%	58%	60%	51%	52%	54%	49%	50%
ROE	48%	52%	48%	38%	35%	18%	29%	31%
Current Ratio	1.43	1.58	2.35	2.91	1.74	2.36	1.60	1.58
Asset Turnover Rate	1.22	1.13	1.00	0.91	0.85	0.42	0.83	0.81
Dividend Payout Rate	83%	69%	46%	52%	127%	51%	67%	66%
Net Profit Margin	25%	29%	32%	30%	29%	29%	22%	24%
Return on Sales	35%	41%	44%	41%	40%	41%	33%	36%
Price Earnings Ratio at [850] cents per share [5]	10.99	8.92	7.92	7.98	8.25		10.31	8.88
EV/EBITDA Ratio at [850] cents per share [5]	4.89	4.54	4.26	4.74	4.56		4.65	4.31
Dividend Yield at [850] cents per share[6]	7.5%	7.7%	5.9%	6.5%	9.1%		6.5%	7.4%

Notes

(1) The actual number of shares in issue prior to the public offer was 25 000 000 ordinary shares. Concurrent with listing a share split of 1 to 30 was implemented and the par value of N$1.00 per share effectively reduced to N$0.033 per share. The effective date of the share split was 17 May 2021 and this date was used to calculate the weighted average number of shares for the 2021 financial year.

(2) Headline earnings and earnings per share for the years ending 30 September 2021 and 30 September 2022 were calculated on the basis that the share split of thirty ordinary shares for every one ordinary share as described in paragraph 14.2, was already effective at those dates. Note that for the interim period ended 31 March 2021 the dividend per share ratio was calculated using the number of shares before the share split (25,000,000), whilst the Dividends per share ratio for the year ended 30 September 2021 was calculated by combining the interim dividend per share and final dividend per share calculated using the number of shares after the share split (750,000,000).

(3) The interim Comprehensive Income Statement has been reviewed by Deloitte.

(4) A special dividend of N$ 400 million was declared on 11 December 2019 and paid during the financial year ending 30 September 2020.

(5) The Price Earnings and EV/EBITDA Ratios for the half-year ended 31 March 2021 and for the financial year ended 30 September 2020 were calculated on the basis that the share split of 1 to 30 as described in paragraph 14.2 was already effective at those dates.

(6) The Dividend Yield for the half-year ended 31 March 2021 and for the financial year ended 30 September 2020 were calculated on the basis that the share split of 1 to 30 as described in paragraph 14.2 was already effective at those dates. The special dividend paid during the financial period ending 30 September 2020 was excluded from the calculation of the dividend yield.

SALIENT DATES AND TIMES

	2021
Abridged Prospectus published on NENS on or about	20 September
Opening of the public offer at 09:00 on	20 September
Abridged Prospectus published in the press on or about	21 September
Closing of the public offer at 12:00 on	1 November
Results of the public offer announced on NENS on or about	17 November
Results of the public offer published in the press on or about	18 November
Refund of surplus public offer monies paid (where applicable) on	17 November
Listing of MTC on the NSX at 09:00 on	19 November
Share certificates available for collection on or about	31 December

Notes

(1) The above dates are subject to change. Any such change will be announced on NENS.

(2) All dates and times referred to in this Prospectus are Namibian dates and times.

DEFINITIONS AND INTERPRETATIONS

In this Prospectus, annexures and attachments hereto, unless the context indicates otherwise, references to the singular include the plural and vice versa, words denoting one gender include the other, expressions denoting natural persons include juristic persons and associations of persons and vice versa and words in the first column hereunder have the meanings stated opposite them in the second column, as follows:

"2G"	second generation digital mobile communications allowing for voice calls and limited data transmission;
"3G"	third generation digital mobile communications allowing for voice calls and data transmission;
"4G"	fourth generation digital mobile communications, also called LTE;
"5G"	fifth generation digital mobile communications, designed to connect virtually everything together including machines, objects and devices;
"active subscriber"	a subscriber or customer with a prepaid SIM card that has had at least one chargeable event or a recharge in the last 90 days; or a postpaid SIM with a valid contract and in good standing;
"AGM"	Annual General Meeting;
"AI"	Artificial Intelligence;
"API"	Application Programming Interfaces;
"applicants"	those members of the public that apply for public offer shares by way of completion of the applicable public offer applications (as the case may be) in terms of the instructions as set out therein;
"application form"	the application form attached to or accompanying the Prospectus;
"ARPU"	average revenue per user, generally tracked on a monthly basis. Blended ARPU means combined average revenue per user for postpaid and prepaid customers, all service related revenue including terminated interconnect revenue. Postpaid ARPU includes Telemetry customers;
"Authority"	CRAN
"B2B"	Business to Business;
"B2C"	Business to Customer;
"BEE"	black economic empowered or empowerment, being the economic empowerment of PDNs;
"Board" or "MTC board"	The board of directors of MTC;
"BoN"	Bank of Namibia;
"BSC"	base station controller;
"business day"	any day other than a Saturday, Sunday or public holiday in Namibia;
"CAGR"	compounded annual growth rate;
"cents"	Namibian cents in the official currency of Namibia;
"CEO"	Chief Executive Officer (reference to CEO will include reference to MD and vice versa);
"CFO"	Chief Financial Officer (reference to CFO will include reference to FD and vice versa);
"Closing date"	1 November 2021 at 12h00;
"Communications Act"	the Communications Act, 2009 (No. 8 of 2009), as amended and applied in Namibia;
"Companies Act"	the Companies Act, 2004 (Act 28 of 2004), as amended and applied in Namibia;

"company"	Mobile Telecommunications Limited (MTC) (Registration Number 94/458), a registered telecommunications provider founded in 1994 and currently the largest mobile operator in Namibia;
"CRAN"	the Communications Regulatory Authority of Namibia;
"CSI"	corporate social investment;
"CTO"	Chief Technology Officer;
"Deloitte"	Deloitte Chartered Accountants (Namibia) Registered Accountants and Auditors, the reporting accountants and auditors in respect of this Prospectus;
"directors"	directors of MTC's board, further details of whom appear on page 1 and in section 12 of this Prospectus;
"EBITDA"	earnings before interest, income tax, depreciation and amortisation;
"ECNS"	electronic communications network service, meaning a service whereby a person makes available an electronic communications network, whether by sale, lease or otherwise a. for that person's own use for the provision of an electronic communications service; b. to another person for that other person's use in the provision of an electronic communications service; or c. for resale;
"ECS"	electronic communications service, meaning any service provided to the public, sections of the public, or the subscribers to such service, which consists wholly or mainly of the conveyance of electronic communications over an electronic communications network, but excludes broadcasting services;
"emigrant"	any emigrant from the common monetary area whose address is outside of the common monetary area;
"employees"	the full-time and permanent part-time employees of MTC;
"enterprise services"	services and applications for enterprises, such like storage solutions, high-speed and low-latency connectivity, tailor-made specific to the business;
"ESG"	environmental, social, governance;
"EV"	the enterprise value;
"Exchange Control Regulations"	the exchange control regulations of Namibia;
"EXCO"	executive committee of MTC;
"existing shareholder"	NPTH, the holder of all MTC shares on the day prior to the date of this Prospectus;
"FD"	Financial Director (reference to FD will include reference to CFO and vice versa);
"FIA"	Financial Intelligence Act, 2012 (Act No. 13 of 2012);
"FWA"	fixed wireless access;
"GRN"	Government of the Republic of Namibia;
"GSM"	global system for mobile communications;
"holding company of MTC"	Namibia Post and Telecommunications Holdings Limited (NPTH), which owns 100% of MTC shares prior to the Offer;
"HPP"	Harambee Prosperity Plan;
"ICNIRP"	International Commission for Non-Ionising Radiation Protection, an independent scientific commission that provides scientific advice and guidance on the health and environmental effects of non-iodising radiation (NIR) to protect people and the environment;
"ICT"	information and communication technology(-ies);
"IFRS"	International Financial Reporting Standards;

"IJG"	IJG Securities (Proprietary) Limited (registration number 95/505), a private company incorporated in Namibia and a member of the NSX;
"industry 4.0"	Industry 4.0 is the trend towards automation and data exchange in manufacturing technologies and processes, which include cyber-physical systems, the internet of things, industrial internet of things, cloud computing, cognitive computing and AIAI;
"investor"	a private individual or a legal entity that has, according to the terms and conditions stated in this Prospectus, expressed interest or is planning to purchase MTC shares for its own account;
"IoT"	internet of things;
"IPO"	initial public offer;
"IPS"	internet prevention system;
"ISIN Code"	shall mean International Security Identification Number, which was allocated by the CSDL, which is NA000A3CR803;
"ISO"	International Organisation for Standardisation;
"ISP"	internet service provider;
"Issuer"	shall mean MTC;
"IT"	information technology;
"ITM"	internet threat mitigation;
"Jurgens Thirty Four"	Jurgens Thirty Four (Pty) Ltd (registration number 98/541), a private company incorporated in Namibia and a wholly owned subsidiary of MTC;
"King IV"	King IV Report on Corporate Governance;
"last practicable date"	the last practicable date prior to the finalisation of this Prospectus, which date was 1 June 2021;
"LTE"	fourth generation mobile technology, Long Term Evolution;
"MD"	Managing Director (reference to MD will include reference to CEO and vice versa);
"MFS"	mobile financial services;
"MTC board"	The Board of Directors of MTC;
"MTC shareholders" or "shareholders"	registered holders of MTC shares;
"MTC shares" or "shares"	ordinary shares with an offer price of N$8.50 each in the issued ordinary share capital of MTC;
"MTC" or "the company"	Mobile Telecommunications Limited (Registration Number: 94/458), a public company incorporated in Namibia, founded in 1994 and collectively MTC and all of its subsidiaries, Jurgens Thirty Four (Pty) Ltd and Windhoek General Administrators (Pty) Ltd;
"N$"	Namibia dollars, the currency of Namibia;
"Namibia"	the Republic of Namibia;
"Nampost"	Namibia Post Limited (registration number 92/284), a public company incorporated in Namibia;
"NENS"	Namibian Exchange News Services of the NSX;
"NISS"	Namibia Interbank Settlement System;
"NMTQ"	network management and technical quality;
"non-resident"	a person who is resident outside the common monetary area in terms of Exchange Control Regulations;
"NPPC"	Namibia Preferential Procurement Corporation framework to establish BEE/ PDN status of tenderers in the tender process;

"NPTH"	Namibia Post and Telecom Holdings Limited (registration number 92/283), a public company incorporated in Namibia and 100% owned by the GRN and the controlling shareholder of MTC;
"NSX"	the Namibian Stock Exchange, which is licensed as an exchange in terms of the Stock Exchange Control Act 1 of 1985, as amended;
"NUST"	Namibia University of Science and Technology;
"Opening date"	20 September 2021 at 09h00;
"PABX" or "PBX"	private (automatic) branch exchange;
"P2MP"	point to multipoint;
"PDN"	previously disadvantaged Namibian citizens as contemplated in Article 23 of the Namibian Constitution, being natural persons who have been socially, economically or educationally disadvantaged by past discriminatory laws or practices, having regard to the fact that women in Namibia have traditionally suffered special discrimination and that they need to be encouraged and enabled to play a full, equal and effective role in the Namibian economy; All natural persons who: • belong to a racial or ethnic group which was or is, directly or indirectly, disadvantaged as a consequence of social, economic or educational imbalances arising out of racially discriminatory laws or practices before the Independence of Namibia; and • are Namibian citizens by birth or descent; or • are Namibian citizens by naturalisation – • with such naturalisation occurring prior to or on 21 March 1990; or • with such naturalisation occurring after 21 March 1990, but where the persons so naturalised would have qualified for naturalisation on or before that date, had the above mentioned racially discriminatory laws or practices not applied;
"PoP"	point of presence;
"prime rate"	the commercial rate of interest as charged by MTC's bankers to its most favoured commercial clients;
"Prospectus"	shall mean this bound document dated 20 September 2021, including all annexures and enclosures thereto;
"PSG"	PSG Wealth Management (Namibia) (Proprietary) Limited (registration number 98/528), a private company incorporated in Namibia and a member of the NSX;
"public offer application" or "application"	the application form (blue) in respect of the public offer attached to this Prospectus inviting members of the general public to participate in the public offer;
"public offer shares"	the maximum of 367,500,000 ordinary MTC shares forming the subject matter of the public offer;
"public offer"	the public offer, whereby a maximum of 367,500,000 ordinary shares will be offered as set out in this Prospectus;
"RAN"	radio access network;
"register"	the register of MTC ordinary shareholders as maintained by the transfer secretaries in terms of the Companies Act;
"Registrar"	the Registrar of Companies in Namibia;
"regulator"	CRAN;
"RNC"	radio network controller;
"SADC"	Southern African Development Community;
"SDG"	sustainable development goals;
"selling shareholder"	NPTH;

"shareholder(s)"	registered holder(s) of MTC shares;
"SMS"	short message service;
"sponsors"	collectively, IJG and PSG;
"telco"	telecommunications company;
"the common monetary area"	the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Eswatini (Swaziland);
"the listing"	subject to the achievement of the required spread of shareholders, the proposed listing of the entire issued ordinary share capital of MTC on the NSX, which listing is anticipated to begin at 09:00 on 19 November 2021;
"the subsidiaries"	the subsidiaries of MTC, namely, the wholly owned subsidiaries, Jurgens Thirty Four (Pty) Ltd and Windhoek General Administrators (Pty) Ltd; details of the subsidiaries set out in 6.2 and Annexure 4;
"TN" or "Telecom"	Telecom Namibia Limited;
"transfer secretaries"	Transfer Secretaries (Proprietary) Limited (Registration Number: 93/713), a private company incorporated in Namibia;
"UMTS"	Universal Mobile Telecommunications Services;
"UN"	United Nations;
"USSD"	Unstructured Supplementary Service Data;
"Vision 2030"	Namibia's development programmes and strategies (penned in 2004) to achieve its national objectives towards improving Namibians' quality of life to the level of their counterparts in the developed world by focusing on 8 themes, being: Knowledge, Information and Technology; Inequality and Social Welfare; Human Resources Development and Institutional Capacity Building; Macro-economic Issues; Population, Health and Development; Namibia's Natural Resources Sector and Factors of the External Environment;
"VoLTE"	voice over LTE;
"VoWiFi"	voice over WiFi;
"WACS"	West Africa Cable System, a submarine fibre optics cable;
"Wayleave"	a right of way granted by a landowner, generally in exchange for payment and typically for purposes such as the erection of infrastructure or laying of pipes; and
"WGA"	Windhoek General Administrators (Pty) Ltd, (registration number 99/363), a private company incorporated in Namibia and a wholly owned subsidiary of MTC, dormant since 2008.


Go from
waitress to
shareholder
#GetThere with MTC



Mobile Telecommunications Limited

("MTC" or "the company")

(Incorporated in the Republic of Namibia)

(Registration number: 94/458)

(Registration date: 06 October 1994)

Share Code: MOC ISIN: NA000A3CR803

Directors

Directors Name	Nationality	Directorship (* Non-executive, # Independent)
Theofelus Mberirua	Namibian	*# Chairperson
Toini Nuusiku Zimina Muteka	Namibian	*# Lead Independent Director
Elia Elwis Nashilongo	Namibian	*# Director
Stephen Stuart Galloway	Namibian	*# Director
Werner Schuckmann	Namibian	*# Director
Rosalia Dalulilua Ruusa Shipiki	Namibian	*Director
Taschiona Charoldine Gawaxab	Namibian	*# Director
Licky Richard Erastus	Namibian	Managing Director
Marthinus Jacobus Smit	Namibian	Financial Director

1. INCORPORATION AND HISTORY

1.1 Incorporation

MTC was incorporated in Windhoek, Namibia under the name "Mobile Telecommunications Limited" on 6 October 1994.

1.2 History

1.2.1 Overview of Ownership

MTC was established in 1994 in a joint venture between the GRN through NPTH and two Swedish entities Telia company AB ("Telia") for its technical expertise and Swedfund International AB ("Swedfund") for funding and has been in operation for 27 years.

As a result of its role as strategic partner, Telia held the right in terms of a shareholders and management agreement to appoint the MD from 1995 to early 2004. Furthermore, Telia and Swedfund held the right to each appoint an additional member to the MTC board. In total six board members served on the MTC board with equal representation between Namibian and foreign shareholders.

During May 2004, Swedfund and Telia sold their 49% shareholding to NPTH. The need for a strategic partner at the time was assessed to guarantee the future growth of the business, as well as contributing towards Namibia's information and communication strategy and Vision 2030.

To achieve this, a 34% shareholding in MTC was sold to Portugal Telecom ("PT") during September 2006. PT, a large service provider in Portugal, delivered services such as fixed, mobile, multimedia, data and corporate solutions. PT held its stake through a subsidiary, Africatel.

As part of the sale, a management contract was ceded to PT enabling PT to appoint the MD and another executive position. Similarly, PT held the right to appoint an additional member to the MTC board, while NPTH could appoint three members to the MTC board.

Under the management of PT, MTC remained the market leader in Namibia and ensured that it stayed at the forefront of telecommunications development and trends, providing affordable, high-quality and reliable services to Namibians. During this time, MTC geared itself towards the anticipated growth in mobile data services.

In June 2017, Oi Brazil acquired PT and became the controlling shareholder of Africatel. As part of a subsidiary deal within the Africatel structure, Samba DutchCo. B.V took control of the MTC shareholding within the group. The restructuring was necessitated by the fact that PT was under liquidation and to mitigate the possibility of the disposal of MTC shares. NPTH agreed to the restructuring within Africatel and the parties agreed that Samba DutchCo. B.V would sell the 34% shareholding in MTC to NPTH.

During its approval of the transfer of control of MTC's license, as required in terms of section 35 of the Communications Act of 2009, relating to the transfer of the 34% in MTC from Africatel to Samba Dutchco and thereafter to NPTH, CRAN found that the transaction would result in a reduction of competition, private investment and that it would prevent local participation in the telecommunications market. It found that the transaction would result in 100% ownership and control of the two dominant communications licensees, that of MTC and TN, by NPTH.

In August 2018 MTC shares were sold by from Sumba Dutchco B.V. to NPTH, which resulted in MTC once again becoming a wholly-owned subsidiary of NPTH, subject to the licence conditions imposed.

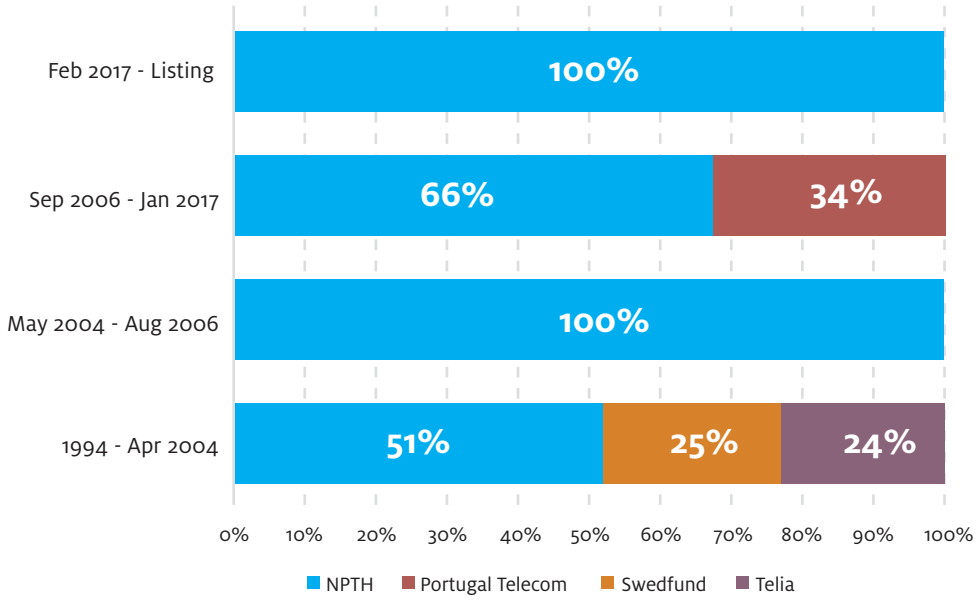


Figure 1. MTC's shareholding background

1.2.2 MTC's Purpose

MTC's Purpose is best articulated through its vision, mission and values:

MTC Vision	To drive an inclusive Namibian digital economy
MTC Mission	To create sustainable value for all our stakeholders through innovative digital solutions and a high-performance culture
MTC Values	Integrity (trust, transparency), Customer Centricity, Stakeholder inclusivity, Innovation

MTC's purpose to create value that meets the needs and expectations of its various stakeholders is best captured in its stakeholder map on the following page.

Customer

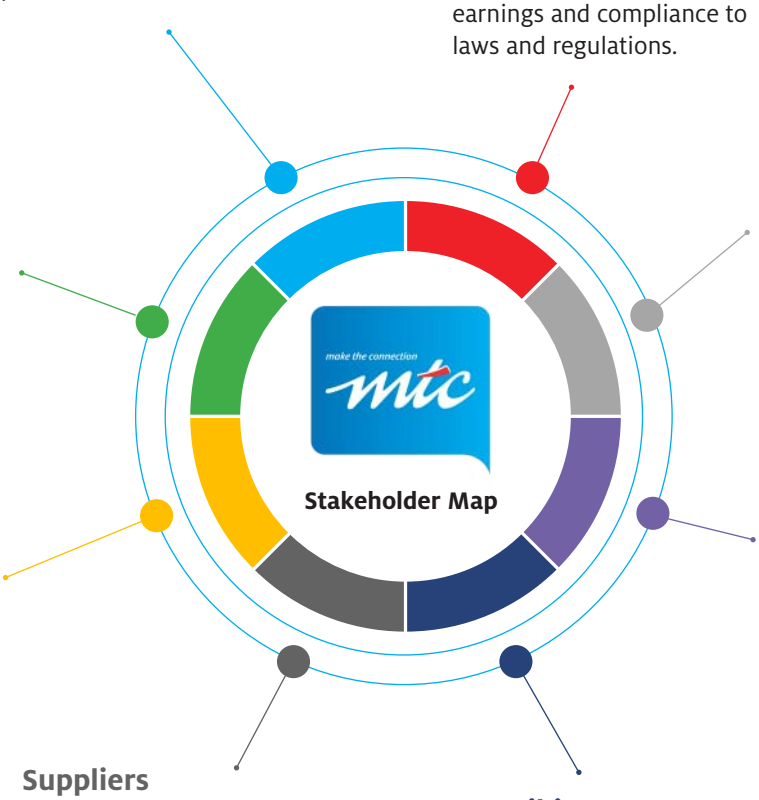
MTC is a bulk supplier of products, engaging with both **B2B** and **B2C** customers. The expectation is satisfying customer needs through providing value-for-money products and services.

Shareholder

NPTH, as MTC's current sole shareholder expects that MTC meets its strategic objectives and financial targets. It expects a steady flow of income (dividends), increase in future earnings and compliance to laws and regulations.

Employees

MTC's **human capital** drives the company and is a competent, highly skilled and driven workforce, pivotal to MTC's success. As stakeholders, employees expect market related packages, good working conditions and job security.



Potential Investors

Investors will expect a return on their investment, capital growth and increased future earnings.

Regulator/ Government

CRAN expects that rules, regulations and licence conditions (including payment of licence fees) are adhered to. **Government** expects that MTC carries out its responsibilities as a good corporate citizen, pays taxes, creates jobs and contributes to national development objectives.

Competitors

Competitors expect fair and honest competition.

Suppliers

MTC's **suppliers** allow the company to create value for its customers and stakeholders. These suppliers expect professionalism and prompt payment.

Namibian Communities

Society has an expectation of good corporate citizenship, employment creation, community development and upliftment through relevant and responsive corporate social responsibility investment.

Figure 2. MTC's Stakeholder Map

1.2.3 MTC's Major Milestones

See Annexure 3 for a more detailed list of achievements over the past 27 years.

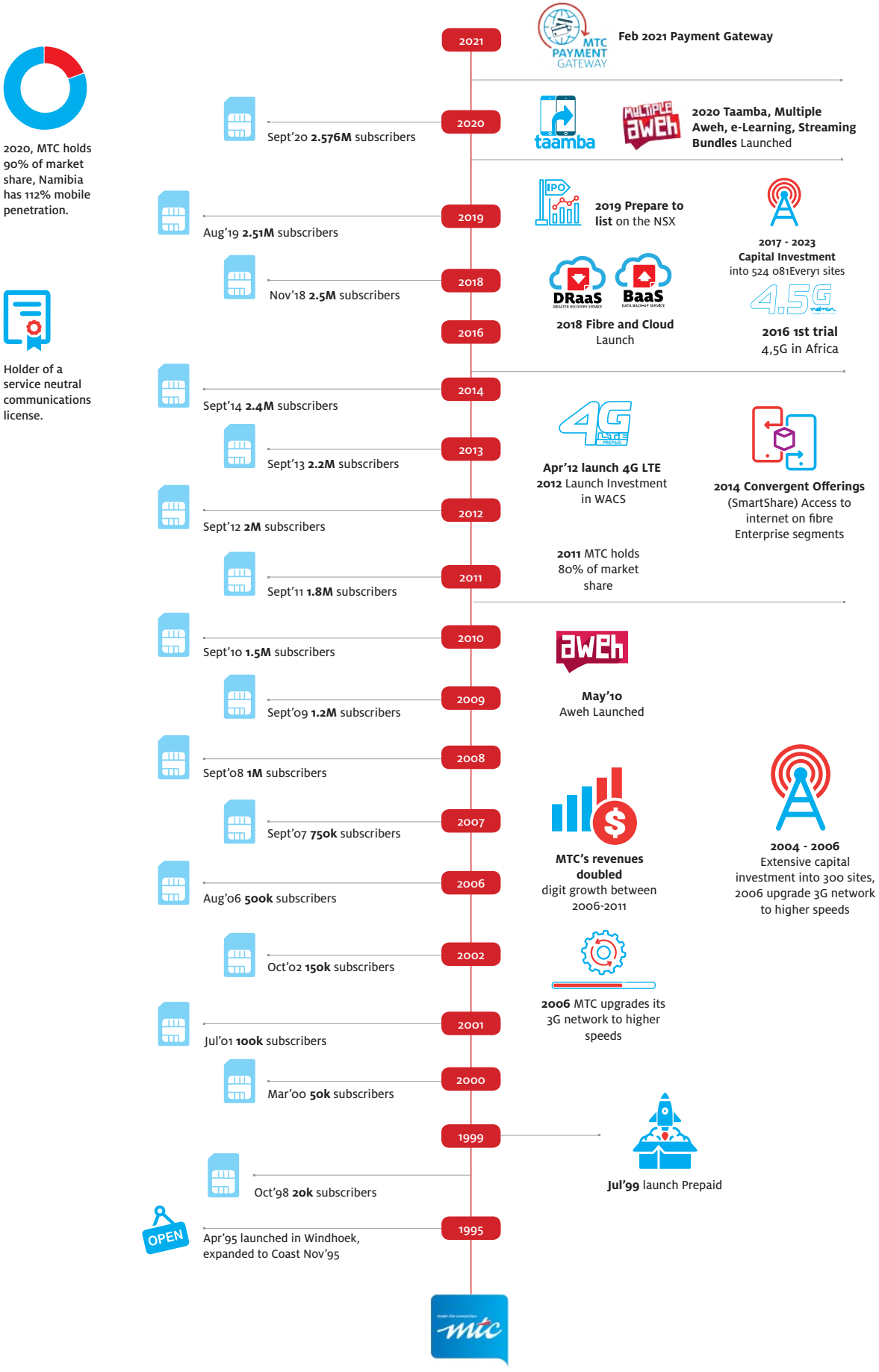


Figure 3. MTC's Major Milestones

2. BUSINESS RATIONALE / INVESTMENT CASE

2.1 Strategic Outlook

The telecommunications industry is constantly transforming itself to be more customer focused and technologically future-proof.

MTC's initial strategic goal was to provide mobile voice services, typical of the first wave of the information era. The second wave, the Internet era, started in 2000 during which MTC realigned its strategies in response to the web and e-commerce demand. In 2009, smart phones, mobile applications and cloud services began taking shape, which marked the third wave of transformation in the telecommunications industry. The fourth wave of communications transformation arrived in 2020 and is accentuated by smart-everything, internet of things and seamless connectivity. MTC continuously revaluates and adjusts its strategies as technological advances present themselves.

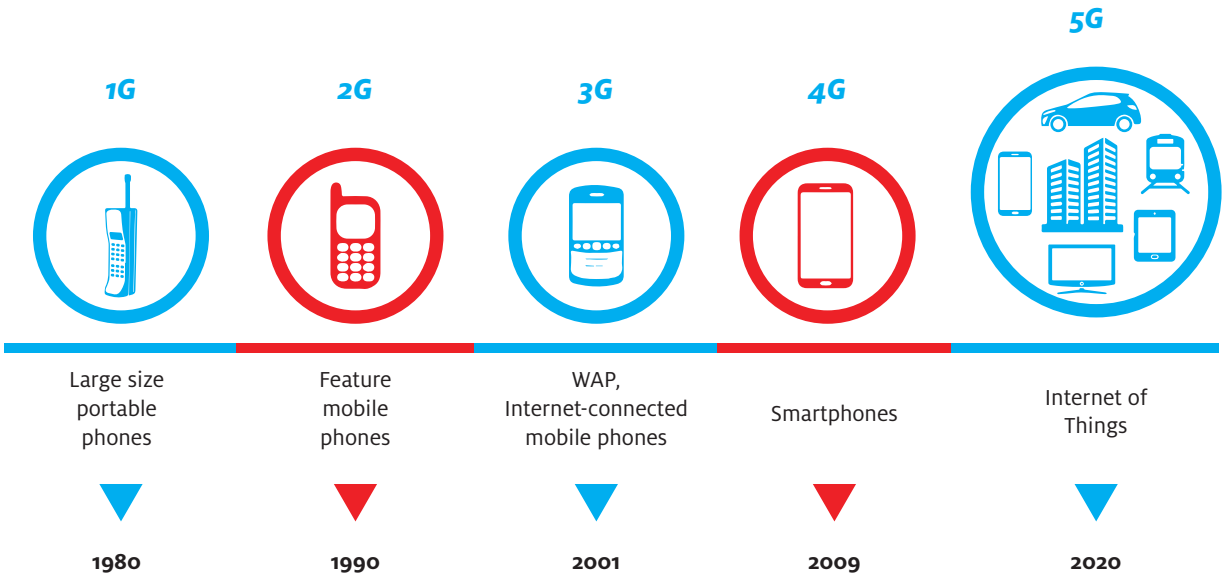


Figure 4. Global Changes in Technology and Customer Needs

As stated by King IV, engagement with stakeholders must be inclusive. Naturally, various stakeholders have competing requirements and one of MTC's most important areas of focus is to strike an acceptable balance between its fiscal and its social responsibilities.

A MODEL CORPORATE CITIZEN

AN INTEGRATED CORPORATE GOVERNANCE SYSTEM THAT IS IN TUNE WITH NATIONAL AND INTERNATIONAL DEVELOPMENT PRIORITIES AND EMBEDDED IN THE WAY MTC CONDUCTS AND APPROACHES CORPORATE SOCIAL RESPONSIBILITY

CORPORATE GOVERNANCE

MTC subscribes to King IV, which is important in ensuring good governance practices are in place in executing MTC's business model. It is also pivotal in ensuring an approach that emphasises the triple bottom line, with focus on people, profit and the planet.



Recently, there has also been a stronger push for the use of ESG templates, which have been recognised as a key governance tool for organisations in the public and private sector in supporting the attainment of SDGs.

LAWS & REGULATIONS

MTC's operations are governed by the Communications Act of 2004 (amendments/ regulations) and regulated by the Communications Regulatory Authority of Namibia (CRAN).

IMPACTING NATIONAL DEVELOPMENT







As per NDP5's desired outcome for ICT by 2022, Namibia has universal access to information, affordable communication and technology infrastructure and services. Importantly NDP5 highlights the government's prerogative to 'upgrade ICT infrastructure across the country, promote e-services and innovation and build a Geo-ICT infrastructure'.

The Harambee Prosperity Plan (**HPP**) highlights important milestones for ICT Infrastructure. In his 2020 State of the Nation Address, the President noted the coming of the Harambee Prosperity Plan II (**HPPII**).

One of the major objectives of **Vision 2030** is 'Transform Namibia into an industrialised country of equal opportunities, which is globally competitive, realising its maximum growth potential in a sustainable manner with improved quality of life for all Namibians'.

TOWARDS ATTAINING THE SDGs

In creating value for its customers, shareholders and other stakeholders, MTC takes its socio-economic contribution seriously and impacts at least 9 of the 17 sustainable development goals (as indicated below). The heightened focus on integration both in terms of the way MTC does business and in terms of the company's CSI approach will ensure that social impacts are more considered and assessed in line with the SDGs, as well as the various other development objectives highlighted herein.



Figure 5. MTC, an Integrated Corporate Citizen

Today's digital society demands seamless connectivity to anywhere and everything – a catalyst for economic growth. This evolution required MTC to realign its strategies. With MTC's launch of secure cloud and high-speed broadband services it has committed to contribute to Namibia's national broadband targets as set in Namibia's HPP, 5th National Development Plan NDP5 and Vision 2030.

MTC is also expected to be a high performer financially, given its position as Namibia's leading mobile telecommunications company, its sizeable market share and broad customer base.

In addition to addressing stakeholder engagement and responding to the diverging expectations of stakeholders, MTC also focuses on strategic responses to emerging trends, the identification of functional goals, capabilities, issues and gaps in the context of a changing environment and how MTC responds to these factors in defining its future state.

Over its 27-year existence, MTC has set itself apart by leading innovatively, investing responsibly in ICT infrastructure and engaging in a way that generates shared value for its customers and other stakeholders as well as strong returns for the shareholder:

- leading market position;
- 90% mobile market share in the Namibian telecommunications market;
- extensive transmission and distribution networks;
- 97% population coverage now and 100% planned by 2023 as a shared commitment to increase access to all Namibians for social and economic prosperity;
- strong customer relationships that drive brand value and revenue growth;
- the most admired Namibian brand two years in a row (Brand Africa, 2020 and 2021);
- respected board, experienced executive team and 568 employees serving 2.469 million customers;
- solid financial position that allows for nimble response to customer needs; and
- cash generative, stable earnings and strong shareholder returns.

MTC will continue on this growth trajectory, adjusting as necessary to meet emerging trends, to respond to the various challenges noted herein, to pivot in line with listing requirements, to continue the fulfilment of its GLEE strategy and to meet the objectives outlined.

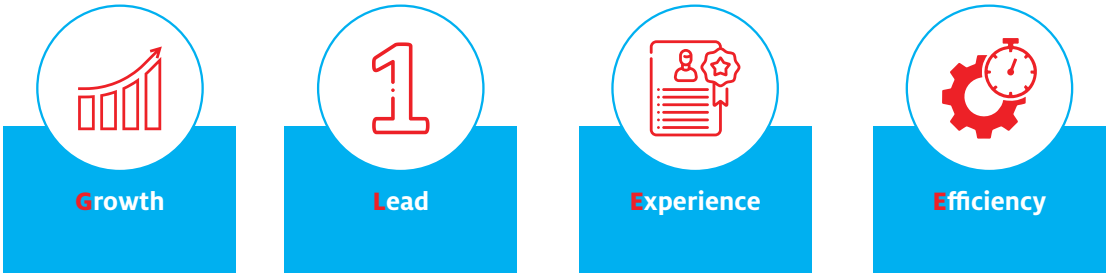


Figure 6. MTC's GLEE Strategy

In pursuit of becoming more customer-centric, MTC appreciates that customers are looking for more than just a connection and is focusing on providing customer-centric solutions, tailor-made to add value in customers' lives. As MTC's operations continue to expand, more emphasis is placed on reliable and readily available analytics to assist MTC in understanding its customers and their requirements.

MTC's focus is to move Namibia forward through technology - with internet accessibility in particular - and dramatically narrowing the digital divide, bringing Namibia more in line with developed countries from this perspective.

With the help of strategic partnerships, MTC has built a top-quality network with leading technologies, excellent quality, zero network security incidents and it has continued to lead ICT development in Namibia.

To further eliminate the digital divide in Namibia, improve people's lives, and achieve the vision of driving an inclusive Namibian digital economy, MTC liaises with its partners to bring benefits to its customers and will continue to extend into strategic research, business scenario design, joint product development and solutions as demanded by customers.

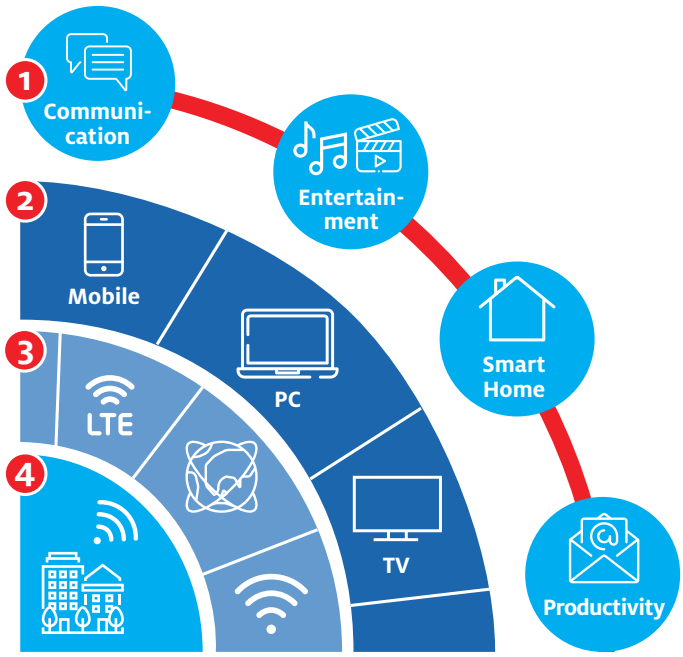


Figure 7. Customer Requirements over Time (1st to 4th Industrial Revolution)

At the same time, MTC continues to strengthen its mobile business. With the arrival of the 4th industrial revolution, MTC continues to develop customer-centric revenue streams through B2B, over-the-top solutions, IOTs and cloud computing solutions. MTC also considers what customers require today as well as in the future, while retaining its position as the leading mobile communications provider in Namibia, an approach that provides sustainable growth through data and network-centric services designed to fulfil customer needs. Furthermore, MTC maintains its leadership in mobile communications through continuous investment in network, technology and business innovation.

MTC actively engages with its technology partners in areas such as:

- B2B solutions creating new opportunities, generating new revenues and reducing enterprise customer churn;
- business to homes aimed at high data users, smart home initiatives and over the top solutions; and
- B2C, which is the foundation of MTC's operations and the driver of its success.

MTC will continue to make the connection with its customers and all stakeholders following its Yetu principles. Yetu means 'ours' in Oshiwambo and its tagline "Connected Together!" is indicative of MTC's view on customer centricity:

Y:	You (the customer) matter! MTC pledges that its customer will get a fair exchange for each Namibia dollar. Customers will feel respected, trusted and valued. MTC will ensure that it presents itself as one voice, one brand, one MTC.
E:	Education and ease of access MTC is on a mission to level the playing field, using its solutions and tools to bridge the digital divide and sustain the potential that content brings. MTC ensures that every customer has easy access to its products and services through its distribution network of dealerships, partnerships, applications and solutions.
T:	Technology excellence MTC makes use of the full capacity of its systems and solutions, thus interactions with customers are accurately captured towards improving customer service. MTC creates value and competitive edge through digital transformation. Processes are automated and communications are unified through digital channels.
U:	Unique MTC believes in putting the power and control into the hands of customers. Rather than dictate what a customer's needs should be, MTC finds value and specifically tailors products and services according to customer requirements. .

MTC's competitive advantage depends on listening and interacting with its customers, as well as managing its platforms and solutions.

Customer Centricity	Focus on customer needs and tailored one-to-one treatment, delivered through an integrated system of sales and customer care.
Efficiency	Efficiently use all systems and solutions, to offer customers value bundles and follow a business model whereby all systems are tightly managed.
Multichannel mix	Providing the same top-class customer service across on a flexible, multichannel footprint and touch-points.

2.2 Investment Highlights

2.2.1 Compelling Financial Performance

Being Namibia's telecommunications market leader with a market share of more than 90%, MTC has demonstrated the ability to continuously deliver on positive growth prospects. MTC's strong operational performance delivered compound annual growth of 33.5% in revenue and 9.5% in net profit from 2016 to 2020.

MTC has maintained high EBITDA margins and is a top performer in the mobile telecommunications industry with an average annual EBITDA margin of 56% since 2016. Following the adoption of IFRS15 during the 2019 financial year, MTC recorded an EBITDA margin of 52% In 2019 and 2020.

Since 2016, MTC has had an annual average capital expenditure to revenue ratio of 21% (compared to the industry benchmark of 15%) and this is due to its continued investment in geographical expansion, additional capacity, and its commitment to remain at the forefront of mobile technology. Through its significant network investments, innovative products and services, MTC has retained its valuable customer base and delivered on strong and sustainable cash flow generation. MTC's average operating cash flow ratio over the last 5 years came to 115%. MTC has a strong dividend pay-out profile with an average of 75% of net profit paid out between 2016 and 2020 (N$2.734 billion). MTC's annual average return on equity for the same period is 41%.

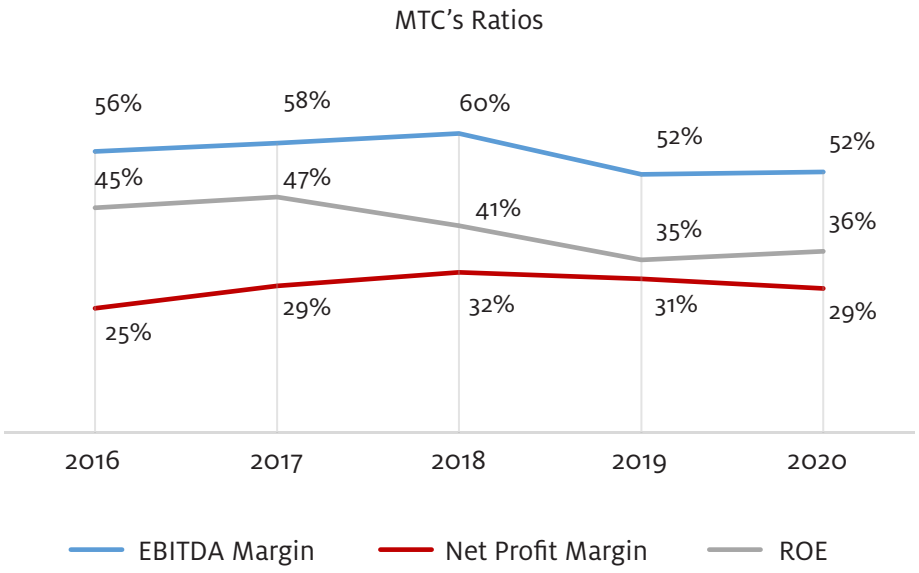


Figure 8. MTC's EBITDA, Net Profit margins and Return on Equity ratios

2.2.2 Capital Expenditure and Revenues

MTC's total capital investment for the years September 2016 to September 2020 reached N$2,614 million, with the year to 31 May 2021 capital investment reaching N$194 million (refer to the commentary on the historical financial results set out in Annexure 5 for more information on the historical and future capital expenditure). Investment decisions are driven by MTC's strategy to ensure high-quality service on its infrastructure, guarantee customer satisfaction and retention, contribute to continuous revenue growth and maintain high ROI for the shareholder. The investment in infrastructure and expansion has seen MTC taking a proactive approach to ensure it is fit for the future.

Major revenue drivers have resulted from large once-off capital expenditure aimed at achieving long-term objectives. The growth in MTC's forecast revenue is driven by MTC's future infrastructure, which is intended to host agile products and service lines.

Namibia's economy is currently facing headwinds stemming from a global downturn where prospects for growth are constrained by low commodity prices (particularly for diamonds and uranium), political instability in some parts of the world, low demand in major economies, as well as the global and regional impact of COVID-19. Future business decisions such as hiring, borrowing, lending and investment in new initiatives will be strongly influenced by the overall economic climate and by the business case for investments and potential returns.

2.2.3 Sustainability and Growth in Digital Revenue

In the past, MTC relied on three major streams of revenue, namely voice, data and SMS. MTC recently embarked on establishing a drive for digital, content services, value-adding services and enterprise solutions (B2B and B2C).

A drive towards monetising digitalisation has been one of the largest drivers for revenue and sustainable business for African telecommunications operators. By making use of its current data-enabled network, MTC aims to monetise this capacity with the introduction of smart partnerships to avail services, such as on-demand video and gaming, through which a sustainable growth in revenue will be delivered.

2.2.4 The Leading Communications Operator in Namibia

MTC's track record is evidence of its success as Namibia's first mobile operator and the company celebrated a number of firsts, including:

- **1999 –** MTC was first in Namibia to launch a prepaid service to the market;
- **2006 –** MTC recorded half a million active users on its network and launched 3rd generation technology with higher speeds;
- **2006 –** MTC was the first to establish a 24-hour contact centre in Namibia;
- **2007 –** MTC reached a three quarters of a million active subscribers and doubled its revenues;
- **2008 –** MTC recorded 1 million customers;
- **2010 –** MTC was the first in Namibia to adopt a prepaid subscription service for Namibians with its Aweh service;
- **2012 –** MTC launched LTE 4G in Windhoek and became the first to commercially launch LTE 4G in Africa;
- **2014 –** MTC celebrated 2.4 million active customers using its services, breaching the 100% penetration mark;
- **2016 –** MTC became the first in Africa to successfully trial 4.5G technology;
- **2017 –** MTC was first in Africa to launch the commercial use of LTE-advanced (LTE-A) and 4.5LTE;
- **2017 –** MTC announced its plan to provide network coverage to 100% of Namibia's population by 2023 with its 081Every1 project;
- **2018 –** All prepaid MTC customers, subject to suitable devices and a new-generation SIM card, enjoy 4G speed;
- **2018 –** MTC announced its plans for the future with the launch of its own fibre and secure cloud services;
- **2019 –** MTC was the first to allow the transfer of free SMSes that customers receive as a token of appreciation when they recharge (at no additional cost), to money from which customers can transact (for example buy more voice or data);
- **2019 –** MTC was the first to construct a reduced footprint Tubestar macro basestation;
- **2019 –** MTC was the first in Namibia to launch an innovation centre to facilitate collaboration between tertiary institutions, entrepreneurs and businesses;
- **2020 –** MTC is recognised as the most admired Namibian brand by Brand Africa;
- **2020 –** MTC launched Taamba Advance and Taamba Gifting, e-Learning bundles and Multiple Aweh
- **2020 –** MTC deploys solar power solutions for its main buildings;
- **2021 –** MTC launched its payment gateway service and Aweh Auto Renewal;
- **2021 –** MTC is recognised as the most admired Namibian brand by Brand Africa for the second year in a row.

2.2.5 Leader in Innovation

MTC has entered into smart partnerships with industry leaders to stay abreast of technology and to bring new concepts and services to Namibia. MTC has remained at the forefront of innovation as is evident by its track record to be the first to:

- establish a 24-hour contact centre;
- take to market a prepaid subscription service, bundling voice, SMS and data with its 7-day Aweh;
- commercially launch LTE in Africa;

- successfully trial the 4.5G technology in Africa;
- launch the 1st commercial use of LTE-advanced (LTE-A) and 4.5LTE in Africa;
- together with partners, deploy self-help kiosks or vending machines for its products and services; and
- foster a collaborative effort of innovation between itself and tertiary institutions and entrepreneurs.

MTC established its ICT Innovation Centre in November 2019, to test, build and showcase new business and consumer ICT applications. The ICT Innovation Centre is focused on spearheading digital transformation and incubating enterprise-based services such as comprehensive fibre internet and digital cloud computing services. As the space for innovation, the centre includes the latest technologies and tools for visitors to experiment, iterate their ideas, and see how they might apply the technologies to their businesses. In addition, MTC collaborated with the Faculty of Computing and Informatics of the NUST to bring to fruition the Tech Innovation Bazaar, allowing local entrepreneurs, developers and engineers to showcase their work and present themselves as marketable assets to the ICT industry.

2.2.6 Leading Service Provider Delivering Excellent Customer Support

MTC remains the leader when it comes to perceived customer value (Ipsos, 2020). Perceived value is defined as a subconscious evaluation by the customer as to what they receive, being the quality of the network, service and the like, relative to what they give (time, money and so forth). Ipsos defines customer loyalty as a combination of the customer's perceived value and the customer's intention with regards to future purchase.

The results of MTC's Customer Value Study show that MTC scored the highest in three of five categories feeding towards a positive perception of value. Overall customers perceive MTC to provide better value in exchange for their money and time compared to competitors (Ipsos, 2020).

2.2.7 Partnerships

Since its inception, MTC has negotiated various strategic partnership agreements as required at different stages of its history. These partnerships were necessitated by the fact that MTC became Namibia's first mobile operator and such agreements were key for two strategic reasons. Firstly, Namibia had no experience in telecommunications at the time. Secondly, MTC required funding, but the level of confidence from commercial banks in such a pioneering concept was low. At the time, partnership arrangements were inclusive of either Telia and Swedfund or Portugal Telecom being the minority shareholder with a management contract.

After 27 years of such partnerships, MTC business is now mature with a fully-fledged Namibian team with over 75 years of combined experience in the telecommunications industry.

MTC will continue to seek strategic partnerships as required and is currently exploring smart alliances with other industry leaders to further solidify its leadership position.

Smart consultancy agreements provide strategic and operational support in a range of areas, including consumer marketing, technology and business operations. Such an engagement will see both MTC and its partners collaborate on potential opportunities to benefit customers (more in section 8.11).

2.3 Key Strengths and Competitive Advantages

As Namibia's leading communications operator since 1995, MTC's identity reflects the changes that have taken place in the ICT environment and in its service and product portfolios over the past 27 years of business.

2.3.1 Key Success Factors

MTC can respond to market demands swiftly due to its flexibility in terms of a strong cash position and substantial net asset value. Innovation drives products and services and lead time to the market is quick, which has resulted in MTC's dominant market share position in Namibia to date. With its national presence and wide distribution network, MTC has become an established household brand.

MTC has strong customer relationships as recorded in the annual Customer Value Management Survey. The results indicated an increase in perceived value amongst customers, whereby the majority of customers are secure and faithful. MTC saw a year-on-year recovery in key drivers of service quality and network quality. This resulted in a positive corporate image with good customer communication.

Vendors and suppliers provide critical services for any business and MTC has established strong vendor and partnership relations over the years, whilst ensuring good corporate governance. Internally, MTC has evolved over the years with strong leadership and has a qualified and able management team working together with the distinguished members of the MTC board to reach common goals.

As many as 206 of MTC's employees have more than 10 years of service with the company, indicative of MTC being a preferred employer in the Namibian market. Employees have excellent work ethic and are constantly seeking solutions to problems where they arise. Employees come together to invest their personal time for the greater good of MTC.

2.3.2 MTC's Market Share

MTC has enjoyed a leading position in the Namibian communications market since inception. As the leading mobile operator, MTC enjoys a high level of market support and has successfully maintained its market position, retained customers and grown its brand loyalty.

MTC has managed its resources responsibly since inception, cementing its position as the leader in communications in Namibia and as a result, continues to hold the lead in market share.

MTC owns a high-quality network with top-of-the-range technologies, providing excellent service. With the help of strategic partnerships, MTC suffered zero network security incidents to date and stays abreast of ICT development.

Similarly, MTC remains in the lead when it comes to the total numbers of customers. In the Customer Value Study conducted by Ipsos every year, MTC also leads in customers' perceived value.

By 31 May 2021, MTC recorded 2.469 million active SIM cards and enjoys 90% of market share in Namibia's mobile market.

2.3.3 Balance Sheet

MTC carefully manages its available resources and investments, while monitoring risks and opportunities, so that its cost of capital is maintained at a healthy standard, although market changes due to uncontrollable factors such as the COVID-19 pandemic remain challenging.

MTC plans to manage its cost of capital by continuing astute investment practices and taking up external debt where warranted. MTC will target long term EBITDA margins around current levels to ensure comparable profitability in future.

All capital investments are currently funded from operational cash and no external funding is required. However, MTC is investigating feasible and value enhancing gearing solutions, which will support the long-term strategy of the company.

Maintaining a strong capital base enables MTC to provide stable dividend returns to its shareholders.

2.3.4 MTC's Competitive Advantages

MTC remains at the forefront of technology, enabling it to continue gaining market share and penetration. By having the most 2G, 3G and 4G sites in Namibia and MTC's population coverage density, MTC is able to service 97% of Namibians.

MTC aims to deliver customer-centric service by providing on-demand services at all customer touchpoints. MTC has the largest customer touchpoint footprint in Namibia, with 34 Mobilehomes countrywide where customers have access to products and services. In addition, MTC supports the service it provides through its 24-hour

customer contact centre, as well as through its 24-hour NMTQ centre that enables it to respond to service complaints immediately.

MTC offers competitive pricing coupled with best in market products and services for its customers.

MTC employs educated and skilled staff and aims to remain one of Namibia's employers of choice.

2.3.5 Strong Brand and Value Proposition

As the most admired brand in Namibia, MTC provides information and communication solutions to digitally enable Namibians and to support the economic growth of the country.

MTC's roots are in Namibia, where it's been making the connection for over 27 years, irrevocably changing the landscape by enabling Namibians to reach the person instead of a place.

Aligned to MTC's vision, mission and values, its brand purpose is to connect Namibians to a better life by providing effortless communication, trustworthy infrastructure, impeccable service, and innovation that moves Namibians forward as is reflected in its brand values, being:

Sharp Thinkers	Like Namibia's perpetually clear skies, MTC is known for its colour blue. MTC prides itself on its innovative, blue-sky thinking. The colour blue differentiates MTC from its competitors and acts as a 'glue' that visually integrates all brand communications. Technology becomes obsolete faster than the blink of an eye and it is important to stay on the edge, always pushing the boundaries of what is possible.
Top-Notch	Everything MTC does is done with a touch of class. It is evident in the services MTC provides and in the way MTC communicates to its customers.
Seriously Friendly	The first rule of a successful relationship is communication. MTC engages with its customers seriously, anticipating needs, in a hurry to help, never leaving a question unanswered and always presenting a friendly face. MTC is all about connecting with its customers (and each other) through effortless conversation, which is what its speech bubble graphic represents, as used in all communication. MTC communicates with the whole nation of Namibia, all cultures, all ages and as such, friendliness and clarity are key.
A Tight-Knit Team	To connect with customers meaningfully, MTC teams need to work together and strive for continuous improvement.
True to its word	Trust can only be earned. MTC is honest, transparent, approachable, humble and ready to serve.

2.3.6 Excellent National Coverage

MTC's coverage provides service to 97% of Namibia's population.

MTC's 081Every1 project will result in its network reaching and providing access to communication and the internet for 100% of Namibia's population by 2023.

MTC takes pride in its network quality with a 98.39% call success set-up rate during busy hours and less than 1.61% unsuccessful calls (above CRAN's quality of service targets). See Table 16 in Annexure 16 for MTC's Key Quality Indicators.

2.3.7 Global Roaming Relationships

To facilitate seamless communication for its customers, MTC has forged 335 agreements with various roaming partner networks across 146 countries globally (75%), of which 26 networks allow for prepaid roaming. Most of these are bilateral agreements, so MTC customers are able to roam on the visiting network and vice versa. MTC does not raise deposits for roaming from customers, instead customers simply ensure that they have enough available credit before leaving Namibia.

2.3.8 Serious About Quality

MTC is committed to the establishment of an integrated quality management philosophy in all spheres of its activities, as well as complying with relevant legislation. Rendering service of exceptional quality has become the differentiating factor in Namibia and is imperative at all levels.

Providing quality service to its customers is the basis of MTC's operations and one of the reasons for its success.

Ensuring quality interactions throughout MTC is a catalyst for continuous development and growth. It is essential that all employees consciously focus on adding value in their day-to-day operations.

MTC is committed to:

- continuously improving service delivery to its customers, making available innovative – yet affordable – communication solutions and value-adding services to customers;
- supporting the development of its collaborators by promoting a healthy and stimulating environment, whereby creativity, achievement of goals, performance and team spirit is awarded;
- nurturing profitable relationships with its partners by providing opportunities for social and economic growth within communities MTC operates in; and
- promoting open dialogue to hone and utilise the diverse experiences, knowledge and skills of employees to satisfy customers.

2.3.9 Experienced Management Team

MTC has a staff compliment of 568 committed team members, also referred to as MTC Ambassadors.

The MTC management team consist of 43 managers (18 female and 25 male). The executive management team is an all-Namibian team consisting of the Managing Director, Financial Director, Chief Technical and Information Officer, Chief Commercial Officer, Chief Human Capital and Corporate Affairs Officer and Chief Legal, Compliance, Risk and Regulatory Officer.

The executive management team brings a combined experience of more than 75 years in the telecommunications industry.

2.3.10 Namibian

Since its incorporation, MTC has focused on creating a truly Namibian experience with products and service lines that are particularly tailored to the needs of Namibians. MTC has created a conducive, competitive and progressive environment for ICT in Namibia. As indicated in section 13 of this Prospectus, MTC adopts Namibian approaches to broad-based empowerment with the guidance of and in reference to national development agendas.

3. PROSPECTS

3.1. Strategic Themes

MTC's purpose is to create value for its stakeholders, in line with their varied expectations, which requires MTC to carefully balance conflicting priorities in both the long-term versus short-term, as well as growth versus profitability goals. In general, these form MTC's focal areas for success over the next number of years. Each of the following four (4) pillars of MTC's long-term strategy, provides a strategic proposition and a set of cause-and-effect relationships and follows its GLEE strategy.

Table 1. MTC's Long Term Strategic Pillars

Revenue Growth	MTC's focus is on customer outcomes, one-time sales becoming ongoing relationships and competitive advantage evolving from mere product features to ecosystems, communities and future potential. This theme represents MTC's drive to increase revenue by leveraging the evolution of standalone products and services to smart, cloud enabled product-service systems and ecosystems. Under this pillar, MTC aims to bring the research and innovation goal to life. By accessing external innovation, open-source platforms and agile development, MTC complements internal resources with ad hoc external ones, which enables it to innovate better products, processes and relationships faster and cheaper than its competition. MTC views research and innovation as part of the organisational capital perspective, since it can be applied to improve operations and information, products, services, solutions and customer relationships.
Market Leader	This theme is underpinned by three (3) value disciplines: operational excellence (i.e. better processes), product leadership through digitalisation (i.e. better products and services) and service excellence (i.e. better customer relationships). This pillar is inexorably and inextricably intertwined with the creation and delivery of customer value, to provide offers that maximise customer satisfaction, consumer and business customer outcomes, retention and profitability through upsell/ cross-sell and reduced churn. It is MTC's intention to find ways of funding digital initiatives due to their strategic importance. Market leadership based on implementing these strategies will continue to be measured in terms of traditional business metrics such as market share, revenue, profitability, labour productivity and return on invested capital. However, the benefits of the digital disciplines can also be measured in terms of environmental, community and societal benefits.

Customer Experience	This theme is especially important in the mobile space, which has reached saturation point with MTC currently enjoying an unprecedented 90% share. For MTC, this theme means to be humble in its attitude, to leverage the trust relationship it has with its existing customers; to expand, deepen and, in certain instances, redefine its offering. MTC's goal is to cross sell services and transform unprofitable customers, while also developing new products and services in the fixed broadband space, as well as possible alternative offerings in MFS. To achieve this goal, MTC stakes its market position through an intimate knowledge of the people it is selling to and the products and services they need. Under its Organisational Capital, MTC drives the goal of customer centricity which in part implies that independent anonymous transactions become intimate, long-term relationships run on detailed customer characteristics and behaviour. Relationships become win-win and products and services become predictive, contextual and personal.
Operational Efficiency	This is value creation through internal productivity and supply chain management that enables MTC to provide efficient, zero defect, timely production and delivery of existing products and services to its subscribers. In addition, this theme brings to focus the effective utilisation of assets and resource capacity. MTC's objective is to achieve a consistent return on equity ratio of 27%-30%. This is achieved by exploiting its information technology and the synthesis of digital and physical worlds to drive better asset utilisation and better physical operational excellence. Processes that are faster, more cost effective, of higher quality, more flexible and more sustainable create differentiated value. With information and techniques, such as better operations planning and predictive maintenance, assets can be optimised to reduce idle time and unplanned downtime. In addition, long-term sustainability is driven by the need for MTC to remain a good corporate citizen, legally operational by maintaining its licence to do business. Key to this pillar is MTC's approach to risk management, regulatory compliance as well as its social and natural environment responsibilities.

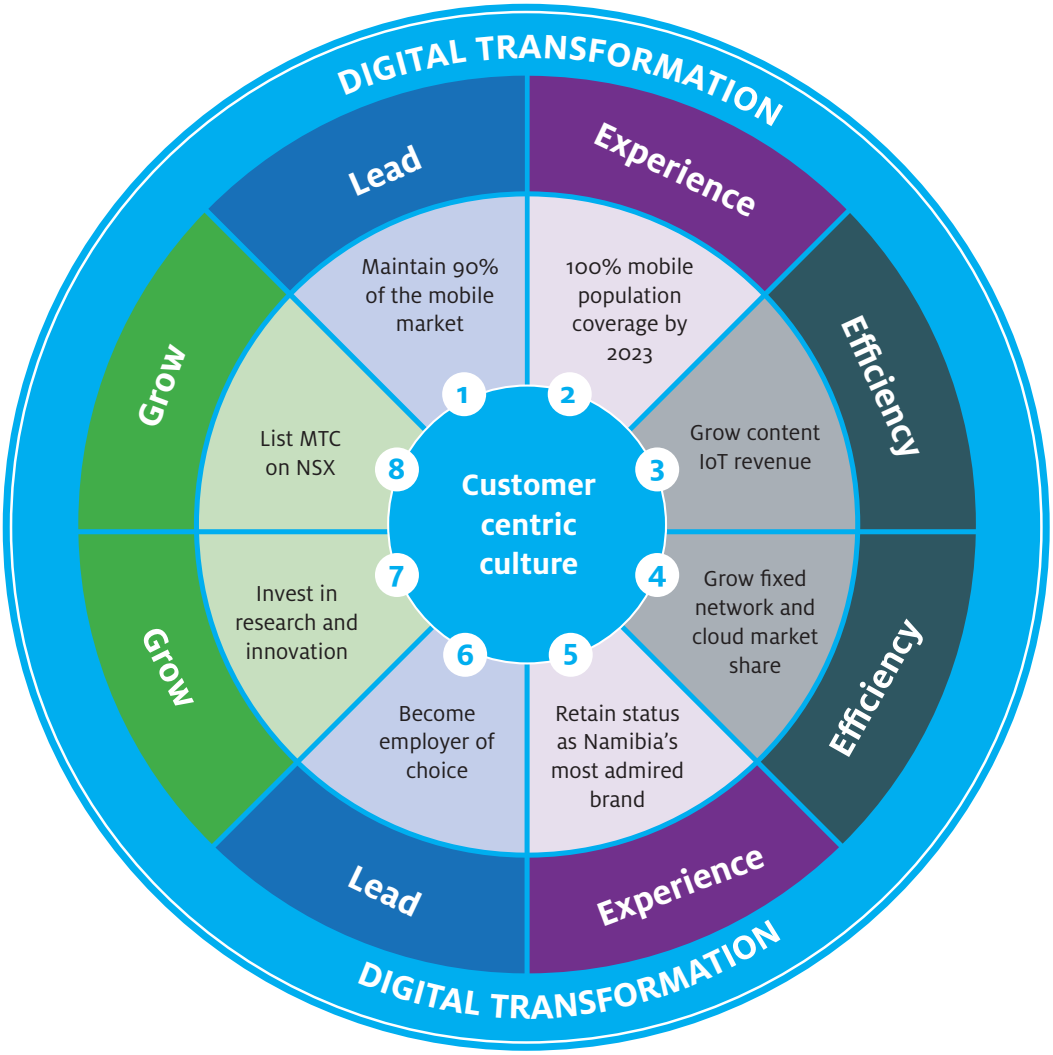


Figure 9. MTC's Strategic Pillars, Goals and Drive toward Digital Transformation

3.2 MTC's Growth Strategy

Namibia's communications industry has reached market saturation in terms of customer acquisition. MTC foresees a continued stabilisation in its mobile customer base but anticipates growth in customer numbers and revenue generated from fibre and other value-adding services.

MTC's future growth is anchored in emerging technologies such as 5G, AI and IoT, which will lead MTC to new services and revenue streams, more satisfied and loyal customers, and a solid competitive advantage for years to come.

MTC has set its targets for the next two (2) years as following:

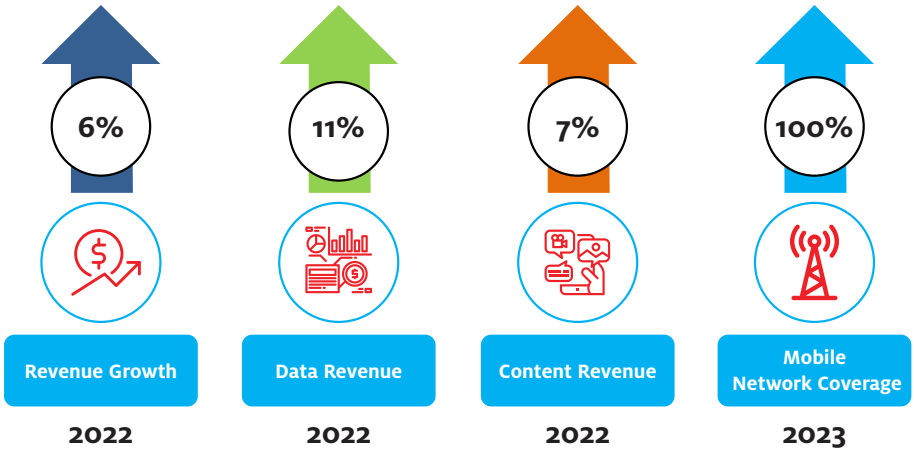


Figure 10. MTC's Sustainable Growth Strategy

3.3 From Mobile to Convergent Services

MTC has been a mobile service provider since its inception and enjoys the majority of voice market share, which shows signs of maturity in Namibia. In recent years, MTC has focused on the expansion of data services to meet the ever-growing demand for data and to drive future growth. In 2018, MTC ventured into the supply of fixed line services infrastructure as part of its plan to drive an inclusive digital economy in Namibia. MTC will continue to look into various additional revenue streams outside of its normal core business and will adopt new business models as appropriate.

3.4 Drive Towards Digitalisation

The model hereunder illustrates MTC's drive towards digitalisation. Each segment is discussed in the following paragraphs.

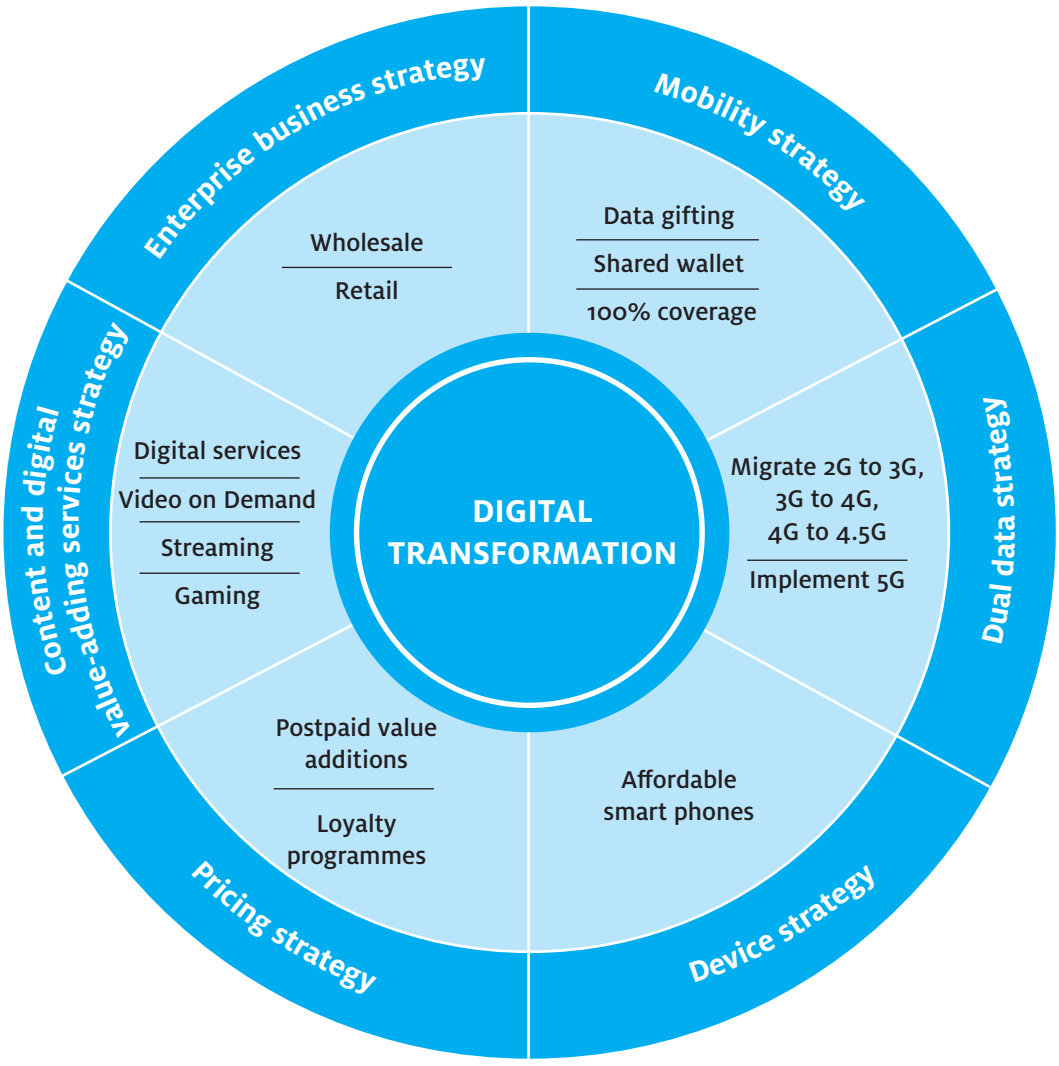


Figure 11. MTC as a Digital Service Provider

3.4.1 Digital Transformation

Driven by a need for greater agility, revenue growth, and ways to defend itself against potentially disruptive new entrants, digitalisation is at the core of MTC's strategy. Digitalisation will enable MTC modernise its service model, adopt new business models centred on data, enable IT to support agility, and achieve growth from existing and new revenue streams.

MTC is transitioning from a legacy voice-, SMS-, data- only service provider to that of a digital service provider, which puts MTC on an advantageous trajectory to leverage this data for the benefit of its customers. Value will be unlocked through data analysis, designed solutions centred on customers, easy payments, convenient content,

fast deployment and reduced response times. MTC is focused on the growth potential of tapping into the digital environment and catering to a variety of customer needs as part of its vision of driving an inclusive Namibian digital economy.

Value-adding services are projected to grow and contribute 3.0% to MTC's revenue year-on-year, whereas enterprise services are set to contribute 3.6%.

Despite Namibia's low urbanisation rate of 50%, mobile penetration sits at 112%. Half of the population (51%) is actively using the internet and only 28% is active on social media. 98% of internet and social media access takes place via mobile devices (Hootsuite, 2020). In its digital strategy, MTC continues to take a mobile first approach, as mobile marketing remains the most important means of communication, while traditional media is used to reach and educate the remaining 72% of the population.

In today's competitive market, customers are seeking to partner with a service provider that is able to give them control and immediate, flexible access to products and services. This requires tailor-made digital customer journeys, simplified network operations and architecture, and on-demand access to services.

MTC will be offering data, voice, messaging, content and new digital services on a single digital data plan. Digital content is a largely untapped revenue avenue for MTC and the company will focus on expanding and growing this area of its business.

MTC's goals to bridge the digital divide include:

- reducing the cost of units and devices;
- reducing the information poverty gap;
- focusing on enhancing business development support;
- providing access to education and health services; and
- enabling revenue generation and digital products.

MTC's sound operating structure and strong capital base allow for the successful implementation of its next phase as a digital enabler, through which sustained returns can be created.

MTC's digital transformation is moving from legacy systems towards more agile customer-centric systems, thereby creating an internal ecosystem with the ability to fully meet market requirements and deliver on service. The transformation strategy fuses agile processing, of both internal and external functions, with various internal programs that strive for automation and will drive automated revenue-generating capabilities. Digital transformation is a top priority for MTC in its race to drive an inclusive digital economy in Namibia. The mission is to turn MTC into a financial, technology, digital, enterprise and wholesale-enabled business.

MTC continues to explore commercial relationships with suitable partners who own systems, solutions, knowledge and experience to deliver value-added services for MTC through various digital channels aimed at achieving the following business objectives:

- digitise engagement with customers to improve experience, promote and support distribution of value-added services;
- strengthen MTC's brand through digital channels;
- go to market timeously with carefully selected outsourced solutions from value-adding partners, including assistance with deployment of appropriate solutions;
- implement value-added services and programs that provide a positive return on investment; and
- maintain the integrity of MTC's brand and value proposition through an enhanced customer experience.

MTC embarked on extending various value-adding services for mobile customers by introducing a modular cloud-based service and content delivery platform through a smart partnership with Mobile Content Africa in 2018. The key driver for value-added services is the demand for digitalisation.

Digitalisation of MTC's ICT services has been driven by the need for choice, innovation and competition in Namibia's ICT market. MTC is facing a new landscape of competitive changes and opportunities due to the global increase and need for mobile data traffic that is driven by the strong growth of smartphone take-up and the increased demand for video-on-demand content.

MTC also focusses on cloud transformation – moving datacentre workloads and workflows into the cloud and up-skilling staff on software development, operational development and cloud platforms.

As MTC is determined to become the digital partner of choice for all Namibians, it is converting its "in-person only" brick and mortar retail stores to include online and self-care options. MTC customers have a choice to shop via MTC's brick-and-mortar Mobilehomes or through clicks on its e-commerce platforms. MTC's bricks to clicks strategy has been accelerated with the advent of the COVID-19 pandemic which has affected every customer in Namibia. MTC's quick wins are to optimise existing channels such as e-mailers, SMS campaigns, the MyMTC App, sales via its USSD service, e-Voucher wholesale channel for airtime vendors, commerce via its website and will also embark on a MFS platform.

1. Big Data and Insights

As the leading telecommunications service provider, MTC has an extensive customer base and has access to an enormous amount of data, which presents an opportunity to tap into the market of data insights.

MTC has access to excellent quality bid datasets, which is valuable towards understanding consumer behaviour, identifying trends and predicting future developments.

2. Customer Service and Digitalisation

A reputation for good customer service is something that generally eludes many industries. Instead of wasting time listening to 'hold' music on the phone, customers want a fast and effective experience. In a survey of telecoms customers, 46% identified real-time assistance as a priority when choosing a provider, with a mobile-friendly experience close behind at 43%.

AI bots have revolutionised customer support service, with support for quick and simple queries being popular with customers.

MTC is deploying AI solutions to provide the instantaneous support that customers need, while freeing up the time of its support specialists to intervene in solving more complex scenarios for a customer, thereby improving customer experience and customer satisfaction scores.

3. MTC's Digital Transformation Journey

Autonomously Managed, Virtualised Communications and Cloud Infrastructure

MTC's infrastructure plans include the evolution from the expensive and difficult-to-manage set of discrete network elements, to a virtualised communications and cloud infrastructure, which can be managed in an autonomous fashion and at reasonable cost.

Network function virtualization and software-defined networking are making this first journey a reality for MTC, although there is still a significant way to go in making it manageable, and the cost, complexity, and disruption is enormous. As 5G draws closer, it is imperative that MTC prepares its infrastructure to be ready with next-generation network capabilities.

Security Automation

In its endeavour to be future-focused, MTC is preparing for prescriptive security, which includes analytics and machine learning.

Cybercrime is reduced by using supercomputing to learn from historical data and by putting preventative algorithms in place. Automation minimises the need for human intervention by expediting clean-ups, thereby resolving the threats while also analysing the root cause and improving protection for the future. The aim is to evolve from reactive product-specific security to uniformly orchestrated security.

Security management and orchestration is central to MTC's transformation consideration. New digital services and IoT will have higher security requirements since their introduction exponentially extends MTC's security perimeter and necessitates business-wide security transformation covering MTC's full technology stack,

data, service creation process, partners, and its physical environment. Such introduction would also require a company-wide security aware culture.

Data-Centric Enterprise

By means of its Enterprise Data Warehouse project, MTC has implemented the development of a single coordinated approach for the collection, analysis, distribution, security and monetisation of data collected from infrastructure, services, social channels, business and third-party sources.

This enterprise information architecture and predictive analytics presents MTC with an entirely new opportunity for understanding and exploiting its data. Success in the digital economy will largely depend on how well MTC understands its data, both for internal business optimisation and external monetisation.

Open API Platform Architecture

MTC is evolving from a closed IT architecture to an open platform architecture, accessed through open and available APIs. This open platform will be expected to support the interaction of both internally developed telecommunication services, as well as externally developed third-party services and platforms.

The following business cases have or will become a reality:

- automated payments, transfers and collections processes;
- reduced innovation obstacles from new streamlined strategies and ideas that greatly reduce major structural changes;
- e-commerce business made flexible through open APIs, through MTC's website customised to the needs of visitors and customers;
- new digitalised business opportunities with reduced costs and swift time-to-market, through which a number of MTC services will be within easy reach of partners, start-ups, independent developers and the like.

MTC is in the process of deploying a number of technological advances via its open API platform which include further improvements to its online services payment platform and Mobile Money.

Ecosystem partner governance balanced with strategic IP management is a core capability to manage open innovation and collaboration.

Portfolio of Digital Services

In the near future, MTC will offer new suites of digital services, addressing new vertical markets, with strong revenue growth potential. Examples of these services include the functionality where a customer is able to:

- create his/ her own prepaid or postpaid bundle;
- change the mixture of services and/ or prices subscribed to;
- check balances and consumption at any time;
- subscribe to as many services from different service categories as desired; and
- subscribe to a triple play of services of two bandwidth-intensive services (broadband internet access and television), as well as a latency-sensitive telephone service.

Adopting Multiple Channels to Market

MTC will be making available its services through new channels such as its payment gateway and MFS.

In addition, MTC will create and open new communication and partner channels to market its brand and to maximise its digital services and products revenues, while simultaneously enhancing traditional channels.

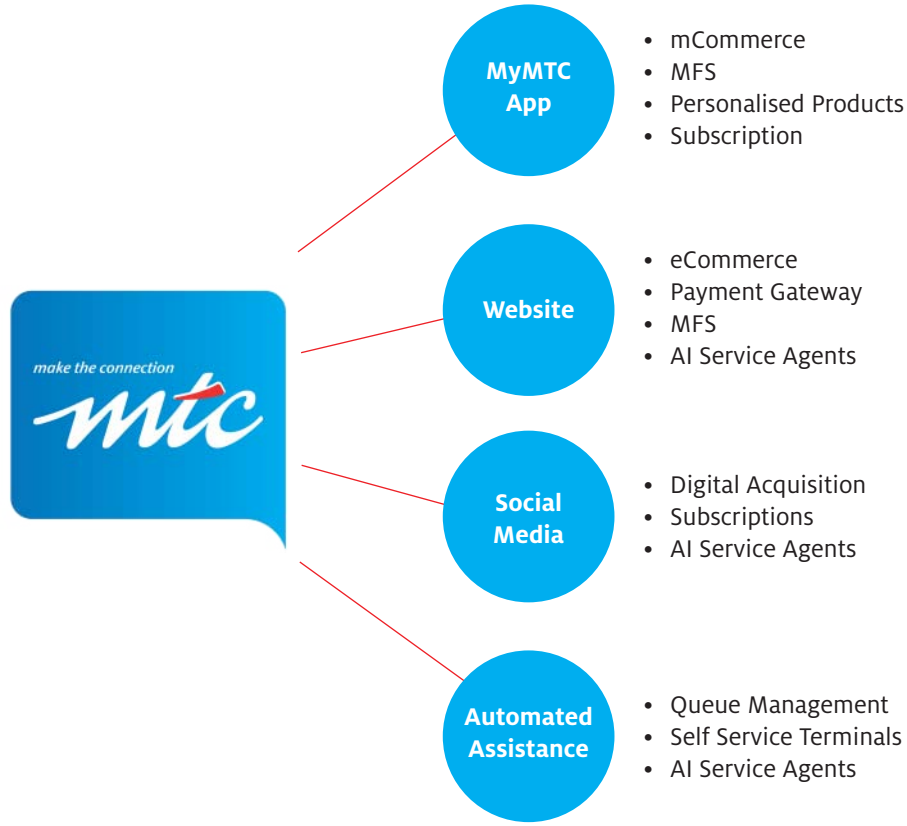


Figure 12. MTC's Digitalised Channels to Market

3.4.2 Mobility Strategy

MTC will continue to build on its ease-of-access approach whereby postpaid and prepaid customers have access to various value-added service product offerings, such as transactions made via the MyMTC app, which allows MTC to be in a position to deliver services to customers fast and easily no matter where customers find themselves.

MTC has developed services that are geared to allow customers to purchase service bundles for other customers. MTC has recently taken to market its data gifting service and a shared wallet concept whereby individualised connectivity and consumption is linked to one wallet and one billing profile.

MTC is further adding to its mobility strategy through the injection of funds into infrastructure to reach 100% population coverage through the 081Every1 project.

3.4.3 Dual Data Strategy

MTC is persistently addressing congestion, quantifying potential data growth as well as increasing usage by upgrading sites from 2G to 3G, 3G to 4G and 4G to 4.5G. This drive positions MTC to expand on providing faster and more reliable connectivity.

Through its O'Smartphona campaign, MTC's data strategy is to grow data consumption by migrating customers to modern technologies on the same network footprint and ultimately secure and create a market appetite for the rollout of 5G in the future.

The strategy is accomplished by ensuring that customers who own smartphones also have a 4G enabled SIM card and that customers who have 4G enabled SIM cards gain access to smart devices, so that they are able to enjoy high speed data services which will increase their usage.

3.4.4 Device Strategy

To support its dual data strategy, MTC has a targeted strategy of bringing affordable smartphone devices to the market. This would encourage 2G customers to utilise full network functionality via smart devices that have more data functionalities.

Having determined that the blended ARPU for 3G and 4G users is much higher than that of 2G customers, MTC has a target to migrate more than 10% of its 2G users to the 3G and 4G networks by the end of 2021.

3.4.5 Pricing Strategy

Pricing products and services competitively will ensure that MTC's consumers have access to affordable devices and network. It will also allow for the strategy to be fully absorbed by the market.

It is important for MTC to know who its customers are and what they spend most of their airtime on. MTC's pricing strategy is geared to consolidate the needs of customers and to ensure services are priced to attract market entrants, encourage growth and support customer retention.

