

**CONSORTIUM FISHERIES LIMITED**
**Interim condensed consolidated statements**

of comprehensive income for the		6 months	6 months	12 months
		ended	ended	ended
		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited
Revenue		323 501	290 428	595 862
Cost of sales		(290 593)	(284 099)	(554 316)
<b>Gross profit</b>		<b>32 908</b>	<b>6 329</b>	<b>41 546</b>
Other income		36 755	23 470	4 920
Operating expenses		(49 649)	(72 788)	(112 332)
<b>Operating profit/(loss)</b>		<b>20 014</b>	<b>(42 989)</b>	<b>(65 866)</b>
Investment income		391	901	1 410
Finance costs		(7 366)	(9 708)	(19 773)
<b>Profit/(Loss) before tax</b>		<b>13 039</b>	<b>(51 796)</b>	<b>(84 229)</b>
Taxation	4	(7 476)	14 475	14 134
<b>Profit/(Loss) for the period</b>		<b>5 563</b>	<b>(37 321)</b>	<b>(70 095)</b>
<b>Other comprehensive income items that will not be reclassified to profit or loss</b>				
Remeasurements on net defined benefit Liability/asset		0	0	2 395
Gains/(loss) on property revaluation		0	0	39 932
Taxation relating to items that will not be reclassified		0	0	(591)
<b>Other comprehensive income/(loss) for the period net of tax</b>		<b>0</b>	<b>0</b>	<b>41 736</b>
<b>Total comprehensive profit/(loss)</b>		<b>5 563</b>	<b>(37 321)</b>	<b>(28 359)</b>
<b>Profit/(Loss) attributable to:</b>				
Owners of the parent		4 580	(35 352)	(67 555)
Non-controlling interest		983	(1 969)	(2 540)
		<b>5 563</b>	<b>(37 321)</b>	<b>(70 095)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the parent		4 580	(35 352)	(27 296)
Non-controlling interest		983	(1 969)	(1 063)
		<b>5 563</b>	<b>(37 321)</b>	<b>(28 359)</b>

**Interim condensed consolidated**
**statements of financial position at**

		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	983 037	828 221	923 816
Right-of-use assets		7 328	0	6 829
Intangible assets		237	549	224
Biological assets		19 636	10 499	16 274
Loans receivable		17 194	12 843	13 305
Deferred taxation		573	7 128	603
		1 028 005	859 240	961 051
<b>Current assets</b>				
Inventories		40 018	55 707	53 745
Trade and other receivables		205 254	120 682	146 549
Derivatives		2 363	12 332	255
Cash and cash equivalents		3 457	4 804	8 271
Loans to group companies		110	46	57
		251 202	193 571	208 877
<b>Total assets</b>		<b>1 279 207</b>	<b>1 052 811</b>	<b>1 169 928</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		1 903	1 903	1 903
Reserves		468 120	438 225	468 120
Accumulated losses		(75 375)	(49 575)	(79 955)
<b>Equity attributable to equity holders of parent</b>		<b>394 648</b>	<b>390 553</b>	<b>390 068</b>
Non-controlling interest		12 238	10 348	11 255
<b>Total equity</b>		<b>406 886</b>	<b>400 901</b>	<b>401 323</b>
<b>Non-current liabilities</b>				
Borrowings	6	296 967	148 818	225 767
Finance lease obligation		5 124	7 323	2 271
Deferred taxation		74 630	72 782	67 184
Loans from group companies		197 522	188 619	187 095
Provisions		14 664	15 843	14 480
		588 907	433 385	496 797
<b>Current liabilities</b>				
Trade and other payables		142 123	105 017	124 929
Bank overdrafts		52 334	47 127	31 921
Borrowings		39 390	34 308	42 108
Derivatives	6	3 947	0	32 395
Finance lease obligation		3 829	3 551	6 732
Provisions		609	638	543
Loans from related parties		2 143	2 530	2 208
Loans from group companies		39 039	25 354	30 972
		283 414	218 525	271 808
<b>Total equity and liabilities</b>		<b>1 279 207</b>	<b>1 052 811</b>	<b>1 169 928</b>

**CONSORTIUM FISHERIES LIMITED**
**Interim condensed consolidated statements**

of changes in equity for the		6 months	6 months	12 months
		ended	ended	ended
		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited
<b>Balance at the beginning of the period</b>		<b>401 323</b>	<b>438 222</b>	<b>438 222</b>
Comprehensive (loss) / income		5 563	(37 321)	(28 359)
Purchase of additional Subs shares		0	0	(8 540)
<b>Balance at the end of the period</b>		<b>406 886</b>	<b>400 901</b>	<b>401 323</b>
<b>Comprising:</b>				
Share capital		1 903	1 903	1 903
Change in ownership reserve		2 018	10 558	2 018
Revaluation reserve		466 102	427 667	466 102
Accumulated losses		(75 375)	(49 575)	(79 955)
		394 648	390 553	390 068
		12 238	10 348	11 255
		<b>406 886</b>	<b>400 901</b>	<b>401 323</b>
<b>Non-controlling interest</b>				

