Bidvest

Audited summarised results

for the year ended 30 June 2023

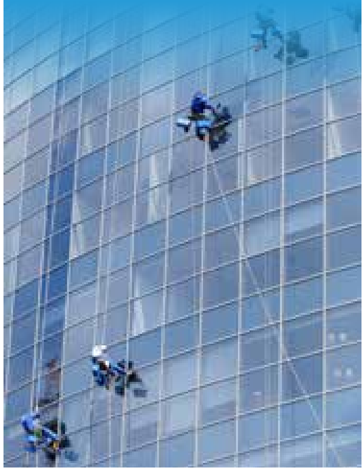
PEOPLE AND **PRODUCTS**
BEHIND A **BRIGHTER FUTURE**

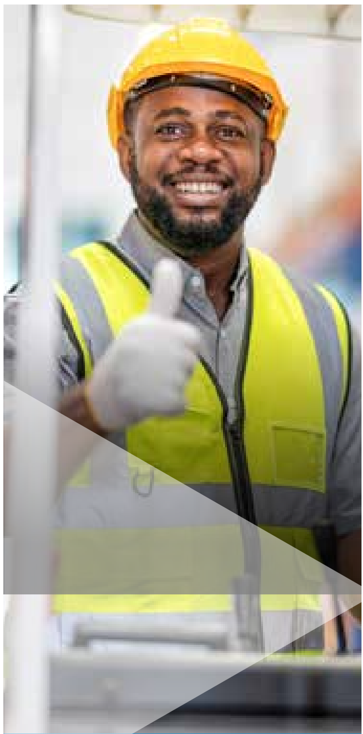
Salient **features**

for the financial year ended 30 June 2023

"Double digit trading profit growth from each of our 7 divisions, an accolade to our 120 785-strong Bidvest team."

Mpumi Madisa, *Chief executive*





Normalised HEPS	*+17.7%*

1 884.7 cents

Final dividend	*+20.6%*

439 cents

HEPS	*+24.5%*

1 794.8 cents

Revenue	*+15.0%*

R114.9bn

Trading profit	*+17.6%*

R11.4bn

Cash generated by operations

R12.2bn

ROFE	*+70bps*

38.3%

Message to **shareholders**

Introduction

Bidvest's second six-month period improved on an already impressive interim performance, delivering a commendable result for the 2023 financial year. The second half's trading profit growth accelerated to 21.0%. Cash generated from operations for the last six months totalled R10.4 billion, which is a third higher year-on-year, as capital discipline remained a core focus.

The Group delivered excellent organic growth led by exponential demand in renewable energy products as well as travel and tourism services. The recovery in Financial Services exceeded expectations. Services South Africa breached the billion rand mark and Freight delivered trading profit exceeding R2.0 billion, double its contribution a mere three years ago.

Highlights

Seven divisions reported double-digit trading profit growth, off already high bases. This is commendable considering the weak and volatile macro backdrop.

Margin management was a key focus area during FY2023, given unprecedented and persistent inflation, particularly in our international geographies, together with record wage inflation and the additional cost of doing business caused by loadshedding and unreliable rail services in South Africa. The trading profit margin improved by 22bps to 10.0% despite a slight contraction in gross margin (100bps to 29.0%) as operating expenses were well controlled.

HEPS and Normalised HEPS[1], a measurement used by management to assess the underlying business performance, grew by 24.5% and 17.7%, respectively. Return on Funds Employed (ROFE) improved further from 37.6% to 38.3%. Return on Invested Capital (ROIC) of 17.3% compares to 17.1% in the prior year. Despite higher interest rates, this remains well above the Group's weighted cost of capital.

The Group declared a final dividend of 439 cents per share, up 20.6%, bringing the total dividend for the year to 876 cents.

Note 1: Normalised HEPS excludes acquisition costs and amortisation of acquired customer contracts

Financial overview

Group revenue grew 15.0% to R114.9 billion (FY 2022: R99.9 billion), with recent acquisitions boosting the growth rate by 2.3%. Exponential renewable energy sales growth, improved demand for travel and related services, price inflation, as well as market share gains were the key growth drivers.

Expenses were well managed and increased by 10.1%, although on an organic basis 8.2%. The consequences of loadshedding, particularly in the factory environments, higher energy cost internationally and distribution costs negatively impacted costs.

Trading profit grew by 17.6% to R11.4 billion. The Freight terminal operations benefitted from elevated demand for bulk commodities as well as positive price mix augmented by healthy clearing and forwarding activity. The anticipated turnaround in Financial Services exceeded management expectations and the return of travel and tourism-related activity manifested in strong growth reported by Services South Africa. Consistent hygiene pool growth, strong consumable sales and new contract wins culminated in growth off the extraordinary FY2022 base in Services International. A ten-fold increase in renewable energy sales elevated Commercial Products to new heights. Branded Products delivered another strong result as the division navigated significant input cost pressures, whilst Automotive's margin focus supported delivery of a record result for the division.

Acquisition costs were incurred in the purchase of BIC in Australia, the disposal of Taeuber & Corssen (T&C) in Namibia and bolt-on transactions. The amortisation of acquired customer contracts increased from R283.1 million to R345.5 million at 30 June 2023, mainly due to the BIC acquisition and a weaker average rand.

Net capital items of R129.0 million largely represents a loss on the disposal of T&C, compensation received from insurers on the loss of property, plant and equipment as well as other impairments of intangible assets.

Message to **shareholders** continued

Net finance charges were 26.1% higher at R2.0 billion (FY2022: R1.6 billion). Excluding IFRS16, fair value adjustments and hedge costs, the increase was 39.5%, which was as a result of R3.3 billion higher gross debt, R3.2 billion of which is the consequence of a weaker rand, the investment in working capital and capex together with the step up in global interest rates. The Group's average cost of funding is 5.4% – pre-tax (FY2022: 4.7%).

Share of associate profits amounted to R125.9 million, largely attributable to Adcock Ingram's associate holdings.

The Group's effective tax rate, excluding capital items, is 26.8% (FY2022: 30.0%). The foreign tax differential is 0.6%. The main reasons for the year-on-year difference are the reduction in South African corporate tax rate and the recognition of deferred tax on intangible assets. This follows the corporate rate change in the United Kingdom (UK) in the prior year.

Basic earnings per share (EPS) increased from 1 492.2 cents to 1 757.3 cents, or 17.8%, mainly due to a strong operational performance, disposal losses and impairments in the current period as well as the UK deferred tax recognized in the prior year.

