Remgro Limited

Audited Summary Consolidated Results

for the year ended

— 30 June 2024 —

and cash dividend declaration

Registration number 1968/006415/06
ISIN ZAE000026480
JSE and A2X Share code REM

Salient features

264 CENTS (UP BY 10.0%)	**Ordinary dividend** per share
R251.01 (UP BY 1.0%)	**Intrinsic net asset value** per share
1 018 CENTS (DOWN BY 18.8%)	**Headline earnings** per share

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Introduction

Introduction

The 2024 financial year was a challenging period with the continued focus on concluding and integrating a series of transformative corporate actions that still impacts on Remgro's results. While strong contributions were made by some of Remgro's investee companies, considerable work still needs to be done to bed down the operational performance of a number of its key investments. Remgro remains committed to the portfolio repositioning and optimisation, enabled by the aforementioned corporate actions, and even as the current unsatisfactory performance overshadows continued progress on some of its key strategic initiatives, Remgro maintains a disciplined and long-term approach in deploying and managing its resources.

Last year, Remgro listed some of the challenges faced by South African businesses, notably the continuation of high interest rates, the disruption of business operations due to load shedding, local infrastructure and logistics related challenges due to geopolitical instability, and exchange rate volatility.

Although some of these challenges persisted, there were some encouraging macroeconomic improvements, including an improvement in inflation, a substantial reduction in load shedding and – more recently - a reduction in fuel prices. The difficult business environment was compounded by the political uncertainty leading up to the national elections in May. Since then, and the subsequent establishment of the Government of National Unity (GNU), investor sentiment towards South Africa has improved and we too believe there is reason to be hopeful about improved economic prospects.

While the Group's results for the year under review did not meet expectations, Remgro's focus remains on disciplined capital allocation and actively partnering with management teams to drive sustainable performance at its underlying investee companies in order to deliver long-term value for its shareholders.

Group profile

Originally established in the 1940s by the late Dr Anton Rupert, Remgro's investment portfolio has evolved substantially since then and currently includes investee companies across nine platforms. The Company is listed on the Johannesburg Stock Exchange (JSE), operated by the JSE Limited in South Africa under the "Financials – Financial Services – Investment Banking and Brokerage Services – Diversified Financial Services" sector, with the share code "REM". From 3 January 2022, the Company also has a secondary listing on the A2X. Remgro's interests consist mainly of investments in the healthcare, consumer products, financial services, infrastructure, industrial and media industries. Remgro's most significant investments are as follows: Mediclinic Group Limited (Mediclinic) (50.0% interest), OUTsurance Group Limited (OUTsurance Group) (30.6% interest), Community Investment Ventures Holdings Proprietary Limited (CIVH) (57.0% interest), Heineken Beverages Holdings Limited (Heineken Beverages) (18.8% interest), RCL Foods Limited (RCL Foods) (80.2% interest), FirstRand Limited (FirstRand) (2.2% interest), Discovery Limited (Discovery) (7.8% interest), Siqalo Foods Proprietary Limited (Siqalo Foods) (100.0% interest), Air Products South Africa Proprietary Limited (Air Products) (50.0% interest), TotalEnergies Marketing South Africa Proprietary Limited (TotalEnergies) (24.9% interest) and Kagiso Tiso Holdings Proprietary Limited (KTH) (43.5% interest). These investments contribute approximately 88% to Remgro's intrinsic net asset value (INAV after tax).

Group reporting

As an investment holding company, traditional measurements of performance, such as sales or gross profit, are not meaningful criteria for evaluating the Group's performance. However, management uses "headline earnings", "intrinsic net asset value" and "cash at the centre" to evaluate the performance of the Group on a continuous basis. These concepts are used throughout this report to provide shareholders with a better understanding of Remgro's results.

Introduction (continued)

Group reporting (continued)

For purposes of determining the intrinsic net asset value, the unlisted investments are shown at *IFRS 13: Fair value measurement* valuations and the listed investments are shown at closing stock exchange prices. In ensuring the veracity of Remgro's intrinsic net asset valuations, a Valuation Subcommittee assists the Audit and Risk Committee to gain assurance on the valuations of Remgro's unlisted investments and recommends these valuations to the Remgro Board. This function has become increasingly important as Remgro's portfolio has evolved towards more unlisted investments.

It is worth noting that on 30 June 2023 the investment in Heineken Beverages was valued using the price of recent investment (PRI) principle. At the time, and given the short period since the Distell/Heineken transaction implementation, limited integration had taken place and updated consolidated forecast information was not available. For the 31 December 2023 interim valuation, Remgro made use of the market approach (EBITDA multiple) and applied relevant discounts (lack of marketability and forecast risk) to value its investment in Heineken Beverages as the Heineken Beverages board had not yet approved the consolidated forecast information beyond December 2024. At 30 June 2024 a discounted cash flow (DCF) methodology was applied to value Remgro's investment in Heineken Beverages based on board approved forecasts, subject to relevant discounts (lack of marketability, lack of control and forecast risk).

Due to the significant contribution of the investment in Mediclinic to Remgro's INAV, Remgro again engaged the services of an independent expert to perform the valuation of its investment in Mediclinic. The valuation methodology used for the Mediclinic investment was the sum-of-the-parts methodology, which was underpinned by the discounted cash flows of the underlying businesses.

Corporate actions may lead to significant items being recognised in the income statement that may not be excluded from the calculation of headline earnings. In these instances, the Group may disclose an alternative earnings measure excluding these items in order to promote comparability between reporting periods.

In accordance with paragraph 3.4(b)(v) of the JSE Listings Requirements, the Company again confirms the use of headline earnings per share for trading statement purposes. This is still considered to be an appropriate measure given that, as an investment holding company, the assessment of headline earnings is a key performance measure.

Group financial review

Salient features

	30 June 2024	% Change	30 June 2023
Headline earnings (R million)	**5 647**	*(20.0)*	7 056
– per share (cents)	**1 018**	*(18.8)*	1 254
Ordinary dividends per share (cents)	**264**	*10.0*	240
Intrinsic net asset value per share (R)	**251.01**	*1.0*	248.47
Remgro share price (R)	**136.09**	*(7.5)*	147.05
Percentage discount to intrinsic net asset value (%)	**45.8**	*(500 bps)*	40.8

Results in context

For the year under review, headline earnings decreased by 20.0% from R7 056 million to R5 647 million, while headline earnings per share (HEPS) decreased by 18.8% from 1 254 cents to 1 018 cents. The difference of 120bps in the HEPS measure compared to headline earnings, represents the accretive impact of shares repurchased during the 2023 financial year and the beginning of the year under review.

Group financial review (continued)

Results in context (continued)

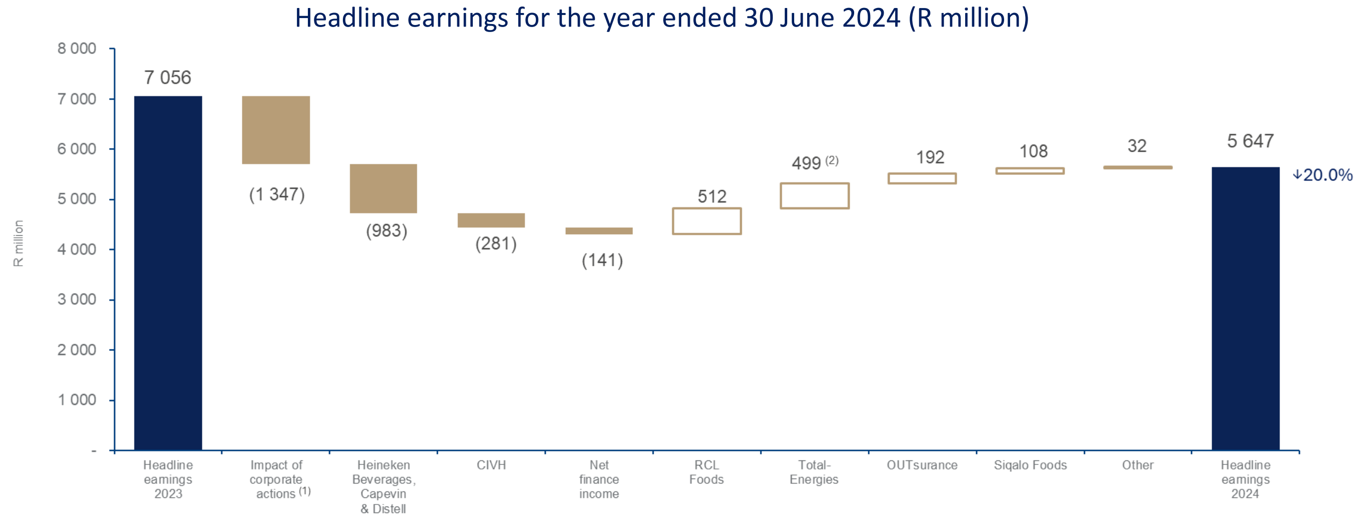
A significant driver of the decline in headline earnings relates to the effect of the corporate actions implemented in the recent past, the majority of which are non-recurring items. The difficult operating environment, particularly in relation to the trading results of Heineken Beverages, also contributed to the material decline in headline earnings. The decrease in headline earnings can be summarised as follows:

- The negative impact of significant corporate actions implemented throughout the Group amounting to R766 million (2023: positive impact of R581 million), which include the following:
  - Remgro's portion of the *IFRS 3* amortisation and depreciation charges amounting to R257 million (2023: R56 million) relating to the additional assets identified when Heineken Beverages obtained control over Distell Group Holdings Limited (Distell) and Namibia Breweries Limited (Namibia Breweries) (the Distell/Heineken transaction) (Heineken *IFRS 3* impact), as well as Remgro's portion of transaction costs amounting to R196 million, which were incurred by Distell in the comparative year;
  - Remgro's portion of an increase in a redemption liability amounting to R344 million (2023: decrease in liability of R338 million), relating to Mediclinic's acquisition of Hirslanden La Colline Grangettes SA;
  - Remgro's portion of transaction costs amounting to R165 million (2023: R612 million), which were incurred in respect of the acquisition, through Remgro's 50% interest in Manta Bidco Limited (Manta Bidco), which is jointly owned by Remgro and MSC Mediterranean Shipping Company SA (MSC), of the entire issued ordinary share capital of Mediclinic (the Mediclinic acquisition), as well as a foreign exchange gain of R522 million relating to the Mediclinic acquisition in the comparative year;
  - Remgro's portion of a debt forgiveness gain amounting to R227 million that was accounted for by KTH in the comparative year (a lender waived its right to receive an outstanding amount of a loan to KTH) as part of the disposal of its investment in Actom Investment Holdings Proprietary Limited (Actom); and
  - a dividend received from the Pembani Remgro Infrastructure Fund (PRIF) of R358 million relating to its disposal of the ETG Group in the comparative year.
- Excluding the impact of the above-mentioned corporate actions, the muted headline earnings performance resulted from mixed operational performances from investee companies of which the most significant are:
  - Increased contributions from RCL Foods, TotalEnergies, OUTsurance Group, Siqalo Foods and Air Products, due to improved operational performances;
  - an increased loss contributed by Heineken Beverages (excluding the Heineken *IFRS 3* impact) of R297 million, partly offset by a higher contribution from Capevin Holdings Proprietary Limited (Capevin) of R65 million, compared to Distell's contribution of R751 million (excluding the transaction costs) in the comparative year; and
  - a lower contribution from CIVH mainly due to higher finance costs resulting from increased interest rates and higher maintenance and security costs to ensure high network uptime.

More details on these transactions are provided under "*Commentary on investees' performance*".

Group financial review (continued)

Results in context (continued)



(1) Change in impact of significant corporate action items between the 2023 and 2024 financial years.
(2) Included in TotalEnergies' contribution are negative stock revaluations of R10 million (2023: negative stock revaluations of R252 million).

Contribution to headline earnings by reporting platform

R million	Year ended 30 June 2024	% Change	Year ended 30 June 2023
Healthcare	**1 515**	*(10.4)*	1 691
Consumer products	**934**	*(22.7)*	1 208
Financial services	**1 163**	*21.1*	960
Infrastructure	**(33)**	*(110.4)*	317
Industrial	**1 425**	*64.2*	868
Diversified investment vehicles	**235**	*(71.8)*	834
Media	**156**	*(8.8)*	171
Portfolio investments	**812**	*1.0*	804
Social impact investments	**(29)**	*(20.8)*	(24)
Central treasury			
– finance income	**379**	*(41.7)*	650
– finance costs	**(498)**	*20.7*	(628)
Other net corporate income/(costs)	**(412)**	*(301.0)*	205
Headline earnings	**5 647**	*(20.0)*	7 056

Refer to pages 17 and 18 for the segmental information.

Group financial review (continued)

Commentary on investees' performance

Healthcare

Mediclinic's contribution to Remgro's headline earnings, which includes the contribution of Manta Bidco, amounted to R1 515 million (2023: R1 691 million), representing a decrease of 10.4%. As a result of the Mediclinic acquisition, Remgro's indirect interest in Mediclinic increased from 44.6% to 50.0% (or by 5.4%) during June 2023. However, as Mediclinic has a March year-end, Remgro accounted for its results for the two months ended 31 May 2023 at 44.6% and for the ten months to 31 March 2024 at 50.0%. Mediclinic's contribution includes transaction costs of R165 million (2023: R612 million) relating to the Mediclinic acquisition. Excluding these transaction costs, Mediclinic's contribution to headline earnings decreased from R2 303 million to R1 680 million (or by 27.1%).

Mediclinic (excluding Manta Bidco) reports adjusted earnings, which removes volatility associated with certain types of significant income and charges from headline earnings, to assess financial and operational performance and as a method to provide investors and analysts with complementary information to better understand its financial performance. These adjustments included the portion of the above-mentioned transaction costs incurred by Mediclinic. The year under review also included significant amounts relating to an increase in a redemption liability of $40 million (31 March 2023: decrease of $44 million) relating to the acquisition of Hirslanden La Colline Grangettes SA. The comparative year also included significant amounts relating to an accelerated depreciation charge (re Klinik St. Anna) and a positive Swiss cantonal tax rate change. In US dollar terms, Mediclinic's (excluding Manta Bidco) reported adjusted earnings remained flat at $230 million (31 March 2023: $229 million). Remgro's portion of Mediclinic's adjusted earnings increased by 22.3% to R2 137 million (2023: R1 748 million), reflecting a weakened average SA rand exchange rate against the US dollar and Remgro's increased interest in Mediclinic.

Mediclinic's performance for their year ended 31 March 2024 was impacted by a weak performance in Switzerland, partially offset by a strong showing in the Middle East. Revenue was up 5% to $4 592 million (up 5% in constant currency terms), driven by a 0.9% growth in inpatient admissions and a 1.6% growth in day case admissions, partly offset by lower average revenue per case due to mix changes and ongoing tariff pressures. Adjusted EBITDA was down 2% (down 2% in constant currency terms) and the adjusted EBITDA margin was 14.7% (2023: 15.8%), reflecting above-inflationary increases in the cost base, particularly employee and contractor costs and consumables and supplies. Higher finance costs, due to higher interest rates, were offset by a lower tax charge. The lower tax charge reflects the higher contribution of non-taxable income from the Middle East, as well as the effect of the non-recognition of deferred tax assets on tax losses in Switzerland in the prior period.

Consumer products

RCL Foods' contribution to Remgro's headline earnings amounted to R1 000 million (2023: R488 million), representing an increase of 104.9%. RCL Foods discloses underlying headline earnings from continuing operations, which excludes:

- the earnings of Rainbow Chicken Limited (Rainbow) and the Vector Logistics segment due to their classification as discontinued operations;
- the *IFRS 9* fair value adjustments on commodity contracts entered into as part of the raw material procurement strategy;
- the special sugar levy raised by South African Sugar Association (SASA) in the comparative year of R171 million (after-tax); and
- advisor costs relating to the discontinued operations,

to provide users of RCL Foods' results with relevant information and measures used by itself to assess performance.

RCL Foods reported an increase in underlying headline earnings from continuing operations of 8.3% mainly due to strong performances in the Sugar business unit and in Groceries. The strong performance in the Sugar business unit was driven by higher prices in both local and export markets, an improved agricultural performance, as well as an outstanding result in Molatek Animal Feed due to improved production efficiencies offsetting a higher molasses price. Groceries' improved performance was mainly due to a better sales mix, as well as improved Pet Food margins and service levels. Cost of production has also reduced due to lower levels of load shedding in the second half of the financial year. In the Baking

Group financial review (continued)

Commentary on investees' performance (continued)

Consumer products (continued)

business unit, gains in Speciality and Milling were offset by a disappointing result in the Bread, Buns & Rolls operating unit, which faced intense competition and margin pressure and a volume decline of 1.1%.

Rainbow's reported underlying headline earnings, which excludes *IFRS 9* fair value adjustments on commodity contracts entered into as part of the raw material procurement strategy, changed from a loss of R249 million to a profit of R217 million, notwithstanding the impact of Avian Influenza (AI) during the year under review. This increase is attributable to an enhanced agricultural performance, higher processing yield, effective cost management, improved pricing, increased retail and wholesale channel volumes, relief in commodity prices (albeit still at elevated levels) and reduced load shedding costs.

Heineken Beverages' contribution to Remgro's headline earnings amounted to a loss of R573 million (2023: loss of R75 million). As a result of the Distell/Heineken transaction, the comparative year included Remgro's portion of Heineken Beverages' results for the two months ended 30 June 2023. Heineken Beverages' contribution includes amortisation and depreciation charges of R257 million (2023: R56 million) relating to the additional assets identified when Heineken Beverages obtained control over Distell and Namibia Breweries. Excluding these charges, Heineken Beverages' contribution amounted to a loss of R316 million (2023: loss of R19 million). Heineken Beverages' underlying performance was impacted by the highly disruptive period of integration inherent to a merger of this nature and extent. In addition, volumes for the six months ended 31 December 2023 were impacted by lower industry growth, a constrained consumer environment, load shedding, a shift from premium to mainstream (Heineken Beverages' portfolio over indexed in premium), and a challenging competitive environment. Margins were also negatively impacted by non-recurring expenses related to integration and supply chain challenges. These operational issues have since been resolved.

Heineken Beverages' underlying performance for the six months ended 30 June 2024 was characterised by low-single-digit revenue growth in South Africa, primarily driven by pricing. The spirits, wine, cider and ready-to-drink portfolios outperformed the market in their respective categories. Within the cider and ready-to-drink categories, mid-single-digit revenue growth was achieved, with strong momentum continuing in *Savanna* and *Bernini*. In the beer segment, volumes remained under pressure due to the continued challenging competitive environment. In this regard Heineken Beverages has implemented various measures to restore both market share and margins. The introduction of the returnable glass bottle of Heineken® at the end of the first quarter provided a more affordable yet cost effective consumer proposition. Increased investment in support of the Heineken® returnable glass bottle launch and revitalisation of the other beer brands will follow in the second half of the 2024 calendar year and will continue into the next year. Outside of South Africa and Namibia double-digit revenue growth was supported by strong performance across most categories.

As a result of the challenges referred to above, the Heineken Beverages trading results for the year under review is not deemed to be an accurate reflection of the long-term prospects of the business.

In addition to Heineken Beverages' contribution, Remgro accounted for amortisation and depreciation charges of R22 million (2023: R6 million) relating to the additional assets identified when Remgro obtained significant influence over Heineken Beverages on 26 April 2023.

Distell's contribution to Remgro's headline earnings for the comparative year amounted to R555 million. As a result of the Distell/Heineken transaction, which was implemented on 26 April 2023, Remgro stopped accounting for the results of Distell. Distell's contribution in the comparative year included abnormal merger integration and deal compensation costs of R196 million relating to the Distell/Heineken transaction.

In addition to Distell's contribution in the comparative year, Remgro accounted for amortisation and depreciation charges of R32 million relating to the additional assets identified when Remgro obtained control over Distell on 11 May 2018.

Group financial review (continued)

Commentary on investees' performance (continued)

Consumer products (continued)

The headline earnings contribution from **Siqalo Foods** amounted to R452 million (2023: R344 million), representing an increase of 31.4%. The trading environment remains a challenge due to elevated interest rates, high inflation and volatile commodity prices and exchange rates. To recover margin from prior commodity cost drivers and to offset the impact of inflation and continued cost pressure, the business increased prices in September 2023. Siqalo Foods experienced a 6.7% decrease in volumes for the year under review as consumer spend was negatively impacted by the elevated inflationary environment. Oil commodity markets have stabilised at pre-Russia-Ukraine War levels, which assisted to offset the decrease in volumes resulting in a 23.3% overall increase in operational EBITDA. Operational EBITDA excludes negative *IFRS 9* fair value adjustments of R5 million (2023: R26 million) on commodity and foreign exchange contracts entered as part of the raw material procurement strategy.

In addition to Siqalo Foods' contribution, Remgro accounted for amortisation and depreciation charges of R2 million (2023: R80 million) relating to the additional assets identified when Remgro obtained control over Siqalo Foods on 2 July 2018. The decrease is mainly due to some of the additional assets identified being fully amortised.

Capevin's contribution to Remgro's headline earnings amounted to R79 million (2023: R14 million, consisting of Remgro's portion of Capevin's results for the two months ended 30 June 2023). Capevin's profit from continuing operations, which excludes Gordon's Gin due to it being classified as a discontinued operation, decreased by 28.9% to R249 million. This decrease is primarily driven by the exit of the distribution of Wine (e.g. *Nederburg*) and *Amarula* brands on behalf of Heineken Beverages in their international markets. Capevin previously managed the sales, distribution and marketing of these brands, but during the year under review these brands were carved out from Capevin and returned to Heineken Beverages. In addition to the financial impact of exiting the distribution of these brands, the overall Scotch whisky sector also saw a significant slowdown in shipments to global markets compared to the previous financial year. The ongoing geopolitical and macroeconomic uncertainty, combined with high inflation and interest rates, significantly impacted performance. The continuous cost pressure on consumers, and a decrease in disposable income, resulted in a lower demand and downtrading. In particular, the economic slowdown in China has resulted in a decline in revenue for Capevin.

Financial services

OUTsurance Group's contribution to Remgro's headline earnings increased by 21.6% to R1 080 million (2023: R888 million). On a normalised basis, which excludes certain anomalies, OUTsurance Group reported an increase of 20.3% in earnings. This increase is mainly due to a higher contribution from OUTsurance Holdings Limited (OUTsurance), the most significant asset in OUTsurance Group, as well as a reduction in head office costs following the listing transition.

