Annual financial statements

For the year ended June 30 2023

Food | Service | Technology

Bid Corporation Limited Consolidated annual financial statements 2023

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DIRECTORS' RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

To the shareholders of Bid Corporation Limited

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards (IFRS), the interpretations adopted by the International Accounting Standards Board, the JSE Limited Listings Requirements (JSE), and in terms of the Companies Act No 71 of 2008, as amended, of South Africa (Companies Act).

The directors' responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors accept responsibility for the preparation, integrity and fair presentation of the consolidated and separate financial statements and are satisfied that the systems and internal financial controls implemented by management are effective, including controls over the security over the electronic distribution of annual reports and other financial information.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management. Internal financial controls have been put in place to ensure that material information relating to the group's subsidiaries to effectively prepare the consolidated and separate annual financial statements. The group operates in an established control environment, which is documented and regularly reviewed. The audit and risk committee plays an integral role in risk management.

The directors have made an assessment of the group's and company's ability to continue as a going concern and there is no reason to believe that the group and company will not be going concerns in the year ahead.

The independent auditing firm PricewaterhouseCoopers Inc., who have been given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the consolidated and separate financial statements. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. The independent auditors are responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with IFRS and the Companies Act.

The consolidated and separate financial statements for the year ended June 30 2023, were approved by the board of directors and are signed by:

Stephen Koseff
Authorised director
Non-executive chairman

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 29 2023

PREPARER OF THE ANNUAL FINANCIAL STATEMENTS

The consolidated and separate financial statements have been prepared by Charles Bishop CA(SA) (group financial manager) under the supervision of David Cleasby CA(SA) (chief financial officer) and audited in compliance with section 30 of the Companies Act of South Africa.

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER'S INTERNAL FINANCIAL CONTROL RESPONSIBILITY STATEMENT

In line with paragraph 3.84(k) of the JSE Limited (JSE) Listings Requirements, the chief executive officer (CEO) and chief financial officer (CFO) hereby confirm that:

- the annual financial statements set out on pages 24 to 102, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls, and have taken the necessary remedial action; and
- we are not aware of any fraud involving directors.

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 29 2023

DECLARATION BY COMPANY SECRETARY

The company secretary certifies that to the best of its knowledge and belief, Bid Corporation Limited, in terms of section 88(2)(e) of the Companies Act, has lodged with the Commissioner of the Companies and Intellectual Property Commission, all such returns and notices as prescribed by the Companies Act and that all such returns and notices appear to be true and up to date.

Ashley Kim Biggs
Company secretary representative

August 29 2023

The directors have pleasure in presenting their report for the year ended June 30 2023.

Nature of business

Bid Corporation Limited (Bidcorp) is an international broadline foodservice group present in all continents other than North America and Antarctica.

Bidcorp is focused on growth opportunities:

- organically in our current markets through attaining the appropriate business mix by selling more products to our existing customers and gaining new customers;
- via in-territory bolt-on acquisitions to expand our geographic reach and our product ranges; and
- via larger acquisitions to enter new markets.

Despite our appetite for acquisitions, we remain disciplined in our approach. Bidcorp's entrepreneurial and decentralised business model, depth and experience of management teams and strength of the group's culture has set up the group for sustained growth in the future. Further development of our product sourcing capabilities, both local and imported, is creating the opportunity to expand our Own Brand offering. Small, but strategic investments, are also being made into value-add product opportunities to further enhance the product range. Capital investments, principally into strategic distribution facilities to provide for future capacity, will remain elevated to cater for anticipated organic growth. Integral to these investments, is the deployment of new technologies for renewable energy, refrigeration, energy efficiency, and logistics optimisation in an environmentally and cost-efficient way. The group's ecommerce and digital technology solutions continue to drive innovation in our businesses in a cost effective, high-impact way. The group's digital strategy is a competitive advantage, designed to facilitate real-time, user-friendly, positive engagements with our customers and suppliers. The group will continue to invest to develop our technology and data capability to support our growth strategy.

Financial reporting

The directors are required by the Companies Act to produce financial statements, which fairly present the state of affairs of the group and company as at the end of the financial year and the profit or loss for that financial year, in conformity with IFRS and the Companies Act.

The financial statements as set out in this report have been prepared by management in accordance with IFRS and the Companies Act and are based on appropriate accounting policies supported by reasonable and prudent judgements and estimates. For the year ended June 30 2023, the Türkiye lira is considered to be hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries have been expressed in terms of the Türkiye lira at the reporting date (June 30 2023). Refer note 13 for details.

The directors are of the opinion that the financial statements fairly present the financial position of the group and company as at June 30 2023 and the results of their operations and cash flows for the year then ended.

The directors have reviewed the budget and cash flow forecasts and are satisfied that the group and company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going-concern basis in preparing the annual financial statements.

Stated capital

The company's authorised stated capital is 540 000 000 no par value ordinary shares. There were no issues of no par value ordinary shares during the year and as at June 30 2023 the total issued ordinary no par value shares was 335 404 212.

Results of operations

The results of operations are dealt with in the consolidated statement of profit or loss, segmental analysis and commentary.

Acquisitions and disposals

For the year ended June 30 2023, nine bolt-on acquisitions were concluded, these were as follows:

- Nicol Hughes, a regional wholesaler supplying ambient, chilled and frozen products, which serves the North West of England and northern Wales (100% acquisition, effective from July 2022);
- Fruit Xpress OÜ which trades mainly fresh food products into the foodservice sector in Tallin, Estonia (80% acquisition, effective from July 2022);
- Variety Foods, a distributor to the independent pizza and kebab markets in Perth, Western Australia (100% acquisition, effective from August 2022);
- H&T Group, an importer and distributor of food products in Kota Kinabalu, East Malaysia (89% acquisition, effective from September 2022);
- Food Fabrique, a small cured meat and sausage processing business located in Dubai, United Arab Emirates (75% acquisition, effective from October 2022);
- Euskopan, a bread and pastry business based in Bilbao, Spain (80% acquisition, effective from December 2022);
- Thomas Ridley, a regional wholesaler supplying ambient, chilled and frozen products. Servicing the East and South East of the United Kingdom with premises at Bury St Edmunds and cross dock at Paddock Wood (100% acquisition, effective from January 2023);
- Harvest Fine Foods, a regional wholesaler supplying fresh produce, ambient, chilled and frozen products. Located in Southampton serving the South of the United Kingdom (100% acquisition, effective from January 2023); and
- Míča-Bagoňová s.r.o., a distributor of the fresh vegetables to the gastro market in the Brno, Czech Republic and surrounding areas (80% acquisition, effective from June 2023).

During the year, these nine bolt-on acquisitions contributed R2,4 billion to revenue and R165,4 million to trading profit.

There were no subsidiary disposals for the year ended June 30 2023.

Liquidity

A group financing exercise was undertaken through February and March 2023 to access additional liquidity ahead of further global interest rate increases. The United States Private Placement market was accessed for €195 million, at differing maturity dates of five and seven years and at an average fixed interest rate of 4,61%. The group and its subsidiaries have at June 30 2023, including uncommitted facilities and cash and cash equivalents, R26,3 billion (£1,1 billion) of headroom available.

Miumi division update

Further to the fraud that was uncovered in the Miumi division of our Angliss Greater China business in June 2021, no further issues have come to light which affect the group's treatment of the fraud losses. Criminal and civil proceedings have begun against the perpetrators and other third parties and we remain confident of future recoveries, none of which is accounted for at June 30 2023.

Subsequent events

There have been no material events subsequent to June 30 2023.

Directorate and attendance

Details of board meetings attended by each of the directors are as follows:

Director	Date of appointment	Q1F2023 November 17 2022	Q2F2023 February 21 2023	Q3F2023 May 23 2023	Budget July 27 2023	Q4F2023 August 29 2023
Chairman						
S Koseff	August 16 2017	^	^	^	^	^
Independent non-executive directors						
PC Baloyi	March 10 2016	^	^	^	^	^
T Abdool-Samad	September 16 2019	^	^	^	^	^
B Joffe	August 17 1995	^	^	^	A	^
KR Moloko	July 5 2021	^	^	^	^	^
NG Payne	March 10 2016	^	^	^	^	^
CJ Rosenberg	September 16 2019	^	^	^	^	^
H Wiseman	March 10 2016	^	^	^	^	^
Executive directors						
BL Berson	March 10 2016	^	^	^	^	^
DE Cleasby	September 12 2007	^	^	^	^	^

^ *Attended in person, by video conference or teleconference.*
A *Apologies.*

Dividends

The directors declared an interim gross cash dividend of 440,0 cents (352,0 cents net of dividend withholding tax, where applicable) per ordinary share to those members registered on the record date, being Friday, March 24 2023. The dividend was declared from income reserves.

In line with the group dividend policy, the directors declared a final gross cash dividend of 500,0 cents (400,0 cents net of dividend withholding tax, where applicable) per ordinary share for the year ended June 30 2023 to those members registered on the record date, being Friday, September 29 2023. The dividend has been declared from income reserves.

Declaration date	Wednesday, August 30 2023
Last day to trade cum dividend	Tuesday, September 26 2023
First day to trade ex dividend	Wednesday, September 27 2023
Record date	Friday, September 29 2023
Payment date	Monday, October 2 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, September 27 2023 to Friday, September 29 2023, both days inclusive.

Directors' shareholdings

Beneficial

The individual beneficial interests declared by directors in the company's stated capital at June 30 2023 held directly or indirectly were:

	2023 Number of shares		2022 Number of shares	
	Direct	**Indirect**	Direct	Indirect
Director				
BL Berson	**8**	**399 748**	8	336 398
DE Cleasby	**188 525**	**–**	160 000	–
S Koseff	**1 168**	**–**	1 168	–
Total	**189 701**	**399 748**	161 176	336 398

Non-beneficial

In addition to the aforementioned holdings:

- B Joffe is a potential beneficiary of a discretionary trust holding 361 278 shares (2022: 361 278).
- DE Cleasby is a potential beneficiary of a family trust holding 1 050 shares (2022: 1 050).
- DE Cleasby is a trustee of The Bidvest Group Limited retirement funds which holds 741 709 shares (2022: 745 518).

There has been no change in the directors' interest between June 30 and the issue date of the group annual financial statements.

Directors' remuneration

The remuneration paid to executive directors while in office of the company during the year ended June 30 2023 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	**Other benefits and costs R'000**	**Retirement/ medical benefits R'000**	**Cash incentives R'000**	**Total emoluments R'000**
Director					
BL Berson	**20 623**	**305**	**303**	**35 544**	**56 775**
DE Cleasby	**7 403**	**180**	**467**	**13 556**	**21 606**
Total	**28 026**	**485**	**770**	**49 100**	**78 381**

Executive director remuneration and benefits paid to directors are translated into South African rand at average foreign exchange rates. Refer note 10.1 (d) for the movements in the average foreign exchange rates.

Summary of director's long-term incentives

	2023					
	SBP expense R'000	**Benefit arising from exercise of CSP awards R'000**	**Gross benefit R'000**	**Previous SBP expense R'000**	**Actual LTI benefit R'000**	2022 R'000
Director						
BL Berson	**39 384**	**17 745**	**57 129**	**(12 993)**	**44 136**	32 528
DE Cleasby	**18 499**	**7 990**	**26 489**	**(5 445)**	**21 044**	14 264
Total	**57 883**	**25 735**	**83 618**	**(18 438)**	**65 180**	46 792

For full details on the numbers of long-term incentive awards outstanding per director, refer to note 11.1 of the financial statements.

For comparative purposes the remuneration paid to the executive directors while in office of the company during the year ended June 30 2022 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	18 096	281	276	30 380	49 033
DE Cleasby	6 781	189	445	11 744	19 159
Total	24 877	470	721	42 124	68 192

The remuneration paid to non-executive directors while in office of the company during the year ended June 30 is analysed as follows:

	2023			
	Director fees R'000	**Other services R'000**	**Total R'000**	2022 R'000
Non-executive director				
T Abdool-Samad	**1 130**	**–**	**1 130**	910
PC Baloyi	**1 486**	**–**	**1 486**	1 176
B Joffe	**1 128**	**–**	**1 128**	844
S Koseff	**4 056**	**–**	**4 056**	3 754
KR Moloko	**1 036**	**–**	**1 036**	695
CJ Rosenberg	**1 831**	**–**	**1 831**	1 362
NG Payne	**1 836**	**–**	**1 836**	1 510
H Wiseman[1]	**2 070**	**718**	**2 788**	2 208
Total	**14 573**	**718**	**15 291**	12 459

1 H Wiseman provided services by chairing the quarterly Bidcorp Divisional audit and risk committee meetings.

Prescribed officers

Due to the nature and structure of the group and the number of executive directors on the board of the company, the directors have concluded that there are no prescribed officers of the company.

Directors' service contracts

BL Berson and DE Cleasby

Mr BL Berson and Mr DE Cleasby both hold employment contracts with the group. Under the terms of the employment agreements, six months notice is required upon termination of employment or retirement.

No other directors have fixed term contracts.

Directors' and officers' disclosure of interest in contracts

During the year no contracts were entered into in which directors and officers of the company had an interest and which significantly affected the business of the group. The directors had no interest in any third party or company responsible for managing any of the business activities of the group.

Secretary

In compliance with paragraph 3.84(i) and (j) of the JSE Listings Requirements, the board evaluated Mesdames AK Biggs and L Roos, in their role as representatives of the appointed juristic company secretary Bidcorp Corporate Services (Pty) Ltd, and is satisfied that they are competent, suitably qualified and experienced. Furthermore, since Mesdames Biggs and Roos are not directors, nor are they related to or connected to any of the directors, thereby negating a potential conflict of interest, it was agreed that Mesdames Biggs and Roos maintains an arm's-length relationship with the board.

The business and postal address of the company secretary, which is also the registered address of the company, is 2nd Floor, North Wing, 90 Rivonia Road, Sandton, 2196.

This is the report of the Bidcorp audit and risk committee (committee) appointed for the financial year ended June 30 2023, in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter which is aligned with the aforementioned legislation, regulations, and principles, and is annually reviewed and adopted, mostly recently approved at the board meeting held on August 29 2023. The charter is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

The committee has discharged its responsibilities as mandated by the board and its statutory duties in compliance with the Companies Act.

Under the single chairmanship of Mrs H Wiseman for group, with dual chairmanship of Mrs H Wiseman and Mr TJ Brown for divisional audit and risk committees, the board is satisfied that this committee makes a strong contribution to the overall governance and oversight role provided to the group.

Membership

The committee, as per its charter, must be comprised of a minimum of three (3) independent non-executive directors.

The appointment of committee members for the financial year ended June 30 2023 was approved by shareholders' resolution at the annual general meeting held on November 17 2022.

The committee members comprise Mrs H Wiseman (chairman), Mesdames T Abdool-Samad and KR Moloko, and Messrs PC Baloyi and NG Payne, which is in line with charter requirements.

The shareholders will be requested to approve the appointment of the chairman and members to the committee for the 2024 financial year at the annual general meeting scheduled for Thursday, November 16 2023.

The committee consists solely of independent non-executive directors, who are all financially literate. The board considers the membership of the committee adequate and the members are sufficiently qualified to perform the duties in line with the charter and Companies Act requirements. The committee and its chairman are assessed annually. A brief profile of each of the members can be viewed on the board of directors' CVs included in the annual financial statements.

The committee's work is supported by five divisional audit and risk committees (DARCs). These DARCs play a vital role in the risk and assurance oversight of the five reporting segments being Australasia, United Kingdom, Europe, Emerging Markets, and Corporate. Findings from these five DARCs are reported to the committee on a quarterly basis (bi-annually for Corporate).

The Australasia, United Kingdom and Corporate DARCs are chaired by Mrs H Wiseman, who also chairs this committee.

During F2023, Mr TJ Brown was appointed as an independent external adviser to chair the Europe and Emerging Markets DARCs.

In addition, during F2023, GARC members were appointed as key sponsors of the DARCs, to work alongside the chairman of the respective DARC and to attend the respective DARC meetings to ensure the GARC retains oversight of the DARC function.

Each business within the group presents at the respective geographically defined quarterly DARC, which is also attended by Corporate and internal audit representatives, as well as the external auditors. All committee members are invited to attend all of the DARC and other related meetings.

Purpose

The purpose of the committee is to:

- assist the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards;
- oversee the suitability, appointment, independence and performance of the external auditor and their objectivity and professional scepticism in conducting a robust audit;
- oversee the activities of, and to ensure coordination between, the activities of internal and external audit;
- provide a forum for discussing financial, enterprise-wide, market, regulatory, safety and other risks and control issues, and to monitor controls designed to minimise these risks;

- review the Bidcorp annual integrated report, in conjunction with the social and ethics committee, including the consolidated and separate financial statements, the interim report and any other public reports or announcements containing financial information;
- receive and deal with any complaints concerning internal audit, the accounting practices or the content and audit of the annual financial statements and related matters; and
- annually review the committee's charter and output in order to report on the effectiveness of the committee to the board.

Attendance

The names of the members who were in office during the period under review and the committee meetings attended by each of the members are as follows:

Director	Q4F2022 August 18 2022	Q1F2023 November 10 2022	Q2F2023 February 16 2023	Q3F2023 May 11 2023	Ad Hoc June 14 2023	Q4F2023 August 22 2023	Q4F2023 August 24 2023
H Wiseman (chairman)	^	^	^	^	^	^	^
T Abdool-Samad	^	^	^	^	^	^	^
PC Baloyi	^	^	^	^	^	^	^
KR Moloko	^	^	^	^	^	^	^
NG Payne	^	^	^	^	^	^	^

^ Attended in person, by video-conference or teleconference.
A Apologies.

Key members of management attended the aforementioned meetings by invitation.

At the year-end meetings of the committee, closed sessions are provided for committee members to engage independently with internal audit, external audit, and management.

Duties carried out

The committee has successfully performed its duties during the financial year under review. In the fulfilment of these duties, the major areas of focus were reviewing accounting for new business acquisitions, assessing the carrying value of property, goodwill, intangibles, and investments; assessing the valuation of put option liabilities; assessing the recoverability of trade receivables, valuation of inventory, customer, and supplier rebates, hyperinflation accounting (Türkiye) as well as other matters requiring significant judgement. The chairman held regular meetings with senior management, the internal audit function and the external auditors to discuss specific matters arising during the year.

The committee was satisfied with the conclusions of the forensic investigations into the Miumi fraud uncovered in the Miumi division of Angliss Greater China in late June 2021 and that appropriate actions have been taken against the perpetrators in accordance with Bidcorp's fraud policy. The committee received regular updates regarding progress of investigations by the Hong Kong and Chinese authorities and avenues for recovery of losses incurred. Attention continues to be directed towards strengthening the control environment in Angliss Greater China.

The committee assessed risks associated with management override of controls; the ability of the group to continue as a going concern, review of related-party transactions, the overall presentation of the financial information to shareholders, engagement with and review of the application of JSE proactive monitoring and other pronouncements to group reporting; and review of the annual integrated report. The committee reviewed the risks that could materially impact the ability of the group to deliver against its objectives and the related mitigation plans, providing feedback where appropriate.

The committee, in conjunction with the Bidcorp social and ethics committee, monitored developments during the year in sustainability reporting including the JSE's Sustainability and Climate Disclosure Guidance, the issue by the International Sustainability Standards Board (ISSB) of global sustainability reporting standards (not yet adopted in South Africa) as well as trends in sustainability disclosure requirements in various countries in which Bidcorp operates, particularly the UK. The DARCs oversight ESG metrics tabled by each country at quarterly DARC meetings which are then aggregated to form the sustainability disclosures in the Bidcorp Annual Integrated Report which are considered by this committee and the Bidcorp social and ethics committee.

The committee confirms the following statutory and delegated duties were adequately addressed and sets out the results below:

Financial statements and accounting practices

The committee:

- confirmed, based on management's review, that the consolidated and separate Bidcorp company financial statements were prepared on the going-concern basis;
- examined the consolidated and separate financial statements and other financial information made public, prior to their approval by the board;
- considered accounting treatments, significant or unusual transactions and accounting judgements;
- considered the appropriateness of accounting policies and any changes made thereto;
- considered the appropriateness of recognition of government grants in respect of staff job retention schemes in various geographies;
- considered any legal and tax matters that could materially affect the financial statements;
- met separately with management, external audit, and internal audit, and satisfied themselves that no material control weakness exists; and
- notes that no formal complaints had been received relating to the group's accounting practices, internal audit, external audit, internal financial controls and related matters.

External audit

The committee:

- recommended the appointment of PricewaterhouseCoopers Inc. (PwC) as the Bidcorp external auditors and Mr E Gerryts as the independent and accredited auditor respectively to the shareholders for appointment for the financial year ended June 30 2022, of the group and company, and ensured that the appointments comply with legal and regulatory requirements for the appointment of an audit firm and auditor;
- approved the external audit engagement letter, the audit plan, and the budgeted audit fees payable to the external auditors;
- determined the nature and extent of all non-audit services provided by the independent auditors and pre-approved all non-audit services undertaken;
- obtained assurances from the independent auditors that adequate accounting records were being maintained;
- confirmed that no reportable irregularities had been identified or reported by the independent auditors under the Auditing Profession Act; and
- recommended that PwC be re-appointed as the Bidcorp external auditors for a sixth year of tenure for the year ended June 30 2024 at the 2023 annual general meeting. It is noted that Mr L de Wet is the proposed individual designated auditor.

Independence of external auditors, PwC

The committee:

- reviewed representations made by PwC to the committee;
- confirmed that the auditors did not, except as external auditors or in rendering permitted non-audit services, receive any remuneration or other benefit from the group;
- confirmed the auditors' independence was not impaired by any consultancy, advisory or other work undertaken; and
- considered the criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies and found no cause for concern or doubt of the independence of the external auditors, PwC.

Internal control and internal audit

The committee:

- reviewed the annual internal audit plans and evaluated the independence, effectiveness, and performance of the internal audit function;
- considered the reports of the internal auditors on the group's systems of internal controls including financial controls, business risk management, and maintenance of effective internal control systems;
- received assurances that proper accounting records were maintained and that the systems safeguarded the group's assets against unauthorised use or disposal;
- reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;
- reviewed incidences of fraud where they have arisen including investigating causes, assessing weaknesses in internal controls, monitoring, and assessing the effectiveness of remedial actions;
- assessed the adequacy of the performance of the internal audit function and found it satisfactory;
- reviewed and considered the approach adopted by executive management to assess the state of the financial control environment, obtaining a body of evidence to support their signed positive attestation to the JSE confirming the robustness of the financial control environment; and
- concluded the opinion recommended to the board at year end that there were no material breakdowns in internal control.

Risk management

The committee:

- reviewed the group's policies and approach to risk management and found them to be sound;
- considered all material risks to which the group is exposed, ensuring that the requisite risk management culture, policies, and systems are progressively implemented, and functioning effectively;
- management is accountable to the board for implementing and monitoring the processes of risk management and integrating this into day-to-day activities. These processes are confirmed on an ongoing basis through the completion of the quarterly Bidcorp management representation letters signed and submitted to the committee;
- performed ongoing monitoring of the enterprise-wide risk assessment process to ensure risks and opportunities are adequately identified, evaluated, and managed at the appropriate level in each business, and that the individual and joint impact of risks identified on the group was considered;
- assessed the group's approach to managing and mitigating information technology risks including cybersecurity, data protection, business continuity, and disaster recovery across the decentralised businesses that are responsible for managing their own independent IT environments;
- reviewed legal matters that could have a material impact on the group, as well as considering the adequacy and effectiveness of the group's procedures to ensure compliance with legal and regulatory responsibilities; and
- considered reports provided by management, internal assurance providers, and the independent auditors regarding compliance with legal and regulatory requirements and found Bidcorp's processes to be sound and effective.

Regulatory compliance

The committee obtained confirmation from management that they have identified and addressed the significant in-country legislative and regulatory requirements and that they ensure that all information and/or data is secured and protected.

Combined assurance

The committee reviewed the plans and reports of the external and internal auditors, as well as other assurance providers including management and concluded that these were adequate to address all significant financial risks facing the business.

Chief financial officer (CFO)

The committee:

- considered the appropriateness of the experience and expertise of the CFO and concluded that this is appropriate;
- considered the expertise, resources and experience of the finance function and concluded that these are appropriate; and
- concluded that it is satisfied the appropriate reporting procedures are in place and operating effectively.

Consolidated and separate financial statements

The committee reviewed the consolidated and separate annual financial statements of Bidcorp for the year ended June 30 2023, and the committee is of the view that, in all material respects, they comply with the relevant provisions of the Companies Act and IFRS, and fairly present the financial position at that date and the results of its operations and cash flows for the year then ended.

Comments on key audit matters, addressed by PwC in its external auditor's report

The committee is satisfied with the conduct, quality and independence of PwC in carrying out its external audit of the Bidcorp annual financial statements for the year ended June 30 2023.

In order to provide stakeholders with further insights into its activities and considerations around key audit matters, the committee wishes to elaborate on the matters below. As part of these considerations, the committee received updates from management and sought assurance from the external auditors. The committee was satisfied with the conclusions reached

Key audit matter – goodwill impairment assessment

The committee received from management the results of the group's annual goodwill impairment testing. The committee challenged the methodologies and assumptions used to assess the carrying value of goodwill, including the achievability of business plans and forecasts. Sensitivity analysis on the key inputs such as discount rates, average revenue growth rates, and average trading margins were performed and considered in determining any potential impairment. The external auditor's reporting on impairment testing was also reviewed. The committee was satisfied with the conclusions reached by management and the goodwill-related disclosures in the consolidated annual financial statements (refer to note 8.3).

The committee considered the R56 million impairment charge in respect of the Jilin and Miumi components of Greater China. The committee was satisfied this goodwill impairment was appropriately recognised and that no further goodwill impairments were required.

Key focus area – put option accounting

As at June 30 2023, the group has a number of significant puttable non-controlling interest (NCI) liabilities entitling the non-controlling shareholders to sell their holdings in a number of subsidiaries to the group at contracted dates and amounts. The most significant of these pertains to DAC Italy which includes an option for the minority shareholders to put their 40% interest to the group on or about June 30 2026 (refer note 10.5 in the consolidated AFS for further details). The group accounts for puttable NCI liabilities under the anticipated acquisition method whereby the put option is derecognised from NCI and accounted for as a financial liability. The group consolidates the non-controlling interest's share of the equity in the subsidiary and recognises the fair value of the non-controlling interest's put option, being the present value of the estimated future purchase price, as a financial liability in the statement of financial position. In raising this liability, the non-controlling interest is derecognised and any excess or shortfall is charged or realised directly in retained earnings in the statement of changes in equity.

The committee considered and was satisfied with the evidence to support the remeasurement of the fair value of put option liabilities totalling R304 million (refer note 10.5).

Key focus area – new business acquisitions

During the year, the group made nine bolt-on acquisitions with a total value of R1.9 billion (refer note 8.1). The committee was satisfied with the purchase price allocations to the fair value of the net identifiable assets and the allocation to goodwill totalling R1.4 billion.

Conclusion

Following the review by the committee for the year ended June 30 2023, the committee is of the view that, in all material respects, it has complied with the relevant requirements.

Having achieved its objectives for the financial year, the committee recommended the consolidated and separate financial statements for the year ended June 30 2023 for approval to the board.

Signed on behalf of the group audit and risk committee by:

Helen Wiseman

Helen Wiseman
Chairman

August 29 2023

ACQUISITIONS COMMITTEE REPORT

This is the report of the acquisitions committee (committee) appointed for the financial year ended June 30 2023 in compliance with principles of good governance.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 29 2023. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

This committee was constituted by the board on June 1 2016. The committee was appointed by the board and in line with its charter requires a minimum of four (4) directors, including two independent non-executive directors.

During the year, the nominations committee reviewed the members of this committee and confirmed that no changes were required to the committee at this time. The committee members therefore remain unchanged, comprising Messrs PC Baloyi (chairman), BL Berson (CEO), DE Cleasby (CFO), B Joffe, NG Payne, and CJ Rosenberg. Committee membership therefore includes four independent non-executive directors, and two executive directors, thus exceeding the minimum charter requirements.

The board considers the membership of the committee adequate, and the members are appropriately experienced to perform the duties as set out in the charter.

Purpose

The primary purpose of the acquisitions committee is to:

- review any significant acquisitions or disposals as determined by the group-delegated levels of authority for an in-principle decision as to whether the transactions should be investigated and pursued;
- recommend to the board planned acquisitions or disposals that have been evaluated and determined to be in the best interest of the company and to the future growth of the group; and
- inform the board of acquisitions or disposals that were not recommended for consideration.

Attendance

The names of the members who were in office during the period under review and the committee meetings attended by each of the members are as follows:

Members	Q4F2022 August 22 2022	Q4F2023 August 28 2023
PC Baloyi (chairman)	^	^
BL Berson	^	A
DE Cleasby	^	^
B Joffe	^	^
NG Payne	^	^
CJ Rosenberg	^	^

^ Attended in person, by video conference or teleconference.
A Apologies.

Duties carried out

The committee met once over the period under review to consider potential targets as identified by management; however, no targets presented met the materiality levels requiring the committee's review and approval, as defined by the group delegated levels of authority.

Matters considered by the committee over the period included but was not limited to the review of bolt-on acquisitions made within delegated authority along with acquisition opportunities in the United Kingdom and South America.

Cash spent on acquisitions for the year ended June 30 2023 amounted to R1,3 billion (F2022: R818,1 million), which largely comprised nine bolt-on acquisitions which contributed R2,4 billion to revenue and R165,4 million to trading profit. There were no material disposals considered by the committee for the year under review. Full details of the acquisitions are set out in note 8.1 of the annual financial statements.

Conclusion

The committee has considered its performance over the period under review and is comfortable that it has met its duties and responsibilities as set out in the board-approved acquisitions committee charter.

Signed on behalf of the acquisitions committee by:

Paul Baloyi
Chairman

August 29 2023

NOMINATIONS COMMITTEE REPORT

This is the report of the Bidcorp nominations committee (committee) appointed for the financial year ended June 30 2023 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 28 2023. The charter is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

This committee was first constituted by the board on June 1 2016. The committee was appointed by the board and in line with its charter requires a minimum of three (3) members, the majority of whom are independent non-executive directors.

The committee members for the reporting period comprised Messrs S Koseff (chairman), NG Payne (LID), PC Baloyi and B Joffe; meeting charter requirements. The board is satisfied that the members of the committee have sufficient qualifications and experience to fulfil their duties.

