



Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements

for the year ended 30 April 2022

Annual Financial Statements

in compliance with the Namibian Companies Act 28 of 2004

Prepared by: Fin5 Incorporated

Professional designation: CA (SA)

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Index

	Page
General Information	2
Directors' Responsibilities and Approval	3
Independent Auditor's Report	4 - 6
Directors' Report	7 - 10
Statement of Financial Position	11
Statement of Profit or Loss and Other Comprehensive Income	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Accounting Policies	15 - 21
Notes to the Financial Statements	22 - 32
Supplementary information:	
Detailed Income Statement	33
Income Tax Computation	34

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

General Information

Country of Incorporation and Domicile	Namibia
Registration Number	2019/0840
Nature of Business and Principal Activities	The company 's principle activities are property investments, developments and all activities related thereto.
Directors	Mr Barend C Verhoef Mr Brain Katjaerua Mr Festus Hamukwaya Mr Pieter WJ Reyneke Mr Tomas K lindji Mr Carel Fourie Mrs Adeline Beukes (Resigned 13 December 2021) Mrs Dorethy E Smit (Resigned 6 October 2021)
Registered Office	Ausspann Plaza, 2nd Floor, Unit 3 Dr Agosthino Neto Road Aussplannplatz Windhoek, Namibia
Postal Address	Private Bag 12012 Ausspannplatz Windhoek, Namibia
Bankers	Standard Bank Limited Namibia
Tax Number	1037 4989 01 1
Auditors	BDO Registered Accountants and Auditors Chartered Accountants (Namibia)
Preparer	Fin5 Incorporated Unit 67 Block 4 Lombardy Business Park Shere 0084

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Directors' Responsibilities and Approval

The directors are required by the Namibian Companies Act 28 of 2004 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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 annual financial statements.

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

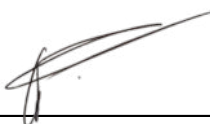
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for 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 annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. The directors reviewed the company's cash flow forecast for the year to 30 April 2023 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 annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 32, and the supplementary information set out on pages 33 to 34 which have been prepared on the going concern basis, were approved by the directors and were signed on 28 October 2022 _____ on their behalf by:



Mr Carel Fourie



Mr Festus Hamukwaya

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

Opinion

We have audited the annual financial statements of Omajowa Properties Limited set out on pages 7 to 32, which comprise the statement of financial position as at 30 April 2022, 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 annual financial statements, including a summary of significant accounting policies and the directors' report.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Omajowa Properties Limited as at 30 April 2022, 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 Annual 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.

Material uncertainty related to going concern

We draw attention to note 18 in the annual financial statements, which indicates that the company incurred a net loss of N\$1,244,161 (2021: N\$ 946,783) during the year ended 30 April 2022 had accumulated losses of N\$2,460,808 (2021: N\$1,216,647), at that date its current liabilities exceeded the current assets by N\$1,872,286 (2021: N\$683,572). As stated in note 18, these events or conditions, along with other matters as set forth in note 18, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period. We have determined that there are no key audit matters to communicate in our report, other than the matter described in the Material uncertainty related to going concern section above.

Other Information

The directors are responsible for the other information. The other information comprises the Detailed Income Statement and the Income Tax Computation, which we obtained prior to the date of this auditor's report. Other information does not include the annual financial statements and our auditor's report thereon.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual 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 annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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 annual 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 annual financial statements, including the disclosures, and whether the annual 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
Namibia
28 October 2022

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Directors' Report

The directors present their report for the year ended 30 April 2022.

1. Review of activities

Main business and operations

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

The company's principle activities are property investments, developments and all activities related thereto. There were no major changes herein during the year. The company operates in Namibia.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

The directors can report that they are still finalising negotiations to acquire a select portfolio of assets. The negotiations are being conducted with a group of income generating property owning companies. This is, where applicable, pursued in conjunction and with the assistance of certain commercial banks operating in Namibia, which control some of the subject properties in terms of first ranking security.