OUTsurance's normalised earnings increased by 15.7%. The strong earnings result was supported by a good operational performance and investment income results, notwithstanding higher natural perils claims at Youi, the large increase in the share-based payments expense and the startup-loss incurred by OUTsurance Ireland. The share-based payments expense is linked to the indexed performance of the OUTsurance Group share price, which creates volatility in the expense and consequently in the cost-to-income ratio. Gross written premium grew by a strong 20.5%, driven by elevated inflation and good new business performance delivered by the Youi and OUTsurance operations. The claims ratio increased from 54.3% to 56.8% due to the higher natural perils claims incurred by Youi. OUTsurance SA delivered improved claims ratios on the back of pricing discipline and continued improvement in claims experience in the OUTsurance Broker book. The cost-to-income ratio is distorted by the share-based payments expense as well as the expense strain from the OUTsurance Ireland start-up. Ignoring the increased share-based payments expense, the cost-to-income reduced from 29.4% to 28.4%, which illustrates the positive momentum in Youi's cost-to-income ratio. Annualised new business increased by 30.4% from a higher base achieved in 2023.

Group financial review (continued)

Commentary on investees' performance (continued)

Financial services (continued)

Business Partners Limited's (Business Partners) contribution to Remgro's headline earnings increased by 15.3% to R83 million (2023: R72 million). The increase in net interest income, primarily due to an increase in interest rates, was partly offset by a higher credit loss provision.

Infrastructure

CIVH's contribution to Remgro's headline earnings amounted to a loss of R75 million (2023: a profit of R206 million). The decrease in earnings is mainly due to higher finance costs resulting from increased interest rates, higher maintenance and security costs to ensure high network uptime and the continued impact of the tough economic environment on consumers and persistent competition in the market. Vumatel Proprietary Limited's (Vumatel) revenue for the year ended 31 March 2024 increased by 3.2% to R3 543 million, driven by its fibre infrastructure expansion programme and subscriber uptake growth. The Reach network expanded by 12% with Reach homes passed exceeding one million and Reach subscribers increasing by 39% year-on-year. Dark Fibre Africa Proprietary Limited's (DFA) revenue for the year ended 31 March 2024 increased by 2.3% to R2 715 million driven by demand in its fibre to the business vertical.

SEACOM Capital Limited's (SEACOM) contribution to Remgro's headline earnings amounted to R55 million (2023: R47 million), while **other infrastructure investments** include the contribution of Grindrod in the comparative period amounting to R61 million. Grindrod was equity accounted until its unbundling during October 2022.

Industrial

Air Products' contribution to Remgro's headline earnings increased by 18.9% to R566 million (2023: R476 million). Air Products' turnover increased by 17.5% to R5 360 million (2023: R4 563 million) for their twelve months ended 31 March 2024 demonstrating a commendable performance. Demand from large tonnage gas customers in the steel, mining and chemicals sectors was mixed and generally stable. Enhanced cost efficiencies contributed to modest growth in operating profit within this segment. The Packaged Gases business continued to perform well, with volumes remaining robust in the smaller manufacturing and fabrication and food and beverage sectors. Volume growth, a slight reduction in inflationary cost pressures, and a minor acquisition collectively resulted in overall satisfactory outcomes for this segment of the business.

TotalEnergies' contribution to Remgro's headline earnings amounted to R553 million (2023: R54 million). TotalEnergies' contribution includes negative stock revaluations amounting to R10 million (2023: negative stock revaluations of R252 million). The stock revaluations in both periods result from the volatility in the Brent Crude price. Excluding these stock revaluations, the contribution increased by 84.0% from R306 million to R563 million mainly due to Natref's improved refining results, as well as higher input costs in the comparative year, which were heavily impacted by supply chain challenges experienced on the importation of fuel products.

Wispeco Holdings Proprietary Limited's (Wispeco) contribution to Remgro's headline earnings decreased by 7.7% to R289 million (2023: R313 million). Turnover of R3 759 million aligns closely with that of the previous year (2023: R3 813 million). Aluminium extrusion sales volumes were marginally higher than the comparative year, while export volumes of brass fire-sprinkler frames were lower for most of the year, with signs of recovery starting to show in the final quarter. The decrease in earnings was mainly due to sustained downward pressure on trading margins, resulting from generally competitive market conditions and inflationary cost increases.

Other industrial investments consist of PGSI Limited's (PGSI) contribution to Remgro's headline earnings, which amounted to R17 million (2023: R25 million).

Group financial review (continued)

Commentary on investees' performance (continued)

Diversified investment vehicles

KTH's contribution to Remgro's headline earnings amounted to R241 million (2023: R437 million). The decrease in KTH's earnings is mainly due to a debt forgiveness gain in the comparative year (the lender waived its right to receive the outstanding amount of a loan to KTH) of R520 million as part of the disposal of KTH's investment in Actom. The year under review includes a positive fair value adjustment on KTH's investment in Momentum Group Limited (Momentum) preference shares of R127 million (2023: positive adjustment of R99 million).

The contribution from **other diversified investment vehicles** to Remgro's headline earnings amounted to a loss of R6 million (2023: a profit of R397 million). The comparative year included dividends from PRIF amounting to R358 million, which related to PRIF's disposal of its investment in the ETG Group.

Media

eMedia Investments Proprietary Limited's (eMedia Investments) contribution to Remgro's headline earnings decreased by 13.1% to R113 million (2023: R130 million). eMedia Investments reported satisfactory results given its mitigation against continued load shedding, which had a negative impact on overall viewership and saw a further decline in television advertising spend, foreign exchange rate and the impact of diesel usage on the business. eMedia Investments' revenue decreased by 2.1% mainly due to the actors and writers' strike in Hollywood at the beginning of its financial year, which had a severe negative impact on the income from international film productions. Television advertising revenue increased by 3% despite the continued decrease in total television advertising spend of approximately 1%. eMedia Investments managed to maintain prime-time audience market share at 33.5% at the end of March 2024, a slight decrease from 34.5% at the end of 31 March 2023. eMedia Investments is campaigning for analogue consumers to migrate to Openview due to the uncertainty of the imminent analogue switch-off. The activated set-top boxes for Openview reached 3 428 523 at the end of March 2024 (31 March 2023: 3 166 461).

Portfolio investments

The contribution from portfolio investments to headline earnings amounted to R813 million (2023: R804 million). Dividends from **FirstRand** amounted to R474 million (2023: R605 million, which included a special dividend received of R154 million). During the year under review, dividends were also received from **Momentum** and **Discovery** of R160 million (2023: R141 million) and R90 million (2023: Rnil), respectively.

Other portfolio investments mainly include the dividends received from British American Tobacco plc (BAT) amounting R86 million (2023: R57 million).

Social impact investments

Social impact investments primarily consist of interests in the **Blue Bulls** rugby franchise and Stellenbosch Academy of Sport Proprietary Limited (**SAS**).

Central treasury and other net corporate income/(costs)

Finance income amounted to R379 million (2023: R650 million). This decrease is mainly due to a lower average cash balance, resulting from the Mediclinic acquisition during June 2023, the share repurchase programme from June to August 2023 and the redemption of the Standard Bank preference shares during December 2023. Finance costs were lower at R498 million (2023: R628 million) due to the aforesaid redemption. Other net corporate costs amounted to R412 million (2023: net corporate income of R205 million). The comparative year included an after-tax foreign exchange gain of R522 million relating to the Mediclinic acquisition.

Group financial review (continued)

Earnings

Total earnings amounted to R1 241 million (2023: R9 624 million). This decrease in earnings is mainly due to the decrease in headline earnings discussed above (R1 409 million), the impairment of Remgro's investment in Heineken Beverages (R4 257 million) and Remgro's portion of the impairments of Heineken Beverages' goodwill that was created through the Distell/Heineken transaction (R1 050 million). For the 2023 financial year, Remgro accounted for a profit on disposal of R3 384 million in respect of the Distell/Heineken transaction. The decrease was partially offset by the profit realised on the disposal of the investment in DC Foods Proprietary Limited, Remgro's portion of the profit realised by RCL Foods on the disposal of its Vector Logistics business and Remgro's portion of the profit realised by Capevin on the termination of the Gordon's Gin agreement.

Intrinsic net asset value

Remgro's intrinsic net asset value per share increased by 1.0% from R248.47 at 30 June 2023 to R251.01 at 30 June 2024. The closing share price at 30 June 2024 was R136.09 (2023: R147.05), representing a discount of 45.8% (2023: 40.8%) to the intrinsic net asset value. Refer to page 18 for full details.

Investment activities

The material investment activities during the year under review were as follows:

CIVH

As previously reported, Vodacom Proprietary Limited (Vodacom) will, through a combination of assets of approximately R4.2 billion and cash of at least R6.0 billion, acquire up to 40% of the ordinary shares of a newly created wholly owned subsidiary of CIVH (namely Maziv Proprietary Limited (Maziv)). Maziv holds *inter alia* CIVH's current interests in Vumatel and DFA. As a result of the proposed transaction, Remgro's indirect interest in DFA and Vumatel will dilute with the entrance of Vodacom as a shareholder, however, Remgro will also obtain an indirect interest in the assets contributed by Vodacom. During August 2023, The Competition Commission of South Africa announced its non-binding recommendation to the Competition Tribunal, to prohibit the proposed transaction. The final phase of the regulatory approval process, which started on 24 May 2024, is still ongoing and a decision is expected during November 2024. Remgro and CIVH remain committed to the proposed transaction and firmly believe that, should the implementation of the proposed transaction ultimately be permitted by the Competition Tribunal, it will deliver significant benefits to South African consumers and the broader economy. These include the very real and tangible positive social impacts relating to critical issues such as the democratisation of the internet in lower income areas, greater access to cheaper fibre to the broader South Africa, as well as the potential for job creation, and ultimately growth of the economy.

Momentum

During June 2024, Remgro sold its entire 9.4% stake in Momentum (being 122 908 061 Momentum shares) through an accelerated book build offering for a gross consideration of R2 704 million (or R22.00 per share).

Group financial review (continued)

Investment activities (continued)

Invenfin (a wholly owned subsidiary of Remgro)

During October 2023, Invenfin sold its 30% interest in DC Foods Proprietary Limited (DC Foods), which was presented as held for sale at 30 June 2023, and realised an IRR of 33.4% on its investment. DC Foods is a specialist producer and exporter of a range of nutritious frozen desserts and fruits.

Milestone China Funds

As at 30 June 2024, Remgro's cumulative investment in Milestone China Opportunities Fund III (Milestone III) amounted to $102 million. During the year under review, Remgro received distributions of $15 million from Milestone III, thereby increasing its cumulative distributions received to $113 million. As at 30 June 2024, the fair value of Remgro's investment in Milestone III amounted to $3 million.

Asia Partners Funds

During the year under review, Remgro invested a further $1 million in Asia Partners I LP (Asia Partners I) and $3 million in Asia Partners II LP (Asia Partners II), thereby increasing its cumulative investments in these funds to $21 million and $11 million, respectively. As at 30 June 2024, the fair values of Remgro's investments in Asia Partners I and Asia Partners II amounted to $25 million and $12 million, respectively, and the remaining commitments to the funds amounted to $4 million and $36 million, respectively.

Capevin

During June 2024, Remgro acquired a further 2 921 261 Capevin shares for a total amount of R61 million. At 30 June 2024, Remgro's effective interest in Capevin amounted to 33.6% (2023: 31.4%).

Pembani Remgro Infrastructure Funds

During the year under review, Remgro invested a further R32 million in the Pembani Remgro Infrastructure Fund I (PRIF I) and received distributions of R50 million, thereby increasing its cumulative investment to R666 million and cumulative distributions received to R882 million. As at 30 June 2024, the fair value of Remgro's investment in PRIF I amounted to R326 million and remaining commitment to PRIF I amounted to R10 million.

Remgro also made an initial investment of $1 million in the Pembani Remgro Infrastructure Fund II (PRIF II) to which Remgro committed to invest $80 million. Like PRIF I, PRIF II also focuses on investments in infrastructure companies and projects (and related industries) across the African continent.

Group financial review (continued)

Investment activities (continued)

RCL Foods: Sale of Vector Logistics

The disposal of RCL Foods' Vector Logistics segment, which was presented as held for sale at 30 June 2023, was finalised on 28 August 2023. RCL Foods provided transitional services to Vector Logistics for a 12-month period which came to an end on 28 August 2024. RCL Foods' relationship with Vector Logistics continues at arm's length via various contractual agreements between Vector Logistics and some of its business units. The purchase price amounted to R1 250 million and the disposal agreement includes a contractual price adjustment relating to the achievement by Vector Logistics of certain EBITDA targets in their 2023 and 2024 financial years (maximum adjustment of R100 million) and the settlement of the RCL Foods share option liabilities. This is expected to be finalised during the 2025 financial year.

Capevin: Termination of Gordon's Gin distribution agreement

The Gordon's Gin and Pimm's No1 Cup distribution agreement, which has been presented as held for sale at 30 June 2023, was included in the remaining assets that were allocated to Capevin as part of the Distell/Heineken transaction. On 19 July 2023 the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement was terminated in favour of the brand owner Diageo, without conditions. The total termination consideration amounted to R1 billion, consisting of an upfront R700 million payment that was received during August 2023 and a deferred consideration amount of R300 million, being payable (in two equal portions), upon achieving certain cumulative thresholds relating to the continued supply and manufacturing of the products to Diageo. All the contractual production volumes were successfully achieved during the year under review and the deferred portion of R300 million was received in full (R150 million in January 2024 and the remaining R150 million in May 2024).

Other

Other smaller investments amounted to R129 million.

Events after year-end

RCL Foods: Separation of Rainbow Chicken Limited (Rainbow)

On 3 June 2024, the RCL Foods board approved the formal separation of its poultry operation via a listing of the ordinary shares of Rainbow on the Main Board of the JSE and a pro rata distribution *in specie* of the Rainbow shares to shareholders. The effective date of the unbundling was 1 July 2024 and Remgro received 714 057 943 Rainbow shares (80.2% interest), in the ratio of one Rainbow share for every one RCL Foods share held. Similar to Remgro's investment in RCL Foods, the investment in Rainbow is classified as a subsidiary.

Other than the above-mentioned event, there were no other significant events subsequent to 30 June 2024.

Group financial review (continued)

Financing activities

During the 2016 financial year Remgro (through its wholly owned subsidiary Remgro Healthcare Holdings Proprietary Limited (RHH)) issued Class A cumulative preference shares of R3.5 billion (four-year tenure and a fixed dividend rate of 7.7%) and Class B cumulative preference shares of R4.366 billion (five-year tenure and a fixed dividend rate of 8.3%). During March 2019 Remgro extended the maturity dates of the Class A preference shares to 15 January 2024 (at a fixed dividend rate of 7.5%) and the Class B preference shares to 17 March 2025 (at a fixed dividend rate of 7.8%).

On 5 December 2023, Remgro early redeemed R3.5 billion of the Class B preference shares and, on 12 December 2023, Remgro extended the redemption of the R3.5 billion Class A preference shares to 17 March 2025 (previously 15 January 2024), while negotiating a lower dividend rate of 7.42% on those preference shares.

On 28 June 2024, Remgro redeemed the remaining R866 million Class B preference shares and also R1.0 billion of these Class A preference shares. The remaining R2.5 billion Class A preference shares are still redeemable on 17 March 2025.

Treasury shares

At 30 June 2023, 9 646 270 Remgro ordinary shares (1.8%) were held as treasury shares by a wholly owned subsidiary of Remgro. Of the 9 646 270 shares, 7 763 937 shares were held for the purpose of hedging Remgro's share schemes (Remgro scheme shares), while 1 882 333 shares were held pursuant to a general share repurchase programme (Remgro repurchased shares). These Remgro repurchased shares were acquired as part of an ongoing strategic focus on returning value to shareholders through a disciplined capital allocation plan.

During the year under review 977 464 Remgro scheme shares were utilised to settle Remgro's obligation towards scheme participants, while another 4 701 343 Remgro repurchased shares were acquired at an average price of R154.40 per share for a total amount of R726 million. The share repurchase programme was completed on 2 August 2023.

At 30 June 2024, 13 350 149 Remgro ordinary shares (2.5%) were held as treasury shares of which 6 766 473 shares were Remgro scheme shares and 6 583 676 shares were Remgro repurchased shares.

Cash resources at the centre

The Company's cash resources at 30 June 2024 were as follows:

R million	30 June 2024 Local	30 June 2024 Offshore	30 June 2024 Total	30 June 2023
Per consolidated statement of financial position	**3 186**	**3 603**	**6 789**	6 047
Investment in money market funds	**2 699**	**-**	**2 699**	4 582
Less: Cash of operating subsidiaries	**(2 576)**	**(90)**	**(2 666)**	(1 628)
Cash at the centre	**3 309**	**3 513**	**6 822**	9 001

On 30 June 2024, approximately 39% (R2 649 million) of the available cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position.

Change to directorate

With effect from 5 April 2024, Mr Carel Vosloo was appointed as an alternate executive director to Mr Jannie Durand. He also serves as a member on the Remgro Management Board. He will, while working together with Mr. Durand, assist in overseeing our investment portfolio.

Reports of the Independent Auditor

The Company's directors are responsible for the preparation of a summary of the audited consolidated annual financial statements.

The annual financial statements (AFS) were audited by Ernst & Young Inc., who issued an unmodified audit opinion thereon. The summary consolidated results are consistent with the audited AFS but do not include all the disclosures required by International Financial Reporting Standards and the Companies Act. Ernst & Young Inc. have issued an unmodified opinion on the summary consolidated results in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

The audited annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office and on the Company's website at www.remgro.com.

The auditor's report does not necessarily report on all of the information contained in this announcement/financial results.

Declaration of cash dividend

Declaration of dividend No. 48

Notice is hereby given that a final gross dividend of 184 cents (2023: 160 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the year ended 30 June 2024.

The Board is satisfied that the Company is solvent and liquid, thus confirming that the Company has sufficient capital and reserves after the payment of the final dividend, to support its operations for the foreseeable future.

A dividend withholding tax of 20% or 36.80 cents per share will be applicable, resulting in a net dividend of 147.20 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The total gross dividend per share for the year ended 30 June 2024 therefore amounts to 264 cents, compared to 240 cents for the year ended 30 June 2023.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

Dates of importance:

Last day to trade in order to participate in the dividend	Tuesday, 12 November 2024
Shares trade ex dividend	Wednesday, 13 November 2024
Record date	Friday, 15 November 2024
Payment date	Monday, 18 November 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 November 2024, and Friday, 15 November 2024, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
Approved by the Board: 18 September 2024
SENS release date: 19 September 2024

Segment report - Composition of headline earnings

R million	Year ended 30 June 2024	% Change	Year ended 30 June 2023
Healthcare			
Mediclinic	**1 515**	*(10.4)*	1 691
Consumer products			
RCL Foods	**1 000**	*104.9*	488
Heineken Beverages – entity contribution	**(573)**	*(664.0)*	(75)
– *IFRS 3* charge[1]	**(22)**	*(266.7)*	(6)
Distell – entity contribution	**-**	*(100.0)*	555
– *IFRS 3* charge[1]	**-**	*100.0*	(32)
Siqalo Foods – entity contribution	**452**	*31.4*	344
– *IFRS 3* charge[1]	**(2)**	*97.5*	(80)
Capevin	**79**	*464.3*	14
Financial services			
OUTsurance Group	**1 080**	*21.6*	888
Business Partners	**83**	*15.3*	72
Infrastructure			
CIVH	**(75)**	*(136.4)*	206
SEACOM	**55**	*17.0*	47
Other infrastructure investments	**(13)**	*(120.3)*	64
Industrial			
Air Products	**566**	*18.9*	476
TotalEnergies	**553**	*924.1*	54
Wispeco	**289**	*(7.7)*	313
Other industrial investments	**17**	*(32.0)*	25
Diversified investment vehicles			
KTH	**241**	*(44.9)*	437
Other diversified investment vehicles	**(6)**	*(101.5)*	397
Media			
eMedia Investments	**113**	*(13.1)*	130
Other media investments	**43**	*4.9*	41
Portfolio investments			
FirstRand	**474**	*(21.7)*	605
Discovery	**90**	*nm*	-
Momentum	**160**	*13.5*	141
Other portfolio investments	**88**	*51.7*	58
Social impact investments	**(29)**	*(20.8)*	(24)
Central treasury			
Finance income	**379**	*(41.7)*	650
Finance costs	**(498)**	*20.7*	(628)
Other net corporate income/(costs)	**(412)**	*(301.0)*	205
Headline earnings	**5 647**	*(20.0)*	7 056
Weighted number of shares (million)	**554.7**	*(1.4)*	562.7
Headline earnings per share (cents)	**1 018**	*(18.8)*	1 254

nm - not meaningful

1. *IFRS 3 charge represents the amortisation and depreciation expenses, net of tax, relating to the additional assets identified when Remgro obtained control over these entities.*

Segment report - Composition of intrinsic net asset value

R million	30 June 2024 Book value	30 June 2024 Intrinsic value[1]	30 June 2023 Book value	30 June 2023 Intrinsic value[1]
Healthcare				
Mediclinic	**40 027**	**40 756**	41 050	47 268
Consumer products				
RCL Foods[2]	**10 499**	**10 525**	9 152	7 141
Heineken Beverages	**6 624**	**7 071**	12 495	12 451
Siqalo Foods[3]	**6 339**	**6 103**	6 212	6 007
Capevin[3]	**1 953**	**1 777**	1 677	1 576
Financial services				
OUTsurance Group	**6 099**	**21 792**	5 764	15 957
Business Partners[3]	**1 392**	**1 345**	1 289	1 260
Infrastructure				
CIVH	**6 907**	**14 497**	7 025	14 300
SEACOM	**131**	**683**	98	796
Other infrastructure investments	**40**	**40**	57	57
Industrial				
Air Products	**1 299**	**5 972**	1 282	4 911
TotalEnergies	**3 379**	**3 467**	3 063	3 338
Wispeco	**1 795**	**1 906**	1 619	1 330
Other industrial investments	**225**	**289**	204	320
Diversified investment vehicles				
KTH	**2 119**	**2 797**	1 878	2 370
Prescient China Equity Fund	**1 054**	**1 054**	1 137	1 137
Invenfin	**669**	**767**	771	1 136
Other diversified investment vehicles	**1 095**	**1 095**	1 760	1 760
Media				
eMedia Investments[3]	**936**	**601**	897	659
Other media investments	**184**	**186**	154	182
Portfolio investments				
FirstRand[4]	**7 572**	**7 572**	6 889	6 889
Discovery	**5 761**	**5 761**	6 167	6 167
Momentum	**-**	**-**	1 816	1 816
Other portfolio investments	**717**	**717**	769	769
Social impact investments	**162**	**162**	126	126
Central treasury				
Cash at the centre[5]	**6 822**	**6 822**	9 001	9 001
Debt at the centre	**(2 503)**	**(2 503)**	(7 857)	(7 857)
Other net corporate assets	**1 473**	**2 193**	1 425	2 122
Intrinsic net asset value (INAV)	**112 770**	**143 447**	115 920	142 989
Potential CGT liability[6]		**(4 156)**		(4 186)
INAV after tax	**112 770**	**139 291**	115 920	138 803
Issued shares after deduction of shares repurchased (million)	**554.9**	**554.9**	558.6	558.6
INAV after tax per share (Rand)	**203.22**	**251.01**	207.51	248.47
Remgro share price (Rand)		**136.09**		147.05
Percentage discount to INAV		**45.8**		40.8

1. *For purposes of determining the intrinsic net asset value, unlisted investments are shown at IFRS 13: Fair value measurement valuations and listed investments are shown at closing stock exchange prices.*
2. *The intrinsic value of RCL Foods includes the Rainbow Chicken rights at 30 June 2024.*
3. *Remgro determined the recoverable amounts for Capevin, Siqalo Foods, Business Partners and eMedia Investments which are in excess of the investments' carrying values.*
4. *The intrinsic value for FirstRand includes the investment at market value less deferred capital gains tax (CGT) on the investment, as well as the after tax zero cost collar hedge on 60 000 000 (2023: 60 000 000) FirstRand shares amounting to a liability of R243 million (2023: R72 million).*
5. *Cash at the centre excludes cash held by subsidiaries that are separately valued above (mainly RCL Foods, Siqalo Foods, Capevin and Wispeco).*
6. *The potential CGT liability is calculated on the specific identification method using the most favourable calculation for investments acquired before 1 October 2001 and also taking into account the corporate relief provisions. In addition to FirstRand, the deferred CGT on other investments at fair value through other comprehensive income is included in the investee line item above.*

Independent Auditor's Report
on the summary consolidated financial statements to the shareholders of Remgro Limited

Introduction

The summary consolidated financial statements of Remgro Limited, which comprise the summary consolidated statement of financial position as at 30 June 2024, the summary consolidated income statement, the summary consolidated statement of comprehensive income, the summary consolidated statement of changes in equity and the summary consolidated cash flow statement for the year then ended, related notes set out on pages 20 to 35 and the segment report - composition of headline earnings and segment report - composition of intrinsic net asset value set out on pages 17 and 18, are derived from the audited consolidated financial statements of Remgro Limited for the year ended 30 June 2024.