Purpose

The key responsibilities and role of the committee include, but are not limited to:

- establishment of a process for the appointment of directors to the board;
- identification of suitable candidates for appointment to the board;
- developing an induction programme for new directors;
- ongoing training, development and updates of changing requirements in legislation and board roles necessary for the directors to satisfactorily perform their roles;
- evaluation of the independence of non-executive directors;
- perform evaluations of the directors;
- review and reconstitution (where necessary) of the board committees;
- ensuring succession plans for the board and executives are developed and implemented; and
- recommending to shareholders for approval at the annual general meeting, those directors retiring by rotation, as well as recommendation of the chairman and members to be appointed to the audit and risk committee.

Attendance

The names of the members who were in office during the period under review and the committee meetings attended by each of the members are as follows:

Members	Q4F2022 August 22 2022	Q4F2023 August 28 2023
S Koseff (chairman)	^	^
PC Baloyi	^	^
B Joffe	^	^
NG Payne	^	^

^ Attended in person, by video conference or teleconference.

Duties carried out

The committee met once over the period under review, as well as held informal communications between members to discuss various matters under review. The significant topics considered by the committee over this period included:

- board and executive succession planning;
- review and assessment of the board's composition, ensuring the requirements of the board diversity policy, as adopted, are complied with;
- review of directors' independence;
- review of the composition of the board committees and recommend changes when required;
- overseeing the board and committee self-assessments in July 2023;
- review and recommendation of those directors eligible for rotational re-election, and those to be appointed as members of the audit and risk committee, as presented to the 2023 annual general meeting for shareholder consideration and approval;
- evaluation of the company secretary function; and
- continuing focus and progression of a succession plan for roles within the board, the group chief executive and chief financial officer, as well as other senior management roles within the group.

Conclusion

The committee has considered its performance over the period under review and is comfortable that it has met its duties and responsibilities as set out in the board-approved nominations committee charter.

Signed on behalf of the nominations committee by:

Stephen Koseff
Chairman

August 29 2023

This is the report of the Bidcorp remuneration committee (committee) appointed for the financial year ended June 30 2023 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 29 2023. This charter is compliant with the requirements of the Companies Act and is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

This committee was first constituted by the board on June 1 2016. The committee was appointed by the board and in line with its charter requires a minimum of three (3) independent non-executive directors.

During the year, the nominations committee reviewed the members of this committee and confirmed that no changes were required to the committee at this time. The committee is chaired by the lead independent non-executive director, Mr NG Payne. The committee membership has not changed during the current reporting period, and comprises Messrs NG Payne (chairman), PC Baloyi and CJ Rosenberg. The chief executive officer and other executive management are invited to attend meetings, but do not participate in the voting process of decisions of the committee. These invitees recuse themselves from any discussion regarding executive performance appraisals, remuneration and incentivisation discussions.

The committee has appointed the legal advisory services of Bowmans, represented by Mr Martin Hopkins, to perform the role of the independent remuneration adviser.

The board considers the membership of the committee adequate and the members are appropriately qualified and experienced to perform the duties in line with charter requirements.

Purpose

The key responsibilities and role of the committee include, but are not limited to the:
- consideration and approval of fair and responsible remuneration of the executives and group-wide senior management;
- determination of the necessary performance criteria and assessment thereof of the group executives in their respective roles;
- consideration and recommendation of the quantum and allocation of the long-term incentive awards to executives and group-wide senior management;
- review and recommendation of the non-executive directors’ annual fees, as recommended to the shareholders for approval at the annual general meeting; and
- review and approval of the annual remuneration report, ensuring complete and transparent disclosure of remuneration costs and awards, as well as the remuneration policy, in compliance with legal and regulatory requirements.

Attendance

The names of the members who were in office during the period under review and the number of committee meetings attended by each of the members are as follows:

Members	Q4F2022 August 22 2022	Q4F2023 August 28 2023
NG Payne (chairman)	^	^
PC Baloyi	^	^
CJ Rosenberg	^	^

^ *Attended in person, by video conference or teleconference.*

In addition to these scheduled meetings, the committee engaged regularly during the year on matters requiring its input or approval.

Duties carried out

The remuneration philosophy promotes the group's entrepreneurial culture within a decentralised environment with the aim of achieving sustainable growth within all businesses. The philosophy emphasises the fundamental value of Bidcorp's people and their role in attaining this objective.

The significant matters considered specifically by the committee included, but were not limited to, the:

- shareholder engagement process required in terms of the JSE Listings Requirements, following the voting results of the Remuneration Policy at the AGM in November 2022, to address the concerns of the dissenting shareholders;
- defining and assessing the performance of the chief executive officer and chief financial officer against the criteria as determined;
- considering the allocation of short and long-term incentives to the executives and group-wide senior management on the basis of the current year's performance;
- review and approval of the CSP awards granted to senior group-wide management, in compliance with the Bidcorp Incentive Scheme;
- review of the Bidcorp Incentive Scheme rules including proposing rule amendments to update the scheme in line with best market practice;
- review and recommendation of the annual non-executive directors' fees to be presented to shareholders for approval at the annual general meeting; and
- finalisation and approval of the annual remuneration report, including the remuneration policy, presented to shareholders at the annual general meeting.

Conclusion

The committee has considered its performance over the period and is comfortable that it has met its duties and responsibilities as set out by regulations and in line with the board-approved remuneration committee charter, and the committee is of the view that, in all material respects, it has complied with the relevant regulatory and legislative requirements.

Having achieved its objectives for the period under review, the committee sets out the required remuneration disclosures as part of the directors' report, as included in the 2023 annual financial statements, and in the 2023 remuneration report.

Signed on behalf of the remuneration committee by:

Nigel Payne
Chairman

August 29 2023

This is the report of the social and ethics committee (committee) appointed for the financial year ended June 30 2023 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 29 2023. The charter complies with the statutory requirements as set out in the Companies Act and is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

This committee was constituted by shareholders' special resolution passed on April 4 2016. The committee members are appointed by the board and in line with its charter, requires a minimum of three (3) directors including executives and non-executives, the majority of whom must be non-executive directors of the board.

During the year, the nominations committee reviewed the members of this committee and confirmed that no changes were required to the committee at this time. The committee membership therefore remain unchanged, comprising Mrs T Abdool-Samad (chairman), Mr NG Payne (LID) and Mesdames KR Moloko and H Wiseman, as well as Mr BL Berson (CEO), thus meeting charter and statutory requirements.

The board considers the membership of the committee adequate and the members are appropriately experienced to perform the duties as set out in the charter, the Companies Act and Companies Regulations, 2011.

Purpose

Responsibilities of this committee are in line with the legislated requirements. The key areas of responsibility are listed below:

- ensuring a high standard in health and safety protocols across the group;
- confirming fair, transparent and positive labour practices are in place, ensuring a positive and constructive employment environment is available for all;
- establishing a zero-tolerance standard for group-wide ethics and code of conduct compliance;
- positive and engaging stakeholder relations group-wide;
- ensuring responsible corporate citizenship is demonstrated in each operating jurisdiction;
- strict adherence and compliance with the relevant regulatory, statutory, and legislative requirements in all jurisdictions;
- in line with B-BBEE reporting guidance, monitoring and reporting of social and economic development, empowerment and transformation developments, in line with the South African legislated requirements in respect of the South African entities within the group; and
- ongoing progress and improvements are monitored and measured in the areas of climate change and the residual impact on the operational environment, in line with globally accepted reporting and measurement standards, eg GRI, SASB, and TCFD.

Attendance

Those members in office during the period under review and the committee meetings attended by each of the members are as follows:

Members	Q4F2022 August 19 2022	Q1F2023 November 11 2022	Q2F2023 February 17 2023	Q3F2023 May 12 2023	Q4F2023 August 25 2023
T Abdool-Samad (chairman)	^	^	^	^	^
BL Berson	^	^	^	^	^
KR Moloko	^	^	^	^	^
NG Payne	^	^	^	^	^
H Wiseman	^	^	^	A	^

^ Attended in person, by video conference or teleconference.
A Apologies.

Duties carried out

We reiterate our commitment to maintaining the highest standards in health and safety protocols for all members of the global Bidcorp team. Group-wide health and safety awareness programmes are ongoing, focused on the reinforcement of all internal safety policies, training programmes, and additional warning mechanisms to ensure the highest standards of safety are in place for our staff.

Food safety remains a top priority. Quarterly updates and ongoing feedback are provided from both internal and external assurance providers. Incidents of listeria and food contamination do occur from time to time, however, as they are identified, an immediate response is initiated through internal policies and procedures, triggering product recalls and subsequent effective communications. We did note an instance of product contamination and recall during the period but are pleased to report that this incident, which was below the minimum threshold range, was pro-actively identified by the internal controls in place and was successfully addressed by the local management team, following internal protocols. We are pleased to report that there were no serious incidents of food contamination experienced during the year, a non-negotiable standard.

All businesses confirmed that they have complied with occupational health and safety requirements applicable to their operations, and no significant occupational health and safety non-compliances were reported during the period.

Bidcorp's commitment to an ethical environment is demonstrated by the globally accessible, independently administered Bidcorp whistleblowing facility. Ongoing marketing and awareness campaigns are rolled out, ensuring the knowledge of and access to the local whistleblowing facility, in a language of choice, is available to all. Review of calls received and follow-up action is presented to the committee quarterly for review.

The committee monitors the group's initiatives to promote diversity and advance the objectives of non-discrimination. The Bidcorp code of ethics and the quarterly signed management representation letters submitted through the divisional audit and risk committee meetings are reviewed and updated as required through internal assurance governance processes.

The committee believes progress can only be credibly reported if ESG indicators are identified, monitored, measured, and recorded. The monthly group-wide detailed ESG reporting process has matured and continues to provide comparable metrics and insight across geographically and jurisdictionally diverse businesses. This ensures responsible corporate participation is engaged across the whole group. The quarterly divisional audit and risk committee meetings review and interrogate the information gathered, an important source of oversight for reporting into this committee. Each individual operation drives uniquely determined and implemented sustainability programmes, designed to improve sustainability performance in each environment, and in so doing contributes to the group-wide reported climate change initiatives and targets in place.

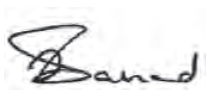
Mandatory reporting requirements in the UK for large private companies as well as anticipated reporting requirements in Europe and Australia remain an area of focus and learnings continue to be shared across the group. In a bid to progress Bidcorp's assurance maturity journey, plans are underway for material contributors in the group to obtain limited assurance over their scope 1 and scope 2 emissions data. Climate change risks are incorporated into the board strategy and related capex spend is being tracked. The committee is pleased to report that sustainability programmes across the group are progressing well.

Conclusion

The committee notes that there were no items identified by management nor reported directly to the committee by third parties, that would indicate any reportable non-compliances, in terms of the Companies Act requirements. Following the review by the committee for the year ended June 30 2023, the committee is of the opinion that, in all material respects, it has achieved its objectives for the financial year.

For more information and details on the progress and outcomes noted by the committee over the period under review, please refer to the 2023 annual integrated report and the sustainability report.

Signed on behalf of the social and ethics committee by:



Tasneem Abdool-Samad
Chairman

August 29 2023

Stephen Koseff

Chairman

Independent non-executive director

Qualifications: BCom, CA(SA), MBA, H Dip BDP and Hon DCom (Wits)
Age: 72
Appointed: August 16 2017
Board committee: Nominations committee (chairman)
Experience and expertise: Stephen is the former chief executive officer of the Investec Group. Dual listed on the London Stock Exchange and the Johannesburg Stock Exchange. Stephen was with Investec for 39 years in various capacities and was CEO from 1996 to 2018.

In 2017, Stephen was awarded an Honourary Doctor of Commerce Degree by the University of the Witwatersrand. He is a former board member of Business Leadership South Africa, former non-executive director and chairman of the South African Banking Association, a former director of the JSE Limited, Bidvest Group Limited and Irongate Funds Management Limited (Australia), a former member of the Financial Markets Advisory Board and former chairman of the Independent Bankers Association.

Stephen is chairman of Bid Corporation Limited, Bud Group (Pty) Limited, IEP Group (Pty) Limited, Innovation Africa SA NPC, ArrowPoint Capital, EDT Trust, co-chair of Youth Employment Service (YES) and is a non-executive director of Investec Limited, Investec PLC, Investec Management (Pty) Limited, Investec Wealth and Investment International (Pty) Limited and Bravo Transport Holdings Limited.

Bernard Larry Berson*

Chief executive officer

Qualifications: BCom and BAcc
Age: 58
Appointed: March 10 2016
Board committees: Acquisitions committee, social and ethics committee
Experience and expertise: Since 1996, Bernard has been involved in all aspects of the development of Bidcorp's foodservice business in Australia, New Zealand and Asia, and in 2010 assumed responsibility for Bidcorp's global foodservice businesses, including its operations in the UK and Europe.

Over the past 28 years Bernard has been involved in all material acquisitions and directing the strategic focus of the businesses. Bernard was appointed as chief executive officer of Bid Corporation Limited on April 14 2016.

* *Australian.*

David Edward Cleasby

Chief financial officer

Qualifications: CA(SA)
Age: 61
Appointed: September 12 2007
Board committee: Acquisitions committee
Experience and expertise: David was financial director of Rennies Terminals when Bidvest acquired Rennies group in 1998. In 2001, he joined the Bidvest corporate office where he was involved in both group corporate finance and investor relations. David was appointed as Bidvest financial director on July 9 2007. David managed Bidvest's interests in the investments made by the group over the years. David was appointed as chief financial officer of Bid Corporation Limited on April 14 2016.

Nigel George Payne

Lead Independent non-executive director

Qualifications: BCom (Hons), CA(SA), MBL (Unisa)
Age: 63
Appointed: March 10 2016
Board committees: Remuneration committee (chairman), social and ethics committee, acquisitions committee, audit and risk committee, nominations committee
Experience and expertise: Nigel is a professional non-executive director, with no executive responsibilities. Nigel is the chairman of the board of the Mr Price Group Limited. Nigel is the chairman of the board at Strate (Pty) Limited and chairman of the Vukile Property Fund Limited.

Paul Cambo Baloyi

Independent non-executive director

Qualifications: MBA (University of Manchester and Bangor University), SEP (Harvard), AMD: INSEAD (France), MDP (Stellenbosch University)
Age: 67
Appointed: March 10 2016
Board committees: Acquisitions committee (chairman), audit and risk committee, remuneration committee, nominations committee
Experience and expertise: Paul is the managing director of CAP Leverage (Pty) Limited. He is a former chief executive officer and managing director of the Development Bank of Southern Africa. Paul also served as chief executive officer and managing director of DBSA Development Fund.

Paul has spent more than 30 years in the financial services sector, which includes both Standard Bank and the Nedbank group. His last position at Nedbank was as managing director of Nedbank Africa.

Paul has been an independent non-executive director on many boards locally and internationally, including African financial institutions. Paul is chairman of Momentum Metropolitan Holdings Limited. Other boards include Peermont Global Holdings II Limited and Peresec Holdings (Pty) Limited. He was a council member of the Institute of Bankers and also served as chairman of the Ned Medical Aid.

Brian Joffe

Independent non-executive director

Qualifications: CA(SA)

Age: 76

Appointed: August 17 1995

Board committees: Acquisitions committee, nominations committee

Experience and expertise: The founder of the Bidvest Group Limited and Bid Corporation Limited, Brian has over 50 years' commercial experience, both locally and internationally. Among his achievements, Brian has been recognised by *Sunday Times* as SA's businessman of the year, won the South African chapter of the Ernst & Young Entrepreneur Award and represented South Africa at the World Entrepreneur Awards. Profiled as one of South Africa's Greatest Entrepreneurs by MME Media in association with Gordon Institute of Business Science, Brian has been named by Wits Business School Journal as one of SA's top 25 business leaders with significant impact on South African business.

Brian is the recipient of an Honourary Doctorate in Commerce from the University of South Africa, an Honourary Doctorate in Commerce from the University of Witwatersrand and awarded the *Sunday Times* Lifetime Achiever Award. He has been included in the Forbes list of the 20 most influential people in Africa and awarded the CNBC All Africa Lifetime Achievers Award.

Brian currently serves as an independent non-executive director of Bid Corporation Limited.

Helen Wiseman*

Independent non-executive director

Qualifications: BSc (Hons) (University of Manchester), CA, GAICD, IDP-C INSEAD

Age: 57

Appointed: March 10 2016

Board committees: Audit and risk committee (chairman), social and ethics committee

Experience and expertise: A non-executive director, Helen has extensive international governance, financial, risk and compliance oversight experience across a range of sectors including food, pharmaceutical, manufacturing, distribution, mining, energy and financial services. Prior to embarking on her non-executive career, Helen was a partner at KPMG Australia.

Helen chaired Bidvest's International foodservice business divisional audit committees from 2011 to 2016.

Helen has held various board and audit committee roles in the for profit and social sectors, including her current non-executive director and audit and risk committee chairman roles for Bid Corporation Limited.

Helen is chairman of Elixinol Wellness Limited and is the President of INSEAD International Directors Network.

* *Australian.*

Tasneem Abdool-Samad

Independent non-executive director

Qualifications: CA(SA)

Age: 49

Appointed: September 16 2019

Board committees: Social and ethics committee (chairman), audit and risk committee

Experience and expertise: Prior to her appointment as an audit partner at Deloitte, Tasneem was a post-graduate lecturer in Auditing at the University of Witwatersrand. Towards the latter part of her professional audit career in the firm, she led the Deloitte Risk Advisory business in KwaZulu-Natal and the Eastern Seaboard. Tasneem also served on the Deloitte board. Subsequently, Tasneem was appointed to the board of Reunert Limited as non-executive director (chair of remuneration committee). Tasneem serves on the board of Absa Group Limited (chair of audit committee), Absa Financial Services Limited (chairman), and Absa Bank Limited as non-executive director.

Clifford Johann Rosenberg*

Independent non-executive director

Qualifications: BBusSci (Hons) (UCT), MScM (Hons) (Boston University)

Age: 59

Appointed: September 16 2019

Board committees: Acquisitions committee, remuneration committee

Experience and expertise: Clifford has over 25 years of global experience in the digital space as an entrepreneur and as an executive, with specific experience in technology and innovation.

Clifford is a non-executive director of ASX-listed Technology One Limited and A2B Limited and was previously on the boards of ASX-listed Afterpay Touch Limited and Nearmap Limited. His previous executive roles include managing director of LinkedIn (for southeast Asia, Australia, and New Zealand), appointed in 2009 until 2017. Clifford was the managing director of Yahoo! Australia and New Zealand (from 2003 to 2006) and was formerly the founder and managing director of iTouch Australia and New Zealand.

* *Australian.*

Keneilwe Rachel Moloko

Independent non-executive director

Qualifications: NDip (Building Survey), BSc (QS), BCom, PGDA, CA(SA)

Age: 54

Appointed: July 5 2021

Board committees: Social and ethics committee, audit and risk committee

Experience and expertise: Keneilwe is a Charted Accountant and a Quantity Surveyor. She has expertise in the construction sector environment, auditing and investment management. After a period of six years in the construction industry, she returned to university to study to become a Chartered Accountant. On completion of her articles at KPMG working in the financial services and tax divisions, she took up the position of development executive at Spearhead Property Holdings Limited. Thereafter, she joined Coronation as fixed-interest credit analyst and was appointed as a member of its credit committee. She currently serves on a number of JSE listed and unlisted boards.

INDEPENDENT AUDITOR'S REPORT
To the shareholders of Bid Corporation Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Bid Corporation Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Bid Corporation Limited's consolidated and separate financial statements set out on pages 24 to 102 comprise:

- the consolidated and separate statements of financial position as at 30 June 2023;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the separate statement of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview

Overall group materiality

- 5% of Profit before tax

Group audit scope

- Full scope audits were performed over all financially significant components
- Specified audit procedures were performed on certain account balances and transactions of one non-significant component to obtain sufficient appropriate audit evidence to express an opinion on the consolidated financial statements as a whole.

Key audit matters

- Goodwill Impairment Assessment

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	R467.3 million
How we determined it	5% of profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as an appropriate benchmark because Bid Corporation Limited is a trading entity that is profit orientated, as such the focus of investors will be on profit (EPS and HEPS). We chose 5% as the rule of thumb as it is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group's financial statements are a consolidation of fifty-four reporting components. Of these reporting components, we selected twelve components for full scope audits due to their financial significance. The materiality applied in performing these audits was limited to an appropriate allocation of the Bid Corporation Limited consolidated materiality. Of the fifty-four components, twelve were subject to a full scope audit and the remaining forty-two were subject to analytical review procedures, one of which was also subject to specified procedures.

This, together with additional procedures performed at the Group level, including testing of consolidation journal entries and intercompany eliminations, gave us the evidence we needed for our opinion on the Group financial statements as a whole.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group engagement team, or component auditors from other PwC network firms. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole.

We met with certain of the component auditors in the Australasia, United Kingdom, Europe, Emerging Markets, and Corporate reporting segments and attended Divisional Audit and Risk Committee meetings for all components as part of planning and completion of the audit.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report in respect of the separate financial statements.

Key audit matter	How our audit addressed the key audit matter
Goodwill Impairment Assessment **Refer to notes 3 and 8.3 to the consolidated financial statements.** International Accounting Standard (IAS) 36: Impairment of Assets requires goodwill to be tested annually for impairment, or more frequently if impairment indicators are identified. As at year end, the Group had recognised goodwill amounting to R20.2 billion. Management tested goodwill for impairment within all cash generating units (CGUs), and apart from one CGU which had an impairment of R56 million, concluded that there were no other impairments relating to any of the identified CGUs as all the recoverable amounts exceeded the carrying amounts as per management’s assumptions. The recoverable amount was based on the fair value less cost of disposal method for all CGUs. In determining the fair value less costs of disposal of the CGUs, management applied judgement in determining the following key assumptions: • Discount rates • Terminal growth rates • Revenue growth rates • Trading margin We considered the goodwill impairment assessments to be a matter of most significance to our current year audit due to the following: • The level of judgement applied by management in performing the impairment assessments, including determining the key assumptions; and • The magnitude of the consolidated goodwill balance.	We obtained an understanding of the process and procedures applied by management during their impairment assessment of goodwill. Our audit procedures included, among others, testing of the principles and integrity of management’s fair value less costs of disposal calculations. We evaluated management’s calculation by: • Challenging and testing the reasonability of the key assumptions used by management in the calculations, which included discount rates, terminal growth rates, revenue growth rates and trading margins. We compared these key assumptions to industry benchmarks, historical performance and future market forecasts. Whilst we noted that our independently determined assumptions varied from those used by management, the impact had an immaterial impact on the impairment assessment. • We compared the process followed by management in determining cash flow forecasts to past practice and found the process to be consistent. • We considered the historical accuracy of forecasts by comparing the prior period results to forecasts for those periods. Where variances were noted, we followed up with management and assessed the reasonability of the variances, and noted that these do not impact the accuracy of forecasts based on available information at the time they were made. • We made use of our valuation expertise to test the appropriateness and reasonability of the discount rate through independent recalculation, based on inputs obtained which are comparable to other companies in the same industry and of similar size. Whilst we noted that our independently determined discount rates differed to those applied by management, this had an immaterial impact on the impairment assessment. • We compared the terminal growth rates used by management to economic and industry forecasts and found most of the long term growth rates applied by management to be conservative. This had no impact on the impairment assessment. • We tested the mathematical accuracy of management’s impairment assessment and no material differences were noted. • We evaluated the valuation methodology applied by management and found the methodology applied by management to be consistent with industry practice. • We independently performed sensitivity calculations on the impairment assessments in order to determine the degree by which certain key assumptions (discount rate, revenue growth rate, terminal growth rate and trading margins) needed to change in order to trigger an impairment. We discussed these with management and considered the likelihood of such changes occurring. Whilst our independently determined key assumptions were different from those applied by management, the impact of these differences was found to be immaterial to the impairment assessment.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled “Bidcorp Annual Financial Statements 2023”, which includes the Directors’ Report, the Audit and Risk Committee’s Report and the Declaration by Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor’s report, and the other sections of the document titled “Bidcorp Annual Integrated Report 2023”, which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor’s report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Bid Corporation Limited for 5 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: E J Gerryts
Registered Auditor
4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, Johannesburg, South Africa

29 August 2023

Consolidated statement of profit or loss

for the year ended June 30

	Note	2023 R'000	2022 R'000
Revenue	4.1	**196 341 239**	147 138 311
Cost of revenue		**(149 537 909)**	(111 495 826)
Gross profit		**46 803 330**	35 642 485
Operating expenses	4.2	**(36 294 726)**	(28 051 710)
Sales and distribution costs		**(28 987 388)**	(22 591 984)
Administration costs		**(6 944 997)**	(5 171 680)
Impairment of trade receivables		**(306 000)**	(129 096)
Other costs		**(56 341)**	(158 950)
Trading profit		**10 508 604**	7 590 775
Share-based payment expense	11.1	**(226 717)**	(161 258)
Acquisition costs	8.1	**(45 806)**	(16 320)
Capital items	4.2	**(77 724)**	(333 150)
Operating profit		**10 158 357**	7 080 047
Net finance costs		**(909 802)**	(689 754)
Finance income	10.2	**162 974**	58 244
Finance charges	10.2	**(1 072 776)**	(747 998)
Share of profit from associates and jointly controlled entities		**89 242**	39 718
Monetary gain arising from hyperinflation in Türkiye	13	**7 426**	69 215
Profit before taxation		**9 345 223**	6 499 226
Taxation	5.1	**(2 393 482)**	(1 584 987)
Profit for the year		**6 951 741**	4 914 239
Attributable to			
Shareholders of the company		**6 886 260**	4 824 720
Non-controlling interests		**65 481**	89 519
		6 951 741	4 914 239
Basic earnings per share (cents)	6.1	**2 061,8**	1 444,3
Diluted basic earnings per share (cents)	6.2	**2 055,8**	1 440,3
Headline earnings per share (cents)	6.3	**2 082,9**	1 538,3
Diluted headline earnings per share (cents)	6.3	**2 076,9**	1 534,1
Dividends per share (cents)		**940,0**	700,0

Consolidated statement of other comprehensive income

for the year ended June 30

	2023 R'000	2022 R'000
Profit for the year	**6 951 741**	4 914 239
Other comprehensive income net of taxation	**5 160 686**	903 551
Items that may be classified subsequently to profit or loss	**5 161 178**	910 468
Movement in foreign currency translation reserve including hyperinflation effects	**5 162 376**	909 270
Movement in fair value of cash flow hedges	**(1 198)**	1 198
Fair value (loss) gain	**(1 577)**	1 577
Deferred taxation relief (charge)	**379**	(379)
Items that will not be reclassified subsequently to profit or loss		
Defined benefit obligations	**(492)**	(6 917)
Gain (loss) on remeasurement of defined benefit obligations	**1 349**	(6 555)
Deferred taxation charge	**(1 841)**	(362)
Total comprehensive income for the year	**12 112 427**	5 817 790
Attributable to		
Shareholders of the company	**11 991 358**	5 782 651
Non-controlling interest	**121 069**	35 139
	12 112 427	5 817 790

Consolidated statement of cash flows

for the year ended June 30

	Note	2023 R'000	2022 R'000 Re-presented[1]
Cash flows from operating activities		**7 665 873**	3 483 490
Cash generated by operations	4.4	**13 211 970**	7 956 711
Finance income received	10.2	**154 398**	53 479
Finance charges paid	10.2	**(870 503)**	(653 099)
Taxation paid	5.3	**(2 012 597)**	(1 525 772)
Dividends paid	12.2	**(2 817 395)**	(2 347 829)
Cash flows from investment activities[1]		**(5 774 795)**	(3 379 734)
Additions to property, plant and equipment	7.1	**(4 284 573)**	(2 930 155)
Additions to intangible assets	7.2	**(154 786)**	(152 597)
Proceeds on disposal of property, plant and equipment		**128 319**	593 842
Proceeds on disposal of intangible assets		**1 218**	–
Acquisition of businesses and subsidiaries	8.1	**(1 340 143)**	(818 114)
Proceeds on disposal of businesses	8.2	**–**	3 440
Receipts from (payments to) associates		**6 160**	(17 670)
Investments acquired		**(39 385)**	(66 142)
Proceeds on disposal of investments		**37 771**	30 835
Payments made to vendors for acquisition[2]		**(129 376)**	(23 173)
Cash flows from financing activities[1]		**1 735 055**	(869 350)
Borrowings raised	10.3	**10 722 066**	7 943 760
Borrowings repaid	10.3	**(7 627 594)**	(7 736 449)
Right-of-use lease liability payments (including lease incentives)		**(1 126 037)**	(862 451)
Payments made to puttable non-controlling interests[1]	10.5	**(143 783)**	(49 476)
Payments to non-controlling interests		**(26 587)**	(26 559)
Treasury shares purchased	12.1	**(63 010)**	(138 175)
Movement in cash and cash equivalents		**3 626 133**	(765 594)
Cash and cash equivalents at beginning of year		**7 398 250**	8 120 639
Effects of exchange rate fluctuations on cash and cash equivalents		**1 187 723**	255 095
Hyperinflation effect on cash and cash equivalents	13	**12 527**	(211 890)
Cash and cash equivalents (including bank overdrafts) at end of the year		**12 224 633**	7 398 250
Cash and cash equivalents comprise:			
Cash and cash equivalents		**12 397 292**	7 398 250
Bank overdrafts included in short-term portion of borrowings		**(172 659)**	–
		12 224 633	7 398 250

[1] *Refer to note 3.2 for the cash flow re-presentation.*

[2] *Payments made to vendors for acquisition were in line with their at acquisition date fair values.*

Consolidated statement of financial position

at June 30

	Note	2023 R'000	2022 R'000
ASSETS			
Non-current assets		**52 857 592**	40 493 131
Property, plant and equipment	7.1	**23 347 364**	17 298 876
Intangible assets	7.2	**948 194**	694 435
Right-of-use lease assets	7.3	**5 797 500**	4 501 704
Goodwill	8.3	**20 234 696**	15 755 681
Deferred taxation assets	5.2	**1 551 652**	1 394 294
Interest in associates	9.1	**254 799**	178 703
Investments and loans	9.2	**150 685**	130 353
Investment in jointly controlled entities	9.3	**542 049**	516 916
Defined benefit pension assets	11.3	**30 653**	22 169
Current assets		**53 782 660**	39 074 357
Inventories	7.4	**17 866 396**	13 757 645
Trade and other receivables	7.5	**23 518 972**	17 918 462
Cash and cash equivalents		**12 397 292**	7 398 250
Total assets		**106 640 252**	79 567 488
EQUITY AND LIABILITIES			
Capital and reserves		**40 194 621**	31 103 472
Capital and reserves attributable to shareholders of the company	12.1	**39 810 578**	30 843 156
Non-controlling interests		**384 043**	260 316
Non-current liabilities		**24 773 239**	16 726 268
Deferred taxation liabilities	5.2	**1 150 000**	758 336
Long-term borrowings	10.3	**10 974 753**	5 978 502
Long-term right-of-use lease liabilities	10.4	**6 316 001**	5 129 946
Long-term puttable non-controlling interest liabilities	10.5	**5 408 028**	4 006 503
Long-term vendors for acquisition		**88 994**	115 477
Post-retirement obligations	11.3	**50 624**	32 543
Long-term provisions	7.7	**784 839**	704 961
Current liabilities		**41 672 392**	31 737 748
Trade and other payables	7.6	**35 496 521**	26 653 020
Short-term provisions	7.7	**376 265**	287 719
Short-term puttable non-controlling interest liabilities	10.5	**217 899**	266 658
Short-term vendors for acquisition		**337 112**	49 128
Taxation	5.3	**548 319**	396 843
Short-term right-of-use lease liabilities	10.4	**1 194 672**	947 331
Short-term borrowings	10.3	**3 501 604**	3 137 049
Total equity and liabilities		**106 640 252**	79 567 488
Net asset value per share (cents)		**11 869**	9 196
Net tangible asset value per share (cents)		**5 554**	4 291

Consolidated statement of changes in equity

for the year ended June 30

	2023 R'000	2022 R'000
Equity attributable to shareholders of the company	**39 810 578**	30 843 156
Stated capital	**5 428 016**	5 428 016
Treasury shares	**(134 001)**	(284 653)
Balance at beginning of the year	**(284 653)**	(272 679)
Shares disposed of in terms of share incentive plans	**213 662**	126 201
Shares purchased during the year	**(63 010)**	(138 175)
Foreign currency translation reserve	**12 900 124**	7 793 336
Balance at beginning of the year	**7 793 336**	7 206 888
Opening reserve adjustment for hyperinflation effects	**–**	(320 329)
Arising during the year including hyperinflation effects	**5 106 788**	906 762
Realisation of reserve on foreign subsidiaries	**–**	15
Hedging reserve	**–**	1 198
Balance at beginning of the year	**1 198**	–
Fair value (loss) gain arising during the year	**(1 577)**	1 577
Deferred taxation recognised directly in reserve	**379**	(379)
Equity-settled share-based payment reserve	**971 889**	615 554
Balance at beginning of year	**615 554**	346 364
Arising during the year	**208 157**	165 560
Deferred tax recognised directly in reserve	**56 337**	3 697
Utilisation during the year	**(213 662)**	(126 201)
Transfer from retained earnings	**305 503**	226 134
Retained earnings	**20 644 550**	17 289 705
Balance at beginning of the year	**17 289 705**	15 146 713
Attributable profit	**6 886 260**	4 824 720
Remeasurement of defined benefit obligations during the year	**(492)**	(6 917)
Recognition of puttable non-controlling interest liabilities	**(74 082)**	(86 138)
Remeasurement of puttable non-controlling interest liabilities	**(304 244)**	(2 038)
Dividends paid	**(2 817 395)**	(2 347 829)
Change in shareholding with non-controlling interests	**(29 699)**	(12 657)
Transfer from foreign currency translation reserve	**–**	(15)
Transfer to equity-settled share-based payment reserve	**(305 503)**	(226 134)
Equity attributable to non-controlling interests of the company	**384 043**	260 316
Balance at beginning of the year	**260 316**	232 872
Total comprehensive income	**121 069**	35 139
Attributable profit	**65 481**	89 519
Opening reserve adjustment for hyperinflation effects	**–**	(56 888)
Movement in foreign currency translation reserve	**55 588**	2 508
Dividends paid	**(23 721)**	(28 239)
Changes in shareholding	**251 360**	214 654
Transfer to puttable non-controlling interest liability (refer note 10.5)	**(224 981)**	(194 110)
Total equity	**40 194 621**	31 103 472

Notes to the consolidated financial statements

for the year ended June 30

1. BASIS OF PREPARATION

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC), and comply with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the South African Companies Act, No 71 of 2008 as amended (Companies Act). The group's activities are guided by the best practice and governance principles as set out in the King IV Report on Corporate Governance for South Africa 2016.