It is noted that the company's strategic intent of only acquiring assets where it can achieve total control in terms of the underlying property and body corporate management, has hampered the acquisition process to a certain extent. As a company we are convinced that we can provide future investors with a sustainable return on their investment, hence the cautious approach in finalising the acquisition of the first portfolio of viable assets.

As a result of limited activity to date, the company is only reporting on preparation expenditure with no external revenues, with no share trading nor debenture issuing post Pre-Listing date. The directors are in constant discussion with the main shareholders of the company, who is committed to adequately capitalize the company with preparation funding as and when required to complete the acquisition of its first portfolio of viable assets.

2. Going concern

We draw attention to the fact that at 30 April 2022, the company incurred a loss for the year of N\$1,244,161 (2021: N\$946,783), had accumulated losses of N\$2,460,808 (2021: N\$1,216,647) and at that date its current liabilities exceeded the current assets by N\$1,872,286 (2021: N\$683,572) and the company has not completed an acquisition of viable assets within the initial period. The company has a material uncertainty relating to the going concern.

In view of the above conditions, the board has performed a formal review of the company's results and its ability to continue trading as a going concern in the foreseeable future and have concluded that the going concern of the company is highly dependent on a number of factors, the most significant of these are:

- Finalisation of negotiations to acquire a select portfolio of assets;
- Two (2) professional service providers agreed to waive their fees to be charged for the period 1 October 2022 to 30 September 2023 ("the period");
- The resumption of profitable operations;
- The continuation of the existent levels of finance from shareholders until the company is able to meet its obligations in the ordinary course of business;
- Continuation of the subordination of the related party borrowings until such time that the company's liabilities exceeds assets, in favor of other creditors of the company.

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Directors' Report

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 going concern basis for preparing the financial statements is however still appropriate.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company, other than the matters below:

- The company obtained approval from the NSX for extension of the period to obtain viable assets;
- Two (2) professional service providers agreed to waive their fees to be charged for the period 1 October 2022 to 30 September 2023 ("the period");

Extension granted by NSX

As Omajowa Properties Limited is listed as a Capital Pool Company and have not started trading, and there have been no changes to the company's status as a capital pool company, approval was granted by the NSX to extend the period of presenting the first portfolio of viable assets to the market with a further period of 12 months until June 2023.

4. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

5. Dividend

No dividend was declared or paid to shareholders during the year (2021: N\$0).

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Directors' Report

6. Directors

The directors of the company during the year and up to the date of this report are as follows:

Directors	Designation	Nationality	Changes
Mr Barend C Verhoef	Executive	South African	Appointed 8 June 2020
Mr Brain Katjaerua	Non-executive	Namibian	Appointed 8 June 2020
Mr Festus Hamukwaya	Non-executive	Namibian	Appointed 8 June 2020
Mr Pieter WJ Reyneke	Non-executive	South African	Appointed 8 June 2020
Mr Tomas K lindji	Non-executive	Namibian	Appointed 8 June 2020
Mr Carel Fourie	Executive	Namibian	Appointed 8 June 2020
Mrs Adeline Beukes	Executive	Namibian	Appointed 8 June 2020, resigned 13 December 2021
Mrs Dorethy E Smit	Non-executive	Namibian	Appointed 8 June 2020, resigned 6 October 2021

7. Secretary

The company designated secretary is L & B Secreterial Services CC.

Postal address: Private Bag 12012
Ausspannplatz
Windhoek, Namibia

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

8. Shareholders

There have been no changes in ownership during the current financial year.

The shareholders and their interests at the end of the year are:

	Holding	No of shares
Mr Barend C Verhoef	0.00%	1
Mr Brian Katjaerua	0.00%	1
Mr Carel Fourie	0.00%	1
Mr Festus Hamukwaya	0.00%	1
Mr Jacques C Reyneke	99.998%	444 444
Mr Pieter WJ Reyneke	0.00%	1
Mr Thomas K lindji	0.00%	1
Mrs Adeline Beukes	0.00%	1
Ms Dorethy E Smit	0.00%	1

9. Compilers

Fin5 Incorporated compiled the annual financial statements for the year under review.

