MEATCO
Namibia

INTEGRATED ANNUAL REPORT
2025/26







PERFORMANCE. ACCOUNTABILITY. STABILITY.

Welcome

Welcome to our Integrated Annual Report 2025/26

About this report

This Integrated Annual Report, covering the financial period from 1 February 2025 to 31 January 2026, contains essential information about the Meat Corporation's (Meatco) governance, strategies, performance, and business prospects and will provide a balanced overview of the key developments for the period under review.

The report aims to provide a greater understanding of Meatco's business by examining its social and environmental impact and clarifying how the business is managed. This report highlights the evolving processes in all areas of Meatco's business; similarly, the Corporation also consider the compilation of this report as an evolving process and undertakes to provide more enhanced reporting in future when a need for greater detail arises.

The Annual Financial Statements, as presented in Meatco's Integrated Annual Report for 2025/26, were approved by the Board of Directors on 13 July 2026.

Contents

About Meatco

The Meat Corporation of Namibia (Meatco) was established and is regulated by the Meat Corporation of Namibia Act (Act 1 of 2001), hereafter referred to as the Meatco Act. As per the Act, the mandate of the Corporation is to serve, promote, and coordinate the interests of livestock producers in Namibia, while simultaneously striving for the stabilisation of the red meat industry of Namibia, as both of these are of national importance.

Meatco is a meat-processing and meat-marketing entity. Cattle are purchased from all Namibian farmers who are committed to specific livestock farming practices, and it is these practices that give Meatco's end products their unique and highly sought-after characteristics. The long relationship over many decades with Namibian cattle producers remains at the heart of Meatco's operations and success.

THE MEATCO GROUP

The Meatco Group consists of Meatco and its four subsidiaries, namely the Meat Corporation of Namibia (UK) Ltd, based in the United Kingdom; Namibia Meat Importers and Exporters (Pty) Ltd (NMIE), based in South Africa; Namibia Cattle Procurement (Pty) Ltd (Namibia), previously known as the Namibia Allied Meat Company (Pty) Ltd, based in Namibia; and the Meatco Northern Communal Area (Pty) Ltd, based in Namibia.

In addition, Meatco owns a 33.3 per cent stake in Global Protein Solutions (GPS), Norway AS, based in Norway.

The Annual Financial Statements contained herein reflect both Meatco's and the Meatco Group's financial position.

VALUE-ADDING ENTITY

Meatco acts as a value-adding and marketing entity, passing the value gained from various markets back to its producers through the producer price paid for cattle.

The Windhoek Abattoir is compliant with the British Retail Consortium Global Standards (BRC), which sets out the requirements for a food safety management system, and also includes Hazard Analysis and Critical Control Points (HACCP).

Core values

01

Vision

To be a world-class meat brand that creates sustainable wealth for all Namibians.

02

Mission

To improve the Namibian Socio-economic environment, through maximising producer returns.

03

Values

- Effective communication
- Service excellence
- Participation and cooperation
- Commitment and responsibility
- Respect, integrity and dignity

40 Year Anniversary - Celebrating four decades of success

In 2026, Meatco celebrates 40 years of operations. This is indeed a milestone for Meatco and a testament of its resilience to survive and thrive within the challenging livestock industry in Namibia. Below are milestones along its rich history.

SWAVleis (Pty) Ltd changed to SWAMeat Corporation Limited established by SWAMeat Corporation Ordinance, 1986 (No. 2 of 1986)

1986

SWAMeat Corporation Limited changed to Meat Corporation of Namibia (Meatco), established by Meat Corporation of Namibia Act, 2001 (No. 1 of 2001)

2001

Launch of the Mobile Slaughter Unit.

2016

First consignment of 21 tonnes meat sent to China. Reclassification of PEGA as a Strategic SOE.

2019

First consignment of 5,700 tonnes of meat sent to USA.

First export of 14 tonnes of meat to Ghana from Meatco NCA.

First export of 5,300 hides to Kenya and Zimbabwe under AfCFTA framework.

2020

2022

2025

40 Year Anniversary - An Overview of Meatco’s History

The Meatco Windhoek Abattoir was built under the initiative of Karoo-Ochse which was established in 1953 as Karoo Livestock Agency.

The company‘s rich history traces back to several key milestones:

- 1953: Originally established as the Karoo Livestock Agency in the then South West Africa. (The Windhoek Abattoir was originally constructed in the 1960’s).
- 1984: Karoo Livestock merged with W.L. Ochse to formally create the Karoo-Ochse Livestock Agency, expanding its reach and capabilities.
- 1996: Karoo-Ochse was restructured into Karoo-Ochse (Pty) Ltd, becoming one of the first agricultural auctioneering companies in Namibia to be owned exclusively by Namibian shareholders.
- Present operations: Headquartered just 5 km outside Gobabis in the Omaheke region—the heart of Namibia‘s cattle country—Karoo-Ochse facilitates regular auctions across multiple communal and commercial farming areas, including Epukiro, Otjinene, and Witvlei.

Historical records show that Damara Meat Packers never actually took over the Windhoek Abattoir from Karoo-Ochse. Rather, the two operated as distinct historic entities in Namibia‘s meat industry.

Damara Meat Packers was a pioneering meat processing and abattoir company in Namibia and the historical forerunner of the modern Meat Corporation of Namibia (Meatco). Operating as a massive state-supported entity in the mid-20th century, it played a foundational role in building the region‘s agricultural economy and value-adding capabilities.

- Early Operations: Damara Meat Packers served as the principal commercial slaughterhouse, abattoir, and meat processing facility in South West Africa (now Namibia) for decades.
- Focus on Value Addition: The company went beyond simple slaughtering. Operating out of facilities like the Pokkiesdraai camp near Windhoek, it was actively involved in value-added manufacturing, producing processed goods such as polonies and other meat products.
- Transition to Meatco: As the Namibian meat industry evolved and required a unified national approach to exports and livestock farmer interests, the assets and functions of Damara Meat Packers were absorbed into the state-backed body that eventually became Meatco under Act 1 of 2001.

Detail transition from Damara Meat Packers to modern Meatco operations:

The transition from Damara Meat Packers to the modern Meat Corporation of Namibia (Meatco) represents the structural evolution of Namibia‘s red meat sector. This journey progressed from a highly fragmented, regional operational model into a centrally coordinated, globally competitive, state-backed export powerhouse.

The transition unfolded across three distinct structural phases:

1. **The Regional Baseline: Damara Meat Packers:** In the mid-20th century, before Namibia‘s independence, Damara Meat Packers functioned as a dominant, state-supported local abattoir and meat production firm.

- Primary Mandate: Its operational focus was regional stabilisation—slaughtering and processing livestock locally to minimize reliance on live animal exports to South Africa.
- Limitations: The business operated mostly on a commodity model. It suffered from fragmented infrastructure and lacked the sophisticated cold-chain technology required to penetrate premium global markets.

2. The Consolidation Phase: Swameat Corporation (1986)

By the 1980s, geopolitical shifts and the need for standardised export regulations pushed the industry toward centralisation.

- The Merger: In 1986, the assets, processing plants, and historical procurement lines of Damara Meat Packers were absorbed into a newly established state umbrella organization called the Swameat Corporation.
- The Objective: Swameat centralized national slaughter capacity, took over the Windhoek plant, and began implementing stringent hygiene systems to set the stage for formal European Union (EU) export compliance.

3. The Modern Era: The Meatco Act (2001)

Following Namibia’s independence, the regulatory framework was completely modernised. In 2001, via the passing of the Meat Corporation of Namibia Act (Act 1 of 2001), Swameat was officially rebranded and restructured as Meatco.

Key Differences: Then vs. Now:

Operational Metric	Damara Meat Packers Era	Modern Meatco Operations
Market Scope	Primarily local consumption and regional South African trade.	Premium global footprint including the **EU, Norway, China, and the US**.
Corporate Structure	Traditional state-supported private processing firm.	Public enterprise functioning without direct government shareholding, prioritising maximum producer returns.
Product Portfolio	Basic carcass slaughtering and simple processed goods (e.g., Canning).	High-value, niche products including **premium Wagyu processing** and specialised tanneries.
Geographic Mandate	Focused primarily south of the regional agricultural boundaries.	Operates national infrastructure across both southern commercial regions and **Northern Communal Areas (NCA)**.

Today, the foundation built by Damara Meat Packers and Swameat survives via Meatco‘s internationally certified facilities, which utilise advanced independent marble scoring and strict HACCP quality benchmarks to maintain Namibia‘s competitive advantage in global food markets such as the European Union and Norway.

Board Members

MR SAKARIA NGHIKEMBUA
BOARD CHAIRPERSON
(RESIGNED JUNE 2025)

MS STEPHANIE M DE KLERK
DEPUTY CHAIRPERSON

MR JOSEPH ANDREAS
DIRECTOR

MR ADOLF MUREMI
DIRECTOR

MR MARTIN J P HILBERT
DIRECTOR

MR CYPRIANUS KHAISEB
DIRECTOR

MS PATRICIA OLIVIER
DIRECTOR

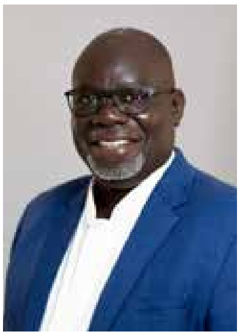
DR DIANA VAN SCHALKWYK
DIRECTOR

MR ABIUD TJIPANGANDJARA
DIRECTOR

MR PATTERSON K TJIPUEJA
DIRECTOR

Executive Management Team

PATRICK LIEBENERG
ACTING CEO FROM FEBRUARY 2025 TO 15 JULY 2025 AND EXECUTIVE: LIVESTOCK PROCUREMENT UNTIL 15 JULY 2025



KINGSLEY KWENANI
ACTING CEO FROM 15 JULY TO 31 AUGUST 2025 AND CEO: MEATCO NCA

AMBASSADOR ALBERTUS AOCHAMUB
INTERIM CHIEF EXECUTIVE OFFICER FROM 01 SEPTEMBER 2025

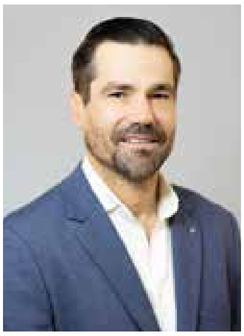
HORNEST MADZIVADONDO
ACTING EXECUTIVE MARKETING & SALES UNTIL 12 JANUARY 2025 AND CFO

JOHAN GOOSEN
EXECUTIVE: AGRO-PROCESSING & VALUE-ADDITION

NAILOKE MHANDA
ADVISOR: LEGAL & COMPLIANCE/ GOVERNANCE

DALICIA OLIVIER
ACTING EXECUTIVE MEATCO FOUNDATION FROM 1 AUGUST 2025 AND MANAGER: MEATCO FOUNDATION

OBED KAATURA
ACTING CEO NCA FROM AUGUST TO OCTOBER 2025



WILLEM BARNARD
HEAD: NMIE UNTIL 30 JUNE 2025

SELMA NAMUTUWA
EXECUTIVE MARKETING & SALES FROM 13 JANUARY 2026

THIMOTEUS KATIVA
ACTING EXECUTIVE LIVESTOCK PROCUREMENT FROM SEPTEMBER 2025 TO JANUARY 2026 AND ACTING CEO NCA FROM NOVEMBER 2025 TO APRIL 2026

AMOREY POTE
EXECUTIVE: HUMAN CAPITAL UNTIL 31 AUGUST 2025

ERASTUS SHANGHALA
ACTING EXECUTIVE HUMAN CAPITAL FROM 1 SEPTEMBER 2025 AND MANAGER HUMAN CAPITAL

Meatco's Strategic Pillars

Meatco is a link between the livestock producers and local, regional and international markets.

01

Sustainability

Meatco's Strategic Pillars are aimed at positioning Meatco in a manner that allows the Corporation to carry out its statutory mandate efficiently and effectively, and to secure Meatco's turnaround and sustainability for the future.

Meatco envisions achieving profitability and evolving into the nation's preferred quality beef supplier, generating positive value through enhanced efficiencies.

This vision underscores the Corporation's commitment to leadership in the global meat supply sector, with a specific emphasis on sustainability and a lasting legacy in the global meat industry.

02

Relationships

Essentially, Meatco is a link between Namibian livestock producers and the local, regional and international markets. It goes without saying that strong, trusting relationships with key stakeholders are vital to achieving its statutory mandate. As such, building resilient relationships with its strategic suppliers and customers was a top priority during the reporting period.

As Meatco works towards its vision of being a world-class meat brand, creating sustainable wealth for all Namibians, the Corporation operates along its five strategic pillars which are principal to the realisation of its Integrated Strategic Business Plan, as well as the Turnaround Plan.


MEATCO
TURN-AROUND PLAN 2024 – 2027
VISION: A preferred quality beef supplier, generating positive value through enhanced efficiencies.
MISSION: To improve the Namibian socio-economic environment through maximising producer returns.
FINANCIAL
CUSTOMER
INTERNAL BUSINESS PROCESSES
LEARNING & GROWTH
FINANCIAL SUSTAINABILITY
Funding strategy
Working capital and liquidity management
Capacity utilisation
Profitability
PRODUCER PRICES AND THROUGHPUT
Increased Throughput
Competitive producer pricing
Socio-economic impact
MARKET DEVELOPMENT & REALISATION
New Markets
Government procurement
Market Realisation
OPERATIONAL EFFICIENCY
Business process efficiency
Cost Management
Value chain efficiency
GOVERNANCE & LEADERSHIP
Turn-around implementation support
Turn-around performance monitoring and management
COMMITMENT AND RESPONSIBILITY
PARTICIPATION AND COOPERATION
EFFECTIVE COMMUNICATION
SERVICE EXCELLENCE
RESPECT, INTEGRITY AND DIGNITY

Deputy Chairperson's Report

Leadership Through Resilience

The 2025/26 financial year was one of the most challenging periods for the Namibian livestock industry, marked by constrained cattle supply, continued herd rebuilding and an evolving global trading environment. Against this backdrop, the Board remained focused on its fiduciary responsibility of providing strategic oversight, strengthening governance and ensuring that Meatco remained financially sound and operationally resilient.

Despite a 40.4 per cent decline in Group revenue to N$1.11 billion, driven primarily by reduced throughput, the Group delivered an operating profit of N$77 million and a profit after tax of N$40.56 million. Equally encouraging was the strengthening of the Group's financial position, with total equity increasing to N$646.3 million and cash reserves growing to N$128.3 million, reflecting prudent financial management and disciplined execution of the Turnaround Plan.

Governance and Strategic Oversight

During the year, the Board continued to provide strategic direction and oversight to ensure that Meatco remained aligned with its statutory mandate of serving producers, stabilising the meat industry and creating sustainable value for stakeholders.

Attention was given to:

- Strengthening the Group's financial sustainability;
- Enhancing governance and risk management practices;
- Supporting organisational transformation and cost optimisation;
- Maintaining access to premium export markets; and
- Positioning Meatco for long-term growth and competitiveness.

The Board is satisfied that management has continued to execute these priorities with diligence and professionalism despite a demanding operating environment

Building a Stronger Foundation Oversight

The progress achieved during the year extends beyond financial performance. The continued reduction in gearing, strengthened liquidity and improved balance sheet resilience provide a solid foundation from which Meatco can capitalise on the anticipated recovery in livestock supply.

The Board also recognises the strategic importance of the Northern Communal Areas' operations and remains committed to supporting initiatives that improve their long-term operational and financial sustainability while preserving their developmental role within the national livestock value chain.

Looking Ahead

As the Turnaround Plan enters its final phase, the Board is confident that the foundations have been laid for renewed growth. The Approved Business and Financial Plan for FY2026/27 projects a recovery in throughput, improved profitability and continued strengthening of the Group's financial position.

While risks relating to climate variability, market conditions and global trade remain, the Board believes that Meatco is better positioned than it has been in recent years to respond to these challenges and seize emerging opportunities.

Appreciation

On behalf of the Board of Directors, I extend our sincere appreciation to the Interim Chief Executive Officer and the Executive Management team for their leadership and commitment throughout the year. I also thank our employees for their resilience, our livestock producers for their continued confidence, our customers and business partners for their loyalty, and the Government of the Republic of Namibia for its ongoing support.

Finally, I wish to acknowledge my fellow Board members for their dedication, sound judgement and unwavering commitment to ensuring that Meatco continues to fulfil its national mandate while building a stronger, more sustainable future for Namibia's livestock industry.

Stephanie M. de Klerk
Deputy Chairperson
Board of Directors

CEO's Report

Ambassador Albertus Aochamub
Interim Chief Executive Officer

Executive Overview

The 2025/26 financial year was one of resilience and disciplined execution. Despite a significant reduction in cattle availability and throughput, Meatco remained profitable, strengthened its balance sheet and generated positive operating cash flows, reaffirming the effectiveness of the Turnaround Plan and the resilience of our business model.

Group revenue declined to N$1.11 billion (2025: N$1.87 billion) because of lower cattle supply and reduced production volumes.

Nevertheless, the Group delivered:

- Operating profit: N$77 million (2025: N$145.3 million)
- Profit after tax: N$40.5 million (2025: N$43.8 million)
- Cash and cash equivalents: N$173.5 million (2025: N$86.2 million)

The year was characterised by constrained livestock supply, continued implementation of the Turnaround Plan and a strong focus on financial discipline and operational sustainability.

Operational Performance

Operational performance was significantly influenced by reduced cattle availability south of the Veterinary Cordon Fence (VCF). Throughput declined to 35,594 cattle (2025: 75,268 cattle), resulting in production volumes of 8,930 tonnes (2025: 18,673 tonnes).

Despite these challenges, Meatco maintained market access across its premium export destinations and continued to provide reliable marketing channels for Namibian producers. In the Northern Communal Areas (NCA), cattle procurement increased to 8,183 head (2025: 7,844 head), reinforcing our commitment to inclusive participation in the livestock value chain

Financial and Strategic Performance

The lower throughput environment inevitably impacted revenue and profitability. However, prudent financial management, disciplined cost control and improved working capital management enabled the Group to remain profitable while strengthening its financial position. Total equity increased to N$646.3

Group revenue declined to N$1.11 billion (2025: N$1.87 billion) because of lower cattle supply and reduced production volumes.

million (2025: N$568.3 million), cash reserves doubled to N$173.5 million, and the Group significantly reduced its gearing ratio, providing a stronger platform for future growth and investment.

These achievements reflect the successful execution of strategic initiatives aimed at improving operational efficiency, financial sustainability and long-term competitiveness.

Strategic Priorities

During the year, Management remained focused on delivering the final phase of the Turnaround Plan through:

- Restoring throughput and strengthening livestock procurement;
- Maintaining access to premium international markets;
- Optimising costs and organisational efficiency;
- Strengthening liquidity and balance sheet resilience; and
- Advancing the stabilisation of the Northern Communal Areas operations.