The preparation of the consolidated and separate financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The information given is comprehensive and presented in a responsible manner. Internal financial controls have been put in place to ensure that material information relating to the group's subsidiaries to effectively prepare the consolidated and separate annual financial statements. The group operates in an established control environment, which is documented and regularly reviewed.

Although estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances (the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources), the actual outcome may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Judgements made in the application of IFRS that have had an effect on the financial statements and estimates with a risk of adjustment in the next year are set out in note 3.1. The consolidated financial statements as at and for the year ended June 30 2023 comprise the company, its subsidiaries and equity accounted investees (together referred to as the "group" or "consolidated" and separately "separate" or "company").

The accounting policies have been applied consistently to all years presented in the consolidated and separate financial statements. The accounting policies are the same for the consolidated and separate financial statements, unless specifically stated otherwise. The financial statements are presented in South African rand, which is the group's presentation currency. All financial information has been rounded to the nearest thousand unless stated otherwise.

A number of new pronouncements and/or interpretations were effective from July 1 2022. These had no material effect on the group's or company's financial statements.

The financial statements have been prepared on the historical cost basis adjusted for the effects of inflation where entities operate in hyperinflationary economies and for certain financial instruments that have been measured at fair value, where applicable.

For the year ended June 30 2023, the Türkiye lira is hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries using the Türkiye lira as their functional currency have been expressed in terms of the Türkiye lira at the reporting date (June 30 2023). Refer note 13 for the impact of hyperinflationary accounting on the group's statement of profit or loss, statement of cash flows and statement of financial position.

The consolidated and separate financial statements were approved by the board of directors on August 29 2023.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the company and its subsidiaries. Subsidiaries are entities controlled by the group. Control is achieved when the company has the power over an investee, is exposed to or has rights to variable returns from its involvement with an investee and has the ability to use its power to affect its returns.

The group and company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of these three elements. When the company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The group and company consider all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; potential voting rights held by the company, other vote holders or other parties; rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2. BASIS OF CONSOLIDATION (continued)

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the company gains control until the date when the company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with the group's significant accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the company.

2.1 Business combinations

The group accounts for business combinations using the acquisition method. The consideration transferred for the acquisition of a business is the fair value of assets transferred, the liabilities incurred and the equity issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent arrangement. If the contingent arrangement is classified as equity, then it is not remeasured and settlement is accounted for in equity.

Subsequent changes in the fair value of other contingent arrangements are recognised in profit or loss. Acquisition-related costs, apart from costs directly related to the raising of debt and (or) equity, are accounted for in profit or loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at acquisition date. The group recognises any non-controlling interest, at the non-controlling interest's proportionate share of the subsidiary's net assets on an acquisition-by-acquisition basis. When a business combination is achieved in stages, the group's previously held equity interest in an entity is remeasured to its acquisition date fair value and the resulting gain or loss recognised in profit or loss.

The excess of the consideration transferred, the amount of any non-controlling interest in the entity and the acquisition date fair value of any previous equity interest in the business over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill and separately identifiable intangible assets. If this is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss as a bargain purchase gain.

The company carries its investments in subsidiaries at cost less accumulated impairment losses.

When the group ceases to have control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests. Any retained interest in the entity is remeasured to its fair value. Any resulting gain or loss is recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income (OCI) in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss. The remaining other reserves related to that entity are transferred to retained earnings.

Non-controlling interests in the acquiree are measured at the non-controlling shareholders' proportion of the net identifiable assets acquired and liabilities and contingent liabilities assumed.

Non-controlling shareholders are treated as equity participants; therefore, all acquisitions of non-controlling interests or disposals by the group of its interests in subsidiaries, where control is maintained subsequent to the disposal, are accounted for as equity transactions. Consequently, the difference between the fair value of the consideration transferred and the carrying amount of a non-controlling interest purchased or disposed of, is recorded in equity.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity.

The group accounts for puttable NCI liabilities under the anticipated acquisition method whereby the put option is derecognised from NCI and accounted for as a financial liability. In raising this liability, any excess or shortfall is charged or realised directly in retained earnings in the statement of changes in equity.

2.2 Foreign operations

Assets and liabilities of foreign operations (which are not accounted for as entities operating in hyperinflationary economies), including goodwill and fair value adjustments arising on consolidation, are translated into South African rand at rates of exchange ruling at the reporting date. Income, expenditure and cash flow items are translated into South African rand at average rates to the foreign exchange rates. Foreign exchange differences arising on translation are recognised directly in equity as a foreign currency translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to the statement of profit or loss.

Acquisitions and disposals of foreign operations are accounted for at the exchange rate ruling on the date of the transaction.

2. BASIS OF CONSOLIDATION (continued)

2.2 Foreign operations (continued)

Transactions in foreign currencies are translated at the rates of exchange ruling at the transaction date. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the reporting date. Translation differences are generally recognised in the statement of profit or loss.

Non-monetary assets and liabilities measured based on historical cost in a foreign currency are translated at an exchange rate at the date of the transaction.

An entity may have a monetary item that is receivable from a foreign operation. An item for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, a part of the entity's net investment in that foreign operation. On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to OCI and accumulated in the foreign currency translation reserve.

The exchange rates relevant to the group are disclosed in note 10.1 (d).

2.3 Hyperinflation

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognised in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount. For the year ended June 2022, (the initial application of hyperinflation) prior period gains and losses were recognised directly in equity (shown as part of the foreign currency translation reserve).

Gains or losses on the net monetary position are recognised in profit or loss.

All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

Refer to note 3.1 and note 13 for disclosure on hyperinflation accounting.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES

The board of directors has considered the group's accounting policies, key sources of uncertainty and areas where accounting judgements were required in applying the group's accounting policies. A number of the group's accounting policies and disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and (or) disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

3.1 Accounting judgements and determination of fair values in applying the group's accounting policies

Judgements made in the application of IFRS that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

Property, plant and equipment (refer note 7.1)

The estimation of the useful lives is based on historic performance as well as expectation about future use and, therefore, requires a degree of judgement to be applied. The depreciation rates represent management's best estimate of the useful lives of the assets. All properties are accounted for as own use assets and are thus held at cost less accumulated depreciation. Market indicators reflect that these properties could realise more than their carrying values if disposed of. The fair value of property, plant and equipment recognised as a result of a business combination is based on market values.

The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market values of other assets are based on the quoted market prices for similar items.

Property, plant and equipment are depreciated over their useful lives, taking into account applicable residual values. The group's judgement for useful life of a freehold property is that it is expected that the useful life of a freehold property is less than its economic life. The estimated remaining useful life of the freehold property is based on the group's knowledge, experience with similar freehold properties and considerations regarding the size of property and expected future business growth, age of property and equipment (freezers/chillers), location and proximity to customers. The measurement of freehold property residual values, at the expected date of disposal, is based on management's judgement that each freehold property will be sold by the end of its useful life and considers current market values and rental growth of the expected useful life when determining the residual value of a freehold property.

Changes in the useful lives and (or) residual values are accounted for as a change in accounting estimate.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES (continued)

3.1 Accounting judgements and determination of fair values in applying the group's accounting policies (continued)

Goodwill and indefinite life intangible assets (refer note 8.3 and note 7.2)

The group has assessed the carrying value of goodwill and indefinite life intangible assets to determine whether any of the amounts have been impaired. The carrying values were assessed using the discounted cash flow (DCF) method and the actual results and forecasts for future years. The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Right-of-use lease assets and right-of-use lease liabilities (refer note 7.3 and note 10.4)

Judgements and assumptions made by the group in applying the related accounting policies for IFRS 16:

- Lease discount rate – Except where a discount rate implicit in the lease has been stipulated in the lease agreement, the lease payments are discounted using the incremental borrowing rate. The calculation of an incremental borrowing rate requires significant judgement. The incremental borrowing rate is calculated as a function of a base rate, plus a credit spread, plus other adjustments. Other adjustments take into account the lease period, currency of the lease payments, lease duration, lease-specific adjustments such as asset class and security risk in relation to the leased asset.
- Lease term – In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Deferred taxation (refer note 5.2)

Deferred taxation assets are recognised to the extent it is probable that the taxable income will be available against which they can be utilised. Future taxable profits are estimated based on business plans which include estimates and assumptions regarding economic growth, interest, inflation and taxation rates and competitive forces.

Inventories (refer note 7.4)

Inventory write down allowances are raised against inventory when it is considered that the amount realisable from such inventory's sale is considered to be less than its carrying amount. The impairment allowances are made with reference to an inventory age analysis as well as expiry dates. The fair value of inventory acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the efforts required to complete and sell the inventory.

Revenue (agent versus principal) (refer note 4.1)

The group considers the determination of the agent versus principal classification to be a judgement applied in determining that the relationship is one of principal rather than one of an agent. For logistics revenue recognition, the group obtains an understanding of the nature of these revenue transactions and utilises technical accounting experts to evaluate whether control has transferred to the group before transferring to the customer or not. In the agent versus principal determination the group considers which party carries the inventory risk before and after the customer order; which party has the primary responsibility for providing the goods to the customers; and who had influence over setting the price at which the product is sold to the customers.

Trade receivables (refer note 7.5)

Trade receivables are initially measured at fair value, which is equal to the consideration expected to be received from the satisfaction of performance obligations, plus any directly attributable transaction costs. At the time of initial recognition in accordance with IFRS 9 the group assesses the expected credit loss (ECL) by applying the simplified approach.

In determining the ECL, each operation splits the trade receivables into groups based on shared credit risk characteristics and the days past due; namely, by splitting customers into the type of customer (hotels, restaurants and cafés; quick service restaurants; caterers, butcheries and canteens), geographical regions, product types, customer ratings and trade credit insurances. In instances where there was no evidence of historical impairment, each operation's management uses their knowledge of their business and forward-looking macro-economic information to determine the potential loss rate. In addition specific provisions are raised for trade receivables if doubt on their collectability is known.

The group's ECL percentages have been based, not only on historical loss experience, but also forward-looking information on a country-by-country basis including potential impacts from the Russia-Ukraine war and possible negative impacts of long-term high inflation on the macro-economic activity. The ECL is determined on a country-by-country basis which is calculated as indicated above using an unbiased and probability-weighted outcomes which require the use of judgement, especially in times of economic uncertainty.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES (continued)

3.1 Accounting judgements and determination of fair values in applying the group's accounting policies (continued)

Puttable non-controlling interest liabilities (refer note 10.5)

The group has entered into put non-controlling interest (NCI) arrangements where non-controlling interests are entitled to sell certain of their holdings in subsidiaries to the group at future contracted dates. The puttable non-controlling interest liability is calculated as the present value of the contracted redemption value (i.e. contracted fixed EBITDA multiples), discounted from the redemption date to the reporting date. The main assumptions used in the calculation of the liability is the contracted redemption value at the redemption date and the discount rate used to discount the redemption value to the reporting date. The discount rate is derived from an applicable government bond yield curve in the country in which the subsidiary operates, and is applied over the number of years between the reporting date and the redemption date, plus an appropriate credit spread.

The group's assessment of contracted EBITDA multiples is that it represents a fixed instrument due to it being agreed up front by both parties and cannot be changed throughout the lock-in period; no market risk is accepted by the minority shareholders; future performance of a company or financial position on the redemption date does not change the EBITDA multiple to be paid to the minority shareholders; third parties are not able to change the price of the EBITDA multiple payable to the minority shareholders; and there is no true up to a "fair value" multiple to similar companies on the redemption date.

The group has applied judgement to recognise subsequent measurement changes in the puttable NCI liabilities in accordance with the principles of IFRS 10.23. *Changes in Assumptions* used to estimate the future purchase price of the puttable NCI liabilities are recorded directly in retained earnings in the statement of changes in equity. There is diversity in practice as to whether to recognise subsequent measurement changes in the carrying amount in profit or loss or equity. This accounting policy judgement to take remeasurements directly to retained earnings has been applied consistently by the group.

The total remeasurement changes of the puttable NCI liabilities during the year was R304,2 million (debit to equity) (2022: R2,0 million (debit to equity)). Refer to the statement of changes of equity and note 10.5 for the remeasurement of the puttable NCI liabilities.

This accounting policy treatment has been consistently applied by the group and will be applied in future until there is clarification that is definitive on where subsequent measurement changes are required to be accounted for in terms of IFRS.

Share-based payments (refer note 11.1)

Share appreciation right

The fair value of the share appreciation right awards are measured using a binomial method. Measurement inputs include share price at measurement date, exercise price of the instrument, expected volatility (based on the historic volatility), option life, distribution yield and the risk-free interest rate (based on national South African government bonds).

Conditional share plan

The fair value of the conditional share plan awards are measured using a Monte Carlo method, which best captures the path dependent nature and specific features of these awards. The path dependency of the share award arises from the interaction between dividends and the performance hurdles in the valuation model, as well as the dependency of the valuation on the level of achievement of the vesting conditions at the performance period end dates.

Türkiye hyperinflation accounting (refer note 13)

From years ended June 30 2022, the International Monetary Fund World Economic Outlook Report determined that subsidiaries of the group with the functional currency of the Türkiye lira should apply *Financial Reporting in Hyperinflationary Economies* (IAS 29).

Hyperinflationary accounting requires transactions and balances of each reporting period to be presented in terms of the measuring unit current at the end of the reporting period in order to account for the effect of loss of purchasing power during the period. The group has applied the Türkiye Consumer Price Index (as determined by TURKSTAT) as the general price index to restate amounts as it provides an official observable indication of the change in the price of goods and services. From July 1 2020, the cumulative Consumer Price Index (CPI) at June 30 2023 is 109,4 (2022: 76,5) which has been used to restate amounts.

Customer or supplier relationships on acquisition (refer note 8.1)

Most purchasing decisions in the foodservice distribution industry are based on the ability to deliver a wide range of quality products and related services on a timely and dependable basis, and at a competitive price. Customers may also choose to purchase products directly from wholesale or retail outlets, including club, cash and carry and grocery stores, online retailers, or negotiate prices directly with suppliers. Switching costs are very low, customers or suppliers can make changes on a day-to-day basis. Our group judgement is not to separately value these customer or supplier relationships as identifiable intangible assets, as these are considered day-to-day trading relationships.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES (continued)

3.2 Re-presentation of cash flow statement

The group made the following re-presentation to the statement of cash flows and have adjusted comparatives accordingly.

Cash flows from payments made to puttable non-controlling interests were reclassified from cash flows from investing activities to cash flows from financing activities. The subsequent purchase by the group of a subsidiary's equity instruments is now accounted for as an equity transaction and is classified in the same way as transactions with owners as described in IAS 7.17. The comparatives were re-presented to show this cash flow activity change. This representation had no impact on the group's cash and cash equivalents or statement of financial position.

	Previously reported June 30 2022	Payments to puttable NCI re-presented as financing activities	Re-presented June 30 2022
Cash flows from operating activities	3 483 490	–	3 483 490
Cash flows from investing activities	(3 429 210)	49 476	(3 379 734)
Cash flows from financing activities	(819 874)	(49 476)	(869 350)
Movement in cash and cash equivalents	(765 594)	–	(765 594)

		2023 R'000	2022 R'000
4.	**OPERATING PERFORMANCE**		
4.1	**Revenue**		
	Sale of goods – frozen	**70 788 648**	53 156 263
	Sale of goods – chilled	**55 303 603**	40 318 102
	Sale of goods – ambient	**61 004 022**	46 140 256
	Sale of goods – non-food	**8 948 959**	7 241 749
	Rendering of services and commissions earned	**296 007**	281 941
		196 341 239	147 138 311
	Revenue percentage by customer type		
	Hotels, restaurants and cafés[1]	**43%**	41%
	Quick service restaurants	**12%**	14%
	Retail, wholesalers and other distributors	**10%**	14%
	Caterers, butcheries and canteens	**14%**	13%
	Healthcare and aged care	**9%**	9%
	Education	**6%**	5%
	Travel (airlines and cruise liners)	**3%**	2%
	Government-related customers	**3%**	2%
	Analysis of revenue per country by percentage		
	United Kingdom	**26%**	26%
	Australia	**15%**	15%
	The Netherlands	**9%**	9%
	New Zealand	**8%**	8%
	Italy	**7%**	6%
	Czech Republic	**7%**	6%
	Belgium	**5%**	5%
	People's Republic of China and Hong Kong	**5%**	6%
	South Africa	**4%**	5%
	Other	**14%**	14%

[1] *The growth in the revenue percentage for hotels, restaurants and cafés is a result of the group's strategic focus on "smaller independent customers" and continued recovery in demand in this customer type.*

Composition of revenue

- Revenue comprises amounts earned from customers from the sale of frozen, chilled, ambient and non-food products (goods) and from the rendering of services.
- Revenue is disclosed net of value added taxation.
- Revenue is net of returns and allowances, trade discounts and volume rebates, all of which have been apportioned to the sale of goods.

4. OPERATING PERFORMANCE (continued)

4.1 Revenue (continued)

Revenue recognition

Revenue is recognised from the sale of goods and is measured at the amount of the transaction price received in exchange for transferring goods. The transaction price is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future, after deducting discounts, volume rebates, value added tax and other sales taxes.

Control of the goods is passed when title and insurance risk have passed to the customer, which is typically when the goods have been delivered to an agreed location. When the period of time between delivery of goods and subsequent payment by the customer is less than one year, no adjustment for a financing component is made.

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at reporting date. The stage of completion is time-based and dependent on the terms of the contract.

Revenue from commissions and fees is recognised in the statement of profit or loss in proportion to the stage of completion of the transaction at the statement of financial position date.

IFRS 15 *Revenue from Contracts with Customers*

Due to the group's revenue being earned through the sale of goods relating to frozen, ambient, chilled and other non-food-related products there are no significant multiple-element revenue arrangements with customers. The largest customer contract is Subway in the United Kingdom which accounts for 2,2% of the group's 2023 revenue (2022: 2,4%).

The group applies the practical expedient (paragraph 121 of IFRS 15) to not disclose information about remaining performance obligations that have original expected durations of one year or less.

Notes to the consolidated financial statements continued

for the year ended June 30

	Note	2023 R'000	2022 R'000
4. OPERATING PERFORMANCE (continued)			
4.2 Operating profit			
Determined after charging (crediting)			
Auditors' remuneration		**80 292**	75 580
Group auditor audit fees and related expenses		**66 718**	62 582
Group auditor related tax, consulting, other related expenses		**1 438**	3 445
Other audit firm fees and related expenses		**12 136**	9 553
Depreciation of property, plant and equipment	7.1	**1 579 347**	1 348 486
Freehold properties		**48 402**	29 781
Leasehold improvements		**103 587**	104 495
Plant and equipment		**559 940**	453 198
Office equipment, furniture and fittings		**208 604**	181 489
Vehicles		**658 814**	579 523
Impairment of property, plant and equipment	7.1	**21 892**	99 094
Freehold properties		**–**	12 383
Leasehold improvements		**340**	12 857
Plant and equipment		**17 311**	51 539
Office equipment, furniture and fittings		**4 231**	20 267
Vehicles		**10**	2 048
Amortisation of intangible assets	7.2	**134 560**	112 415
Patents, trademarks, and tradenames		**8 072**	7 854
Computer software		**126 488**	104 561
Right-of-use lease asset depreciation	7.3	**1 025 470**	844 545
Leasehold properties		**775 463**	638 582
Vehicles		**240 080**	194 792
Equipment and other		**9 927**	11 171
Directors' emoluments			
Executive directors	11.2	**78 381**	68 192
Basic remuneration		**28 026**	24 877
Retirement and medical benefits		**770**	721
Other benefits		**485**	470
Cash incentives		**49 100**	42 124
Non-executive directors' emoluments	11.2	**15 291**	12 459
Directors' fees		**14 573**	11 869
Other services		**718**	590
Employer contributions to		**2 682 719**	1 998 560
Defined contribution pension funds		**711 222**	509 874
Provident funds		**31 747**	23 439
Retirement funds		**123 025**	103 145
Social securities		**1 736 126**	1 308 932
Medical aids		**80 599**	53 170
Defined benefit pension plans related expenses		**21 192**	13 755
Share-based payment expense	11.1	**226 717**	161 258
Bidvest Incentive Scheme (BIS)		**(1 395)**	(2 286)
Bid Corporation Limited Share Appreciation Rights Plan (SARs)		**15 269**	30 018
Bidcorp Conditional Share Plan (CSP)		**194 283**	137 828
Nowaco Management Scheme		**18 560**	(4 302)

	Note	2023 R'000	2022 R'000
4. OPERATING PERFORMANCE (continued)			
4.2 Operating profit (continued)			
Staff costs excluding directors' emoluments, employer contributions		**19 821 905**	15 364 060
Gross staff costs excluding directors' emoluments, employer contributions		**19 848 208**	15 515 436
Government grants recognised in the consolidated statement of profit or loss		**(26 303)**	(151 376)
The group received government grants in respect of staff job retention schemes in a few geographies. The group accounts for government grants in profit or loss in the year the staff costs are incurred and presented net of the related staff cost.			
Foreign exchange losses (gains) on hedging activities		**262**	5 201
Forward exchange contracts		**(664)**	7 752
Foreign bank accounts		**926**	(2 551)
Foreign exchange (gains) losses on transactions		**(19 160)**	(7 141)
Realised		**(3 522)**	9 686
Unrealised		**(15 638)**	(16 827)
Transport costs		**5 017 927**	3 880 334
Fuel		**1 374 193**	1 014 020
Vehicle running and transport costs (repairs, road tax, etc)		**1 988 884**	1 560 753
Freight out		**1 654 850**	1 305 561
Accommodation and premise costs		**2 966 028**	2 240 016
Electricity, gas and water		**1 096 229**	854 832
Repairs and maintenance		**747 097**	527 443
Health and safety costs		**314 865**	235 556
Packaging and pallets		**311 114**	236 238
Other accommodation and premise costs		**496 723**	385 947
Office and communication costs		**965 324**	732 320
Insurance costs		**456 029**	428 858
Marketing and commercial costs		**507 312**	374 264
IFRS 16 related lease expenses recognised in the consolidated statement of profit or loss		**377 932**	242 085
Expenses relating to short-term leases (leases shorter than 12 months)		**291 556**	171 657
Expenses relating to leases of low-value assets		**54 841**	62 713
Expense relating to variable lease payments not included in lease liabilities		**31 535**	7 715
Impairment of trade receivables		**306 000**	129 096
Impairment of assets		**87 183**	162 143
Property, plant and equipment	7.1	**21 892**	99 094
Intangible assets	7.2	**8 258**	37 448
Goodwill	8.3	**56 023**	25 601
Associates	9.3	**1 010**	–
Capital (profit) loss		**(9 459)**	171 007
Profit on disposal of property, plant and equipment		**(6 057)**	(56 513)
Profit on disposal of interests in associate		**(3 402)**	–
Insurance proceeds in relation to impaired property, plant and equipment		**–**	(4 692)
Loss on disposal of interests in Cárnicas (Spain) and Hamburg (Germany)		**–**	232 212
Impairment of assets and capital (profit) loss items included as capital items on consolidated statement of profit or loss		**77 724**	333 150

4. OPERATING PERFORMANCE (continued)

4.3 Segmental operational performance

The group has the following strategic segments; Australasia, United Kingdom, Europe, Emerging Markets, and Corporate, which are the reportable segments.

The reportable segments of the group have been identified based on the regions of the businesses. This basis is representative of the internal structure for management purposes and management reports are reviewed by the executive management team on a monthly basis. "Segmental trading profit" is defined as operating profit excluding items of a capital nature and is the basis on which divisional management's performance is assessed. Share-based payment and acquisition costs are also excluded from the result as this is not a criteria used in the management of the reportable segments.

There is no individual customer who contributes more than 5% to the group's total revenue.

	2023 R'000	2022 R'000
Segmental revenue		
Australasia	**44 336 732**	33 343 369
United Kingdom	**51 378 872**	37 818 927
Europe	**69 548 732**	50 077 127
Emerging Markets	**31 076 903**	25 898 888
	196 341 239	147 138 311

	Total R'000	Australasia R'000	United Kingdom R'000	Europe R'000	Emerging Markets R'000
Segmental revenue by category and market					
2023					
Sale of goods – frozen	70 788 648	17 235 212	18 188 181	23 653 757	11 711 498
Sale of goods – chilled	55 303 603	11 900 248	12 021 631	23 692 548	7 689 176
Sale of good – ambient	61 004 022	13 202 813	18 464 575	18 740 601	10 596 033
Sale of goods – non-food	8 948 959	1 998 459	2 699 453	3 174 161	1 076 886
Rendering of services and commissions	296 007	–	5 032	287 665	3 310
	196 341 239	44 336 732	51 378 872	69 548 732	31 076 903
Independent	57%	71%	42%	62%	51%
Chain	32%	14%	57%	22%	35%
Logistics	5%	7%	0%	8%	2%
Retail and other	6%	8%	1%	8%	13%
Hotels, restaurants and cafés	43%	38%	38%	50%	43%
Quick service restaurants	12%	12%	17%	13%	8%
Caterers, butcheries and canteens	14%	9%	11%	16%	21%
Retail, wholesalers and other distributors	10%	14%	1%	12%	22%
Healthcare and aged care	9%	12%	10%	6%	3%
Education	6%	3%	14%	2%	2%
Travel (airlines and cruise liners)	3%	10%	3%	0%	1%
Government-related customers	3%	2%	6%	1%	0%

Customer segmentation

Independent

Predominantly include independent establishments. These customers typically generate higher gross margins that more than offsets the higher supply chain costs that we incur in serving these customers. These customers use more value-added services, particularly in the areas of product selection and procurement, market trends, menu development, and operational strategy.

Chain

Chain customers are multi-unit restaurants which includes fine dining, family and casual dining, as well as hotels, healthcare facilities, and other multi-unit institutional customers.

Logistics

Logistics customers is where a customer instructs which suppliers are to be used for procurement and when to deliver the product to the customer.

Retail

Retail customers predominantly include independent retailers and wholesalers.