Opinion

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, as set out in Note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

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

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 18 September 2024. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Other matter

The summary consolidated financial statements of Remgro Limited for the year ended 30 June 2023, were audited by another auditor who expressed an unmodified opinion on these statements on 20 September 2023.

Director's responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, set out in Note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

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

Ernst & Young Inc.

Ernst & Young Inc.
Director: Malcolm Rapson
Registered Auditor,
Chartered Accountant (SA)

Waterway House,
Dock Road, V & A Waterfront
Cape Town, South Africa
18 September 2024

Group financial statements

Summary consolidated statement of financial position

R million	30 June 2024	30 June 2023
Assets		
Non-current assets		
Property, plant and equipment	**10 558**	9 757
Investment properties	**494**	473
Intangible assets	**10 627**	10 665
Investments – Equity accounted	**70 691**	76 445
Investments – Financial assets at fair value through other comprehensive income (FVOCI)	**19 933**	22 564
Financial assets at fair value through profit and loss (FVPL)	**114**	150
Retirement benefits	**386**	351
Long-term loans and debtors	**19**	33
Deferred taxation	**194**	176
	113 016	120 614
Current assets	**26 815**	30 351
Inventories	**8 497**	7 832
Biological agricultural assets	**1 320**	1 317
Debtors and short-term loans	**7 431**	3 818
Loans to equity accounted investments	**6**	35
Financial assets at FVPL	**22**	29
Taxation	**50**	47
Investment in money market funds	**2 699**	4 582
Cash and cash equivalents	**6 789**	6 047
	26 814	23 707
Assets held for sale[1]	**1**	6 644
Total assets	**139 831**	150 965
Equity and liabilities		
Stated capital	**13 416**	13 416
Reserves	**101 341**	103 942
Treasury shares	**(1 987)**	(1 438)
Shareholders' equity	**112 770**	115 920
Non-controlling interest	**7 047**	6 521
Total equity	**119 817**	122 441
Non-current liabilities	**7 030**	11 787
Retirement benefits	**51**	70
Long-term loans	**1 421**	5 804
Lease liabilities	**531**	523
Deferred taxation	**4 903**	5 298
Trade and other payables	**124**	-
Hedge derivatives	**-**	92
Current liabilities	**12 984**	16 737
Trade and other payables	**7 812**	5 980
Short-term loans	**4 476**	6 431
Lease liabilities	**195**	196
Financial liabilities at FVPL	**53**	6
Hedge derivatives	**309**	-
Taxation	**139**	127
	12 984	12 740
Liabilities held for sale[1]	**-**	3 997
Total equity and liabilities	**139 831**	150 965
Net asset value per share (Rand)		
– At book value	**R203.22**	R207.51
– At intrinsic value	**R251.01**	R248.47

1. *At 30 June 2023, "assets and liabilities held for sale" mainly included RCL Foods' Vector Logistics segment, which was disposed of during August 2023. Refer to "Discontinued operations" on page 33 for further details.*

Group financial statements (continued)

Summary consolidated income statement

R million	Year ended 30 June 2024	2023
Continuing operations		
Revenue	**50 424**	48 151
Inventory expenses	**(30 621)**	(29 373)
Staff costs	**(7 282)**	(6 625)
Depreciation	**(1 126)**	(1 032)
Other net operating expenses	**(8 712)**	(8 786)
Trading profit	**2 683**	2 335
Dividend income	**860**	1 161
Interest received	**786**	985
Finance costs	**(933)**	(1 002)
Impairment of investments, assets and goodwill	**(4 339)**	(590)
Reversal of impairment of investments and assets	**11**	40
Loss allowances on loans	**(3)**	(19)
Profit on sale and dilution of investments	**366**	329
Consolidated profit/(loss) before tax	**(569)**	3 239
Taxation	**(948)**	(832)
Consolidated profit/(loss) after tax	**(1 517)**	2 407
Share of after-tax profit of equity accounted investments	**2 799**	3 296
Net profit for the year from continuing operations	**1 282**	5 703
Discontinued operations		
Profit for the year from discontinued operations[1]	**1 094**	5 117
Net profit for the year	**2 376**	10 820
Attributable to:		
Equity holders	**1 241**	9 624
Continuing operations	**814**	5 836
Discontinued operations	**427**	3 788
Non-controlling interest	**1 135**	1 196
Continuing operations	**468**	(133)
Discontinued operations	**667**	1 329
	2 376	10 820
Equity accounted investments		
Share of after-tax profit of equity accounted investments		
Profit before taking into account impairments and non-recurring items	**5 663**	5 823
Net impairment of investments, assets and goodwill	**(1 176)**	(1 069)
Profit on the sale of investments	**183**	67
Profit before tax and non-controlling interest	**4 670**	4 821
Taxation	**(1 563)**	(1 021)
Non-controlling interest	**(308)**	(328)
	2 799	3 472
Continuing operations	**2 799**	3 296
Discontinued operations	**-**	176

1. *Refer to "Discontinued operations" on page 33 for further details.*

Group financial statements (continued)

Headline earnings reconciliation

R million	Year ended 30 June 2024	2023
Continuing operations		
Net profit for the year attributable to equity holders (earnings)	**814**	5 836
Impairment of equity accounted investments[1]	**4 257**	58
Reversal of impairment of equity accounted investments[1]	**(11)**	(5)
Impairment of property, plant and equipment	**57**	70
Reversal of impairment of property, plant and equipment	**-**	(35)
Impairment of intangible and other assets	**25**	462
Profit on sale and dilution of equity accounted investments	**(298)**	(321)
Loss on sale and dilution of equity accounted investments	**-**	2
Profit on disposal of property, plant and equipment	**(165)**	(78)
Loss on disposal of property, plant and equipment	**32**	62
Profit on disposal of subsidiary	**(68)**	-
Recycling of foreign currency translation reserves	**-**	(10)
Non-headline earnings items included in equity accounted earnings of equity accounted investments	**908**	984
– Profit on disposal of property, plant and equipment	**(85)**	(18)
– Profit on sale of investments	**(213)**	(67)
– Loss on sale of investments	**30**	-
– Impairment of investments, assets and goodwill[2]	**1 176**	1 069
Taxation effect of adjustments	**73**	(13)
Non-controlling interest	**22**	(370)
Headline earnings from continuing operations	**5 646**	6 642
Discontinued operations		
Net profit for the year attributable to equity holders (earnings)	**427**	3 788
Profit on disposal of property, plant and equipment	**-**	(9)
Loss on disposal of property, plant and equipment	**-**	36
Profit on disposal of intangible assets[3]	**(991)**	–
Profit on sale of subsidiary[3]	**(244)**	(4 374)
Recycling of foreign currency translation reserves	**(15)**	23
Taxation effect of adjustments	**168**	607
Non-controlling interest	**656**	343
Headline earnings from discontinued operations	**1**	414
Total headline earnings from continuing and discontinued operations	**5 647**	7 056

1. *Refer to "Net impairments of equity accounted investments" on page 27 for further details.*
2. *"Impairment of investments, assets and goodwill" from equity accounted investments for the year under review includes Remgro's portion of the impairments of Heineken Beverages' goodwill that was created through the Distell/Heineken transaction.*
3. *Refer to "Discontinued operations" on page 33 for further details.*

Group financial statements (continued)

Earnings and dividends

Cents	Year ended 30 June 2024	2023
Headline earnings per share		
– Basic	**1 018**	1 254
Continuing operations	**1 018**	1 180
Discontinued operations	**-**	74
– Diluted	**1 008**	1 244
Continuing operations	**1 008**	1 171
Discontinued operations	**-**	73
Earnings per share		
– Basic	**224**	1 710
Continuing operations	**147**	1 037
Discontinued operations	**77**	673
– Diluted	**218**	1 696
Continuing operations	**141**	1 027
Discontinued operations	**77**	669
Dividends per share		
Ordinary	**264**	240
– Interim	**80**	80
– Final	**184**	160

Number of shares

	30 June 2024	2023
Ordinary shares of no par value	**529 217 007**	529 217 007
Unlisted B ordinary shares of no par value	**39 056 987**	39 056 987
Total number of shares in issue	**568 273 994**	568 273 994
Number of shares held in treasury		
Ordinary shares repurchased and held in treasury	**(13 350 149)**	(9 646 270)
	554 923 845	558 627 724
Weighted number of shares	**554 726 814**	562 745 046

In determining earnings per share and headline earnings per share the weighted number of shares was taken into account.

Group financial statements (continued)

Summary consolidated statement of comprehensive income

R million	Year ended 30 June 2024	2023
Continuing operations		
Net profit for the year	**1 282**	5 703
Other comprehensive income, net of tax	**(2 578)**	10 959
Items that may be reclassified subsequently to the income statement:		
Exchange rate adjustments	**(2 718)**	8 628
Fair value adjustments for the year	**-**	(99)
Deferred taxation on fair value adjustments	**-**	(32)
Reclassification of other comprehensive income to the income statement	**1**	(359)
Other comprehensive income of equity accounted investments	**(442)**	1 321
Items that will not be reclassified to the income statement:		
Fair value adjustments for the year	**19**	1 665
Deferred taxation on fair value adjustments	**497**	(91)
Capital Gains Taxation on disposal of FVOCI investments	**(463)**	(188)
Remeasurement of post-employment benefit obligations	**27**	65
Deferred taxation on remeasurement of post-employment benefit obligations	**(8)**	(18)
Change in reserves of equity accounted investments	**509**	67
Comprehensive income for the year – continuing operations	**(1 296)**	16 662
Discontinued operations		
Net profit for the year	**1 094**	5 117
Other comprehensive income, net of tax	**(3)**	(161)
Comprehensive income for the year – discontinued operations	**1 091**	4 956
Total comprehensive income for the year	**(205)**	21 618
Total comprehensive income attributable to:		
Equity holders	**(1 269)**	20 091
Continuing operations	**(1 694)**	16 353
Discontinued operations	**425**	3 738
Non-controlling interest	**1 064**	1 527
Continuing operations	**398**	309
Discontinued operations	**666**	1 218
	(205)	21 618

Group financial statements (continued)

Summary consolidated statement of changes in equity

R million	Stated and issued capital	Treasury shares	Equity Reserves	Other Reserves	Fair Value Reserves	Retained Earnings	Share-holders' equity	Non-controlling interest	Total equity
30 June 2024									
Balances at 1 July	**13 416**	**(1 438)**	**13 850**	**8 161**	**(1 203)**	**83 134**	**115 920**	**6 521**	**122 441**
Total comprehensive income for the year	**–**	**–**	**(1 783)**	**(739)**	**250**	**1 003**	**(1 269)**	**1 064**	**(205)**
Net profit for the year	**–**	**–**	**–**	**–**	**–**	**1 241**	**1 241**	**1 135**	**2 376**
Other comprehensive income for the year	**–**	**–**	**(1 783)**	**(739)**	**250**	**(238)**	**(2 510)**	**(71)**	**(2 581)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(1 330)**	**(1 330)**	**(307)**	**(1 637)**
Transactions with non-controlling shareholders	**–**	**–**	**–**	**(81)**	**–**	**99**	**18**	**(236)**	**(218)**
Transfer between reserves and other movements	**–**	**42**	**–**	**(42)**	**–**	**–**	**–**	**–**	**–**
Transfer of retained income of equity accounted investments	**–**	**–**	**661**	**–**	**–**	**(661)**	**–**	**–**	**–**
Transfer of gain on disposal of FVOCI investments to retained earnings	**–**	**–**	**–**	**–**	**(334)**	**334**	**–**	**–**	**–**
Businesses disposed	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(9)**	**(9)**
Long-term share incentive scheme reserve	**–**	**135**	**–**	**22**	**–**	**–**	**157**	**14**	**171**
Purchase of treasury shares by wholly owned subsidiary	**–**	**(726)**	**–**	**–**	**–**	**–**	**(726)**	**–**	**(726)**
Balances at 30 June	**13 416**	**(1 987)**	**12 728**	**7 321**	**(1 287)**	**82 579**	**112 770**	**7 047**	**119 817**
30 June 2023									
Balances at 1 July	13 416	(685)	8 546	2 459	(2 352)	77 059	98 443	17 437	115 880
Total comprehensive income for the year	–	–	3 307	4 306	1 371	11 107	20 091	1 527	21 618
Net profit for the year	–	–	–	–	–	9 624	9 624	1 196	10 820
Other comprehensive income for the year	–	–	3 307	4 306	1 371	1 483	10 467	331	10 798
Dividends paid	–	–	–	–	–	(1 014)	(1 014)	(61)	(1 075)
Dividends *in specie*	–	–	–	–	–	(1 629)	(1 629)	–	(1 629)
Transactions with non-controlling shareholders	–	–	–	(35)	–	(67)	(102)	103	1
Transfer between reserves and other movements	–	19	63	133	2	(217)	–	–	–
Transfer of retained income of equity accounted investments	–	–	1 934	–	–	(1 934)	–	–	–
Transfer of gain on disposal of FVOCI investments to retained earnings	–	–	–	246	(224)	(22)	–	–	–
Businesses disposed	–	–	–	1 080	–	(149)	931	(12 239)	(11 308)
Long-term share incentive scheme reserve	–	58	–	(28)	–	–	30	(246)	(216)
Purchase of treasury shares by wholly owned subsidiary	–	(830)	–	–	–	–	(830)	–	(830)
Balances at 30 June	13 416	(1 438)	13 850	8 161	(1 203)	83 134	115 920	6 521	122 441

Group financial statements (continued)

Summary consolidated statement of cash flows

R million	Year ended 30 June 2024	2023
Cash flows – operating activities		
Cash generated from operations	**3 625**	2 783
Interest received	**740**	1 124
Taxation paid	**(1 498)**	(2 051)
Dividends received	**2 873**	2 648
Finance costs	**(968)**	(1 309)
Cash available from operating activities	**4 772**	3 195
Cash settled share-based payments made by Distell	**-**	(715)
Dividends paid	**(1 637)**	(1 075)
Cash inflow from operating activities	**3 135**	1 405
Cash flows – investing activities		
Investment in property, plant and equipment and other assets	**(1 948)**	(3 266)
Proceeds on disposal of property, plant and equipment and other assets	**210**	257
Proceeds on disposal of Gordon's Gin Distribution Rights	**1 000**	-
Proceeds on disposal of assets held for sale[1]	**1 218**	973
Business acquired[2]	**-**	(215)
Business disposed[3]	**-**	2 041
Proceeds on disposal of investments and loans[4]	**2 997**	697
Additions to investments and loans[5]	**(259)**	(7 056)
Investment in money market funds	**-**	(190)
Withdrawal of money market funds	**1 883**	1 308
Cash inflow/(outflow) from investing activities	**5 101**	(5 451)
Cash flows – financing activities		
Loans repaid[6]	**(5 728)**	(1 899)
Loans advanced	**253**	254
Lease payments	**(189)**	(302)
Transactions with non-controlling shareholders	**(301)**	-
Purchase of treasury shares	**(726)**	(830)
Other movements	**81**	102
Cash outflow from financing activities	**(6 610)**	(2 675)
Net increase/(decrease) in cash and cash equivalents	**1 626**	(6 721)
Exchange rate profit/(loss) on foreign cash	**(111)**	405
Cash and cash equivalents at the beginning of the year	**5 189**	11 505
Cash and cash equivalents at the end of the year	**6 704**	5 189
Cash and cash equivalents – per statement of financial position	**6 789**	6 047
Bank overdraft	**(85)**	(910)
Included in assets and liabilities held for sale		
Cash and cash equivalents	**-**	82
Bank overdraft	**-**	(30)

1. *The year under review includes the proceeds on disposal of Vector Logistics and DC Foods. The prior year included the proceeds on the disposal of 19.2 million FirstRand shares amounting to R959 million.*
2. *The year ended 30 June 2023 related to the acquisition of Sunshine Bakery Holdings Proprietary Limited by Remgro's subsidiary RCL Foods.*
3. *The year ended 30 June 2023 relates to the disposal as part of the Distell/Heineken transaction.*
4. *The year under review includes the disposal of the investment in Momentum for R2 678 million.*
5. *The year ended 30 June 2023 included the additional investments in Mediclinic of R4 693 million and Heineken Beverages of R2 317 million.*
6. *The year under review includes the early redemption of Remgro's preference shares amounting to R5 366 million.*

Group financial statements (continued)

Additional information

1. Accounting policies

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB), hereafter referred to as 'IFRS' and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by *IAS 34: Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated financial statements from which the summary consolidated financial statements were derived are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated Annual Financial Statements. During the year under review various other interpretations and amendments became effective, but their implementation had no impact on the results of either the current or prior years.

The financial statements have been prepared under the supervision of the Chief Financial Officer, Neville Williams CA(SA).

2. Equity accounted investments

R million	30 June 2024	2023
Associates	**23 324**	27 973
Joint ventures	**47 367**	48 472
Investments – equity accounted	**70 691**	76 445
Loans to equity accounted investments – current	**6**	35
	70 697	76 480
Equity accounted investments reconciliation		
Carrying value at the beginning of the year	**76 480**	50 786
Share of net attributable profit	**2 799**	3 472
Dividends received	**(2 036)**	(1 459)
Grindrod unbundled	**-**	(1 649)
Investments made[1]	**20**	18 034
Business disposed	**-**	(806)
Exchange rate differences	**(2 426)**	7 087
Net impairments[2]	**(4 246)**	(50)
Equity accounted movements on reserves	**67**	1 388
Other movements	**39**	(323)
Carrying value at the end of the year	**70 697**	76 480

1. *The year ended 30 June 2023 included the investments in Heineken Beverages and Mediclinic.*
2. *The year under review includes an impairment of R4 257 million relating to Heineken Beverages.*

R million	30 June 2024	2023
Net impairments of equity accounted investments and loss allowances on loans		
Reversal of impairments/(impairments) were recognised for the following investments:		
Heineken Beverages	**(4 257)**	–
Other impairments and loss allowances	**11**	(50)
	(4 246)	(50)

Group financial statements (continued)

Additional information (continued)

2. Equity accounted investments (continued)

At 31 December 2023, an impairment indicator was identified on Remgro's investment in **Heineken Beverages** as a result of the carrying value exceeding its fair value. Heineken Beverages' volumes were impacted by lower industry growth, load shedding, a shift from premium to mainstream (Heineken Beverages' portfolio over-indexed in premium), and a challenging competitive environment. Margins were also negatively impacted by non-recurring expenses related to integration and supply chain challenges. As a result, the Heineken Beverages business itself impaired goodwill. Remgro's carrying value of Heineken Beverages included the cost of the investment at transaction date (being R165 per Heineken Beverages share or R12 451 million) and equity accounted losses since the acquisition, which included Remgro's portion of the aforementioned Heineken Beverages goodwill impairment. Accordingly, the investment in Heineken Beverages was impaired to its recoverable amount of R6 751 million, being the fair value of the investment at level 3. The fair value of the investment was determined using an average market EBITDA multiple methodology. A 5% change in the EBITDA multiple will result in an inverse change in the impairment of R403 million.

At 30 June 2024, the total impairment relating to Heineken Beverages amounted to R5 307 million consisting of Remgro's portion of Heineken Beverages' goodwill impairments of R1 050 million and an additional impairment recorded by Remgro of R4 257 million in respect of its investment in Heineken Beverages. The Heineken Beverages impairment mainly represents the impairment of notional goodwill that was recognised on the acquisition of the investment.

At 30 June 2024, the fair value of the investment in **Mediclinic** was R40 756 million (2023: R47 268 million), which exceeded the carrying value of R40 027 million (2023: R41 050 million). Included in the carrying value of the investment is an impairment of R3 898 million which arose following regulatory changes in the investments' Switzerland business that affected its profitability since the 2019 financial year. Subsequently, the business was also severely impacted by the Covid-19 pandemic. Even though after Covid the businesses have performed better, growth in Switzerland is still negatively impacted by a general shortage of nursing employees, leading to higher contracted staff cost and lower margins and tariff pressures. While the Switzerland business is adapting to the new business environment, its profitability has not yet improved sufficiently to warrant a reversal of the impairment.

3. Investments at fair value through other comprehensive income (FVOCI)

R million	30 June **2024**	 2023
Carrying value at the beginning of the year	**22 564**	20 650
Fair value adjustments for the year[1]	**236**	1 657
Investments made	**186**	306
Exchange rate adjustments	**(71)**	393
Disposals[2]	**(2 977)**	(415)
Business disposed	**-**	(38)
Other movements	**(5)**	11
Carrying value at the end of the year	**19 933**	22 564

1. *Fair value adjustments at 30 June 2023 mainly consist of positive fair value adjustments from Momentum (R467 million), Discovery (R910 million) and FirstRand (R753 million).*
2. *Disposals mainly consist of 122 908 061 Momentum shares which were disposed during June 2024 for a consideration of R2 678 million, net of transaction costs through an accelerated book build offering. The net fair value gain realised on disposal of R622 million was transferred from fair value reserves to retained earnings. Capital gains tax of R451 million was incurred in this transaction and accounted for in other comprehensive income.*

Group financial statements (continued)

Additional information (continued)

4. Long-term loans

R million	30 June 2024	2023
14 289 (2023: 20 000) Class A 7.42% cumulative redeemable preference shares (prior year: dividend rate of 7.5%)[1&2]	**2 503**	3 510
10 000 Class B 7.8% cumulative redeemable preference shares [1&2]	**-**	4 347
Various other loans	**3 264**	3 201
	5 767	11 058
Short-term portion of long-term loans[2]	**(4 346)**	(5 254)
	1 421	5 804

1. *Remgro's debt covenant, which relates to the Class A and B cumulative redeemable preference shares, is based on net debt at the centre. As Remgro is in a net cash position, the debt covenant is comfortably met.*
2. *Refer to "Financing activities" on page 14 for details pertaining to the redemption and refinancing of preference shares.*

R million	30 June 2024	2023
5. Additions to and replacement of property, plant and equipment	**2 004**	3 434
6. Capital and investment commitment (Including amounts authorised, but not yet contracted for)	**3 211**	4 487
7. Guarantees and contingent liabilities	**-**	15
8. Dividends received from equity accounted investments set off against investments	**2 036**	1 459
9. Related party transactions No significant related party transactions arose during the year under review. Refer to the audited Annual Financial Statements that is published on the Company's website at www.remgro.com for full disclosure of related party transactions.		