These priorities continue to position Meatco as the leading integrated beef processor and exporter in Namibia while fulfilling its statutory mandate of serving producers and stabilising the national meat industry.

Governance and Sustainability

The Board and Management remain committed to sound corporate governance, prudent risk management and sustainable business practices.

The Group continues to manage risks associated with climate variability, livestock supply, export market volatility and logistics disruptions through diversified procurement strategies, expanded market access and strengthened enterprise risk management processes.

Outlook

Looking ahead, we are optimistic about the gradual recovery of the national cattle herd and improving market conditions. The FY2026/27 Approved Business and Financial Plan projects revenue of approximately N$2 billion, supported by planned throughput of 50,000 cattle, improved operational efficiencies and continued financial discipline.

While challenges remain, Meatco enters the new financial year with a stronger balance sheet, improved liquidity, and renewed confidence in its ability to deliver sustainable value to producers, customers and stakeholders.

On behalf of the Executive Management team, I extend my sincere appreciation to our producers, employees, customers, Board of Directors, Government, financiers and business partners for their unwavering support and commitment. Together, we continue to build a resilient and competitive Meatco that advances the interests of Namibia's livestock industry and contributes meaningfully to national economic development.

CFO’s Report

Hornest Madzivadondo
Chief Financial Officer

Financial Performance Overview

The Group delivered a resilient financial performance for the year ended 31 January 2026 despite one of the most challenging operating environments in recent years. Severe constraints in cattle supply and lower slaughter volumes resulted in Group revenue declining to N$1.11 billion (2025: N$1.87 billion), a decrease of 40.4 per cent.

Notwithstanding these headwinds, disciplined financial management and continued execution of the Turnaround Plan enabled the Group to remain profitable, achieving:

- Operating profit: N$77 million (2025: N$145.3 million)
- Profit after tax: N$40.5 million (2025: N$43.8 million)

The year was characterised by reduced throughput south of the Veterinary Cordon Fence (VCF), constrained export volumes, and continued efforts to strengthen operational and financial sustainability.

Financial Performance

Revenue and Profitability
The decline in revenue was primarily driven by significantly lower cattle throughput, which impacted production volumes and overall sales.

Gross profit decreased to N$39.4 million (2025: N$143.2 million) as lower production volumes resulted in reduced capacity utilisation and increased unit costs. Despite this margin pressure, the Group maintained a strong operating performance through disciplined cost management and improved operational efficiencies, with administrative expenses reduced compared to the previous financial year.

Profit after tax amounted to N$40.5 million, reflecting lower operating leverage, compressed gross margins and higher taxation.

Cash Flow and Liquidity
The Group maintained a robust liquidity position throughout the year, generating operating cash flows of N$108.1 million and increasing cash and cash equivalents to N$128.3 million (2025: N$86.2 million).

This performance demonstrates effective working capital management, strong cash conversion and prudent treasury management despite the challenging trading environment.

Following a comprehensive assessment, the Board is satisfied that the Group remains a going concern.

Financial Position

The Group's balance sheet strengthened significantly during the year, providing a solid platform for future growth.

Key highlights include:

- Total assets: N$1.016 billion
- Total equity: N$646.3 million (2025: N$568.3 million)
- Gearing ratio: 5 per cent (2025: 23 per cent)

The substantial reduction in borrowings and strengthened equity position reflect continued deleveraging efforts, improved capital management and enhanced financial resilience.

Operational Drivers

Operational performance was materially affected by reduced livestock availability across the country.

Cattle procurement south of the Veterinary Cordon Fence declined to 35,594 head (2025: 75,268 head), while production throughput reduced to 8,930 tonnes (2025: 18,673 tonnes).

The Northern Communal Areas (NCA) subsidiary continued to face structural and operational challenges, recording:

- Revenue: N$87.7 million (2025: N$104.5 million)
- Net loss: N$63.2 million (2025: N$38.8 million)
- Negative equity: N$113.5 million

Management remains committed to implementing targeted operational and structural interventions to improve the subsidiary's long-term financial sustainability while maintaining its strategic developmental mandate

Risk Management and Sustainability

The Group continues to operate in an environment characterised by climate-related supply risks, export market volatility, logistics disruptions and liquidity timing pressures.

To mitigate these risks, Management has strengthened supplier diversification initiatives, expanded market access across the European Union, Norway, China and the SADC region, enhanced liquidity buffers and reinforced enterprise risk management processes across the business.

Going Concern

Following a comprehensive assessment, the Board is satisfied that the Group remains a going concern based on:

- sustained positive operating cash flows;
- continued access to funding facilities and shareholder support; and
- reasonable and supportable assumptions underpinning the FY2027 business plan.

Accordingly, the financial statements have been prepared on a going concern basis, with no material uncertainties identified.

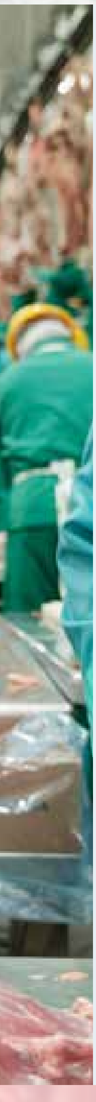
Operations Review

Windhoek Abattoir Operations

Overview

Windhoek Abattoir Operations remain central to Meatco's agro-processing and value addition strategy, transforming Namibian livestock into premium export-quality beef products that meet the highest international food safety and quality standards.

The division oversees slaughtering, deboning, packaging, hygiene management, engineering support and production planning, ensuring that operational excellence translates into sustainable value for producers, customers and the organisation.



Key Highlights

During the 2025/26 financial year, Operations continued to strengthen Meatco's reputation as a world-class beef processor through several notable achievements:

- Retained BRC Global Food Safety Grade A Certification for the second consecutive year.
- Maintained microbiological results consistently within international export compliance standards.
- Achieved staff hygiene compliance levels exceeding 98 per cent throughout the year.
- Commissioned new packaging equipment, enhancing efficiency within deboning operations.
- Completed major preventative maintenance programmes on critical processing equipment.
- Expanded employee wellness initiatives supporting a strong food safety culture.
- Enhanced operational processes through strengthened start-up procedures and pre-operational inspection systems.

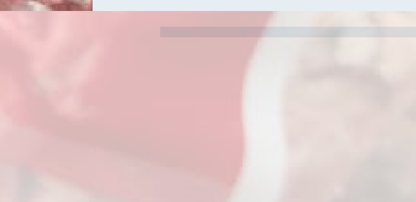
These initiatives reinforced Meatco's commitment to product quality, operational reliability and continued access to premium international markets.

Operational Performance

Despite a lower national cattle supply, Windhoek Abattoir maintained stable operations and continued to deliver high-quality products to domestic and international customers.

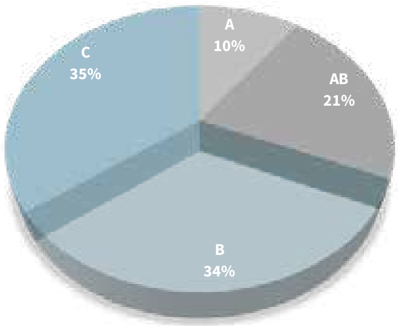
Performance Indicator	2025/26	2024/25
Animals Processed	**35,594**	75,268
Cold Weight Production	**8,930 tonnes**	18,673 tonnes
Average Carcass Weight	**252.2 kg**	245.4 kg
Dressing Percentage	**54.66%**	55.16%

The increase in average carcass weight reflects continued focus on product optimisation and value recovery, while disciplined production planning ensured operational efficiency throughout the reporting period.

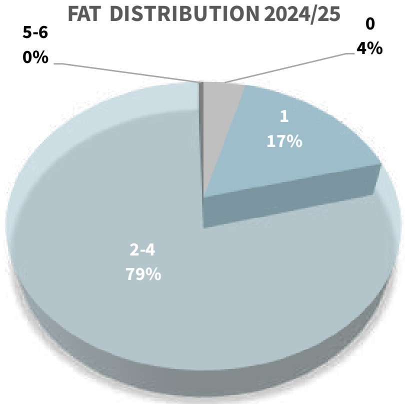


2024/25 Financial Year

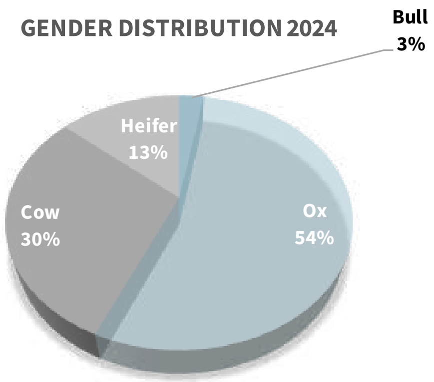
AGE DISTRIBUTION 2024/25



FAT DISTRIBUTION 2024/25



GENDER DISTRIBUTION 2024



2025/26 Financial Year

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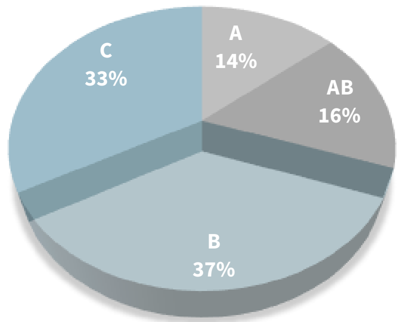
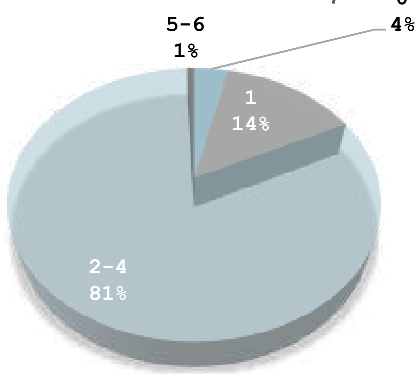
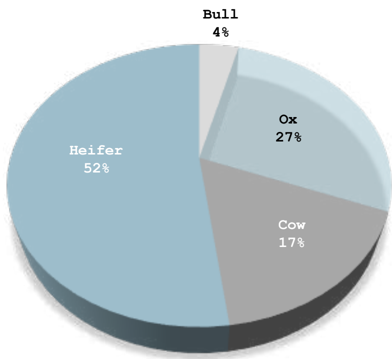


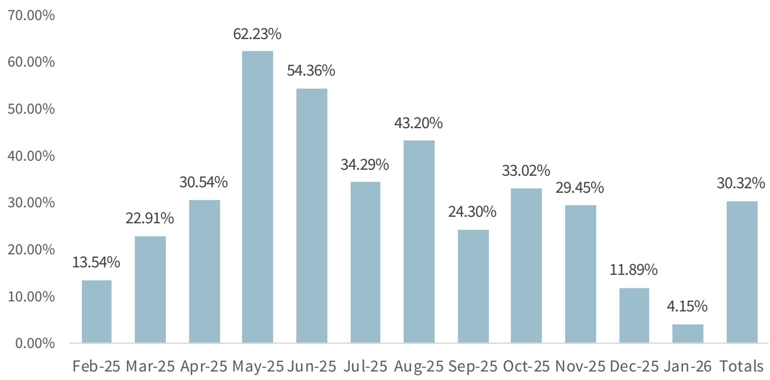
FAT DISTRIBUTION 2025/26



GENDER DISTRIBUTION 2025/26



Capacity Utilisation % vs Full Slaughter, 2025/26



Food Safety and Operational Excellence
Maintaining world-class food safety standards remains a cornerstone of Meatco's operations.

Continuous hygiene monitoring, rigorous quality assurance programmes and ongoing employee training ensured compliance with international export requirements and reinforced customer confidence in the Meatco brand.

Preventative maintenance programmes and process optimisation initiatives further enhanced equipment reliability, production continuity and operational efficiency.

Financial Contribution
Operations continued to make a significant contribution to producer value creation and the Group's financial sustainability.

Indicator	2025/26	2024/25
Producer Payments	**N$590.3 million**	N$1.095 billion
Average Producer Price	**N$66.06/kg**	N$58.64/kg

The increase in the average producer price demonstrates Meatco's continued commitment to maximising value for livestock producers through efficient processing and effective market realisation.

Operational efficiencies were further supported through disciplined cost management, preventative maintenance programmes and improved packaging processes.

Continuous Improvement
Operations continued to invest in initiatives that strengthen productivity and long-term competitiveness, including:
- Modernisation of packaging systems;
- Preventative maintenance of production infrastructure;
- Enhancement of hygiene and quality assurance systems;
- Continuous process optimisation; and
- Ongoing employee development and wellness programmes.

These initiatives reinforce Meatco's position as a trusted supplier of premium Namibian beef to global markets.

Outlook
Windhoek Abattoir Operations remain well positioned to support increased throughput as national livestock supply continues to recover.

The focus for the coming year will be on further improving processing efficiency, maintaining world-class food safety certification, enhancing operational productivity and maximising value creation for producers.

Through a continued commitment to operational excellence and quality, the Windhoek Abattoir will remain a key driver of Meatco's strategy to build a sustainable, competitive and globally respected Namibian beef industry.

Okapuka Tannery

Overview

Okapuka Tannery is a strategic component of Meatco's value addition portfolio, transforming Namibian cattle hides into premium full-substance wet blue leather for regional and international markets.

As an European Union-approved processing facility, the tannery leverages Namibia's naturally grazed, fully traceable livestock resource to supply ethically sourced leather to customers in the automotive, furniture and fashion industries. The operation contributes directly to Namibia's industrialisation agenda by promoting local beneficiation, export diversification and sustainable agro-processing.

Key Highlights

The 2025/26 financial year was marked by continued market expansion and operational stability, reinforcing Okapuka Tannery's position as a growing exporter of value-added leather products.

Key achievements included:

- Generated total sales of N$14.4 million.
- Maintained consistent production with a dedicated workforce of 19 employees.
- Successfully expanded exports to established markets including Italy, South Africa, Zimbabwe and Ghana.
- Completed the first export of Namibian wet blue hides to Kenya and Zimbabwe under the African Continental Free Trade Area (AfCFTA) framework, opening new opportunities for regional trade and value addition.
- Continued compliance with European Union veterinary export requirements and internationally recognised leather processing standards.

These achievements demonstrate Meatco's commitment to expanding Namibia's leather industry and increasing the value derived from every animal processed.

Market Development

Okapuka Tannery continues to strengthen its international footprint by supplying high-quality, traceable Namibian wet blue hides to a diversified customer base across Europe and Africa.

The successful entry into the Kenyan market under AfCFTA represents an important milestone in advancing intra-African trade and reducing reliance on traditional export destinations. This initiative supports broader continental objectives of regional industrialisation and value chain integration while positioning Namibia as a competitive supplier of premium leather products.

Operational Excellence

The tannery maintained consistent production and quality standards throughout the reporting period, supported by experienced technical personnel and internationally recognised processing systems.

Continuous adherence to export quality requirements and sustainable production practices reinforces customer confidence and strengthens Meatco’s reputation as a reliable supplier of premium African leather.

Strategic Contribution

Okapuka Tannery plays an important role in Meatco’s strategy of maximising value from the livestock value chain through beneficiation and product diversification.

By converting raw hides into export-quality wet blue leather, the tannery contributes to:

- Increased value addition within Namibia;
- Export diversification and foreign exchange earnings;
- Industrial development and job creation; and
- The objectives of Vision 2030 and National Development Plan 6 (NDP6).

Outlook

The focus for FY2026/27 will be on consolidating existing markets while expanding opportunities across Africa, Europe and selected international destinations.

Strategic priorities include:

- Expanding regional and international market access;
- Strengthening product competitiveness through operational efficiencies;
- Exploring opportunities for further value addition, including finished leather and gelatine products; and
- Enhancing sustainability initiatives to support long-term growth.

With its established export credentials, traceable raw material base and growing market presence, Okapuka Tannery is well positioned to support Meatco’s vision of building a competitive, value-added and globally recognised Namibian leather industry.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Northern Communal Area (NCA) Operations

Overview

Meatco's Northern Communal Area (NCA) Operations provide an essential market access platform for communal livestock producers through the Rundu and Katima Mulilo Abattoirs and associated value-addition facilities.

The operations support inclusive economic participation, rural livelihoods and value addition within the livestock sector, while contributing to national food security and regional economic development. Through its presence in the Northern Communal Areas, Meatco continues to fulfil its statutory mandate of serving producers across Namibia.

Key Highlights

The 2025/26 financial year was characterised by continued operational delivery and a strong commitment to supporting communal producers.

Key achievements included:

- Sustained operations at the Rundu and Katima Mulilo Abattoirs under strict veterinary and food safety standards.
- Maintained hygiene and quality systems in compliance with regulatory requirements.
- Procured and processed livestock from 164 communal producers, reinforcing market access across the region.
- Achieved an average carcass weight of 174.2 kg, reflecting continued focus on product quality and value recovery.
- Continued implementation of operational efficiency and cost management initiatives across production activities.

These achievements demonstrate Meatco's continued commitment to supporting communal livestock production and strengthening the northern livestock value chain.

Operational Performance
During the reporting period, the NCA operations procured 6,978 cattle and processed 8,183 animals, producing approximately 1,200 tonnes of beef products.

Katima Mulilo Abattoir
- Average carcass weight: 176.3 kg
- Gross proceeds: N$27.5 million
- Dressing percentage: 50.68 per cent

Rundu Abattoir
- Average carcass weight: 171.2 kg
- Gross proceeds: N$19.0 million
- Dressing percentage: 51.70 per cent

Operations continued to prioritise product quality, operational discipline and service delivery while adapting production schedules to available livestock supply.

Community and Economic Impact
The NCA operations remain an important contributor to rural economic development by providing reliable market access and income opportunities for communal farmers.

With a workforce of 137 employees, the operations continue to create employment and support economic activity in the Northern Communal Areas, while strengthening participation in Namibia's formal red meat value chain.

Through continued engagement with producers and stakeholders, Meatco reinforces its role as a strategic partner in advancing livestock commercialisation and inclusive agricultural development.

Continuous Improvement
During the reporting period, Management continued to enhance operational effectiveness through:
Improved slaughter planning and production scheduling;
- Strengthened monitoring of production yields and quality performance;
- Enhanced cost management and operational discipline;
- Continued optimisation of value-addition processes; and
- Ongoing maintenance of veterinary, hygiene and food safety standards.