	Total R'000	Australasia R'000	United Kingdom R'000	Europe R'000	Emerging Markets R'000
4. OPERATING PERFORMANCE (continued)					
4.3 Segmental operational performance (continued)					
Segmental revenue by category and market (continued)					
2022					
Sale of goods – frozen	53 156 263	13 018 358	13 301 249	17 387 447	9 449 209
Sale of goods – chilled	40 318 102	8 478 928	8 817 564	16 536 637	6 484 973
Sale of good – ambient	46 140 256	10 053 444	13 582 117	13 515 036	8 989 659
Sale of goods – non-food	7 241 749	1 792 639	2 112 676	2 364 587	971 847
Rendering of services and commissions	281 941	–	5 321	273 420	3 200
	147 138 311	33 343 369	37 818 927	50 077 127	25 898 888
Independent	57%	66%	44%	62%	54%
Chain	31%	13%	56%	23%	34%
Logistics	5%	12%	0%	7%	0%
Retail and other	7%	9%	0%	8%	12%
Hotels, restaurants and cafés	41%	35%	37%	48%	39%
Quick service restaurants	14%	16%	17%	14%	7%
Caterers, butcheries and canteens	14%	8%	10%	16%	23%
Retail, wholesalers and other distributors	13%	16%	4%	12%	25%
Healthcare and aged care	9%	13%	11%	7%	3%
Education	5%	2%	15%	2%	2%
Travel (airlines and cruise liners)	2%	8%	1%	0%	0%
Government-related customers	2%	2%	5%	1%	1%

	2023 R'000	2022 R'000
Segmental trading profit		
Trading division	**10 689 990**	7 687 487
Australasia	**3 541 197**	2 330 923
United Kingdom	**1 918 805**	1 533 213
Europe	**3 659 132**	2 382 215
Emerging Markets	**1 570 856**	1 441 136
Corporate	**(181 386)**	(96 712)
	10 508 604	7 590 775
Segmental trading EBITDA[1]		
Trading division	**11 956 064**	8 735 936
Australasia	**3 803 487**	2 498 264
United Kingdom	**2 246 875**	1 863 353
Europe	**4 236 905**	2 830 319
Emerging Markets	**1 668 797**	1 544 000
Corporate	**(169 953)**	(91 164)
	11 786 111	8 644 772

[1] *2023 Segmental trading EBITDA is determined as trading profit (R10,509 billion) before depreciation (R1,579 billion) and amortisation charges (R135 million). EBITDA has been adjusted for the impact of IFRS 16* Leases *by adding back the right-of-use asset depreciation (R1,025 billion) and deducting lease payments (R1,462 billion). 2022 Segmental trading EBITDA is determined as trading profit (R7,591 billion) before depreciation (R1,348 billion) and amortisation charges (R112 million). EBITDA has been adjusted for the impact of IFRS 16* Leases *by adding back the right-of-use depreciation (R845 million) and deducting lease payments (R1,251 billion).*

	2023 R'000	2022 R'000
4. OPERATING PERFORMANCE (continued)		
4.3 Segmental operational performance (continued)		
Segmental employee benefits and remuneration		
Trading division	**22 408 646**	17 283 882
Australasia	**4 920 075**	3 844 712
United Kingdom	**6 313 819**	5 019 533
Europe	**8 200 758**	5 976 235
Emerging Markets	**2 973 994**	2 443 402
Corporate	**177 680**	117 935
	22 586 326	17 401 817
Share-based payment expense	**226 717**	161 258
	22 813 043	17 563 075

	Number of employees	Number of employees
Segmental number of employees		
Trading division	**27 948**	24 910
Australasia	**4 846**	4 478
United Kingdom	**7 369**	5 916
Europe	**8 539**	7 803
Emerging Markets	**7 194**	6 713
Corporate	**74**	68
	28 022	24 978

	2023 R'000	2022 R'000
4.4 Cash generated by operations		
Reconciliation of operating profit to cash generated from operations		
Operating profit	**10 158 357**	7 080 047
Adjustments for:		
Costs incurred in respect of acquisitions (refer note 8.1)	**45 806**	16 320
Dividends received from jointly controlled entity (refer note 9.1 and 9.3)	**27 786**	20 051
Nowaco share incentive scheme (refer note 11.1)	**–**	(16 430)
Adjustment for depreciation and amortisation (refer note 7.1 and 7.2)	**1 713 907**	1 460 901
Adjustment for RoU lease asset depreciation (refer note 7.3)	**1 025 470**	844 545
Adjustment for non-cash items	**694 400**	534 777
Non-cash movement in the trade receivables impairment allowance	**306 000**	29 109
Impairment of goodwill (refer note 8.3)	**56 023**	25 601
Non-cash movement in the provision for stock obsolescence	**135 674**	(5 770)
Non-cash movement in provisions	**(45 247)**	24 026
Charge to profit or loss for share-based payments (refer note 11.1)	**226 717**	161 258
Profit on disposal of plant, property and equipment	**(42 934)**	(72 415)
Impairment of plant, property and equipment (refer note 7.1)	**21 892**	99 094
Impairment of intangible assets (refer note 7.2)	**8 258**	37 448
Non-cash movements related to lease cancellations for RoU lease assets and RoU lease liabilities	**(38 915)**	(40 307)
Loss on disposal of businesses (refer note 8.2)	**–**	232 212
Other non-cash items movements	**66 932**	44 521
Working capital changes	**(453 756)**	(1 983 500)
Increase in inventories	**(1 594 770)**	(3 160 548)
Increase in trade and other receivables	**(2 128 766)**	(4 156 745)
Increase in trade and other payables and provisions	**3 269 780**	5 333 793
Cash generated by operations	**13 211 970**	7 956 711

	2023 R'000	2022 R'000
5. TAXATION		
5.1 Income taxation		
Current taxation	**2 030 893**	1 580 501
Current year	**2 114 772**	1 598 876
Prior years' over provision	**(83 879)**	(18 375)
Deferred taxation	**322 246**	(29 207)
Current year	**289 153**	(8 996)
Prior years' under (over) provision	**31 668**	(18 627)
Change in rate of taxation	**1 425**	(1 584)
Foreign withholding taxation	**40 343**	33 693
Total taxation per consolidated statement of profit or loss	**2 393 482**	1 584 987
Comprising		
South African taxation	**229 908**	188 746
Foreign taxation	**2 163 574**	1 396 241
	2 393 482	1 584 987

Income taxation comprises current and deferred taxation. Income taxation expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current taxation comprises taxation payable calculated on the basis of the expected taxable income for the year, using the taxation rates enacted or substantively enacted at the reporting date, and any adjustment of taxation payable for previous years.

The reconciliation of the group's effective taxation rate applies the South African taxation rate as the holding company is a South African taxation resident. On a group basis, the foreign taxation rate differentials are not considered significant and the method has been applied consistently from period to period.

	2023 %	2022 %
The reconciliation of the effective taxation rate with the South African company taxation rate is:		
Taxation for the year as a percentage of profit before taxation	**25,6**	24,4
Associates	**0,2**	0,1
Effective rate excluding associate income	**25,8**	24,5
Dividend and exempt income	**1,0**	2,1
Foreign taxation rate differential	**0,9**	2,8
Non-deductible expenses[1]	**(1,5)**	(2,6)
Deferred taxation assets not previously raised	**0,3**	0,6
Exempt portion of capital gains	**(0,1)**	–
Changes in prior years' estimation	**0,6**	0,6
Rate of South African company taxation (%)	**27,0**	28,0

[1] *Non-deductible expenses comprise impairments of property, plant and equipment (refer note 7.1), intangible assets (refer note 7.2), goodwill (refer note 8.1), non-deductibility of puttable option liability interest and other non-deductible expenses individually insignificant across the group.*

		2023 R'000	2022 R'000
5.	**TAXATION** (continued)		
5.2	**Deferred taxation**		
	Deferred taxation assets	**1 551 652**	1 394 294
	Deferred taxation liabilities	**(1 150 000)**	(758 336)
	Net deferred taxation asset	**401 652**	635 958
	Movement in net deferred taxation assets and liabilities		
	Balance at beginning of year	**635 958**	629 585
	Deferred taxation charge	**(322 246)**	29 207
	Items recognised directly in equity and other comprehensive income	**54 847**	2 956
	On acquisition of businesses	**(39 219)**	(9 653)
	On disposal of businesses	**–**	(44 776)
	Exchange rate adjustments, including the effect of hyperinflation	**72 312**	28 639
	Balance at end of year	**401 652**	635 958
	Analysis of deferred taxation balances		
	Differential between carrying values and taxation values of property, plant and equipment	**(1 352 894)**	(783 508)
	Differential between carrying values and taxation values of intangible assets	**(74 370)**	(40 366)
	Estimated taxation losses	**233 117**	233 561
	Staff-related allowances and liabilities	**494 487**	397 370
	Differential between right-of-use lease assets and liabilities	**360 795**	352 506
	Inventories	**110 254**	47 716
	Investments	**(91 877)**	(104 514)
	Trade and other receivables	**275 050**	185 893
	Trade, other payables and provisions	**447 090**	347 300
		401 652	635 958

Deferred taxation has been provided at rates ranging between 15% – 34% (2022: 15% – 34%). The variance in rates arises as a result of the differing taxation and Capital Gains Taxation rates present in the various countries in which the group operates.

Reconciliation of estimated tax losses available for offset against future taxable income

	2023 R'000	2022 R'000
Estimated taxation losses available for offset against future taxable income	**2 622 105**	2 247 607
Utilised in the computation of deferred taxation	**(865 396)**	(834 146)
Not accounted for in deferred taxation	**1 758 709**	1 413 461

Deferred taxation assets have not been recognised in respect of certain tax losses as the directors believe it is not probable that the relevant companies will generate taxable profit in the near future or the nature of the taxation losses remain uncertain, against which the benefits can be utilised.

The significant taxation losses not accounted for as deferred taxation assets relates to the Guzmán Gastronomía S.L. group (Spain). At June 30 2023, the estimated taxation losses for Spain was €66,3 million (R1,4 billion) (2022: €66,3 million (R1,1 billion)).

Miumi International Food Company Limited has incurred losses of HK$379 million (R911 million) (2022: HK$379 million (R787 million)). At June 30 2023, these losses have not been included in the above reconciliation as it is uncertain that a taxation deduction will be obtained against future taxable income.

Deferred taxation is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

5. TAXATION (continued)

5.2 Deferred taxation (continued)

The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination, initial recognition of the right-of-use lease assets/liabilities and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred taxation is charged to the statement of profit or loss except to the extent that it relates to a transaction that is recognised directly in other comprehensive income or equity, or a business combination that is an acquisition. The effects on deferred taxation of any changes in tax rates is recognised in the statement of profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or equity.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused taxation losses and deductible temporary differences can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefit will be realised.

	2023 R'000	2022 R'000
5.3 Taxation paid		
Amounts payable at beginning of year	**(396 843)**	(286 537)
Current taxation charge including foreign withholding taxation	**(2 071 236)**	(1 614 194)
Businesses acquired	**(21 422)**	(1 495)
Exchange rate adjustments, including the effect of hyperinflation	**(71 415)**	(20 389)
Amounts payable at end of year	**548 319**	396 843
Amounts paid	**(2 012 597)**	(1 525 772)

6. BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE

6.1 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Bidcorp by the weighted average number of ordinary shares in issue during the year, excluding those ordinary shares held as treasury shares.

Weighted average number of shares in issue is calculated as the number of shares in issue at the beginning of the year, increased by shares issued/treasury shares sold during the year or decreased by treasury shares purchased during the year, weighted on a time basis for the period in the year during which they have participated in the profit of Bidcorp.

	2023	2022
Profit attributable to shareholders of the company (R'000)	**6 886 260**	4 824 720
Weighted average number of shares in issue ('000)	**333 999**	334 062
Basic earnings per share (cents)	**2 061,8**	1 444,3

6.2 Diluted earnings per share

The diluted basic earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares.

	2023	2022
Dilutive earnings* (R'000)	**6 886 260**	4 824 720
Weighted average number of shares in issue ('000)	**333 999**	334 062
Potential dilutive impact of outstanding share and conditional awards ('000)	**970**	908
Number of outstanding staff share awards	**1 192**	2 186
Number of share awards deemed to be issued at fair value	**(1 101)**	(2 008)
Contingent issuable shares in terms of conditional share plan to be issued not at fair value	**879**	730
Dilutive weighted average number of shares ('000)	**334 969**	334 970
Diluted basic earnings per share (cents)	**2 055,8**	1 440,3
Dilution (%)	**0,3**	0,3

* *There were no reconciling items for the diluted earnings.*

	2023 R'000	2022 R'000
6. BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE (continued)		
6.3 Headline earnings per share		
Profit attributable to shareholders of the company	**6 886 260**	4 824 720
Impairments	**79 824**	141 475
Property, plant and equipment	**21 892**	99 094
Intangible assets	**8 258**	37 448
Goodwill	**56 023**	25 601
Associates	**1 010**	–
Taxation relief	**(7 359)**	(20 668)
Capital profit on disposal of property, plant and equipment	**(5 770)**	(56 218)
Property, plant and equipment	**(6 057)**	(56 513)
Taxation charge	**287**	295
Insurance proceeds in relation to an impairment of property, plant and equipment	**–**	(3 378)
Insurance proceeds	**–**	(4 692)
Taxation charge	**–**	1 314
Profit on disposal of interests in associate	**(3 402)**	–
Loss on disposal of interests in subsidiaries	**–**	232 212
Headline earnings	**6 956 912**	5 138 811
Headline earnings per share (cents)	**2 082,9**	1 538,3
Diluted headline earnings per share (cents)	**2 076,9**	1 534,1
Dilution (%)	**0,3**	0,3

	2023 R'000	2022 R'000
7. NET OPERATING ASSETS		
7.1 Property, plant and equipment		
Freehold land and buildings	13 972 216	10 291 617
Cost	15 477 361	11 433 949
Accumulated depreciation and impairments	(1 505 145)	(1 142 332)
Leasehold improvements	734 083	660 092
Cost	2 088 012	1 716 631
Accumulated depreciation and impairments	(1 353 929)	(1 056 539)
Plant and equipment	3 699 261	2 470 682
Cost	9 562 314	7 001 328
Accumulated depreciation and impairments	(5 863 053)	(4 530 646)
Office equipment, furniture and fittings	989 315	690 534
Cost	2 902 891	2 252 257
Accumulated depreciation and impairments	(1 913 576)	(1 561 723)
Vehicles	3 176 349	2 198 187
Cost	8 026 618	5 922 392
Accumulated depreciation and impairments	(4 850 269)	(3 724 205)
Capital work-in-progress	776 140	987 764
	23 347 364	17 298 876

Property, plant and equipment with an estimated carrying value of R897 million (2022: R942 million) were pledged as security for borrowings of R551 million (2022: R600 million) (refer note 10.3).

A register of land and buildings is available for inspection by shareholders at the registered office of the company.

Property, plant and equipment are reflected at cost to the group, less accumulated depreciation and accumulated impairment losses.

Land is stated at cost and is not depreciated. The present value of the estimated cost of dismantling and removing items and restoring the site in which they are located is provided for as part of the cost of the asset.

Depreciation is provided for on the straight-line basis over the estimated useful lives of the property, plant and equipment to anticipated residual values. The estimated market value of the group's freehold property based on most recent valuation reports within the last five years amounted to R18,4 billion (2022: R14,5 billion).

Estimate useful lives are:

Freehold buildings	Up to 50 years
Leasehold premises	Over the period of the lease
Plant and equipment	3 to 15 years
Office equipment, furniture and fittings	3 to 10 years
Vehicles	3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Capital work in progress includes the cost of materials and direct labour, any other costs directly attributable to bringing the item of property, plant and equipment to a working condition for its intended use. Land and assets under construction are not depreciated.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

		2023 R'000	2022 R'000
7.	**NET OPERATING ASSETS** (continued)		
7.1	**Property, plant and equipment** (continued)		
	Movement in property, plant and equipment		
	Carrying value at beginning of year	**17 298 876**	15 505 841
	Capital expenditure	**4 284 573**	2 930 155
	Freehold land and buildings	**741 955**	405 882
	Leasehold improvements	**41 381**	100 136
	Plant and equipment	**861 021**	395 732
	Office equipment, furniture and fittings	**255 595**	163 900
	Vehicles	**758 507**	387 416
	Capital work-in-progress	**1 626 114**	1 477 089
	Acquisition of businesses	**391 210**	458 192
	Freehold land and buildings	**223 989**	413 666
	Leasehold improvements	**8 616**	–
	Plant and equipment	**81 219**	25 326
	Office equipment, furniture and fittings	**9 459**	3 316
	Vehicles	**67 927**	12 122
	Capital work-in-progress	**–**	3 762
	Disposals	**(85 385)**	(471 360)
	Freehold land and buildings	**(35 396)**	(399 913)
	Leasehold improvements	**(147)**	(10 231)
	Plant and equipment	**(12 472)**	(11 583)
	Office equipment, furniture and fittings	**(15 788)**	(8 220)
	Vehicles	**(15 499)**	(24 457)
	Capital work-in-progress	**(6 083)**	(16 956)
	Net transfers	**–**	–
	Freehold land and buildings	**946 810**	374 451
	Leasehold improvements	**6 126**	28 086
	Plant and equipment	**409 181**	247 611
	Office equipment, furniture and fittings	**151 741**	62 267
	Vehicles	**466 403**	183 717
	Capital work-in-progress	**(1 980 261)**	(896 132)
	Exchange rate adjustments, including the effect of hyperinflation	**3 059 329**	323 628
	Freehold land and buildings	**1 851 643**	155 455
	Leasehold improvements	**121 942**	9 884
	Plant and equipment	**466 881**	53 020
	Office equipment, furniture and fittings	**110 609**	56 492
	Vehicles	**359 648**	39 603
	Capital work-in-progress	**148 606**	9 174
	Depreciation (refer note 4.2)	**(1 579 347)**	(1 348 486)
	Impairment losses (refer note 4.2)	**(21 892)**	(99 094)
	Carrying value at end of year	**23 347 364**	17 298 876

	2023 R'000	2022 R'000
7. NET OPERATING ASSETS (continued)		
7.1 Property, plant and equipment (continued)		
Segmental capital expenditure[1]		
Bidfood	**4 284 153**	2 929 278
Australasia	**1 400 630**	915 886
United Kingdom	**1 134 919**	504 295
Europe	**1 324 660**	965 614
Emerging Markets	**423 944**	543 483
Corporate	**420**	877
Total	**4 284 573**	2 930 155
Segmental depreciation		
Trading division		
Bidfood	**1 578 666**	1 347 729
Australasia	**339 053**	266 299
United Kingdom	**442 696**	410 956
Europe	**557 095**	472 839
Emerging Markets	**239 822**	197 635
Corporate	**681**	757
Total	**1 579 347**	1 348 486
Segmental impairments		
Trading division		
Bidfood		
Australasia	**–**	29 541
United Kingdom	**4 510**	18 103
Europe	**2 231**	46 757
Emerging Markets	**15 151**	4 693
	21 892	99 094

[1] *During the year, expansionary capital expenditure accounted for R1,8 billion mainly related to infrastructure capital expenditure (through upgrades to (or new) distribution centres including the fit out of plant and equipment). The group's infrastructure capital expenditure is long term in nature as distribution centres are generally used for up to 50 years (or beyond) and they are purposely built close to the customer. The capital expenditure is integrated with leading ESG trends (solar, water saving measures, LED lighting, state-of the-art refrigeration etc) and over time provides a strategic advantage for the group. Operational (replacement) capital expenditure of R2,4 billion is larger than the depreciation charge as replacement values have increased due to global inflationary pressures and timing of vehicle fleet replacements given long lead times and supply constraints from 2021 onwards.*

		2023 R'000	2022 R'000
7.	**NET OPERATING ASSETS** (continued)		
7.2	**Intangible assets**		
	Patents, trademarks and tradenames	**464 419**	303 617
	Cost	**553 633**	373 208
	Accumulated amortisation and impairments	**(89 214)**	(69 591)
	Computer software	**454 794**	357 401
	Cost	**2 284 592**	1 864 993
	Accumulated amortisation and impairments	**(1 829 798)**	(1 507 592)
	Capital work-in-progress	**28 981**	33 417
		948 194	694 435
	Movement in intangible assets		
	Carrying value at beginning of year	**694 435**	649 722
	Additions	**154 786**	152 597
	Patents, trademarks and tradenames	**3 722**	765
	Computer software	**161 592**	197 525
	Capital work-in-progress	**(10 528)**	(45 693)
	Expenditure	**29 754**	53 493
	Transfers to other categories	**(40 282)**	(99 186)
	Acquisition of businesses	**93 948**	40 363
	Patents, trademarks and tradenames	**92 889**	39 806
	Computer software	**1 059**	557
	Disposals	**(1 312)**	(7 524)
	Patents, trademarks and tradenames	**(8)**	–
	Computer software	**(1 304)**	(7 524)
	Exchange rate adjustments, including the effect of hyperinflation	**149 155**	9 140
	Patents, trademarks and tradenames	**72 271**	4 194
	Computer software	**70 792**	3 835
	Capital work-in-progress	**6 092**	1 111
	Amortisation (refer note 4.2)	**(134 560)**	(112 415)
	Impairment losses (refer note 4.2)	**(8 258)**	(37 448)
	Carrying value at end of year	**948 194**	694 435
	Segmental amortisation		
	Bidfood	**123 096**	106 919
	Australasia	**10 426**	9 512
	United Kingdom	**49 833**	44 688
	Europe	**52 292**	44 129
	Emerging Markets	**10 545**	8 590
	Corporate	**11 464**	5 496
	Total	**134 560**	112 415
	Segmental impairments		
	United Kingdom	**–**	37 116
	Europe	**8 258**	332
	Total	**8 258**	37 448

7. NET OPERATING ASSETS (continued)

7.2 Intangible assets (continued)

Included in patents, trademarks, tradenames and other intangibles are separately identifiable intangible assets that were recognised on acquisition. Significant separately identifiable intangible assets recognised on acquisition are as follows:

- "SimplyPuree" and "The Punjab Kitchen" brand names from the Simply Food Solutions acquisition. The carrying value of these brand names at June 30 was R250,5 million (2022: R207,7 million);
- "Foster" tradename and Inter Resto customer relationship recognised on the Foster Fast Food acquisition. The carrying value of this Foster tradename at June 30 was R43,5 million (R36,4 million); and
- "Thomas Ridley" brand name recognised on acquisition of R60,6 million for its brand value created in the East and South East of England.

Software development costs are capitalised and are stated at cost less accumulated amortisation and accumulated impairment losses. Other intangible assets acquired by the group are stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on research, internally generated goodwill and brands is recognised in the statement of profit or loss as an expense when incurred. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortisation is charged to the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at the reporting date. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives are:

Patents, trademarks, tradenames and other intangibles	2 years to indefinite
Computer software	3 to 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

All patents, tradenames, trademarks and other intangibles that have an indefinite life are assessed at the reporting date with the below criteria when considering if the intangible asset has an indefinite life:

- The intangible assets can be managed effectively by another management team and are therefore not linked to the tenure of current management.
- Management does not intend to change the intangible asset's identity or discontinue the product line.
- The group's ongoing investment ensures that the indefinite life intangible assets remain up to date and relevant to the customer.

The directors evaluated the impairment of indefinite life intangible assets at the reporting date and concluded that no further impairment loss were to be recognised as the respective recoverable amounts exceeded their carrying values of the related cash-generating units (refer to note 8.3).

	2023 R'000	2022 R'000
7.3 Right-of-use lease assets (RoU lease assets)		
Leasehold properties	**5 192 729**	4 033 558
Cost	**8 589 392**	6 391 676
Accumulated depreciation	**(3 396 663)**	(2 358 118)
Vehicles	**577 148**	447 639
Cost	**1 224 391**	879 069
Accumulated depreciation	**(647 243)**	(431 430)
Equipment and other	**27 623**	20 507
Cost	**49 844**	48 573
Accumulated depreciation	**(22 221)**	(28 066)
	5 797 500	4 501 704

The group recognises RoU lease assets at the commencement date of the lease (ie the date the underlying asset is available for use). RoU lease assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of RoU lease assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised RoU lease assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. RoU lease assets are subject to impairment.

7. NET OPERATING ASSETS (continued)

7.3 Right-of-use lease assets (RoU lease assets) (continued)

The group leases three asset categories, namely property (leasehold properties), vehicles, and equipment related to leasehold properties. Property leases mainly relate to the lease of land and buildings used for distribution of frozen or perishable foods sales. Vehicle leases includes a fleet of vehicles to deliver products to customers which are wholly or partially refrigerated for the transportation of frozen or perishable foods sales. In addition, there are sales and marketing representative leased vehicles that are used to stay in contact with the needs of our customers and acquaint them with the group's new products and services. RoU lease assets are effectively ceded as security for concomitant lease liabilities (refer note 10.4).

	2023 R'000	2022 R'000
Movement in RoU lease assets		
Carrying value at beginning of year	**4 501 704**	3 924 117
New leases entered into including lease incentives	**1 206 536**	1 143 606
Leasehold properties	**1 026 232**	1 021 911
Vehicles	**171 962**	116 861
Equipment and other	**8 342**	4 834
Lease modifications and remeasurements	**416 131**	210 597
Leasehold properties	**304 807**	84 603
Vehicles	**104 618**	124 752
Equipment and other	**6 706**	1 242
Cancelled leases	**(237 274)**	(40 118)
Leasehold properties	**(205 906)**	(37 461)
Vehicles	**(28 458)**	–
Equipment and other	**(2 910)**	(2 657)
Group transfers	**–**	–
Leasehold properties	**861**	(13 171)
Vehicles	**(861)**	16 257
Equipment and other	**–**	(3 086)
Disposal of business	**–**	(56 623)
Leasehold properties	**–**	(53 942)
Vehicles	**–**	(2 647)
Equipment and other	**–**	(34)
Acquisition of business	**91 838**	–
Leasehold properties	**59 061**	–
Vehicles	**32 363**	–
Equipment and other	**414**	–
Depreciation (refer note 4.2)	**(1 025 470)**	(844 545)
Exchange rate adjustments, including the effect of hyperinflation	**844 035**	164 670
Leasehold properties	**749 579**	154 144
Vehicles	**89 965**	9 828
Equipment and other	**4 491**	698
	5 797 500	4 501 704
Segmental RoU depreciation		
Bidfood	**1 023 443**	842 691
Australasia	**145 995**	105 387
United Kingdom	**210 030**	203 395
Europe	**330 248**	265 868
Emerging Markets	**337 170**	268 041
Corporate	**2 027**	1 854
	1 025 470	844 545

	2023 R'000	2022 R'000
7. NET OPERATING ASSETS (continued)		
7.4 Inventories		
Raw materials	794 206	632 122
Work-in-progress	27 963	21 490
Finished goods	16 942 371	13 021 517
Roll cages	101 856	82 516
	17 866 396	13 757 645
Value of inventory expensed to the consolidated statement of profit or loss	162 963 985	118 058 434
Provision for stock obsolescence included in inventories	438 833	326 531
Total value of inventories on hand at June 30 written down to net realisable value	826 135	480 335
Provision for stock obsolescence debited (credited) to the consolidated statement of profit or loss	62 132	(25 087)

Inventories are stated at the lower of cost and estimated net realisable value. Estimated net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of raw materials and finished goods is determined on a weighted average cost basis. The cost of manufactured inventory and work-in-progress includes materials, direct labour, other direct costs and an appropriate portion of overheads, but excludes interest expense.

	2023 R'000	2022 R'000
7.5 Trade and other receivables		
Trade receivables	22 750 564	17 127 254
Impairment allowances	(1 351 892)	(995 623)
Net trade receivables	21 398 672	16 131 631
Forward exchange contracts asset	9 162	7 937
Prepayments	1 010 527	909 921
Deposits	241 001	179 142
Value added taxation receivable	262 011	216 865
Signing and listing fees	148 437	104 658
Rebates due from suppliers	262 062	185 451
Other receivables	187 100	182 857
	23 518 972	17 918 462

Trade receivables are measured initially at fair value, and are subsequently measured at amortised cost using the effective interest method, less an expected credit loss allowance.

Forward exchange contracts (FECs) are initially measured at fair value on the contract date, and are remeasured to fair value at subsequent reporting dates. The resulting gain or loss is recognised in profit or loss as it arises, unless the FEC is designated and effective as a hedging instrument. Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised in other comprehensive income. The ineffective portion is recognised immediately in profit or loss.

The group does not have any significant contract assets.

Trade receivables consist of a large number of customers spread across diverse markets and geographical areas. Ongoing credit evaluation is performed by operational management on the financial condition of the operation's customers.

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group's largest exposure to a single customer group, across multiple geographies is R772 million (2022: R284 million). The group had 382 318 individual trade debtors at June 30 2023 (2022: 372 358). The total number of debtors per reporting division was obtained and the average net revenue per trade debtor was calculated for each reporting division. Based on the average net revenue per trade debtor in comparison to the group's total net revenue for the year, there was no significant concentration of credit risk to any single trade debtor. The concentration of credit risk is therefore limited due to the customer base being large and independent.

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

Management have assessed the recoverability of these amounts due in their geographies and believe that the amounts due and not impaired are recoverable in full. In addition, broad principles of credit risk management are observed across all business segments, such as the use of credit rating agencies, credit guarantee insurance where appropriate and the maintenance of a credit control function. An operation's average credit period depends on local conditions as well as the creditworthiness of their customers. The majority of the customers are given credit terms ranging from cash on delivery to 60 days from statement. The balance per customer type at the reporting date can be summarised as follows:

	2023 R'000	2022 R'000
Hotels, restaurants and cafés	9 512 772	7 105 864
Retail, wholesalers and other distributors	2 313 629	2 013 391
Quick service restaurants	2 703 939	1 905 398
Caterers, butcheries and canteens	3 961 767	3 446 767
Healthcare and aged care	1 962 665	1 239 356
Education	1 477 848	987 541
Travel (airlines and cruise liners)	501 334	180 978
Government-related customers	316 610	247 959
	22 750 564	17 127 254

The "expected credit loss" or ECL model focuses on the risk that a debtor will default rather than whether a loss has or will be incurred. Credit losses are recognised earlier under IFRS 9 because every loan and receivable "has a risk of defaulting in the future" and has an "expected" credit loss associated with it.

