



Omajowa Properties Limited

(Registration number 2019/0840)

Financial statements

for the year ended 30 April 2021

Omajowa Properties Limited

(Registration number 2019/0840)

Financial Statements for the year ended 30 April 2021

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Property investments, developments and all related thereto
Directors	Mr Barend C Verhoef Mr Brain Katjaerua Mr Carel Fourie Mr Festus Hamukwaya Mr Pieter WJ Reyneke Mr Tomas K Iindji Mrs Adeline Beukes
Registered office	Ausspann Plaza, 2nd Floor, Unit 3 Dr Agosthino Neto Road Aussplannplatz Windhoek, Namibia
Postal address	Private Bag 12012 Ausspannplatz Windhoek, Namibia
Auditors	BDO Registered Accountants and Auditors Chartered Accountants (Namibia)
Tax reference number	1037 4989 01 1

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Directors' Responsibilities and Approval

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

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

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

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

The directors have reviewed the company's cash flow forecast for the year to 30 April 2022 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The financial statements set out on pages 7 to 24, which have been prepared on the going concern basis, were approved by the directors on 11 November 2021 and were signed on their behalf by:

Approval of financial statements



Mr Carel Fourie



Mr Festus Hamukwaya

Windhoek

Thursday, 11 November 2021

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Omajowa Properties Limited

Opinion

We have audited the financial statements of Omajowa Properties Limited set out on pages 10 to 24, which comprise the statement of financial position as at 30 April 2021, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Omajowa Properties Limited as at 30 April 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of Namibia, which we obtained prior to the date of this auditor's report. Other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

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

In preparing the financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 these financial statements.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent 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.

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

BDO

BDO
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: M Nel
Partner

Windhoek
11 November 2021

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Financial Statements for the year ended 30 April 2021

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Omajowa Properties Limited for the year ended 30 April 2021.

1. Incorporation

The company was incorporated on 31 July 2019 and obtained its certificate to commence business on the same day.

2. Nature of business

Omajowa Properties Limited was incorporated in Namibia with interests in the property holding, development and related industries. The company operates in Namibia.

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

3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year.

The company registration status was altered and converted from a private company to a public company in terms of the Companies Act and in accordance with the Company's Articles of Association. During the current reporting period, the company was listed as a Capital Pool Company, in accordance with the listing requirements, on the Development Board of the Namibian Stock Exchange on 31 July 2020. Prior to the listing date, the director's register has changed and consist of 3 executive directors and 5 non-executive directors.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

4. Share capital

Authorised			2021	2020
Ordinary shares			Number of shares	Number of shares
			500,000,000	4,000
Issued	2021	2020	2021	2020
Ordinary shares	N\$	N\$	Number of shares	Number of shares
	44	100	444,452	100

Refer to note 5 of the financial statements for detail of the movement in authorised and issued share capital.

5. Dividends

No dividends were declared for the year under review and none were recommended.

6. Shareholders

The shareholders of the company are Mr Barend C Verhoef, Mr Brain Katjaerua, Mr Carel Fourie, Mr Festus Hamukwaya, Mr Jacques C Reyneke, Mr Pieter WJ Reyneke, Mr Thomas K Iindji, Mrs Adeline Beukes and Ms Dorethy E Smit.

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Directors' Report

7. Directorate

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

Directors	Designation	Nationality	Changes
Mr Barend C Verhoef	Executive	South African	Appointed Monday, 8 June 2020
Mr Brain Katjaerua	Non-executive	Namibian	Appointed Monday, 8 June 2020
Mr Carel Fourie	Executive	Namibian	Appointed Monday, 8 June 2020
Mr Festus Hamukwaya	Non-executive	Namibian	Appointed Monday, 8 June 2020
Mr Pieter WJ Reyneke	Non-executive	South African	
Mr Tomas K lindji	Non-executive	Namibian	Appointed Monday, 8 June 2020
Mrs Adeline Beukes	Executive	Namibian	Appointed Monday, 8 June 2020
Ms Dorethy E Smit	Non-executive	Namibian	Appointed Monday, 8 June 2020, resigned Wednesday, 6 October 2021