Cash generated by operations of R12.2 billion was 4.1% higher than in the prior period. The Group absorbed R2.6 billion of working capital in the current year compared to R1.4 billion in the prior year, reflecting the higher activity levels and product price inflation. Higher inventory holdings reflect the stronger activity levels, particularly in renewable energy products, and the normalisation of vehicle supply in Automotive. The anticipated acceleration of capital deployment by Bidvest Bank from its deposit base materialized and manifests in growth and improved capital returns. Receivables were very well controlled during the year. The increase in trade payables reflects growth in underlying inventory levels but moderated by pre-payments to secure imported stock. In line with normal seasonal trends, R2.9 billion of working capital was released during the second half of the financial year, more than double compared to the same period in the prior year.

Bidvest's net debt increased by R5.5 billion year-on-year to R19.1 billion, as at 30 June 2023, but has decreased by R1.1 billion since 31 December 2022. 82.2% of net debt is offshore and the movement in spot foreign exchange rates at year-end added R3.2 billion to the closing balance. At the start of FY2023, BIC was acquired for R1.8 billion and other bolt-on acquisitions for R146.5 million, utilising available debt funding. The Group also repaid a domestic bond of R614.0 million during the year. Robust cash generated by the operations was invested in working capital, increased capital investment and paying dividends to shareholders.

Our covenant net debt to adjusted EBITDA ratio of 1.7x compared to 1.9x as at 31 December 2022. Interest cover was 8.2x (FY2022: 9.8x). Group cash conversion was 76.4%, compared to 88.3% in FY2022.

Corporate action

During FY2023, The Bidvest Group (UK) plc successfully upsized and restructured its multi-currency syndicate funding facility a year ahead of the first renewal. The amended arrangement has a greater revolving credit facility, which allows for M&A funding flexibility at only a slight increase in funding margin for a three-year term, with two one-year extension options. As at 30 June 2023, only the term loan portion was drawn. This leaves an offshore M&A war chest of EUR560 million.

Corporate action remains an integral part of our growth strategy. We are participating in processes, both locally and offshore, which are in varying phases of completion. Engagement with regards to possible private sector participation in South Africa continues.

Bolt-on acquisitions of A^2, a complementary forklift hire business, Autosure, an underwriter of insurance and value-added products into the motor retail industry, and Sahicasa, a Spanish-based pest and hygiene services business, became effective during the period under review. Bidvest Australia acquired BIC effective 7 July 2022, as part of the Group's international growth strategy.

Effective 31 December 2022, Bidvest disposed of T&C, a Namibian distributor of local and imported fast moving consumer goods, as well as the related properties. We concluded this disposal process, in accordance with the Group's strategy of disposing of non-core businesses.

Prospects

Notwithstanding various macro factors, and in true Bidvest spirit, we will find the pockets of opportunity while protecting our base, not in isolation, or at the expense of, but in collaboration with our employees, social partners and broader business.

Bidvest stands tall with many other corporates, in our commitment and support to remove obstacles hindering growth in South Africa.

We are expecting robust activity in key sectors like renewable energy (albeit not at the frenetic pace seen this year), mining, agriculture, tourism and basic infrastructure while at the same time alert to the pressure in discretionary spend and heightened competition. Our optimism for Bidvest's ongoing growth remains intact. Entrenched disciplines in cash generation and margin management positions our businesses favourably. The Group's acquisition pipeline is exciting and readily executable.

The Group

Bidvest encourages a performance-driven, decentralised business model that continually seeks scale and growth. We 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 – and act as a remarkable catalyst for enduring value creation.

DIVISIONAL REVIEW

Services International

A superb second half performance resulted in trading profit growing 9.8% to R3.4 billion. On an organic basis, the division delivered on the ambition to hold trading profit flat on the extraordinary FY2022 base. The facilities management and hygiene clusters both delivered increased revenue and profitability, with trading profit contribution virtually equal. Record wage inflation and almost full employment in the international territories, on top of unprecedented inflation and lacklustre markets, made for challenging trading where cost recovery was paramount. The hygiene businesses had a successful year, which resulted in a pleasing increase over the prior year that included significant revenue and profits from pandemic and vaccine services. The hygiene pool continued to grow and consumable sales increased strongly as people returned to offices. The facilities management segment benefitted from material contract wins in the prior year and the maiden contribution from BIC, which delivered ahead of expectations. The technical and hard services capabilities in this segment are key competitive advantages in Ireland, Australia and South Africa. The labour-intensive businesses were under pressure but held their own in competitive markets in South Africa and the UK. Technology as well as product and service innovation are deployed to drive efficiencies, add value and assist customers in their sustainability ambitions. Collaboration amongst the individual businesses is encouraging. Cash generation and asset management was fantastic, resulting in a ROFE of 132.9%.

A material facilities management contract was rescoped towards the end of FY2023 and will impact profitability. The strategy to internationalise Bidvest's hygiene and facilities management services continue unabated with numerous bolt-on acquisition opportunities being assessed in Singapore, Australia, Ireland and Northern Ireland.

Freight

The year's operating performance was exceptional with trading profit increasing 22.5% to R2.2 billion, exceeding the R2.0 billion profit mark for the first time. The volume of bulk agriculture, and liquid commodities handled was broadly flat in South Africa. The mineral products' demand was up with significant growth in the neighbouring country ports as exporters redirected cargo flow due to infrastructure challenges in South Africa. The volume mix, however, changed notably year-on-year driving healthy revenue growth in the terminal operations. Management teams remained alert to opportunities presented by shifts in product demand and logistics to get to market. This benefited terminal operations outside of South Africa disproportionately. International clearing and forwarding activities benefited from increased global air- and ocean-freight activity as well as contract wins. Services closely linked to railed container movement found trading conditions difficult. Building of new capacity, particularly liquid tanks, and upgrading infrastructure progressed according to plans. ROFE was an incredible 56.2% considering the capital-intensive nature of the operations.

Investment in additional multi-purpose, butane and fuel tank capacity, will continue in the year ahead, both in and outside South Africa, while discussions continue with regards to capital intensive projects in South Africa.

Commercial Products

An excellent overall trading profit of R1.4 billion, up 21.4%, was delivered. Businesses within the Trade, Catering, Warehousing and General Industrial clusters achieved impressive results despite a turbulent operating environment with many pressures affecting all businesses. Whilst the lack of power availability in South Africa has presented an exceptional opportunity for the division, it had a detrimental impact on factory efficiencies and parts of the local supply chain. Renewable sales increased almost ten-fold year-on-year. Operational optimisation and restructuring continued and notable efficiency improvements are expected from the new Matus and Plumblink distribution centres in Johannesburg. The A² acquisition bolstered the Warehousing division and has also given us the opportunity to enter into the lithium-ion battery market. Sales mix changes and input price inflation, compressed gross profit margin somewhat in a competitive market. Overall operating expenses were well contained, and cash generation was acceptable, considering working capital investment required to meet market demand. ROFE at 30.6%, although slightly down from the prior year, is good.