The group applies the IFRS 9 simplified approach to measuring ECLs that use a lifetime expected loss allowance for all trade receivables and contract assets. ECLs are calculated, as a function of the decentralised structure, by each operation by applying the historic loss ratios to trade receivables. In determining the ECL, each operation splits the trade receivables into groups based on shared credit risk characteristics and the days past due, namely by splitting customers into the type of customer (eg hotels, restaurants and cafés; quick service restaurants; caterers, butcheries and canteens), geographical regions, product types, customer ratings and trade credit insurances. In instances where there was no evidence of historical impairment, each operation's management used their knowledge of their business to determine the potential loss rate. The historical loss rates are adjusted, when necessary, to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the trade receivables. The group has identified GDP, food inflation and levels of consumer confidence in the region or country in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

In addition, possible long-term negative impacts of above normal inflation on the macro-economic environment has been factored into expected credit losses calculated on a country-by-country basis based on evidence available at the time of finalising the Bidcorp group annual financial statements.

ECLs were considered for deposits, signing and listing fees, rebates due from suppliers and other receivables. Carrying values at June 30 reflect the fair value of these receivables less any expected credit allowances.

The review of the expected impairment allowances and loss ratios in respect of trade and other receivables is monitored under the oversight of the divisional audit and risk committees, and ultimately the group audit and risk committee.

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

The ECL matrix at reporting date can be summarised as follows:

	2023			2022		
	Gross debtor R'000	**Loss rate %**	**Expected credit loss R'000**	Gross debtor R'000	Loss rate %	Expected credit loss R'000
Not past due	**18 529 990**	**1,5**	**276 581**	13 779 764	1,4	191 363
Hotels, restaurants and cafés	**6 966 797**	**1,9**	**129 281**	5 329 611	2,3	123 904
Retail, wholesalers and other distributors	**1 891 036**	**2,5**	**48 109**	1 521 341	1,2	18 085
Quick service restaurants	**2 470 455**	**0,9**	**21 645**	1 721 317	0,7	11 354
Caterers, butcheries and canteens	**3 323 173**	**0,9**	**31 351**	2 864 385	0,9	26 551
Healthcare and aged care	**1 764 404**	**1,2**	**20 671**	1 078 226	0,5	4 987
Education	**1 408 755**	**0,8**	**11 767**	924 410	0,4	4 048
Travel (airlines and cruise liners)	**447 312**	**2,6**	**11 613**	155 674	1,3	1 969
Government-related customers	**258 058**	**0,8**	**2 144**	184 800	0,3	465
Past due 0 – 30 days	**2 025 163**	**4,7**	**94 756**	1 631 775	4,6	75 358
Hotels, restaurants and cafés	**1 173 958**	**5,0**	**59 230**	779 804	4,6	35 766
Retail, wholesalers and other distributors	**249 501**	**7,4**	**18 342**	263 793	4,9	12 903
Quick service restaurants	**112 377**	**3,6**	**4 054**	114 449	4,8	5 520
Caterers, butcheries and canteens	**297 541**	**2,4**	**7 188**	318 985	2,6	8 416
Healthcare and aged care	**114 330**	**2,3**	**2 653**	84 784	7,6	6 460
Education	**46 091**	**1,8**	**811**	28 242	3,3	940
Travel (airlines and cruise liners)	**14 950**	**15,4**	**2 305**	13 251	35,5	4 701
Government-related customers	**16 415**	**1,1**	**173**	28 467	2,3	652
Past due 31 – 180 days	**1 089 622**	**17,3**	**188 715**	873 627	19,0	165 727
Hotels, restaurants and cafés	**664 763**	**15,4**	**102 680**	453 724	22,7	102 883
Retail, wholesalers and other distributors	**87 817**	**26,5**	**23 261**	118 811	16,9	20 031
Quick service restaurants	**63 117**	**21,6**	**13 613**	48 365	16,5	7 998
Caterers, butcheries and canteens	**163 644**	**13,4**	**21 848**	152 518	11,9	18 121
Healthcare and aged care	**54 543**	**11,7**	**6 373**	50 615	20,2	10 213
Education	**13 287**	**17,2**	**2 281**	24 697	12,0	2 957
Travel (airlines and cruise liners)	**22 610**	**73,0**	**16 494**	5 702	49,8	2 841
Government-related customers	**19 841**	**10,9**	**2 165**	19 195	3,6	683
181 + days	**1 105 789**	**71,6**	**791 840**	842 088	66,9	563 175
Hotels, restaurants and cafés	**707 254**	**80,3**	**567 582**	542 725	75,2	407 909
Retail, wholesalers and other distributors	**85 275**	**83,9**	**71 576**	109 446	61,5	67 307
Quick service restaurants	**57 990**	**52,5**	**30 470**	21 267	67,0	14 257
Caterers, butcheries and canteens	**177 409**	**49,5**	**87 802**	110 879	45,4	50 354
Healthcare and aged care	**29 388**	**26,4**	**7 751**	25 731	42,1	10 823
Education	**9 715**	**35,9**	**3 492**	10 192	27,9	2 848
Travel (airlines and cruise liners)	**16 462**	**93,0**	**15 315**	6 351	94,3	5 988
Government-related customers	**22 296**	**35,2**	**7 852**	15 497	23,8	3 689
	22 750 564	**5,9**	**1 351 892**	17 127 254	5,8	995 623

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

Ageing of trade receivables per segment at June 30

	2023				2022			
	Loss rate %	Gross trade receivables R'000	Expected credit loss R'000	Net trade receivables R'000	Loss rate %	Gross trade receivables R'000	Expected credit loss R'000	Net trade receivables R'000
Not past due	1,5	18 529 990	(276 581)	18 253 409	1,4	13 779 764	(191 363)	13 588 401
Australasia	3,7	2 952 460	(108 314)	2 844 146	1,7	2 544 304	(44 434)	2 499 870
United Kingdom	0,6	5 843 324	(37 547)	5 805 777	0,9	3 800 450	(32 763)	3 767 687
Europe	1,3	6 594 216	(88 282)	6 505 934	1,5	4 820 639	(70 868)	4 749 771
Emerging Markets	1,4	3 139 990	(42 438)	3 097 552	1,7	2 614 371	(43 298)	2 571 073
Past due 0 – 30 days	4,7	2 025 163	(94 756)	1 930 407	4,6	1 631 775	(75 358)	1 556 417
Australasia	24,8	101 117	(25 069)	76 048	32,7	111 208	(36 378)	74 830
United Kingdom	1,5	328 679	(5 067)	323 612	2,4	226 930	(5 380)	221 550
Europe	3,9	1 057 876	(41 251)	1 016 625	1,8	764 779	(13 946)	750 833
Emerging Markets	4,3	537 491	(23 369)	514 122	3,7	528 858	(19 654)	509 204
31 – 180 days	17,3	1 089 622	(188 715)	900 907	19,0	873 627	(165 727)	707 900
Australasia	59,0	61 724	(36 432)	25 292	51,8	37 681	(19 532)	18 149
United Kingdom	11,4	278 846	(31 891)	246 955	15,0	247 737	(37 136)	210 601
Europe	13,4	536 785	(71 709)	465 076	16,5	339 056	(55 911)	283 145
Emerging Markets	22,9	212 267	(48 683)	163 584	21,3	249 153	(53 148)	196 005
181 + days	71,6	1 105 789	(791 840)	313 949	66,9	842 088	(563 175)	278 913
Australasia	89,9	22 489	(20 209)	2 280	92,2	13 369	(12 322)	1 047
United Kingdom	43,1	334 228	(143 973)	190 255	40,3	208 683	(84 104)	124 579
Europe	83,3	575 738	(479 741)	95 997	76,6	466 812	(357 741)	109 071
Emerging Markets	85,3	173 334	(147 917)	25 417	71,1	153 224	(109 008)	44 216
	5,9	22 750 564	(1 351 892)	21 398 672	5,8	17 127 254	(995 623)	16 131 631

The ECL percentage for trade receivables increased from 4,5% in 2019 to 11,5% in 2020 due to the onset of COVID. In 2021, the ECL percentage reduced to 9,8% given better than expected collections and improvements in forward-looking information arising from the effectiveness of global vaccine programmes. In 2022, the ECL provision reduced further to 5,8% due to increased economic activity in most parts of the world and improvements in forward-looking information and has remained at a similar ECL percentage for 2023 at 5,9%. The 2023 overall ECL of 5,9% remains elevated compared to 2019 (pre-COVID ECL) of 4,5% as we still operate in times of economic uncertainty (Russia-Ukraine war, high global inflation and interest rates and global recession risks).

In summary, the ECL for the year ended June 30 2023 has been conservatively calculated on a country-by-country basis based on evidence available at the time of finalising the group annual financial statements.

The majority (more than 95%) of trade and other receivables are fixed in the subsidiaries' local currency. As trade and other receivables have limited exposure to exchange rate fluctuations, a currency analysis has not been included.

	2023 R'000	2022 R'000
7. NET OPERATING ASSETS (continued)		
7.5 Trade and other receivables (continued)		
Movement in the impairment allowance in respect of trade receivables		
Balance at July 1	**995 623**	1 296 189
Allowances raised during the year	**419 197**	218 501
Australasia	**97 373**	16 719
United Kingdom	**31 611**	20 816
Europe	**183 980**	108 207
Emerging Markets	**106 233**	72 759
Bad debts written off during the year	**(138 338)**	(365 921)
Australasia	**(30 363)**	(10 195)
United Kingdom	**(12 269)**	(25 886)
Europe	**(81 195)**	(78 336)
Emerging Markets	**(14 511)**	(251 504)
Acquisition of businesses	**10 271**	21 523
Australasia	**1 069**	–
United Kingdom	**4 299**	–
Europe	**4 820**	18 919
Emerging Markets	**83**	2 604
Disposal of businesses		
Europe	**–**	(9 261)
Allowances reversed during the year	**(113 197)**	(189 393)
Australasia	**(6 464)**	(30 109)
United Kingdom	**–**	(42 043)
Europe	**(38 858)**	(61 018)
Emerging Markets	**(67 875)**	(56 223)
Exchange rate adjustments, including the effect of hyperinflation	**178 336**	23 985
Balance at June 30	**1 351 892**	995 623

The group's policy for bad debts is to write off trade receivables when there is no reasonable expectation of recovery of the outstanding balance in that particular geography but are still subject to enforcement activity.

	2023		2022	
	Fair value of collateral held R'000	**Trade receivables net of impairment allowance R'000**	Fair value of collateral held R'000	Trade receivables net of impairment allowance R'000
Collateral held on past due amounts				
Cover by credit insurance				
Australasia	**23 440**	**23 440**	17 031	17 031
United Kingdom	**75 407**	**75 407**	45 456	45 456
Europe	**471 581**	**301 325**	313 192	272 788
Emerging Markets	**108 977**	**125 243**	78 269	85 229
Total	**679 405**	**525 415**	453 948	420 504

The majority of the collateral held (R515 million (2022: R421 million)) relates to credit insurance with Atradius N.V., Coface and Credendo. Atradius N.V. Insurer Financial Strength (IFS) rating has been affirmed by ratings agencies AM Best as A (excellent) with a stable outlook, and Moody's as A2 with a positive outlook. Rating agency Fitch, affirmed Coface AA- IFS rating and outlook remaining stable. Standard & Poor's confirmed Credendo credit rating as 'A-1+' with outlook as stable.

In certain instances, the group's operations reserve the right to collect inventory sold when the outstanding debt is not settled by the customer. The collateral detailed above is in addition to these aforementioned measures taken to reduce credit risk in respect of trade receivables.

		2023 R'000	2022 R'000
7.	**NET OPERATING ASSETS** (continued)		
7.6	**Trade and other payables**		
	Trade payables	**29 153 697**	21 418 848
	Forward exchange contracts liability	**12 133**	12 441
	Salary and wage related creditors	**3 595 574**	2 846 497
	Value added taxation liability	**410 978**	324 722
	Nowaco cash-settled incentive scheme	**340 703**	265 469
	Outstanding cheques	**267 952**	322 128
	Other payables and accrued expenses	**1 715 484**	1 462 915
		35 496 521	26 653 020
	Trade payables by segment		
	Trade payables		
	Bidfood	**29 098 769**	21 381 221
	Australasia	**5 130 808**	4 496 901
	United Kingdom	**9 103 653**	5 684 649
	Europe	**11 409 586**	8 349 663
	Emerging markets	**3 454 722**	2 850 008
	Corporate	**54 928**	37 627
		29 153 697	21 418 848

Trade payables and accruals mainly consists of amounts outstanding for trade purchases and ongoing costs.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

The group has contract liabilities disclosed in other payables and accrued expenses in the form of deferred income which arises from consideration received in advance of the satisfaction of performance obligations. The deferred income at June 30 2023 was R0,9 million (2022: R1,1 million).

The directors consider that the carrying amounts of trade payables and other current liabilities approximates their fair values.

		2023 R'000	2022 R'000
7.7	**Provisions**		
	Long-term portion	**784 839**	704 961
	Short-term portion	**376 265**	287 719
		1 161 104	992 680

	Onerous contracts R'000	Dismantling and site restoration R'000	Customer loyalty programme R'000	Restructuring provisions R'000	Other R'000	Total R'000
Balance at July 1 2021	72 347	396 012	119 564	126 294	240 674	954 891
Created	28 050	14 315	29 275	41 468	30 690	143 798
Utilised	(4 587)	(13 445)	(27 590)	(41 650)	(42 979)	(130 251)
On acquisition of business	1 446	–	–	–	–	1 446
On disposal of business	–	–	–	–	(11 864)	(11 864)
Exchange rate adjustments	323	9 608	5 504	268	5 529	21 232
Effect of discounting	–	13 428	–	–	–	13 428
Balance at June 30 2022	97 579	419 918	126 753	126 380	222 050	992 680

7. NET OPERATING ASSETS (continued)

7.7 Provisions (continued)

	Onerous contracts R'000	Dismantling and site restoration R'000	Customer loyalty programme R'000	Restructuring provisions	Other R'000	Total R'000
Balance at June 30 2022	97 579	419 918	126 753	126 380	222 050	992 680
Created	13 047	22 034	16 331	14 476	148 798	214 686
Utilised	(81 893)	(15 144)	(33 219)	(79 502)	(28 661)	(238 419)
On acquisition of business	4 015	–	–	–	6 503	10 518
Exchange rate adjustments	11 448	69 157	13 694	18 249	53 934	166 482
Effect of discounting	–	15 157	–	–	–	15 157
Balance at June 30 2023	44 196	511 122	123 559	79 603	402 624	1 161 104

Provisions are recognised when the group has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Onerous contracts

Onerous contracts are identified through regular reviews of the terms and conditions of contracts as well as on the acquisition of businesses. A provision for onerous contracts is calculated at the present value of the portion which management deem to be onerous in light of market conditions, discounted using market-related rates. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net costs of continuing the contract. Before a provision is established, the group recognises any impairment loss on the assets associated with that contract.

Dismantling and site restoration

A provision is raised for the estimated costs of dismantling and removing items, and restoring the property on which they are located. The change in the liability arising as a result of unwinding the discount is recognised in the statement of profit or loss as a finance charge. The dismantling of the plant and recommissioning of buildings is expected to coincide with the end of the useful life of the plant and lease periods.

Customer loyalty programme

Customer loyalty points are accounted for at fair value of the consideration received or receivable in respect of the initial sale, and are allocated between the loyalty points and the other components of the sale. The consideration allocated to the customer loyalty points is measured by reference to their fair value, which is the amount for which the loyalty points could be sold at, multiplied by the probability of their redemption. This amount is recognised as a provision until such time as the customer loyalty points are redeemed. Once the loyalty points are redeemed, the amount will be recognised as revenue. Customer loyalty programmes have been introduced by certain operations within the group, whereby customers can earn points for redemption in the form of gift certificates and products of the operations. The provision is calculated based on the points outstanding at year end.

Restructuring provisions

The provision for restructuring is recognised when the group has approved a detailed and formal restructuring plan and the restructuring has either commenced or has been publicly announced. Future operating costs are not provided for.

Other

Consists of provision for various other individually insignificant provisions.

7. NET OPERATING ASSETS (continued)

7.8 Segmental assets and liabilities

Segment operating assets includes property, plant and equipment, intangible assets, investments and loans, inventories and trade and other receivables.

	2023 R'000	2022 R'000
Segmental operating assets		
Trading division		
Bidfood	**65 642 759**	49 465 636
Australasia	**14 592 202**	11 572 988
United Kingdom	**17 377 055**	11 367 187
Europe	**22 595 305**	16 534 113
Emerging Markets	**11 078 197**	9 991 348
Corporate	**188 852**	334 135
	65 831 611	49 799 771
Segmental operating liabilities		
Segmental operating liabilities includes trade and other payables and provisions.		
Trading division		
Bidfood	**36 138 228**	27 222 048
Australasia	**6 961 612**	6 083 268
United Kingdom	**10 325 941**	6 637 004
Europe	**13 877 045**	10 310 657
Emerging Markets	**4 973 630**	4 191 119
Corporate	**519 397**	423 652
	36 657 625	27 645 700

	2023 R'000	2022 R'000
8. ACQUISITIONS, DISPOSALS AND GOODWILL		
8.1 Acquisitions		
Property, plant and equipment	**(391 210)**	(458 192)
Intangible assets	**(5 013)**	(558)
RoU leased assets	**(91 838)**	–
Deferred taxation	**16 985**	9 653
Investments and loans	**(897)**	(6 448)
Inventories	**(213 875)**	(127 402)
Trade and other receivables	**(370 415)**	(119 270)
Cash and cash equivalents	**(121 788)**	(24 717)
Borrowings	**69 538**	59 088
RoU lease liabilities	**121 530**	–
Trade and other payables and provisions	**514 080**	197 159
Taxation	**21 422**	1 495
Total identifiable net assets at fair value	**(451 481)**	(469 192)
Separately identifiable intangible assets	**(88 935)**	(39 805)
Deferred taxation on separately identified intangible assets	**22 234**	–
Non-controlling interest	**–**	5 860
Goodwill	**(1 393 274)**	(416 030)
Total value of acquisitions	**(1 911 456)**	(919 167)
Cash and cash equivalents acquired	**121 788**	24 717
Vendors for acquisition recognised	**344 432**	92 656
Puttable NCI liabilities recognised	**150 899**	–
Costs incurred in respect of acquisitions	**(45 806)**	(16 320)
Cash paid for acquisitions	**(1 340 143)**	(818 114)

For the year ended June 30 2023, nine bolt-on acquisitions were concluded, these were as follows:

- Nicol Hughes, a regional wholesaler supplying ambient, chilled and frozen products, which serves the North West of England and Northern Wales (100% acquisition, effective from July 2022);
- Fruit Xpress OÜ which trades mainly fresh food products into the foodservice sector in Tallin, Estonia (80% acquisition, effective from July 2022);
- Variety Foods, a distributor to the independent pizza and kebab markets in Perth, Western Australia (100% acquisition, effective from August 2022);
- H&T Group, an importer and distributor of food products in Kota Kinabalu, East Malaysia (89% acquisition, effective from September 2022);
- Food Fabrique, a small cured meat and sausage processing business located in Dubai, United Arab Emirates (75% acquisition, effective from October 2022);
- Euskopan, a bread and pastry business based in Bilbao, Spain (80% acquisition, effective from December 2022);
- Thomas Ridley, a regional wholesaler supplying ambient, chilled and frozen products. Servicing the East and South East of the United Kingdom with premises at Bury St Edmunds and Cross Dock at Paddock Wood (100% acquisition, effective from January 2023);
- Harvest Fine Foods, a regional wholesaler supplying fresh produce, ambient, chilled and frozen products. Located in Southampton serving the South of the United Kingdom (100% acquisition, effective from January 2023); and
- Míča-Bagoňová s.r.o., a distributor of the fresh vegetables to the gastro market in the Brno, Czech Republic and surrounding areas (80% acquisition, effective from June 2023).

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.1 Acquisitions (continued)

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 or net liabilities acquired at fair value. The acquisitions have enabled the group to expand its range of products and services and, as a consequence, has broadened the group's base in the marketplace. In addition, through these acquisitions the group has acquired management's skills and expertise as a platform from which to further consolidate its position in the foodservice market. There were no significant contingent liabilities identified in the businesses acquired. No taxation relief is expected from the R1,4 billion acquisition-related goodwill. Included in trade and other receivables recognised on acquisition is R10,3 million of impairment allowances in respect of trade receivables (refer note 7.5).

The impact of these acquisitions on the group's results can be summarised as follows:

	Thomas Ridley R'000	Nicol Hughes R'000	Fruit Xpress OÜ R'000	Individually insignificant R'000	Total R'000
Property, plant and equipment	(297 147)	(6 768)	(7 053)	(80 242)	(391 210)
Intangible assets	–	–	(912)	(4 101)	(5 013)
RoU leased assets	–	(9 772)	(3 539)	(78 527)	(91 838)
Deferred taxation	13 544	1 242	–	2 199	16 985
Investments and advances	–	–	–	(897)	(897)
Inventories	(117 650)	(14 386)	(23 724)	(58 115)	(213 875)
Trade and other receivables	(201 146)	(18 551)	(42 820)	(107 898)	(370 415)
Cash and cash equivalents	(24 430)	(29 702)	(36 858)	(30 798)	(121 788)
Borrowings	15 759	23 213	16 016	14 550	69 538
RoU lease liabilities	–	15 087	14 371	92 072	121 530
Trade and other payables and provisions	217 651	22 377	103 365	170 687	514 080
Taxation	1 041	6 330	6 271	7 780	21 422
Total identifiable net (assets) liabilities at fair value	(392 378)	(10 930)	25 117	(73 290)	(451 481)
Separately identified intangible assets	(54 397)	(20 558)	–	(13 980)	(88 935)
Deferred taxation on separately identified intangible assets	13 599	5 140	–	3 495	22 234
Goodwill	(504 170)	(190 160)	(237 383)	(461 561)	(1 393 274)
Total value of acquisition(s)	(937 346)	(216 508)	(212 266)	(545 336)	(1 911 456)
Cash and cash equivalents acquired	24 430	29 702	36 858	30 798	121 788
Vendors for acquisition recognised	128 410	42 803	83 544	89 675	344 432
Puttable NCI liabilities recognised	–	–	64 695	86 204	150 899
Costs incurred in respect of acquisitions	(12 777)	(1 935)	(4 521)	(26 573)	(45 806)
Cash paid for acquisitions	(797 283)	(145 938)	(31 690)	(365 232)	(1 340 143)
Contribution to results for the year					
Revenue	783 125	283 717	651 222	684 488	2 402 552
Trading profit	53 898	45 663	37 972	27 862	165 395
Contribution to results for the year if the acquisitions had been effective July 1 2022					
Revenue	1 800 685	283 717	651 222	1 304 177	4 039 801
Trading profit	80 847	45 663	37 972	63 798	228 280

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.1 Acquisitions (continued)

Thomas Ridley (TR)

Qualitative factors that support (but not limited to) the goodwill recognised on TR of R504,2 million: Factors include access to customers in the South East and East of the United Kingdom which enables cross selling opportunities for the group; cost synergies from better purchasing power, technology sharing and improved working practices and access to TR's key members of staff who all work together to achieve the TR trading results, performance and management's expertise as a platform from which to further grow its position in the South East and East of the United Kingdom foodservice market and retain its day-to-day trading relationships.

TR is exposed to the highly competitive foodservice distribution market in the United Kingdom, where there are a large number of local and regional distributors who often align themselves with other smaller distributors through purchasing cooperatives and marketing groups. TR has approximately 3 400 customers that it trades with on a day-to-day basis, with no customer trading relationships above 5% of revenue. Its customers may also choose to purchase products directly from wholesale or retail outlets, including club, cash and carry and grocery stores, online retailers, or negotiate prices directly with suppliers. Switching costs are very low, customers or suppliers can make changes on a day-to-day basis. Our group judgement is not to separately value these customer or supplier relationships as identifiable intangible assets, as these are considered day-to-day trading relationships. Most purchasing decisions in the foodservice distribution industry are based on the ability to deliver a wide range of quality product and related services on a timely and dependable basis, and at a competitive price. Therefore, no separately identifiable intangibles are to be recognised on acquisition for customer and supplier relationships.

Separately identified intangible assets

Separately identified intangible assets have been recognised for brand names relating to Thomas Ridley, Nicol Hughes and Harvest Fine Food acquisitions. These brands have a strong influence in their respective regional areas of the United Kingdom and the group expects to continue using these brand names into the foreseeable future.

The purchase price allocations for these bolt-on acquisitions are provisional and may be retrospectively adjusted if the group obtains new information about facts and circumstances that existed at the acquisition date relating to these entities.

Vendors for acquisition recognised on acquisition relates to contingent consideration. These contingent consideration payments are separately recognised on acquisition as a financial liability at fair value. Vendors for acquisition is a contractual provision in an acquisition agreement that adds a variable component to the purchase price. This allows for a portion of the purchase price to be paid to the former owners on a contingent basis if and to the extent that the target business reaches certain milestones in the period post being acquired. Often these milestones are financial in nature (achieving, for example, revenue, net income or EBITDA benchmarks). Contingent consideration liabilities are linked to the future performance targets of the respective company (and not to changes in ownership), whereas puttable NCI liabilities recognised on acquisition are related to future changes in ownership (ie changes in shareholding). Refer note 10.5 for further details.

8.2 Disposal of businesses

There were no subsidiary disposals for the year ended June 30 2023.

		2023 R'000	2022 R'000
8.3	**Goodwill**		
	Carrying value at beginning of year	**15 755 681**	15 292 841
	Acquisition of businesses	**1 393 274**	416 030
	Disposal of business	**–**	(166 906)
	Impairment of goodwill	**(56 023)**	(25 601)
	Exchange rate adjustments	**3 141 764**	239 317
	Carrying value at end of year	**20 234 696**	15 755 681

		2023 R'000	2022[1] R'000
8.	ACQUISITIONS, DISPOSALS AND GOODWILL (continued)		
8.3	**Goodwill** (continued)		
	The carrying value of goodwill allocated to cash-generating units as follows:		
	Australia	**3 308 269**	2 845 178
	New Zealand	**495 106**	422 843
	United Kingdom	**4 722 034**	3 213 066
	The Netherlands	**1 133 712**	940 315
	Belgium	**706 826**	588 798
	Czech Republic and Slovakia	**3 935 280**	3 050 957
	Poland	**433 165**	361 770
	Italy	**2 178 009**	1 808 323
	Spain	**800 588**	547 379
	Portugal	**119 785**	99 364
	Baltics	**337 195**	62 632
	Germany	**300 423**	249 167
	Greater China	**427 540**	444 939
	Singapore	**444 983**	377 461
	Brazil	**683 074**	546 992
	Chile	**118 578**	110 005
	South Africa	**70 982**	70 982
	Türkiye	**1 762**	2 380
	Middle East	**17 385**	13 130
		20 234 696	15 755 681

[1] *2022 carrying values of goodwill have been re-presented to reflect the non-grouped segmental goodwill carrying values allocated to the group's cash-generating units.*

Goodwill acquired through business combinations is allocated for impairment testing purposes to cash-generating units (CGU) which reflect how it is monitored for internal management purposes. The CGUs are consolidated into the group's segments. The carrying amount of goodwill was subject to an annual impairment test, the recoverable amount was determined by using the discounted cash flow for each CGU. A 10-year period was used for the discounted cash flows (DCFs) as the CGUs operate in highly fragmented markets whereby revenue growth, trading margins and scalability will reach maturity at or about 10 years. The valuation was performed on an enterprise value basis less the net debt per CGU and expected costs to sell.

Impairment testing of goodwill

During the year, goodwill impairments of R56,0 million were recognised relating to Miumi and Jilin Bidcorp Food Service Limited (Greater China) (2022: R25,6 million goodwill impairments were identified against Spain).

The key assumptions in the fair value less costs to sell calculations are:

- Expected average revenue growth were based on past experience and management's future expectations (including macro-economic forward-looking information such as local GDP, consumer confidence, unemployment rates, inflation and interest rates) of business performance.
- Budgeted average trading margins per CGU were based on past experience and management's future expectations of business performance.
- The post-tax discount rates are determined by calculating:
  - CGU's cost of equity which was calculated by taking into account country risk, market risk and company-specific risk premiums (calculated by taking into account the financial risk of the CGU (ie level of debt); forecast profitability of the CGU (including forecasting risk); operational risk of the company (ie operating leverage/margins of the business, mix of fixed and variable components); customer and supplier concentration of the CGU) and the CGU's cost of debt.
- Terminal growth rate projections beyond a 10-year period are based on management projections taking into consideration industry forecasts and growth rates in the regions in which the group operates.

The critical underlying assumptions applied (ie discount rate, average revenue growth, average trading margins over the forecast period (average trading margins), and terminal growth rate) were reviewed by management in the current macro-economic environment.

Management considered the sensitivities underlying the primary assumptions to determine the consequences that reasonably possible changes in such assumptions may have on the recoverable amount of the underlying assets.