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Directors' Report

10. Terms of appointment of the Auditors

BDO will continue in office in accordance with Section 278(2) of the Companies Act of Namibia.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Statement of Financial Position

Figures in Namibian \$

	Notes	2022	2021
Assets			
Current assets			
Cash and cash equivalents	5	479,161	1,427,208
Total assets		479,161	1,427,208
Equity and liabilities			
Equity			
Issued capital	6	4,444	4,444
Accumulated loss		(2,460,808)	(1,216,647)
Total equity		(2,456,364)	(1,212,203)
Liabilities			
Non-current liabilities			
Loan from group company	10	584,078	528,631
Current liabilities			
Trade and other payables	7	355,858	115,191
Borrowings	9	1,995,589	1,995,589
Total current liabilities		2,351,447	2,110,780
Total liabilities		2,935,525	2,639,411
Total equity and liabilities		479,161	1,427,208

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibian \$

	Notes	2022	2021
			(reclassified)
Other income	11	-	286,803
Administrative expenses		(512,637)	(157,781)
Other expenses		(697,628)	(1,109,146)
Loss from operating activities	12	(1,210,265)	(980,124)
Finance income*	13	21,551	33,341
Finance costs	14	(55,447)	-
Loss before tax		(1,244,161)	(946,783)
Income tax expense	15	-	-
Loss after tax		(1,244,161)	(946,783)
Loss for the year		(1,244,161)	(946,783)
Loss per share			
Basic loss per share			
Basic/Diluted loss per share	16	(280)	(284)

* Interest income received by the company of N\$ 33,341 in the comparative period was reclassified from Revenue to Finance Income to better reflect the results of the company.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Statement of Changes in Equity

Figures in Namibian \$	Issued capital	Share premium	Total Share Capital	Accumulated loss	Total
Balance at 1 May 2020	100	-	100	(269,864)	(269,764)
Changes in equity					
Loss for the year	-	-	-	(946,783)	(946,783)
Total comprehensive loss for the year	-	-	-	(946,783)	(946,783)
Conversion/issue of shares	(56)	4,400	4,344	-	4,344
Balance at 30 April 2021	44	4,400	4,444	(1,216,647)	(1,212,203)
Balance at 1 May 2021	44	4,400	4,444	(1,216,647)	(1,212,203)
Changes in equity					
Loss for the year	-	-	-	(1,244,161)	(1,244,161)
Total comprehensive loss for the year	-	-	-	(1,244,161)	(1,244,161)
Balance at 30 April 2022	44	4,400	4,444	(2,460,808)	(2,456,364)
Notes	6	6	6		

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Statement of Cash Flows

Figures in Namibian \$

	Notes	2022	2021
Cash flows from operating activities			
Net cash flows used in operations	21	(969,598)	(606,066)
Interest received	13	21,551	33,341
Net cash flows used in operating activities		(948,047)	(572,725)
Cash flows from financing activities			
Proceeds on share issue		-	4,344
Proceeds from borrowings	22	-	1,995,589
Cash flows from financing activities		-	1,999,933
Net (decrease) / increase in cash and cash equivalents		(948,047)	1,427,208
Cash and cash equivalents at beginning of the year		1,427,208	-
Cash and cash equivalents at end of the year	5	479,161	1,427,208

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") 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.

1.1 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).

Financial liabilities:

- Amortised cost.

Note 20 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

Classification and recognition

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

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.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

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.

Borrowings and loan from group company

Classification

Borrowings and loan from group companies (note 9 & 10) 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 20 for details of risk exposure and management thereof.

Credit risk

Details of credit risk are in the financial instruments and risk management note (note 20).

Cash and cash equivalents

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

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

Trade and other payables

Classification

Trade and other payables (note 7), 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 20 for details of risk exposure and management thereof.

1.2 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

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

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

A deferred tax asset is recognised for the carry forward of unused tax losses 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.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

Tax expense (income)

Current and deferred tax is 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, outside profit or loss, either in other comprehensive income or directly in equity.
- a business combination other than the acquisition by an investment of a subsidiary that is required to be measured at fair value through profit or loss.