8. Events after the reporting period

The Directors can report that it is advanced in finalizing negotiations to acquire a selected portfolio of distressed assets at a marketable price with acceptable potential upside. The negotiations are being conducted with a group of income generating property owning companies, currently owned by a private property owner. This is pursued in conjunction and the assistance with certain commercial banks operating in Namibia, which control the subject properties in terms of first ranking security holders.

9. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

The company's operations were and will continue to be affected by the recent outbreak of COVID-19. The ultimate disruption which may be caused by the outbreak is uncertain, however, it may result in a material adverse impact on the company's financial positions, operations, and cash flow.

Possible effects may include, but are not limited to, disruption of the company's operations due to closure of businesses as required by the government, disruption in revenue, absenteeism in the company's work force and unavailability of supplies used in operations.

While disruption is currently expected to be temporary, there is uncertainty around the duration. Therefore while we expect this matter to negatively impact the business, results of operations and financial position, the related financial impact cannot be reasonably estimated at this time.

The ability of the company to continue as a going concern is dependent on several factors. The most significant of these is that the directors continue to actively manage the impact of COVID-19.

10. COVID-19

The effect of Covid-19 was evaluated and the impact is disclosed in note 9 of this report.

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Directors' Report

11. Secretary

The company secretary is L & B Secretarial Services CC.

Postal address: Private Bag 12012
Ausspannplatz
Windhoek, Namibia

Business address: Ausspann Plaza, 2nd Floor, Unit 3
Dr Agosthino Neto Road
Ausspannplatz
Windhoek, Namibia

12. Terms of appointment of the auditors

BDO were appointed as the company's auditors at the general meeting held on Wednesday, 1 September 2021. Included in loss for the year is the agreed auditors' remuneration of N\$31,280. Shareholders wishing to inspect a copy of the terms on which the company's auditors is appointed and remunerated may do so by contacting the Company Secretary.

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Statement of Financial Position as at 30 April 2021

Figures in Namibia Dollar	Note(s)	2021	2020
Assets			
Current Assets			
Trade and other receivables	3	-	100
Cash and cash equivalents	4	1,427,208	-
		1,427,208	100
Equity and Liabilities			
Equity			
Share capital	5	4,444	100
Accumulated loss		(1,216,647)	(269,864)
		(1,212,203)	(269,764)
Liabilities			
Non-Current Liabilities			
Loans from group companies	6	528,631	-
Current Liabilities			
Trade and other payables	8	115,191	30,000
Loans from group companies	6	-	239,864
Borrowings	7	1,995,589	-
		2,110,780	269,864
Total Liabilities		2,639,411	269,864
Total Equity and Liabilities		1,427,208	100

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2021	2020
Revenue	9	33,341	-
Other operating income	10	286,803	-
Other operating expenses		(1,266,927)	(269,864)
Loss before taxation		(946,783)	(269,864)
Taxation	13	-	-
Loss for the year		(946,783)	(269,864)
Other comprehensive income		-	-
Total comprehensive loss for the year		(946,783)	(269,864)
Earnings per share			
Per share information			
Basic\diluted loss per share (c)	14	(284)	(269,864)

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Statement of Changes in Equity

Figures in Namibia Dollar	Share capital	Share premium	Total share capital	Accumulated loss	Total equity
Total comprehensive Loss for the year	-	-	-	(269,864)	(269,864)
Issue of shares	100	-	100	-	100
Total contributions by and distributions to owners of company recognised directly in equity	100	-	100	-	100
Balance at 1 May 2020	100	-	100	(269,864)	(269,764)
Total comprehensive Loss for the year	-	-	-	(946,783)	(946,783)
Conversion/issue of shares	(56)	4,400	4,344	-	4,344
Total contributions by and distributions to owners of company recognised directly in equity	(56)	4,400	4,344	-	4,344
Balance at 30 April 2021	44	4,400	4,444	(1,216,647)	(1,212,203)
Note(s)	5	5	5		