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.3 Goodwill (continued)

The table illustrates the discount rate, average revenue growth rates, average trading margins and terminal growth rates that were used in the discounted cash flow valuations for the CGUs:

	Discount rate(s)[1]		Average revenue growth	
	2023 %	2022 %	**2023 %**	2022 %
Australia	**7,0**	6,0	**6,0**	5,4
New Zealand	**7,8**	6,3	**5,5**	5,9
United Kingdom	**7,5**	6,0	**4,6**	4,0
The Netherlands	**6,0**	4,7	**3,7**	3,1
Belgium	**6,3**	5,8	**3,4**	2,4
Czech Republic and Slovakia	**7,6**	7,0	**5,8**	4,0
Poland	**8,5**	7,8	**7,0**	6,6
Italy	**8,0**	6,7	**5,9**	6,5
Spain	**7,3**	7,0	**6,0**[3]	9,4
Portugal	**7,5**	7,0	**8,3**	8,1
Baltics	**8,3**	6,8	**8,5**	8,1
Germany	**6,5**	5,8	**6,3**[3]	7,1
Greater China	**9,0**	7,8	**7,5**	5,4
Singapore	**7,5**	7,0	**8,2**[3]	12,0
Brazil	**13,0**	12,0	**10,7**[3]	17,4
Chile	**11,5**	10,3	**10,5**[3]	13,5
South Africa	**12,5**	11,3	**6,9**[3]	7,9
Türkiye	**25,0**[2]	22,0	**28,4**[2]	37,2
Middle East	**10,0**	8,5	**8,5**	8,2

	Average trading margins		Terminal growth rate[4]	
	2023 %	2022 %	**2023 %**	2022 %
Australia	**8,7**	8,0	**1,5**	1,0
New Zealand	**7,3**	6,5	**1,5**	1,0
United Kingdom	**4,8**	4,4	**1,5**	1,0
The Netherlands	**3,5**	2,8	**1,5**	1,0
Belgium	**4,7**	3,4	**1,5**	1,0
Czech Republic and Slovakia	**8,5**	8,9	**1,5**	1,5
Poland	**5,7**	3,9	**1,5**	1,5
Italy	**5,0**	4,9	**1,5**	1,5
Spain	**4,9**	3,8	**1,5**	1,5
Portugal	**7,1**	6,6	**1,5**	1,5
Baltics	**4,4**	4,1	**1,5**	1,5
Germany	**3,2**	2,5	**1,5**	1,5
Greater China	**4,5**	3,7	**1,5**	1,5
Singapore	**5,4**	4,8	**1,5**	1,5
Brazil	**4,7**	5,4	**3,0**	2,5
Chile	**3,7**	4,5	**2,5**	2,0
South Africa	**8,6**	9,0	**1,5**	1,5
Türkiye	**3,4**	4,8	**3,0**	2,5
Middle East	**4,2**	6,9	**1,5**	1,5

[1] *Due to higher long-term global interest rates, the cost of debt has resulted in increases in our respective CGU calculated discount rates and the overall group discount rate has increased from 6,8% at 2022 to 8,1% at 2023.*

[2] *The Türkiye discount rate and average revenue growth rates are unpredictable due to the Türkiye macro-economic environment and effects of hyperinflation. Albeit, Türkiye is expected to achieve sales volume and market share growth through new product lines and access through new distribution centres to new customers and markets.*

[3] *Average revenue growth rates have been conservatively lowered in these particular CGUs due to the possible impact of macro-economic forward-looking information such as lower GDP, higher pressure on consumer spending, lower consumer confidence, higher unemployment and prolonged high interest rates.*

[4] *Terminal growth rates are higher in 2023 compared to 2022, due to higher average long-term inflation rates in certain CGUs.*

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.3 Goodwill (continued)

Sensitivity analyses

Discounted cash flow valuations are inherently uncertain and require a high degree of estimation and judgement and are subject to change based on future changes, industry and global economic and geo-political conditions, and the timing and success of the implementation of current strategic initiatives. The potential impact of possible long-term negative impacts of above normal inflation on estimated future cash flows is uncertain and will largely depend on the outcome of future events, which could result in further goodwill impairments going forward.

The sensitivity analyses showed that the Germany and Spain CGUs calculated recoverable amounts are sensitive to changes in these key assumptions. The sensitivity analysis reflects the impairment trigger point for each key assumption change:

	Goodwill attributable to CGU R'000	Net identifiable assets per CGU R'000	Calculate recoverable amount R'000	Headroom R'000
Germany	300 423	460 664	885 675	124 588
Spain	800 588	208 884	1 215 875	206 403

Key assumption change to result in quantitative impairment trigger:	% decrease in average revenue	Discount rate %	Decrease in average trading margins %
Germany	11,1	7,1	0,5
Spain	12,3	8,3	0,7

In addition, qualitative factors for Germany and Spain are that these operations are in the process of improving their operational platforms to become broadline foodservice distributors with scale and opportunities to generate positive economic returns. Measures in place to improve the operations include (but are not limited to) change in sales mix towards the independent sector (growth prospects related to independent customers), expansion of their foodservice offering through product diversification, focus on improvements to information technology systems and ecommerce development and investment in human capital.

The valuation method is considered a level 3 type valuation in accordance with IFRS 13 *Fair Value measurement*.

	2023 R'000	2022 R'000
9. INVESTMENTS		
9.1 Interest in associates		
Investments in unlisted associates at cost less impairments	89 897	80 964
Balance at beginning of the year	80 964	73 884
Increase in unlisted associate investment	260	6 896
Disposal of unlisted associate investment	(6 141)	–
Exchange rate adjustments	14 814	184
Attributable share of post-acquisition reserves of associates	121 077	56 056
At beginning of year	56 056	47 021
Share of profit from unlisted associate investments	50 259	9 028
Realised loss on disposal of unlisted associate investment	2 100	–
Dividends received from unlisted associate investments	(2 786)	–
Share of movement in exchange rate adjustments	15 448	7
Advances to associates held at amortised cost	43 825	41 683
	254 799	178 703

9. INVESTMENTS (continued)

9.1 Interest in associates (continued)

An associate is a company over which the group has significant influence, but not control. Significant influence is the power to participate in the financial and operating policy decisions of a company, but not have the ability to control those policy decisions.

The equity method of accounting for associates is adopted in the group financial statements. In applying the equity method, account is taken of the group's share of accumulated retained earnings and movements in reserves from the effective dates on which the companies became associates and up to the effective dates of disposal. In the event of associates making losses, the group recognises the losses to the extent of the group's exposure. Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated.

Unrealised gains arising from equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Unsecured advances to associates bear interest at a rate of 2,0% to 5,2% (2022: 1,7% to 3,0%) and have no fixed terms of repayment.

A list of the group's associates, their country of incorporation and principal place of business, the group's percentage shareholding and an indication of their nature of business is included in note 12.3.

Interest in associates represent 1,9% (2022: 2,2%) of revenue, 2,2% (2022: 0,3%) of trading profit and 1,5% (2022: 1,9%) of total assets of the group.

Accordingly, no individual associate is considered to be material, thus no summarised financial information is supplied in these financial statements.

	2023 R'000	2022 R'000
9.2 Investments and loans		
Unlisted investments held at fair value through other comprehensive income	**19 634**	28 613
Unlisted loans held at fair value through other comprehensive income	**30 981**	12 827
Unlisted loans held at amortised cost	**100 070**	88 913
	150 685	130 353

The group manages its credit risk for investments by investing in reputable instruments.

Significant unlisted investments held at fair value through other comprehensive income, is an investment in the SA SME Fund that invests directly in scalable small and medium enterprises with the best potential for growth and sustainable employment creation in the South African economy. No dividends were received in 2023 (2022: nil). During the year no impairments were recognised on unlisted investments (2022: nil).

Significant unlisted loans held at amortised cost relate to customer loans in the Netherlands and Belgium that have maturities between two and three years.

A register of the investments is available for inspection by shareholders at the registered office of the company.

		2023 R'000	2022 R'000
9.	**INVESTMENTS** (continued)		
9.3	**Investments in jointly controlled entities**		
	Investments in jointly controlled entities	537 108	512 919
	Balance at beginning of year	512 919	489 598
	Share of profit from jointly controlled entities	38 983	30 690
	Share of impairments from jointly controlled entities	(1 010)	–
	Exchange rate adjustments	11 216	12 631
	Dividends received from jointly controlled entity	(25 000)	(20 000)
	Advances to jointly controlled entity at amortised cost	4 941	3 997
	Balance at end of year	542 049	516 916

Effective April 1 2017, Bidcorp Food Africa Proprietary Limited, a subsidiary of Bid Corporation Limited, concluded an agreement with Puratos Group NV (Puratos) whereby Puratos became an equal shareholder in Chipkins Puratos (CP). CP manufactures and supplies bakery ingredients to industrial bakers, the craft market and large retailers under the Chipkins and NCP brands in South Africa. The carrying value of the investment in CP at June 30 2023 is R466,2 million (2022: R451,4 million).

Effective April 1 2019, Bidcorp acquired 38% of the Blancaluna Grupo, a broadline foodservice wholesaler based in Argentina. An additional 8% interest was acquired during 2021 taking the total investment to 46%. As all strategic decisions require joint approval by a Bidcorp appointed director and a Blancaluna representative, Blancaluna has been classified in terms of IFRS 11 as a joint venture. The carrying value of the investment in the Blancaluna Grupo at June 30 2023 is R75,8 million (2022: R65,5 million).

Unsecured advances to jointly controlled entity bear interest at a rate of 5% and have no fixed terms of repayment.

	2023 R'000	2022 R'000
Summarised aggregated financial information of investments in jointly controlled entities		
Revenue	2 277 208	2 073 969
Total comprehensive income for the year	75 642	57 088
Group's share of total comprehensive income	37 973	30 690
Dividends received from jointly controlled entities	25 000	20 000
Total assets	1 068 412	1 035 593
Proportion of group's interest in jointly controlled entities	250 923	230 819
Goodwill inherent on acquisition of jointly controlled entities	286 185	282 100
Carrying value of group's interest in jointly controlled entities	537 108	512 919

Interests in the joint ventures are accounted for using the equity method of accounting. Joint ventures are initially recorded at fair value and thereafter are increased or decreased by Bidcorp's share of the profit or loss. Goodwill relating to jointly controlled entities are included in the initial carrying amount of the investment. Share of property, plant and equipment impairments of R1,0 million were recognised for the group's investments in jointly controlled entities (2022: nil).

Upon loss of joint control over an investment in a jointly controlled entity, the group measures and recognises any remaining investment at its fair value.

Any difference between the carrying amount of the investment in a jointly controlled entity and the fair value of the remaining investment and any proceeds from disposal is recognised in the statement of consolidated profit or loss.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT

10.1 Financial risk management

The group has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; foreign currency risk; interest rate risk and equity price risk.

This note presents information about the group's exposure to each of the aforementioned risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. IFRS 7 requires certain disclosures by class of instrument which the group has determined as its segments.

The group's major financial risks are mitigated in the way that it operates, firstly through diversification of geography and secondly through decentralisation of the business model. Bidcorp is an international group with operations in the United Kingdom, Europe, Asia, Australia, New Zealand, South America, Middle East and various southern African countries.

The group's philosophy has always been to empower management through a decentralised structure, thereby making operational management responsible and accountable for the performance and governance of their operations, including managing the financial risks of the operation. The operational management reports to the CEO who in turn reports to the Bidcorp board of directors. Operational management's remuneration is based on their operation's performance resulting in a decentralised and entrepreneurial environment.

Due to the diverse structure and decentralised management of the group, the group audit and risk committee (GARC) has implemented guidelines of acceptable governance practices and basic procedures to be followed by divisional and operational management. The information provided below for each financial risk has been collated for disclosure based on the manner in which the business is managed and what is believed to be useful information for stakeholders.

The overall process of risk management in the group, which includes the related system of control, is the responsibility of the group board of directors. The GARC is governed by a charter and reports regularly to the board of directors on its activities.

The GARC's primary risk responsibilities include:
- review of the group's risk policies and approach to risk management;
- to consider all material risks to which the group is exposed, ensuring that the requisite risk management culture, policies and systems are progressively implemented and functioning effectively;
- management is accountable to the board for implementing and monitoring the processes of risk management and integrating this into their day-to-day activities; they confirm these processes through the completion of the quarterly group management representation letter submitted to the GARC;
- ongoing monitoring of the enterprise-wide risk assessment process to ensure risks and opportunities are adequately identified, evaluated and managed at the appropriate level in each business, and that the individual and joint impact of risks identified on the group is considered;
- to review legal matters that could have a material impact on the group, as well as considering the adequacy and effectiveness of the group's procedures to ensure compliance with legal and regulatory responsibilities; and
- consideration of reports provided by management, internal assurance providers and the independent auditors regarding compliance with legal and regulatory requirements.

Due to the breadth of the geographical spread of the group operations, the group has adopted a globally relevant risk management strategy. This strategy has been communicated, and implementation thereof delegated, to the respective local management teams. The group believes using a common group framework for the management of risk creates a shared foundation from which a view of the global risk universe is developed, but embraces the locally relevant risks faced by each business. The group risk management policies are established to identify and analyse the risks faced by the group, to set appropriate guidance and parameters within which risks are to be reported to the GARC. The group continues to grow and develop a robust and constructive control environment in which all employees understand their roles and responsibilities.

Each business reports to one of five divisional audit and risk committees (DARC), which subscribes to the same philosophies and practices as the GARC. The DARCs report quarterly to the group GARC. The DARCs oversee how operational management monitors compliance with the group policies and guidelines in respect of the financial reporting process, the system of internal control, the management of financial risks, the audit process (both internal and external) and code of ethics. The DARCs are assisted in their oversight role by the group internal audit. Internal audit undertakes both regular and risk based reviews of financial and operational risk management controls and procedures, the results of which are reported quarterly to the respective DARC and consolidated for quarterly reporting to the GARC.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(a) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers, investments and guarantees.

The board has implemented a "Delegation of authority matrix" which provides guidelines to the divisions as to the level of authorisation required for various types of transactions.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk after taking into account the value of any collateral obtained. The carrying values, net of impairment allowances and expected credit losses, amount to R21,4 billion (2022: R16,1 billion) for trade receivables (refer to note 7.5 for credit risk disclosure), other receivables relating to deposits, signing and listing fees and other receivables amounting to R839 million (2022: R652 million), and R151 million (2022: R130 million) for investments and unlisted loans (refer to note 9.2) and cash and cash equivalents of R12,2 billion (2022: R7,4 billion).

The expected credit loss in respect of trade receivables is used to record expected impairment losses unless the group is satisfied that no recovery of the amount owing is possible; at that point, the amount which is considered irrecoverable is written off directly against the respective assets.

Impairments of investments classified at fair value through other comprehensive income or amortised cost are written off against the investment directly and an impairment allowance account is not utilised.

The group has a general credit policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In accordance with the decentralised structure, the operational management is responsible for implementation of credit policies to meet the above objective. This includes credit policies under which new customers are analysed for creditworthiness before the operation's standard payment and delivery terms and conditions are offered, determining whether collateral is required, and if so the type of collateral to be obtained, and setting of credit limits for individual customers based on their references and credit ratings. Many operations in the group have a policy of taking out credit insurance to cover a portion of their risk, which lowers credit risk and has been factored in when calculating the ECLs by each operation. Operational management are also held responsible for monitoring the operations' credit exposure. For cash and cash equivalents, the group places its cash, where possible, with major banking groups and high-quality institutions with high credit ratings in that country. The group's treasury policy is designed to limit exposure to any one institution and invests its excess cash in low-risk investment accounts. The counterparties that are used by the group are evaluated on a continuous basis. At June 30 2023 cash and cash equivalents was held with many major banking groups which are considered high-quality financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group manages its borrowings centrally for each of the segments. The divisions within each segment are therefore not responsible for the management of liquidity risk but rather senior management for each of these segments is responsible for implementing procedures to manage the regional liquidity risk.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(b) Liquidity risk (continued)

Contractual maturities of financial liabilities, including interest payments

	Carrying amount R'000	Undiscounted contractual cash flows Total R'000	6 months or less R'000	6 – 12 months R'000	1 – 2 years R'000	2 – 5 years R'000	More than 5 years R'000
2023							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	329 803	339 605	20 003	19 424	52 574	103 691	143 913
Loans secured by lien over certain property, plant and equipment	220 995	241 123	56 851	51 116	81 603	51 553	–
Unsecured loans	13 752 900	15 557 698	2 635 565	1 015 427	2 025 355	5 536 976	4 344 375
	14 303 698	16 138 426	2 712 419	1 085 967	2 159 532	5 692 220	4 488 288
RoU lease liabilities (refer note 10.4)	7 510 673	9 729 851	797 399	797 399	1 385 416	2 288 457	4 461 180
Puttable non-controlling liabilities (refer note 10.5)	5 625 927	6 054 021	195 109	22 790	156 149	5 510 049	169 924
Vendors for acquisition	426 106	436 570	149 689	199 070	65 352	22 083	376
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	35 073 410	35 073 410	35 073 410	–	–	–	–
2022							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	296 622	307 938	16 265	21 597	42 474	89 607	137 995
Loans secured by lien over certain property, plant and equipment	303 390	333 452	74 101	68 332	85 698	105 080	241
Unsecured loans	8 515 539	9 043 155	2 221 600	1 013 405	196 382	3 776 293	1 835 475
	9 115 551	9 684 545	2 311 966	1 103 334	324 554	3 970 980	1 973 711
RoU lease liabilities (refer note 10.4)	6 077 277	7 924 172	629 038	629 038	1 132 514	2 084 585	3 448 997
Puttable non-controlling liabilities (refer note 10.5)	4 273 161	4 608 952	267 067	781	58 957	2 146 062	2 136 085
Vendors for acquisition	164 605	181 830	38 285	11 027	122 882	9 636	–
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	26 315 857	26 315 857	26 315 857	–	–	–	–

The expected maturity of financial liabilities is not expected to differ from the contractual maturities as disclosed above. There were no group defaults or breaches of any of the borrowing terms or conditions.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(b) Liquidity risk (continued)

	2023 R'000	2022 R'000
Undrawn facilities		
The group has the following undrawn facilities at its disposal to further reduce liquidity risk:		
Unsecured bank overdraft facility, reviewed annually and payable on 360 days notice	**3 771 586**	2 219 955
Utilised	**186 921**	53 749
Unutilised	**3 584 665**	2 166 206
Unsecured loan facility with various maturity dates through to 2028 and which may be extended by mutual agreement	**21 696 331**	16 124 603
Utilised	**12 809 412**	7 594 688
Unutilised	**8 886 919**	8 529 915
Secured loan facilities with various maturity dates through to 2032 and which may be extended by mutual agreement		
Utilised	**329 803**	310 118
Other banking facilities	**1 591 447**	1 440 255
Utilised	**189 390**	203 016
Unutilised	**1 402 057**	1 237 239
Total utilised facilities	**13 515 526**	8 161 571
Total unutilised facilities	**13 873 641**	11 933 360
Total facilities	**27 389 167**	20 094 931

(c) Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(d) Foreign currency risk

Currency risk is the possibility that the group may suffer financial loss as a consequence of the depreciation in the measurement currency relative to the foreign currency prior to payment of a commitment in that foreign currency or the measurement currency strengthening prior to receiving payment in that foreign currency. The group also has translation risk arising from the consolidation of foreign operations into South African rand.

	Statement of comprehensive income (average)		Statement of financial position (spot)	
Currency conversion guide at June 30	**2023**	2022	**2023**	2022
Rand/sterling	**21,40**	20,24	**23,85**	19,79
Rand/euro	**18,61**	17,14	**20,50**	17,02
Rand/Australian dollar	**11,96**	11,03	**12,51**	11,23
Rand/New Zealand dollar	**10,94**	10,35	**11,50**	10,15
Rand/Hong Kong dollar	**2,27**	1,95	**2,40**	2,08
Rand/Singapore dollar	**13,03**	11,18	**13,91**	11,71
Rand/Czech koruna	**0,77**	0,68	**0,86**	0,69
Rand/Polish zloty	**3,98**	3,72	**4,62**	3,63
Rand/Brazilian real	**3,44**	2,90	**3,90**	3,13

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(d) Foreign currency risk (continued)

Borrowings are matched to the same functional currency as the business raising the liability thereby limiting the businesses' exposure to changes in a foreign currency which differs to their functional currency. Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying divisions of the group, thereby providing an economic hedge for each class of borrowing.

The group incurs currency risk as a result of purchases and sales which are denominated in a currency other than that entities' functional reporting currency. It is group policy that group entities hedge all trade receivables and trade payables denominated in a functional currency which differs to its functional currency. The entities also take out economic hedges over their estimated foreign currency exposure resulting from sales and purchases. The group entities hedge their foreign currency risk exposure either by taking out forward exchange contracts (FECs) or alternatively by purchasing in advance the foreign currency which will be required to settle the trade payables. Most of the forward exchange contracts have maturities of less than one year after the reporting date. Where necessary, the forward exchange contracts are rolled over at maturity. It is the group's policy not to trade in derivative financial instruments for speculative purposes.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies (in relation to the operations' functional currency) and for which no hedge accounting is applied are recognised in the statement of profit or loss. Both the changes in fair value of the forward exchange contracts and the foreign exchange gains and losses relating to the monetary items are recognised in operating profit (refer note 4.2).

(e) Interest rate risk

The group is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. This risk is managed by maintaining an appropriate mix between fixed and floating borrowings and by the use of interest rate swap contracts. Investments in equity securities accounted for as held for trading financial assets and trade receivables and payables are not exposed to interest rate risk.

	2023 R'000	2022 R'000
At the reporting date the interest rate profile of the group's interest-bearing financial instruments was:		
Fixed rate instruments		
Financial liabilities		
Borrowings	**(11 824 547)**	(6 506 021)
Puttable non-controlling interest liabilities	**(5 625 927)**	(4 273 161)
Derivative instruments in designated hedge accounting relationships	**(12 133)**	(12 441)
Financial assets		
Derivative instruments in designated hedge accounting relationships	**9 162**	7 937
Variable rate instruments		
Financial assets		
Cash and cash equivalents	**12 397 292**	7 398 250
Financial liabilities		
Borrowings	**(2 479 151)**	(2 609 530)
Bank overdrafts	**(172 659)**	–

The group's exposure to interest rates on financial assets and liabilities are detailed in the various notes within the financial statements. The variable rates are influenced by movements in the prime borrowing rates.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(e) Interest rate risk (continued)

Sensitivity analysis

Group borrowings have been categorised by geographical location and the percentage change used for each category has been selected based on what could reasonably be expected as a change in interest rates within that region based on historical movements in interest rates within that particular region. This sensitivity analysis has been prepared using the average borrowings for the financial year as the actual borrowings at June 30 may not be representative of the average borrowings during the year. The analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analyses are performed on the same basis as for 2022. A decrease in interest rates would have an equal and opposite effect on profit after taxation as detailed below. Given the rise in global interest rates, three sensitivities for 2023 have been detailed below:

		Sensitivity 1: 2023		Sensitivity 2: 2023		Sensitivity 3: 2023		2022	
	Average variable borrowings applied R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000
Emerging Markets	2 137 812	1,00	16 034	2,50	40 084	5,00	80 168	0,50	7 351
United Kingdom and Europe	340 968	0,50	1 279	1,00	2 557	2,50	6 393	0,25	3 134
Australasia	65 561	0,50	229	1,00	459	2,50	1 147	0,25	137
			17 542		43 100		87 708		10 622

(f) Equity price risk

Equity price risk arises from investments classified at fair value through profit or loss or investments classified at fair value through other comprehensive income (refer note 9.2). Unlisted investments comprise unlisted shares and loans are valued at fair value using a price earnings (PE) model. A sensitivity analysis for investments at fair value was not performed as the fair value balance is insignificant.

(g) Fair values

The carrying amounts of all financial assets and liabilities approximate their fair values, with the exception of borrowings which have been accounted for at amortised cost. The fair value of borrowings, together with the carrying amounts shown in the statement of financial position, classified by class (being geographical location), are as follows:

	2023		2022	
	Carrying amount R'000	Fair value R'000	Carrying amount R'000	Fair value R'000
Borrowings (refer note 10.3)				
Emerging Markets	2 703 335	2 673 698	2 672 304	2 643 483
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	30 162	28 839	25 634	22 495
Unsecured loans	2 673 173	2 644 859	2 646 670	2 620 988
United Kingdom and Europe	11 552 285	11 552 233	6 360 206	6 360 206
Loans secured by mortgage bonds over fixed property	329 803	329 803	296 622	296 622
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	190 833	190 781	277 757	277 757
Unsecured loans	11 031 649	11 031 649	5 785 827	5 785 827
Australasia				
Unsecured loans	48 078	48 078	83 041	83 041
	14 303 698	14 274 009	9 115 551	9 086 730
Unrecognised gain	29 689		28 821	

The methods used to estimate the fair values of financial instruments are discussed in note 3.1. The interest rates used to discount cash flows in order to determine fair values, are based on market-related rates at June 30 2023 plus an adequate credit spread which ranges from 0,0% to 57,1% (2022: 0,0% to 38,0%).

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(g) Fair values (continued)

Fair value hierarchy

When measuring the fair value of an asset or a liability, the group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques categorised as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Non-current assets (liabilities)			Current assets (liabilities)		
R'000	Puttable non-controlling interests	Investments	Vendors for acquisition	Puttable non-controlling interests	Vendors for acquisition	Total
June 30 2023						
Financial assets measured at fair value	**–**	**19 634**	**–**	**–**	**–**	**19 634**
Financial liabilities measured at fair value	**(5 408 028)**	**–**	**(88 994)**	**(217 899)**	**(337 112)**	**(6 052 033)**
June 30 2022						
Financial assets measured at fair value	–	28 613	–	–	–	28 613
Financial liabilities measured at fair value	(4 006 503)	–	(115 477)	(266 658)	(49 128)	(4 437 766)

	Total	Level 1	Level 2	Level 3
June 30 2023				
Financial assets measured at fair value	**19 634**	**–**	**–**	**19 634**
Financial liabilities measured at fair value	**(6 052 033)**	**–**	**–**	**(6 052 033)**
June 30 2022				
Financial assets measured at fair value	28 613	–	–	28 613
Financial liabilities measured at fair value	(4 437 766)	–	–	(4 437 766)

Valuation techniques and significant unobservable inputs are as follows:

The table shows the valuation techniques used in measuring the DAC puttable non-controlling interests (refer note 10.5) at June 30.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The expected payments are determined by considering the possible scenarios of forecast EBITDAs, the amount to be paid under each scenario and the probability of each scenario. The valuation models consider the present value of expected payment, discounted using a risk-adjusted discount rate.	• Average revenue growth rates: 5,7% (2022: 6,5%) • Average EBITDA margin: 6,5% (2022: 7,0%) • Contractual EBITDA multiple: 10,5x (2021: 10,5x) • Risk-adjusted discount rate: 1,7% (2022: 1,7%)	The estimated fair value would increase (decrease) if: • the EBITDA were higher (lower); or • the risk-adjusted discount rate was lower (higher).

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

(g) Fair values (continued)

Sensitivity analysis on changes in significant variable unobservable inputs for puttable non-controlling interests (liability)

	Increase in assumption %	Increase (decrease) R'000	Decrease in assumption %	Increase (decrease) R'000
Revenue growth rates	10	85 608	10	(84 249)
Average EBITDA margin	10	610 043	10	(522 894)
Risk-adjusted discount rate	10	(33 443)	10	33 735

The group recognises any changes in the value of the liability as a result of changes in assumptions used to estimate the future purchase price directly in retained earnings in the statement of changes in equity.

	2023 R'000	2022 R'000
10.2 Net finance costs		
Finance income	162 974	58 244
Interest income on bank balances	143 525	45 484
Interest income on advances	10 873	7 995
Interest imputed on post-retirement assets	8 576	4 765
Finance charges	(1 072 776)	(747 998)
Interest imputed on RoU lease liabilities (refer note 10.4)	(402 501)	(353 111)
Interest expense on bank borrowings	(484 189)	(277 330)
Unwinding of discount on puttable non-controlling interest liabilities (refer note 10.5)	(50 216)	(47 449)
Interest expense on provisions and tax liabilities	(53 758)	(36 185)
Interest expense on bank overdrafts	(64 631)	(23 676)
Interest expense on financed assets	(10 546)	(7 335)
Interest imputed on post-retirement obligations	(6 935)	(2 912)
	(909 802)	(689 754)

Finance charges comprise interest payable on borrowings calculated using the effective interest method. The interest expense component of finance lease payments is recognised in the statement of profit or loss using the effective interest method. Borrowing costs directly attributable to the acquisition, construction or production of assets that take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially complete or sold. Capitalisation is suspended during extended periods in which active development is interrupted. All other borrowing costs are expensed in the period in which they are incurred.

	2023 R'000	2022 R'000
Finance income received per the consolidated statement of cash flows		
Income per the statement of profit or loss	162 974	58 244
Interest imputed on post-retirement obligations	(8 576)	(4 765)
Amounts received	154 398	53 479
Finance charges paid per the consolidated statement of cash flows		
Charge per the statement of profit or loss	(1 072 776)	(747 998)
Unwinding of discount on puttable non-controlling interest liabilities	50 216	47 449
Interest imputed on post-retirement obligations and provisions	18 348	10 362
Amounts capitalised to borrowings	133 709	37 088
Amounts paid	(870 503)	(653 099)

	2023 R'000	2022 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)		
10.3 Borrowings		
Loans secured by mortgage bonds over fixed property (refer note 7.1)	329 803	296 622
Loans secured by lien over certain plant and equipment (refer note 7.1)	220 995	303 390
Unsecured borrowings	13 752 900	8 515 539
Borrowings	14 303 698	9 115 551
Bank overdrafts	172 659	–
Total borrowings	14 476 357	9 115 551
Less short-term portion of borrowings	(3 501 604)	(3 137 049)
Long-term portion of borrowings	10 974 753	5 978 502
Schedule of repayment of total borrowings		
Within 1 year	3 501 604	3 137 049
1 year to 2 years	3 648 235	320 419
2 years to 3 years	1 518 922	1 465 978
3 years to 4 years	2 148 384	97 503
4 years to 5 years	1 501 276	2 193 780
Thereafter	2 157 936	1 900 822
	14 476 357	9 115 551
Total borrowings comprise		
Foreign subsidiaries borrowings	13 774 655	8 391 220
South African subsidiary borrowings	701 702	724 331
	14 476 357	9 115 551

	%	%
Effective weighted average rate of interest on		
South African borrowings excluding overdrafts	9,8	6,3
Foreign borrowings excluding overdrafts	4,0	3,1

	2023 R'000	2022 R'000
Movement in borrowings		
Carrying value at beginning of year	9 115 551	8 624 127
Borrowings raised during the year	10 722 066	7 943 760
Borrowings repaid during the year	(7 627 594)	(7 736 449)
Interest capitalised during the year	133 709	37 088
On acquisition of business	69 538	59 088
Exchange rate adjustments	1 890 428	187 937
	14 303 698	9 115 551

	Currency	Nominal interest rate %	Financial year of maturity	2023 R'000	2022 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)					
10.3 Borrowings (continued)					
Terms and debt repayment schedule					
Borrowings of South African subsidiaries					
Unsecured loans	ZAR	9,8	2024	**701 702**	724 331
Borrowings of foreign subsidiaries				**13 601 996**	8 391 220
Loans secured by mortgage bonds over fixed property	EUR	0,8 – 4,8	2024 – 2032	**329 803**	296 622
Loans secured by lien over certain plant and equipment	EUR	0,3 – 7,3	2024 – 2028	**115 076**	152 564
	PLN	8,4	2028	**66 015**	123 139
	GBP	1,6 – 7,2	2024 – 2028	**9 742**	2 053
	BRL	7,5 – 16,6	2024 – 2025	**14 809**	23 999
	MYR	3,0 – 3,6	2024 – 2026	**945**	1 634
	TRY	18,0 – 57,1	2025 – 2026	**14 408**	–
Unsecured loans	EUR	0,6 – 7,1	2024 – 2031	**10 876 039**[1]	5 609 265
	GBP	0,0	2028	**45 504**	45 273
	HKD	7,0 – 7,6	2024 – 2026	**1 144 605**	1 341 743
	CLP	13,6 – 15,5	2024	**293 922**	191 241
	CZK	10,4	2024	**143 835**	113 940
	Other			**547 293**	489 747
Total interest-bearing borrowings				**14 303 698**	9 115 551

[1] *A group financing exercise was undertaken through February and March 2023 to access additional liquidity ahead of further global interest increases. The United States Private Placement market was accessed for €195 million (R4,0 billion), at differing maturity dates of five and seven years and at an average fixed interest rate of 4,61%. This has further reduced the group's liquidity and interest rate risks.*

The expected maturity dates are not expected to differ from the contractual maturity dates.