MTC is in the process of investigating customer loyalty programmes which will benefit customers with additional network and business offerings. The programme will serve mileage customers through service rewards and will enable MTC to counter customer churn.

3.4.6 Content, Digital, Entertainment and Value Adding Services

Currently, the content and entertainment services sector is undergoing various changes at a global level. These changes are driven by consumer behaviour, new entrants into the market and new distribution models.

Digital services cover a broad set of services in areas of social networking, mobility, analytics, cloud computing and AI and is an area into which MTC is preparing to expand. Most markets have seen an increase in the supply of video services to mobile platforms and as such, the demand for data is ever-increasing. Delivering on-demand content services is a high priority area for MTC to drive growth and curb customer churn.

MTC's content services are in its infancy, with data usage growth projected to grow by 15% per year, contributing to MTC's value adding services revenue growth, that will continue to contribute 3.0% to MTC's overall revenue year-on-year. With the introduction of a service delivery platform for the enablement of more content services, MTC foresees a revenue growth in content of 15% per year. MTC will focus on advancing customer usage and experience by availing affordable local and international content to supplement its current revenue streams. Content will include, amongst others but not limited to, local entertainment, sports and gaming.

As Namibia has a small population, with the same needs and desires as larger populations, a one-size-fits-all strategy will not serve MTC and its customers' best. MTC adopts a flexible business model based on the specific service delivery and service offering required. In some cases, MTC may deploy systems developed in-house, whereas in other solutions MTC may venture into smart partnerships with third party service providers. As a digital enabler, it is MTC's aim to have the functionality in order for big content providers to compete amongst each other, but also for smaller providers to be able to connect content with Namibian consumers.

3.4.7 Internet of Things

The GSM Association predicts that IoT connections will triple worldwide between 2018 and 2025. Opportunities for growth in this area will be realised mainly by finding practical solutions in SmartHome and SmartOffice implementations. When looking at SmartHome solutions, security automation, fire detection and utilities management (for example automated early warning of water leakages – important for a drought-prone country like Namibia) are among many opportunities to drive growth.

In this environment MTC has a role to play in providing connectivity, but the real opportunity for growth lies in providing tailor-made solutions to its customers. Various models can be adopted in order to facilitate the needs of customers. MTC's role in the value chain is to move from providing connectivity, to that of providing the tools towards a fully implemented solution.

MTC, with the largest active infrastructure in the country, holds the advantage to rapidly provide IoT services country-wide. MTC is currently the only operator with machine-to-machine service plans (Telemetry) and with a significant portion of the enterprise market in hand, is looking to leverage with IoT solutions. The current ARPU for its machine-to-machine service is N$25.00 and presents a three-fold growth opportunity to an average of N$75.00.

Recent circumstances brought on by the COVID-19 pandemic have increased adoption as organisations seek automation and remote monitoring solutions. MTC views agriculture, manufacturing, automotive and transportation, energy and utilities to be the top drivers of IoT.

3.4.8 Mobile Financial Services

It is well-known that the arrival of MFS contributed to the phenomenal economic growth across Africa by reaching remote and unbanked customers.

Electronic money (e-money) transactions have grown in popularity in Namibia where there has been a rise in volumes over the past five (5) years from 8,3 million in 2013 to 17,8 million in 2017, while transaction values rose from N$1,3 billion to N$10,6 billion over the same period.

Since the start of the COVID-19 pandemic, as lockdown restrictions limited access to cash and financial institutions, digital payments have been put forward as a safer and more efficient alternative to cash. In low-and-middle-income countries the GSM Association reported that mobile network operators and banks are experiencing exponential growth in the MFS business since the COVID-19 pandemic.

This growth in financial services is driven by the push for a rapid fourth industrial revolutionisation in Africa, which has been fast tracked by the COVID-19 pandemic in efforts to digitalise all services to minimise business interruptions in the event of further lockdowns.

Bank of Namibia reports show a jump in transaction volumes from less than 10 million in 2015 to over 65 million in 2020. In 2015, e-money platforms were just emerging in Namibia, pushing only N$1,4 billion worth of transactions. In 2020 alone over N$40 billion was moved through e-money platforms such as eWallet, easyWallet and Blue Wallet and other similar banking services. Since the COVID-19 pandemic, this value increased by 177%, more than the growth in value pushed by bank cards and electronic transfers.

MTC intends to be the first operator in Namibia to introduce MFS. With the objective to fully unlock payment solutions to the underserved and unbanked population, MTC aims to leverage off its mature distribution channel to setup mobile agents throughout the country.

In Namibia and elsewhere, many unbanked people in remote areas conduct quasi-banking transactions like money transfers using informal networks that have high transactions costs and are exposed to theft and fraud. This presents an opportunity to MTC to complement its operations by offering mobile money services.

MTC views mobile money services as key to enable its customers to make payments and transfer money using their handsets safely, securely and as quickly as sending a message.

From a commercial perspective mobile money services will translate into improved ARPUs and greater revenues for MTC.

The main business objectives of MTC venturing into MFS are:

- help decrease customer churn whereby value adding service will be offered as loyalty/ discounted rates upon purchases made with MTC's mobile money;
- improve MTC's revenue whereby it is estimated that at least 40% of MTC's subscribers will be making use of MTC's mobile money, generating an estimated 15% of MTC's total revenue within five (5) years;
- decrease operational costs (e.g. airtime top up); and
- deliver a new subscriber service thereby attracting new customers.

As elsewhere in the world, revenues from mobile money services is anticipated to complement MTC's voice and data revenues and an average gain to MTC's gross profit of up to 3% per year over 3 years is expected. MTC further believes it will be able to grow its MFS subscription customer numbers in double digits year-on-year in

MFS customer acquisition through the following advantages:

- a strong agent infrastructure;
- near ubiquitous distribution network;
- large number of customers and strong market concentration; and
- a superior client experience.

MTC's MFS will allow any person with a basic phone to conduct cash transfers, pay bills and send money to third parties, without the need for a bank account.

Due to the requirements and guidelines of the Bank of Namibia with regards to e-money issuers in Namibia, MTC will make use of its subsidiary, WGA to deliver financial services and products in Namibia.

3.4.9 Enterprise Service Customers

MTC's current investment into network capacity and infrastructure, ensures that the company will be able to strike agreements with other local ISPs as a wholesale enterprise service provider of internet capacity. This will be supported with MTC's internet backhauling capacity services, which are the largest in Namibia. In addition to this, MTC will be able to provide infrastructure services for smaller ISPs to render a service to the retail market, with regards to hosted Cloud PABX offerings. MTC's enterprise services business model for wholesale will be based on its B2B platform.

Similar to MTC's wholesale offering, the retail market has seen the need for a 'one stop shop' for home connectivity and access. MTC offers cloud and fixed connectivity to customers' homes. Over time, MTC has built excellent customer relations with its enterprise customers through its mobile service offerings. MTC is ideally positioned to continue fostering these relationships through the addition of enterprise service products.

As a starting point, MTC has entered the market with fibre, secure cloud computing and enterprise phone (cloud PBX) services. With aspects such as big data and cloud solutions forming the major pillars of industry 4.0, MTC has an opportunity to provide customers with digital solutions.

With the knowledge gained from migrating its own IT environment into its secure cloud, MTC is able to pass on this experience and knowledge to its customers and to facilitate a customer's change from costly legacy systems into future-proof cloud solutions.

MTC is prioritising its enterprise market as adoption of new innovative technologies such as 5G, IoT and AI are finding a foothold and sees a revenue potential in this market segment that has shown a historical growth of 18% year-on-year in revenue.

3.4.10 5G

5G has been designed to handle millions more connections than 4G technology with a significantly lower latency, which will enable telecommunications operators to support connected cars, fixed wireless access and other solutions that were not possible before. Enterprises around the world are considering the importance of business and IT agility in order to thrive in the 5G era. Data is the driving force for business success and is even more essential as the telecommunications industry evolves towards 5G maturity and the future of IoT.

MTC has always strived to be the first operator in Namibia as well as in Africa to deploy new and emerging technologies. Despite the delay of 5G rollout in Namibia, MTC is investing in both human resources and infrastructure to be ready for 5G service provisioning.

MTC is positioned to profit from growing IoT-driven revenue streams in industries that require more bandwidth and connectivity than before. Major manufacturers investing in IoT to streamline industrial processes whose smart factories are significantly reducing costs through predictive maintenance of machinery, motion-sensor energy management and monitoring humidity levels to name a few examples. MTC will be in a position to deliver reliable, low-latency and high-bandwidth 5G connectivity to those customers and thus will be in a strong position to profit from IoT services in the years to come.

MTC's 5G ambitions are geared towards enhancing capabilities in utilising AI, big data and algorithmic models to effectively integrate and process the massive volumes of data generated by sales and marketing, networks and from third party solutions and vendors.

According to Global Data (2020), mobile data ARPU has shown growth since 2020 from USD 3.91 per month in 2020 to USD 5.52 per month in 2025, driven by the increase in the adoption of higher ARPU 5G mobile service plans offered by mobile network operators across the globe. In South Africa a study by Africa Analysis (2021) indicates that the South African telco market will be expected to grow the 5G subscribers to 11 million by 2025.

Based on related market studies and its digitalisation strategy, MTC expects to provide 5G coverage to 40% of Namibia's population by 2025 and together with enabling enterprise solutions will see MTC generate 26% of its broadband service revenue from 5G.

Given the speeds and experiences that is expected from 5G advantages, MTC expects the following in its enterprise services segment:

- grow revenue by addressing the untapped business enterprise market with a unique mobile native solution;
- reuse existing 3G/ 4G, IMS, voice evolution and network assets to leverage 5G;
- differentiate with unmatched quality of service that prioritises voice, video and collaboration traffic over any other network traffic; and
- enhance customer acquisition, customer retention and revenue/ ARPU growth strategies.

3.5. Customer Engagement for the Future

Customer engagement and the products presented to customers, will become highly dependent on information made available through MTC's enterprise data warehouse. It is MTC's aim to provide its customers with tailor-made services and products that fit their lifestyle the best.

AI will assist MTC as a future-focussed communications provider to drive an autonomous and intelligent network, as well as understanding its customer preferences and patterns, so that the customer's experience is enriched. AI will assist MTC in the early detection of service problems and in addressing customer queries more efficiently.

3.6. Customer Satisfaction

Customer satisfaction has always been at the centre of MTC's focus. Currently, MTC manages this through its 24-hour customer contact centre and 34 Mobilehomes across Namibia, which has enabled it to serve its more than 2.5 million customers with their various queries and challenges.

Looking ahead, MTC will continue to focus on the use of technology to enhance customer service and communication by way of handset applications, online solutions and customer self-service portals.

4. CORPORATE GOVERNANCE

4.1 Approach to Corporate Governance

4.1.1 The MTC board has endorsed King IV and is committed to the principles of transparency, Integrity, Fairness and Accountability by MTC in the conduct of its business and affairs. The MTC board acts as the custodian of the corporate governance of the organisation.

4.1.2 The MTC board is responsible for ensuring that MTC complies with all of its statutory and regulatory obligations. It oversees and ensures an effective compliance framework, the integrity of MTC's financial reporting and risk management, as well as accurate, timely and transparent disclosure to Shareholders.

4.1.3 More detail is available in Annexure 12.

4.2 King IV

4.2.1 MTC and its Directors subscribe to King IV and are committed to the principles of effective corporate governance, transparency, integrity, fairness, accountability and application of the highest ethical standards in the conduct of its business and affairs, and the principles of employment equity throughout its operations.

4.2.2 Regarding compliance to the Public Enterprise Governance Act 1 of 2019, MTC is not listed under Schedule 1 of the repealed Public Enterprise Governance Act 2 of 2006 and has not been declared as a public enterprise in line with Section 2 (1) of the Public Enterprise Governance Act 1 of 2019. Therefore, MTC is not classified as a SOE and there is no regulatory role between the Minister of Public Enterprise and MTC.

4.2.3 Dr Licky Richard Erastus was appointed by the MTC board as MTC's CEO on 1 December 2019 and as MD on 8 March 2021. Marthinus Jacobus Smit was appointed by the MTC board as MTC's CFO on 8 August 2011 and as FD on 8 March 2021.

4.2.4 Fees payable to directors are determined and approved by the shareholders at annual general meetings for approval.

4.2.5 A full analysis of the steps taken by MTC to comply with the principles of King IV and details of MTC's Code of Corporate Governance and Conduct are set out in Annexure 12.

4.3 The MTC Board

4.3.1 Currently, Directors are recruited and appointed by MTC's shareholder, NPTH. Following the successful listing of MTC, the Human Resources, Remuneration and Nominations Committee will nominate potential and suitable directors, which will be appointed by the shareholders at MTC's Annual General Meeting.

4.3.2 The current MTC board consists of seven (7) non-executive Directors, the majority being independent and two (2) Executive Directors. The profiles of the directors appear in section 12.

4.3.3 The board charter envisages a clear balance of power and authority at MTC board level, to ensure that no one director has unfettered powers of decision making.

4.3.4 The key roles and responsibilities of the MTC board are set out in the Articles of Association and include acting as the focal point for and custodian of, corporate governance; determining the strategies and strategic objectives of MTC and monitoring the implementation of the MTC board's strategies, decisions, values and policies.

4.3.5 Directors disclose their interests in accordance with the MTC Articles of Association and sections 242 to 249 of the Companies Act.

4.4 Committees of the MTC Board

4.4.1 The MTC board is responsible for constituting committees as per King IV regulations towards the effective corporate governance of MTC.

4.4.2 The deliberations of any of the committees does not reduce the individual and collective responsibilities of MTC board members in regard to their fiduciary duties and responsibilities, and due care and judgement are required in accordance with their statutory obligations.

4.4.3 The MTC board's delegation of functions to the committees does not amount to abdication of the board's duties, nor does it discharge the board's accountability.

4.4.4 The chairperson of each committee shall be an independent non-executive director, except the EXCO chairperson.

4.4.5 Committee members are independent of management and free from any business or other relationship.

4.4.6 The members of the committee are appointed for a term and are eligible for reappointment. The board secretary serves as secretary of the committee.

4.4.7 Standing invitees may be added to committees, but do not have voting rights.

4.4.8 Members are held to high standards of confidentiality and non-disclosure, the breach thereof attracts applicable legal action against such member.

4.4.9 Each committee has an independent role, operating as an overseer and a maker of recommendations to the MTC board for its consideration and final approval.

4.4.10 The committees will meet regularly and as per its terms of reference.

4.4.11 The committees do not assume the functions of management, which remains the responsibility of the executive directors, officers and other members of senior management.

4.4.12 The committees provide a forum for discussing relevant business risk and control issues in order to develop relevant recommendations for consideration by the MTC board.

4.4.13 MTC shall provide, under recommendation of the committees, the required financial resources and the technology, staffing and material resources for the constitution and performance of the committees in compliance with its terms of reference, as well as the payment of the ordinary administrative expenses of the committees, that are necessary or appropriate to perform their duties.

4.4.14 The MTC board has appointed the following committees, namely the Audit, Risk and IT Governance Committee, the Human Resources, Remuneration and Nominations Committee and the Corporate Social Investment Committee.

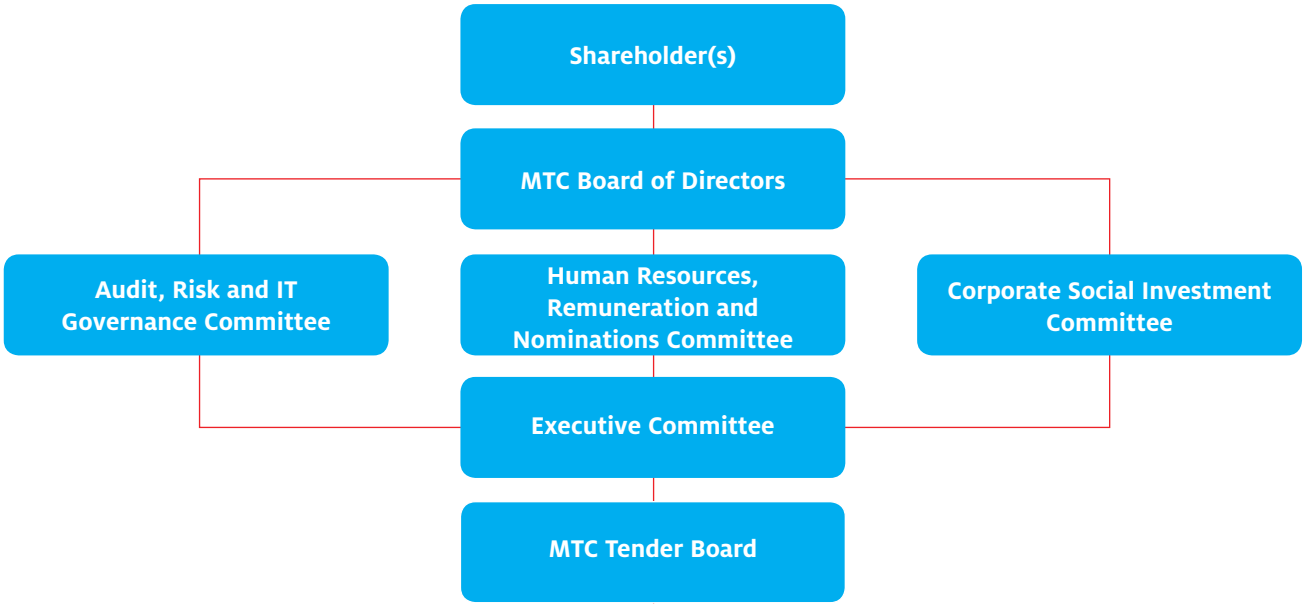


Figure 13. The Committees of the MTC board

4.4.15 Audit, Risk and IT Governance Committee;

1. The Audit, Risk and IT committee is constituted as a committee of the MTC board.
2. The committee comprises no less than three (3) members, all of whom are independent, non-executive directors and a chairperson nominated and appointed by the MTC board. Committee members shall possess the skills of Finance (a Chartered Accountant), Risk, Legal and Compliance and ICT. The chair of the MTC board shall not be a member of the audit committee. The board secretary serves as secretary of the committee.
3. The members of the committee are appointed for a term of three years and are eligible for reappointment.
4. The MD and the FD are standing invitees of the committee and attend on invitation, but neither has voting powers.
5. This committee will hold at least four meetings per financial year (once each quarter) and meet with internal and external auditors at least once per annum, without management present.
6. The committee's primary function is to provide independent oversight of the assurance functions and the integrity of the annual financial statements and other external Reports. It further assists the MTC board in discharging its duties relating to the following:
   - The safeguarding of assets;
   - Monitoring the integrity and operation of adequate and effective systems and control processes;
   - The review of fairly presented financial statements in compliance with all applicable legal and regulatory requirements and accounting standards;
   - The oversight of the appointment, functions, removal and remuneration of external and internal auditors;
   - The oversight of the internal audit committee functions in particular consideration of the enterprise risk within the company, as well as the professional and other operational business risk issues affecting the company. The committee shall manage those risks (including ethics and independence) and ensure that they remain robust, appropriate and effective. They shall also assess the effectiveness of the various risk independence and quality compliance programmes operating within the company;
   - Monitor the integrity of integrated reporting systems and internal controls, including financial reporting and sustainability issues;
   - Information technology governance as it relates to integrated reporting;
   - Review the statutory accounts and consider accounting issues arising in respect of the MTC's affairs and recommend them to the Board for approval; and
   - MTC's Governance processes.

4.4.16. Human Resources, Remuneration and Nominations Committee

1. The Human Resources, Remuneration and Nominations is constituted as a committee of the MTC board.
2. The committee comprises no less than three (3) members, all of whom are non-executive directors, the majority of whom are independent. The chairperson is nominated and appointed by the MTC board and the chair of the MTC board shall not chair this committee. The board secretary serves as secretary of the committee.
3. The members of the committee are appointed for a term of three years and are eligible for reappointment.
4. The MD and the Chief Human Resources & Corporate Affairs Officer are standing invitees of the committee and attend on invitation, but neither has voting powers.
5. This committee will hold at least four meetings per financial year (once each quarter).
6. This committee is responsible for and assists the MTC board with the following:
   - Oversight of the nomination, election and appointment of directors to the board as well as succession planning, through a formal process;
   - Ensuring that induction, training and development and assessment of directors takes place;
   - Ensuring that succession plans for the MTC board, board committees, executive and senior management appointees are in place;

- Ensuring that MTC remunerates its directors and executives fairly and responsibly;
- Ensuring that the disclosure of director remuneration is accurate, complete and transparent;
- Ensuring MTC's remuneration strategy and conditions of service are competitive enough to attract, retain and motivate human resources of the quality and calibre required by the company in the various Paterson grades, striking a sound balance between take home packages and other benefits, including pension and medical aid funds, company vehicle, bonus, etc.;
- Assisting in the performance evaluation of individual board members, committees and the MTC board, and making recommendations to the MTC board as it deems fit;
- Serving as focal point of ethical governance within MTC and monitoring the implementation of the Code of Ethics with respect to the board members;
- Obtaining independent professional advice within the ambit of its terms of reference, where action or improvement is required. Establishing the selection criteria, selecting, appointing and setting the terms of reference for consultants who advise the Committee;
- Recruiting executive committee members, reviewing the recruitment process, and recommending to the board the appointment of the MD and other executive committee members;
- Overseeing and advising the MTC board on non-executive directors', as well as MD, FD and top management remuneration;
- Determining, developing and recommending to the MTC board the general policy governing the fee and remuneration structure for the Board of Directors and all its subcommittees;
- Annually reviewing all fees - and the frequency of payment - paid to non-executive directors, including fees payable for their membership of the MTC board, any board committees and/ or sub-committees and recommend to the Board of Directors for consideration and approval;
- Determining, developing and recommending to the MTC board the general policy (i.e. positioning relative to the market etc.) and broad framework of the remuneration, bonus, short-term and long-term incentive schemes for the MD and the top management team, competitive enough to ensure that sufficiently skilled executives are attracted to the company, retained in the company, and motivated at all times, without paying more than is necessary for this purpose;
- Approving for recommendation to the MTC board the general principles applied to the award of remuneration adjustments and the actual increases, bonuses and incentive awards on a name-by-name basis annually, or as deemed necessary by the Board of Directors, for the MD, FD and members of the executive team; and
- Approving for recommendation to the MTC board the quantum of the annual bonus pool and the methodology utilised for the allocation of the pool.

4.4.17 Corporate Social Investment Committee

1. The role of the committee is to assist the MTC board in providing direction and overseeing the development and implementation of MTC's corporate social investment initiatives, including:
   - Corporate Sustainability Initiatives;
   - Environmental Protection initiatives; and
   - Philanthropic and Community investment Initiatives.
2. The committee comprises a number of members as decided by the MTC board, but not less than three (3) non-executive directors, a majority of whom are independent non-executive directors nominated by the MTC board.
3. All members of the committee are to be independent of management and free from any business or other relationship, which could interfere with the exercise of their independent judgment.
4. The committee has the right to obtain independent external advice from professionals in any area within the ambit of its terms of reference where action or improvement is required.
5. The committee establishes the selection criteria, selecting, appointing and setting the terms of reference for any remuneration to consultants who advise the committee.

6. The duties and responsibilities of the committee are as follow:
   - Developing MTC's CSI vision, strategy and policy and assisting the MTC board in overseeing the development of the strategy and policy on social, environmental and ethical issues;
   - On an annual basis, the committee shall undertake to review and recommend for approval by the MTC board the areas to be given priority in the CSI plan for the forthcoming year;
   - Oversee the implementation of the CSI vision and strategy;
   - Oversee the execution of MTC's CSI initiatives and set targets to measure the attainment of the initiatives;
   - Monitoring MTC's performance against set CSI targets and recommend actions as needed to improve performance;
   - Review management information on employee volunteering or other activities in support of the CSI initiatives, monitor internal and external feedback on the implementation of the CSI initiatives and make recommendations to improve the coverage and effectiveness of the relevant initiatives;
   - Monitor and provide guidance on MTC's efforts to support local and international initiatives and promote Corporate Social Responsibility where appropriate; and
   - Provide guidance on the environmental and social impact of MTC's business conducts.

4.4.18 EXCO

1. The EXCO is constituted to assist the MD, appointed by the MTC board, to manage the company, as prescribed by his/her employment contract, the Companies Act and the Authorisations Policy and Table and other MTC policies.
2. The EXCO assists the MD to guide and control the overall direction of the company and acts as a medium of communication and co-ordination between business units and departments.
3. The committee is formed by respective executives heading departments and the Head: Corporate Legal Services, under leadership of the MD serving as chairperson, with the personal assistant of the MD serving as committee secretary.
4. EXCO is responsible for the following, subject to the Articles of Association and Authorisations Policy:
   - Recommending, reviewing and implementing the Objectives, Strategies and Policies to the Board;
   - Managing the business and affairs of the company, including finance and administration, human resources and strategic training, sales and marketing, information communication technology and corporate business solutions, strategy, special projects, network provisioning and assurance, service provisioning and assurance, risk management functions, legal, regulatory and company secretarial functions, corporate communications and public relations, but not limited thereto;
   - Prioritising the allocation of capital, technical and human resources within the guidelines of authorisation;
   - Establishing the best management practices and functional standards;
   - Management appointment , monitoring the performance of management, employees and the company as a whole; and
   - Ensuring regular detailed reports are submitted to the Board on each of MTC's business unit's performance and activities.
5. EXCO is authorised to form sub-committees and in particular the divisional executive committees, administration committees and cross-functional teams, to assist in the execution of its duties. In exercising the powers and authorities delegated to it, EXCO shall act in accordance with and subject to, the directives and requirements as may be laid down in the Authorisations Policy.
6. EXCO meets at least once a week or at the call of the chairperson. A quorum for a meeting to be validly and properly constituted is 50% plus one of the members and in the event of a tie in votes, the MD holds the deciding vote.
7. EXCO may obtain other independent professional advice in carrying out its duties, as it considers necessary.

4.4.19 MTC Tender Board

1. The Tender Board is appointed by the MTC EXCO and is comprised of permanent employees of MTC, who sit on a weekly basis to adjudicate tender and purchasing recommendations from the various business units against corporate governance policies and laid-down procurement procedures. Members of the Tender Board are appointed for a non-renewable term of three years.
2. Six (6) permanent members serve on the MTC Tender Board, composed of a representative from each of the main departments, namely: Technology, Commercial, Legal, Information Technology, Human Resources and Finance. Any five members will be deemed to constitute a quorum at any meeting
3. The chairperson, appointed by and a member of the MTC executive committee, is responsible for chairing the meetings, ensuring that order is maintained and the team follows its mandate in every meeting.
4. Each permanent member of the MTC Tender Board has a deputy/ alternate member who assumes the duties of the permanent member in their absence.
5. The chairperson and members each have one vote, with a casting vote by the chairperson in the event of a split decision.
6. The tender administrator role is fulfilled by the Manager, Procurement or a designated Procurement Officer, and has no voting rights.
7. Meeting attendance is firmly managed. Should a member fail to attend more than three consecutive meetings of the MTC Tender Board without proper apology and reason, the Procurement Manager reports the matter to MTC executive committee who may, at their discretion, replace the defaulting member.
8. Any purchase requisition with a value of over N$200,000 must be submitted to the MTC Tender Board for approval, except when the purchase is already contracted or approved to a preferred supplier.
9. The Manager: Procurement or designated employee in the procurement section will collect the necessary documentation and quotations for formal tenders, for approval by the MTC Tender Board.
10. The MTC Tender Board is responsible for:
    - Adjudicating and verifying that the procurement policy and procedures have been adhered to and uphold corporate governance;
    - Overseeing MTC's procurement activities, taking all reasonable steps to ensure that the tender policy and procedures are followed throughout MTC and report any serious transgressions thereof to the MD for action;
    - Ensuring that all tender proposals and documents are handled in a transparent and fair manner and provide guidance on the tender process (invited or open) to be followed;
    - Not argue for or against the service or product, nor the price, of the procured item(s) - this should have been done by the responsible individual and/ or department's specialists and Executive Committee in that particular field of expertise. However, the MTC Tender Board members are to analyse and assess the recommendation, with special attention to procurement policies of MTC. The MTC Tender Board reserves the right to request clarification on proposals submitted;
    - Approving the selection for standardisation of equipment as well as the blacklisting of suppliers;
    - Compiling bi-annual reports (from 1 October to 31 March and from 1 April to 30 September) on the activities of the MTC Tender Board to be submitted to MTC board;
    - Upholding MTC's code of ethics, maintaining impartiality and objectivity in reviewing proposals;
    - Declaring their interest and recusing themselves from the approval process should there be a conflict of interest with any of the proposals submitted; and
    - Act in the best interests of MTC and refrain from communicating with suppliers and/ or any external party outside the meeting room with regards to the evaluation process.

5. SUSTAINABILITY

MTC recognizes its role as an integral part of the economic and social fabric of Namibia. As such it commits to driving a best-practice integrated ESG agenda which aligns with the core purpose of the company.

As the leading digital ICT enabler in Namibia, MTC is committed to doing business in a sustainable manner. MTC is also aware of its responsibility towards improving sustainability in its sector as it relates to the environment.

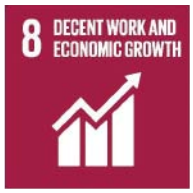
To MTC sustainability means conducting business in such a way that it is able to meet the needs of customers without compromising the ability of future generations to meet theirs. MTC therefore recognises three (3) key pillars namely the economy, society and the environment.

MTC is also cognisant of the United Nations Sustainable Development Goals, which has 17 key pillars and together with Namibia's Legislation and National Development Goals, it is committed to making Namibia a better place for all.



Figure 14. Sustainable Development Goals of the United Nations

5.1. Employment Creation



MTC recognises that poverty and hunger is as a direct consequence of unemployment. Namibia has been ranked as one of the most unequal countries in the world when it comes to income disparities and its unemployment rate currently stands well beyond 36%.

To date, MTC has played an important role in creating employment especially in the sports and arts sector. These two sectors employ many young Namibians. MTC annually invests N$34 million in arts and culture, and horse racing, soccer, boxing, hockey, music, netball, rugby and fashion are key sponsorship priorities. While many see MTC's efforts as merely sponsorships, MTC creates gainful employment opportunities for Namibians.

5.2 The Environment



Environmental sustainability is the responsibility to conserve natural resources and to protect global ecosystems to support health and wellbeing. Research conducted by Emerson Electric revealed that the telecoms industry alone is estimated to use 164 terawatt hours per year, making it responsible for 1% of global power consumption. It is also responsible for 110.7 million tons of carbon dioxide, equivalent to the emissions of 29 million cars.

5.2.1 Energy Consumption

Given the statistics above, MTC is conducting ongoing research to calculate its total power consumption, taking into consideration all its base stations and power sources so that it can set a 5-year target to drastically reduce its carbon emissions to help preserve the environment. The study will allow MTC to establish alternative sources of energy that are environmentally-friendly in a bid to ease the current pressure on global warming and its effect on the environment.

In 2020, MTC converted its Head Office and Prosperita Technical offices from normal electricity to solar power in an effort to reduce its national power grid consumption and reduce greenhouse emissions. MTC has also made great strides with its sites and currently has 90 sites that are solar powered. MTC remains committed to finding more ways to convert more base stations. Discussions are also currently underway to convert power in MTC's data centre from direct current power to the more energy-efficient alternating current power.

MTC has reconsidered its procurement practices and ensures that all newly deployed technologies are environmentally friendly.

MTC has successfully replaced all its back-up batteries with gel type batteries that are maintenance free and is evaluating the benefits and disadvantages of lithium-ion batteries, which are considered more environmentally friendly.

MTC started swapping its indoor base station equipment with outdoor units, which reduces power consumption notably, further reducing power consumption and carbon emissions.

5.2.2 Radiation

All MTC's sites are compliant with ICNIRP standards and due process is followed in conducting environmental studies that are approved by all the relevant legislative bodies.

MTC strictly follows the ICNIRP standards, an independent expert scientific commission that provides scientific advice and guidance on the health and environmental effects of non-iodising radiation (NIR) to protect people and the environment. MTC is proud that all its sites are fully compliant with the aforementioned standards.

MTC continuously strives for new innovative ways to reduce power consumption of its basestations and equipment. MTC recently trialled a feature whereby idle transmission equipment can be shut down to reduce power consumption when the estimated traffic load is light and disabled transmission equipment can be switched on so that they are available for use when the estimated traffic load is heavy.

5.2.3 Implementation of technologies beyond 4.5G

The GRN has directed the Ministry of ICT to conduct a study on the effects of 5G before its implementation in Namibia. MTC is in the process of making meaningful contributions to the discussion and has committed to implementing this new technology in a safe manner.

5.2.4 Environmental Education and Awareness

MTC believes that empowering communities with knowledge about the environment will help sustain the environment in the long run.

Whenever MTC deploys new technology, it raises an education awareness campaign (like O'Smartphona) to introduce and share information about the technology, thereby reducing uncertainty.

MTC recently finalised a documentary series on its N$1.2 billion dollar 081Every1 project. The documentary takes the viewer through an educational journey of the project with episode 1 covering the importance of towers and connectivity, with an emphasis on rural areas and the process of constructing a tower, while episode 2 concentrates on how communities and people benefit from MTC's coverage network and the improvement it brings to lives in health and business. Episode 3 provides an overview of industry challenges. Episode 4 looks at education, innovation and how technology enables and unlocks other social and economic opportunities.

MTC's EXCO participates in Interact, a quarterly television program, by which they directly discuss topics with customers. Viewers call into the program and engage with the team live on television. In addition to this platform, MTC also has a monthly newsletter in which it shares information about its operations.

5.2.5 Electronic Waste Management

Obsolete electronic hardware is stored safely, securely and separately from other waste to avoid contamination. MTC partnered with a Namibian certified e-waste contractor that collects and safely disposes all its electronic waste according to the relevant standards.

MTC is investigating more innovative ways on how to strengthen its e-waste management efforts and how to extend such efforts to customers and other stakeholders.

5.3. Innovation and Purposeful Partnerships



MTC has led the way when it comes to innovation in Namibia. Brand Africa has recognised MTC as the Most Admired Brand in Namibia for 2020 and 2021 consecutively. MTC also received the award for Most Admired Local Brand during COVID-19, which speaks to its humanitarian efforts during the pandemic.

In 2019, MTC launched the first innovation centre in Namibia, which now serves as a platform for young innovators to participate and share their ideas and make innovative discoveries. To date the MTC Innovation Centre has already been successful with a number of ideas including the smart city app, Verifi and the e-commerce platform that is currently being finalised.

MTC also entered into a memorandum of understanding with NUST, partnering on various projects related to innovation, research and development.

MTC firmly believes that bold innovation will drive the preservation of Namibia's environment for future generations.

5.4. Social Change





The MTC Knockout project is an initiative aimed at addressing lasting social change in Namibia. The annual project addresses social ills in innovative ways to ensure that Namibians participate in the conversation.

5.4.1 Social Change Impact 2019 – Gender Based Violence

In 2019, the project addressed the issue of gender based violence and organised a celebrity boxing match, during which over N$1.4 million was raised, which was donated to different gender based violence organisations towards their work, namely Monica Gender Violence Solutions, Ecumenical Social Diaconate Action, Ombetjya Yehinga Organization and Namibia Women Rural Assembly.

5.4.2 Social Change Impact 2020 - Homelessness

In 2020, the project addressed homelessness and raised over N$1.8 million towards constructing 26 homes. This project required celebrities to perform and mimic well-known musicians and artists on stage in the form of a concert.

5.4.3 Supporting orphans and vulnerable children

MTC is passionate about taking care of vulnerable children and since 2019, supports the Hope Village that homes more than 100 children in Katutura. MTC believes that every Namibian child should have food, shelter, protection and love. In MTC's quest to spread love, support was also given to Dolam Orphanage House from special proceeds.

5.4.4 Early Childhood Development

Namibia will succeed when her children receive quality early childhood education. MTC, in partnership with Development Workshop Namibia supports 3,500 children from 100 early development centres in informal settlements. The support focuses on cognitive development, strengthening edu-carer and parent skills and knowledge.

5.5 COVID-19





MTC has been at the forefront in assisting Namibia during the COVID-19 pandemic.

MTC collaborated in Namibia's National Response Plan by assisting the GRN with a platform to efficiently distribute COVID-19 grants to more than 500,000 Namibians. MTC was instrumental in setting up and supplying high-quality tented shelter to the vulnerable and homeless, while assisting those in informal settlements with free water so that they are able to wash their hands frequently. Furthermore, MTC played its part by dissemination COVID-19 information via toll free services countrywide.

MTC continues to assist GRN with its vaccination programme and finding ways to encourage citizens to get vaccinated.

5.6 Digital Inclusion for All



MTC recognises that there remains a disparity between those that participate in the digital economy of Namibia and those that do not, simply because they are not connected to the rest of Namibia.

MTC took a bold step to implementing the 081Every1 project in 2017, a N$1.2 billion-dollar project that will ensure 100% population coverage in Namibia by 2023. The project will see a total of 524 new sites being rolled out with a special emphasis on connecting rural Namibia with new sites and also with electricity. As part of the project, MTC introduced the O'Smartphona project, which provides education and affordable smartphones to rural Namibia so that rural customers are able to connect to the network, participate and have a voice in Namibia's digital future.

In addition, the 081Every1 project created employment opportunities in rural Namibia and empowered more than 16 local contractors with the responsibility of building the towers.

5.7 Education



Education empowers Namibians and ensures that Namibia becomes a knowledge-based economy. MTC has a number of education initiatives like providing bursaries to its own Ambassadors, as well as to students who cannot afford to pay for their studies.

5.7.1 MTC Rural School Project

In 2020 MTC launched the MTC Rural Schools Project, building new classrooms for rural schools, supporting Namibia to alleviate the shortage of more than 5,000 classrooms. In partnership with the Pupkewitz Foundation, MTC constructed 7 classrooms for the Omatako Primary School in Tsumkwe.

To ensure that students continue learning during COVID-19, MTC was the first to introduce an e-learning data bundle and assisted the Ministry of Education with the nationwide roll-out of support to help students who cannot attend face-to-face classes due to the pandemic.

5.7.2 MTC National Internship

MTC's Namibia National Internship Project addresses the growing shortage of internship opportunities in Namibia. Over 48,000 students require internships every year and this program places 160 students per annum at various corporations, providing them with a much-needed 3-month internship, during which they receive an allowance of N$3,000 per month.

5.8 Housing



It is estimated that over 500,000 Namibians still live in shacks and it is one of Namibia's biggest social problems. MTC joined the fight by investing N$10 million in 2018 in partnership with the Shack Dwellers Federation of Namibia through the Buy-A-Brick project, to build 270 low cost homes across the country, of which close to 95% are already constructed and finalised.

In support of the Harambee Prosperity Plans, MTC also embarked in a partnership with Development Workshop Namibia for the provision of low-cost land for housing. The project will provide land for low-cost housing in the Oshikoto and Otjozondjupa region. MTC has earmarked delivery of 110 fully serviced plots per region.

5.9 Digitalisation



MTC is committed to maximising technologies at different levels of development. Cloud Computing, first-generation industrial automation and 3G and 4G mobile networks, among others, already serve as a foundation for efficiency gains.

5.10 How MTC Creates Value



Figure 15. MTC's Sustainable Goals

5.10.1 Delivering on Social Value

	Financial Year 2020
Total Subscriber Base	2.576 million customers
Annual Direct Tax Contribution	N$334 million
Investment in CSI	N$3 million
Investment in Sponsorships	N$18 million
Investment in Rural Electrification	N$15 million
Investment in 081Every1 Project	N$162 million

5.10.2 Investment in MTC Ambassadors

	Financial Year 2020
Number of Full-Time Employed Ambassadors	586
Female Representation	49.04%
Black Representation in EXCO	90%
Workplace Fatalities	0
Lost Time Injuries	0

MTC desires to be the best employer in Namibia. This goal is part of its strategic objectives because satisfied employees produce the best customer experience. MTC therefore crafted an employee value proposition as following:

- MTC Ambassadors project aims to transform MTC employees from simply being employees to Ambassadors, instilling the love of the brand in their hearts and minds and allowing them to market the brand because they believe in it;
- MTC Dreamers is a project that encourages MTC Ambassadors to dream big and pursue their personal dreams. The project provides financial assistance to Ambassadors to help them achieve their dreams beyond working at MTC;
- MTC Disruptors is a project made up of various cross-functional MTC Ambassadors at all levels of the organisation focused on improving customer experience. The MTC Disruptors meet twice a month to innovate and improve operational inefficiencies;
- MTC Care is an internal CSI drive represented by MTC Ambassadors who participate in outreach programmes, funded by themselves either through cash or other non-monetary contributions; and
- MTC Appreciation Day is a day where MTC appreciates all its Ambassadors.

5.10.3 Spectrum and Network Infrastructure

MTC's business operations is centred on the availability of spectrum. MTC has always been transparent in the manner in which it acquires spectrum from CRAN.

5.10.4 Procurement

MTC recognises its role in empowering Namibian businesses and suppliers in the manner in which it manages its operations and is committed to its role through economic empowerment when it comes to selecting suppliers. MTC is mindful from where equipment is procured and identifying responsible and environmentally conscious suppliers.

5.10.5 Product Development

MTC initiated the Innovation Centre towards creating a culture of innovation and collaboration. MTC continuously invests in projects such as big data, cloud-driven solutions and modernising its systems towards its digitalisation drive.

5.10.6 Customer Service

At the centre of MTC's business is its customer, providing high-quality customer service. MTC invests in skills development and training so that its Ambassadors understand the brand, the technology and services in an effort to serve customers better.

5.10.7 Managing the MTC Brand

MTC strives to be Namibia's most admired brand in all aspects. During 2021, MTC will deploy a 3-year programme called the MTC Brand Ambassadors programme to foster a positive brand experience from within, thereby building towards a brand that remains innovative, consistent, purpose-driven, compassionate and honest.

5.11 MTC's Commitment

MTC remains committed to best ESG global practices and conducting business in a sustainable manner. The environment needs to be preserved for future generations. MTC will re-double its efforts towards sustainability and will continue to adopt environmentally sustainable policies and practices that will continue to preserve the environment in which it operates.

6. OVERVIEW OF MTC AND ITS SUBSIDIARIES

6.1 Overview of MTC

MTC is a holder of a service neutral communications licence issued by CRAN and conducts business as a registered communications provider. MTC's principal business is to provide voice and data services and solutions to its customer base. MTC provides international communication solutions through roaming agreements with service providers worldwide.

MTC is the largest communications provider in Namibia with over 2.469 million active subscribers as at 31 May 2021. Its closest competitors include Telecom, which offers both fixed and mobile services (TN Mobile) and Paratus Namibia Holdings Limited (Paratus).

MTC is the most recognised communications brand in Namibia and 8 out of 10 customers would recommend MTC to others (Ipsos, 2020).

Currently Namibia's mobile penetration stands at 112%, with some customers subscribing to more than one service plan and SIM card. As of May 2021, MTC's share of the market was at 90%.

MTC's population coverage stands at 97% for 2G services, 87% for 3G services and 45% for LTE services.

To serve customers well in such a sparsely populated country, MTC has established a nationwide distribution network of 34 Mobilehome retail and service centre outlets, as well as a mobile retail outlet that is used as a pop-up store where required. MTC also owns a data hub in the centre of Windhoek, specifically supporting customers with data related services, set-up and products. In addition, MTC has a dealership network of 29 prepaid and post-paid dealers servicing more isolated customers throughout Namibia.

MTC supports its customers by providing repair services for leading mobile equipment brands at its fully equipped repair centre in Windhoek.

To prepare for the anticipated growth in demand for data services, MTC invested in the WACS submarine cable in a consortium with Telecom to ensure increased internet capacity and connectivity for both MTC and its customers in 2015.

Since 2016, MTC has invested in technology and systems to bring to market ICT services for its customers such as direct internet access, fibre, cloud computing, storage and cloud business communication solutions, and it continues to invest in its high-quality mobile radio network while also expanding its coverage footprint.

6.2 Subsidiaries

MTC conducts some of its non-material business activities through controlled entities (Annexure 4), namely:

Jurgens Thirty Four, through which sectional title units 6 (186m²) and 9 (210m²) of erf 7640, Daniel Munamava street in Windhoek are managed; and

WGA, currently dormant, was used as a special purpose entity, the principal activities at the time being the borrowing and lending of finances, for the purpose of MTC's initial network infrastructure investment. The investment was made possible with three (3) loans entered into in 1999, 2000 and 2001 and finally settled during 2006. WGA became a dormant entity during 2008. Due to the requirements and guidelines of the Bank of Namibia with regards to e-money issuers in Namibia, MTC will make use of WGA to deliver its financial services and products in Namibia in the near future.

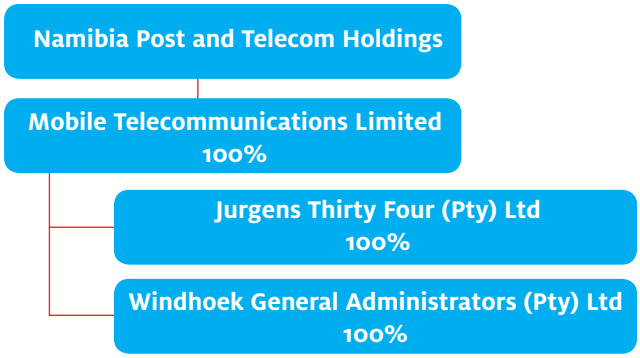


Figure 16. MTC's Group Structure

6.3 MTC's Organisational Structure

MTC's business operations is depicted in the organogram below.

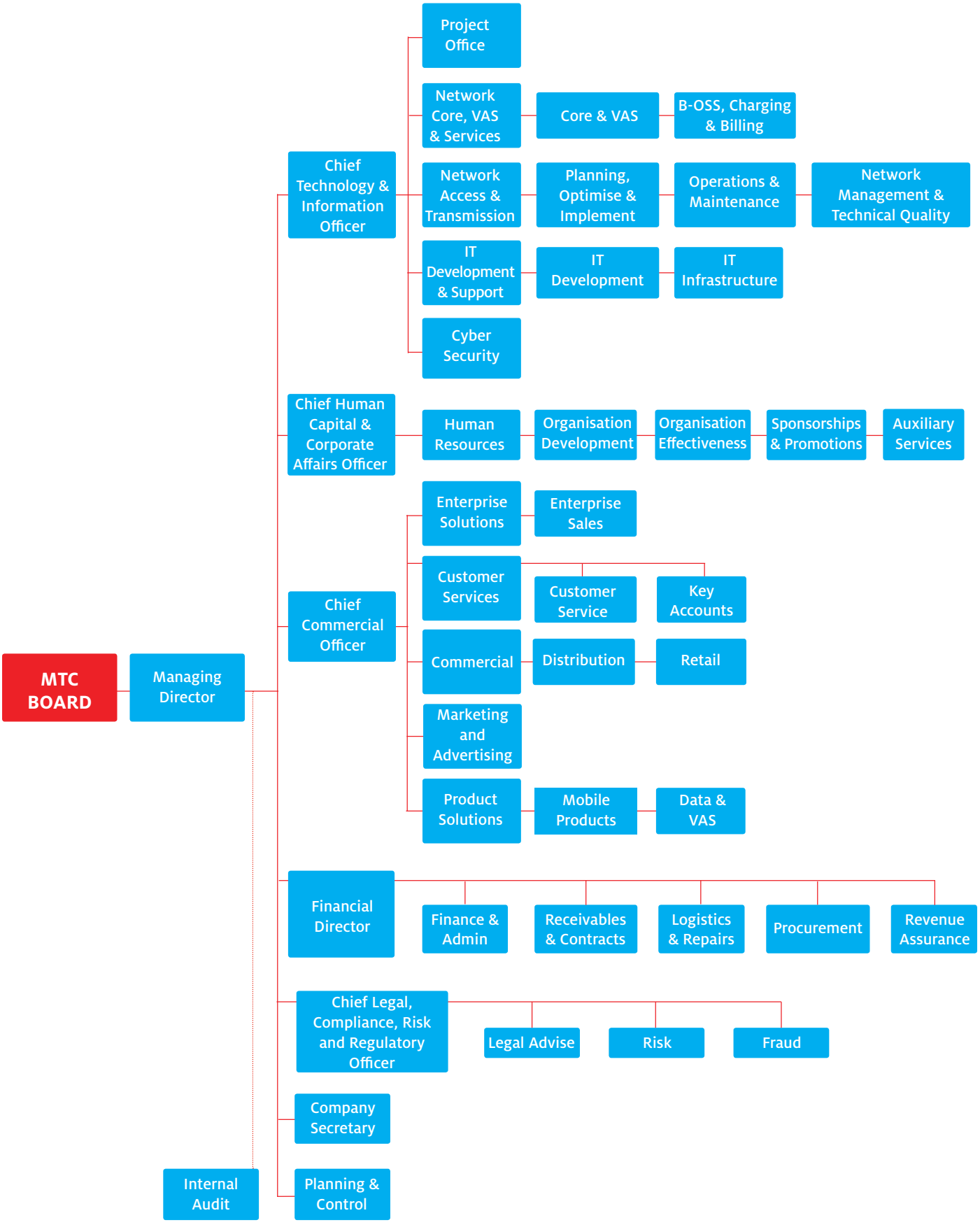


Figure 17. MTC Organisational Structure

6.4 Marketing and Brand

MTC is a well-established brand that has been a pioneer in the Namibian telecoms industry for the past 27 years. Namibians declared MTC as the Most Admired Brand in 2020 and 2021 according to the Brand Survey that was conducted by Brand Africa.

With 2.469 million active subscribers, the brand enjoys more than 100% market penetration. MTC invests in world-class technologies to ensure that customers have access to the best and latest the industry has to offer.

With its tagline "Make the Connection", MTC lives its vision of driving an inclusive Namibian digital economy. MTC's marketing strategy centres around this vision with the focus on sustainability for all stakeholders. Marketing activities are supported by promotions, advertising, sponsorships, events, branding and new product launches.

Through the delivery of innovative products and services, which deliver value for money, the brand's purpose is to improve brand loyalty and brand aspiration. MTC's marketing initiatives are guided by global trends, market research, third party affiliation and identified community needs.

Through future drivers such as 5G, fibre, content, IoT, harnessing big data and MFS, MTC shows that serving its customers more efficiently and effectively will lead them into an exciting future as the world continues to evolve through technology.

MTC's marketing strategy demonstrates how and why MTC is investing in innovation within the digital space in order to improve its products and services and by extension, the customer's experience. Through its digitalisation strategy, MTC uses predictive analytics to serve customers and aims to better understand and serve customers with greater speed and efficiency.

6.4.1 MTC's Advertising Strategy

MTC regularly launches promotions and campaigns that are supported by television, radio, newspapers, the MTC website, social media, digital marketing, exhibitions, road shows and selected face-to-face marketing efforts. The promotions and campaigns focus on being proudly Namibian and how interactions amongst Namibians revolve around ever-evolving technologies.

MTC deploys extensive branding activities throughout Namibia and this is visible in its plan and efforts to brand many notable landmarks. Through aggressive marketing, MTC strives to ensure that every Namibian and visitor to Namibia is aware of its products and services.

MTC's marketing strategy aims to ensure that customers always choose it as their preferred brand. The brand is purpose-driven to enhance customer loyalty which is measured via a Customer Value Management Survey on an annual basis.

6.4.2 Brand Positioning

With the disruption brought on by the COVID-19 pandemic, MTC's brand has been re-aligned to focus on serving and reaching customers through digital channels like the MyMTC App and other self-service online channels. MTC will continue communicating with the larger portion of its customers through key marketing channels such as strategically selected billboards, print media, radio and television.

MTC's brand position endeavours to create awareness of the functional and emotional benefits it offers to customers thereby increasing equity, penetration and encouraging greater consumption volumes.

6.5 Sponsorships

MTC is a leading corporate sponsor in Namibia, with a regular investment of 1% of its annual revenue on sponsorships in the areas of education, health, ICT, sports and arts and culture.

MTC's investment in sports, arts and culture is specifically meant to assist young talented Namibians who aspire to become world-renowned in their area of expertise.

Part of MTC's history is the key role the company played at elevating Namibians at various international events, such as the Junior Welterweight World Unification Boxing fight in 2019 in the United States of America, as well as Namibia's national rugby team, the Welwitschias, participating in the World Cup. Similarly, MTC supports a number of Namibia's musicians who through the Namibia Annual Music Awards have gained a presence and now regularly appear on continental television shows like Trace TV and Channel O.

MTC's sponsorship investment targeting upliftment of communities in which it conducts business, ensures that Namibian sports, arts and culture gets recognised, while making certain that the MTC brand remains the most admired.

In October 2020, MTC announced a significant sponsorship increase with a total investment of N$24 million. The sponsorship areas were carefully selected to ensure that MTC is able to deliver on its promise of assisting Namibians in realising their dreams and aspirations. The selection criteria are amongst others the reach and importance of the event at national level, the governance structure of the beneficiary and the branding opportunity for MTC. The 9 sponsorships areas are:

1. Boxing
   MTC sponsors three (3) of Namibia's top boxing academies, being the MTC Nestor Sunshine Boxing, the MTC Salute Boxing and the MTC Kilimanjaro Boxing academies, which each attract thousands of boxing enthusiasts to the matches. Boxing is by far Namibia's most attended and most popular sports code and has also been the most successful producing over five (5) world champions in the last five (5) years. Although these events take place country-wide, the MTC brand remains visible, creating brand equity and loyalty with every Namibian. Since MTC enjoys naming rights to all the events, its investment of N$6 million per annum secures an excellent brand return on investment.
2. Soccer
   MTC has been the main sponsor of the MTC Namibia Premier Soccer League for the last 16 years, a relationship that came to an end in 2020 due to the suspension of the Namibia Premier League by FIFA. MTC has stayed true to the sports code and announced an investment of N$4.5 million per annum into the MTC Namibia Football Association Cup which is open for local teams to compete in. MTC will continue to sponsor the annual Dr Hage Geingob Cup which is one of the most successful soccer competitions and offers Namibia's national team, the Brave Warriors, the opportunity to compete against a different national African team every year. MTC also took on a new beneficiary in the form of the MTC Hopsol Youth Soccer League with an investment of N$500,000 to assist the youth league with the development of talented players for the future. This league caters for more than 3,500 young players starting from U9 to U17.
3. Hockey
   MTC invested N$1 million in the men and women national hockey teams that have performed exceptionally well at continental level with the women's team qualifying for the Indoor World Cup 2022 during the Indoor Africa Cup. The two (2) national teams enjoy top five (5) world rankings and have become a source of national pride. Both teams will proudly wear MTC branded jerseys wherever they compete.
4. Horse Racing
   Horse Racing is an extremely popular sport in Namibia, especially in rural parts of the country. Through the National Horse Racing Association of Namibia, MTC signed up with an investment N$500,000 to sponsor three (3) main events throughout the year named the MTC Derby, in which all horse racing clubs across the country participate.
5. Netball
   Although reasonably popular, netball has been battling to promote itself with no sponsor for the last 10 years. MTC saw opportunity in the sport, through which young girls are able to realise their potential, as is evident in the Namibian Netball Team's recent accomplishment in winning a continental competition. MTC is investing N$1.4 million per annum in order to start the brand-new MTC Namibia Netball League that will see all 14 regions of Namibia participating.
6. National Youth Games
   The National Youth Games bring together all 14 regions of Namibia competing in over 12 different sports codes in preparation for the selection of teams to represent Namibia at the 2023 All Africa Games. MTC's investment of N$5.4 million will facilitate the participation of over 2,500 athletes in the National Youth Games.

7. **Windhoek Fashion Week**
   The MTC Windhoek Fashion Week supports the Namibian fashion industry, fosters closer relationships and educates young entrepreneurs in the industry to develop their own businesses. It has the potential to reach over 50 million potential viewers across the world.

8. **MTC 081Every1 Music Concert**
   The music industry is an important industry in Namibia in which many young Namibians participate. MTC recently concluded a 10-year project as a main sponsor of the Namibian Annual Music Awards. The 081Every1 Music Concert is an annual MTC owned event which brings together local, continental and international artists and is attended to by over 17,000 people and watched by thousands on television. The name of the event promotes MTC's billion dollar 081Every1 project which endeavours to achieve 100% network connectivity.

6.6 Mobile Subscriber Numbers and Usage

MTC's mobile subscriber numbers increased sharply from 2005 onwards, increasing three-fold in the five (5) years from 404,000 in 2005 to 1.534 million in 2010. From 2010 to 2015, steady growth in subscriber numbers was recorded reaching 2.378 million in 2015 and 2.576 million in 2020 (Figure 21). Subscriber numbers declined to 2.469 by 31 May 2021 due to a prepaid lifespan reduction, which MTC introduced on prepaid MSISDN in March 2021.

Data Traffic has increased exponentially with an average increase of 51% year-on-year for the last five (5) years to 65 million GB in 2020. By 31 May 2021 a 15% year-on-year data traffic growth is recorded.

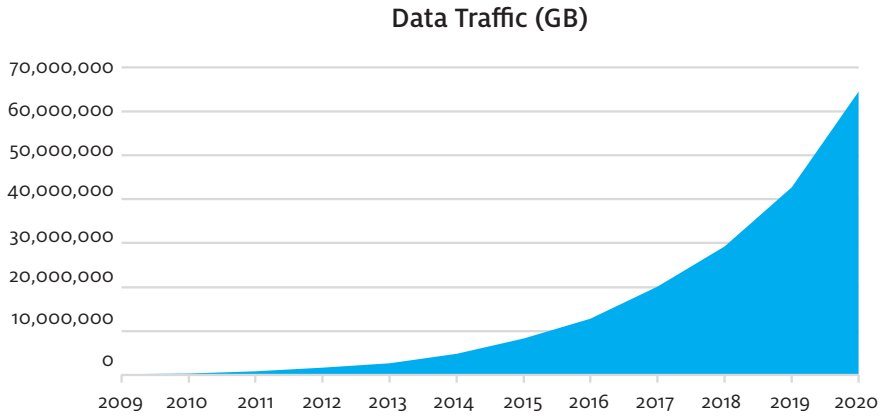


Figure 18. Data Volume per Year

Voice traffic is still steadily growing with an average growth of 9% year-on-year from 2015 to 2020. It is expected that traditional voice usage will slow down, due to the increasing popularity of WhatsApp and other voice over data applications, although MTC has seen a year-on-year growth in voice traffic from 2019 to 2020 of 21% and 15% for the months to 31 May 2021.

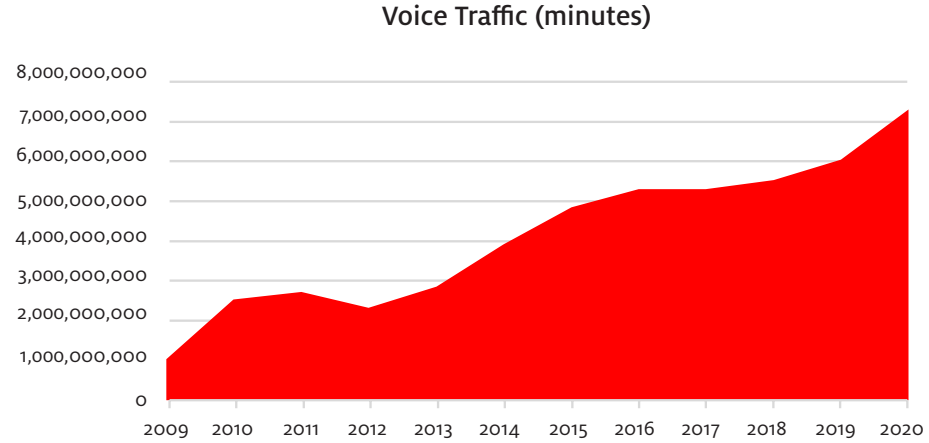


Figure 19. Voice Traffic per Year

SMS traffic has plateaued from 2017 due to customer preference for over the top applications such as WhatsApp.

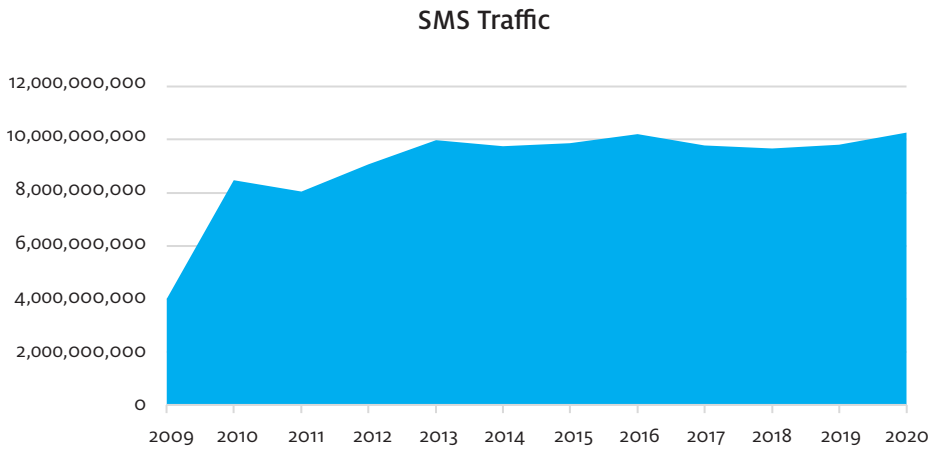


Figure 20. SMS Traffic per Year

6.7 Mobile Products and Services

MTC enjoyed a leading position and market share in the Namibian communications market since its inception. As the leading mobile operator, it enjoys a high level of market support and a strong well-known and well-managed brand. MTC has successfully maintained its market position, retained customers and grown its brand loyalty.

Through aggressive marketing, well-positioned promotions, brand building, sponsorship programmes and value-added services, MTC has leveraged innovative products and services, an accessible nationwide distribution network and infrastructure to entrench a strong market and financial position.

6.7.1 Postpaid Mobile Services

In April 1995, MTC launched with one postpaid service plan with only Voice and SMS services. Since then, MTC has grown its postpaid offering to 34 different service plans (including Voice, SMS, Data with extra Data for social media access), 10 LTE data packages and 10 business solution packages specifically addressing the needs of MTC's corporate customers.

Post-paid offers are primarily on 24-month contracts and include bundled minutes, data, SMS and a device. In 2019, MTC launched a new post-paid product offering more free data and providing the customer with the option to choose whether a phone with an extra instalment fee is to be added or not. 45% of post-paid customers are businesses and 55% are individual customers.

MTC's postpaid service maintained its annual ARPU growth from 2014 to 2018. In 2019 MTC adopted IFRS15 which resulted in a decrease in ARPU of N$66 from N$402 in 2018 to N$346 in 2019. The adoption of IFRS15 has meant the equipment portion of the subscription is reported separately as handset sale revenue and no longer as part of postpaid revenue.

MTC's efforts to increase its postpaid ARPU and retain customers, will be driven by the launch of MTC's loyalty programme, the addition of content services and other value-adding services and the addition of customisable postpaid plans, giving subscribers the opportunity to tailor contract packages according to their needs and budget.

Due to the ongoing economic recession and financial difficulties experienced by many businesses in 2020 largely due to COVID-19 lockdowns, postpaid ARPU declined by 1.8% to N$340 (N$346 in 2019). MTC's postpaid ARPU at 31 May 2021 was N$326, reducing with 4% from 2020, mainly due to the continuous impact of COVID-19 on Namibia.

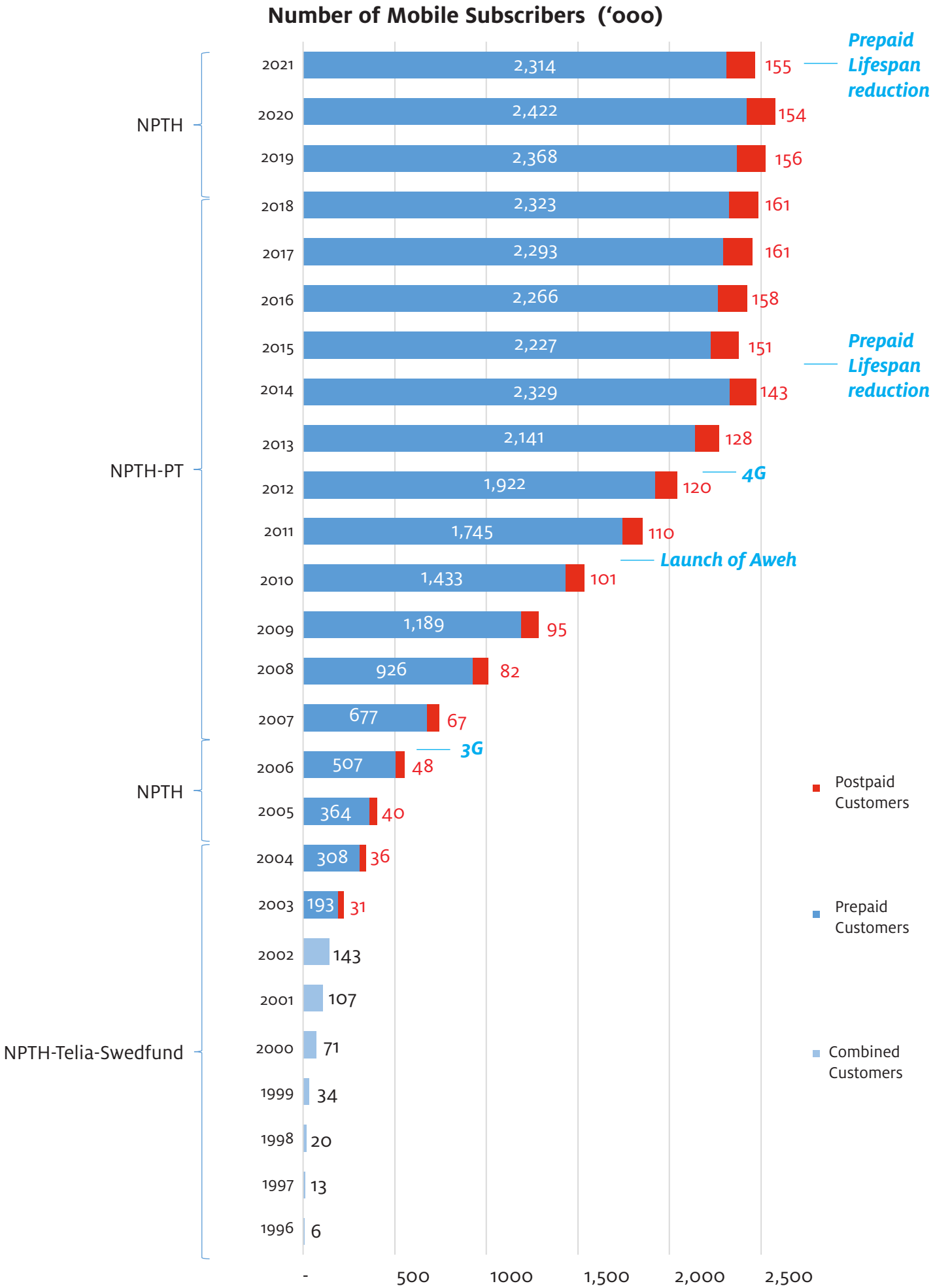


Figure 21. MTC's Mobile Subscriber Numbers

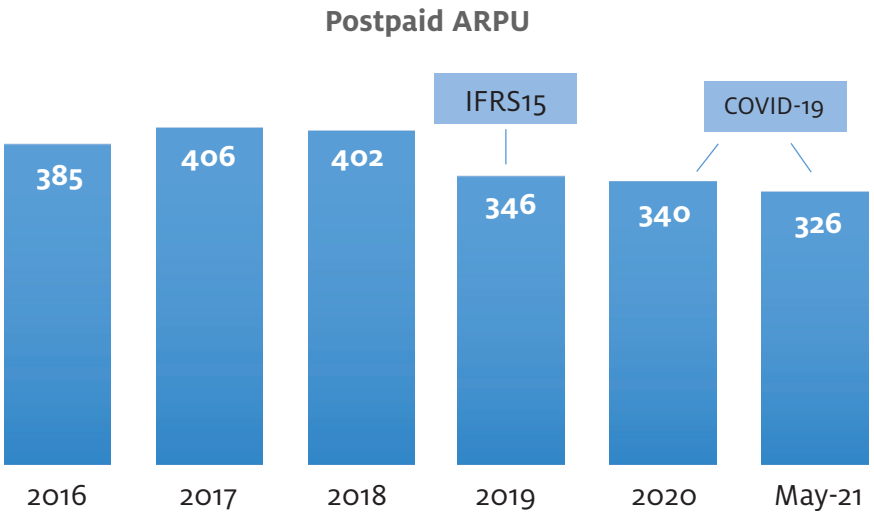


Figure 22. Postpaid ARPU

Self-service is facilitated through MTC's online portal and the MyMTC app where customers can view service and account information, subscribe to and purchase additional service bundles via MTC Online Payments.

The following services are offered to postpaid customers:

1. **Voice service**
   MTC continuously reviews the bundled services offered to postpaid subscribers, to ensure that customers have access to flexible package options.
   In April 2019 new Select and Mobiz service plans were launched for the individual and business customer, respectively, offering device leasing options together with service agreements. In addition, the service plans allow a customer to share inclusive voice and data units with another customer.
   MTC's SmartShare service plans, tailored to meet the needs of families, were also revamped so that customers can share inclusive units with up to five (5) family members.
   MTC currently offers voice and data roaming on more than 335 networks in 146 countries across the globe as a default service to its postpaid customers.

2. **Data service**
   MTC has 10 LTE data service plans on offer in the Netman, Mobiz and SmartShare package groups, with inclusive high speed data starting from 2GB to 125GB per month. Once the customer has consumed the fair use threshold, the speed of data is reduced, but service continues. High speed data can be regained by subscribing to a Turboboost.

3. **Business solution products**
   MTC offers service solutions in the mobile environment to address the specific needs of the corporate and business environment, such as:
   - Least cost routing - calls are routed via the channel with the least cost charge;
   - Tollfree services - calls to a specific number are paid for by the receiving party;
   - PABX services;
   - E1 links/ 2MB links that provide dedicated lines to MTC and its services/ systems;
   - Reverse billing options where the corporate pays for the usage of its customers when accessing the corporate's website and mobile applications; and
   - Telemetry and vehicle tracking packages for business tracking and monitoring.

4. **E-billing**
   To reduce its carbon footprint, MTC encourages customers to opt for free of charge e-Billing (monthly invoice is e-mailed). Printed and posted bills are offered at a monthly charge.

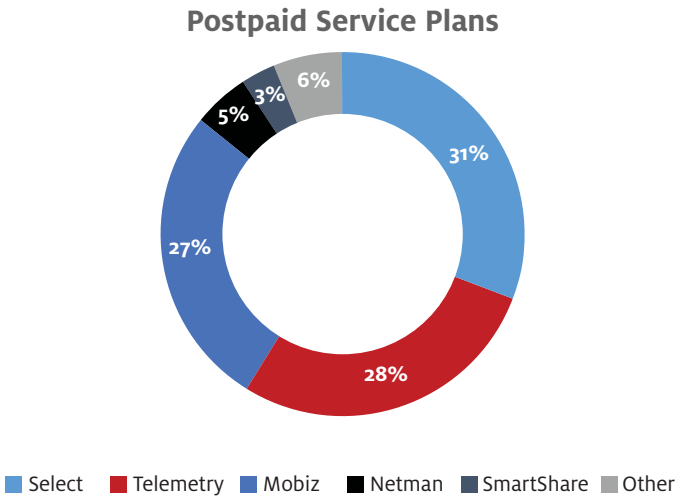


Figure 23. MTC's Postpaid Service Plans (May 2021)

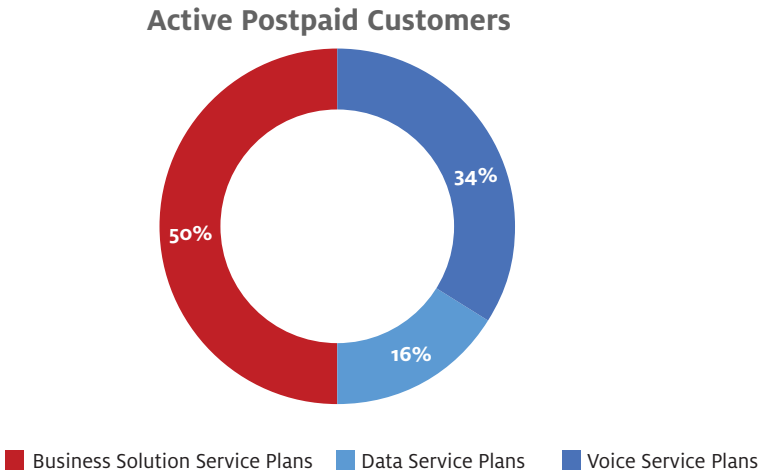


Figure 24. Total Active Postpaid Customers as a Percentage (May 2021)

6.7.2 Prepaid Mobile Services

MTC's prepaid service, Tango, was launched in 1999 for customers who prefer flexibility without a monthly contractual obligation. The prepaid service plan enjoys lifetime access to MTC's network, provided at least one chargeable event is made every 30 days. In 2010, MTC took to market Aweh, a collection of bundled add-on subscription services, to which any prepaid Tango customer can subscribe as an addition to their baseline prepaid service.

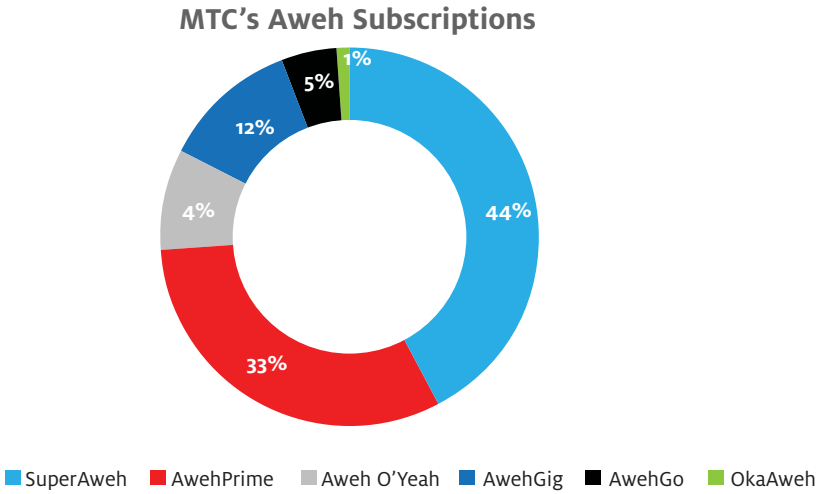


Figure 25. MTC's Prepaid Aweh Subscription Options (May 2021)

MTC continuously reviews offers to remain competitive and to ensure it provides products that cater to changing customer needs and technology. In 2019, MTC revamped its Super Aweh subscription and in 2020 added top-up bundles for SuperAweh and AwehPrime, which has proven to be very popular with customers (see Figure 26 hereunder).

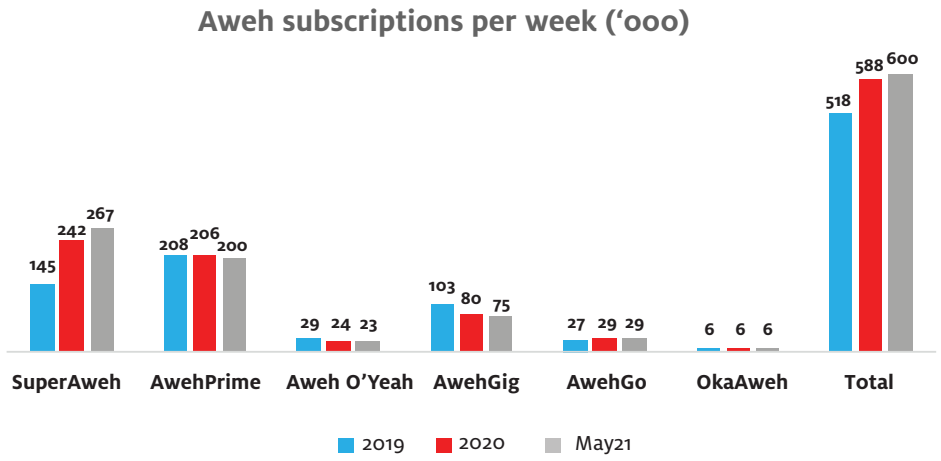


Figure 26. Average Aweh subscriptions per week for September 2019, 2020 and May 2021

As a result of revamping some Aweh bundles in 2019 and adding top-up bundles to SuperAweh and AwehPrime in 2020, MTC achieved a prepaid ARPU of N$56. In contrast with the global industry trend of a declining prepaid ARPU, MTC has achieved a 5.3% annual growth in prepaid ARPU from 2019 to 2020 and a compounded annual growth of 3.2% from 2015 to 2020. By 31 May 2021, MTC's prepaid ARPU reached N$61, growing 9% from 2020. 5% of the growth is contributed due to the shortening of the lifecycle of prepaid SIMs in March 2021, reducing the prepaid subscribers' count. The remaining 4% growth is due to an increase in subscriber demand for MTC's services.

This growth in prepaid, is driven largely by MTC actively reviewing and expanding its Aweh data subscription services, such as allowing multiple Aweh subscriptions, the lending of airtime through MTC's Taamba offering and new digital streaming and content services. With more customers spending time online due to the changes COVID-19 brought, MTC's focus on offering more data has driven the demand for and the increase in data usage.

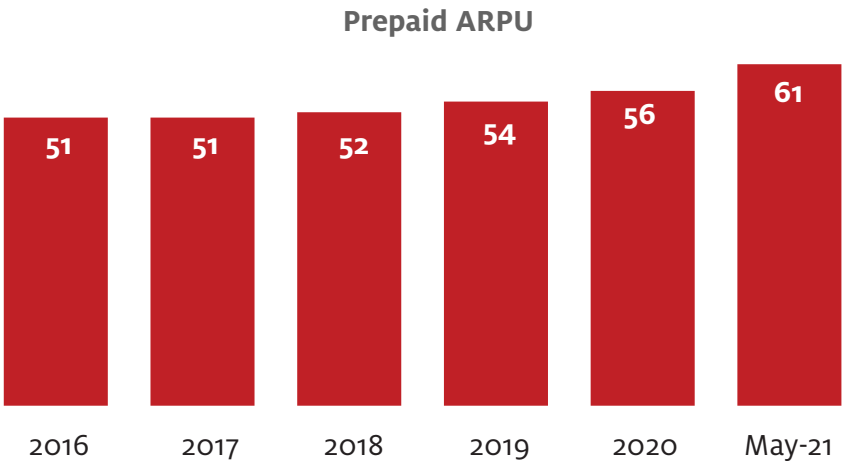


Figure 27. MTC's Prepaid ARPU

Customers have various options to choose from MTC's prepaid brand:

1. Tango Per Second is the default package and charges at per second intervals;
2. MTC's most popular prepaid package is T49, which offers affordable call rates. Customers are rewarded with free SMS's and even lower call rates when recharging. The bulk of prepaid customers are subscribed to T49;
3. a small number of prepaid customers are subscribed to Tango Per Minute; and
4. any prepaid customer can subscribe to Aweh, which is a 7-day bundle which includes call minutes, SMS and data at affordable charges. Customers have an option of six (6) different Aweh bundles, ranging from N$6.00 to N$53.00 per subscription, each tailored with a specific customer in mind.

6.7.3 Services offered to both postpaid and prepaid customers

MTC offers a range of bundled subscription services available to both postpaid and prepaid customers, some of which are linked to specific service plans.

1. International Voice Bundles - offering reduced international tariffs to various destinations such as South Africa, Angola, China and EU countries;
2. Recharge and Credit Transfer – all customers are able to top-up with recharge vouchers and the credit can be transferred to any other MTC number;
3. Streaming Bundles – offering data access to video on demand sites and service providers; and
4. Taamba Advance and Taamba Gifting – a service whereby a customer has access to add-on bundles as a short-term advance or loan for airtime, as well as being able to send a choice of data bundle gifts to another MTC customer.

6.7.4 Value Adding Services

MTC is acutely aware of a number of threats from market developments including over-the-top applications such as WhatsApp, Telegram, Zoom etc. which have the potential to affect any mobile operators' revenue growth, especially in terms of voice revenue.

As MTC moves to implement its Enterprise Solutions Business model, there is a need to ensure that existing customers continue to enjoy the benefits and are retained with additional value-added services.

Content Services

MTC's end-to-end, managed value-added services platform provides content via web applications, SMS and other messaging technologies like USSD. The platform offers digital content services and customers can browse the news, catch up on the latest premium local and international content, including live sport scores, match updates, rankings, weather updates, horoscopes and more. Content is available in English and other local languages.

Video

MTC's primary objective is to drive data revenue through premium video content, which is accessible via smartphones and internet-enabled feature phones.

Over the last financial year, 2020, MTC has seen a rise in demand for content, representing revenue of over N$60 million. MTC has identified that the future of value-added services lies in offering relevant content at competitive prices and is committed to building innovate digital services for its customers. To this end, MTC launched its TikTok Bundle, which allows video viewing via the TikTok application in June 2020.

6.8 Fixed Services

6.8.1 Enterprise and Home Connectivity

The enterprise market is a new revenue stream for MTC and MTC is gearing itself towards providing advanced technologies to offer enterprise's fibre-to-the-office and fibre-to-the-home connectivity and value-added enterprise services, such as Cloud PBX and Secure Cloud Facilities.

MTC launched its Spectra Enterprise and Spectra Home offers in October 2019. MTC's Spectra product range is based on broadband data connectivity and delivers a fast and stable internet connection at affordable prices. Dedicated high-speed wireless and fibre allows MTC to deliver secure B2B and B2C services.

In February 2020 MTC announced a discounted sign-on promotion for its Spectra service plans. Following an increase in demand for work-from-home solutions due to COVID-19, MTC has seen a sharp uptake of Spectra with an average customer growth month on month of 42% during 2020, which continued in 2021 with 34% growth. The fast deployment of fixed services through point-to-multipoint technology has enabled MTC to tap into the fixed market at a rapid pace.