Management has noticed the welcome return of some public sector spend, and continuing demand in the renewable energy, agriculture and mining sectors. Opportunities to add to the product suite are being evaluated.

Services South Africa

Trading profit grew by an outstanding 21.4% to R1.1 billion. The result, which significantly exceeds pre-Covid levels, largely improved as a result of impressive profit growth from the Travel Services cluster, with pleasing contributions from the Hospitality and Catering Services and Allied Services clusters. The Travel Cluster continued to see the operating leverage benefits of increased travel volumes serviced off a streamlined, technology-enabled backbone. Higher tourism and corporate occupancies, innovative solutions as well as strong new business wins culminated in strong results from the Hospitality and Catering Services and Allied Services Cluster despite food inflation and infrastructure challenges. Good new business growth across the Security Services cluster did not quite make up for the contraction in air cargo services, off an extraordinary base, given a significant increase in the jet fuel price that made alternative logistics channels relatively more attractive. Overall divisional expense growth was aligned to the increase in revenue. ROFE declined from 121.1% to 105.7% as capital investment stepped up to support revenue.

Innovation will continue unabated as complementary areas to expand into are being explored.

Message to **shareholders** continued

Automotive

Trading profit rose 11.7% to R914.9 million, which is impressive considering the shifts in the market, low business confidence and ongoing signs of consumer pressure. An intense focus on margins resulted in a stable overall margin despite meaningful market share shifts and more improved vehicle supply. New vehicle volume growth of 1.8% was below market growth. Used vehicle volumes declined by 10.3%, but aftermarket activity was stronger. The importance of brand and segment diversification is becoming more evident. The independent used car brand, Cubbi, was recently launched and is progressing as planned. Expense management was good but inventory levels, particularly in new vehicles, are too high. As expected, the ROFE moderated off a record level to 40.0% given the elevated inventory.

As new vehicle supply improves at a time when affordability is incrementally weakening, management will be focused on asset turn and operational expenses. Diversification is a key strategic focus area actively pursued.

Branded Products

Branded Products delivered another very pleasing result with R860.6 million in trading profit, which is 15.5% ahead of the prior year. All three clusters delivered double-digit profit growth. Data, Print & Packaging's growth was generated through the recovery in the travel industry, strong demand from the fast-food sector, sustainable packaging demand and increased project work in the mobile computing business. Office Products benefited from a robust back-to-school season, higher office occupancies and the resumption of a material contract. The Consumer Products cluster also capitalised on the aforementioned drivers, but there was a decline in demand for electrical appliances. Increased volumes, product and range extensions, excellent expense control and operating leverage neutralised material input cost increases that could not be fully recovered in prices. ROFE increased from 32.9% to 33.5% on the back of good asset management and cash generation.

Expansion and product innovation, organically and through bolt-on's, is being pursued.

Financial Services

Financial Services delivered an excellent turnaround result, increasing four-fold to a trading profit of R463.5 million. Core trading profit increased from R68.0 million to R329.0 million and investment income to R135.0 million. Bidvest Bank maintained the accelerated capital deployment momentum reported at half-year, which together with higher rates, resulted in strong net interest income. Non-interest revenue growth was more muted. Significant strides were made in the digital transformation journey. The Bidvest Bank cost to income and credit loss ratios declined to 80.7% and 1.0%, respectively. Financial emigration services reported strong growth. Reasonable gross written premium growth across the insurance businesses and a bolt-on acquisition together with good expense management resulted in an improved core performance from the Insurance Cluster. The ROFE improved from 2.6% to 13.6%.

A decision was taken to exit the life assurance business which is reported as a disposal group held for sale on the balance sheet. Management will continue to focus on capital deployment, digitisation and cross-selling opportunities.

Adcock Ingram

Bidvest owns an effective 62.3% share in Adcock Ingram (Adcock).

Adcock reported an improved operational and financial performance, driven by improved demand for its over-the-counter (OTC) and consumer healthcare products. Adcock achieved healthy growth in turnover, which with some benefit from the exchange rate and an advantageous sales mix, has yielded a reasonable increase in trading profit and excellent cash generation. For more detail on the Adcock results, please refer to www.adcockingram.co.za.

Bidvest Properties and Corporate

The Group owns a significant property portfolio, which is largely Bidvest occupied. Bidvest Properties delivered a strong result with trading profit up by 12.9% to R635.9 million, driven by rental escalations, declining vacancies and new projects rentalising. The portfolio spanning South Africa, Namibia and the UK has an externally determined market value of almost R10.6 billion, double its book value.

Corporate costs remained well controlled. The last trading losses from the now disposed, non-core, Namibian businesses were accounted for at the centre. Several new Group socio-economic initiatives, such as the Bidvest Supplier Development Program, Team SA sponsorship, etc. started during the year under review.

For and on behalf of the board

BF Mohale, CHAIRMAN
NT Madisa, CHIEF EXECUTIVE

Johannesburg
1 September 2023

Dividend declaration

In line with the Group dividend policy, the directors have declared a final gross cash dividend of 439.0 cents (351.2 cents net of dividend withholding tax, where applicable) per ordinary share for the financial year ended 30 June 2023 to those members registered on the record date, being Friday, 29 September 2023. 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):	439.0000
Net dividend amount per share (cents):	351.2000
Issued shares at declaration date:	340 274 346
Declaration date:	Monday, 4 September 2023
Last day to trade *cum* dividend:	Tuesday, 26 September 2023
First day to trade *ex*-dividend:	Wednesday, 27 September 2023
Record date:	Friday, 29 September 2023
Payment date:	Monday, 2 October 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 27 September 2023, and Friday, 29 September 2023, 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 summarised consolidated statement of financial position as at 30 June 2023, the summarised consolidated income statement, the summarised consolidated statement of other comprehensive income, the summarised consolidated statement of cash flows and the summarised consolidated statement of changes in equity 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 2023.