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.

1.3 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.

1.4 Interest income

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

1.5 Segments

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

1.6 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

2. Critical accounting estimates and judgements

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.

2.1 Critical accounting estimates and assumptions

The following are the critical judgements, , that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

2.1.1 Classification of debentures

Management made a significant judgement in the preparation of financial statements in evaluating that the Debenture should be classified as a financial liability and is not a compound instrument or hybrid liability.

2.1.2 Going concern

Assumptions made in arriving at the conclusion that the Going Concern basis of preparation is appropriate is disclosed in Note 18.

2.1.3 Restricted cash and cash equivalents

Management made a judgement in the preparation of the financial statements in evaluating the classification and presentation of restricted cash and cash equivalents, it is appropriately disclosed in Note 5.

3. Changes in accounting policies and disclosures

New standards and interpretations

Standards, interpretations and amendments to published standards effective for the year ended 30 April 2022

During the financial year, no new standards or interpretations were adopted by the company.

Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that apply to the company's accounting period beginning on 1 January 2022 or later periods, but have not been early adopted by the company. The standards, amendments and interpretations that are relevant to the company is:

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

Standard(s) Amendment(s) Interpretation(s)	Nature of the changes	Salient features of the changes	Effective Date*
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	Amendment	<p>The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.</p> <p>The amendment will not have a material impact on the disclosure of accounting policies of the company.</p>	01 January 2023
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	Amendment	<p>Amendment: Classification of Liabilities as Current or Non-current:</p> <ul style="list-style-type: none"> • Classification to be based on whether the right to defer settlement by at least twelve months exists at the end of the reporting period; • Classification is unaffected by expectation of settlement; • Settlement refers to transfer of cash equity instruments, other assets or services; and • That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. <p>The company is in the process of evaluating what impact the amendment will have on the classification of the loan from a group company.</p>	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	Amendment	<p>The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. The requirements for recognising the effect of change in accounting prospectively remain unchanged.</p> <p>The change does not significantly affect the company’s accounting estimates.</p>	01 January 2023

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Accounting Policies

IFRS 17 Insurance Contracts	Amendment	<p>The main changes are:</p> <ul style="list-style-type: none">• Additional scope exclusion for credit card contracts and similar contracts that provide insurance coverage as well as optional scope exclusion for loan contracts that transfer significant insurance risk.• Recognition of insurance acquisition cash flows relating to expected contract renewals, including transition provisions and guidance for insurance acquisition cash flows recognised in a business combination• Clarification of the application of IFRS 17 in interim financial statements allowing an accounting policy choice at a reporting entity level. <p>It is unlikely that there will be a material impact on the financial statements.</p>	01 January 2023
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Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

4. Financial assets

4.1 Carrying amount of financial assets by category

	At amortised cost	Total
Year ended 30 April 2022		
Cash and cash equivalents (Note 5)	479,161	479,161
Year ended 30 April 2021		
Cash and cash equivalents (Note 5)	1,427,208	1,427,208

The carrying amounts approximate the fair value.

5. Cash and cash equivalents

5.1 Cash and cash equivalents included in current assets:

Cash		
Balances with banks	2,406	2,311
Cash equivalents		
Restricted cash and cash equivalents	476,755	1,424,897
	479,161	1,427,208

Restricted cash and cash equivalents balances are those which meet the definition of cash and cash equivalents but are not available for use 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. The cash in the bank is available for use however all distribution of funds are pre-approved by the Executive Directors and one of the partners at the attorneys.