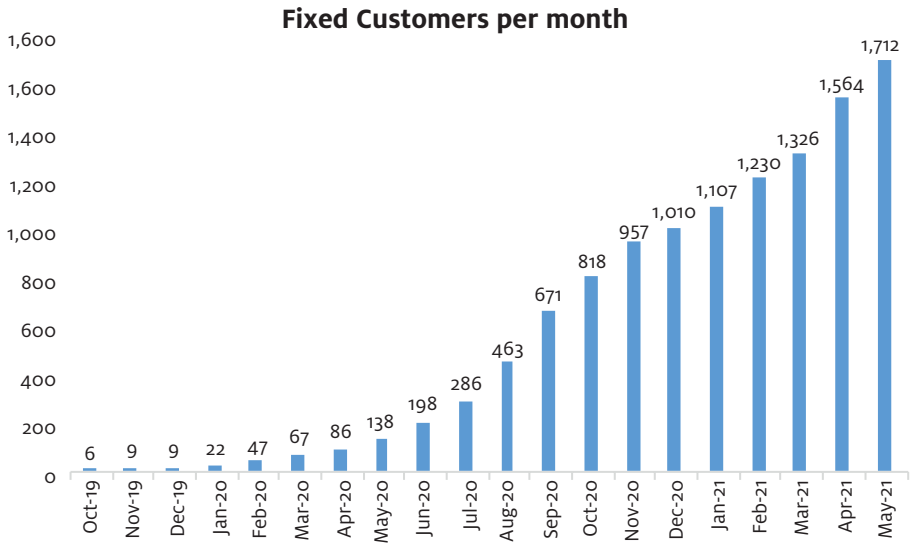


Figure 28. Fixed Service Connections per Month

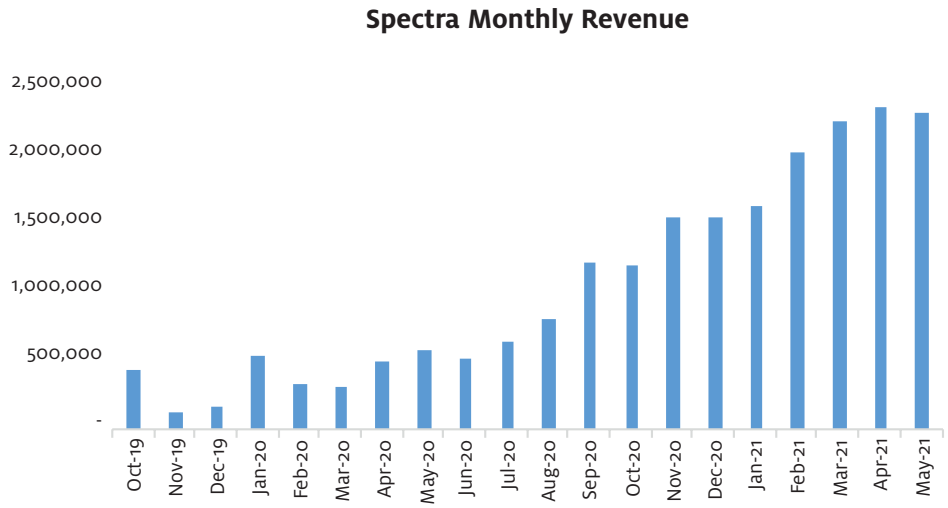


Figure 29. Fixed Services Revenue per Month

6.8.2 Secure Cloud

MTC announced its Secure Cloud service in November 2018 and offers the platform as a service for back-up and disaster recovery while also growing its portfolio of offerings to business customers. MTC's Secure Cloud is a hosted solution whereby a combination of applications, technologies and customised information technology services are bundled for business customers, which presents a significant cost reduction in terms of capital outlay and maintenance costs for the customer. As at 31 May 2021, MTC recorded a customer count of 4.

6.8.3 Hosted PBX

MTC launched its Cirrus Cloud PBX in November 2019. MTC's Cirrus Cloud PBX is a hosted solution using a unique combination of best-in-class technologies to deliver innovative telephony to businesses. Being a hosted solution, Cirrus Cloud PBX significantly reduces the customer's initial capital outlay, as well as its maintenance cost. The service allows businesses to make and receive calls to and from all service providers, whether local, national, international or mobile. As at 31 May 2021, MTC recorded a customer count of 5.

6.9 Customer Management

6.9.1 Customer Life Cycle and Relationship Management

MTC's approach towards the customer lifecycle is focused on 3 core customer management processes; namely customer retention, customer development and customer value addition.

6.9.2 Customer Retention

Customer retention is the maintenance of a continuous relationship with customers over the long term and counteracts the propensity of customer churn or defection.

At the centre of its strategy, MTC has its customer and aims to differentiate itself from competitors and address market saturation through a combination of the following:

1. **Customer-first approach**
   MTC has demonstrated success in delivering value-added solutions for customers across their operations. MTC achieves this through its insight, capability and agreements with local and international smart partnerships such as Ericsson, Accenture, CSG and Huawei in order to provide a comprehensive service offering. MTC aims to deliver improved performance, agility and positive cost outcomes for its customers. MTC aspires to be the customer's trusted ICT and digital enabler, supported by long term engagements through strategic partnerships.
2. **Simple, all-in-one provider**
   MTC believes in providing ICT simplicity to its customers through its wide range of service offerings.
3. **Management and optimisation**
   Through its dedicated staff complement and that of its suppliers, MTC engages with customers and resolves issues within acceptable service levels on a 24/7 basis, thereby ensuring that optimal network capacity is provided.
4. **Continental operational advantage**
   MTC maintains its network to ensure customer demand for voice and data communication is met. Additionally, MTC has access to research and development capabilities through smart partnerships with key suppliers such as Ericsson, Accenture, CSG and Huawei, in order to remain globally competitive, while focusing on product development.
5. **Customer centred approach**
   MTC's strategy is to acquire and retain the customer so that a maximum return on investment into future-focused infrastructure can be earned. Furthermore, MTC aims to introduce custom-made solutions using existing infrastructure, while focusing on cloud and fibre services and expanding its data offering. MTC customers now experience customer care in the palm of their hands via MTC's contact points facilitated through WhatsApp Business, Facebook Messenger and Webchat on its website.
6. **Customer touchpoint management**
   MTC closely monitors and measures the quality of customer touchpoints - any time a customer comes in contact with the MTC brand. Customers can reach MTC by phone at its 24/7 Contact Centre, via e-mail and through Webchat on MTC's website, WhatsApp and Facebook Messenger.
7. **Service quality management**
   MTC's management practices are geared towards the improvement of performance and include executive management support and commitment, employee involvement, customer focus, employee training and

development, quality product and service design. It remains MTC's endeavour to deliver packages and services exceeding customer expectations and requirements.

8. **Customer Satisfaction Index**

MTC measures customer satisfaction through various indexes:

- Customer Value Management Survey – MTC's main survey on the overall customer experience with MTC, conducted by an external consultant once a year.
- Service Quality Assessments – A quarterly ghost caller process into the customer contact centre to measure soft skills and knowledge.
- Customer Satisfaction Survey's – A quarterly customer satisfaction survey process where MTC measures service delivered by all MTC's physical touchpoints being retail, enterprise, customer care, dealer network and reception.
- Mystery Shoppers – A quarterly mystery visit/ shopping excursion into Mobilehomes to measure customer interaction, staff knowledge and the appearance of outlets.
- After Service Feedback Model – A process whereby the customer is engaged to share the level of satisfaction on the service delivered at the customer contact centre and the Mobilehome outlet after every interaction via SMS. Customers are able to register levels of satisfaction. Supervisors are notified if sub-standard service is registered after which remedial action is taken.
- Queuing Time against Service Level Agreements – A process whereby the efficiency of the response to MTC customer requests or queries is delivered at all touchpoints.

Table 2. MTC Target Service Level Agreements

Customer Contact Centre	Answer 90% of all incoming calls within 20 seconds
	Respond to, acknowledge and log 95% of all incoming written communications or complaints within 30 minutes.
Mobilehomes	Respond to 95% of all customers in the queue within 10 minutes
	Handle or serve a customer efficiently on an average of 10 to 15 minutes service time.
Service Plan Administration	Perform renewals within 24 hours of receiving the customer approval and signature
	Activate new contracts within 32 hours of receiving the customer approval and signature

9. **Customer Lifetime Value**

A process whereby the relationship between MTC and its customer is measured. This process aims to attract and maintain customers, enhance their value and loyalty, and establish customer-oriented strategies. Aspects such a frequency of purchase, monetary value of purchase, time lapse between purchase and consumption is taken into account and MTC resources are allocated to each customer (for example rewards or tokens of appreciation, loyalty management).

10. **Relationship Marketing**

MTC believes that interacting with customers on a regular one-on-one basis, personalising their experiences and implementing tools like chatbots and automated email sequences helps in achieving a life-long relationship with its customers. MTC achieves long relationships with customers through the following strategies:

- B2B relationship management, through the acquisition, retention and development of customers;
- Event-based marketing to support the overall marketing campaigns;
- Customised offers and communication towards a specific or unique customer segment; and
- Channel integration whereby the same experience is delivered no matter what channel is selected by the customer (whether through MTC Mobilehomes, the MTC website or contact centre).

6.9.3 Customer Loyalty Programme

The goal for MTC's Customer Loyalty Programme is to increase brand loyalty, improve sales and to encourage the customer to interact with MTC regularly.

By increasing retention and purchase loyalty, MTC ensures that customers interact with the MTC brand over a longer time and at greater frequency.

By offering customers reasons to stick with MTC, customer retention is spurred and the effort and cost of acquiring new customers is reduced. Personalized rewards and offers encourage customers to consume more thereby driving an increase in revenue.

The MTC Customer Loyalty Programme aims to award valuable customers and will encourage customers to participate to a greater extent, thereby driving customer retention.

6.9.4 Customer Development

Customer Development is the process of growing the value of each retained customer, which MTC achieves through cross-selling and up-selling products and services to the customer.

6.9.5 Customer Value Addition

Offering various types of value-added services enables MTC to distinguish itself from competitors. Additional value offers provide customers with advantages beyond their requirements including MTC's Freemail service, voice mail, balance checks, top up, SMS feedback service and many others.

6.9.6 Customer Profile and Demographics

As at September 2020, MTC's customer base totalled 2.576 million active subscribers (31 May 2021 2.469 million), with a blended mobile ARPU of N$87.40 per month for 2020 compared to N$91.80 for 31 May 2021 (Table 4). Despite the fact that customer numbers have stabilized, MTC's blended ARPU is still growing at a compounded five (5) year average of 2.5%. In March 2021, MTC shortened the lifecycle of prepaid SIMs, resulting in a decrease in the customer count from 2020.

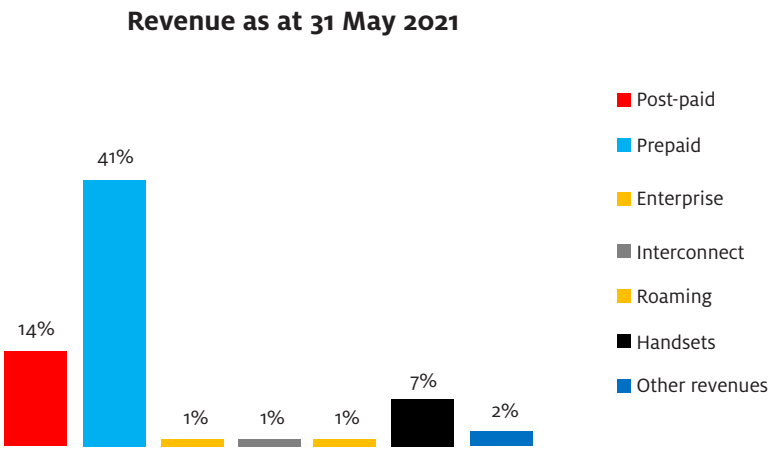


Figure 30. MTC's Revenue split

As at 30 September 2020, the ARPU per postpaid customer was N$340 (31 May 2021 N$326.00), excluding equipment installments and N$56.00 per prepaid customer (31 May 2021 N$61.00).


Go from
hairdresser to
shareholder
#GetThere with MTC

Table 3. Product Segmentation

MTC's products are designed to cover the segments of:

	Postpaid Voice	Prepaid Voice	Mobile Data	Fixed Data, Solutions
Individual Customers	Select	Tango	Netman Turboboost	-
Family Customers	SmartShare	Tango	Netman Turboboost	Spectra Home
Small and Medium sized Businesses	Mobiz		Netman Turboboost	Spectra Enterprise
Large Corporations	Mobiz, Corporate			Secure Cloud, Spectra Enterprise, Cirrus PBX



Figure 31. MTC's Customer Communication is Targeted at and Delivered to each Segment.

Mandatory customer registration legislation has not yet been passed in Namibia, so the bulk of MTC's Customers remain anonymous and MTC does not have insight into the real demographics of its prepaid customer base, although customer behaviour trends are visible.

More than ever before, customers are value and price conscious and will migrate to whichever service and product plan offers the most convenience, ease and value at the best price.

In order to offer customers more value for the same money and even more value for a marginally higher price, MTC focuses on basing all service plans on a subscription principle, the uptake of which is popular as is evident from customer behaviour (see Figure 32).

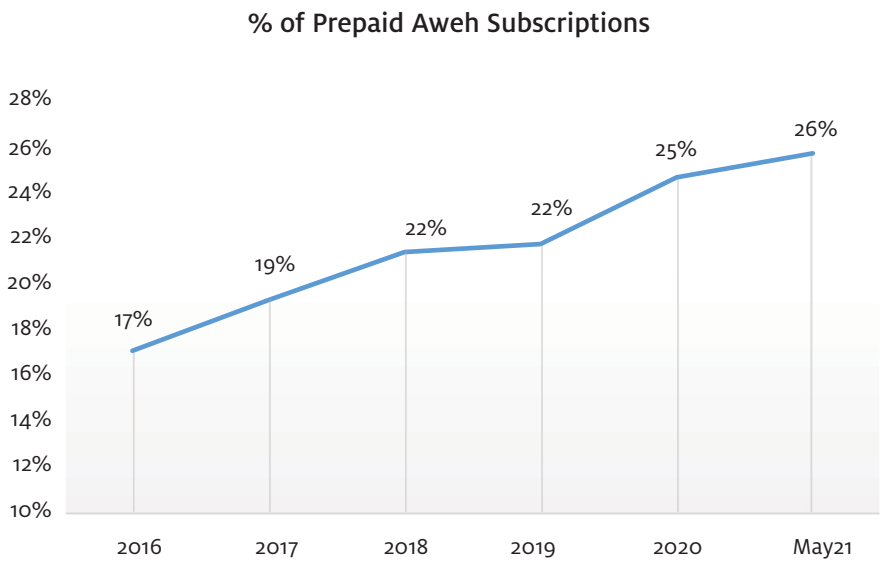


Figure 32. Customer Uptake of Aweh, MTC's Prepaid Subscription Service

Prepaid customers have supplemented their standard prepaid service plans to adopt Aweh subscriptions. Postpaid customers are renewing their contracts and have opted for the Select and Mobiz service plans that offer more value for approximately the same monthly spend.

Table 4. MTC's Key Indicators

	Sept 2012	Sept 2013	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018	Sept 2019	Sept 2020	May 2021
Market Data										
• Population (m) (Worldometres, 2020)	2.19	2.23	2.27	2.31	2.36	2.40	2.45	2.49	2.54	2.59
Namibia's Mobile Penetration	**96%**	**105%**	**113%**	**107%**	**110%**	**110%**	**111%**	**111%**	**112%**	**111%**
MTC market share	**97%**	**97%**	**96%**	**96%**	**94%**	**93%**	**92%**	**92%**	**90%**	**90%**
MTC subscribers (millions)	**2.043**	**2.270**	**2.472**	**2.378**	**2.424**	**2.454**	**2.485**	**2.524**	**2.576**	**2.469**
• Annual growth rate		11%	9%	-4%	2%	1%	1%	2%	2%	2%
Blended ARPU (N$/month)	**66.5**	**68.2**	**69.9**	**73.1**	**77.5**	**79.1**	**79.8**	**77.7***	**79.6**	**81**

* The adoption of IFRS15 in 2019 has the equipment portion of the subscription reported separately as handset revenue and no longer as part of postpaid revenue.

6.10 MTC Distribution Network

Much of MTC's success lies in its ability to reach its customer, no matter where in Namibia. MTC has built a strong sales and distribution network, fulfilling the basic concept of being able to sell the right product to the right customer at the price that he/she can afford, through the selection of an appropriate sales channel.

MTC's distribution network has various layers, namely:

- 34 MTC-owned outlets called Mobilehomes;
- agreements forged with 29 large dealerships, which distribute to smaller outlets like fuel stations, chain stores, corner shops and street vendors;
- agreements with commercial banks which make MTC's services available to their customers; and
- MTC's online presence via its website and the MyMTC app.

Part of MTC's distribution strategy is to brand every outlet, as well as paint the exterior in its distinctive MTC-blue colour. In a single year a total of 368 informal outlets and 30 prime locations were painted in MTC colours as part of MTC's brand-building drive. Signage was replaced at more than 2,000 dealerships selling MTC's airtime and products. This continuous approach has resulted in the visibility of MTC's brand and built its presence in the remotest of towns, settlements and villages and directly contributes to improving customer service and retaining MTC's market share.

The bulk of MTC's airtime is sold through physical outlets, which include 29 large dealership stores and activation points which distribute to a multitude of small retailers, including the informal retail market on the street corner.

MTC's dealership network represents MTC in areas where it has no Mobilehome and ensures that MTC is able to offer services to its customers nationwide. MTC regards its authorised dealerships as channel partners, as they source and sell handsets and devices, as well as airtime vouchers, directly to MTC's customers. In addition to selling airtime and handsets, MTC's authorised dealerships are also involved in customer acquisition, data and device set-up and activation, contract renewal services and SIM replacements.

MTC's dealership strategy is driven by the following key objectives:

- grow customers through the MTC dealer network;
- stimulate airtime sales and retain customers through the dealer network;
- increase ARPU through the dealer channel customer base; and
- support established dealers and empower new (smaller) dealers.

Currently MTC hosts four (4) types of dealership categories:

1. Contract dealerships which are all external vendors or businesses that serve MTC customers with postpaid support, as well as signing up or renewing postpaid contracts;
2. PoP dealerships are external vendors or businesses that provide services to remote MTC customers (services include selling airtime vouchers, providing SIM replacements, change of details and general queries);
3. Tango dealerships are external vendors or businesses that sell and promote MTC's prepaid services; and
4. e-trading, facilitated through MTC branded and third-party vending machines which offer airtime and prepayments. The MTC e-Recharge platform enables street vendors to earn commission when they sell airtime via their mobile phones. In addition, MTC top-ups and airtime sales are currently also available through the leading commercial banks internet banking platforms.

Table 5. Number of MTC Dealerships (IFS, MTC's ERP, 2020)

Dealership type	Count by Type of Dealership
PoP and contract dealership	15
PoP only	3
Tango dealership	11
Grand Total	**29**

MTC dealerships earn commission on every completed transaction with a customer on behalf of MTC. As an authorised MTC dealership, the outlet must ensure MTC product availability across all MTC's products and services, so that the dealership is able to function as an extended MTC customer service touchpoint.

About 67% of MTC's prepaid market is serviced through MTC's dealership distribution network by way of point of sales systems, vending machines and mobile apps, which enhances customer convenience and reduce the time and effort required to top-up airtime. First National Bank, Bank Windhoek, Airtime City, Nampost, Independent Traders of Namibia and Kavango Discounters are MTC's largest prepaid distributors.

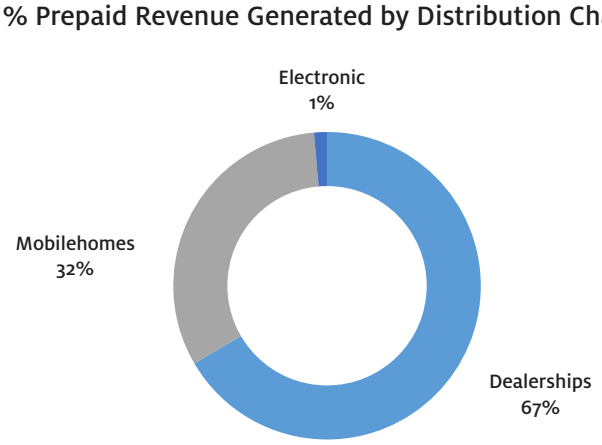


Figure 33. Percentage Prepaid revenue generated per Distribution Channel (2020)

A team of MTC field service consultants are responsible for MTC's dealership network and ensure that:

- point of sales information and material is distributed on time;
- dealerships are abreast of product and campaign knowledge, so that they are able to serve customers well;
- dealership performance is monitored and maintained as per agreement;
- dealerships are supported in terms of market and demographic information as well as competitor analysis;
- opportunities and new potential retailers are identified, thereby growing MTC's footprint in all towns, settlements and villages where MTC has network coverage; and
- support is provided in terms of point of sale programmes and trade marketing initiatives.

6.11 Network Coverage and Infrastructure

6.11.1 Mobile Access Network

MTC's mobile network architecture is a single RAN, which allows MTC to support multiple mobile technologies on its network. MTC's RAN architecture utilises software defined radios, which support multiple mobile communication standards.

MTC's supplier for its RAN is Huawei, an industry leader in both mobile and fixed communication, which is on the forefront of cutting-edge research and development of new technologies and features.

MTC owns a large proportion of its tower infrastructure (see Annexure 15) and carefully considers tower sharing with other operators. Tower sharing and the use of existing infrastructure reduces capital expenditure and allows for faster site rollouts throughout the country.

MTC continuously upgrades and improves its RAN by expanding its coverage (currently at 97% population coverage) and capacity by building new sites and adding additional high speed data layers to existing radio sites (adding a 3rd generation layer (3G-UMTS) to existing 2nd generation (2G-GSM) sites and 4th generation (4G-LTE) to existing 3rd generation (3G-UMTS) sites).

MTC utilises allocated spectrum to its fullest capacity, for example the 900MHz spectrum is used in both 2G, 3G and 4G network expansions (new coverage) in suburban and rural areas. Similarly, 1800MHz and 2100MHz spectrum is used in suburban and urban areas to maximise capacity in a multi-layer configuration for both 3G and 4G data layers.

As at 31 May 2021, 91% of MTC's base stations provide broadband internet (3G), ensuring that 86% of Namibia's health facilities and 85% of the country's schools have access to broadband internet services.

Table 6. MTC Radio Access Network structure

Frequency allocation	Bandwidth	Used For	Application
900MHz	18MHz	2G-GSM, 3G-UMTS, 4G-LTE	Voice and data services in rural, suburban and urban areas
1800MHz	35MHz	2G-DCS, 4G-LTE	Voice and data services in urban and suburban areas
2100MHz	20MHz	3G-UMTS, 4G-LTE	Voice and data services in urban and suburban areas

6.11.2 Network Infrastructure

MTC's mobile network is built on 2G-GSM, 3G-UMTS and 4G-LTE technologies with 4.5G-LTE-A active in selected urban areas. MTC has 2G-GSM services on all its base stations throughout Namibia. 3G-UMTS services are deployed to 91% of MTC's total number of base stations, with 4G-LTE being active on 47% of sites throughout Namibia.

With the exception of a very few sites, GSM900 and UMTS900 is the minimum technology present on MTC's base stations. UMTS2100 and LTE1800/2100 are deployed in suburban and urban areas and are the ideal technologies for mobile broadband data access.

In 2012, MTC was the first network to deploy Huawei's LTE 4T6S in Windhoek's central business district for faster and more robust high speed internet access. As part of its continuous improvement activities, MTC deployed numerous sites using the 900MHz spectrum for 4G-LTE in suburban and rural areas to further enhance the customer experience and usage of mobile broadband data access services.

MTC has ten (10) 2G BSCs geographically separated throughout Namibia, controlling its 2G-GSM base stations. There are three (3) 3G RNCs deployed strategically, controlling MTC's 3G-UMTS NodeBs and connected in a pooling configuration to cater for fast disaster recovery should any failures occur.

MTC owns a vast transmission network that interconnects all its systems. MTC makes use of microwave, satellite, fibre and lease lines to interconnect its network and provide desired redundancy.

Within the MTC network, 39 sites located in extremely remote areas are connected via satellite.

In 2012, MTC entered into a long-term agreement with NamPower to rent dark fibres across Namibia. In order to light its own fibre, MTC constructed some gap fillers interfacing with the NamPower dark fibre grid to interconnect to areas where MTC does not have transmission deployed, in order to guarantee redundancy at all its base station controllers. Added to this, MTC is in the process of deploying its own transmission infrastructure throughout various towns across Namibia, which will bring enormous additional capacity to the customer while reducing MTC's operational expenditure.

MTC's 24-hour NMTQ and customer contact centre respond to network and customer-related queries immediately, while technical standby team members provide further support. MTC is in the process of evolving its NMTQ into a fully-fledged next generation network operation centre, which will further improve MTC's capability by having 360 degree and 24-hour insight to support and deliver customer service, in line with its strategy of customer centricity.

MTC continuously adds to its network. From November 2015 to November 2020 MTC's year-on-year growth in base stations averaged 5% with a total of 172 new sites constructed to carry traffic during this time.

In addition, MTC continues to increase its network capacity, which is evident in the number of sectors (or cells) that have more than doubled since November 2015 to May 2021 (Table 8).

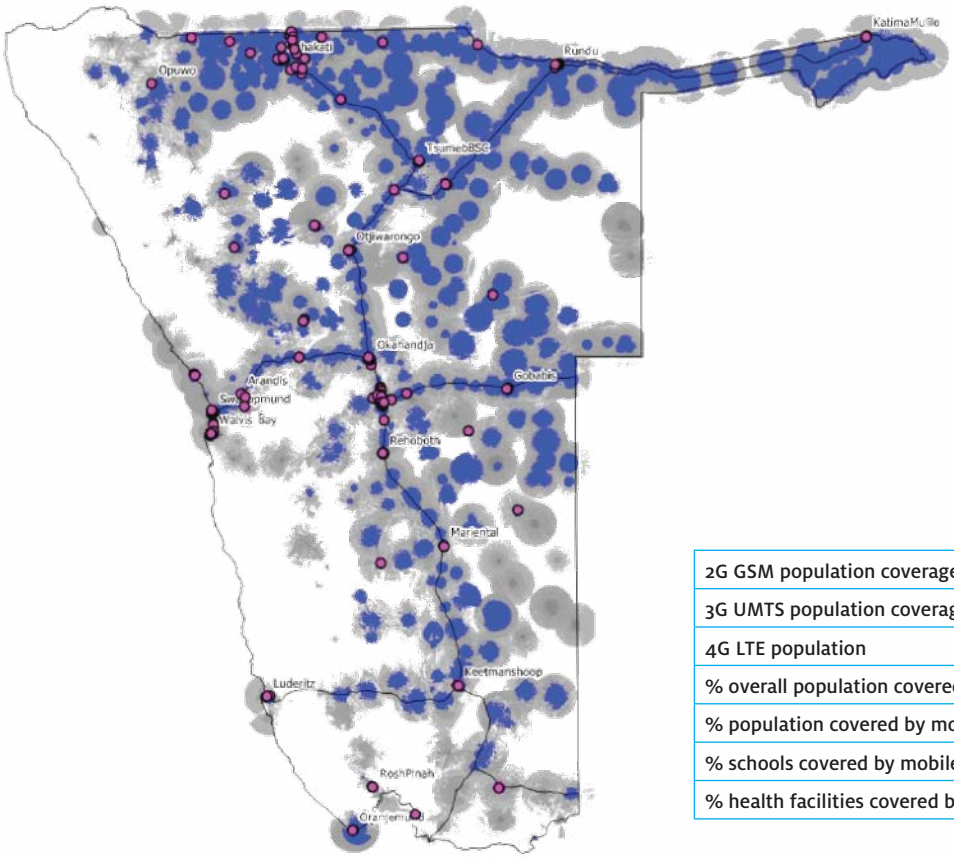
Table 7. Count of physical Sites across Namibia, with a count of technology layers

	Technology Layer Details	Nov 2015	Nov 2016	Nov 2017	Nov 2018	Nov 2019	Nov 2020	May 2021
Total Active sites *		**670**	**687**	**728**	**747**	**815**	**880**	**935**
2G sites		**660**	**663**	**671**	**704**	**805**	**833**	**887**
	2G/G900 layer	660	663	671	704	805	832	885
	2G/G1800 layer	271	271	275	263	244	293	301
3G sites		**224**	**350**	**445**	**600**	**750**	**797**	**863**
	3G/U900 layer	2	74	340	515	687	728	794
	3G/U2100 layer	223	292	343	350	379	422	439
4G sites		**101**	**131**	**193**	**220**	**269**	**317**	**453**
	4G/L1800 layer	101	131	193	220	269	297	362
	4G/L2100 layer	0	0	0	1	27	55	60
	4G/L900 layer	0	0	0	0	1	21	96
4.5G Sites		0	0	24	24	24	24	24
2G Base station Controller		17	17	17	16	10	10	10
3G Radio Network Controller		2	3	3	3	3	3	3

*A physical site can have any combination of 2G, 3G or 4G technology layers.

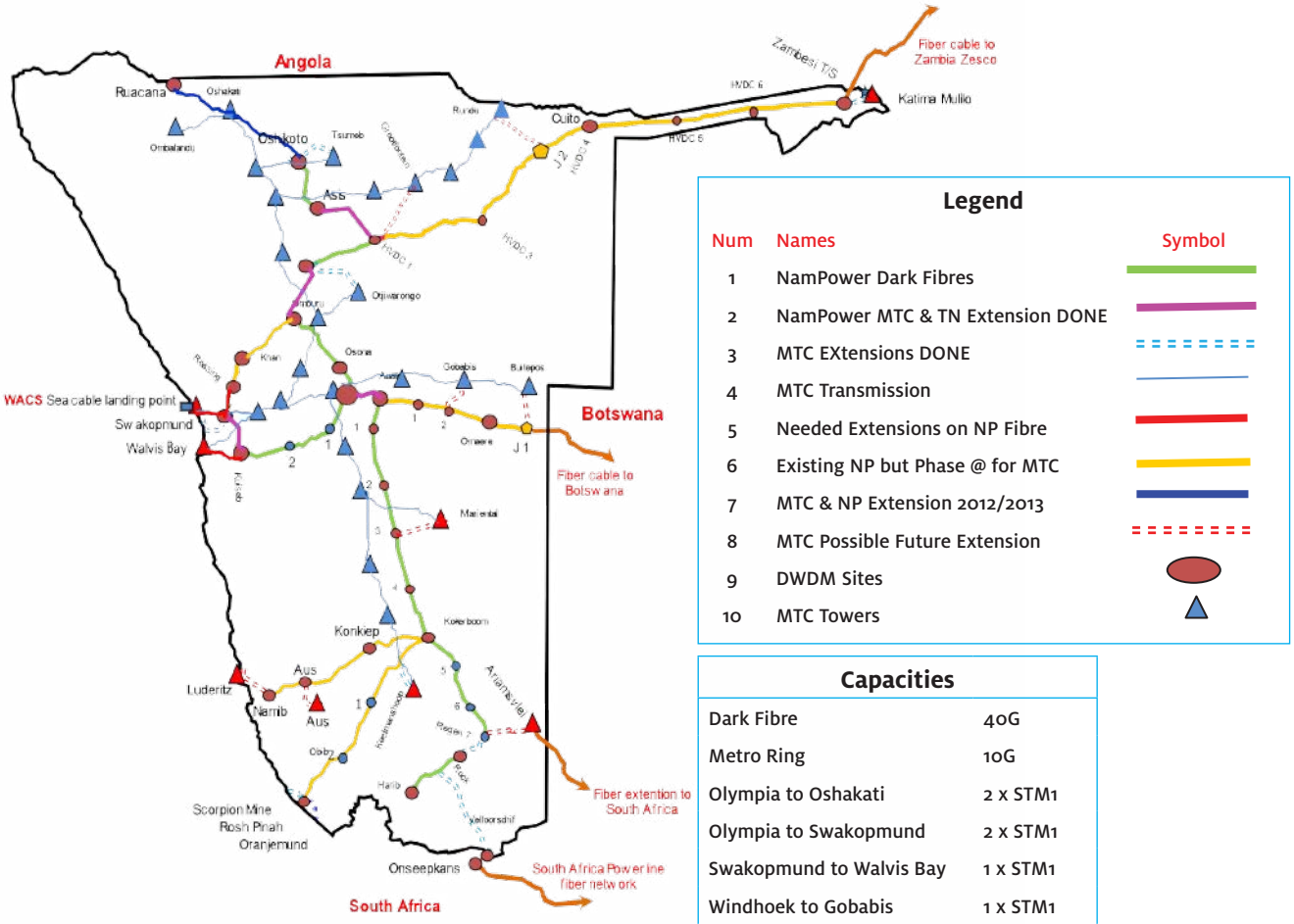
Table 8. Count of Cells across Namibia

	Technology Layer Details	Nov 2015	Nov 2016	Nov 2017	Nov 2018	Nov 2019	Nov 2020	May 2021
Total Active Cells		**4,320**	**6,148**	**8,585**	**9,180**	**10,436**	**10,989**	**12,631**
2G sites		**2,451**	**2,516**	**2,547**	**2,596**	**2,910**	**2,934**	**3,046**
	2G/G900 layer	1,662	1,713	1,733	1,818	2,086	2,110	2,201
	2G/G1800 layer	789	803	814	778	824	824	845
3G sites		**1,572**	**3,216**	**5,260**	**5,678**	**6,515**	**7,198**	**7,437**
	3G/U900 layer	5	218	1,037	1,501	1,904	2,599	2,719
	3G/U2100 layer	1,567	2,947	4,223	4,177	4,611	4,599	4,718
4G sites		**297**	**416**	**778**	**906**	**1,564**	**1,582**	**2,148**
	4G/L1800 layer	297	416	778	900	1,270	1,283	1,619
	4G/L2100 layer	0	0	0	6	234	240	261
	4G/L900 layer	0	0	0	0	60	59	268



2G GSM population coverage		97%
3G UMTS population coverage		88%
4G LTE population		45%
% overall population covered by MTC's network		97%
% population covered by mobile broadband		88%
% schools covered by mobile broadband		85%
% health facilities covered by mobile broadband		86%

Figure 34. Geographical Network Coverage as at May 2021



Legend

Num	Names	Symbol
1	NamPower Dark Fibres	
2	NamPower MTC & TN Extension DONE	
3	MTC EXtensions DONE	
4	MTC Transmission	
5	Needed Extensions on NP Fibre	
6	Existing NP but Phase @ for MTC	
7	MTC & NP Extension 2012/2013	
8	MTC Possible Future Extension	
9	DWDM Sites	
10	MTC Towers	

Capacities

Dark Fibre	40G
Metro Ring	10G
Olympia to Oshakati	2 x STM1
Olympia to Swakopmund	2 x STM1
Swakopmund to Walvis Bay	1 x STM1
Windhoek to Gobabis	1 x STM1
Tsumeb to Rundu	1 x STM1
Windhoek to Keetmanshoop	1 x STM1

Figure 35. MTC's Transmission Backbone (May 2021)

6.11.3 Maintaining MTC's Radio Access Network

Namibia's sparsely populated and vast landscape presents a challenge for any mobile operator in terms of guaranteeing that its network is always operating optimally. It takes careful planning and coordination to manage and maintain MTC's more than 930 base station sites over 824,292 km2 of rugged terrain. To address this, MTC has divided Namibia into two large geographical areas (north and south), which are overseen by two highly skilled engineering controllers, collectively looking after more than 11 teams of skilled radio network engineers deployed across all regions of Namibia. The radio network maintenance teams are headed by team leaders who are skilled and qualified engineering technicians.

The preventative maintenance schedule ensures a mandatory visit to each site twice a year. During this visit the teams (accompanied by sub-contractors as required) check every aspect of the site (be it radio equipment, rigging, cooling, security, power, tower lighting, cleaning the site yard and the like). The engineering teams are trained and able to handle all equipment themselves and continuous learning takes place through ongoing training and on-the-job coaching.

Certain sites require more regular maintenance and the responsible teams schedule ad hoc maintenance visits, for example locations at the coast or in the desert are visited more frequently, in some cases on a monthly basis.

Reactive maintenance is conducted as instructed by MTC's 24-hour NMTQ centre as an alarm is received or raised. At any given time of the day and throughout the year, there are always 11 MTC engineering technicians available and ready to attend to maintenance activities. The engineering technicians deployed across Namibia are supported by level three support teams stationed in Windhoek.

6.12 Service Assurance

As a customer centric operator, MTC places a premium on service assurance, supported by world class technology and a team of experienced professionals. This commitment is evident in MTC's approach to service design and to industry standard adherence.

MTC's approach towards services fulfilment is underpinned and supported by logical and geographic redundancy of all mission critical systems and operations and a business continuity and disaster recovery plan is in place to enable MTC to operate as close to normal as soon as possible after the occurrence of any unexpected interruption of its operations.

In terms of guaranteeing that services continue without interruption, MTC has a fully redundant network for voice, with all base station controllers and radio network controllers integrated into MTC's mobile switching centre pool, which facilitates the efficient distribution and automatic switch-over of traffic between switching centres.

In addition to having a disaster recovery site with redundancies for all its critical systems, MTC's cloud-ready software is deployed in its secure cloud with local redundancy.

As a result of its preparedness, MTC was able to respond to new working-from-home arrangements brought on by COVID-19 swiftly and avoided interruption to its business operations.

In MTC's unrelenting approach to excellence, MTC is in the process of benchmarking its service offerings against the norms set by the ISO.

6.13 Access to the Internet

6.13.1 Point of Presence

MTC has a number of international PoPs located in London (the United Kingdom), Johannesburg and Cape Town (South Africa) and entered into an agreement with undersea cable provider, WACS (landed at Swakopmund), to provide international access and transmission to its PoPs. Through MTC's international partners, it has access to five (5) other undersea cables which are landed in South Africa. This ensures that MTC's internet traffic has full redundancy should a failure occur on any of its links.

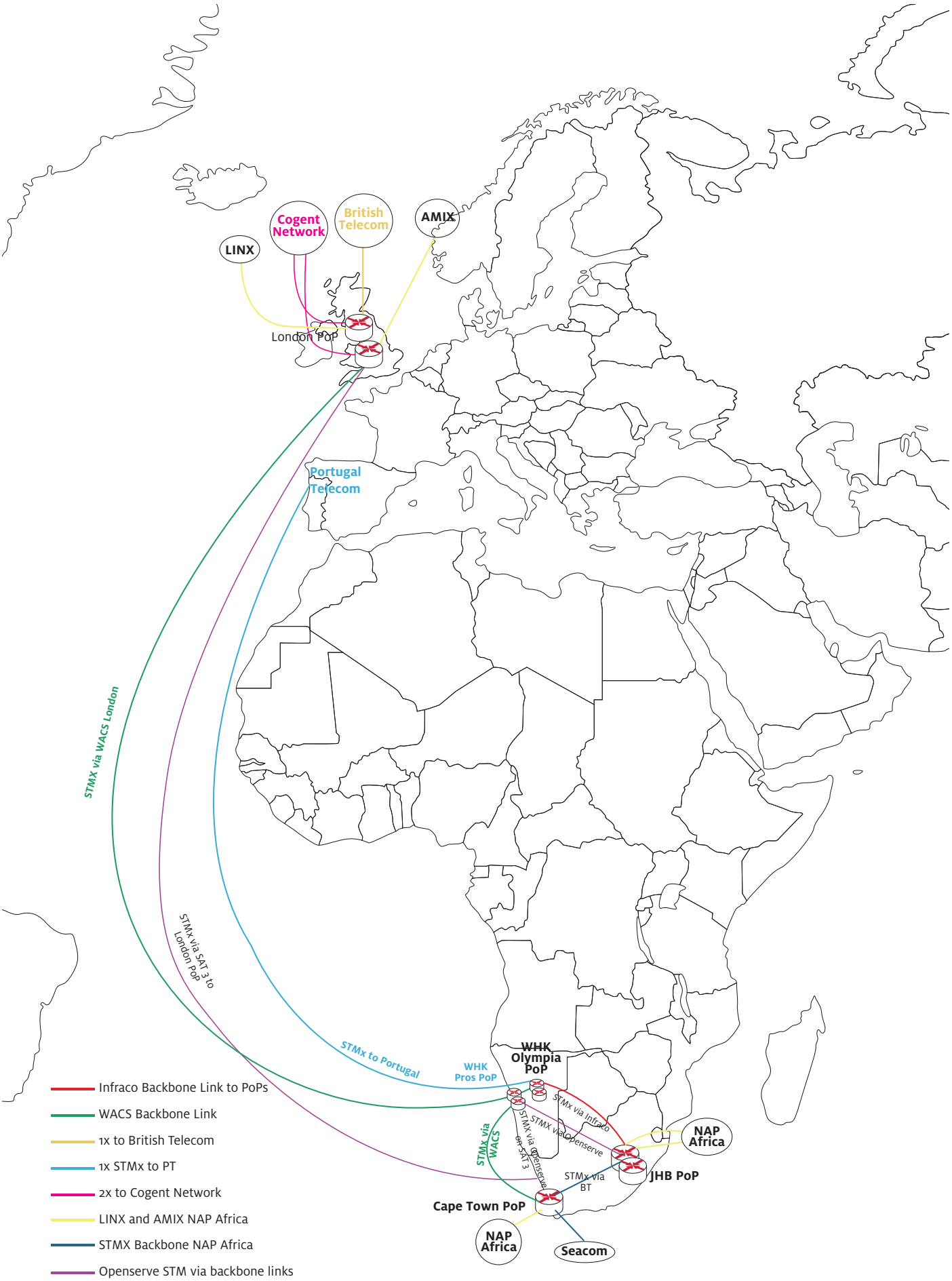


Figure 36. MTC's Internet Point of Presence

6.13.2 Internet Threat Mitigation

MTC's approach to service offerings is that its responsibility extends beyond the edge of its network and it continues to deploy market leading products and services that provide customer safety and protection in the Internet. MTC proudly notes that it received a commendation from a world leading cyber security vendor for its approach towards service and cyber security assurance.

6.14 Interconnect

Interconnect is the principle of operators interconnecting their networks with each other to exchange traffic. Call charges are raised and settled between the originating network (where the call originates from) and the terminating network (where the call terminates).

For all international voice traffic, MTC makes use of the least cost routing model – being the most cost effective route per destination. Where the call quality is compromised, MTC elects not to enforce the least cost routing principle in exchange for enhancing the customer's experience, which is in line with MTC's strategic objective of ensuring a satisfactory customer experience.

6.15 Human Capital Management

6.15.1 MTC Remuneration Philosophy

MTC's Remuneration Strategy is aligned with and in support of its business strategy, while also in line with best practices within the Namibian market. MTC is an equal opportunity employer and maintains appropriate market related remuneration packages for all employees. MTC participates in a salary survey to ensure that remuneration packages are competitive on a bi-annual basis.

Each employee's all-inclusive, total cost to company remuneration package is set within the pay structure, which is reviewed annually. Employees in positions from Paterson Grades C and upwards, may structure their packages within set parameters.

Employees are retained through MTC's retention bonus which celebrates long serving staff every fifth and seventh year of tenure.

6.15.2 Performance Management

MTC has a robust Performance Management System. Every employee has a set of key performance indicators derived from the department's objectives, which in turn are derived from the overall company strategic objectives. Bonuses are paid annually and are awarded based on individual performance, customers' perceptions on MTC's quality of service delivered (obtained via an annual customer satisfaction survey), as well as company performance, which is assessed using the criteria of EBITDA growth, EBITDA minus capex growth and MTC market share. All employees, including the Executive Management team, are measured against their key performance indicators.

MTC has a solid employee value proposition, which serves as a retention strategy. As a young and dynamic company, MTC offers a conducive and innovative working environment and offers employees competitive benefits.

6.15.3 Talent Management

MTC invests in a range of employee training and development initiatives, ensuring that talent is attracted and retained and that an adequate succession pipeline is built to meet the company's human resource requirements in a highly competitive skills market.

MTC has a healthy Talent Management Policy that guides how talent and potential is identified, developed and managed.

MTC's Onboarding Academy ensures that employees are adequately equipped with company information and skills to succeed in their new positions. The MTC Coaching Academy provides leadership development

for supervisors and middle managers, while the MTC Talent Academy is geared to equip consistently good performers with strong potential, identified through the Performance Management System, and includes specialised training as well as leadership development. Over the years the Talent Academy resulted in the promotion of 10 employees into managerial positions and 15 into supervisory roles.

Talent Management includes coaching and mentorship and the MTC Elevate Mentorship Programme was launched in October 2020.

Succession planning and talent management is a key part of addressing the challenge of retaining and developing professionals. The programme is currently under review and will include internationally accepted methods and standards.

Every employee has an individual development plan that details the type of development they will receive in order to close their development gaps and nurture their competencies.

MTC offers employee bursaries, study loans and deployment opportunities to give employees exposure in their areas of study. More than 67 employees in total have received interest free study loans to further their studies. MTC's internal bursary scheme is benefiting 20 employee-students in 2021 (17 students in 2020 and 14 students in 2019). A previous beneficiary of MTC's internal bursary scheme now serves on MTC's Executive Management Committee.

MTC's external bursary scheme contributes to Namibia's national capacity building agenda and broadens MTC's recruitment base. The scheme benefits 6 students annually and to date a total of 96 students have received an MTC bursary.

6.15.4 MTC Ambassador Program

MTC is in the process of implementing an employee ambassadors program, to achieve a mental mind-shift and transform employees from simply being employees to ambassadors. The vision is to make every employee a brand ambassador, carrying the interest and values of the brand and committing on a long term basis to being an ambassador.

6.15.5 Employee Health and Wellness

MTC understands that employee health and wellness is the foundation of its businesses and that providing employees with an opportunity to manage and improve their health, is a winning business strategy.

MTC hosts an annual Wellness Day, during which health practitioners are made available to employees to have overall health checks conducted. An individual health report is made available to participants and employees with chronic conditions are monitored for improvement.

Vitamin B12 injection are administered at least twice a year at times when staff fatigue levels are higher than normal.

MTC participates in an annual World Aids Awareness Day, keeping employees up to date on recent developments, destigmatising the disease and fostering an environment of mental and physical well-being.

COVID-19 has presented significant challenges to organisations worldwide. MTC assists employees who may have been exposed to the virus through the provision of immediate rapid testing and results. Employees have access to a 24-hour counselling line and a general medical practitioner who is available to treat those with pre-existing conditions that may be aggravated by the virus.

6.15.6 The Future of Work

COVID-19 has forced organisations into the Fourth Industrial Revolution and has demonstrated the need for increased organisational resilience and community well-being by embracing virtual collaboration tools and practices. MTC has been able to adapt to these new challenges with success as working virtually has come relatively easily and might have increased employee productivity and morale due to the flexibility it creates.

6.15.7 Employee Headcount

The table below shows the number of staff permanently employed by MTC (employees of smart partnerships are not included):

Table 9. MTC's Employees per category

	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020	May 2021
Total full-time staff	421	461	499	496	518	534	543	559	577	568
Total female full-time staff	194	215	219	228	240	255	262	278	282	277
Total disabled full-time staff	1	1	2	2	2	2	2	1	1	1
Total part-time staff	-	-	-	-	-	-	-	67	107	115
Total female management staff members	11	11	11	13	12	13	13	13	14	18
Number of full-time expatriate staff	8	7	5	5	8	6	4	4	3	3
Number of contract/ semi-permanent employees	8	23	10	40	43	38	24	67	107	115

6.16 Financial Summary

The following table sets out the audited historical financial information for the years ended 30 September 2016 to 30 September 2020 and the reviewed interim financial information for the period ended 31 March 2021 and the unaudited financial forecast information for the years ending 30 September 2021 and 30 September 2022 respectively, for MTC and its operating subsidiary.

It is MTC's current policy to pay dividends up to a minimum of 70% of the Net Profit after tax annually, subject to the available cash resources and the need to fund growth opportunities. Payment is made bi-annually. The interim dividend which is expected to be payable during August, is based on the reviewed financial information for the 6 months ending 31 March. The final dividend which is expected to be payable during February, is based on the audited financial information for the year ending 30 September.

The salient features and various contributions of the companies comprising the MTC subsidiaries are set out in Annexure 1 with historical, interim and forecasted revenues and comprehensive income as summarised hereunder:

Total Revenue (2)								
	Audited	**Audited**	**Audited**	**Audited**	**Audited**	**Reviewed Interim**	**Forecast**	**Forecast**
	30-Sep 2016	**30-Sep 2017**	**30-Sep 2018**	**30-Sep 2019**	**30-Sep 2020**	**31-Mar 2021**	**30-Sep 2021**	**30-Sep 2022**
Subsidiary	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**
MTC	2,325,268	2,422,816	2,502,148	2,617,772	2,685,013	1,387,492	2,815,547	2,980,416
Jurgens Thirty Four	550	235	473	659	724	380	707	759
Consol JE (1)	(964)	(556)	(501)	(447)	(321)	(172)	(143)	(340)
MTC Consolidated	**2,324,854**	**2,422,494**	**2,502,120**	**2,617,984**	**2,685,416**	**1,387,700**	**2,816,110**	**2,980,835**

Total Comprehensive Income								
	Audited	**Audited**	**Audited**	**Audited**	**Audited**	**Reviewed Interim**	**Forecast**	**Forecast**
	30-Sep 2016	**30-Sep 2017**	**30-Sep 2018**	**30-Sep 2019**	**30-Sep 2020**	**31-Mar 2021**	**30-Sep 2021**	**30-Sep 2022**
Subsidiary	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**
MTC	579,487	711,819	802,355	799,123	772,250	397,391	618,537	718,061
Jurgens Thirty Four	(69)	1,127	(205)	(2,083)	150	81	143	-
Consol JE (1)	(50)	(1,542)	5,535	-	(1)	-	(50)	133
MTC Consolidated	**579,368**	**711,405**	**807,685**	**797,040**	**772,399**	**397,472**	**618,630**	**718,194**

Notes
(1) These amounts represent the net effect of consolidation journal entries.
(2) Total revenue comprises net interest income and all other income.

7. NAMIBIAN INDUSTRY BACKGROUND AND OVERVIEW

7.1 Market Analysis

Namibia had a population of just under 2.5 million people in 2019 and is categorised as a stable democratic nation. Two-thirds of its population live in rural areas and engage in subsistence farming and livestock production. GDP per capita is projected to average nearly N$4,600 during 2020-22; as such, the country is classified as an upper-middle-income country.

The Namibian economy has a modern market sector, which produces most of the country's wealth, and a traditional subsistence sector. Although the majority of the population engages in subsistence agriculture and herding, Namibia has more than 300,000 skilled workers and around 150,000 technicians, managers and professionals (Namibia Statistics Agency, 2018).

The GRN, through its NDP5 Development Plan, has prioritised and mobilised national efforts to drive the economy on to a stable path of robust growth. The strategy is to change from an input-dependent to a knowledge-based economy. This will be achieved by structural transformation, expansion and modernisation of physical infrastructure, the strengthening of export capacity and creating a supportive financial infrastructure for greater inclusion.

Structure of the economy

When Namibia gained independence from South Africa in 1990, it inherited a well-functioning physical infrastructure for the most part, but also a large unskilled labour force. The economy remains intertwined with that of South Africa, as it is structurally dependent on South Africa's trade and financial system. Although Namibia has a small agricultural sector in terms of value added, the farming sector offers employment to a significant proportion of the population. As a result, many Namibians are directly or indirectly dependent on farming activity for their livelihood. In contrast, the rich mining industry, dominated by diamond and uranium mining, employs fewer people. The manufacturing sector is underdeveloped and the services sector comprises of relatively well-developed banking, wholesale and retail and tourism industries. The government aims to make Namibia a transport hub in the Southern African region by developing the country's port and rail facilities.

Economic growth from independence to the Global Financial Crisis

Namibia experienced strong economic growth of 4.0% between independence and 2009. This was supported by political stability, a relatively friendly legislative environment, particularly with respect to primary industries, strong institutions and infrastructure. During and after the 2008 global financial crisis, the GRN implemented an appropriate counter-cyclical policy response from both a fiscal and monetary perspective, aimed at supporting the Namibian economy. Namibia, along with other developing economies, had largely rebounded from this external shock by the end of 2010, but heightened government spending and accommodative monetary policy continued in pro-cyclical policies.

This coincided with low interest rates and a strong commodity cycle which drove investment into Namibia's mining sector. The increased government spending was largely debt funded and coupled with an employment growth driven private sector credit boom, contributed to the rapid expansion of debt in both the public and private sectors.

Boom period and decline

Real GDP growth rates in Namibia soared to 5.6% for the period spanning between 2009 and 2015. In essence Namibia's economy was overheating due to the pro-cyclical policy being employed on both the fiscal and monetary fronts. The augmented growth of the 2009 to 2015 period came to an abrupt halt in 2016 when real GDP growth dropped to 0.0%. The five years subsequent to 2015 saw the Namibian economy contract by 1.7% per year on average, including the COVID-19 induced contraction of 8.0% in 2020. Various factors enhanced the extended recession. This included a regional drought and slowing commodity cycle. Lower oil prices resulted in the disappearance of Angolan retail tourists and students that supported the wholesale and retail trade and real estate. The domestic headwinds of a bloated government budget and an indebted consumer base were exacerbated by these factors.

Economic outlook

2020 was expected to see a return to growth with both the Ministry of Finance and the Bank of Namibia expecting a recovery. This expectation was interrupted by the COVID-19 pandemic which resulted in a global contraction worse in magnitude than the Global Financial Crisis. The IMF estimated a global contraction of 3.3% in 2020 in its April 2021 World Economic Outlook. The preliminary national accounts for Namibia point to an 8.0% contraction in real GDP for 2020, the largest on record. The hardest hit sectors in Namibia in 2020 were tourism, transport, manufacturing, mining and wholesale and retail trade. The best performing sectors during the unprecedented pandemic were the electricity and water sectors, information and communication sector and agriculture.

The IMF expects a strong, if divergent, recovery in 2021 with global growth expectations of 6.0%. Namibia's recovery is expected to be a more modest 2.6% in 2021 and 3.3% in 2022. The tourism sector remains plagued by pandemic related travel restrictions. Much of the global recovery is a result of expansive fiscal and monetary policy in developed markets and while monetary policy is accommodative in Namibia, expansive fiscal policy is limited due to the preceding years of recession, high debt balance and weak government revenue outlook.

Tailwinds for the Namibian outlook are limited but present in the form of higher commodity prices and plentiful global liquidity, which should be supportive of low interest rates and direct investment. In April 2021, the Bank of Namibia announced that the repo rate will remain at 3.75% (commercial banks' prime lending to consumers to remain at 7.50%) bringing some relief to households.

Deloitte's COVID-19 Flash Survey conducted in March 2020 demonstrated that there is considerable uncertainty in the wake of the virus outbreak. With the gradual lifting of hard lockdown measures in Namibia, the future of work for organizations in Namibia is being assessed. COVID-19 has forced organizations into the Fourth Industrial Revolution and has demonstrated the need for increased organizational resilience and community well-being by embracing virtual collaboration tools and practices. For some organizations, particularly those in the hospitality and tourism industry, the consequences have been detrimental even with the hard lockdown measures being lifted.

Future business decisions such as borrowing, lending and investment in new initiatives could be strongly influenced by the overall economic climate as highlighted above.

Balance of payments

Namibia belongs to SACU along with South Africa, Botswana, Lesotho and eSwatini. SACU customs and excise receipts constitute a significant proportion of secondary income in the current account and of total government revenue. Namibia sources most of its imports from South Africa, the EU, Botswana and China. The desert economy imports most of its vehicles, steel and consumer goods from South Africa, while imports from the EU are in the form of machinery and fuel. The leading export partners typically are the EU, South Africa, China and Botswana. Exports to the EU consist mostly of uranium oxide and fish products, while the main exports to South Africa are gold, diamonds, live animals and beverages. China, which has significant ownership of Namibian uranium mines, mostly imports uranium oxide. Diamonds are mostly exported and imported to and from Botswana. Significant shortfalls were recorded on the current account between 2010-16, driven by large capital imports for mining and infrastructure construction projects and pro-cyclical fiscal policy. Since then, the current account has narrowed as investment in major mining and public infrastructure projects dried up and consumer demand cooled down, resulting in a sharp narrowing of the trade deficit.

Information technology

Namibia was late with the introduction of competition in the mobile market, with a second operator not licensed until 2006. That said, mobile penetration at 112% is above the regional average. Even though only 50% of Namibia is urbanised, mobile penetration stands at 112% while only 28% of the population is active on social media. Only 51% of the population is actively using the internet, despite broadband internet access being available to most of the population (Hootsuite, 2020).

MTC's mobile network is spread over Namibia's vast countryside covering 824,292 km² with an estimated population of 2.5 million people in 2019. Namibia has a relatively young population, with close to 37% of the

population being less than 15 years of age, 23% young adults (15-24 years); 36% adults (25-54 years); 4.8% semi-retired people (55-64 years) and 4.4% elderly retired Namibians (65+ years). 43% of people reside in urban locations, while 57% live in rural areas (Namibia Statistics Agency, 2011). This presents a challenging and dynamic socio-economic landscape for MTC to operate in, which is overcome through MTC's extensive distribution network and service centres.

Table 10. Namibia Mobile Market Share and Penetration

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Namibia's Population ('000) [2011 Census count, estimates (Worldometres, 2020)]	**2.11**	**2.19**	**2.23**	**2.27**	**2.31**	**2.36**	**2.40**	**2.45**	**2.49**	**2.54**
Namibia Total Subscribers ('000)		**2.097**	**2.349**	**2.569**	**2.480**	**2.589**	**2.648**	**2.707**	**2.757**	**2.859**
MTC	1.855	2.043	2.270	2.472	2.378	2.424	2.454	2.485	2.524	2.576
Competitors (TN Mobile, Paratus, MTN Namibia) #	-	0.054	0.080	0.097	0.102	0.165	0.194	0.223	0.234	0.282
Namibia's Mobile penetration		**96%**	**105%**	**113%**	**107%**	**110%**	**110%**	**111%**	**111%**	**112%**
MTC's Total Market Share		**97%**	**97%**	**96%**	**96%**	**94%**	**93%**	**92%**	**92%**	**90%**

Recorded as a count of unique numbers from other operators making calls into MTC's network or available data from CRAN.

7.2 Market Size

Namibia has two national telecommunications service providers, both owned currently by NPTH. As per the latest available report from CRAN, MTC and Telecom controlled 91% of the assets and 88% of the revenues in the Namibian market during the 2017 financial year (CRAN, 2019)[1].

Namibia's communications sector is dominated by MTC and Telecom Namibia with other licensees contributing 12% of turnover (CRAN, 2019).[1]

Operators have networks capable of delivering 2G, 3G and 4G LTE services and currently none of Namibia's operators offer 5G services, although MTC and Telecom Namibia have indicated that they are preparing for a future which may include fifth generation services.

1 The 2019 CRAN Communications Industry Review report is the most recent and includes data up to 2017.

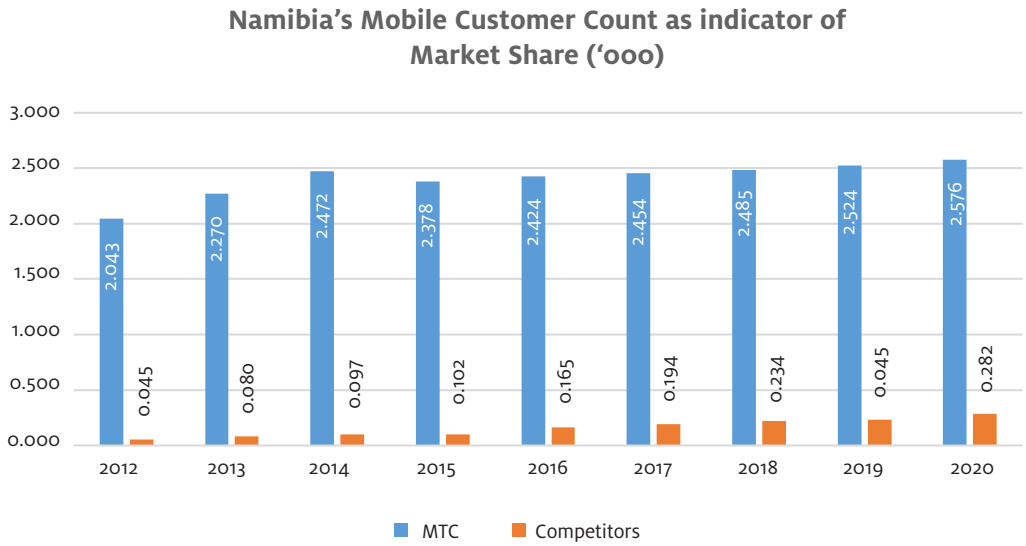


Figure 37. Namibia's Mobile Customer Count as indicator of Market Share ('000) (MTC OCS, 2021)

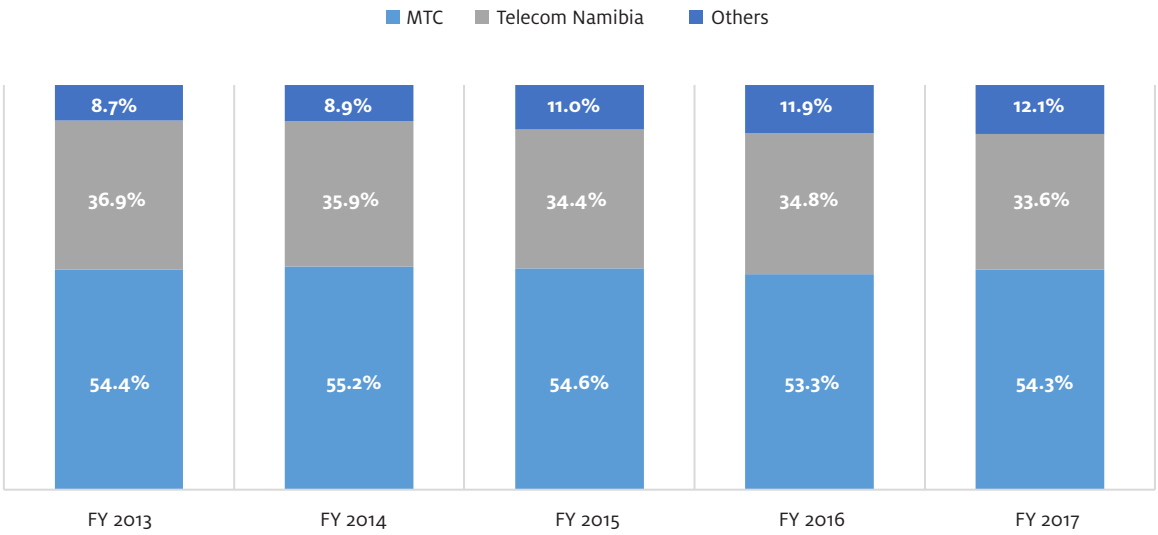


Figure 38. Revenue as % of Market Share for financial years 2013-2017 (CRAN, 2019)[1]

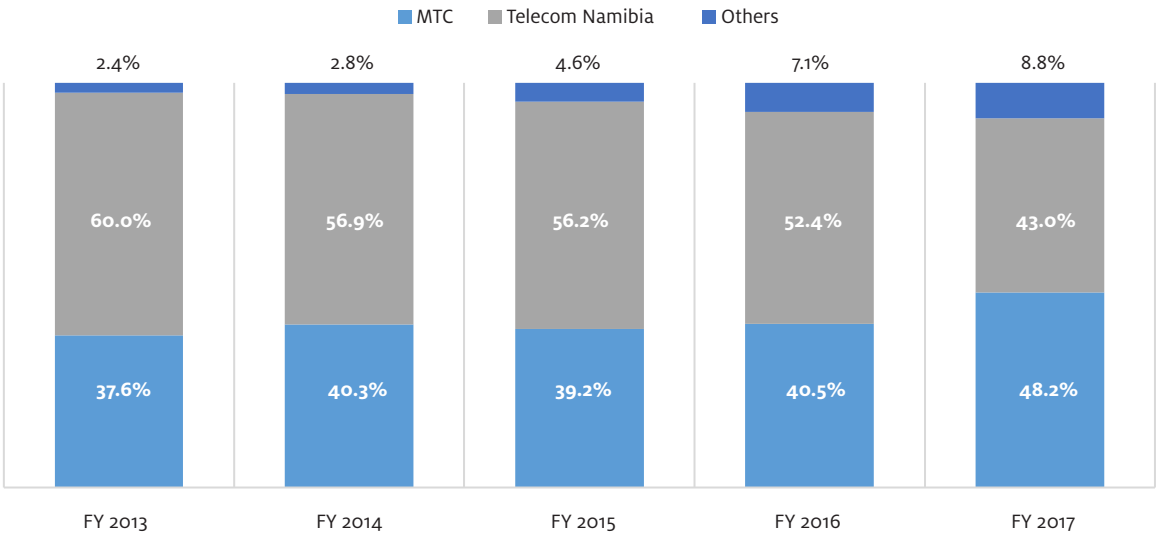


Figure 39. Assets as % of Market Share for financial years 2013-2017 (CRAN, 2019)[1]

1 *The 2019 CRAN Communications Industry Review report is the most recent and includes data up to 2017.*

Table 11. Investments made towards Network Infrastructure and Equipment (CRAN, 2019)[1]

	2016		2017	
	N$ million	**%**	**N$ million**	**%**
MTC	184.4	60.4%	203.7 314.9 (2020)	85.2%
Telecom Namibia	69.1	22.6%	0	0.0%
Paratus Namibia	46.3	15.2%	17.7	7.4%
MTN Business Namibia	3.3	1.1%	15.4	6.4%
Bidvest Namibia	1.2	0.4%	2.2	0.9%
SALT	1.1	0.4%	0	0.0%
Total	**305.4**		**239**	

MTC has continued to be the leading investor in ICT infrastructure and the main driver of innovation.

7.2.1 Mobile

MTC continues to hold its position as leader in the mobile market (90% market share by the end of 2020). CRAN reported that at the end of 2018 MTC held a *de facto* monopoly when it came to outgoing calls made and SMS's sent, with a market share of 96% for voice and above 99% for SMS (CRAN, 2019).

Table 12. Number of Mobile Subscribers - MTC compared to TN Mobile (CRAN, 2018)

Mobile Subscribers	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
MTC Mobile Subscribers (active SIM cards)	2,380,282	2,573,894	2,442,640	2,628,461	2,489,310	2,724,870
TN Mobile	N/A	N/A	100,429	159,913	187,238	-
Total	**2,380,282**	**2,380,282**	**2,543,069**	**2,788,374**	**2,676,548**	**2,724,870**
MTC % of Total	-	-	96%	94%	93%	-

7.2.2 Fixed Services

Namibia's internet and broadband sector is reasonably competitive with a number of active ISPs but the sector has historically been negatively affected due to exorbitant prices for international bandwidth caused by a lack of direct connections to international submarine fibre optic cables. In 2011 the WACS cable landed in Swakopmund and the first international cable services were launched a year later. Namibia's international bandwidth capacity was increased from 13.8 Gbps in 2013 to 454.5 Gbps in 2018 (CRAN, 2019).

In 2019, MTC entered the ISP space, where it competes with other industry players such as Telecom, Paratus and MTN. The sector has had a steady annual growth between 2016 to and 2017 of 18% (CRAN, 2018) and it is projected to continue for the next few years.

MTC sees this as a new revenue generating stream where it can provide advanced technologies to service solutions like fibre to the office, fibre to the home, fixed wireless and value-adding enterprise services, such as hosted Cloud PBX, Secure Cloud Services and Fixed Connectivity (FTTX and WTTX).

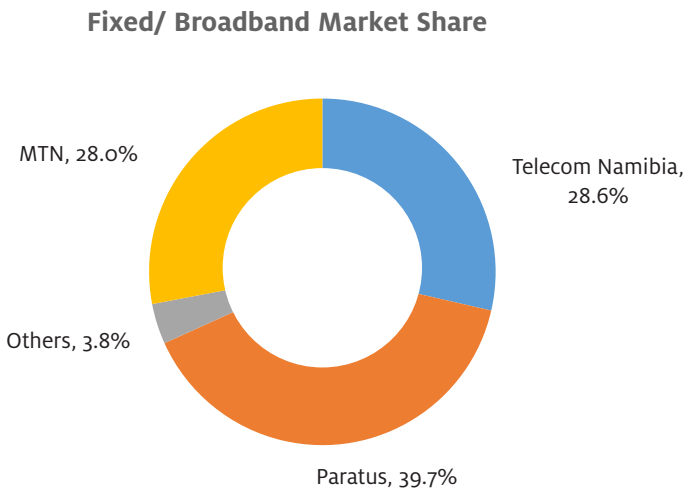


Figure 40. Fixed/ Broadband Market Share - December 2018 Leased Line Revenues as Percentage (CRAN, 2019)[1]

7.3 Competitors

By May 2021, CRAN had issued licenses to 46 other communications service providers, which are mostly smaller ISPs that on-sell services from the major operators such as MTC and Telecom.

Operators such as Paratus and MTN, have gained market share in terms of investments made into their infrastructure and equipment (CRAN, 2019) (see Table 10).

Telecom is Namibia's dominant national fixed-line operator with the largest fibre network for providing fixed services (CRAN, 2019). Paratus and NamPower are deploying national fibre infrastructure of their own, in order to compete with Telecom. All other licensees rely on Telecom, Paratus and NamPower to resell fixed line broadband services.

Currently there are no Virtual Mobile Network Operators established in Namibia.

Number portability legislation was passed in 2019, but has not yet been implemented pending negotiations between the regulator and other operators. MTC is preparing to comply with this regulation.

As a new entrant into the enterprise business offering, MTC's drive to deploy its fixed service products to homes and enterprises competes against major players such as MTN, Paratus and Telecom, which currently dominate enterprise product delivery.

Whereas MTC's business is not directly in competition with companies that hold a Class Comprehensive Telecommunications Service Licence (ECS and ECNS) without a spectrum licence or number ranges, such companies pose the risk of becoming competitors in the future.

These companies are direct competitors for MTC's new revenue lines such as enterprise services, Cloud PBX and secure cloud solutions.

The following is a brief review of established competitors in the Namibia market:

7.3.1 Holders of a Class Comprehensive Telecommunications Service Licence (ECS and ECNS), spectrum and number ranges

1. **Telecom Namibia**

   Telecom Namibia is the only provider with an extensive fibre network and reported 187,727 mobile subscribers, 49,747 ADSL subscribers, 252 fibre to the home subscriptions and 191,947 fixed-line subscribers, with an annual revenue of N$1.502 billion at the end of 2017 (Telecom Namibia, 2017). CRAN's 2017-2018 report states that 1,117 ADSL subscriptions had connection speeds of 10Mbps or higher (almost double the previous year) (CRAN, 2019).

   During the COVID-19 pandemic, TN Mobile leveraged its traditional media presence which increased the brand's visibility and talk-time value as well as market share.

2. **Paratus Namibia Holdings Limited ("Paratus")**
   Paratus was issued with a Class Comprehensive Telecommunications Service Licence (ECS and ECNS) on 20 March 2012.

   Paratus officially launched its cloud service product during July 2017. The Trans-Kalahari Fibre line running from Swakopmund to Buitepos (Namibia's border post with Botswana) was completed in September 2018.

3. **MTN Business Solutions Namibia (Pty) Ltd ("MTN")**
   Backed by South Africa's MTN Group Limited, the operator was awarded a Class Comprehensive Telecommunications Service Licence in February 2014. In 2016 MTN extended its services to include fibre network solutions and provides cloud, managed networks, unified communications, security-as-a-service and enterprise mobility services to businesses in Namibia.

   During 2018, CRAN granted MTN the 084 number range, which will enable MTN to launch mobile services to customers, however in October of the same year, the company announced that the launch of its mobile services was put on hold, until technical matters are addressed.

7.3.2 Other Licence Holders

Holders of a Class Comprehensive Telecommunications Service Licence (ECS and ECNS)	
AfricaOnline	Licenced since May 2012. A subsidiary of Gondwana International Networks (GIN) and as a member of the iWayAfrica Group of Companies. Leading African ISP with more than 20 years' experience in the ICT Industry (AfricaOnline, 2019). Presence in 44 African countries (iWayAfrica, 2019).
Artemis Telecommunications	Licenced since October 2020. IoT telecommunication services company.
Bidvest Namibia IT	Licenced since December 2014. Mainly a support company for the Bidvest Namibia Group.
Blue Telecommunications (Pty) Ltd	Licenced since November 2017. Provides satellite communication, land mobile radio networks and marine electronics, preparing to launch BlueAirfibre (fibre-like connectivity), previously known as Radio Electronic.
City of Windhoek	Licenced since March 2020 to support its objective to become a smart city.
Coastal Network Solutions	Licensed since June 2017.
CompuServe	Licenced since April 2021.
Demshi Investment Holdings	Licenced since November 2015. Awarded the 082 number licence for a block of 100,000 customers on 28 June 2016 (Demshi Investment Holdings, 2019).
Dimension Data	Licensed since July 2013. A business partnership between the Ohlthaver and List Group and Dimension Data Middle East and Africa with 2 new business units introduced being Security and Internet Solutions, providing in-country last mile connectivity to clients (Ohlthaver & List, 2018).
Excellent Communications (Pty) Ltd	Licensed since June 2019.

Holders of a Class Comprehensive Telecommunications Service Licence (ECS and ECNS)	
Focus Engineering Services	Licensed since November 2017.
Globalstar Satellite Namibia	Licenced since April 2019, subject to Globalstar Satellite Namibia (Pty) Ltd increases the Namibian shareholding from 30% to 45% within a period of five years from the date of exemption and that Globalstar Satellite Namibia (Pty) Ltd rolls out its services to under-served areas.
IT Guru Solutions	Licensed since June 2016. Provides ICT solutions, advanced networking solutions, comprehensive IT support.
Lizalex Communications Services	Licenced since July 2020.
Loc8 Mobile	Licensed since June 2017. Developer of mobile application Loc8, which is a mobile advertising platform (Loc8 Mobile, 2019).
Misty Bay Investments	Licensed since July 2014. Prospecting and mining company registered in Walvis Bay.
Oblixx Communications Networks	Licensed since April 2018. Provides electronic communications within the borders of Namibia.
OmniTel Namibia	Licensed since June 2016. Implementation of telecommunication (PABX) and related IT equipment (OmniTel Namibia (Pty) Ltd, 2019).
Ongos Connect (Pty) Ltd	Licenced since April 2021.
Orange Telecom (Pty) Ltd	Licenced since April 2021.
QKon Telecom Namibia	Licensed since September 2018. Operates in Namibia under its product StarLight and provides uncapped Internet coverage via the IS28 satellite (Starlight, 2019).
Salt Essential	Licenced since July 2013. Microsoft Direct Cloud Solution provider, supporting hardware and software in Namibia.
Schoemans Technologies	Licensed since November 2017. Provides enterprise IT solutions, surveillance and networking amongst others.
Swakop Uranium	Licenced since March 2020. Prospecting and mining company.
TelePassport Namibia (Pty) Ltd	Licensed since March 2014. Provides communications connectivity and lease cost routing to SMEs, on-selling wireless data solutions and recently introduced AquaTrip, a water monitoring solution (TelePassport, 2019).
UNAM	Licenced since March 2020. Tertiary university in Namibia.
Virtual Technologies	Licensed since September 2019. Provides information technology management services and support (Virtua Technologies, 2019).

Holders of a Class Comprehensive Telecommunications Service Licence (ECS and ECNS)	
WiTel Service Provider	Licensed since December 2015. Namibian wireless internet service provider via microwave links to SMEs (WiTel Service Provider, 2019).

Holders of a Class Telecommunications Service Licence (ECS)	
Capricorn Investment Group Limited	Licensed since March 2017. Preparing to establish a mobile virtual network operator.
Integrated Communication Systems	Licenced since September 2016.
Namibia Civil Aviation Authority	Licensed since September 2019.
Namibian Ports Authority	Licensed since April 2019.
Namibia Water Corporation	Licenced since December 2020.

Holders of a Class Network Facilities License	
Atlas Towers	Licensed since April 2019.
Data Continuity Namibia	Licenced since December 2019.
Lightstruck Operating Namibia	Licenced since March 2020.
Namibia Power Corporation	Licensed since June 2017. NamPower owns a transmission system and network of 132 kV to 400 kV of overhead power lines spanning a distance of more than 25,000 kilometres, one of the longest of its kind in the world. In 2018 NamPower embarked on a Fibre Optic Commercialisation project aimed at creating a framework under which NamPower's fibre optic assets can be utilised for the benefit of Namibia and Southern African (2019).
PortingXS	Licensed since June 2017. The partnership of Virtua Technologies and PortingXS has developed a number portability system for Namibia (PortingXS, 2019).
PowerCom (Pty) Ltd	Licensed since June 2017. A subsidiary of Telecom since October 2013, changing the nature of its business to an ICT Infrastructure and equipment provider.
Sat-Com (Pty) Ltd	Licenced since March 2020. A technology company that focuses on a wide range of secure and tactical communication solutions.
Tulive Private Equity (Pty) Ltd	Licenced since December 2020. Equity fund focussing on investments in the Energy, Water, Transport, Health and ICT sectors.


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teacher to
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8. MAJOR NETWORK AND INFRASTRUCTURE EXPANSIONS

8.1 Network Expansion Planning

Maintaining a network such as MTC's to the highest standards requires detailed and continuous planning, maintenance and investment.

MTC collects various network statistics on all existing sites and sectors making use of its network planning tool, Aircom and the Namibia Statistics Agency. These key indicators are continuously monitored and in the event of any anomaly, an early warning flag is raised at a 60% threshold to allow for enough time to properly assess the site and plan for improvement interventions.

Furthermore, MTC counts on dialogue with its customers. The MTC customer contact centre records all customer feedback regarding its network, which is passed on to the optimisation and planning section to form part of the improvement planning cycle. In addition, MTC's radio engineering technicians who are deployed throughout Namibia, foster close relationships within the community in which they serve and record their comments into the register.

MTC's technology division works towards quick and smart solutions and makes use of every opportunity to improve the quality of the network most efficiently through the use of alternative measures such as software upgrades, re-using hardware and re-farming under-utilised spectrum frequencies to name a few, in order to make the most of MTC's resources.

Requirements for new expansions are planned during the current year, for project deployment in the next financial year.

8.2 Expansion Projects

Project 081Every1 and Capacity Expansion are MTC's continuous effort programmes to improve and grow its network. The various project phases and targets are depicted in Figure 41 and are discussed in greater detail hereunder.

MTC makes use of the payback method calculation tool for decision making when it comes to capital investments and non-maintenance related projects. It is a simplistic method that allows MTC to estimate the period it will take to recover the initial investment amount. Project cash flows, initial investment and other factors are taken into consideration to calculate a project's payback period, which depends on the scope of the project.

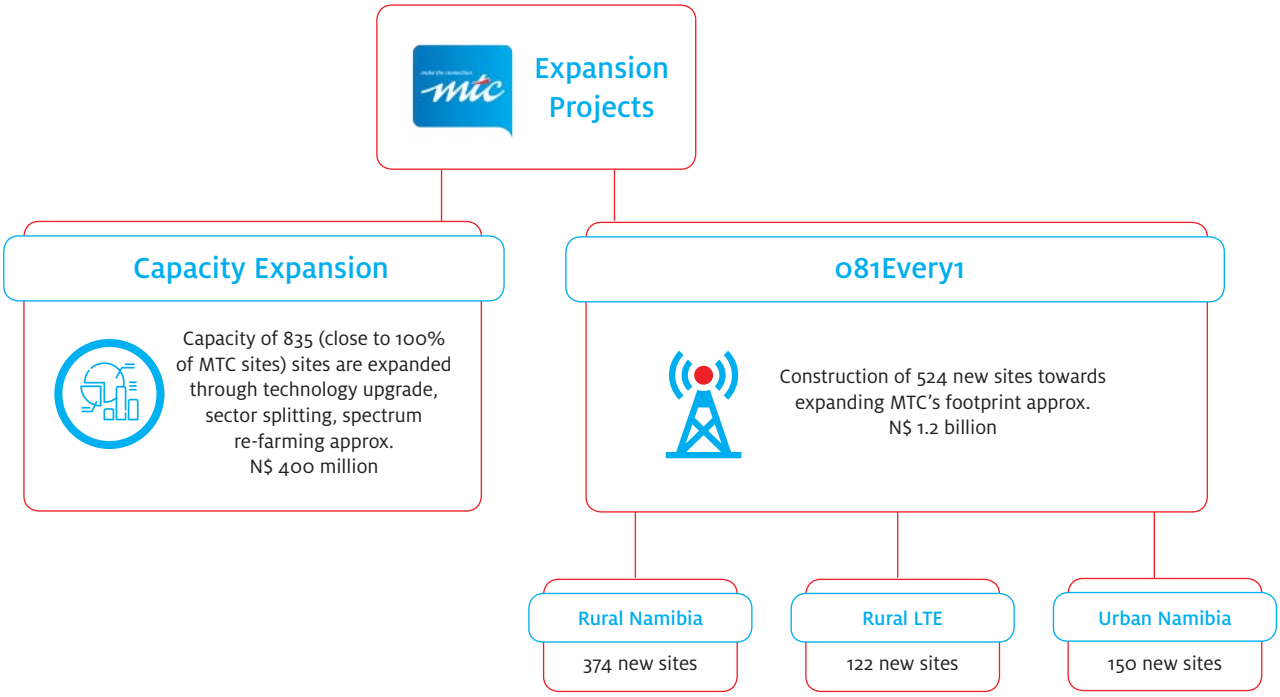


Figure 41. MTC's Expansion Projects

8.2.1 081Every1

In August 2017 MTC embarked on a project to expand its national footprint to achieve 100% population coverage. A total of 524 sites are to be constructed at an investment of N$1.2 billion. The construction of these towers was set aside for local contractors and initial progress was slow due to knowledge transfer issues, but this has improved as contractors gained experience. Securing power to remote sites remains a challenge and MTC is aggressively seeking a long term solution to this matter.

The first phase of the project had a target of 132 sites to be constructed and was completed by April 2020. These included sharing existing infrastructure, building new greenfield sites and relocating existing sites at a total cost of N$226 million.

Phase 2 of 081Every1, currently at 74% completion, will deliver 87 rural sites and 23 urban sites at an investment of N$294 million. Site construction which started in the first quarter of 2020, has been delayed due to the COVID-19 pandemic, but is expected to be completed by the end of September 2021.

Planning for phase 3 of 081Every1 is complete and has a target of a total of 59 sites to be constructed by 2022.

To complement MTC's national coverage rollout plan, MTC takes to the road to increase its digital and service footprint with the MTC O'Smartphona show, to promote and educate MTC customers about the future of communications.

8.2.2 3G Rural Expansions

As part of growing its network and expanding its national broadband data access footprint, MTC is adding 3G technology to every site already deployed in its network. GSM-only sites are being upgraded to provide higher 3G speed data capabilities to cater for the enormous appetite for broadband data. MTC is using the 900MHz spectrum for these 3G-UMTS activations in order to benefit from its wider range of coverage, especially important in sparsely populated rural and suburban areas.

As a result of this project, 92% of all MTC's sites are 3G enabled and 86% of health facilities and 85% of schools in Namibia have access to MTC's mobile broadband.

Providing 3G-UMTS activations on VSAT satellite communications systems which are deployed at very remote lodges and establishments, remains a challenge as UMTS technology is more prone to external interference which negatively affects the customer's experience. Finding and eliminating the sources of interference remains an enormous challenge and MTC's technical experts are working towards a more robust solution.

