Bidvest

Audited summarised results

2024

for the year ended
30 June

People and
products behind a
brighter future

Salient **features**

for the financial year ended 30 June 2024

"Bidvest delivered a solid performance. Five of the seven divisions reported growth in profits, four of those impressive double-digit profit increases"

Mpumi Madisa, *Chief executive*

Normalised HEPS	*+4.3%*
1 964.8 cents	

Total dividend	*+4.3%*
914 cents	

HEPS	*+6.6%*
1 912.6 cents	

Basic EPS	*+6.6%*
1 873.8 cents	

Revenue	*+6.7%*
R122.6bn	

Trading profit	*+8.5%*
R12.4bn	

Cash generated by operations	*+15.3%*
R14.0bn	

ROFE	*-100bps*
37.3%	

Message to **shareholders**

Introduction

Bidvest has delivered a solid performance, with the underlying themes of these results demonstrating consistency in performance, strong cash flow and growth, which are the Group's coveted attributes.

This year's result is also characterised by increased innovation and technology deployment across all our operating regions. Our considered and focused corporate action execution has resulted in our maiden hygiene services entry in the Asia-Pacific market and the doubling of our Australian facilities management operations.

Despite the pressure points of volume contractions in renewables and new vehicles, the overall results are testament to the value of Bidvest's diversified portfolio.

Five out of the seven divisions reported profit growth with four delivering impressive double-digit increases. The remaining two divisions, Commercial Products and Automotive, faced headwinds due to the high renewables base and a declining new vehicle market.

We remain confident in our growth strategy and ability to create sustainable value. To ensure a strong pipeline, we deployed almost R5.0 billion on eleven acquisitions and growth capital expenditure, both domestically and offshore. These investments added to our geographic footprint (Consolidated Property Services in Australia, RHS in Singapore), further diversified the portfolio (Interloc Freight Services, Green Home Products, Brandability), and augmented key offerings through additional scale (Robinson Services, OSS Contracts, Principal Hygiene, Synergy Waste, Pure Hygiene, Roan Systems).

Strong cash generation and conversion in the second half allowed us to reduce gearing from the interim stage, and to end in line with the prior year. And yet again, we delivered an excellent value-adding return for shareholders.

Following a portfolio review, we made a significant strategic decision to dispose of Bidvest Bank and FinGlobal, thereby positioning these businesses for their next phase of sustainable growth, whilst recycling capital for the Group. The remaining short-term insurance businesses, whose focus is primarily vehicle insurance cover and related value-added products, transferred to Automotive effective 1 July 2024.

Highlights

Top-line growth together with vigorous gross margin management and excellent expense control culminated in Group trading profit increasing 8.5%.

Cash flow from operating activities grew strongly by 18.7%, which is more than double net income growth, after paying more to our equity and debt capital providers. The Group's cash conversion after working capital investment and capital expenditure improved markedly from 76.4% to 83.4%.

HEPS and Normalised HEPS[1], a measurement used by management to assess the underlying business performance, grew by 6.6% and 4.3%, respectively. As a result of the growth capex and working capital investment referenced earlier, Return on Funds Employed (ROFE) moderated from 38.3% at year end to 37.3%. Return on Invested Capital (ROIC) of 16.1% compares to 17.3% in the prior year. The spread over our weighted cost of capital was maintained.

The Group declared a final dividend of 447.0 cents per share.

Note 1: Normalised HEPS excludes acquisition costs, amortisation of acquired customer contracts and the impact of one-off taxation events

Financial overview

Group revenue grew 6.7% to R122.6 billion (FY2023: R114.9 billion), with acquisitions boosting the growth rate by 2.9%. In largely stagnant markets, price inflation, a weaker rand against major currencies, and new business gains, were the key growth drivers.

Expense management was excellent and operating expenses increased by only 2.4%, and an exceptional 0.8% on an organic basis. This is the net result of less overtime but higher wage costs, business restructuring and rationalisation, lower costs due to reduced loadshedding, but higher utility costs and general inflationary pressures.

Trading profit grew by 8.5% to R12.4 billion, with acquisitions boosting growth by 2.9%. The trading profit margin improved slightly to 10.1% (FY2023 10.0%).

Product innovation and extended ranges to meet shifts in customer demands, together with tight cost control, resulted in Branded Products' outstanding trading profit result (+21.1%), surpassing the billion-rand mark for the first time. New business wins, unrivalled service and product bundling, as well as strong inbound leisure travel, culminated in excellent profit growth (+18.7%) in Services South Africa. Services International reported impressive growth (+12.4%) as innovative offerings set our businesses apart in competitive segments, and the result was boosted by acquisitions that delivered in line with expectations. Constant global demand for minerals and very strong oil and gas activity, together with a positive price mix, supported a solid result (+7.3%) from Freight, off a multi-year high base, despite agricultural seasonality. Strong net interest income growth and a much-improved cost-to-income ratio in Bidvest Bank, were the

Message to **shareholders** continued

primary drivers of core profit growth (+38.6%) in Financial Services. Commercial Products delivered a satisfactory result (-9.0%) given that profit growth from 12 of the 18 operating companies in the division was achieved, notwithstanding the decline in renewable sales and the overstocked inventory channel. Automotive new vehicle volumes declined in line with the market trend, resulting in excess new inventory, margin pressure and negative operating leverage (-24.8%).

Acquisition costs were incurred in the acquisition of Consolidated and RHS as well as nine bolt-on transactions locally and abroad. The amortisation of acquired customer contracts increased from R345.5 million to R413.8 million at 30 June 2024, mainly due to the two mentioned acquisitions and a weaker average rand.

Net capital items of R147.5 million largely represent an impairment of the Disposal group held for sale as well as other property, plant and equipment.

Net finance charges were 24.8% higher at R2.5 billion (FY2023: R2.0 billion). Excluding IFRS16, fair value adjustments and hedge costs, the increase was 28.2%, which was as a result of R3.4 billion higher gross debt, driven by corporate action, the investment in working capital and capex, together with higher global interest rates. The Group's average cost of funding is 6.5% - pre-tax (FY2023: 5.4%).

Share of associate profits amounted to R136.8 million, largely attributable to Adcock Ingram's associate holdings.

The Group's effective tax rate, excluding capital items, is 25.2% (FY2023: 26.6%). The main reason for the year-on-year decrease is the net of a higher corporate tax rate in the UK, an offshore tax refund and related tax provision reversal.

Basic earnings per share (EPS) increased from 1 757.3 cents to 1 873.8 cents, or 6.6%, mainly due to a solid operational performance diluted by significantly higher net finance charges, increased acquisition costs and customer contract amortisation in the current period, moderated by net lower taxation.

Cash generated by operations of R14.0 billion grew 15.3% YoY. The Group absorbed R2.1 billion of working capital, R0.5 billion less than a year ago. A further R0.7 billion was absorbed in inventory, which was impacted by reduced renewable energy product and vehicle sales.

Bidvest's net debt decreased by R3.2 billion – from 31 December 2023 - to R22.7 billion, as at 30 June 2024, with 64.4% of net debt offshore. Available debt funding, mainly from the multicurrency syndicated revolving credit facility, was utilised for acquisitions concluded during the period. The Group successfully refinanced and upsized maturing local bonds and preference shares, totalling R3.0 billion, at more attractive interest rate spreads. Robust cash generated by the operations was invested in working capital, increased capital investment and paying dividends to shareholders.

Notwithstanding the higher gross debt, our covenant net debt to adjusted EBITDA of 1.7x is unchanged and compares to 2.0x as at 31 December 2023. Interest cover was 7.0x (FY2023: 8.2x). Group cash conversion is 83.4%, compared to 76.4% in the comparative period.

Corporate action

Bidvest started FY2024 with a full M&A pipeline, mainly representing opportunities to scale and diversify existing businesses and/or geographic presence. The eleven transactions concluded have advanced the Group's internationalisation in the niche areas of hygiene services and facilities management, while also augmenting our SA portfolio.