5.2 Detail of cash and cash equivalent balances

Bankers	Credit rating
Standard Bank	BB+
IJG Securities Money Market Trust	BB-

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

6. Issued capital

Authorised and issued share capital

Authorised

500 000 000 Ordinary shares of N\$0.0001 each

50,000

50,000

Issued

444 452 Ordinary shares of N\$0.0001 each

44

44

Share premium

4,400

4,400

Number of shares reconciliation

Shares outstanding - beginning of the period

444,452

100

Issued

-

444,352

Shares outstanding - closing

444,452

444,452

7. Trade and other payables

Trade and other payables comprise:

Trade creditors

167,758

62,266

Accrual for audit fees

148,350

28,175

Accrual for director fees

-

19,000

Accrual for accounting fees

39,750

5,750

Total trade and other payables

355,858

115,191

The directors consider that the carrying amounts of the 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 creditors are paid in time.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

8. Financial liabilities

Carrying amount of financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

	At amortised cost	Total
Year ended 30 April 2022		
Borrowings (Note 9)	1,995,589	1,995,589
Loan from group company (Note 10)	584,078	584,078
Trade and other payables excluding non-financial liabilities (Note 7)	355,858	355,858
	2,935,525	2,935,525
Year ended 30 April 2021		
Borrowings (Note 9)	1,995,589	1,995,589
Loan from group company (Note 10)	528,631	528,631
Trade and other payables excluding non-financial liabilities (Note 7)	115,191	115,191
	2,639,411	2,639,411

The carrying amounts approximate the fair value.

9. Borrowings

9.1 Held at amortised cost

Debentures	1,995,589	1,995,589
Non-current portion of borrowings	-	-
Current portion of borrowings	1,995,589	1,995,589
	1,995,589	1,995,589

9.2 Classification of borrowings

Amortised cost	1,995,589	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 non 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.

No interest accrued or paid to debenture holders during the year as the company recorded a net loss.

The debentures from J. C Reyneke has been subordinated to the benefit of other creditors.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

10. Loan from group company

10.1 Loan from group company comprises:

Omdumbu Properties (Pty) Ltd	584,078	528,631
The loan is unsecured, interest-free, will be repaid on 30 April 2026. These arrangements are reviewed from time to time. The loan has been subordinated to the benefit of other creditors.		

10.2 Additional disclosures

The company received an interest free loan of N\$ 815 434 from a related party Ondumbu Properties (Pty) Ltd. The present value on initial recognition was N\$528,631. As at 30 April 2022, the fair value of the interest free loan is N\$ 584 078 (2021: N\$ 528 631) and an amount of N\$ 55 447 was recognized as finance cost in the income statement. (2021: other gains N\$ 286 803 see note 11). The loan is discounted at an interest rate of 8.70% over 4 years. Over the remaining 4 years the interest will unwind to the interest free loan.

11. Other income

Other income comprises:

Other gains / (losses)	-	286,803
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Below market interest on loan gain (see note 10).

12. Loss from operating activities

12.1 Loss from operating activities includes the following separately disclosable items

Audit fees

Auditors remuneration - Fees	371,230	31,280
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12.2 Other expenses by nature

Consulting fees for CF Consulting Services CC	114,875	344,212
Professional Fees	112,856	178,410
Secretarial fees	33,358	20,410
Consulting fees for CF Consulting Services CC	163,760	223,000
Financial and transaction advisory fees for Cresco Property Advisory (Pty) Ltd	292,000	306,000
Subscriptions	72,235	100,000
Accounting Fees	34,000	5,750
Travel & Accommodation	11,232	-
Other expenses	4,719	57,865
	<u>839,035</u>	<u>1,235,647</u>

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

13. Finance income

Finance income comprises:

Interest received	21,551	33,341
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14. Finance costs

Finance costs included in profit or loss:

Finance cost	55,447	-
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15. Income tax expense

The income tax for the year can be reconciled to the accounting loss as follows:

Applicable tax rate	32%	32%
Loss before tax from operations	(1,244,161)	(946,783)
Income tax calculated at 32.0%	(398,132)	(302,971)
Tax effect of		
- Deferred tax not recognised	398,132	302,971
Tax charge	-	-

No provision has been made for 2022 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is N\$ 2,692,164 (2021: N\$ 1 503 450).

16. Loss per share

16.1 Basic Loss per share

Basic loss per share

From continuing operations (c per share)	(280)	(284)
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Basic earnings per share was based on a loss of N\$ 1,244,161 (2021: N\$946,783) and a weighted average number of ordinary shares of 444 452 (2021: 333 364).