8.2.3 4G Rural Expansions

As part of phase 2 of 081Every 1, MTC started its rural 4G expansion project, during which 122 sites have been upgraded to 4G.

The project with its objective to offer rural Namibians the same experience as those living in urban areas, was kicked off in February 2021 and was completed by April 2021.

The sites that were upgraded were selected by analysing network statistics, the availability of 4G enabled devices in the areas, observed user demand for higher data volumes consumed in the 3G network and the availability of existing radio access hardware that supports 4G. These upgraded sites utilise the same frequency bands used by 2G or 3G, but the technology significantly improves the data transfer rates by efficiently utilising the available bandwidth. Currently 48% of all MTC's sites are 4G enabled.

8.2.4 Capacity Expansion Projects

The capacity expansion project is planned over a period of three years with a total capital expenditure of N$400 million. The project was started in 2019 and 835 sites will be expanded through technology upgrades, sector splitting and spectrum refarming. This project aims to improve the quality of the existing network through various expansion activities planned against the sites that experience high usage.

Expansion activities are guided by customer demand. Network statistics and coverage information are used to determine the sites that require expansion based on the observed customer demand, the capability of the existing site infrastructure and the quality of the existing coverage. Together these performance indicators guide the various expansion activities required.

In phase 1, a total of 667 sites underwent various expansion activities and which were carried out throughout Namibia. This phase of the project was completed in October 2020.

Phase 2 of this project was started in April 2021. A total of 65 sites were earmarked for expansion activities, which was completed on 15 June 2021.

8.3 Reduction of MTC's 2G Base station Controllers

MTC is the owner of mature transmission backbone infrastructure throughout Namibia. In order to improve efficiency and reduce the overall cost and complexity of its GSM network infrastructure, MTC is reducing the number of 2G base station controllers.

Until 2016, MTC had 16 base station controllers throughout Namibia. This was reduced to 14 initially and then further reduced to 10 2G base station controllers by 30 September 2019. The hardware from the decommissioned base station controllers is utilised to reinforce those remaining in the network.

Through this initiative, MTC remains true to its strategy of reduce, re-use and recycle and achieves a reduction on its annual service level maintenance fees.

8.4 Fixed Services

8.4.1 Fixed Connectivity

On 31 October 2018, MTC unveiled the first phase of the construction of its fibre optic network in Windhoek. Fibre offers reliable access and transmission for multiple solutions and devices and enables MTC to provide sophisticated solutions like enterprise communication solutions and secure cloud services to its business customers.

In November 2019, MTC initiated a fixed fibre line network rollout to end users, having received approvals from the City of Windhoek.

In February 2020, MTC commenced with rollout of its FWA solution, in order to deliver fixed broadband internet connectivity to customers. MTC's FWA solution is based on P2MP radio technology and it is currently deployed at 32 sites, covering all major towns throughout Namibia. The successful implementation of MTC's FWA, fibre to the business and fibre to the home throughout Namibia resulted in significant growth in MTC's fixed subscribers numbers (Figure 28 and Figure 29).

8.4.2 IP Multimedia Subsystem

In a quest to enter the fixed-mobile convergent solutions market, MTC acquired an IP multimedia subsystem in 2016. This allows MTC to provide seamless future-focused services like voice and multimedia applications across mobile and fixed terminals. Through this investment MTC is preparing its systems to be able to provide customers with a choice of triple-play services over a single broadband access subscription. MTC's bandwidth-intensive services are broadband internet and video access, latency-sensitive telephone and mobile communication services. MTC's IP multimedia subsystem deployment was finalized during 2019.

8.4.3 Hosted Cloud Private Branch Exchange

MTC's Huawei Cloud PBX solution is incorporated within the IP multimedia subsystem platform.

MTC's Cirrus Cloud PBX will enable enterprise communication solutions for corporate customers and small and medium enterprises. The advantage of a hosted cloud PBX is that no capital outlay is required for hardware and systems. The customer instead subscribes to a significantly more cost-effective solution, which is securely hosted in MTC's cloud.

8.4.4 Secure Cloud

MTC kicked off the implementation of its secure cloud infrastructure in partnership with Huawei in 2018. MTC successfully migrated all of its corporate cloud-ready applications into the cloud in May 2019. By June 2019, MTC on-boarded its first Cloud B2B customer and since then a growing number of enterprises have signed up.

MTC provides platform as a service, backup- and disaster recovery as a service, and software as service functionalities via its secure cloud platform. MTC's secure cloud solution is geared towards operational efficiency and complies with industry standard certification in internationally accepted standards (ISO 27001-4, ISO 22301, ISO 2000-1, ISO 3100, ISO 45001 and ISO 1400).

8.5 Network Security Posture

MTC is in the process of investing in expansions and upgrades to the overall security status of its software and hardware, networks, services and information systems, which includes amongst others prevention of data loss, remote access control, endpoint device management, cyber security and user account audits. The capital investment into cyber control allows MTC to prevent potential data losses and information leakages.

8.6 Modernisation of Business Support Systems

The exponential pace of change driven by customer demands is compelling MTC to continuously assess and reinvent the services it provides and the way in which these services are provided, necessitating the modernisation of business models and processes to provide customers with a digital experience that ultimately builds brand loyalty and market share.

MTC puts significant effort and resources towards simplifying its legacy business processes, leveraging the power of new technologies such as cloud, monetising new services and building towards real-time insights of customer demand and behaviour in order to deliver exceptional customer experience.

To that end, MTC embarked on the implementation of its first end-to-end business and operational support system in 2012, which enabled MTC to have a 360-degree view of its post-paid and prepaid customers with automated order management, service provision and real-time charging and billing.

In September 2019, MTC continued the modernisation and simplification of its end-to-end business and operational support systems (B-OSS) with a digital transformation programme which enables MTC to deploy new products, services and solutions more rapidly and cost-effectively. The upgrade has improved MTC's operational efficiency and customer experience by optimising the billing system, speeding up the time to market and simplifying the integration between the various systems within the B-OSS solution.

MTC's customers and service employees also benefit from better queue management in stores and automation of services that are accessible via MTC's online and self-service channels. Furthermore, MTC is able to address each customer individually with tailor-made service support, fostering brand loyalty and driving revenue opportunities.

8.7 MTC Enterprise Data Warehouse

In the past, MTC utilised a number of business intelligence and reporting tools that were aimed at providing core analytics focusing on specific business processes from a commercial function, customer usage and customer behaviour point of view. As part of a business process consolidation exercise, MTC invested in an enterprise data warehouse solution in order to gain insight into real-time analytics and standardised reporting tools from within its technology, finance, risk and commercial departments. The enterprise data warehouse will ultimately improve the time to analyse data, help to understand customer behaviour and trends and help to develop a future view of MTC's products and services. Phase 1 was completed in November 2020 and phase 2 is in the planning stage.

8.8 Revenue Assurance and Fraud Management

Revenue assurance, fraud detection and fraud management allow for advanced analytics through a comprehensive understanding of GSM networks, signalling call flows and the GSM business environment. The application of

advanced techniques such as machine learning, will enable MTC to conduct proactive detection and management of revenue leakage, fraud and other threats that may impact MTC's business. The primary purpose is to enable MTC to optimise profits and minimise revenue loss due to ineffective processes and systems as part of a continuous improvement exercise. The approach is to do in-depth analysis of the available data sources in MTC and to use this data to define all the cases that require monitoring. The solution will provide analytical services to assist MTC to gain new insights from its data, deal with changes in the environment and combat fraudulent behaviour.

8.9 Firewalls

The increase in mobile user internet traffic across its network has required MTC to invest in upgrading its firewalls to ensure sufficient protection and safeguards, as well as addressing enterprise and end-user internet experience through improved firewall maintenance and firewall capacity. MTC's upgraded firewall enables it to forecast its required future capacity and allows for a reduction of slow internet speed.

In addition, MTC invested into a diameter and SMS firewall and real-time fraud detection system which further protect MTC and its customers against attempted fraudulent activities via SMS, stopping suspicious phishing SMS at the perimeter of its network and safe-guarding customers' identities and customer accounts from the onslaught of fraudsters.

8.10 Sustainable Power Solutions

In order to meet its demand for energy without harming the environment, MTC embarked on the installation of a solar solution at its head office, warehouse and data centre in Windhoek, which was completed in December 2020. This is a significant drive towards decreasing its carbon footprint, since the data centre is the biggest consumer of power within MTC's network. MTC is investigating other cost saving optimisation solutions at five solar proof-of-concept sites to further reduce its dependency on power suppliers.

8.11 Smart Partnerships

MTC is no stranger to the concept of partnerships and, as is detailed in section 1.2, MTC was established as a joint venture and has operated as such for much of its 27-year existence. Like many other telecommunications service providers, MTC fosters other partnerships both locally and internationally.

MTC's approach to partnerships is guided by MTC's internal structures, accountabilities, decision rights, policies and performance measures. The approach is intended to assist MTC with making sound decisions on resource allocation, which is focused on delivering its value proposition to its stakeholders as illustrated in MTC's stakeholder map (figure 2). In this regard, MTC deliberately and rationally selects partnerships that add to its business value realisation and its stakeholder value delivery.

MTC's smart partnerships range from those with suppliers to physical locations where it sets up infrastructure, sites from where it conducts business, its research and innovation partners, and its value delivery channels, including a carefully selected distribution network.

To date, MTC has entered into smart partnership agreements with academic, government and private institutions, as well as with non-profit and start-up incubators, to nurture talent and capability in fields like social sciences, AI, data science, IOT and smart city solutions. These alliances enable MTC to be agile, adaptive and responsive to technological and customer needs, by utilising expertise in industries to fund research, develop solutions and stimulate innovation of a common interest. Most notable, is the smart partnership in academia, which will see the start of a roadmap towards a new multidisciplinary technology culture and interactive curricula that will accelerate innovation and help deliver solutions to pressing social challenges in Namibia. The partnership itself becomes a ground-breaking experiment in developing new skills for a next-generation workforce and a conduit for future recruitment of top talent.

In addition, with the changing global business landscape and the diversification of MTC's products and services into digital and MFS, MTC will continue to take strategic smart partnership decisions towards viable joint ventures, potential acquisition targets and any other strategic partnership opportunities to enhance its enterprise, MFS and digital offerings.

9. RISK MANAGEMENT

9.1 Strategic Risks

MTC's Risk Management process is aligned to the ISO 31000 Risk Management framework. The establishment of MTC's strategic risks is considered in the context of laws and regulations, strategic projects, business processes, technology, market risks, stakeholders, internal and external factors.

The identification process considered all significant past or future events and opportunities that could have a direct impact on the achievement of MTC's strategies.

Risks are managed in line with the current risk appetite and tolerance policy, which serves as a guideline used by the Executive Management team to ensure that proper management and mitigation is applied within the set levels and that relevant escalations are raised to the MTC Audit, Risk, IT Governance and Compliance Committee.

MTC's current top ten Strategic Risks are:

9.1.1 Digitalisation

1. **Burden of Legacy IT Platforms**
   To guarantee and enable service and network convergence, new systems need to be implemented or existing systems require continuous modernisation. Successful digital transformation programmes will include operational efficiencies, improved customer engagement and digitally-enabled sales and service delivery, which cannot be achieved with current legacy applications.

2. **Data Privacy and Cyber Security**
   Cyber security is an inherent risk to MTC's business. In order to keep pace with technological and cyber security developments, MTC would need to transform its digital environment securely. Realisation of this risk could affect its operations, compromise the confidentiality of customers and company information and negatively impact MTC's systems, processes, revenues and reputation. In order to effectively manage the risk exposure, MTC is investing in continuous improvement programmes to manage the security risk. These programmes entail the application of various layers of security controls to protect the infrastructure that stores and transmits MTC's confidential information. MTC aligns its security strategies to business goals to ensure the right balance is struck between mitigating the risk and enabling business innovation. The risk tolerance level is currently set at 0.05% of revenue.

3. **Shortage of Digital Skills**
   As MTC continues its digital transformation journey, a lack of digital skills amongst its existing workforce may present itself as a new skill-set is required to implement and maintain new technology and systems. The skills shortage will be mitigated through the upskilling of its existing workforce, head-hunting for critical positions and smart partnerships focusing on new innovations in line with MTC's digital strategy.

9.1.2 Business Continuity

1. **Systems or Network Failure**
   A major failure in critical systems or networks could have a significant impact on MTC's customers, revenues and reputation. To effectively manage this risk, adequate business continuity plans for critical business processes are established and effective redundancy strategies are put in place.

2. **Supply Chain Disruption**
   Telcos are often dependent on key suppliers and this increases the risk of disruption to operations in the event of a supplier failure or its inability to deliver goods and/ or services. The recent COVID-19 lockdown and restrictions placed on countries worldwide, resulted in a short-term supply disruption for MTC by impacting its ability to effectively distribute equipment to customers. This may have resulted in delayed revenue on subscription contract sign-ups and customer frustration. MTC is closely monitoring the impact of COVID-19 going forward to ensure a rapid adjustment of its stock management process to compensate for the disruption. The risk tolerance level current managing this risk is set at 0.05% of revenue.

9.1.3 Customer Retention

1. **Capacity Constraints**
   The non-availability of spectrum could have a direct impact on future strategic growth opportunities, for instance the implementation of 5G. Certain spectrum bands are auctioned off and fees remain unpredictable. To effectively manage this risk, MTC is actively applying for spectrum made available by the authority and challenging the authority's decisions where reasonable grounds are present in the form of reconsideration applications.
2. **Customer Centricity Improvements**
   A delay in customer centric improvement projects may contribute and impact MTC's planned customer retention strategy. This risk is mitigated by effective tracking and monitoring of customer centric projects to minimise possible delays.
3. **Value Proposition**
   To improve customer retention, MTC actively launches customer centric products with a focus on price and value.

9.1.4 Cost Optimisation

MTC continuously identifies, plans and implements cost optimisation initiatives to maintain business and functional momentum as part of its strategic objective. Some of the initiatives are to procure directly from suppliers thereby eliminating the middle-man and managing forex exposure through contracts negotiated in the local currency or at fixed rate where more favourable.

9.1.5 Enhance Operational Efficiency

As part of its digital transformation efforts, MTC needs to transform business operations so that they are stable and reliable, but also agile and fast. Automation of processes leads to greater agility and reliability of operations, thereby ensuring speedy and efficient customer service.

9.1.6 Service Excellence

Ineffective customer service may be as a result of lack of product knowledge resulting in poor quality of service or slow speed of service delivery. This risk is mitigated through dedicated customer service training for all frontline staff focusing on sales, product and customer services. Speed of service delivery is tracked and monitored through service level agreements.

9.1.7 Regulatory Environment

The cost of fees, levies and licencing have a financial impact on MTC. In order to effectively manage this exposure, MTC actively keeps abreast of new regulations and is constantly engaging with the regulator. Refer to clause 9.2.4 hereunder regarding regulatory risks pertaining to issuance of licenses. The risk tolerance level is set at 0.05% of revenue.

9.1.8 Performance Culture

In order to maintain a high performance culture that drives the achievement of targets, MTC creates an environment that ensures that staff effectively support business goals. This culture is cultivated by providing adequate training, rewards and recognition programmes. The risk tolerance level is currently set at 0.05% of budgeted annual total personnel cost.

9.1.9 Year-on-Year Revenue Increase Goal

MTC may fail to achieve its 6% year-on-year revenue growth and therefore employs mitigating controls to monitor and track revenue performance ratios and factors.

9.1.10 Compliance to Laws and Regulations

This risk is managed through the maintenance of compliance logs and the risk tolerance level is set at 0.05% of revenue.

9.2. Risk Factors

The risk factors described below, are non-exhaustive, not an explanation of all risks which may impact MTC's financial condition and future prospects, and should only be used as guidance. The aspects listed under this heading may not provide a comprehensive view of all relevant matters to the related subject. Risks and uncertainties that are not currently known to MTC, or are deemed immaterial, may individually or cumulatively have a material adverse effect on MTC's business, financial condition, results of operations and prospects. In the event of any such risk occurring, shareholders may lose all or part of their investment. The risk factors hereunder are not ordered by reference to materiality nor importance to MTC's business, financial condition, results of operations and prospects. The risks listed are based on current legislation and practices and any changes in the legislation or in the levels and bases of and reliefs from, taxation, may affect the value of shareholders' investments in MTC.

9.2.1 Risks related to Customers, Competitors and Investors

1. **Competition Risk**
   MTC operates in a relatively competitive market when it comes to authorised licence holders and internet service providers. CRAN has issued Class Comprehensive Telecommunications Service Licenses (ECS and ECNS) to 32 other market players and although these competitors have not yet established themselves in competing directly with MTC for market share, nothing (other than the lack of allocated number ranges and spectrum) prohibits them from doing so.

   New industry directives by CRAN such as Mobile Virtual Network Operators and Mobile Number Portability will further intensify the competitive force among stakeholders in the pursuit of value from the market.

   The obligation to share infrastructure as per CRAN's directive, will put MTC at risk to pay more for unshared sites than shared sites. This could be to MTC's disadvantage when competitors are able to share infrastructure, thereby significantly improving their time to market.

   MTC is refocusing its brand, exploring alternate value adding services and accelerating the rollout of new service plans and converged services that will promote customer loyalty and ultimately retain and increase MTC's market share.

2. **Risk Associated with the Change in Customer Behaviour**
   Despite the positive results recorded in MTC's customer value management survey, the rise in indifferent and mercenary customers, needs to be monitored to ensure future growth. In a depressed economic environment, it is evident that customers have become price sensitive and disposable income is under pressure, suggesting that customers are cutting back on discretionary spending as opposed to spending on essential items like food, housing and transport. Competition from other market participants has pressured MTC's capability to maintain consistent revenue growth and levels of service quality may become a deciding factor for customers to switch.

3. **Emerging Technologies**
   As experienced elsewhere in the world, MTC is faces the risk that over the top applications, such as WhatsApp, are affecting voice and SMS revenue.

   To mitigate this risk, MTC is deploying alternate technologies such as VoLTE and VoWiFi, which will provide the customer with better quality of service. VoWiFi enables the customer to 'roam as if at home' and being charged on-net prices while roaming.

4. **Fibre Roll-Out**
   In the past MTC relied on mobile communication and solutions, but with the saturation of the mobile market and mobile penetration being at 112%, alternative revenue streams are now required.

MTC's entry into fibre has been slowed down due to the time it takes to obtain construction approvals from municipalities and town councils. Approvals are provided on a per installation and per rollout project basis and the enforced rule of sharing wayleaves further hamper progress. MTC is attempting to obtain blanket approvals for installations from the relevant authorities where possible.

5. **Market Maturity**
   Globally, revenue from fixed-line and mobile voice services is declining, but there is an upward trend in data consumption and the revenue generated therefrom. Likewise, MTC's revenue from voice services has reached a plateau and future revenue is increasingly dependent on data services. MTC expects that the demand for data services will continue to be driven by smartphone usage, usage of video and other multimedia services, as well as improvements in mobile network capability.

6. **Future Dividend Payments**
   MTC is guided by its dividend policy and the statutes of the Companies Act. The declaration, payment and amount of future dividends from MTC are subject to the discretion of the directors and will depend on MTC's earnings, financial position, cash requirements and availability of profits and distributable reserves, amongst others. Should MTC underperform, its capacity to pay a dividend may be affected.

7. **Political Risks**
   Although Namibia has had a stable and peaceful political environment since its independence on 21 March 1990, any significant adverse changes in policies, including a rejection or reversal of reform policies favouring privatisation and industrial restructuring, may have negative effects on the economy and potentially impact MTC's operations.

8. **Recession in Namibia**
   In October 2019, Fitch Ratings further downgraded Namibia's long-term foreign-currency issuer default rating from BB+ to BB with a stable outlook. Namibia's economy remains under recessionary pressure, amid external shocks arising from the impact of a severe drought and a lower regional growth outlook. Namibia's foreign direct investment levels are at the third lowest level since its independence, intensified due to the pressures brought on by the COVID-19 pandemic.

9. **Large Geographic Network with Small Market Size**
   Namibia is the third least populated country in the world with a population density of roughly 3 people per square kilometre. A large part of Namibia is uninhabitable with the Namib Desert stretching along its coast and the Kalahari Desert in the south-east. The investment cost relative to a small market size has been a high risk for MTC and it does not enjoy the same economies of scales as operators in Kenya, Nigeria or South Africa. On a positive note, MTC has had time to mature over the last 27 years of its existence. Despite Namibia being a large country with a small population, MTC is fully committed to provide data access to all Namibians through its 081Every1 project by 2023.

10. **Reputation Risk**
    Reputational risk results from potential damage to MTC's corporate image, which may impair its ability to retain and generate business. Such damage may result from a breakdown of trust, confidence or business relationships.

9.2.2 General Operational Risks

Operational risks are threats that may impact MTC's processes, systems, people and the overall value chain of MTC's business.

1. **Technology Risk**
   MTC is acutely aware of the rapid rate of technological change in the communications industry, which may render parts of MTC's infrastructure or business model obsolete or out dated. MTC's quality of service and its ability to pursue new business opportunities is constantly under threat and MTC often finds itself in the position that requires the use of new technology as an enabler for new products and services. It may be that MTC finds itself unable to keep up with technological advancement, which will result in a loss of customers, negatively affecting business continuity and bringing the viability of MTC into question.

Another aspect of business that is under threat, is that of business continuity, including single points of failure. MTC has in recent years actively mitigated the threat of single points of failure by guaranteeing critical systems redundancies as well as geographical redundancies on its network infrastructure. MTC continues to prioritize recovery processes on its critical systems with an ongoing programme of network modernisation and optimization and deployment of robust technology efficient back-up systems in network, transmission and power. MTC has embarked on an ISO ITIL gap analysis as preparation towards certification for the following standards ISO 9001, ISO 14001, ISO 45001, ISO 27005, ISO 20000, ISO 22301, ISO 31000, ISO 27001 and Service Organization Controls 1.

To mitigate the risk of cyber security, MTC is continuously expanding and upgrading the overall security status of its software and hardware, networks, services and information systems, which includes amongst others the prevention of data loss, information leakages, access control, endpoint device management and cyber security.

In addition, MTC requires rapid and accurate information to make strategic decisions in order to drive its business forward. This necessitated the implementation of a robust business intelligence and data warehousing solution, which is currently in progress. To further mitigate the risk in the competitive outlook, MTC is also implementing an improved revenue assurance and fraud management system.

2. **Information and Technology Systems, Network, Gateways Service Interruptions**
   Any failure in the operations of MTC's network and/ or gateways to other operators' networks may negatively affect MTC's business, financial conditions and results as well as future prospects. MTC's systems and infrastructure and the networks of other operators with whom MTC interconnects, are sensitive to damages or interruptions from various sources including equipment failures, network software flaws, transmission cable disruptions, power loss, fires, floods, earthquakes or similar events.

   To mitigate the risk, MTC has a comprehensive disaster recovery strategy in place and ensures that redundancies are available to reduce downtime to a minimum and to continue delivering service to customers.

3. **Risk of Electricity Shortages**
   Namibia is at risk of electricity shortages, as domestic generation falls far short of overall demand with the balance imported from Eskom in South Africa and the SADC Power Pool. The supply from Eskom is vulnerable with regular "load shedding" or blackouts in South Africa. Similarly the prevailing drought has negatively impacted hydro generation in the region and imports from Zambia, Zimbabwe and Mozambique.

   Although MTC has deployed back-up generators at both its data centres as well as at all base station controllers and has a comprehensive network of back-up batteries and solar power for its base stations, any major failure in power supply, transmission and distribution infrastructure could have an adverse effect on MTC's business, financial conditions, results and future prospects. In response to this risk, MTC is investing in solar power for its properties, paving the way towards more sustainable power generation within its operations, with anticipated cost reductions as an added benefit.

4. **Failing to Attract or Retain Suitably Qualified and Experienced Employees**
   Experienced and capable personnel in the telecommunications industry remain in high demand across Africa and Namibia has a small talent pool which operators compete for. The loss of skilled professionals may result in a loss of organizational focus, poor execution of corporate strategy and an inability to identify and execute potential strategic initiatives and therefore could have a materially adverse effect on MTC's business, financial condition, results of operations and prospects.

   To counteract this risk, MTC has a rich employee value proposition, which has enabled MTC to effectively attract and retain top talent in the market. MTC pays competitive salaries at the 75th percentile of the market and has various retention strategies like performance bonuses, training and development opportunities, staff bursaries, personal insurance at group rates and staff finance at affordable rates and long-service awards.

5. **Property and Equipment Vandalism and Theft**
   MTC has recorded an increase in vandalism and theft of its equipment and infrastructure. Besides the theft of batteries and solar equipment, there is a risk that sensitive equipment is damaged in the process.

   MTC fosters close relationships with the communities in the immediate vicinity of its base stations keeping a watchful eye, emphasising the symbiotic relationship where MTC paves the way for utilities such as electricity for the benefit of the community and ensures that vulnerable or isolated base station sites have working alarm systems combined with its 24-hour network monitoring through its NMTQ centre.

9.2.3 Financial Risks

Threats that stem from a volatility in markets, ecosystems and investments.

1. **Trade Market Risks**
   Changes in market prices affecting interest rates, foreign exchange rates and consumer confidence hold a significant risk to MTC's business. MTC is particularly exposed to financial risks caused by changes to foreign currency exchange rates due to large capital projects procurement values.

2. **Financial Risk**
   MTC's profitability, liquidity and solvency may be at risk of falling below acceptable levels as a result of the company failing to implement appropriate financial controls, policies, programmes and interventions. The resulting impact may be that MTC becomes unable to honour its financial liabilities when they become due.

3. **Credit Risks**
   MTC manages the risk of financial loss due to loss of customers or customers (also dealers and/ or distributors) defaulting on their payment obligations through the application of credit approvals, limits and monitoring procedures. MTC carefully maintains its credit policy with credit evaluations of customers applying for postpaid (contractual) agreements and similarly monitors the credit application process of dealerships. In addition, MTC only trades with reputable financial institutions for the investment of surplus cash and cash handling processes, to mitigate to risk of counterparties defaulting.

4. **Interest Rate Risk**
   MTC is exposed to interest rate risk. The interest rates applicable to these financial instruments into which MTC may invest surplus cash, are a combination of floating and fixed rates in line with those currently available in the market. MTC manages this risk on an ongoing basis and negotiates for the best returns on investment, in order to mitigate the risk arising from interest rate fluctuations. Return on investments may be negatively affected should interest rates decrease. An increase in interest rates will, given MTC's current debt free structure, have a positive impact on the return of cash investments.

5. **Foreign Exchange Risk**
   MTC is exposed to exchange rate fluctuations which have an impact on its cash flow and financing activities. It is particularly pronounced in MTC's case as the risk arises when recognised assets and liabilities are denominated in a foreign currency, which accounts for most of MTC's capital expense procurements and projects. MTC implements various currency risk management strategies in order to mitigate such risks.

6. **Liquidity Risk**
   MTC's approach to managing liquidity risk is to ensure that adequate liquidity (cash reserves) and banking facilities are available to meet its various obligations when due, without risking unacceptable financial or reputational losses. MTC implements various liquidity management strategies to ensure alignment between reserve holdings maturity dates and the due dates of financial obligations.

7. **Capital Management Risk**
   As a communications operator, MTC requires substantial amounts of capital and other long-term expenditures, including those relating to the development and acquisition of new networks and the expansion or improvement of existing networks and support systems.

   MTC manages its capital (borrowings, stated capital and equity) in order to ensure that it upholds a strong credit profile and healthy Capital Ratios to support its business. It maximizes shareholder value and adjusts it in light of changes in economic conditions and the strategy of the company. As a result, MTC may need to amend the dividend payment to shareholders, return capital to shareholders or issue new shares.

   MTC recorded capital expenditures of N$535 million, N$511 million, N$600 million, N$479 million and N$488 million for the years 2020, 2019, 2018, 2017 and 2016, respectively (refer to the commentary on the historical financial results set out in Annexure 5 for more information on the historical and future capital expenditure). MTC's ability to finance capital projects depends on numerous factors, including its future financial condition and results of operations, general economic conditions, interest rates, credit availability from banks, investor confidence, applicable provisions of tax and other relevant laws and political and economic conditions in any relevant jurisdiction.

9.2.4 Legislative/ Regulatory Risks

Threats that originate from the regulatory, legislative and corporate governance themes.

1. **Regulatory Changes**
   Currently MTC is regulated by CRAN for its communications operations and will soon be regulated by the NSX once listed on the NSX. It is possible that MTC's future competitive outlook may be impacted by legislation related to new business avenues or markets that MTC may venture into. MTC has internal controls to minimise any potential events of regulatory non-compliance.

   MTC is subject to various risks relating to legal and regulatory rulings, the outcome of which are unpredictable and which may negatively affect its reputation, which may have a material adverse effect on MTC's business, financial conditions and future prospects. Also refer to 30.1 Pending Litigation on the topic of CRAN's refusal to consider any applications made by MTC, including applications for spectrum and further licenses that MTC requires to continue its operations competitively. CRAN's refusal is based on outstanding regulatory levies for the years 2017, 2018 and 2019, which levies were declared to be unconstitutional by the Supreme Court. Despite that ruling, CRAN persists with its claim for those levies and consider MTC to not be in good standing. MTC has instructed its legal practitioners to approach the High Court for interdictory relief should CRAN not reverse its aforementioned decision because MTC is subjected to material regulatory risk, resulting in other risks.

2. **Risk of Perceived Health Hazards Relating to Mobile and Transmission Equipment**
   Health and safety is a non-negotiable aspect at MTC. The international science community continues to carefully evaluate the effect electromagnetic fields may have on humans and animals. MTC's equipment transmits within the internationally acceptable standards, as does all wireless equipment supplied to MTC customers. MTC's base station towers are safely constructed and environmental clearances are issued for all towers. To date there are no scientifically proven health risks from handset use or transmission radiation in the mobile communications industry.

   However, MTC's operations may be affected by *perceived* health hazards which may prompt the regulator to impose greater restrictions on the construction of basestation towers, which may affect the roll-out of network projects and availability of new services.

9.2.5 Other Risks Specific to Namibia

1. **Governance and Risk Management framework**
   The MTC board is ultimately responsible for MTC's risk management framework. The MTC board has established governance committees which are responsible for developing and monitoring risk management within the business. MTC has and will continue to focus on developing a disciplined and constructive control environment in which all employees participate and understand.

   MTC's governance framework enables the MTC board to provide risk oversight, strategic counsel and ensure adherence to regulatory requirements and risk tolerance. The MTC board is committed to upholding the fundamental tenets of governance which include discipline, independence, responsibility, fairness, social responsibility, transparency and accountability of directors to all stakeholders. The approach of the MTC board to governance is to embrace local and international best practice and the principles of King IV inform its governance framework and practices.

   MTC maintains and regularly reviews internal controls over financial reporting, risk elevation and corporate compliance. However, these have inherent limitations in that they are processes that involve human diligence and compliance and are subject to lapses in judgment resulting from human failures. In addition, these checks and balances can be circumvented by collusion or improper management override. A failure to detect or correct deficiencies and weaknesses in a timely manner could have an adverse effect on the accuracy of MTC's financial reporting and could have a material adverse effect on MTC's business, financial condition, results and prospects.

10. REGULATORY ENVIRONMENT

10.1 Operational Licence

MTC holds a Class Comprehensive Telecommunications Service Licence (ECS and ECNS) issued to it by CRAN on 2 May 2012 in terms of the Communications Act 8 of 2009. Previously MTC held a National Cellular Telecommunications Licence issued by the then Namibian Communications Commission in terms of the Communications Commissions Act of 1992, which has since been repealed by the Communications Act.

MTC's licence allows for the provision of a telecommunications service in Namibia and is valid for 15 years.

As per the Communications Act, each licence issued to a licensee brings its own set of obligations and conditions. The Regulations regarding Licence Conditions for Telecommunications Service Licenses, sets out telecommunications licensees' obligations and is summarised as follows:

- Licensees are obligated to provide a quality service 24 hours a day, 365 days a year;
- Licensees must publish their tariffs and pay their licence fees;
- Licensees are obligated to interconnect with other licensees;
- Licensees have an obligation to share infrastructure with other licensees; and
- Licensees are to provide annual and bi-annual reports in compliance with the Communications Act and Regulations. Detailed information regarding reporting is available in Annexure 16.

10.2 Spectrum Allocation

In order to provide a telecommunications service, a licensee requires spectrum. A licensee can obtain spectrum either through application to CRAN or through an auction bid. In terms of the regulations prescribing procedures for the application, amendment, renewal, transfer and cancellation of spectrum licenses, a licensee may only apply or bid for a spectrum band once it has been published for application (which is considered on a first come first serve basis) or on auction. A spectrum licence award may be coupled with roll-out obligations.

Spectrum licences are valid until 31 December of the year of issue and licensees are required to renew their licenses 60 days prior to expiry. However, where a licensee pays the fees due for the following year, their spectrum licence automatically renews. A licensee's spectrum licence will automatically lapse should a licensee fail to renew their spectrum licenses or fail to pay the licence fees. The lapsing of a spectrum licence effectively means that a licensee cannot provide a service to its customers and customers will not be able to make calls or utilise the internet.

10.3 MTC's Current Spectrum Held and Future Needs

Radio frequency spectrum is raw capacity for the wireless portion of MTC's cellular network that connects mobile devices to base stations and a scarce resource controlled by CRAN.

MTC re-farms spectrum for efficient use and to release capacity on its network. This approach enables a network of sites sharing different technologies to serve various customers according to their needs.

MTC will continue to deploy LTE in rural Namibia for which the 800 MHz spectrum would be ideal. Currently there is 10 MHz that is free and not allocated to an operator in this band. MTC will participate in the process when this spectrum is made available by CRAN.

For the deployment of 5G MTC will require 100 MHz in the 3500 – 3600 MHz band. The GRN has put a moratorium on 5G deployment in Namibia, while studying the effects of 5G radiation on human health. As soon as the moratorium is lifted, the spectrum will be published as available for application and MTC will apply for the required spectrum to deploy 5G technology for faster internet provision and for IoT.

Currently MTC holds spectrum to serve subscribers as depicted hereunder:

Table 13. Current spectrum held by MTC

Technical Name	MHz Spectrum Held	Number of Sites			
		Urban	Road	Rural	Total
G900	13	261	138	421	820
U900 *	5	232	127	342	701
G1800	20	158	23	84	265
L1800	15	235	22	18	275
U2100	10	282	39	64	385
L2100	10	27			27
Physical Sites	310	310	142	422	874

* MTC currently holds temporary spectrum of 5 MHz in the U900 band, which was awarded at the onset of the COVID-19 pandemic to ease congestion on the network. This spectrum is due for auction in June 2021. MTC intends to bid for this spectrum, however CRAN has resolved not to consider any applications by MTC until such time that outstanding levies are paid for the years of 2017, 2018 and 2019, despite the Supreme Court having declared said levies to be unconstitutional. MTC has instructed its legal practitioners to apply to the High Court for review of that decision.

11. MAJOR AND CONTROLLING SHAREHOLDERS AND SHAREHOLDER SPREAD

As at the last practicable date, MTC is a wholly-owned subsidiary of NPTH, which in turn is 100% owned by the Ministry of Public Enterprises (Annexure 2).

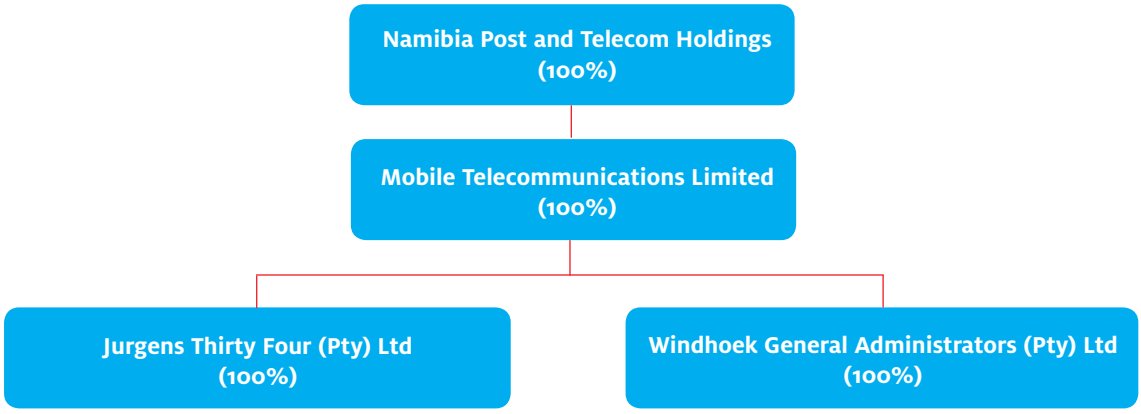


Figure 42. MTC Group Structure prior to Listing

Subsequent to the proposed listing of MTC on the NSX, the shareholding of MTC is expected to change as follows:

Name of shareholder	Number of shares held	Percentage held (%)
NPTH *	382,500,000	51
Other Retail and Institutional Shareholders **	367,500,000	49

Note:

*One (1) share is unaccounted for, as MTC does not have record of, nor did the certificate holder present him/herself.

**The shareholding will form part of the free-float of MTC as required by the NSX.

Following the public offer, NPTH will retain a minimum of 51% shares in MTC. MTC will have a public shareholding of at least 150 shareholders holding a minimum of 20% of MTC shares in issue on listing, as per the NSX listing requirements.

As at the last practicable date, MTC has no knowledge of shareholders who might be interested in more than 5% shareholding.

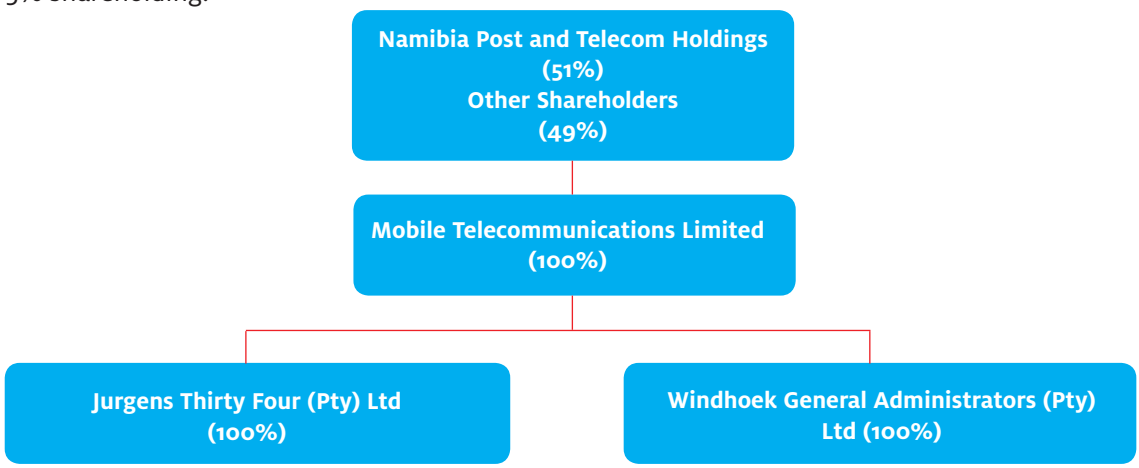


Figure 43. MTC Expected Group Structure Post-Listing

12. MTC'S BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

12.1 Details of MTC's Board of Directors

The MTC board is responsible for governing MTC's overall business models, as well as setting the strategic policies, recruitment of the MD and Executive Management Team and approval of material policies, tracking progress towards the achievement of organizational and national objectives and compliance with legislation.

Table 14. Details of the MTC Board and Sub-Committees

Name of Director	Age	Nationality	Position (*Non-executive, # Independent)	Date Appointed as Director	Date Appointed as Chair/ Deputy Chair	Audit, Risk, IT Governance and Compliance Committee	Human Resources and Remuneration Committee	Corporate Social Investment Committee	Designation/ Expertise	Business Address
Theofelus Mberirua	59	Namibian	*# Board Chairperson	1 Apr 2019	1 Dec 2019	-	Member	-	Accounting, banking, telecommunications, business management	4 Lydia street, Ludwigsdorf, Windhoek, Namibia
Toini Nuusiku Zimina Muteka	40	Namibian	*# Lead Independent Director	1 Apr 2019	1 Dec 2019	-	Chairperson	Member	Human Resources, business management	Vivo Energy, Namibia, 333 Sam Nujoma drive, Klein Windhoek, Windhoek, Namibia
Elia Elwis Nashilongo	50	Namibian	*# Director	1 Oct 2016	-	Member	Member	-	Corporate and strategic communication, marketing, strategic operations management	GIPF, corner of Uhland & Kenneth Kaunda streets, Windhoek, Namibia
Stephen Stuart Galloway	64	Namibian	*# Director	1 Oct 2016	-	-	-	Chairperson	Mining, public sector, banking, strategic management	34 Rautenbach road, Klein Windhoek, Windhoek, Namibia
Werner Schuckmann	55	Namibian	*# Director	1 Apr 2019	-	Chairperson	-	-	Accounting, financial, business management	Osino Gold Exploration, 13 Feld street, Windhoek, Namibia
Rosalia Dalulilua Ruusa Shipiki	51	Namibian	* Director	21 Nov 2019	-	Member	-	-	Legal, company secretarial, asset, regulatory management	Namibia Statistics Agency, FGI House, Post Street Mall, Windhoek, Namibia
Taschiona Charoldine Gawaxab	41	Namibian	*# Director	21 Nov 2019	-	Member	-	Member	Information technology, business management	Nedbank, 3rd floor, 12-20 Dr Frans Indongo street Windhoek, Namibia
Licky Richard Erastus	42	Namibian	Managing Director	8 March 2021	-	-	-	-	Information, technology Executive Management	MTC, corner of Mosé Tjitendero & Wanahepo Ndadi streets, Olympia, Windhoek
Marthinus Jacobus Smit	54	Namibian	Financial Director	8 March 2021	-	-	-	-	Accounting, financial, business management	MTC, corner of Mosé Tjitendero & Wanahepo Ndadi streets, Olympia, Windhoek

12.2 Experience of MTC's Directors

Theofelus Mberirua (MBA)	Theo joined MTC's Board on 1 April 2019 as non-executive independent director and was appointed as Chairperson on 1 December 2019. Theo holds a Master's in Business Administration (MBA) and Bachelor of Science in Accounting from Mercy College. Theo served as a director at Trustco Group Holdings Ltd, a company listed on the NSX and JSE. He serves as a director of Telepassport Namibia and Western National Insurance. He was a Chairperson of the SADC Banking Association and also served as a member of the Presidential Economic Advisory Council. He is a seasoned executive and has over 20 years' experience at executive level. He served as Commercial & Business Development Director of Bidcom for Bidvest Namibia Limited from 2012 to 2018. Theo was the Managing Director of Standard Bank Namibia Limited from 2002 to 2007 and he served as the Executive Chairman of Standard Insurance Brokers Namibia (Pty) Ltd at Standard Bank Namibia. Prior to Standard Bank, he served as the Managing Director at Telecom and as Chief Executive Officer at NPTH. He also served as interim CEO of Air Namibia from 1 July 2020 until 26 March 2021.
Toini Nuusiku Zimina Muteka (BA)	Toini was appointed as a non-executive independent director of MTC in April 2019 and serves as Deputy Chairperson since 1 December 2019. Toini holds a Bachelor's degree in Human Resource Management from NUST, a post-graduate degree in Business Management Administration from the University of Stellenbosch (USB) and is currently registered for an MBA with USB. Toini served as MTC's Manager HR Administration for 4 years until June 2014 and thereafter has been serving as a Human Resources Executive at Vivo Energy Namibia Limited.
Elia Elwis Nashilongo, (MPhil IB)	Elwis has served as a non-executive independent director of MTC since October 2016 and served as Chairperson until 30 November 2019. Elwis holds a Master of Philosophy in International Business (MPhil IB) from the NUST, a Bachelor's degree in Communications and Industrial Psychology from the University of Namibia, National Diploma in Public Management and a Postgraduate Certificate in Strategic Communications Management from Polytechnic of Namibia. He is a certified Communications Practitioner with over 15 years' experience in the field of Strategic Business Communication and stakeholders' relations and is a member of the Public Relations Institute of Southern Africa. Elwis currently holds the position of General Manager: Operations at Government Institute Pension Fund.
Stephen Stuart Galloway (B Com Hons, BSc Hons)	Steve has been a non-executive independent director of MTC since October 2016. Steve holds a Bachelor of Science in Geology and Chemistry from University of Cape Town (UCT); a Bachelor of Science Honours in Geology from UCT; Bachelor of Commerce (Hons) in Economics from University of South Africa. Steve has 40 years' working experience in exploration, mining, government, investments, corporate- and project finance, banking and strategic management and has served on the boards of several financial and mining companies. He served as Executive Director of the Namibia Investment Centre for 4 years until 1997. In 1998 Steve established NIB Namibia, which transformed into NedCapital Namibia, Namibia's first investment bank, where he served as MD until 2010. In 2011 he joined RMB Namibia as MD and retired in 2017. Steve currently serves as Chair of the Gondwana Board, Deputy Chair of the Community Conservation Fund of Namibia Board, a director on the Namibia Institute of Corporate Governance, a member of the Public Private Partnership Committee and a member of the Africa Peer Review Mechanism National Governing Council.

Werner Schuckmann (CA)	Werner joined the MTC board in April 2019 serving as a non-executive independent director. Werner is a qualified Chartered Accountant in Namibia and South Africa. He obtained a Bachelor's degree in Accounting (Honours) from the University of Cape Town. He served as Managing Director of Bidvest Commercial and Industrial Services and Products and was a Member of the Executive Committee of Bidvest Namibia Limited from January 2012 to April 2017. Since then he has been advising and consulting for numerous companies in Namibia and was appointed as CFO of Air Namibia from October 2019 to September 2020. Since October 2020, Werner serves as Country Manager for Osino Gold Exploration.
Rosalia Dalulilua Ruusa Shipiki (LLB)	Ruusa joined MTC's Board on 1 December 2019 as non-executive director. Ruusa completed her Bachelor of Law (LLB) degree at the University of Natal in 1998. In addition, she holds a BA Law Degree from University of Western Cape, an Intellectual Property Law Certificate from UNISA, a Senior Management Development Certificate from Stellenbosch University and an International Executive Leadership Development Programme from Wits Business School in South Africa. Ruusa is a member of the Namibia Statistics Agency Executive Committee and Company Secretary and Legal Advisor since April 2013. Prior to that she served as Namfisa's Board Secretary and as Deputy Director: Legal Counsel and Acting Director, Directorate Legal Counsel National Assembly for the National Assembly of Namibia. She is a shareholder and Director of Beta Energy (Pty) Ltd, a Women's Empowerment Company. Ruusa served as board member and Deputy Vice-Chairperson for First Capital Asset Management (Pty) Ltd and First Capital Treasury Solutions (Pty) Ltd and as board member for Elgin Brown and Hamer Marine (Pty) Ltd.
Taschiona Charoldine Gawaxab (Dipl)	Taschiona was appointed as an independent non-executive member to MTC's board on 1 December 2019. She holds a Diploma in Business Management from the University of South Africa and holds numerous Microsoft, Cisco, ITIL and Information Technology for CIO's and Cobit Certifications. Taschiona has over 12 years' experience in the technology sector and was appointed Head ICT of Nedbank Namibia Limited on 1 May 2021, prior to which she held the position of Senior Information Technology Operations Manager at First National Bank. Before that, she managed large system integrations and digital transformations in the private sector in the United Kingdom.
Licky Richard Erastus (PhD)	Licky was appointed as MD to the MTC board on 8 March 2021 and has been MTC's CEO since 1 December 2019. Licky holds a Doctorate of Philosophy in Informatics (Specialising in Cyber Security and Telecommunications), a Master's degree in Informatics, an Honours degree in Business Computing, a Degree in Computer Networks and System Administration and a Certificate in Management Development & Project Management, all from NUST. He also holds certificates in Management Development and Project Management from University of Stellenbosch Business School and a certificate in Telecommunications Policy, Regulations and Management from the University of Witwatersrand, Johannesburg. Licky served as MTC's acting CEO since June 2019, prior to which he served as MTC's CTO since the beginning of 2018. Prior to that, Licky directed the ICT division of the Namibian Police for 6 years and served in ICT at Telecom in various roles for more than 12 years. Licky also served as a member of the Interpol's Cybercrime advisory expert group, Cyber Security Advisory Committee at NUST; the World Radio Conference Technical Steering Committee for Namibia, as well as Vice Chairperson for the committee of Computer Emergency Response Team for Namibia.

Marthinus Jacobus Smit (CA)	Thinus was appointed as Financial Director to MTC's board on 8 March 2021 and has been MTC's CFO since 8 August 2011. Thinus is a Chartered Accountant, holds a Certificate in the Theory of Accounting (CTA) from University of South Africa (UNISA), a Bachelor's Degree in Commerce (Honours) from the University of the Orange Free State (SA) and also holds a mini-MBA in Telecommunications. He served as Chairperson and Member of the Advisory, Audit and Investment Committees for Namibia Medical Care from October 2011 until June 2020.

A list of other directorships held by directors is set out in Annexure 14. None of the directors are partners with unlimited liability or founders as defined by the NSX listing requirements.

12.3 Detail and Experience of the Company Secretary MTC

Ndahambelela Haikali (Hons B.Comt, CTA), Namibian	Ndaambe joined as MTC's Company Secretary on 10 May 2021. She is a registered Chartered Secretary and Governance professional with the Chartered Governance Institute of Southern Africa. Ndaambe holds an Honours in Bachelor of Accounting Science, Certificate in the Theory of Accounting (UNISA), Bachelors in Accounting from UNAM and a certificate in Senior Management Leadership. She recently qualified as Certified Ethics Officer and is currently pursuing an MBA through Regent Business School. Ndaambe's 21 years work experience started with completing her articles at PriceWaterhouseCoopers, followed by 5 years in the banking industry and 8 years at Namibian Ports Authority. She serves as Chairperson of RTO Housing Namibia (Pty) Ltd and as a board member of the Alexander Forbes group of companies. In 2019 she received the PAN African Award for the Most Influential Woman in Public Enterprises in the country, as well as the SADC.

12.4 Detail and Experience of the Executive Management Team of MTC

Licky Richard Erastus (PhD), Namibian	Licky joined MTC in 2018 as Chief Technology Officer and served as MTC's Acting CEO since July 2019. Licky was appointed as MTC's first Namibian CEO on 1 December 2019 and as MD on 8 March 2021. He has a strong background in technology adoption management and technology-human interface development with emphasis on security and telecommunications service relevance. Licky holds a Doctorate of Philosophy in Informatics (Specialising in Cyber Security and Telecommunications, a Master's degree in Informatics, an Honours degree in Business Computing, Degree in Computer Networks and System Administration and a Certificate in Management Development & Project Management all from the NUST. He also holds certificates in Management Development and Project Management from University of Stellenbosch Business School and a certificate in Telecommunications Policy, Regulations and Management from the University of Witwatersrand, Johannesburg. Prior to joining MTC, Licky directed the ICT division of the Namibian Police for 6 years and served in ICT at Telecom in various roles for more than 12 years. Licky also served as a member of the Interpol's Cybercrime advisory expert group, Cyber Security Advisory Committee at the NUST; the World Radio Conference Technical Steering Committee for Namibia, as well as Vice Chairperson on the committee for Computer Emergency Response Team for Namibia.

Marthinus Jacobus Smit (CA), Namibian	Thinus has served as MTC's Chief Financial Officer since 8 August 2011 and was appointed as FD on 8 March 2021. He started his career at MTC in August 2001 as General Manager: Finance and Administration. Thinus served as Acting CEO of MTC from February 2017 until June 2019. Thinus is a Chartered Accountant, holds a Certificate in the Theory of Accounting (CTA) from University of South Africa, a Bachelor's Degree in Commerce (Honours) from the University of the Orange Free State (SA) and also holds a mini-MBA in telecommunications. He also served as Chairperson and Member of the Advisory, Audit and Investment Committees for Namibia Medical Care from October 2011 until June 2020.
Timoteus Ekandjo (MBL), Namibian	Tim is MTC's Chief Human Capital and Corporate Affairs Officer. Tim holds a Master's in Business Leadership from the University of South Africa. He also holds a mini MBA in telecommunications, a Bachelor of Technology degree (Honours) and National Diploma in Human Resource Management. Tim currently serves as director for the Namibia Broadcasting Corporation, the National Petroleum Corporation of Namibia and is the President of the Institute of People Management. In the past he served as director for Air Namibia and Team Namibia.
Nguundja Patience Kanalelo (LLB), Namibian	Patience is MTC's Chief Legal, Compliance, Risk and Regulatory Officer. Patience holds a LLB (Hons) degree from Rhodes University and has 15 years' experience as an admitted legal practitioner. Her experience in the telecommunication industry spans more than 10 years including serving as external counsel and executive management at the two largest communications operators in Namibia. Patience is currently responsible for directing MTC's legal services, corporate governance, risk management and corporate and regulatory compliance.
Melvin Hosea Angula, Namibian	Melvin joined MTC In January 2019 as GM: Enterprise Solutions and was appointed as MTC's Chief Commercial Officer on 1 November 2019. Melvin is currently a candidate at the University of Witwatersrand for a Masters in ICT Policy and Regulation, holds a National Diploma in System Administration and Networks and completed Stellenbosch's Senior Management Development programme. He has more than 13 years' experience in the Information and Communications Technology industry. Prior to joining MTC in 2019, Melvin worked for MTN Namibia as the Technical Operations Manager reporting to the Managing Director. Melvin also spent more than 6 years at CRAN in the role of Head of Universal Access and Services Projects.
Monica Nehemia (MBI), Namibian	Monica joined MTC as Chief Technical and Information Officer in August 2020. Monica holds a Masters of Informatics in Information Technology Governance and is registered for a Doctoral program in Informatics with the Cape Peninsula University of Technology, South Africa. Monica has more than 19 years' experience in Information Technology and joined MTC from the Office of the Prime Minister where she served as Director of Technical Support and Network Services. She also served as Deputy Director of IT with the Ministry of Mines and Energy, prior to which she worked at Telecom Namibia as Manager of Customised IT Solutions.

12.5 Qualification, Appointment, Remuneration and Borrowing Powers of Directors

The relevant provisions of the articles of association of MTC relating to qualification, appointment, remuneration and borrowing powers of directors are set out in Annexure 11. The borrowing powers may only be varied by special resolution and have not been exceeded since MTC's incorporation and conversion to a public company.

Currently, Directors are recruited and appointed by MTC's shareholder, NPTH. The current MTC board consists of seven (7) non-executive directors, the majority being independent and two (2) executive directors.

Following the successful listing of MTC, the Human Resources, Remuneration and Nominations Committee will nominate potential and suitable directors, which will be appointed by the shareholders at MTC's annual general meeting. Shareholders determine the remuneration of directors at the annual general meeting.

None of MTC's Directors or Executive Managers have previously been[2]:

- disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- convicted of an offence resulting from dishonesty, fraud or embezzlement;
- put into liquidation or been placed under judicial management or had an administrator or other executor appointed during the period when so appointed;
- adjudged bankrupt or sequestrated in any jurisdiction;
- a party to a scheme of arrangement or made any other form of composition with creditors;
- found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
- barred from entry into any profession or occupation; and
- convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Companies Act, or been a director or executive manager of a company so convicted.

All directors and executive management have agreed to be bound by and to comply with the NSX's listings requirements as amended from time to time and to discharge their duties in ensuring such compliance. All directors and executive managers acknowledge that certain requirements contained in the NSX's listings requirements as amended from time to time, affect them directly as a director/ manager and in their personal capacity, as well as in their capacity as a director/ manager and they undertake to be bound by and to comply with all such requirements whilst in that position.

2 • *Theofelus Mberirua, independent director of MTC, was employed by Air Namibia Ltd as an interim CEO from 1 July 2020 until 26 March 2021, prior to the voluntary liquidation of Air Namibia by the GRN as the sole shareholder.*
• *Werner Schuckmann, an independent director of MTC, was employed by Air Namibia Ltd as a CFO from October 2019 to September 2020, prior to the voluntary liquidation of Air Namibia by the GRN as the sole shareholder.*
• *Neither Mr Mberirua nor Mr Schuckmann were directors of Air Namibia, but served in executive capacities.*

12.6 Remuneration of Directors and Officers

For the financial year ended 30 September 2020, emoluments paid to the directors and officers of MTC were as follows:

	Monthly Board Retainers	Board of Directors Attendance	Monthly Committee Retainers	Audit Committee Attendance	Corporate Social Investment Attendance	Listing Committee Attendance	REMCO Committee Attendance	Secretarial Compliance	Total
	N$	N$	N$	N$	N$	N$	N$	N$	N$
Theo Mberirua (1) (2)	100,948	145,609	65,264	4,762	-	28,575	19,050	-	364,208
Toini Muteka (2)	85,058	81,278	80,227	-	19,050	4,762	37,439	-	307,814
Lorna Mbwale (2)	14,176	16,256	10,877	4,762	-	4,762	9,525	-	60,359
Stephen Stuart Galloway (2)	85,058	81,278	101,176	-	27,914	34,892	-	-	330,318
Tulimeke Munyika (2)	14,176	16,256	13,870	-	4,762	4,762	34,892	-	88,719
Taschiona Gawaxab (2)	70,882	65,022	54,387	14,287	14,287	4,762	4,762	-	228,390
Elwis Nashilongo (2)	88,236	101,895	65,264	9,525	-	9,525	33,337	-	307,782
Werner Schuckmann (2) (3)	85,058	89,405	83,220	27,914	-	28,575	14,287	-	328,460
Ruusa Shipiki (2)	70,882	73,150	54,387	14,287	-	9,525	-	-	222,231
Total	**614,475**	**670,147**	**528,672**	**75,539**	**66,014**	**130,142**	**153,293**	**-**	**2,238,282**
Other services:									
Vincia Cloete (4)	-	-	-	-	-	-	-	1,058,250	**1,058,250**

Notes

(1) Emoluments paid to board chairperson.
(2) Emoluments paid to non-executive directors.
(3) Emoluments paid to chairperson of audit committee.
(4) Emoluments paid to company secretary.
(5) There will be no variation in the remuneration receivable by any of the directors as a direct consequence of the public offer and listing, other than as a result of the dissolution of the listing committee, subsequent to the listing event.

Save as disclosed above, MTC has not paid any amounts (whether in cash or in securities), nor given any benefits to any directors or to any company in which directors are beneficially interested, or to any partnership, syndicate or other association of which the directors are members, or to any director as an inducement to become a director or otherwise, or for services rendered by directors, or otherwise for services rendered by directors or by the associate company or associate entity, during the preceding three years.

12.7 Remuneration Policy/ Structure

There will be no variation in the remuneration receivable by any of the directors as a direct consequence of the public offer and listing.

MTC has not paid any amounts (whether in cash or in securities), nor given any benefits to any directors or to any company in which directors are beneficially interested, or to any partnership, syndicate or other association of which the directors are members, or to any director as an inducement to become a director or otherwise, or for services rendered by directors, or otherwise for services rendered by directors or by the associate company or associate entity, during the preceding three (3) years.

12.8 Interests of Directors

At the last practicable date, none of the MTC directors, directly or indirectly held any of MTC's issued shares.

No director of MTC has or had any interest, directly or indirectly, in any transaction which is, or was, material to the business of MTC and which was effected by MTC during the current financial year or immediately preceding financial year or in respect of any previous financial year which remains in any respect outstanding or unperformed.

12.9 Service Contracts of Directors

Each of the non-executive directors has a contract of appointment from MTC, with key responsibilities as following:

- The MTC board is collectively responsible for promoting the success of MTC by directing and supervising the company's affairs.
- The MTC board amongst other matters:
  - provides strategic and entrepreneurial leadership of the company within the framework of prudent and effective controls which enable risks to be addressed and managed,
  - sets the company's strategic aims, ensures that the necessary financial and human resources are in place to meet its objectives and reviews management performance; and
  - sets the company's values and standards and ensures that its obligations to its shareholders and others are understood and met.
- In addition to these requirements of all directors, the role of the non-executive director has the following key elements:
  - Strategy: non-executive directors should constructively challenge and contribute to the development of strategy;
  - Performance: non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
  - Risk: non-executive directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible; and
  - People: non-executive directors are responsible for determining appropriate levels of remuneration for the MD and FD as well as the executive directors. They have a prime role in appointing and where necessary, removing senior management and in succession planning.
- The current non-executive MTC board has been appointed to serve until 30 November 2022.

At the last practicable date, members of the MTC board and the sub-committees are remunerated in terms of the guidance set by the Shareholder with annual reviews of proposed increases at MTC's annual general meeting. Apart from the above-mentioned payments, no further benefits accrue without the written consent of the chairperson.

12.10 Other Directorships held by the Directors

Details of other directorships held by the MTC board are contained in Annexure 14.

12.11 Secretarial and Technical Fees

At the last annual review date of 30 September 2020, MTC paid a total of N$1.058 million to a third party in respect of secretarial fees. The function of Company Secretary was outsourced during the last annual review date of 30 September 2020 and Secretarial fees relate to statutory company secretarial work performed externally for MTC, as the position of Company Secretary was vacant.

As from 10 May 2021, Ms Ndahambelela Haikali was appointed as MTC's Company Secretary.

Other than in the ordinary course of business, MTC has not entered into any contract (as at the date of this Prospectus), the termination of which may have a material adverse effect on MTC.

Technical fee contracts were entered into for the purpose of maintenance and service level agreements for various technical aspects of MTC. The technical fees are payable to suppliers of MTC which have been examined through MTC's tender and procurement process and none of these payments were made to any of MTC's directors, employees or officers.

13. NATIONAL POLICY FRAMEWORK

MTC is a commercially driven enterprise and is operating in an increasingly competitive market. Since the appointment of NPPC in 2005 by the GRN, NPPC is involved in drafting the Transformation of Economic and Social Empowerment Framework currently known as the New Equitable Economic Empowerment Framework, aimed to provide previously disadvantaged Namibians access to the mainstream economy for economic transformation in Namibia. MTC adheres to the framework of NPPC in its procurement practices, as it provides clearly defined management guidelines and processes to employees, customers and suppliers. The procurement processes provide a catalyst that will address commercial imbalances during tender participation, to select a supplier/ partner according to a percentage out of 100%, on the PDN scale of the NPPC framework.

MTC takes pride in its efforts to implement the NPPC framework to gain long-term increased economic activity where previously foreign supplies or services are replaced by Namibian services and products.

MTC has taken the principle decision that a PDN company firstly and secondly, a Namibian company or enterprise, will enjoy preference over SADC PDN enterprises. Significant consideration is given to the audited financial statements of the tenderer and that the value of the contract would not constitute more than 50% of the supplier's annual turnover or sales.

MTC pays special heed to individual enrichment, which is often an undesirable consequence of PDN. In some cases, previously disadvantaged, now affluent advantaged individuals are used as fronts for PDN, but have no PDN impact and only further enrich themselves. MTC exercises caution and aims to focus on true broad-based empowerment.

13.1 Empowerment Marketing Strategy

MTC aims to make its public offer available to a maximum number of Namibians through its broad-based empowerment strategy. MTC will be creating awareness through its Mobilehomes and using its Mobile Vans within Namibia's 14 regions. In addition, MTC has secured a presence in selected Nampost offices (in towns where a commercial bank is also present, but not an MTC Mobilehome), to ensure broad-based subscription for shares, giving access to a larger number of Namibians.

Public offer activities will include institutional roadshows, public roadshows, press conferences, newspapers and financial press, attracting subscriber interest via MTC's website and social media.

13.2 Harambee Prosperity Plan

The HPP Plan has five (5) strategic pillars namely effective governance, economic advancement, social progression, infrastructure development and international relations and cooperation.

MTC is particularly invested in delivering on the topic of infrastructure development, with its N$1.2 billion investment for the 081Every1 project where 524 new towers in rural and urban Namibia will be constructed to reach a 100% population coverage over five (5) years. Currently the project is in its third year, with more than 30% of the sites carrying traffic, and will be completed by the end of 2023. This project creates opportunities for development and bridges the digital divide between urban and rural areas. MTC took a strategic decision to continue with the 081Every1 investment in the interest of rural economic development, by creating social and economic opportunities in the areas through the availability of technology. The project has the following tangible benefits:

- It provides connectivity to rural areas that would otherwise have been without connectivity due to the small number of people and economic activity in such areas. Access to the voice and data communications network forms the foundation for a digital economy and creates opportunities and provides a range of life-enhancing services, such as MFS, mobile agriculture and mobile health, assisting with financial and social inclusion;
- Where towers are constructed, power is required and through this, MTC provides the immediate community with electricity supply that is currently non-existent;
- Ensures equitable quality education and promotes lifelong learning opportunities;
- Builds resilient infrastructure, promotes inclusive and sustainable industrialisation and fosters innovation; and

- It helps to create inclusive, safe, resilient and sustainable human settlements, while enabling the protection and promotion of sustainable use of terrestrial ecosystems, forests, combating desertification, land degradation and biodiversity loss.

MTC is proud of this investment and believes that it will be a catalyst for economic and social development in Namibia, as it empowers citizens to live enriched lives through the use of technology.

MTC is making a contribution towards the social progression pillar with its initiatives in education, through its 3-year national internship program and the MTC Rural School Project. MTC is also vested in reducing other social disparities through its MTC Buy a Brick Support Project and through the MTC Knock-out project creating awareness towards reducing gender-based violence and homelessness.

MTC makes a contribution towards the economic advancement pillar with its initiatives towards youth enterprise development and economic transformation through smart partnership agreements. MTC's 081Every1 project contributed to the advancement of Namibians in that the construction of the base station towers was awarded to Namibian local construction companies.

MTC supports the importance of social and economic transformation in the Namibian environment. The HPP is a socio-economic imperative to re-dress imbalances of the past. It is as much the responsibility of the public, private and state-owned sectors, as it is the GRN's duty to transform. MTC believes that promoting HPP is an important element of being a responsible corporate citizen of Namibia.

The HPP promotes fairness, equity and economic justice and facilitates the inclusion of the previously excluded majority in the Namibian economy. Through this, a solid foundation is created for sustainable economic activity and development. MTC sees support for the HPP as a business decision for the future. The HPP is important as a moral and economic motivator for empowerment and will result in a stable Namibia, both from an economic and a political viewpoint.

13.3 Corporate Social Investment

MTC's CSI strategy speaks to the company's strategy of continuing to be a leader in the industry. MTC's consistent CSI budget allocation each year is invested in major social and environmental areas such as education, housing, sport, arts and culture.

MTC makes a clear distinction between CSI and sponsorships and aims to make 0.5% of its annual turnover available towards CSI initiatives.

MTC recognises the power of communication in delivering economic empowerment to underprivileged Namibians. MTC's commitment to leading innovation in telecommunications is evident in making tools and applications available to the people of Namibia so that their standard of living may be improved.

MTC's overall strategic objective is to make Namibia a better country for all by assisting communities to become self-reliant through various focus areas such as education, health, ICT for development, poverty-alleviation and so forth. MTC's approach is regional-based, to ensure that it reaches all 14 regions of Namibia with projects significant to their development. MTC's CSI agenda is entrenched in the company's DNA and is aligned to its business strategy with a vision of social engagement in all communities in which it operates.

MTC's CSI is based on four strategic pillars namely; accountability, people, the environment and shared values. MTC's approach is to be accountable to relevant stakeholders, collaborations, community involvement and CSI for social change.

All CSI initiatives are managed through the MTC CSI board sub-committee and are guided by a CSI policy that governs all CSI related investments. Key CSI initiatives currently underway:

13.3.1 The MTC Namibia National Internship Project

Namibia is estimated to have over 60,000 students seeking internships every year. Without internships, they are not able to graduate and lack job experience when they enter the job market. Their lack of readiness negatively affects Namibia's overall productivity.

In 2019, MTC launched an initiative called the MTC Namibia National Internship Project. The project, valued at N$1.8 million, sponsors a total of 160 students and places them at various participating institutions in both the private and public sector. The project is a collaboration with Namibia's 3 largest universities namely University of Namibia, Namibia University of Science and Technology, International University of Management and the various Vocational Training Institutions.

MTC invited organisations to collaborate and partner by opening their doors to accommodate students for 3 months, so that they can get the necessary work experience. The programme pays each student an amount of N$3,000 per month over the 3 months to take optimal benefit of the learning experience. Corporate Namibia has welcomed the initiative and although the project is only in its first year, it has already placed over 140 students.

Despite the COVID-19 state of emergency, the project on boarded 95 interns in 2020 and 155 interns in 2021.

13.3.2 MTC Bursary Scheme

The scheme assists students who are less privileged and unable to pay tuition fees with financial assistance to allow them to complete their studies.

13.3.3 The Buy a Brick Support Project

MTC invested over N$10.7 million in the Buy a Brick project to date. The project is aimed at building low cost homes for the less privileged through the Shack Dwellers Federation of Namibia. MTC's investment will see the Shack Dwellers Federation build more than 270 houses over a 3-year period. This project is of national importance as its addresses the lack of housing which is estimated to be affecting over 500,000 Namibians without homes. MTC believes that its contribution will help to restore the dignity of many homeless Namibians.

13.3.4 Drought Relief

Namibia recently experienced its worst drought ever recorded. His Excellency, The President Dr Hage Geingob, declared a state of emergency in 2019 because of the severe drought that saw thousands of cattle and livestock dying.

MTC, being a socially responsible corporate citizen donated an amount of N$750,000 in 2019 to the Namibia Agricultural Union and Namibia National Farmers Union. The donation was geared towards assisting these two unions to assist their members, which consist of commercial and communal farmers across the country with feed and fodder and borehole repairs.

13.3.5 MTC Rural Schools Project

Namibia's schooling system is said to have a significant shortage of classrooms countrywide and therefore MTC implemented the MTC Rural Schools project with the aim of building classrooms to ensure that children are taught under humane conditions. In August 2020, MTC appointed contractors to build 4 blocks of classrooms for two schools in the Zambezi and Kunene regions at a cost of N$1.5 million. The MTC Rural School Project sees MTC collaborating with the Ministry of Education, Arts and Culture and NIMT students who will help with building the classrooms. The classrooms are handed over equipped with desks and chairs. The first 2 schools to benefit from this initiative are Sizongoro Combined School 30 km west of Rundu and Okondaune Primary School near Opuwo. Like-minded organisations have since joined in the effort to provide Namibia with more classrooms in rural Namibia.

13.3.6 MTC's Knockout Project towards addressing societal issues within Namibia's communities

1. In 2019, the MTC Knockout Project created awareness around societal gender-based violence, when well-known Namibian personalities slugged it out in a boxing ring under the campaign of "Boxing for Change". By December 2019, the project raised more than N$840,000.00, which was awarded to four organisations

namely Monica Gender Violence, Ecumenical Social Diaconate Action, Namibia Rural Women Assembly, and Ombetja Yehinga, to strengthen their quest to fight GBV in Namibia.

2. In 2020, the MTC Knockout Project focused its efforts on the issue of homelessness through creating awareness, spurring a national debate and encouraging Namibians to find concrete solutions to eradicate increasing homelessness. In October 2020, under the theme of "Together we can beat Homelessness" 30 Namibian personalities took to stage at a fundraising event and performed hit songs by 30 popular Namibian artists. The performers had access to the original artist, a producer, a band, a studio, a troupe of dancers and a voice coach who helped them prepare for the show for the 3 months leading up to the event, during which a total of more than N$1 million was raised to provide a roof over the heads of the homeless. In February 2020 it was announced that N$1 million was channelled to the Shack Dwellers Federation of Namibia to be used in the construction of 25 homes in Tsumkwe, Gochas and Gibeon. Dolam Children Home in Katutura, Windhoek received N$183,000 towards improving the lives of more than 60 vulnerable children.

13.3.7 Early Childhood Development and Low-cost Land for Housing

In February 2021, MTC committed N$7.5 million over 3 years through a partnership with the Development Workshop Namibia to support two socio-developmental projects, being Early Childhood Development and Low Cost Land for Housing. The Early Childhood Development project will enjoy a cash injection of N$4.5 million over 3 years, through which 100 kindergartens in informal settlements in Windhoek, Oshakati and Katima Mulilo will be assisted with the training of kindergarten teachers, the provision of improved teacher and learning materials and parents support.

The Low Cost Land for Housing project will receive N$3 million over 3 years, which will help address the lack of affordable land for housing, thereby reducing squatter settlements and improving access to basic services.


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14. SHARE CAPITAL AND DIVIDENDS

14.1 Authorised and Issued Share Capital

The authorised and issued share capital of MTC is set out below:

	Number of Shares	Share Capital
Authorised before the public offer		
Ordinary shares of N$0.033 per share	750,000,000	N$25,000,000
Issued before the public offer		
Ordinary shares of N$0.033 per share	750,000,000	N$25,000,000

14.1.1 Prior to the public offer, MTC had no share premium account balance, all shares authorised were also issued.

14.1.1 MTC will not be issuing new shares, therefore the share premium will remain unchanged after the public offer.

14.1.1 MTC has no loan capital outstanding.

14.2 Alterations to Authorised Share Capital

14.2.1 MTC was incorporated with an authorised ordinary share capital of 25,000,000 ordinary shares with a par value of N$1.00 per share.

14.2.2 On 17 May 2021 MTC sub-divided its authorised ordinary shares in a 1 to 30 ratio, thereby increasing the total number of authorised ordinary shares in issue to 750,000,000 and the number of issued ordinary shares to 750,000,000. Following the sub-division, the par value per ordinary share decreased from N$1.00 to N$0.033 per share.

14.2.3 Save as set out in paragraph 14.2.2, no further share sub-divisions or consolidations have been undertaken by MTC.

14.3 Issues of Shares

14.3.1 On incorporation, MTC issued and allotted 25,000,000 ordinary shares with a par value of N$1.00 per share to its founding shareholder.

14.3.2 After the subdivision as set out in 14.2.2 above, the issued ordinary share capital of the company consisted of 750,000,000 ordinary shares with a par value of N$0.033 each.

14.3.3 The company did not undertake any new issuance of ordinary shares, nor were any further offers of shares made by MTC.

14.4 Unissued Shares

At the last practicable date, MTC had no additional authorised or unissued ordinary shares. At time of the public offer, a subdivision of ordinary shares was done at a ratio 1 to 30 and thus 25,000,000 authorised and issued ordinary shares changed to 750,000,000 ordinary shares with a par value of N$0.033 cents per share. This subdivision was done in terms of the special resolution taken at the general meeting held on 17 May 2021.

14.5 Voting, Variation and Conversion of Rights

The provisions of the articles of association of MTC relating to the voting rights and variation of rights attaching to shares in the share capital of MTC are set out in Annexure 11.

14.6 No Other Listings

Save for the public offer as set out in this Prospectus, no offer has been made to the public for the subscription or sale of shares prior to the date of this Prospectus. The issued ordinary shares of MTC will be listed on the NSX. No shares of MTC will be listed on any other stock exchange.

14.7 Dividends

14.7.1 It is MTC's intention to pay dividends bi-annually at a minimum of 70% Net Profit after Tax, subject to the outlook for earnings growth, operating and capital expenditure requirements and acquisitions, together with the level of gearing. The first dividend will be based on the full year results ending 30 September of each year, less any interim payment made in June of the same year based on half year results ending 31 March of said year.

14.7.2 Dividend payments are not guaranteed and subject to the discretion of the MTC board.

14.7.3 All moneys, other than dividends and distributions in terms of the Companies Act due to members shall be held in trust indefinitely until lawfully claimed by the members concerned or until the company is finally wound up.

14.7.4 There is no arrangement under which future dividends will be waived or have been waived.

14.7.5 The MTC board may in an annual general meeting ratify the declaration and pay dividends to the shareholders according to their rights and interests in the profits if it reasonably appears that the company will satisfy the solvency and liquidity test immediately after completing the proposed payment and meet its legal obligations with respect to liquidity and the MTC board, by resolution, has acknowledged that it has applied the solvency and liquidity test and reasonably concluded that the company will satisfy the solvency and liquidity test immediately after completing the proposed payment.

14.7.6 Any dividend payable on or in respect of a share shall not bear interest against the company.

14.7.7 Any dividend payable on or in respect of a share, which is unclaimed, may be retained by the company and may be invested until claimed by the member concerned.

14.7.8 Any dividend payable on or in respect of a share, which is retained and unclaimed for three years or should the company be wound up or deregistered, after the payment date of the dividend in question, shall be forfeited and reverted to the company or its assigns and may be dealt with by the directors or such assigns as deemed fit.

14.7.9 The unaudited forecast for the year ending 30 September 2021, as stated in Annexure 9 makes provision for a total dividend (calculated at a minimum of 70% of the Net Profit after Tax) in the amount of N$413.374 million (or N$1,653.50 per share) consisting of as follows:

- A final dividend declared on the financial results for the year ending 30 September 2020, as published and communicated at the Annual General Meeting dated 7 December 2020, with actual payment incurred during January 2021 in the amount of N$202.746 million (or N$810.98 per share).
- An interim dividend of N$210.628 million (or N$842.51 per share). An actual dividend of N$ 397.307 million was declared on 28 June 2021, payable to the existing shareholder on or about 31 July 2021. A forecast final dividend (calculated at a minimum of 70% of Net Profit after Tax on the interim results for the period ending 31 March 2021).
- The forecast financial information for the year ending 30 September 2022 makes provision for a total dividend (calculated at a minimum of 70% of the Net Profit after Tax) in the amount of N$473.781 million (or N$63.17 per share) consisting of an interim and final dividend payable to the shareholders registered as such on the last date of registration, to be communicated with the publication of the financial results for the year ending 30 September 2021. Refer to Annexure 9.

15. HISTORICAL FINANCIAL INFORMATION

The audited historical financial information for MTC for the years ended 30 September 2016, 30 September 2017, 30 September 2018, 30 September 2019 and 30 September 2020, the preparation of which is the responsibility of the directors, is presented in Annexure 5.

Annexure 6 contains the independent reporting accountant's report on the historical financial information of MTC. Annexure 7 contains MTC's Interim Financial Results to March 2021.

The reviewed interim financial information for MTC for the period ended 31 March 2021, the preparation of which is the responsibility of the directors, is presented in Annexure 7.

Annexure 8 contains the independent reporting accountant's report on the reviewed interim financial information of MTC.

16. FORECAST FINANCIAL INFORMATION

16.1.1 The unaudited forecast financial information of MTC for the financial period ending 30 September 2021 and 30 September 2022, the preparation of which is the responsibility of the directors, is set out in Annexure 9, including the assumptions. The forecast financial information should be read in conjunction with the independent reporting accountants' report thereon, as set out in Annexure 10.

16.1.2 The unaudited forecast financial information is based on the assumption that circumstances which affect the company's business, but which are outside the control of the directors, will not materially alter in such a way as to affect the trading of the company.

16.1.3 In addition, the unaudited forecast financial information is based on the assumptions that:

1. there will be continuity in existing management and trading policies;
2. there will be no change in the present accounting policies;
3. gross and net margins remain relatively unchanged; and
4. operating costs grow in line with inflation and/or increase in activity.

16.1.4 No allowance for revenue growth arising from further strategic company acquisitions has been allowed in the forecast.

16.1.5 In the opinion of the directors, the above assumptions are significant to the forecasts as they are key factors upon which the financial results of the company will depend. However, certain assumptions may not materialise and/or certain unforeseen events may occur or circumstances may arise subsequent to the forecast being made. Accordingly, the results achieved for the period referred to above may differ from those forecast.

17. THE PUBLIC OFFER

17.1 Salient Features

17.1.1 The salient features of the public offer are as follows:

• Public offer price per share	N$8.50
• Number of MTC shares offered in terms of the public offer	367,500,000
• Issue consideration in terms of the public offer	N$3.124 billion
• Opening date of the public offer at 09:00 on	20 September 2021
• Closing date of the public offer at 12:00 on	1 November 2021
• Anticipated listing date on the NSX	19 November 2021

17.1.2 The primary objective for listing is:

To unlock shareholder value and encourage private sector (both institutional and retail investors) investment in MTC.

Financial and Commercial Objectives

- Maximizing the value of shares in MTC post listing; and
- Generating proceeds for the Namibia's national fiscus.

Economic and Social Objectives

- Undertaking a successful IPO;
- Increasing confidence in GRN's ongoing public enterprise restructuring programme; and
- Stimulating the local economy.

Public Enterprise Related Objectives

- Creating a new mind-set for MTC as a listed entity adhering to international best practices; and
- Injection of new commercial and market influences into GRN's public enterprises.

17.1.3 The secondary objective for listing is:

To broaden economic empowerment through ownership by ordinary Namibians in a profitable public enterprise.

Economic and Social Objective

- Broadening Namibian share ownership.

Empowerment Objectives

- Encouraging a culture of share ownership by historically disadvantaged individuals; and
- Ensuring broad-based economic empowerment in the retail offer.

Public Enterprise Related Objective

- Establishment of a broad shareholder base; and
- Complying with the directives set by CRAN.

17.1.4 The public offer is open to the members of the general public. In the event that the offer is oversubscribed, the MTC board will at its sole discretion, consider the appropriate allocation in the following:

- PDN status;
- MTC staff;
- MTC customers;
- Namibian natural persons;
- Namibian Corporates and Institutions; and
- SADC and International investors.

17.1.5 Those members of the general public who wish to subscribe for shares in terms of the public offer should do so by completing the applicable public offer application attached in accordance with the provisions of this Prospectus and the instructions contained in such application.

17.2 Terms, Conditions and Payment

The following terms and conditions relate to the public offer:

17.2.1 Applications for the public offer can only be made on the applicable public offer application forms which are attached to this Prospectus or online on the MTC website at www.mtc.com.na.

17.2.2 The application form must be signed and submitted to any MTC Mobilehome and selected Nampost outlets listed in Annexure 13 or your stockbroker with the applicable supporting documents as indicated in paragraphs 17.2.6, 17.2.7 and 17.2.8 of this Prospectus.

17.2.3 Online application process

1. To complete the application form online visit the MTC website on www.mtc.com.na and select the type of investor for which the application is being made.
2. Once the application has been completed and submitted online a reference number will be generated automatically and affixed to the application form.
3. The application form must be printed and signed.
4. Once payment has been made using the reference number on the application form, the signed application form must be submitted as indicated in paragraphs 17.2.9 of this Prospectus, together with the required supporting documents.

17.2.4 Physical application process

1. Obtain a copy of this Prospectus from any MTC Mobilehome or selected Nampost outlets listed in Annexure 13, your stockbroker, the NSX or the MTC website on www.mtc.com.na and complete the relevant application form attached to this Prospectus.
2. A reference number must be obtained in the manner described in paragraph 17.2.5 of this Prospectus and completed on the application form prior to making any payment.
3. Once payment has been made using the reference number on the application form, the completed and signed application form must be submitted as indicated in paragraphs 17.2.9 of this Prospectus, together with the required supporting documents.