**Interim condensed consolidated statements**

of cash flows for the		6 months	6 months	12 months
		ended	ended	ended
		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited
<b>Cash flows from operating activities</b>				
Cash (utilized)/generated before working capital changes		30 919	(19 089)	14 127
Working capital changes (utilized)		(58 342)	32 576	43 050
Cash generated by operations		(27 423)	13 487	57 177
Net finance cost		(7 318)	(8 807)	(19 402)
Net cash flows from operating activities		(34 741)	4 680	37 775
<b>Cash flows from investing activities</b>				
Acquisition of property, plant & equipment	5	(74 158)	(93 707)	(191 979)
Disposal of property, plant & equipment		0	0	399
Movements in investments		0	0	(5 000)
Loans advanced to group companies		0	0	(41)
Sale of biological assets		0	17	4 788
Acquisition of intangible assets		(71)	0	0
Aquisition of biological assets		0	0	(5 851)
Movements in financial assets		0	0	2 504
Net cash flows from investing activities		(74 229)	(93 690)	(195 180)
<b>Cash flows from financing activities</b>				
Net cash flows from financing activities		83,743	81 562	168 630
<b>Net change in cash and cash equivalents</b>				
Cash and cash equivalents at 1 July		(23 650)	(34 875)	(34 875)
<b>Cash and cash equivalents at end of the period</b>		<b>(48 877)</b>	<b>(42 323)</b>	<b>(23 650)</b>
<b>Cash and cash equivalents consist of:</b>				
Bank overdraft		(52 334)	(47 127)	(31 921)
Bank balances and cash		3 457	4 804	8 271
		<b>(48 877)</b>	<b>(42 323)</b>	<b>(23 650)</b>

**Notes to the condensed interim consolidated financial statements**
**Note 1 - Reporting entity**

Consortium Fisheries Limited is a company domiciled in the Republic of Namibia. The interim condensed consolidated financial statements of the Group as at and for the period ended 31 December 2020 comprise the Company and its subsidiaries (together referred to as the "Group"). The audited consolidated financial statements of the Group as at and for the year ended 30 June 2020 are available upon request from the Company's registered office.

**Note 2 - Statement of compliance**

These interim condensed consolidated financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and disclosure requirements of IAS 34, Interim Financial Reporting and the requirements of the Namibian Companies Act. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 30 June 2020.

**Note 3 - Significant accounting policies**

The accounting policies applied by the Group in these interim condensed consolidated financial statements are substantially the same as those applied by the Group in its audited consolidated financial statements as at and for the year ended 30 June 2020.

**CONSORTIUM FISHERIES LIMITED**
**Notes to the condensed interim consolidated**

financial statements for the (continued)		6 months	6 months	12 months
		ended	ended	ended
		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited
<b>Note 4 – Taxation</b>				
<b>Major components of taxation</b>				
Namibia - Deferred taxation		(7 476)	14 475	14 134
Namibia - Normal taxation		0	0	0
		<b>(7 476)</b>	<b>14 475</b>	<b>14 134</b>
<b>Note 5 - Property, plant and equipment</b>				
Net book value at beginning of the period		923 816	758 666	758 666
Additions		75 587	93 707	192 364
Disposals		(31)	(265)	(19 580)
Revaluations		0	0	39 932
Transfers		(1 273)	0	(11 140)
Other changes and movements		0	0	0
Depreciation and impairments		(15 062)	(23 887)	(36 426)
Net book value at end of the period		<b>983 037</b>	<b>828 221</b>	<b>923 816</b>
<b>Note 6 - Other financial liabilities</b>				
<b>Non-current liabilities (secured)</b>				
<b>At amortised cost</b>				
<i>Asset Financing loan</i>				
- Nedbank Namibia Limited		241 785	0	152 366
<i>Instalment sale creditors</i>				
- Bank Windhoek Limited		8 051	9 080	8 923
- Nedbank Namibia Limited		75 652	161 833	95 345
- Less current portion		(37 962)	(33 098)	(40 950)
		45 741	137 815	63 318
<i>Mortgage bonds</i>				
- Bank Windhoek Limited		10 869	12 213	11 241
- Less current portion		(1 428)	(1 210)	(1 158)
		9 441	11 003	10 083
		<b>296 967</b>	<b>148 818</b>	<b>225 767</b>
<b>Current liabilities (secured)</b>				
<b>At amortised cost</b>				
Instalment sale creditors		37 962	33 098	40 950
Mortgage bonds		1 428	1 210	1 158
		39 390	34 308	42 108
<b>Current liabilities (unsecured)</b>				
<b>At fair value through profit and loss</b>				
<i>Foreign exchange contracts</i>				
		3 947	0	32 395
		<b>43 337</b>	<b>34 308</b>	<b>74 503</b>

