REVIEWED PROVISIONAL CONDENSED FINANCIAL RESULTS

For the year ended 28 February 2019

nimbus
INFRASTRUCTURE LTD

(Incorporated in the Republic of Namibia)
(Registration number 2017/0558) ("Nimbus" or "the company")
(NSX Share code: NUSP) (ISN code: NA 000A2DTQ42)
www.nimbus.africa

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 28 February 2019

	Notes	28 February 2019 Reviewed N$	28 February 2018 Audited N$
Revenue - dividends received	2.3	**4 581 201**	2 214 978
Operating expenses		**(2 194 823)**	(1 630 711)
Operating (loss) / profit		**2 386 378**	584 267
Share of associate		**4 595 414**	129 650
Interest received		**-**	55
Profit before taxation		**6 981 792**	713 972
Taxation		**-**	-
Profit for the period		**6 981 792**	713 972
Other comprehensive income		**-**	-
Total comprehensive income for the period	2.1	**6 981 792**	713 972
Basic earnings per share (cents)	2.1	**30.67**	10.99
Headline earnings per share (cents)	2.1	**30.67**	10.99
Dividends per share (cents)	2.1	**Nil**	Nil

CONDENSED STATEMENT OF FINANCIAL POSITION
as at 28 February 2019

	Notes	28 February 2019 Reviewed N$	28 February 2018 Audited N$
ASSETS			
Non-current assets			
Investment in associate	2.2	**195 206 465**	98 639 039
Current assets			
Investments at fair value	2.3	**104 784 142**	3 681 550
Cash and cash equivalents		**186 325**	102 214
		104 970 467	3 783 764
TOTAL ASSETS		**300 176 932**	102 422 803
EQUITY AND LIABILITIES			
Capital and reserves		**300 103 986**	102 348 013
Current liabilities			
Trade and other payables		**72 945**	74 790
TOTAL EQUITY AND LIABILITIES		**300 176 932**	102 422 803

CONDENSED STATEMENT OF CASH FLOWS
for the year ended 28 February 2019

	28 February 2019 Reviewed N$	28 February 2018 Audited N$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operating activities	**2 384 533**	659 112
Cash utilised by operations	**2 384 533**	659 057
Interest received	**-**	55
Cash flows used in investing activities	**(103 872 903)**	(102 190 939)
Cash flows from financing activities	**101 572 481**	101 634 042
Net increase in cash and cash equivalents	**84 111**	102 214
Cash and Cash equivalents at the beginning of the year	**102 214**	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**186 325**	102 214

CONDENSED STATEMENT OF CHANGES IN EQUITY
for the year ended 28 February 2019

	Share capital N$	Share premium N$	Distributable reserves N$	Total N$
Balance at inception	-	-	-	-
Issue of shares	103 634	101 530 407	-	101 634 041
Profit for the year	-	-	713 972	713 972
Other comprehensive income	-	-	-	-
Total changes	103 634	101 530 407	713 972	102 348 013
Audited balance at 1 March 2018	**103 634**	**101 530 407**	**713 972**	**102 348 013**
Issue of shares	**183 473**	**190 590 708**	**-**	**190 774 181**
Profit for the year	**-**	**-**	**6 981 792**	**6 981 792**
Other comprehensive income	**-**	**-**	**-**	**-**
Total changes	**183 473**	**190 590 708**	**6 981 792**	**197 755 973**
Unaudited balance at 28 February 2019	**287 107**	**292 121 115**	**7 695 764**	**300 103 986**

Reviewed results - auditors review conclusion
The condensed financial statements for the year ended 28 February 2019, from which this information is derived, have been reviewed by PricewaterhouseCoopers (Chartered Accountants (Namibia)), who expressed an unmodified review conclusion thereon. The review was conducted in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Auditor of the Entity". The unmodified review report is available for inspection at the Company's registered office together with the condensed financial statements referred to in the auditor's review report. Any reference to the future financial performance included in this announcement has not been reviewed or reported on by the Company's auditors.

The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report, together with the accompanying financial information from the issuer's registered office.

Basis of preparation
The reviewed condensed financial statements for the year ending 28 February 2019, from which this information is derived, have been prepared in accordance with the NSX Listing Requirements for provisional reports and the requirements of the Companies Act of Namibia. The Listing Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and to also, as a minimum, contain the information required by IAS34 Interim Financial Reporting. The accounting policies applied in the preparation of the condensed financial statements are in terms of IFRS and are consistent with those applied in the previous annual financial statements, except for the adoption of new or revised accounting standards as set out in the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance since the last annual condensed financial statements.