17.2.5 Obtaining a reference number

1. A reference number must be obtained prior to making any payment and submitting the application form.
2. The reference number must be used as reference when making payment for an application. MTC reserves the right to reject any payment received without the required reference number.
3. The application form must contain a reference number before being submitted.
4. A reference number can be obtained as follows:
   - **Online applications:** A reference number will be generated automatically once the application is submitted online and affixed to the application form.
   - **Physical applications:** A reference number must first be obtained from the MTC Call Centre by dialling 90112. This reference number must be completed on the application form in the space provided and used when making payment.

17.2.6 Applications by individuals must include the following documents:

1. The duly completed and signed original application form containing a reference number;
2. Identification: an originally certified copy of the front and back of the applicant's identity document, certified by a Commissioner of Oaths; and
3. Confirmation of bank information on bank letterhead: original bank letter or original bank statement on bank letterhead clearly indicating account holder name and branch code not older than 3 months; and
4. Proof of country of residency: any proof of residency for example, a copy of tax certificate, municipal account, other account reflecting the residential address, or other proof of residency, not older than 3 months; and
5. Proof of payment: electronic funds transfer or cash deposit slip indicating reference number.

17.2.7 Applications by registered legal entities must include the following documents:

1. The duly completed and signed original application form;
2. Original certified copy, certified by a Commissioner of Oaths of:
   - **Company:** CM1 Certificate of Incorporation and CM22 Certificate of Registered Address form, all bearing the stamp of the Registrar of Companies and signed by the company secretary.
   - **Close Corporation:** CC1 Founding Statement bearing the stamp of the Registrar and signed by an authorised member.
   - **Trust:** Trust Certificate issued by Master of the High Court bearing the stamp of the High Court.
   - **Other legal entities:** Registration document and constitution or other founding documentation and written confirmation of the residential address of persons authorised to act on behalf of the legal entity; and
3. Original certified copy, certified by a Commissioner of Oaths, of board minutes/ resolution detailing authorised person(s) to act on behalf of the company/ close corporation/ trust/ legal entity for share dealing and other purposes:
   - On an applicable letterhead, a list of authorised persons with each one's specimen signature and contact particulars; or
   - Original certified copies of the identity documents of the authorised signatories and trustees/ principal officer; and
4. Confirmation of bank information, not older than 3 months:
   - Original letter from the bank on a bank letterhead confirming the account name, branch number, account number and type of account; or
   - Original bank statement clearly showing the bank name, branch code and account holder's name. No screen prints can be accepted; and
5. Proof of country of residency: any proof of residency for example, a copy of tax certificate, municipal account, other account reflecting the residential address, or other proof of residency, not older than 3 months; and
6. Proof of payment: electronic funds transfer or bank cash deposit slip indicating reference number.

17.2.8 Applications by investors using a custodian/ nominee account who are not on Transfer Secretaries database list must include the following documents:

1. Original certified copy by a Commissioner of Oaths of the registration document of the beneficial holder/ entity making the investment for each of the beneficial holders that have not yet been sufficiently registered at Transfer Secretaries; and
2. Proof of payment: electronic funds transfer indicating reference number.

17.2.9 Submission of completed application forms

1. The completed application with all relevant documentation and supporting documents (17.2.6 and 17.2.7 above), as well as the relevant reference number (17.2.5) and the proof of payment (17.2.13 and 17.2.14) must be handed in at a Mobilehome or selected Nampost outlet (Annexure 13).
2. Once the Mobilehome or selected Nampost outlet accepts the application the IPO facilitator will validate and check for FIA compliance.
3. Once the application has been validated, the applicant will receive a receipt confirmation via SMS and/or email.
4. If any discrepancies between the submitted application data and the FIA compliant required documents is found, MTC has the right to correct the application based on the FIA compliant required documents.

17.2.10 The shares forming the subject matter of the public offer may not be applied for in the name of a minor, deceased estate or partnership. Executors and individual partners may apply for such shares in their own name or through nominee companies. Documentary evidence of capacity need to accompany the public offer application.

17.2.11 The public offer application is irrevocable and may not be withdrawn once received by the company.

17.2.12 No receipts will be issued for the application forms, application monies or any supporting documentation.

17.2.13 Payment may only be made by cash or electronic funds transfer or as allowed for in terms of the "same day settlement" of the NISS. Postal orders or telegraphic transfers will not be accepted. Please note the following limits apply:

1. Cash deposits for applications have a limit of N$50,000 (fifty thousand Namibia dollars);
2. Electronic funds transfers for applications have a limit of N$5 million (five million Namibia dollars); and
3. Applications in excess of N$5 million (five million Namibia dollars) can only be made via NISS.

17.2.14 MTC public offer bank accounts into which the public offer application amount is to be made:

Bank Windhoek Limited	Account Name Account Number Branch Number Swift Code Reference	MTC IPO Finance Account 8017250436 482172 BWLINANX <share application reference number>
First National Bank of Namibia Limited	Account Name Account Number Branch Number Swift Code Reference	MTC IPO Finance Account 62275070276 281972 FIRNNANX <share application reference number>
Nedbank Namibia Limited	Account Name Account Number Branch Number Swift Code Reference	MTC IPO Finance Account 11990335429 461617 NEDSNANX <share application reference number>
Standard Bank Namibia Limited	Account Name Account Number Branch Number Swift Code Reference	MTC IPO Finance Account 60004582682 082372 SBNMNANX <share application reference number>

17.2.15 Payment by electronic funds transfer

1. Applicants who wish to make payment by way of an electronic funds transfer may do so, using the required reference number for reconciliation purposes, in which case the public offer application and proof of such electronic funds transfer, together with the required supporting documents must be delivered by hand or couriered to:
   - if delivered by hand at any of the MTC Mobilehomes and selected Nampost outlets listed in Annexure 13 or your stockbroker

   OR

   - if couriered to MTC Head Office, Attention: MTC public offer application team, c/o Mosé Tjitendero and Hamutenya Wanahepo Ndadi streets, Olympia, Windhoek so as to be received by no later than 12:00 on 1 November 2021.
2. Payment by electronic funds transfer must be made to any of the bank accounts as indicated on the reverse side of the application form and as in paragraph 17.2.14. A reference number must be obtained in the manner described in paragraph 17.2.5 of this Prospectus prior to making an electronic funds transfer.
3. MTC accepts no responsibility and will not be liable for the incorrect or any misallocation of shares pursuant to payment being made or alleged to have been made by way of an electronic funds transfer due to proof of such payment not being received or purported proof of such payment being insufficient or defective or MTC, for any reason, not being able to reconcile a payment or purported payment with a particular application for shares in terms of the public offer.

17.2.16 Payment by banker's draft or cash deposit

1. Cash deposits have a limit of N$50,000 (fifty thousand Namibia dollars).
2. Applicants who wish to make payment by way of a banker's draft or cash may do so, using the required reference number for reconciliation purposes, in which case the public offer application and proof of such cash deposit slip, together with the required supporting documents must be delivered by hand or couriered to:
   - if delivered by hand at any of the MTC Mobilehomes or selected Nampost outlets listed in Annexure 13 or your stockbroker.

   OR

   - if couriered to MTC Head Office, Attention: MTC public offer application team, c/o Mosé Tjitendero and Hamutenya Wanahepo Ndadi streets, Olympia, Windhoek so as to be received by no later than 12:00 on 1 November 2021.
3. Payment by cash deposit must be made to any of the bank accounts as indicated on the reverse side of the application form and as in paragraph 17.2.14. A reference number must be obtained in the manner described in paragraph 17.2.5 of this Prospectus prior to making a cash deposit.
4. MTC accepts no responsibility and will not be liable for the incorrect or any misallocation of shares pursuant to payment being made or alleged to have been made by way of a cash deposit due to proof of such payment not being received or purported proof of such payment being insufficient or defective or MTC, for any reason, not being able to reconcile a payment or purported payment with a particular application for shares in terms of the public offer.

17.2.17 The public offer application will only be regarded as complete once payment for the total amount of the application and the original duly completed application form with the supporting documents have been received. Should any payment subsequently be dishonored, the directors of MTC may, in their sole discretion and without prejudice to any rights the company may have, regard the application of such applicant as revoked or take such steps in regard thereto as they deem fit.

17.2.18 "Blocked Assets" may be used by emigrants and non-residents of the common monetary area for payment in terms of the public offer. In this regard, reference should be made to section 31 below which deals with Exchange Control Regulations.

17.2.19 Applications must be for a minimum of 200 shares and in multiples of 100 thereafter.

17.2.20 No late applications will be accepted.

17.2.21 Physical share certificates may be collected from the collection point selected by applicants on the application form or delivered to the applicant's stockbroker, if so requested. No contrary instructions will be accepted. No request for the issue of replacement certificates will be considered before 31 December 2021 and thereafter only if made in writing and accompanied by an acceptable indemnity.

17.2.22 The current risks associated with holding shares in certificated form, including the risk of loss or tainted scrip, remain. MTC shares will only be traded on the NSX in certificated form until the NSX dematerialises all script.

17.2.23 The subscription for shares in terms of the Prospectus and public offer is conditional on the granting of a listing of the shares of MTC with effect from the start of trade on 19 November 2021 or such later date as approved by the NSX.

17.2.24 No interest earned on payments will be returned

17.2.25 MTC Mobilehomes and selected Nampost outlets where copies of the Prospectus can be collected and applications delivered are listed under Annexure 13.

17.3 Reservation of Rights

17.3.1 The MTC board reserve the right to accept or refuse any application(s), either in whole or in part, or to abate any or all application(s) (whether or not received timeously) in such manner as they may, in their sole and absolute discretion, determine.

17.3.2 The MTC board reserve the right to accept or reject, either in whole or in part, any public offer applications should the terms contained in this Prospectus and the instructions above not be properly complied with.

17.3.3 The basis of allocation of the public offer shares will be determined by the MTC board in its sole discretion.

17.3.4 In amplification of the above, the MTC board shall, in its sole discretion, determine an appropriate allocation mechanism, such that the shares will be allocated on a fair and reasonable basis, as far as possible, taking into account NSX shareholder spread requirements, promoting the liquidity of the shares once listed on the NSX and considering the potential shareholder base that the MTC board wishes to achieve in order to ensure the sustainability of MTC.

17.4 Underwriting and Pre-commitments

17.4.1 The public offer has not been underwritten.

17.4.2 There is no minimum subscription required in respect of the preliminary expenses of the offer, loans, expenditure or for working capital purposes, all of which will be provided by MTC.

17.4.3 Selected Namibian institutional investors provided pre-commitments to subscribe for a minimum of 282,899,160 shares at the listing price of N$8.50 ahead of the IPO.

17.5 Issue of Shares in Terms of the Public Offer

17.5.1 All shares offered in terms of the public offer will be offered by NPTH, the existing shareholder of MTC.

17.5.2 No simultaneous issue of shares will be made by MTC.

17.5.3 All shares offered in terms of the public offer are subject to the provisions of MTC's Memorandum and Articles of Association and will rank pari passu in all respects with the existing shares in issue. Annexure 11 contains extracts of MTC's Memorandum and Articles of Association.


Go from
taxi driver
to shareholder
#GetThere with MTC

18. LISTING ON THE NSX

Subject to the achievement of the required spread of shareholders, the NSX has formally approved the listing of 750,000,000 ordinary shares in the share capital of MTC on the NSX with effect from the start of trading on 19 November 2021. The shares will trade under the abbreviated name "MTC Limited", with the code "MOC" and ISIN NA000A3CR803.

19. MATERIAL CHANGES

There have been no material changes in the financial or trading position of MTC since 31 March 2021 until the last practicable date, other than in the ordinary course of business.

Despite the global challenges brought on by COVID-19, MTC was able to respond swiftly and generally performed well. More data was consumed as Namibians had to adjust to working from home, which offset losses MTC encountered through the lack of roaming revenue resulting from global travel bans (see Annexure 5). MTC notes that the impact of COVID-19 might hold a long-term negative effect, as customers might experience job losses or less income in the years following 2021, which may cause a rise in postpaid debt or a change in user behaviour whereby postpaid is swapped out for a prepaid service.

20. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

MTC declared all its material commitments, lease payments or contingent liabilities in Annexure 5 note 28, 29 and 35 in Notes in the Historical Financial Information Annexure of MTC as at last practicable date.

21. LOANS AND BORROWING POWERS

21.1.1 No material loans have been made by MTC or any of its subsidiaries.

21.1.2 As at the last practicable date no material loans have been made to MTC or any of its subsidiaries.

21.1.3 No loan capital is currently outstanding.

21.1.4 The borrowing powers of the company may only be varied by special resolution and have not been exceeded since incorporation.

21.1.5 The borrowing powers of the directors are set out in Annexure 11.

21.1.6 As at the last practicable date no material inter-company balances existed before elimination.

22. PROPERTY AND SUBSIDIARIES ACQUIRED OR TO BE ACQUIRED

22.1.1 No material property acquisitions have been made by MTC in the years September 2016 to September 2020, except for what is stated in the annual financial statements.

22.1.2 Details of subsidiaries of MTC are set out in paragraph 6.2 and Annexure 4.

22.1.3 No material property has been disposed of by MTC in the years September 2016 to September 2020.

22.1.4 The application for listing does not coincide, directly or indirectly, with the acquisition by the company, or any of its subsidiaries, of securities in or of the business undertaking of any other company, in consequence of which that company or business undertaking will become a subsidiary of or part of the business of MTC.

23. SHARES ISSUED OTHER THAN FOR CASH

Save for the listing directive, no shares have been issued or agreed to be issued by the company or any of its subsidiaries since incorporation, other than for cash.

24. PRINCIPAL IMMOVABLE PROPERTY OWNED OR LEASED

24.1.1 Details of immovable properties owned or leased by MTC are set out in Annexure 15.

24.1.2 All transactions concluded by MTC in respect of its leasehold land and properties are in the ordinary course of business.

Type of lease	Total Rental: Per Month N$'000	Unexpired term: Minimum Months	Unexpired term: Maximum Months
Retail Outlets	1,197	1	75
Radio Sites	2,756	1	1,756
Other - Switch	151	16	53
Other - BSC	120	4	161

25. DETAILS OF SUBSIDIARIES

Details of MTC's subsidiaries are set out in Annexure 4.

26. ADEQUACY OF WORKING CAPITAL

The directors are of the opinion that the working capital available to MTC, both prior and subsequent to the public offer, is adequate for the present requirements of MTC, i.e. for a period of 12 months from the date of issue of this Prospectus. Confirmation letters from MTC's Bankers in support of the due process followed in preparation of its working capital is presented in Annexure 16 (consent is not required as the offer is not underwritten by a bank).

27. MATERIAL CONTRACTS

27.1.1 No material contracts have been entered into by MTC or its subsidiaries since incorporation, other than contracts concluded in the ordinary course of business and concluded within two (2) years of the last practicable date of this Prospectus.

27.1.2 MTC is not subject to any royalty agreements.

28. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW

MTC is not subject to any Government Protection or Investment Encouragement laws.

29. OPTIONS AND PREFERENTIAL RIGHTS IN RESPECT OF SHARES

29.1.1 There is no contract or arrangement, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any shares in the company or its subsidiaries.

29.1.2 In the event of an over-subscription of the public offer, Namibian citizens will be given preference in the allocation of shares (refer to 17.1.4).

30. LITIGATION

Other than as disclosed hereunder, there are no legal or arbitration proceedings (including any such proceedings that are pending or threatened) of which MTC is aware, which may have or have had, a material effect on the financial position of MTC in the last 12 months.

30.1 Pending Litigation Matters

30.1.1 Communications Regulatory Authority of Namibia // MTC (CRAN Regulatory Levies)

CRAN instituted action proceedings against MTC in the High Court for the amount of N$92,373,103.00, including penalties based on regulatory levies charged by CRAN for the periods 2016, 2017 and 2018, respectively. The charging of such levies was declared unconstitutional by the Supreme Court and the High Court consequently upheld an exception by MTC that the charging of those levies is unconstitutional from date of the High Court order. CRAN applied for and was granted, leave to appeal that decision on the ground that the date upon which the levies were declared unconstitutional was later than the dates of imposition of the levies, namely the date of the Supreme Court order. MTC shall oppose that appeal.

30.1.2 MTC // Mood Mono

Roaming fraud which claimable amount is currently set at N$2,238,379.48

31. EXCHANGE CONTROL REGULATIONS

The following is intended as a guide of the Exchange Control Regulations and is not, therefore, a comprehensive statement. Applicants are advised to consult their professional advisors if they have any doubt as to the effect of these regulations, or the applicability thereof to their particular case.

31.1.1 Non-residents must satisfy themselves as to the full observance of the laws of any relevant territory concerning the public offer application, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due to such territory.

31.1.2 Non-residents may use blocked assets to purchase the public offer shares offered in terms of this Prospectus.

31.1.3 All payments in respect of the public offer application by non-residents using blocked assets must be made through an authorised dealer in foreign exchange.

31.1.4 Shares purchased in respect of the public offer with blocked assets will be endorsed “non-resident” in terms of Exchange Control Regulations.

31.1.5 If applicable, refund monies in respect of unsuccessful applications, emanating from blocked assets accounts, will be returned to the authorised dealer administering such blocked assets account for the credit of such applicant’s blocked assets account.

32. PROMOTERS' AND OTHER INTERESTS

Save as disclosed in section 34 below, no amounts have been paid by MTC to any promoter of MTC or for any property acquired by MTC.

No commissions, discounts, brokerages or other special terms have been granted by MTC in connection with the issue of any shares in MTC.

33. ADVISORS' CONSENT

Each of the advisors, whose names appear on the inside cover of this Prospectus, have given and have not, prior to registration of this Prospectus, withdrawn their written consents to the inclusion of their names, their ability to act in the capacities stated and, where applicable, to their reports being included in this Prospectus.

34. EXPENSES AND LISTING FEES

The estimated expenses of the listing (exclusive of Value Added Tax) are:

	N$'000
Printing, publication and distribution	1,590
Broad-based marketing	15,404
NSX listing fees	500
Share issue expenses, fiscal duties and taxes	6,755
Transfer Secretaries	2,390
Sponsor & Advisory Fees*	21,085
Auditors and Reporting Accountants	2,290
Legal Fees	800
Contingency	550
Total	**51,364**

35. DIRECTORS' RESPONSIBILITY STATEMENT

35.1.1 The directors of MTC, whose names are given in paragraph 12.1 of this Prospectus:

1. have considered all information and opinion in this Prospectus;
2. accept, collectively and individually, full responsibility for the accuracy of such information; and
3. certify that, to the best of their knowledge and belief, there are no omissions of facts or considerations which would make any statements of fact or opinion contained in this Prospectus false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Prospectus contains all information required by law and the NSX listing requirements.

36. DOCUMENTS AVAILABLE FOR INSPECTION

36.1.1 The following documents, or copies thereof, will be available for inspection at the registered offices of MTC, IJG or PSG during normal office hours from the date of issue of this Prospectus up to and including 1 November 2021:

1. the Memorandum and Articles of Association of MTC;
2. the audited consolidated financial statements for the years ended 30 September 2016, 2017, 2018, 2019 and 2020; unaudited forecast statements of profit and loss and other comprehensive income of MTC for the years ending 30 September 2021 and 2022;
3. MTC's interim financial results to March 2021;
4. written consent from each of the advisors referred to in section 33 above;
5. the independent reporting accountant's report on the historical audited financial information of MTC, as stated in Annexure 6;
6. the independent reporting accountant's report on the reviewed interim financial information of MTC, as stated in Annexure 8;
7. the independent reporting accountant's report on the unaudited forecast financial information of MTC, as stated in Annexure 10;
8. copies of the service agreements of the directors, the company secretary, members of EXCO and the sponsors;
9. confirmation letters from MTC's bankers in support of adequate working capital as referred to in section 26; and
10. a copy of this Prospectus.

37. PARAGRAPHS OF SCHEDULE 3 OF THE COMPANIES ACT WHICH ARE NOT APPLICABLE

The numbers of the paragraphs in Schedule 3 of the Act which are not applicable are:
2(4), 6(4), 6(e)(b), 6(7), 6(9), 8(b), 9(1), 9(2), 10(1), 12, 17(2), 17(3), 18(2), 20(2), 21(1), 21(2), 24, 25(1)(b), 26, 27, 32–48.

SIGNED AT WINDHOEK ON 20 SEPTEMBER 2021 BY THEOFELUS MBERIRUA AND LICKY RICHARD ERASTUS ON BEHALF OF ALL THE DIRECTORS OF MOBILE TELECOMMUNICATIONS LIMITED, AS LISTED, IN TERMS OF POWERS OF ATTORNEYS SIGNED BY SUCH DIRECTORS



Chairperson
Theofelus Mberirua



Managing Director
Licky Richard Erastus

ANNEXURES

Annexure 1 SALIENT FEATURES

Mobile Telecommunications Limited	
Established	1994
Services	Telecommunications provider
Industry	Information, Communications and Technology
Employees	568
Market share	90% mobile market share in Namibia's telecommunications market 2.469 million active customers 97% population coverage Most admired Namibian brand
Growth Opportunities	Content, Digital, Entertainment and Value Adding Services Data growth Services growth due to expanding coverage footprint

Jurgens Thirty Four (Pty) Ltd – 100% Subsidiary of MTC	
Established	1998
Services	Property Management
Industry	Property
Employees	-
Market share	-
Growth Opportunities	-

Windhoek General Administrators (Pty) Ltd - 100% Subsidiary of MTC	
Established	1999
Services	Dormant
Industry	-
Employees	-
Market share	-
Growth Opportunities	-

Annexure 2 MTC OWNERSHIP STRUCTURE

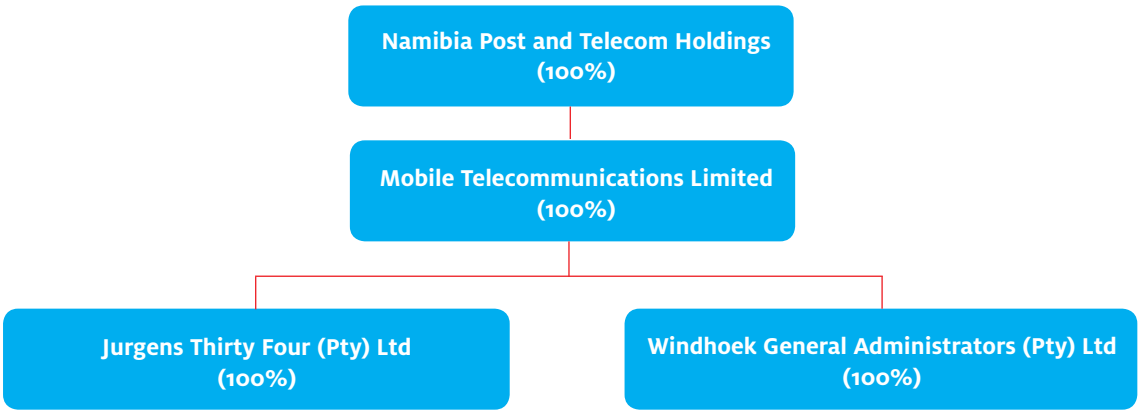


Figure 44. MTC Group Structure prior to Listing

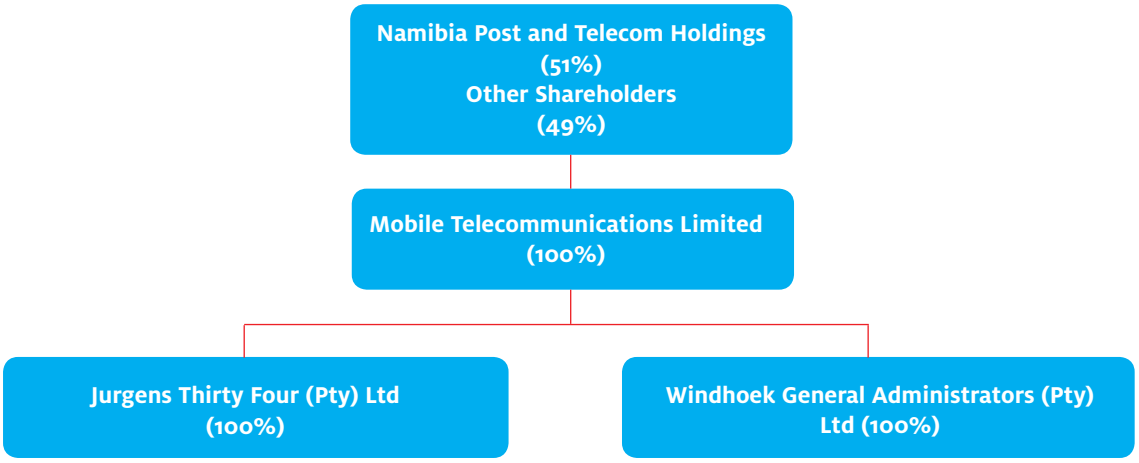


Figure 45. MTC Group Structure Post-Listing

Annexure 3 SUMMARY OF MTC HISTORY

MTC's Key Milestones and Achievements

April 1995	MTC was launched with coverage in Windhoek only
Oct 1998	MTC achieved 20,000 subscribers
July 1999	MTC successfully launched pre-paid into the market
March 2000	MTC achieved 50,000 subscribers
July 2001	MTC achieved 100,000 subscribers
October 2002	MTC achieved 150,000 subscribers
2006	MTC launched 3G into the market and upgraded it with higher speeds
August 2006	MTC achieved 500,000 subscribers
2007	MTC achieved 750,0000 subscribers and doubled its revenues
2008	MTC achieved 1 million subscribers
2010	MTC achieved 1.5 million subscribers and launched Aweh
Sept 2011	MTC held 80% of market share, with 102.6% market penetration
2012	MTC launched LTE 4G in Windhoek and became the first to commercially launch in Africa
2016	MTC became the first in Africa to successfully trial the 4.5G technology
Sept 2014	MTC achieved 2.4 million subscribers
2017	MTC launched the 081Every1 project, a billion Namibian dollar project that will ensure 100% population coverage in Namibia by 2023
2018	MTC launched its Cloud and Fibre business First to launch 6 sector 4G-LTE solution in Africa
2019	Procurement of Head Office, Technical and Warehouse buildings Started the process to get listed on the NSX
2020	MTC launched Taamba Advance and Taamba Gifting MTC deployed solar power solutions for its main buildings MTC held 90% of market share with 2.576 million active subscribers MTC installed LTE on specific frequency bands to reach more rural customers
2021	MTC launched its Online Payments functionality via its website and the MyMTC App

MTC's Achievements over the past 27 Years

	Commercial	Technical
1995 to 2005	MTC Brand was established Started services offering with postpaid voice and SMS in 1995 Launched Tango prepaid services during 1999 Distribution and dealership channels were commercialised Subscriber base increased to 300,000 Achieved 50%+ EBITDA and Revenue growth over 5 Years CAPEX Investment of N$419m, equating 27% of Revenue Dividend pay-out of N$121m in total to shareholders	Established GSM (900/1800) network with OEM Motorola for radio and Siemens for switching Rolled out 200 base stations resulted in 88% population coverage Billing and rating done by BSCS (Ericsson, Sweden) and replaced with @Bility (Lifetree, India) Financial ERP IFS (Sweden) was implemented in 2001
2006 to 2008	Reduction in Tango Starter Pack Price Friends & Family tariffs for Tango launched Reduction in postpaid subscription fees Reduction in data tariff from N$30/MB to N$5/MB Call Centre hours extended to 24 hours (1st in Namibia) Lifetime access for prepaid subscribers Connected postpaid free minutes double-up Launched mobile transact Reward free SMS's for each recharge made Cell One entered the market as official 2nd mobile operator 1 Million customer milestone by 2008 (100% growth in 2 years) Rebranding of MTC to evolve the brand progressively EBITDA Maintained > 50% CAPEX Investment N$814m Dividend Total pay-out N$546m	Obtained VSAT Licence for alternative cheaper transmission Launched Altiris ticket system to track customer and network complaints Launched network management system Launched 3G HSDPA in 2007 (3rd operator in Africa) 77 x 3G Urban Sites (Motorola & Siemens) Upgraded IP core network Business Intelligence system launched (business objects) Swapped the Siemens core in 2008 with Huawei core (added network capacity for future traffic growth) Launched own transmission network (backbone and access) with suppliers Ceragon and Ericsson to reduce dependency on TN Mobile and for greater reliability and redundancy, provisioning for faster expansion and reduce lease-line cost Swapped Siemens HLR with Huawei HLR for signalling capacity

	Commercial	Technical
2009 to 2015	Car Crazy competition of 30 Volvo's as prizes Triple airtime give away Introduction of Happy Hour (free data at night) 081 Nation Campaign 1.5 million customers (50% growth in 2 years) by September 2010 Launched Aweh in May 2010 (1st prepaid subscription product) Launched MTC Netman brand in 2010 Introduced BlackBerry services in 2011 Introduced T49 for prepaid (49c per minute) 2 million customers September 2012 (33% growth in 2 years) Netman 4G campaign wins 2nd best African Marketing campaign prize THNX2U initiative thanking all 2m customers T49 tariff reduced to 38c per minute Aweh Lite introduced New SmartShare service plan for postpaid in 2013 (combining Internet Home with 3 packages for a family) Opened customer support centre in CBD (with the sole purpose on data support and rapid device repairs) Launched new Select service plans for postpaid in 2014 to offer more free data Launched MTC Money Prepaid campaigns Appetite for Talk (more talk time resulting in revenue increase) Expanded Aweh family in 2015 with AwehGig, AwehGo and Aweh o-Yeah Launched MTC App EBITDA Maintained > 52% CAPEX Investment N$2,640.6m Dividend Total pay-out N$2,836.1m	53 new BTS sites 129 radio repeaters installed at lodges throughout the country to improve geographical coverage Phase 1 Motorola radio swap with Huawei radio access network equipment to add more capacity and to enable the launch of the next phase of data speed Own fibre backbone (access via NamPower Fibre) New BI solutions system (supplier PT) During 2015 invested N$15m for the right of use in the WACS submarine cable to ensure internet capacity and connectivity for future data growth Completion of DWDM fibre backbone ensuring connection to the WACS landing point, Oshakati and South African border (supplier Huawei) MTC became 2nd African operator to launch 4G-LTE in 2012 Point of presence for internet access at Cape Town, Lisbon and London via WACS (cheaper rate than competition and more redundancy) In 2013 4G-LTE expansion to 8 towns outside of Windhoek Implemented the MTC data centre at Prosperita as part of the MTCXXI business and operational support systems (BOSS) part of MTC's ICT strategic plan (convergence, real time charging, control with business support systems and integrated CRM, supplier PT) Deployed Phase 2 of MTXXI, rating and billing systems for postpaid and prepaid service in 2014. System included business intelligence (BI) and powerful reporting tools Completion of business continuity phase (DR) for Core, Radio BSC & RNC (supplier Huawei) Phase 1 of Perfect Network Radio expansion project, improving data speed and capacity for 3G & 4G nationwide. Introduction of U900 frequency into rural Namibia upgrading 3G sites from 3 sector to 6 sector and IP Network modernisation Increasing transmission backbone fibre from 40G to 140G and coastal ring completion

	Commercial	Technical
2016 to 2019	Reached an 80% customer satisfaction score on the annual Customer Survey Netman Turboboost introduced (flexible data management) O'Smartphona Roadshow campaign to complement the expansion of the data network, subsidising 3G handsets and assisting customers to open Facebook accounts In 2018, MTC launched its cloud and fibre business. There was a move that was sparked by the increased need for bigger capacity and faster internet speed. This was also part of positioning and making MTC fit for future and to remain competitive and relevant in an ever changing communication ecosystems globally and continue serving its customers with super-fast fibre broadband connectivity. In 2019, MTC announced that it will start the process of listing on the NSX. The massive step was aimed to comply with CRAN regulations, achieve greater operational efficiency, transparency, enhanced operational visibility and achieve liquidity. MTC's continued corporate social responsibility remains undisputed in various genres. Boxing, football and music have benefited greatly from the blue brand and the company's footprint remains an achievement of note. EBITDA Maintained >56% CAPEX Investment N$1,566.9m Dividend Total pay-out N$1,343.8m	In 2016, MTC upgraded to 4.5 G technology, to undisputedly became the first in Africa to successfully trial the technology. In the same year MTC received the Most LTE Development award at Africom. Phase 2 of Perfect Network Radio expansion project with 124 sites completed Total Perfect Network project encompassed 337% in LTE/4G resources and expanded 259% on the 3G layer network Successfully launched the 1st commercial use of LTE-advanced (LTE-A) and trial of 4,5LTE on the African continent In 2017, MTC launched the 081Every1 project - a billion Namibia Dollar network project that will ensure 100% population coverage in Namibia over the following 5 years. A total of 524 network sites will be constructed across the country. MTC also launched Project 2020, which is part of a continuous effort to bring technology to all Namibians and by the end of 2018, second generation network towers have been upgraded and expanded with a new layer of third generation radio technology. MTC increased its rural coverage by introducing 3G to 108 sites across Namibia's remote areas. MTC completed the implementation of its fully redundant online charging system and successfully launched its first catalogue changes in time for the Festive Season. MTC laid the foundation for the implementation of an enterprise data warehouse. In 2018, MTC upgraded its systems to accommodate and sustainably serve 4G-LTE broadband services to, not only post-paid customers, but to prepaid customers as well. To date, both post-paid and prepaid customers have access to 4G-LTE connectivity, allowing them to enjoy faster and more reliable network speed.

	Commercial	Technical
2020	Namibia locked down in response to the threat of the COVID-19 pandemic from 27 March to June 2020. MTC facilitated the Social Security Commission COVID-19 Grant pay-out via its platforms. MTC launched Taamba Advance, Taamba Gifting, e-Learning Bundles, Streaming Bundles and Verifi. MTC's Knockout project raised N$1 million towards alleviating Homelessness (October 2020). MTC announced its sponsorship investment of N$24 million towards various sports codes, art and culture, various social matters, education and ICT. MTC actively deployed fast installations of its high speed data service plan, Spectra (using point to multipoint technology), in Windhoek and other major towns of Namibia. Work starts towards providing an online payments functionality via its platforms. EBITDA Maintained >52% CAPEX Investment N$535m Dividend Total pay-out N$987m	MTC secured additional spectrum from CRAN in response to the high demand for data spurred on by the COVID-19 pandemic. MTC completed the expansion projects of Project 2020. MTC started expansion project 2021. The deployment of 081Every1 phase 2 continues, with phase 3 to commence in 2021.
2021	MTC Payment Gateway launched in February 2021 MTC again named the most admired Namibian brand	

Annexure 4 DETAILS OF SUBSIDIARY COMPANIES AND THEIR DIRECTORS

Name of company	Objective	Date and place of incorporation	Registration number	Date of becoming a subsidiary	Directors	Nature of business	% Held by MTC	Issued share capital
Jurgens Thirty Four (Proprietary) Limited	To perform certain administrative duties on behalf of the group companies; and to engage in any other business which may seem directly or indirectly conducive to any of the objects of the company.	08/12/1998 Windhoek	98/541	1/02/1999	MJ Smit PN Kanalelo TT Ekandjo LR Erastus	Investment Property	100%	N$100.00
Windhoek General Administrators (Proprietary) Limited	Currently dormant, was used as a special purpose entity, the principal activities at the time being the borrowing and lending of finances, for the purpose of MTC's initial network infrastructure investment. The investment was made possible with three (3) loans entered into in 1999, 2000 and 2001 and finally settled during 2006. WGA became a dormant entity during 2008. Due to the requirements and guidelines of the Bank of Namibia with regards to e-money issuers in Namibia, MTC will make use of WGA to deliver its financial services and products in Namibia in the near future.	27/08/1999 Windhoek	99/363	27/08/1999	MJ Smit PN Kanalelo TT Ekandjo LR Erastus	Dormant	100%	N$100.00

Financial year ended 30 September 2020

Revenues

Despite economic contraction and the COVID-19 lockdown, MTC maintained its leadership position and track record of consistent growth. The lockdown impacted customer affordability and reduced roaming income. MTC responded by providing innovative telecommunication products and services for customers whose work, study, transacting and social activities moved to their homes during the second half of the financial year.

Group revenue increased by 3% from N$2,613.7 million in the prior year to N$2,683.3 million for the year ended 30 September 2020. The increase in group revenue is as a result of the launch of a number of campaigns, new service plans and the launch of enterprise solutions to stimulate increased usage by customers as well as to retain customers by servicing all their telecommunication needs. To mention some:

- Growth in prepaid customer revenue due to competitive new Multiple Aweh and Taamba products;
- Increased trend in data traffic continued after lockdown;
- Blended ARPU (including handset revenue) of N$89 a 1,2% growth despite market saturation;
- Growth in fixed service customer base contributed 0.2% to revenue;
- Bad debt as % of total revenue remained at 0.84%; and
- Postpaid revenue decreased as number of financially distressed customers increased and Mobilehomes closed during lockdown. Roaming revenue decreased with 39.13% due to COVID-19 travel restrictions.

Subscriber base

By responding to customers' evolving needs and improving their experience, MTC grew its customer base, increased its data revenue and combined with a focus on cost containment, these trends contributed to growth in overall revenue and profitability. MTC introduced point-to-multipoint solutions for rapid deployment of fixed broadband services, increasing market share by 1.0% and this contributed towards customer growth from 2.523 million in 2019 to 2.576 million in 2020. MTC continued its strategy to migrate customers from 2G to 3G, 4G and 4.5G for faster, more reliable connectivity. MTC offered popular new solutions with faster mobile access and more data at affordable prices and increased self-service on digital channels to reduce dependence on Mobilehome retail stores during lockdown. Lastly MTC introduced affordable smartphone devices with greater data functionality.

Capital Investment

MTC continues to invest in its extensive transmission and distribution networks. This underpins MTC's responsiveness to deliver quality products and services and supports expansion into new growth markets. Since 2016, MTC has invested N$2.6 billion in telecommunications infrastructure, a significant investment in the Namibian economy. This helped MTC to retain customers and provide mobile access to 97% of Namibians and generate sustainable cash flow.

MTC's approved capital expenditure was N$784 million (2019: N$990 million) which included capital expenditure carried forward from the previous financial year. The capital expenditure incurred was N$535 million (2019: N$511 million), which was funded out of cash generated from operations, with the main aim to ensure capacity in the existing network and extensive coverage within Namibia. The capital expenditure incurred was less than the approved expenditure mainly due to unforeseen delays in capital projects.

EBITDA

EBITDA margin reported at 52%, which is an increase from N$1.345 billion to N$1.397 billion.

Net profit after tax

The group recorded a net profit after tax for the year ended 30 September 2020 of N$772.4 million. This represented a decrease of 3% from the net profit after tax of the prior year of N$797.0 million.

The chart below depicts the total asset additions of MTC versus net profit after tax for the consolidated historic financial information for the years ended 30 September 2016 to 30 September 2020 and the forecast financial information for the years ending 30 September 2021 and 30 September 2022:

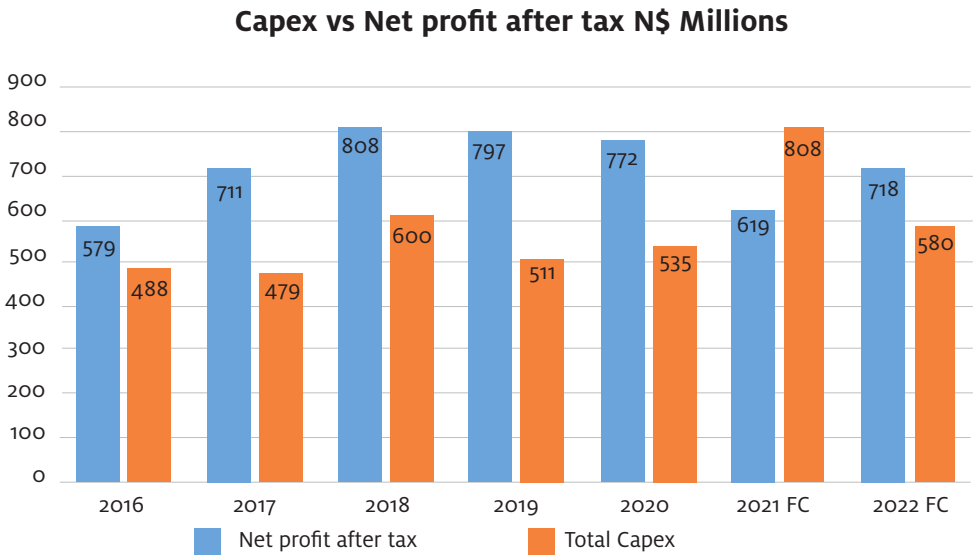


Figure 46. MTC's total asset additions versus net profit for the historical financial years 30 September 2016 to 30 September 2020 compared to the forecasted financial information for the years ending 30 September 2021 and 30 September 2022.

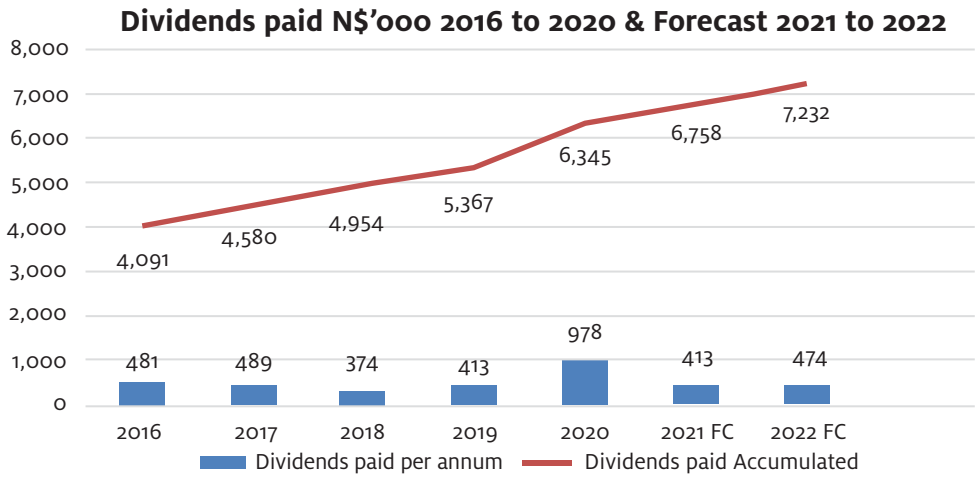


Figure 47. Dividend payments (per annum and accumulated) from 30 September 2016 to 30 September 2020 and forecast amounts for September 2021 and September 2022.

Financial year ended 30 September 2019

Revenues

In its drive toward customer centricity and creating customer experiences rather than just delivering services, MTC introduced new, better value for money products and services to support customers during these difficult times. This contributed to revenue growth and customer retention. Revenue increased by 4.62% (2018: 3.19%) to N$2,613.7 million.

The split between the revenue classes remained mostly unchanged due to the substantially unchanged subscriber numbers. The change in post-paid revenue was due to the implementation of IFRS 15 – revenue from contracts with customers, where a portion of post-paid revenue was reclassified as handset revenue. The launch of new MTC service-only plans, which allowed for the purchase of a device over the same period of the contract, also contributed to the increase in handset sales.

Data traffic continued to increase in response to a sustained growth in demand. However, data revenue growth was conservative due to MTC's drive to provide customers with better value for money products and services, including more free data.

Prepaid revenue increased, mainly due to MTC's Aweh subscription model. AwehSuper was upgraded to offer customers more call minutes, SMS and data, resulting in a 150% increase in AwehSuper subscriptions.

Roaming revenue decreased due to global market pressure on roaming tariffs. Globally telecom companies are decreasing roaming tariffs to adhere to the concept of "roam like at home". Roaming revenue is also impacted by the availability of data connectivity and the use of over-the-top applications (such as WhatsApp) instead of the traditional communication methods.

In line with the global trend, MTC's voice revenue continued to decline, as the uptake of more data and the use of over-the-top applications to communicate increased constantly and more free minutes were bundled under prepaid Aweh offerings.

Subscriber base

MTC's strategy responds to trends in its external environment. At a macro-economic level, the Namibian economy has contracted for two consecutive years, impacting consumer spending habits and increasing demand for value-added products and services. Namibia's population of approximately 2.5 million is small relative to the country's size and the pace of its population growth has been restricted to less than 2% annually since 2013. At 2.52 million active subscribers, MTC's customer base has reached saturation.

Revenue from fixed line services is declining globally, but there is an upward trend in data usage. MTC's revenue from voice services has reached a plateau in line with the global trend and future revenue is increasingly dependent on data services.

MTC expects that the demand for data services will continue to be driven by use of smartphones, video and other multimedia services and improvements in network capability. MTC responded by focusing its customer relationship management on retaining existing customers, increasing the value from retained customers and acquiring new customers by distinguishing itself from competitors with value-added offers. This has enabled MTC to sustain a 2% growth in its subscriber base from 2.48 million in 2018 to 2.52 million as at 30 September 2019.

Capital Investment

MTC's capital expenditure approved was N$990 million (2018: N$1,070 million) which included capital expenditure carried forward from the previous financial year. The capital expenditure incurred was N$511 million (2018: N$600 million), which was funded out of internal cash generated from operations, with the main aim to ensure capacity in the existing network and extensive coverage within Namibia. The capital expenditure incurred was less than approved expenditure due to mainly unforeseen delays in capital projects.

EBITDA

EBITDA decreased by 10.1% (2018: increased 6.63%) to N$1,345.1 million largely due to the expensing of postpaid devices when contracts are approved, as required by IFRS 15. MTC's profitability was above average, with an EBITDA margin of 51.5% (2018: 59.9%), despite the impact of IFRS 15.

Net profit after tax

Net profit after tax decreased by 1.32% (2018: increased 13.5%) to N$797.0 million, mainly due to IFRS 15 and increased depreciation as a result of capital expenditure in 2018 and 2019. The impact of IFRS 15 changed the way MTC recognizes monthly subscription fees, bundled services and additional cost of sales expenses for amounts previously recognized as right of use assets. This resulted in a reduction in revenue recognized up-front, an increase in the cost of sales up-front and a consequent reduction in gross profit and net profit after tax.

Financial year ended 30 September 2018

Revenues

MTC's revenue increased by 3.19% from N$2,420.9 million to N$2,498.2 million. The impact of the 7% average increase applied in July 2017 was partially responsible for the increase in revenue which covered a 12 month period compared to the 3 months in 2017. The split between the revenue classes remained unchanged for the year under review due to the substantially unchanged subscriber numbers. Growth in data traffic have increased in response to the ever growing demand, this growth however, was not matched in revenue due to the continued drive from MTC to provide its customers with better value for money products and services. Voice revenues are declining steadily, which is in line with the trends which are being reported globally.

Subscriber base

The increase in group revenue is as a result of the growth in subscriber base as well as the launch of a number of campaigns to stimulate increased usage by customers. The numbers increased from 2.45 million in 2017 to 2.48 million as at 30 September 2018 which represents a 1% growth in a highly saturated market with growing amount of competitors entering the sector.

Capital Investment

For the year under review, capital expenditure approved was N$1,070 million (2017: N$524 million) which included capital expenditure carried forward from the previous financial year. The capital expenditure incurred was N$600 million (2017: N$479 million), which was funded out of internal cash generated from operations, with the main aim to ensure capacity in the existing network and extensive coverage within Namibia. The capital expenditure incurred was less than the approved expenditure due mainly to unforeseen delays in capital projects.

EBITDA

EBITDA remains an important value when considering the cash margins in relation to operational efficiency. Superior customer experience and reducing operational expenditure remains the value drivers and MTC reported EBITDA growth of 6.63% or a margin of 59.9%. This increase comes despite the increase of capital expenditure with 25%.

Net profit after tax

Despite the reigning economic conditions in the world and Namibia, MTC maintained a strong net profit after tax for 2018. The company reported an increase of 13.5% on net profit after tax from N$711.4 million in 2017 to N$807.685 million for the year ended 30 September 2018. This serves as proof of good execution on the overall company strategy. This increase still comes from the introduction of a 7% average increase on subscription fees of MTC products in July 2017, together with the ever-growing uptake of data services through the use of smartphones and roll out of 081Every1 project to bring more connectivity to Namibia. The increase in revenue was complimented by the decrease in operational costs, due to increased culture of cost consciousness and lean strategy for overall increased efficiency.

Financial year ended 30 September 2017

Revenues

For the year under review, MTC reported increased revenues by 4.1% from N$2,323.5 million in 2016 compared to N$2,420.9 million during 2017. The factors that contributed to the increased revenue were the introduction of a 7% average increase in the subscription fees of its products in July 2017; a small growth in the subscriber base and the continued growth in data usage and revenues.

Subscriber base

The subscriber base continue its upward trend despite reaching high levels of market saturations. The subscribers grew from 2.42 million to 2.45 million as at 30 September 2017 which constituted a 1% growth rate.

Capital Investment

Capital expenditure approved was N$524 million, which is up 2% from the previous year approvals. However, the capital expenditure incurred was N$479 million, down by 1.83% of the capital expenditure spent in the previous year.

EBITDA

Whilst capital expenditure for the year under review was maintained at approximately the same level as 2016, MTC maintained its superior profitability by continually showing an increased "cash-margin". Superior customer-experience (especially in the data age) and reducing operational expenditure remained value drivers for the company. Operational efficiency through cost efficiency and a cost-conscious culture remained the main contributors to the increased value and margin for EBITDA. An EBITDA margin of 57.9% was reported for the financial year ended 30 September 2017.

Net profit after tax

The company executed well on strategy and reported a 22.8% increase on group net profit after tax, from N$579.4 million in 2016 to N$711.4 million for the year ended 30 September 2017. The company introduced a 7% average increase on subscription fees of its products in July 2017, together with the growing uptake of data services through the use of smartphones contributed to increased revenues. The increase in revenue was complimented by the decrease in operational costs, due to an increased culture of cost consciousness and a lean strategy for overall increased efficiency.

Financial year ended 30 September 2016

Revenues

Group revenue increased by 3.2% from N$2,250.5 million in the prior year to N$2,323.5 million for the year ended 30 September 2016 which was mainly as a result of the growth of the subscriber base and the launch of new products and services.

Subscriber base

2016 saw the subscriber growth rate increased by 2% with subscribers increasing from 2.37 million as at 30 September 2015 to 2.42 million as at 30 September 2016.

Capital Investment

For this year capital expenditure approved was N$513 million which included capital expenditure carried forward from the previous financial year. The capital expenditure actually incurred was N$488 million, which is a 26.48% increase from the previous year capital expenditure levels.

EBITDA

Despite higher capital expenditure for the year under review, MTC achieved a much higher "cash-margin" as a result of its superior profitability. High levels of customer-service satisfaction and significantly reducing operational expenditure resulted in increased value and EBITDA margin reported at 56.2% for the financial year.

Net profit after tax

MTC executed well on strategy and reported a 17.9% increase on net profit after tax, from N$491.4 million in 2015 to N$579.4 million for the year ended 30 September 2016. Strong commercial momentum in the uptake of smartphones and increased renewals to higher-end packages are just a few of the strategies that helped increase revenues. The increase was complimented with a cap on operational cost and lean strategy for overall increased efficiency.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Notes	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
REVENUE	4	**2,683,274**	**2,613,665**	**2,498,160**	**2,420,896**	**2,323,533**
OTHER INCOME		**2,142**	**4,319**	**3,960**	**1,598**	**1,321**
TOTAL INCOME		**2,685,416**	**2,617,984**	**2,502,120**	**2,422,494**	**2,324,854**
Changes in inventories of finished goods		272,020	300,930	99,105	122,499	109,479
Direct costs		384,696	344,788	332,938	388,181	413,258
Sales and marketing		68,393	87,498	84,919	57,491	79,072
General and administration		193,406	206,698	196,742	185,791	178,267
Personnel costs		369,836	332,973	292,626	265,740	239,793
Depreciation	10/11	248,337	234,850	188,178	170,572	198,302
Amortisation	13	71,390	50,505	207,195	233,349	282,678
PROFIT FROM OPERATIONS	4	**1,077,338**	**1,059,742**	**1,100,417**	**998,871**	**824,005**
Investment income	5	63,560	69,563	59,966	37,570	27,695
Fair value adjustments	14	-	(2,099)	5,534	-	-
Finance costs	6	22,592	-	111	24	27
PROFIT BEFORE TAXATION		**1,118,306**	**1,127,206**	**1,165,806**	**1,036,417**	**851,673**
Taxation	8	345,907	330,166	358,121	325,012	272,305
PROFIT FOR THE YEAR		**772,399**	**797,040**	**807,685**	**711,405**	**579,368**
OTHER COMPREHENSIVE INCOME						
Other comprehensive income		-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**772,399**	**797,040**	**807,685**	**711,405**	**579,368**
Profit attributable to:						
Equity holders of the parent.		**772,399**	**797,040**	**807,685**	**711,405**	**579,368**
Total comprehensive income attributable to:						
Equity holders of the parent		**772,399**	**797,040**	**807,685**	**711,405**	**579,368**
EARNINGS PER SHARE (Cents)						
Basic and diluted.	9	**3,089.60**	**3,188.16**	**3,230.76**	**2,845.62**	**2,317.47**

Mobile Telecommunications Limited

Financial Statements for the years ended 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016

Consolidated Statements of Financial Position

	Notes	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	10	1,260,002	1,161,434	1,004,857	864,985	830,122
Right-of-use-assets	11	214,593	-	-	-	-
Investment property	14	5,665	5,665	7,764	-	-
Intangible assets	13	628,830	489,746	561,578	502,771	466,246
Loans to employees	17	2,336	1,149	-	-	-
Contract assets	22	8,909	20,753	-	-	-
Long term deposit.	28	1,594	49	1,525	63,930	30,974
		2,121,929	**1,678,796**	**1,575,724**	**1,431,686**	**1,327,342**
CURRENT ASSETS						
Inventories	16	68,635	56,199	57,366	113,035	63,671
Loans to employees	17	513	1,692	-	-	-
Trade and other receivables	18	167,546	151,604	179,935	185,413	132,200
Contract assets	22	126,571	124,798	-	-	-
Current tax receivable		-	-	2,365	-	-
Cash and cash equivalents	19	777,581	1,044,858	879,075	599,861	442,605
		1,140,846	**1,379,151**	**1,118,741**	**898,309**	**638,476**
TOTAL ASSETS		**3,262,775**	**3,057,947**	**2,694,465**	**2,329,995**	**1,965,818**
EQUITY AND LIABILITIES						
CAPITAL AND RESERVES						
Share capital	20	25,000	25,000	25,000	25,000	25,000
Retained income		2,101,149	2,284,888	1,915,005	1,481,655	1,258,750
Total equity		**2,126,149**	**2,309,888**	**1,940,005**	**1,506,655**	**1,283,750**
NON-CURRENT LIABILITIES						
Lease liabilities	11	182,428	-	-	-	-
Deferred taxation.	21	296,708	274,456	278,504	255,000	235,268
		479,136	**274,456**	**278,504**	**255,000**	**235,268**
CURRENT LIABILITIES						
Trade and other payables	24	434,163	313,066	330,284	398,929	248,093
Provisions	23	4,819	4,532	-	-	-
Lease liabilities	11	45,490	-	-	-	-
Deferred revenue	25	155,095	142,835	145,672	157,688	163,603
Current tax payable.		17,923	13,170	-	11,723	35,104
		657,490	**473,603**	**475,956**	**568,340**	**446,800**
TOTAL EQUITY AND LIABILITIES		**3,262,775**	**3,057,947**	**2,694,465**	**2,329,995**	**1,965,818**

Consolidated Statements of Changes in Equity

	Share capital N$'000 Audited	Retained income N$'000 Audited	Total N$'000 Audited
Balance at 1 October 2015	25,000	1,160,382	1,185,382
Total comprehensive income for the year	-	579,368	579,368
Profit for the year	-	579,368	579,368
Ordinary dividends	-	(481,000)	(481,000)
Balance at 30 September 2016	**25,000**	**1,258,750**	**1,283,750**
Balance at 1 October 2016	25,000	1,258,750	1,283,750
Total comprehensive income for the year	-	711,405	711,405
Profit for the year	-	711,405	711,405
Ordinary dividends	-	(488,500)	(488,500)
Balance at 30 September 2017	**25,000**	**1,481,655**	**1,506,655**
Balance at 1 October 2017	25,000	1,481,655	1,506,655
Total comprehensive income for the year	-	807,685	807,685
Profit for the year	-	807,685	807,685
Ordinary dividends	-	(374,335)	(374,335)
Balance at 30 September 2018	**25,000**	**1,915,005**	**1,940,005**
Balance at 1 October 2018	25,000	1,915,005	1,940,005
Change in accounting policy - IFRS 15 (see note 3)	-	(14,484)	(14,484)
Balance at 1 October 2018 as restated	25,000	1,900,521	1,925,521
Total comprehensive income for the year	-	797,040	797,040
Profit for the year	-	797,040	797,040
Ordinary dividends	-	(412,673)	(412,673)
Balance at 30 September 2019	**25,000**	**2,284,888**	**2,309,888**
Balance at 1 October 2019	25,000	2,284,888	2,309,888
Change in accounting policy - IFRS 16 (see note 3)	-	21,616	21,616
Balance at 1 October 2019 as restated	**25,000**	**2,306,504**	**2,331,504**
Total comprehensive income for the year	-	772,399	772,399
Profit for the year	-	772,399	772,399
Ordinary dividends.	-	(977,754)	(977,754)
Balance at 30 September 2020	**25,000**	**2,101,149**	**2,126,149**
Note	20		

Consolidated Statements of Cash Flows

	Notes	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers		2,677,403	2,611,024	2,503,641	2,369,281	2,300,207
Cash paid to suppliers and employees		(1,118,757)	(1,278,674)	(1,022,624)	(924,720)	(1,021,621)
Cash generated from operations	26	**1,558,646**	**1,332,350**	**1,481,017**	**1,444,561**	**1,278,586**
Finance cost		(22,592)	-	(111)	(24)	(27)
Investment income		63,560	69,563	59,966	37,570	27,695
Taxation paid	27	(329,073)	(311,864)	(348,704)	(328,662)	(244,127)
Net cash flows from operating activities		**1,270,541**	**1,090,049**	**1,192,168**	**1,153,445**	**1,062,127**
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant and equipment	10	(314,856)	(398,574)	(289,550)	(203,722)	(184,375)
Purchase of other intangible assets	13	(209,042)	(111,662)	(247,002)	(244,262)	(293,457)
Proceeds on disposal of property, plant and equipment		600	1,402	1,755	735	523
Movement in loans to employees	17	(8)	(2,841)	-	-	-
Construction deposit paid.	28	(1,594)	(49)	(1,505)	(63,930)	(30,974)
Net cash flows from investing activities		**(524,900)**	**(511,724)**	**(536,302)**	**(511,179)**	**(508,283)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Payment on lease liabilities		(21,409)	-	-	-	-
Dividends paid.		(977,754)	(412,673)	(374,335)	(488,500)	(481,000)
Net cash flows from financing activities		**(999,163)**	**(412,673)**	**(374,335)**	**(488,500)**	**(481,000)**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(253,522)**	**165,652**	**281,531**	**153,766**	**72,844**
NET FOREIGN EXCHANGE DIFFERENCES		(13,755)	131	(2,317)	3,490	(844)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR.		1,044,858	879,075	599,861	442,605	370,605
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	**777,581**	**1,044,858**	**879,075**	**599,861**	**442,605**

Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the Companies Act, No 28 of 2004, and Listing requirements of the "NSX".

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars, which is the group and company's functional currency. The financial statements have been audited by Deloitte & Touche.

These accounting policies are consistent with the previous period, except for the changes set out in note 3.

1.2 Statement of compliance

The financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS's) as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act of Namibia and Listing requirements of the "NSX".

1.3 Consolidation

Basis of consolidation

The historical consolidated financial statements incorporate the financial statements of the company and all subsidiaries. Subsidiaries are entities (including structured entities) which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through the use of its power over the entity.

The results of subsidiaries are included in the historical consolidated financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non- controlling interest.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty

The preparation of the financial statements in conformity with 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.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Revenue recognition (2019 – 2020)

Revenue recognition under IFRS 15 is significantly more complex than under previous reporting requirements and necessitates the preparation and processing of very large amounts (specifically with respect to postpaid revenue) of data and the increased use of management judgements and estimates to produce financial information. Those judgements include the term of contract and the average markup of handsets.

Determination of standalone selling price (2019 – 2020)

Where the group doesn't sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price, the group maximises the use of external inputs; methods for estimating standalone prices include determining the standalone price of similar goods and services sold by the group or using a cost-plus reasonable margin approach (which is sometimes the case for handsets and other equipment). Where it is not possible to reliably estimate standalone prices due to lack of observable standalone sales or highly variable pricing, which is sometimes the case for services, the standalone price of an obligation may be determined as the transaction price less the standalone prices of other obligations in the contract. The standalone price determined for obligations materially impacts the allocation of revenue between obligations and impacts the timing of revenue when obligations are provided to customers at different times – for example, the allocation of revenue between handsets, which are usually delivered up-front, and services which are typically delivered over the contract period. However, there is not considered to be a significant risk of material adjustment to the carrying value of contract related assets or liabilities in the 12 months after the reporting date if these estimates were revised.

Leases (2020)

Recognition of leases under IFRS 16 has required management to use various assumptions and estimates in determination of specifically the expected lease term and the expected discount rate to be applied to various leases.

Key sources of estimation uncertainty

Impairment testing

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Factors taken into consideration in reaching such a decision include the economic viability of the asset or economic unit of assets.

Given the special nature of our tangible and intangible assets, market information is not freely available which requires management to make judgements based on their experience and expectations.

Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives and residual values of property, plant and equipment at the end of each reporting period and may vary depending on a number of factors. In assessing asset lives, factors such as technological innovation and maintenance programs are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Trade receivables

The group assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment (or loss allowance) for trade receivables is calculated using the expected credit loss matrix per portfolio, as required by IFRS 9. The only exception is for individually significant trade receivables which are assessed separately and credit losses separately recognised. The matrix is based on historical credit losses, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Intangible assets

Intangible assets are amortised over their finite useful lives, the carrying amount of intangible assets is reviewed annually and adjusted for impairment if there is any indication that it may be impaired.

1.5 Investment property

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are recognised if any future economic benefits are expected and those benefits could be reliably measured. Intangible assets consist of software licences. The amortisation rate used is:

	2020 per annum %	2019 per annum %	2018 per annum %	2017 per annum %	2016 per annum %
Computer software	5.88 - 33.33	5.88 - 70.59	8 - 70.59	8 - 70.59	8 - 70.59
Network software	5.88 - 33.33	5.88 - 33.33	7 - 33.33	7 - 33.33	7 - 33.33
Customer base	5.88 - 34.29	5.88 - 66.67	6.67 - 66.67	7.69 - 66.67	8 - 66.67
Licences	20	20	20	20	20

The useful lives of intangible assets are assessed as either finite or indefinite. Intangibles with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense is recognised in profit or loss in the statement of profit or loss and other comprehensive income.

The amortisation period and the amortisation method is reviewed at each financial year end. Changes in the expected useful life of the assets are accounted for by changing the amortisation period, as appropriate, and treated as changes in accounting estimates. Refer to note 12 for the effect of this review on the current financial statements.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognised in profit or loss when the intangible asset is derecognised.

Accounting Policies

1.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such asset. All other borrowing costs are recognised as an expense when incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is incurred in bringing each product to its present location and condition, which are accounted for using the weighted average cost per item during the financial year. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

A provision for obsolete stock is recognised when there is evidence that inventory items have become obsolete. Consideration is given to the age of the inventory, new technological advances and possible replacement models for the identified inventory.

1.9 Provisions and contingencies

Provisions are recognised when:

- the group has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources representing economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursements. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 29.

Defined contribution plans

Contributions in respect of defined contribution plans are recognised as an expense in the year to which they relate.

1.10 Property, plant and equipment

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 group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Major spare parts and stand by equipment which are expected to be used for more than one year are included in property, plant and equipment.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight-line basis, over the estimated useful life of the asset to its residual value. Land is not depreciated. Capital work-in-progress is not depreciated as these assets are not yet available for use. Depreciation rates used are:

Accounting Policies

1.10 Property, plant and equipment (continued)

	2020 per annum %	2019 per annum %	2018 per annum %	2017 per annum %	2016 per annum %
Buildings	5	5	5	5	5
Computer and prepaid equipment	10 - 33.33	8.28 - 100	8.28 - 100	2.28 - 100	8.28 - 100
Network equipment	4.55 - 20	4.0 - 85.71	4.0 - 85.71	4.6 - 60	4.6 - 60
Motor vehicles (excl. Land cruisers)	16 - 25	16 - 25	16 - 25	16 - 25	16 - 25
Motor vehicles	6.25 - 25	9.6 - 25	9.6 - 25	9.6 - 25	9.6 - 25
Furniture and fittings	5.26 - 21.43	5.26 - 26.09	5.26 - 26.09	2.26 - 26.09	5.26 - 26.09
Leasehold improvements	33.33	16.67- 46.15	16.67 - 46.15	16.67 - 46.15	16.67 - 46.15
Staff handsets	50	50 - 100	50 - 100	50 - 100	50 - 100
Projects	50	50	50	50	50

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Each significant component included in an item of property, plant and equipment is separately recorded and depreciated. The depreciation rates correspond to the estimated average useful lives of the respective assets. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss and other comprehensive income in the year the item is derecognised.

General and special purpose buildings are generally classified as owner occupied. They are held at cost and depreciated as property, plant and equipment and not regarded as investment properties.

1.11 Financial instruments: IFRS 9 (2019 – 2020)

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Financial assets and liabilities, in respect of financial instruments, are recognised on the group's statement of financial position when the group becomes a party to the contractual provisions of the instrument.

Financial assets are recognised and derecognised on trade date where the purchase or sale of the financial asset is under a contract whose terms require delivery of the instrument within the time frame established by the market concerned.

Subsequent to initial recognition, these instruments are measured as follows:

- Financial assets that are debt instruments, are classified based on how they are managed by the business and the nature of their contractual cash flows.
- All other investments, including trade receivables, are held to collect contractual interest and principal repayments and are stated at amortised cost using the effective interest method, less any impairment.

Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the applicable definitions. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities and includes no obligation to deliver cash or other financial asset.

Subsequent to initial measurement, these instruments are measured as follows:

- Trade and other payables (excluding liabilities created by statutory requirements, revenue charged in advance, deferred revenue and reduced subscriptions) are not interest bearing and are subsequently stated at their nominal values.

Note 32 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

All financial assets previously recognised as Loans and Receivables under IAS 39 are being recognised as Loans Receivable at amortised cost under IFRS 9.

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

Accounting Policies

1.11 Financial instruments: IFRS 9 (2019 – 2020) (continued)

Loan receivables at amortised cost Classification

Loans to employees (note 17) and loans to subsidiary companies (note 15) are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans 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 these loans.

Recognition and measurement

Loans receivable 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.

The amortised cost is the amount recognised on the loan 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

For financial assets carried at amortised cost, a loss allowance for the expected credit losses is recognised. The amount of expected credit losses is updated to reflect changes in credit risk.

For assessing whether the credit risk have increased, the group considers any change in the risk of default to occur. The group considers market factors as well as historic credit ratings during the assessment.

Derecognition

Any gains or losses arising on derecognition of a loan receivable is included in profit or loss.

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.

Trade and other receivables mainly consist of amounts owed to us by customers and amounts that we pay to our suppliers in advance.

Recognition and measurement

Trade receivables represent amounts owed by customers where the right to payment is conditional only on the passage of time. Trade receivables that are recovered in installments from customers over an extended period are discounted at market rates and interest revenue is recognised over the expected repayment period. Other trade receivables do not carry any interest and are stated at their nominal value.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Namibia Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss.

Details of foreign currency risk exposure and the management thereof are provided in the trade and other receivables (note 18).

Impairment

The group 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 carrying value of all trade receivables and contract assets recorded at amortised cost is reduced by allowances for lifetime estimated credit losses. Estimated future credit losses are first recorded on the initial recognition of a receivable and irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Individual balances are written off when management deems them not to be collectible due to increased credit risk. For assessing whether the credit risk have increased, the group considers any change in the risk of default to occur. The group considers market factors as well as historic credit ratings during the assessment. Refer to note 18 of the financial statements.

Accounting Policies

1.11 Financial instruments: IFRS 9 (2019 – 2020) (continued)

Write off policy

The group writes off a receivable when, after the receivable has been overdue for more than 90 days and no payment arrangement could be negotiated. Receivables written off are 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.

Derecognition

Any gains or losses arising on derecognition of trade and other receivables is included in profit or loss.

Trade and other payables Classification

Trade and other payables (note 24), 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 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 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 6).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 32 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the Namibia Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss.

Details of foreign currency risk exposure and the management thereof are provided in the trade and other payables note (note 24).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents are initially measured at fair value and subsequently at amortised cost.

1.12 Financial instruments: Comparatives IAS 39 (2016 to 2018)

Classification

Financial assets within the scope of "IAS 39: Financial Instruments recognition and measurement" are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The group determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end. At year end the group's financial assets consist of loans and receivables and financial instruments at fair value through profit or loss.

Fair value determination

The fair value of investments that are actively traded in organised financial markets were determined by reference to quoted market bid prices at the close of business on the reporting date. For investments where there is no active market, fair value was determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis or other valuation models.

Accounting Policies

1.12 Financial instruments: Comparatives IAS 39 (2016 to 2018) (continued)

Impairment of financial assets

At each reporting date the group assessed whether a financial asset or group of financial assets were impaired.

For assets classified as at amortised cost, if there was objective evidence that an impairment loss on loans and receivables carried at amortised cost had been incurred, the amount of the loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset was reduced either directly or through use of an allowance account. The amount of the loss was recognised in profit or loss at the reporting date.

In relation to trade receivables a provision for impairment was made when there was objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the group will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable was reduced through the use of an allowance account. Impaired debts were derecognised when they are assessed as uncollectible.

Financial instruments at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss.

Financial assets were classified as held for trading if they were acquired for the purpose of selling or repurchasing in the near-term Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with net changes in fair value recognised as finance costs in profit and loss. Financial assets designated upon initial recognition at fair value through profit and loss are designated at their initial recognition date and only if the criteria under IAS 39 are satisfied.

Trade and receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Financial liabilities

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable cost. Financial liabilities are measured at amortised cost where a maturity date exists, or cost if no maturity date exists.

Subsequently amortised cost is calculated on the effective interest rate method. Gains and losses on subsequent measurement are taken to profit or loss in the statement of profit or loss and other comprehensive income.

1.13 Leases IFRS 16 (2020)

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the group has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Accounting Policies

1.13 Leases IFRS 16 (2020) (continued)

Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

Group as lessee

A lease liability and corresponding right of use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense (note 4) representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the no- lease components (where non-lease components exist).

Details of leasing arrangements where the group is a lessee are presented in note 11 Leases (group as lessee).

Assets held under finance leases are initially recognised as the assets of the group at fair value at the inception of the lease or, if lower, at 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.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed lease payments, including in substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the group under residual value guarantees;
- the exercise price of purchase options, if the group is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right of use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses.

The lease liability is presented as a separate line item on the Statements of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 6).

The group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) when:
- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the group will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recognised in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Accounting Policies

1.13 Leases: IFRS 16 (2020) (continued)

Right of use assets

Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on
- which it is located, when the group incurs an obligation to do so, unless these costs are incurred to produce
- inventories; and
- less any lease incentives received.

Right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the group expects to exercise a purchase option, the related right of use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right of use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

	Estimated useful lives 2020
Mobile home leases (Retail sites)	1 - 8 years
Tower site leases (land)	1 - 20 years
Office leases (office space)	2 - 15 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right of use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.
The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.14 Leases: Comparatives under IAS 17 (2016 to 2019)

The following accounting policy applies to the comparative disclosures of leases (2016 to 2019). The group has adopted IFRS 16 in the current year, but has not restated the comparatives. These accounting policies are prepared on the basis of IAS 17. Refer to the note 3 on changes in accounting policies for details of the impact of the adoption of IFRS 16 on these financial statements.

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases - Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Finance leases - Group as lessee

Assets held under finance leases are initially recognised as the assets of the group at fair value at the inception of the lease or, if lower, at 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.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

Operating leases - Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the lease payments and recognised on a straight-line basis over the lease term.

Accounting Policies

1.14 Leases: Comparatives under IAS 17 (2016 to 2019) (continued)

Operating leases - Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals are recognised as expenses in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.15 Revenue from contracts with customers (2019 – 2020)

The group recognises revenue from the following major sources:

- Revenue from the provision of telecommunication services, is recognised when the group provides the related service during the agreed service period (over time).
- Revenue for device sales to end customers is generally recognised when the device is delivered to the end customer (at a point in time).

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.

When the group enters into an agreement with a customer, goods and services deliverable under the contract are identified as separate performance obligations ('obligations') to the extent that the customer can benefit from the goods or services on their own and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services don't meet the criteria to be identified as separate obligations they are aggregated with other goods and/or services in the agreement until a separate obligation is identified. The obligations identified will depend on the nature of individual customer contracts, but might typically be separately identified for mobile handsets, other equipment provided to customers and services provided to customers such as mobile and fixed line communication services.

The group determines the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts.

The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the group would achieve by selling the same goods and/or services included in the obligation to a similar customer on a standalone basis; where standalone selling prices are not directly observable, estimation techniques are used maximising the use of external inputs. See "Critical judgements in applying accounting policies" for details.

When revenue recognised in respect of a customer contract exceeds amounts received or receivable from a customer at that time a contract asset is recognised; contract assets will typically be recognised for handsets or other equipment provided to customers where payment is recovered by the group via future service fees. If amounts received or receivable from a customer exceed revenue recognised for a contract, for example if the group receives an advance payment from a customer, a contract liability is recognised.

When contract assets or liabilities are recognised, a financing component may exist in the contract; this is typically the case when a handset or other equipment is provided to a customer up-front but payment is received over the term of the related service agreement, in which case the customer is deemed to have received financing. If a significant financing component is provided to the customer, the transaction price is reduced and interest revenue is recognised over the customer's payment period using an interest rate reflecting the relevant central bank rates and customer credit risk.

Accounting Policies

1.15 Revenue from contracts with customers (2019 – 2020) (continued)

Revenue recognition policy prior to adopting IFRS 15 on 1 October 2018

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration receivable, excluding discounts, rebates, and other sales taxes or duty. The group invoices independent service providers for the revenue billed by them on behalf of the group, when the deliverables are used.

Post-paid products:

- Revenue from connect packages, which includes activation, SIM-cards and phone, is recognised over the period of the contract.
- Revenue from SIM-cards, representing activation fees, is recognised upon activation of the SIM-card by the postpaid customer.
- Revenue from handsets is recognised when the product is delivered.
- Monthly service revenue received from the customer is recognised in the period in which the service is rendered.
- Airtime revenue is recognised on the usage basis.
- Unused airtime is deferred in full and recognised in the month of usage or on termination of the contract by the subscriber.

Pre-paid products:

- Revenue from SIM-cards, representing activation fees, is recognised upon activation of the SIM-card by the prepaid customer.
- Airtime revenue is recognised on the usage basis. The unused airtime is deferred in full.
- Deferred revenue related to unused airtime is recognised when utilised by the customer.
- Upon termination of the customer contract, all deferred revenue for unused airtime is recognised in revenue.
- Deferred revenue and costs related to unactivated starter packs, which do not contain any expiry date, are recognised in the period when the probability of these starter packs being activated becomes remote.

Data service revenue:

- Revenue net of discounts, from data services is recognised when the company has performed the related service and depending on the nature of the service, is recognised either at the gross amount billed to the customer or the amount receivable by the company as commission for facilitating the service.

Sale of equipment:

- Revenue from equipment sales are recognised when the product is delivered and acceptance has taken place.
- Revenue from equipment sales to third party service providers is recognised when delivery is accepted. No rights of return exist on sale to third party service providers.

Interconnect and international revenue:

- Interconnect and international revenue is recognised on the usage basis.

1.16 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 assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to 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 to the extent that it is probable that future taxable profit will be available against which the unused tax losses 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.

Accounting Policies

1.16 Tax (continued)

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
- receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

1.17 Translation of foreign currencies

Transactions in foreign currencies are initially recorded at the functional currency spot rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on re-translation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item.

The functional currency of the group is Namibia Dollar.


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Notes to the Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the 2019 financial year

In the 2019 year, the group adopted the following standards and interpretations that are effective for the 2019 financial year and that are relevant to its operations:

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurements of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the outstanding principal are generally measured at amortised cost at the end of subsequent reporting periods. Debt instruments that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on outstanding principal, are measured at FVTOCI. All other debt and equity investments are measured at fair value at the end of subsequent reporting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of the liability is presented in other comprehensive income, unless the recognition of the effect of the changes of the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Under IAS 39, the entire amount of the change in fair value of a financial liability designated as at fair value through profit or loss is presented in profit or loss.
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. It is therefore no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principal of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The effective date of the standard is for years beginning on or after 1 January 2018.

The group has adopted the standard for the first time in the 2019 annual financial statements.

The adoption of this standard has not had a material impact on the results of the company, but has resulted in more disclosure than would have previously been provided in the annual financial statements.

2. New Standards and Interpretations (continued)

2.1 Standards and interpretations effective and adopted in the 2019 financial year (continued)

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the construction of Real Estate; IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue -Barter Transactions Involving Advertising Services.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 also includes extensive new disclosure requirements.

The effective date of the standard is for years beginning on or after 1 January 2018.

The group has adopted the standard for the first time in the 2019 annual financial statements, using the cumulative retrospective approach.

The impact of the standard is set out in note 3 Changes in Accounting Policy.

2.2 Standards and interpretations effective and adopted in the 2020 financial year

In the 2020 year, the group adopted the following standards and interpretations that are effective for the 2020 financial year and that are relevant to its operations:

IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single lessee accounting model. The main changes arising from the issue of IFRS 16 which are likely to impact the group are as follows:

IFRS 16 will primarily change lease accounting for lessees and will have a material impact on the Group's financial statements in particular:

- Lease agreements will give rise to the recognition of an asset representing the right to use the leased item and a liability for future lease payables. The liability recorded for future lease payments will be for amounts payable for the 'reasonably certain period of the lease, which may include future lease periods for which the Group has extension options. Under IAS 17, liabilities were generally not recorded for future operating lease payments, which have been disclosed as commitments, see note 28.
- Lease costs will be recognised in the form of depreciation of the right to use asset and interest on the lease liability; interest will typically be higher in the early stages of a lease and will reduce over the term. Under IAS 17, operating lease rentals have been expensed on a straight-line basis over the lease term within operating expenses.

The group expects that the most significant impact of the new standard will result from its current property and network site leases. A high volume of transactions will be impacted by IFRS 16 and material judgements will be required in identifying and accounting for leases.

Notes to the Financial Statements

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations effective and adopted in the 2020 financial year (continued)

The most significant judgements in applying IFRS 16 relate to lease identification and the determination of lease term:

- For most contracts there is limited judgment in determining whether an agreement contains a lease; however, where the Group has contracts for the use of fiber and other fixed lines judgement is required to determine whether the Group controls the line and has a lease. Where the Group has exclusive use of a line it is normally determined that the Group can also direct the use of the line and therefore leases will be recognised for these connections.
- Lease terms under IFRS 16 may exceed the minimum lease period and include optional lease periods where it is reasonably certain that an extension option will be exercised or that a termination option will not be exercised by the Group. Significant judgement is required in determining whether optional periods should be included in the lease term considering the nature and purpose of the leased asset and the potential to replace the leased asset.

IFRS 16 is being adopted with the cumulative retrospective impact recorded as an adjustment to equity on the date of adoption.

The effective date of the standard is for years beginning on or after 1 January 2019.

The group has adopted the standard for the first time in the 2020 annual financial statements.

The impact of the standard is set out in note 3 Changes in Accounting Policy.

2.3 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 October 2020 or later periods:

Standard/ Interpretation:	Effective date Years beginning on or after:	Expected impact:
• Classification of Liabilities as Current or Non-Current Amendment to IAS 1	1 January 2023	Unlikely there will be a material impact
• IFRS 17 Insurance Contracts	1 January 2023	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	1 January 2022	Unlikely there will be a material impact
• Reference to the Conceptual Framework: Amendments to IFRS 3	1 January 2022	Unlikely there will be a material impact
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	1 January 2022	Unlikely there will be a material impact
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	1 January 2022	Unlikely there will be a material impact
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	1 January 2022	Unlikely there will be a material impact
• COVID 19 Related Rent Concessions – Amendment to IFRS 16	1 June 2020	Unlikely there will be a material impact
• Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7	1 January 2020	Unlikely there will be a material impact
• Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative	1 January 2020	Unlikely there will be a material impact

Notes to the Financial Statements

3. Changes in accounting policy

The accounting policies are consistent with those reported in the previous years except for the adoption of the following new or revised standards:

Application of IFRS 9 Financial Instruments

In the 2019 year, the group had applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRSs. IFRS 9 replaced IAS 39 Financial Instruments and introduced new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment for financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the group's financial statements are described below and in Note 2.

The group had applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

Classification and measurement of financial assets

The date of initial application is 1 October 2018. Accordingly, the group has applied the requirements of IFRS 9 to instruments that have not been derecognised as at 1 October 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 October 2018. As allowed by IFRS 9, comparatives in relation to instruments that have not been derecognised as at 1 October 2018 have not been restated. Management have assessed the impact of adopting IFRS9 on the opening balances and have concluded that there is not any significant impact to retained earnings as a result of the adoption of IFRS 9. No adjustments were therefore processed to retained earnings as at 1 October 2018.

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The measurement requirements are summarised below:

All financial assets have previously been classified as loans and receivables under IAS 39. With the implementation of IFRS 9, all these assets have been classified as financial assets at amortised cost.

Application of IFRS 15 Revenue from contracts with customers

In the 2019 year, the group had applied IFRS 15 Revenue from Contracts with Customers (as revised in April 2016) and the related consequential amendments to other IFRSs. IFRS 15 replaced IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue - Barter Transactions Involving Advertising Services.

IFRS 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance had been added in IFRS 15 to deal with specific scenarios. Details of these new requirements as well as their impact on the group financial statements are described below and in Note 2. Refer to the revenue accounting policy for additional details.

The group had applied IFRS 15 with an initial date of application of 1 October 2018 in accordance with the cumulative effect method, by recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity at 1 October 2018. The comparative information had therefore not been restated.

The tables below summarise the impact of adopting IFRS 15, and compares financial information for the current period with what it would have been if IFRS 15 had not been adopted.