Capital management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits for other stakeholders by pricing products and services commensurately with the level of risk. The group relies upon distributions, including dividends, from its subsidiaries (mostly who are wholly owned) to generate the funds necessary to meet the obligations and other cash flow requirements of the group.

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The principal covenant limits are net debt to EBITDA of no more than 2,5 times and interest cover of no less than 5 times (both excluding the impacts of IFRS 16). Compliance with the group's biannual debt covenants is monitored on a monthly basis and formally tested at December 31 and June 30. At June 30, the group's net debt to EBITDA is 0,2 times (2022: 0,2 times) and interest cover of 23,2 times (2022: 25,7 times).

The group follows a risk-based approach to the determination of the optimal capital structure. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders through share buy backs, issue new shares or sell assets to reduce debt.

During the year, all group covenants have been complied with and based on current forecasts it is expected that such covenants will continue to be complied with for the foreseeable future. The group's operations generate a high and consistent level of free cash flow which helps fund future development and growth. The group seeks to maintain an appropriate balance between the higher shareholder returns that may be possible with higher levels of borrowings and the prudence afforded by a sound capital position to enable the group to capitalise on growth opportunities, both internal and external. There were no changes to the group's approach to capital management during the year and the group is not subject to any externally imposed capital requirements.

	2023 R'000	2022 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)		
10.4 Right-of-use lease liabilities (RoU lease liabilities)		
Leasehold properties	6 861 742	5 559 588
Vehicles	618 905	491 152
Equipment and other	30 026	26 537
Total RoU lease liabilities	7 510 673	6 077 277
Short-term RoU lease liabilities	1 194 672	947 331
Long-term RoU lease liabilities	6 316 001	5 129 946

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees and payments of penalties for terminating a lease, if the lease term reflects the group exercising the option to terminate. The lease term also takes into account the likelihood of exercising a renewal option.

In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

RoU lease liabilities represent the financial obligation of the group to make lease payments to landlords to use the underlying leased premises, or RoU leased assets, during the lease term.

The average lease term and number of leases of the group's lease portfolio (including renewal periods taken into account) is as follows:

- Leasehold property eight-year average lease term for 316 leases (2022: nine-year average lease term for 308 leases);
- Vehicles six-year average lease term for 1 175 leases; and (2022: four-year average lease term for 1 292 leases); and
- Equipment and other four-year average lease term for 34 leases (2022: five-year average lease term for 62 leases).

The lease term includes a renewal period only if the group has agreed terms with the respective landlord and the renewal contract is enforceable by both parties. For leasehold properties these terms include factors such as location, how far in the future an option occurs, significance of related leasehold improvements and past history of terminating/not renewing lease and the value of lease payments in the renewal period. Further to this, the likelihood of exercising a termination option, if applicable, is considered in determining the lease term. The discount rates used to determine the present value of future lease payments is generally based on the lessee's incremental borrowing rate, as in most instances the interest rate implicit in the lease cannot be readily determined.

To determine the incremental borrowing rate (IBR), the group uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group, which does not have recent third-party financing and makes adjustments specific to the RoU leased asset, eg term, country, currency and security.

The IBR applied to leases per segment were as follows:

	2023 %	2022 %
Australasia	5,0 – 7,7	5,0 – 6,9
Emerging Markets[1]	4,0 – 23,0	4,8 – 23,0
Europe	4,0 – 8,0	4,0 – 8,0
United Kingdom	3,0 – 8,0	5,0 – 6,0

[1] *The upper end of the range for Emerging Markets relates to Türkiye which is impacted by its macro-economic environment and hyperinflation.*

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Financial liabilities are derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the consolidated income statement as interest expense based on the effective interest rate method.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.4 Right-of-use lease liabilities (RoU lease liabilities) (continued)

	2023 R'000	2022 R'000
The movement in RoU lease liabilities is as follows:		
Carrying value at beginning of year	**6 077 277**	5 491 895
New leases entered into	**1 206 536**	1 211 624
Lease modifications and remeasurements	**416 131**	210 597
Finance charges	**402 501**	353 111
Cancelled leases	**(276 189)**	(80 425)
Lease payments	**(1 528 538)**	(1 233 513)
Acquisition of business	**121 530**	–
Disposal of businesses	**–**	(62 068)
Exchange rate adjustments, including the effect of hyperinflation	**1 091 425**	186 056
	7 510 673	6 077 277

The expenses relating to short-term and low-value commitments have been disclosed in note 4.2. The total lease cash outflows is R1,907 billion, which include cash payments of the lease liability of R1,529 billion, short-term leases of R292 million (note 4.2), low value assets and other lease payments of R86 million (note 4.2).

	2023 R'000	2022 R'000
Total contractual undiscounted cash flows related to RoU lease liabilities		
Within one year	**1 594 798**	1 258 075
One to two years	**1 385 416**	1 132 514
Two to five years	**2 288 457**	2 084 585
After five years	**1 726 085**	1 406 826
Total contractual undiscounted cash flows related to RoU lease liabilities	**6 994 756**	5 882 000
Future cash flows included for renewal periods	**2 735 095**	2 042 171
Total undiscounted cash flows including renewal periods related to RoU lease liabilities	**9 729 851**	7 924 171
Effects of discounting	**(2 219 178)**	(1 846 894)
Carrying amount of RoU lease liability	**7 510 673**	6 077 277

10.5 Puttable non-controlling interest liabilities

The put options entitle the non-controlling shareholders to sell their holdings in the subsidiaries to the group at contracted dates and amounts. The effect of granting these put options on the group's results can be summarised as follows:

	2023 R'000	2022 R'000
Balance at beginning of the year	**4 273 161**	4 058 561
Arising on the granting of put options to non-controlling interests during the year	**224 981**	194 110
Payments made to non-controlling interest during the year	**(143 783)**	(49 476)
Remeasurement of put options during the year	**304 244**	2 452
Unwinding of present value discount recognised to the statement of profit or loss	**50 216**	47 449
Exchange rate adjustments	**917 108**	20 065
	5 625 927	4 273 161
Long-term portion	**5 408 028**	4 006 503
Short-term portion	**217 899**	266 658

The group accounts for puttable NCI liabilities under the anticipated acquisition method whereby the put option is derecognised from NCI and accounted for as a financial liability. Put options held by non-controlling interests in the group's subsidiaries entitle the non-controlling interest to sell its interest in the subsidiary to the group at predetermined values and on contracted dates. In such cases, the group consolidates the non-controlling interest's share of the equity in the subsidiary and recognises the fair value of the non-controlling interest's put option, being the present value of the estimated future purchase price, as a financial liability in the statement of financial position. In raising this liability, the non-controlling interest is derecognised and any excess or shortfall is charged or realised directly in retained earnings in the statement of changes in equity. The puttable NCI liability is calculated as the present value of the contracted redemption value discounted from the expected redemption date to the reporting date.

The unwinding of the present value discount on these liabilities is recorded within finance charges in the statement of profit or loss using the effective interest method. The financial liability is fair valued at the end of each financial year and any changes in the value of the liability as a result of changes in assumptions used to estimate the future purchase price are recorded directly in retained earnings in the statement of changes in equity.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.5 Puttable non-controlling interest liabilities (continued)

At June 30 the group has the following significant put options:

Distrubuzione Alimentari Convivenze SPA (DAC)

In December 2021, an amendement to the shareholders agreement was signed with the minority shareholders of DAC which included an option for the minority shareholders to put their 40% interest to the group on or about June 30 2026. The minority shareholders agreed not to directly or indirectly sell, transfer or otherwise dispose of their stake in DAC for 5 (five) years.

Refer to sensitivity analysis in note 10.1 (g) on the sensitive assumptions used in the calculation of the DAC puttable NCI liability being the expected average revenue growth rates, average EBITDA margin and discount rate.

The non-controlling shareholders have the option to put their 40% interest in DAC to the group, at 10,5 times EBITDA less net debt. The discount rate used for the DAC put option was 1,70% (2022: 1,70%). The fair value of this put option liability at June is R5,0 billion (€243,1 million) (2022: R3,9 billion (€228,6 million)).

Irmaos Avelino Brazil (Brazil)

The non-controlling shareholders have the option to put their 40% interest in Brazil to the group, at 7,04 times the average two years EBITDA less net debt. Contractually the put option has been disclosed as a current liability as it is exercisable but is unlikely to be exercised in the short term. The fair value of this put option liability at June is R195,1 million (BRL50,0 million) (2022: R117,1 million (BRL37,4 million)).

Bidfood SA (Chile)

The non-controlling shareholders have the option to put their 12% interest in Chile to the group, at 6,5 times EBITDA less net debt and is exercisable from September 1 2024. The fair value of this put option liability at June is R66,0 million (A$5,3 million) (2022: R58,1 million (A$5,2 million)).

11. STAFF REMUNERATION

11.1 Share-based payments

The group has granted share awards to executive directors and senior management under the following share award schemes: The Bidvest Incentive Scheme (BIS), share appreciation rights (SARs), conditional share plan (CSPs) and Nowaco Management Scheme. BIS, SARs and CSP share-based payment schemes are treated as equity-settled share-based payment schemes at a group and subsidiary level. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of awards granted is recognised as an employee expense with a corresponding increase in equity. The Nowaco Management Scheme is treated as a cash-settled share-based payment scheme, fair value changes are recognised in profit or loss with a corresponding increase or decrease to the Nowaco share-based payment liability.

The fair value of the BIS, SAR and CSP awards are measured using a binomial model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the number of awards for which related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

	2023 R'000	2022 R'000
Share-based payment expenses recognised:		
Equity-settled share-based payment schemes		
Bidvest Incentive Scheme (BIS)	**(1 395)**	(2 286)
Bid Corporation Limited Share Appreciation Rights Plan (SARs)	**15 269**	30 018
Bidcorp Conditional Share Plan (CSP)	**194 283**	137 828
Cash-settled share based payment scheme		
Nowaco Management Scheme	**18 560**	(4 302)
	226 717	161 258

The Bidvest Incentive Scheme (BIS)

BIS participants on the unbundling of Bidcorp from The Bidvest Group Limited, who had not exercised their options at the unbundling date, exchanged each one of their Bidvest Group Limited Options for one right over one Bid Corporation Limited share and one The Bidvest Group Limited share.

The original award price was not adjusted, but on exercise of the replacement right, the original award price is deducted from the combined value of Bidcorp share and The Bidvest Group share on date of exercise. The vesting date and lapse dates of the replacement rights are the same as that of the original awards. Awards vest in tranches after three years (50%), four years (25%) and five years (25%) respectively. Awards not exercised within a 10-year period following the award date, lapse. The scheme has been classified as an equity-settled scheme, and therefore an equity-settled share-based payment reserve has been recognised.

BIS holders are only entitled to exercise their options if they are in the employment of the group in accordance with the BIS scheme rules, unless otherwise recommended by the remuneration committee.

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

The number and weighted average exercise prices of share awards granted to staff are:

	2023		2022	
	Number of awards	**Average price R**	Number of awards	Average price R
Beginning of the year	**213 938**	**273,95**	334 906	270,56
Lapsed	**(3 750)**	**208,91**	(15 500)	256,25
Exercised	**(147 375)**	**269,39**	(105 468)	265,77
End of the year	**62 813**	**288,55**	213 938	273,95
Share options outstanding at June 30 by year of grant are:				
2013	**–**	**–**	27 500	208,91
2014	**–**	**–**	24 875	237,54
2015	**16 063**	**250,73**	34 688	250,73
2016	**46 750**	**301,54**	126 875	301,54
	62 813	**288,55**	213 938	273,95

The options outstanding at June 30 2023 have an exercise price in the range of R250,73 to R301,54 (2022: R208,91 to R301,54) and a weighted average contractual life of 1,3 to 2,5 years (2022: 0,8 to 3,5 years). The fair value of services received in return for shares allotted is measured based on a binomial method. The contractual life of the option is used as an input into this model.

Bid Corporation Limited Share Appreciation Rights Plan (SARs)

SARs participants were granted share awards that vest in tranches after three years (50%), four years (25%) and five years (25%) respectively. The exercise price for the SAR award is determined using the closing price of the Bid Corporation Limited share on the Johannesburg Stock Exchange, for the business day immediately preceding the award date up to a maximum discount of 10%. Awards not exercised within a seven-year period following the award date lapse. The scheme has been classified as an equity-settled scheme, and therefore an equity-settled share-based payment reserve has been recognised. Award holders are only entitled to exercise their awards if they are in the employment of the group in accordance with the terms of the SARs plan rules, unless otherwise recommended by the remuneration committee.

The number and weighted average exercise prices of share awards granted to staff are:

	2023		2022	
	Number of awards	**Average price R**	Number of awards	Average price R
Beginning of the year	**1 972 501**	**252,54**	2 846 376	252,54
Granted	**76 500**	**302,20**	–	–
Exercised	**(911 125)**	**250,27**	(813 119)	250,13
Lapsed	**(8 501)**	**255,22**	(60 756)	257,16
End of the year	**1 129 375**	**258,50**	1 972 501	252,99
Share awards outstanding at June 30 by year of grant are:				
2016	**–**	**–**	237 250	238,04
2017	**139 500**	**263,91**	346 750	263,91
2018	**295 001**	**239,72**	549 501	241,91
2019	**461 875**	**258,10**	682 500	257,91
2021	**156 500**	**268,92**	156 500	268,92
2023	**76 500**	**302,20**	–	–
	1 129 376	**258,50**	1 972 501	252,99

The awards outstanding at June 30 2023 have an exercise price in the range of R238,30 to R313,08 (2022: R238,04 to R313,08) and a weighted average contractual life of 0,9 to 6,0 years (2022: 1,0 to 5,9 years). The fair value of services received in return for shares allotted is measured based on a binomial method.

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

Bidcorp Conditional share plan

The CSP awards executives and senior management of the group a conditional right to receive shares in Bidcorp free of any cost. The fair value of services received in return for these conditional share awards have been determined by multiplying the number of conditional share awards expected to vest, by the share price at the date of the award discounted by anticipated future distribution flows.

Executive directors' CSP awards

During the year, executive directors were granted 2023 CSP awards. Vesting of these awards are subject to three group performance conditions to vest and are measured over the performance period commencing from July 1 2022 to June 30 2025:

- 40% of the 2023 CSP award are subject to achievement of constant currency normalised Headline Earnings per Share (HEPS) targets;
- 30% of the 2023 CSP award are subject to the Return on Funds Employed (ROFE) condition; and
- 30% of the 2023 CSP award are subject to the Key Performance Indicators (KPI) condition.

These performance targets/conditions are disclosed in the 2022 Bidcorp Remuneration Report. Once performance conditions have been met, the award will vest with 75% of the CSP award on September 1 2025 and 25% on September 1 2026, unless otherwise determined by the remuneration committee. These share awards do not carry voting rights attributable to ordinary shareholders.

The average discounted share price used in the calculation of the share-based payment charge on the 2023 CSP awards allotted during the year is R277,52 per share (2022: R283,89 per share). The assumptions used to determine the fair value of the conditional share awards was a distribution yield of 2,88% (2022: 2,43%) and risk-free interest rate (based on South African government bonds) of 7,70% (2022: 7,24%).

The number of director conditional share awards in terms of the conditional share award scheme are:

	Balance at July 1 2022	CSP awarded	CSP exercised	CSP forfeited	Closing balance June 30 2023
Director					
BL Berson	410 950	**150 000**	**(63 350)**	**–**	**497 600**
DE Cleasby	190 925	**70 000**	**(28 525)**	**–**	**232 400**
	601 875	**220 000**	**(91 875)**	**–**	**730 000**

Senior management

In terms of the conditional share plan scheme, a conditional right to a share is awarded to senior management subject to an employment condition and vesting period. The vesting period is as follows: 50% of total number of awards vest at the expiry of three years; 75% of total number of awards vest at the expiry of four years; and 100% of total number of allotted awards vest at the expiry of five years from the date of the award, unless otherwise determined by the remuneration committee. These share awards do not carry voting rights attributable to ordinary shareholders.

The fair value of services received in return for the conditional share awards has been determined by multiplying the number of conditional share awards expected to vest, by the share price at the date of the award, less discounted by anticipated future distribution flows. The exercise price for conditional share awards is nil. The average discounted share price used in the calculation of the share-based payment charge on the conditional share awards allotted during the year is R360,75 per share (2022: R269,28 per share). The assumptions used to determine the fair value of the conditional share awards was a distribution yield of 2,37% (2022: 2,48%) and risk-free interest rate (based on South African government bonds) of 8,14% (2022: 7,66%). A total of 65 800 senior management conditional share awards were forfeited during the year (2022: 24 800).

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

The number of senior management conditional share awards in terms of the conditional share plan scheme are:

	2023 Number	2022 Number
Beginning of the year	2 225 576	1 611 625
Awarded	688 600	686 000
Exercised	(51 626)	(47 249)
Forfeited	(65 800)	(24 800)
End of the year	2 796 750	2 225 576
Share awards outstanding at June 30 by year of grant are:		
2018	–	11 376
2019	12 250	24 500
2020	844 250	882 250
2021	607 650	621 450
2022	644 000	686 000
2023	688 600	–
	2 796 750	2 225 576

Nowaco Management Scheme

In 2009, The Bidvest Group Limited acquired 100% of the issued share capital of the Nowaco group (Nowaco) of companies for an enterprise value of €250 million. Nowaco includes Nowaco Czech Republic s.r.o. which focuses on the Czech Republic and Slovakia and Farutex Sp.z.o.o. which serves the Polish market. As part of the purchase agreement senior management (the "managers") purchased shares in Nowaco on day one at a discount of 10%. The agreement stated that if the managers remain in the company's employment for a minimum of five years, they could sell these shares back to The Bidvest Group Limited. In 2014 The Bidvest Group Limited and the Czech managers amended the purchase agreement giving all the senior managers a "new Relevant period" (the period differs per Czech senior manager). In terms of the original agreement, Bidcorp held the sole right to select the method of settlement being equity or cash. Based on this sole right the Nowaco Management Scheme was treated as an equity-settled share-based scheme.

In August 2019, Bidcorp elected to settle Czech managers shares in cash and therefore changed the accounting treatment of the Nowaco Management Scheme from equity-settled to a cash-settled share-based scheme. During the year, no payments were paid to Czech managers (2022: R16,4 million). The determined fair value of the Czech Management Scheme at June 30 2023 is £14,3 million (R340,7 million) (2022: £13,4 million (R265,5 million)).

The Nowaco Management Scheme share-based payment liability has been separately disclosed in trade and other payables (note 7.6). The fair value was calculated using a EBITDA multiple of nine times and forecast trading results for Bidfood Czech Republic. The Czech managers have the rights to sell the Bidfood Czech Republic s.r.o shares back to Bidcorp and, in all instances, Bidcorp has the choice to settle the Czech managers either in cash or shares.

The Polish manager scheme remains an equity-settled share-based scheme and is accounted for in the share-based payment reserve. The share-based payment reserve value at June 30 2023 is estimated to be R391,1 million (£18,8 million) (2022: R175 million (£8,9 million)).

11. STAFF REMUNERATION (continued)

11.2 Remuneration of directors

The remuneration paid to executive directors while in office of the company during the year ended June 30 2023 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	20 623	305	303	35 544	56 775
DE Cleasby	7 403	180	467	13 556	21 606
Total	28 026	485	770	49 100	78 381

Executive director remuneration and benefits paid to directors are translated into South African rand at average foreign exchange rates. Refer note 10.1 (d) for the movements in the average foreign exchange rates.

Summary of directors' long-term incentives

	2023					
	Share-based payment expense R'000	Benefit arising from exercise of awards R'000	Gross benefit R'000	Previous share-based payment expense R'000	Actual long-term incentive benefit R'000	2022 R'000
Director						
BL Berson	39 384	17 745	57 129	(12 993)	44 136	32 528
DE Cleasby	18 499	7 990	26 489	(5 445)	21 044	14 264
Total	57 883	25 735	83 618	(18 438)	65 180	46 792

For comparative purposes the remuneration paid to the executive directors while in office of the company during the year ended June 30 2022 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	18 096	281	276	30 380	49 033
DE Cleasby	6 781	189	445	11 744	19 159
Total	24 877	470	721	42 124	68 192

11. STAFF REMUNERATION (continued)

11.2 Remuneration of directors (continued)

The remuneration paid to non-executive directors while in office of the company during the year ended June 30 is analysed as follows:

	2023			
	Director fees R'000	Other services R'000	Total R'000	2022 R'000
Non-executive director				
T Abdool-Samad	1 130	–	1 130	910
PC Baloyi	1 486	–	1 486	1 176
B Joffe	1 128	–	1 128	844
S Koseff	4 056	–	4 056	3 754
KR Moloko	1 036	–	1 036	695
CJ Rosenberg	1 831	–	1 831	1 362
NG Payne	1 836	–	1 836	1 510
H Wiseman[1]	2 070	718	2 788	2 208
Total	14 573	718	15 291	12 459

[1] *H Wiseman provided services by chairing the quarterly Bidcorp divisional audit and risk committee meetings.*

Prescribed officers

Due to the nature and structure of the group and the number of executive directors on the board of the company, the directors have concluded that there are no prescribed officers of the company.

11.3 Post-retirement obligations

	2023 R'000	2022 R'000
Post-retirement assets		
The Bidvest South Africa Pension Fund in South Africa	(30 653)	(22 169)
Post-retirement obligations	50 624	32 543
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	33 324	23 464
Unfunded defined benefit early retirement plan	17 300	9 079
	19 971	10 374

The group provides retirement benefits for its permanent employees through pension funds with defined benefit and defined contribution categories and defined contribution provident funds or appropriate industry funds.

Defined benefit pension funds

All funds are defined benefit pension funds administered independently of the group and are subject to the relevant pension fund legislation. The defined benefit funds operated by the group are The Bidvest South Africa Pension Fund in South Africa and Angliss Hong Kong Food Service Limited Retirement Benefit Plan. Employer contributions to defined contribution funds are set out in note 4.2.

11. STAFF REMUNERATION (continued)

11.3 Post-retirement obligations (continued)

Unfunded defined benefit retirement plans

Distrubuzione Alimentari Convivenze SPA (Italian subsidiary) provides a retirement plan for its employees. The total number of members as of June 30 was 294 (2022: 284).

	Discount rate (%)	Salary increase (%)
Key assumptions applied in the actuarial valuations:		
2023		
The Bidvest South Africa Pension Fund in South Africa	**11,9**	**7,5**
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	**3,6**	**4,5**
Unfunded defined benefit early retirement plan	**3,6**	**5,8**
2022		
The Bidvest South Africa Pension Fund in South Africa	11,8	8,3
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	2,9	3,3
Unfunded defined benefit early retirement plan	2,6	3,0

A sensitivity analysis for post-retirement obligations was not performed as the carrying value is insignificant.

	2023 R'000	2022 R'000
12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION		
12.1 Capital and reserves attributable to shareholders of the company		
Stated capital		
Issued stated capital	**5 428 016**	5 428 016
Treasury shares	**(134 001)**	(284 653)
Balance at beginning of the year	**(284 653)**	(272 679)
Shares disposed of in terms of share incentive plans	**213 662**	126 201
Shares purchased during the year	**(63 010)**	(138 175)
Reserves		
Foreign currency translation reserve including hyperinflation effects	**12 900 124**	7 793 336
Hedging reserve	**–**	1 198
Equity-settled share-based payment reserve	**971 889**	615 554
Retained earnings	**20 644 550**	17 289 705
Total capital reserves comprise		
Amounts attributable to shareholders of the company	**39 810 578**	30 843 156
Amounts attributable to non-controlling interests	**384 043**	260 316
	40 194 621	31 103 472

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.1 Capital and reserves attributable to shareholders of the company (continued)

Stated capital

No par value ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new no par value ordinary shares are deducted against the stated capital account.

Treasury shares

Shares in the company, held by its subsidiary, are classified as the group's shareholders' interest as treasury shares. These shares are treated as a deduction from the issued and weighted average number of shares. The cost price of the treasury shares is presented as a deduction from total equity. When treasury shares are purchased, the cost is debited to this separate category of equity. When treasury shares are sold, the amount received for the instruments is credited to this separate category of equity.

Foreign currency translation reserve

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations include hyperinflation effects.

Equity-settled share-based payment reserve

The equity-settled share-based payment reserve (SBP reserve) includes the fair value of the share appreciation right awards granted and conditional share awards made to executive directors and staff, which have been recognised over the vesting period at fair value with a corresponding expense recognised in the statement of profit or loss. The total share-based payment expense for the group during the year was R208,2 million (2022: R165,6 million). Our settlement practice of the share-based payment incentive plans has been through a subsidiary company (other than the employer company of the participant), which holds Bidcorp treasury shares (Bid Treasury Company).

In terms of an inter-group repayment arrangement, the employer company pays the purchase contribution to the Bid Treasury Company for the market value of the shares that were awarded to the participant exercising the award. The R213,7 million (2022: R126,2 million) utilisation during the year represents the market value of Bidcorp shares received by participants for share awards that were exercised during the year. The credit entry for the R213,7 million (2022: R126,2 million) is recorded under treasury shares representing the Bidcorp shares that were sold to satisfy the participant share awards that were exercised.

The transfer to retained earnings of R305,5 million (2022: R226,1 million) represents a transfer between equity reserves to true up the equity-settled share-based payment reserve to reflect the value of outstanding share awards at June 30 2023.

	2023 Number of shares ('000)	2022 Number of shares ('000)
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2022: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2022: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
Treasury shares held by Bidcorp Treasury Company	**(1 069)**	(1 438)
Balance at beginning of the year	**(1 438)**	(1 332)
Shares disposed in terms of share incentive plans	**592**	394
Shares purchased during the year	**(223)**	(500)
	334 335	333 966

The issued stated capital is fully paid up.

16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.