At interim stage, we reported on the acquisition of Consolidated and RHS, as well as several bolt-on acquisitions – Robinsons Service, Pure Hygiene, Principal Hygiene, Synergy Waste, OSS Contracts, Roan Systems, Brandability, Green Home and Interloc. Post year end, on 3 July 2024, we announced our proposed acquisition of Citron Hygiene, a provider of washroom hygiene products and services in the USA, Canada and the UK. The acquisition is subject to the UK Competition and Markets Authority approval. We have also obtained approvals from the SA Competition Commission for the acquisition of Dekra, a vehicle testing station business, Wearcheck, a condition monitoring specialist and we closed the NexGen, which is a UK-based specialised facilities management company, transaction.

During the year, strategic advancements pivoted Automotive into greater brand, service and product diversification. In Freight, there was continued engagement with Transnet with regards to terminal operations. Subsequent to year end, the decision to dispose of Bidvest Bank and FinGlobal was taken, and the remaining Financial Services businesses were transferred to Automotive.

Prospects

There is an undertone of positive sentiment regarding growth in the medium- to longer term. Consequently, we expect market conditions in all our operating territories to start improving.

Following an incident free and successful national South African election, which resulted in the formation of a Government of National Unity (GNU), there are strong signs of a business friendlier environment in SA.

Reforms in the electricity and logistics sectors are critical to unlock structurally higher and inclusive economic growth in our home base. It is therefore pleasing that the recent performance of SA's national energy provider, Eskom, has exceeded all forecasts, and is starting to restore confidence in business and society, which is urgently needed to support future investment in the country. The imperative now is to accelerate energy transition reforms, including rapid transmission expansion, electricity distribution industry reform and the continued expansion of new generation capacity.

SA's transport and logistics utility, Transnet, is making progress in implementing its recovery plan, which is closely aligned to the country's Freight Logistics Roadmap (FLR). The government-led National Logistics Crisis Committee, in which business participates, is actively implementing the FLR, although it is generally acknowledged that additional interventions are required to improve performance. This

remains at the core of unlocking value for the country's entire supply chain and to ensure sustainable economic growth.

In the UK and Europe there are early signs of a more positive macro environment.

Operationally, we expect to face headwinds in the first half of the year from no export maize volumes and the ongoing, elevated renewable energy sales base. On the upside, the travel and tourism industry remains buoyant with a strong forward order book. We believe FY2024 was the trough in new vehicle sales volumes, and we should benefit from our brand diversification strategy. The bolt-on acquisitions closed in recent weeks will contribute positively. There is also strong momentum in our businesses evident in new business wins and the ever-growing product and service baskets.

The Bidvest Bank and FinGlobal disposal process is underway, and management aims to identify a suitable acquirer/s by end of the 2024 calendar year. The transaction/s will be subject to several relevant regulatory approvals.

We have a portfolio of excellent, everyday essential assets that are set to benefit from the global megatrends that are becoming evident. We continue to pursue operational excellence, while shaping our portfolio for the future. This, we intend to do through innovation that makes a positive impact and derives cost benefits for us and our customers, whilst at the same time, creating social value and mutual benefit for our communities and others who rely on Bidvest.

The Group

Bidvest encourages a performance-driven, decentralised business model that continually seeks scale and growth. We fully empower the leadership across our diverse areas of operations – Services International, Services South Africa, Branded Products, Freight, Commercial Products, Financial Services, Automotive and Adcock Ingram – which acts as a remarkable catalyst for increased value creation.

Segmental Reviews

Services International

Services International delivered another impressive result with trading profit growing by 12.4% to R3.8 billion. Excluding the acquisition of Consolidated, growth was a very respectable 5.0% despite the rescoping of a significant facilities management contract in SA towards the end of the prior year. Both the hygiene services and the facilities management clusters, which are broadly equal in size, delivered pleasing increases in revenue and profitability. In SA, innovative offerings, new business successes and well controlled expenses, were highlights of the year. The hygiene business in the UK is strong and profit growth is matching continued hygiene pool growth. Client retention and securing new business proved challenging in the facilities management sector in the UK, while business momentum remained pleasingly solid in Ireland. These businesses remain at the forefront of innovation and delivering solutions that assist customers in fulfilling their sustainability ambitions. Organically, profit growth in Australia was subdued due to a negative revenue mix and input cost pressure in a challenging economic environment with the property sector under real pressure. New business wins were reasonable. Consolidated performed in line with expectations. The integration of the two businesses was brought forward and is currently in progress. Since the entry into the hygiene services market in Singapore, investment has been made in people, systems and processes to gear the business up to capture the growth opportunities that exist. Cash generation was excellent, and the ROFE remained stable at 133.0%.

Collaboration across territories, particularly with regards to innovation and sustainability-enhancing solutions, are key competitive advantages that management expects to continue to materialise in new business wins and retention. The envisaged integrated operations in Australia should deliver synergies, both revenue and costs, as this business pursues its growth ambitions, and adds to its scale.

Freight

A solid trading profit of R2.3 billion, up 7.3%, was delivered, off a high base with double digit percentage growth reported over the previous two years. Growth continues to be driven by global demand for minerals, domestic demand for gas and positive price mix. The bulk of the profitability continues to be derived from the terminal and related operations, supported by healthy throughput, even though agricultural volumes were markedly lower in the second half. The butane spheres at Bidvest Tank Terminals were successfully commissioned, and the multi-purpose tanks were fully operational soon after year-end. Buoyant oil and gas activity as well as higher dry bulk volumes imported and exported via Namibian ports manifested in a phenomenal result out of that country. International clearing and forwarding operations benefitted from new business wins and the consolidation of the warehousing and road freight business units yielded good synergies. The restructuring and repositioning of activities linked to railed container services started to bear fruit. Despite continued capital investment, the ROFE remained stable at 54.4%.

Management does not expect to handle any maize shipments in the first half of the financial year, and this will impact profitability. Additional multi-purpose tank capacity was commissioned in August and the building of additional fuel tanks should be complete towards the end of the financial year. The division remains actively engaged with regards to investment opportunities in SA and Namibia.

Services South Africa

Trading profit grew by an excellent 18.7% to R1.3 billion. This resulted from impressive results in the Hospitality, Security & Aviation and Travel clusters all reflecting double digit growth, together with pleasing results from the Allied cluster. The Security cluster, the largest in this division, delivered excellent new business growth as its unrivalled bundle of security services and technology innovation in tracking services set these businesses apart in a very competitive market. The acquisition of Interloc proved hugely accretive and value-adding to the cargo service offering. Passenger volumes through the multiple airport lounges exceeded pre-Covid volumes. This, together with improved catering contract profitability resulted in an exceptional Hospitality cluster

Message to **shareholders** continued

result. The leisure inbound market was particularly buoyant while the corporate travel demand was subdued, but overall resilient with good growth in conferencing and events. We are watching potential global agent consolidation and system disaggregation closely. The Allied cluster reflected steady growth with bottled water demand continuing to grow and investment in rental assets that generate recurring revenue in laundry and garment services. ROFE remained stable at 103.9%.

The unparalleled service and product offering across the division will continue to drive business wins. The inbound leisure order book is very strong. The acquisition of Wearcheck, a condition monitoring specialist business, will further diversify our SA service offering in this growing market.