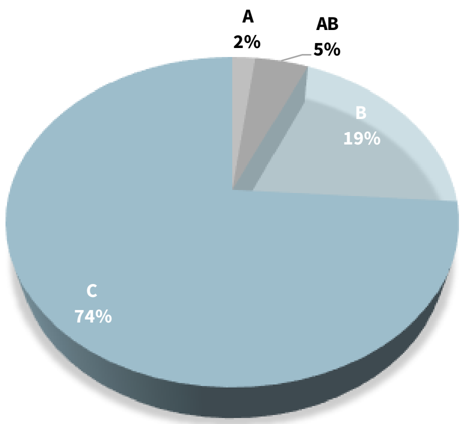
These initiatives support operational reliability and position the NCA facilities to accommodate future growth in livestock supply.

Outlook
The outlook for the NCA operations remains focused on expanding opportunities for communal producers while strengthening value addition and operational sustainability.

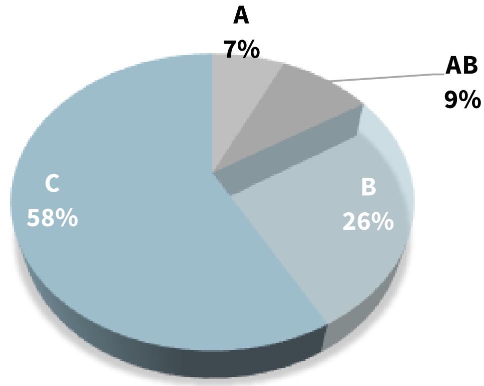
Strategic priorities for FY2026/27 include:
- Increasing livestock mobilisation across the Northern Communal Areas;
- Expanding value-added processing opportunities;
- Enhancing operational efficiency and productivity;
- Strengthening collaboration with producers, industry stakeholders and government; and
- Supporting the long-term development of a competitive and inclusive northern livestock economy.

As a strategic national asset, the NCA operations will continue to play a vital role in extending market access, creating rural economic opportunities and contributing to the sustainable growth of Namibia's red meat industry.

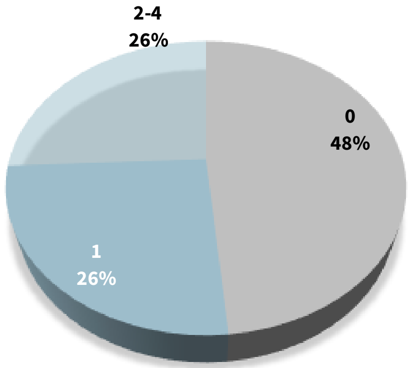
AGE DISTRIBUTION, KATIMA MULILU ABATTOIR, 2025/26



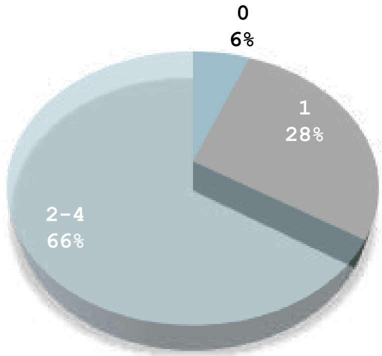
AGE DISTRIBUTION, RUNDU ABATTOIR, 2025/26



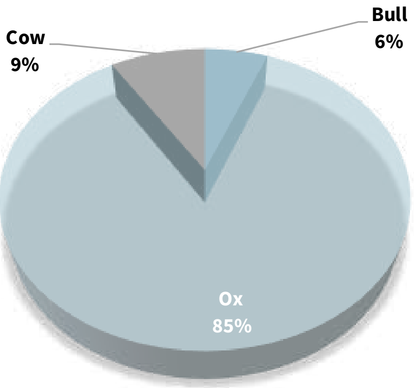
FAT DISTRIBUTION, KATIMA MULILO ABATTOIR, 2025/26



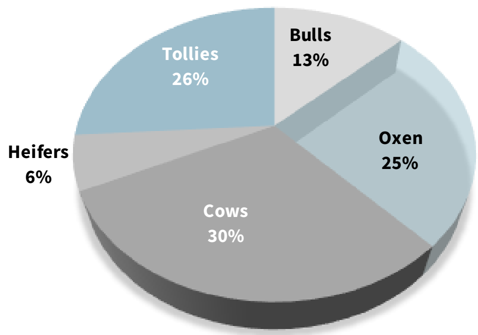
FAT DISTRIBUTION, RUNDU ABATTOIR, 2025/26



GENDER DISTRIBUTION, KATIMA MULILO ABATTOIR, 2025/26



GENDER DISTRIBUTION, RUNDU ABATTOIR, 2025/26



Commercial Review

Overview
The Commercial Division continued to demonstrate the strength of Meatco's diversified market strategy, successfully positioning premium Namibian grass-fed beef across international, regional and domestic markets while maximising value for producers and the Corporation.

Despite lower production volumes during the reporting period, strong market demand and favourable price realisation across premium export destinations supported a resilient commercial performance and reinforced Meatco's reputation as a trusted global supplier of high-quality beef products.

Commercial Highlights

Beef Sold	14,700 tonnes
Total Revenue Generated	N$1.157 billion
Average Revenue Realisation	N$78.79/kg

The commercial portfolio remained balanced across premium export, regional and domestic markets, enabling optimal product allocation and value recovery across the full carcass.

Premium Export Markets
The European Union and Norway remained Meatco's flagship export destinations, continuing to deliver the highest value realisation for premium Namibian beef.

Performance
- Total Volume: 5,250 tonnes
- Total Revenue: €43.1 million
- Average Realisation: €8.20/kg

These markets continued to absorb premium deboned, vacuum-packed chilled and frozen beef cuts, reflecting sustained demand for Namibia's traceable, naturally raised and grass-fed beef products.

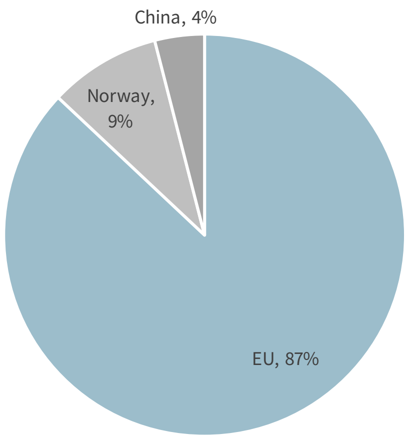
The successful utilisation of the Norwegian quota and continued market access into the European Union reinforce Meatco's position as a preferred supplier to discerning international consumers.

Asian Markets
China continued to play an important strategic role within Meatco's export portfolio by providing an established market for selected beef products and supporting balanced carcass utilisation.

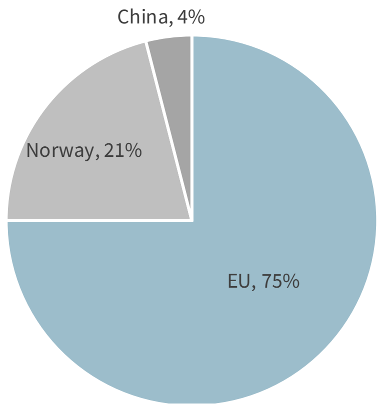
Performance
- Total Volume: 238 tonnes
- Total Revenue: USD 917,583
- Average Realisation: USD 3.85/kg

The Chinese market complements Meatco's premium export strategy by expanding market opportunities and strengthening product diversification.

International Sales Volume Distribution, 2024/25



International Sales Volume Distribution, 2025/26



Regional and Domestic Markets

Regional and domestic markets remained a cornerstone of Meatco's commercial strategy, accounting for more than 62 per cent of total sales volumes.

These markets provide:

- Stable demand across a broad product range;
- Enhanced market diversification;
- Efficient utilisation of the full product portfolio; and
- Continued availability of quality Namibian beef to local and regional consumers.

The strength of these markets continues to underpin Meatco's balanced commercial model and long-term resilience.

Logistics and Market Access

During the reporting period, all export shipments were routed through the Port of Walvis Bay, reaffirming Meatco's commitment to supporting Namibia's logistics sector while enhancing supply chain efficiency.

The continued utilisation of Walvis Bay strengthens Namibia's position as a regional trade and logistics hub and provides efficient access to key international markets, including Europe, Norway and Asia.

Strategic Market Position

Meatco's diversified market portfolio remains one of its key competitive advantages. By combining premium export destinations with strong regional and domestic channels, the Corporation continues to maximise value while reducing dependence on any single market.

This strategy enables flexible product allocation, improved price realisation and sustainable commercial performance across varying market conditions.

Outlook

The global outlook for premium beef remains positive, supported by constrained cattle supplies and sustained demand for high-quality, traceable products.

Meatco is well positioned to capitalise on these opportunities through the:

- Continued focus on premium European and Norwegian markets;
- Expansion of regional and international market opportunities;
- Strengthening of strategic customer relationships;
- Optimised product allocation across markets; and
- Ongoing promotion of the Namibian grass-fed beef brand.

Conclusion

The 2025/26 financial year reaffirmed the strength of Meatco's commercial strategy. Through diversified market access, disciplined product allocation and continued focus on premium value realisation, the Corporation maintained a strong market presence and generated N$1.157 billion in revenue from the sale of 14,700 tonnes of beef.

As global demand for premium, traceable and sustainably produced beef continues to grow, Meatco remains well positioned to deliver sustainable value for producers, customers and the Namibian economy while strengthening the international reputation of the Meatco and Namibian beef brands.

Information Technology

Overview
Information Technology (IT) continues to be a key enabler of Meatco's operational excellence, supporting business continuity, digital transformation and informed decision-making across the organisation.

The department manages enterprise infrastructure, business applications, cybersecurity, connectivity and digital platforms, ensuring secure and reliable technology services that support Meatco's operations, producers and customers.

Key Highlights
The 2025/26 financial year delivered significant progress in strengthening Meatco's digital capabilities and operational efficiency.

Key achievements included:

- Successfully deploying the Akiri Livestock Management System at Rundu, enhancing livestock visibility and operational control.
- Strengthened cybersecurity through the implementation of advanced network intrusion detection and monitoring capabilities.
- Introducing more than 20 semi-automated digital workflows, reducing manual reporting requirements and improving business efficiency.
- Achieving 99.6 per cent system availability, ensuring reliable support for business-critical operations.

Continuous Improvement

The department continued to advance Meatco's digital transformation agenda through:

- Enhanced cybersecurity and network monitoring;
- Expanded digital approval workflows and electronic signature capabilities;
- Improved connectivity and network performance;
- Modernisation of digital infrastructure; and
- Strengthened technology governance and asset management.

These initiatives continue to improve operational resilience while creating a scalable technology platform for future growth.

- Upgrading two data centres, improving infrastructure resilience and service continuity.
- Replacing 79 end-user and production devices, enhancing reliability, productivity and user experience.
- Initiating a company-wide CCTV modernisation programme and refreshing Meatco's digital platforms to strengthen security and stakeholder engagement.

Digital Transformation and Cost Optimisation
The IT function continued to deliver measurable efficiencies through technology optimisation and prudent cost management.

Notable achievements included:

- 27 per cent reduction in software licensing costs, generating savings of approximately N$1.32 million.
- Printing cost reductions of 16 per cent and telephony cost reductions of 31 per cent, delivering combined savings of N$227,240.
- Expanded use of digital workflows and process automation, reducing manual administration and improving turnaround times across business functions.

These initiatives contributed to a total IT expenditure of N$11.63 million, while delivering an under-budget performance of N$2.65 million.

Outlook
Technology will remain a strategic enabler of Meatco's transformation and operational excellence.

Priority initiatives for FY2026/27 include:

- Further modernisation of network infrastructure;
- Implementation of biological stock management capabilities;
- Digital compliance solutions supporting international market requirements;
- Expansion of workflow automation and electronic approvals;
- Progression of the ERP modernisation programme;
- Strengthening technology governance and asset management; and
- Supporting the commissioning and digital integration of operations in Ongwediva, Outapi and Eenhana

Through continued investment in secure, efficient and innovative technology solutions, the Information Technology function will remain a critical driver of Meatco's competitiveness, productivity and long-term sustainability.

Supply Chain & Procurement

Overview

Supply Chain and Procurement play a strategic role in enabling Meatco's operations by ensuring the timely acquisition of goods and services while maintaining the highest standards of governance, transparency and value for money.

Operating in full compliance with the Public Procurement Act (Act 15 of 2015), the function supports operational continuity, financial sustainability and local economic development through responsible sourcing and supplier partnerships.

Key Highlights

During the 2025/26 financial year, Procurement successfully managed purchase orders and contracts with a combined value of N$300.2 million, ensuring uninterrupted support to business operations across the Group.

The procurement portfolio demonstrates Meatco's continued commitment to supporting the Namibian economy, with 96.2 per cent of total procurement expenditure directed to local suppliers.

Procurement Spend by Supplier Category

Category	Value (N$)	Share
Local Non-SMEs	146.8 million	48.9%
Local SMEs	142.0 million	47.3%
Total Local Procurement	**288.8 million**	**96.2%**
International Suppliers	11.5 million	3.8%
Total Procurement Spend	**300.2 million**	**100%**

The significant participation of local Small and Medium Enterprises (SMEs) reflects Meatco's contribution to enterprise development, local capacity building and economic empowerment in line with national development priorities.

Governance and Value Creation
The Procurement function remains committed to transparency, accountability and responsible sourcing practices.

By promoting fair competition and strengthening relationships with local suppliers, the department continues to contribute to sustainable supply chains while supporting Namibia's industrial development and local economic participation.

Key priorities include:

- Digitalisation and automation of procurement processes to improve efficiency and transparency;
- Strengthening supplier relationship management through strategic partnerships and early supplier engagement;
- Enhancing cross-functional collaboration to improve planning and delivery; and
- Continuing to maximise local procurement opportunities while delivering value for money.

Outlook
The focus for FY2026/27 will be on further modernising procurement processes and enhancing supply chain resilience.

These initiatives will further strengthen Meatco's supply chain capability, improve operational responsiveness and support the Corporation's long-term strategic objectives.

Corporate Governance Report

Governance Philosophy

The Corporation upholds the standards of corporate governance, recognising that effective governance is fundamental to organisational sustainability, accountability and stakeholder confidence. As such, its governance framework is aligned with the principles set out in NamCode and the King V Code on Corporate Governance, through which it ensures that its governance structures support strategic oversight, effective risk management and long-term value creation.

The Corporation further conducts its affairs in accordance with the principles of ethical leadership, and in compliance with the provisions of the Public Enterprises Governance Act, 2019 (Act No. 1 of 2019).

Board Composition

The composition of the Board during the reporting period (1 February 2025 to 31 January 2026), was as follows:

- Mr Sakaria Nghikembua – Chairperson (resigned in June 2025)
- Ms Stephanie de Klerk – Deputy Chairperson
- Mr Joseph Andreas – Director
- Mr Martin J.P. Hilbert – Director
- Mr Cyprianus Khaiseb – Director
- Mr Adolf Muremi – Director
- Ms Patricia Olivier – Director
- Mr Abiud Tjipangandjara – Director
- Mr Patterson K. Tjipueja – Director
- Dr Diana van Schalkwyk – Director

Collectively, the Board brings together a diverse range of expertise across sectors including law, finance, chartered accountancy, business administration and management, food science, education, and farming. Ninety per cent of the directors on the Board are non-executive, which reinforces independence. This diversity of experience and independence strengthens the Board's ability to provide effective oversight and objective, strategic guidance.

Board Committees

To enhance its effectiveness and ensure focused oversight, the Board has established, and is supported by, the Human Resources and Remuneration Committee, Audit and Risk Committee, and the Management Support Committee.

Audit and Risk Committee
The Audit and Risk Committee assists the Board in overseeing the integrity of financial reporting, internal control systems and the effectiveness of risk management practices.

Human Resources and Remuneration Committee
This committee provides oversight of remuneration policies, human capital strategies and employee-related governance matters.

Management Support Committee
The Management Support Committee is aimed to provide guidance to management as needed, and meets upon the request of management via the CEO. During the reporting period, the committee was not required to convene.

Board Member	Board Meetings	Audit and Risk Committee Meetings	Remunera-tion and HR Committee Meetings	Management Support Committee Meetings	Annual General Meetings
Sakaria Nghikembua	0 out of 8	-	-	-	N/A
Stephanie de Klerk	7 out of 8	-	3 out of 4	-	√
Josef Andreas	6 out of 8	7 out of 10	-	-	√
Martin J.P. Hilbert	8 out of 8	10 out of 10	-	-	√
Cyprianus Khaiseb	7 out of 8	-	4 out of 4	-	√
Adolf Muremi	8 out of 8	-	4 out of 4	-	√
Patricia Olivier	5 out of 8	-	4 out of 4	-	0
Abiud Tjipangandjara	7 out of 8	-	4 out of 4	-	√
Patterson Tjipueja	6 out of 8	10 out of 10	-	-	√
Diana van Schalkwyk	8 out of 8	10 out of 10	-	-	√

Managing Meatco's Material Risks

Enterprise Risk Management
Effective risk management is fundamental to Meatco's ability to achieve its strategic objectives, protect stakeholder value and ensure long-term sustainability. In an increasingly dynamic operating environment, the Corporation adopts an integrated approach to identifying, assessing and managing risks while capitalising on emerging opportunities.

Meatco's Enterprise Risk Management Framework embeds risk management into strategic planning, operational decision-making and performance management, ensuring that material risks are managed within the Board-approved risk appetite and aligned with the Corporation's governance principles.

Throughout the reporting period, Management continued to monitor strategic and operational risks, implementing appropriate mitigation measures to strengthen organisational resilience and support the successful delivery of business objectives.

Board and Audit & Risk Committee Oversight
The Board of Directors maintains overall responsibility for the governance of risk management and internal control across the Group.

Through its delegated authority, the Audit & Risk Committee provides independent oversight of the Enterprise Risk Management Framework, monitors the effectiveness of internal controls and reviews the adequacy of risk mitigation strategies implemented by management.

This governance structure ensures that material risks are regularly assessed, reported and managed in a transparent and accountable manner, supporting sound decision-making and sustainable business performance.

Internal Audit

The Internal Audit Function provides independent and objective assurance on the effectiveness of Meatco's governance, risk management and internal control processes.

Operating in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA), the function adopts a risk-based approach to evaluating key business processes and advising management on opportunities to strengthen controls and improve operational performance.

Internal Audit supports the Corporation by:

- Evaluating the effectiveness of risk management and internal control systems;
- Assessing governance processes and compliance with policies and legislation;
- Monitoring the implementation of agreed management action plans; and
- Providing independent assurance to the Audit & Risk Committee and the Board.

The Internal Audit Function reports functionally to the Audit & Risk Committee, ensuring its independence and objectivity while executing the approved Annual Internal Audit Plan and maintaining a rolling programme of assurance activities across the Group.

Risk Culture

Meatco continues to strengthen a proactive risk culture in which accountability for managing risk is embedded across all levels of the organisation. By integrating risk management into daily operations, strategic planning and performance management, the Corporation enhances its ability to respond effectively to changing business conditions while safeguarding its assets, reputation and long-term sustainability.