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 International Financial Reporting 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 1 September 2023. 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: C West
Registered Auditor

Johannesburg, South Africa

1 September 2023

Summarised consolidated
income statement for the year ended 30 June

R000s	2023 Audited	2022 Restated* Audited	% Change
Revenue	**114 911 518**	99 929 074	15.0
Non-interest revenue	**114 587 864**	99 742 742	
Net Interest revenue	**323 654**	186 332	
Cost of revenue	**(81 570 287)**	(69 966 260)	16.6
Gross profit	**33 341 231**	29 962 814	11.3
Operating expenses	**(22 307 729)**	(20 268 608)	10.1
Net impairment losses on financial assets	**(61 549)**	(182 912)	(66.3)
Other income	**471 101**	218 744	115.4
Trading profit	**11 443 054**	9 730 038	17.6
Share-based payment expense	**(347 865)**	(294 156)	
Acquisition costs and customer contracts amortisation	**(390 495)**	(341 567)	
Net capital items	**(128 963)**	176 628	
Profit before finance charges and associate income	**10 575 731**	9 270 943	14.1
Net finance charges	**(2 007 477)**	(1 592 489)	26.1
Finance income	**88 629**	132 184	
Finance charges	**(2 096 106)**	(1 724 673)	
Share of profit of associates and joint ventures	**125 872**	101 101	24.5
Current year earnings	**125 872**	101 317	24.2
Net capital items	**–**	(216)	
Profit before taxation	**8 694 126**	7 779 555	11.8
Taxation	**(2 327 902)**	(2 332 248)	(0.2)
Profit for the year	**6 366 224**	5 447 307	16.9
Attributable to:			
Shareholders of the Company	**5 972 689**	5 071 735	17.8
Non-controlling interest	**393 535**	375 572	4.8
	6 366 224	5 447 307	16.9
Basic earnings per share (cents)	**1 757.3**	1 492.2	17.8
Diluted basic earnings per share (cents)	**1 752.9**	1 490.0	17.6
Supplementary Information			
Normalised headline earnings per share (cents) ~	**1 884.7**	1 601.5	17.7
Headline earnings per share (cents)	**1 794.8**	1 442.0	24.5
Diluted headline earnings per share (cents)	**1 790.4**	1 439.9	24.3
Shares in issue			
Total ('000)	**339 888**	339 888	
Weighted ('000)	**339 877**	339 888	
Diluted weighted ('000)	**340 729**	340 376	

~ Refer to normalised headline earnings note for detailed definition.
** Refer to note on restatement of comparatives.*

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

R000s	2023 Audited	2022 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	**5 972 689**	5 071 735	17.8
Impairment of property, plant and equipment, right-of-use assets, goodwill and intangible assets	**63 760**	17 351	
Property, plant and equipment#	**12 667**	5 121	
Right-of-use assets/(reversal)#	**3 207**	(9 230)	
Intangible assets#	**62 173**	21 454	
Taxation effect	**(13 002)**	6	
Non-controlling interest	**(1 285)**	–	
Net loss/(profit) on disposal of interests in subsidiaries and disposal and closure of businesses#	**138 551**	(155 532)	
Net loss on disposal and impairment of associates and joint ventures	**–**	(16 604)	
Net profit on change in shareholding in associates and joint ventures#	**–**	(17 218)	
Non-controlling interest	**–**	614	
Net profit on disposal of property, plant and equipment and intangible assets	**(38 126)**	(15 892)	
Property, plant and equipment#	**(44 971)**	(36 516)	
Intangible assets#	**–**	15 293	
Taxation effect	**6 873**	5 290	
Non-controlling interest	**(28)**	41	
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	**–**	125	
Non-headline items	**–**	216	
Non-controlling interest	**–**	(91)	
Headline earnings	**6 100 250**	4 901 183	24.5

 # 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, Mpumi Madisa and the Group executive directors. The calculation of normalised headline earnings per share excludes acquisition costs, amortisation of acquired customer contracts, changes in deferred tax rates 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 requirement.

R000s	2023 Audited	2022 Audited	% Change
Headline earnings	**6 100 250**	4 901 183	
Acquisition costs	**45 040**	58 517	
Amortisation of acquired customer contracts	**345 455**	283 050	
Taxation effect	**(82 299)**	(52 266)	
Change in deferred tax rates	**–**	255 637	
Non-controlling interest	**(2 879)**	(2 724)	
Normalised headline earnings	**6 405 567**	5 443 397	17.7

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

R000s	2023 Audited	2022 Audited
Profit for the year	**6 366 224**	5 447 307
Other comprehensive income net of taxation		
Items that may be reclassified subsequently to profit or loss	**811 594**	1 250 100
Increase in foreign currency translation reserve		
Exchange differences arising during the year	**835 747**	190 535
(Decrease)/increase in fair value of cash flow hedges	**(24 153)**	1 059 565
Fair value (loss)/gain arising during the period	**(35 252)**	1 433 517
Taxation effect for the year	**11 099**	(373 953)
Other comprehensive income transferred to profit or loss	**443 852**	(1 161 065)
Realisation of exchange differences on disposal of subsidiaries	**(13)**	6 645
Hedging gains reclassified	**591 820**	(1 556 946)
Taxation effect	**(147 955)**	389 237
Items that will not be reclassified subsequently to profit or loss		
Changes in the fair value of financial assets recognised through other comprehensive income	**9 888**	2 834
Defined benefit obligations	**37 696**	(6 042)
Net remeasurement of defined benefit obligations during the year	**51 638**	(9 227)
Taxation effect for the year	**(13 942)**	3 185
Total comprehensive income for the year	**7 669 254**	5 533 134
Attributable to:		
Shareholders of the Company	**7 256 875**	5 139 873
Non-controlling interest	**412 379**	393 261
	7 669 254	5 533 134

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

R000s	2023 Audited	2022 Restated* Audited
Cash flows from operating activities	**5 055 038**	5 799 468
Profit before finance charges and associate income	**10 575 731**	9 270 943
Dividends from associates	**25 196**	86 718
Acquisition costs	**45 040**	58 517
Depreciation and amortisation	**3 894 145**	3 590 849
Share-based payment expense	**347 135**	288 460
Impairment of goodwill and intangibles	**62 173**	21 454
Impairment of property, plant and equipment and right-of-use assets	**15 874**	(4 109)
Fair value adjustment to investments	**(168 721)**	(34 127)
Loss/(profit) on disposal of interests in subsidiaries and associates, and disposal and closure of businesses	**138 551**	(172 750)
Decrease in life assurance fund	**(71 413)**	(62 300)
Remeasurement of post-retirement obligations	**(11 885)**	(7 002)
Other non-cash items	**(72 896)**	9 823
Cash generated by operations before changes in working capital	**14 778 930**	13 046 476
Changes in working capital	**(2 625 235)**	(1 369 048)
Increase in inventories	**(2 733 997)**	(1 215 160)
Increase in trade receivables	**(866 070)**	(2 390 372)
Increase/(decrease) in banking and other advances	**(877 589)**	431 477
Increase in trade and other payables and provisions	**1 623 341**	2 137 895
Increase/(decrease) in amounts owed to bank depositors	**229 080**	(332 887)
Cash generated by operations	**12 153 695**	11 677 428
Net finance charges paid	**(1 815 181)**	(1 388 364)
Taxation paid	**(2 382 321)**	(1 989 508)
Dividends paid by the Company	**(2 722 501)**	(2 345 225)
Dividends paid by subsidiaries	**(178 654)**	(154 863)
– Non-controlling shareholders	**(178 654)**	(150 310)
– Put-call option holders	**–**	(4 553)
Cash flows from investment activities	**(5 897 723)**	(2 948 296)
Net additions to property, plant and equipment	**(3 186 341)**	(2 670 521)
Net additions to intangible assets	**(196 105)**	(331 633)
Acquisition of subsidiaries, businesses, associates and investments	**(5 190 631)**	(2 966 468)
Disposal of subsidiaries, businesses, associates and investments	**2 675 354**	3 020 326
Cash flows from financing activities	**(2 453 947)**	1 818 148
Shares acquired by staff in settlement of share incentive scheme obligations	**(414 678)**	(211 779)
Repayment of lease liabilities	**(1 380 997)**	(1 251 802)
Settlement of puttable non-controlling interest liability	**–**	(39 299)
Transactions with non-controlling interests	**(368 836)**	(1 557)
Borrowings raised	**4 234 337**	20 492 288
Borrowings repaid	**(4 523 773)**	(17 169 703)
Net increase in cash and cash equivalents	**(3 296 632)**	4 669 320
Net cash and cash equivalents at the beginning of the year	**10 476 688**	5 818 129
Net cash and cash equivalents of disposal group held for sale	**(71 005)**	–
Exchange rate adjustment	**473 458**	(10 761)
Net cash and cash equivalents at end of the year	**7 560 841**	10 476 688
Net cash and cash equivalents comprise:		
Cash and cash equivalents	**9 253 504**	11 521 461
Bank overdrafts included in short-term portion of interest-bearing borrowings	**(1 692 663)**	(1 044 773)
	7 560 841	10 476 688

