

Annual Results Announcement

Capricorn Group delivered another strong financial performance for the year ended 30 June 2025, with year-on-year growth of 14.8% in profit after tax to N\$1.99 billion (2024: N\$1.74 billion). Prudent capital allocation, disciplined strategic execution and investment in digital and data capabilities supported growth in core earnings and improved returns to shareholders.

Return on equity ("ROE") increased to 18.2%. Our performance across key indicators demonstrates the strength of our business model and the resilience of our teams across our portfolio of businesses, including Bank Windhoek, Bank Gaborone, Capricorn Asset Management (CAM), Entrepo, Peo Finance, and our associates.

Return on equity

18.2%

(2024: N\$17.9%)

Dividend per share

171 cents

(2024: 112 cents)

52.7%

Earnings per share

367.3 cents

(2024: 319.6 cents)

14.9%

Profit after tax

N\$1.99 billion

(2024: N\$1.74 billion)

14.8%

Cost to income ratio

49.5%

(2024: 50.0%)

Capital adequacy ratio

18.1%

(2024: 17.9%)

Gross loans and advances

N\$52.5 billion

(2024: N\$50.7 billion)

3.6%

Net asset value per share

2,135 cents

(2024: 1,896 cents)

12.6%

Other disclosable information

Address
Postal address: P.O. Box 15, Windhoek, Namibia
Registered address: Capricorn Group Building, Kasino Street, Windhoek, Namibia
Tel: (+264 61) 299 1301; Fax: (+264 61) 299 1309
Email: investorrelations@capricorn.com.na
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: D G Fourie (Chairperson), O Amutenya, J W Brandt, E Fahl, R M M Gomachas, D T Kali, M J Prinsloo, D J Reyneke, E Solomon, J J Swanepoel
Executive directors: D Nuyoma (Group chief executive officer), J Maass (Group financial director)

Basis of presentation
The audited annual financial statements of Capricorn Group Limited for the year ended 30 June 2025, from which this information is derived, have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act of Namibia. This results announcement is the responsibility of the directors and is extracted from the audited annual financial statements, but is not itself reviewed or audited.

	Year ended 30 June 2025 Audited N\$'million	Year ended 30 June 2024 Audited N\$'million	% Change
Extract of consolidated statement of comprehensive income			
Net interest income	3,399	3,088	10.1%
Impairment charges	(315)	(328)	(4.0%)
Net interest after loan impairments charges	3,084	2,760	11.7%
Non-interest income	2,422	2,141	13.1%
Operating expenses	(3,040)	(2,743)	10.8%
Operating profit	2,466	2,158	14.3%
Share of associates results after tax	211	195	8.2%
Profit before tax	2,677	2,353	13.8%
Taxation	(684)	(617)	10.9%
Profit after tax	1,993	1,736	14.8%
Extract of consolidated statement of financial position			
Liquid assets	18,660	18,518	0.8%
Loans and advances to customers	50,621	48,794	3.7%
Other assets	3,241	3,272	(0.9%)
Total assets	72,522	70,584	2.7%
Capital and reserves attributable to ordinary shareholders	10,798	9,598	12.5%
Non-controlling interests	478	513	(6.8%)
Deposits	52,899	51,851	2.0%
Other funding	6,208	6,823	(9.0%)
Other liabilities	2,139	1,799	18.9%
Total equity and liabilities	72,522	70,584	2.7%
Basic earnings per share (cents)	367.3	319.6	14.9%
Headline earnings per share (cents)	369.7	320.7	15.3%
Net asset value per share (cents)	2,135	1,896	12.6%

The Group's performance is presented below in terms of earnings quality, credit quality, liquidity and capital depth, the four main pillars of the Group's business.

A track record of quality earnings
The Group sustained its growth momentum despite a challenging operating environment. Operating profit increased by 14.3%, driven by improved net interest margins, strong growth in non-interest income and reduced impairment charges.

Growth in net interest income
Net-interest income before impairment charges increased by 10.1% to N\$3.4 billion (2024: N\$3.1 billion). Loan book growth of 3.7% and effective cost-of-funding management compensated for the impact of lower interest rates.

Improving non-interest income
Non-interest income grew to N\$2.4 billion (2024: N\$2.1 billion), driven by higher transaction-based fee volumes, particularly from digital channels. In addition, increased assets under management supported strong growth in asset management fees at CAM, while the net insurance service result increased by 17.8% on the back of new business inflows.

Managing our operating expenses
Operating expenses increased by 10.8% to N\$3.0 billion (2024: N\$2.7 billion), largely due to higher variable banking costs linked to greater transaction and trading volumes. Variable operational banking expenses increased by 22.7%, in line with transactional income growth. Excluding these, expense growth was 9.6%, mainly due to increased employee and technology costs.

Our cost-to-income ratio improved to 49.5% (2024: 50.0%), well below our threshold of 52%.