Group financial statements (continued)

Additional information (continued)

10. Fair value remeasurements

The following methods and assumptions are used to determine the fair value of each class of financial instruments:

- Financial instruments at fair value and investment in money market funds: fair value is based on quoted market prices or, in the case of unlisted instruments, appropriate valuation methodologies, being discounted cash flow, liquidation valuation or actual net asset value of the investment.
- Derivative instruments: The fair values of derivative instruments, which are included in financial instruments at FVPL, are determined by using appropriate valuation methodologies and mark-to-market valuations.

Financial instruments measured at fair value, are disclosed by level of the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table illustrates the fair values of financial assets and liabilities that are measured at fair value, by hierarchy level:

R million	Level 1	Level 2	Level 3	Total
30 June 2024				
Assets				
Non-current assets				
Financial assets at FVOCI	**18 314**	**1**	**1 618**	**19 933**
Financial assets at FVPL	**-**	**-**	**114**	**114**
Current assets				
Financial assets at FVPL	**-**	**22**	**-**	**22**
Investment in money market funds	**2 699**	**-**	**-**	**2 699**
	21 013	**23**	**1 732**	**22 768**
Liabilities				
Current instruments at FVPL	**-**	**53**	**-**	**53**
Hedge derivatives	**-**	**309**	**-**	**309**
	-	**362**	**-**	**362**
30 June 2023				
Assets				
Non-current assets				
Financial assets at FVOCI	20 246	3	2 315	22 564
Financial assets at FVPL	-	-	150	150
Current assets				
Financial assets at FVPL	-	29	-	29
Investment in money market funds	4 582	-	-	4 582
	24 828	32	2 465	27 325
Liabilities				
Current instruments at FVPL	-	6	-	6
Hedge derivatives	-	92	-	92
	-	98	-	98

Group financial statements (continued)

Additional information (continued)

10. Fair value remeasurements (continued)

The following table illustrates the reconciliation of the carrying value of level 3 assets at the beginning and end of the year:

R million	Financial assets at FVOCI	Financial assets at FVPL	Total
Assets			
Balances at 1 July 2023	**2 315**	**150**	**2 465**
Additions	**186**	**-**	**186**
Disposals	**(299)**	**-**	**(299)**
Transfers	**(5)**	**-**	**(5)**
Exchange rate adjustment	**(30)**	**-**	**(30)**
Fair value adjustments through other comprehensive income	**(549)**	**-**	**(549)**
Fair value adjustments through profit and loss	**-**	**(36)**	**(36)**
Balances at 30 June 2024	**1 618**	**114**	**1 732**

Level 3 financial assets consist mainly of investments in the Milestone China entities (Milestone), Asia Partners Fund I LP and Asia Partners Fund II LP (Asia Partners Funds) and the Pembani Remgro Infrastructure Fund (PRIF) amounting to R54 million (2023: R738 million), R672 million (2023: R658 million) and R326 million (2023: R325 million), respectively. These investments are all valued based on the fair value of each investment's underlying assets, which are valued using a variety of valuation methodologies. Listed entities are valued at the last quoted share price on the reporting date, whereas unlisted entities' valuation methods include discounted cash flow valuations, appropriate earnings and revenue multiples.

The Asia Partners Funds consist of cash balances and eight different investments of which 94% (2023: 80%) is measured using option pricing models. Seven of PRIF's eight assets were valued using the discounted cash flow method.

The investments in LifeQ Global Limited and Bolt Technology OÜ were valued at R61 million and R352 million, respectively, at 30 June 2024 (2023: R202 million and R257 million, respectively).

Remgro's unlisted investments classified as level 3 financial instruments are widely held. Accordingly, changes in the assumptions used to value the above-mentioned unlisted investments will not have a significant impact on Remgro's financial statements.

The fair value of the financial instruments approximates their carrying value on 30 June 2024 and 30 June 2023.

Group financial statements (continued)

Additional information (continued)

11. Segment revenue

R million	Year ended 30 June 2024	2023
Consumer products		
RCL Foods[1]	**40 322**	37 616
Capevin[1]	**2 659**	2 897
Siqalo Foods	**3 594**	3 748
Industrial		
Wispeco	**3 759**	3 813
Other	**90**	77
Total revenue from continuing operations	**50 424**	48 151

Disaggregated revenue information

R million	2024	2023
RCL Foods[1]		
RCL Foods Value-Added Business	**24 844**	23 424
Groceries	**5 313**	5 034
Baking	**9 137**	8 625
Sugar	**10 394**	9 765
Rainbow	**14 527**	13 464
Receipt from SASA	**1 417**	1 336
Sales between RCL Foods' business units	**(558)**	(639)
Group	**281**	198
	40 511	37 783
Capevin[1]		
Spirits	**2 360**	2 632
Other	**299**	265
	2 659	2 897
Siqalo Foods		
Spreads	**3 594**	3 748
Wispeco		
Extrusions and related products	**3 238**	3 208
Other	**521**	605
	3 759	3 813
Other	**90**	77
Elimination of intersegment revenue[2]	**(189)**	(167)
Total revenue from continuing operations	**50 424**	48 151

1. *During the year ended 30 June 2023, RCL Foods classified Vector Logistics business as a discontinued operation and Distell sold the bulk of its business to Heineken Beverages with its continuing operations consisting of Capevin. Refer to "Discontinued operations" for further details.*
2. *RCL Foods accounts for an administration fee received from Siqalo Foods as revenue. This revenue is transferred to intergroup administration fee received.*

Geographical segmental information: Revenue from continuing operations relating to Capevin and Wispeco amounting to R2 435 million (2023: R2 969 million), is derived from outside of South Africa.

The segmental net profit for the year of R2 376 million (2023: R10 820 million) consists of the profit of RCL Foods (being R1 630 million (2023: R513 million)), Distell (being Rnil (2023: R2 118 million)), Capevin (being R1 087 million (2023: a loss of R418 million)), Siqalo Foods (being R292 million (2023: R182 million)), Wispeco (being R291 million (2023: R317 million)) and other segments (being a loss of R924 million (2023: a profit of R8 108 million)).

Group financial statements (continued)

Additional information (continued)

12. Events after year-end

RCL Foods: Separation of Rainbow Chicken Limited (Rainbow)

On 3 June 2024, the RCL Foods board approved the formal separation of its poultry operation via a listing of the ordinary shares of Rainbow on the Main Board of the JSE and a pro rata distribution *in specie* of the Rainbow shares to shareholders. The effective date of the unbundling was 1 July 2024 and Remgro received 714 057 943 Rainbow shares (80.2% interest), in the ratio of one Rainbow share for every one RCL Foods share held. Similar to Remgro's investment in RCL Foods, the investment in Rainbow is classified as a subsidiary.

Other than the above-mentioned event, there were no other significant events subsequent to 30 June 2024.

13. Discontinued operations

13.1 Disposal of certain assets and liabilities of Distell

On 26 April 2023 Heineken International B.V. (Heineken) acquired the bulk of Distell’s business (consisting of its cider, other RTDs and spirits and wine business). The transaction entailed the following:

- Distell sold its equity interests in Distell Namibia Limited, Distillers Corporation (Namibia) Limited and Namibia Wines and Spirits Limited to Namibia Breweries.
- Heineken’s Southern African business, including an interest in Namibia Breweries, was combined with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages. Remgro exchanged 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (being a 15.5% stake in Heineken Beverages) and sold 7 607 803 of its Distell shares to Heineken Beverages in terms of a scale back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages. Remgro’s investment in Heineken Beverages was classified as an associate since Remgro has board representation.
- Distell unbundled the unlisted shares in its subsidiary, Capevin, which holds Distell's remaining assets, mainly its Scotch whisky business. Remgro is the controlling shareholder in Capevin, which shareholding mirrors the shareholding that was previously held in Distell (being an economic interest of 31.4% and a voting interest of 55.9%). Therefore, the Capevin investment continued to be classified as a subsidiary. It was previously held indirectly through Distell.

The investment in Distell was derecognised on 26 April 2023, while Remgro continued to consolidate the investment in Capevin at its underlying carrying values as previously accounted for. The business activities relating to the assets and liabilities transferred to Heineken Beverages was presented as a discontinued operation for the year ended 30 June 2023. A profit of R4 374 million was recognised in the 2023 financial year for the assets and liabilities transferred to Heineken Beverages.

13.2 RCL Foods: Sale of Vector Logistics

The disposal of RCL Foods’ Vector Logistics segment, which was presented as held for sale and disclosed as a discontinued operation at 30 June 2023, was finalised on 28 August 2023. RCL Foods provided transitional services to Vector Logistics for a 12-month period, which came to an end on 28 August 2024. The purchase price amounted to R1 250 million and the disposal agreement includes a contractual price adjustment relating to the achievement by Vector Logistics of certain EBITDA targets in their 2023 and 2024 financial years (maximum adjustment of R100 million) and the settlement of the RCL Foods share option liabilities. This is expected to be finalised during the 2025 financial year. A profit of R244 million was realised on disposal of the Vector Logistics segment. For the year under review, the financial results of the Vector Logistics segment were disclosed as a discontinued operation.

Group financial statements (continued)

Additional information (continued)

13. Discontinued operations (continued)

13.3 Capevin: Termination of Gordon's Gin distribution agreement

The Gordon's Gin and Pimm's No1 Cup (Gordon's Gin) distribution agreement, which was presented as held for sale and disclosed as a discontinued operation at 30 June 2023, was included in the remaining assets that were allocated to Capevin as part of the Distell/Heineken transaction. On 19 July 2023 the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement was terminated in favour of the brand owner Diageo, without conditions. The termination consideration amounted to R1 billion, which was received during the year under review. A profit of R991 million was realised on disposal of the Gordon's Gin distribution agreement. The financial results of the disposed business have been disclosed as part of discontinued operations and the related assets and liabilities were presented as held for sale at 30 June 2023.

R million	Vector Logistics (30 June 2024)	Gordon's Gin (30 June 2024)	Total (30 June 2024)
Profit for the year from discontinued operations:			
Revenue	479	242	721
Inventory expenses	(110)	(188)	(298)
Staff costs	(198)	-	(198)
Other net operating expenses	(160)	(30)	(190)
Trading profit	11	24	35
Interest received	3	-	3
Finance costs	(22)	-	(22)
Consolidated profit before tax	(8)	24	16
Taxation	5	(9)	(4)
Consolidated profit after tax	(3)	15	12
Net profit for the year from discontinued operations	(3)	15	12
Profit on sale of intangible assets	-	991	991
Profit on sale of investments	244	-	244
Reserves recycled	15	-	15
Taxation	-	(168)	(168)
Total profit for the year from discontinued operations	256	838	1 094
Attributable to:			
Equity holders	204	223	427
Non-controlling interest	52	615	667
Other comprehensive income for the year from discontinued operations:			
Net profit for the year	256	838	1 094
Exchange rate adjustments	12	-	12
Reclassification of other comprehensive income to the income statement	(15)	-	(15)
Total comprehensive income	253	838	1 091
Attributable to:			
Equity holders	202	223	425
Non-controlling interest	51	615	666
Cash flows for the year from discontinued operations:			
Operating activities	(261)	1 000	739
Investment activities	(10)	-	(10)
Financing activities	(17)	-	(17)
Net increase/(decrease) in cash generated	(288)	1 000	712

Group financial statements (continued)

Additional information (continued)

13. Discontinued operations (continued)

	30 June 2023			
R million	Distell	Vector Logistics	Gordon's Gin	Total
Profit for the year from discontinued operations:				
Revenue	27 296	3 067	2 329	32 692
Inventory expenses	(17 990)	(597)	(1 864)	(20 451)
Staff costs	(2 892)	(1 124)	(16)	(4 032)
Depreciation	(669)	(150)	-	(819)
Other net operating expenses	(4 181)	(1 041)	(224)	(5 446)
Trading profit	1 564	155	225	1 944
Dividend income	3	6	-	9
Interest received	108	31	-	139
Finance costs	(198)	(111)	-	(309)
Loss allowances on loans	(22)	-	-	(22)
Consolidated profit before tax	1 455	81	225	1 761
Taxation	(478)	(17)	(61)	(556)
Consolidated profit after tax	977	64	164	1 205
Share of after-tax profit of equity accounted investments	164	12	-	176
Net profit for the year from discontinued operations	1 141	76	164	1 381
Profit on sale of investments	4 374	-	-	4 374
Reserves recycled	(23)	-	-	(23)
Taxation	(615)	-	-	(615)
Total profit for the year from discontinued operations	4 877	76	164	5 117
Attributable to:				
Equity holders	3 677	59	52	3 788
Non-controlling interest	1 200	17	112	1 329
Other comprehensive income for the year from discontinued operations:				
Net profit for the year	4 877	76	164	5 117
Exchange rate adjustments	(174)	3	-	(171)
Fair value adjustments	4	-	-	4
Reclassification of other comprehensive income to the income statement	22	-	-	22
Remeasurement of post-employment benefit obligations	(24)	2	-	(22)
Deferred taxation on remeasurement of post-employment benefit obligations	6	-	-	6
Total comprehensive income	4 711	81	164	4 956
Attributable to:				
Equity holders	3 623	63	52	3 738
Non-controlling interest	1 088	18	112	1 218
Cash flows for the year from discontinued operations:				
Operating activities	(457)	(197)	15	(639)
Investment activities	184	(179)	-	5
Financing activities	(1 044)	(126)	-	(1 170)
Net increase/(decrease) in cash generated	(1 317)	(502)	15	(1 804)

Directorate

Non-executive directors	Johann Rupert (*Chairman*), F Robertson* (*Deputy Chairman*), S E N De Bruyn*, N P Mageza*, J Malherbe, P J Moleketi*, M Morobe*, P J Neethling, G G Nieuwoudt*, K S Rantloane*, A E Rupert (* *Independent*)
Executive directors	J J Durand (*Chief Executive Officer*), M Lubbe, N J Williams C P F Vosloo *(Alternate to J J Durand)*

Corporate information

Secretary	D I Dreyer
Listings	Primary listing – JSE Limited Sector: Financials – Financial Services – Investment Banking and Brokerage Services – Diversified Financial Services Secondary listing – A2X
Business address and registered office	Millennia Park, 16 Stellentia Avenue, Stellenbosch 7600 (PO Box 456, Stellenbosch 7599)
Transfer Secretaries	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank 2196 (Private Bag X9000, Saxonwold 2132)
Auditors	Ernst & Young Inc. Cape Town, South Africa
Sponsor	Rand Merchant Bank (A division of FirstRand Bank Limited)
Website	www.remgro.com

Remgro
Limited

Annual Financial Statements

2024

Contents

Statement of responsibility
by the Board of Directors

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the Annual Financial Statements included in this Annual Report.

The Annual Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards, or IFRS) as issued by the International Accounting Standards Board (IASB) and the requirements of the South African Companies Act (No. 71 of 2008), as amended (Companies Act), on the going concern basis and incorporate full and responsible disclosure. The Annual Financial Statements are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates. The financial statements have been prepared under the supervision of the Chief Financial Officer (CFO), Neville Williams CA(SA).

The directors are satisfied that the information contained in the financial statements fairly represents the results of operations for the year and the financial position of the Remgro Group at year-end. The accuracy of the other information included in the Annual Report was considered by the directors and they are satisfied that it accords with the financial statements. The Board also confirms its compliance with the Companies Act and the Company's Memorandum of Incorporation for the reporting period.

The directors are also responsible for the Remgro Group's system of internal financial controls. The system was developed to provide reasonable, but not absolute, assurance regarding the reliability of the financial statements, the safeguarding of assets and to prevent and detect misrepresentation and losses.

The directors are of the opinion that the Remgro Group will continue as a going concern in the future.

The Annual Financial Statements were audited by the independent auditor, Ernst & Young Inc., to whom unrestricted access was given to all financial records and related information. The auditor's report is presented on page 11.

Signed on behalf of the Board of Directors.

Johann Rupert
Chairman

Jannie Durand
Chief Executive Officer

Stellenbosch
18 September 2024

Responsibility statement
of the CEO and CFO

Each of the directors, whose names are stated below, hereby confirms that –

- the Annual Financial Statements set out on pages 14 to 118, 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 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 any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

Jannie Durand
Chief Executive Officer

Neville Williams
Chief Financial Officer

Stellenbosch
18 September 2024

Statement by the Company Secretary

I, Danielle Ivelene Dreyer, being the Company Secretary of Remgro Limited, hereby certify that all returns and notices of Remgro Limited required in terms of the Companies Act (No. 71 of 2008), as amended, have in respect of the year under review been filed with the Companies and Intellectual Property Commission and that all such returns and notices appear to be true, correct and up to date.

Danielle Dreyer
Company Secretary

Stellenbosch
18 September 2024

Audit and Risk
Committee Report
to the shareholders of Remgro Limited

This report by the Audit and Risk Committee (the committee), as appointed by the shareholders in respect of the year under review, is prepared in accordance with the principles of the King IV Report on Corporate Governance for South Africa (2016) (King IV) and the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act), and describes how the committee has discharged its statutory duties in terms of the Companies Act and its additional duties assigned to it by the Board in respect of the financial year ended 30 June 2024.

Committee members and attendance at meetings

The committee comprises four independent non-executive directors (as set out in the table below) and is chaired by Ms Sonja De Bruyn. All the committee members are suitably skilled and experienced. In terms of the committee's mandate, at least four meetings should be held annually.

Composition of the committee

Committee member*	Number of meetings held	Number of meetings attended
S E N De Bruyn (Chairman)	4	4
N P Mageza	4	4
P J Moleketi	4	4
F Robertson	4	4

* *Brief curricula vitae of these directors are set out on pages 69 to 70 of the Integrated Annual Report. As is evident from the curricula vitae of these directors, all of them are financial and/or industry experts.*

The Chief Executive Officer (CEO), Chief Financial Officer (CFO), head of internal audit, other members of senior management and representatives of the external auditor of the Company attend the committee meetings by invitation. Committee agendas provide for confidential meetings between committee members and the internal and external auditors, as well as management.

Role and responsibilities

The committee's role and responsibilities include its statutory duties as per the Companies Act, as well as the responsibilities assigned to it by the Board. The responsibilities of the Audit and Risk Committee are codified in a formal Terms of Reference, which is reviewed at least annually and which is available on Remgro's website at www.remgro.com. During the year under review, the Board reviewed the Terms of Reference of the Audit and Risk Committee, in light of the principles and recommended practices of King IV.

The committee is satisfied that it has fulfilled all of its duties during the financial year under review, as further detailed below.

The committee has also satisfied itself that there are effective boards and audit committees (where applicable) functioning at Remgro's significant operating subsidiaries (RCL Foods Limited (RCL Foods), Siqalo Foods Proprietary Limited (Siqalo Foods), Wispeco Holdings Proprietary Limited (Wispeco) and Capevin Holdings Proprietary Limited (Capevin)), associates and joint ventures, whose minutes of meetings held are also included in the committee's agenda.

More information about the functioning of the committee and the matters dealt with in this report can be found in the Corporate Governance Report and in the Risk Management Report, which are included in the Integrated Annual Report.

Statutory duties

In its execution of its mandate, the committee has performed the following statutory duties:

- Nominated Ernst & Young Inc. (EY) (with Mr Malcolm Rapson as designated partner), who, in the opinion of the committee, is independent of the Company, to the shareholders for appointment as the external auditor for the financial year ended 30 June 2024
- Determined the fees to be paid to the external auditor and their terms of engagement
- Ensured that the appointment of the external auditor complies with the provisions of the Companies Act and any other legislation relating to the appointment of auditors
- Determined the nature and extent of any non-audit services that the external auditor may provide to the Company and its subsidiaries
- Pre-approved any proposed agreement with the external auditor for the provision of non-audit services to the Company and its subsidiaries.

External audit

The committee is satisfied that the Company's external auditor, EY, is independent of the Company and is therefore able to conduct its audit functions without any influence from the Company. The financial year ended 30 June 2024, was EY's first year as auditor of the Company. The designated external audit partner rotates every five years.

EY has confirmed its compliance with the ethical requirements regarding independence and is considered independent with respect to the Group as required by the codes endorsed and administered by the Independent Regulatory Board for Auditors (IRBA), the South African Institute of Chartered Accountants and the International Federation of Accountants. As required by section 3.84(g)(iii) of the JSE Listings Requirements, the committee satisfied itself that the external auditor and audit partner for the year under review, Mr Malcolm Rapson, have the necessary experience, accreditation and are suitable for appointment.

The committee has again nominated, for approval at Remgro's Annual General Meeting (AGM) on 28 November 2024, EY as external auditor and Mr Malcolm Rapson as audit partner for the 2025 financial year.

A formal policy governs the process whereby the external auditor of the Company is considered for non-audit services. In terms of the policy, the external auditor shall inform the committee that the firm has determined that the provision of such services is not prohibited and will not create a threat to the firm's independence or that any identified threat is at an acceptable level or, if not, will be eliminated or reduced to an acceptable level. The external auditor shall also provide the committee with sufficient information to be in a position to evaluate the impact of the service on the firm's independence. The committee is then required to concur with the external auditor's conclusion and to pre-approve any proposed contract with the external auditor for the provision of non-audit services. For the year under review, non-audit services for the Company and its subsidiaries amounted to less than R1 million. The extent of these services was within the committee's pre-approved amount.

Internal financial control and accounting systems

The committee is responsible for assessing the systems of internal financial controls and accounting systems of the Company and its wholly owned subsidiaries administered by Remgro Management Services Limited (RMS). In this regard the committee evaluated reports on the effectiveness of the systems of internal financial controls conducted by the internal audit function, considered information provided by management and held discussions with the external auditor on the results of their audit. The committee is of the opinion that the systems of internal financial controls are effective and form a basis for the preparation of reliable financial statements. In support of the aforementioned, the committee also received reports from the internal audit function regarding the effectiveness of the combined assurance process and anti-corruption, fraud prevention and detection measures in place.