** Refer to note on restatement of comparatives.*

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

	2023 Audited	2022 Audited
ASSETS		
Non-current assets	**63 503 817**	55 687 654
Property, plant and equipment	**16 457 121**	14 901 527
Right-of-use assets	**4 457 814**	4 507 081
Intangible assets	**15 388 222**	13 633 353
Goodwill	**17 424 831**	14 085 245
Deferred taxation assets	**1 607 318**	1 518 704
Defined benefit pension surplus	**344 987**	264 667
Interest in associates and joint ventures	**811 346**	587 551
Life assurance fund	**–**	484 740
Investments	**3 001 989**	2 378 183
Currency swap derivative asset	**1 513 982**	1 339 439
Banking and other advances	**2 496 207**	1 987 164
Current assets	**43 223 497**	40 328 516
Inventories	**14 111 588**	11 375 865
Short-term portion of banking and other advances	**855 768**	487 223
Trade and other receivables	**18 602 251**	16 560 642
Taxation	**400 386**	383 325
Cash and cash equivalents	**9 253 504**	11 521 461
Disposal group assets held for sale	**781 208**	–
Total assets	**107 508 522**	96 016 170
EQUITY AND LIABILITIES		
Capital and reserves	**36 331 692**	31 875 342
Attributable to shareholders of the Company	**32 992 176**	28 366 633
Non-controlling interest	**3 339 516**	3 508 709
Non-current liabilities	**32 291 126**	30 591 509
Deferred taxation liabilities	**4 631 801**	4 092 040
Life assurance fund	**–**	275 668
Long-term portion of borrowings	**23 151 013**	21 571 043
Post-retirement obligations	**65 751**	73 551
Long-term portion of provisions	**567 657**	671 955
Long-term portion of lease liabilities	**3 874 904**	3 907 252
Current liabilities	**38 527 809**	33 549 319
Trade and other payables	**23 215 138**	20 498 175
Short-term portion of provisions	**639 343**	398 812
Vendors for acquisition	**4 108**	752
Taxation	**761 424**	661 467
Amounts owed to bank depositors	**7 522 865**	7 293 785
Short-term portion of borrowings	**5 205 356**	3 512 224
Short-term portion of lease liabilities	**1 179 575**	1 184 104
Disposal group liabilities held for sale	**357 895**	–
Total equity and liabilities	**107 508 522**	96 016 170
Net asset value per share (cents)	**9 707**	8 346

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

R000s	2023 Audited	2022 Audited
Equity attributable to shareholders of the Company	**32 992 176**	28 366 633
Share capital	**17 014**	17 014
Share premium	**1 367 796**	1 367 796
Foreign currency translation reserve	**840 887**	21 376
Balance at beginning of the year	**21 376**	(166 446)
Movement during the year	**819 524**	181 177
Realisation of reserve on disposal of subsidiaries	**(13)**	6 645
Hedging reserve	**263 960**	(154 006)
Balance at beginning of the year	**(154 006)**	(38 619)
Fair value gains/(losses) arising during the year	**554 822**	(133 427)
Deferred tax recognised directly in reserve	**(136 856)**	18 040
Equity-settled share-based payment reserve	**623 992**	332 121
Balance at beginning of the year	**332 121**	(326 401)
Arising during the year	**338 511**	274 529
Deferred tax recognised directly in reserve	**137 670**	(1 885)
Utilisation during the year	**(428 357)**	(215 104)
Realisation of reserve on disposal of subsidiaries	**552**	–
Transfer of equity-settled share-based payment reserve as a result of changes in shareholding of subsidiaries	**(1 548)**	(2 609)
Transfer to retained earnings	**245 043**	603 591
Movement in retained earnings	**29 200 261**	26 103 669
Balance at the beginning of the year	**26 103 669**	24 005 009
Attributable profit	**5 972 689**	5 071 735
Change in fair value of financial assets recognised through other comprehensive income	**9 350**	2 570
Net remeasurement of defined benefit obligations during the year	**37 359**	(6 867)
Transfer of reserves as a result of changes in shareholding of subsidiaries	**44 738**	2 160
Remeasurement of put option liability	**–**	(22 122)
Net dividends paid	**(2 722 501)**	(2 345 225)
Transfer from equity-settled share-based payment reserve	**(245 043)**	(603 591)
Treasury shares	**678 266**	678 663
Balance at the beginning of the year	**678 663**	679 478
Purchase of shares by subsidiaries	**(414 678)**	(211 779)
Shares disposed of in terms of share incentive scheme	**414 281**	210 964
Equity attributable to non-controlling interests of the Company	**3 339 516**	3 508 709
Balance at beginning of the year	**3 508 709**	3 252 935
Total comprehensive income	**412 379**	393 261
Attributable profit	**393 535**	375 572
Movement in foreign currency translation reserve	**16 223**	9 358
Movement in cash flow hedging reserve	**1 746**	7 242
Changes in the fair value of financial assets recognised through other comprehensive income	**538**	264
Net remeasurement of defined benefit obligations during the year	**337**	825
Dividends paid	**(178 654)**	(150 310)
Movement in equity-settled share-based payment reserve	**8 624**	13 931
Transfer of equity-settled share-based payment reserve as a result of changes in shareholding of subsidiaries	**1 548**	2 609
Transactions with non-controlling interests	**(368 352)**	(1 557)
Transfer of reserves as a result of changes in shareholding of subsidiaries	**(44 738)**	(2 160)
Total equity	**36 331 692**	31 875 342