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	(1,244,161)	(946,783)
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Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

16.2 Diluted earnings per share

There were no dilutive instruments and dilutive EPS is the same as EPS.

17. Related parties

17.1 Other related parties

Entity name	Nature of relationship
Omdumbu Properties (Pty) Ltd	Entity controlled by a Director and Shareholder
Cresco Property Advisory (Pty) Ltd	Entity controlled by a Director and Shareholder
CF Consulting Services CC	Entity controlled by a Director and Shareholder

17.2 Compensation paid to directors and prescribed officers

Mr Barend C Verhoef	-	-
Mr Brain Katjaerua	-	-
Mr Festus Hamukwaya	-	-
Mr Pieter WJ Reyneke	-	-
Mr Tomas K lindji	-	-
Mr Carel Fourie	-	-
Mrs Adeline Beukes	-	19,000
Mrs Dorethy E Smit	-	-
Total compensation paid to directors and prescribed officers	-	19,000

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

17.3 Related party transactions and balances

	Omdumbu Properties (Pty) Ltd	Cresco Property Advisory (Pty) Ltd	CF Consulting Services CC	Total
Year ended 30 April 2022				
Related party transactions				
Services received	-	292,000	163,760	455,760
Finance cost	55,447	-	-	55,447
Outstanding balances for related party transactions				
Amounts payable	-	(58,000)	-	(58,000)
Outstanding loan accounts				
Amounts payable	(584,078)	-	-	(584,078)
Year ended 30 April 2021				
Related party transactions				
Services received	-	306,000	223,000	529,000
Outstanding balances for related party transactions				
Amounts payable	(528,631)	-	(23,000)	(551,631)

17.4 Outstanding debenture accounts

Mr Barend C Verhoef	4.49	4.49
Mr Brain Katjaerua	4.49	4.49
Mr Festus Hamukwaya	4.49	4.49
Mr Pieter WJ Reyneke	4.49	4.49
Mr Tomas K lindji	4.49	4.49
Mr Carel Fourie	4.49	4.49
Mrs Adeline Beukes	4.49	4.49
Mr Jacobus Cornelius Reyneke	1,995,553.56	1,995,553.56
Mrs Dorethy E Smit	4.49	4.49
Total outstanding debenture accounts	1,995,589.48	1,995,589.48

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

18. Going concern

We draw attention to the fact that at 30 April 2022, the company incurred a loss for the year of N\$1,244,161 (2021: N\$946,783), had accumulated losses of N\$2,460,808 (2021: N\$1,216,647) and at that date its current liabilities exceeded the current assets by N\$1,872,286 (2021: N\$683,572) and the company has not completed an acquisition of viable assets within the initial period. The company has a material uncertainty relating to the going concern.

In view of the above conditions, the board has performed a formal review of the company's results and its ability to continue trading as a going concern in the foreseeable future and have concluded that the going concern of the company is highly dependent on a number of factors, the most significant of these are:

- Finalisation of negotiations to acquire a select portfolio of assets;
- Two (2) professional service providers agreed to waive their fees to be charged for the period 1 October 2022 to 30 September 2023 ('the period');
- The resumption of profitable operations;
- The continuation of the existent levels of finance from shareholders until the company is able to meet its obligations in the ordinary course of business;
- Continuation of the subordination of the related party borrowings until such time that the company's liabilities exceeds assets, in favor of other creditors of the company.

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 going concern basis for preparing the financial statements is however still appropriate.

19. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company, other than the matters below:

- The company obtained approval from the NSX for extension of the period to obtain viable assets;
- Two (2) professional service providers agreed to waive their fees to be charged for the period 1 October 2022 to 30 September 2023 ('the period');

Extension granted by NSX

As Omajowa Properties Limited is listed as a Capital Pool Company and have not started trading, and there have been no changes to the company's status as a capital pool company, approval was granted by the NSX to extend the period of presenting the first portfolio of viable assets to the market with a further period of 12 months until June 2023.

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

20. Financial risk management

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

20.1 Risk

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

20.2 Market risk

20.2.1 Interest rate risk

Exposure

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 and liabilities, 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.