The Board is satisfied that the Corporation's governance structures, enterprise risk management processes and internal assurance functions provide a strong foundation for responsible decision-making and continued value creation for stakeholders.

Meatco's Top Enterprise Risks

Meatco operates in a dynamic business environment characterised by climate variability, evolving international market requirements and complex supply chain considerations. The Board and Management continuously monitor the Corporation's strategic risks and implement appropriate mitigation measures to safeguard operations, maintain stakeholder confidence and support long-term sustainability.

Strategic Risk	Key Mitigation Measures
Environmental & Climate Risk	Diversified livestock sourcing, long-term producer partnerships, feedlot arrangements, agricultural extension support and procurement strategies strengthen resilience against climate variability and supply fluctuations.
Infrastructure & Asset Reliability	Preventative maintenance programmes, regular technical inspections, strategic capital investment and critical spare parts management ensure operational continuity and asset reliability.
Supply Chain & Product Quality	Long-term procurement arrangements, producer engagement, livestock traceability systems and internationally accredited quality management systems maintain product integrity and market confidence.
Production & Resource Availability	Strategic sourcing, supplier diversification and proactive procurement planning support uninterrupted access to critical production inputs and services.
Financial & Market Risk	Disciplined financial management, market diversification, forward pricing mechanisms and continuous cost optimisation strengthen financial sustainability and commercial resilience.
Technology & Information Security	Modern technology infrastructure, cybersecurity enhancements, data backup and recovery capabilities, and ongoing digital investment protect business continuity and information assets.
Food Safety, Health, Environment & Quality (SHEQ)	Accredited food safety and quality management systems, veterinary oversight, regulatory compliance programmes and continuous employee training safeguard product quality and export market access.
Export & Logistics Risk	Standardised export procedures, strengthened documentation controls, collaboration with logistics partners and continuous process improvements support efficient international trade and timely market delivery.

Risk Governance

The Board of Directors, supported by the Audit & Risk Committee, maintains oversight of the Enterprise Risk Management Framework to ensure that material risks are identified, assessed and managed within the Corporation's approved risk appetite.

Management continues to strengthen risk management capabilities through proactive planning, continuous monitoring and regular review of mitigation strategies, ensuring that Meatco remains resilient and well positioned to achieve its strategic objectives.

Through this integrated approach, the Corporation continues to protect its operations, preserve stakeholder value and maintain its position as a trusted supplier of premium Namibian beef to global markets.

Remuneration Report

Directors' Remuneration

The Corporation remunerates its non-executive directors in accordance with the remuneration directives issued under the Public Enterprises Governance Act, 2019 (Act No. 1 of 2019) and other applicable governance requirements.

Executive directors, as employees of the Corporation, do not receive Board sitting fees.

During the 2025/26 financial year, total remuneration paid to non-executive directors, including remuneration for service on subsidiary boards and excluding subsistence and travel allowances, amounted to N$2.34 million.

The Board is satisfied that director remuneration remains aligned with statutory directives, reflects the responsibilities and time commitments associated with Board service, and supports the Corporation's commitment to sound corporate governance, accountability and transparency.

Human Capital

At the end of the 2025/26 financial year, Meatco employed 760 people, comprising 710 permanent employees and 50 fixed-term contract employees, providing employment opportunities across Namibia's livestock value chain.

Overview

Meatco's people remain its greatest asset and are a key driver of operational excellence, food safety, customer service and long-term sustainability. The Human Capital function is committed to developing a capable, engaged and high-performing workforce that supports the Corporation's strategic objectives while fostering a culture of accountability, collaboration and continuous improvement.

At the end of the 2025/26 financial year, Meatco employed 760 people, comprising 710 permanent employees and 50 fixed-term contract employees, providing employment opportunities across Namibia's livestock value chain.

Workforce Profile

Workforce Indicator	2025/26
Total Employees	**760**
Permanent Employees	**710**
Fixed-Term Contract Employees	**50**
Male Representation	**75%**
Female Representation	**25%**

The Corporation's workforce continues to reflect the operational requirements of a modern agro-processing business, with the majority of employees contributing directly to production, quality assurance and value-addition activities.

Key Highlights

Employee Relations

Meatco maintained a constructive and collaborative relationship with employees and recognised labour representatives throughout the reporting period. The successful implementation of the annual wage agreement contributed to a stable and productive

working environment, reinforcing the Corporation’s commitment to open engagement, mutual respect and sound labour relations.

Learning and Development

Investment in employee capability remained a strategic priority, with 121 training interventions delivered during the year, reinforcing the organisation’s commitment to skills development and operational excellence.”Training programmes focused on:

- Food safety and compliance;
- Operational and technical skills;
- Leadership and supervisory development; and
- Mandatory regulatory and workplace training.

These initiatives strengthened organisational capability and supported operational excellence across the business.

Employee Health and Wellness

Employee wellbeing continued to receive dedicated attention through the provision of on-site primary healthcare services and a range of wellness initiatives. Group counselling programmes, awareness campaigns and employee support interventions contributed to promoting a healthy, safe and engaged workforce while reinforcing a culture of care and accountability.

Governance and Policy Development

The Human Capital function strengthened governance through the development and implementation of key policies that enhance consistency, transparency and compliance across the organisation.

- During the reporting period, the following frameworks were approved and implemented:
- Leave Management Policy;
- Remuneration Policy and Procedures;
- Remuneration Management Policy; and
- Employee Relations Policy and Procedures.

These initiatives further strengthened the Corporation’s human capital governance framework and aligned people management practices with organisational objectives and legislative requirements.

Building a High-Performance Organisation
Human Capital continued to support Meatco's transformation agenda by aligning workforce planning, talent development and employee engagement with the strategic priorities of the Turnaround Plan.

The focus on capability development, governance and employee wellbeing contributes directly to operational efficiency, food safety excellence and sustainable organisational performance.

Outlook
As Meatco enters the final phase of its Turnaround Plan, the Human Capital function will focus on building a future-ready organisation that is agile, capable and performance driven.

Key priorities for FY2026/27 include:
- Phased implementation of the new organisational structure to support future business requirements;
- Strengthening leadership capability and succession planning;
- Driving a culture transformation programme centred on accountability, collaboration and shared purpose;
- Continuing investment in employee development and wellbeing; and
- Enhancing workforce planning and performance management systems.

Through these initiatives, Human Capital will continue to support Meatco's vision of becoming a world-class meat brand by empowering its people, strengthening organisational capability and fostering a culture that delivers sustainable value for producers, customers, employees and the Namibian economy.

Meatco Foundation

Overview
The Meatco Foundation continues to serve as the Corporation's social investment and development arm, implementing programmes that strengthen rural livelihoods, enhance climate resilience and promote sustainable livestock value chains across Namibia.

Working in partnership with Government, development agencies, producer organisations and international partners, the Foundation supports inclusive agricultural development while advancing Meatco's Environmental, Social and Governance (ESG) commitments.

During the reporting period, project implementation increased to N$27.3 million (2024/25: N$26.2 million), demonstrating the Corporation's continued investment in community development, farmer empowerment and sustainable agriculture.

Key Highlights

Climate-Resilient Livestock Development
The Foundation successfully concluded the Livestock Value Chain Development and Climate Resilience (LDCR-NCA) programme, strengthening communal livestock production, sustainable rangeland management and market participation across the Northern Communal Areas.

The programme delivered lasting investments in livestock infrastructure, rangeland rehabilitation and collaborative research initiatives that support long-term climate adaptation and agricultural resilience.

Agribusiness and Producer Development
In partnership with Meatco NCA, the Namibia National Farmers' Union (NNFU), the Ministry of Agriculture, Fisheries, Water and Land Reform and GIZ, the Foundation continued advancing initiatives that strengthen agricultural value chains, improve food security and enhance economic opportunities for communal producers.

These partnerships contribute to building resilient livestock systems while promoting sustainable income generation and rural employment.

Regional Leadership and International Partnerships
The Foundation continued to strengthen Namibia's presence within regional agricultural and leather value chains through active participation in SADC programmes and strategic partnerships.

Notable achievements included:
- Continued collaboration with GIZ to enhance the Environmental, Social and Governance performance of the Okapuka Tannery;
- Participation in regional leather value chain initiatives supporting market development and sustainable industrialisation; and
- Appointment of Namibian representatives to leadership positions within SADC Leather Working Group structures, reinforcing Namibia's influence in regional value chain development.

Industry Engagement and Knowledge Sharing
The Foundation maintained an active presence at major agricultural and industry platforms, including the Ongwediva Annual Trade Fair, producer information events and international sustainability initiatives, promoting Meatco's development programmes and strengthening engagement with farmers, industry stakeholders and development partners.

Capacity Building

Capacity development remained a central pillar of the Foundation's work during the reporting period.
A total of 44 training interventions were successfully delivered across five regions in Namibia and three Southern African countries, reaching 1,086 participants.

Training programmes focused on:

- Strategy and performance management;
- Climate-smart livestock production;
- Rangeland restoration;
- Food safety and animal welfare;
- Agribusiness development;
- Sustainable value chain management;
- Environmental, Social and Governance (ESG) practices; and
- Regional leather industry development.

These interventions strengthened technical skills, improved producer capacity and promoted sustainable agricultural practices throughout the region.

Strategic Impact

Through its programmes and partnerships, the Meatco Foundation continues to:

- Strengthen climate resilience within communal livestock systems;
- Support sustainable agricultural development and food security;
- Promote producer empowerment and market participation;
- Advance innovation and knowledge sharing across the livestock value chain;
- Mobilise international partnerships and development funding; and
- Contribute to Namibia's national development and sustainability objectives.

Outlook

The Foundation will continue to expand its role as a catalyst for sustainable rural development and agricultural transformation.

Priority areas for FY2026/27 include:

- Scaling climate-smart livestock initiatives;
- Expanding producer capacity-building programmes;
- Strengthening regional and international partnerships;
- Supporting youth participation and agribusiness development;
- Advancing ESG and sustainable value chain initiatives; and
- Mobilising additional development resources to maximise community impact.

Conclusion

The 2025/26 financial year reaffirmed the Meatco Foundation's role as an important driver of sustainable development within Namibia's livestock sector. Through strategic partnerships, targeted investment and practical capacity-building programmes, the Foundation continues to empower producers, strengthen rural communities and build more resilient and inclusive agricultural value chains, creating lasting value for both the livestock industry and the nation.

Annual Financial Statements

Meat Corporation of Namibia
Consolidated and Separate Annual Financial Statements
for the year ended 31 January 2026

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	Manufacturing of beef and value added beef products
Directors	Ms Stephanie de Klerk Mr Joseph Andreas Mr Martin J.P. Hilbert Mr Cyprianus Khaiseb Mr Adolf Muremi Ms Patricia Olivier Mr Abiud Tjipangandjara Mr Patterson K. Tjipueja Dr Diana van Schalkwyk
Business address	No. 1 Simataa Khama Street Northern Industrial Area Windhoek
Postal address	P O Box 3881 Windhoek Namibia
Bankers	Bank Windhoek Limited First National Bank of Namibia Limited Standard Bank Namibia Limited Development Bank of Namibia Nedbank Namibia Limited Barclays Bank UK
Auditors	Grand Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	Ms. N Mhanda

Meat Corporation of Namibia
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Contents

The reports and statements set out below comprise the consolidated and separate annual financial statements presented to the shareholders:

The following supplementary information does not form part of the consolidated and separate annual financial statements and is unaudited:

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Directors' Responsibilities and Approval

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

The consolidated and separate annual financial statements are prepared in accordance with IFRS® Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the 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 group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual 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 group's cash flow forecast for the year to 31 January 2027 and, in light of this review and the current financial position, they are satisfied that the group 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 group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the group's external auditors and their report is presented on pages 52 to 54.

The consolidated and separate annual financial statements and supplementary information as set out on pages 55 to 111, which have been prepared on the going concern basis, were approved by the board of directors on 13 JULY 2026 and were signed on their behalf by:

Ms Stephanie de Klerk – Deputy Chairperson

Mr Patterson K. Tjipueja - Director

Grand Namibia
Chartered Accountants & Auditors

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Meat Corporation of Namibia and its Subsidiaries

Opinion

We have audited the consolidated and separate annual financial statements of Meat Corporation of Namibia and its subsidiaries ("the group") set out on pages 55 to 109,which comprise the consolidated and separate statement of financial position as at 31 January 2026, the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of material accounting policies and the directors' report.

In our opinion, the consolidated and separate annual financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and the Corporation as at 31 January 2026, its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the IASB and the requirements of the Meat Corporation of Namibia Act (Act 1 of 2001).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements* section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Namibia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 5 of the Directors' Report in the Consolidated and Separate Annual Financial Statements, which indicates that the group's revenue declined by N$ 757 million during the year ended 31 January 2026, and, as of that date, the group had an accumulated loss balance of N$ 134 million. In addition, there was no government grants allocated to the group for the subsequent 2026/2027 financial year in the government's budget. These events or conditions, along with other matters as set forth in Note 5 of the Directors 'Report, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the directors' responsibilities and approval and the detailed income statement which we obtained prior to the date of this auditor's report. The other information does not include the consolidated and separate annual financial statements and our auditor's report thereon.

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

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In connection with our audit of the consolidated and separate 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 consolidated and separate 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 Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate annual financial statements in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of the Meat Corporation of Namibia Act (Act 1 of 2001), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 group and corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate 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 group and corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate annual financial statements, including the disclosures, and whether the consolidated and separate annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated annual financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

Grand Namibia

Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: Petrus T. Nghipandulwa
Partner

Windhoek
24 July 2026

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of the Meat Corporation of Namibia and the group for the year ended 31 January 2026.

1. The mandate of The Meat Corporation of Namibia

The overall mandate of the Corporation is set out in the Meat Corporation of Namibia Act, 2001 (Act 1 of 2001) and described in more detail later in this report. In accordance with the Meat Corporation of Namibia Act, 2001 (Act 1 of 2001), the mandate of the Corporation is as follows:

- to serve, promote and co-ordinate the interests of producers of livestock in Namibia, and to strive for the stabilisation of the meat industry of Namibia in the national interest;
- to erect, rent, purchase or otherwise acquire, stabilise, optimally utilise and maintain abattoirs and other meat factories in the public interest;
- to rationalise abattoir and related factory activities, and conduct and manage such business in an orderly, economical, and efficient manner; and
- to market products within Namibia or elsewhere to the best advantage of the producers of livestock in Namibia.

Vision of the Meat Corporation of Namibia

The Corporation's vision is to be a world-class meat brand, creating sustainable wealth for all Namibians.

Objectives of the Meat Corporation of Namibia

The corporate objectives of the Corporation are aligned with the mandate as set out in Section 3 of the Meat Corporation of Namibia Act, 2001 (Act 1 of 2001) and are as follows:

- to create equal access to market;
- to take leadership in the Namibian meat industry in national interest;
- to create the infrastructure to support our drive to be a sustainable and commercially competitive business with best practice in all we do;
- to create added value for all customers through unique competencies, cost-effective and innovative processes, sound social and environmental practices;
- to promote Namibian meat brands in Namibia and selected global markets; and
- our people play an important part in realising our objectives and we continuously work to create a culture that is conducive to productivity and development.

2. Interests in subsidiaries, associates and joint arrangements

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the consolidated and separate annual financial statements in notes 6 and 7.

There were no significant acquisitions or divestitures during the year ended 31 January 2026.

3. Directorate

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

Directors	Office	Changes
Ms Stephanie de Klerk	Deputy Chairperson	
Mr Joseph Andreas		
Mr Martin J.P. Hilbert		
Mr Cyprianus Khaiseb		
Mr Adolf Muremi		
Ms Patricia Olivier		
Mr Abiud Tjipangandjara		
Mr Patterson K. Tjipueja		
Dr Diana van Schalkwyk		
Mr Sakaria Nghikembua	Chairperson	Resigned 13 June 2025

Directors' Report

4. Going concern

The Board of Directors has assessed the ability of the Meat Corporation of Namibia (“the Corporation”) and the Group to continue as a going concern in accordance with IAS 1 – Presentation of Financial Statements, considering all available information about the future for a period of at least twelve months from the date of approval of the financial statements.

Assessment Basis

In making this assessment, the Board considered the Corporation’s financial position as at 31 January 2026, the audited results for the year ended 31 January 2025, and the planned operational and financial performance as set out in the Approved Annual Business and Financial Plan (ABFP) for FY2026/27.

The Board further considered the Corporation’s liquidity position, forecast cash flows, debt maturity profile, funding arrangements, operational performance trends, and the ongoing implementation of the Turnaround Plan.

Financial Performance and Liquidity: For the year ended 31 January 2026

For the year ended 31 January 2026, the Group reported a reduction in slaughter numbers, just like any other year after a drought season. Profitability for the period was supported by improved revenue realisation, and continued shareholder support. The Group generated positive operating cash flows and reduced its gearing ratio, reflecting an improving capital structure and financial resilience.

Based on the FY2026/27 ABFP, the Group projects:

- Consolidated revenue of approximately N$2.0 billion,
- Operating profitability at both Corporation and Group level,
- Net profit after tax at Group level of approximately N$80.9 million, and
- Positive cash flows from operations sufficient to support ongoing operations and planned capital expenditure.

The Board is satisfied that the forecasts are based on reasonable and supportable assumptions, including conservative throughput estimates, realistic pricing, and cost containment initiatives.

Funding and Shareholder Support

The Board has considered the Corporation’s funding and liquidity position, including:

- existing working capital facilities and trade finance arrangements;
- management’s ability to utilise invoice discounting and short-term trade finance to bridge seasonal working capital requirements;
- continued access to banking facilities based on the Group’s improved performance and moderate gearing levels; and
- confirmed and anticipated shareholder support through government grants and capital support mechanisms, which remain integral to the execution of the Turnaround Plan.

Deferred income arising from government grants recognised in prior periods continues to support operational stability and cash flow management.

Operational Outlook and Risk Considerations

The FY2026/27 ABFP represents the final year of the Turnaround Plan and is focused on consolidation and sustainability. Key assumptions underpinning the forecasts include:

- stable cattle supply supported by fixed-price slaughter contracts, feedlot utilisation, and diversified procurement channels;
- maintained access to premium export markets (EU, Norway, SADC and China);
- continued cost optimisation initiatives and organisational realignment; and
- disciplined working capital management.

The Board notes that the Corporation remains exposed to risks inherent in the livestock and export meat industry, including climate variability, market volatility, logistics constraints, and funding timing. However, management has implemented mitigation strategies through procurement diversification, market spread, liquidity buffers, and active risk management oversight.