The Remgro executives serving on the boards of investee companies (RCL Foods, Siqalo Foods, Wispeco, Capevin and associates and joint ventures) are responsible for enabling the Company's influence to ensure that effective internal controls are implemented and complied with.

Expertise and experience of the CFO and finance function

The committee has considered and satisfied itself with the appropriateness of the expertise and experience of the CFO, Mr Neville Williams, whose *curriculum vitae* appears on page 71 of the Integrated Annual Report.

The committee has furthermore considered and satisfied itself with the appropriateness of the expertise and adequacy of resources of the Company's finance function, and the experience of the senior members of management responsible for the financial function.

Financial statements and going concern

The committee has reviewed the standalone and consolidated financial statements of the Company, and is satisfied that they comply with International Financial Reporting Standards (IFRS) and the Companies Act, and that the accounting policies used are appropriate. In particular, the committee considered the following significant matters, identified by the management team and the external auditor, and is satisfied that these matters have been appropriately accounted for in the Annual Financial Statements:

- ### Valuation of investments and consideration of possible impairments or reversal of impairments of investments and assets

  The intrinsic net asset value (INAV) is one of the measures used to assess shareholder value created. Investee companies, which represent operating segments, are valued and included in the INAV. At 30 June 2023 the investment in Heineken Beverages Holdings Limited (Heineken Beverages) was valued using the price of recent investment (PRI) principle. At the time, and given the short period since the Distell/Heineken transaction implementation, limited integration had taken place and updated consolidated forecast information was not available. For the 31 December 2023 valuation, Remgro made use of the market approach (EBITDA multiple) and applied relevant discounts (lack of marketability and forecast risk) to value its investment in Heineken Beverages as the Heineken Beverages board had not yet approved the consolidated forecast information beyond December 2024. At 30 June 2024 a discounted cash flow (DCF) methodology was applied to value Remgro's investment in Heineken Beverages based on board approved forecasts, subject to relevant discounts (lack of marketability, lack of control and forecast risk). Due to the significant contribution of the investment in Mediclinic International Limited (Mediclinic) to Remgro's INAV, Remgro again engaged the services of an independent expert to perform the valuation of its investment in Mediclinic. The valuation methodology used for the Mediclinic investment was the sum-of-the-parts methodology, which was underpinned by the discounted cash flows of the underlying businesses. The committee considered the methodologies, assumptions and judgements applied by management in determining the fair value of investments and is satisfied that the approach taken was appropriate.

  The committee further considered the methodologies, assumptions and judgements applied by management in determining the impairment of investments and assets, of which the carrying values exceed the fair values, and is satisfied that the approach taken was appropriate. The most significant investments and assets tested in this regard being Remgro's investment in Heineken Beverages and the goodwill and indefinite life intangible assets that originated from the historical acquisition of Siqalo Foods, respectively.

The committee also considered the methodologies, assumptions and judgements applied by management in determining the reversal of previous impaired or partially impaired investments, of which the fair values exceed the carrying values, and is satisfied that the approach taken was appropriate. The most significant investment tested in this regard being Remgro's investment in Mediclinic.

Refer to notes 2, 4.4 and 10.3 to the Annual Financial Statements for further details.

- ### Accounting for equity accounted investments

  The Company holds significant investments which are equity accounted for in terms of *IAS 28: Investments in Associates and Joint Ventures*. Some of the equity accounted investments have year-ends which are non-coterminous with that of the Company, the most significant investments in this regard being Mediclinic and Community Investment Ventures Holdings Proprietary Limited (CIVH). These investments are equity accounted from results for a financial period ended within three months from the Group's financial year-end as it is impracticable for these equity accounted investments to prepare financial statements at 30 June 2024.

  The effects of significant transactions or events that occur after the equity accounted investments' period-end, but before the Group's year-end, are accounted for in Remgro's consolidated financial statements. Significant adjustments for the current year related to dividends received from equity accounted investments and the conversion of Mediclinic's financial information from its presentation currency (US dollar) to the Group's presentation currency as at 30 June 2024. The committee considered these transactions and events and is satisfied with the accounting treatment thereof. Refer to note 4.1 to the Annual Financial Statements for further details.

- ### Going concern

  The committee has reviewed a documented assessment by management of the going concern premise of the Company. Based on the facts and circumstances known, management and the committee determined that there is not a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern, and therefore the committee recommended to the Board that the Company will be a going concern for the foreseeable future.

Risk and opportunities management

The committee has assigned oversight of the risk and opportunities management function to the Risk, Opportunities, Technology and Information Governance Operational Subcommittee (the ROTIG Committee), which is a subcommittee of the committee. The mandate of the ROTIG Committee includes the maintenance of the Risk Management and Opportunities Policy and plan, establishment of an operational Risk and Opportunities Register, technology and information risk management, legal compliance and occupational health and safety. The ROTIG Committee is chaired by the CFO and the 15 other members are all senior managers of the Company. The chairman of the committee has a standing invitation to attend the ROTIG Committee meetings as an *ex officio* member to ensure the effective functioning of the ROTIG Committee and that appropriate risk information is shared with the committee.

Internal audit

The Company's internal audit division is an effective, independent appraisal function and forms an integral part of the Enterprise-wide Risk and Opportunities Management system that provides assurance on the effectiveness of the Company's system of internal control. The committee has appointed Mr Deon Annandale as Remgro's Chief Audit Executive (CAE). The committee is satisfied with the attributes, objectivity and independence of the CAE, and that the CAE has the necessary experience, gravitas and competence. The internal audit division of the Company is staffed by qualified and experienced personnel and services all of Remgro's wholly owned subsidiaries administered by RMS, as well as Wispeco. In addition, the internal audit division also performs independent internal audit work for other investee companies such as CIVH, SEACOM Capital Limited (SEACOM) and Business Partners Limited (Business Partners).

During the year under review the committee considered and recommended the internal audit charter for approval by the Board. The committee further considered the internal audit quality assurance plan and the performance of the internal audit function, and is satisfied that the internal audit function conforms to a recognised industry code of ethics and standards. Further details on the Group's internal audit functions are provided in the Risk Management Report, which is included in the Integrated Annual Report.

Compliance

The committee is responsible for reviewing any major breach of relevant legal and regulatory requirements. The committee is satisfied that there has been no material non-compliance with laws and regulations during the year under review.

The committee is also satisfied that it has complied with all its legal, regulatory and other responsibilities during the year under review.

Recommendation to the Board

The committee has reviewed and considered the Integrated Annual Report, including the comprehensive Annual Financial Statements published on the Company's website at www.remgro.com, and has recommended it for approval by the Board.

Sonja De Bruyn
Chairman of the Audit and Risk Committee

Stellenbosch
18 September 2024

Report of the Board of Directors
for the year ended 30 June 2024

Dear Shareholder

The Board has pleasure in reporting on the activities and financial results for the year under review.

Nature of activities

The Company is an investment holding company. Cash income is derived mainly from dividends and interest. The consolidated Annual Financial Statements of the Company and its subsidiaries also incorporate the equity accounted attributable income of associates and joint ventures.

The Group's interests consist mainly of investments in healthcare; consumer products; financial services; infrastructure; industrial and media interests.

Results

Year ended	30 June 2024	30 June 2023
Headline earnings (R million)	**5 647**	7 056
– per share (cents)	**1 018**	1 254
– diluted (cents)	**1 008**	1 244
Earnings – net profit for the year (R million)	**1 241**	9 624
– per share (cents)	**224**	1 710
– diluted (cents)	**218**	1 696
Dividends (R million)*	**1 500**	1 364
– ordinary – per share (cents)	**264**	240

* *A final dividend of 184 cents (2023: 160 cents) per share was declared after the year-end and was therefore not provided for in the Annual Financial Statements. The final dividend is subject to dividend tax.*

Investment activities

The material investment activities during the year under review were as follows:

Community Investment Ventures Holdings Proprietary Limited (CIVH)

As previously reported, Vodacom Proprietary Limited (Vodacom) will, through a combination of assets of approximately R4.2 billion and cash of at least R6.0 billion, acquire up to 40% of the ordinary shares of a newly created wholly owned subsidiary of CIVH (namely Maziv Proprietary Limited (Maziv)). Maziv holds *inter alia* CIVH's current interests in Vumatel Proprietary Limited (Vumatel) and Dark Fibre Africa Proprietary Limited (DFA). As a result of the proposed transaction, Remgro's indirect interest in DFA and Vumatel will dilute with the entrance of Vodacom as a shareholder, however, Remgro will also obtain an indirect interest in the assets contributed by Vodacom. During August 2023, The Competition Commission of South Africa announced its non-binding recommendation to the Competition Tribunal, to prohibit the proposed transaction. The final phase of the regulatory approval process, which started on 24 May 2024, is still ongoing and a decision is expected during November 2024. Remgro and CIVH remain committed to the proposed transaction and firmly believe that, should the implementation of the proposed transaction ultimately be permitted by the Competition Tribunal, it will deliver significant benefits to South African consumers and the broader economy. These include the very real and tangible positive social impacts relating to critical issues such as the democratisation of the internet in lower income areas, greater access to cheaper fibre to the broader South Africa, as well as the potential for job creation, and ultimately growth of the economy.

Momentum Group Limited (Momentum)

During June 2024, Remgro sold its entire 9.4% stake in Momentum (being 122 908 061 Momentum shares) through an accelerated book build offering for a gross consideration of R2 704 million (or R22.00 per share).

Invenfin Proprietary Limited (Invenfin) (a wholly owned subsidiary of Remgro)

During October 2023, Invenfin sold its 30% interest in DC Foods Proprietary Limited (DC Foods), which was presented as held for sale at 30 June 2023 and realised an IRR of 33.4% on its investment. DC Foods is a specialist producer and exporter of a range of nutritious frozen desserts and fruits.

Milestone China Funds

As at 30 June 2024, Remgro's cumulative investment in Milestone China Opportunities Fund III (Milestone III) amounted to $102 million. During the year under review, Remgro received distributions of $15 million from Milestone III, thereby increasing its cumulative distributions received to $113 million. As at 30 June 2024, the fair value of Remgro's investment in Milestone III amounted to $3 million.

Asia Partners Funds

During the year under review, Remgro invested a further $1 million in Asia Partners I LP (Asia Partners I) and $3 million in Asia Partners II LP (Asia Partners II), thereby increasing its cumulative investments in these funds to $21 million and $11 million, respectively. As at 30 June 2024, the fair values of Remgro's investments in Asia Partners I and Asia Partners II amounted to $25 million and $12 million, respectively, and the remaining commitments to the funds amounted to $4 million and $36 million, respectively.

Capevin Holdings Proprietary Limited (Capevin)

During June 2024, Remgro acquired a further 2 921 261 Capevin shares for a total amount of R61 million. At 30 June 2024, Remgro's effective interest in Capevin amounted to 33.6% (2023: 31.4%).

Pembani Remgro Infrastructure Funds

During the year under review, Remgro invested a further R32 million in the Pembani Remgro Infrastructure Fund I (PRIF I) and received distributions of R50 million, thereby increasing its cumulative investment to R666 million and cumulative distributions received to R882 million. As at 30 June 2024, the fair value of Remgro’s investment in PRIF I amounted to R326 million and remaining commitment to PRIF I amounted to R10 million.

Remgro also made an initial investment of $1 million in the Pembani Remgro Infrastructure Fund II (PRIF II) to which Remgro committed to invest $80 million. Like PRIF I, PRIF II also focuses on investments in infrastructure companies and projects (and related industries) across the African continent.

RCL Foods Limited (RCL Foods): Sale of Vector Logistics

The disposal of RCL Foods’ Vector Logistics Proprietary Limited (Vector Logistics) segment, which was presented as held for sale at 30 June 2023, was finalised on 28 August 2023. RCL Foods provided transitional services to Vector Logistics for a 12-month period which came to an end on 28 August 2024. RCL Foods’ relationship with Vector Logistics continues at arm’s length via various contractual agreements between Vector Logistics and some of its business units. The purchase price amounted to R1 250 million and the disposal agreement includes a contractual price adjustment relating to the achievement by Vector Logistics of certain EBITDA targets in their 2023 and 2024 financial years (maximum adjustment of R100 million) and the settlement of the RCL Foods share option liabilities. This is expected to be finalised during the 2025 financial year.

Capevin: Termination of Gordon's Gin distribution agreement

The Gordon's Gin and Pimm's No1 Cup distribution agreement, which has been presented as held for sale at 30 June 2023, was included in the remaining assets that were allocated to Capevin as part of the Distell/Heineken transaction. On 19 July 2023, the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement was terminated in favour of the brand owner Diageo, without conditions. The total termination consideration amounted to R1 billion, consisting of an upfront R700 million payment that was received during August 2023 and a deferred consideration amount of R300 million, being payable (in two equal portions) upon achieving certain cumulative thresholds relating to the continued supply and manufacturing of the products to Diageo. All the contractual production volumes were successfully achieved during the year under review and the deferred portion of R300 million was received in full (R150 million in January 2024 and the remaining R150 million in May 2024).

Other

Other smaller investments amounted to R129 million.

Events after year-end

RCL Foods: Separation of Rainbow Chicken Limited (Rainbow)

On 3 June 2024, the RCL Foods board approved the formal separation of its poultry operation via a listing of the ordinary shares of Rainbow on the Main Board of the JSE Limited (JSE) and a pro rata distribution *in specie* of the Rainbow shares to shareholders. The effective date of the unbundling was 1 July 2024 and Remgro received 714 057 943 Rainbow shares (80.2% interest), in the ratio of one Rainbow share for every one RCL Foods share held. Similar to Remgro's investment in RCL Foods, the investment in Rainbow is classified as a subsidiary.

Other than the above-mentioned event, there were no other significant events subsequent to 30 June 2024.

Financing activities

During the 2016 financial year Remgro (through its wholly owned subsidiary Remgro Healthcare Holdings Proprietary Limited (RHH)) issued Class A cumulative preference shares of R3.5 billion (four-year tenure and a fixed dividend rate of 7.7%) and Class B cumulative preference shares of R4.366 billion (five-year tenure and a fixed dividend rate of 8.3%). During March 2019, Remgro extended the maturity dates of the Class A preference shares to 15 January 2024 (at a fixed dividend rate of 7.5%) and the Class B preference shares to 17 March 2025 (at a fixed dividend rate of 7.8%).

On 5 December 2023, Remgro early redeemed R3.5 billion of the Class B preference shares and, on 12 December 2023, Remgro extended the redemption of the R3.5 billion Class A preference shares to 17 March 2025 (previously 15 January 2024), while negotiating a lower dividend rate of 7.42% on those preference shares.

On 28 June 2024, Remgro redeemed the remaining R866 million Class B preference shares and also R1.0 billion of these Class A preference shares. The remaining R2.5 billion Class A preference shares are still redeemable on 17 March 2025.

Cash resources at the centre

The Company's cash resources at 30 June 2024 were as follows:

R million	30 June 2024 Local	Offshore	Total	30 June 2023
Per consolidated statement of financial position	**3 186**	**3 603**	**6 789**	6 047
Investment in money market funds	**2 699**	**–**	**2 699**	4 582
Less: Cash of operating subsidiaries	**(2 576)**	**(90)**	**(2 666)**	(1 628)
Cash at the centre	**3 309**	**3 513**	**6 822**	9 001

On 30 June 2024, approximately 39% (R2 649 million) of the available cash at the centre was invested in money market funds which are not classified as cash and cash equivalents on the statement of financial position. Refer to note 5 to the Annual Financial Statements for further details.

Group financial review

Statement of financial position

The analysis of "Equity employed" and "Source of headline earnings" below reflects the sectors into which the Group's investments have been classified. No adjustment has been made where investments are active mainly in one sector but also have interests in other sectors.

	30 June 2024		30 June 2023	
	R million	**R per share**	R million	R per share
Equity employed				
Attributable to equity holders	**112 770**	**203.22**	115 920	207.51
Employment of equity				
Healthcare	**40 027**	**72.13**	41 050	73.48
Consumer products	**25 415**	**45.80**	29 536	52.87
Financial services	**7 491**	**13.50**	7 053	12.63
Infrastructure	**7 078**	**12.76**	7 180	12.85
Industrial	**6 698**	**12.07**	6 168	11.04
Diversified investment vehicles	**4 937**	**8.90**	5 546	9.93
Media	**1 120**	**2.02**	1 051	1.88
Portfolio investments	**14 050**	**25.32**	15 641	28.00
Social impact investments	**162**	**0.29**	126	0.23
Central treasury				
– Cash at the centre	**6 822**	**12.29**	9 001	16.11
– Debt at the centre	**(2 503)**	**(4.51)**	(7 857)	(14.06)
Other net corporate assets	**1 473**	**2.65**	1 425	2.55
	112 770	**203.22**	115 920	207.51

Income statement

	30 June 2024		30 June 2023	
	R million	**%**	R million	%
Source of headline earnings				
Healthcare	**1 515**	**27**	1 691	24
Consumer products	**934**	**17**	1 208	17
Financial services	**1 163**	**21**	960	14
Infrastructure	**(33)**	**(1)**	317	4
Industrial	**1 425**	**25**	868	12
Diversified investment vehicles	**235**	**4**	834	12
Media	**156**	**3**	171	2
Portfolio investments	**812**	**14**	804	11
Social impact investments	**(29)**	**(1)**	(24)	–
Central treasury				
– Finance income	**379**	**7**	650	9
– Finance costs	**(498)**	**(9)**	(628)	(9)
Other net corporate income/(costs)	**(412)**	**(7)**	205	4
	5 647	**100**	7 056	100

Share incentive schemes

Remgro currently has three long-term incentive plans, i.e. the old Remgro Equity Settled Share Appreciation Right Scheme (SAR Scheme), the Remgro Share Appreciation Rights Plan (SAR Plan) and the Remgro Equity Settled Conditional Share Plan (CSP).

In terms of the SAR Scheme and SAR Plan, participants are offered Remgro ordinary shares to the value of the appreciation of their rights to a specified number of Remgro ordinary shares that can be exercised at different intervals but before the expiry of seven years from date of grant. The earliest intervals at which the share appreciation rights vest and are exercisable are as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

In terms of the CSP, participants are awarded Remgro ordinary shares that will vest as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

Vesting on both schemes is conditional on fulfilment of the employment period and achievement of performance conditions (where applicable).

From the 2024 award cycle, new awards will only be made under the CSP. The SAR Scheme and SAR Plan awards in flight will continue to vest at the vesting dates as per the award letters, until the last awards under these plans are settled.

Both the CSP and SAR Plan rules were reviewed during the year under review and a number of administrative changes will be presented to shareholders for approval at the 2024 Annual General Meeting (AGM).

Refer to note 8 to the Annual Financial Statements for further details on both schemes.

Treasury shares

At 30 June 2023, 9 646 270 Remgro ordinary shares (1.8%) were held as treasury shares by a wholly owned subsidiary of Remgro. Of the 9 646 270 shares, 7 763 937 shares were held for the purpose of hedging Remgro's share schemes (Remgro scheme shares), while 1 882 333 shares were held pursuant to a general share repurchase programme (Remgro repurchased shares). These Remgro repurchased shares were acquired as part of an ongoing strategic focus on returning value to shareholders through a disciplined capital allocation plan.

During the year under review, 977 464 Remgro scheme shares were utilised to settle Remgro's obligation towards scheme participants, while another 4 701 343 Remgro repurchased shares were acquired at an average price of R154.40 per share for a total amount of R726 million. The share repurchase programme was completed on 2 August 2023.

At 30 June 2024, 13 350 149 Remgro ordinary shares (2.5%) were held as treasury shares, of which 6 766 473 shares were Remgro scheme shares and 6 583 676 shares were Remgro repurchased shares.

Principal shareholder

Rupert Beleggings Proprietary Limited (Rupert Beleggings) holds all the issued unlisted B ordinary shares of the Company and is entitled to 43.09% (2023: 42.91%) of the total votes.

An analysis of the shareholders appears on pages 119 and 120.

Subsidiaries and investments

Particulars of subsidiaries and equity accounted investments are disclosed in note 14 to the Annual Financial Statements.

Directors

The names of the directors appear on pages 68 to 71 of the Integrated Annual Report.

Mr C P F Vosloo was appointed as an alternate director to Mr J J Durand with effect from 5 April 2024, which director's appointment will, in terms of the Company's Memorandum of Incorporation, have to be confirmed by the shareholders at the next AGM. The Board wishes to welcome Mr C P F Vosloo as director to the Company.

In terms of the provision of the Memorandum of Incorporation, Messrs J J Durand, J Malherbe, P J Neethling, F Robertson and A E Rupert retire from the Board by rotation. These directors are eligible and offer themselves for re-election.

Directors' interests

At 30 June 2024, the aggregate of the direct and indirect interests of the directors and their associates in the issued ordinary share capital of the Company amounted to 3.40% (2023: 3.34%).

Mr J P Rupert is a director of Rupert Beleggings which owns all the issued unlisted B ordinary shares.

An analysis of directors' interests in the issued capital of the Company appears on page 121.

Directors' emoluments

The total directors' fees for services rendered as directors during the past financial year amounted to R7.7 million (2023: R6.7 million).

Acquisition of shares of the Company

It is recommended that a general authority be granted to the Board to acquire, should circumstances warrant it, the Company's own shares and to approve the acquisition of shares in the Company by any of its subsidiaries, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, and the Listings Requirements of the JSE.

A special resolution to grant this general authority to the Board is incorporated in the notice of the AGM that appears on page 162 of the Integrated Annual Report.

Authority to place ordinary shares under the control of the directors

It is recommended that a general authority be granted to the Board to allot and issue ordinary shares, subject to the provisions of the Companies Act (No. 71 of 2008), as amended, the Memorandum of Incorporation and the Listings Requirements of the exchange operated by the JSE, provided that the aggregate number of ordinary shares to be allotted and issued is limited to 5% of the number of the unissued ordinary shares in the authorised share capital of the Company (being 23 539 150 ordinary shares). This authority cannot be used to issue shares for cash.

An ordinary resolution to grant this general authority to the Board is incorporated in the notice of the AGM that appears on page 162 of the Integrated Annual Report.

Declaration of cash dividend

Declaration of cash dividend No. 48

Notice is hereby given that a final gross dividend of 184 cents (2023: 160 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the year ended 30 June 2024.

A dividend withholding tax of 20% or 36.80 cents per share will be applicable, resulting in a net dividend of 147.20 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The total gross dividend per share for the year ended 30 June 2024 therefore amounts to 264 cents, compared to 240 cents for the year ended 30 June 2023.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares. The income tax number of the Company is 9500-124-71-5.

Payment

The final dividend is payable on Monday, 18 November 2024, to shareholders of the Company registered at the close of business on Friday, 15 November 2024.

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 November 2024, and Friday, 15 November 2024, both days inclusive.

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited but will be marked as "unclaimed" in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

Secretary

The name and address of the Company Secretary appear on page 156 of the Integrated Annual Report.