Notes to the Financial Statements

3. Changes in accounting policy (continued)

Application of IFRS 15 Revenue from contracts with customers (continued)

Impact on profit or loss for the year ended 30 September 2019

	As reported	IFRS 15 Adjustments of IFRS 15	Without adoption
	N$ '000	N$ '000	N$ '000
Contract handset revenue	109,263	(109,263)	-
Monthly subscription revenue	461,320	126,114	587,434
Connection Fees	1,769	517	2,286
Changes in inventories of finished goods	(300,930)	127,156	(173,774)
Amortisation	(50,505)	(134,158)	(184,663)
Expected credit loss allowance	(17,519)	4,660	(12,859)
Deferred Tax (P/L)	(2,767)	(5,558)	(8,325)
Profit for the year	797,040	9,468	806,508
Earnings per share from continuing operations:			
- Basic and diluted (cents)	3,188.16	37.87	3,226.03

Impact on assets, liabilities and equity as at 30 September 2019

	As reported	IFRS 15 Adjustments of IFRS 15	Without adoption
	N$ '000	N$ '000	N$ '000
Intangible assets	489,746	134,158	623,904
Contract assets	145,551	(97,832)	47,719
Deferred tax liability	(274,456)	(12,374)	(286,830)
Retained earnings	(2,284,888)	(23,952)	(2,308,840)

Impact on Opening Statement of Financial Position as at 1 October 2018

	30 September 2018	Impact of adoption of IFRS15	1 October 2018
	N$ '000	N$ '000	N$ '000
Intangible assets	561,578	(141,160)	420,418
Contract assets	-	119,861	119,861
Deferred tax liability	(278,504)	6,815	(271,689)
Retained earnings	(1,915,005)	14,484	(1,900,521)

3. Changes in accounting policy (continued)

Application of IFRS 16 Leases

In the 2020 year, the company had adopted IFRS 16 Leases (as issued by the IASB in January 2016) with the date of initial application being 1 October 2019. IFRS 16 replaced IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduced new or amended requirements with respect to lease accounting. It introduced significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right of use asset and a lease liability at the lease commencement for all leases, except for short term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting had remained largely unchanged. Details of these new requirements are described in the accounting policy for leases. The impact of the adoption of IFRS 16 on the group's annual financial statements is described below.

The group has applied the practical expedient available in IFRS 16 which provides that for contracts which exist at the initial application date, an entity is not required to reassess whether they contain a lease. This means that the practical expedient allows an entity to apply IFRS 16 to contracts identified by IAS 17 and IFRIC 4 as containing leases; and to not apply IFRS 16 to contracts that were not previously identified by IAS 17 and IFRIC 4 as containing leases.

IFRS 16 had been adopted by applying the modified retrospective approach, whereby the comparative figures were not restated. Instead, cumulative adjustments to retained earnings had been recognised in retained earnings as at 1 October 2019.

Leases where group is lessee

Leases previously classified as operating leases

The group undertook the following at the date of initial application for leases which were previously recognised as operating leases:

- recognised a lease liability, measured at the present value of the remaining lease payments, discounted at the group's incremental borrowing rate at the date of initial application.
- recognised right of use assets measured at an amount equal to the lease liability adjusted for accruals or prepayments relating to that lease prior to the date of initial application.

The group applied IAS 36 to consider if these right of use assets are impaired as at the date of initial application.

As an exception to the above, no adjustments were made on initial application of IFRS 16 for leases previously classified as operating leases:

- for which the underlying asset is of low value. From the date of initial application, these leases are accounted for in accordance with paragraph 6 of IFRS 16 by recognising the lease payments on a straight-line basis or another systematic basis which is more representative of the pattern of benefits consumed;

The group applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases in terms of IAS 17. Where necessary, they have been applied on a lease by lease basis:

- when a portfolio of leases contained reasonably similar characteristics, the group applied a single discount rate to that portfolio;
- leases which were expiring within 12 months of 1 October 2019 were treated as short term leases, with remaining lease payments recognised as an expense on a straight-line basis or another systematic basis which is more representative of the pattern of benefits consumed;
- initial direct costs were excluded from the measurement of right of use assets at the date of initial application; and
- hindsight was applied where appropriate. This was specifically the case for determining the lease term for leases which
- contained extension or termination options.

Notes to the Financial Statements

3. Changes in accounting policy (continued)

Application of IFRS 16 Leases (continued)

Impact on financial statements

On transition to IFRS 16, the group recognised an additional N$238,251,371 of right of use assets and N$238,251,371 of lease liabilities, recognising only the previously recognised IAS 17 straight lining provision of N$31,788,028 and related deferred tax of N$10,172,169 in opening retained earnings.

When measuring lease liabilities, group discounted lease payments using its incremental borrowing rate at 1 October 2019. The weighted average rate applied is 10.5%.

Reconciliation of previous operating lease commitments to lease liabilities under IFRS 16

	1 October 2019
Operating lease commitment at 30 September 2019 as previously disclosed (net of deferred tax)	21,616
Add finance lease liabilities recognised as at 1 October 2019	238,251
Lease liabilities recognised at 1 October 2019	**238,251**

Impact on Opening Statement of Financial Position as at 1 October 2019

	30 September 2019	Impact of adoption of IFRS16	1 October 2019
	N$ '000	N$ '000	N$ '000
Right of use assets	-	238,251	238,251
Lease liability	-	(238,251)	(238,251)
Deferred tax liability	(274,456)	(10,172)	(284,628)
Trade and other payables	(313,066)	31,788	(281,278)
Retained earnings	(2,284,888)	(21,616)	(2,306,504)

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
4. PROFIT FROM OPERATIONS					
Profit from operations is stated after charging (crediting) the following, amongst others:					
REVENUE	**2,683,274**	**2,613,665**	**2,498,160**	**2,420,896**	**2,323,533**
Contract	**776,099**	**819,085**	**849,844**	**832,363**	**771,290**
Connection fees	-	1,769	2,700	2,926	3,548
Call charges	167,513	172,340	171,687	197,553	167,038
Monthly subscription fees	441,171	461,320	598,330	557,213	524,464
Contract handset revenue	100,451	109,263	-	-	-
Other income	66,964	74,393	77,127	74,671	76,240
Prepaid	**1,617,170**	**1,499,458**	**1,411,915**	**1,373,170**	**1,349,114**
Starter packs	7,652	8,567	8,007	8,778	8,639
Call charges	1,603,393	1,483,090	1,396,448	1,357,198	1,333,503
Other income	6,125	7,801	7,460	7,194	6,972
Roaming income	**56,475**	**92,396**	**99,239**	**86,155**	**62,007**
Contract	14,905	31,329	(6,729)	10,096	8,571
Visitors	41,570	61,067	105,968	76,059	53,436
Other	**233,530**	**202,726**	**137,162**	**129,208**	**141,122**
Handset and accessories sales	128,619	120,811	65,693	70,050	73,478
Interconnect income	31,543	33,061	25,743	18,227	31,092
Bulk SMS Revenue	46,044	39,901	37,130	32,786	28,920
Site rental	21,431	8,953	8,596	8,145	7,632
Enterprise services	5,893	-	-	-	-
Expenses					
Auditors' remuneration - external auditors	**4,053**	**2,391**	**2,438**	**1,859**	**1,565**
Fees for statutory audit	2,240	2,025	2,044	1,859	1,565
Fees for other services	1,813	366	394	-	-
Bad debts written off	22,473	21,855	24,510	29,293	24,333
Bad debts recovered	(13,559)	(13,608)	(12,178)	(12,980)	(12,584)
Depreciation - property, plant and equipment	213,788	234,850	188,178	170,572	198,302
Company secretarial services	1,058	480	-	-	-
Loss / (profit) on exchange differences	1,615	(2,668)	557	(1,350)	3,822
(Loss) / profit on disposal of plant and equipment	(518)	916	(2,379)	(2,895)	(519)
Amortisation - intangible assets	71,390	50,505	207,195	233,349	282,678
Depreciation on right of use assets	34,549	-	-	-	-
Operating lease charges (1)					
Premises	**5,895**	**57,088**	**69,285**	**58,578**	**57,318**
shareholder - NPTH Limited	447	11,708	22,243	18,565	17,301
unrelated parties	1,531	13,613	14,697	9,470	10,398
other	251	294	604	784	1,068
Radio sites and other	3,666	31,473	31,741	29,759	28,551
Fees for services - consulting fees	**6,129**	**8,509**	**1,699**	**951**	**2,172**

(1) The amounts included for 2020 relate only to low value leases or leases with a lease term of 12 months or less.

Employee cost	**369,836**	**332,973**	**292,626**	**265,740**	**239,793**
salaries and wages	312,909	280,018	252,998	230,399	209,132
pension fund contributions	18,004	16,432	14,887	13,325	11,952
medical aid contributions	24,632	18,106	13,816	9,969	9,191
staff training	4,034	4,782	3,718	5,691	3,391
other staff cost	10,257	13,635	7,207	6,356	6,127
Number of employees at year end	**670**	**640**	**593**	**577**	**564**

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
5. INVESTMENT INCOME					
Interest income					
From investments in financial assets:					
Contract assets	5,667	1,659	-	-	-
Bank and other cash	57,893	67,904	59,966	37,570	27,695
Total Interest income	**63,560**	**69,563**	**59,966**	**37,570**	**27,695**
6. FINANCE COSTS					
Lease liabilities	22,589	-	-	-	-
Trade and payables	3	-	111	24	27
Total finance costs	**22,592**	**-**	**111**	**24**	**27**
7. DIRECTORS', OFFICERS AND KEY MANAGEMENT REMUNERATION					
Executive director:					
- emoluments as executive	-	-	-	3,674	5,959
Total executive directors' emoluments	**-**	**-**	**-**	**3,674**	**5,959**
Non - executive directors:					
- fees as directors	2,237	1,976	881	804	703
Total non-executive directors' emoluments	**2,237**	**1,976**	**881**	**4,478**	**6,662**
Key management and officers:					
Short term benefits	22,675	21,154	21,949	21,727	19,981
Long term benefits	1,134	1,058	1,097	1,086	999
Total key management and officers remuneration	**23,809**	**22,212**	**23,046**	**22,813**	**20,980**
8. TAXATION					
Major components of the tax expense					
Namibian normal tax					
- Current income tax	333,826	327,399	334,616	305,281	273,009
- Deferred tax					
- relating to temporary differences	12,081	2,767	23,505	19,731	(704)
Total income tax expense	**345,907**	**330,166**	**358,121**	**325,012**	**272,305**
Reconciliation of tax expense	**%**	**%**	**%**	**%**	**%**
Reconciliation between the applicable tax rate and the average effective tax rate:					
Applicable tax rate	32.00	32.00	32.00	32.00	32.00
Adjusted for:					
Other differences*	2.96	2.60	2.52	0.58	(0.03)
Investment property fair value adjustments	-	0.19	(0.05)	-	-
Exempt income	(4.03)	(5.50)	(3.75)	(1.45)	-
Average effective tax rate	**30.93**	**29.29**	**30.72**	**31.13**	**31.97**

*The other differences are comprised of the following permanent differences:

- Legal fees incurred by the company that are capital in nature and therefore not allowed as a deduction from taxable income; and
- The portion of the depreciation expense recognised on buildings in the financial year that relates to the cost of buildings in excess of the original cost of erection of such buildings on which wear and tear allowances are allowed to be claimed.

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited

9. EARNINGS PER SHARE

Basic earnings per share

From continuing operations (c per share)	3,089.60	3,188.16	3,230.76	2,845.62	2,317.47

Basic and diluted earnings per share
The calculation is based on a profit of N$ 772 399 000 for the year ended 30 September 2020 and on the weighted average number of ordinary shares of 25 000 000.

Headline earnings per share
The calculation is based on a profit of N$ 772 751 000 for the year ended 30 September 2020 and on the weighted average number of ordinary shares of 25 000 000.

Basic and diluted earnings per share
The calculation is based on a profit of N$ 797 040 000 for the year ended 30 September 2019 and on the weighted average number of ordinary shares of 25 000 000.

Headline earnings per share
The calculation is based on a profit of N$ 798 516 000 for the year ended 30 September 2019 and on the weighted average number of ordinary shares of 25 000 000.

Basic and diluted earnings per share
The calculation is based on a profit of N$ 807 685 000 for the year ended 30 September 2018 and on the weighted average number of ordinary shares of 25 000 000.

Headline earnings per share
The calculation is based on a profit of N$ 804 530 000 for the year ended 30 September 2018 and on the weighted average number of ordinary shares of 25 000 000.

Basic and diluted earnings per share
The calculation is based on a profit of N$ 711 405 000 for the year ended 30 September 2017 and on the weighted average number of ordinary shares of 25 000 000.

Headline earnings per share
The calculation is based on a profit of N$ 714 300 000 for the year ended 30 September 2017 and on the weighted average number of ordinary shares of 25 000 000.

Basic and diluted earnings per share
The calculation is based on a profit of N$ 579 368 000 for the year ended 30 September 2016 and on the weighted average number of ordinary shares of 25 000 000.

Headline earnings per share
The calculation is based on a profit of N$ 579 887 000 for the year ended 30 September 2016 and on the weighted average number of ordinary shares of 25 000 000.

Diluted earnings per share is equal to earnings per share because there are no dilutive potential ordinary shares in issue.

Earnings and diluted earnings per share

Headline earnings per share (c per share)	3,091.00	3,194.07	3,218.13	2,857.20	2,319.55

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
9. EARNINGS PER SHARE (continued)					
Reconciliation between earnings and headline earnings					
Basic earnings	772,399	797,040	807,685	711,405	579,368
Adjusted for:					
(Profit) / loss on disposal of plant and equipment	352	(623)	2,379	2,895	519
Fair value adjustment	-	2,099	(5,534)	-	-
Headline earnings	**772,751**	**798,516**	**804,530**	**714,300**	**579,887**
Reconciliation between diluted earnings (loss) and diluted headline earnings (loss)					
Diluted earnings	772,399	797,040	807,685	711,405	579,368
Adjusted for:					
(Profit) / loss on disposal of plant and equipment	352	(623)	2,379	2,895	519
Fair value adjustment	-	2,099	(5,534)	-	-
Diluted headline earning	**772,751**	**798,516**	**804,530**	**714,300**	**579,887**
Net Asset Value (NAV) per ordinary share (cents)	8,504.60	9,239.55	7,760.02	6,026.62	5,135.00
Tangible net asset value (TNAV) per ordinary share (cents)	5,989.28	7,280.57	5,513.71	4,015.54	3,270.02
Dividends paid per share (cents)					
Interim (c per share)	1,467.00	754.00	789.60	634.00	996.00
Final (c per share)	844.00	897.00	707.74	1,320.00	928.00
Final special (c per share)	1,600.00	-	-	-	-
Total dividends paid per share (cents)	**3,911.00**	**1,651.00**	**1,497.34**	**1,954.00**	**1,924.00**

On 7 December 2020, an ordinary dividend of N$202,746,000 was declared, but has not yet been paid out to the shareholder at the date of the last financials being 30 September 2020.

Notes to the Financial Statements

10. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Computer and prepaid equipment	Vehicles, furniture and fittings	Network equipment	Work in progress	Leasehold improve-ments	Total
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2020 Audited							
Opening balance	177,742	10,532	31,953	902,417	34,785	4,005	1,161,434
Additions	20	29,621	11,693	121,028	151,885	609	314,856
Disposals	-	(7)	(216)	(894)	-	-	(1,117)
Transfer	3,622	327	81	29,323	(33,353)	-	-
Transfer to intangible assets	-	-	-	-	(1,432)	-	(1,432)
Transfer to operating expenditure	-	-	-	-	-	-	-
Transfer from construction deposit	-	-	-	49	-	-	49
Depreciation	(9,208)	(2,049)	(11,128)	(188,708)	-	(2,695)	(213,788)
Total	**172,176**	**38,424**	**32,383**	**863,215**	**151,885**	**1,919**	**1,260,002**

	Land and buildings	Computer and prepaid equipment	Vehicles, furniture and fittings	Network equipment	Work in progress	Leasehold improve-ments	Total
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2019 Audited							
Opening balance	-	20,236	24,788	854,393	102,218	3,222	1,004,857
Additions	182,859	2,194	16,844	160,768	34,785	1,124	398,574
Disposals	-	(4)	(475)	(7)	-	-	(486)
Transfer	188	-	530	92,454	(94,032)	860	-
Transfer to intangible assets	-	-	-	-	(8,171)	-	(8,171)
Transfer to operating expenditure	-	-	-	-	(15)	-	(15)
Transfer from construction deposit	-	-	-	1,525	-	-	1,525
Depreciation	(5,305)	(11,894)	(9,734)	(206,716)	-	(1,201)	(234,850)
Total	**177,742**	**10,532**	**31,953**	**902,417**	**34,785**	**4,005**	**1,161,434**

	Land and buildings	Computer and prepaid equipment	Vehicles, furniture and fittings	Network equipment	Work in progress	Leasehold improve-ments	Total
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2018 Audited							
Opening balance	2,230	29,210	24,565	780,166	25,613	3,201	864,985
Additions	-	1,586	9,213	175,608	102,218	925	289,550
Disposals	-	(1)	(391)	(278)	-	-	(670)
Transfer	-	28	35	25,505	(25,568)	-	-
Transfer to operating expenditure	-	-	-	-	(45)	-	(45)
Transfer to investment property	(2,230)	-	-	-	-	-	(2,230)
Transfer from construction deposit	-	-	-	41,445	-	-	41,445
Depreciation	-	(10,587)	(8,634)	(168,053)	-	(904)	(188,178)
Total	**-**	**20,236**	**24,788**	**854,393**	**102,218**	**3,222**	**1,004,857**

Notes to the Financial Statements

10. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and	Computer buildings prepaid equipment	Vehicles, and and fittings	Network furniture	Work in equipment	Leasehold progress ments	Total improve-
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2017 Audited							
Opening balance	2,304	37,332	21,644	742,712	21,815	4,315	830,122
Additions	-	2,037	10,868	164,349	25,613	855	203,722
Disposals	-	(12)	(383)	(771)	-	-	(1,166)
Transfer	-	-	87	21,096	(21,246)	63	-
Transfer to intangible assets	-	-	-	-	(551)	-	(551)
Transfer to operating expenditure	-	-	-	-	(18)	-	(18)
Transfer from construction deposit	-	-	-	3,448	-	-	3,448
Adjustment	-	-	-	-	-	-	-
Depreciation	(74)	(10,147)	(7,651)	(150,668)	-	(2,032)	(170,572)
Total	**2,230**	**29,210**	**24,565**	**780,166**	**25,613**	**3,201**	**864,985**

	Land and buildings	Computer and prepaid equipment	Vehicles, furniture and fittings	Network equipment	Work in progress	Leasehold improve-ments	Total
	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000	N$'000
2016 Audited							
Opening balance	2,378	48,889	22,370	756,595	1,510	13,454	845,196
Additions	-	6,082	7,448	147,882	21,815	1,148	184,375
Disposals	-	(1)	(126)	-	-	-	(127)
Transfer	-	3	74	290	(367)	-	-
Transfer to intangible assets	-	-	-	-	(1,142)	-	(1,142)
Transfer to operating expenditure	-	-	-	-	(1)	-	(1)
Transfer from construction deposit	-	-	-	123	-	-	123
Adjustment	-	-	-	-	-	-	-
Depreciation	(74)	(17,641)	(8,122)	(162,178)	-	(10,287)	(198,302)
Total	**2,304**	**37,332**	**21,644**	**742,712**	**21,815**	**4,315**	**830,122**

Additions were financed from cash resources.
There are no properties or equipment to which title is restricted or which are pledged as security for liabilities.
Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company and its respective subsidiaries.

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
11. LEASES (group as lessee)					
The group leases several properties for the use as office, retail spaces and sites for towers. The terms of the leases differ based on the different agreements with landlords of different properties, as well as the strategy and long term intention of the Group to continue the use of the different properties.					
Details pertaining to leasing arrangements, where the group is lessee are presented below:					
The group adopted IFRS 16 for the first time during the year ended 30 September 2020. Comparative figures have been accounted for in accordance with IAS 17. The information presented in this note for right of use assets therefore only includes the last period of 30 September 2020.					
Net carrying amounts of right-of-use assets					
The carrying amounts of right-of-use assets are as follows:					
Mobile home leases	16,884	-	-	-	-
Tower site leases	186,063	-	-	-	-
Office leases	11,646	-	-	-	-
Total net carrying amount	**214,593**	**-**	**-**	**-**	**-**
Additions to right-of-use assets					
Mobile home leases	1,006	-	-	-	-
Tower site leases	10,081	-	-	-	-
Total additions	**11,087**	**-**	**-**	**-**	**-**
Depreciation recognised on right-of-use assets					
Depreciation recognised on each class of right of use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 4), as well as depreciation which has been capitalised to the cost of other assets.					
Mobile home leases	10,885	-	-	-	-
Tower site leases	21,204	-	-	-	-
Office leases.	2,460	-	-	-	-
Total depreciation	**34,549**	**-**	**-**	**-**	**-**
Other disclosures					
Interest expense on lease liabilities	22,589	-	-	-	-
Lease liabilities					
The maturity analysis of lease liabilities is as follows:					
Within one year	45,490	-	-	-	-
Two to five years	168,988	-	-	-	-
More than five years	176,840	-	-	-	-
	391,318	**-**	**-**	**-**	**-**
Less finance charges component	(163,400)	-	-	-	-
	227,918	**-**	**-**	**-**	**-**
Non-current liabilities	182,428	-	-	-	-
Current liabilities	45,490	-	-	-	-
	227,918	**-**	**-**	**-**	**-**
Exposure to liquidity risk					
Refer to note 32 Financial instruments and risk management for the details of liquidity risk exposure and management.					

Notes to the Financial Statements

12. CHANGE IN ACCOUNTING ESTIMATE

The residual values and estimated useful lives of all categories of property, plant and equipment as well as intangible assets were reassessed in accordance with IAS 16 Property, plant and equipment and IAS 38 Intangible assets on an annual basis. This resulted in a change in the estimated remaining useful life of property plant and equipment and intangible assets.
The financial impact of the changes in the estimated remaining useful lives resulted in:

- A reduction of the depreciation and amortisation charges of 30 September 2020, resulting in increased year ended 30 September 2020 profit before taxation of N$2,828 million. The net decrease in the charges for depreciation and amortisation due to the change in the estimated useful lives will result in effectively increasing the charges in future periods and therefore effectively decrease profit before taxation for those future periods.
- An increase of the depreciation and a decrease of the amortisation charges of 30 September 2019, resulting in a net increase for year ended 30 September 2019 profit before taxation of N$20,367 million. The net decrease in the charges for depreciation and amortisation due to the change in the estimated useful lives will result in effectively increasing the charges in future periods and therefore effectively decrease profit before taxation for future periods.
- A reduction of the depreciation and amortisation charges of 30 September 2018, resulting in increased year ended 30 September 2018 profit before taxation of N$11,109 million. This change in estimated useful life will result in effectively increasing the charges in future periods and therefore effectively decrease profit before taxation for future periods.
- A reduction of the depreciation and amortisation charges of 30 September 2017, resulting in increased year ended 30 September 2017 profit before taxation of N$6,221 million. This change in estimated useful life will result in effectively reducing the charges in future periods and therefore effectively increase profit before taxation for future periods.
- An increase of the depreciation and amortisation charges of 30 September 2016, resulting in decreased year ended 30 September 2016 profit before taxation of N$65,591 million. This change in estimated useful life will result in effectively reducing the charges in future periods and therefore effectively increase profit before taxation for future periods.
- The financial impact of this change in the accounting estimate for future periods are not disclosed per future financial period since this is considered impracticable.

13. INTANGIBLE ASSETS

	Computer software N$'000	Network software N$'000	Customer bases N$'000	Licences N$'000	Total N$'000
2020 Audited					
Opening balance	80,022	400,556	-	9,168	489,746
Additions	139,189	69,366	-	487	209,042
Transfers from property, plant and equipment	1,432	-	-	-	1,432
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Amortisation.	(24,672)	(44,076)	-	(2,642)	(71,390)
Total	**195,971**	**425,846**	**-**	**7,013**	**628,830**

	Computer software N$'000	Network software N$'000	Customer bases N$'000	Licences N$'000	Total N$'000
2019 Audited					
Opening balance	87,960	321,339	145,750	6,529	561,578
Additions	10,493	96,475	-	4,694	111,662
Transfers from property, plant and equipment	-	8,171	-	-	8,171
Transfers	-	4,590	(4,590)	-	-
Disposals	-	-	-	-	-
Amortisation	(18,431)	(30,019)	-	(2,055)	(50,505)
IFRS 15 adoption	-	-	(141,160)	-	(141,160)
Total	**80,022**	**400,556**	**-**	**9,168**	**489,746**

	Computer software N$'000	Network software N$'000	Customer bases N$'000	Licences N$'000	Total N$'000
2018 Audited					
Opening balance	107,870	238,662	147,893	8,346	502,771
Additions	10,968	83,819	152,215	-	247,002
Transfer from property, plant and equipment	-	-	-	-	-
Transfer from Construction deposit	-	22,464	-	-	22,464
Disposals	(462)	(11)	(2,991)	-	(3,464)
Amortisation	(30,416)	(23,595)	(151,367)	(1,817)	(207,195)
Total	**87,960**	**321,339**	**145,750**	**6,529**	**561,578**

13. INTANGIBLE ASSETS (continued)

	Computer software N$'000	Network software N$'000	Customer bases N$'000	Licences N$'000	Total N$'000
2017 Audited					
Opening balance	148,494	181,306	135,979	467	466,246
Additions	14,698	59,322	162,131	8,111	244,262
Transfer from property, plant and equipment	1,033	(482)	-	-	551
Transfer from Construction deposit	-	27,525	-	-	27,525
Disposals	-	-	(2,464)	-	(2,464)
Amortisation.	(56,355)	(29,009)	(147,753)	(232)	(233,349)
Total	**107,870**	**238,662**	**147,893**	**8,346**	**502,771**

	Computer software N$'000	Network software N$'000	Customer bases N$'000	Licences N$'000	Total N$'000
2016 Audited					
Opening balance	247,715	54,467	142,320	698	445,200
Additions	14,910	139,523	139,024	-	293,457
Transfer from property, plant and equipment	1,142	-	-	-	1,142
Transfer from Construction deposit	-	10,040	-	-	10,040
Adjustment	-	-	-	-	-
Disposals	-	-	(915)	-	(915)
Amortisation.	(115,273)	(22,724)	(144,450)	(231)	(282,678)
Total	**148,494**	**181,306**	**135,979**	**467**	**466,246**

Other information
At 30 September 2020 an amount of N$15 million is included in the Work in Progress - Capital in Property, plant and equipment. Once the project to which the work in progress is related to is finalised, the intangible asset will be transferred from property, plant and equipment to intangible assets.

Additions were financed from cash resources.

Remaining useful lives of intangible assets – 2020

Licenses	9 yrs 3 m
Computer software	4 yrs 5 m
Network software	2 yrs 4 m

14. INVESTMENT PROPERTY

Investment properties comprise sectional title unit 6 (186m²) and unit 9 (210m²) of United Building, Erf 7640 Windhoek. The original cost price of these units were N$2.55 million.
A register containing the information required by paragraph 22(3) of Schedule 4 of the Namibian Companies Act is available for inspection at the registered office of the company.

Details of valuation
On 31 August 2019 a revaluation was performed by an independent valuer, Mr F.A. Frank-Schultz B.Sc. (Town and Regional Planning). Mr Frank-Schultz is not connected to the group and have recent experience in location and category of the investment property being valued. The valuation was based on the Income Capitalisation Method for existing use. This approach is based on the capitalisation of the net income at a market related rate.

The assumptions used, as stated below, are based on current market conditions.
- Capitalisation rate of 9% (Median of market rates);
- Stable interest rates, inflation rates and economic situation;
- Demand for property has declined over the past 2 years.

In terms of fair value hierarchy, investment property is held at level 3. There has been no change to the valuation technique during the year. There were no transfers between fair value levels during the year.

Notes to the Financial Statements

14. INVESTMENT PROPERTY (continued)

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited
Valuation and carrying value	5,665	5,665	7,764
Reconciliation of investment property			
Opening balance	5,665	7,764	-
Transfer from property, plant and equipment	-	-	2,230
Fair value adjustments.	-	(2,099)	5,534
Total	**5,665**	**5,665**	**7,764**

Amounts recognised in profit and loss for the years ended 30 September 2020, 30 September 2019 and 30 September 2018

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited
Rental income from investment property	724	659	473
Direct operating expenses from rental generating property	(503)	(636)	(793)
Change in fair value recognised in profit and (loss)	-	(2,099)	5,534
Total	**221**	**(2,076)**	**5,214**

15. INTERESTS IN SUBSIDIARIES

The following table lists the entities which are controlled by the group.

Name of company	2020 Ownership % holding Audited	2019 Ownership % holding Audited	2018 Ownership % holding Audited	2017 Ownership % holding Audited	2016 Ownership % holding Audited
Jurgens 34 (Proprietary) Limited					
Shares at cost	100	100	100	100	100
Windhoek General Administrators (Proprietary) Limited					
Shares at cost	100	100	100	100	100

	2020 Investment in shares N$'000	2019 Investment in shares N$'000	2018 Investment in shares N$'000	2017 Investment in shares N$'000	2016 Investment in shares N$'000
Jurgens Thirty Four (Pty) Ltd	458	458	458	458	458
Windhoek General Administrators (Pty) Ltd	-	-	-	-	-

	2020 Carrying amount of loan N$'000	2019 Carrying amount of loan N$'000	2018 Carrying amount of loan N$'000	2017 Carrying amount of loan N$'000	2016 Carrying amount of loan N$'000
Jurgens Thirty Four (Pty) Ltd	3,240	3,449	3,568	3,688	3,083
Windhoek General Administrators (Pty) Ltd	-	-	-	-	-

The intercompany loan of Jurgens Thirty Four (Pty) Ltd is with Mobile Telecommunications Limited and has no fixed repayment terms, nor does it bear any interest. The loan is eliminated at a group level through consolidation of the separate financial statements of Jurgens Thirty Four (Pty) Ltd and Mobile Telecommunications Limited.

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
16. INVENTORIES					
Network consumables	1,508	1,488	1,967	79,511	6,010
Subscriber identity modules	17,567	9,395	10,997	10,069	14,230
Handset and accessories	49,560	45,316	44,402	23,455	43,431
Total	**68,635**	**56,199**	**57,366**	**113,035**	**63,671**
Carrying value of inventories carried at fair value less costs to sell	19,139	10,529	9,644	16,673	8,559

The amount of write-down of inventories recognised as an expense is N$3 427 883 (2019: N$4 361 306); (2018: N$765 158); (2017: N$4 631 643) and (2016: N$4 392 899).

17. LOANS TO EMPLOYEES

Schedule of loans to employees					
Staff loan scheme	2,849	2,841	-	-	-

Loan scheme available to all permanently employed staff, with the aim to provide funds to employees who have an immediate need as the result of an emergency. The maximum loan amount is limited to N$60 000 per employee, with the total loan value limited to N$3 million per annum. The loans are interest free, repayable in equal instalments over 24 months. Loans are secured by the employee's pension fund value equal to the loan amount.

Loans to employees					
At beginning of the year	2,841	-	-	-	-
Advances	2,343	3,384	-	-	-
Repayments	(2,335)	(543)	-	-	-
	2,849	**2,841**	**-**	**-**	**-**
Split between non-current and current portions					
Non-current assets	2,336	1,149	-	-	-
Current assets	513	1,692	-	-	-
	2,849	**2,841**	**-**	**-**	**-**

Exposure to credit risk
The maximum exposure to credit risk is the carrying amount of the loans as presented above. At 30 September 2020, no loans were in default and due to security provided by employees, the group assesses that the ECL as trivial and have therefore not raised any ECL. The group continues to assess this position on a regular basis.

Fair value of loans to employees
The fair value of loans to employees approximates their carrying amounts.

18. TRADE AND OTHER RECEIVABLES

Customers to the mobile network after provisions	103,267	96,910	126,634	144,585	91,583
Interconnect debtors	-	738	1,589	24	41
Other receivables	25,443	18,807	14,114	8,252	10,585
Non-financial instruments:					
Prepayments and deposits	38,836	35,149	37,598	32,552	29,991
Total trade and other receivables	**167,546**	**151,604**	**179,935**	**185,413**	**132,200**
Split between non-current and current portions					
Current assets	167,546	151,604	179,935	185,413	132,200
Financial instruments and non-financial instrument components of trade and other receivables					
At amortised cost	128,710	116,455	142,337	152,861	102,209
Non-financial instruments.	38,836	35,149	37,598	32,552	29,991
Total	**167,546**	**151,604**	**179,935**	**185,413**	**132,200**

18. TRADE AND OTHER RECEIVABLES (continued)

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.

In order to mitigate the risk of financial loss from defaults, the group only deals with reputable customers with consistent payment histories. It is the group's policy that all customers who which to trade on credit terms are subject to credit verification procedures. Sufficient collateral or guarantees are also obtained when appropriate. Customer credit limits are in place and are reviewed and approved through credit management procedures. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.
There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Trade receivables arise from both wholesale and retail sales. The customer base for retail trade is large and widespread, with a result that there is no specific significant concentration of credit risk from these trade receivables. Wholesale trade, while also large and widespread, is more concentrated. Wholesale customers however, due to the volumes of transactions, are managed on either a cash basis or with sufficient collateral in place to secure the outstanding amounts.
A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments (2018: IAS 39), and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are handed over to an external debt collector and registered with a credit bureau for default.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. 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.
The estimation techniques explained have been applied for the first time in the current financial period, as a result of the adoption of IFRS 9. Trade receivables were previously impaired only when there was objective evidence that the asset was impaired. The impairment was calculated as the difference between the carrying amount and the present value of the expected future cash flows.

The expected credit loss allowance provision in 2020 and 2019 is determined as follows:

	2020 N$'000 Audited Estimated gross carrying amount at default	2020 N$'000 Audited Loss allowance (Lifetime expected credit loss)	2019 N$'000 Audited Estimated gross carrying amount at default	2019 N$'000 Audited Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Customers to the Mobile Network				
Less than 30 days past due: 0.08% (2019: 1%)	67,031	55	70,334	952
31 - 60 days past due: 10.87% (2019: 1%)	17,167	1,866	13,544	160
61 - 90 days past due: 14.76% (2019: 2%)	3,916	578	2,328	35
More than 90 days past due: 76.29% (2019: 96%).	8,017	6,196	8,091	7,764
Total	**96,131**	**8,695**	**94,297**	**8,911**
Contract customers under IFRS 15 (see Note 21)				
Not past due: 3.97% (2019: 4.4%)	144,552	5,732	152,458	6,907
Fixed and cloud services				
Less than 30 days past due: 0.08% (2019: 1%)	738	1	143	2
31 - 60 days past due: 10.87% (2019: 1%)	416	45	112	1
61 - 90 days past due: 14.76% (2019: 2%)	-	-	119	2
More than 90 days past due: 76.29% (2019: 96%)	1,036	801	182	175
Total	**2,190**	**847**	**556**	**180**
Roaming debtors				
Not past due: 1.24% (2019: 0.35%)	1,245	15	6,860	24
Less than 30 days past due: 0.18% (2019: 0.82%)	3,764	7	2,707	22
31 - 60 days past due: 1.58% (2019: 1.58%)	-	-	436	7
61 - 90 days past due: 0.38% (2019: 17.15%)	379	1	276	47
91 - 120 days past due: 100% (2019: 11.21%)	1	1	223	25
More than 120 days past due: 92.96% (2019: 51.02%).	2,047	1,903	2,737	1,396
Total	**7,436**	**1,927**	**13,239**	**1,521**
Other debtors				
Less than 30 days past due: 1.66% (2019: 0%)	9,720	161	-	-
31 - 60 days past due: 13.94% (2019: 0%)	1,898	264	-	-
61 - 90 days past due: 38.61% (2019: 0%)	2,973	1,148	-	-
91 - 120 days past due: 37.34% (2019: 0%).	10,025	3,744	-	-
Total	**24,616**	**5,317**	**-**	**-**
Total	**274,925**	**22,518**	**260,550**	**17,519**

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited

18. TRADE AND OTHER RECEIVABLES (continued)

Reconciliation of loss allowance

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

Opening balance in accordance with IAS 39	(17,519)	(12,130)	(13,170)	(15,485)	(15,484)
Financial Instruments: Recognition and measurement					
Opening balance in accordance with IFRS 9	(17,519)	(12,130)	(13,170)	(15,485)	(15,484)
Provision raised for impairment on trade and receivables	(27,472)	(27,244)	(23,470)	(27,001)	(25,016)
Provision reversed / utilised.	22,473	21,855	24,510	29,316	25,015
Closing balance	**(22,518)**	**(17,519)**	**(12,130)**	**(13,170)**	**(15,485)**

Trade receivables are generally on 30-60 day terms.

Exposure to currency risk

The net carrying amounts, in Namibia Dollar, of trade and other receivables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Namibia Dollar by converting the foreign currency amount at the closing rate at the reporting date.

Namibia Dollar Amount					
Namibia Dollar	122,068	106,274	127,338	135,047	87,214
US Dollar	6,642	10,181	14,999	17,814	14,995
	128,710	**116,455**	**142,337**	**152,861**	**102,209**
Foreign currency amount					
US Dollar	396	671	1,060	1,318	1,092
Namibia Dollar per unit of foreign currency:					
US Dollar	16.698	15.169	14.152	13.510	13.730

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 with regards to trade and other receivables. 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 trade and other receivables 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.

Effect on profit before tax of amounts included in trade receivables					
US Dollar					
Increase of 5% in exchange rate	(332)	(509)	(750)	(891)	(750)
Decrease of 5% in exchange rate	332	509	750	891	750

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
19. CASH AND CASH EQUIVALENTS					
Cash and cash equivalents consist of:					
Bank balances	89,471	97,067	71,638	95,638	246,407
Short-term deposits	688,110	947,791	807,437	504,223	196,198
Total	**777,581**	**1,044,858**	**879,075**	**599,861**	**442,605**

Cash at bank earns interest at floating rates based on daily bank deposit rates. Cash and cash equivalents comprises cash held by the group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximate their fair value.

Exposure to currency risk
The group is exposed to currency risk related to certain bank accounts which are denominated in a foreign currency.

Namibia Dollar amount					
Namibia Dollar	769,523	1,026,487	858,185	594,404	441,979
US Dollar	7,361	17,811	20,644	2,890	626
Euro	697	560	246	2,567	-
	777,581	**1,044,858**	**879,075**	**599,861**	**442,605**

The net carrying amounts, in foreign currency of the above exposure was as follows:

Foreign currency amount					
US Dollar	441	1,174	1,459	214	45
Euro	36	34	15	161	-
Namibia Dollar per unit foreign currency:					
US Dollar	16.698	15.169	14.152	13.510	13.750
Euro	19.576	16.545	16.450	15.960	15.430

Foreign currency sensitivity analysis
The following analysis presents the sensitivity of the group to an increase or decrease in the respective currencies it is exposed to with regards to cash and cash equivalents. 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 cash and cash equivalents 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.

Effect on profit before tax of amounts included in cash and cash equivalents

US Dollar					
Increase of 5% in exchange rate	(368)	(891)	(1,032)	(144)	(31)
Decrease of 5% in exchange rate	368	891	1,032	144	31
Euro					
Increase of 5% in exchange rate	(35)	(28)	(12)	(128)	-
Decrease of 5% in exchange rate	35	28	12	128	-

20. SHARE CAPITAL					
Authorised and issued					
25 000 000 ordinary shares of N$1 each	25,000	25,000	25,000	25,000	25,000

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
21. DEFERRED TAXATION					
The movement on the deferred taxation account is as follows:					
Balance at beginning of year	(274,456)	(278,504)	(255,000)	(235,268)	(235,972)
Reduction due to rate change	-	-	-	-	-
Taxation recognised in profit or loss	(12,080)	(2,767)	(23,504)	(19,732)	704
Implementation of IFRS 15 through retained earnings	(10,072)	6,815	-	-	-
At end of year	**(296,608)**	**(274,456)**	**(278,504)**	**(255,000)**	**(235,268)**
Comprising:					
Deferred income tax assets					
Income received in advance	54,448	50,354	51,013	54,744	56,845
Leave pay and severance pay accrual	10,296	8,269	6,269	5,301	4,680
Straight lining of leases	-	10,172	9,584	7,846	6,038
Unrealised forex profit	-	-	-	667	953
IFRS 15 Contracts with customers	-	5,558	-	-	-
Deferred taxation balance from temporary differences other than unused tax losses	64,744	74,353	66,866	68,558	68,516
Total deferred taxation asset	**64,744**	**74,353**	**66,866**	**68,558**	**68,516**
Deferred income tax liabilities					
Capital allowances	(305,775)	(335,357)	(333,159)	(311,077)	(293,175)
Inventories	(1,640)	(476)	(630)	(2,993)	(1,923)
Prepayments	(11,283)	(10,230)	(11,018)	(9,488)	(8,686)
Unrealised forex loss	(3,885)	(812)	(563)	-	-
Expected credit loss allowance	(2,364)	(1,934)	-	-	-
IFRS 15 Contracts with customers	(29,659)	-	-	-	-
IFRS 16 Leases	(6,846)	-	-	-	-
Total deferred taxation liability	**(361,452)**	**(348,809)**	**(345,370)**	**(323,558)**	**(303,784)**
Deferred taxation liability	(361,452)	(348,809)	(345,370)	(323,558)	(303,784)
Deferred taxation asset	64,744	74,353	66,866	68,558	68,516
Total net deferred taxation liability	**(296,708)**	**(274,456)**	**(278,504)**	**(255,000)**	**(235,268)**
22. CONTRACT ASSETS					
Contract assets	135,480	145,551	-	-	-
Summary of contract assets					
Products with bundled devices and services	89,306	97,832	-	-	-
Products with devices only	46,174	47,719	-	-	-
	135,480	**145,551**	**-**	**-**	**-**
Reconciliation of contract assets					
Opening balance	145,551	-	-	-	-
Effect of cumulative effect method on adoption of IFRS 15	-	119,861	-	-	-
Net renewals, activations and terminations for the year	(4,339)	32,597	-	-	-
Expected credit loss allowance (see Note 17)	(5,732)	(6,907)	-	-	-
	135,480	**145,551**	**-**	**-**	**-**
Split between non-current and current portions					
Non-current assets	8,909	20,753	-	-	-
Current assets.	126,571	124,798	-	-	-
	135,480	**145,551**	**-**	**-**	**-**

Contract assets are recognised to the extent that performance obligations have been met by the group and revenue has been recognised in accordance with IFRS 15 Revenue, but for which the consideration is not yet receivable in terms of contractual agreement. Contract assets also include N$46 174 000 (2019: N$47 719 000) related to 24-month phone financing contracts. When the right to consideration becomes unconditional in terms of the contractual agreement, the contract asset is transferred to trade receivables.

Exposure to credit risk.
Contract assets 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.

Refer to note 18 for the expected credit loss allowance disclosure.

Notes to the Financial Statements

23. PROVISIONS

Reconciliation of provisions 2020

	Opening balance N$'000 Audited	Service cost N$'000 Audited	Benefit payments N$'000 Audited	Interest cost N$'000 Audited	Total N$'000 Audited
Severance pay provision	4,532	480	(581)	388	4,819

Reconciliation of provisions 2019

	Opening balance N$'000 Audited	First time recognition N$'000 Audited	Total N$'000 Audited
Severance pay provision	-	4,532	4,532

\n actuarial valuation of the severance pay liability for 2 years was done for 30 September 2019. The assumption was made that there were minimum movements affecting the assumptions between 30 September 2019 and 30 September 2020 and therefore no new actuarial valuation was performed.

The liability raised relates to severance pay in case of death of employees, due to the fact that the retirement age for employees of the company is 60, severance pay on retirement is not applicable unless an employee retires on or after the age of 65.

The main assumptions used by the actuaries are as follow:

- Key financial assumptions are the rate of discount and the salary inflation rate
- It is the relationship between these two financial assumptions that is critically important, not the absolute value of either assumption
- Assumptions are made with a medium to long term outlook in mind
- Rate of discount of 8.2% per annum
- Salary inflation rate of 5.4% per annum. In addition, we assume a promotional salary scale applies
- The key demographic assumptions are mortality, withdrawal, retirement and the promotional salary scale

24. TRADE AND OTHER PAYABLES

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
Financial instruments:					
Trade payables	198,990	101,657	147,883	153,634	66,507
Interconnect payables	7	-	-	-	-
Accruals	171,869	103,717	101,958	171,417	107,700
Other payables	3,496	3,268	2,378	2,287	1,713
Non-financial instruments:					
Employee bonus accruals	38,308	33,966	30,612	30,004	26,744
VAT	21,493	38,670	17,503	17,068	25,868
Lease smoothing IAS 17	-	31,788	29,950	24,519	19,560
Total	**434,163**	**313,066**	**330,284**	**398,929**	**248,093**

Payables are non-interest bearing and are normally settled on 30-day terms.

Retention bonus scheme

The company accumulates 13% of a staff member's average cost to company package over five years of service and pays 70% and 30% of the accumulated value out to that employee after the fifth and seventh year of service respectively, provided the employee reached a performance score of 70% or higher in each of the five years. As this expense is dependent upon an uncertain future occurrence, the provision made reflects only an estimate.

The retention bonus cycle repeats itself from year six.
The reconciliation between the opening balance and closing balance of the retention bonus included in accruals is as follows:

Opening balance at beginning of the year	3,322	2,397	4,853	1,555	1,712
Paid during the year	(3,322)	(2,397)	(4,932)	(1,567)	(1,748)
Accrued for current year.	4,069	3,322	2,476	4,865	1,591
Closing balance at end of the year	**4,069**	**3,322**	**2,397**	**4,853**	**1,555**

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited

24. TRADE AND OTHER PAYABLES (continued)

Exposure to currency risk

The group is exposed to currency risk related to trade payables because certain transactions are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising foreign forward exchange contracts where necessary. The currencies in which the group deals primarily are US Dollars, Euros and Pound.

The net carrying amounts, in Namibia Dollar, of trade and other payables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Namibia Dollar by converting the foreign currency amount at the closing rate at the reporting date.

Namibia Dollar Amount					
Namibia Dollar	304,553	266,826	245,293	276,437	187,873
US Dollar	25,507	9,182	57,628	88,097	16,729
Euro	7,931	2,893	3,938	15,435	15,710
CHF	4,907	-	5,875	1,883	1,910
GBP	-	27	47	9	3
CNY	69,772	-	-	-	-
	412,670	**278,928**	**312,781**	**381,861**	**222,225**

The net carrying amounts, in foreign currency of the above exposure was as follows:

Foreign currency amount					
US Dollar	1,528	605	4,072	6,521	1,217
Euro	405	174	239	967	1,018
CHF	270	-	405	135	135
GBP	-	1	3	-	-
CNY	28,375	-	-	-	-

The following closing exchange rates were applied to translate trade receivables at reporting date:

Namibia Dollar per unit of foreign currency:					
US Dollar	15.698	15.169	14.152	13.510	13.750
Euro	19.576	16.545	16.453	15.960	15.430
CHF	18.175	14.506	14.506	13.950	14.160
GBP	18.660	18.660	18.477	18.110	17.860
CNY	2.459	-	-	-	-

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 with regards to trade and other payables. 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 trade and other payables 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 periods.

Effect on profit before tax of amounts included in trade payables

US Dollar					
Increase of 5% in exchange rate	(1,275)	(459)	(2,881)	(4,405)	(836)
Decrease of 5% in exchange rate	1,275	459	2,881	4,405	836
Euro					
Increase of 5% in exchange rate	(397)	(145)	(197)	(772)	(786)
Decrease of 5% in exchange rate	397	145	197	772	786
Swiss Francs					
Increase of 5% in exchange rate	(245)	-	(294)	(94)	(95)
Decrease of 5% in exchange rate	245	-	294	94	95
GBP					
Increase of 5% in exchange rate	-	(1)	(2)	-	-
Decrease of 5% in exchange rate	-	1	2	-	-
CNY					
Increase of 5% in exchange rate	(3,489)	-	-	-	-
Decrease of 5% in exchange rate	3,489	-	-	-	-

Fair value of trade and other payables
The fair value of trade and other payables approximates their carrying amounts.

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
25. DEFERRED REVENUE					
At the beginning of the year	142,835	145,672	157,688	163,603	173,401
Airtime sold during the year	1,967,911	1,831,642	1,570,363	1,533,051	1,518,919
Airtime utilised during the year	(1,955,651)	(1,834,479)	(1,582,379)	(1,538,966)	(1,528,717)
At the end of the year	**155,095**	**142,835**	**145,672**	**157,688**	**163,603**
Current liabilities	155,095	142,835	145,672	157,688	163,603
Total	**155,095**	**142,835**	**145,672**	**157,688**	**163,603**
26. CASH GENERATED FROM OPERATIONS					
Profit before taxation	1,118,306	1,127,206	1,165,806	1,036,417	851,673
Adjustments for:					
Amortisation	71,390	50,505	207,195	233,349	282,678
Depreciation	248,337	234,850	188,178	170,572	198,302
Net (profit) / loss on disposal of plant and equipment	518	(916)	2,379	2,895	519
Operating expenditure transferred from work in progress	-	15	45	18	1
Other non-cash movements	183	-	-	-	-
Finance cost	22,592	-	111	24	27
Fair value adjustments	-	2,099	(5,534)	-	-
Movements in provisions	287	4,532	-	-	-
Interest income	(63,560)	(69,563)	(59,966)	(37,570)	(27,695)
(Profit) / loss on foreign exchange	13,755	(131)	2,317	(3,490)	844
Operating profit before working capital changes	**1,411,808**	**1,348,597**	**1,500,531**	**1,402,215**	**1,306,349**
Working capital changes	**146,838**	**(16,247)**	**(19,514)**	**42,346**	**(27,763)**
Inventories	(12,436)	1,167	55,669	(49,364)	5,712
Trade and other receivables	(15,942)	28,331	5,478	(53,211)	(24,647)
Contract assets	10,071	(25,690)	-	-	-
Deferred revenue	12,260	(2,837)	(12,016)	(5,915)	(9,798)
Trade and other payables - IFRS 16 implementation	31,788	-	-	-	-
Trade and other payables	121,097	(17,218)	(68,645)	150,836	970
Cash generated from operations	**1,558,646**	**1,332,350**	**1,481,017**	**1,444,561**	**1,278,586**
27. TAXATION PAID					
Balance at the beginning of the year	(13,170)	2,365	(11,723)	(35,104)	(6,222)
Current tax for the year recognised in profit or loss	(333,826)	(327,399)	(334,616)	(305,281)	(273,009)
Balance at the end of the year	17,923	13,170	(2,365)	11,723	35,104
Amounts paid	**(329,073)**	**(311,864)**	**(348,704)**	**(328,662)**	**(244,127)**
28. COMMITMENTS AND CONTINGENCIES					
Capital commitments					
This expenditure will be financed from cash generated from normal business operations.					
Approved and contracted for					
Network expansions	353,951	44,751	541,119	564,761	258,313
Retail stock	4,378	15,225	14,069	7,291	24,369
Other - property, plant and equipment	-	203,787	-	-	-
Total	**358,329**	**263,763**	**555,188**	**572,052**	**282,682**
Approved, but not contracted for					
Network expansions	396,486	676,272	239,910	158,214	103,754
Retail stock	266,154	256,480	164,233	152,709	125,232
Other - property, plant and equipment	57,403	98,605	208,569	187,460	12,746
Total	**720,043**	**1,031,357**	**612,712**	**498,383**	**241,732**

28. COMMITMENTS AND CONTINGENCIES (continued)

Operating leases - as lessee (expense)

Future minimum rentals payable under non-cancellable operating leases are as follows as of 30 September:

	Premises Radio Sites N$'000	Premises Offices/ Shops N$'000	Total N$'000
2020 Audited			
Within one year	804	-	804
After one year but not more than five years	2,769	-	2,769
More than five years	12,827	-	12,827
	16,400	**-**	**16,400**

Future minimum rentals payable under non-cancellable operating leases are as follows as of 30 September:

	Premises Radio Sites N$'000	Premises Offices/ Shops N$'000	Total N$'000
2019 Audited (IAS 17 comparatives)			
Within one year	30,594	22,455	53,049
After one year but not more than five years	111,909	38,354	150,263
More than five years	125,883	6,420	132,303
	268,386	**67,229**	**335,615**

Future minimum rentals payable under non-cancellable operating leases are as follows as of 30 September:

	Premises Radio Sites N$'000	Premises Offices/ Shops N$'000	Total N$'000
2018 Audited (IAS 17 comparatives)			
Within one year	27,002	33,213	60,215
After one year but not more than five years	118,212	132,714	250,926
More than five years	64,141	27,141	91,282
	209,355	**193,068**	**402,423**

Future minimum rentals payable under non-cancellable operating leases are as follows as of 30 September:

	Premises Radio Sites N$'000	Premises Offices/ Shops N$'000	Total N$'000
2017 Audited (IAS 17 comparatives)			
Within one year	29,203	8,019	37,222
After one year but not more than five years	129,443	11,397	140,840
More than five years	570,201	-	570,201
	728,847	**19,416**	**748,263**

Future minimum rentals payable under non-cancellable operating leases are as follows as of 30 September:

	Premises Radio Sites N$'000	Premises Offices/ Shops N$'000	Total N$'000
2016 Audited (IAS 17 comparatives)			
Within one year	28,275	9,953	38,228
After one year but not more than five years	120,754	15,886	136,640
More than five years	555,082	-	555,082
	704,111	**25,839**	**729,950**

28. COMMITMENTS AND CONTINGENCIES (continued)

OTHER COMMITMENTS

Construction deposits

At 30 September 2020 the group had entered into commitments relating to phase 2 of the 081Every1 project. Deposits paid before 30 September 2020 relating to work-in-progress on this project amounted to N$1,594 million. The final payments for the project will be made upon completion of the project during the 2021 financial year.

At 30 September 2019 the group had entered into commitments relating to servers for the SS7 Firewall project. Deposits paid before 30 September 2019 relating to work-in-progress on this project amounted to N$ 48,692. The final payment of N$113,615 for the project will be made upon delivery of the servers during the 2020 financial year.

At 30 September 2018 the group had entered into commitments relating to the network expansion project and 081Every1 project. Deposits paid before 30 September 2018 relating to the work-in-progress on these projects amounted to N$ 1.525 million.

At 30 September 2017 the group had entered into commitments relating to the network expansion project and 081Every1 project. Deposits paid before 30 September 2017 relating to the work-in-progress on these projects amounted to N$ 63.930 million. The final payments of U$9.63 million for phase 2 of the project will be made upon completion of the specific phases of the capital projects, during the 2018 and 2019 financial years.

At 30 September 2016 the group had entered into commitments relating to the network expansion project. Deposits paid before 30 September 2016 relating to the work-in-progress on these projects amounted to N$ 30.974 million. The final payments of U$9.63 million for phase 2 of the project will be made during the 2017 financial year, upon completion of the specific phase of the capital project.

29. CONTINGENCIES

Namibian Stock Exchange Listing
The directors note that the CRAN ruling requiring the group to list by 5 September 2020 has been amended, allowing for listing at any date up to 5 September 2022. Management anticipate that this revised timeline will be sufficient to comply with the CRAN ruling

License Fees
The directors note that the high court has ruled the current license regime unconstitutional and not enforceable from the date of the court ruling on the matter. The regulator has subsequently lodged a appeal against the ruling of the high court with the Supreme court. Until such time that the appeal is concluded, the ruling of the high court stands. The directors fully expect the regulator to implement the license fee regime, once a final ruling has been made, to be implemented in the financial year when this matter is concluded.

30. RETIREMENT BENEFIT INFORMATION

The company operates a defined contribution scheme, the MTC Pension Fund (registration number 25/7/7/390), providing benefits based on the contributions of an employee and is administered by Alexander Forbes. This fund is registered under and governed by the Namibian Pension Funds Act, 1956 as amended. The fund will be valued every two years. The members of the fund can elect to contribute 7% or the maximum of 14%, which will be matched by the employer by the % elected of the members' pensionable salaries. All contributions of the company are charged to profit and loss in the statement of comprehensive income as incurred. Employer contributions for the year are disclosed in note 4. The fair value of the fund's investments as at the funds' year end at 31 March 2020 were N$233 391 955 and previous financial years:

- As at 31 March 2019: N$ 229 077 875
- As at 31 March 2018: N$199 496 197
- As at 31 March 2017: N$175 778 251
- As at 28 February 2016: N$159 364 520

In addition to the pension fund, the company also operates a group life scheme covering 100% of the total number of employees in cases of death and/ or permanent disability.

The group does not currently bear and is in no way contractually liable for the cost of funding post-retirement medical aid benefits. The contribution to the Medical Aid Fund should an employee choose to continue membership of the scheme on retirement, is payable by the retiree.

A statutory actuarial valuation was performed on 31 March 2019 and the valuation reported that the fund was in a sound financial position. Actuarial valuations are performed in intervals not exceeding 3 years.

31. BANK OVERDRAFT

The company has unsecured overdraft facilities at First National Bank Namibia totalling N$ 1 million (same for the previous years from 2016 to 2019). The EFT (same day service) at Standard Bank Namibia is N$ 5 million (same for the previous years from 2016 to 2019), whilst the Debit and Credit Run facility is N$ 40 million (2019: N$ 40 million) from First National Bank Namibia. In the previous financial years from 2016 to 2018 the facility was N$ 30 million from Standard Bank Namibia. The group has an pre-settlement FEC facility at First National Bank Namibia of N$ 20 million (same for the previous years from 2016 to 2019) and a FEC Trading facility at Standard Bank Namibia of N$ 40 million (same for the previous years from 2016 to 2019).

Notes to the Financial Statements

32. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial risk management

Overview

The group is exposed mainly to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (currency risk).

The group's principal financial liabilities, other than derivatives, comprise shareholder's loans and trade payables. The group has no interest bearing borrowings. The main purpose of these financial liabilities is to raise finance for the group's operations. The group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.
There has been no significant change during the financial year, or since the end of the financial year, to the types of financial risks faced by the group, the approach to measurement of these financial risks or the objectives, policies and processes for managing these financial risks.
The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The group trades only with recognised, creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Refer to note 18 for the maximum exposure to credit risk within the group.
With respect to credit risk arising from the other financial assets of the company, which comprise cash and cash equivalents and short-term deposits with well-known reputable Namibian banks, the company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these balances. Refer to note 19 for the maximum exposure of the group.
There has been no significant change during the financial year, or since the end of the financial year, to the group's exposure to credit risk, the approach to the measurement or the objectives, policies and processes for managing this risk.

Liquidity risk

These risks may occur if the sources of funding, including operating cash flows, credit lines and cash flows obtained from financing operations, do not match with the group's financing needs, such as operating and financing outflows, investments, shareholder remuneration and debt repayments.

The group has minimised its risk of illiquidity by ensuring that it has adequate banking facilities and reserve borrowing capacity as well as forecasting and managing available cash reserves.

The group monitors its risk to a shortage of funds using monthly management accounts and general cash flow projections.
The table below summarises the maturity profile of the group's financial liabilities at 30 September based on undiscounted contractual amounts.

	Notes	Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
2020 Audited							
Current liabilities							
Lease liabilities	11	45,490	42,301	98,711	204,817	391,319	227,918
Trade and other payables	24	374,362	-	-	-	374,362	374,362
2019 Audited							
Current liabilities							
Trade and other payables	24	208,642	-	-	-	208,642	208,642
2018 Audited							
Current liabilities							
Trade and other payables	24	252,219	-	-	-	252,219	252,219
2017 Audited							
Current liabilities							
Trade and other payables	24	263,918	-	-	-	263,918	263,918
2016 Audited							
Current liabilities							
Trade and other payables	24	184,435	-	-	-	184,435	184,435

32. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Foreign currency risk

Foreign currency risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The group incurs currency risk as a result of the following transactions which are denominated in a currency other than Namibia Dollar or South African Rand: purchases of equipment, consulting fees and borrowings. The currencies which primarily give rise to currency risk are the US Dollar (US D); Euro (EU); Swiss Francs (CHF), Chinese Yuan (CNY) and British Pound (GBP). At 30 September 2020, the group has not hedged any (2016 to 2019: none) of its foreign currency creditors for which firm commitments existed at the reporting date.

Details of foreign currency risk exposure are contained in the relevant notes throughout these financial statements.
For trade and other receivables, refer to note 18.
For cash and cash equivalents, refer to note 19.
For trade and other payables, refer to note 24.

Capital risk management

The primary objective of the company's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximise shareholder value.

The capital structure of the group consists of debt, cash and cash equivalents and equity.
The group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the group may issue new shares or obtain additional funding from its shareholders.

No changes were made in the objectives, policies and processes during the years ended 30 September 2016 to 30 September 2020.
The group is not subject to externally imposed capital requirements.

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

	Notes	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
Lease liabilities	11	227,918	-	-	-	-
Trade and other payables	24	434,163	313,066	330,284	335,509	256,608
Provisions	23	4,819	4,532	-	-	-
Total borrowings		**666,900**	**317,598**	**330,284**	**335,509**	**256,608**
Cash and cash equivalents	19	777,581	1,044,858	879,075	599,861	442,605
Net cash		**110,681**	**727,260**	**548,791**	**264,352**	**185,997**
Equity		2,126,149	2,309,888	1,940,005	1,506,655	1,283,750
Gearing ratio		(5%)	(31%)	(28%)	(18%)	(14%)

Categories of financial instruments

Categories of financial assets

	Notes	2020 N$'000 Audited Amortised cost	2019 N$'000 Audited Amortised cost	2018 N$'000 Audited Amortised cost	2017 N$'000 Audited Amortised cost	2016 N$'000 Audited Amortised cost
Loans to employees	17	2,849	2,841	-	-	-
Trade and other receivables	18	128,710	116,455	142,337	152,861	102,209
Cash and cash equivalents	19	777,581	1,044,858	879,075	599,861	442,605
Contract assets	22	135,480	145,551	-	-	-
		1,044,620	**1,309,705**	**1,021,412**	**752,722**	**544,814**

Categories of financial liabilities

	Notes	2020 N$'000 Audited Amortised cost	2019 N$'000 Audited Amortised cost	2018 N$'000 Audited Amortised cost	2017 N$'000 Audited Amortised cost	2016 N$'000 Audited Amortised cost
Trade and other payables	24	374,362	208,642	252,219	263,918	184,435
Finance lease obligations.	11/24	227,918	31,788	-	-	-
		602,280	**240,430**	**252,219**	**263,918**	**184,435**

33. FAIR VALUE INFORMATION

The fair values of all financial instruments are substantially the same as the carrying values reflected in the statements of financial positions, for both the group and the company.

Fair value hierarchy
The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.
Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Valuation techniques:
Forward contracts are valued by marking to market the forward contract with the exchange rate prevalent on each day in an active market.
Trade and other receivables are valued at amortised cost using the effective interest rate method, which substantially equals their fair value.
Trade and other payables are valued at amortised cost using the effective interest rate method, which substantially equals their fair value.
Long term liabilities are discounted at the effective discount rate applicable to the risks associated with the financial instruments.
Investment properties are valued through the technique of capitalising the net income of the respective property at a market related rate. Refer to note 14 for the details of valuation.
As at 30 September 2020, the group did not hold any financial instruments measured at fair value (2019: Nil, 2018: Nil, 2017: Nil, 2016: Nil).

34. RELATED PARTIES

Related party relationships exist between the company and its subsidiaries, fellow subsidiary, shareholders and key management. All transactions with related parties occurred under terms no less favourable than those arranged with third parties.

Subsidiaries
Details of income and expenditure relating to subsidiaries and investments in subsidiaries are disclosed in notes 4 and 15 respectively. No interest is charged on loans to subsidiaries.

Key management
The key management personnel of the company comprise the executive committee and the general managers. Amounts paid to key management are disclosed under directors' emoluments and key management remuneration in note 7.

Shareholder
The immediate controlling shareholder of the group is noted under relationships below. The only significant transactions related to the shareholder is rentals paid to the shareholder and dividends.

Fellow subsidiaries
The group has an interconnect agreement with fellow subsidiaries of the shareholder regarding call traffic between the two companies and rent fiber optic lines for its operations from a fellow subsidiary.
Additional transactions include courier, telephone and fax services, sale of prepaid products and maintenance of the WACS cable.

Ultimate controlling party
The group is required to disclose, in terms of IAS 24 - Related Parties, the ultimate controlling party and any transactions with such ultimate controlling party and any other entities which are also controlled by the same ultimate controlling party, but which is not a subsidiary or fellow subsidiary of the group.

During the 2020 financial year, as a result of the promulgation of the Public Enterprises Governance Act 1 of 2019 (PEGA), the ultimate controlling entity changed from the Ministry of Information, Communication and Technology to the Ministry of Public Enterprise.
Transactions with entities under the purview of Ministry of Information, Communication and Technology include licensing fees for the provision of telecommunication services to CRAN, site leases as well as a lease agreement for broadcasting equipment in exchange for advertising airtime with Namibia Broadcasting Corporation (NBC).
Transactions with the Ministry of Public Enterprise and any other state owned enterprises controlled by the Ministry of Public Enterprise involve site leases and standard service agreements. Both these types of transactions are concluded on commercial terms on the same grounds as it would be concluded with any other supplier and customer and for this purpose is not defined and disclosed separately per entity.

Relationships

Ultimate controlling party	Ministry of Public Enterprises of the Republic of Namibia Before 2020: Ministry of Information, Communication and Telecommunication of the Republic of Namibia ("MICT")
Holding company	Namibia Post and Telecommunications Holdings Limited ("NPTH")
Subsidiaries	Refer to note 15
Members of key management	LR Erastus MJ Smit PN Kanalelo T Ekandjo M Angula N Nehemia A de Jager (resigned 31 October 2020) L Tjitandi P Mushimba (resigned 31 October 2020) C Mouton V Tuneeko (Acting appointment) R Cloete (Acting appointment)
Significant influence	Africatel Holdings B.V. relationship ended 31 January 2017 Samba DutchCo B.V. relationship ended 3 May 2018

Notes to the Financial Statements

	2020 N$'000 Audited	2019 N$'000 Audited	2018 N$'000 Audited	2017 N$'000 Audited	2016 N$'000 Audited
34. RELATED PARTIES (continued)					
Balance receivable from fellow subsidiaries:					
Telecom Namibia	13,605	6,936	4,224	197	337
Nampost Courier	18,053	54	87	52	50
Balance receivable from shareholder:					
NPTH	-	2	9	8	6
Balance payable to fellow subsidiaries:					
Nampost Courier	(7,977)	(2,817)	(9,601)	(2,586)	(11,148)
Telecom Namibia	(2,043)	(10,208)	(10,720)	(1,513)	(3,192)
Powercom	(30)	(267)	(212)	-	-
Related party transactions					
Property, plant and equipment purchased from subsidiaries:					
Telecom Namibia	-	4,376	2,811	18,000	900
NPTH	-	161,560	-	-	-
Rent paid to related parties:					
NPTH	5,967	17,170	30,310	28,925	17,301
Lease lines paid to (received from) fellow subsidiaries:					
Telecom Namibia	19,668	23,211	29,006	35,490	36,779
Postage and courier charges paid to fellow subsidiaries:					
Nampost Namibia	4,051	5,038	5,377	7,927	7,979
Telephone and fax paid to fellow subsidiaries:					
Telecom Namibia	675	228	431	329	376
Management fees paid to PT Investimentos Internacionais	-	-	-	259	2,204
Net site rentals (received from) paid to fellow Subsidiary					
TN Mobile/Powercom	13,665	(12,575)	(10,698)	-	8,924
Telecom Namibia	(20,142)	(11,018)	(8,622)	(8,188)	(3,899)
Net interconnect fees paid to (received from) fellow Subsidiary					
Telecom Namibia	(6,654)	(7,901)	6,075	1,798	7,972
TN Mobile	-	-	-	-	(3,282)
Other transactions:					
WACS Payment: Telecom Namibia	4,751	3,723	6,830	4,027	4,613
Consultation fees - NPTH	-	306	-	-	-
Subsistence and travel allowance - MICT	-	163	-	-	-
Prepaid airtime sales to Nampost Namibia					
Sales	317,381	327,783	300,142	328,029	357,939
Dealer discount	(47,671)	(51,289)	(48,219)	(52,130)	(30,747)
Net sales	**269,710**	**276,494**	**251,923**	**275,899**	**327,192**

Notes to the Financial Statements

35. SUBSEQUENT EVENTS

The directors are not aware of any other material event which occurred after the reporting date and up to the date of the approval of the financial statements, other than the following:

Namibian Stock Exchange Listing
The shareholder and the directors have resolved that MTC will list on the Namibian Stock Exchange Main Board on or about 13 October 2021.

Dividends
On 7 December 2020, an ordinary dividend of N$202,746,000 was declared and paid out on 22 January 2021.
On 28 June 2021, an ordinary dividend of N$397,307,000 was declared, but has not yet been paid out to the shareholder at the date of these financial statements.

Licensing fees:
In 2020 the company lodged a dispute with the Communications Regulator Authority of Namibia (CRAN) regarding the invoicing for license fees for the numbering plan in use by the company on the basis that the invoicing for the fees was not done correctly in terms of the applicable regulations. On 19 February 2021 the High Court of Namibia ruled on the matter and instituted the following actions:

- Mobile Telecommunications Limited was obliged to pay an amount of N$ 12 million to CRAN on or by the 30th of April 2021
- CRAN was obligated to issue a notice of intention to amend Regulation 38(2) and 39 of Regulation No 5983 within 60 days from 01 March 2021.

Executive director's appointment to the board
On 8 March 2021, the Chief Executive Officer, Dr Licky Richard Erastus, and the Chief Financial Officer, Marthinus Jacobus Smit, were appointed as exective directors to the board of directors of Mobile Telecommunications Limited.

Share split
On 17 May 2021 a special resolution was lodged that the 25,000,000 (Twenty Five million) ordinary shares with a nominal value of N$1.00 each in issue and held by the current shareholders be sub-divided into 750,000,000 (Seven Hundred and Fifty million) ordinary shares of N$0.03333 each at a ratio of 30 new shares for each existing share.

Post-Retirement Benefits:
Subsequent to the approval of the financial statements, the group introduced an post-retirement benefit scheme where employees who retire within the service of the company receive an specified amount of airtime monthly for the remainder of their life. The value of this benefit on 31 March 2021 amounts to N$3,087,667.

Deloitte.

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Windhoek
Namibia

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The Directors
Mobile Telecommunications Limited
Corner of Hamutenya Ndadi & Moses Tjitendero Street
Olympia
Windhoek
Namibia

Dear Sirs / Mesdames

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE CONSOLIDATED HISTORICAL FINANCIAL INFORMATION FOR THE YEARS ENDED 30 SEPTEMBER 2020, 30 SEPTEMBER 2019, 30 SEPTEMBER 2018, 30 SEPTEMBER 2017 AND 30 SEPTEMBER 2016 INCLUDED IN THE PROSPECTUS OF MOBILE TELECOMMUNICATIONS LIMITED

Introduction

We have audited the consolidated historical financial information of Mobile Telecommunications Limited (the "Company" or "MTC") and its subsidiaries (the "Group") in respect of the years ended 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016 as presented in Annexure 5 to the Prospectus to be issued on or about 20 September 2021.

Opinion

The consolidated historical financial information in respect of the years ended 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016 as presented in Annexure 5 to the Prospectus comprises the consolidated statements of financial position as at 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the years then ended, and the notes to the consolidated historical financial information, including a summary of significant accounting policies.

In our opinion, the consolidated historical financial information presents fairly, in all material respects, the consolidated statements of financial position of the Group as at 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016, and its consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS") and the Namibian Stock Exchange ("NSX") Listings Requirements.

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 historical Financial Information* section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia.

MAKING AN IMPACT THAT MATTERS since 1845

Partners: RH Mc Donald (Managing Partner) H de Bruin J Cronjé A Akayombokwa J Nghikevali G Brand* M Harrison*
* Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Basis for Opinion (continued)

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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated historical financial information. This matter was addressed in the context of our audit of the consolidated historical financial information as a whole, and in forming our opinion thereon, and we do not provide a separate opinion thereon.

Key Audit Matter	How the matter was addressed in the audit
Journal entries	
The Group's internal control and management system includes making use of a significant number of manual processes and journals, notably, but not limited to, the recording of revenue. As a result, the process is susceptible to human error and substantial audit effort was involved to assess the accuracy, completeness and validity of manual journals, notably within revenue. Therefore identified as a key audit matter.	Our audit included, inter alia, the following procedures, through which we: • Tested the design and implementation of controls over the processing of journals; • Obtained a record of all journals posted during the financial year and reconciled the journals to the trial balance to ensure completeness of data; • Assessed non-systematic journals and once off transactions not in the ordinary course of business for compliance with the evaluated revenue recognition accounting policies on a sample basis; • Identified journals of audit interest through the use of our specialised data analytics tool and assessed the appropriateness of identified journal entries by tracing to relevant supporting documentation and obtaining explanations from management; and • Obtained an understanding of the business rationale for once off or unusual manual journals to revenue to confirm that these journals are appropriate . Based on the procedures above, we are satisfied with the business rationale of journals processed.

Directors' Responsibility for the Consolidated Historical Financial Information

The Company's directors are responsible for the preparation and fair presentation of the consolidated historical financial information for the years ended 30 September 2020, 30 September 2019, 30 September 2018, 30 September 2017 and 30 September 2016 in accordance International Financial Reporting Standards and the NSX Listings Requirements and for such internal control as the directors determine is necessary to enable the preparation of consolidated historical financial information that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated historical financial information, 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 to cease operations, or have no realistic alternative but to do so.

Reporting Accountant's Responsibilities for the Audit of the Consolidated Historical Financial Information

Our objectives are to obtain reasonable assurance about whether the consolidated financial information 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 ISAs 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 the consolidated historical financial information.

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

- Identify and assess the risks of material misstatement of the consolidated historical financial information, 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 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 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 historical financial information 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 to cease to continue as a going concern.
- 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 historical financial information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Reporting Accountant's Responsibilities for the Audit of the Consolidated Historical Financial Information (continued)

- Evaluate the overall presentation, structure and content of the consolidated historical financial information, including the disclosures, and whether the consolidated historical financial information represents the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated historical financial information of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information in the Prospectus

As required by the NSX Listings Requirements, we have read the Prospectus in which the consolidated historical financial information is contained, for the purpose of identifying whether there are material inconsistencies between the Prospectus and the consolidated historical financial information which has been subject to an audit. The Prospectus is the responsibility of the directors. Based on reading the Prospectus we have not identified material inconsistencies between this report and the consolidated historical financial information which has been subject to audit. However, we have not audited the Prospectus and accordingly do not express an opinion on it.

Purpose of the report

The purpose of our report is for the Prospectus statement of the Group and is not to be used for any other purpose.



Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Johann Cronjé
Partner

Deloitte Building, Maerua Mall Complex, Jan Jonker Road, Windhoek
PO Box 47, Windhoek, Namibia
30 July 2021

Partners: RH Mc Donald (Managing Partner), H de Bruin, J Cronjé, A Akayombokwa,
J Nghikevali, G Brand*, M Harrison*
*Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Mobile Telecommunications Limited Group

(Registration number 94/458)
Interim financial statements for the period ended 31 March 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH

	Notes	Reviewed 2021 N$ '000
Revenue	2	1,385,470
Other income		2,022
Total income		**1,387,492**
Changes in inventories of finished goods		(141,102)
Direct costs		(172,719)
Sales and marketing		(36,823)
General and administration		(96,768)
Personnel costs		(188,972)
Depreciation		(132,538)
Amortisation		(55,303)
Profit from operations		**563,267**
Investment income		20,721
Finance costs		(11,998)
Profit before taxation		**571,990**
Taxation		(174,599)
Profit for the period		**397,391**
Other comprehensive income		-
Total comprehensive income for the period		**397,391**
Profit attributable to:		
Owners of the parent		**397,391**
Total comprehensive income attributable to:		
Owners of the parent		**397,391**
Earnings per share		
Per share information		
Basic and diluted earnings per share (Cents)	5	**1,589.56**

Mobile Telecommunications Limited Group

Registration number 94/458

Interim financial statements for the period ended 31 March 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

	Notes	Reviewed 31 March 2021 N$ '000
Assets		
Non-Current Assets		
Property, plant and equipment	7	1,233,361
Right-of-use assets	8	206,795
Investment property		5,665
Intangible assets	9	655,454
Loans to employees		861
Contract assets		24,531
Long term deposit		2,462
		2,129,129
Current Assets		
Inventories		85,584
Loans to employees		2,109
Trade and other receivables	10	168,449
Contract assets		107,125
Cash and cash equivalents		869,973
		1,233,240
Total Assets		**3,362,369**
Equity and Liabilities		
Equity		
Share capital		25,000
Retained income		2,295,794
		2,320,794
Liabilities		
Non-Current Liabilities		
Lease liabilities	8	203,933
Deferred tax		314,736
		518,669
Current Liabilities		
Trade and other payables		325,945
Lease liabilities	8	22,506
Deferred income		152,187
Current tax payable		14,361
Provisions		7,907
		522,906
Total Liabilities		**1,041,575**
Total Equity and Liabilities		**3,362,369**

Mobile Telecommunications Limited Group

Registration number 94/458

Interim financial statements for the period ended 31 March 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 MARCH

2021 - Reviewed

	Share capital N$ '000	Retained income N$ '000	Total equity N$ '000
Balance at 1 October 2020	25,000	2,101,149	2,126,149
Profit for the period	-	397,391	397,391
Other comprehensive income	-	-	-
Total comprehensive income for the period	**-**	**397,391**	**397,391**
Dividends	-	(202,746)	(202,746)
Total distributions to owners of company recognised directly in equity	**-**	**(202,746)**	**(202,746)**
Balance at 31 March 2021	**25,000**	**2,295,794**	**2,320,794**

Mobile Telecommunications Limited Group

Registration number 94/458
Interim financial statements for the period ended 31 March 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 MARCH

	Notes	Reviewed 2021 N$ '000
Cash flows from operating activities		
Cash receipts from customers		1,388,391
Cash paid to suppliers and employees		(760,769)
Cash generated from operations	11	**627,622**
Investment income		20,721
Tax paid		(160,133)
Net cash from operating activities		**488,210**
Cash flows from investing activities		
Purchase of property, plant and equipment	7	(103,474)
Proceeds on disposal of property, plant and equipment		103
Purchase of other intangible assets	9	(66,947)
Construction deposit paid		(868)
Movement in loans to employees		(121)
Net cash from investing activities		(171,307)
Cash flows from financing activities		
Payment on lease liabilities - Capital		(8,668)
Payment on lease liabilities - Interest expense		(11,998)
Dividends paid		(202,746)
Net cash from financing activities		**(223,412)**
Total cash movement for the period		**93,491**
Cash at the beginning of the period		777,581
Net foreign exchange differences		(1,099)
Total cash at end of the period		869,973

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The group prepares its unaudited condensed interim financial statements in accordance with:

- International Financial Reporting Standard, IAS 34 *Interim Financial Reporting*;
- Framework concepts and the recognition and measurement requirements of International Financial Reporting Standards (IFRS);
- Interpretations issued by the IFRS Interpretation Committee (IFRS-IC);
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council; and
- The Namibian Companies Act.

No comparatives have been included in these condensed consolidated results as required by IAS 34 *Interim Financial Reporting* as the NSX has granted dispensation to not include comparative information.

The condensed interim results for the six months ended 31 March 2021 have been independently reviewed by the group's external auditors.

1.1. Accounting policies

The accounting policies and methods of computation applied in the preparation of the condensed interim financial statements are in terms of IFRS and are consistent with those applied for the year ended 30 September 2020.

The condensed interim financial report is prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

Improvements to the Conceptual Framework, which included revised definitions of assets and liabilities and clarified concepts relating to prudence, stewardship, measurement uncertainty and substance over form, became effective in the current year.

No other new or amended IFRS became effective for the six months ended 31 March 2021 that impacted the group's reported earnings, financial position or reserves, or the accounting policies.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

	Reviewed For the six months ended 31 March 2021 N$ '000

2. Profit from operations

Profit from operations for the period is stated after charging (crediting) the following, amongst others:

Revenue from contracts with customers	**1,385,470**
Contract	**391,851**
Connection fees	-
Usage charges	70,386
Monthly subscription fees	238,509
Contract handset revenue	46,709
Other income	36,247
Prepaid	**852,825**
Starter packs	3,692
Usage charges	841,827
Other income	7,306
Roaming income	**24,781**
Contract	4,950
Visitors	19,831
Handset and accessories sales	70,501
Interconnect income	15,301
Bulk sms revenue	23,325
Site rental	6,689
Enterprise services	197

3. Directors', officers and key management remuneration

Non-executive Directors

	Directors' fees	Total
T Mberirua	219	219
TNZ Muteka	170	170
EE Nashilongo	153	153
S Galloway	177	177
W Schuckmann	161	161
RR Shipiki	143	143
T !Gawaxab	138	138
Total	**1,161**	**1,161**

Executive Directors *

	Salary	Allowances (Medical, housing etc)	Bonuses	Subsistence and travel allowance	Total
LR Erastus	221	37	-	9	267
MJ Smit	131	28	-	20	179
Total	**352**	**65**	**-**	**29**	**446**

Key management and officers (including executive directors)

	Salary	Allowances (Medical, housing etc)	Bonuses	Subsistence and travel allowance	Total
Key management	6,428	1,928	3,488	-	11,844
Total	**6,428**	**1,928**	**3,488**	**-**	**11,844**

* Messrs Erastus and Smit were appointed to the Board, as executive directors, on 8 March 2021.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

		Reviewed For the six months ended 31 March 2021 N$ '000
5.	**Earnings per share**	
	Basic earnings per share	
	From continuing operations (cents per share)	1,589.56
	Basic and diluted earnings per share of the group was based on earnings of N$ 397,387,000 and a weighted average number of ordinary shares of 25,000,000.	
	Reconciliation of profit or loss for the period to basic earnings	
	Profit or loss for the period attributable to equity holders of the parent	397,391
	Diluted earnings per share is equal to earnings per share because there are no dilutive potential ordinary shares in issue.	
	Headline earnings and diluted headline earnings per share	
	Headline earnings per share (cents)	1,589.37
	Reconciliation between earnings (loss) and headline earnings (loss)	
	Basic earnings	397,391
	Adjusted for:	
	Profit on disposal of plant and equipment (after tax)	(49)
		397,342
6.	**Distributions made**	
	Dividends per share	
	Dividends declared on 7 December 2020	810.98

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. Property, plant and equipment

	Reviewed 31 March 2021		
	Cost or revaluation N$'000	Accumulated depreciation N$'000	Carrying value N$'000
Land and buildings	187,752	(19,497)	**168,255**
Leasehold improvements	4,148	(2,350)	**1,798**
Computer and prepaid equipment	101,316	(65,596)	**35,720**
Vehicles, furniture and fittings	84,598	(55,394)	**29,204**
Network equipment	2,006,421	(1,106,321)	**900,100**
Capital - Work-in-progress	98,284	-	**98,284**
Total	**2,482,519**	**(1,249,158)**	**1,233,361**

Reconciliation of property, plant and equipment

	Reviewed 31 March 2021						
	Opening balance N$'000	Additions N$'000	Disposals N$'000	Transfers N$'000	Transfer to intangible assets N$'000	Depreciation N$'000	Total N$'000
Land and buildings	(5,566)	(279)	-	1,052	-	(4,694)	**(9,487)**
Leasehold improvements	(2,086)	494	-	-	-	(614)	**(2,206)**
Computer and prepaid equipment	27,892	499	(3)	-	-	(3,200)	**25,188**
Vehicles, furniture and fittings	430	2,820	(34)	96	-	(6,061)	**(2,749)**
Network equipment	(39,202)	1,656	(18)	135,758	-	(100,511)	**(2,317)**
Capital - Work-in-progress	117,100	98,284	-	(136,906)	(14,980)	-	**63,498**
	98,568	**103,474**	**(55)**	**-**	**(14,980)**	**(115,080)**	**71,927**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

	Reviewed 31 March 2021 N$ '000

8. Leases (group as lessee)

The group leases several properties for the use as office, retail spaces and sites for towers. The terms of the leases differ based on the different agreements with landlords of different properties, as well as the strategy and long term intention of the Group to continue the use of the different properties.