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

R000s	2023 Audited	2022 Restated* Audited
Revenue		
Sale of goods[1]	**66 957 214**	58 925 533
Rendering of services[2]	**48 199 247**	40 500 267
Commissions and fees earned[3]	**2 730 013**	1 907 653
Billings relating to clearing and forwarding transactions[4]	**2 703 072**	2 577 787
Interest[5]	**323 654**	186 332
Insurance[6]	**697 018**	577 653
	121 610 218	104 937 861
Inter-group eliminations	**(6 698 700)**	(5 008 787)
	114 911 518	99 929 074
Disaggregation of revenue from contracts with customers		
Services South Africa[2]	**9 836 703**	7 718 441
Services International[2]	**32 297 793**	26 526 256
Branded Products[1]	**10 531 547**	9 461 302
Adcock Ingram [1]	**9 131 852**	8 705 817
Freight[2, 4]	**7 919 472**	6 914 021
Commercial Products[1]	**17 527 871**	14 065 153
Financial Services[3, 5, 6]	**975 765**	978 823
Automotive[1]	**24 489 162**	23 239 644
Properties[2]	**1 570**	859
Corporate and investments[1]	**476 157**	870 628
	113 187 892	98 480 945
Geographic disaggregation of revenue		
Southern Africa	**88 205 606**	78 134 142
International	**24 982 286**	20 346 803
	113 187 892	98 480 945
Reconciliation to Group revenue		
Revenue from contracts with customers	**113 187 892**	98 480 945
Leasing contracts	**803 143**	769 085
Gross insurance premiums	**596 829**	492 712
Net interest	**323 654**	186 332
	114 911 518	99 929 074

** Refer note on restatement of comparatives*

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

R000s	2023 Audited	2022 Restated* Audited	% Change
Segmental revenue			
Services International	**33 187 251**	27 449 466	20.9
Freight	**8 393 662**	7 446 212	12.7
Commercial Products	**19 877 467**	15 037 761	32.2
Services South Africa	**10 436 000**	8 225 664	26.9
Automotive	**24 934 816**	23 708 713	5.2
Branded Products	**11 729 589**	10 376 892	13.0
Financial Services	**2 732 179**	2 435 017	12.2
Adcock Ingram	**9 131 852**	8 705 817	4.9
Properties	**677 489**	609 689	11.1
Corporate and investments	**509 913**	942 630	(45.9)
	121 610 218	104 937 861	15.9
Inter group eliminations	**(6 698 700)**	(5 008 787)	
	114 911 518	99 929 074	15.0
Geographic region			
Southern Africa	**96 469 869**	84 447 866	14.2
International	**25 140 349**	20 489 995	22.7
	121 610 218	104 937 861	
Segmental trading profit			
Services International	**3 352 615**	3 053 475	9.8
Freight	**2 165 178**	1 767 499	22.5
Commercial Products	**1 425 635**	1 174 422	21.4
Services South Africa	**1 068 453**	880 337	21.4
Automotive	**914 912**	819 032	11.7
Branded Products	**860 586**	745 366	15.5
Financial Services	**463 540**	85 599	441.5
Adcock Ingram	**1 178 199**	1 132 695	4.0
Properties	**635 936**	563 304	12.9
Corporate and investments	**(622 000)**	(491 691)	26.5
	11 443 054	9 730 038	17.6
Geographic region			
Southern Africa	**9 156 846**	7 798 064	17.4
International	**2 286 208**	1 931 974	18.3
	11 443 054	9 730 038	
Earnings before interest, taxation, depreciation and amortisation (EBITDA)			
Services International	**3 970 207**	3 557 100	11.6
Freight	**2 429 650**	1 999 457	21.5
Commercial Products	**1 523 454**	1 256 302	21.3
Services South Africa	**1 387 194**	1 162 765	19.3
Automotive	**931 029**	837 178	11.2
Branded Products	**954 886**	814 212	17.3
Financial Services	**661 628**	366 971	80.3
Adcock Ingram	**1 313 146**	1 276 743	2.9
Properties	**640 542**	569 731	12.4
Corporate and investments	**(600 075)**	(471 200)	27.4
	13 211 661	11 369 259	16.2
Geographic region			
Southern Africa	**10 491 123**	9 114 326	15.1
International	**2 720 538**	2 254 933	20.6
	13 211 661	11 369 259	

** Refer note on restatement of comparatives*

R000s	2023 Audited	2022 Restated* Audited	% Change
Segmental operating assets			
Services International	**10 310 945**	8 499 257	21.3
Freight	**9 252 961**	9 424 713	(1.8)
Commercial Products	**8 512 358**	6 820 867	24.8
Services South Africa	**3 218 736**	2 635 873	22.1
Branded Product	**4 664 757**	4 144 669	12.5
Automotive	**5 280 207**	4 061 288	30.0
Financial Services	**8 765 659**	7 393 310	18.6
Adcock Ingram	**6 838 055**	6 214 896	10.0
Properties	**4 455 355**	4 347 247	2.5
Corporate and investments	**827 863**	783 214	5.7
	62 126 896	54 325 334	14.4
Inter group eliminations	**(987 825)**	(790 691)	
	61 139 071	53 534 643	14.2
Geographic region			
Southern Africa	**53 479 938**	47 327 308	13.0
International	**8 646 958**	6 998 026	23.6
	62 126 896	54 325 334	
Reconciliation to total assets			
Operating assets	**61 139 071**	53 534 643	14.2
Goodwill	**17 424 831**	14 085 245	23.7
Intangible assets	**15 388 222**	13 633 353	12.9
Deferred taxation asset	**1 607 318**	1 518 704	5.8
Currency swap derivative asset	**1 513 982**	1 339 439	13.0
Taxation	**400 386**	383 325	4.5
Cash and cash equivalents	**9 253 504**	11 521 461	(19.7)
Disposal Group assets held for sale	**781 208**	–	
	107 508 522	96 016 170	12.0
Segmental operating liabilities			
Services International	**8 124 162**	6 503 559	24.9
Freight	**5 505 310**	5 939 046	(7.3)
Commercial Products	**3 927 396**	3 366 906	16.6
Services South Africa	**2 282 604**	1 920 395	18.9
Branded Products	**2 649 897**	2 284 494	16.0
Automotive	**2 993 834**	2 637 313	13.5
Financial Services	**9 455 919**	9 393 405	0.7
Adcock Ingram	**2 566 362**	2 378 093	7.9
Properties	**78 073**	76 702	1.8
Corporate and investments	**469 501**	594 080	(21.0)
	38 053 058	35 093 993	8.4
Inter group eliminations	**(987 825)**	(790 691)	
	37 065 233	34 303 302	8.1
Geographic region			
Southern Africa	**31 098 744**	29 611 478	5.0
International	**6 954 314**	5 482 515	26.8
	38 053 058	35 093 993	
Reconciliation to total liabilities			
Operating liabilities	**37 065 233**	34 303 302	8.1
Deferred taxation liabilities	**4 631 801**	4 092 040	13.2
Interest bearing borrowings	**28 356 369**	25 083 267	13.0
Vendors for acquisition	**4 108**	752	446.3
Taxation	**761 424**	661 467	15.1
Disposal group liabilities held for sale	**357 895**	–	
	71 176 830	64 140 828	11.0

** Refer note on restatement of comparatives*

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

The provisional 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 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 2023 and any public announcements made by the Group during the interim reporting period (IAS 34 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 2023.