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Directors' Report

4. Going concern (continued)

Conclusion

Based on the above assessment, the Board is satisfied that the Corporation and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis.

The Board is not aware of any material uncertainties related to events or conditions that may cast significant doubt on the Corporation's or the Group's ability to continue as a going concern.

5. Operating results

During the financial year under review, throughput of cattle supply in the areas south of the trans veterinary cordon fence decreased to 35,594 (2025: 75,268). The average cold dressed carcass weight increased to 252 (2025: 246 kg), resulting in actual throughput of 8,930 tonnes (2025: 18,673 tonnes).

Cattle supply in the areas north of the trans veterinary cordon fence increased to 8,183 (2025: 7,844). The average cold dressed carcass weight decreased to 173 (2025: 178 kg), resulting in actual throughput of 1,404 tonnes (2025: 1,398 tonnes).

The revenue for the Group decreased to N$ 1,108 billion (2025: N$ 1,865 billion).

Other matters

A provision of N$2.56 million has been recognised in respect of cash advances issued for procurement purposes that remain unaccounted for at year-end. The matter is under investigation and management has instituted appropriate measures to determine the cause of the loss, strengthen internal controls, and pursue recovery where possible. The provision reflects management's prudent assessment of the recoverability of the outstanding amount as at the reporting date.

Key Performance Indicators	Indicator	2026	2025
Cattle supply (units)			
- SVCF	Decrease	35,594	75,268
- NVCF	Increase	8,183	7,844
Average cold dressed carcass weight (kg)			
- SVCF	Increase	252	246
- NVCF	Decrease	173	178
Throughput (tonnes)			
- SVCF	Decrease	8,930	18,673
- NVCF	Increase	1,404	1,398
Group Revenue	Decrease	N$ 1,11 billion	N$ 1,87 billion
Group Net Profit/(Loss) before tax	Decrease	N$ 42 million	N$ 106 million

Meat Corporation of Namibia
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Directors' Report

5. Operating results (continued)

Financial position

The state of the Group and Corporation's affairs is adequately accounted for in the annual financial statements and apart from the remarks stated hereunder, does not call for any further comment.

Reserves

The Corporation needs to maintain adequate facilities and services at an appropriate level to meet the standards required for a viable meat industry in Namibia. Its first priority is therefore to generate annual income sufficient to maintain the required level of operations in the short term and to provide sufficient funds to sustain its operations in the long term, while paying sustainable prices to livestock producers.

The appropriation of surpluses, derived from normal recurring business activities and after due allowance for all external and internal statutory obligations, is regulated by the financial and accounting policy directives of the Board. These directives are aimed at the utillisation of the Corporation's cash resources to serve first and foremost the main business purposes of the Corporation and to secure the accomplishment of its main objectives.

6. Dividends

The board of directors do not recommend the declaration of a dividend for the year (2025: N$ nil).

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

8. Auditors

Grand Namibia continued in office as the corporation's auditors for the 2026 financial year.

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Statement of Financial Position as at 31 January 2026

		Group		Corporation	
Figures in Namibia Dollar	Notes	2026	2025	2026	2025
Assets					
Non-Current Assets					
Property, plant and equipment	4	591,709,045	497,350,361	569,824,730	481,817,294
Right-of-use assets	5	417,291	625,938	417,291	625,938
Investments in subsidiaries	6	-	-	11,960,000	11,960,000
Investments in associates	7	-	8,945,188	-	216,791
Deferred tax	8	161,020,087	157,588,284	145,332,482	139,312,915
		753,146,423	**664,509,771**	**727,534,503**	**633,932,938**
Current Assets					
Biological assets	9	17,853,042	22,966,674	11,457,606	15,098,418
Inventories	10	77,805,854	175,595,749	70,911,279	169,024,382
Loans to related parties	11	-	-	74,729,974	10,121,585
Trade and other receivables	12	101,156,564	61,358,278	64,961,014	46,670,782
Current tax receivable	13	481,690	577,744	-	-
Cash and cash equivalents	14	128,342,450	86,188,267	54,266,631	63,571,027
		325,639,600	**346,686,712**	**276,326,504**	**304,486,194**
Total Assets		**1,078,786,023**	**1,011,196,483**	**1,003,861,007**	**938,419,132**
Equity and Liabilities					
Equity					
Reserves		835,775,813	743,219,312	829,808,675	750,357,566
Accumulated loss		(134,437,589)	(174,901,460)	(160,649,987)	(240,695,418)
		701,338,224	**568,317,852**	**669,158,688**	**509,662,148**
Liabilities					
Non-Current Liabilities					
Loans from related parties	19	-	-	35,294,635	-
Interest-bearing borrowings	15	114,250,502	71,122,905	114,250,502	71,122,905
Lease liabilities	5	410,371	972,821	410,371	972,821
Severance pay obligation	16	12,158,000	11,969,000	11,304,000	10,876,000
Deferred income	17	62,822,439	90,174,493	-	59,225,054
		189,641,312	**174,239,219**	**161,259,508**	**142,196,780**
Current Liabilities					
Trade and other payables	18	58,658,675	47,070,454	44,311,510	36,764,747
Loans from related parties	19	-	-	658,027	28,784,443
Interest-bearing borrowings	15	37,080,001	100,000,000	37,080,001	100,000,000
Lease liabilities	5	309,842	-	309,842	-
Deferred income	17	76,642,438	112,000,000	76,642,438	112,000,000
Current tax payable	13	15,115,531	9,568,958	14,440,993	9,011,014
		187,806,487	**268,639,412**	**173,442,811**	**286,560,204**
Total Liabilities		**377,447,799**	**442,878,631**	**334,702,319**	**428,756,984**
Total Equity and Liabilities		**1,078,786,023**	**1,011,196,483**	**1,003,861,007**	**938,419,132**

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Statement of Profit or Loss and Other Comprehensive Income

		Group		Corporation	
Figures in Namibia Dollar	Notes	2026	2025	2026	2025
Revenue	20	1,108,044,659	1,865,183,842	1,037,215,502	1,652,512,416
Cost of sales	21	(1,068,658,171)	(1,722,002,463)	(958,872,861)	(1,515,877,939)
Gross profit		**39,386,488**	**143,181,379**	**78,342,641**	**136,634,477**
Other operating income	22	198,253,594	220,850,437	191,517,648	217,695,423
Other operating losses	31	(9,811,185)	(8,467,850)	(10,042,833)	(8,467,850)
Administrative expenses		(150,806,752)	(210,276,297)	(145,442,881)	(237,743,040)
Operating profit	23	**77,022,145**	**145,287,669**	**114,374,575**	**108,119,010**
Investment income	24	2,362,460	3,390,167	1,846,987	2,652,404
Finance costs	25	(36,922,558)	(42,966,823)	(36,765,719)	(42,943,295)
Profit before taxation		**42,462,047**	**105,711,013**	**79,455,843**	**67,828,119**
Taxation	26	(1,998,176)	(61,950,609)	589,588	(65,056,082)
Profit for the year		**40,463,871**	**43,760,404**	**80,045,431**	**2,772,037**
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on property revaluation		79,660,186	-	79,451,109	-
Losses on valuation of severance pay obligations		(45,000)	(653,000)	-	(653,000)
Total items that will not be reclassified to profit or loss		**79,615,186**	**(653,000)**	**79,451,109**	**(653,000)**
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		12,941,315	(7,966,953)	-	-
Other comprehensive income / (loss) for the year net of taxation	34	**92,556,501**	**(8,619,953)**	**79,451,109**	**(653,000)**
Total comprehensive income for the year		**133,020,372**	**35,140,451**	**159,496,540**	**2,119,037**

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Statement of Changes in Equity

Figures in Namibia Dollar	Foreign currency translation reserve	Revaluation reserve	Reserve for valuation of severance pay provisions	NDR	Total reserves	Accumulated loss	Total equity
Group							
Balance at 1 February 2024	**1,846,354**	**215,057,821**	**698,000**	**534,890,090**	**752,492,265**	**(218,661,864)**	**533,830,401**
Profit for the year	-	-	-	-	-	43,760,404	43,760,404
Other comprehensive income	(7,966,953)	-	(653,000)	-	(8,619,953)	-	(8,619,953)
Total comprehensive income/(loss) for the year	**(7,966,953)**	**-**	**(653,000)**	**-**	**(8,619,953)**	**43,760,404**	**35,140,451**
Capital reserve	-	-	-	(653,000)	(653,000)	-	(653,000)
Balance at 1 February 2025	**(6,120,599)**	**215,057,821**	**45,000**	**534,237,090**	**743,219,312**	**(174,901,460)**	**568,317,852**
Profit for the year	-	-	-	-	-	40,463,871	40,463,871
Other comprehensive income	12,941,315	79,660,186	(45,000)	-	92,556,501	-	92,556,501
Total comprehensive income for the year	**12,941,315**	**79,660,186**	**(45,000)**	**-**	**92,556,501**	**40,463,871**	**133,020,372**
Balance at 31 January 2026	**6,820,716**	**294,718,007**	**-**	**534,237,090**	**835,775,813**	**(134,437,589)**	**701,338,224**
	34	34	34				

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Statement of Changes in Equity

Figures in Namibia Dollar	Share capital	Foreign currency translation reserve	Revaluation reserve	Reserve for valuation of severance pay provisions	NDR	Total reserves	Accumulated loss	Total equity
Corporation								
Balance at 1 February 2024		**-**	**216,120,476**	**653,000**	**534,890,090**	**751,663,566**	**(243,467,455)**	**508,196,111**
Profit for the year		-	-	-	-	-	2,772,037	2,772,037
Other comprehensive income		-	-	(653,000)	-	(653,000)	-	(653,000)
Total comprehensive income/(loss) for the year		**-**	**-**	**(653,000)**	**-**	**(653,000)**	**2,772,037**	**2,119,037**
Capital reserve		-	-	-	(653,000)	(653,000)	-	(653,000)
Total contributions by and distributions to owners of company recognised directly in equity		**-**	**-**	**-**	**(653,000)**	**(653,000)**	**-**	**(653,000)**
Balance at 1 February 2025		**-**	**216,120,476**	**-**	**534,237,090**	**750,357,566**	**(240,695,418)**	**509,662,148**
Profit for the year		-	-	-	-	-	80,045,431	80,045,431
Other comprehensive income		-	79,451,109	-	-	79,451,109	-	79,451,109
Total comprehensive income for the year		**-**	**79,451,109**	**-**	**-**	**79,451,109**	**80,045,431**	**159,496,540**
Balance at 31 January 2026		**-**	**295,571,585**	**-**	**534,237,090**	**829,808,675**	**(160,649,987)**	**669,158,688**
		34	34	34				

Meat Corporation of Namibia
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Statement of Cash Flows

		Group		Corporation	
Figures in Namibia Dollar	Notes	2026	2025	2026	2025
Cash flows from operating activities					
Cash generated from operations	27	107,847,909	150,274,183	145,333,881	112,003,990
Interest income	24	2,362,460	3,390,167	1,846,987	2,652,404
Finance costs	25	(36,922,558)	(42,966,823)	(36,765,719)	(42,973,286)
Income tax credits	28	212,648	(130,427)	-	-
Net cash from operating activities		**73,500,459**	**110,567,100**	**110,415,149**	**71,683,108**
Cash flows used in investing activities					
Purchase of property, plant and equipment	4	(19,283,690)	(158,043)	(9,967,904)	(3,985,316)
Proceeds from sale of property, plant and equipment	4	2,817,318	110,508	397,444	649,834
Sales / (purchases) of biological assets	9	5,165,106	(148,560,237)	3,640,812	(72,891,706)
Cash advanced in loans to related parties	11	-	-	(100,913,105)	(13,852,971)
Net cash used in investing activities		**(11,301,266)**	**(148,607,772)**	**(106,842,753)**	**(90,080,159)**
Cash flows (used in) / from financing activities					
Cash advances received on loans from related parties	19	-	-	7,168,218	12,766,223
Repayments of interest-bearing borrowings	15	(19,792,402)	-	(19,792,402)	-
Cash advances received on borrowings	15	-	675,690	-	675,690
Cash receipts/(repayments) on lease liabilities	5	(252,608)	128,693	(252,608)	128,693
Cash receipts / (payments) on severance pay obligations	16	-	139,000	-	139,000
Net cash (used in) / from financing activities		**(20,045,010)**	**943,383**	**(12,876,792)**	**13,709,606**
Total cash movement for the year		**42,154,183**	**(37,097,289)**	**(9,304,396)**	**(4,687,445)**
Cash and cash equivalents at the beginning of the year		86,188,267	123,285,556	63,571,027	68,258,472
Cash and cash equivalents at the end of the year	14	**128,342,450**	**86,188,267**	**54,266,631**	**63,571,027**

Meat Corporation of Namibia

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Accounting Policies

Corporate information

The Meat Corporation of Namibia ("Meatco") is a body corporate established in terms of the Meat Corporation of Namibia Act, 2001 (Act 1 of 2001), domiciled in Namibia. The consolidated annual financial statements for the year ending 31 January 2026, comprises the Corporation and its subsidiaries (together referred to as the "Group").

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgments, and only those accounting policies which are considered material have been presented in these consolidated and separate annual financial statements.

1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS® Accounting Standards and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated and separate annual financial statements and the Meat Corporation of Namibia Act 2001 (Act 1 of 2001).

The consolidated and separate annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Namibia Dollars, which is the Group and Corporation's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Corporation and all subsidiaries. Subsidiaries are entities which are controlled by the group.

The group has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use of its power over the entity.

The results of subsidiaries are included in the consolidated annual financial statements from the date of obtaining control until the date that control is lost.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the group.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the Corporation.

Where control of a subsidiary is lost and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Accounting Policies

1.2 Consolidation (continued)

Investments in subsidiaries in the separate annual financial statements

Investments in subsidiaries are carried at cost less any accumulated impairment losses in the separate annual financial statements.

1.3 Investments in associates

The group holds investments in associates, being entities over which the group has significant influence. Significant influence is generally accompanied by a 20% to 50% of the voting rights of the investee and is demonstrated as the power to participate in the financial and operating policy decisions.

Investments in associates are accounted for using the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the Statement of Financial Position at cost adjusted for post-acquisition changes in the group's share of net assets of the associate, less any impairment losses.

The group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. Losses in an associate in excess of the group's interest in that associate, including any other unsecured receivables, are recognised only to the extent that the group has incurred a legal or constructive obligation to make payments on behalf of the associate.

Profits or losses on transactions between the group and an associate are eliminated to the extent of the group's interest therein. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

When the group reduces or loses significant influence, it proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

Investments in associates in the separate annual financial statements

Investments in associates are carried at cost less any accumulated impairment losses in the separate annual financial statements.

1.4 Significant judgements and sources of estimation uncertainty

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

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Calculation of net realisable value for inventory

The valuation of the net realisable value of inventory is based on the latest selling prices available which are in certain instances foreign currency denominated. The significant volatility in the exchange rates as well as volatility in the selling prices thus affects foreign currency denominated. This information used by management in determining the net realisable value.

Meat Corporation of Namibia
Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Determination of fair value of biological assets

The fair value of livestock is based on the livestock prices per kilogram. The kilograms on hand at year-end are based on actual quantities of livestock on hand at year-end adjusting the actual weight of the livestock at date of purchase with the estimated growth while in feedlot prior to slaughter.

Residual value and remaining life of property, plant and equipment

The residual value of property, plant and equipment (excluding Land and buildings) was estimated by management at 0% - 25% of cost. Based on the specialized nature of the equipment further costs to be incurred to sell it and age of the assets this seems to be reasonable. The residual value of motor vehicles was based on current trade-in values. The useful life of the property, plant and equipment varies between 5 per cent and 33.3 per cent per annum.

Calculation of the provision for profit share of Meatco owned cattle contracts

The provision for profit share is determined as the difference between the calculated livestock selling value of cattle to be slaughtered and the fair value of the cattle.

Allowance for slow moving, damaged and obsolete inventory

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 16.

Impairment of trade receivables

A provision for irrecoverable debtors was raised and management determined an estimate based on the information available.

Impairment of other assets

The recoverable amounts of cash-generating units and individual assets have been determined on the higher of value-in-use calculations and fair values. These calculations require the use of estimates and assumptions. It is reasonably possible that the key assumptions that were used may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The Corporation and the group review and test the carrying value of assets when the events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of entity factors together with economic factors.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. The Corporation and Group recognise liabilities for anticipated tax based on estimates of taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Corporation and the Group recognise the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Corporation and the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on the forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates the ability of the Corporation and the Group to realise the net deferred tax assets recorded at the statement of financial position date could be impacted.

Meat Corporation of Namibia

Consolidated And Separate Annual Financial Statements for the year ended 31 January 2026

Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

Key sources of estimation uncertainty

Trade receivables

The group assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

Fair value estimation

Several assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values.

Impairment testing

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

GATT licenses

A significant portion of the Meat Corporation of Namibia (UK) Ltd ("Meatco UK") revenue relates to the sale of GATT licenses. On an annual basis, Rural Payments Agency (RPA) awards Meatco UK the license to import a certain tonnage of meat into UK/ Europe at a reduced levy. This GATT license is then sold to willing traders. When a willing trader purchases the license from Meatco UK, an internal sale order confirmation is raised and revenue is then recognised by Meatco UK. Thereafter, the actual license is then issued by Meatco UK, to be submitted together with the customer's shipping documents and cargo, in order for the imports to be cleared. From management's perspective, the risk and rewards has been passed to the customer when the internal sale order confirmation has been raised and revenue is recognised at this point.

1.5 Biological assets

Biological assets are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in profit or loss. Point-of-sale costs include all costs that would be necessary to sell the assets, excluding costs necessary to get the assets to market. The fair value of livestock is based on the market price of livestock of similar age, breed and genetic merit. Directly attributable costs incurred during the period of biological growth to the stage of slaughtering the biological assets are capitalised as additions to the relevant biological assets.

An entity shall recognise a biological asset when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

1.6 Property, plant and equipment

Property, plant and equipment are tangible assets which the group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Accounting Policies

1.6 Property, plant and equipment (continued)

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

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

Item	Depreciation method	Average useful life	Residual value
Buildings	Straight line	20 years	- %
Plant, vehicles, furniture and equipment	Straight line	3-5 years	25 %

Land is not depreciated.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

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

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

The business revalues its assets every 3 years.

1.7 Financial instruments

Financial instruments held by the group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the group, as applicable, are as follows:

Financial assets which are 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); and
- 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).

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss; (this applies to contingent consideration in a business combination of 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 educes 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).

Accounting Policies

1.7 Financial instruments (continued)

Note 30 Financial instruments and risk management presents the financial instruments held by the group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Loans receivable at amortised cost

Classification

Loans to related parties (note 11), are classified as financial assets subsequently measured at amortised cost.

