

# Capricorn Group



## Condensed interim consolidated results

for the six months ended 31 December 2025

|  |  |   |  |
|--|--|---|--|
| <p>Dividend per share</p> <p><b>-4.9%</b></p> <p><b>58 cents</b></p> <p>(Dec 2024: 61 cents)</p> | <p>Earnings per share</p> <p><b>-14.6%</b></p> <p><b>167.9 cents</b></p> <p>(Dec 2024: 196.8 cents)</p>          | <p>Cost to income ratio</p> <p><b>52.2%</b></p> <p>(Dec 2024: 47.7%)</p>                                | <p>Capital adequacy ratio</p> <p><b>18.3%</b></p> <p>(Jun 2025: 18.1%)</p>                                   |
| <p>Return on equity</p> <p><b>15.0%</b></p> <p>(Dec 2024: 19.1%)</p>                             | <p>Profit attributable to shareholders</p> <p><b>-14.5%</b></p> <p><b>N\$853m</b></p> <p>(Dec 2024: N\$998m)</p> | <p>Gross loans and advances</p> <p><b>1.4%</b></p> <p><b>N\$53.2bn</b></p> <p>(Jun 2025: N\$52.5bn)</p> | <p>Net asset value per share</p> <p><b>2.0%</b></p> <p><b>2 178 cents</b></p> <p>(Jun 2025: 2 135 cents)</p> |

Capricorn Group delivered a resilient performance in a demanding operating environment as profit after tax decreased by 13.5% to N\$920 million, reflecting a return on average equity of 15.0%. The decrease in profits was mainly driven by higher credit impairment charges and lower net interest margins in the current interest rate-cutting cycle.

### Quality of earnings and income mix

The Group continued to grow its core revenue base. Net interest income increased by 2.1% year-on-year to N\$1.69 billion, supported by year-on-year loan book growth of 2.6%. Nevertheless, margins remained under pressure given the rate-cutting cycle in Namibia and rising cost of funding in Botswana. Non-interest income increased by 3.6% to N\$1.34 billion, underpinned by increased net trading income and asset management fees. Net trading income increased by N\$51 million (29.6%) year-on-year, while asset management fees increased by N\$43 million (35.0%) as assets under management rose to N\$63 billion as at 31 December 2025. Non-interest income as a percentage of total income improved to 48.8% (Dec 2024: 46.8%).

### Prudent credit risk management

Gross loans and advances have increased by 1.4% since 30 June 2025, mainly driven by growth in term loans and article finance. Credit impairment charges increased to N\$286 million (Dec 2024: N\$187 million), on the back of higher stage 3 loans in both Namibia and Botswana. Non-performing loans (NPLs) increased by 9.0% to N\$2.6 billion resulting in the NPL ratio increasing to 4.9% (Dec 2024: 4.6%). The Group continues to practice prudent credit risk management and proactive client engagement to mitigate defaults.

### Operating efficiency

Operating expenses increased by 11.2% year-on-year to N\$1.66 billion. The movement is primarily driven by a 5.3% increase in staff costs, alongside a 20.8% year-on-year increase in technology-related expenses. These increases represent deliberate investments aimed at ensuring the organisation's continued relevance and future competitiveness. While expenses are broadly in line with internal plans, the combination of softer income growth and higher costs resulted in a higher cost to income ratio for the period. Management remains focused on disciplined cost containment and productivity.

### Healthy liquidity and capital position

The Group maintained a strong liquidity position, with liquid assets of N\$18.7 billion as at 31 December 2025 (Dec 2024: N\$17.5 billion). Statutory liquid assets remained well above regulatory minimum requirements in both Namibia and Botswana. The total risk weighted capital ratio stood at 18.3%, reinforcing the Group's ability to support growth ambitions through the cycle. The loan-to-funding ratio, one of our key liquidity metrics, increased to 91.1% (2024: 88.3%), but remained within acceptable limits.

### Outlook

According to the Bank of Namibia's update published on 3 December 2025, the Namibian economy is expected to expand by approximately 3.8% in 2026, supported by easing inflation and steady activity across both primary and secondary sectors. Similarly, the Bank of Botswana's release of 4 December 2025 indicates that Botswana's economy is set to recover gradually, with GDP growth of around 3.1% in 2026 as global diamond demand stabilises and ongoing reforms gain traction. Together, these regional developments are expected to create a more supportive operating environment for Capricorn Group, enabling us to continue delivering sustainable value for all stakeholders.

### Interim dividend

The Group declared an interim dividend of 58 cents per ordinary share, a 4.9% decrease from the interim dividend per share of 61 cents declared in the comparative period. The Group considered its capital and liquidity position when declaring an interim dividend that balances prudence and future growth capacity with a fair dividend yield for investors.