Approval

The comprehensive Annual Financial Statements set out on pages 14 to 118 have been approved by the Board.

Signed on behalf of the Board of Directors.

Johann Rupert	**Jannie Durand**
Chairman	*Chief Executive Officer*

Stellenbosch
18 September 2024

Report of the Independent Auditor
to the shareholders of Remgro Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Remgro Limited and its subsidiaries ('the Group') and Company set out on pages 14 to 118, which comprise of the consolidated and separate Statements of Financial Position as at 30 June 2024, and the consolidated and separate Income Statements, the consolidated and separate Statements of Comprehensive Income, the consolidated and separate Statements of Changes in Equity and the consolidated and separate Statements of Cash Flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 30 June 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 are independent of the Group and Company 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 of the Group and Company and 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 of the Group and Company and 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). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The key audit matters apply to the audit of the consolidated financial statements. There were no key audit matters applicable to the separate financial statements.

Consolidated financial statements

Key audit matter description	How the matter was addressed in the audit
1. Impairment assessment of the carrying amount of equity accounted investments	
In accordance with *International Accounting Standard 36 – Impairment of assets (IAS 36)* the Group conducted impairment assessments of their equity accounted investments. Management applied the discounted cash flow methodology in determining the recoverable amount of the Heineken Beverages and Mediclinic equity investments. The method involves the use of key assumptions such as the use of forecasted cash flows, terminal values, growth rates and discount rates. Management's assessment resulted in an impairment loss recognised on Heineken Beverages of R4 257 million due to the impact of lower industry growth, load shedding, a shift from premium to mainstream (Heineken Beverages' portfolio over-indexed in premium), and a challenging competitive environment. The impairment assessment of the investment in Mediclinic is determined by management's external expert. Judgement was also applied in determining whether any reversals of significant historical impairment write downs were appropriate for the investment in Mediclinic given the continued negative impact of the general shortage of nursing employees, lower margins and tariff pressures in Switzerland. We identified the impairment assessment as a key audit matter due to the complexity and significant judgements involved in the impairment assessment which resulted in significant audit effort. Refer to note 4.4 to the consolidated financial statements.	The following audit procedures, amongst others, were executed with the involvement of our internal valuation specialists: • We obtained and evaluated management's process for identifying and evaluating the impairment of equity accounted investments; • We assessed the competence, capability and objectivity of management's external expert with reference to their qualifications and industry experience; • We assessed the appropriateness of the use of the discounted cashflow method in determining the recoverable amount with reference to the International Valuation Standards and acceptable industry valuation methodologies; • We tested the arithmetical accuracy of the discounted cash flow calculations; • We agreed the underlying cash flows to approved budgets and assessed the reliability of management's forecasts by considering the accuracy of historic forecasts when compared to previous results; • We evaluated the reasonableness of the cash flow forecast, including forecast sales and gross margins together with forecast growth rates by considering the approved business strategies and the impact of lower industry growth, load shedding, a shift from premium to mainstream and a challenging competitive environment specifically on the Heineken Beverages forecasted cash flows; • We assessed the key assumptions relating to discount rates and terminal values by benchmarking these assumptions with publicly available information; • We assessed the impairment recorded for Heineken Beverages by comparing the calculated recoverable amounts against the carrying values of the investment; • Specific to the Mediclinic equity investment, we assessed whether a reversal of impairment was required by assessing the service potential of the investment, in context with the original historic impairment triggers such as a general nurse shortage in Switzerland, lower margins and tariff pressures which are still prevalent. • We assessed the appropriateness of the disclosure within the financial statements in accordance with *IAS 36: Impairment of assets.*

Other matter

The consolidated and separate financial statements of Remgro Limited for the year ended 30 June 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 20 September 2023.

Other information

The directors are responsible for the other information. The other information comprises the information included in the 121-page document titled "Remgro Limited Annual Financial Statements 2024", which includes the Statement of responsibility by the Board of Directors, Statement by the Company Secretary, Audit and Risk Committee Report and the Report of the Board of Directors as required by the Companies Act of South Africa, the Responsibility statement of the CEO and CFO, Shareholders' information and the Integrated Annual Report 2024 which we obtained prior to the date of this report. 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 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 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, 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 IFRS Accounting Standards as issued by the International Accounting Standards Board 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 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 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 and 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 and 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 the 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 and separate 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 Ernst & Young Inc. has been the auditors of Remgro Limited for one year.

Ernst & Young Inc.

Ernst & Young Inc.
Per: Malcolm Rapson
Chartered Accountant (SA)
Registered Auditor
Director

3rd Floor, Waterway House
3 Dock Road
V&A Waterfront
Cape Town 8001

18 September 2024

Statement of Financial Position

at 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Assets			
Non-current assets			
Property, plant and equipment	10.1	**10 558**	9 757
Investment properties	10.2	**494**	473
Intangible assets	10.3	**10 627**	10 665
Investments – Equity accounted	4.1	**70 691**	76 445
– Financial assets at fair value through other comprehensive income (FVOCI)	4.3	**19 933**	22 564
Financial assets at fair value through profit and loss (FVPL)	6.4	**114**	150
Retirement benefits	10.4	**386**	351
Long-term loans and debtors		**19**	33
Deferred taxation	11.1	**194**	176
		113 016	120 614
Current assets		**26 815**	30 351
Inventories	10.5	**8 497**	7 832
Biological agricultural assets	10.6	**1 320**	1 317
Debtors and short-term loans	10.7	**7 431**	3 818
Loans to equity accounted investments	4.1	**6**	35
Financial assets at FVPL	6.4	**22**	29
Taxation		**50**	47
Investment in money market funds	5.1	**2 699**	4 582
Cash and cash equivalents	5.2	**6 789**	6 047
		26 814	23 707
Assets held for sale	10.9	**1**	6 644
Total assets		**139 831**	150 965
Equity and liabilities			
Stated capital	7.1	**13 416**	13 416
Reserves	7.2	**101 341**	103 942
Treasury shares		**(1 987)**	(1 438)
Shareholders' equity		**112 770**	115 920
Non-controlling interest	7.3	**7 047**	6 521
Total equity		**119 817**	122 441
Non-current liabilities		**7 030**	11 787
Retirement benefits	10.4	**51**	70
Long-term loans	6.1	**1 421**	5 804
Lease liabilities	6.3	**531**	523
Deferred taxation	11.1	**4 903**	5 298
Trade and other payables	10.8	**124**	–
Hedge derivatives	6.5	**–**	92
Current liabilities		**12 984**	16 737
Trade and other payables	10.8	**7 812**	5 980
Short-term loans	6.2	**4 476**	6 431
Lease liabilities	6.3	**195**	196
Financial liabilities at FVPL	6.4	**53**	6
Hedge derivatives	6.5	**309**	–
Taxation		**139**	127
		12 984	12 740
Liabilities held for sale	10.9	**–**	3 997
Total equity and liabilities		**139 831**	150 965

Income Statement

for the year ended 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Continuing operations			
Revenue	12.1	**50 424**	48 151
Inventory expenses		**(30 621)**	(29 373)
Staff costs	12.2	**(7 282)**	(6 625)
Depreciation	12.3	**(1 126)**	(1 032)
Other net operating expenses	12.3	**(8 712)**	(8 786)
Trading profit		**2 683**	2 335
Dividend income	4.5	**860**	1 161
Interest received		**786**	985
Finance costs		**(933)**	(1 002)
Impairment of investments, assets and goodwill	12.3	**(4 339)**	(590)
Reversal of impairment of investments and assets	12.3	**11**	40
Loss allowances on loans		**(3)**	(19)
Profit on sale and dilution of investments	12.3	**366**	329
Consolidated profit/(loss) before tax		**(569)**	3 239
Taxation	11.3	**(948)**	(832)
Consolidated profit/(loss) after tax		**(1 517)**	2 407
Share of after-tax profit of equity accounted investments	4.2	**2 799**	3 296
Net profit for the year from continuing operations		**1 282**	5 703
Discontinued operations			
Profit for the year from discontinued operations	10.9	**1 094**	5 117
Net profit for the year		**2 376**	10 820
Attributable to:			
Equity holders		**1 241**	9 624
Continuing operations		**814**	5 836
Discontinued operations		**427**	3 788
Non-controlling interest		**1 135**	1 196
Continuing operations		**468**	(133)
Discontinued operations		**667**	1 329
		2 376	10 820
Earnings per share (cents)	3.2		
Basic		**224**	1 710
Continuing operations		**147**	1 037
Discontinued operations		**77**	673
Diluted		**218**	1 696
Continuing operations		**141**	1 027
Discontinued operations		**77**	669

Statement of Comprehensive Income

for the year ended 30 June 2024

R million	Equity reserves	Other reserves	Fair value reserves	Retained earnings	Shareholders' equity	Non-controlling interest	Total equity
30 June 2024							
Continuing operations							
Net profit for the year				814	814	468	1 282
Other comprehensive income, net of tax	(1 783)	(739)	250	(236)	(2 508)	(70)	(2 578)
Items that may be reclassified subsequently to the income statement:							
Exchange rate adjustments	(1 850)	(568)	26	(257)	(2 649)	(69)	(2 718)
Reclassification of other comprehensive income to the income statement	–	–	–	3	3	(2)	1
Other comprehensive income of equity accounted investments	(442)	–	–	–	(442)	–	(442)
Items that will not be reclassified to the income statement:							
Fair value adjustments for the year	–	(217)	236	–	19	–	19
Deferred taxation on fair value adjustments	–	46	451	–	497	–	497
Capital gains taxation on disposal of FVOCI investments	–	–	(463)	–	(463)	–	(463)
Remeasurement of post-employment benefit obligations	–	–	–	26	26	1	27
Deferred taxation on remeasurement of post-employment benefit obligations	–	–	–	(8)	(8)	–	(8)
Change in reserves of equity accounted investments	509	–	–	–	509	–	509
Comprehensive income for the year – continuing operations	(1 783)	(739)	250	578	(1 694)	398	(1 296)
Discontinued operations							
Net profit for the year				427	427	667	1 094
Other comprehensive income, net of tax	–	–	–	(2)	(2)	(1)	(3)
Items that may be reclassified subsequently to the income statement:							
Exchange rate adjustments	–	–	–	12	12	–	12
Reclassification of other comprehensive income to the income statement	–	–	–	(14)	(14)	(1)	(15)
Comprehensive income for the year – discontinued operations	–	–	–	425	425	666	1 091
Total comprehensive income for the year	(1 783)	(739)	250	1 003	(1 269)	1 064	(205)

Statement of Comprehensive Income

for the year ended 30 June 2023

R million	Equity reserves	Other reserves	Fair value reserves	Retained earnings	Share-holders' equity	Non-controlling interest	Total equity
30 June 2023							
Continuing operations							
Net profit for the year				5 836	5 836	(133)	5 703
Other comprehensive income, net of tax	3 310	4 305	1 371	1 531	10 517	442	10 959
Items that may be reclassified subsequently to the income statement:							
Exchange rate adjustments	2 271	4 444	(14)	1 414	8 115	513	8 628
Fair value adjustments for the year	–	(99)	–	–	(99)	–	(99)
Deferred taxation on fair value adjustments	–	(32)	–	–	(32)	–	(32)
Reclassification of other comprehensive income to the income statement	(349)	(8)	(1)	72	(286)	(73)	(359)
Other comprehensive income of equity accounted investments	1 321	–	–	–	1 321	–	1 321
Items that will not be reclassified to the income statement:							
Fair value adjustments for the year	–	–	1 664	–	1 664	1	1 665
Deferred taxation on fair value adjustments	–	–	(90)	–	(90)	(1)	(91)
Capital gains taxation on disposal of FVOCI investments	–	–	(188)	–	(188)	–	(188)
Remeasurement of post-employment benefit obligations	–	–	–	62	62	3	65
Deferred taxation on remeasurement of post-employment benefit obligations	–	–	–	(17)	(17)	(1)	(18)
Change in reserves of equity accounted investments	67	–	–	–	67	–	67
Comprehensive income for the year – continuing operations	3 310	4 305	1 371	7 367	16 353	309	16 662
Discontinued operations							
Net profit for the year				3 788	3 788	1 329	5 117
Other comprehensive income, net of tax	(3)	1	–	(48)	(50)	(111)	(161)
Items that may be reclassified subsequently to the income statement:							
Exchange rate adjustments	(3)	–	–	(52)	(55)	(116)	(171)
Fair value adjustments for the year	–	1	–	–	1	3	4
Reclassification of other comprehensive income to the income statement	–	–	–	7	7	15	22
Items that will not be reclassified to the income statement:							
Remeasurement of post-employment benefit obligations	–	–	–	(5)	(5)	(17)	(22)
Deferred taxation on remeasurement of post-employment benefit obligations	–	–	–	2	2	4	6
Comprehensive income for the year – discontinued operations	(3)	1	–	3 740	3 738	1 218	4 956
Total comprehensive income for the year	3 307	4 306	1 371	11 107	20 091	1 527	21 618

Statement of Changes in Equity
for the year ended 30 June 2024

R million	Stated and issued capital	Treasury shares	Equity reserves	Other reserves	Fair value reserves	Retained earnings	Share-holders' equity	Non-controlling interest	Total equity
30 June 2024									
Balances at 1 July	**13 416**	**(1 438)**	**13 850**	**8 161**	**(1 203)**	**83 134**	**115 920**	**6 521**	**122 441**
Total comprehensive income for the year	**–**	**–**	**(1 783)**	**(739)**	**250**	**1 003**	**(1 269)**	**1 064**	**(205)**
Continuing operations	**–**	**–**	**(1 783)**	**(739)**	**250**	**578**	**(1 694)**	**398**	**(1 296)**
Discontinued operations	**–**	**–**	**–**	**–**	**–**	**425**	**425**	**666**	**1 091**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(1 330)**	**(1 330)**	**(307)**	**(1 637)**
Transactions with non-controlling shareholders	**–**	**–**	**–**	**(81)**	**–**	**99**	**18**	**(236)**	**(218)**
Transfer between reserves and other movements	**–**	**42**	**–**	**(42)**	**–**	**–**	**–**	**–**	**–**
Transfer of retained income of equity accounted investments	**–**	**–**	**661**	**–**	**–**	**(661)**	**–**	**–**	**–**
Transfer of gain on disposal of FVOCI investments to retained earnings	**–**	**–**	**–**	**–**	**(334)**	**334**	**–**	**–**	**–**
Businesses disposed	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(9)**	**(9)**
Long-term share incentive scheme reserve	**–**	**135**	**–**	**22**	**–**	**–**	**157**	**14**	**171**
Purchase of treasury shares by wholly owned subsidiary	**–**	**(726)**	**–**	**–**	**–**	**–**	**(726)**	**–**	**(726)**
Balances at 30 June	**13 416**	**(1 987)**	**12 728**	**7 321**	**(1 287)**	**82 579**	**112 770**	**7 047**	**119 817**
30 June 2023									
Balances at 1 July	13 416	(685)	8 546	2 459	(2 352)	77 059	98 443	17 437	115 880
Total comprehensive income for the year	–	–	3 307	4 306	1 371	11 107	20 091	1 527	21 618
Continuing operations	–	–	3 310	4 305	1 371	7 367	16 353	309	16 662
Discontinued operations	–	–	(3)	1	–	3 740	3 738	1 218	4 956
Dividends paid	–	–	–	–	–	(1 014)	(1 014)	(61)	(1 075)
Dividends *in specie*	–	–	–	–	–	(1 629)	(1 629)	–	(1 629)
Transactions with non-controlling shareholders	–	–	–	(35)	–	(67)	(102)	103	1
Transfer between reserves and other movements	–	19	63	133	2	(217)	–	–	–
Transfer of retained income of equity accounted investments	–	–	1 934	–	–	(1 934)	–	–	–
Transfer of gain on disposal of FVOCI investments to retained earnings	–	–	–	246	(224)	(22)	–	–	–
Business disposed	–	–	–	1 080	–	(149)	931	(12 239)	(11 308)
Long-term share incentive scheme reserve	–	58	–	(28)	–	–	30	(246)	(216)
Purchase of treasury shares by wholly owned subsidiary	–	(830)	–	–	–	–	(830)	–	(830)
Balances at 30 June	13 416	(1 438)	13 850	8 161	(1 203)	83 134	115 920	6 521	122 441

Statement of Cash Flows

for the year ended 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Cash flows – operating activities			
Trading profit (continuing and discontinued operations)		**2 717**	4 279
Adjustments	5.3.1	**1 284**	2 548
Trading profit before working capital changes		**4 001**	6 827
Working capital changes	5.3.2	**(376)**	(4 044)
Cash generated from operations		**3 625**	2 783
Cash flows generated from returns on investments		**3 613**	3 772
Interest received		**740**	1 124
Dividends received	5.3.3	**2 873**	2 648
Finance costs		**(968)**	(1 309)
Taxation paid	5.3.4	**(1 498)**	(2 051)
Cash available from operating activities		**4 772**	3 195
Cash settled share-based payments made by Distell		**–**	(715)
Dividends paid	5.3.5	**(1 637)**	(1 075)
Cash inflow from operating activities		**3 135**	1 405
Cash flows – investing activities			
Investment in property, plant and equipment to maintain operations		**(1 181)**	(1 977)
Investment in property, plant and equipment and other assets to expand operations		**(767)**	(1 289)
Proceeds on disposal of property, plant and equipment and other assets		**210**	257
Proceeds on disposal of assets held for sale		**1 218**	973
Proceeds on disposal of Gordon's Gin Distribution Rights		**1 000**	–
Additions to investments and loans[1]		**(259)**	(7 056)
Business acquired		**–**	(215)
Business disposed	10.9	**–**	2 041
Proceeds on disposal of investments and loans[2]		**2 997**	697
Investment in money market funds		**–**	(190)
Withdrawal of money market funds		**1 883**	1 308
Cash inflow/(outflow) from investing activities		**5 101**	(5 451)
Cash flows – financing activities			
Loans repaid		**(5 728)**	(1 899)
Loans advanced		**253**	254
Lease payments		**(189)**	(302)
Transactions with non-controlling shareholders		**(301)**	–
Purchase of treasury shares		**(726)**	(830)
Capital invested by non-controlling shareholders		**81**	102
Cash outflow from financing activities		**(6 610)**	(2 675)
Net increase/(decrease) in cash and cash equivalents		**1 626**	(6 721)
Exchange rate profit/(loss) on foreign cash		**(111)**	405
Cash and cash equivalents at the beginning of the year		**5 189**	11 505
Cash and cash equivalents at the end of the year		**6 704**	5 189
Cash and cash equivalents – per statement of financial position		**6 789**	6 047
Bank overdraft		**(85)**	(910)
Included in assets and liabilities held for sale			
Cash and cash equivalents		**–**	82
Bank overdraft		**–**	(30)

(1) *The prior year included the additional investments in Mediclinic of R4 693 million and Heineken Beverages of R2 317 million.*
(2) *The year under review includes the disposal of the investment in Momentum for R2 678 million.*

Notes to the Annual Financial Statements

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Notes to the Annual Financial Statements
for the year ended 30 June 2024

1. Accounting policies

The Annual Financial Statements are prepared on the historical cost basis, unless otherwise indicated, in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB), hereafter referred to as 'IFRS', the IFRS Interpretations Committee interpretations, the requirements of the Companies Act (No. 71 of 2008), as amended, the SAICA Financial Reporting Guides issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Listings Requirements of the exchange operated by JSE Limited (JSE).

These financial statements incorporate accounting policies that have been consistently applied to all periods presented and are consistent with those applied in the previous financial year. Various changes in IFRS became effective for the financial year under review, but did not impact the Group.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note VII of the accounting policies.

The over-arching accounting policies that the Group applied in the preparation of the financial statements are set out below, while those that are applicable to each line item are included in the relevant notes.

(I) Impact of major transactions on the financial statements

During the prior year the Group executed a number of corporate transactions that had a significant impact on the financial statements. The main corporate transactions were the following:

Disposal of Distell Group Holdings Limited's (Distell) affected assets and the acquisition of Heineken Beverages Holdings Limited (Heineken Beverages)

During the prior year, Heineken International B.V. (Heineken) acquired the majority of Distell's business, i.e. Distell's in-scope assets. The transaction was implemented on 26 April 2023 and entailed the following:

- Distell reorganised its assets and liabilities that are held in different subsidiaries under common control transactions to separate the in-scope from the out-of-scope assets and liabilities into two different sub-groups.
- Distell then transferred its out-of-scope assets to its unlisted subsidiary, Capevin under the principles of common control. Subsequently, Capevin was unbundled to Distell's shareholders. Remgro previously controlled these assets indirectly via Distell. After the unbundling, Remgro controls these out-of-scope assets directly. The out-of-scope assets consist mainly of the Scotch whisky business. Remgro's interest in Capevin after the transaction mirrors the interest it had in Distell prior to the transaction. Remgro is Capevin's controlling shareholder having an economic interest of 31.4% and a voting interest of 55.9%. As Remgro controlled the assets before the unbundling and retained control thereof afterwards, no profit or loss was recognised from Distell's unbundling of Capevin.
- Remgro sold its interest in Distell's in-scope assets, consisting of its cider, other ready-to-drink beverages and spirits and wine business, to Heineken for cash of R1 255 million (represented by the "scale back" offer of R165 per share) and an interest of 15.5% in Heineken Beverages. A profit on the disposal was recognised. The business disposed of represents a discontinued operation. Accordingly, the income statement and statement of other comprehensive income are presented to disclose contributions by continuing and discontinued operations.
- Heineken's Southern African business, including its controlling interest in Namibia Breweries Limited (Namibia Breweries), was combined with the Distell in-scope assets in Heineken Beverages which is controlled by Heineken. Remgro's 15.5% acquisition of Heineken Beverages was accounted for at fair value of the share exchange amounting to R10 270 million (or R165 per share). Subsequently, Remgro acquired additional Heineken Beverages shares to increase its interest in the combined business to 18.8%. Remgro has board representation and certain protective rights in terms of an agreement with Heineken. Accordingly, management concluded that Remgro has significant influence over Heineken Beverages and classified the investment as an associate. A notional fair value exercise has been performed on the net assets acquired. Refer to note 4.1.1.

Execution of the delisting of Mediclinic International Plc through the Manta Bidco joint venture

The Group previously held listed ordinary shares in Mediclinic representing an interest of approximately 44.6% in this investee. Remgro previously concluded that it had significant influence over Mediclinic, and equity accounted this investment.

1. Accounting policies (continued)

(I) Impact of major transactions on the financial statements (continued)

Execution of the delisting of Mediclinic International Plc through the Manta Bidco joint venture (continued)

The Mediclinic shareholders voted in favour of a cash offer by Manta Bidco Limited (Manta Bidco), which is jointly owned by Remgro and MSC Mediterranean Shipping Company SA (MSC), to acquire the entire issued ordinary share capital of Mediclinic, other than the Mediclinic shares Remgro already owned for 501 pence per share. The conditions precedent were met on 26 May 2023 and the transaction was implemented on that date. Remgro, MSC and Manta Bidco entered into a subscription and rollover agreement, in terms of which Remgro sold its existing Mediclinic shares (44.6%) to Manta Bidco in exchange for shares in Manta Bidco and subscribed for further shares in Manta Bidco for approximately R5 408 million (5.4% interest), representing a total interest of 50% in Manta Bidco. MSC simultaneously subscribed to a 50% interest in Manta Bidco in cash and Manta Bidco used the proceeds of its share issue to acquire all the remaining issued shares in Mediclinic.