1. OTHER INFORMATION

	28 February 2019 Reviewed	28 February 2018 Audited
Number of shares in issue	**28 710 692**	10 363 407
Net asset value per share (cents per share)	**1 045.27**	987.59
Listed market price per share (cents per share)	**1 100.00**	1 050.00
Premium to net asset value	**5.2%**	6.3%
Capital commitments (including approved but not contracted)	**N$ Nil**	N$ Nil

2. NOTES TO THE FINANCIAL RESULTS

2.1 Basic and Headline earnings per share

	28 February 2019 Reviewed	28 February 2018 Audited
Shares in issue		
Total number of shares in issue	**28 710 692**	10 363 407
Weighted number of shares in issue	**22 763 589**	6 495 882
Basic earnings per share (cents)	**30.67**	10.99
Headline earnings per share (cents)	**30.67**	10.99
Dividends per share (cents)	**Nil**	Nil

The weighted average number of issued shares as at 28 February 2019 is 22 763 589 (28 February 2018: 6 495 882). On 1 June 2018 a share swap transaction resulted in the issuance of 8 495 400 shares and on 20 July 2018 a rights issue was concluded which resulted in the issuance of 9 851 885 shares, bringing the total to 28 710 692 shares in issue. The weighted earnings and headline earnings per share for the year are calculated as follows:

	28 February 2019 Reviewed	28 February 2018 Audited
Basic earnings (Profit for the year)	**N$6 981 792**	N$713 972
Headline earnings (no adjustments required)	**N$6 981 792**	N$713 972
Basic earnings per share (cents)	**30.67**	10.99
Headline earnings per shares (cents)	**30.67**	10.99

2. NOTES TO THE FINANCIAL RESULTS (continued)

2.2 Investment in associate
On 1 June 2018 a share swap transaction was concluded between Nimbus and Cuvelai Telecommunications (Pty) Ltd ("Cuvelai"), Bartholomeus Roelof Jacobus Harmse ("Harmse") and Paratus Telecommunications (Pty) Ltd ("Paratus"). Through this transaction an additional 11 815 shares were acquired in Paratus at a consideration of N$89 201 700 (see note 3.1). This brings the total shareholding of Nimbus to 51.4%.

Associates are entities in which the company has significant influence but does not control or jointly control the entity. The company includes the results of associates in its financial statements using the equity accounting method from the date of acquisition.

	N$
Investment in associate at cost - 24 January 2018	95 000 000
Costs capitalised to investment	3 509 389
Share of after-tax profits - 28 February 2018	129 650
Audited Investment value as at 1 March 2018	**98 639 039**
Investment in associate at cost (1 June 2018)	89 201 700
Costs capitalised to investment	2 770 312
Share of after-tax profits for the year to 28 February 2019	4 595 414
Reviewed Investment value as at 28 February 2019	**195 206 465**

The Paratus year-end coincides with the Nimbus year end. The most recent audited financial results of Paratus for the year ended 28 February 2019 have been used in applying the equity method of accounting. No dividends were declared or paid by Paratus during the year under review. A directors' valuation was performed on the investment in associate. The valuation confirmed the investment value at 28 February 2019.

The summarised financial information of the associate (Paratus Telecommunications (Pty) Ltd - Group) is as follows:

Summarised Consolidated Statement of Comprehensive Income
for the year ended 28 February 2019

	28 February 2019 Audited N$	28 February 2018 Audited N$
Revenue	**283 676 902**	359 999 634
Cost of sales	**(148 944 729)**	(220 684 869)
Gross Profit	**134 732 173**	139 314 765
Other income	**5 638 560**	1 142 763
Operating expenses	**(117 131 624)**	(126 987 449)
Investment income	**2 211 164**	4 322 880
Interest paid	**(10 844 071)**	(13 685 978)
Taxation	**(3 932 489)**	(2 729 871)
Profit for the period	**10 673 714**	1 377 110
Other comprehensive income	**-**	-
Total comprehensive income	**10 673 714**	1 377 110

Summarised Consolidated Statement of Financial Position
as at 28 February 2019

	28 February 2019 Audited N$	28 February 2018 Audited N$
ASSETS		
Non-current assets	**231 884 936**	190 388 568
Current assets	**70 657 497**	98 805 827
Total assets	**302 542 433**	289 194 395
LIABILITIES		
Non-current liabilities	**158 748 271**	149 757 747
Current liabilities	**46 104 094**	52 270 293
Total liabilities	**204 852 365**	202 028 040
Total net assets	**97 690 068**	87 166 355

Summarised Consolidated Statement of Cash Flows
for the year ended 28 February 2019

	28 February 2019 Audited N$	28 February 2018 Audited N$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operating activities	**24 219 153**	17 150 152
Cash flows used in investing activities	**(38 498 013)**	(114 856 518)
Cash flows from financing activities	**18 156 171**	104 525 205
Net increase in cash and cash equivalents	**3 877 311**	6 818 839
Cash and Cash equivalents at the beginning of the year	**(177 297)**	(6 996 136)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**3 700 014**	(177 297)

For the year ended 28 February 2019, Paratus realised EBITDA of N$51.6 million (2018:N$34.3 million). During the year under review, revenue amounting to N$30.8 million (2018:N$30.8 million) was received in advance from a major customer of the Trans-Kalahari Fiber line, which is classified under Cash Flows from Financing activities.