Commercial Products

Although trading profit declined by 9.0% to R1.3 billion, this was a satisfactory result given the significant contribution from renewable product sales in the prior year. Profit growth from 12 of the 18 operating companies in the division was achieved, despite fierce competition in a stagnant market. Within the Trade cluster, the biggest profit contributor to the division, the specialist electrical businesses performed strongly as industrial and commercial demand for engineering solutions continue unabated, while the plumbing wholesale operation held its own as range extension initiatives in the solar and water segments yielded benefit. In the DIY/Tools/Workwear and Packaging clusters improved factory recoveries and healthy sales, together with tight cost management, culminated in exceptional growth. The Warehousing and General Industrial clusters delivered higher profits regardless of noticeable revenue mix changes while the Leisure cluster delivered a poor result as discretionary leisure spend shrunk. Improved gross profit margin and flat operating expenses were a highlight, but working capital absorption, particularly in renewable inventory, needs attention. The ROFE declined to 22.1%.

The order book for commercial engineering solutions is healthy and will be delivered during the year. Cycling the base of renewable energy sales to consumers will remain challenging during the first half of FY2025. Opportunities for volume growth exists in the energy, water and industrial sectors as well as cross-border exports.

Branded Products

Branded Products delivered an outstanding result with R1.0 billion in trading profit, 21.1% ahead of the prior year. This is the first time this division surpassed the one billion mark. Continuing the trend at half year, all three clusters delivered double digit profit growth. The Office Products and Office and Leisure clusters benefitted from phenomenal office furniture sales focused on innovative, cutting-edge workplace wellness products, an expanded offering, strong office automation sales as well as an acquisition within the promotional and corporate branding space. Despite price pressure, negative revenue mix, the collapse of the SA Post Office and the scrapping of e-Tolls negatively impacting the business, the Data, Print and Packaging cluster delivered a strong result. Bolt-on acquisitions augmented the product range to include biodegradable packaging and additional mobile computing and barcoding solutions to deliver on changing customer needs while, organically, the businesses continue to supply basic printing and packaging solutions in the most cost-effective manner. Notwithstanding depressed consumer demand, the Consumer Products cluster benefitted from product innovation as well as efficiency gains. Tight operational cost control was again a feature throughout the division. The ROFE improved to an impressive 38.8% from 33.5%.

The strategy of expansion and product innovation, organically and through bolt-on acquisitions, continues unabated.

Automotive

Trading profit in Automotive declined by 24.8% to R688.0 million. This is disappointing, but an understandable result given the weak and very competitive automotive trading environment. Consumers are experiencing considerable strain on disposable income, negatively impacting demand. In SA, new vehicle units declined 8%, more than the 6% reported for the industry due to McCarthy's brand mix being misaligned to current demand trends. During the year, management has engaged with several new brand owners to secure representation. Dealer points for Mahindra, FAW, JeTour, GAC and LDV are now operational. Appropriate support will continue for the traditional brands represented. The number of used vehicles sold grew slightly while the focus remained on the sourcing of good reasonably priced vehicles and expanding activity levels whilst aligning the expense base appropriately. The 100bps decrease in margin realised, together with an extra R1.0 billion in funds employed, mainly in new inventory, resulted in ROFE almost halving Y-o-Y to 21.4%.

The short-term insurance businesses, transferred from the Financial Services division, which focus primarily on vehicle insurance cover and related value-added products, aligns to the strategy of diversifying into allied automotive services. These, as well as the recently acquired Dekra and Serco, will add scale and reduce profit cyclicality. The Automotive divisional executive team was restructured to focus on delivering an end-to-end automotive solution.

Financial Services

Divisional trading profit continued to improve, with trading profit 38.6% higher at R642.6 million. The core business trading profit increased by 62.8% to R533.0 million as investment income declined by R26.6 million. Bidvest Bank performed well, supported by higher interest rates, a favourable funding mix, 24.1% and 3.2% loan and advances as well as leased asset growth, respectively. The deposit base grew by 4.2% to R8.3 billion and all regulatory ratios remained very healthy. FinGlobal delivered an excellent result. The insurance and related businesses achieved muted gross written premium growth given the downturn in vehicle sales and a tight insurance market. Good progress has been made in terms of strategic technology upgrades and migration to enhance operational efficiency. Costs were well contained across all businesses and ROFE improved to 20.2%.

As announced on 3 July 2024, a strategic decision was taken to dispose of Bidvest Bank and FinGlobal as dedicated financial services ownership is required for the continued sustainability and prosperity of these companies. The disposal of Bidvest Life is underway.

Adcock Ingram

Bidvest owns an effective 64.8% share in Adcock Ingram (Adcock), post Adcock repurchasing 6 million shares in the market.

Revenue growth was supported by average price realisation of 5.0% and a mix benefit of almost 2.0%. Organic volumes declined by less than 1.0%, a substantial recovery from the 5.0% decline experienced in the first six months of the financial year. The second half of the financial year benefitted from increased demand for Adcock's winter products, driven by a rise in cold and flu cases and other respiratory illnesses. With pressure on the gross margin consequent to a weaker Rand and a less favourable sales mix, the focus on control of operating expenses resulted in trading profit growing to R1.2 billion. Adcock increased market share and maintained its position as the leading pharmaceutical player in the South African private market.

For more detailed results commentary, please visit www.adcockingram.co.za.

Bidvest Properties and Corporate

The Group owns a significant property portfolio comprising 133 properties, which is largely Bidvest occupied. Bidvest Properties delivered a good result with trading profit up by 7.8% to R685.3 million. Average vacancies declined further, new developments were rentalised and rental escalations secured. The portfolio spanning South Africa, Namibia and the UK has an externally valued market value of more than R10.0 billion, double its book value.

Corporate costs remained well controlled and incurred in the governance, financial and strategic support provided from the corporate office. Group socio-economic initiatives, such as the Bidvest Supplier Development Program, the SASCOC Team SA sponsorship, and the school sanitation project, among many others, advanced over the year under review.

For and on behalf of the board

BF MOHALE, *Chairman*
NT MADISA, *Chief executive*
Johannesburg, South Africa
30 August 2024

Dividend declaration

In line with the Group dividend policy, the directors have declared a final gross cash dividend of 447.0 cents (357.6 cents net of dividend withholding tax, where applicable) per ordinary share for the year ended 30 June 2024 to those members registered on the record date, being Friday, 27 September 2024. The dividend has been declared from income reserves. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

Share code:	BVT
ISIN:	ZAE000117321
Company registration number:	1946/021180/06
Company tax reference number:	9550162714
Gross cash dividend amount per share (cents):	447.0000
Net dividend amount per share (cents):	357.6000
Issued shares at declaration date:	340 274 346
Declaration date:	Monday, 2 September 2024
Last day to trade *cum* dividend:	Monday, 23 September 2024
First day to trade *ex*-dividend:	Wednesday, 25 September 2024
Record date:	Friday, 27 September 2024
Payment date:	Monday, 30 September 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 25 September 2024 and Friday, 27 September 2024, both days inclusive.

For and on behalf of the board

Ms. Nonqaba Katamzi
Company Secretary

Independent auditor's report on the summary consolidated financial statements

To the shareholders of The Bidvest Group Limited

Opinion

The summary consolidated financial statements of The Bidvest Group Limited, set out on pages 7 to 20, which comprise the summary consolidated statement of financial position as at 30 June 2024, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of The Bidvest Group Limited for the year ended 30 June 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, as set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 2 September 2024. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Director's responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*. PricewaterhouseCoopers Inc.

Director: A Tshesane
Registered Auditor
Johannesburg, South Africa
30 August 2024

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Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682.

