

Stimulus Investments Ltd

Stimulus Investments Limited (“SIL”) is a private equity investment entity established in 2004 with the aim of making private equity investments in the Namibian market. SIL is licenced by the Namibia Financial Institutions Supervisory Authority (NAMFISA). The Company was capitalised through the issue of preference shares listed on the NSX to the amount of N\$503 million. The capital raised by SIL was provided mainly by Namibian fund managers, acting on behalf of Namibian pension and provident funds, resulting in an inclusive and diverse base of ordinary Namibians benefitting from SIL’s investments.

Strategy

While SIL targets all sectors of the economy, the Company largely focuses on investing into businesses that are market leaders in their respective industries and that have a proven track record and are cash-generating. Investments are evaluated on commercial criteria with a focus on a high cash yield. SIL supplies strategic management, financial and other expertise to the investee companies as required.

Products and Services

The management function is overseen by Stimulus Private Equity (Pty). Stimulus is invested in a range of entities in Namibia, including:

- Cymot (Ownersip 31.8%): Supplier of automotive, camping and outdoor products, PPE and tools
- Khomas Solar Saver (Ownership 50.0%): Renewable energy business focusing on the lease of rooftop solar systems to commercial clients.
- Neo Paints (Ownersip 47.0%): Manufacturer and distributor of paint products
- Plastic Packaging Group (Ownersip 45.3%): Packaging solution and recycling business
- Polyoak Namibia (Ownership 20.0%): Manufacturer and distributor of food and beverage packaging solutions
- Walvisbay Stevedoring (Ownership 45.0%): Provider of stevedoring services at the ports of Walvis Bay and Lüderitz

Opportunities

SIL is ideally positioned to participate in private equity opportunities in the Namibian market given its position as an investment company with the requisite capital and a sizeable empowerment component. The Company has extensive, in-house skills and a successful private equity track-record.

Challenges

Higher interest putting strain on retailers and consumer downward substitution remain challenges.

Financial Summary

	FY '22	FY '23
Dividend Income (NAD '000)	19,566	17,373
Investments in Subsidiaries and Unlisted Equity (NAD '000)	601,358	610,108
Current Assets (NAD '000)	47,423	40,993
Equity (NAD '000)	1,000	1,000
Liabilities (NAD '000)	648,781	651,099

Source: SILP

STIMULUS

investments limited

Summary data

Share price (NAD)	127.90
Dividend Yield	0.59
Shares in issue (m)	5.0
Market cap (NAD'm)	595.0
Market cap (USD'm)	31.5
Bloomberg	SILP NW

Source: Bloomberg, Cirrus

Stimulus Representatives

Rein van Veen
Director

Gerald Riedel
Chief Financial Officer