In preparing these provisional 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 provisional 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 2023. 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 2023.

Restatement of comparatives

Adcock Ingram, previously included as a component of Bidvest Banded Products, is now reported separately as Adcock Ingram for segmental purposes, the prior year segmental disclosure has been restated. Cash flows arising from the acquisition of treasury shares in settlement of share based payment liabilities, previously disclosed as cash flows from operating activities, have been reclassified to cashflows from financing activities as required in accordance with IFRS. The prior year comparative has been restated by R212 million from R6 billion cashflows from operating activities and R2 billion cashflows from financing activities to, R6 billion cash flows from operating activities and R2 billion cashflows from financing activities. Cash generated by operations has increased from R11 billion to R12 billion. The acquisition of treasury shares in settlement of share based payment liabilities amounting to R212 million has been reflected separately on the statement of cash flows as part of financing activities. The presentation of interest revenue has been amended to be presented on a net basis. The prior year interest revenue comparative has been restated by R263 million from R449 million to R186 million and non-interest revenue, that incorrectly included interest expenses, by R263 million from R99 billion to R100 billion. In addition, the Revenue note was corrected to disclose revenue from rendering of services, which increased by R263 million from R40 billion to R41 billion and net interest decreased from R448 million to R186 million.

Significant commitments

During the latter half of the 2023 financial year, a decision was made to discontinue the investment into the LPG tank farm and terminal project in Isando Gauteng owing to a lack of a commercial rail solution. At 30 June 2023, Bidvest Freight has spent R104 million of the R172 million committed to the refurbishment and repurpose of three Butadiene storage tanks to Butane storage tanks at Bidvest Tank Terminals' Richards Bay facilities, the project commissioning date has moved to mid-October for commercial use by 31 October 2023. R62 million of the approved R550 million has been spent on the increased multi-purpose storage tank capacity at Bidvest Freight's Richards Bay facility. The project will be commissioned in June 2024.

Fair value of financial instruments

The Group's investments of R3 002 million (FY2022: R2 378 million) include R88 million (FY2022: R43 million) recorded at amortised cost, R2 887 million (FY2022: R2 217 million) recorded and measured at fair values using quoted prices (Level 1) and R27 million (FY2022: R119 million) recorded and measured at fair value using factors not based on observable data (Level 3). Fair value losses on Level 3 investments recognised in the income statement total R6 million (FY2022: R5 million gain).

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

R000s	Year ended 30 June 2023 Audited	2022 Audited
Balance at the beginning of year	**118 531**	119 208
Purchases or loan advances	**1 883**	–
Fair value adjustment recognised directly in equity	**1 712**	919
Fair value adjustment arising during the year recognised in the income statement	**(6 080)**	4 778
Proceeds on disposal, de-recognition or repayment of loans	**(89 396)**	(6 374)
	26 650	118 531

The carrying values of all financial assets and liabilities approximate their fair values, with the exception of interest-bearing borrowings of R27 billion whose carrying value is R28 billion.

Significant hedge accounting

In the 2022 financial year the Group entered into 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 USD 800 million at a fixed coupon rate of 3.625% (refer note 10.3 Borrowings), 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 IFRS 9 hedge accounting has been applied. A R1,5 billion (£63 million) asset derivative instrument has been disclosed at year end and included in the Consolidated Statement of Financial Position as a non-current asset; R32 million (£1,5 million) was credited to the Consolidated Income Statement via finance charges; a currency valuation adjustment was credited to interest bearing borrowings in the amount of R592 million (£28 million) and R409 million (£19 million) debited to the hedging reserve net of R132 million (£6 million) deferred taxation through the Consolidated Statement of Other Comprehensive Income. On application of hedge accounting the R592 million (£28 million) currency valuation adjustment to borrowings was credited to the Consolidated Statement of Other Comprehensive Income and debited against the unrealised foreign exchange gain 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 R4 million (£202 thousand) was recognised in the cash flow hedge reserve given that the hedge relationship was conclude to be effective.

Business combinations

Acquisition of businesses, subsidiaries, associates and investments

Bidvest Services International via The Bidvest Group Australia acquired 100% of the ordinary share capital and voting rights of B.I.C Services Pty Limited (BIC), effective 7 July 2022. The acquisition price of AUD163 million (R1.8 billion) was funded from the Group's international bond proceeds raised in September 2021. BIC is a leading provider of niche integrated facilities management services across office, commercial and education sites in Australia. The acquisition provides an important foothold, which will allow the Group to expand its hygiene, cleaning and facilities management business in the Asia Pacific region.

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

On 1 July 2022 Bidvest Material Handling, a division of Bidvest Commercial Products (Pty) Limited, acquired the assets and liabilities of the A^2 Group of companies for R92 million utilising existing cash resources and facilities. The acquisition of the A^2 businesses supplements Bidvest Material Handling's product range and introduces an electric materials handling rental business to the Group.

On 26 October 2022 Serkonten (Spain), a component of Bidvest Services International, acquired 100% of the share capital and voting rights of Servicios Antiplagas, Hygiene Y Control Ambiental S.A.U. (Sahicasa) for EUR2.2 million (R39 million) utilising existing cash resources and facilities. Sahicasa provides pest control, environmental and personal hygiene services, and water and environmental control services in Spain. The acquisition extends Serkonten's existing footprint in Spain.

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

Effective 1 November 2022 Bidvest Financial Services acquired 100% of the ordinary share capital and voting rights of F&I products and Consulting Services (Pty) Ltd and its subsidiaries Autosure (Pty) Ltd and Autosure Cover (Pty Ltd (Autosure) for R15.5 million. Autosure is an underwriting management agency specialising in insurance and value-added products and services in the South African motor retail industry. The acquisition, funded with existing cash resources and facilities, complements the Group's existing value-added insurance products and services business by providing an additional platform to sell the augmented products and services offering to a new and broader range of clients.

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 provisional at acquisition fair values consolidated by the Group.