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

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

Mobile home leases	12,091
Tower site leases	183,955
Office leases	10,749
	206,795

Additions to right-of-use assets

Mobile Home leases	-
Tower site leases	9,261
Office leases	400
	9,661

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	45,340
Two to five years	141,783
More than five years	200,230
	387,353
Less finance charges component	(160,914)
	226,439
Non-current liabilities	203,933
Current liabilities	22,506
	226,439

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets for the period to 31 March 2021, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss, as well as depreciation which has been capitalised to the cost of other assets.

Mobile home leases	4,729
Tower site leases	11,433
Office leases	1,296
	17,458

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9. Intangible assets

	Reviewed 31 March 2021		
	Cost or revaluation N$'000	Accumulated amortisation N$'000	Carrying value N$'000
Licenses	14,394	(7,649)	6,745
Computer software	387,069	(154,582)	232,487
Network software	686,845	(270,623)	416,222
Total	**1,088,308**	**(432,854)**	**655,454**

Reconciliation of intangible assets

	Reviewed 31 March 2021					
	Opening balance N$'000	Additions N$'000	Disposals N$'000	Transfer from property, plant and equipment N$'000	Amortisation N$'000	Total N$'000
Licenses	7,013	1,102	-	-	(1,370)	**6,745**
Computer software	195,971	40,131	-	14,980	(18,595)	**232,487**
Network software	425,846	25,714	-	-	(35,338)	**416,222**
	628,830	**66,947**	**-**	**14,980**	**(55,303)**	**655,454**

Other information

An amount of N$71.5 million is included in the Work in Progress - Capital in Property, plant and equipment. Once the project to which the work in progress is related to is finalised, the intangible asset will be transferred from property, plant and equipment to intangible assets.

Additions were financed from cash resources.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

		Reviewed 31 March 2021 N$ '000
10.	**Trade and other receivables**	
	Customers to the mobile network after provisions	105,061
	Other receivables	22,444
	Non-financial instruments:	
	Prepayments	40,944
		168,449
	Split between non-current and current portions	
	Current assets	168,449
	Financial instrument and non-financial instrument components of trade and other receivables	
	At amortised cost	127,505
	Non-financial instruments	40,944
		168,449

Exposure to credit risk

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

In order to mitigate the risk of financial loss from defaults, the group has clear policies for onboarding new customers and only deal with reputable customers with consistent payment histories. It is the group's policy that all customers who which to trade on credit terms are subject to credit verification procedures. Sufficient collateral or guarantees are also obtained when appropriate. Customer credit limits are in place and are reviewed and approved through credit management procedures. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

Trade receivables arise from both wholesale and retail sales. The customer base for retail trade is large and widespread, with a result that there is no specific significant concentration of credit risk from these trade receivables. Wholesale trade, while also large and widespread, is more concentrated. Wholesale customers however, due to the volumes of transactions, are managed on either a cash basis or with sufficient collateral in place to secure the outstanding amounts.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are handed over to an external debt collector and registered with a credit bureau for default.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9 for all exposures other than contract assets for products with devices only. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10. Trade and other receivables (continued)

The expected credit loss allowance is determined as follows:

	Reviewed 31 March 2021	
	N$ '000	N$ '000
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Customers to the Mobile Network		
Less than 30 days past due: 0.08% (2020: 0.08%)	63,333	49
31 - 60 days past due: 10.84% (2020: 10.87%)	13,502	1,464
61 - 90 days past due: 14.72% (2020: 14.76%)	3,699	544
More than 90 days past due: 74.36% (2020: 76.29%)	11,430	8,499
	91,964	**10,556**
Contract customers under IFRS 15		
Not past due: 5.39% (2020: 3.97%)	143,030	7,710
Fixed and cloud services		
Less than 30 days past due: 0.08% (2020: 0.08%)	2,293	2
31 - 60 days past due: 10.84% (2020: 10.87%)	104	11
61 - 90 days past due: 0% (2020: 14.76%)	(351)	-
More than 90 days past due: 74.36% (2020: 76.29%)	408	303
	2,454	**316**
Roaming debtors		
Not past due: 0% (2020: 1.24%)	2,773	-
Less than 30 days past due: 0% (2020: 0.18%)	2,768	-
31 - 60 days past due: 0% (2020: 1.58%)	1,164	-
61 - 90 days past due: 0% (2020: 0.38%)	1,179	-
91 - 120 days past due: 100% (2020: 100%)	92	92
More than 120 days past due: 100% (2020: 92.96%)	1,631	1,631
	9,607	**1,723**
Other debtors		
Less than 30 days past due: 0.08% (2020: 1.66%)	16,707	13
31 - 60 days past due: 10.84% (2020: 13.94%)	1,424	154
61 - 90 days past due: 14.72% (2020: 38.61%)	816	120
91 - 120 days past due: 74.36% (2020: 37.34%)	2,345	1,744
	21,292	**2,031**
	268,347	**22,338**

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

	Reviewed 31 March 2021 N$ '000
Opening balance	**(22,518)**
Provision raised for impairment on trade receivables	(9,670)
Provisions reversed/utilised	9,851
Closing balance	**(22,338)**

Trade receivables are generally on 30-60 day terms.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

		Reviewed For the six months ended 31 March 2021 N$ '000
11.	**Cash generated from operations**	
	Profit before taxation	571,990
	Adjustments for:	
	Depreciation and amortisation	187,841
	Net profit on disposal of property, plant and equipment	(72)
	Profit on realised foreign exchange	(956)
	Investment income	(20,721)
	Finance costs	11,998
	Movements in provisions	3,088
	Other non-cash movements	(391)
	Changes in working capital:	
	Inventories	(16,949)
	Trade and other receivables	(903)
	Contract assets	3,824
	Trade and other payables	(108,219)
	Deferred income	(2,908)
		627,622

		Reviewed 31 March 2021 N$ '000
12.	**Commitments**	
	Capital commitments	
	This expenditure will be financed from cash generated from normal business operations.	
	Approved and contracted for:	
	Network expansions	338,786
	Retail stock	1,830
	Other - property, plant and equipment	6,242
		346,858
	Approved and not contracted for	
	Network expansions	259,669
	Retail stock	135,584
	Other - property, plant and equipment	14,472
		409,725
	This expenditure will be financed from cash generated from normal business operations.	

13 Contingencies

Namibian Stock Exchange Listing

The directors note that the CRAN ruling requiring the group to list by 5 September 2020 has been amended, allowing for listing at any date up to 5 September 2022. Management anticipate that this revised timeline will be sufficient to comply with the CRAN ruling.

Licence fees

The directors note that the high court has ruled the current licence regime unconstitutional and not enforceable from the date of the court ruling on the matter. The regulator has subsequently lodged a appeal against the ruling of the high court with the Supreme court. Until such time that the appeal is concluded, the ruling of the high court stands. The directors fully expect the regulator to implement the licence fee regime, once a final ruling has been made, to be implemented in the financial year when this matter is concluded.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14. Financial instruments and risk management

Financial risk management

Overview

The group is exposed mainly to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (currency risk).

The group's principal financial liabilities, comprise of trade payables. The group has no interest bearing borrowings. The main purpose of these financial liabilities is to raise finance for the group's operations. The group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

There has been no significant change during the financial period, or since the end of the financial period, to the types of financial risks faced by the group, the approach to measurement of these financial risks or the objectives, policies and processes for managing these financial risks.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group trades only with recognised, creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Refer to note 10 for the maximum exposure to credit risk within the group.

With respect to credit risk arising from the other financial assets of the company, which comprise cash and cash equivalents and short tem deposits with well known reputable Namibian banks, the company’s exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these balances.

There has been no significant change during the financial period, or since the end of the financial period, to the group's exposure to credit risk, the approach to the measurement or the objectives, policies and processes for managing this risk.

Liquidity risk

These risks may occur if the sources of funding, including operating cash flows, credit lines and cash flows obtained from financing operations, do not match with the group's financing needs, such as operating and financing outflows, investments, shareholder remuneration and debt repayments.

The group has minimised its risk of illiquidity by ensuring that it has adequate banking facilities and reserve borrowing capacity as well as forecasting and managing available cash reserves.

The group monitors its risk to a shortage of funds using monthly management accounts and general cash flow projections.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14. Financial instruments and risk management (continued)

The table below summarises the maturity profile of the group's financial liabilities based on undiscounted contractual amounts

	Notes	Less than 1 year N$'000	1 to 2 years N$'000	2 to 5 years N$'000	Over 5 years N$'000	Total N$'000	Carrying amount N$'000
Reviewed 31 March 2021							
Lease liabilities	**8**	45,340	43,670	98,113	200,230	387,353	226,439
Trade and other payables		325,945	-	-	-	325,945	254,853
		371,285	**43,670**	**98,113**	**200,230**	**713,298**	**481,292**

Foreign currency risk

Foreign currency risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The group incurs currency risk as a result of the following transactions which are denominated in a currency other than Namibia Dollar or South African Rand: purchases of equipment, consulting fees and borrowings. The currencies which primarily give rise to currency risk are the US Dollar (USD); Euro (EU); Swiss Francs (CHF), Chinese Yuan (CNY) and British Pound (GBP). At 31 March 2021, the group has not hedged any of its foreign currency creditors for which firm commitments existed at the reporting date.

Capital risk management

The primary objective of the company's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximise shareholder value.

The capital structure of the group consists of debt, cash and cash equivalents and equity. The group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the group may issue new shares or obtain additional funding from its shareholders.

No changes were made in the objectives, policies and processes during the period ended 31 March 2021.

The group is not subject to externally imposed capital requirements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

	Notes	Reviewed 31 March 2021 N$ '000
14. Financial instruments and risk management (continued)		
The capital structure and gearing ratio of the group at the reporting date was as follows:		
Lease liabilities	8	226,439
Trade and other payables		325,944
Provisions		7,907
Total borrowings		**560,290**
Cash and cash equivalents		869,973
Net borrowings		**309,683**
Equity		2,320,794
Gearing ratio		13%

Categories of financial instruments

	Notes	Amortised cost N$ '000	Total N$'000
Categories of financial assets			
31 March 2021 - Reviewed			
Loans to employees		2,970	2,970
Trade and other receivables		127,505	127,505
Cash and cash equivalents		869,973	869,973
Contract Assets		131,656	131,656
		1,132,104	**1,132,104**

	Notes	Amortised cost N$ '000	Total N$'000
Categories of financial liabilities			
31 March 2021 - Reviewed			
Trade and other payables		254,853	254,853
Finance lease obligations	8	226,439	226,439
		481,292	**481,292**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. Fair value information

The fair values of all financial instruments are substantially the same as the carrying values reflected in the statements of financial positions, for both the group and the company.

Fair value hierarchy

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Valuation techniques:

Forward contracts are valued by marking to market the forward contract with the exchange rate prevalent on each day in an active market.

Trade and other receivables are valued at amortised cost using the effective interest rate method, which substantially equals their fair value.

Trade and other payables are valued at amortised cost using the effective interest rate method, which substantially equals their fair value.

Long term liabilities are discounted at the effective discount rate applicable to the risks associated with the financial instruments.

Investment properties are valued through the technique of capitalising the net income of the respective property at a market related rate.

As at 31 March 2021, the group did not hold any financial instruments measured at fair value.

16. Related parties

Related party relationships exist between the company and its subsidiaries, fellow subsidiary, shareholders and key management. All transactions with related parties occurred under terms no less favourable than those arranged with third parties.

Key management

The key management personnel of the company comprise the executive committee and the general managers. Amounts pai to key management are disclosed under directors' emoluments and key management remuneration in note 3.

Shareholder

The shareholder of the company is noted under relationships below. The only significant transactions related to the shareholder is rentals paid to the shareholder and dividends.

Fellow subsidiaries

The group has an interconnect agreement with fellow subsidiaries regarding call traffic between the two companies and rent fibre optic lines for its operations from a fellow subsidiary.

Additional transactions include courier, telephone and fax services, sale of prepaid products and maintenance of the West African Cable System (WACS cable).

Ultimate controlling party

The group is required to disclose, in terms of IAS 24 - Related Parties, the ultimate controlling party and any transactions with such ultimate controlling party and any other entities which are also controlled by the same ultimate controlling party, but which is not a subsidiary or fellow subsidiary of the group.

During the previous year, as a result of the promulgation of the PEGA (Public Enterprises Governance Act 1 of 2019), the ultimate controlling entity changed from the Ministry of Information, Communication and Technology to the Ministry of Public Enterprise.

Transactions with entities under the purvue of Ministry of Information, Communication and Technology include licensing fees for the provision of telecommunication services to CRAN, site leases as well as a lease agreement for broadcasting equipment in exchange for advertising airtime with Namibia Broadcasting Corporation (NBC) .

Transactions with the Ministry of Public Enterprise and any other state owned enterprises controlled by the Ministry of Public Enterprise involve site leases and standard service agreements. Both these types of transactions are concluded on commercial terms on the same grounds as it would be concluded with any other supplier and customer and for this purpose is not defined and disclosed separately per entity.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

16. Related parties (continued)

Relationships

Ultimate controlling party at 31 March 2021	Ministry of Public Enterprises of the Republic of Namibia
Holding company	Namibia Post and Telecommunications Holdings Limited
Members of key management	LR Erastus MJ Smit PN Kanalelo T Ekandjo M Angula M Nehemia A de Jager (resigned 31 October 2020) L Tjitandi P Mushimba C Mouton V Tuneeko (Acting appointment) R Cloete (Acting appointment)

	Reviewed 31 March 2021 N$ '000
Related party balances	
Balance receivable from fellow subsidiaries:	
Telecom Namibia	6,969
Nampost Courier	8,366
Balance payable to shareholder:	
Namibia Post and Telecommunications Limited	(4,058)
Balance payable to fellow subsidiaries:	
Nampost Courier	(2,882)
Telecom Namibia	(4,282)
Powercom	(1,623)

	Reviewed For the six months ended 31 March 2021 N$ '000
Related party transactions	
Rent paid to related parties:	
Namibia Post and Telecommunications Holdings	3,528
Lease lines paid to fellow subsidiaries:	
Telecom Namibia	9,301
Telephone and fax paid to fellow subsidiaries:	
Telecom Namibia	352
Prepaid airtime sales to Nampost Namibia:	
Sales	144,276
Dealer discount	(21,673)
Net sales	**122,603**
Net site rentals paid to (received from) fellow subsidiaries:	
Telecom Namibia	(6,177)
Powercom	7,136
Net interconnect fees (received from) paid to fellow subsidiaries:	
Telecom Namibia	(2,857)
Other Transactions:	
WACS Payment - Telecom Namibia	980

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

17. Subsequent events

The directors are not aware of any other material event which occurred after the reporting date and up to the date of the approval of the financial statements, other than the following:

Dividend distributions:
On 28 June 2021, an ordinary dividend of N$397,307,000 was declared, but has not yet been paid out to the shareholder at the date of these interim consolidated financial statements.

Share Split:
On 17 May 2021 a special resolution was lodged that the 25,000,000 (Twenty Five million) ordinary shares with a nominal value of N$1.00 each in issue and held by the current shareholders be sub-divided into 750,000,000 (Seven Hundred and Fifty million) ordinary shares of N$0.03333 each at a ratio of 30 new shares for each existing share.

Licence fees:
In 2020 the company lodged a dispute with the Communications Regulator Authority of Namibia (CRAN) regarding the invoicing for license fees for the numbering plan in use by the company on the basis that the invoicing for the fees was not done correctly in terms of the applicable regulations. On 19 February 2021 the High Court of Namibia ruled on the matter and instituted the following actions:

- Mobile Telecommunications Limited was obliged to pay an amount of N$12 million to CRAN on or by the 30th of April 2021
- CRAN was obligated to issue a notice of intention to amend Regulation 38(2) and 39 of Regulation No 5983 within 60 days from 01 March 2021.


Go from
mechanic to
shareholder
#GetThere with MTC

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Dear Sirs / Mesdames

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE CONSOLIDATED HISTORICAL INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 MARCH 2021 INCLUDED IN THE PROSPECTUS OF MOBILE TELECOMMUNICATIONS LIMITED

Introduction

We have reviewed the consolidated historical interim financial information of Mobile Telecommunications Limited (the "Company" or "MTC") and its subsidiaries (the "Group") for the six-month period ended 31 March 2021 as presented in Annexure 7 to the Prospectus to be issued on or about 20 September 2021 which comprise the condensed consolidated statement of financial position as at 31 March 2021 and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement cash flows for the six month period then ended.

Directors' Responsibility for the Consolidated Historical Interim Financial Information

The directors are responsible for the preparation and presentation of this consolidated historical interim financial information in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting* and the NSX Listings Requirements and for such internal control as the directors determine is necessary to enable the preparation of consolidated historical interim financial information that is free from material misstatement, whether due to fraud or error.

Reporting Accountant's Responsibility for the Review of the Consolidated Historical Interim Financial Information for the six months ended 31 March 2021

Our responsibility is to express a conclusion on the consolidated historical interim financial information. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated historical interim financial information are not prepared in all material respects in accordance with International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting* and the NSX Listings Requirements. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial information in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

MAKING AN IMPACT THAT MATTERS since 1845

Partners: RH Mc Donald (Managing Partner) H de Bruin J Cronjé A Akayombokwa
J Nghikevali G Brand* M Harrison*
* Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE CONSOLIDATED HISTORICAL INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 MARCH 2021 INCLUDED IN THE PROSPECTUS OF MOBILE TELECOMMUNICATIONS LIMITED (continued)

Reporting Accountant's Responsibility for the Review of the Consolidated Historical Interim Financial Information for the six months ended 31 March 2021 (continued)

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the consolidated historical interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated historical interim financial information of the Group for the six month period ended 31 March 2021 is not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting and the NSX Listings Requirements.

Emphasis of Matter – Comparative Financial Information

We draw attention to note 1 of the consolidated historical interim financial information which details that no comparative information has been presented as the Namibian Stock Exchange provided dispensation not to present comparative financial information as required by IFRS, (IAS) 34 Interim Financial Reporting and therefore our conclusion is based only on the consolidated interim financial information for the six month period ended 31 March 2021. Our conclusion is not modified in respect of this matter.

Purpose of the report

The purpose of our report is for the Prospectus statement of the Group and is not to be used for any other purpose.



Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Johann Cronjé
Partner

Deloitte Building, Maerua Mall Complex, Jan Jonker Road, Windhoek
PO Box 47, Windhoek, Namibia
30 July 2021

Partners: RH Mc Donald (Managing Partner), H de Bruin, J Cronjé, A Akayombokwa,
J Nghikevali, G Brand*, M Harrison*
*Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Annexure 9 FORECAST FINANCIAL INFORMATION OF MTC

The assumptions made and applied in the preparation of the profit forecast, which is considered by the MTC board to be material and significant are set out below. The assumptions as set out below are not an exhaustive list and nor are they intended to be. General assumptions usually applicable to profit forecasts of this nature have not been expressly set out below as such assumptions are considered implicit in the context of the forecasted financial information. Due to the nature of assimilating such information, a view is taken by the MTC board as to the impact of market conditions and/or future events. In the opinion of the MTC board, the assumptions below are significant to the forecast as being key factors upon which the financial results of the company will depend. However, certain assumptions may not materialise and/or certain unforeseen events may occur or circumstances may arise subsequent to the forecast being made. Accordingly, the actual results achieved for the forecasted period may differ from those forecasted.

The unaudited profit forecast for the years ending 30 September 2021 and 30 September 2022, has been compiled utilising the accounting policies of MTC as set out in Annexure 5, which have been assumed to remain in place for the duration of the forecasted periods.

The unaudited profit forecast for the years ending 30 September 2021 and 30 September 2022 is based, amongst others, on the following assumptions:

- The forecast incorporate the following material assumptions in respect of revenue and expenses that can be influenced by the directors of MTC:
  - MTC's forecasted figures assume a successful completion of the proposed share placement in terms of the public offer.
  - It is MTC's intention to pay dividends at a minimum of 70% of Net profit after Tax, subject to the available cash resources and the need to fund future growth opportunities, which is based on MTC's dividend policy as set out in paragraph 14.7.
- The forecast incorporates the following material assumptions in respect of revenue and expenses that cannot be influenced by the directors of MTC:
  - Income tax is provided for at the 2021 and 2022 corporate tax rate of 32%;
  - A gradual recovery in the local market economic conditions is expected for 2021;
  - Political and financial stability; and
  - No significant changes in the regulatory requirements.
- More detailed assumptions are set out after the income statement hereunder.

Comments on the forecast financial information:

The unaudited profit forecast is based on the assumption that circumstances which affect MTC's business but which are outside the control of the MTC board, will not materially alter in such a way as to affect the trading of MTC. More specifically:

- trading conditions are not expected to be materially different in each of the forecast periods;
- costs will increase in line with increased activity, turnover and the expected rate of inflation; and
- interest rates and the basis and rates of taxation, both direct and indirect, will not change materially.

In addition, the unaudited profit forecast is based on the assumption that:

- there will be continuity in existing management and trading policies;
- there will be no change in the present accounting policies;
- gross margins remain relatively unchanged; and
- operating costs grow in line with inflation and/or increase in activity.

No allowance for revenue growth arising from further strategic company acquisitions has been allowed in the forecast.

The assumptions on which the forecast figures are based, as considered by the MTC board to be reasonable.

In the opinion of the MTC board, the above assumptions are significant to the forecasts as being key factors upon which the financial results of MTC will depend. However, certain assumptions may not materialise and/or certain unforeseen events may occur or circumstances may arise subsequent to the forecasts being made. Accordingly, the results achieved for the periods referred to above may differ from those forecast and the variations may be material.

The final budget and forecast was reviewed and approved by the MTC board on 21 September 2020.

Mobile Regulatory Assumptions

- Currently it is expected that ***Number Portability*** will in all likelihood only come into play in 2022, as the legislation for it is currently in the assessment stage, with stakeholders participating in a review process. The effect of Number Portability on MTC's forecasts includes the capital investment, operational readiness for mid-2021 and the commercial impact towards the end of 2021.
- It is assumed that ***Mandatory Registration of Customers*** (SIM registration or Know Your Customer) will not be applicable for 2021 nor 2022, as CRAN is yet to pronounce themselves on the topic.
- ***National Roaming*** has not been taken into account in the forecast for 2021 and 2022.
- Despite MTC not being held liable for ***Licence fees*** for 2018, 2019 and 2020, the forecasted assumption is made that that the reviewed legislation is approved and that MTC will be liable for the Licence cost from January 2021 onwards (the current legislation of Licence fees set at 1.5% of gross revenue was challenged by Telecom and the court ruled in favour of their plea, to which CRAN has appealed unsuccessfully).
- It is expected that MTC will be held liable for ***Universal Levy Fund*** payments from 2022 onwards, whereby each operator is required to make available a contribution of 0.5% of revenue to the fund towards a national infrastructure construction effort. Implementation discussions are in progress.
- It is assumed that ***Spectrum Auctioning*** will result in higher fees for newly applied for spectrum and was forecasted as such for 2021 and 2022.

Financial Compliance

- MTC adopted IFRS9 on 1 October 2018.
- MTC adopted IFRS15 on 1 October 2018.
- MTC adopted IFRS16 on 1 October 2019.

Cost Management

- MTC has and will continue to carefully manage all aspects of cost and to consider smart alternatives to reduce expenses while maintaining operational efficiency.
- The listing fees and associated costs are indicated in the forecast for 2021 and 2022.

Capital Expenditure

- MTC's main strategy remains to be that of providing a ***high quality network***. MTC will continue to invest towards improving network coverage and capacity, while also delivering new services to remain at the forefront of technological advances.
- Another important strategy of MTC is to offer customers a suite of ***convergent services and solutions*** and it will continuously upgrade, improve and ***modernise*** its ***core, business and operational support systems*** to enable innovative offerings in products and solutions, as well as comfort and ease in terms of service delivery.
- ***Capital expenditure*** of revenue is 28.7% and 19.4% for 2021 and 2022, respectively.

Economic Assumptions

- The ***Exchange Rate*** is forecasted at N$17.02/ US$ and N$19.92/ € for 2021 and for 2022 the exchange rate is forecasted at N$17.33/ US$ and N$20.61/ €.
- ***Currency*** remains an aspect of high risk. The South African Rand, and as a result the Namibia Dollar, is volatile due to South Africa's political and economic challenges and the pressure on developing country's currencies, exacerbated by the risk of Credit Rating Agencies view of Namibia and South African, the continued exposure of international markets to COVID-19, as well as the trade standoff between United States of America and China. MTC's material service level agreements with partners, as well as equipment purchases (imports), are acquired in either Chinese Yuan, US Dollars or Euros. MTC's only export exposure is inbound roaming services. MTC manages its foreign exchange risk through its hedging policy.
- An assumed inflation rate of 3.7% and 3.8% for 2021 and 2022 respectively, is made for normal day-to-day operational expenses.

MTC's Products and Services

- Namibia's ***mobile market penetration*** is estimated at 112% and the market place is in mature state.
- MTC's focus is to ***retain customers*** and ***maintain customer satisfaction***, by means of innovative products and offerings, value adding services and a quality network infrastructure.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

	2022 N$'000	2021 N$'000
REVENUE	**2 950 677**	**2 810 254**
Contract	**711,202**	**740,060**
Connection fees	548	560
Call charges	164,315	161,643
Monthly subscription fees	389,368	423,713
Contract handset revenue	102,718	98,279
Other income	54,253	55,865
Prepaid	**1,804,402**	**1,722,470**
Starter packs	7,986	7,249
Call charges	1,755,422	1,676,826
Other income	40,994	38,395
Roaming income	**66,034**	**50,420**
Contract	11,713	8,842
Visitors	54,321	41,578
Other	**369,039**	**297,304**
Handset and accessories sales	152,181	150,178
Interconnect income	32,610	31,874
Bulk SMS Revenue	49,634	47,270
Site rental	27,217	23,737
Enterprise services	107,397	44,245
OTHER INCOME	**30 157**	**5 856**
TOTAL INCOME	**2 980 835**	**2 816 110**
Changes in inventories of finished goods	(287 736)	(280 562)
Direct costs	(460 848)	(427 799)
Sales and marketing	(107 331)	(103 106)
General and administration	(238 754)	(258 755)
Personnel costs	(406 392)	(375 364)
Depreciation	(322 472)	(353 644)
Amortisation	(90 954)	(99 746)
PROFIT FROM OPERATIONS	**1 066 348**	**917 134**
Finance income	32 828	34 332
Fair value adjustments	-	-
Finance costs	(27 244)	(28 138)
PROFIT BEFORE TAXATION	**1 071 932**	**923 328**
Taxation	(353 737)	(304 698)
PROFIT FOR THE YEAR	**718 195**	**618 630**
TOTAL COMPREHENSIVE INCOME, FOR THE YEAR, NET OF TAX	**718 195**	**618 630**
Profit attributable to:		
Equity holders of the parent	**718 195**	**618 630**
Total comprehensive income attributable to:		
Equity holders of the parent	**718 195**	**618 630**
EARNINGS PER SHARE (Cents)		
- Basic and diluted	**95.76**	**82.48**

Deloitte.

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Dear Sirs / Mesdames

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE FORECAST INFORMATION OF MOBILE TELECOMMUNICATIONS LIMITED

Report on the identified forecast information

We have undertaken a reasonable assurance engagement in respect of the profit forecast of Mobile Telecommunications Limited (the "Company" or "MTC") and its subsidiaries (the "Group") for the years ending 30 September 2021 and 30 September 2022 comprising the forecast consolidated statement of profit or loss and other comprehensive income ("the forecast information"), set out in Annexure 9 of the Prospectus of MTC to be issued on or about 20 September 2021 as required by paragraph 8.48(c) of the Namibian Stock Exchange ("NSX") Listings Requirements.

We have also undertaken a limited assurance engagement in respect of the directors' assumptions used to prepare and present the forecast information, as required by paragraph 8.48(c) of the NSX Listings Requirement and as disclosed in Annexure 9 of the Prospectus to the forecast information.

Directors' responsibility for the forecast information and for the assumptions used to prepare the forecast information

The directors are responsible for the preparation and presentation of the forecast information and for the reasonableness of the assumptions used to prepare the forecast information as set out in the notes to the forecast information included in Annexure 9 of this Prospectus in accordance with the NSX Listings Requirements for forecast information. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the forecast information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

Inherent limitations

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Consequently, readers are cautioned that this forecast may not be appropriate for purposes other than described in the purpose of the report paragraph below.

Our independence and quality control

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the requirements applicable to performing audits in Namibia

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

MAKING AN IMPACT THAT MATTERS since 1845

Partners: RH Mc Donald (Managing Partner) H de Bruin J Cronjé A Akayombokwa
J Nghikevali G Brand* M Harrison*
* Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Limited assurance engagement on the reasonableness of the directors' assumptions

Reporting accountant's responsibility

Our responsibility is to express a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information in accordance with the NSX Listings Requirements for forecast information and described in Annexure 9 of this Prospectus, based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, *The Examination of Prospective Financial Information* (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

A limited assurance engagement undertaken in accordance with ISAE 3400 involves assessing the source and reliability of the evidence supporting the directors' assumptions. Sufficient appropriate evidence supporting such assumptions would be obtained from internal and external sources including consideration of the assumptions in the light of historical information and an evaluation of whether they are based on plans that are within the entity's capacity. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observations of processes performed, inspection of documents, analytical procedures, evaluating the reasonableness of best-estimate assumptions and agreeing or reconciling with underlying records.

Our procedures included evaluating the directors' best-estimate assumptions on which the forecast information is based for reasonableness.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the directors' assumptions provide a reasonable basis for the preparation and presentation of the forecast information.

Limited assurance conclusion on the reasonableness of the directors' assumptions

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the directors' assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information for the years ending 30 September 2021 and 30 September 2022.

Reasonable assurance engagement on the forecast information

Reporting accountant's responsibility

Our responsibility is to express an opinion based on the evidence we have obtained about whether the forecast information is properly prepared and presented on the basis of the directors' assumptions disclosed in the notes to the forecast information, as set out in Annexure 9 of the Prospectus (the "assumptions") and in accordance with the NSX Listings Requirements for forecast information. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, *The Examination of Prospective Financial Information* (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether such forecast information is properly prepared and presented on the basis of the directors' assumptions disclosed in the notes to the forecast information and in accordance with the NSX Listings Requirements for forecast information.

INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE FORECAST INFORMATION OF MOBILE TELECOMMUNICATIONS LIMITED (continued)

Reasonable assurance engagement on the forecast information (continued)

Reporting accountant's responsibility (continued)

A reasonable assurance engagement in accordance with ISAE 3400 involves performing procedures to obtain evidence that the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the NSX Listings Requirements for forecast information. The nature, timing and extent of procedures selected depend on the reporting accountant's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, of the forecast information. In making those risk assessments, we considered internal control relevant to MTC's preparation and presentation of the forecast information.

Our procedures included:

- inspecting whether the forecast information is properly prepared on the basis of the assumptions;
- inspecting whether the forecast information is properly presented and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions; and
- inspecting whether the forecast statement of profit or loss and other comprehensive income is prepared on a consistent basis with the historical financial statements, using appropriate accounting policies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on forecast information

In our opinion, the forecast information is properly prepared and presented on the basis of the assumptions described in Annexure 9 of this Prospectus and in accordance with the NSX Listings Requirements for forecast information for the years ending 30 September 2021 and 30 September 2022.

Purpose of the report

This report has been prepared for the purpose of satisfying the requirements of paragraph 8.48(c) of the NSX Listings Requirements and for no other purpose.

Report on other legal and regulatory requirements

In accordance with our responsibilities set out in the NSX Listings Requirements, we have performed the procedures set out therein. If, based on the procedures performed, we detect any exceptions; we are required to report those exceptions. We have nothing to report in this regard.



Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Johann Cronjé
Partner

Deloitte Building, Maerua Mall Complex, Jan Jonker Road, Windhoek
PO Box 47, Windhoek, Namibia
30 July 2021

Partners: RH Mc Donald (Managing Partner), H de Bruin, J Cronjé, A Akayombokwa,
J Nghikevali, G Brand*, M Harrison*
*Director

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Annexure 11 EXTRACTS FROM THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF MTC

ISSUE OF SHARES AND DEBENTURES

5. (1) Subject to the provisions of the Act and any applicable provisions of the memorandum and without prejudice to any special rights previously conferred on the holders of existing shares, a general meeting, or the Directors with the prior approval of the Company in general meeting, may;

   a. issue any shares (including shares with such preferred, deferred or other special rights, or subject to such restrictions, whether in regard to dividend, voting, return of capital or otherwise) as the Company may from time to time determine;

   b. create, issue and re-issue secured or unsecured debentures;

   c. with the sanction of a special resolution, issue preference shares which are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may determine. The special resolution sanctioning any such issue shall also specify by way of an addition to these articles the terms on which and the manner in which any such preference shares shall be redeemed;

   d. No further securities ranking in priority to, or pari passu with, existing preference shares, of any class, shall be created or issued without the consent in writing of the holders of 75% (seventy five per cent) of the existing preference shares of such class, or the sanction of a resolution of the holders of such class of preference shares, passed at a separate general meeting of such holders, at which preference shareholders holding in aggregate not less than 1/4 (one quarter) of the total votes of all the preference shareholders holding securities in that class entitled to vote at that meeting, are present in person or by proxy, and the resolution has been passed by not less than 3/4 (three quarters) of the total votes to which the Members of that class, present in person or by proxy, are entitled.

   (2) Unissued equity securities shall be offered to existing shareholders pro rata to their shareholding unless issued for the acquisition of assets. However, subject to the provisions of Section 229 of the Act, shareholders in a general meeting may authorise the Directors to issue unissued securities and/or grant options to subscribe for unissued securities as the Directors in their discretion think fit, provided that such transaction(s) have been approved by the NSX.

VARIATION OF RIGHTS

10. Unless otherwise provided by the terms of issue of the shares of any class or by the terms under which such shares are held, the special rights or restrictions attached to all or any shares of that class may be amended, modified, varied or cancelled by a general meeting, provided that any such amendment, modification, variation or cancellation which directly or indirectly and adversely affects the special rights or restrictions attached to all or any shares of that class may only be effected with;

    a. the prior written consent of the holders of at least 3/4 (three quarters) of the shares in question; or

    b. the prior sanction of a resolution passed at a separate general meeting of the holders of the shares in question in the same manner, mutatis mutandis, as a special resolution and the provisions of these articles relating to general meetings shall apply to any such separate general meeting, except that a quorum at any such general meeting shall be two persons holding, or represented by proxy, at least 1/3 (one-third) of the issued shares of the shares in question and if the Company has only one (1) Member, that Member in person or represented by proxy; Provided that if at any adjournment of such meeting a quorum is not so present then the provisions of these articles relating to adjourned general meetings shall apply.

CAPITAL AND ALTERATION OF CAPITAL

24. (1) Subject to the provisions of the Act, the Company S207 may by special resolution -

a. increase its share capital by new shares of such amount or increase the number of its shares having no par value, as it thinks expedient;

b. increase its share capital constituted by shares of no-par value by transferring reserves or profits to the stated capital, with or without a distribution of shares;

c. consolidate and divide all or any part of its share capital into shares of larger amount than its existing shares or consolidate and reduce the number of the issued no par value shares;

d. increase the number of its issued no par value shares without an increase of its stated capital;

e. subdivide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum;

f. convert all of its ordinary or preference share capital consisting of shares having a par value into stated capital constituted by shares of no par value.

g. convert its stated capital constituted either by ordinary or preference shares of no-par value into share capital consisting of shares having a par value;

i. cancel shares which at the time of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its authorised share capital by the amount of the shares so cancelled or may cancel shares of no-par value which have not so been taken or agreed to be taken;

i. convert any of its shares, whether issued or not, into shares of another class;

j. reduce its share capital, stated capital, any capital redemption reserve fund, or any share premium account in any manner and with and subject to, any incident authorised and consent required by law.

k. subject to the provisions of the Act, convert its issued preference shares into shares which can be redeemed or converted to another class of shares;

l. convert ordinary shares into redeemable preference shares;

m. convert securities into stock;

n. purchase securities, subject to compliance with the Act;

o. cancel securities.

25. Unless otherwise provided by the terms of issue, the special rights or conditions attached to all or any class of shares shall not be deemed to be directly or indirectly and adversely affected by the creation or issue of any other shares ranking pari passu with (but in no respect in priority to) any such shares already issued by the Company.

25 A. The Company may make payments to its shareholders subject to the provisions of the Act, but it may not make any payment in whatever form to its shareholders if there are reasonable grounds for believing that -

a. the company is, or would after the payment be, unable to pay its debts as they become due in the ordinary course of business; or

b. the consolidated assets of the company fairly valued would after the payment be less than the consolidated liabilities of the company.

25 B. Any monies other than dividends due to shareholders shall be held in trust by the Company indefinitely or until lawfully claimed by the shareholders; and the Company shall, for the purpose of facilitating its winding up or deregistration, or the reduction of its share capital, any share premium account or capital redemption reserve fund, be entitled by special resolution to delegate to any bank, registered as such in accordance with the laws of the Republic of Namibia, the liability for payment of any such dividend, payment of which has not been forfeited in terms of the aforegoing or other monies held in trust as aforesaid.

GENERAL MEETINGS

26. The Company shall hold an annual general meeting within six (6) months of the end of every financial year.

27. All other meetings of the Company shall be called “general meetings” and such meetings shall be held every quarter.

28. (1) Except where the Company has only one Member, any two or more Members, holding not less than one tenth of

the issued share capital, may call a general meeting of the Company.

(2) Annual general meetings and other general meetings shall be held at such time and place as the Directors shall appoint or at such time and place as is determined if the meetings are convened under section 187 (4), 189, 190, or 191 of the Act.

NOTICE OF GENERAL MEETINGS

29. An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than 21 (twenty-one) clear days' notice in writing, and any other general meeting may be called by not less than 14 (fourteen) clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these articles, entitled to receive such notices from the Company, including all beneficial owners: Provided that a meeting of the Company shall, notwithstanding the fact that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed by a majority in number of Members having a right to attend and vote at the meeting, being a majority holding not less than 95% (ninety-five per cent) of the total voting rights of all the Members.

30. (1) No resolution of which special notice is required to be given in terms of any provision of the Act shall have effect unless notice of the intention to move it has been given to the Company not less than 28 (twenty-eight) days before the meeting at which it is moved and the Company shall give its Members notice of any such resolution at the same time and in the same manner as it gives notice of any such meetings not less than 21 (twenty-one) days before the meeting; Provided that if a meeting of the Company is called for a date 28 (twenty-eight) days or less after notice of the intention to move such a resolution has been given to the Company, the notice, though not given within the time required by this article, shall be deemed to have been properly given for the purposes hereof.

(2) All notices of meetings which are sent to shareholders must be simultaneously sent to the NSX.

(3) All notices of general and/or annual general meetings shall be announced through NENS, in addition to sending those notices to Members/beneficial owners.

DIRECTORS

49. (a) The Board will be composed of a minimum of four (4) Directors, to be appointed by the Members or the Board on such terms and conditions as provided in and subject to these articles and the Act.

(b) The majority of the Directors shall be independent, non executive Directors.

50. (a) Until the consent to act as a director has been acknowledged by the Registrar of Companies every subscriber to the memorandum of the Company shall be deemed for all purposes to be a Director.

51. A general meeting shall have the power, from time to time, to appoint anyone as a Director, either to fill a casual vacancy or as an additional Director appointment.

52. Any appointment of a Director by the Board during a particular year, either to fill a casual vacancy or as an additional Director, shall be confirmed at the next annual general meeting.

53. Notices for nominations of a new Director shall be given timeously before the date of an annual general meeting to allow sufficient time for recipients of the notice after the receipt of that notice to reach the Company' s office from any part of the Republic Namibia.

54. At any general meeting of a Company a motion for the appointment of two (2) or more persons as Directors by a single resolution shall not be moved, unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it.

55. The continuing Directors may act, notwithstanding any vacancy in their body but, if and for so long as their number is reduced below the minimum number of Directors required to act as such for the time being, the continuing Directors may act only to fill the vacancies, or to call a general meeting of shareholders:· Provided that; if there is no Director able or willing to act then any Member may convene a general meeting for that purpose.

56. Neither a Director nor an alternate Director shall be obliged to hold any qualification shares.

57. (1) The remuneration of the Directors shall from time to time be determined by the Company in general meeting.

(2) A Director may be employed in any other capacity in the Company or as a director or employee of a company controlled by, or itself a subsidiary of, this Company provided that their appointment and remuneration in respect of such other office are determined by a disinterested quorum of directors.

58. The Directors shall be paid all travelling, subsistence and other expenses properly and necessarily incurred by them in the execution of their duties in or about the business of the Company and in attending meetings of the Company or of committees thereof and that if any Director is required to perform extra services or to reside abroad or otherwise shall be specifically occupied about the Company's business, they shall be entitled to receive such remuneration as is determined by a disinterested quorum of directors, which may be either in addition to or in substitution for any other remuneration.

ALTERNATE DIRECTORS

59. Each Director shall have the power to nominate any person, whether a Member or not, possessing the necessary qualifications of a director, to act as alternate Director in his place during his absence or inability provided that the appointment of an alternate Director shall be approved by the Board which approval shall not be unreasonably withheld and on such appointment being made, the alternate Director shall, in all respects, be subject to the terms, qualifications and conditions existing with reference to the other Directors.

60. The appointment of an alternate Director shall be revoked if the Directors will have reasonably withheld their approval to his appointment and the alternate Director shall cease to hold office whenever the Director who appointed him ceases to be a Director or gives notice to the Company that the alternate Director representing him has ceased to do so and in the event of the disqualification or resignation of any alternate Director during the absence or inability to act of the Director whom he represents, the vacancy so arising shall be filled by the chairperson of the Directors who shall nominate a person to fill such a vacancy, subject to the approval of the board.

61. An alternate Director shall -

(a) only be entitled to attend or act or vote at any meeting of Directors if the Director to whom he is an alternate is not present, provided that he may attend a meeting of Directors at which the Director to whom he is an alternate is present if the other Directors agree thereto.

(b) only be entitled to sign a resolution which may be validly and effectively passed otherwise than at a meeting of Directors in terms of the Act if the Director to whom he is an alternate is then absent from the town in which the registered office is situated or is incapacitated.

(c) subject to the foregoing, generally exercise all the rights of the Director to whom he is an alternate in the absence or incapacity of that Director;

(d) in all respects be subject to the terms and conditions existing with reference to the appointment, rights and duties and the holding of office of the Director to whom he is an alternate but shall not have any claim of any nature whatever against the Company for any remuneration of any nature whatever.

POWERS AND DUTIES OF DIRECTORS

62. The business of the Company shall be controlled and managed by the Directors who may pay all expenses incurred in promoting and incorporating the Company and will have plenary powers to exercise all such powers of the Company as are not by the Act or by these articles required to be exercised by the Company in general meeting subject to these articles and to the provisions of the Act and to such regulations not inconsistent with the aforesaid articles or provisions, as may be prescribed by the Company in general meeting; but no regulation prescribed by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

63. Subject to compliance with the provisions of the Act, a Director shall not be liable (in the absence of any agreement to the contrary) to account to the Company for any profit or other benefit arising out of any contract which directly or indirectly affects or relates to the Company.

BORROWING POWERS

64. The Directors may exercise all the powers of the Company to borrow money and to mortgage or bind its undertaking and property or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

MANAGING DIRECTORS

65. The Directors may from time to time appoint one or more of their number to be managing director or joint managing directors of the Company or to be the holder of any other executive office in the Company and may, subject to any contract between him or them and the Company, from time to time terminate his or their appointment and appoint another or others in his or their place or places.

66. A managing director may be appointed by contract for a maximum period of five (5) years at any one time but his appointment shall terminate if he ceases for any reason to be a Director.

67. The Directors may from time to time entrust to or confer upon a managing director or manager, for the time being, such of the powers and authorities vested in them, with power of substitution, as they may deem fit and may confer such powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and they may confer such powers and authorities either collaterally or to the exclusion of, or in substitution for, all or any of the powers and authorities of the Directors and may from time to time revoke or vary all or any of such powers and authorities.

ROTATION OF DIRECTORS

68. Subject to the provisions contained herein, the Company in a general meeting may from time to time determine the number of Directors, their terms of office and the manner of their retirement. At least one third of the Directors shall retire at each annual general meeting subject thereto that, if a Director is appointed a managing director, or as an employee of the Company in any other capacity, the contract under which he is appointed may provide that he shall not, while he continues to hold that position or office under contract for a term of rotation, be subject to retirement by such contract and he shall not in such case be taken into account in determining the rotation or retirement of directors, provided that less than half of the Directors may be appointed to any such position.

69. If at any meeting at which an election of Directors ought to take place the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the provisions of articles 40 and 41 shall apply mutatis mutandis to such adjournment and if at such adjourned meeting the vacancies are not filled the retiring Directors or such of them as have not had their offices filled shall be deemed to have been re-elected at such adjourned meeting unless a resolution for the re-election of any such Director shall have been put to the meeting and negative.

70. Unless the Company in general meeting otherwise determines, any casual vacancy occurring on the Board may be filled by the Directors, but the Director so appointed shall be subject to retirement at the same time as if he had become a director on the day on which the Director in whose stead he is appointed was last elected as Director.

71. The Directors shall have power at any time and from time to time to appoint a person as an additional Director but so that the total number of Directors shall not at any time exceed the number fixed according to these articles and such Director shall retire from office at the next following annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining which Directors are to retire by rotation at such meeting.

DISQUALIFICATION OF DIRECTORS

73. (1) Any of the following persons shall be disqualified from being appointed or acting as a Director of the Company

(a) a body corporate;

(b) a minor or any other person under legal disability;

(c) any person who is the subject of any order under this, disqualifying him from being a director;

(d) save under authority of the Court -

(i) an unrehabilitated insolvent;

(ii) any person removed from an office of trust on account of misconduct;

(iii) any person who has at any time been convicted of insider trading or any other fraud-on the-market offence;

(iii) any person who has been convicted whether in Namibia or elsewhere of theft, fraud, forgery or uttering a forged document, perjury, an offence under any law for the prevention of corruption or any offence involving dishonesty or in connection with the promotion, formation or management of a company and has been sentenced to imprisonment therefor without the option of a fine or to a fine exceeding N$ 1000.00 (one thousand Namibia Dollars).

(2) The office of director shall *ipso facto* be terminated if the Director:

(a) gives notice to the Company of his resignation as a Director with effect from the date of, or such later date as is provided for in such notice;

(b) absents himself from meetings of Directors for six (6) consecutive months without special leave of absence from the other Directors who resolve that his office shall be vacated, provided that this provision shall not apply to a Director who is represented by an alternate who does not so absent himself;

(c) is disqualified in terms of sub-article (1);

(d) is disqualified by an order of Court;

(e) if he/ she has been so ordered by a competent court of law due to persistent failure on his part to comply with the relevant provision(s) of the Act, requiring any return or other document to be lodged;

(f) if he/ she has been so ordered by a competent court of law due to recklessly carrying on business with intent to defraud creditors.

(3) Subject to the provisions of the Act, the Company, may by ordinary resolution remove any Director before the expiration of his period of office and by an ordinary resolution elect another person in his stead. The person so elected shall hold office until the next following ordinary meeting of the Company and shall then retire and be eligible for re-election.

INTERESTS OF DIRECTORS IN CONTRACTS

74. (1) A Director who is in any way, whether directly or indirectly, materially interested in a contract or proposed contract referred to in sub-article (2), which has been or is to be entered into by the Company or who so becomes interested in any such contract after it has been entered into, shall declare his interest and full particulars thereof as provided in the Act.

(2) The provisions of sub-article (1) shall apply to any contract or proposed contract which is of significance in relation to the Company's business and which is entered into or to be entered into -

(a) in pursuance of a resolution taken or to be taken at a meeting of Directors; or

(b) by a Director or officer of the Company who either alone or together with others has been authorised by the Directors to enter into such contract or any contract of a similar nature.

(3) (a) For the purposes of sub-article (1) a general notice in writing given to the Directors by a Director thereof to the effect that he is a member of a specified company or firm and is to be regarded as interested in any contract which may after the date of notice and before the date of its expiry be made with that company or firm, shall be deemed to be a sufficient declaration of interest in relation to any contract or proposed contract so made or to be made, if-

(i) the nature and extent of the interest of the said Director in such company or firm is indicated in the said notice and;

(ii) at the time the question of confirming or entering into the contract in question is first considered or at the time such Director becomes interested in a contract after it has been entered into, the extent of his interest in such company or firm is not greater than is stated in the notice.

(c) A general notice under (a) may from time to time be amended and shall not be effective beyond the end of the financial year of the Company but may from time to time be renewed.

(4) Nothing in this article shall be taken to prejudice the operation of any rule restricting directors of a company from having any interest in contracts with the Company.

75. (1) No declaration of interest by a Director under article 79 shall be of any effect unless it is made at or before the meeting of Directors at which the question of confirming or entering into the contract is first taken into consideration and, if in writing, is read out to the meeting or each Director present states in writing that he has read such declaration.

(2) If for any reason it is not possible for a Director to make any such declaration at or before a particular meeting of Directors, he may make it at the first meeting of Directors held thereafter at which it is possible for him to do so and shall in that event state the reason why it was not possible to make it at such particular meeting.

76. Notwithstanding any provisions in the articles of a company permitting the taking of a resolution signed by directors, no resolutions which concern contracts or proposed contracts referred to in Article 79 and 80 are complied with.

77. (1) A Director or officer referred to in article 79(2)(b) who is in any way, whether directly or indirectly, materially interested in any proposed contract to be entered into by him on behalf of the Company, shall, before entering into such contract, declare his interest and the full particulars thereof at a meeting of Directors as prescribed by article 80 and shall not enter into such contract unless and until a resolution has been passed by the Directors approving thereof.

(2) Any such officer who becomes materially interested in any contract entered into by him on behalf of the Company after it was entered into, shall forthwith declare his interest and the full particulars thereof by a written notice given to the Directors.

(3) A notice referred to in sub-article (2) may be delivered to the secretary of the company, if the company has a secretary and the secretary shall forthwith transmit it to the directors for whom it is intended.

(4) Nothing in this article shall be taken to prejudice the operation of any rule of law restricting an officer of the company from having an interest in contracts with the Company.

78. If a director of a company is in any way, whether directly or indirectly, materially interested in a contract or proposed contract which is placed before the Company at any meeting thereof for confirmation or authorisation, the notice convening any such meeting shall state the full particulars of the interest in such a contract of the director concerned.

79. (1) Every declaration of interest made under article 79, 80 or 82(1) shall be recorded in the minutes of the meeting of Directors at which the declaration is made and any declaration of interest by an officer under article 82(2) shall be recorded in the minutes of the first meeting of Directors held after the date of that declaration.

(2) Where any such declaration is made in writing, the Company shall, unless copies of the minutes are circulated to the Directors, cause the minute recording the declaration to be read out at the first meeting of Directors held after the meeting in the minutes of which the declaration was recorded.

80. (1) The Company shall keep at its registered office or at the office where it is made up a register of interests in contracts and shall enter therein the particulars of any declarations of interest made under article 79, 80 or 82, including any amendments under article 79(3){b).

(2) The provisions of article 101 relating to the inspection of minutes shall mutatis mutandis apply to an inspection of the register of interests in contracts of Directors and officers.

81. A Director may be employed by or hold any office of profit under the Company in conjunction with the office of director, other than that of auditor of the Company and upon such terms as to appointment, remuneration and otherwise as the Directors may determine and any remuneration so paid may be in addition to the remuneration payable in terms of article 61 of these articles: Provided that the appointment of a director in any other capacity in the Company and his remuneration must be determined by a disinterested majority of directors.

82. A Director who has disclosed interest in any contract or proposed contract in accordance with the Act may be counted in a quorum for the purpose of a meeting of Directors to consider any matter and shall not be entitled to vote in regard to any matter relating to that contract.

PROCEEDINGS OF DIRECTORS

83. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the event of an equality of votes, the chairperson shall have a second or casting vote. A Director may and the secretary on the requisition of a Director shall, at any time convene a meeting of the Directors.

84. The quorum necessary for the transaction of the business of the Directors, unless there is only one Director, shall be 51% (fifty-one per cent) of their number.

85. A resolution signed by a majority of Directors (or their alternates, if applicable), who also comprise a quorum of Directors for meeting purposes, who are present at the time when the resolution in question is signed by the first of such Directors, which resolution is then inserted in the minute book, shall be as valid and effective as if it had been passed at a meeting of Directors. Any such resolution may consist of several documents and shall be deemed to have been passed on the date on which it was signed by the last Director who signed it (unless a statement to the contrary is made in that resolution).

86. The Directors may elect a chairperson and a deputy chairperson of the Directors for their meetings and determine the period for which each is to hold office. Both the chairperson and deputy chairperson shall be independent and non-executive directors and may not be the Managing Director. The chairperson shall not also be the deputy chairperson. If at any meeting of Directors neither the chairperson nor deputy chairperson, if any, is present within ten (10) minutes after the appointed time for the meeting, the Directors present may elect one of their number to be chairperson of the meeting.

87. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any rules that may be imposed on it by the Directors.

88. A committee may elect a chairperson of its meetings. If no such chairperson is elected, or if at any meeting the chairperson is not present within ten (10) minutes after the time appointed for holding the same, the members present may elect one of their number to be chairperson of the meeting.

89. A committee may meet and adjourn as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes of the members present and in the event of an equality of votes the chairperson shall have a second or casting vote.

90. The acts of a Director shall be valid notwithstanding any defect that may afterwards be discovered to his appointment or qualification.

DIVIDENDS AND RESERVE

98. The Directors, or the Company in any general meeting, may declare dividends but a dividend declared by the company shall not exceed the amount recommended by the Directors. Dividends shall be payable to Members according to their rights and interests in the profits and as registered as at a date subsequent to the date of declaration or date of confirmation of the dividend, whichever is the later.

99. The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company and no dividend shall be paid otherwise than out of profits or bear interest against the Company.

100. Notice of any dividend that may have been declared shall be given in the manner hereinafter provided to the persons entitled to share therein. Dividends that remain unclaimed for three (3) years shall become the property of the Company. All monies other than dividends due to shareholders shall be held in trust indefinitely by the Company until lawfully claimed by the Members and the Company shall, for the purpose of facilitating its winding up or deregistration, or the reduction of its share capital, any share premium account or capital redemption reserve fund, be entitled by special resolution to delegate to any bank, registered as such in accordance with the laws of the Republic of Namibia, the liability for payment of any such dividend, payment of which has not been forfeited in terms of the aforegoing or other monies held in trust as aforesaid.

101. The Company shall not be responsible for the loss in transmission of any document sent through the post to the registered address of any Member, whether or not it was so sent at his request.

CAPITALISATION

102. The Company in general meeting or the Directors may at any time and from time to time pass a resolution that it is expedient to capitalise any sum forming part of the undivided profits standing to the credit of the Company's revenue fund, or any sum in the hand of the Company and available for dividend, or any sum carried to reserve as the result of a sale or revaluation of the assets of the Company or part thereof, or any sum received by way of premium on the issue of any shares, debentures or debenture stock of the Company and that any such sum or sums be set free for distribution and be appropriate to and amongst the Members, according to their rights and shareholdings in such manner as the resolution may direct: Provided that no such distribution shall be made by the Company unless recommended by the Directors and the Directors shall, in accordance with such resolution, apply such sum or sums in paying up shares, debentures or debenture stock of the Company and appropriate such shares, debentures or debenture stock to or distribute the same amongst the holders of such shares according to their shareholding thereof respectively as aforesaid or otherwise deal with such sum or sums as provided for in such resolution.

103. Where any difficulty arises in respect of such distribution the Directors may settle the same as they think expedient and in particular they may issue fractional certificates, fix the value for distribution of any fully paid shares, debentures or debenture stock, make cash payments to any holders of shares on the footing of the value so fixed in order to adjust rights and vest any shares or assets in trustees upon such trusts for the person entitled in the appropriation or distribution as may seem just and expedient to the Directors. When deemed requisite a contract shall be entered into and filed in accordance with the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled in the appropriation or distribution and such appointments shall be effective and the contract may provide for the acceptance by the holders of the shares to be allotted to them respectively in satisfaction of their claims in respect of the sum so capitalised.

RESERVE FUND

104. The Directors may, before declaring or recommending any dividends set aside out of the amount available for dividends, such sum as they think proper as a reserve fund, or an addition to such reserve fund. The Directors may divide the reserve fund into such special funds as they think fit, with full power to employ the assets constituting such fund or funds in the business of the Company, or may invest the same upon such investments (other than shares of the Company) as they may select without being liable for any depreciation of or loss in consequence of such investments whether the same be usual or authorised investments for trust funds or not.

105. The reserve fund shall, at the discretion of the Directors, be applicable for the equalisation of dividends or for making provision for exceptional losses, expenses or contingencies, or for the extension or development of the Company's business, or for writing down the value of any of the assets of the Company, or for repairing, improving and maintaining any buildings, plant, machinery or works connected with the business of the Company, or to cover the loss in wear and tear or other depreciation in value of any property of the Company or for any of the objects of the Company, or for any other purpose to which the profits of the Company may be properly applied and the Directors may at any time divide among the Members by way of bonus or special dividends any part of the reserve fund which they in their discretion may determine not to be required for the purposes aforesaid.

Annexure 12 CORPORATE CITIZENSHIP AND CORPORATE GOVERNANCE

MTC's Approach to Good Corporate Governance

MTC and its subsidiaries are committed to practicing good corporate governance. It is regarded critical to the success of MTC's business and the MTC board is unreservedly committed to applying the fundamental principles of good governance in all dealings by, in respect and on behalf of MTC.

The MTC board accordingly embraces the principles of good governance as set out in the King IV Report on Corporate Governance, in addition to the requirements of the Companies Act, 28 of 2004.

The MTC board

The MTC board is the core of MTC's system of corporate governance and is ultimately accountable and responsible for the performance and affairs of MTC. The MTC board as constituted by the Companies Act, is governed by the board charter. The board charter defines the governance parameters within which the MTC board exists, sets out specific responsibilities to be discharged by the collective MTC board, as well as certain roles and responsibilities incumbent upon directors as individuals.

Whilst the board charter includes references to minimum acceptable standards of conduct, it is critical that substance prevails over form and in applying the governance principles contained herein the MTC board will be guided by the recommendations and ethos of established standards of governance best practice, both local and international.

Role of the MTC board

The MTC board is to exercise leadership, enterprise, integrity and judgement directing MTC so as to achieve continuing prosperity for MTC and its shareholders and at all times acts in the best interest of MTC in a manner based on transparency, integrity and accountability.

The MTC board's primary responsibilities include determining MTC's values and giving strategic direction to MTC, identifying key risk areas and key performance indicators of MTC's business, monitoring the performance of MTC against agreed objectives, advising on significant financial matters and reviewing the performance of executive management against defined objectives and applicable industry standards.

Independent Professional Advice

The MTC board shall approve procedures in terms of which a director may procure independent professional advice, at the expense of MTC, where there is doubt as to whether a proposed course of action is consistent with his/ her fiduciary duties and responsibilities.

Board Composition and Leadership

In determining the optimum composition of the MTC board, it seeks to ensure that it collectively contains the mix of knowledge, skills, experience and of personalities appropriate to the strategic direction of MTC and necessary to secure its sound performance. The composition of the MTC board is dictated by MTC's Articles of Association, which permit a minimum number of four directors. MTC has a unitary board consisting of all executive, non-executive and independent directors, thus representation of independent directors on the board is required and adhered to.

MTC's philosophy of leadership is based on the principle that the control of the MTC board and the executive responsibility for the running of the business are two separate and distinct tasks. There is accordingly a clear division of responsibilities between the role of the Chairman of the Board of Directors and the MD so as to ensure that an appropriate balance of power is maintained within MTC.

Board Committees, directors' Interest and Attendance at Meetings

The MTC board as a whole remains responsible for the operations of the company, but in order to assist in discharging its responsibilities it delegates certain functions to sub-committees established by the MTC board. The MTC board may

form such committees as may be necessary to facilitate efficient decision-making and to assist the MTC board in the execution of its duties.

Each board committee shall be constituted with formal terms of reference, which shall determine *inter alia* the membership, purpose, powers and authority of the committee and the scope of its relationship to the MTC board. The general principles dealing with the constitution, membership and authority of the board committees are set out in the appendix to the board charter.

The MTC board shall be guided by the internal conflict of interest policy and by good governance policies in its dealings with situations relating to a conflict of interest. Directors should recuse themselves from discussions or decisions on matters in which they have a conflict of interest.

The MTC board will meet at least four times in each financial year and may convene additional meetings as and when necessary. In addition to the rules of procedure set out in the appendix to the board charter, the Articles of Association of MTC will govern meetings and proceedings of the MTC board.

Risk Management, Compliance and Internal Audit

The internal audit function is recognised as an integral part of the governance structures of MTC and functions under policies established by executive management and the MTC board.

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve MTC's operations. It helps MTC to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management control and governance processes.

The MTC board must ensure that the management of the risk function has the necessary standing and that it reports at a level within MTC that allows it to discharge its responsibilities effectively. The Head of Internal Audit reports administratively to the MD and functionally to the chairperson of the Audit Committee. The management team of the risk function have ready and regular access to the chairperson of the MTC board.

Appointment and Induction of Directors

The appointment of directors is established by MTC's shareholders. The appointment of directors takes effect upon compliance with the requirements of the Companies Act and other relevant legislation. On appointment, new and/or all directors will undergo an induction programme aimed at facilitating their understanding of MTC, its business environment and the markets in which it operates.

As part of the induction programme, new non-executive Board members will receive a letter of appointment of which the MTC board charter will form an integral part, together with induction material containing essential Board and MTC information.

Audit, Risk and IT Governance Board Committee

The main function of the audit committee is to assist the MTC board in discharging its duties in relation to the safeguarding of assets, the operation of adequate system control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards.

The committee provides a forum for discussing relevant business risk and control issues for developing relevant recommendations for consideration by the MTC board. The membership, resources, responsibilities and authorities of the committee to perform its role effectively, are stipulated in the committee terms of reference which may be amended by the MTC board as required.

Human Resources, Remuneration and Nominations Board Committee

The human resources, remuneration and nominations committee is constituted as a committee of the MTC board. Its principal function is to ensure that MTC remunerates directors, senior management and all appropriate staff fairly and responsibly.

A further role of the committee is to determine and develop MTC's remuneration strategy and conditions of service, competitive enough to attract, retain and motivate human resources of the quality and calibre required by MTC, striking a sound balance between take home packages and other benefits, including pension and medical aid funds and bonuses. The committee is the focal point of ethical governance within MTC and monitors the implementation of the code of ethics with respect to the MTC board.

Tender Board

The MTC tender board is a group of appointed individual permanent employees who sit on weekly basis to adjudicate tender and purchasing recommendations from the various business departments against the corporate governance and laid-down procurement procedures.

The tender board compiles semi-annual reports on the activities of the tender board, including a summary of all procurement activities, which is submitted to the MTC board. The reporting periods are 1 October to 31 March and 1 April to 30 September.

Corporate Social Investment Committee

MTC acknowledges its corporate social responsibility. King IV indicates that sustainable corporate social responsibility is part of the company's best practices towards sound corporate governance. MTC operates in a community, which warrants the need for relationship value-creation with all stakeholders. MTC realises that it is best practice to invest back into the community and to support its existence.

MTC focuses on areas such as education, sports, arts and culture, ICT and housing. The mission of this committee to discharge all relevant CSR initiatives as guided by the Committee Terms of reference.

Affirmative Action

MTC is an equal opportunity employer without judgement or discrimination on the basis of ethnic origin, gender, faith or any other manner.

MTC is fully committed to the implementation of the affirmative action national policy and endeavours to have a seamless process of identifying and developing understudies for all positions filled by non-Namibian citizens in accordance to MTC's Affirmative Action Policy.

Annexure 13 MTC MOBILEHOMES AND NAMPOST OUTLETS WHERE THE PROSPECTUS CAN BE COLLECTED

MTC Mobilehomes where copies of the Prospectus can be collected, reference numbers obtained, and applications delivered are:

Mobilehome Name	Address	Town
Mobilehome Eenhana	Erf 839, Ewaneno Centre, Shop 1, Sam Nujoma Drive	Eenhana
Mobilehome Gobabis	41 Kerk Street	Gobabis
Mobilehome Grootfontein	Erf 754, Shop 27, Grootfontein Mall	Grootfontein
Mobilehome Katima Mulilo	Zambezi Shopping Centre, Hage Geingob Drive	Katima Mulilo
Mobilehome Keetmanshoop	Old Mutual Shopping Centre	Keetmanshoop
Mobilehome Luderitz	C/o Bismarck and Nachtigal Streets	Luderitz
Mobilehome Mariental	Shoprite Centre Complex	Mariental
Mobilehome Nkurenkuru	Erf 544, Matukuchila Complex, Shop 5	Nkurenkuru
Mobilehome Okahandja	Okahandja Shopping Centre, Shop 35	Okahandja
Mobilehome Express Ondangwa	Yetu Shopping Complex, Main Road	Ondangwa
Mobilehome Ondangwa	Olunkono Centre, Shop 14, Ondangwa Main Road	Ondangwa
Mobilehome Ongwediva	Oshana Regional Mall, Shop 15	Ongwediva
Mobilehome Opuwo	Cuvalei Centre, Shop 1, Opuwo Main Road	Opuwo
Mobilehome Oranjemund	C/o 10th Avenue & 8th Streets	Oranjemund
Mobilehome Oshakati	Mvula Shopping Centre, Oshakati Main Road	Oshakati
Mobilehome Oshikango	Supa Decca Building, Main Road	Oshikango
Mobilehome Otjiwarongo	Nampost Building, Hage Geingob Street	Otjiwarongo
Mobilehome Outapi	Makalani Shopping Complex, Tsandi Main Road	Outapi
Mobilehome Rehoboth	Rehoboth Mall, Shop 13, Swartkoppie Weg	Rehoboth
Mobilehome Rundu	Eugene Kakukuru Street, Shop 15	Rundu
Mobilehome Swakopmund	Fruit and Veg City Centre, Moses //Garoeb (Nordring) Street	Swakopmund
Mobilehome Swakopmund Platz Am Meer	Platz Am Meer Shopping Centre, Shop 20, Vineta	Swakopmund
Mobilehome Tsumeb	Tsumeb Shopping, Centre Shop 26	Tsumeb
Mobilehome Walvis Bay	Sam Nujoma Avenue	Walvis Bay
Mobilehome Walvis Bay Dunes Mall	Dunes Mall, Shop 15	Walvis Bay
Mobilehome Daniel Munamava	Daniel Munamava Street	Windhoek
Mobilehome Hosea Kutako	Hosea Kutako International Airport	Windhoek
Mobilehome Katutura	Pick 'n Pay Centre, Independence Avenue	Windhoek
Mobilehome Khomasdal	Khomas Grove Mall, Shop 4, 165 Paul Van Harte Street Khomasdal	Windhoek
Mobilehome Klein Windhoek	Schoemans Building, c/o Nelson Mandela Avenue & Sam Nujoma Drive	Windhoek
Mobilehome Maerua Mall	Maerua Mall Upper Level, Jan Jonker Drive	Windhoek
Mobilehome Olympia	C/o Mosé Tjitendero & Hamuntenya Wanehepo Ndadi Street, Olympia	Windhoek
Mobilehome Post Street Mall	Wernhil Park, Shop M05	Windhoek
Mobilehome The Grove	The Grove Mall, Shop 262, Lower Level, Chasie Street	Windhoek

MTC will make the Prospectus available via its Mobile Van, including at the regional shows and EXPOs where it has representation and/ or a show stand.

Nampost Name	Address	Town
Nampost Aranos	Main Road	Aranos
Nampost Bethanie	Chief C Frederick Avenue	Bethanie
Nampost Henties Bay	Pelican Street	Henties Bay
Nampost Kamanjab	Ernst Gurirab Street	Kamanjab
Nampost Karasburg	Park Street	Karasburg
Nampost Karibib	Hidipo Hamutenya Street	Karibib
Nampost Maltahohe	Post Street	Maltahohe
Nampost Noordoewer	Main Road	Noordoewer
Nampost Okahao	Main Road, Kambwa Trading Building	Okahao
Nampost Okakarara	Josephat Kambazembi Street	Okakarara
Nampost Okongo	OK Special Supermarket Building	Okongo
Nampost Omaruru	Wilhelm Zerarua Street	Omaruru
Nampost Omuthiya	Main Road	Omuthiya
Nampost Otavi	408m Joseph Bucholz Street	Otavi
Nampost Rosh Pinah	Ondye Drive	Rosh Pinah
Nampost Usakos	Theo-Ben Gurirab street	Usakos

In addition to the above, investors can also contact the brokers below:

Broker Name	Address	Town
IJG Securities	C/o Grove & Chasie Streets, Kleine Kuppe	Windhoek
PSG Wealth Management	C/o Thorer & Feld Streets, Klein Windhoek	Windhoek
Simonis Storm Securities	4 Koch Street, Klein Windhoek	Windhoek
Cirrus Securities	35 Schanzen Road	Windhoek

Annexure 14 OTHER DIRECTORSHIPS AND MEMBERSHIPS HELD BY DIRECTORS AND EXCO

Board of Directors		
Name	**Directorship(s)/ Membership(s)**	**Nature of Business**
Theofelus Mberirua	One Namibia Investment Holding	Investment House
	Western National Insurance	Commercial & Business Insurance
	Hangala Prescient	Investment House
	TelePassport Namibia	Communications Connectivity Provider
	NIPAM	Government Institution
Toini Nuusiku Zimina Muteka	No other directorships	
Elia Elwis Nashilongo	Kuleni Umbrella Fund	Pension Fund
	Kuleni (Pty) Ltd	Pension Fund Administrators
Stephen Stuart Galloway	Africa Peer Review Mechanism National Governing Council	Government Institution
	Community Conservation Fund of Namibia	Conservation Fund
	Gondwana Holdings Ltd	Holding Company
	Namibia Institute of Corporate Governance	Standards Institute
	Public Private Partnership Committee	Government Institution
Werner Schuckmann	Fairview Minerals (Pty) Ltd	Mining Exploration
	Lambay Investments (Pty) Ltd	Plant and Equipment Hire
	Orschel Supplies and Services CC	General Trading, Import And Export
	Osino Gold Exploration (Pty) Ltd	Gold Exploration
	Richwing Exploration (Pty) Ltd	Mining Exploration
	Terrace Minerals Exploration (Pty) Ltd	Mining Exploration
	Toroa Minerals Exploration (Pty) Ltd	Mining Exploration
	Vavali Mining Exploration (Pty) Ltd	Mining Exploration
Rosalia Dalulilua Ruusa Shipiki	Beta Energy a Women's Empowerment Company (Pty) Ltd	Electricity and Power Generation
	First Capital Treasury Solutions	Finance Services
	Pefimbo Fishing Enterprise (Pty) Ltd	Dormant Company
Taschiona Charoldine Gawaxab	No other directorships	
Licky Richard Erastus	Papa Smurf Investments CC	General Trading, ICT Solutions & Consultancy, Farming & Crop, Fishing & Marine Resources, Civil Works, Road & Building Construction and Repairs, General Mining and Exploration
Marthinus Jacobus Smit	Henca Court Investments Number Five CC	Property
	Henca Court Investments Number Seventeen CC	Property
	Monte Piana Investment Number Twelve CC	Property
	Kleinbegin CC	Farming
	Sandmodder (Pty) Ltd	Farming

Company Secretary		
Name	**Directorship(s)/ Membership(s)**	**Nature of Business**
Ndahambelela Haikali	Alexander Forbes Namibia Financial Services (Pty) Ltd	Financial Services
	Alexander Forbes Namibia Holdings (Pty) Ltd	Holding Company
	Alexander Forbes Namibia Investments (Pty) Ltd	Investment
	RTO Housing Namibia (Pty) Ltd	Housing
	Twafika Investments (Pty) Ltd	Investment

Members of EXCO		
Name	**Directorship(s)/ Membership(s)**	**Nature of Business**
Licky Richard Erastus	Papa Smurf Investments CC	General Trading, ICT Solutions & Consultancy, Farming & Crop, Fishing & Marine Resources, Civil Works, Road & Building Construction and Repairs, General Mining and Exploration
Marthinus Jacobus Smit	Henca Court Investments Number Five CC	Property
	Henca Court Investments Number Seventeen CC	Property
	Monte Piana Investment Number Twelve CC	Property
	Kleinbegin CC	Farming
	Sandmodder (Pty) Ltd	Farming
Timoteus Ekandjo	National Petroleum Corporation of Namibia	Petroleum, Oil and Gas
	Namibian Broadcasting Corporation	Broadcasting/ Television
Nguundja Patience Kanalelo	At Thirty One Investments (Pty) Ltd	Construction, Fishing, Mining and Energy, Fund Management, Professional Consulting, Agriculture and any Other Related Services
	Windhoek General Administrators	Dormant Company
	Yeula Fishing Enterprises (Pty) Ltd	Fishing
Melvin Hosea Angula	No directorships	
Monica Nehemia	No directorships	

Annexure 15 DETAILS OF PRINCIPAL IMMOVABLE PROPERTY AND VESSELS LEASED OR OWNED

Details of the principal immovable properties that are owned by MTC:

Property Description/ Address	Square Meters	Valuation	Purchase Price	Any Other
Erf 443 Prosperita Vacant Land	2101	N$2,011,000.00	N$2,011,000.00	Purchased September 2019
Erf 455 Gold Street, Prosperita	6787	N$45,000,000.00	N$161,560,000.00	Purchased March 2018 All four properties were jointly purchased
Erf 194 Gold Street, Prosperita	4616	N$14,150,000.00		
Erf 462, Grant Webster Street, Olympia	1372	N$5,990,000.00		
Erf 1109, Wanahepo Ndadi Street, Olympia	4313	N$96,420,000.00		
TOTAL		**N$163,571,000.00**	**N$163,571,000.00**	

Summarised rentals and leasehold land payable by MTC (as at 31 May 2021):

Type of lease	Total Rental: Per Month N$'000	Unexpired term: Minimum Months	Unexpired term: Maximum Months
Retail Outlets	1,197	1	75
Radio Sites	2,756	1	1,756
Other - Switch	151	16	53
Other - BSC	120	4	161

Details of MTC's principal immovable properties on leased land as at 31 May 2021 (The majority of the lease agreements as set out in the table below provide for the renewal of such agreements on standard terms and conditions that are common place for such agreement relating to rental escalation and otherwise):

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Agate	Urban	!Karas	!Nami#Nûs	25
Ai-Ais	Rural	!Karas	Karasburg West	15
Ariamsvlei	Rural	!Karas	Karasburg East	40
Aroab	Rural	!Karas	Keetmanshoop Rural	120
Aus	Rural	!Karas	!Nami#Nûs	80
Ausenkehr	Rural	!Karas	Karasburg West	30
Berseba	Rural	!Karas	Berseba	20
Bethanie	Rural	!Karas	Berseba	120
Bethanie Town	Rural	!Karas	Berseba	18
Blouwes	Rural	!Karas	Berseba	48
Brukaros	Rural	!Karas	Berseba	80
Brukaros Mountain	Rural	!Karas	Berseba	80
Canon Roadhouse	Rural	!Karas	Keetmanshoop Rural	5
Canon Village	Rural	!Karas	Karasburg West	9

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Diamond	Urban	!Karas	Oranjemund	20
Donkerhoek	Urban	!Karas	Keetmanshoop Urban	25
EBay	Rural	!Karas	!Nami#Nûs	15
Frederickshoop	Rural	!Karas	!Nami#Nûs	80
Gariganus	Rural	!Karas	Keetmanshoop Urban	70
Gemsbok	Urban	!Karas	Oranjemund	25
Grunau	Rural	!Karas	Karasburg East	25
Grunau Mountain	Rural	!Karas	Karasburg East	30
Helmeringhausen	Rural	!Karas	Berseba	48
Kanas	Rural	!Karas	Berseba	80
Karasburg	Urban	!Karas	Karasburg East	60
Keetmanshoop	Urban	!Karas	Keetmanshoop Urban	60
Klein Hansa	Rural	!Karas	Keetmanshoop Rural	120
Koes	Rural	!Karas	Keetmanshoop Rural	30
Koiimasais	Rural	!Karas	!Nami#Nûs	9
Kokerboom	Rural	!Karas	Karasburg East	48
Kolmanskop	Rural	!Karas	!Nami#Nûs	20
Komsberg	Rural	!Karas	Karasburg East	25
Korabib	Rural	!Karas	Karasburg West	120
Kransberg	Rural	!Karas	Keetmanshoop Rural	42
Kubub	Rural	!Karas	Karasburg East	30
Kutenhaos	Rural	!Karas	Gibeon	48
Louwshoop	Rural	!Karas	Karasburg West	48
Lüderitz	Urban	!Karas	!Nami#Nûs	30
Lüderitz Reservoir	Urban	!Karas	!Nami#Nûs	25
MataMata	Rural	!Karas	Keetmanshoop Rural	120
Naauwpoort	Rural	!Karas	Keetmanshoop Rural	80
NauteDam	Rural	!Karas	Keetmanshoop Rural	25
Neckartal	Rural	!Karas	Berseba	12
Nest Hotel	Urban	!Karas	!Nami#Nûs	10
Noordoewer	Rural	!Karas	Karasburg West	12
Oranjemund MGW	Urban	!Karas	Oranjemund	60
Oranjemund PCC	Urban	!Karas	Oranjemund	48
Roshkor	Rural	!Karas	Oranjemund	10
Rosh Pinah	Rural	!Karas	Oranjemund	25
Schlangkopf	Rural	!Karas	Keetmanshoop Rural	48
Sendelingsdrift	Rural	!Karas	Oranjemund	60
Skorpion Airport	Rural	!Karas	Oranjemund	10
Skorpion Mine	Rural	!Karas	Oranjemund	20
Snyfontein	Rural	!Karas	Berseba	60
Swartzkop	Rural	!Karas	Oranjemund	18
Tseiblaagte	Urban	!Karas	Keetmanshoop Urban	25
Tses	Rural	!Karas	Berseba	25
Ur	Rural	!Karas	Karasburg East	80
Vaalgras	Rural	!Karas	Berseba	80
Velloorsdrif	Rural	!Karas	Karasburg East	10
Warmbad	Rural	!Karas	Karasburg East	48
Weltevrede	Rural	!Karas	Berseba	80

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Westerkim	Urban	!Karas	Karasburg East	25
Witputs	Rural	!Karas	!Nami#Nûs	80
Zabubega	Rural	!Karas	Keetmanshoop Rural	80
Affenberg	Rural	Erongo	Karibib	48
Albrechtshohe	Rural	Erongo	Karibib	80
Anchovy	Urban	Erongo	Walvis Bay Urban	20
Arandis	Rural	Erongo	Arandis	48
Arandis Mountain	Rural	Erongo	Arandis	25
Beach Hotel	Urban	Erongo	Swakopmund	15
Brandberg White Lady	Rural	Erongo	Daures	9
Camp Elephant	Rural	Erongo	Omaruru	9
Cape Cross	Rural	Erongo	Arandis	42
Coastal Tool Hire	Urban	Erongo	Walvis Bay Urban	20
Corner shop	Rural	Erongo	Karibib	60
Dolphin Beach	Urban	Erongo	Walvis Bay Rural	30
DRC	Urban	Erongo	Swakopmund	20
Erindi	Rural	Erongo	Omaruru	48
Erindi Lodge	Rural	Erongo	Omaruru	10
Erongo	Rural	Erongo	Omaruru	48
Galjoen	Urban	Erongo	Swakopmund	25
Gobabeb	Rural	Erongo	Walvis Bay Rural	15
Hamilton	Rural	Erongo	Walvis Bay Rural	65
Hangana	Urban	Erongo	Walvis Bay Urban	25
Henties Bay	Urban	Erongo	Arandis	30
Henties UNAM	Urban	Erongo	Arandis	12
Husab	Rural	Erongo	Arandis	50
Jan Wilkens	Urban	Erongo	Walvis Bay Urban	20
Kabeljou	Urban	Erongo	Walvis Bay Rural	15
Karibib	Rural	Erongo	Karibib	48
Karusa	Rural	Erongo	Karibib	48
Kuisebmond	Urban	Erongo	Walvis Bay Rural	25
Lagoon	Urban	Erongo	Walvis Bay Urban	26
Langer Heinrich	Rural	Erongo	Arandis	40
Langstrand	Rural	Erongo	Walvis Bay Rural	15
Mandume	Urban	Erongo	Swakopmund	20
Meersig	Urban	Erongo	Walvis Bay Urban	25
Mile 108	Rural	Erongo	Arandis	25
Mile 4	Urban	Erongo	Swakopmund	20
Goanikontes	Rural	Erongo	Swakopmund	10
Mobilehome	Urban	Erongo	Swakopmund	25
Mole	Urban	Erongo	Swakopmund	35
Mondesa	Urban	Erongo	Swakopmund	25
Namibfontein	Rural	Erongo	Karibib	48
Narraville	Urban	Erongo	Walvis Bay Urban	25
Navachab Mine	Rural	Erongo	Karibib	10
Ocean View	Urban	Erongo	Swakopmund	20
Okombahe	Rural	Erongo	Daures	120
Omandumba TN	Rural	Erongo	Omaruru	40
Omaruru	Urban	Erongo	Omaruru	30