Summarised consolidated **income statement** for the year ended 30 June

R000s	2024 Audited	2023 Audited	% Change
Revenue	**122 615 986**	114 911 518	6.7
Non-interest revenue	**122 309 811**	114 587 864	
Net interest revenue	**306 175**	323 654	
Cost of revenue	**(87 739 492)**	(81 570 287)	7.6
Gross profit	**34 876 494**	33 341 231	4.6
Operating expenses	**(22 908 200)**	(22 307 729)	2.7
Net impairment losses on financial assets	**8 268**	(61 549)	113.4
Other income	**438 973**	471 101	(6.8)
Trading profit	**12 415 535**	11 443 054	8.5
Share-based payment expense	**(362 538)**	(347 865)	
Acquisition costs and customer contracts amortisation	**(475 356)**	(390 495)	
Net capital items	**(147 546)**	(128 963)	
Profit before finance charges and associate income	**11 430 095**	10 575 731	8.1
Net finance charges	**(2 506 296)**	(2 007 477)	24.8
Finance income	**207 474**	88 629	
Finance charges	**(2 713 770)**	(2 096 106)	
Share of profit of associates and joint ventures	**136 863**	125 872	8.7
Current year earnings	**136 819**	125 872	8.7
Net capital items	**44**	–	
Profit before taxation	**9 060 662**	8 694 126	4.2
Taxation	**(2 289 050)**	(2 327 902)	(1.7)
Profit for the year	**6 771 612**	6 366 224	6.4
Attributable to			
Shareholders of the Company	**6 368 975**	5 972 689	6.6
Non-controlling interest	**402 637**	393 535	2.3
	6 771 612	6 366 224	6.4
Basic earnings per share (cents)	**1 873,8**	1 757,3	6.6
Diluted basic earnings per share (cents)	**1 869,0**	1 752,9	6.6
Supplementary Information			
Normalised headline earnings per share (cents) ˜	**1 964,8**	1 884,7	4.3
Headline earnings per share (cents)	**1 912,6**	1 794,8	6.6
Diluted headline earnings per share (cents)	**1 907,6**	1 790,4	6.5
Shares in issue			
Total (‘000)	**339 888**	339 888	
Weighted (‘000)	**339 888**	339 877	
Diluted weighted (‘000)	**340 769**	340 729	

˜ refer normalised headline earnings note for detailed definition.

Summarised consolidated **income statement** for the year ended 30 June continued

R000s	2024 Audited	2023 Audited	% Change
Supplementary Information continued			
Headline earnings			
The following adjustments to attributable profit were taken into account in the calculation of headline earnings:			
Profit attributable to shareholders of the Company	**6 368 975**	5 972 689	6.6
Impairment of property, plant and equipment, right-of-use assets, goodwill and intangible assets	**30 314**	63 760	
Property, plant and equipment #	**33 453**	12 667	
Right-of-use assets #	**9 090**	3 207	
Intangible assets #	**1 083**	62 173	
Taxation effect	**(11 809)**	(13 002)	
Non-controlling interest	**(1 503)**	(1 285)	
Net loss on disposal of interests in subsidiaries and disposal and closure of businesses	**100 000**	138 551	
Loss on disposal and closure #	**–**	138 551	
Impairment of disposal group assets held for sale #	**76 832**	–	
Impairment of identifiable asset of disposal group #	**23 168**	–	
Net loss (profit) on disposal of property, plant and equipment and intangible assets	**1 390**	(38 126)	
Property, plant and equipment#	**3 920**	(44 971)	
Taxation effect	**(2 365)**	6 873	
Non-controlling interest	**(165)**	(28)	
Compensation received on loss or impairment of property plant and equipment	**–**	(36 624)	
Compensation received #	**–**	(42 664)	
Taxation effect	**–**	6 040	
Non-headline items included in equity accounted earnings of associated and joint venture companies	**(29)**	–	
Non-headline items	**(44)**	–	
Non-controlling interest	**15**	–	
Headline earnings	**6 500 650**	6 100 250	6.6

 # Items above included as capital items on summarised consolidated income statement.

Normalised headline earnings per share

Normalised headline earnings per share is a measurement used by the chief operating decision makers, Ms Mpumi Madisa and the Group executive directors. The calculation of normalised headline earnings per share excludes acquisition costs, amortisation of acquired customer contracts, the impact of one-off taxation events (refund of withholding tax and IFRIC 23 provision reversed) and is based on the normalised headline earnings attributable to ordinary shareholders, divided by the weighted average number of ordinary shares in issue during the period. The presentation of normalised headline earnings is not an IFRS Accounting Standards requirement.

R000s	2024 Audited	2023 Audited	% Change
Headline earnings	**6 500 650**	6 100 250	
Acquisition costs	**61 567**	45 040	
Amortisation of acquired customer contracts	**413 789**	345 455	
Taxation effect	**(99 180)**	(82 299)	
Impact of one-off taxation events	**(196 334)**	–	
Non-controlling interest	**(2 512)**	(2 879)	
Normalised headline earnings	**6 677 980**	6 405 567	4.3

Summarised consolidated statement of other **comprehensive income** for the year ended 30 June

R000s	2024 Audited	2023 Audited
Profit for the year	**6 771 612**	6 366 224
Other comprehensive (expense) income net of taxation		
Items that may be reclassified subsequently to profit or loss	**(577 937)**	811 594
(Decrease) increase in foreign currency translation reserve		
Exchange differences arising during the year	**(320 810)**	835 747
Decrease in fair value of cash flow hedges	**(257 127)**	(24 153)
Fair value loss arising during the period	**(369 542)**	(35 252)
Taxation effect for the year	**112 415**	11 099
Other comprehensive (expense) income transferred to profit or loss	**(60 716)**	443 852
Realisation of exchange differences on disposal of subsidiaries	**–**	(13)
Hedging (losses) gains reclassified	**(80 955)**	591 820
Taxation effect	**20 239**	(147 955)
Items that will not be reclassified subsequently to profit or loss		
Changes in the fair value of financial assets recognised through other comprehensive income	**1 818**	9 888
Defined benefit (surplus) obligations	**(1 324)**	37 696
Net remeasurement of defined benefit (surplus) obligations during the year	**(1 695)**	51 638
Taxation effect for the year	**371**	(13 942)
Total comprehensive income for the year	**6 133 453**	7 669 254
Attributable to		
Shareholders of the Company	**5 752 779**	7 256 875
Non-controlling interest	**380 674**	412 379
	6 133 453	7 669 254

Summarised consolidated statement of **cash flows** for the year ended 30 June

R000s	2024 Audited	2023 Audited
Cash flows from operating activities	**5 998 996**	5 055 038
Profit before finance charges and associate income	**11 430 095**	10 575 731
Dividends from associates	**112 426**	25 196
Acquisition costs	**61 567**	45 040
Depreciation and amortisation	**4 220 606**	3 894 145
Share based payment expense	**361 392**	347 135
Impairment of goodwill and intangibles	**1 083**	62 173
Impairment of property, plant and equipment and right-of-use assets	**42 543**	15 874
Fair value adjustment to investments	**(98 316)**	(168 721)
Loss on disposal of interests in subsidiaries and associates, and closure of businesses	**–**	138 551
Decrease in life assurance fund	**–**	(71 413)
Remeasurement of post-retirement obligations	**301**	(11 885)
Other non-cash items	**(42 030)**	(72 896)
Cash generated by operations before changes in working capital	**16 089 667**	14 778 930
Changes in working capital	**(2 079 834)**	(2 625 235)
Increase in inventories	**(733 672)**	(2 733 997)
Increase in trade receivables	**(113 623)**	(866 070)
Increase in banking and other advances	**(772 004)**	(877 589)
(Decrease) Increase in trade and other payables and provisions	**(838 133)**	1 623 341
Increase in amounts owed to bank depositors	**377 598**	229 080
Cash generated by operations*	**14 009 833**	12 153 695
Net finance charges paid	**(2 397 913)**	(1 815 181)
Taxation paid	**(2 352 695)**	(2 382 321)
Dividends paid by the Company	**(3 079 383)**	(2 722 501)
Dividends paid by subsidiaries	**(180 846)**	(178 654)
Cash flows from investment activities	**(7 139 575)**	(5 897 723)
Net additions to property, plant and equipment	**(3 380 656)**	(3 186 341)
Net additions to intangible assets	**(167 528)**	(196 105)
Acquisition of subsidiaries, businesses, associates and investments	**(5 717 904)**	(5 190 631)
Disposal of subsidiaries, businesses, associates and investments	**2 126 513**	2 675 354
Cash flows from financing activities	**1 604 843**	(2 453 947)
Acquisition of treasury shares in settlement of share based payment liabilities	**(596 431)**	(414 678)
Repayment of lease liabilities	**(1 473 753)**	(1 380 997)
Acquisition of non-controlling interests	**(328 285)**	(556 546)
Disposal of non-controlling interests	**–**	187 710
Borrowings raised	**5 640 817**	4 234 337
Borrowings repaid	**(1 637 505)**	(4 523 773)
Net increase (decrease) in cash and cash equivalents	**464 264**	(3 296 632)
Net cash and cash equivalents at the beginning of the year	**7 560 841**	10 476 688
Net cash and cash equivalents of disposal group held for sale	**–**	(71 005)
Exchange rate adjustment	**(225 624)**	451 790
Net cash and cash equivalents at end of the year	**7 799 481**	7 560 841
Net cash and cash equivalents comprise:		
Cash and cash equivalents	**9 096 654**	9 253 504
Bank overdrafts included in short-term portion of interest bearing borrowings	**(1 297 173)**	(1 692 663)
	7 799 481	7 560 841