R000s	BIC	Other	Total
Property, plant and equipment	55 430	117 537	**172 967**
Right-of-use assets	29 281	9 065	**38 346**
Deferred taxation	(151 321)	(7 264)	**(158 585)**
Interest in associates and joint ventures	–	80 078	**80 078**
Investments and advances†	–	3 120 822	**3 120 822**
Inventories	3 293	14 199	**17 492**
Trade and other receivables	146 800	107 086	**253 886**
Cash and cash equivalents	93 111	18 957	**112 068**
Borrowings	(14 110)	(63 870)	**(77 980)**
Trade and other payables and provisions	(264 608)	(114 687)	**(379 295)**
Lease liabilities	(30 232)	(10 097)	**(40 329)**
Taxation	(463)	(3 811)	**(4 274)**
Intangible assets	602 170	38 815	**640 985**
	469 351	3 306 830	**3 776 181**
Goodwill	1 369 168	56 733	**1 425 901**
Net assets acquired	1 838 519	3 363 563	**5 202 082**
Settled as follows:			
Cash and cash equivalents acquired	(93 111)	(18 957)	**(112 068)**
Prepaid acquisitions	–	58 500	**58 500**
Acquisition costs	–	–	**45 040**
Net change in vendors for acquisition	–	(2 923)	**(2 923)**
Net acquisition of businesses, subsidiaries, associates and investments	1 745 408	3 400 183	**5 190 631**
Trade and other receivables stated net of the following loss allowances			
Expected credit loss allowances	(11 502)	(1 418)	**(12 920)**
Contribution to results for the period			
Revenue	1 757 874	281 965	**2 039 839**
Profit or (loss)	274 928	58 562	**333 490**
Contribution to results for the period if the acquisitions had been effective on 1 July 2022			
Revenue	1 757 874	308 462	**2 066 336**
Profit or (loss)	274 928	68 778	**343 706**

† *R11 million arising on the acquisition of Autosure, R39 million of advances to B-BBEE and other partners, R3 058 million purchases made in the Bidvest Bank investment portfolio and R13 million in the Short-term Insurance portfolio.*

The fair values of the assets and liabilities have been determined provisionally for the BIC acquisition and resulted in the identification of definite life customer relationship intangible assets in the amount of R421 million and indefinite life Brand intangible assets of R212 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 10 years. An existing customer attrition rate of 20% was applied to forecasted existing customer revenues. A Weighted Average Cost of Capital (WACC) in a range of 12% to 13.4%, 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 BIC brand, which has been in existence for over 30 years and therefore concluded to have an indefinite future life. The use of a royalty rate of 2.5% was informed by market data for similar transactions that occurred in the last five years and the profitability of BIC. A portion of the residual Goodwill is supported by the identified trained and assembled workforce.

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.

Disposal of businesses, subsidiaries, associates and investments

Effective 31 December 2022, the Group disposed of its entire interest in the Taeuber and Corrsen Group of companies, principally Taeuber & Corrsen SWA (Pty) Ltd, Rennies Logistics (Pty) Ltd and T&C Properties (Pty) Ltd for R55 million. Taeuber and Corrsen is a Namibian countrywide provider of distribution, sales, marketing and merchandising services for quality consumer goods, representing major international and local product brands. The disposal is in accordance with the Group's strategy of divesting from non-core businesses.

Other minor disposals include:

During September 2022 the Group disposed of its entire interest in Mubelo Electrical Ltd (Mubelo), a Mauritian electrical distribution company, for R1 million.

Effective 1 December 2022, the Group disposed of its entire interest in Bidvest Wealth and Employee Benefits (Pty) Ltd (BWEB), a South African employee and group benefits administrator for R5.6 million. The disposal is in keeping with the Group's strategy of divesting from non-core businesses.

R000s	Taeuber & Corrsen	Other	Total
Property, plant and equipment	(121 416)	(1 544)	**(122 960)**
Right-of-use assets	(1 599)	(12 966)	**(14 565)**
Deferred taxation	32 160	(4 070)	**28 090**
Investments and advances†	–	(2 613 385)	**(2 613 385)**
Inventories	(52 802)	(4 855)	**(57 657)**
Trade and other receivables	(153 506)	(293)	**(153 799)**
Cash and cash equivalents and bank overdrafts	(3 880)	(6 117)	**(9 997)**
Lease liability	1 693	16 683	**18 376**
Trade and other payables and provisions	112 843	3 153	**115 996**
Taxation	61	–	**61**
Intangible assets	(963)	(11)	**(974)**
	(187 409)	(2 623 405)	**(2 810 814)**
Non-controlling interest	–	(484)	**(484)**
Realisation of foreign currency translation reserve	–	13	**13**
Realisation of share based payment reserve	–	(126)	**(126)**
Goodwill	–	(2 084)	**(2 084)**
Net assets disposed of	(187 409)	(2 626 086)	**(2 813 495)**
Settled as follows:			
Cash and cash equivalents and bank overdrafts disposed of	3 880	6 117	**9 997**
Net loss on disposal of operations	132 409	6 142	**138 551**
Net receivable reversed on disposal of subsidiaries and associates	–	(10 407)	**(10 407)**
Net proceeds on disposal of businesses, subsidiaries, associates and investments	(51 120)	(2 624 234)	**(2 675 354)**

† *R11 million repayment of advances to BBBEE and other partners, R2 576 million sales made in the investment portfolios of Bidvest Bank and R26 million sales made in the investment portfolios of Bidvest Insurance.*

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

Disposal group held for sale

During June 2023, the Group entered into a process to dispose of 100% of its shareholding and claims in Bidvest Life Limited (Bidvest Life). Bidvest Life is a licensed life assurance company and registered financial service provider specialising in income protection, disability, critical illness and life cover. The Group is actively engaging with a number of interested parties. The decision to exit the life assurance business is consistent with the Group's strategy of continually re-assessing activities.

R000s	**2023 Audited**	2022 Audited
Disposal group liabilities held for sale		
Life assurance fund (re-insurers share)	302 733	–
Trade and other payables and provisions	53 801	–
Lease liability	1 361	–
	357 895	–
Disposal group assets held for sale		
Property, plant and equipment	3 690	–
Right-of-use assets	992	–
Life assurance fund	583 218	–
Deferred taxation	57 757	–
Trade and other receivables	34 507	–
Cash and cash equivalents and bank overdrafts	71 005	–
Taxation	1 232	–
Intangible assets	22 316	–
Share based payment reserve	426	–
Goodwill	6 065	–
	781 208	–
Net realisable value less cost to sell	423 313	–

Audit report

The auditors, PricewaterhouseCoopers Inc., have issued their audit opinion on the consolidated financial statements for the year ended 30 June 2023. 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.

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 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 1 September 2023.