Protecting asset quality
The Group's non-performing loan (NPL) ratio remained stable at 4.0%, supported by prudent credit risk management. Impairment charges decreased to N\$315 million (2024: N\$328 million), and the loan loss rate improved to 0.61% (2024: 0.67%), well within industry norms. Gross loans and advances increased by 3.6% to N\$52.5 billion, driven by growth in term, mortgages and instalment finance.

Protecting our balance sheet and ensuring adequate liquidity
The Group maintained a robust liquidity position, with liquid assets increasing slightly to N\$18.7 billion (2024: N\$18.5 billion). Liquidity surpluses above minimum regulatory requirements in Namibia and

Botswana, stood at 182% and 81% respectively. The loan-to-funding ratio, one of our key liquidity metrics, increased to 88.8% (2024: 86.3%), but remained below the internal threshold of 90%.

The Group ended the year with a strong capital position. The total risk-based capital adequacy ratio remained healthy at 18.1%, well above the regulatory minimum of 12.5%, ensuring continued financial resilience. This positions the Group well to absorb potential shocks, while supporting future growth.

Looking ahead with confidence
In a world shaped by geopolitical uncertainty and economic volatility, Namibia's energy discovery potentially offers real promise. We are proud to contribute to these conversations and support initiatives aligned with sustainable development.

Our strategic choices have positioned the Group to remain agile, resilient and impactful.

Our operating environment will continue to evolve, but we are confident that our strategy, strong leadership and engaged teams position us well to respond to uncertainty and realise new opportunities. We are focused on strengthening collaboration across the Group, improving service delivery through digital and data-led capabilities, and pursuing growth in areas aligned with our ambition.

Dividend and shareholder returns
The Group declared a final ordinary dividend of 74 cents per share. Together with the interim ordinary dividend of 61 cents per share, this represents a total ordinary dividend of 135 cents per share for the 2025 financial year, a 20.5% increase year-on-year (2024: 112 cents).

In addition to the ordinary dividend, the Group declared a special dividend of 36 cents per share, reflecting the strength of the Group's financial position and its commitment to delivering enhanced value to shareholders. The final dividend combined with the special dividend will result in a dividend payment of 110 cents per shares to shareholders on 24 October 2025. Including the special dividend, the total dividend for the year amounts to 171 cents per share.

As a result, the dividend payout ratio increased to 44.5% (2024: 33.4%), largely driven by sound financial performance and a prudent approach to capital and liquidity management. The Group continues to balance dividend distributions with capital retention to support future strategic growth and diversification initiatives.

Key dates include:


- > Last trade cum dividend: 3 October 2025
- > Ex-dividend date: 6 October 2025
- > Record date: 10 October 2025
- > Payment date: 24 October 2025

Creating shared financial value

The Group's positive financial performance for 2025 allowed us to create value for our major stakeholders and contribute to the socioeconomic development of Namibia and Botswana.

Our stakeholders shared in the Group's total value created of N\$5.7 billion (2024: N\$5.1 billion) as follows:


Our employees



N\$1.4 billion

In addition to remuneration, employees receive rewards and recognition, as well as opportunities for career and personal development.


Our shareholders



N\$621 million

Shareholders receive dividends and long-term capital growth benefits from funds retained for future growth opportunities.


Direct and indirect taxes




N\$1.4 billion

The Group pays taxes, duties and licence fees in the territories where we operate. This enables governments to deliver on their national development plans, improve and maintain public infrastructure and fund public services such as health, education and welfare programmes.

Our customers




As part of our customer-centric culture, Capricorn Group's subsidiaries and associates continues to create value for customers through a combination of financial products, services and enhanced customer experience.




New home loans

N\$2.2 billion




New vehicle and asset finance

N\$2.1 billion




New SME loans

N\$2.6 billion




New business loans

N\$4.4 billion




Sustainability bond loans

N\$112 million




Digital transformation

Bank Windhoek has invested **N\$520 million** in the digital transformation of its retail banks to improve operational efficiencies and the overall customer experience.




Cash-accepting ATMs

79




Retail banking branches

63



Total ATMs


211



Digitally active customers

43%


Our suppliers



N\$1.1 billion

Suppliers have a market for their products and services, as well as opportunities to expand the range and nature of their contracts with the Group. The Group is committed to procuring goods and services from local suppliers, including SMEs.


Our communities



N\$26.7 million

The Capricorn Foundation is the Group's primary corporate social responsibility ("CSR") vehicle in Namibia and is funded by our subsidiaries. In addition, all subsidiaries run their own CSR initiatives.

Retained for future growth




N\$1.2 billion

We allow for sufficient financial reserves to fund our #gobeyond digital transformation programme and other growth opportunities.

88%


of our total operating expenses were paid to suppliers and employees located within the regions in which we operate.





For the full results, please visit


<https://www.capricorn.com.na/Pages/News-Centre/Capricorn-Group-Annual-Results-2025.aspx>

www.capricorn.com.na

 **Bank Windhoek**

 **Capricorn Asset Management**

 **Bank Gaborone**

 **Peo Finance**