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

Recognition and measurement

Loans receivable are recognised when the Corporation becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

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

Application of the effective interest rate method

Interest income is calculated using the effective interest rate method, and is included in profit or loss in finance income (note 24).

They are subsequently measured at amortised cost.

The application of the effective interest rate method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

- The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.
- If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Corporation recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The Corporation measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Accounting Policies

1.7 Financial instruments (continued)

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

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the Corporation compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

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

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

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

The Corporation regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase. The Corporation regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase risk before the amount becomes past due.

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (note 30).

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of a loan receivable is included in profit or loss in derecognition gains (losses) on financial assets at amortised cost.

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, value added tax and prepayments, are classified as financial assets subsequently measured at amortised cost (note 12).

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

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

Accounting Policies

1.7 Financial instruments (continued)

Impairment

The group recognises a loss allowance for expected credit losses on trade and other receivables, excluding value added tax and prepayments. The amount of expected credit losses is updated at each reporting date.

The group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 12.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in administrative expenses in profit or loss as a movement in credit loss allowance (note 23).

Write off policy

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

Credit risk

Details of credit risk are included in the trade and other receivables note (note 12) and the financial instruments and risk management note (note 30).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the derecognition gains (losses) on financial assets at amortised cost.

Interest-bearing borrowings and loans from related parties

Classification

Loans from related parties (note 19) and interest-bearing borrowings (note 15) are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Interest-bearing 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 rate method.

Accounting Policies

1.7 Financial instruments (continued)

The effective interest rate 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 rate method, is included in profit or loss in finance costs (note 25).

Borrowings expose the group to liquidity risk and interest rate risk. Refer to note 30 for details of risk exposure and management thereof.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification

Trade and other payables (note 18), excluding value added tax and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

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

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

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

If trade and other payables contain a significant financing component, and the effective interest rate method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 25).

Trade and other payables expose the group to liquidity risk and possibly to interest rate risk. Refer to note 30 for details of risk exposure and management thereof.

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

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

Bank overdrafts

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

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Accounting Policies

1.7 Financial instruments (continued)

Derecognition

Financial assets

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

Financial liabilities

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

Reclassification

Financial assets

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

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

Financial liabilities

Financial liabilities are not reclassified.

1.8 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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

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 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 they can be utilised.

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

Accounting Policies

1.8 Tax (continued)

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

Tax expenses

The income tax expense consists of current and deferred tax. It is recognised in profit or loss, except for the tax on transactions recognised directly in equity or other comprehensive income. Tax on these transactions is also recognised in equity or other comprehensive income.

Tax arising on a business combination is not included in profit or loss.

1.9 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgemental as to whether they contained leases.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

1.10 Inventories

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

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Write downs and reversals of write downs of inventories are included as part of the cost of goods sold.

Accounting Policies

1.10 Inventories (continued)

Meat and meat products

The cost of meat and meat product inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Packing material, consumable store and spare parts

Inventories of packing materials, consumable stores and spare parts are valued at the lower of cost or replacement value. Cost is determined using the average cost method.

1.11 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 classified as equity.

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. Dividends are recognised as a liability in the Corporation in which they are declared.

1.12 Employee benefits

Long-term benefits: Severance benefits

The accruals for statutory severance benefits are payable in the event of either death or retirement at a specified age, of an employee. This employee benefit obligation is a defined benefit plan and the cost of providing benefits under the plan is determined using the projected credit unit method.

Remeasurements of the net defined benefit liability (asset) will be recognised in other comprehensive income, comprising of:

- Actuarial gains and losses;
- Return on plan assets, excluding amounts included in net interest on the net defined benefit liability; and
- Any changes in the effect of the assets ceiling excluding amounts included in net interest on the net defined benefit liability.

Short-term employee benefits

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

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

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

1.13 Provisions and contingencies

The group recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the group will be required to settle the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be recognised for the reimbursement shall not exceed the amount of the provision.

Accounting Policies

1.13 Provisions and contingencies (continued)

Provisions are not recognised for future operating losses.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

1.14 Revenue from contracts with customers

The group recognises revenue from the following major sources:

- Goods sold and services rendered

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group. The group recognises revenue when a legally enforceable contract is entered into with a customer, for which identifiable performance obligations as per contract are established and the entity has satisfied these obligations.

Revenue is measured at the determined transaction price as allocated to each performance obligation in the contract with the customer.

Goods sold and services rendered

Revenue from the sale of goods and GATT quotas is recognised in profit or loss. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard requires the group to apportion revenue earned from contracts to the identified performance obligations in the contract on a relative stand-alone selling price basis. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods or continuing management involvement with the goods. Revenue is recognised net of trade discounts and value added tax.

1.15 Investment income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

1.16 Cost of sales

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

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

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Accounting Policies

1.17 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use.

The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

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

1.18 Translation of foreign currencies

Functional and presentation currency

Items included in the consolidated and separate annual financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated annual financial statements are presented in Namibia Dollar which is the group functional and presentation currency.

Foreign currency transactions

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

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The foreign exchange component is treated as part of the valuation adjustment.

Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollars by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

Investments in subsidiaries, joint ventures and associates

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated in the foreign currency translation reserve.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Accounting Policies

1.18 Translation of foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.19 Government grants

Government grants are recognised when there is reasonable assurance that:

- The entity will comply with the conditions attaching to them; and
- The grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they intend to compensate.

A government grant related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Repayment of a grant related to asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

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Notes to the Consolidated And Separate Annual Financial Statements

	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group 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	Expected impact:
• Lack of exchangeability - Amendments to IAS 21	1 January 2025	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group’s accounting periods beginning on or after 1 February 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date has been postponed indefinitely	Unlikely there will be a material impact
• Amendments to IFRS 19 Subsidiaries without Public Accountability - Disclosures	1 January 2027	Unlikely there will be a material impact
• IFRS 19 Subsidiaries without Public Accountability - Disclosures	1 January 2027	Unlikely there will be a material impact
• IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Unlikely there will be a material impact
• Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	1 January 2027	Unlikely there will be a material impact
• Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 10 Consolidated Financial Statements	1 January 2026	Unlikely there will be a material impact
• Amendments to IAS 7 Statement of Cash Flows	1 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026	Unlikely there will be a material impact

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Notes to the Consolidated And Separate Annual Financial Statements

3. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 3

Recurring fair value measurements

Assets	Note				
Biological assets	9				
Livestock cattle		17,853,042	22,966,674	11,457,606	15,098,418
Total		**17,853,042**	**22,966,674**	**11,457,606**	**15,098,418**

Refer to note 9 for reconciliation of biological assets.

Information about valuation techniques and inputs used to derive level 3 fair values

Biological assets - livestock cattle

The fair value of livestock is based on the market price of livestock of similar age, breed and genetic merit. Directly attributable costs incurred during the period of biological growth to the stage of slaughtering the biological assets are capitalised as additions to the relevant biological assets.

Notes to the Consolidated And Separate Annual Financial Statements

4. Property, plant and equipment

Group	2026			2025		
	Cost or revaluation	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Land and buildings	482,225,266	(28,430,266)	453,795,000	402,774,157	(28,430,266)	374,343,891
Plant, vehicle, furniture and equipment	411,917,742	(278,371,705)	133,546,037	397,926,867	(277,312,879)	120,613,988
Work in progress	4,368,008	-	4,368,008	2,392,482	-	2,392,482
Total	**898,511,016**	**(306,801,971)**	**591,709,045**	**803,093,506**	**(305,743,145)**	**497,350,361**

Corporation	2026			2025		
	Cost or revaluation	**Accumulated depreciation**	**Carrying value**	**Cost or revaluation**	**Accumulated depreciation**	**Carrying value**
Land and buildings	482,225,266	(28,430,266)	453,795,000	402,774,157	(28,430,266)	374,343,891
Plant, vehicle, furniture and equipment	375,292,059	(263,630,337)	111,661,722	368,529,363	(263,448,442)	105,080,921
Work in progress	4,368,008	-	4,368,008	2,392,482	-	2,392,482
Total	**861,885,333**	**(292,060,603)**	**569,824,730**	**773,696,002**	**(291,878,708)**	**481,817,294**

Reconciliation of property, plant and equipment - Group - 2026

	Opening balance	**Additions**	**Disposals**	**Revaluations**	**Depreciation**	**Impairment reversal**	**Total**
Land and buildings	374,343,891	-	-	79,451,109	-	-	453,795,000
Plant, vehicle, furniture and equipment	120,613,988	17,308,164	(2,817,318)	209,077	(10,149,563)	8,381,689	133,546,037
Work in progress	2,392,482	1,975,526	-	-	-	-	4,368,008
	497,350,361	**19,283,690**	**(2,817,318)**	**79,660,186**	**(10,149,563)**	**8,381,689**	**591,709,045**

Notes to the Consolidated And Separate Annual Financial Statements

4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - Group - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	374,214,606	129,285	-	-	374,343,891
Plant, vehicle, furniture and equipment	133,565,703	-	(110,508)	(12,841,207)	120,613,988
Work in progress	2,363,724	28,758	-	-	2,392,482
	510,144,033	**158,043**	**(110,508)**	**(12,841,207)**	**497,350,361**

Reconciliation of property, plant and equipment - Corporation - 2026

	Opening balance	Additions	Disposals	Revaluations	Depreciation	Impairment reversal	Total
Land and buildings	374,343,891	-	-	79,451,109	-	-	453,795,000
Plant, vehicle, furniture and equipment	105,080,921	7,992,378	(397,444)	-	(9,399,693)	8,385,560	111,661,722
Work in progress	2,392,482	1,975,526	-	-	-	-	4,368,008
	481,817,294	**9,967,904**	**(397,444)**	**79,451,109**	**(9,399,693)**	**8,385,560**	**569,824,730**

Reconciliation of property, plant and equipment - Corporation - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Land and buildings	374,214,606	129,285	-	-	374,343,891
Plant, vehicle, furniture and equipment	113,072,275	3,827,273	(649,834)	(11,168,793)	105,080,921
Work in progress	2,363,724	28,758	-	-	2,392,482
	489,650,605	**3,985,316**	**(649,834)**	**(11,168,793)**	**481,817,294**

Revaluations

Valuation of the Meatco immoveable property for the year 2026 was done by Nico Kaoti, National Diploma: Real Estate (CPUT: SA) and P.J. Scholtz, Appraiser/ Professional Valuer, National Diploma: Property Valuations (Technicon SA).

Meat Corporation of Namibia

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Notes to the Consolidated And Separate Annual Financial Statements

5. Right-of-use asset

Group	2026			2025		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Right-of-use asset	1,571,307	(1,154,016)	417,291	1,571,307	(945,369)	625,938

Corporation	2026			2025		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Right-of-use asset	1,043,233	(625,942)	417,291	1,043,233	(417,295)	625,938

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Right-of-use asset	417,291	625,938	417,291	625,938

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss, as well as depreciation which has been capitalised to the cost of other assets.

Right-of-use asset	208,647	121,712	208,647	121,712

Lease liabilities

Minimum lease payments due:

Within one year	309,842	304,279	309,842	304,279
Two to five years	442,362	1,867,323	442,362	1,867,323
	752,204	2,171,602	752,204	2,171,602
Less finance charges component	(31,991)	(1,198,781)	(31,991)	(1,198,781)
Present value of minimum lease payments due	**720,213**	**972,821**	**720,213**	**972,821**
Non-current liabilities	410,371	972,821	410,371	972,821
Current liabilities	309,842	-	309,842	-
	720,213	**972,821**	**720,213**	**972,821**

Meat Corporation of Namibia

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Notes to the Consolidated And Separate Annual Financial Statements

6. Investments in subsidiaries

The following table lists the entities which are controlled by the Corporation, and the carrying amounts of the investments in the Corporation's separate financial statements.

Corporation

Name of company	Issued share capital	% voting power 2026	% voting power 2025	Carrying amount 2026	Carrying amount 2025
Namibia Cattle Procurement (Pty) Ltd (Namibia)	100	100.00 %	100.00 %	11,950,506	11,950,506
Namibia Meat Importers & Exporters (Pty) Ltd (South Africa)	100	100.00 %	100.00 %	-	-
Meat Corporation of Namibia (UK) Limited (United Kingdom)	1,250,000	100.00 %	100.00 %	-	-
Meat Corporation of Northern Communal Areas (Pty) Ltd	100	100.00 %	100.00 %	9,494	9,494
				11,960,000	11,960,000

The % voting power is equivalent to the holding in both current and prior year.

Risks associated with interests in consolidated structured entities

Namibia Cattle Procurement (Pty) Ltd	-	-	(658,027)	-
Namibia Meat Importers & Exporters (Pty) Ltd (South Africa)	-	-	804,787	(575,483)
Meat Corporation of Namibia (UK) Limited (United Kindgom)	-	-	43,458,806	5,067,330
Meat Corporation of Namibia (UK) Limited (United Kindgom)	-	-	(35,294,635)	(28,208,960)
Meat Corporation of Northern Communal Areas (Pty) Ltd	-	-	30,466,381	5,054,255
	-	**-**	**38,777,312**	**(18,662,858)**
Net profit / (losses) after taxation of subsidiaries				
Namibia Meat Importers & Exporters (Pty) Ltd (South Africa)	(1,358,704)	1,953,070	-	-
Meat Corporation of Namibia (UK) Limited (United Kindgom)	(1,668,826)	4,137,365	-	-
Meat Corporation of Northern Communal Areas (Pty) Ltd	(63,244,145)	(38,812,241)	-	-
Namibia Cattle Procurement (Pty) Ltd	-	(3,000)	-	-
	(66,271,675)	**(32,724,806)**	**-**	**-**

The above debit loans are unsecured, have no fixed terms of repayment (except Namibia Cattle Procurement (Pty) Ltd which will not be repaid within twelve months) and are interest free.

The credit loans are unsecured, have no fixed terms of repayment and are interest free.

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

7. Investments in associates

The following table lists all of the associates in the group:

Group

Name of company	Place of business	% ownership interest 2026	% ownership interest 2025	Carrying amount 2026	Carrying amount 2025
GPS Norway AS	Norway	33.33 %	33.33 %	8,945,188	8,945,188
				8,945,188	8,945,188
Impairment of investment in associate				(8,945,188)	-
				-	8,945,188

Corporation

Name of company	Place of business	% ownership interest 2026	% ownership interest 2025	Carrying amount 2026	Carrying amount 2025
GPS Norway AS	Norway	33.33 %	33.33 %	216,791	216,791
				216,791	216,791
Impairment of investment in associate				(216,791)	-
				-	216,791

Management performed an assessment of the recoverable amount of its investment in associate at the reporting date. Based on this assessment, management concluded that the carrying amount of the investment exceeded its recoverable amount and that the investment was fully impaired.

Accordingly, an impairment loss of N$8,728,397 was recognised in the consolidated financial statements during the current year. In the separate financial statements of the Company, an impairment loss of N$216,791 was recognised in respect of the investment in associate.

The impairment loss has been recognised in profit or loss.

Summarised financial information of material associates

Summarised Management Accounts	**GPS Norway AS**	
	2026	**2025**
Revenue	129,659,673	129,659,673
Other income and expenses	(130,855,052)	(130,855,052)
Loss before tax	(1,195,379)	(1,195,379)
Tax expense	(141,858)	(141,858)
Loss after tax	(1,337,237)	(1,337,237)
Total comprehensive loss	(1,337,237)	(1,337,237)

In the current year, the investment was not revalued as only management accounts were submitted in 2026.

Meat Corporation of Namibia

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

7. Investments in associates (continued)

Summarised Statement of Financial Position	**GPS Norway AS**	
	2026	**2025**
Assets		
Non-current	17,765	17,765
Current	42,593,418	42,593,418
Total assets	42,611,183	42,611,183
Liabilities		
Current	18,295,187	18,295,187
Total liabilities	18,295,187	18,295,187
Total net assets	24,315,996	24,315,996

Reconciliation of net assets to equity accounted investments in associates

	2026	**2025**
Carrying value as at 31 January	8,353,624	8,353,624
Profit / (loss) for the period	591,564	591,564
Impairment of investment in associate	(8,945,188)	-
Carrying value of investment in associate	-	8,945,188

The summarised information presented above reflects the financial statements of the associates after adjusting for differences in accounting policies between the group and the associate.

Meat Corporation of Namibia

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025
8. Deferred tax				
Deferred tax liability				
Capital allowances	(62,321,153)	(91,356,907)	(57,687,886)	(92,554,932)
Prepayments	(2,492,457)	(1,455,191)	(1,641,048)	(1,455,191)
Other	(3,775,605)	(4,928,863)	(3,775,605)	(4,831,494)
Total deferred tax liability	**(68,589,215)**	**(97,740,961)**	**(63,104,539)**	**(98,841,617)**
Deferred tax asset				
Provisions	14,569,165	21,748,709	7,179,579	15,177,173
Tax losses available for set off against future taxable income	212,979,237	233,580,536	201,257,442	222,977,359
Other	2,060,900	-	-	-
Deferred tax balance from temporary differences other than unused tax losses	229,609,302	255,329,245	208,437,021	238,154,532
Deferred tax liability	(68,589,215)	(97,740,961)	(63,104,539)	(98,841,617)
Deferred tax asset	229,609,302	255,329,245	208,437,021	238,154,532
Total net deferred tax asset	**161,020,087**	**157,588,284**	**145,332,482**	**139,312,915**
Reconciliation of deferred tax asset / (liability)				
At beginning of year	157,588,284	210,284,671	139,312,915	195,357,982
Taxable / (deductible) in deferred tax asset available for set off against future taxable income	(20,601,299)	(39,451,753)	(21,719,917)	(37,206,766)
Taxable / (deductible) in deferred tax on capital allowances	29,035,754	(11,292,163)	34,867,046	(12,522,974)
Taxable / (deductible) in deferred tax on provisions	(7,179,544)	8,816,859	(7,997,594)	2,904,057
Taxable / (deductible) in deferred tax on other	3,553,098	(11,108,270)	1,055,889	(9,219,384)
Taxable / (deductible) in deferred tax prepayments	(1,037,266)	-	(185,857)	-
NMIE opening balance difference	(338,940)	338,940	-	-
	161,020,087	**157,588,284**	**145,332,482**	**139,312,915**

Notes to the Consolidated And Separate Annual Financial Statements

	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

9. Biological assets

Group	2026			2025		
	Valuation	**Accumulated depreciation**	**Carrying value**	**Valuation**	**Accumulated depreciation**	**Carrying value**
Livestock cattle	17,853,042	-	17,853,042	22,966,674	-	22,966,674

Corporation	2026			2025		
	Valuation	**Accumulated depreciation**	**Carrying value**	**Valuation**	**Accumulated depreciation**	**Carrying value**
Livestock cattle	11,457,606	-	11,457,606	15,098,418	-	15,098,418

Reconciliation of biological assets - Group - 2026

	Opening balance	**Additions**	**Decreases due to sales**	**Gains arising from changes in fair value**	**Total**
Livestock cattle	22,966,674	122,128,837	(218,770,943)	91,528,474	17,853,042

Reconciliation of biological assets - Group - 2025

	Opening balance	**Additions**	**Decreases due to sales**	**Gains arising from changes in fair value**	**Total**
Livestock cattle	15,180,249	148,560,237	(279,898,987)	139,125,175	22,966,674

Reconciliation of biological assets - Corporation - 2026

	Opening balance	**Additions**	**Decreases due to sales**	**Gains (losses) arising from changes in fair value**	**Total**
Livestock cattle	15,098,418	54,674,477	(133,520,851)	75,205,562	11,457,606

Reconciliation of biological assets - Corporation - 2025

	Opening balance	**Additions**	**Decreases due to sales**	**Gains arising from changes in fair value**	**Total**
Livestock cattle	9,078,532	72,891,706	(180,285,059)	113,413,239	15,098,418

Non – Financial information

Quantities of each biological asset				
At the beginning of the year	2,170	1,774	1,468	867
Increase due to acquisitions	21,875	10,633	10,633	10,633
Decrease due to sales	(22,779)	(10,237)	(11,340)	(10,032)
	1,266	**2,170**	**761**	**1,468**

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

10. Inventories

Meat and meat products	65,123,097	161,331,074	58,228,522	154,759,707
Packaging material, consumable stores and other inventory	12,682,757	14,264,675	12,682,757	14,264,675
	77,805,854	175,595,749	70,911,279	169,024,382
Carrying value of inventories carried at fair value less costs to sell	77,805,854	175,595,749	70,911,279	169,024,382

11. Loans to related parties

Subsidiaries

Namibia Meat Importers & Exporters (Pty) Ltd	-	-	804,787	-
Meat Corporation of Northern Communal Areas (Pty) Ltd	-	-	30,466,381	5,054,255
Meat Corporation of Namibia (UK) Limited (United Kingdom)	-	-	43,458,806	5,067,330
	-	**-**	**74,729,974**	**10,121,585**

The loans are interest free, unsecured and repayable on demand.