2.3 Investments at fair value
Investments at fair value of N$105 million (28 February 2018: N$3.7 million) consists of an investment in a Money Market Fund, which earned dividends of N$4.6million (28 February 2018: N$2.2 million). The dividends received are included under revenue - dividends received.

Investments at fair value are classified as level 2 financial instruments. Level 2 financial instruments are valued at prices relative to prices in the market.

In the current year, the company has applied IFRS 9 Financial instruments. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement and introduces new requirements for the classification and measurement of financial assets. The application of IFRS 9 had no impact on the current year numbers.

3. DIRECTORS' COMMENTARY

3.1 Financial results
On 17 April 2018 the Nimbus shareholders approved an ordinary resolution for a share swap transaction and a rights issue.

On 1 June 2018 Nimbus finalised the acquisition of an additional 24.9% interest in Paratus through a share swap transaction between Nimbus and Cuvelai, Harmse and Paratus in terms whereof Nimbus acquired 8 815 ordinary shares in Paratus held by Cuvelai, representing a holding of 18.6% of the issues share capital of Paratus and 3 000 ordinary shares in Paratus held by Harmse, representing a holding of 6.3% of the issued share capital of Paratus. In terms of the share swap transaction Nimbus issued 8 495 400 new ordinary shares, which were allotted to the sellers at a price of N$10.50 per share and a total value of N$89 201 700. This transaction resulted that Nimbus now owns a 51.4% interest in Paratus.

On 20 July 2018 Nimbus concluded the Rights Issue. In terms of the Rights Issue, Nimbus offered 15 545 085 new Nimbus ordinary shares to qualifying Nimbus Rights holders in the ratio of 15 Rights Issue Shares for every one Nimbus Right held (qualifying shareholders received one Nimbus Right for every 10 ordinary shares held). The Nimbus shareholders subscribed for 9 851 885 Rights Issue Shares and therefore 63.4% of the available Rights Issue shares were subscribed for by the Nimbus shareholders. Nimbus raised an additional N$103 444 792 through the Nimbus rights issue.

During June 2018 Nimbus received approval from the NSX to be admitted to the NSX Main Board effective from 29 June 2018. The company is therefore no longer classified as a Capital Pool Company.

3.2 The market and prospects
The domestic economic activity remained weak during the financial year under review, although improvements were registered in some of the sectors. Improvements have been registered in sectors such as mining, electricity, transport, communication and tourism. Namibia's inflation decelerated during the 2019 financial year, mainly driven by a decline in housing and food inflation.

The Trans-Kalahari fiber line running between Swakopmund and Buitepos (Botswana border post) was completed during September 2018. The project was completed within budget and will provide the opportunity to export bandwidth to other African Countries.

The rights issue proceeds will enable Nimbus to make further investments into the sub-Saharan Africa ICT sector.

3.3 Changes to the Board
The changes to the board of directors during the year under review is as follows:

JJ Esterhuyse, a non-executive director, was appointed on 26 May 2018.

CO Stork, an independent non-executive director, resigned on 27 February 2019, due to a possible conflict of interest.

3.4 Contingent liabilities
The Board is not aware of any contingent liabilities.

3.5 Dividends declared
No dividends have been declared or paid during the period under review (28 February 2018: N$ Nil).

3.6 Appreciation
The Board would like to thank the management team and service providers for their continued support and dedication. Finally, we would like to thank our shareholders for their support and association with Nimbus.

By order of the Board
H B Gerdes - Chairman of the Board
17 May 2019

REGISTERED OFFICE
Cronje Secretarial Services (Pty) Ltd
1 Charles Cathral Street
Windhoek, Namibia

COMPANY SECRETARY
Cronje Secretarial Services (Pty) Ltd

DIRECTORS
H B Gerdes (Chairman) #, I B Amuenje #, S H Birch *#, S I de Bruin ^, S L V Z Erasmus ^, J J Esterhuyse *, M R Mostert ^, J N N Shikongo #
(*South African, #Independent, ^Executive)

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