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Omaruru Town	Urban	Erongo	Omaruru	25
Omatjette	Rural	Erongo	Daures	120
Omihana	Urban	Erongo	Daures	80
Otjimbingwe	Rural	Erongo	Karibib	20
Otjiperongo	Rural	Erongo	Daures	80
OVSpar	Urban	Erongo	Swakopmund	15
Ozombambimbo	Rural	Erongo	Omaruru	48
Pebble Beach	Urban	Erongo	Swakopmund	25
Platz Am Meer	Urban	Erongo	Swakopmund	25
Rooikop	Rural	Erongo	Walvis Bay Rural	20
Rossing Berg	Rural	Erongo	Arandis	48
Rossing Mine	Rural	Erongo	Arandis	48
Rossmund	Urban	Erongo	Swakopmund	5
Schonfeld	Rural	Erongo	Omaruru	48
Seemeeu	Urban	Erongo	Walvis Bay Urban	25
Sharks	Urban	Erongo	Walvis Bay Urban	20
South Dune	Urban	Erongo	Arandis	48
Spitzkoppe	Rural	Erongo	Daures	20
Sunset Sails	Urban	Erongo	Walvis Bay Rural	30
Sunset View	Urban	Erongo	Walvis Bay Rural	20
SWK Airport	Urban	Erongo	Swakopmund	25
SWK Desert	Rural	Erongo	Swakopmund	48
SWK Fruit Veggie	Urban	Erongo	Swakopmund	9
SWK Primary School	Urban	Erongo	Swakopmund	20
SWK Traffic Office	Urban	Erongo	Swakopmund	18
SWK TransNamib	Urban	Erongo	Swakopmund	20
Tamariskia	Urban	Erongo	Swakopmund	35
Trekopje Plant	Rural	Erongo	Arandis	15
TrigBaken	Rural	Erongo	Karibib	48
Tubusis	Rural	Erongo	Daures	25
Tulinawa	Urban	Erongo	Swakopmund	20
Tunacor	Urban	Erongo	Walvis Bay Urban	26
Ubasen PS	Urban	Erongo	Omaruru	25
Uis	Rural	Erongo	Daures	10
Uis Link	Rural	Erongo	Daures	80
Usakos	Rural	Erongo	Karibib	48
Usakos Town	Rural	Erongo	Karibib	25
Vergenoeg	Rural	Erongo	Karibib	60
Volstruis	Urban	Erongo	Walvis Bay Rural	26
VredeRede	Urban	Erongo	Swakopmund	20
Walvis Bay Ext 17	Urban	Erongo	Walvis Bay Urban	24
Walvis Bay	Urban	Erongo	Walvis Bay Urban	48
Walvis Bay Golf Course	Urban	Erongo	Walvis Bay Urban	23
Walvis Bay MH	Urban	Erongo	Walvis Bay Urban	N/A
Welwitschia	Urban	Erongo	Swakopmund	25
Wildfrieden	Rural	Erongo	Omaruru	48
Wilhelmstal	Rural	Erongo	Karibib	48
Wlotzkasbaken	Rural	Erongo	Arandis	48
WVS Multichoice	Urban	Erongo	Walvis Bay Urban	60

Site Name	Urban/ Rural	Region	Constituency	Tower Height
WVS Primary School	Urban	Erongo	Walvis Bay Urban	20
WVS TransNamib	Urban	Erongo	Walvis Bay Urban	20
Zebrapan	Rural	Erongo	Walvis Bay Rural	40
Kuisebmond DLU	Urban	Erongo	Walvis Bay Rural	25
Etuseb School	Rural	Erongo	Walvis Bay Rural	25
Uis Road	Rural	Erongo	Daures	80
Dunes Mall	Urban	Erongo	Walvis Bay Urban	3
Matutura	Urban	Erongo	Swakopmund	25
Amperbo	Rural	Hardap	Gibeon	120
Aranos	Rural	Hardap	Aranos	48
Asab	Rural	Hardap	Gibeon	35
Betesda	Rural	Hardap	Daweb	9
Blumfelde	Rural	Hardap	Mariental Rural	120
Bordeaux	Rural	Hardap	Rehoboth Rural	48
Dassiefontein	Rural	Hardap	Mariental Urban	80
Die Kalk	Rural	Hardap	Mariental Rural	35
Dr Lemmer	Urban	Hardap	Rehoboth West Urban	25
Duineveld	Rural	Hardap	Rehoboth Rural	80
Eersterus	Rural	Hardap	Aranos	120
Gibeon	Rural	Hardap	Gibeon	15
Gochas	Rural	Hardap	Aranos	30
Hammerstein	Rural	Hardap	Daweb	9
Hardap	Rural	Hardap	Mariental Urban	35
Hardap Resort	Rural	Hardap	Mariental Urban	15
Hardap Scheme	Rural	Hardap	Mariental Rural	25
Hoachanas	Rural	Hardap	Mariental Rural	80
Kalahariplaas	Rural	Hardap	Aranos	120
Kalkpos	Rural	Hardap	Daweb	80
Kalkrand	Rural	Hardap	Rehoboth Rural	25
Klein Aub	Rural	Hardap	Rehoboth Rural	48
Kosos	Rural	Hardap	Gibeon	80
Kries	Rural	Hardap	Gibeon	48
Lake Oanob Residential	Rural	Hardap	Rehoboth West Urban	15
Lake Oanob Resort	Rural	Hardap	Rehoboth West Urban	12
Maltahohe	Rural	Hardap	Daweb	48
Mara TN	Rural	Hardap	Aranos	120
Mariental	urban	Hardap	Mariental Urban	60
Moon Mountain	Rural	Hardap	Daweb	5
Narib	Rural	Hardap	Rehoboth Rural	65
Nomtsas	Rural	Hardap	Daweb	80
Oanob	Urban	Hardap	Rehoboth West Urban	40
Origo	Urban	Hardap	Rehoboth East Urban	25
Rehoboth	Urban	Hardap	Rehoboth East Urban	20
Rehoboth 3rd	Urban	Hardap	Rehoboth West Urban	25
Rehoboth MH	Urban	Hardap	Rehoboth West Urban	N/A
Reoland	Rural	Hardap	Aranos	120
Rietoog	Rural	Hardap	Rehoboth Rural	48
Rooiberg	Rural	Hardap	Daweb	48
Schlip	Rural	Hardap	Rehoboth Rural	48

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Sonop	Urban	Hardap	Mariental Urban	25
Sossusvlei Lodge	Rural	Hardap	Daweb	15
Sossusvlei Mountain	Rural	Hardap	Daweb	42
Stampriet	Rural	Hardap	Mariental Rural	80
Tafelkop	Rural	Hardap	Gibeon	40
Tsumis	Rural	Hardap	Rehoboth Rural	40
Tsumis Agri	Rural	Hardap	Rehoboth Rural	48
Uhlenhorst	Rural	Hardap	Rehoboth Rural	80
Wolwedans Dunes	Rural	Hardap	Daweb	5
Swartkoppie	Urban	Hardap	Rehoboth West Urban	15
Andreas PSWT	Urban	Kavango East	Rundu Urban	20
Baramasoni	Rural	Kavango East	Mashare	80
Chimpanda	Rural	Kavango East	Rundu Rural	80
Divundu	Rural	Kavango East	Mukwe	80
Djaradjara	Rural	Kavango East	Ndonga Linena	120
Kamuchonga	Rural	Kavango East	Mukwe	120
Katenture	Rural	Kavango East	Mukwe	80
Kavango	Urban	Kavango East	Rundu Urban	25
Kayengona	Rural	Kavango East	Rundu Rural	48
Kehemu	Urban	Kavango East	Rundu Urban	25
Kehemu East WT	Urban	Kavango East	Rundu Urban	20
Khaudom	Rural	Kavango East	Ndiyona	80
Mashare	Rural	Kavango East	Mashare	60
Mayara	Rural	Kavango East	Mukwe	120
Millennium Park	Urban	Kavango East	Rundu Urban	20
Muhembo TN	Rural	Kavango East	Mukwe	21
Mupapama	Rural	Kavango East	Mashare	35
Ngone	Rural	Kavango East	Rundu Rural	80
Nyangana	Rural	Kavango East	Ndonga Linena	120
Nyangana Hospital WT	Rural	Kavango East	Ndonga Linena	15
Omega	Rural	Kavango East	Mukwe	120
Rundu Airport	Urban	Kavango East	Rundu Urban	25
Rundu BSC	Urban	Kavango East	Rundu Urban	48
Rundu Mall	Urban	Kavango East	Rundu Urban	N/A
Rundu Med Cen	Urban	Kavango East	Rundu Urban	30
Sauyemwa	Urban	Kavango East	Rundu Urban	25
Sauyemwa WT	Urban	Kavango East	Rundu Urban	10
Shamaturu	Rural	Kavango East	Mukwe	80
Shankara	Rural	Kavango East	Ndonga Linena	60
Shinyungwe	Rural	Kavango East	Ndiyona	120
Sikanduko	Urban	Kavango East	Rundu Urban	25
Ncogo	Rural	Kavango East	Mashare	80
Yuru	Rural	Kavango East	Mashare	80
Katere	Rural	Kavango East	Ndiyona	80
Livayi	Rural	Kavango East	Ndiyona	120
Arendsnes	Rural	Kavango West	Ncuncuni	120
Bravo	Rural	Kavango West	Mpungu	120
Bunya	Rural	Kavango West	Kapako	35
Bunya TN	Rural	Kavango West	Kapako	50

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Kamupupu	Rural	Kavango West	Tondoro	120
Kasera	Rural	Kavango West	Mpungu	80
Katwitwi	Rural	Kavango West	Mpungu	80
Kaukuwa	Rural	Kavango West	Mpungu	80
Mangetti	Rural	Kavango West	Tondoro	120
Mpora	Rural	Kavango West	Ncamagoro	80
Mpungu	Rural	Kavango West	Mpungu	80
Mururani	Rural	Kavango West	Mankumpi	80
Nankudu	Rural	Kavango West	Tondoro	80
Ncamagoro	Rural	Kavango West	Ncamagoro	80
Ncaute	Rural	Kavango West	Ncuncuni	80
Ncuncuni	Rural	Kavango West	Ncuncuni	80
Nkurenkuru	Rural	Kavango West	Nkurenkuru	48
OuGordon	Rural	Kavango West	Mankumpi	80
Rupara	Rural	Kavango West	Musese	80
Sharukwe	Rural	Kavango West	Ncuncuni	48
Sinzogoro	Rural	Kavango West	Kapako	60
Erago	Rural	Kavango West	Ncamagoro	80
Satotwa	Rural	Kavango West	Mankumpi	80
Mburuuru PS	Urban	Kavango West	Tondoro	120
Calikawo PS	Rural	Kavango West	Tondoro	80
Rukura Junior PS	Rural	Kavango West	Mpungu	120
Naucova PS	Rural	Kavango West	Musese	80
Akosombo	Urban	Khomas	Samora Machel	25
Albatross	Urban	Khomas	Windhoek West	25
Angra Fria	Urban	Khomas	Windhoek East	20
Auas Blick	Urban	Khomas	Windhoek East	25
Auas Valley	Urban	Khomas	Windhoek East	20
Augustinium	Urban	Khomas	Khomasdal	10
Avis	Urban	Khomas	Windhoek East	10
Avis TN	Urban	Khomas	Windhoek East	20
Bahnhof	Urban	Khomas	Windhoek East	15
Baines	Urban	Khomas	Windhoek West	N/A
Baumgartsbrunn	Rural	Khomas	Windhoek Rural	80
Berghof	Rural	Khomas	Windhoek Rural	25
Bloukrans	Rural	Khomas	Windhoek Rural	25
Bowker Hill	Urban	Khomas	Windhoek East	6
BPI House	Urban	Khomas	Windhoek East	30
BPI House MH	Urban	Khomas	Windhoek East	N/A
Brakwater	Urban	Khomas	Windhoek Rural	60
Bush Wacker 2 At Ambrose Village	Urban	Khomas	Windhoek East	10
Carl List Building	Urban	Khomas	Windhoek East	40
Ceaser	Urban	Khomas	John Pandeni	20
Central Hospital	Urban	Khomas	Windhoek West	46
Cimbebasia	Urban	Khomas	Windhoek West	25
Cimbebasia Market	Urban	Khomas	Windhoek West	6
City Centre	Urban	Khomas	Windhoek East	25
City Heights	Urban	Khomas	Windhoek East	40
Cohen	Urban	Khomas	Windhoek East	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Commercial Centre MH	Urban	Khomas	Windhoek East	N/A
Concordia	Urban	Khomas	Windhoek West	15
Cone	Urban	Khomas	Windhoek East	9
Country Club	Urban	Khomas	Windhoek West	N/A
Daan Viljoen Hill	Urban	Khomas	Windhoek West	6
Dante	Urban	Khomas	Windhoek West	N/A
Dorado Park	Urban	Khomas	Windhoek West	20
Dorado Valley	Urban	Khomas	Windhoek West	5
Dordabis	Rural	Khomas	Windhoek Rural	48
Doreen	Rural	Khomas	Windhoek Rural	80
Elisenheim	Urban	Khomas	Windhoek Rural	6
Eros	Urban	Khomas	Windhoek East	35
Eros Centre	Urban	Khomas	Windhoek East	9
Faith City	Urban	Khomas	Windhoek West	12
Falkenhausen	Urban	Khomas	Windhoek West	12
Finkenstein	Rural	Khomas	Windhoek Rural	12
Finkenstein Manor	Urban	Khomas	Windhoek Rural	20
Florence	Urban	Khomas	Khomasdal	20
FNB Indoor	Urban	Khomas	Windhoek East	N/A
FNB Parking1	Urban	Khomas	Windhoek East	N/A
FNB Parking2	Urban	Khomas	Windhoek East	N/A
Funky Town	Urban	Khomas	Windhoek West	20
Gamams	Urban	Khomas	Windhoek West	20
Gamsberg	Rural	Khomas	Windhoek Rural	80
Gertrud	Urban	Khomas	Khomasdal	15
Gijima Ast	Urban	Khomas	Windhoek West	15
GocheGanas	Rural	Khomas	Windhoek Rural	5
Golgota	Urban	Khomas	John Pandeni	15
Goreangab	Urban	Khomas	Khomasdal	10
Greenwell	Urban	Khomas	Samora Machel	15
Groot Aub	Rural	Khomas	Windhoek Rural	48
Grosshertzog	Rural	Khomas	Windhoek Rural	60
Gustav Voigts	Urban	Khomas	Windhoek East	N/A
Hakahana	Urban	Khomas	Moses ||Garoëb	15
Hanganeni	Urban	Khomas	Windhoek West	15
Havana	Urban	Khomas	Samora Machel	25
Heja Lodge	Rural	Khomas	Windhoek Rural	6
Heliodoor	Urban	Khomas	Windhoek East	7
Hidas	Urban	Khomas	Windhoek East	22
Hintrager	Urban	Khomas	Windhoek West	15
Hochland Park	Urban	Khomas	Windhoek West	15
Hochland Park Spar	Urban	Khomas	Windhoek West	6
Hoffnung	Rural	Khomas	Windhoek Rural	60
Hohenheim TN	Rural	Khomas	Windhoek Rural	55
Hollard Insurance	Urban	Khomas	Windhoek East	7
Hornkrantz	Urban	Khomas	Windhoek West	15
Hosea Kutako	Rural	Khomas	Windhoek Rural	42
Hosea Kutako Airport	Rural	Khomas	Windhoek Rural	9
Hosea Kutako Arrivals	Rural	Khomas	Windhoek Rural	N/A

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Hospital	Urban	Khomas	Katutura East	40
HTS	Urban	Khomas	Windhoek West	18
Independence Centre	Urban	Khomas	Katutura Central	15
Jan Jonker	Urban	Khomas	Windhoek East	6
Kapps Farm	Rural	Khomas	Windhoek Rural	35
Kariba	Urban	Khomas	Samora Machel	25
Katutura MH	Urban	Khomas	Katutura Central	N/A
Khomasdal	Urban	Khomas	Khomasdal	20
Khomaskop	Rural	Khomas	Windhoek Rural	25
Kleine Kuppe	Urban	Khomas	Windhoek East	20
Klein Windhoek MH	Urban	Khomas	Windhoek East	N/A
Lafrenz	Urban	Khomas	Tobias Hainyeko	15
Lords Pub	Urban	Khomas	Windhoek West	25
Luiperds Valley	Urban	Khomas	Windhoek East	15
Maerua Mall MH	Urban	Khomas	Windhoek East	N/A
Maerua Mall Wimpy	Urban	Khomas	Windhoek East	N/A
Maerua Park	Urban	Khomas	Windhoek East	N/A
Marula Ranch	Rural	Khomas	Windhoek Rural	80
Mataman	Urban	Khomas	Windhoek West	25
Maxuilili	Urban	Khomas	Tobias Hainyeko	20
Michael Angelo	Urban	Khomas	Katutura East	20
Millennium House	Urban	Khomas	Windhoek East	30
Mines Energy	Urban	Khomas	Windhoek West	35
Modern Supermark	Urban	Khomas	John Pandeni	20
Monte Caesar	Urban	Khomas	John Pandeni	25
MTC House	Urban	Khomas	Windhoek East	30
Mungunda	Urban	Khomas	Katutura Central	25
Municipality	Urban	Khomas	Windhoek East	5
Mutual Federal	Urban	Khomas	Windhoek East	N/A
Mutual Platz	Urban	Khomas	Windhoek East	N/A
Mutual Platz Clock	Urban	Khomas	Windhoek East	20
Namibian Christian	Urban	Khomas	Khomasdal	20
Nampower	Urban	Khomas	Windhoek East	25
NBC Tower	Urban	Khomas	Windhoek East	48
NBL	Urban	Khomas	Windhoek East	15
Neudamm	Rural	Khomas	Windhoek Rural	50
Nickel	Urban	Khomas	Windhoek West	25
Nordland	Urban	Khomas	Tobias Hainyeko	20
Northern Industrial	Urban	Khomas	Windhoek East	25
NSFAF	Urban	Khomas	Windhoek east	13
Oamites	Rural	Khomas	Windhoek Rural	20
Okaparkaha	Rural	Khomas	Windhoek Rural	48
Okapuka	Rural	Khomas	Windhoek Rural	15
Okuryangava	Urban	Khomas	Tobias Hainyeko	35
Old Mutual Tower	Urban	Khomas	Windhoek East	N/A
Old Power Station Lamp	Urban	Khomas	Windhoek East	N/A
Olaf Palme	Urban	Khomas	Windhoek East	20
Olympia WT	Urban	Khomas	Windhoek East	35
Ombakata	Urban	Khomas	Tobias Hainyeko	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Ombili	Urban	Khomas	John Pandeni	25
Omeya	Rural	Khomas	Windhoek Rural	30
Omongo	Urban	Khomas	Samora Machel	25
Omuvapo	Urban	Khomas	Tobias Hainyeko	25
Ongulumbashe	Urban	Khomas	Tobias Hainyeko	25
Otjihase Mine	Rural	Khomas	Windhoek Rural	5
Otjimbuyu	Urban	Khomas	Moses ||Garoëb	15
Otjimuise	Urban	Khomas	Khomasdal	15
Otjimuise PC	urban	Khomas	Khomasdal	20
Otjimuise West	Urban	Khomas	Khomasdal	15
Otjivero	Rural	Khomas	Windhoek Rural	48
Paragon	Urban	Khomas	Windhoek East	15
Pelican Square	Urban	Khomas	Windhoek West	12
Pettencofer	Urban	Khomas	Windhoek West	5
Pioneerspark	Urban	Khomas	Windhoek West	20
Police Tower	Urban	Khomas	Windhoek East	15
Poly Campus	Urban	Khomas	Windhoek West	3
Poly Tech	Urban	Khomas	Windhoek West	48
Price Water House	Urban	Khomas	Windhoek East	N/A
Prosperita	Urban	Khomas	Windhoek West	25
RCBB	Urban	Khomas	Windhoek West	6
Rhino Park	Urban	Khomas	Windhoek West	15
Rocky Crest	Urban	Khomas	Windhoek West	60
Rocky Crest Hill	Urban	Khomas	Windhoek West	5
Sam Nujoma Stadium	Urban	Khomas	Windhoek East	20
Satcom	Urban	Khomas	Windhoek East	20
Seeis	Rural	Khomas	Windhoek Rural	50
Shandumbala	Urban	Khomas	Katutura East	25
Simon De Witt	Urban	Khomas	Windhoek West	6
Simon De Witt Bridge	Urban	Khomas	Windhoek West	10
Socolic	Urban	Khomas	Windhoek East	N/A
Socrates	Urban	Khomas	Windhoek West	25
Solitaire	Rural	Khomas	Windhoek Rural	20
Southern Industry	Urban	Khomas	Windhoek West	20
Soweto	Urban	Khomas	Katutura Central	25
State Hill	Urban	Khomas	Windhoek East	6
State House	Urban	Khomas	Windhoek East	N/A
St Elmo	Rural	Khomas	Windhoek Rural	80
SunKarros	Urban	Khomas	Windhoek Rural	5
Swabou	Urban	Khomas	Windhoek West	18
Tall Str	Urban	Khomas	Windhoek East	10
Theo Katjimune	Urban	Khomas	Katutura Central	20
The Grove Indoor	Urban	Khomas	Windhoek East	N/A
The Grove Outdoor	Urban	Khomas	Windhoek East	25
The Grove Parking	Urban	Khomas	Windhoek East	N/A
Town Square	Urban	Khomas	Windhoek East	N/A
Trade Centre	Urban	Khomas	Windhoek East	12
Trip Arcade	Urban	Khomas	Windhoek East	N/A
UNAM	Urban	Khomas	Windhoek West	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
UNAM Campus	Urban	Khomas	Windhoek West	25
Us Pass	Rural	Khomas	Windhoek Rural	80
Vaalhoek	Urban	Khomas	Khomasdal	20
Van Rhyn	Urban	Khomas	Windhoek West	20
Von Eck	Urban	Khomas	Windhoek East	30
Walter BB	Urban	Khomas	Windhoek West	15
Wanaheda	Urban	Khomas	Samora Machel	60
Weinberg	Urban	Khomas	Windhoek East	15
Wernhill	Urban	Khomas	Windhoek West	N/A
Wernhill Express MH	Urban	Khomas	Windhoek West	N/A
Wernhill Lampsite	Urban	Khomas	Windhoek West	N/A
WHK Showground	Urban	Khomas	Windhoek East	15
WHS Hill	Urban	Khomas	Windhoek East	9
WR Roadblock	Urban	Khomas	Windhoek East	9
Zambezi	Urban	Khomas	Samora Machel	25
Zambia	Urban	Khomas	Moses ||Garoëb	25
Wortel	Rural	Khomas	Windhoek Rural	48
Schlettwein	Urban	Khomas	Windhoek West	15
St Boniface	Urban	Khomas	Windhoek West	15
UNAM Emoma	Urban	Khomas	Windhoek West	15
Newton Str	Urban	Khomas	Windhoek West	N/A
Jan Marais BB	Urban	Khomas	Windhoek West	15
Orthodox	Urban	Khomas	Windhoek West	15
IUM	Urban	Khomas	Windhoek	15
Otjimuise POL	Urban	Khomas	Khomasdal	25
Jan Mohr	Urban	Khomas	Windhoek West	15
Otjimuise Life Style	Urban	Khomas	Khomasdal	15
Aurora	Rural	Khomas	Windhoek Rural	48
Kuwinamib	Rural	Khomas	Windhoek Rural	48
Aris	Rural	Khomas	Windhoek Rural	25
Anabeb	Rural	Kunene	Sesfontein	80
Anker	Rural	Kunene	Sesfontein	15
Arbeidsvreugde	Rural	Kunene	Kamanjab	80
Bergsig	Rural	Kunene	Khorixas	48
Blue Sodalite	Rural	Kunene	Epupa	70
Epupa	Rural	Kunene	Epupa	20
Erwee	Rural	Kunene	Sesfontein	25
Etanga TN	Rural	Kunene	Epupa	48
Etosha Poort	Urban	Kunene	Outjo	48
Fransfontein	Rural	Kunene	Khorixas	25
Grootberg	Rural	Kunene	Sesfontein	80
Grootberg TN	Rural	Kunene	Sesfontein	75
Houmoed	Rural	Kunene	Khorixas	120
Kamanjab	Rural	Kunene	Kamanjab	35
Kamanjab Town	Rural	Kunene	Kamanjab	25
Kaoko Otavi	Rural	Kunene	Opuwo Rural	48
Khorixas	Rural	Kunene	Khorixas	48
Khorixas Town	Rural	Kunene	Khorixas	25
Khowarib Schlucht	Rural	Kunene	Sesfontein	9

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Killarney	Rural	Kunene	Kamanjab	80
Koenig	Rural	Kunene	Outjo	48
Kranspoort	Rural	Kunene	Kamanjab	80
Mooipoort	Rural	Kunene	Kamanjab	48
Ohandungu	Rural	Kunene	Epupa	60
Okangwati	Rural	Kunene	Epupa	48
Opuwo	Urban	Kunene	Opuwo Urban	35
Opuwo Beacon	Rural	Kunene	Opuwo Rural	48
Opuwo NBC	Rural	Kunene	Opuwo Urban	150
Oruvandjai TN	Rural	Kunene	Opuwo Rural	21
Otazoama TN	Rural	Kunene	Epupa	48
Otjiktjekua TN	Rural	Kunene	Opuwo Rural	60
Otjivero TN	Rural	Kunene	Epupa	48
Otjokavare	Rural	Kunene	Sesfontein	9
Otjomatemba	Rural	Kunene	Opuwo Rural	65
Otjombande	Rural	Kunene	Opuwo Rural	70
Otjomuru Village	Rural	Kunene	Epupa	15
Otuani	Rural	Kunene	Opuwo Rural	25
Outjo	Urban	Kunene	Outjo	25
Outjoberg	Rural	Kunene	Outjo	80
Palmwag	Rural	Kunene	Sesfontein	54
Paresis	Rural	Kunene	Outjo	48
Puros	Rural	Kunene	Sesfontein	9
Putuavanga	Urban	Kunene	Opuwo Urban	25
Renosterkop	Rural	Kunene	Khorixas	48
Sesfontein	Rural	Kunene	Sesfontein	15
Sorris-Sorris	Rural	Kunene	Khorixas	80
Spioenkop	Rural	Kunene	Kamanjab	80
Springbokwasser	Rural	Kunene	Khorixas	9
Swartbooisdrift	Rural	Kunene	Epupa	9
Terrace Bay	Rural	Kunene	Sesfontein	48
The Glen	Rural	Kunene	Kamanjab	48
Twyfelfontein	Rural	Kunene	Khorixas	48
Warmquelle	Rural	Kunene	Sesfontein	9
Werda	Rural	Kunene	Sesfontein	60
Otjikondavirongo	Rural	Kunene	Opuwo Rural	9
St Michaels Mission	Rural	Kunene	Kamanjab	80
Etoto	Rural	Kunene	Epupa	48
Edundja	Rural	Ohangwena	Oshikango	48
Eenhana	Urban	Ohangwena	Eenhana	48
Eenhana Rural TN	Rural	Ohangwena	Eenhana	91
Eenhana VTC	Urban	Ohangwena	Eenhana	15
Eenhana WT	Urban	Ohangwena	Eenhana	15
Ehafo	Rural	Ohangwena	Okongo	80
Endola	Rural	Ohangwena	Endola	60
Engela	Rural	Ohangwena	Engela	20
Engela Hospital	Rural	Ohangwena	Engela	25
Epembe	Rural	Ohangwena	Epembe	45
Helao Nafidi	urban	Ohangwena	Oshikango	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Mpoto	Rural	Ohangwena	Okongo	80
Odibo	Rural	Ohangwena	Oshikango	15
Ohaingu	Rural	Ohangwena	Engela	48
Ohangwena	Rural	Ohangwena	Ohangwena	25
Ohaukelo	Rural	Ohangwena	Omulonga	48
Okakwa	Rural	Ohangwena	Endola	48
Okauva	Rural	Ohangwena	Ondobe	48
Okongo	Rural	Ohangwena	Okongo	60
Okongo NBC	Rural	Ohangwena	Okongo	80
Omauni	Rural	Ohangwena	Okongo	80
Omboloka	Rural	Ohangwena	Okongo	60
Omundaungilo	Rural	Ohangwena	Omundaungilo	60
Omundundu	Rural	Ohangwena	Engela	48
Omungwelume	Rural	Ohangwena	Ongenga	25
Onambutu	Rural	Ohangwena	Eenhana	48
Onamukulo	Rural	Ohangwena	Omulonga	48
Onanghulo	Rural	Ohangwena	Ohangwena	25
Ondobe	Rural	Ohangwena	Ondobe	60
Ondobe TN	Rural	Ohangwena	Ondobe	60
Onehanga	Rural	Ohangwena	Okongo	80
Ongenga	Rural	Ohangwena	Ongenga	50
Ongha	Rural	Ohangwena	Endola	35
Onhinda	Rural	Ohangwena	Epembe	80
Onhuno	Rural	Ohangwena	Ohangwena	25
Oshaango	Rural	Ohangwena	Eenhana	60
Oshandi	Rural	Ohangwena	Ondobe	25
Oshikango	Urban	Ohangwena	Oshikango	30
Oshikango 3rd	Urban	Ohangwena	Engela	25
Oshikunde	Rural	Ohangwena	Oshikunde	20
Oshuuli TN	Rural	Ohangwena	Oshikunde	50
Oupili	Rural	Ohangwena	Oshikunde	80
Eembaxu RDC	Rural	Ohangwena	Ondobe	48
Onepandaulo	Rural	Ohangwena	Endola	48
Onamunhama	Rural	Ohangwena	Ondobe	48
Otunganga	Rural	Ohangwena	Eenhana	48
Oushake	Rural	Ohangwena	Omundaungilo	80
Twaalulilwa PS	Rural	Ohangwena	Ondobe	48
Onamahoka	Rural	Ohangwena	Omulonga	48
Ondjadjaxwi	Rural	Ohangwena	Endola	48
Aminuis	Rural	Omaheke	Aminuis	120
BenHur	Rural	Omaheke	Kalahari	80
Ben vd Walt PS	Urban	Omaheke	Gobabis	20
Buitepos	Rural	Omaheke	Kalahari	15
Corridor POS 13	Rural	Omaheke	Aminuis	80
Corridor POS 19	Rural	Omaheke	Aminuis	80
Drimiopsis	Rural	Omaheke	Kalahari	120
Eintracht	Rural	Omaheke	Gobabis	48
Eiseb	Rural	Omaheke	Otjombinde	80
Epako	Urban	Omaheke	Gobabis	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Epukiro	Rural	Omaheke	Epukiro	120
Epukiro RC	Rural	Omaheke	Okarukambe	120
Farm Anker	Rural	Omaheke	Okarukambe	9
Gobabis	Urban	Omaheke	Gobabis	18
Gobabis NBC	Rural	Omaheke	Gobabis	80
Halma	Rural	Omaheke	Kalahari	80
Harnas	Rural	Omaheke	Okarukambe	80
Larochelle	Rural	Omaheke	Okarukambe	80
Leonardville	Rural	Omaheke	Aminuis	150
Mentz	Rural	Omaheke	Aminuis	80
Ninabis	Rural	Omaheke	Gobabis	50
Ninette	Rural	Omaheke	Okarukambe	80
Nossob	Urban	Omaheke	Gobabis	48
Okomumbonde	Rural	Omaheke	Otjinene	80
Okoutjove	Rural	Omaheke	Otjombinde	80
Omaere	Rural	Omaheke	Kalahari	120
Onderombapa	Rural	Omaheke	Aminuis	120
Onguari	Rural	Omaheke	Otjinene	120
Otjimanagombe	Rural	Omaheke	Epukiro	80
Otjinene	Rural	Omaheke	Otjinene	20
Otjiyarwa	Rural	Omaheke	Epukiro	80
Otjomongunindi	Rural	Omaheke	Aminuis	80
Otjozongu	Rural	Omaheke	Otjombinde	80
Otowe	Rural	Omaheke	Kalahari	80
Somali	Rural	Omaheke	Kalahari	80
Steinhausen	Rural	Omaheke	Okarukambe	120
Steinsberg	Rural	Omaheke	Kalahari	80
Summerdown	Rural	Omaheke	Okarukambe	120
Talismanus	Rural	Omaheke	Otjombinde	80
Vergenoeg GBS	Rural	Omaheke	Kalahari	80
Witvlei	Rural	Omaheke	Okarukambe	48
Otjiuaneho	Rural	Omaheke	Otjinene	120
Ramba	Rural	Omaheke	Okarukambe	80
Goreses	Rural	Omaheke	Otjinene	80
Ondjora	Rural	Omaheke	Epukiro	80
Donkerbos School	Rural	Omaheke	Otjombinde	80
Okomboha	Rural	Omaheke	Aminuis	80
Nuweland	Rural	Omaheke	Aminuis	80
Donkerbos Farm	Rural	Omaheke	Kalahari	120
Okatumba Gate	Rural	Omaheke	Otjombinde	80
Amarika	Rural	Omusati	Otamanzi	80
Elim	Rural	Omusati	Elim	15
Epalela	Rural	Omusati	Onesi	48
Etayi	Rural	Omusati	Etayi	48
Etilyase	Rural	Omusati	Otamanzi	20
Etunda	Rural	Omusati	Ruacana	15
Eunda	Rural	Omusati	Onesi	60
Iilyateko	Rural	Omusati	Onesi	60
Mahenene	Rural	Omusati	Outapi	80

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Ogongo	Rural	Omusati	Ogongo	60
Okahao	Urban	Omusati	Okahao	35
Okahao2nd	Urban	Omusati	Okahao	25
Okalongo	Rural	Omusati	Okalongo	35
Okalongo TN	Rural	Omusati	Okalongo	60
Okando	Rural	Omusati	Okalongo	48
Okatseidhi	Rural	Omusati	Tsandi	120
Olutsiidhi	Rural	Omusati	Elim	50
Omakange	Rural	Omusati	Ruacana	48
Ombafi	Rural	Omusati	Anamulenge	48
Ombetele	Rural	Omusati	Ogongo	60
Omuthitigwonyama	Rural	Omusati	Okalongo	60
Onaanda	Rural	Omusati	Elim	50
Onamatanga	Rural	Omusati	Ruacana	80
Onangalo	Rural	Omusati	Tsandi	25
Onanyanga	Rural	Omusati	Otamanzi	60
Onawa	Rural	Omusati	Anamulenge	48
Ondimbwa	Rural	Omusati	Etayi	60
Onealuka	Rural	Omusati	Outapi	48
Onemanye	Rural	Omusati	Okahao	25
Onesi	Rural	Omusati	Onesi	80
Ongulumbashe North	Rural	Omusati	Tsandi	48
Onheleiwa	Rural	Omusati	Etayi	48
Onhimbu	Urban	Omusati	Outapi	25
Oshifo	Urban	Omusati	Ruacana	60
Oshikuku	Rural	Omusati	Oshikuku	35
Oshikuyu	Rural	Omusati	Etayi	48
Oshitutuma TN	Rural	Omusati	Oshikuku	30
Oshoto	Rural	Omusati	Anamulenge	48
Oshuungu TN	Rural	Omusati	Elim	60
Otamanzi	Rural	Omusati	Otamanzi	25
Othika	Rural	Omusati	Elim	60
Otjondeka TN	Rural	Omusati	Ruacana	70
Otjorute TN	Rural	Omusati	Ruacana	70
Ruacana	Urban	Omusati	Ruacana	60
Ruacana Border Post	Rural	Omusati	Ruacana	48
Tsandi	Rural	Omusati	Tsandi	60
Uutapi BSC	Urban	Omusati	Outapi	48
Uutapi TN	Urban	Omusati	Outapi	80
Uutapi Town	Urban	Omusati	Outapi	60
Uutsathima	Rural	Omusati	Okahao	80
Elondo East	Rural	Omusati	Tsandi	60
Eengolo	Rural	Omusati	Outapi	48
Wakashamane Border Post	Rural	Omusati	Okalongo	48
Onakaheke CS	Rural	Omusati	Tsandi	48
Okapalelona Border Post	Rural	Omusati	Outapi	60
Oshuuli West	Rural	Omusati	Oshikuku	48
Ombaalume	Rural	Omusati	Outapi	60
Ashitenga	Rural	Oshana	Okatyali	48

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Canal	Urban	Oshana	Oshakati West	30
Eheke	Rural	Oshana	Ondangwa Rural	25
Ehenye North WT	Urban	Oshana	Oshakati East	15
Ekuku East WT	Urban	Oshana	Oshakati West	20
Ekuku WT	Urban	Oshana	Oshakati West	15
Endombo	Rural	Oshana	Ompundja	60
Engombe	Rural	Oshana	Uuvudhiya	60
Etenda	Urban	Oshana	Oshakati East	25
Evululuko	Urban	Oshana	Oshakati East	25
Evululuko South	Urban	Oshana	Oshakati East	25
Haihandja	Rural	Oshana	Okaku	48
Hanova WT	Urban	Oshana	Ongwediva	20
Indangungu	Rural	Oshana	Okaku	48
Mweshipandeka	Urban	Oshana	Ongwediva	25
Ohakwenyanga	Rural	Oshana	Ondangwa Rural	48
Okandjengedi	Urban	Oshana	Ongwediva	25
Okasheshete	Rural	Oshana	Okatyali	25
Okatana	Urban	Oshana	Okatana	25
OkauKamasheshe	Rural	Oshana	Oshakati West	80
Okaukuejo	Rural	Oshana	Uuvudhiya	20
Oluno	Urban	Oshana	Ondangwa Urban	35
Omalala Village	Rural	Oshana	Ongwediva	25
Omatala	Urban	Oshana	Oshakati West	40
Ombika	Rural	Oshana	Uuvudhiya	35
Omege	Rural	Oshana	Oshakati East	15
Ompundja	Rural	Oshana	Oshakati East	25
Omushimane	Rural	Oshana	Ondangwa Rural	48
Onaayamba	Rural	Oshana	Ongwediva	48
Onamutai	Rural	Oshana	Ongwediva	25
Onanyalala	Rural	Oshana	Uuvudhiya	60
Ondangwa	Urban	Oshana	Ondangwa Urban	60
Ondangwa Airport	Urban	Oshana	Ondangwa Urban	25
Ondangwa EXT 3	Urban	Oshana	Ondangwa Urban	25
Ondangwa EXT 6	Urban	Oshana	Ondangwa Urban	25
Ondangwa MH	Urban	Oshana	Ondangwa Urban	N/A
Ondjondjo	Urban	Oshana	Ondangwa Urban	25
Oneshila	Urban	Oshana	Oshakati East	25
Ongwediva	Urban	Oshana	Ongwediva	25
Ongwediva Cntr	Urban	Oshana	Ongwediva	25
Ongwediva RDC	Urban	Oshana	Ongwediva	25
Oshakati	Urban	Oshana	Oshakati East	80
Oshakati MH	Urban	Oshana	Oshakati West	N/A
Oshakati West	Urban	Oshana	Oshakati West	30
Oshana Mall	Urban	Oshana	Ongwediva	N/A
Oshona	Urban	Oshana	Oshakati East	25
Sector 10	Urban	Oshana	Oshakati East	25
Sky	Urban	Oshana	Ongwediva	25
Trade Fair	Urban	Oshana	Ongwediva	25
Trade Fair Dome	Urban	Oshana	Ongwediva	10

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Uukwiyu	Rural	Oshana	Uukwiyu	25
Uupindi	Urban	Oshana	Oshakati West	25
Uupindi North	Urban	Oshana	Oshakati West	25
Uupindi South	Urban	Oshana	Oshakati West	25
Uupindi TN	Urban	Oshana	Oshakati West	25
Uupopo	Urban	Oshana	Ondangwa Urban	25
Valombola	Urban	Oshana	Ongwediva	25
Zenith	Urban	Oshana	Ondangwa Urban	20
Oupumako CS	Rural	Oshana	Okatana	48
Andoni	Rural	Oshikoto	Nehale LyaMpingana	80
Anfang	Rural	Oshikoto	Tsumeb	80
Casablanca	Rural	Oshikoto	Nehale LyaMpingana	48
Cham-Cham	Rural	Oshikoto	Nehale LyaMpingana	80
Elavi	Rural	Oshikoto	Nehale LyaMpingana	80
Elombe	Rural	Oshikoto	Onayena	25
Farm Scott	Rural	Oshikoto	Tsumeb	80
Geluk	Rural	Oshikoto	Guinas	80
Halali	Rural	Oshikoto	Omuthiyagwiipundi	25
Heroes PS	Urban	Oshikoto	Olukonda	25
Iipopo	Rural	Oshikoto	Omuntele	60
Jacreines	Rural	Oshikoto	Tsumeb	48
Lake Otjikoto	Rural	Oshikoto	Tsumeb	60
Lindequist	Rural	Oshikoto	Omuthiyagwiipundi	35
Namutoni	Rural	Oshikoto	Omuthiyagwiipundi	25
Nomtsoub	Urban	Oshikoto	Tsumeb	25
Okakwiyu	Urban	Oshikoto	Olukonda	25
Okankolo	Rural	Oshikoto	Okankolo	60
Okapuku	Rural	Oshikoto	Omuthiyagwiipundi	60
Okashana Koomanya	Rural	Oshikoto	Eengondi	120
Okatope	Rural	Oshikoto	Onyaanya	60
Okawizume	Urban	Oshikoto	Tsumeb	25
Olukonda	Rural	Oshikoto	Olukonda	25
Omboto	Rural	Oshikoto	Nehale LyaMpingana	120
Omuntele	Rural	Oshikoto	Omuntele	60
Omuthiya	Urban	Oshikoto	Omuthiyagwiipundi	80
Omuthiya Town	Urban	Oshikoto	Omuthiyagwiipundi	25
Omutsegwonime	Rural	Oshikoto	Omuthiyagwiipundi	80
Onalusheshete	Rural	Oshikoto	Nehale LyaMpingana	80
Onankali	Rural	Oshikoto	Onyaanya	48
Onanke	Rural	Oshikoto	Omuntele	60
Onathinge	Rural	Oshikoto	Onayena	60
Onayena	Rural	Oshikoto	Onayena	25
Oniihandhila	Rural	Oshikoto	Omuntele	25
Oniipa	Urban	Oshikoto	Oniipa	25
Oniipa TN	Rural	Oshikoto	Oniipa	30
Onkoshi TN	Rural	Oshikoto	Omuthiyagwiipundi	15
Onkumbula	Rural	Oshikoto	Okankolo	60
Ontana	Rural	Oshikoto	Eengondi	60
Onyaanya	Rural	Oshikoto	Onyaanya	48

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Onyuulae	Rural	Oshikoto	Okankolo	20
Oshigambo	Rural	Oshikoto	Oniipa	60
Oshivelo	Rural	Oshikoto	Guinas	35
Othilu	Rural	Oshikoto	Eengondi	80
Tschudi	Rural	Oshikoto	Tsumeb	25
Tsinstabis	Rural	Oshikoto	Guinas	80
Tsomsoub	Urban	Oshikoto	Tsumeb	25
Tsumeb BSC	Urban	Oshikoto	Tsumeb	35
Tsumeb MH	Urban	Oshikoto	Tsumeb	N/A
Tsumeb Mountain	Urban	Oshikoto	Tsumeb	30
Uithoek	Rural	Oshikoto	Tsumeb	48
Onathinge North	Rural	Oshikoto	Okatana	48
Aasvoelnes	Rural	Otjozondjupa	Tsumkwe	80
Alter Roemer	Rural	Otjozondjupa	Omatako	48
Arbeidskroon	Rural	Otjozondjupa	Okahandja	48
B2Gold	Rural	Otjozondjupa	Otavi	48
Bachstroom	Rural	Otjozondjupa	Okahandja	35
Berg Aukas	Rural	Otjozondjupa	Grootfontein	80
Bergquell	Rural	Otjozondjupa	Omatako	48
Coblenz	Rural	Otjozondjupa	Okakarara	80
Deutsche Erde	Rural	Otjozondjupa	Otavi	60
Emmabrun	Rural	Otjozondjupa	Omatako	48
Five Rand	Urban	Otjozondjupa	Okahandja	48
Gam	Rural	Otjozondjupa	Tsumkwe	120
Gam Town	Rural	Otjozondjupa	Tsumkwe	15
Gobasib	Rural	Otjozondjupa	Grootfontein	80
Grootfontein	Urban	Otjozondjupa	Grootfontein	60
Grootfontein Army	Rural	Otjozondjupa	Grootfontein	15
Gross Barmen	Rural	Otjozondjupa	Okahandja	15
Gross-Ilmenau	Rural	Otjozondjupa	Grootfontein	48
Hayas	Rural	Otjozondjupa	Otavi	48
Heuningberg	Rural	Otjozondjupa	Otavi	60
Hochfeld	Rural	Otjozondjupa	Omatako	48
Kanovlei	Rural	Otjozondjupa	Tsumkwe	48
Khaibasen	Urban	Otjozondjupa	Okahandja	25
Klein Omatako	Rural	Otjozondjupa	Okahandja	48
Kombat	Rural	Otjozondjupa	Otavi	25
Leyte	Rural	Otjozondjupa	Otavi	60
Mangeti Dune	Rural	Otjozondjupa	Tsumkwe	80
Maroelaboom	Rural	Otjozondjupa	Grootfontein	120
Matador	Rural	Otjozondjupa	Okahandja	48
Mbela	Rural	Otjozondjupa	Omatako	80
Midgard	Rural	Otjozondjupa	Omatako	15
NauAib	Urban	Otjozondjupa	Okahandja	25
Nora	Rural	Otjozondjupa	Grootfontein	80
Nukuwis	Rural	Otjozondjupa	Grootfontein	80
Ohorongo	Rural	Otjozondjupa	Otavi	60
Okahandja	Urban	Otjozondjupa	Okahandja	60
Okahandja Industrial	Urban	Otjozondjupa	Okahandja	25

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Okahandja MH	Urban	Otjozondjupa	Okahandja	N/A
Okahandja SC	Urban	Otjozondjupa	Okahandja	5
Okakarara	Rural	Otjozondjupa	Okakarara	48
Okamatapati	Rural	Otjozondjupa	Okakarara	30
Okanapehuri	Rural	Otjozondjupa	Okahandja	80
Okangejama	Rural	Otjozondjupa	Okakarara	80
Okaputa	Rural	Otjozondjupa	Otavi	60
Okatoto	Rural	Otjozondjupa	Okakarara	80
Okauha	Rural	Otjozondjupa	Okakarara	80
Okawaka	Rural	Otjozondjupa	Omatako	9
Okondjatu	Rural	Otjozondjupa	Okakarara	80
Okonjima	Rural	Otjozondjupa	Omatako	20
Okorusu Mine	Rural	Otjozondjupa	Otjiwarongo	48
Omarassa	Rural	Otjozondjupa	Otavi	48
Omatako	Rural	Otjozondjupa	Omatako	10
Omatako Valley	Rural	Otjozondjupa	Tsumkwe	48
Omatuzu	Rural	Otjozondjupa	Okahandja	35
Omboroko	Rural	Otjozondjupa	Omatako	55
Omulunga	Urban	Otjozondjupa	Grootfontein	25
Orunahi	Rural	Otjozondjupa	Okakarara	80
Orwetoweni	Urban	Otjozondjupa	Otjiwarongo	25
Osire	Rural	Otjozondjupa	Omatako	80
Osona Village	Rural	Otjozondjupa	Okahandja	25
Otavi	Rural	Otjozondjupa	Otavi	48
Otjiberg	Urban	Otjozondjupa	Otjiwarongo	48
Otjituuo	Rural	Otjozondjupa	Okakarara	80
Otjiwa	Rural	Otjozondjupa	Omatako	48
Otjiwarongo	Urban	Otjozondjupa	Otjiwarongo	25
Otjiwarongo3rd	Urban	Otjozondjupa	Otjiwarongo	25
Otjiwarongo MH	Urban	Otjozondjupa	Otjiwarongo	N/A
Otjiwarongo WT	Urban	Otjozondjupa	Otjiwarongo	25
Otjosondu	Rural	Otjozondjupa	Omatako	20
Otumborombonga	Rural	Otjozondjupa	Okakarara	80
Ovitoto	Rural	Otjozondjupa	Omatako	48
Ozongarongombe	Rural	Otjozondjupa	Okakarara	80
Quelldam	Rural	Otjozondjupa	Otjiwarongo	48
RamsEck	Rural	Otjozondjupa	Otavi	80
Rietfontein	Rural	Otjozondjupa	Otavi	15
Rock Lodge	Rural	Otjozondjupa	Okahandja	48
Rooidag	Rural	Otjozondjupa	Tsumkwe	80
Siemenshof	Rural	Otjozondjupa	Otavi	20
Signalberg	Rural	Otjozondjupa	Otavi	80
Son Park OTJBSC	Urban	Otjozondjupa	Otjiwarongo	25
Sukses Nord	Rural	Otjozondjupa	Omatako	48
Tirol	Rural	Otjozondjupa	Otavi	60
Tsumkwe	Rural	Otjozondjupa	Tsumkwe	80
Tweekoppies	Rural	Otjozondjupa	Omatako	60
Uitkoms	Rural	Otjozondjupa	Grootfontein	15

Site Name	Urban/ Rural	Region	Constituency	Tower Height
Waldau	Rural	Otjozondjupa	Okahandja	48
Waterberg	Rural	Otjozondjupa	Omatako	65
Waterberg Resort	Rural	Otjozondjupa	Omatako	10
Okaepe	Rural	Otjozondjupa	Okakarara	80
Uitkoms Clinic	Rural	Otjozondjupa	Omatako	80
Ouhave	Rural	Otjozondjupa	Omundaungilo	25
Nama Pan	Rural	Otjozondjupa	Tsumkwe	120
Omungondo	Rural	Otjozondjupa	Okakarara	80
Bukalo	Rural	Zambezi	Katima Mulilo Rural	80
Chinchimani	Rural	Zambezi	Sibbinda	120
Choto	Urban	Zambezi	Katima Mulilo Urban	25
Ibbu	Rural	Zambezi	Katima Mulilo Rural	80
Impalila	Rural	Zambezi	Kabbe South	80
Itomba	Rural	Zambezi	Kabbe South	80
Kalimbeza	Rural	Zambezi	Kabbe North	80
Kapani	Rural	Zambezi	Linyanti	120
Katima BSC	Urban	Zambezi	Katima Mulilo Urban	80
Katima TN	Urban	Zambezi	Katima Mulilo Urban	50
Katima Unam	Urban	Zambezi	Katima Mulilo Urban	15
Kongola	Rural	Zambezi	Kongola	120
Lizauli	Rural	Zambezi	Judea Lyaboloma	120
Lusese	Rural	Zambezi	Kabbe South	80
Mabanga	Rural	Zambezi	Judea Lyaboloma	120
Mafuta	Rural	Zambezi	Katima Mulilo Rural	48
Masokotwani	Rural	Zambezi	Sibbinda	80
Mbalasinte	Rural	Zambezi	Kabbe South	80
Mpacha	Rural	Zambezi	Kongola	80
Muyako	Rural	Zambezi	Katima Mulilo Rural	120
Nambweza	Urban	Zambezi	Katima Mulilo Urban	15
Ngoma	Rural	Zambezi	Katima Mulilo Rural	80
Ngwezi	Urban	Zambezi	Katima Mulilo Urban	25
Omega3	Rural	Zambezi	Kongola	120
Sachinga	Rural	Zambezi	Sibbinda	80
Sangwali	Rural	Zambezi	Judea Lyaboloma	120
Schuckmansburg	Rural	Zambezi	Kabbe North	80
Sibbinda	Rural	Zambezi	Sibbinda	80
Sikanjabuka	Rural	Zambezi	Katima Mulilo Rural	48
Singalamwe	Rural	Zambezi	Kongola	80
Imukusi	Rural	Zambezi	Kabbe North	80
Kabbe	Rural	Zambezi	Kabbe North	48
Mbilajwe	Rural	Zambezi	Linyanti	80
Mubiza	Rural	Zambezi	Katima Mulilo Rural	80
Kwena	Rural	Zambezi	Katima Mulilo Rural	80
Chetto	Rural	Zambezi	Kongola	120

Annexure 16 OTHER ADDITIONAL INFORMATION

Table 15. Compliance and Reporting as per Communications Act No.8 of 2009

SUBMISSION	DUE DATE	GOVERNMENT GAZETTE	REGULATIONS
AUDITED ANNUAL FINANCIAL REPORT	31 March 2017 (6 months after end of financial year)	Government Gazette No. 5357, published: 6 December 2013	Regulations setting out Cost Accounting Procedures and Reporting Requirements
ANNUAL AUDITED SEGMENTATION REPORTS	30 July 2017 & 31 January 2017	Government Gazette No. 5357, published: 6 December 2013	Regulations setting out Cost Accounting Procedures and Reporting Requirements
BI-ANNUAL REPORTS	31 January & 31 July 2017	Government Gazette No.5357, published: 6 December 2013	Regulations setting out Cost Accounting Procedures and Reporting Requirements
REPORTING, MONITORING & COMPLIANCE REPORT	31 January & 30 June 2017	Government Gazette No. 5194, published: 29 May 2013	Regulations setting out Licence conditions for Spectrum Use Licences
PAYMENT OF SPECTRUM LICENCE	31 January 2017	Government Gazette No.5201 published: 29 May 2013	Regulations setting out licence conditions for Spectrum Use Licence
SUBMISSION OF NUMBER AUDIT	31 October 2017	Government Gazette No.5983 published 1 April 2016	Regulations prescribing the National Numbering Plan
PAYMENT OF FEES NUMBERING RESOURCES	31 December 2017 (30 days after year end & authority sends notices)	Government Gazette No.5571, published: 26 September 2014	Regulations regarding the National Numbering Plan
PAYMENT OF LICENCE FEES	31 March 2017 (6 months after end of financial year)	Government Gazette No.5037, published: 13 September 2012	Regulations regarding Administrative and Licence fees for service Licence.
QUALITY OF SERVICE REPORT	31 January 2017 & 31 July 2017	Government Gazette No.5713, published: 21 April 2015	Regulations Prescribing Quality of Service Standard Applicable to Service Licensees
CONSUMER COMPLAINT REPORT	31 January 2017	Government Gazette No. 4714 published: 18 May 2011	Regulations regarding Consumer Complaints

Table 16. MTC's Key Quality indicators (MTC, 2020)

Busy time is between 19:00 and 21:00	**Target**	**2016**	**2017**	**2018**	**2019**	**2020**
Total percentage of faults repaired within 48 hours	100%	99.9%	100.0%	100.0%	100.0%	99.99%
Percentage of successful calls during busy time	> 98% in busy time	98.38%	98.38%	98.38%	98.51%	98.39%
Percentage of unsuccessful calls during busy time	< 2% in busy time	1.6%	1.6%	1.6%	1.5%	1.61%
Percentage of dropped calls during busy time	< 3% in busy time	1.00%	1.16%	1.01%	1.00%	0.68%
Percentage of successfully sent SMSes	> 95% in busy time	98.1%	96.8%	98.2%	99.7%	97.51%
Percentage of successfully sent SMSes	> 95% in busy time	97.8%	95.8%	97.5%	98.3%	97.84%
Successful internet log-in (3G+4G)	> 95% in busy time	N/A	N/A	99.6%	98.8%	98.09%

Confirmation letters from MTC's bankers in support of adequate working capital as referred to in Section 26:

RMB

30 June 2021

IJG Securities (Pty) Ltd
P O Box 186
Windhoek

Re: Mobile Telecommunications Ltd Reg No 94/458

This letter serves to confirm that the following facilities are approved and held in our books for Mobile Telecommunications Limited and we furthermore confirm that there is no reason why the facilities would not be renewed subject to any reasonable obligations being satisfied.

Direct Overdraft	N$1,000,000.00
Credit Cards	N$220,000.00
Fleet Cards	N$1,900,000.00
Pre-settlement	N$20,000,000.00
Settlement facility (direct debits)	N$4,000,000.00

This report is given in confidence and without any responsibility whatsoever on the part of the Bank, its officials or informants and the above report is based on the best available information at the time of reporting.

We trust you find the above in order. Please do not hesitate to contact the undersigned in need.

Sincerely

Ansunette M Kiessling
Manager – Client Service Centre

FIRST NATIONAL BANK OF NAMIBIA LTD
30 JUN 2021
RMB Namibia

CORPORATE AND INVESTMENT BANKING
1st Floor, @Parkside, 130 Independence Ave, Windhoek,
Private Bag 13239 Windhoek,

Direct Line +264 61 299 8077
Helpdesk +264 61 299 8899

Bank Windhoek
a member of Capricorn Group

27 May 2021

Anthea Van Wyk
Treasurer – Mobile Telecommunications Ltd

IJG Securities (Pty) Ltd, Reg. No. 95/505) ("IJG") and

PSG Wealth Management (Namibia) (Pty) Ltd, Reg. No. 98/528) ("PSG")

(collectively the "Co-sponsors")

Dear Co-Sponsors,

CONFIRMATION OF CREDIT FACILITIES

1. **BANK WINDHOEK LTD**, Reg. No. 79/081 ("the Bank") herewith confirms that:

    a. **MOBILE TELECOMMUNICATIONS LTD**, Reg. No. 94/458 ("MTC") is a valued and long-standing Client of the Bank;

    b. At date hereof:
        i. MTC holds no Credit Facilities with the Bank;
        ii. The Bank is not in receipt of nor considering any application for Credit Facilities by MTC;
        iii. MTC has not provided any direct or indirect collateral security to the Bank.

Please contact the undersigned should you have any queries.

Yours faithfully

C. Saal
Relationship Support Manager
Corporate and Institutional Banking

Corporate and Institutional Banking
119 Independence Avenue
PO Box 15
Windhoek, Namibia
Tel: +264 (0) 61 299 1473
Fax: +264 (0) 61 299 1496
info@bankwindhoek.com.na
www.bankwindhoek.com.na

Bank Windhoek Limited Reg. no.79/081 Vat no: 0031148015
Directors: JJ Swanepoel (Chairman), BR Hans (Managing Director), JC Brandt, FJ du Toit*, DG Fourie, MJ Prinsloo*, GN Sekandi#
*South African, #Ugandan

Wholesale Banking

IJG Securities (Pty) Ltd (Registration number: 95/505) ("IJG") and
PSG Wealth Management (Namibia) (Pty) Ltd (Registration number: 98/528) ("PSG")
(collectively the "Co-sponsors")

28 May 2021

DELIVERED VIA EMAIL

Dear Madam/Sir,

MTC/ STANDARD BANK FACILITIES CONFIRMATION

We herewith confirm that:

1. No facility letter was issued by Standard Bank Namibia to Mobile Telecommunications Limited ("MTC") during the last financial year;
2. MTC currently enjoys no facilities with Standard Bank Namibia, other than a 6-month FEC line which is governed by long-form confirmations when the trade is booked; and
3. MTC has not provided any direct/indirect collateral security to Standard Bank Namibia.

I trust you will find the above in order. However, please do not hesitate to contact me should you require any further information.

Yours Sincerely,

Oshoveli Munashimue
Manager: Client Coverage

31 May 2021

To: Sponsors – IJG Securities (Pty) Ltd and PSG Wealth Management (Pty) Ltd

We hereby confirm that we hold no credit line(s) / facilities in the name of:

- **Mobile Telecommunication Limited (MTC)**, in our books.

We also confirm that Nedbank Namibia Limited is not in receipt of, nor considering any credit facility application.

As on the date above, MTC has not provided any direct/indirect collateral or security to the Bank.

We trust you find the above to be in order.

Please do not hesitate to contact the undersigned should you require any further information.

Yours faithfully,

Dr. E A Turner
Head: Corporate & Investment Banking
Tel: 061 - 295 2134

NEDBANK NAMIBIA LIMITED, BUSINESS CENTRE
C/O Guthenberg & Rehobother Street; P.O. Box 1 Windhoek, Namibia; T. +264 (61) 2952237, F. +264 (61) 2952495

Nedbank Namibia Limited (Registered Bank) Reg No 73/04561
Ultimate Controlling Shareholder: Nedbank Group Limited Reg No 1966/010630/06
S.W.I.F.T. NEDSNANX
Directors: SI Kankondi (Chairperson), PCW Hibbit*, M Murorua (Managing Director), TT Hiwilepo, HH Urib, TG Sibiya*, TB Horn, JG van Graan (Chief Financial Officer)
Company Secretary: CES Chipeio
(* South African)

www.nedbank.com.na

NEDBANK

Nedbank Namibia Limited Reg No 73/04561. Authorised financial services and registered credit provider.


Go from
security guard
to shareholder
#GetThere with MTC

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APPLICATION FORM

PUBLIC OFFER APPLICATION
INDIVIDUAL PERSON

Reference Number: _____
(refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number)

This Public Offer application can be completed electronically at www.mtc.com.na

To the directors of **MTC,**

1. I, the undersigned, confirm that I have full legal capacity to contract and, having read and understood the Prospectus, hereby irrevocably apply for the undermentioned number of MTC shares in respect of the Public Offer, at a selling price of N$8.50 per share, or any lesser number that may, in your absolute discretion, be allotted to me, subject to the memorandum and articles of association of MTC.

2. I hereby enclose proof of payment by way of electronic funds transfer or bank cash deposit slip in favour of **"MTC IPO Finance Account"**, in respect of my application.

3. I understand that the subscription for shares in terms of the Prospectus is conditional on the granting of a listing of the shares of MTC with effect from the start of trade on 19 November 2021 or such later date approved by the Namibian Stock Exchange.

4. I hereby authorise MTC to pay my dividends and/or refund into the account as stipulated below.

Signature of applicant: _____ **Date:** _____ **2021**

Surname	
Full names as on ID	
Identity number	
Postal address	
E-mail address (**Very important** for notifications and correspondence)	
Country of Residency (Country where you live)	
Country of Nationality / Citizenship (Country where you obtained your passport)	
Telephone number (08:00-17:00)	
Cell number	
Total number of MTC shares applied for in the respect of the Public Offer	
Total amount of application at a selling price of N$8.50 per share	
Bank Information **Electronic payments of dividends and refund of any overpayments:** ALL the fields (as below) must be completed AND the requested documents provided. Electronic payments can be done to a **cheque or savings account at a bank in Namibia or South Africa.** It cannot be done to a third party, a credit card, a fixed investment, or post office or building society account. Dividend payments will be credited to your account on the day of payment, with a clear description, e.g. "MTC DIV 01" for MTC dividend number 1.	
Name in which account at bank is held (usually your own name)	
Bank name (e.g. FNB)	
Branch name (e.g. Main branch)	
Branch code (**MUST** be given e.g. 281872 - ask your bank or use the electronic payment code)	
Account number	
Account type (only Savings or Cheque account – **MUST** be completed)	

I am a Previously Disadvantaged Namibian citizen (indicate whether applicable) Yes / No (see definition on page XI of the Prospectus.)

I am an MTC employee (indicate whether applicable) Yes / No If yes, MTC employee number _____

I will collect my share certificate from MTC at _____ or my stockbroker _____
showing my ID for identifcation (see list of collection points on page 233 in Annexure 13 of the Prospectus.)

I agree to receive annual reports, communications and notifications, etc in electronic format.

Reservation of rights

The Directors of MTC reserve the right to accept or refuse any application(s), either in whole or in part, or to abate any or all application(s) (whether or not received timeously) in such manner as they may, in their sole and absolute discretion, deem fit.

The Directors of MTC reserve the right to accept or reject, either in whole or in part, any application should the terms contained in the Prospectus and the instructions contained therein not be properly complied with.

The Public Offer applications are irrevocable and may not be withdrawn once received by MTC.

Mobile Telecommunications Limited - P.O. Box 23051 Windhoek, Namibia - Phone +264 81 888 2000 - Fax 0800 001100 / 0800 120130

I have attached:

☐ **Original certified copy of my ID** – front and back of ID and certified by Commissioner of Oaths;
AND

☐ **Confirmation of bank information on bank letterhead – original** – bank confirmation letter and/or original bank statement on bank letterhead clearly indicating account holder name and branch code, not older than 3 months;
AND

☐ **Proof of country of residency** – any proof of residency for example, a copy of tax certificate, municipal account, other account reflecting the residential address, or other proof of residency, not older than 3 months;
AND

☐ **Proof of payment** – electronic funds transfer or cash deposit slip indicating Reference number

Signature of applicant: _____ **Date:** _____ **2021**

Bank Details
Important Notice: No electronic funds transfer or cash deposit may be made without a Reference number on the deposit.
(refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number).

	Bank Windhoek	**FNB**	**Nedbank**	**Standard Bank**
Account Name	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account
Bank	Bank Windhoek Limited	First National Bank of Namibia Limited	Nedbank Namibia Limited	Standard Bank Namibia Limited
Branch	Kudu	Corporate & Investment Banking	Business Centre	Windhoek
Branch Code	482172	281972	461617	082372
Account Number	8017250436	62275070276	11990335429	60004582682
Payment Reference: Your Reference number on the application form				

Instructions
1. This application constitutes a legal contract between MTC and the applicant. Public Offer applications will not be accepted unless the above information has been completed in full and all the documents as required are attached.
2. Applications must be for a minimum of 200 shares and in multiples of 100 thereafter.
3. All alterations on the Public Offer application must be authenticated by full signature, or electronically.
4. Application for the Public Offer can only be made on MTC website (www.mtc.com.na) or on this Public Offer application form. Copies or reproductions of the application form will be accepted, provided that every application has a valid Reference number.
5. Please refer to the terms, conditions and payment of the Public Offer set out in paragraph 17.2 on page 113 of the Prospectus. Applicants should consult their stockbroker, banker, legal practitioner, accountant or other professional advisor in case of any doubt as to the correct completion of this Public Offer application.
6. The Public Offer may not be ceded, renounced or assigned in favour of anyone else.
7. The shares forming the subject matter of the Public Offer may not be applied for in the name of a minor, deceased estate or partnership. Executors and individual partners may apply for such shares in their own name or through nominee companies. Documentary evidence of capacity need to accompany the Public Offer application.
8. No receipts will be issued for Public Offer applications, application monies or any supporting documentation.
9. A Reference number must be obtained. Please refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number.
10. Payment may only be made by electronic funds transfer or cash deposit at a Commercial Bank against a valid Reference number.
11. The Public Offer applications will only be regarded complete once payment for the total amount of the application and the original duly completed application form with the supporting documents have been received. Should any deposit be dishonoured, the Directors of MTC, in their sole discretion, and without prejudice to any rights the group may have, regard the Public Offer application of such applicant as revoked or take such steps in regard thereto as they deem fit.
12. "Blocked assets" may be used by emigrants and non-residents of the Common Monetary Area for payment in terms of the Public Offer. In this regard, reference should be made to section 31 (17.2.18 pg 116) of the Prospectus which deals with Exchange Control Regulations.
13. MTC accepts no responsibility and will not be liable for the incorrect or any misallocation of Public Offer shares pursuant to payment being made or alleged to have been made by way of electronic funds transfer or cash deposit due to proof of such payment not being received or purported proof of such payment being insufficient or defective or MTC, for any reason, not being able to reconcile a payment or purported payment with a particular application for shares in terms of the Public Offer.

All investments carry risk. The information in this Prospectus is not intended to provide nor does it constitute financial, tax, legal, investment, or other advice. MTC, its Directors, management or any of its advisors do not guarantee returns on the MTC shares, its liquidity, repayment of capital, nor a rate of return. You are solely responsible for determining whether an investment in MTC shares is appropriate for you based on your personal investment objectives, financial circumstances and risk tolerance. It is recommended that you consult an independent financial advisor regarding your specific situation if you require financial and/or investment advice. Nothing contained in this Prospectus constitutes a recommendation by MTC, its Directors, management or any of its advisors in regard to buying, selling or holding any MTC shares, but shall merely be considered to be an invitation offering MTC shares.

Mobile Telecommunications Limited - P.O. Box 23051 Windhoek, Namibia - Phone +264 81 888 2000 - Fax 0800 001100 / 0800 120130

PUBLIC OFFER APPLICATION
REGISTERED LEGAL ENTITY – COMPANY / CC / TRUST / OTHER REGISTERED ENTITY

Reference Number: _____
refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number)

This Public Offer application can be completed electronically at www.mtc.com.na

To the directors of **MTC,**
1. I/we, the undersigned, confirm that I/we have full legal capacity to contract and, having read and understood the Prospectus, hereby irrevocably apply for the undermentioned number of MTC shares in respect of the Public Offer, at a selling price of N$8.50 per share, or any lesser number that may, in your absolute discretion, be allotted to me/us, subject to the memorandum and articles of association of MTC.

2. I/We hereby enclose proof of payment by way of electronic funds transfer or bank cash deposit slip in favour of **"MTC IPO Finance Account"**, in respect of my/our application.

3. I/We understand that the subscription for shares in terms of the Prospectus is conditional on the granting of a listing of the shares of MTC with effect from the start of trade on 19 November 2021 or such later date approved by the Namibian Stock Exchange.

4. I/We hereby authorise MTC to pay my dividends and/or refund into the account as stipulated below.

Signature of authorised signatory(ies): _____ **Date:** _____ **2021**

Full names of Company / CC / Trust / other entity exactly as on Registration document	
Registration number as on registration document (please attach to application)	
Name and Surname of authorised signatory completing the application	
Contact number of authorised signatory (08:00-17:00)	
E-mail address of authorised signatory (correspondence & questions on application)	
Type of entity (eg. Company / CC / Trust / other entity as on Registration document)	
Country of registration (Country where registered)	
Postal address	
E-mail address (**Very important** for future electronic notifications & correspondence)	
Telephone number (08:00-17:00) (for future communication)	
Cell number	
Total number of MTC shares applied for in respect of the Public Offer	
Total amount of application at a selling price of **N$8.50** per share	
Bank Information **Electronic payments of dividends and refund of any overpayments:** ALL the fields (as below) must be completed AND the requested documents provided. Electronic payments can be done to a **cheque or savings account at a bank in Namibia or South Africa.** It cannot be done to a third party, a credit card, a fixed investment, or post office or building society account. Dividend payments will be credited to your account on the day of payment, with a clear description e.g. "MTC DIV 01" for MTC dividend number 1.	
Name in which account at bank is held (must be the same name as the entity on application)	
Bank name (e.g. FNB)	
Branch name (e.g. Main branch)	
Branch code (**MUST** be given e.g. 281872 - ask your bank or use the electronic payment code)	
Account number	
Account type (only Savings or Cheque account – **MUST** be completed)	

I will collect my share certificate from MTC at _____ or my stockbroker _____,
(see list of collection points on page 233 in Annexure 13 of the Prospectus.)

We will give a letter, on a letterhead, to the person specifying that he/she is authorised to collect the certificate. The letter will identify the authorised person(s) by full name(s) (as on the ID) and ID number. The person authorised to collect the certificate will show his/her ID for identification.
I agree to receive annual reports, communications and notifications, etc in electronic format.

Reservation of rights

The Directors of MTC reserve the right to accept or refuse any application(s), either in whole or in part, or to abate any or all application(s) (whether or not received timeously) in such manner as they may, in their sole and absolute discretion, deem fit.

The Directors of MTC reserve the right to accept or reject, either in whole or in part, any application should the terms contained in the Prospectus and the instructions contained therein not be properly complied with.

The Public Offer applications are irrevocable and may not be withdrawn once received by MTC.

Mobile Telecommunications Limited - P.O. Box 23051 Windhoek, Namibia - Phone +264 81 888 2000 - Fax 0800 001100 / 0800 120130

I/We have attached:

☐ **Original certified copies, certified by a Commissioner of Oaths of:**
- **Company:** CM1 Certificate of Incorporation, CM22 Certificate of Registered Address and CM29 form, all bearing the stamp of the Registrar of Companies and signed by the Company Secretary.
- **Close Corporation / CC:** CC1 Founding Statement bearing the stamp of the Registrar and signed by an authorised member.
- **Trust:** Trust Certificate issued by Master of the High Court bearing the stamp of the High Court.
- **Other legal entities:** Registration document and Constitution or other founding documentation and written confirmation of the residential address of persons authorised to act on behalf of the legal entity.

AND

☐ Original certified copy of a **board minutes / resolution detailing authorised person(s)** to act on behalf of the company / close corporation / trust / legal entity for share dealing and other purposes:
- On an applicable letterhead, a list of authorised persons with each one's specimen signature and contact particulars; or
- Original certified copies of the identity documents of the authorised signatories and CEO / Trustees / Principal Officer.

AND

☐ **Confirmation of bank information on bank letterhead:**
- Original letter from the bank on a bank letterhead confirming the account name, branch number, account number and type of account; or
- Original bank statement clearly showing the bank name, branch code and account holder's name, not older than 3 months. No screen prints can be accepted.

AND

☐ **Proof of country of residency –** any proof of residency for example, a copy of tax certificate, municipal account, other account reflecting the residential address, or other proof of residency, not older than 3 months;

AND

☐ **Proof of payment –** electronic funds transfer or cash deposit slip indicating Reference number

Signature of authorised signatory(ies): _____ **Date:** _____ **2021**

Bank Details
Important Notice: No electronic funds transfer or deposit may be made without a Reference number on the deposit.
(refer to paragraph 17.2.5 page 113 of this Prospectus on how to obtain a Reference number).

	Bank Windhoek	**FNB**	**Nedbank**	**Standard Bank**
Account Name	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account
Bank	Bank Windhoek Limited	First National Bank of Namibia Limited	Nedbank Namibia Limited	Standard Bank Namibia Limited
Branch	Kudu	Corporate & Investment Banking	Business Centre	Windhoek
Branch Code	482172	281972	461617	082372
Account Number	8017250436	62275070276	11990335429	60004582682
Payment Reference: Your Reference number on the application form				

Instructions
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2. Applications must be for a minimum of 200 shares and in multiples of 100 thereafter.
3. All alterations on the Public Offer application must be authenticated by full signature or electronically.
4. Applications for the Public Offer can only be made on MTC website (www.mtc.com.na) or on this Public Offer application form. Copies or reproductions of the application form will be accepted, provided that every application has a valid Reference number.
5. Please refer to the terms, conditions and payment of the Public Offer set out in paragraph 17.2 page 113 of the Prospectus. Applicants should consult their stockbroker, banker, legal practitioner, accountant or other professional advisor in case of any doubt as to the correct completion of this Public Offer application.
6. The Public Offer may not be ceded, renounced or assigned in favour of anyone else.
7. The shares forming the subject matter of the Public Offer may not be applied for in the name of a minor, deceased estate or partnership. Executors and individual partners may apply for such shares in their own name or through nominee companies. Documentary evidence of capacity need to accompany the Public Offer application.
8. No receipts will be issued for Public Offer applications, application monies or any supporting documentation.
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12. "Blocked assets" may be used by emigrants and non-residents of the Common Monetary Area for payment in terms of the Public Offer. In this regard, reference should be made to section 31 (17.2.18 pg 116) of the Prospectus which deals with Exchange Control Regulations.
13. MTC accepts no responsibility and will not be liable for the incorrect or any misallocation of Public Offer shares pursuant to payment being made or alleged to have been made by way of electronic funds transfer or cash deposit due to proof of such payment not being received or purported proof of such payment being insufficient or defective or MTC, for any reason, not being able to reconcile a payment or purported payment with a particular application for shares in terms of the Public Offer.

All investments carry risk. The information in this Prospectus is not intended to provide nor does it constitute financial, tax, legal, investment, or other advice. MTC, its Directors, management or any of its advisors do not guarantee returns on the MTC shares, its liquidity, repayment of capital, nor a rate of return. You are solely responsible for determining whether an investment in MTC shares is appropriate for you based on your personal investment objectives, financial circumstances and risk tolerance. It is recommended that you consult an independent financial advisor regarding your specific situation if you require financial and/or investment advice. Nothing contained in this Prospectus constitutes a recommendation by MTC, its Directors, management or any of its advisors in regard to buying, selling or holding any MTC shares, but shall merely be considered to be an invitation offering MTC shares.

Mobile Telecommunications Limited - P.O. Box 23051 Windhoek, Namibia - Phone +264 81 888 2000 - Fax 0800 001100 / 0800 120130

Mobile Telecommunications Limited ("MTC" or "the Company") (Incorporated in the Republic of Namibia)
(Registration number: 94/458) (Registration date: 06 October 1994)
Share Code: MOC ISIN: NA000A3CR803

Version Date: 06/10/2020

PUBLIC OFFER APPLICATION
INVESTOR USING A CUSTODIAN / NOMINEE ACCOUNT

Reference Number: _____
(refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number)

This Public Offer application can be completed electronically at www.mtc.com.na

To the directors of **MTC,**
1. I/we, the undersigned, confirm that I/we have full legal capacity to contract and, having read and understood the Prospectus, hereby irrevocably apply for the undermentioned number of MTC shares in respect of the first Public Offer, at a selling price of N$8.50 per share, or any lesser number that may, in your absolute discretion, be allotted to me/us, subject to the memorandum and articles of association of MTC.

2. I/We hereby enclose proof of payment by way of electronic funds transfer or bank cash deposit slip in favour of **"MTC IPO Finance Account"**, in respect of my/our application.

3. I/We understand that the subscription for shares in terms of the Prospectus is conditional on the granting of a listing of the shares of MTC with effect from the start of trade on 19 November 2021 or such later date approved by the Namibian Stock Exchange.

4. I/We hereby authorise MTC to pay my dividends and/or refund into the account as stipulated below.

Signature of authorised signatory(ies): _____ **Date:** _____ **2021**

Name and Surname of authorised person completing application	
Contact number of authorised person (08:00-17:00)	
E-mail address of authorised person (**Very important** for correspondence on application)	
Name of investment management company mandated to apply	
Custodian / Nominee company(ies) to be used	

MTC will use Transfer Secretaries (Pty) Ltd as transfer secretaries to maintain the share register.

Beneficial holders on the Transfer Secretaries database
If the beneficial holder has already been FIA verified at Transfer Secretaries, the Transfer Secretary holder number and details can be completed below.

Transfer Secretaries Holder number	Nominee company	Beneficial Holder	Registration number	Number of MTC shares applied for	Value of shares applied for
Total of application					

Investors or beneficial holders not on the Transfer Secretaries (Pty) Ltd database
In **addition** to the above applications, I/we hereby **apply** for the following investors / beneficial holders **not on** Transfer Secretaries database list.

FIA documents for these holders **must be** attached to the application. It **MUST** be a registered entity with the name exactly as on the Registration document.

Nominee company	Beneficial Holder (Exact name as it is on the Registration document)	Registration number	Country of registration / residency	Number of Shares	Value of shares applied for
Total of application					

My/Our Nominee Company / Custodian is hereby authorised to collect the applicable share certificate(s) from the offices of Transfer Secretaries (Pty) Ltd.

I/We agree to receive annual reports, communications and notifications, etc in electronic format.

Mobile Telecommunications Limited - P.O. Box 23051 Windhoek, Namibia - Phone +264 81 888 2000 - Fax 0800 001100 / 0800 120130

Reservation of rights

The Directors of MTC reserve the right to accept or refuse any application(s), either in whole or in part, or to abate any or all application(s) (whether or not received timeously) in such manner as they may, in their sole and absolute discretion, deem fit.

The Directors of MTC reserve the right to accept or reject, either in whole or in part, any application should the terms contained in the Prospectus and the instructions contained therein not be properly complied with.

The Public Offer applications are irrevocable and may not be withdrawn once received by MTC.

I/We have attached:

☐ **an original certified copy of the registration document of the beneficial holder / entity doing the investment certified by Commissioner of Oaths for each of the beneficial holders that have not yet been sufficiently registered at Transfer Secretaries;**

AND

☐ **Proof of payment** – electronic funds transfer indicating Reference number.

Signature of authorised signatory(ies): _____ **Date:** _____ **2021**

Bank Details
Important Notice: No electronic funds transfer or cash deposit may be made without a Reference number on the deposit.
(refer to paragraph 17.2.5 on page 113 of this prospectus on how to obtain a Reference number).

	Bank Windhoek	**FNB**	**Nedbank**	**Standard Bank**
Account Name	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account	MTC IPO Finance Account
Bank	Bank Windhoek Limited	First National Bank of Namibia Limited	Nedbank Namibia Limited	Standard Bank Namibia Limited
Branch	Kudu	Corporate & Investment Banking	Business Centre	Windhoek
Branch Code	482172	281972	461617	082372
Account Number	8017250436	62275070276	11990335429	60004582682
Payment Reference: Your Reference number on the application form				

Instructions

1. This application constitutes a legal contract between MTC and the applicant. Public Offer applications will not be accepted unless the above information has been completed in full and all the documents as required are attached.
2. Applications must be for a minimum of 200 shares and in multiples of 100 thereafter.
3. All alterations on the Public Offer application must be authenticated by full signature, or electronically.
4. Applications for the Public Offer can only be made on MTC website (www.mtc.com.na) or on this Public Offer application form. Copies or reproductions of the application form will be accepted, provided that every application has a valid Reference number.
5. Please refer to the terms, conditions and payment of the Public Offer set out in paragraph 17.2 on page 113 of the Prospectus. Applicants should consult their stockbroker, banker, legal practitioner, accountant or other professional advisor in case of any doubt as to the correct completion of this Public Offer application.
6. The Public Offer may not be ceded, renounced or assigned in favour of anyone else.
7. The shares forming the subject matter of the Public Offer may not be applied for in the name of a minor, deceased estate or partnership. Executors and individual partners may apply for such shares in their own name or through nominee companies. Documentary evidence of capacity need to accompany the Public Offer application.
8. No receipts will be issued for Public Offer applications, application monies or any supporting documentation.
9. A Reference number must be obtained. Please refer to paragraph 17.2.5 on page 113 of this Prospectus on how to obtain a Reference number.
10. Payment may only be made by electronic funds transfer or cash deposit at a Commercial Bank against a valid Reference number.
11. The Public Offer applications will only be regarded complete once payment for the total amount of the application and the original duly completed application form with the supporting documents have been received. Should any deposit be dishonoured, the Directors of MTC, in their sole discretion, and without prejudice to any rights the group may have, regard the Public Offer application of such applicant as revoked or take such steps in regard thereto as they deem fit.
12. "Blocked assets" may be used by emigrants and non-residents of the Common Monetary Area for payment in terms of the Public Offer. In this regard, reference should be made to section 31 (17.2.18 pg 116) of the Prospectus which deals with Exchange Control Regulations.
13. MTC accepts no responsibility and will not be liable for the incorrect or any misallocation of Public Offer shares pursuant to payment being made or alleged to have been made by way of electronic funds transfer or cash deposit due to proof of such payment not being received or purported proof of such payment being insufficient or defective or MTC, for any reason, not being able to reconcile a payment or purported payment with a particular application for shares in terms of the Public Offer.

All investments carry risk. The information in this Prospectus is not intended to provide nor does it constitute financial, tax, legal, investment, or other advice. MTC, its Directors, management or any of its advisors do not guarantee returns on MTC shares, its liquidity, repayment of capital, nor a rate of return. You are solely responsible for determining whether an investment in MTC shares is appropriate for you based on your personal investment objectives, financial circumstances and risk tolerance. It is recommended that you consult an independent financial advisor regarding your specific situation if you require financial and/or investment advice. Nothing contained in this Prospectus constitutes a recommendation by MTC, its Directors, management or any of its advisors in regard to buying, selling or holding any MTC shares, but shall merely be considered to be an invitation offering equities in MTC.

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