** Includes dividends from associates*

Summarised consolidated statement of **financial position** for the year ended 30 June

R000s	2024 Audited	2023 Audited
ASSETS		
Non-current assets	**67 812 346**	63 503 817
Property, plant and equipment	**17 642 389**	16 457 121
Right-of-use assets	**4 397 109**	4 457 814
Intangible assets	**15 490 257**	15 388 222
Goodwill	**19 664 282**	17 424 831
Deferred taxation assets	**1 638 858**	1 607 318
Defined benefit pension surplus	**238 190**	344 987
Interest in associates and joint ventures	**1 004 352**	811 346
Investments	**3 367 944**	3 001 989
Currency swap derivative asset	**1 127 020**	1 513 982
Banking and other advances	**3 241 945**	2 496 207
Current assets	**44 451 392**	43 223 497
Inventories	**14 894 387**	14 111 588
Short-term portion of banking and other advances	**882 034**	855 768
Trade and other receivables	**19 168 125**	18 602 251
Taxation	**410 192**	400 386
Cash and cash equivalents	**9 096 654**	9 253 504
Disposal group assets held for sale	**317 781**	781 208
Total assets	**112 581 519**	107 508 522
EQUITY AND LIABILITIES		
Capital and reserves	**38 532 032**	36 331 692
Attributable to shareholders of the Company	**35 324 074**	32 992 176
Non-controlling interest	**3 207 958**	3 339 516
Non-current liabilities	**34 779 773**	32 291 126
Deferred taxation liabilities	**4 621 432**	4 631 801
Long-term portion of borrowings	**25 845 725**	23 151 013
Post-retirement obligations	**57 646**	65 751
Long-term portion of provisions	**518 864**	567 657
Long-term portion of lease liabilities	**3 736 106**	3 874 904
Current liabilities	**39 214 060**	38 527 809
Trade and other payables	**22 958 643**	23 215 138
Short-term portion of provisions	**397 802**	639 343
Vendors for acquisition	**124 918**	4 108
Taxation	**581 426**	761 424
Amounts owed to bank depositors	**7 900 463**	7 522 865
Short-term portion of borrowings	**5 959 597**	5 205 356
Short-term portion of lease liabilities	**1 291 211**	1 179 575
Disposal group liabilities held for sale	**55 654**	357 895
Total equity and liabilities	**112 581 519**	107 508 522
Net asset value per share (cents)	**10 393**	9 707

Summarised consolidated statement of **changes in equity** for the year ended 30 June

R000s	2024 Audited	2023 Audited
Equity attributable to shareholders of the Company	**35 324 074**	32 992 176
Share capital	**17 014**	17 014
Share premium	**1 367 796**	1 367 796
Foreign currency translation reserve	**528 750**	840 887
Balance at beginning of the year	**840 887**	21 376
Movement during the year	**(312 137)**	819 524
Realisation of reserve on disposal of subsidiaries	**–**	(13)
Hedging reserve	**(40 109)**	263 960
Balance at beginning of the year	**263 960**	(154 006)
Net (losses) gains arising during the year	**(436 723)**	554 822
Deferred tax recognised directly in reserve	**132 654**	(136 856)
Equity-settled share-based payment reserve	**693 734**	623 992
Balance at beginning of the year	**623 992**	332 121
Arising during the year	**372 974**	338 511
Deferred tax recognised directly in reserve	**75 788**	137 670
Utilisation during the year	**(660 581)**	(428 357)
Realisation of reserve on disposal of subsidiaries and disposal group	**36**	552
Transfer of equity-settled share-based payment reserve as a result of changes in shareholding of subsidiaries	**–**	(1 548)
Transfer to retained earnings	**281 525**	245 043
Movement in retained earnings	**32 081 248**	29 200 261
Balance at the beginning of the year	**29 200 261**	26 103 669
Opening balance IFRS 17 transition adjustment	**(118 609)**	–
Attributable profit	**6 368 975**	5 972 689
Change in fair value of financial assets recognised through other comprehensive income	**1 600**	9 350
Net remeasurement of defined benefit obligations during the year	**(1 590)**	37 359
Transfer of reserves as a result of changes in shareholding of subsidiaries	**(8 481)**	44 738
Net dividends paid	**(3 079 383)**	(2 722 501)
Transfer from equity-settled share-based payment reserve	**(281 525)**	(245 043)
Treasury shares	**675 641**	678 266
Balance at the beginning of the year	**678 266**	678 663
Purchase of shares by subsidiaries	**(596 431)**	(414 678)
Shares disposed of in terms of share incentive scheme	**593 806**	414 281
Equity attributable to non-controlling interests of the Company	**3 207 958**	3 339 516
Balance at beginning of the year	**3 339 516**	3 508 709
Total comprehensive income	**380 674**	412 379
Attributable profit	**402 637**	393 535
Movement in foreign currency translation reserve	**(8 673)**	16 223
Movement in cashflow hedging reserve	**(13 774)**	1 746
Changes in the fair value of financial assets recognised through other comprehensive income	**218**	538
Net remeasurement of defined benefit obligations during the year	**266**	337
Dividends paid	**(180 846)**	(178 654)
Movement in equity-settled share-based payment reserve	**(11 582)**	8 624
Transfer of equity-settled share-based payment reserve as a result of changes in shareholding of subsidiaries	**–**	1 548
Transactions with non-controlling interests	**(328 285)**	(368 352)
Transfer of reserves as a result of changes in shareholding of subsidiaries	**8 481**	(44 738)
Total equity	**38 532 032**	36 331 692

Summarised disaggregated **revenue** for the year ended 30 June

R000s	2024 Audited	2023 Audited
Revenue		
Sale of goods[1]	**66 749 279**	66 957 214
Rendering of services[2]	**55 104 990**	48 199 247
Commissions and fees earned[3]	**3 139 116**	2 730 013
Billings relating to clearing and forwarding transactions[4]	**2 964 306**	2 703 072
Net interest[5]	**338 435**	323 654
Insurance[6]	**409 814**	697 018
	128 705 940	121 610 218
Inter-group eliminations	**(6 089 954)**	(6 698 700)
	122 615 986	114 911 518
Disaggregation of revenue from contracts with customers		
Services South Africa[2]	**10 983 916**	9 836 703
Services International[2]	**38 407 350**	32 297 793
Branded Products[1]	**11 625 967**	10 531 547
Adcock Ingram[1]	**9 643 128**	9 131 852
Freight[2, 4]	**8 384 546**	7 919 472
Commercial Products[1]	**16 250 207**	17 527 871
Financial Services[3, 5, 6]	**1 088 682**	975 765
Automotive[1]	**24 776 284**	24 489 162
Properties[2]	**–**	1 570
Corporate and Investments[1]	**3 373**	476 157
	121 163 453	113 187 892
Geographic disaggregation of revenue from customer contracts		
Southern Africa	**89 880 929**	88 205 606
International	**31 282 524**	24 982 286
	121 163 453	113 187 892
Reconciliation to Group revenue		
Revenue from contracts with customers	**121 163 453**	113 187 892
Leasing contracts	**736 544**	803 143
Gross insurance premiums	**409 814**	596 829
Net Interest	**306 175**	323 654
	122 615 986	114 911 518