Meat Corporation of Namibia (UK) Limited (United Kingdom):

Barclays Banks — Meatco UK (held on behalf of Meatco Namibia) N$ 43,458,806 (2025: N$5,067,330)

These balances represent cash held in bank accounts at Barclays Bank in the name of Meatco UK but which are funds of the Meat Corporation of Namibia. The amounts arise because receipts and/or certain collections intended for Meat Corporation of Namibia have been deposited into accounts opened in the legal name of Meat Corporation of Namibia (UK) Limited for operational or banking efficiency reasons. Management confirms that the beneficial ownership of these funds vests with Meat Corporation of Namibia.

The loan to Namibia Cattle Procurement (Pty) Ltd in the prior year, comprises of the following:

Namibia Cattle Procurement (Pty) Ltd				
Trade receivable	-	-	-	90,432,024
Trade payable	-	-	-	(32,000,219)
Intercompany loan	-	-	-	(57,254,480)
Provision for impairment	-	-	-	(1,177,325)
	-	-	-	-

Split between non-current and current portions

Current assets	-	-	74,729,974	10,121,585

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Figures in Namibia Dollar	2026	2025	2026	2025

12. Trade and other receivables

Financial instruments:				
Trade receivables	86,532,138	76,827,707	32,511,768	44,707,307
Loss allowance	(26,681,819)	(54,710,060)	(4,548,237)	(34,716,882)
Trade receivables at amortised cost	59,850,319	22,117,647	27,963,531	9,990,425
Deposits	2,551,897	2,718,217	2,536,857	2,703,177
Other receivable	-	443,244	-	-
Non-financial instruments:				
Value Added Taxation	29,267,163	29,936,037	28,057,817	28,779,061
Prepayments	9,487,185	6,143,133	6,402,809	5,198,119
Total trade and other receivables	**101,156,564**	**61,358,278**	**64,961,014**	**46,670,782**

Split between non-current and current portions

Current assets	101,156,564	61,358,278	64,961,014	46,670,782

Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	62,402,216	25,279,108	30,500,388	12,693,602
Non-financial instruments	38,754,348	33,079,170	34,460,626	33,977,180
	101,156,564	**61,358,278**	**64,961,014**	**46,670,782**

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance	(54,710,060)	(33,083,816)	(34,716,882)	(27,329,002)
Provision raised on new trade receivables	28,028,241	(21,626,244)	30,168,645	(7,387,880)
Closing balance	**(26,681,819)**	**(54,710,060)**	**(4,548,237)**	**(34,716,882)**

13. Current tax receivable (payable)

Normal tax	(14,633,841)	(8,991,214)	(14,440,993)	(9,011,014)

Net current tax receivable (payable)

Current assets	481,690	577,744	-	-
Current liabilities	(15,115,531)	(9,568,958)	(14,440,993)	(9,011,014)
	(14,633,841)	**(8,991,214)**	**(14,440,993)**	**(9,011,014)**

The current receivable / (payable) is split as follows within the group:

Namibia Meat Importers & Exporters (Pty) Ltd: N$ 481,690 (2025: N$ 577,744).
Meatco UK: N$ (431,331) (2025: (N$ 314,737)).
Meat Corporation of Northern Communal Areas (Pty) Ltd: (243,207) (2025: (N$ 243,207)).
Meat Corporation of Namibia: N$ (14,440,993) (2025: (N$ 9,011,014)).

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14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	40,690	42,518	23,390	25,218
Bank balances	128,301,760	86,145,749	54,243,241	63,545,809
	128,342,450	**86,188,267**	**54,266,631**	**63,571,027**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating				
Nedbank Namibia Limited: AA+(NA)/A1+(NA)	21,965,404	25,268,755	21,965,404	25,268,755
First National Bank of Namibia Limited: AA+(NA)/A1+(NA)	25,853,355	17,921,789	3,140,605	1,800,395
Bank Windhoek Limited: AA+(NA)/A1+(NA)	26,752,864	48,715,585	26,940,969	48,715,585
Standard Bank Namibia Limited: AA+(NA)/A1+(NA)	9,247,014	6,462,112	2,196,263	324,760
Barclays Bank: A+ (Fitch rating)	44,463,807	698,834	-	-
	128,282,444	**99,067,075**	**54,243,241**	**76,109,495**

15. Interest-bearing borrowings

Held at amortised cost				
Development Bank of Namibia	151,330,503	171,122,905	151,330,503	171,122,905

Interest is payable at prime overdraft rate to prime overdraft rate +0.5% (2025: prime overdraft rate +0.5%) monthly in arrears.

Split between non-current and current portions

Non-current liabilities	114,250,502	71,122,905	114,250,502	71,122,905
Current liabilities	37,080,001	100,000,000	37,080,001	100,000,000
	151,330,503	**171,122,905**	**151,330,503**	**171,122,905**

16. Severance pay obligation

Present value of obligation

Contributions by members	11,951,000	6,869,000	10,876,000	6,478,000
Service cost	967,000	992,000	793,000	572,000
Past service cost	(3,403,000)	-	(2,725,000)	-
Exchange differences	-	867,000	-	820,000
Interest cost (11.4% per annum)	1,390,000	-	1,260,000	-
Benefits paid	-	(139,000)	-	(139,000)
Acquired on acquisition of subsidiary	-	3,380,000	-	3,145,000
Actuarial loss	1,253,000	-	1,100,000	-
	12,158,000	**11,969,000**	**11,304,000**	**10,876,000**

The Corporation raised a provision for severance pay benefits payable to employees upon death, resignation or retirement. This obligation arose as a result of the revised Labour Act 11 of 2007 which was promulgated during November 2008. Severance pay is an amount equal to at least one week's remuneration for each year of continuous service with the employer.

An actuarial valuation was performed on 31 March 2026 of the company's liability in respect of the provision for severance pay.

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Figures in Namibia Dollar	2026	2025	2026	2025

16. Severance pay obligation (continued)

Key assumptions used

Discount rates used	8.20 %	12.50 %	8.20 %	12.50 %
Expected increase in salaries	4.50 %	5.00 %	4.50 %	5.00 %

17. Deferred income

The Corporation recognised deferred income of N$ 76,7 million (2025: N$ 171,3 million including interest of N$ 10,5 million) as government grant, a disbursement made through the Development Bank of Namibia. These Funds are to be disbursed evenly over a period of 3 years starting 2025 financial year.

Northern Communal Areas (Pty) Ltd (subsidiary) received deferred income of N$ 62,8 million (2025: N$ 30,9 million) as a government grant in the current year.

Government grants (corporation)	76,642,438	171,225,054	76,642,438	171,225,054
Government grants (subsidiary)	62,822,439	30,949,439	-	-
	139,464,877	**202,174,493**	**76,642,438**	**171,225,054**
Split between non-current and current portions				
Non-current	62,822,439	90,174,493	-	59,225,054
Current	76,642,438	112,000,000	76,642,438	112,000,000
	139,464,877	**202,174,493**	**76,642,438**	**171,225,054**

18. Trade and other payables

Financial instruments:				
Trade payables	47,607,711	35,425,540	35,094,757	27,468,294
Other payables and accruals	11,050,964	11,075,356	9,216,753	9,296,453
Non-financial instruments:				
Value added taxation	-	569,558	-	-
	58,658,675	**47,070,454**	**44,311,510**	**36,764,747**

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

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Figures in Namibia Dollar	2026	2025	2026	2025

19. Loans from related parties

Related parties

Namibia Cattle Procurement (Pty) Ltd	-	-	658,027	-
Namibia Meat Importers & Exporters (Pty) Ltd (SA)	-	-	-	575,483
Meat Corporation of Namibia (UK) Ltd	-	-	35,294,635	28,208,960
	-	**-**	**35,952,662**	**28,784,443**

The loans are interest free, unsecured and repayable on demand.

Namibia Cattle Procurement (Pty) Ltd		
Trade receivable	88,621,672	90,432,024
Trade payable	(32,000,219)	(32,000,219)
Intercompany loan	(57,279,480)	(57,254,480)
Provision for impairment	-	(1,177,325)
	(658,027)	**-**

Split between non-current and current portions

Non-current liabilities	-	-	35,294,635	-
Current liabilities	-	-	658,027	28,784,443
	-	**-**	**35,952,662**	**28,784,443**

20. Revenue

Revenue from contracts with customers				
Sale of goods	1,108,044,659	1,865,183,842	1,037,215,502	1,652,512,416

Disaggregation of revenue from contracts with customers

The group disaggregates revenue from customers as follows:

Sale of goods				
Sale of goods	1,108,044,659	1,865,183,842	1,037,215,502	1,652,512,416

Timing of revenue recognition

At a point in time				
Sale of goods	1,108,044,659	1,865,183,842	1,037,215,502	1,652,512,416

21. Cost of sales

Sale of goods	1,058,516,168	1,709,162,670	949,473,168	1,504,709,146
Manufactured goods:				
Depreciation and impairment	10,142,003	12,839,793	9,399,693	11,168,793
	1,068,658,171	**1,722,002,463**	**958,872,861**	**1,515,877,939**

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Figures in Namibia Dollar	2026	2025	2026	2025

22. Other operating income

Sundry income	12,253,594	4,244,767	9,517,648	3,172,764
Government grants	186,000,000	216,605,670	182,000,000	214,522,659
	198,253,594	**220,850,437**	**191,517,648**	**217,695,423**

23. Operating profit /(loss)

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

Auditor's remuneration - external				
Audit fees	2,593,270	3,095,414	2,503,123	3,095,414
Auditor's remuneration - internal	**421,200**	**384,800**	**421,200**	**384,800**

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Sold inventories of meat products	1,058,516,168	1,709,162,670	949,473,168	1,504,709,146
Employee and administration costs	105,870,647	106,915,253	87,639,714	89,000,191
Depreciation, amortisation, impairment and impairment reversals	10,153,434	12,841,207	9,399,693	11,168,793
Other expenses	23,930,731	29,527,377	16,002,236	19,236,460
Demurrages	1,314,201	19,275,519	1,314,013	18,518,949
Bad debts	(21,319,284)	21,648,466	11,667,708	81,392,316
Insurance	8,033,056	7,946,673	8,033,056	7,945,257
Computer expenses	6,309,712	6,139,878	6,295,363	6,126,565
Travel	3,407,591	4,291,044	2,321,025	3,405,730
Consulting fees	1,371,370	3,819,096	1,371,370	3,819,096
Administration and management fees	10,370,006	10,711,577	8,019,502	8,298,476
Impairment losses	11,507,291	-	2,778,894	-
	1,219,464,923	**1,932,278,760**	**1,104,315,742**	**1,753,620,979**

24. Investment income

Interest income				
Bank and other cash	2,362,460	3,390,167	1,846,987	2,652,404

25. Finance costs

Borrowings	36,922,558	42,966,823	36,765,719	42,943,295

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26. Taxation

Major components of the tax expense (income)

Current				
Local income tax - current period	5,429,979	9,254,221	5,429,979	9,011,014
Deferred				
Originating and reversing temporary differences	338,940	(338,940)	-	-
Deferred tax	(3,770,743)	53,035,328	(6,019,567)	56,045,068
	(3,431,803)	**52,696,388**	**(6,019,567)**	**56,045,068**
	1,998,176	**61,950,609**	**(589,588)**	**65,056,082**

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	30.00 %	31.00 %	30.00 %	31.00 %

The Corporation's estimated tax loss available for set off against future taxable income is N$670,858,140 (2025: N$ 706,335,747).

The Group's estimated tax loss available for set off against future taxable income is N$709,930,790 (2025: N$ 745,147,988).

27. Cash generated from operations

Profit before taxation	42,462,047	124,345,828	79,455,843	86,462,252
Adjustments for non-cash items:				
Depreciation, amortisation, impairments and reversals of impairments	10,149,563	12,841,207	9,399,693	11,168,793
Foreign exchange losses recognised	18,434,870	8,467,850	18,428,393	8,467,850
Impairment provision on loans	-	-	36,304,716	73,985,212
Impairment loss: Investment in associate	8,945,188	-	216,791	-
Imparment loss: Cash advances for procurement	2,562,103	-	2,562,103	-
Non-cash movement in severance pay obligation	189,000	5,100,000	428,000	4,398,000
Movement in foreign translation reserve	-	(7,966,953)	-	-
Non-cash items: Biological assets	(51,474)	51,809,349	-	(22,571,390)
Adjust for items which are presented separately:				
Interest income	(2,362,460)	(3,390,167)	(1,846,987)	(2,652,404)
Finance costs	36,922,558	42,996,814	36,765,719	42,973,286
Changes in working capital:				
Inventories	97,789,895	(42,741,982)	98,113,103	(43,447,816)
Trade and other receivables	(49,095,842)	110,790,009	(41,913,207)	118,105,460
Trade and other payables	4,612,077	(74,846,636)	2,002,330	(75,640,299)
Deferred income	(62,709,616)	(77,131,136)	(94,582,616)	(89,244,954)
	107,847,909	**150,274,183**	**145,333,881**	**112,003,990**

28. Tax refunded (paid)

Balance at beginning of the year	(8,991,214)	132,580	(9,011,014)	-
Current tax recognised in profit or loss	(5,429,979)	(9,254,221)	(5,429,979)	(9,011,014)
Balance at end of the year	14,633,841	8,991,214	14,440,993	9,011,014
	212,648	**(130,427)**	**-**	**-**

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29. Related parties

Relationships

Holding company	Meat Corporation of Namibia
Subsidiaries	Refer to note 6
Associates	Refer to note 7

Related party balances

Loan accounts - Owing (to) / by related parties				
Namibia Meat Importers & Exporters (Pty) Ltd	-	-	804,787	(575,483)
Namibia Cattle Procurement (Pty) Ltd	-	-	(658,027)	-
Meat Corporation of Namibia (UK)	-	-	(35,294,634)	(28,208,960)
Meat Corporation of Namibia (UK) - Barclays banks held on behalf of Meatco Namibia	-	-	43,458,806	-
Meat Corporation of Northern Communal Areas (Pty) Ltd	-	-	30,466,381	5,054,255

Related party transactions

Purchases from (sales to) related parties				
Meat Corporation of Northern Communal Areas (Pty) Ltd	-	-	(15,337,847)	-
Namibia Meat Importers & Exporters (Pty) Ltd	-	-	(19,469,015)	-
Meat Corporation of Namibia (UK)	-	-	11,420,840	-

Compensation to directors and other key management				
Short-term employee benefits	1,381,897	2,267,223	1,381,897	2,267,223

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30. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - 2026

	Notes	Amortised cost	Total
Trade and other receivables	12	62,402,216	62,402,216
Cash and cash equivalents	14	128,342,450	128,342,450
		190,744,666	**190,744,666**

Group - 2025

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total
Investments in associates	7	8,945,188	-	8,945,188
Trade and other receivables	12	-	25,279,108	25,279,108
Cash and cash equivalents	14	-	86,188,267	86,188,267
		8,945,188	**111,467,375**	**120,412,563**

Corporation - 2026

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total
Investments in subsidiaries	6	11,960,000	-	11,960,000
Loans to related parties	11	-	74,729,974	74,729,974
Trade and other receivables	12	-	30,500,388	30,500,388
Cash and cash equivalents	14	-	54,266,631	54,266,631
		11,960,000	**159,496,993**	**171,456,993**

Corporation - 2025

	Notes	Fair value through profit or loss - Mandatory	Amortised cost	Total
Investments in subsidiaries	6	11,960,000	-	11,960,000
Investments in associates	7	-	216,971	216,971
Loans to related parties	11	-	10,121,585	10,121,585
Trade and other receivables	12	-	12,693,602	12,693,602
Cash and cash equivalents	14	-	63,571,027	63,571,027
		11,960,000	**86,603,185**	**98,563,185**

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Notes to the Consolidated And Separate Annual Financial Statements

30. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2026

	Notes	Amortised cost	Leases	Total
Trade and other payables	18	58,658,675	-	58,658,675
Interest-bearing borrowings	15	151,330,503	-	151,330,503
Lease liabilities	5	-	720,213	720,213
		209,989,178	**720,213**	**210,709,391**

Group - 2025

	Notes	Amortised cost	Leases	Total
Trade and other payables	18	46,500,896	-	46,500,896
Interest-bearing borrowings	15	171,122,905	-	171,122,905
Lease liabilities	5	-	972,821	972,821
		217,623,801	**972,821**	**218,596,622**

Corporation - 2026

	Notes	Amortised cost	Leases	Total
Trade and other payables	18	44,311,510	-	44,311,510
Loans from related parties	19	35,952,662	-	35,952,662
Interest-bearing borrowings	15	151,330,503	-	151,330,503
Lease liabilities	5	-	720,213	720,213
		231,594,675	**720,213**	**232,314,888**

Corporation - 2025

	Notes	Amortised cost	Leases	Total
Trade and other payables	18	36,764,747	-	36,764,747
Loans from related parties	19	28,784,443	-	28,784,443
Interest-bearing borrowings	15	171,122,905	-	171,122,905
Lease liabilities	5	-	972,821	972,821
		236,672,095	**972,821**	**237,644,916**

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		Group		Corporation	
Figures in Namibia Dollar		2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Capital risk management

The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

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

Loans from related parties	19	-	-	35,952,662	28,784,443
Interest bearing borrowings	15	151,330,503	171,122,905	151,330,503	171,122,905
Lease liabilities	6	720,213	972,821	720,213	972,821
Trade and other payables	18	58,658,675	47,070,454	44,311,510	36,764,747
Total borrowings		**210,709,391**	**219,166,180**	**232,314,888**	**237,644,916**
Cash and cash equivalents	14	(128,342,450)	(86,188,267)	(54,266,631)	(63,571,027)
Net borrowings		**82,366,941**	**132,977,913**	**178,048,257**	**174,073,889**
Equity		701,338,224	568,317,852	669,158,688	509,662,148
Gearing ratio		12 %	23 %	27 %	29 %

Financial risk management

Overview

The group 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).