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Statement of Cash Flows

Figures in Namibia Dollar	Note(s)	2021	2020
Cash flows from operating activities			
Cash used in operations	15	(606,066)	(100)
Interest income		33,341	-
Net cash from operating activities		(572,725)	(100)
Cash flows from financing activities			
Proceeds on share issue	5	4,344	100
Proceeds from borrowings		1,995,589	-
Net cash from financing activities		1,999,933	100
Total cash movement for the year		1,427,208	-
Cash at the beginning of the year		-	-
Total cash at end of the year	4	1,427,208	-

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Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these 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 of Namibia.

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 company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of 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

Management did not make critical judgements in the application of accounting policies.

1.3 Financial instruments

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

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

Financial assets which are debt instruments:

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

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

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

Note 18 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

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Accounting Policies

1.3 Financial instruments (continued)

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

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 3).

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

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

Credit risk

Details of credit risk are included in the trade and other receivables note (note 3) and the financial instruments and risk management note (note 18).

Borrowings and loans from related parties

Classification

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

Recognition and measurement

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

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

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

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

Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

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Accounting Policies

1.3 Financial instruments (continued)

Trade and other payables

Classification

Trade and other payables (note 8), 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 company 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.

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.

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents is initially recognised at fair value and subsequent measurement at amortised cost which approximate fair value.

Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

Financial assets

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

Financial liabilities

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

1.4 Tax

Current tax assets and liabilities

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

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

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Accounting Policies

1.4 Tax (continued)

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.

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.

1.5 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity.

1.6 Interest Income

Interest is recognised, in the profit or loss, using the effective interest rate method.

1.7 Segments

The company has not yet started trading, therefore do not have any segments.

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Notes to the Financial Statements

Figures in Namibia Dollar

2021

2020

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after
<ul style="list-style-type: none">Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7	1 January 2020
<ul style="list-style-type: none">Definition of a business - Amendments to IFRS 3	1 January 2020
<ul style="list-style-type: none">Presentation of Financial Statements: Disclosure initiative	1 January 2020
<ul style="list-style-type: none">Accounting Policies, Changes in Accounting Estimates and Errors: Disclosure initiative	1 January 2020

The adoption of these standards and amendments did not have any impact on the financial statements.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 May 2021 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none">Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined	Unlikely there will be a material impact
<ul style="list-style-type: none">Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	1 January 2023	Unlikely there will be a material impact
<ul style="list-style-type: none">IFRS 17 Insurance Contracts	1 January 2023	Unlikely there will be a material impact
<ul style="list-style-type: none">Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Reference to the Conceptual Framework: Amendments to IFRS 3	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41	1 January 2022	Unlikely there will be a material impact
<ul style="list-style-type: none">Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 4	1 January 2021	Unlikely there will be a material impact
<ul style="list-style-type: none">Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 7	1 January 2021	Unlikely there will be a material impact
<ul style="list-style-type: none">Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9	1 January 2021	Unlikely there will be a material impact
<ul style="list-style-type: none">Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 16	1 January 2021	Unlikely there will be a material impact
<ul style="list-style-type: none">Interest Rate Benchmark Reform - Phase 2: Amendments to IAS 39	1 January 2021	Unlikely there will be a material impact
<ul style="list-style-type: none">COVID-19 - Related Rent Concessions - Amendment to IFRS 16	1 June 2020	Unlikely there will be a material impact

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Notes to the Financial Statements