### Value created by Capricorn Group and shared among stakeholders

The Group created a value of N\$2.9 billion during the six months ended 31 December 2025, which was shared by its main stakeholders:

|                                       |                                       |  |
|---------------------------------------|---------------------------------------|--|
| <b>Employees</b><br>N\$703 million    | <b>Suppliers</b><br>N\$680 million    | <b>GRN and Regulators</b><br>N\$623 million            |
| <b>Communities</b><br>N\$21.0 million | <b>Shareholders</b><br>N\$563 million | <b>Retained for future expansion</b><br>N\$272 million |

|  | Six months ended / as at                        |   |            | Year ended / as at                        |
|--|---|---|------------|---|
|  | 31 December 2025<br>(unaudited)<br>N\$'millions | 31 December 2024<br>(unaudited)<br>N\$'millions | % Change   | 30 June 2025<br>(audited)<br>N\$'millions |
| <b>Extract of consolidated income statement</b>                |   |   |            |   |
| Net interest income  | 1 691   | 1 657   | 2.1        | 3 399                                     |
| Impairment charges   | (286)   | (187)   | 52.9       | (315)                                     |
| Net interest income after loan impairment charges              | 1 405   | 1 470   | (4.4)      | 3 084                                     |
| Non-interest income  | 1 337   | 1 290   | 3.6        | 2 422                                     |
| Operating expenses   | (1 657)   | (1 490)   | 11.2       | (3 040)                                   |
| Operating profit   | 1 085   | 1 270   | (14.6)     | 2 466                                     |
| Share of associates results after tax                          | 119   | 130   | (8.5)      | 211                                       |
| Profit before tax  | 1 204   | 1 400   | (14.0)     | 2 677                                     |
| Income tax expense   | (284)   | (337)   | (15.7)     | (684)                                     |
| Profit for the period  | 920   | 1 063   | (13.5)     | 1 993                                     |
| Profit attributable to ordinary shareholders                   | 853   | 998   | (14.5)     | 1 858                                     |
| <b>Extract of consolidated statement of financial position</b> |   |   |            |   |
| Liquid assets  | 18 650  | 17 484  | 6.7        | 18 660                                    |
| Loans and advances to customers                                | 51 321  | 49 900  | 2.8        | 50 621                                    |
| Other assets   | 3 460   | 3 933   | (12.0)     | 3 241                                     |
| <b>Total assets</b>  | <b>73 431</b>                                   | <b>71 317</b>                                   | <b>3.0</b> | <b>72 522</b>                             |
| Capital and reserves attributable to ordinary shareholders     | 10 981  | 10 305  | 6.6        | 10 798                                    |
| Non-controlling interest                                       | 484   | 541   | (10.5)     | 478                                       |
| Deposits   | 52 795  | 52 239  | 1.1        | 52 899                                    |
| Other funding  | 5 674   | 6 492   | (12.6)     | 6 208                                     |
| Other liabilities  | 3 497   | 1 740   | 101.0      | 2 139                                     |
| <b>Total equity and liabilities</b>                            | <b>73 431</b>                                   | <b>71 317</b>                                   | <b>3.0</b> | <b>72 522</b>                             |
| Net asset value per share (cents)                              | 2 178   | 2 035   | 7.0        | 2 135                                     |
| Basic earnings per share (cents)                               | 167.9   | 196.8   | (14.7)     | 367.3                                     |
| Headline earnings per share (cents)                            | 167.9   | 196.8   | (14.7)     | 369.7                                     |

### Key dates are:

- > Last day to trade cum dividend: 13 March 2026
- > First day to trade ex-dividend: 16 March 2026
- > Record date: 20 March 2026
- > Payment date: 2 April 2026

### Other disclosable information

#### Address

Postal address: P.O. Box 15, Windhoek, Namibia;

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Sponsor: PSG Wealth Management (Namibia) (Pty) Limited Member of the Namibian Stock Exchange

(Incorporated in the Republic of Namibia)

(Date of Registration: 5 September 1996)

(Registration Number: 96/300)

Share code: **CGP** ISIN: **NA000A1T6SV9**

### Board of directors

Non-Executive Directors: DG Fourie (Chairperson), O Amutenya, JW Brandt, E Fahl, R Gomachas, DT Kali, MJ Prinsloo\*, DJ Reyneke\*\*, E Solomon\*\* L van der Riet\* Executive director: D Nuyoma (Group Chief Executive Officer), J Maass (Group Financial Director). \*South African with Namibian Permanent Residence \*\*South African

### Basis of presentation

These condensed consolidated results for the six months ended 31 December 2025 are an extract from the Group's unaudited condensed consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement criteria of the IFRS® Accounting Standards, IFRIC® Interpretations issued by the IFRS Interpretations Committee, and presentation and disclosure requirements of the International Accounting Standard (IAS) 34 Interim Financial Reporting as well as the Companies Act of Namibia. This results announcement is the responsibility of the directors.

For the full results, please visit: [www.capricorn.com.na](http://www.capricorn.com.na)



### Our subsidiaries



### Our associates