Manta Bidco is a new company that was specifically established to facilitate the transaction. Other than its investment in Mediclinic, it has no substance and as such represents an extension of Mediclinic. Accordingly, Remgro's investment in Manta Bidco resulted in a step-up of its interest in Mediclinic. Remgro has joint control over Manta Bidco (the new holding company of the legacy Mediclinic group) and the investment will continue to be equity accounted. A fair value exercise has been performed on the additional interest acquired in Mediclinic. Remgro's investment in Manta Bidco is referred to as Mediclinic. Refer to note 4.1.2.

RCL Foods reclassified Vector Logistics as a discontinued operation

During the 2023 financial year, RCL Foods entered into an agreement to dispose of Vector Logistics. Vector Logistics' results were also included in those of discontinued operations for both periods presented, while its assets and liabilities are included under non-current assets/liabilities held for sale and discontinued operations in the prior year.

(II) Consolidation

Consolidation – subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any gains or losses arising from such remeasurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that are deemed an asset or liability are recognised in accordance with *IFRS 9: Financial Instruments* either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of the consideration transferred, non-controlling interest recognised and previously held interest measured are less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intergroup transactions, balances and unrealised gains and losses are eliminated on consolidation. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

1. Accounting policies (continued)

(II) Consolidation (continued)

Consolidation – subsidiaries (continued)

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in the carrying amount 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 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 other comprehensive income are reclassified to profit or loss.

Subsidiaries are measured at cost less accumulated impairments in the separate financial statements.

(III) Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates, i.e. its functional currency. The functional currency of the Company and the presentation currency of both the Company and the Group is rand. All amounts, unless otherwise indicated, are stated in millions.

Transactions and balances

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing at the date of the transactions. Except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges, foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of foreign currency denominated monetary assets and liabilities are recognised in the income statement. Translation differences on non-monetary items are accounted for based on the classification of the underlying items. Foreign exchange gains and losses on financial instruments classified as at fair value through other comprehensive income are included in other comprehensive income, whereas those on financial instruments held at fair value through profit and loss are reported as part of the fair value gain or loss.

Group entities

The results and financial position of all foreign operations (excluding those operating in hyperinflationary economies) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate on the reporting date;
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised directly in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. On disposal of foreign operations, the related exchange differences are recognised in the income statement as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operation and translated at closing rates at the reporting date.

Foreign currencies used

	30 June 2024	30 June 2023	*Movement (%)*
Closing exchange rates			
SA rand/British pound	**23.3295**	23.8001	*2.0*
SA rand/USA dollar	**18.1850**	18.8263	*3.4*
SA rand/Swiss franc	**20.5312**	20.9599	*2.0*
SA rand/euro	**19.7563**	20.4780	*3.5*
Average exchange rates			
SA rand/British pound	**23.5438**	21.3557	*(10.2)*
SA rand/USA dollar	**18.7051**	17.7451	*(5.4)*
SA rand/Swiss franc	**21.0781**	18.9141	*(11.4)*
SA rand/euro	**20.2228**	18.5765	*(8.9)*

1. Accounting policies (continued)

(IV) Impairment of assets

Goodwill and intangible assets with indefinite lives

These assets are assessed annually for possible impairments. For purposes of impairment testing, goodwill is allocated to cash-generating units, being the lowest component of the business measured in the management accounts that is expected to generate cash flows that are largely independent of another business component. Impairment losses relating to goodwill are not reversed. Any impairment is recognised in the income statement.

Other assets

The Group assesses at each reporting date whether there is objective evidence that other assets may be impaired.

- Impairment – subsidiaries, joint ventures and associates
  The carrying amounts of subsidiaries (referring to the separate financial statements), joint ventures and associates are reviewed, if there is objective evidence of impairment, and written down where necessary.

- Investment properties, property, plant and equipment and intangible assets with finite useful lives
  Where these assets are identified as being impaired the carrying amount is reduced to reflect the decline in value. Such written-off amounts are accounted for in the income statement.

- Financial assets measured at amortised cost
  The Group recognises an allowance for expected credit losses for all debt instruments measured at amortised cost. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. Expected credit losses are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

  For trade receivables only, the Group applies the simplified approach permitted by *IFRS 9*, which requires lifetime expected credit losses to be recognised from initial recognition of the receivables. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment, for example growth in gross domestic product and changes in unemployment rates. Trade receivables have been grouped based on shared credit risk characteristics, such as the days past due. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

  If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, such as improved credit rating, the previously recognised impairment loss is reversed and is recognised in the income statement.

- Presentation
  Due to the nature and significance of the item, it is presented in a separate line below trading profit in the income statement.

(V) Income statement

The composition of the Group's net profit is relevant for a proper understanding of its financial results. Due to the nature of the Group's operations, a significant portion of its net profit results from associates and joint ventures. Consequently, additional information relating to the Group's share of the after-tax profit of associates and joint ventures is disclosed separately in note 4.2. In order to promote comparability, equity accounted income from associates and joint ventures, which is presented on an after-tax basis, is disclosed after the tax line in the income statement.

"Consolidated profit" represents the profit of the Company and its subsidiaries before equity accounted income, while "trading profit" represents the profit of the operating subsidiaries in the Group, before investment income, finance costs, results of corporate actions and impairments.

1. Accounting policies (continued)

(VI) Earnings measures

Corporate actions may lead to significant items being recognised in the income statement that may not be excluded from the calculation of headline earnings. In these instances, the Group may disclose an alternative earnings measure excluding these items to promote comparability between reporting periods.

In accordance with paragraph 3.4(b)(v) of the JSE Listings Requirements, the Company again confirms the use of headline earnings per share for trading statement purposes. This is still considered an appropriate measure given that, as an investment holding company, the assessment of headline earnings is a key performance measure.

(VII) Critical accounting judgements and critical accounting estimates and assumptions

The preparation of the financial statements necessitates the use of estimates, assumptions and judgements that affect the reported amounts in the statement of financial position and income statement. Although estimates are based on management's best knowledge and judgements of current facts as at the reporting date, the actual outcome may differ from those estimates.

Critical judgements in applying the Group's accounting policies

The most critical judgement exercised relates to the classification of investments (note 4), as well as the valuation thereof (note 2).

Judgement is also exercised regarding the determination of the functional currency of the offshore entities that hold the Group's cash and short-term financial investments. The functional currencies of these entities are determined with reference to the currency in which the entities receive their operating cash inflows, as this most fairly presents the economic effects of the underlying transactions, events and conditions.

The operations of these entities are clearly separated from those of the parent and are managed separately from each other in terms of a strategic investment plan to invest and/or raise finance in hard currencies based on specific and pre-determined portfolio allocations. As a result, exchange differences arising on the translation of those entities into the reporting currency of the Group are deferred in other comprehensive income until being realised, as opposed to being reported in the income statement on a continuous basis.

Reversal of a prior period impairment of the investment in Mediclinic

Included in the carrying value of the investment in Mediclinic is an impairment of R3 898 million. Management concluded that a reversal of a portion of the impairment is not appropriate. Refer to note 4.4.2 for details.

Critical estimates and assumptions

Deferred tax on investments

The Group provides deferred tax on all temporary differences between the carrying value and tax base on investments, measuring the estimated tax consequences based on the manner in which the entity, at the reporting date, expects to recover the carrying value of its various investments:

- Equity accounted investments' carrying values are mainly recovered through non-taxable dividends and deferred tax on temporary differences is therefore raised at nil percent.
- Financial instruments at fair value's carrying values are recovered through sale and dividends, therefore the Group assesses the most likely manner in which the carrying value will be realised and, based on that, uses a combination of the dividend tax rate or the capital gains tax (CGT) rate to determine deferred tax on related temporary differences.

Other significant estimates and assumptions

Significant estimates and assumptions were used in determining and/or measuring:

- the useful lives and residual values of investment properties, property, plant and equipment and intangible assets;
- retirement benefit obligations; and
- share-based payments expenses.

Details of these estimates and assumptions are set out in the relevant notes to the Annual Financial Statements.

2. Segment report

R million	Year ended 30 June 2024 Headline earnings(1)	30 June 2024 Net assets Book value(2)	30 June 2024 Net assets Intrinsic value	Year ended 30 June 2023 Headline earnings(1)	30 June 2023 Net assets Book value(2)	30 June 2023 Net assets Intrinsic value
Healthcare						
Mediclinic	**1 515**	**40 027**	**40 756**	1 691	41 050	47 268
Consumer products						
RCL Foods	**1 000**	**10 499**	**10 525**	488	9 152	7 141
Heineken Beverages(3) – entity contribution	**(573)**	**6 624**	**7 071**	(75)	12 495	12 451
– *IFRS 3* charge(4)	**(22)**			(6)		
Distell(5) – entity contribution				555		
– *IFRS 3* charge(4)				(32)		
Siqalo Foods – entity contribution	**452**	**6 339**	**6 103**	344	6 212	6 007
– *IFRS 3* charge(4)	**(2)**			(80)		
Capevin(3)	**79**	**1 953**	**1 777**	14	1 677	1 576
Financial services						
OUTsurance Group	**1 080**	**6 099**	**21 792**	888	5 764	15 957
Business Partners	**83**	**1 392**	**1 345**	72	1 289	1 260
Infrastructure						
CIVH	**(75)**	**6 907**	**14 497**	206	7 025	14 300
SEACOM	**55**	**131**	**683**	47	98	796
Other infrastructure investments	**(13)**	**40**	**40**	64	57	57
Industrial						
Air Products	**566**	**1 299**	**5 972**	476	1 282	4 911
TotalEnergies	**553**	**3 379**	**3 467**	54	3 063	3 338
Wispeco	**289**	**1 795**	**1 906**	313	1 619	1 330
Other industrial investments	**17**	**225**	**289**	25	204	320
Diversified investment vehicles						
KTH	**241**	**2 119**	**2 797**	437	1 878	2 370
Prescient China Equity Fund	**–**	**1 054**	**1 054**	–	1 137	1 137
Invenfin	**(37)**	**669**	**767**	34	771	1 136
Other diversified investment vehicles	**31**	**1 095**	**1 095**	363	1 760	1 760
Media						
eMedia Investments	**113**	**936**	**601**	130	897	659
Other media investments	**43**	**184**	**186**	41	154	182
Portfolio investments						
FirstRand	**474**	**7 572**	**7 572**	605	6 889	6 889
Discovery	**90**	**5 761**	**5 761**	–	6 167	6 167
Momentum	**160**	**–**	**–**	141	1 816	1 816
Other portfolio investments	**88**	**717**	**717**	58	769	769
Social impact investments	**(29)**	**162**	**162**	(24)	126	126
Central treasury						
Finance income/cash at the centre	**379**	**6 822**	**6 822**	650	9 001	9 001
Finance costs/debt at the centre	**(498)**	**(2 503)**	**(2 503)**	(628)	(7 857)	(7 857)
Other net corporate income/ (costs)/assets	**(412)**	**1 473**	**2 193**	205	1 425	2 122
	5 647	**112 770**	**143 447**	7 056	115 920	142 989
Potential CGT liability			**(4 156)**			(4 186)
Total	**5 647**	**112 770**	**139 291**	7 056	115 920	138 803

Additional segmental information is disclosed in note 12.1.

(1) *Refer to note 3.1 for the calculation of headline earnings.*
(2) *Total book value equals shareholders' equity.*
(3) *The prior year represented the two months ended 30 June 2023. Refer to note 10.9 for further details.*
(4) *IFRS 3 charge represents the amortisation and depreciation expenses, net of tax, relating to the additional assets identified when Remgro acquired these investments.*
(5) *The prior year represents the ten months ended 30 April 2023. Refer to note 10.9 for further details.*

Non-current assets, amounting to R46 538 million (2023: R47 946 million), are located in foreign countries.

2. Segment report (continued)

Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company, who makes strategic decisions. Each significant investment is classified as an operating segment. Operating segments are presented in platforms. Platforms consist of investments with similar economic characteristics.

The measures used by the Chief Operating Decision-Maker are headline earnings and the intrinsic net asset value (INAV). The INAV is used to assess shareholder value created as well as the performance of each operating segment. It is therefore presented as part of the Group's segment information. The intrinsic value of assets is determined as follows:

- Listed investments – number of shares held multiplied by the quoted share price at the reporting date (level 1);
- Unlisted investments – valuations using the principles as prescribed in *IFRS 13* (level 3);
- Cash and debt at the centre – IFRS carrying value. Cash at the centre excludes cash held by subsidiaries that are separately valued (mainly RCL Foods, Siqalo Foods, Capevin and Wispeco); and
- Other corporate assets – IFRS carrying value, with the exception of investment properties (level 3) included at fair value as disclosed in note 10.2.

Refer to notes 4.3, 14.2 and 14.3 that indicate which investments are listed and which are unlisted. The INAV will not necessarily correspond with the values per the statement of financial position, since the latter is measured in accordance with IFRS as described in the Group's accounting policies.

The potential CGT liability is calculated on the specific identification method using the most favourable calculation for investments acquired before 1 October 2001 and taking into account the corporate relief provisions. The fair values of investments at FVOCI are disclosed net of deferred CGT.

Valuation of unlisted investments

The main assumptions used in the valuation of unlisted investments were discount rates, which varied between 7.8% and 15.1% (2023: 7.5% and 15.5%), and terminal growth rates, which varied between 1.0% and 5.4% (2023: 1.0% and 5.3%). Where the discounted cash flow method is used as valuation methodology, the forecast free cash flow period is generally limited to a maximum of five years.

Where Remgro holds a non-controlling interest, a tradability discount (or discount for lack of control) is applied. No control premiums are applied.

At 30 June 2023 the investment in Heineken Beverages was valued using the price of recent investment principle. At the time and given the short period since the Distell/Heineken transaction implementation, limited integration had taken place and updated consolidated forecast information was not available. At 30 June 2024 a discounted cash flow methodology was applied to value Remgro's investment in Heineken Beverages based on board approved forecasts, subject to relevant discounts (lack of marketability, lack of control and forecast risk).

Remgro's unlisted investments were valued as follows:

Investment	Principal valuation methodology
Mediclinic	Discounted cash flow method
CIVH	Discounted cash flow method
Heineken Beverages	Discounted cash flow method
Siqalo Foods	Discounted cash flow method
Air Products	Discounted cash flow method
TotalEnergies	Discounted cash flow method
KTH	Sum-of-the-parts (external valuation)
Capevin	Discounted cash flow method
Wispeco	Discounted cash flow method
Business Partners	Net asset value
Prescient China Equity Fund	Net asset value
SEACOM	Discounted cash flow method
eMedia Investments	Comparable market price
Asia Partners (Fund I & II)	Net asset value
PRIF (Fund I & II)	Net asset value
PGSI	Discounted cash flow method

2. Segment report (continued)

Segmental income statement

R million	RCL Foods[1][2]	Distell[2]	Capevin[2]	Siqalo Foods[1]	Wispeco	Inter-segment elimi-nations[3]	Other segments	Total as per income statement
30 June 2024								
Continuing operations								
Revenue	40 511	–	2 659	3 594	3 759	(189)	90	50 424
Inventory expenses	(25 324)	–	(1 113)	(1 858)	(2 318)	–	(8)	(30 621)
Staff costs	(5 480)	–	(504)	(204)	(613)	–	(481)	(7 282)
Depreciation	(840)	–	(83)	(59)	(96)	–	(48)	(1 126)
Amortisation	(44)	–	–	(8)	–	–	(11)	(63)
Interest received	57	–	97	50	25	–	557	786
Finance costs	(328)	–	(88)	(9)	(8)	–	(500)	(933)
Net impairments of investments, assets and goodwill	(82)	–	–	–	–	–	(4 246)	(4 328)
Equity accounted investments	–	–	–	–	–	–	(4 246)	(4 246)
Property, plant and equipment	(57)	–	–	–	–	–	–	(57)
Intangible and other assets	(25)	–	–	–	–	–	–	(25)
Profit on sale and dilution of investments	70	–	–	–	–	–	296	366
Taxation	(477)	–	(73)	(110)	(108)	–	(180)	(948)
Share of after-tax profit of equity accounted investments	164	–	–	–	–	–	2 635	2 799
Discontinued operations	256	–	838	–	–	–	–	1 094
Net profit for the year	1 630	–	1 087	292	291	–	(924)	2 376
Equity holders	1 288	–	297	292	290	–	(926)	1 241
Continuing operations	1 084	–	74	292	290	–	(926)	814
Discontinued operations	204	–	223	–	–	–	–	427
Non-controlling interest	342	–	790	–	1	–	2	1 135
Continuing operations	290	–	175	–	1	–	2	468
Discontinued operations	52	–	615	–	–	–	–	667
30 June 2023								
Continuing operations								
Revenue	37 783	2 476	421	3 748	3 813	(167)	77	48 151
Inventory expenses	(23 458)	(1 199)	(170)	(2 204)	(2 343)	–	1	(29 373)
Staff costs	(4 936)	(397)	(75)	(183)	(604)	–	(430)	(6 625)
Depreciation	(764)	(62)	(14)	(58)	(90)	–	(44)	(1 032)
Amortisation	(91)	(14)	(3)	(8)	–	–	(117)	(233)
Interest received	39	4	9	34	8	–	891	985
Finance costs	(330)	(19)	(11)	–	(9)	–	(633)	(1 002)
Net impairments of investments, assets and goodwill	(70)	–	(461)	–	–	–	(19)	(550)
Equity accounted investments	–	–	–	–	–	–	(53)	(53)
Property, plant and equipment	(70)	–	–	–	–	–	35	(35)
Intangible and other assets	–	–	(461)	–	–	–	(1)	(462)
Profit on sale and dilution of investments	8	–	–	–	–	–	321	329
Taxation	(242)	(68)	(11)	(65)	(118)	–	(328)	(832)
Share of after-tax profit of equity accounted investments	230	–	–	–	–	–	3 066	3 296
Discontinued operations	76	1 817	(5)	–	–	–	3 229	5 117
Net profit for the year	513	2 118	(418)	182	317	–	8 108	10 820
Equity holders	616	2 112	(418)	182	315	–	6 817	9 624
Continuing operations	543	301	(413)	182	315	–	4 908	5 836
Discontinued operations	73	1 811	(5)	–	–	–	1 909	3 788
Non-controlling interest	(103)	6	–	–	2	–	1 291	1 196
Continuing operations	(106)	–	–	–	2	–	(29)	(133)
Discontinued operations	3	6	–	–	–	–	1 320	1 329

(1) *The company reports on the retail calendar of trading weeks that treats each financial year as an exact 52-week period, incorporating trade from Monday to Sunday each week. This treatment effectively results in the loss of a day (or two in a leap year) per calendar year. These days are brought to account approximately every six years by including a 53rd week.*

(2) *During the prior year RCL Foods disclosed the Vector Logistics business as a discontinued operation and Distell sold the bulk of its business to Heineken Beverages with its continuing operations consisting of Capevin. Refer to note 10.9 for further details.*

(3) *RCL Foods accounts for administration fee received from Siqalo Foods as revenue. On consolidation, this revenue is transferred to intergroup administration fee received.*

3. Results

3.1 Earnings

R million	30 June 2024 Gross	30 June 2024 Net	30 June 2023 Gross	30 June 2023 Net
Headline earnings reconciliation				
Continuing operations				
Net profit for the year attributable to equity holders (earnings)		**814**		5 836
– Impairment of equity accounted investments	**4 257**	**4 257**	58	58
– Reversal of impairment of equity accounted investments	**(11)**	**(11)**	(5)	(5)
– Impairment of property, plant and equipment	**57**	**17**	70	28
– Reversal of impairment of property, plant and equipment	**–**	**–**	(35)	(26)
– Impairment of intangible and other assets	**25**	**20**	462	146
– Profit on sale and dilution of equity accounted investments	**(298)**	**(237)**	(321)	(367)
– Loss on sale and dilution of equity accounted investments	**–**	**–**	2	2
– Profit on disposal of property, plant and equipment	**(165)**	**(97)**	(78)	(44)
– Loss on disposal of property, plant and equipment	**32**	**20**	62	24
– Recycling of foreign currency translation reserves	**–**	**–**	(10)	(4)
– Profit on sale of subsidiary	**(68)**	**(53)**	–	–
– Non-headline earnings items included in equity accounted earnings of equity accounted investments	**908**	**916**	984	994
– Profit on disposal of property, plant and equipment	**(85)**	**(74)**	(18)	(9)
– Profit on sale of investments	**(213)**	**(192)**	(67)	(66)
– Loss on sale of investments	**30**	**30**	–	–
– Impairment of investments, assets and goodwill	**1 176**	**1 152**	1 069	1 069
Headline earnings from continuing operations		**5 646**		6 642
Discontinued operations				
Net profit for the year attributable to equity holders (earnings)		**427**		3 788
– Profit on disposal of property, plant and equipment	**–**	**–**	(9)	(5)
– Loss on disposal of property, plant and equipment	**–**	**–**	36	8
– Profit on disposal of intangible assets	**(991)**	**(218)**	–	–
– Profit on sale of subsidiary	**(244)**	**(197)**	(4 374)	(3 384)
– Recycling of foreign currency translation reserves	**(15)**	**(11)**	23	7
Headline earnings from discontinued operations		**1**		414
Total headline earnings from continuing and discontinued operations		**5 647**		7 056

3. Results (continued)

3.2 Per share measures

Cents	30 June 2024	30 June 2023
Earnings per share		
Headline earnings per share		
Basic	**1 018**	1 254
Continuing operations	**1 018**	1 180
Discontinued operations	**–**	74
Diluted	**1 008**	1 244
Continuing operations	**1 008**	1 171
Discontinued operations	**–**	73
Earnings per share		
Basic	**224**	1 710
Continuing operations	**147**	1 037
Discontinued operations	**77**	673
Diluted	**218**	1 696
Continuing operations	**141**	1 027
Discontinued operations	**77**	669
Dividends per share		
Ordinary	**264**	240
Interim	**80**	80
Final	**184**	160
Asset value per share		
Intrinsic net asset value (Rand)	**251.01**	248.47
Book net asset value (Rand)	**203.22**	207.51
Remgro share price (Rand)	**136.09**	147.05
Percentage discount to intrinsic net asset value (%)	**45.8**	40.8

3. Results (continued)

3.2 Per share measures (continued)

Earnings per share

In determining earnings per share and headline earnings per share, the weighted number of shares in issue after deduction of treasury shares was used as denominator.