	2023 R'000	2022 R'000
12.2 Dividends paid		
2022 final dividend paid of 400,0 cents per share (2021: final dividend of 400,0 cents per share was declared)	**1 341 617**	1 341 617
2023 interim dividend paid of 440,0 cents per share (2022: interim dividend paid of 300,0 cents per share was declared).	**1 475 778**	1 006 212
Amounts paid per the consolidated statement of cash flows	**2 817 395**	2 347 829

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition

A list of the group's significant subsidiaries, their country of incorporation and principal place of business, the group's percentage shareholding and an indication of their nature of business is included below:

		Principal place of business	Nature of business	Effective holdings % 2023	Effective holdings % 2022
Subsidiaries					
Al Diyafa Company for Catering Services LLC		Saudi Arabia	1	**51**	53
Angliss Beijing Food Service Limited		China	1	**70**	70
Angliss Guangzhou Food Service Co Limited		China	1	**90**	90
Angliss Hong Kong Foodservice Limited		Hong Kong	1	**100**	100
Angliss International Investment Limited		Hong Kong	1	**100**	100
Angliss Macau Food Service Limited		Macau	1	**100**	100
Angliss Shanghai Food Service Limited		China	1	**100**	100
Angliss Shenzen Food Service Limited		China	1	**100**	100
Angliss Singapore Pte Limited		Singapore	1	**100**	100
Applied Logic Systems Limited		New Zealand	1	**100**	100
BFS Botany Pty Limited		Australia	1	**100**	100
BFS Byron Bay Limited		Australia	1	**100**	100
BFS Group Limited		United Kingdom	1	**100**	100
BFS Port Macquarie Pty Limited		Australia	1	**100**	100
Bidcorp (UK) Limited		United Kingdom	1	**100**	100
Bidcorp Food Africa Pty Limited		South Africa	1	**100**	100
Bidcorp Food Property Pty Limited		South Africa	1	**100**	100
Bidcorp Foodservice International Limited		Isle of Man	2	**100**	100
Bidcorp Foodservice (Europe) Limited		United Kingdom	1	**100**	100
Bidcorp International Limited		Isle of Man	2	**100**	100
Bidcorp Properties International Limited		Isle of Man	2	**100**	100
Bidcorp Spain S.L.		Spain	1	**100**	100
Bidfood (NSW) Pty Limited		Australia	1	**100**	100
Bidfood (Victoria) Pty Limited		Australia	1	**100**	100
Bidfood (WA) Pty Limited		Australia	1	**100**	100
Bidfood Australia Limited		Australia	1	**100**	100
Bidfood Belgium BV		Belgium	1	**100**	100
Bidfood Czech Republic s.r.o.		Czech Republic	1	**98**	98
Bidfood De Clercq NV		Belgium	1	**100**	100
Bidfood Efe Dağıtım ve Pazarlama A.Ş.	A	Türkiye	1	**90**	85
Bidfood (EM) Sdn Bhd.	A	Malaysia	1	**60**	–
Bidfood Holdings AS		Türkiye	1	**90**	85
Bidfood Holdings Malaysia Sdn. Bhd.	A	Malaysia	1	**89**	–
Bidfood Horeca Service N.V.		Belgium	1	**100**	100
Bidfood Spain S.L.		Spain	1	**100**	100
Bidfood Limited		Botswana	1	**100**	100
Bidfood Limited		New Zealand	1	**100**	100
Bidfood Pty Limited		South Africa	1	**100**	100
Bidfood SA		Belgium	1	**100**	100
Bidfood Chile S.A.	A	Chile	1	**89**	88
Bidfood China Limited		China	1	**100**	100
Bidfood Malaysia Sdn. Bhd.	A	Malaysia	1	**89**	85
Bid Foodservice Middle East-Jordan	B	Jordan	1	**41**	42

A. *The group has put option arrangements for these entities or its holding company. In terms of the anticipated acquisition method, these entities are consolidated as 100% held subsidiaries. (Refer note 10.5 for details).*

B. *The group exercises control over the subsidiary as the group has the ability to affect the subsidiaries, profit or loss from its involvement and ability to affect those returns through its power over the subsidiary.*

Nature of business

1. *Catering supplies, food and allied products.*
2. *Group services, investments and property holding.*

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

		Principal place of business	Nature of business	Effective holdings % 2023	Effective holdings % 2022
Subsidiaries (continued)					
Bidfresh Limited		United Kingdom	1	**100**	100
BTW Investments Pty Limited		South Africa	2	**100**	100
Burleigh Marr Distributions Pty Limited		Australia	1	**100**	100
Campbell Brothers Limited		United Kingdom	1	**100**	100
Cater Plus Pty Limited		Australia	1	**100**	100
Caterfood Holdings Limited		United Kingdom	1	**100**	100
Cimandis Limited		Jersey	1	**100**	100
Clayton Cold Store Pty Limited		Australia	1	**100**	100
Cold Seas Pty Limited		Australia	1	**100**	100
Crown Food Group Pty Ltd		South Africa	1	**100**	100
D&D S.p.A.	A	Italy	1	**60**	60
Distribuidora E Importadora Irmaos Avelino Ltda	A	Brazil	1	**60**	60
Distrubuzione Alimentari Convivenze SPA	A	Italy	1	**60**	60
Elite Frozen Foods Limited		United Kingdom	1	**100**	100
Euskopan 2002 S.L.	A	Spain	1	**80**	–
Farutex Sp. z.o.o.		Poland	1	**91**	91
Fein Feinkost GmbH & Co. KG		Germany	1	**100**	100
Food & Wine Sp.z o.o		Poland	1	**91**	91
Food Fabrique DMCC		United Arab Emirates	1	**51**	–
Foster Fast Food BVBA		Belgium	1	**100**	100
Fruit Xpress OÜ	A	Estonia	1	**80**	–
Frustock – Foodservice, S.A.		Portugal	1	**100**	100
Goldline Distributors Pty Limited		Australia	1	**100**	100
Guzman Gastromania S.L.		Spain	1	**100**	100
Harvest Fine Foods Limited		United Kingdom	1	**100**	–
Him Kee Food Distribution Co. Limited		Hong Kong	1	**100**	100
Horeca Trade LLC		United Arab Emirates	1	**68**	70
Horeca Trading SPC		Oman	1	**68**	70
Horeca United Services Co. WLL	A	Bahrain	1	**44**	46
Igartza, S.L		Spain	1	**100**	100
Jilin Bidcorp Food Service Limited		China	1	**60**	60
John Lewis Foodservice Pty Limited		Australia	1	**100**	100
Linson Global Seafood Trading Limited		Hong Kong	1	**63**	63
Mariusso Comércio De Alimentos E Representação Ltda	A	Brazil	1	**60**	60
Míča-Bagoňová s.r.o.		Czech Republic	1	**80**	–
Nicol Hughes Foodservice Limited		United Kingdom	1	**100**	–
Pastry Global Foodservice Limited		Hong Kong	1	**100**	100
Pier 7 Holding GmbH		Germany	1	**90**	90
Simply Food Solutions Limited		United Kingdom	1	**100**	90
Quartiglia Food Service S.p.A		Italy	1	**60**	36
Tekoo SPOL s.r.o		Czech Republic	1	**100**	100

A. *The group has put option arrangements for these entities or its holding company. In terms of the anticipated acquisition method, these entities are consolidated as 100% held subsidiaries. (Refer note 10.5 for details).*

B. *The group exercises control over the subsidiary as the group has the ability to affect the subsidiaries, profit or loss from its involvement and ability to affect those returns through its power over the subsidiary.*

Nature of business

1. *Catering supplies, food and allied products.*
2. *Group services, investments and property holding,*

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

		Principal place of business	Nature of business	Effective holdings % 2023	2022
Subsidiaries (continued)					
Thomas Ridley & Son Limited		United Kingdom	1	**100**	–
UAB Bidfood Lietuva		Lithuania	1	**100**	100
United Imports & Exports Co. Pty Limited		Australia	1	**100**	100
Wet Fish Trading LLC	B	United Arab Emirates	1	**35**	36
Zegro Centrum Rotterdam B.V.		Netherlands	1	**100**	100
Associates					
ATL Vastgoed BV		The Netherlands	1	**30**	30
Chovanecek S.R.O.		Czech Republic	1	**20**	–
Griffith Crown Foods Pty Limited		South Africa	1	**49**	49
Farm Fresh Real Estate BV		The Netherlands	1	**25**	25
Meatstreet O.G. (formerly Farm Fresh Holding BV)		The Netherlands	1	**25**	25
Maxxam BV	C	The Netherlands	1	**17**	17
Maxxam CV	C	The Netherlands	1	**17**	17
Van Gelder Ridderkerk BV		The Netherlands	1	**20**	20
Vanilla Venture BV		The Netherlands	1	**25**	25
Foodl BV		The Netherlands	1	**33**	33
Jointly controlled entities					
Chipkins Puratos Pty Limited		South Africa	1	**50**	50
Distribuidora Blancaluna S.A		Argentina	1	**46**	38

B. *The group exercises control over the subsidiary as the group has the ability to affect the subsidiaries, profit or loss from its involvement and ability to affect those returns through its power over the subsidiary.*
C. *The group exercises significant influence in the operating and financial policy decisions of these companies.*

Nature of business
1. *Catering supplies, food and allied products.*

12.4 Related parties

Identification of related parties

The group has a related party relationship with its subsidiaries, associates and jointly controlled entities (refer to note 12.3). Key management personnel has been defined as the executive and non-executive directors of the company (refer to directors' report). The definition of key management includes the close members of family of key management personnel and any other entity over which key management exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the group. They may include the individual's domestic partner and children, the children of the individual's domestic partner, and dependants of the individual or the individual's domestic partner.

Transactions with key management personnel

Directors' remuneration in total, paid by a subsidiary, is included in note 4.2. Details pertaining to executive and non-executive directors' compensation are set out in note 11.2.

The group encourages its employees to purchase food products from group companies. These transactions are generally conducted on terms similar to those with third parties, although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed, and no impairments were recognised in relation to any transactions with key management personnel during the year, nor have they resulted in any non-performing debts at the year end.

Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at the group level.

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.4 Related parties (continued)

Transactions with related parties

	2023 R'000	2022 R'000
Outstanding advances due at year end by associates (refer note 9.1)	**43 825**	41 683
Revenue received from associates	**83 987**	99 886
Amounts due by associates included in trade receivables[1]	**25 810**	24 229
Inventory purchased from associates	**1 970 599**	1 395 492
Purchases from associates	**–**	699
Amounts due to associates included in trade payables[1]	**114 661**	107 855
Revenue received from jointly controlled entity	**13 545**	18 252
Property rental income from jointly controlled entity	**17 551**	16 403
Property rental expense related to non-controlling interests	**36 362**	28 688
Purchases from jointly controlled entity	**12 019**	9 685
Amounts due by jointly controlled entity included in trade receivables	**1 082**	2 987
Amounts due to jointly controlled entity included in trade payables	**1 461**	1 239
Outstanding advances due at year end by jointly controlled entity (refer note 9.3)	**4 941**	3 997

[1] *Trading relationships with associates and jointly controlled entities are generally concluded on terms similar to those of third parties and there are no abnormal or non-commercial credit terms allowed. A provision for bad debts of R1,4 million has been raised against ATL Vastgoed B.V. trade receivable balance of R2,1 million. There were no other impairments or provisions raised against trade receivables or loans to associates or jointly controlled entities during the year (2022: nil).*

Details of effective interest, investments and loans to associates and jointly controlled entity are disclosed in note 9.1 and 9.3 respectively.

	2023 R'000	2022 R'000
12.5 Commitments and capital management		
The board of directors' policy is to maintain a strong capital base so as to sustain future development of the businesses so that it can continue to provide benefits to its stakeholders.		
Capital expenditure approved:		
Contracted for	**2 792 300**	1 901 240
Not contracted for	**2 354 240**	1 504 346
	5 146 540	3 405 586
Capital expenditure split		
Property, plant and equipment	**4 975 566**	3 339 081
Computer software	**170 974**	66 505
	5 146 540	3 405 586

It is anticipated that capital expenditure will be financed out of existing cash resources.

Significant capital expenditures relate to the following:

- United Kingdom – infrastructure for land in Gateshead; fit out for a new Bedford leased site; new Worcester depot and replacing vehicles and information technology related costs.
- Australia – capital infrastructure in new depots (Canberra and Darwin) using energy efficient lighting and refrigeration and the depots will be fitted with solar power, land for new depots (Brisbane and Mackay) and purchased facilities in Kalgoorlie and Broome.
- New Zealand – infrastructure including four new depots (Taupo, Kerikeri, Wellington and Christchurch Butchery); and replacing vehicles (existing passenger vehicles replaced with hybrid solutions).
- The Netherlands – new The Hague depot and replacement of plant, property and equipment and vehicles (including installation of electric vehicle charging stations).
- Czech Republic – installation of solar power at five sites to double solar output.
- Emerging Markets – infrastructure in Africa and Southeast Asia.

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.6 Contingent liabilities

The group has outstanding legal and other claims arising out of its normal ongoing operating activities which have to be resolved. None of these claims are significant.

12.7 Subsequent events

There have been no material events subsequent to June 30 2023.

12.8 Going concern

The board has undertaken a rigorous assessment of whether the group is a going concern in light of current economic conditions in its various operating geographies taking into consideration available information about future risks and uncertainties.

The projections for the group have been prepared covering its future anticipated performance and available capital and liquidity for a period of 12 months from the date of approval of these financial statements including performing sensitivity analyses.

The group has access to liquid funds amounting to R12,4 billion with gross debt at year end of R14,5 billion, R3,3 billion of which is short term. At June 30 2023 the group had access to unutilised facilities of R13,2 billion (refer note 10.1 (b)).

The group's forecasts and projections of its anticipated performance, taking account of reasonably possible changes in trading performance, show that the group will be profitable and cash generative in the year ahead.

The group's projections and sensitivity analysis show that the group has sufficient capital, liquidity and positive future performance outlook to continue to meet its short-term obligations and as a result it is appropriate to prepare these consolidated annual financial statements on a going concern basis, even considering the potential negative impacts of the Russia-Ukraine war and prolonged high inflation.

The directors have made an assessment of the group's ability to continue as a going concern and there is no reason to believe that the group will not be a going concern in the year ahead.

13. HYPERINFLATION ACCOUNTING

From years ended June 30 2022, the International Monetary Fund World Economic Outlook Report determined that subsidiaries of the group with the functional currency of the Türkiye lira should apply *Financial Reporting in Hyperinflationary Economies* (IAS 29).

Hyperinflationary accounting requires transactions and balances of each reporting period to be presented in terms of the measuring unit (Türkiye lira (TRY)) at the end of the reporting period in order to account for the effect of loss of purchasing power during the year. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries have been expressed in terms of the Türkiye lira at the reporting date (June 30 2023). The group has used the Türkiye Consumer Price Index (as determined by TURKSTAT) as the general price index to restate amounts as it provides an official observable indication of the change in the price of goods and services for our Türkiye subsidiaries.

The carrying amounts of non-monetary assets and liabilities carried at historic cost have been stated to reflect the change in the general price index from the date of acquisition to the end of the reporting period. No adjustment has been made for those non-monetary assets and liabilities measured at fair value. An impairment loss is recognised in profit or loss if the remeasured amount of a non-monetary asset exceeds the recoverable amount. All items recognised in the statement of profit or loss and other comprehensive income are restated by applying the change in the average monthly general price index when the items of income and expenses were initially earned or incurred.

Gains or losses on the net monetary position have been recognised as part of profit or loss before taxation in the statement of profit or loss and other comprehensive income. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

The results and financial position of the Türkiye operations have been translated at the official inter-bank closing exchange rate which is in line with the requirements of the provisions of IAS 21 *The Effects of Foreign Exchange Rates* (IAS 21) for the translation of hyperinflationary economies. The following general price indices and conversion factors were applied to consolidate our Türkiye subsidiaries.

Date	General price index[1]	Conversion factor
June 30 2023	**109,4**	**1,0**
June 30 2022	76,5	1,4
June 30 2021	16,3	4,7

[1] *The general price index is measured from July 1 2020. These numbers reflect the year-on-year consumer price index changes at these respective reporting dates. The three-year cumulative inflation rate from July 1 2020 to June 30 2023 is 109,4%.*

13. HYPERINFLATION ACCOUNTING (continued)

Inflation and exchange rates (relative to the South African rand) applied to consolidate the Türkiye subsidiaries results:

	Average exchange rate[2]	Closing exchange rate	Conversion factor (average)
Financial period			
July 1 2021 to June 30 2022	0,98	0,98	3,1
July 1 2022 to June 30 2023	**0,72**	**0,72**	**1,2**

[2] *Converted at the closing exchange rate due to IAS 29 requirements.*

Reporting on the Türkiye subsidiaries

The Türkiye subsidiaries of the group with the functional currency of the Türkiye lira have applied IAS 29 hyperinflation accounting for the 12 months ended June 30 2023. This has resulted in the group recording in the statement of profit and loss a monetary gain of R7,4 million for the year ended June 30 2023 (2022: monetary gain of R81,9 million).

While the application of IAS 29 is meant to improve comparability of the group's results, the use of inflation and exchange rates differ from those experienced by the Türkiye operations and reflected in the underlying transactions has, to some extent, distorted the comparability of the group's results. The impact of adjusting the group's results for the effects of hyperinflation is set out below:

Hyperinflation increase (decrease) to the statement of profit or loss

	2023 R'000	2022 R'000
Revenue	**152 486**	630 602
Gross profit	**30 033**	122 338
Operating expenses	**(24 645)**	(94 326)
Trading profit	**5 387**	28 012
Finance charges	**(5 257)**	(13 149)
IAS 29 monetary gain	**7 426**	69 215
Headline earnings	**7 398**	81 890
Headline earnings per share (cents)	**2,2**	24,5

Hyperinflation increase (decrease) to the statement of financial position

	2023 R'000	2022 R'000
Non-current assets	**20 746**	100 131
Property, plant and equipment	**9 209**	61 924
Right-of-use lease assets	**11 450**	31 875
Other non-current assets	**87**	6 332
Current assets	**(1 551)**	8 308
Total assets	**19 195**	108 439
Capital and reserves	**19 195**	108 439
Non-current liabilities	**–**	–
Current liabilities	**–**	–
Total equity and liabilities	**19 195**	108 439

The hyperinflation increase to the statement of financial position is included in the other comprehensive income movement of the foreign currency translation reserve.

Hyperinflation effect on cash and cash equivalents

As a result of applying hyperinflation accounting for the Türkiye subsidiaries of the group, all items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period. The resultant statement of cash flows is prepared to reflect cash flows during the year measured at the current purchasing power at the end of the reporting period and as such is not reflecting actual cash flows paid during the year ended June 30 2023.

While the statement of cash flows is adjusted to reflect current purchasing power, the cash and cash equivalents balance can only ever represent the actual cash flow (ie not indexed) at the point in time when the transactions occurred. As a result, an adjustment of R12,5 million was required to account for the change in value between the hyperinflation-adjusted cash flows and the actual cash flows, as well as to account for the change in value in the opening cash and cash equivalent balances.

14. ACCOUNTING STANDARDS AND INTERPRETATIONS NOT EFFECTIVE AT JUNE 30 2023

The following new standards, interpretations and amendments to existing standards are not yet effective as at June 30 2023. It is expected that the group will adopt the pronouncements on their respective effective dates. The adoption of the new accounting standards and amendments is not expected to have a material impact on the group results, financial position or cash flows:

Standard/interpretation	Title	Effective date (periods starting from)
IAS 1 *Presentation of Financial Statements*	Classification of liabilities as current or non-current	January 1 2024
IFRS 17 *Insurance Contracts*	IFRS 17 replaces IFRS 4	January 1 2023
IFRS 4 *Insurance Contracts*	Extension of the temporary exemption	January 1 2023
IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associate and Joint Ventures*	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	January 1 2023
IAS 1 *Presentation of Financial Statements*, IFRS Practice Statement 2 Making materiality judgements and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	Accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies	January 1 2023
IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	Definition of accounting estimates	January 1 2023
IAS 12 *Taxation*	Deferred taxation relate to assets and liabilities arising from a single transaction	January 1 2023

Separate statement of comprehensive income

for the year ended June 30

	Note	2023 R'000	2022 R'000
Revenue	1	**2 826 893**	2 495 042
Guarantee fee income		**2 750**	2 750
Share-based payment expense	15	**(208 157)**	(165 560)
Shareholder-related costs		**(34 595)**	(31 618)
Operating expenses		**(1 184)**	(890)
Operating profit		**2 585 707**	2 299 724
Finance income	2	**10 419**	3 562
Profit before taxation		**2 596 126**	2 303 286
Taxation	3	**(2 478)**	(691)
Profit for the year attributable to shareholders		**2 593 648**	2 302 595
Other comprehensive income net of taxation		**–**	–
Total comprehensive income for the year		**2 593 648**	2 302 595

Separate statement of financial position

at June 30

	Note	2023 R'000	2022 R'000
ASSETS			
Non-current assets			
Investment in subsidiaries	4	**7 385 515**	7 385 515
Current assets			
Cash and cash equivalents		**110 067**	124 975
Total assets		**7 495 582**	7 510 490
EQUITY AND LIABILITIES			
Capital and reserves			
Capital and reserves	6	**7 492 644**	7 508 235
Current liabilities		**2 938**	2 255
Unclaimed dividends		**2 926**	2 251
Taxation payable		**12**	4
Total equity and liabilities		**7 495 582**	7 510 490

Separate statement of changes in equity

for the year ended June 30

	Note	2023 R'000	2022 R'000
Equity attributable to shareholders of the company	6	**7 492 644**	7 508 235
Stated capital	6	**5 428 016**	5 428 016
Retained earnings	6	**2 064 628**	2 080 219
Balance at beginning of the year		**2 080 219**	1 959 893
Attributable profit for the year		**2 593 648**	2 302 595
Equity-movement on share-based payment expense		**208 157**	165 560
Dividends paid		**(2 817 396)**	(2 347 829)

Separate statement of cash flows

for the year ended June 30

	Note	2023 R'000	2022 R'000
Cash flows from operating activities		**(14 908)**	121 631
Cash utilised by operations	7	**(32 354)**	(29 268)
Finance income received		**10 419**	3 558
Taxation (paid) received	8	**(2 470)**	128
Dividends received		**2 826 893**	2 495 042
Dividends paid		**(2 817 396)**	(2 347 829)
Cash effects of financing activities		**–**	–
Loan advance from group subsidiary		**100 000**	40 000
Loan repayment to group subsidiary		**(100 000)**	(40 000)
Movement in cash and cash equivalents		**(14 908)**	121 631
Cash and cash equivalents at beginning of year		**124 975**	3 344
Cash and cash equivalents at end of year		**110 067**	124 975

During the financial year, there were no cash flows from investing activities (2022: there were no cash flows from investing activities).

Notes to the separate financial statements

for the year ended June 30

		2023 R'000	2022 R'000
1.	**REVENUE**		
	Revenue includes dividends received from subsidiaries:		
	South African subsidiaries	**375 000**	265 000
	Foreign subsidiaries	**2 451 893**	2 230 042
		2 826 893	2 495 042
2.	**FINANCE INCOME**		
	Finance income		
	Interest income on bank balances	**10 419**	3 558
	Interest income from the South African Revenue Services	**–**	4
		10 419	3 562
3.	**TAXATION**		
	Current taxation	**2 478**	591
	Current year	**2 483**	591
	Prior years' over provision	**(5)**	–
	Deferred taxation	**–**	100
	Total taxation per separate statement of comprehensive income	**2 478**	691
	Comprising		
	South African taxation	**2 478**	691

The reconciliation of the effective taxation rate with the South African company tax rate is:	%	%
Taxation for the year as a percentage of profit before taxation	**0,1**	0,1
Dividend income	**29,4**	30,3
Non-deductible expenses[1]	**(2,5)**	(2,4)
Change in prior years' estimation[2]	**–**	–
Section 9D Foreign income inclusion[2]	**–**	–
Rate of South African company taxation (%)	**27,0**	28,0

[1] *The non-deductible expenses are Bidcorp group shareholder-related costs and share-based payments expenses that are treated as non-deductible expenses for taxation purposes.*
[2] *Impact from the change in prior year estimation and section 9D income inclusion is lower than 0,1%*

		2023 %	2022 %	2023 R'000	2022 R'000
4.	**INVESTMENT IN SUBSIDIARIES**				
	Bidfood Limited[1]	**100**	100	**11**	11
	Bidcorp International Limited[2]	**100**	100	**1 254 897**	1 254 897
	Bidcorp Foodservice International Limited[2]	**100**	100	**1 440 209**	1 440 209
	Crown Food Ingredients Zambia Limited[3]	**60**	60	**9 808**	9 808
	Bidcorp Food Africa Proprietary Limited	**100**	100	**3 163 173**	3 163 173
	Bidcorp Food Property Proprietary Limited	**100**	100	**851 028**	851 028
	BTW Investments Proprietary Limited	**100**	100	**666 389**	666 389
				7 385 515	7 385 515

Country of incorporation if not South Africa:
[1] *Botswana.*
[2] *Isle of Man.*
[3] *Zambia.*

Investment in subsidiaries are reflected at cost less accumulated impairment losses.

A list of indirectly held subsidiaries is available for inspection at the registered office of the company.

		2023 R'000	2022 R'000
5.	**DEFERRED TAXATION ASSET**		
	Balance at the beginning of the year	–	100
	Utilisation of deferred taxation asset	–	(100)
	Balance at the end of the year	–	–
6.	**CAPITAL AND RESERVES**		
	Stated capital	5 428 016	5 428 016
	Reserves		
	Retained earnings	2 064 628	2 080 219
	Total capital and reserves comprise	7 492 644	7 508 235

	Number '000	Number '000
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2022: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2022: 335 404 212 ordinary shares of no par value)	335 404	335 404
16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.		

		2023 R'000	2022 R'000
7.	**CASH UTILISED BY OPERATIONS**		
	Operating profit	2 585 707	2 299 724
	Dividends received from subsidiaries	(2 826 893)	(2 495 042)
	Share-based payment expense	208 157	165 560
	Working capital changes		
	Increase in unclaimed dividends	675	490
	Cash utilised by operations	(32 354)	(29 268)
8.	**TAXATION PAID**		
	Balance (payable) receivable at beginning of year	(4)	711
	Current taxation charge	(2 478)	(591)
	SARS interest earned	–	4
	Balance payable at end of year	12	4
	Cash (paid) received	(2 470)	128

9. SUBSEQUENT EVENTS

No material subsequent events have arisen since June 30 2023.

10. RELATED PARTIES

The subsidiaries and associates of the group are related parties of the company. The company loaned an amount to Crown Food Ingredients Zambia Limited (Crown Zambia). The loan is a participative loan where interest is charged when the company is profitable at the South African prime lending rate. During the year, BTW Investments Proprietary Limited advanced R100 million to the company. This R100 million advance has been repaid by the company before the reporting date.

11. ACCOUNTING ESTIMATES AND JUDGEMENTS

CFC income (tax)

Detailed calculations are performed to determine taxation due on controlled foreign companies (CFCs) in terms of section 9D of the Income Tax Act. These calculations are based on financial data obtained directly from the CFCs.

12. GOING CONCERN

The financial statements have been prepared on a going concern basis as the directors have every reason to believe that the company has adequate resources in place to continue in operation in the foreseeable future.

13. FINANCIAL INSTRUMENTS

The credit risk on cash and cash equivalents is addressed by utilising financial institutions of good standing for investment and cash management purposes.

14. DIRECTORS' EMOLUMENTS

Disclosure on directors' emoluments has been included in note 11.2 of the notes of the consolidated financial statements.

15. ACCOUNTING POLICIES

Share-based payments

The company is a party to several group shared-based payment arrangements. As part of these arrangements, the company grants awards to employees of subsidiaries companies. These awards constitute equity instruments in the company (eg share awards over company shares). The company is the party that is obliged to settle the award if the vesting conditions are met. In accordance with IFRS 2 paragraph 43C, these transactions are treated as an equity-settled share-based payment for the company because they will be settled only in equity instruments of the company. IFRS 2 does not address the accounting for the "capital contribution" ie the debit side of the arrangement. As a result, the company has adopted a policy to recognise the share-based payment on the same basis as that of the group. The company therefore measures the awards at the grant date and recognises the grant date fair value as an expense over the vesting period in accordance with IFRS 2 requirements for equity-settled shared-based payments.

In addition to the share-based payment accounting policy, the accounting policies for the separate financial statements are the same as the consolidated financial statements, unless specifically stated otherwise.

16. SURETY OR GUARANTEES

The company has provided surety in respect of the The Standard Bank of South Africa Limited (Standard Bank) banking facilities for an amount limited to a maximum of R349 820 000. This banking facility provided by cash management account which includes BTW Investment (Pty) Ltd (Registration Number: 2015/071691/07), Bidfood (Pty) Ltd (Registration Number:1964/002063/07) and Bidcorp Food Africa Pty Limited (Registration number 2011/001799/07).

No liability or contingent liability has been recognised for the company on this surety arrangement given to Standard Bank due to the following reasons:

- As at June 30 2023, the Standard Bank cash management account has cash and cash equivalents of R266,5 million. Therefore, at June 30 2023 no obligation exists to Standard Bank.
- The trading operations performance through 2023 financial year and into July 2023 has been profitable and are generating positive cash flows.

SHAREHOLDERS' INFORMATION

for the year ended June 30

	Total shareholding	%
BENEFICIAL SHAREHOLDINGS		
Major shareholders holding 3% or more of the shares in issue		
Government Employees Pension Fund (GEPF)	64 675 319	19,3
INVESTMENT MANAGEMENT SHAREHOLDINGS		
Fund managers holding 3% or more of the shares in issue		
Public Investment Corporation on behalf of GEPF	54 071 262	16,1
J.P. Morgan Asset Management	30 842 360	9,2
Ninety One Plc	24 880 557	7,4
Coronation Asset Management (Pty) Ltd	16 817 311	5,0
BlackRock Inc	14 235 551	4,2
The Vanguard Group Inc	13 176 989	3,9
Sanlam Investment Management	11 366 323	3,4
	165 390 353	49,3
SHARES IN ISSUE		
Total number of shares in issue	335 404 212	
BTW Investments Proprietary Limited (treasury shares)	(1 068 544)	
	334 335 668	
BENEFICIAL SHAREHOLDER CATEGORIES		
Pension Funds	112 422 504	33,5
Unit Trusts	69 621 068	20,8
Mutual Fund	41 927 584	12,5
Private Investor	21 648 622	6,5
Sovereign Wealth	21 602 104	6,4
Trading Position	10 081 909	3,0
Exchange-Traded Fund	9 538 906	2,8
Insurance Companies	8 546 710	2,5
Hedge Fund	5 853 663	1,7
Custodians	2 636 948	0,8
Corporate Holding	2 243 653	0,7
Investment Trust	2 100 959	0,6
Charity	2 020 776	0,6
Black Economic Empowerment	1 548 955	0,5
Medical Aid Scheme	751 021	0,2
University	557 546	0,2
Local Authority	452 997	0,1
ESG	356 818	0,1
American Depository Receipts	271 834	0,1
Foreign Government	209 312	0,1
Other Managed Funds	20 455	0,0
Other	20 989 868	6,3
	335 404 212	100,0

SHAREHOLDERS' INFORMATION continued

for the year ended June 30

	Total shareholding	%
GEOGRAPHICAL SPLIT OF BENEFICIAL SHAREHOLDERS		
Region		
South Africa	177 045 350	52,8
United States of America and Canada	71 062 202	21,2
United Kingdom	16 126 202	4,8
Europe	28 677 848	8,6
Rest of World[1]	42 492 610	12,7
	335 404 212	100,0

[1] *Represents all shareholdings except those in the above regions.*

	Number of holders	% of total shareholders	Number of shares	% of issued capital
ANALYSIS OF SHAREHOLDING				
Shareholder spread				
1 – 1 000 shares	37 126	85,0	8 876 066	2,6
1 001 –10 000 shares	5 214	11,9	14 054 037	4,2
10 001 – 100 000 shares	999	2,3	31 927 393	9,5
100 001 – 1 000 000 shares	283	0,6	80 136 362	23,9
1 000 001 shares and above	48	0,1	200 410 354	59,8
Total	43 670	100,0	335 404 212	100,0
Shareholder type				
Non-public shareholders	17	0,04	2 762 030	0,8
Directors	6	0,01	951 777	0,3
Bidvest Pension/Retirements Funds	10	0,02	741 709	0,2
BTW Investments Proprietary Limited	1	0,01	1 068 544	0,3
Public shareholders	43 653	99,96	332 642 182	99,2
Total	43 670	100,00	335 404 212	100,0

SHAREHOLDERS' DIARY

Financial year end	June 30
Annual general meeting	November

Reports and accounts	
Interim report for the half year ending December 31	February
Announcement of annual results	August/September
Annual report	October

Distributions	**Declaration**	**Payment**
Interim distribution	February/March	March/April
Final distribution	August/September	September/October

Bid Corporation Limited
("Bidcorp" or "the group" or "the company")
Incorporated in the Republic of South Africa
Registration number: 1995/008615/06
Share code: BID
ISIN: ZAE000216537

Directors
Non-executive chairman: S Koseff
Lead independent director: NG Payne
Independent non-executive directors: T Abdool-Samad, PC Baloyi, B Joffe, KR Moloko, CJ Rosenberg*, H Wiseman*
Executive directors: BL Berson* (chief executive officer), DE Cleasby (chief financial officer)
* *Australian.*

Company secretary
Bidcorp Corporate Services (Pty) Limited
Represented by Mesdames AK Biggs and L Roos

Independent auditor
PricewaterhouseCoopers Inc.
Registration number: 1998/012055/21
Waterfall City, 4 Lisbon Lane, Jukskei View
Midrand, South Africa, 2090

Legal advisers
Baker & McKenzie
Edward Nathan Sonnenbergs

Transfer secretaries
JSE Investor Services (Pty) Limited
13th Floor, 19 Ameshoff Street, Braamfontein, 2001
PO Box 4844, Johannesburg, 2000

Sponsor
The Standard Bank of South Africa Limited
30 Baker Street, Rosebank
South Africa, 2196

Bankers
Absa Bank Limited
ASB Bank Limited
Bank of China Limited
Barclays Bank Limited
BNP Paribas Fortis
Ceskoslovenská obchodni banka, a.s (CSOB)
Commonwealth Bank of Australia Limited
Fortis Bank Polska SA
Hang Seng Bank Limited
HSBC Bank plc
Internationale Nederlanden Groep (ING)
Nedbank Limited
The Royal Bank of Scotland Group Plc
The Standard Bank of South Africa Limited
Standard Chartered PLC
UBI Banca

Registered office and postal address
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Email: bidcorp@tip-offs.com

Further information regarding our group can be found on the Bidcorp website: **www.bidcorpgroup.com**

www.bidcorpgroup.com