Summarised segmental **analysis** for the Year ended 30 June

R000s	2024 Audited	2023 Audited	Percentage Change
Segmental revenue			
Services International	**39 370 083**	33 187 251	18.6
Freight	**8 769 063**	8 393 662	4.5
Commercial Products	**17 910 097**	19 877 467	(9.9)
Services South Africa	**11 732 902**	10 436 000	12.4
Branded Products	**12 934 962**	11 729 589	10.3
Automotive	**25 092 568**	24 934 816	0.6
Financial Services	**2 517 802**	2 732 179	(7.8)
Adcock Ingram	**9 643 128**	9 131 852	5.6
Properties	**731 961**	677 489	8.0
Corporate and investments	**3 374**	509 913	(99.3)
	128 705 940	121 610 218	5.8
Inter group eliminations	**(6 089 954)**	(6 698 700)	
	122 615 986	114 911 518	6.7
Geographic region			
Southern Africa	**97 234 304**	96 469 869	0.8
International	**31 471 636**	25 140 349	25.5
	128 705 940	121 610 218	
Segmental trading profit			
Services International	**3 769 930**	3 352 615	12.4
Freight	**2 322 203**	2 165 178	7.3
Commercial Products	**1 297 440**	1 425 635	(9.0)
Services South Africa	**1 268 663**	1 068 453	18.7
Branded Products	**1 042 399**	860 586	21.1
Automotive	**688 025**	914 912	(24.8)
Financial Services	**642 576**	463 540	38.6
Adcock Ingram	**1 236 673**	1 178 199	5.0
Properties	**685 319**	635 936	7.8
Corporate and investments	**(537 693)**	(622 000)	13.6
	12 415 535	11 443 054	8.5
Geographic region			
Southern Africa	**9 689 779**	9 156 846	5.8
International	**2 725 756**	2 286 208	19.2
	12 415 535	11 443 054	
Earnings before interest, taxation, depreciation and amortisation (EBITDA)			
Services International	**4 445 898**	3 970 207	12,0
Freight	**2 584 119**	2 429 650	6.4
Commercial Products	**1 399 340**	1 523 454	(8.1)
Services South Africa	**1 656 531**	1 387 194	19.4
Branded Products	**1 133 672**	954 886	18.7
Automotive	**702 822**	931 029	(24.5)
Financial Services	**853 683**	661 628	29.0
Adcock Ingram	**1 371 309**	1 313 146	4.4
Properties	**688 495**	640 542	7.5
Corporate and investments	**(508 884)**	(600 076)	(15.2)
	14 326 985	13 211 660	8.4
Geographic region			
Southern Africa	**11 103 533**	10 491 122	5.8
International	**3 223 452**	2 720 538	18.5
	14 326 985	13 211 660	

R000s	2024 Audited	2023 Audited	Percentage Change
Segmental operating assets			
Services International	**10 896 352**	10 310 945	5.7
Freight	**9 524 517**	9 252 961	2.9
Commercial Products	**9 063 254**	8 512 358	6.5
Services South Africa	**3 723 750**	3 218 736	15.7
Branded Product	**4 859 857**	4 664 757	4.2
Automotive	**5 465 650**	5 280 207	3.5
Financial Services	**9 678 658**	8 765 659	10.4
Adcock Ingram	**7 030 069**	6 838 055	2.8
Properties	**4 732 277**	4 455 355	6.2
Corporate and investments	**1 059 594**	827 863	28.0
	66 033 978	62 126 896	6.3
Inter group eliminations	**(1 197 503)**	(987 825)	
	64 836 475	61 139 071	6.0
Geographic region			
Southern Africa	**56 841 228**	53 479 938	6.3
International	**9 192 750**	8 646 958	6.3
	66 033 978	62 126 896	
Reconciliation to total assets			
Operating assets	**64 836 475**	61 139 071	6.0
Goodwill	**19 664 282**	17 424 831	12.9
Intangible assets	**15 490 257**	15 388 222	0.7
Deferred taxation asset	**1 638 858**	1 607 318	2.0
Currency swap derivative asset	**1 127 020**	1 513 982	(25.6)
Taxation	**410 192**	400 386	2.4
Cash and cash equivalents	**9 096 654**	9 253 504	(1.7)
Disposal Group assets held for sale	**317 781**	781 208	
	112 581 519	107 508 522	4.7
Segmental operating liabilities			
Services International	**8 804 820**	8 124 162	8.4
Freight	**5 034 175**	5 505 310	(8.6)
Commercial Products	**3 638 047**	3 927 396	(7.4)
Services South Africa	**2 628 988**	2 282 604	15.2
Branded Products	**2 649 481**	2 649 897	–
Automotive	**2 593 726**	2 993 834	(13.4)
Financial Services	**9 575 327**	9 455 919	1.3
Adcock Ingram	**2 666 867**	2 566 362	3.9
Properties	**67 301**	78 073	(13.8)
Corporate and investments	**399 506**	469 501	(14.9)
	38 058 238	38 053 058	–
Inter group eliminations	**(1 197 503)**	(987 825)	
	36 860 735	37 065 233	(0.6)
Geographic region			
Southern Africa	**30 461 973**	31 098 744	(2.0)
International	**7 596 265**	6 954 314	9.2
	38 058 238	38 053 058	
Reconciliation to total liabilities			
Operating liabilities	**36 860 735**	37 065 233	(0.6)
Deferred taxation liabilities	**4 621 432**	4 631 801	(0.2)
Interest bearing borrowings	**31 805 322**	28 356 369	12.2
Vendors for acquisition	**124 918**	4 108	n/m
Taxation	**581 426**	761 424	(22.6)
Disposal group liabilities held for sale	**55 654**	357 895	(84.4)
	74 049 487	71 176 830	4.0

Basis of presentation of **summarised consolidated financial statements**

The summarised consolidated financial statements have been prepared in accordance with and containing information required by IAS 34: Interim Financial Reporting as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the Companies Act of South Africa and the JSE Limited Listings Requirements. The summarised report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Group during the interim reporting period (IAS34 para 6). Selected explanatory notes are included to explain events and transactions that are significant to an understanding to the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

In preparing these summarised consolidated financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Significant accounting policies and judgements

The accounting policies applied in these summarised consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ending 30 June 2024.

The adoption of IFRS17 affects two of the Group's Financial Services operations, Bidvest Insurance Limited and Bidvest Life Limited (BLL). As of 30 June 2023 BLL has been disclosed as a Disposal group held-for-sale. Management has determined that the adoption of, and transition to IFRS17 has not had a material impact on the Group's consolidated income statement and statement of financial position, consequently the prior period comparatives have not been restated and the current period opening retained earnings has been adjusted by R119 million.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

Significant commitments

The project for the refurbishment and repurposing of three old butadiene spheres for butane storage at Bidvest Tank Terminal's Richards Bay facility was commissioned in October 2023 at a total cost of R180 million. At 30 June 2024, R408 million of the approved R550 million had been spent on 18 additional multi-purpose storage tanks at the same Richards Bay facility. This project was commissioned during July 2024 and all tanks were ready for commercial use from 1 August 2024. In addition, R27 million of the approved R183 million was spent on the development of two additional fuel tanks at the Richards Bay facility which is targeted for commissioning in July 2025.