**CONSORTIUM FISHERIES LIMITED**
**Notes to the condensed interim consolidated**

financial statements for the (continued)		6 months	6 months	12 months
		ended	ended	ended
		31 Dec 2020	31 Dec 2019	30 Jun 2020
<i>In thousands of Namibia Dollars</i>	Note	Unaudited	Unaudited	Audited

**Group operational and financial review**

The Board is pleased to report on the Group's financial results for the period ended 31 December 2020.

**Financial Performance**

The first half of the 2021 financial year continued to be impacted by Covid-19, with effects of Covid-19 felt throughout the Consortium Fisheries Group with the lockdown on trading activities and social distancing hampering productivity on various operations. Thus when comparing the financial performance to comparative period, the effects of Covid-19 should be taken into account.

**Revenue**

Group revenue for 6 months ended 31 December 2020 increased by 11.39% compared to the 6 months ended 31 December 2019.

Hangana exports most of its product to Europe. The Hangana Group revenue benefited from the depreciation of the Namibian dollar against the Euro, from an average of N\$16.12 in the comparative period to an average of N\$19.11 for the period under review. The average sales realization was 10.6% higher than in comparative period (N\$53.22/kg to N\$48.13/kg). The increase was however offset by Covid-19 production delays and a 0.6% decrease in production tons sold. In total the Hangana Group contributed N\$41m (+14%) to the Group revenue increase.

Kraatz Marine revenue decreased by 28% in the current period, mainly due to decrease in activities both in Marine and general industrials sector as a result of COVID-19 lockdowns and regulations. Also the maintenance shutdown of Dundee in the comparative period boosted Kraatz Marine's revenue.

**Other income**

Other income increased by 56.6% to N\$36.8m. The increase in other income is attributed to a N\$11.7m quota usage fee on Merlus's quota swop agreement and N\$3.5m impairment reversal in loans receivables.

**Operating expenses**

Operating expenses decreased by 32% to comparative period. The decrease in operating expenses is mainly due to once off expenses in comparative period relating to abalone stock ranching of N\$9.7m incurred expenses amongst others.

**Fishing**

Hangana Seafood (Pty) Ltd reported revenue of N\$291 million for the 6 months ended 31 December 2020.

Hangana's new processing facility is expected to be fully operational from 01 June 2021.

**Marine engineering**

Kraatz Marine (Pty) Ltd reported revenues of N\$34 million for the 6 months ended 31 December 2020.

Kraatz Marine concluded an agreement to acquire all assets of C&V Welding (Pty) Ltd, a construction company specialized in engineering with presence in Windhoek. The assets acquired included property, equipment and machines. The effective date for the transaction is 28 February 2021.

**Subsequent Events**

No significant subsequent events occurred after the reporting date.

**Prospects**

The Group expects the economy to remain constrained for the remainder of this calendar year. The Group remains positive in the long term, with defined diversification and efficiency strategies being implemented to ensure the future sustainability of operations.

**Registered Address**

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**Directors**

S Thieme, H v.d. Westhuizen, G Hanke  
G Shilongo (Alternative to S Thieme)

**Holding company**

Ohlthaver & List Finance and Trading Corporation Limited  
(incorporated in Namibia)

**Ultimate holding entity**

Sven Thieme Holdings (Proprietary) Limited  
(incorporated in Namibia)

**Secretaries**

Ohlthaver & List Centre (Pty) Ltd  
P O Box 16  
Windhoek

**Auditors**

Deloitte & Touche (Namibia)  
P O Box 47  
Windhoek

**Attorneys**

Engling Stritter & Partners  
P O Box 43  
Windhoek

Windhoek, 31 March 2021

The interim condensed consolidated results of the Group were approved by the Board of Directors and signed on behalf of the Board of Directors by:

S Thieme

H v.d. Westhuizen

Company Registration Number 028/68



**CONSORTIUM FISHERIES LIMITED**

**Interim Condensed Consolidated  
Financial Statements**

The unaudited interim condensed  
consolidated results of the Group  
for the period ended  
31 December 2020



**Ohlthaver & List**  
GROUP

CREATING A FUTURE, ENHANCING LIFE