Figures in Namibia Dollar	2021	2020
3. Trade and other receivables		
Other receivable	-	100
The balance of trade and other receivables relates to other receivables. No credit losses are expected on this balance.		
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	2,312	-
Other cash and cash equivalents	1,424,896	-
	1,427,208	-
Other cash and cash equivalents comprises of cash and deposits held by the company. The carrying amount approximate fair value. The cash is held in an escrow account managed by lawyers separately.		
The escrow funds are held with Standard Bank Namibia and managed by Engling, Stritter and Partners Attorneys. All distribution of funds are pre-approved by the Executive Directors and one of the partners at the attorneys.		
5. Share capital		
Authorised		
500 000 000 (2020: 4 000) Ordinary shares of N\$ 0.0001 (2020: N\$ 1.00) each	500,000,000	4,000
Reconciliation of number of shares issued:		
Reported as at 1 May 2020	100	-
Issue of shares – ordinary shares	444,352	100
	444,452	100
Issued		
Ordinary	44	100
Share premium	4,400	-
	4,444	100
6. Loans from group companies		
Related party		
Ondumbu Properties (Pty) Ltd	528,631	239,864
Split between non-current and current portions		
Non-current liabilities	528,631	-
Current liabilities	-	239,864
	528,631	239,864

The loan is unsecured, interest-free, will be repaid on 30 April 2026. These arrangements are reviewed from time to time.

The company received an interest free loan of N\$ 815 434 from a related party Ondumbu Properties (Pty) Ltd. As at 30 April 2021, the fair value of the interest free loan is N\$ 528 630 and a balance of N\$ 286 803 was recognized as a gain in the income statement (see note 10). The loan is discounted at an interest rate of 8.70% over 5 years. Over the 5 years the interest will unwind to the interest free loan.

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Financial Statements for the year ended 30 April 2021

Notes to the Financial Statements

Figures in Namibia Dollar 2021 2020

7. Borrowings

Held at amortised cost

Debentures	1,995,589	-
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Split between non-current and current portions

Current liabilities	1,995,589	-
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The loan is unsecured, with no fixed terms of repayment, bears interest based on a formula on the net profits after tax (net profit after tax adjusted to eliminate capital profits and capital losses and to reverse all none cash items, to eliminate expenses incurred in respect of acquisition or disposal of any capital asset, raising and settlement of any debt and/or other funding, once off unforeseen expenses and costs) of the company. These arrangements are reviewed from time to time.

There was no interest paid to the debenture holders during the year as the company recorded a net loss.

8. Trade and other payables

Financial instruments:

Trade payables	62,266	30,000
Accrual for accounting fees	5,750	-
Accrual for audit fees	28,175	-
Accrual for director fees	19,000	-
	115,191	30,000

The directors consider that the carrying amounts of accounts payable approximate their fair values. The average credit period for trade creditors is 30 days after statement date. No interest is charged during this period. The company has financial risk management policies in place to ensure that creditors are paid in time.

9. Revenue

Revenue other than from contracts with customers

Interest income from bank	33,341	-
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10. Other operating income

Other gains	286,803	-
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Below market interest on loan gain (see note 6).

11. Operating profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external

Audit fees	31,280	-
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Remuneration, other than to employees

Consulting and professional services	1,057,372	257,984
Secretarial services	20,410	10,780
	1,077,782	268,764

Expenses by nature

The expenses are analysed by nature as follows:

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Figures in Namibia Dollar	2021	2020
11. Operating profit (loss) (continued)		
Director fees	19,000	-
General and administrative expenses	1,247,927	269,864
	1,266,927	269,864
12. Director fees		
Director fees		
Executive	19,000	-
13. Taxation		
Reconciliation of the tax expense		
Reconciliation between applicable tax rate and average effective tax rate.		
Applicable tax rate	32.00 %	32.00 %
No provision has been made for 2021 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is N\$ 1 503 450 (2020: N\$ 269 864).		
14. Earnings per share		
Basic loss per share		
From continuing operations (c per share)	(284)	(269,864)
Basic earnings per share was based on loss of N\$ 946 783 (2020: N\$ 269 864) and a weighted average number of ordinary shares of 333 364 (2020: 100).		
Earnings per share was based on the weighted average number of ordinary shares issued during the year. Omajowa Properties Limited currently only has one class of shares to be considered in the calculation of earnings per share.		
Reconciliation of profit (loss) for the year to basic earnings		
Profit (loss) for the year attributable to equity holders	(946,783)	(269,864)
Diluted earnings per share		
There were no dilutive instruments and dilutive EPS is the same as EPS.		
15. Cash used in operations		
Loss before taxation	(946,783)	(269,864)
Adjustments for:		
Interest income	(33,341)	-
Expenses paid by related party	575,570	239,864
Other gains	(286,803)	-
Changes in working capital:		
Trade and other receivables	100	(100)
Trade and other payables	85,191	30,000
	(606,066)	(100)

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Notes to the Financial Statements

16. Remuneration of directors

No remuneration was paid to the directors during the period prior to listing on the Namibian Stock Exchange Development Board on 31 July 2020. Board fees for the executive directors for the financial year was paid out as consulting fees to Mr Carel Fourie and Mrs Adeline Beukes.

Mr Carel Fourie	223,000	-
Mrs Adeline Beukes	19,000	-
	242,000	-

No remuneration was paid to the non executive directors during the financial year.

17. Related parties

Relationships

Shareholders with significant influence

Mr Barend C Verhoef
Mr Brain Katjaerua
Mr Carel Fourie
Mr Festus Hamukwaya
Mr Jacques C Reyneke
Mr Pieter WJ Reyneke
Mr Tomas K lindji
Mrs Adeline Beukes
Ms Dorethy E Smit

Directors

Mr Barend C Verhoef
Mr Brain Katjaerua
Mr Carel Fourie
Mr Festus Hamukwaya
Mr Pieter WJ Reyneke
Mr Tomas K lindji
Mrs Adeline Beukes
Ms Dorethy E Smit

Members of key management

Mr Barend Verhoef
Mr Carel Fourie
Mrs Adeline Beukes

Related party

Ondumbu Properties (Pty) Ltd

Related party balances

Loan accounts - Owing (to) by related parties

Ondumbu Properties (Pty) Ltd	528,631	239,864
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Related party transactions

Compensation to directors and other key management

Mr Carel Fourie	223,000	20,000
Mrs Adeline Beukes	19,000	-
	242,000	20,000

18. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Omajowa Properties Limited

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Financial Statements for the year ended 30 April 2021

Notes to the Financial Statements

Figures in Namibia Dollar

2021

2020

18. Financial instruments and risk management (continued)

2021

	Note(s)	Amortised cost	Total
Cash and cash equivalents	4	1,427,208	1,427,208

2020

	Note(s)	Amortised cost	Total
Trade and other receivables	3	100	100

Categories of financial liabilities

2021

	Note(s)	Amortised cost	Total
Trade and other payables	8	115,191	115,191
Loans from group companies	6	528,631	528,631
Borrowings	7	1,995,589	1,995,589
		2,639,411	2,639,411

2020

	Note(s)	Amortised cost	Total
Trade and other payables	8	30,000	30,000
Loans from group companies	6	239,864	239,864
		269,864	269,864

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Figures in Namibia Dollar

2021

2020

18. Financial instruments and risk management (continued)

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The company is exposed to credit risk on trade and other receivables and cash and cash equivalents.

Credit risk exposure arising on cash and cash equivalents is managed by the company.

Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due.

The company manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The company policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

19. Going concern

We draw attention to the fact that at 30 April 2021, the company had accumulated losses of N\$ (1,216,647) and that the company's total liabilities exceed its assets by N\$ (1,212,203).

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

The ability of the company to continue as a going concern is dependent on several factors. The most significant of these is that the directors finalize negotiation to acquire of a select portfolio of assets at a market price which is acceptable potential upside.