The board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board has established the Audit and Risk committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports quarterly to the board of directors on its activities.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The Audit and Risk committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk committee.

Credit risk

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

The group is exposed to credit risk on loans receivable (at amortised cost), trade and other receivables, cash and cash equivalents, loan commitments and financial guarantees.

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The group only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

The maximum exposure to credit risk is presented in the table below:

Group		2026			2025		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Trade and other receivables	12	127,838,383	(26,681,819)	101,156,564	116,068,338	(54,710,060)	61,358,278
Cash and cash equivalents	14	128,342,450	-	128,342,450	86,188,267	-	86,188,267
		256,180,833	**(26,681,819)**	**229,499,014**	**202,256,605**	**(54,710,060)**	**147,546,545**

Corporation		2026			2025		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Loans to related parties	11	74,729,974	-	74,729,974	11,298,910	(1,177,325)	10,121,585
Trade and other receivables	12	69,509,251	(4,548,237)	64,961,014	81,387,664	(34,716,882)	46,670,782
Cash and cash equivalents	14	54,266,631	-	54,266,631	63,571,027	-	63,571,027
		198,505,856	**(4,548,237)**	**193,957,619**	**156,257,601**	**(35,894,207)**	**120,363,394**

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Liquidity risk

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

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - 2026

		Less than 1 year	2 to 5 years	Total
Non-current liabilities				
Interest-bearing borrowings	15	-	114,250,502	114,250,502
Lease liabilities	5	-	410,371	410,371
Current liabilities				
Trade and other payables	18	58,658,675	-	58,658,675
Interest-bearing borrowings	15	37,080,001	-	37,080,001
Lease liabilities	5	309,842	-	309,842
		96,048,518	**114,660,873**	**210,709,391**

Group - 2025

		Less than 1 year	2 to 5 years	Total
Non-current liabilities				
Interest-bearing borrowings	15	-	71,122,905	71,122,905
Lease liabilities	5	-	972,821	972,821
Current liabilities				
Trade and other payables	18	47,070,454	-	47,070,454
Interest-bearing borrowings	15	100,000,000	-	100,000,000
		147,070,454	**72,095,726**	**219,166,180**

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Corporation - 2026

		Less than 1 year	2 to 5 years	Total
Non-current liabilities				
Interest-bearing borrowings	15	-	114,250,502	114,250,502
Lease liabilities	5	-	410,371	410,371
Loans from related parties	19	-	35,294,635	35,294,635
Current liabilities				
Trade and other payables	18	44,311,510	-	44,311,510
Loans from related parties	19	658,027	-	658,027
Interest-bearing borrowings	15	37,080,001	-	37,080,001
Lease liabilities	5	309,842	-	309,842
		82,359,380	**149,955,508**	**232,314,888**

Corporation - 2025

		Less than 1 year	2 to 5 years	Total
Non-current liabilities				
Interest-bearing borrowings	15	-	71,122,905	71,122,905
Lease liabilities	5	-	972,821	972,821
Current liabilities				
Trade and other payables	18	36,764,747	-	36,764,747
Loans from related parties	19	28,784,443	-	28,784,443
Interest-bearing borrowings	15	100,000,000	-	100,000,000
		165,549,190	**72,095,726**	**237,644,916**

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		Group		Corporation	
Figures in Namibia Dollar		2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Foreign currency risk

Exposure in Namibia Dollar

The net carrying amounts, in Namibia Dollar, of the various exposures, are denominated in the following currencies. The amounts have been presented in Namibia Dollar by converting the foreign currency amounts at the closing rate at the reporting date:

US Dollar exposure:

Current assets:					
Trade and other receivables	12	23,677,149	31,922,566	23,677,149	31,922,566
Cash and cash equivalent	14	3,989	1,261,757	3,989	1,261,757
Current liabilities:					
Trade and other payables	18	(142,324)	(109,861)	(142,324)	(109,861)
Net US Dollar exposure		**23,538,814**	**33,074,462**	**23,538,814**	**33,074,462**

Euro exposure:

Current assets:					
Trade and other receivables	12	1,417,091	74,591,866	1,417,091	74,591,866
Cash and cash equivalents	14	373	20,824,466	373	20,824,466
Current liabilities:					
Trade and other payables	18	156,297	(2)	156,297	(2)
Net Euro exposure		**1,573,761**	**95,416,330**	**1,573,761**	**95,416,330**

GBP exposure:

Current assets:					
Trade and other receivables	12	20	22	20	22
Current liabilities:					
Trade and other payables	18	4,182,142	6,255,466	4,182,142	6,255,466
Loans to related parties	19	13,118,148	(38,684,958)	13,118,148	(38,684,958)
Net GBP exposure		**17,300,310**	**(32,429,470)**	**17,300,310**	**(32,429,470)**
Net exposure to foreign currency in Namibia Dollar		**42,412,885**	**96,061,322**	**42,412,885**	**96,061,322**

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		Group		Corporation	
Figures in Namibia Dollar		2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

US Dollar exposure:					
Current assets:					
Trade and other receivables	12	1,508,339	1,713,678	1,508,339	1,713,678
Cash and cash equivalents	14	254	67,734	254	67,734
Current liabilities:					
Trade and other payables	18	(9,067)	(5,898)	(9,067)	(5,898)
Net US Dollar exposure		**1,499,526**	**1,775,514**	**1,499,526**	**1,775,514**
Euro exposure:					
Current assets:					
Trade and other receivables	12	75,740	3,852,664	75,740	3,852,664
Cash and cash equivalents	14	20	1,075,582	20	1,075,582
Current liabilities:					
Trade and other payables	18	8,354	-	8,354	-
Net Euro exposure		**84,114**	**4,928,246**	**84,114**	**4,928,246**
GBP exposure:					
Current assets:					
Trade and other receivables	12	1	1	1	1
Current liabilities:					
Trade and other payables	18	193,789	270,181	193,789	270,181
Loans to / (from) related parties		607,859	-	607,859	-
Net GBP exposure		**801,649**	**270,182**	**801,649**	**270,182**

Exchange rates

Namibia Dollar per unit of foreign currency:				
US Dollar	15.698	18.628	15.698	18.628
Euro	18.710	19.361	18.710	19.361
GBP	21.581	23.153	21.581	23.153

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Foreign currency sensitivity analysis

The following information presents the sensitivity of the group to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group	2026	2026	2025	2025
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss:				
Euro 10% (2025: 10 %)	37	(37)	2,082,447	(2,082,447)
GBP 10% (2025: 10 %)	399	(399)	-	-
USD 10% (2025: 10 %)	-	-	126,176	(126,176)
	436	**(436)**	**2,208,623**	**(2,208,623)**
Impact on equity:				
Euro 10% (2025: 10 %)	37	(37)	2,082,447	(2,082,447)
GBP 10% (2025: 10 %)	399	(399)	-	-
USD 10% (20XX: 10 %)	-	-	126,176	(126,176)
	436	**(436)**	**2,208,623**	**(2,208,623)**
	872	**(872)**	**4,417,246**	**(4,417,246)**

Corporation	2026	2026	2025	2025
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on profit or loss:				
Euro 10% (2025: 10 %)	37	(37)	2,082,447	(2,082,447)
GBP 10% (2025: 10 %)	399	(399)	-	-
USD 10% (2025: 10 %)	-	-	126,176	(126,176)
	436	**(436)**	**2,208,623**	**(2,208,623)**
Impact on equity:				
Euro 10% (2025: 10 %)	37	(37)	2,082,447	(2,082,447)
GBP 10% (2025: 10 %)	399	(399)	-	-
USD 10% (2025: 10 %)	-	-	126,176	(126,176)
	436	**(436)**	**2,208,623**	**(2,208,623)**
	872	**(872)**	**4,417,246**	**(4,417,246)**

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	Group		Corporation	
Figures in Namibia Dollar	2026	2025	2026	2025

30. Financial instruments and risk management (continued)

Interest rate risk

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

The debt of the group is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

	Note	Average effective interest rate		Carrying amount	
Group		2026	2025	2026	2025
Liabilities					
Interest-bearing borrowings	15	11.00 %	11.00 %	151,330,503	171,122,905
Lease liabilities	5	11.00 %	11.00 %	720,213	972,821
				152,050,716	**172,095,726**

	Note	Average effective interest rate		Carrying amount	
Corporation		2026	2025	2026	2025
Liabilities					
Interest-bearing borrowings	15	11.00 %	11.50 %	151,330,503	171,122,905
Lease liabilities	5	11.00 %	11.50 %	720,213	972,821
				152,050,716	**172,095,726**

Price risk

The group is not exposed to commodity price risk.

31. Other operating (losses) / gains

	Note	Group 2026	Group 2025	Corporation 2026	Corporation 2025
Gains on disposals, scrappings and settlements					
Gain on related party loan impairment	19	238,125	-	-	-
Reversal of impairment losses					
Property, plant and equipment	4	8,385,560	-	8,385,560	-
Foreign exchange losses					
Net foreign exchange loss		(18,434,870)	(8,467,850)	(18,428,393)	(8,467,850)
Total other operating gains (losses)		**(9,811,185)**	**(8,467,850)**	**(10,042,833)**	**(8,467,850)**

32. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

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Notes to the Consolidated And Separate Annual Financial Statements

33. Comparative figures

During the current year, the Group and corporation reclassified foreign exchange losses from operating income to operating gains and losses in the statement of comprehensive income.

This reclassification was made to improve the presentation of the financial statements by reflecting the nature of foreign exchange movements more appropriately within operating gains and losses. The reclassification is a presentation change only and has no impact on the Group or corporation's profit for the year, total comprehensive income, financial position, or cash flows.

Comparative information has been reclassified accordingly to ensure consistency and comparability between reporting periods.

The effects of the reclassification are as follows:

Statement of Profit or Loss and Other Comprehensive Income

Group	31 January 2025 (as previously reported) N$	Reclassification	31 January 2025
Other operating income	212,382,587	8,467,850	220,850,437
Other operating losses	-	(8,467,850)	(8,467,850)

Statement of Profit or Loss and Other Comprehensive Income

Corporation	31 January 2025 (as previously reported) N$	Reclassification	31 January 2025
Other operating income	209,227,573	8,467,850	217,695,423
Other operating losses	-	(8,467,850)	(8,467,850)

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Notes to the Consolidated And Separate Annual Financial Statements

34. Other comprehensive income

Components of other comprehensive income - Group - 2026

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on revaluation			
Gains on property revaluation	79,660,186	-	79,660,186

Revaluation:

Valuation of the Meatco immoveable property for the year 2026 was done by Nico Kaoti, National Diploma: Real Estate (CPUT: SA) and P.J. Scholtz, Appraiser/ Professional Valuer, National Diploma: Property Valuations (Technicon SA).

	Gross	Tax	Net
Movements on valuation of severance pay provisions			
Losses on valuation of severance pay provision	(45,000)	-	(45,000)
Total items that will not be reclassified to profit (loss)	**79,615,186**	**-**	**79,615,186**
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	12,941,315	-	12,941,315
Total	**92,556,501**	**-**	**92,556,501**

Components of other comprehensive income - Group - 2025

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on valuation of severance pay provisions			
Losses on valuation of severance pay provision	(653,000)	-	(653,000)
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(7,966,953)	-	(7,966,953)
Total	**(8,619,953)**	**-**	**(8,619,953)**

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Notes to the Consolidated And Separate Annual Financial Statements

34. Other comprehensive income (continued)

Components of other comprehensive income - Company - 2026

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on revaluation			
Gain on property revaluation	79,451,109	-	79,451,109

Revaluation:

Valuation of the Meatco immoveable property for the year 2026 was done by Nico Kaoti, National Diploma: Real Estate (CPUT: SA) and P.J. Scholtz, Appraiser/ Professional Valuer, National Diploma: Property Valuations (Technicon SA).

Components of other comprehensive income - Company - 2025

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on valuation of severance pay provisions			
Losses on valuation of severance pay provision	(653,000)	-	(653,000)

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Detailed Income Statement

		Group		Corporation	
Figures in Namibia Dollar	Notes	2026	2025	2026	2025
Revenue					
Sale of goods		1,108,044,659	1,865,183,842	1,037,215,502	1,652,512,416
Cost of sales					
Opening stock		(175,595,749)	(145,352,170)	(169,024,382)	(138,074,969)
Purchases		(960,726,273)	(1,739,406,249)	(850,617,755)	(1,533,987,559)
Cost of manufactured goods		(10,142,003)	(12,839,793)	(10,142,003)	(12,839,793)
Closing stock		77,805,854	175,595,749	70,911,279	169,024,382
	21	**(1,068,658,171)**	**(1,722,002,463)**	**(958,872,861)**	**(1,515,877,939)**
Gross profit		**39,386,488**	**143,181,379**	**78,342,641**	**136,634,477**
Other operating income					
Sundry income		12,253,594	4,244,767	9,517,648	3,172,764
Government grants		186,000,000	216,605,670	182,000,000	214,522,659
	22	**198,253,594**	**220,850,437**	**191,517,648**	**217,695,423**
Other operating gains					
Gain on impairment of related party loan		238,125	-	-	-
Reversal of impairment losses		8,385,560	-	8,385,560	-
Foreign exchange losses		(18,434,870)	(8,467,850)	(18,428,393)	(8,467,850)
	31	**(9,811,185)**	**(8,467,850)**	**(10,042,833)**	**(8,467,850)**
Expenses (Refer to page 63)		**(150,806,752)**	**(210,276,297)**	**(145,442,881)**	**(237,743,040)**
Operating profit	23	**77,022,145**	**145,287,669**	**114,374,575**	**108,119,010**
Investment income	24	2,362,460	3,390,167	1,846,987	2,652,404
Finance costs	25	(36,922,558)	(42,966,823)	(36,765,719)	(42,943,295)
Profit before taxation		**42,462,047**	**105,711,013**	**79,455,843**	**67,828,119**
Taxation	26	(1,998,176)	(61,950,609)	589,588	(65,056,082)
Profit for the year		**40,463,871**	**43,760,404**	**80,045,431**	**2,772,037**

The supplementary information presented does not form part of the consolidated and separate financial statements and is unaudited

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Detailed Income Statement

		Group		Corporation	
Figures in Namibia Dollar	Note(s)	2026	2025	2026	2025
Other operating expenses					
Accounting fees		(41,017)	(45,417)	-	-
Administration and management fees		(10,370,006)	(10,711,577)	(8,019,502)	(8,298,476)
Advertising		(239,183)	(204,294)	(203,572)	(200,649)
Auditor's remuneration - external audit	23	(2,593,270)	(3,095,414)	(2,503,123)	(3,095,414)
Auditor's remuneration - internal audit	23	(421,200)	(384,800)	(421,200)	(384,800)
Bad debts		21,319,284	(21,648,466)	(11,667,708)	(81,392,316)
Bank charges		(1,890,271)	(3,562,204)	(1,245,895)	(2,904,262)
CC Expenses		(337,513)	(362,494)	(337,513)	(362,494)
Cleaning		(126,770)	(137,919)	(105,218)	(106,224)
Computer expenses		(6,309,712)	(6,139,878)	(6,295,363)	(6,126,565)
Consulting and professional fees		(1,371,370)	(3,819,096)	(1,371,370)	(3,819,096)
Consumables		(429,218)	(1,817,594)	(335,074)	(941,318)
Demurrages		(1,314,201)	(19,275,519)	(1,314,013)	(18,518,949)
Directors fees		(1,534,833)	(2,267,870)	(1,534,833)	(2,267,870)
Donations		(582,931)	(417,927)	(582,239)	(403,172)
Employee costs		(105,870,647)	(106,915,253)	(87,639,714)	(89,000,191)
Fines and penalties		(172,173)	(191,904)	(172,173)	(189,904)
IT expenses		(727,221)	(1,165,378)	-	-
Impairment losses and depreciation		(11,518,722)	(1,414)	(2,778,894)	-
Insurance		(8,033,056)	(7,946,673)	(8,033,056)	(7,945,257)
Levies		(7,715)	(50,082)	-	-
Motor vehicle expenses		(1,589,655)	(1,472,123)	(1,500,112)	(1,430,945)
Municipal expenses		(1,415,822)	(1,597,051)	(720,957)	(722,894)
Postage		(138,381)	(11,834)	(7,730)	(11,230)
Printing and stationery		(951,151)	(1,259,419)	(951,151)	(1,259,419)
Promotions		(67,944)	(25,415)	(67,944)	(25,415)
Repairs and maintenance		(2,595,799)	(2,761,068)	-	-
Research and development costs		(4,863)	(9,382)	-	-
Royalties and license fees		(270,247)	(151,671)	(21,354)	(23,086)
Security		(4,583,184)	(3,290,861)	(3,174,305)	(2,498,037)
Subscriptions		(381,402)	(423,221)	(370,482)	(414,541)
Sundry expenses		(1,833,066)	(3,932,783)	(796,954)	(1,191,286)
Telephone and fax		(995,902)	(889,252)	(950,407)	(803,500)
Travel - local		(3,407,591)	(4,291,044)	(2,321,025)	(3,405,730)
		(150,806,752)	**(210,276,297)**	**(145,442,881)**	**(237,743,040)**

The supplementary information presented does not form part of the consolidated and separate financial statements and is unaudited

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