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	Impact on post tax profit	
	2022	2021
Interest rates – increase by 70 basis points (60 bps) *	103	159
Interest rates – decrease by 100 basis points (80 bps) *	(1,465)	(2,267)

* Holding all other variables constant

20.3 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 cash and cash equivalents.

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

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

20.4 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.

20.4.1 Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	2 to 5 years	Total contractual cash flows	Carrying amount
Year ended 30 April 2022				
Non-derivatives				
Trade and other payables excluding non-financial liabilities (Note 7)	316,107	-	316,107	316,107
Debentures (Note 9)	-	1,995,589	1,995,589	1,995,589
Loan from group company (Note 10)	-	815,434	815,434	815,434
Total non-derivatives	316,107	2,811,023	3,127,130	3,127,130
Year ended 30 April 2021				
Non-derivatives				
Trade and other payables excluding non-financial liabilities (Note 7)	109,440	-	109,440	109,440
Debentures (Note 9)	-	1,995,589	1,995,589	1,995,589
Loan from group company (Note 10)	-	815,434	815,434	815,434
Total non-derivatives	109,440	2,811,023	2,920,463	2,920,463

Omajowa Properties Limited

(Registration Number 2019/0840)

Financial Statements for the year ended 30 April 2022

Notes to the Financial Statements

Figures in Namibian \$

2022

2021

21. Cash flows from operating activities

Loss for the year	(1,244,161)	(946,783)
Adjustments for:		
Finance income	(21,551)	(33,341)
Finance costs	55,447	-
Expenses paid by Ondumbu Properties (Pty) Ltd	-	575,570
Gains	-	(286,803)
Change in operating assets and liabilities:		
Adjustments for decrease in other operating receivables	-	100
Increase in trade accounts payable	105,492	32,266
Increase in other operating payables	135,175	52,925
Net cash flows from operations	(969,598)	(606,066)

22. Changes in liabilities arising from financing activities

	Borrowings	Total
Net debt as at 01 May 2020	-	-
Cash flows	1,995,589	1,995,589
Net debt as at 30 April 2021	1,995,589	1,995,589
Net debt as at 30 April 2022	1,995,589	1,995,589

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Detailed Income Statement

Figures in Namibian \$

	Notes	2022	2021
Other income	11		
Gains / (losses) on interest free loan		-	286,803
Administrative expenses			
Accounting fees		(34,000)	(5,750)
Auditors remuneration - Fees		(371,230)	(31,280)
Bank charges		(1,814)	(341)
Secretarial fees		(33,358)	(20,410)
Subscriptions		(72,235)	(100,000)
		(512,637)	(157,781)
Other expenses			
Advertising		(2,905)	(19,076)
Consulting fees		(114,875)	(344,212)
Consulting fees for CF Consulting Services CC		(163,760)	(223,000)
Employee costs - directors		-	(19,000)
Entertainment		-	(18,914)
Financial and transactional advisory fees for Cresco Property Advisory (Pty) Ltd		(292,000)	(306,000)
Postage		-	(534)
Professional fees		(112,856)	(178,410)
Travel - Local		(11,232)	-
		(697,628)	(1,109,146)
Loss from operating activities	12	(1,210,265)	(980,124)
Finance income	13		
Interest received		21,551	33,341
Finance costs	14		
Finance cost		(55,447)	-
Loss for the year		(1,244,161)	(946,783)

Omajowa Properties Limited

(Registration Number 2019/0840)

Annual Financial Statements for the year ended 30 April 2022

Income Tax Computation

Figures in Namibian \$

	2022	2021
Loss before tax	<u>(1,244,161)</u>	<u>(946,783)</u>
IFRS 9 below market rate loan adjustment	<u>55,447</u>	<u>(286,803)</u>
	55,447	(286,803)
Computed income for the year	<u>(1,188,714)</u>	<u>(1,233,586)</u>
Assessed loss brought forward	<u>(1,503,450)</u>	<u>(269,864)</u>
Taxable income	<u>(2,692,164)</u>	<u>(1,503,450)</u>
Normal tax	-	-