Fair value of financial instruments

The Group's investments of R3 368 million (2023: R3 002 million) include R94 million (FY2023: R88 million) recorded at amortised cost, R1 775 million (FY2023: R1 615 million) recorded and measured at fair values using quoted prices (Level 1), asset prices or derived-from prices (Level 2) and R1 473 million (FY2023: R1 272 million) recorded and measured at observable data (Level 3). Fair value losses on Level 3 investments recognised in the income statement totaled R3 million (FY2023: R6 million).

Analysis of investments at a fair value not determined by observable market data

	Year ended 30 June	
	2024	2023
R000s	**Audited**	Audited
Balance at the beginning of year	**26 650**	118 531
Purchases or loan advances	**3 418**	1 883
Fair value adjustment recognised directly in equity	**730**	1 712
Fair value adjustment arising during the year recognised in the income statement	**(2 805)**	(6 080)
Proceeds on disposal, de-recognition or repayment of loans	**(1 408)**	(89 396)
	26 585	26 650

The carrying values of all financial assets and liabilities approximate their fair values, with the exception of interest bearing borrowings of R31 billion whose carrying value is R32 billion.

Significant hedge accounting

The Group makes use of fixed-for-fixed, USD / GBP pair, cross currency swaps (CCS) in order to mitigate and hedge Group currency risk. The designated hedged instrument is a US$-denominated Reg S / 144A senior unsecured five-year bond of USD800 million at a fixed coupon rate of 3.625% issued by The Bidvest Group (UK) Plc and guaranteed by The Bidvest Group Limited. The primary purpose of the bond is to secure long term funding for the Group's foreign acquisitions, whose functional currencies are GBP. The Board of Directors concluded that an effective cashflow hedging relationship exists and IFRS9 hedge accounting has been applied. A R1 billion (£49 million) asset derivative instrument has been disclosed at year end and included in the Consolidated Statement of Financial Position as a non-current asset; R17 million (£727 thousand) was credited to the Consolidated Income Statement via finance charges; a currency valuation adjustment was credited to interest bearing borrowings in the amount of R81 million (£4 million) and R280 million (£12 million) debited to the hedging reserve net of R118 million (£5 million) deferred taxation through the Consolidated Statement of Other Comprehensive Income. On application of hedge accounting the R81 million (£4 million) currency valuation adjustment to borrowings was debited to the Consolidated Statement of Other Comprehensive Income and credited against the unrealised foreign exchange loss initially recognised in the Consolidated Income Statement. The change in the fair value of the derivative instrument, in terms of IFRS9, amounting to a loss of R286 million (£12 million) was recognised in the cash flow hedge reserve given that the hedge relationship was conclude to be effective.

Business combinations

Net acquisition of businesses, subsidiaries, associates and investments

The Bidvest Group Australia, a component of Bidvest Services International, acquired 100% of the ordinary share capital and voting rights of Consolidated Property Services Pty Ltd Consolidated, effective 20 September 2023. The acquisition price of AUD187 million (R2 billion) was funded from the Group's international revolving credit facilities. Consolidated is one of the largest professional cleaning service providers across Eastern Australia, servicing high profile commercial and retail sites. The acquisition augments and expands the Group's hygiene, cleaning and facilities management business in Australia.

Effective 1 July 2023, Bidvest Services International acquired 100% of the ordinary share capital and voting rights of Rental Hygiene Services Pte Ltd (RHS). RHS provides total hygiene and cleaning solutions, using a comprehensive line of washroom equipment and janitorial consumables, to customers in Singapore. This acquisition was executed to establish a foothold in the ASEAN region. The acquisition price of SGD48 million (R662 million), of which SGD9 million (R128 million) is contingent on the achievement of certain profit targets, was funded from existing facilities and cash resources.

During the year the Group also made the following less significant "bolt-on" acquisitions, which were funded from existing facilities and cash resources:

Effective 20 July 2023 Bidvest Services International acquired 100% of the ordinary share capital and voting rights of the Robinson Services group of companies (Robinson), primarily Robinson Services Ltd, Robinson Services Laundry Ltd and Sword Security (NI) Ltd. Robinson delivers key support services including cleaning, security, hygiene, workwear rental and laundering, dust mat rental, window cleaning and specialist services including one off cleans to a range of customers big and small across the Retail, Commercial, Industrial and Hospitality sectors throughout Northern Ireland. The acquisition increases the Group's footprint in Ireland. The acquisition price was £7 million (R170 million).

Bidvest Services International acquired 100% of the ordinary share capital and voting rights of the following minor acquisitions: Pure Hygiene Pty Ltd (Australia), effective 1 September 2023, AUD3 million (R42 million); Principal Hygiene Systems Ltd (United Kingdom), effective 6 October 2023, £2 million (R58 million); Synergy Waste Solutions Ltd (United Kingdom), effective 1 February 2024, £3 million (R75 million). Bidvest Services International acquired 37.5% of the ordinary share capital and voting rights of Daelibs Pty Ltd, a developer and creator of Facilities Management software, for AUD7 million (R81 million) effective 1 August 2023. These acquisitions assist in expanding the Group's facilities management service offering and geographic coverage.

Effective 1 July 2023, Bidvest Services South Africa acquired 100% of the ordinary share capital and voting rights of Interloc Freight Services (Pty) Ltd (Interloc) for R56 million. Interloc provides a neutral air and road freight consolidation facility through which freight forwarders, courier companies and airlines can benefit from operational integration, preferred capacity allocations and cost savings. The acquisition compliments the Group's existing Bidair Cargo operations.

Bidvest Branded Products acquired the assets, liabilities and businesses of Brandability Pty Ltd (Brandability), effective 1 October 2023, for R51 million. Brandability specialises in the sale of corporate/promotional gifts and apparel, the acquisition complements the existing Waltons offering.

Basis of presentation of **summarised consolidated financial statements** continued

Effective 1 July 2023 Bidvest Branded Products acquired 100% of the ordinary share capital and voting rights of the following: Roan Group of companies, primarily Roan Systems Pty Ltd and Roan Safety Products Pty Ltd (Roan). Roan offers products and services for a variety of Information Technology, Production Automation, FMCG, Healthcare and various other sectors and applications. Roan was acquired for R24 million; Green Home Products Pty Ltd (Green Home). Green Home is South Africa's first and longest running completely compostable food packaging company, whose vision is to provide sustainable packaging for takeaway food throughout Africa, and beyond. Green Home was acquired for R20 million to augment the Group's existing packaging businesses; Channel Label Solutions Pty Ltd and Printer Distribution Company Pty Ltd for a combined acquisition price of R16 million.

The following table summaries the assets acquired and liabilities assumed at fair value which have been included in these results from the respective acquisition date. The values represent at acquisition fair values consolidated by the Group.

R000s	Consolidated Property Services	Rental Hygiene Services	Other Acquisitions	Other Disposals	Total
Property, plant and equipment	62 992	17 337	21 757	–	**102 086**
Right-of-use assets	7 623	9 404	–	–	**17 027**
Deferred taxation	(84 788)	(29 856)	(20 341)	–	**(134 985)**
Interest in associates and joint ventures	–	–	190 354	–	**190 354**
Investments and advances[1]	–	–	2 394 071	(2 114 735)	**279 336**
Inventories	1 116	12 919	47 407	–	**61 442**
Trade and other receivables	439 926	80 881	177 119	–	**697 926**
Cash and cash equivalents	98 138	32 473	111 100	–	**241 711**
Borrowings	(82 469)	(41 597)	(5 176)	–	**(129 242)**
Trade and other payables and provisions	(679 025)	(37 275)	(224 722)	–	**(941 022)**
Lease liabilities	(7 939)	(10 610)	–	–	**(18 549)**
Taxation	4 964	(8 389)	(356)	–	**(3 781)**
Intangible assets	563 964	187 264	97 195	–	**848 423**
	324 502	212 551	2 788 408	(2 114 735)	**1 210 726**
Goodwill	1 960 414	449 623	344 672	–	**2 754 709**
Net assets acquired	2 284 916	662 174	3 133 080	(2 114 735)	**3 965 435**
Settled as follows:					
Cash and cash equivalents acquired	(98 138)	(32 473)	(111 100)	–	**(241 711)**
Acquisition prepaid in prior year	–	–	(58 500)	–	**(58 500)**
Acquisition costs	–	–	61 567	–	**61 567**
Net receivable arising on disposal of subsidiaries and associate	–	–	–	(11 778)	**(11 778)**
Net change in vendors for acquisition	–	(127 664)	4 042	–	**(123 622)**
Net acquisition of businesses, subsidiaries, associates and investments	**2 186 778**	**502 037**	**3 029 089**	**(2 126 513)**	3 591 391
Trade and other receivables stated net of the following loss allowances					
Expected credit loss allowances	39 771	780	253	–	**40 804**
Contribution to results for the period					
Revenue	1 932 679	245 926	899 769	–	**3 078 374**
Profit	210 965	34 008	62 202	–	**307 175**
Contribution to results for the period if the acquisitions had been effective on 1 July 2023					
Revenue	2 469 947	245 926	982 674	–	**3 698 547**
Profit	269 611	34 008	73 850	–	**377 469**

** Consideration for the acquisition of Roan, Green Home, Channel Label Solutions and Printer Distribution Company was paid in June 2023, but the acquisition was effective 1 July 2023.*

[1] R7 million of advances to BBBEE and other partners, R2 381 million purchases made in the Bidvest Bank investment portfolio and R6 million purchases in the Biidvest Insurance portfolio. R7 million repayment of loans to BBBEE and other partners, R2 073 million disposals made in the Bidvest Bank investment portfolio, and R43 million disposals in the Bidvest Insurance portfolio.

The fair values of the assets and liabilities have been determined for the acquisition of Consolidated and resulted in the identification of definite life customer relationship intangible assets in the amount of AUD46 million (R564 million). The Multi-Period Excess Earnings Method (MPEEM), using cash flows attributable to the customer related intangible asset, was used to value Customer Relationships, which were estimated to have a Remaining Useful Life (RUL) of 20 years. An existing customer attrition rate of 10% was applied to forecasted existing customer revenues. A Weighted Average Cost of Capital (WACC) in a range of 11.8% to 13.6%, plus a premium of 0.25%, was applied in the valuation. No value was assigned to the CPS brand. A portion of the residual Goodwill is supported by the identified trained and assembled workforce.

The fair values of the assets and liabilities have been determined for the Rental Hygiene Services (RHS) acquisition and resulted in the identification of definite life customer relationship intangible assets in the amount of SGD6 million (R89 million) and indefinite life Brand intangible assets of SGD7 million (R96 million). The MPEEM, using cash flows attributable to the customer related intangible asset, was used to value Customer Relationships, which were estimated to have an RUL of 15 years. An existing customer attrition rate of 13.5% was applied to forecasted existing customer revenues. A WACC in a range of 10.1% to 11.1%, plus a premium of 0.25%, was applied in the valuation. The Relief from Royalty Method has been utilised to determine the fair value of the Rental Hygiene Services brand, which is well established and has been in existence since 2002 and therefore concluded to have an indefinite future life. The use of a royalty rate of 3% was informed by market data for similar transactions with similar profitability to RHS. Included in the intangibles acquired is computer software with a carrying value of SGD163 thousand (R2 million) A portion of the residual Goodwill is supported by the identified trained and assembled workforce.

Management has assessed the fair values of assets and liabilities acquired in Robinson. The application of the MPEEM lead to the identification of a customer relationship intangible in the amount of £4 million (R88 million), using a RUL of 10 years, a customer attrition rate of 10% on forecasted existing customer revenues, and a WACC in a range of 9.0% to 11.0%. A portion of the residual Goodwill is supported by the identified trained and assembled workforce.

Other minor acquisitions resulted in the identification of further R9 million definite life Customer Relationships, which are estimated to have a RUL of 10 years.

Goodwill arose on the acquisitions as the anticipated value of future cash flows that were taken into account in determining the purchase consideration exceeded the net assets acquired at fair value. The acquisitions have enabled the Group to expand its range of complementary products and services and, as a consequence, have broadened the Group's base and geographic reach in the market place.

There were no significant contingent liabilities identified in the businesses acquired.

Basis of presentation of summarised consolidated financial statements continued

Disposal group held for sale

Towards the end of June 2023, the Group entered into a process to dispose of 100% of its shareholding and claims in Bidvest Life Limited (BLL). BLL is a licensed life assurance company and registered financial service provider specialising in income protection, disability, critical illness and life cover. Despite attracting a number of potential buyers, BLL was not sold during the year, however it continues to be actively marketed for sale at a price which is reasonable relative to its fair value.

R000s	**2024 Audited**	2023 Audited
Disposal group liabilities held-for-sale		
Life assurance fund (re-insurers share)	**–**	302 733
Net insurance contract liability	**53 791**	–
Trade and other payables and provisions	**1 863**	53 801
Lease liability	**–**	1 361
	55 654	357 895
Disposal group assets held-for-sale		
Property, plant and equipment	**–**	3 690
Right-of-use assets	**–**	992
Life assurance fund	**–**	583 218
Net insurance contract asset	**260 232**	–
Deferred taxation	**53 059**	57 757
Trade and other receivables	**6 581**	34 507
Cash and cash equivalents and bank overdrafts	**73 509**	71 005
Taxation	**1 232**	1 232
Intangible assets	**–**	22 316
Share based payment reserve	**–**	426
Goodwill	**–**	6 065
	394 613	781 208
Impairment to net realisable value less cost to sell	**(76 832)**	–
Net carrying value	**262 127**	423 313

In determining the fair value less cost to sell the following identifiable assets have been impaired: Property, plant and equipment R2 million; Computer software R15 million; and Goodwill R6 million. The balance of the disposal group was impaired by R77 million.

Subsequent events

Following the year end, a formal process was initiated to dismantle the Financial Services segment and dispose of Bidvest Bank and FinGlobal. The remaining Financial Services short-term insurance businesses, which focus primarily on vehicle insurance cover and related value-added products, will be transferred to the Automotive segment.

Subsequent to 30 June 2024, the Group entered into an agreement to acquire 100% of Citron Hygiene LP (Citron) from Birch Hill Equity Partners and other investors. Citron, headquartered in Toronto, Canada, was founded in 1974 and serves approximately 50 000 customer locations from seven branches in Canada, four in the USA and ten in the UK. The acquisition is subject to UK Competition and Markets Authority approval, with a decision expected within five months of submission. The anticipated acquisition will be financed using existing facilities and will be included in the Services International segment.

Audit report

The auditors, PriceWaterhouseCoopers Inc, have issued their audit opinion on the consolidated financial statements for the year ended 30 June 2024. The audit was conducted in accordance with International Standards on Auditing. They have issued an unmodified opinion. A copy of the auditor's report together with a copy of the audited consolidated financial statements are available for inspection at the Company's registered office and/or available through a secure electronic manner at the election of the person requesting inspection.

These summarised consolidated financial statements have been derived from the consolidated financial statements and are consistent in all material respects with the consolidated financial statements. These summarised provisional consolidated financial statements have been audited by the Company's auditors who have issued an unmodified opinion. The auditor's report does not necessarily report on all of the information contained in this announcement. Any reference to future financial information included in this announcement has not been reviewed or reported on by the auditors. Shareholders are advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of that report together with the accompanying financial information from the Company's registered office.

Preparer of the summarised consolidated financial statements

The consolidated financial statements and final summarised consolidated financial statements have been prepared under the supervision of the Chief Financial Officer, MJ Steyn BCom CA (SA), and were approved by the board of directors on 30 August 2024.