Reconciliation of the weighted number of shares	**30 June 2024 Number of shares**	30 June 2023 Number of shares
Number of shares in issue at the beginning of the year	**568 273 994**	568 273 994
Weighted number of treasury shares	**(13 547 180)**	(5 528 948)
Weighted number of shares	**554 726 814**	562 745 046

Diluted earnings per share

In determining diluted earnings per share and diluted headline earnings per share, the weighted number of shares in issue was adjusted for the deemed dilutive effect of the offers accepted by participants in the Remgro Equity Settled Share Schemes (the Schemes), but not yet delivered.

The delivery of scheme shares to participants will be regarded as an issue of shares. As the market value (fair value) of the shares at date of delivery will differ from the offer value, the number of shares represented by the difference will be regarded as an issue of ordinary shares for no consideration.

Some subsidiary and equity accounted investments have similar management incentive schemes as well as other instruments that can dilute these companies' earnings in the future. To calculate Remgro's diluted earnings per share, R25 million (2023: R24 million) and R23 million (2023: R19 million) were offset against earnings and headline earnings respectively to account for the potential dilutive effect.

Reconciliation of the weighted number of shares in issue for diluted earnings per share	**30 June 2024 Number of shares**	30 June 2023 Number of shares
Weighted number of shares	**554 726 814**	562 745 046
Adjustment for potential dilutive effect of the Remgro Share Schemes	**3 045 049**	3 176 514
Diluted weighted number of shares	**557 771 863**	565 921 560

Asset value per share

In determining asset value per share the number of shares in issue, after deduction of treasury shares, was used as denominator (refer to note 7.1.3) and intrinsic NAV and book NAV, as per the segment report, as the respective nominators.

3.3 Cash dividend declared after year-end

A final gross dividend of 184 cents (2023: 160 cents) per share has been declared out of income reserves in respect of both the ordinary shares of no par value and the unlisted B ordinary shares of no par value, for the year ended 30 June 2024.

A dividend withholding tax of 20% or 36.80 cents per share will be applicable, resulting in a net dividend of 147.20 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

The total gross dividend per share for the year ended 30 June 2024 therefore amounts to 264 cents, compared to 240 cents for the year ended 30 June 2023.

The issued share capital at the declaration date is 529 217 007 ordinary shares and 39 056 987 B ordinary shares.

4. Investments

R million	30 June 2024	30 June 2023
Associates	**23 324**	27 973
Joint ventures	**47 367**	48 472
Investments – equity accounted	**70 691**	76 445
Loans to equity accounted investments – Current	**6**	35
	70 697	76 480
Financial assets at fair value through other comprehensive income	**19 933**	22 564
Total investments	**90 630**	99 044

4.1 Investments – equity accounted

Equity accounted investments

Investments accounted for using the equity method consist of joint ventures (entities or arrangements over which Remgro has joint control stemming from contractual rights) and associates (entities in which the Group has significant influence, but not control; normally accompanying a shareholding of between 20% and 50% of voting rights in the investment).

The equity method of accounting

Under the equity method of accounting, investments are initially recognised at cost. The carrying value includes goodwill identified on acquisition. Subsequent to initial recognition, the carrying value of the investment is adjusted to recognise the Group's share of the post-acquisition profits or losses, movements in other comprehensive income and other equity movements, with the corresponding entry accounted for in either the income statement (for the Group's share of profits and losses) or other comprehensive income (for the Group's share of other comprehensive income and other equity movements after considering the substance of each transaction). Dividends received are accounted for against the carrying value of the investment. The Group ceases to account for its share of losses once those equal or exceed its interests in the investment (which includes any long-term loans that in substance form part of the Group's net investment).

Accounting policies of equity accounted investments have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its equity accounted investments are eliminated to the extent of the Group's interest in these investments, unless losses provide evidence of impairment of the underlying asset.

The Group determines whether there is any objective evidence that its investments are impaired at each reporting date. An impairment is the difference between the lower of the recoverable amount of the equity accounted investment and its carrying value and is recognised in the income statement.

If the ownership interest in an equity accounted investment is reduced but significant influence or joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss. Equity transactions by these entities that cause a dilution in the Group's ownership interest are likewise treated as part disposals.

Critical judgements

The most critical judgement exercised relates to the classification of investments as associates rather than subsidiaries or financial instruments at fair value. Remgro also has investments in which it holds more than 50% of the voting rights, but where an assessment of its influence over the business's relevant activities indicated that it does not have control. With reference to CIVH in which Remgro held 57% on 30 June 2024 (2023: 57%), the limitations placed on shareholders by the entity's Memorandum of Incorporation effectively give Remgro joint control over the entity.

Remgro has joint control over Mediclinic through its 50% interest in Manta Bidco and the joint venture agreement it has in place with its co-shareholder in that company. Manta Bidco was incorporated for the sole purpose of facilitating the delisting of Mediclinic and implementing the new shareholder structure. Accordingly, the investment in Mediclinic was reclassified as a joint venture when the delisting of Mediclinic became effective on 26 May 2023. Prior to the delisting of the investment and the acquisition thereof by Manta Bidco, Remgro held an interest of less than 50% of the voting rights, but it was considered whether it may not have had *de facto* control over Mediclinic. The conclusion was that Remgro did not control Mediclinic. Mediclinic's relevant activities were controlled by Mediclinic's board of directors. Remgro did not have the right to appoint a majority of Mediclinic board members and, accordingly, could not control the investment's relevant activities. Accordingly, Mediclinic was accounted for as an associate using the equity method and not as a subsidiary.

Remgro holds an interest of 50% in Air Products South Africa Proprietary Limited's (Air Products) voting rights, but has neither control, nor joint control over the entity's relevant activities. Accordingly, Remgro has significant influence over Air Products and it is classified as an associate.

Remgro holds 18.8% of Heineken Beverages. As it has the right to board representation in the investment and a minority shareholder protection agreement, it is the Remgro Board's judgement that it rebutted the presumption in IFRS that it does not have significant influence in Heineken Beverages. Accordingly, the investment is classified as an associate and accounted for using the equity method. The purchase consideration of the investment was based on the fair value of the assets given, i.e. the sum of R165 per Distell share exchanged and cash paid.

4. Investments (continued)

4.1 Investments – equity accounted (continued)

The Group's principal associates and joint ventures are:

Investment	Classification	Business
Air Products	Associate	Produces oxygen, nitrogen, argon, hydrogen and carbon dioxide for sale in gaseous form by pipeline under long-term contracts to major industrial users
Heineken Beverages	Associate	Produces and markets a range of ciders, flavoured alcoholic beverages, wines, lager and spirits
OUTsurance Group	Associate	South African investment holding company with significant investment in OUTsurance Holdings Limited
TotalEnergies	Associate	Refines and markets petroleum products in South Africa, as well as distributes to neighbouring countries
CIVH	Joint venture	South African holding company that builds, owns, maintains and monitors its fibre-optic network and related infrastructure
Mediclinic	Joint venture (Associate until 26 May 2023)	Incorporated in the United Kingdom and operates private medical facilities in Southern Africa, the Middle East, Switzerland and the United Kingdom

4.1.1 Associates

	30 June 2024			30 June 2023		
R million	***Listed***	***Unlisted***	**Total**	*Listed*	*Unlisted*	Total
Shares – at cost	**6 604**	**11 497**	**18 101**	6 604	15 742	22 346
Equity adjustment	**343**	**4 784**	**5 127**	(49)	5 655	5 606
Carrying value	**6 947**	**16 281**	**23 228**	6 555	21 397	27 952
Non-current loans	**–**	**96**	**96**	–	21	21
Current loans	**–**	**6**	**6**	–	31	31
	6 947	**16 383**	**23 330**	6 555	21 449	28 004
Market values of listed investments	**21 792**			15 957		

Reconciliation of carrying value at the beginning and end of the year (R million)	**30 June 2024**	30 June 2023
Carrying value at the beginning of the year	**28 004**	43 327
Share of net attributable profit of associates	**1 377**	3 394
Dividends received from associates	**(1 639)**	(1 444)
Investments made[(1)]	**16**	12 623
Investments disposed	**–**	(51)
Business disposed (refer note 10.9)	**–**	(724)
Grindrod Unbundling[(2)]	**–**	(1 649)
Exchange rate differences[(3)]	**(5)**	8 032
Impairments (refer note 4.4)	**(4 251)**	(50)
Equity accounted movements on reserves	**(222)**	1 476
Loans advanced	**53**	18
Loan repaid	**(3)**	–
Reclassified to non-current assets held for sale (refer note 10.9)	**–**	(129)
Mediclinic reclassified to joint venture	**–**	(36 819)
Carrying value at the end of the year	**23 330**	28 004

(1) *During the prior year, Remgro received Heineken Beverages shares amounting to R10 270 million in exchange for Distell shares. Remgro also purchased Heineken Beverages shares amounting to R2 317 million.*

(2) *On 26 September 2022 Remgro announced the unbundling of its 24.8% interest in Grindrod Limited (Grindrod). The interest in Grindrod was unbundled to shareholders on 17 October 2022 in the ratio of 30.70841 Grindrod ordinary shares for every 100 Remgro shares held.*

(3) *The prior year movement was mainly due to exchange rate differences between GBP and ZAR on Mediclinic. The investment in Mediclinic was reclassified to joint venture in the prior year.*

4. Investments (continued)

4.1 Investments – equity accounted (continued)

4.1.1 Associates (continued)

Set out below is the summarised financial information, as well as a reconciliation of that information to the carrying amount, of the Group's most significant associates which are accounted for using the equity method.

	Year ended			
	30 June 2024			31 March 2024
R million	**OUTsurance Group**	**TotalEnergies**	**Heineken Beverages**	**Air Products**
Summarised statement of comprehensive income				
Revenue	31 913	101 414	50 551	5 348
Profit/(loss) before tax	6 285	2 748	(9 341)	1 560
Taxation	(1 794)	(780)	1 110	(419)
Profit/(loss) after tax	4 491	1 968	(8 231)	1 141
Attributable to non-controlling shareholders	(430)	–	(219)	(9)
Attributable profit/(loss) for the year	4 061	1 968	(8 450)	1 132
Headline earnings/(loss)	3 525	2 221	(3 163)	1 132
Other comprehensive income attributable to shareholders	(302)	–	–	–
Total comprehensive income attributable to shareholders	3 759	1 968	(8 450)	1 132
Summarised statement of financial position				
Net advance, loans and contract liabilities	1 587	–	–	–
Intangible assets	253	459	27 228	78
Property, plant and equipment and other	1 482	9 781	20 098	2 552
Investments and loans	28 834	684	1 515	9
Current assets	2 140	26 446	20 746	1 355
Total assets	34 296	37 370	69 587	3 994
	(20 211)	(23 799)	(31 394)	(1 097)
Non-controlling interest	(1 302)	–	(2 054)	(27)
Non-current liabilities	(16 889)	(2 825)	(14 409)	(479)
Current liabilities	(2 020)	(20 974)	(14 931)	(591)
Net assets	14 085	13 571	38 193	2 897
Reconciliation to carrying value				
Remgro's effective interest	30.62%	24.90%	18.80%	50.00%
Remgro's effective interest in net assets	4 313	3 379	7 180	1 449
Goodwill and other intangible assets	1 786	–	3 701	–
Dividends received subsequent to associates' reporting date	–	–	–	(150)
Accumulated impairment (refer note 4.4.1)	–	–	(4 257)	–
Carrying value at 30 June 2024	6 099	3 379	6 624	1 299
Fair value of listed investments	21 792	–	–	–
Dividends received	693	186	–	550

4. Investments (continued)

4.1 Investments – equity accounted (continued)

4.1.1 Associates (continued)

Set out below is the summarised financial information, as well as a reconciliation of that information to the carrying amount, of the Group's most significant associates which were accounted for using the equity method.

	Year ended			
	30 June 2023			31 March 2023
R million	OUTsurance Group	TotalEnergies	Heineken Beverages[1]	Air Products
Summarised statement of comprehensive income				
Revenue	26 304	100 704	1 299	4 566
Profit/(loss) before tax	4 776	262	(765)	1 302
Taxation	(1 431)	(44)	318	(339)
Profit/(loss) after tax	3 345	218	(447)	963
Attributable to non-controlling shareholders	(430)	–	(16)	(5)
Attributable profit/(loss) for the year	2 915	218	(463)	958
Headline earnings/(loss)	2 898	218	(462)	951
Other comprehensive income attributable to shareholders	535	–	–	–
Total comprehensive income attributable to shareholders	3 450	218	(463)	958
Summarised statement of financial position				
Net advance, loans and contract liabilities	1 537	–	–	–
Intangible assets	237	284	38 193	13
Property, plant and equipment and other	2 243	6 224	17 273	2 452
Investments and loans	29 804	1 890	3 704	12
Current assets	2 624	21 938	27 107	1 139
Total assets	36 445	30 336	86 277	3 616
	(23 472)	(18 035)	(33 945)	(832)
Non-controlling interest	(1 528)	–	(931)	(20)
Non-current liabilities	(18 563)	(2 150)	(9 416)	(497)
Current liabilities	(3 381)	(15 885)	(23 598)	(315)
Net assets	12 973	12 301	52 332	2 784
Reconciliation to carrying value				
Remgro's effective interest	30.63%	24.90%	18.80%	50.00%
Remgro's effective interest in net assets	3 974	3 063	9 838	1 392
Goodwill	1 790	–	2 657	–
Dividends received subsequent to associates' reporting date	–	–	–	(110)
Carrying value at 30 June 2023	5 764	3 063	12 495	1 282
Fair value of listed investments	15 957	–	–	–
Dividends received	464	151	–	360

[1] *Remgro's interest in Heineken Beverages on 30 June 2023. During the 2023 financial year, Remgro received Heineken Beverages shares amounting to R10 270 million in exchange for Distell shares. Remgro also purchased Heineken Beverages shares amounting to R2 222 million.*

4. Investments (continued)

4.1 Investments – equity accounted (continued)

4.1.1 Associates (continued)

R million	30 June 2024	30 June 2023
Information pertaining to Remgro's other associates is aggregated as follows:		
Carrying value	**5 924**	5 369
The Group's share of:		
– Profit from operations	**667**	1 128
– Other comprehensive income	**7**	55
– Total comprehensive income	**673**	1 183
– Headline earnings	**583**	1 113

4.1.2 Joint ventures

R million	30 June 2024	30 June 2023
Unlisted shares – at cost	**31 693**	31 685
Equity adjustment	**15 673**	16 786
Carrying value	**47 366**	48 471
Non-current loans	**1**	1
Current loans	**–**	4
	47 367	48 476
Reconciliation of carrying value at the beginning and end of the year		
Carrying value at the beginning of the year	**48 476**	7 459
Share of net attributable profit of joint ventures	**1 422**	78
Dividends received from joint ventures	**(397)**	(15)
Investments made[1]	**4**	5 411
Exchange rate differences[2]	**(2 421)**	(945)
Reversal of impairments (refer note 4.4)	**5**	–
Equity accounted movements on reserves	**289**	(88)
Business disposed (refer note 10.9)	**–**	(82)
Investments disposed	**(5)**	–
Dilutionary effects	**(5)**	(16)
Reclassified to non-current assets held for sale (refer note 10.9)	**–**	(139)
Mediclinic reclassified from associates[3]	**–**	36 819
Loans repaid	**(1)**	(6)
Carrying value at the end of the year	**47 367**	48 476

(1) *During the prior year, Remgro acquired an additional 5.4% interest in Mediclinic for R5 408 million through the Manta Bidco transaction.*

(2) *Mainly due to exchange rate differences between USD and ZAR on Mediclinic.*

(3) *During the prior year, the investment in Mediclinic was reclassified from associates due to the Manta Bidco transaction.*

4. Investments (continued)

4.1 Investments – equity accounted (continued)

4.1.2 Joint ventures (continued)

Set out below is the summarised financial information, as well as a reconciliation of that information to the carrying amount of CIVH and Mediclinic, the Group's most significant joint ventures that are accounted for using the equity method.

R million	31 March 2024 CIVH	31 March 2024 Mediclinic	31 March 2023 CIVH	31 March 2023 Mediclinic
Summarised statement of comprehensive income				
Revenue	**6 353**	**86 035**	6 213	73 916
Depreciation and amortisation	**(2 058)**	**(5 958)**	(1 806)	(5 251)
Interest income	**235**	**637**	182	1 062
Interest expense	**(2 439)**	**(3 351)**	(1 818)	(1 777)
Profit/(loss) before tax	**(51)**	**2 645**	843	2 799
Taxation	**(206)**	**(712)**	(482)	388
Profit/(loss) after tax	**(257)**	**1 933**	361	3 187
Attributable to non-controlling shareholders	**50**	**(431)**	(6)	(429)
Attributable profit/(loss) for the year	**(207)**	**1 502**	355	2 758
Headline earnings/(loss)	**(131)**	**1 467**	361	3 814
Other comprehensive income attributable to shareholders	**–**	**787**	–	3 473
Total comprehensive income attributable to shareholders	**(207)**	**2 289**	355	6 231
Summarised statement of financial position				
Non-current assets	**35 064**	**143 716**	33 709	141 111
Cash and cash equivalents	**270**	**12 402**	422	13 661
Other current assets	**1 351**	**24 222**	1 410	24 110
Total assets	**36 685**	**180 340**	35 541	178 882
	(24 987)	**(93 235)**	(23 636)	(98 152)
Non-controlling interest	**(132)**	**(2 455)**	(164)	(3 189)
Non-current financial liabilities	**(20 519)**	**(37 679)**	(9 330)	(38 580)
Other non-current liabilities	**(2 879)**	**(32 588)**	(2 552)	(32 749)
Current financial liabilities (excluding trade and other payables and provisions)	**(14)**	**(2 619)**	(9 866)	(2 666)
Current liabilities	**(1 443)**	**(17 894)**	(1 724)	(20 968)
Net assets	**11 698**	**87 105**	11 905	80 730
Reconciliation to carrying value				
Remgro's effective interest	**57.02%**	**50.00%**	57.02%	50.00%
Remgro's effective interest in net assets	**6 670**	**43 553**	6 788	35 973
Dividends received after 31 March year-end	**–**	**(366)**	–	–
Additional purchase after 31 March year-end	**–**	**–**	–	4 706
Accumulated impairment (refer note 4.4.2)	**–**	**(3 898)**	–	(3 898)
Goodwill	**237**	**4 187**	237	4 269
Intangible assets	**–**	**(3 449)**	–	–
Carrying value at 30 June	**6 907**	**40 027**	7 025	41 050

R million	30 June 2024	30 June 2023
Information pertaining to Remgro's other joint ventures is aggregated as follows:		
Carrying value	**433**	396
The Group's share of:		
– Profit from operations	**65**	122
– Other comprehensive income	**(2)**	6
– Total comprehensive income	**64**	128
– Headline earnings	**69**	119

4. Investments (continued)

4.1 Investments – equity accounted (continued)

4.1.3 Accounting periods

The following principal equity accounted investments have different year-ends to that of the Group:

Investment	Financial year-end	Reporting period used to equity account
Associates		
Air Products	30 September	12 months ended 31 March 2024
Business Partners	31 March	Year ended 31 March 2024
eMedia Investments	31 March	Year ended 31 March 2024
Heineken Beverages	31 December	12 months ended 30 June 2024
PGSI	25 December	12 months ended 25 June 2024
SEACOM	31 December	12 months ended 30 June 2024
TotalEnergies	31 December	12 months ended 30 June 2024
Joint ventures		
Mediclinic	31 March	Year ended 31 March 2024
CIVH	31 March	Year ended 31 March 2024

The "reporting period used to equity account" the above investments was used, as it is impractical to adjust their reported numbers to conform to the Group's reporting period. Significant events and transactions in the intermediate period are adjusted for. Significant adjustments for the current period relate to the conversion of Mediclinic at the 30 June 2024 exchange rate as its presentation currency is USA dollar.

4.2 Equity adjustment

R million	30 June 2024	30 June 2023
Share of after-tax profit/(loss) of equity accounted investments		
Profit before taking into account impairments and non-recurring items	**5 663**	5 823
Net impairment of investments, assets and goodwill	**(1 176)**	(1 069)
Profit on the sale of investments	**183**	67
Profit before tax and non-controlling interest	**4 670**	4 821
Taxation	**(1 563)**	(1 021)
Non-controlling interest	**(308)**	(328)
Share of net attributable profit of equity accounted investments – per income statement	**2 799**	3 472
Continuing operations	**2 799**	3 296
Discontinued operations	**–**	176
Dividends received from equity accounted investments (refer note 4.5)	**(2 036)**	(1 459)
Share of net profit retained by equity accounted investments	**763**	2 013
Non-controlling interest of subsidiaries	**(4)**	(41)
Dilution loss of interest in equity accounted investments	**(98)**	(38)
Equity adjustment transferred to non-distributable reserves (Refer to statement of changes in equity)	**661**	1 934

4.3 Investments – FVOCI

Other long-term financial instruments are classified at initial recognition by applying the irrevocable choice to designate the instruments as at fair value through other comprehensive income. This classification is appropriate as the Group does not intend to actively trade these assets and are thus carried at fair value through other comprehensive income. Unrealised gains and losses arising from changes in the fair value of these financial instruments are recognised through other comprehensive income in the period in which they arise. Accumulated fair value adjustments relating to financial instruments at fair value through other comprehensive income are never reclassified to the income statement, but are, along with the related current and deferred CGT, transferred to retained earnings.

4. Investments (continued)

4.3 Investments – FVOCI (continued)

R million	30 June 2024 Listed	Unlisted	Total	30 June 2023 Listed	Unlisted	Total
Fair values of listed investments	**18 314**	**–**	**18 314**	20 246	–	20 246
Valuation of unlisted investments	**–**	**1 619**	**1 619**	–	2 318	2 318
Investments – FVOCI	**18 314**	**1 619**	**19 933**	20 246	2 318	22 564

Reconciliation of carrying value at the beginning and end of the year (R million)	30 June 2024	30 June 2023
Carrying value at the beginning of the year	**22 564**	20 650
Fair value adjustments for the year[(1)]	**236**	1 657
Investments made	**186**	306
Grindrod received as a dividend *in specie*[(2)]	**–**	11
Exchange rate adjustments	**(71)**	393
Business disposed	**–**	(38)
Disposals[(3)]	**(2 977)**	(415)
Transfers	**(5)**	–
Carrying value at the end of the year	**19 933**	22 564

(1) *The prior year mainly consisted of positive fair value adjustments from Momentum (R467 million), Discovery Limited (Discovery) (R910 million) and FirstRand Limited (FirstRand) (R753 million).*

(2) *Due to the Grindrod Unbundling in the prior year, 1 290 922 Grindrod shares were received and subsequently classified as an investment through other comprehensive income.*

(3) *Disposals mainly consist of 122 908 061 Momentum shares which were disposed during June 2024 for a consideration of R2 678 million, net of transaction costs, through an accelerated book build offering. The net fair value gain realised on disposal of R622 million was transferred from fair value reserves to retained earnings. CGT of R451 million was incurred in this transaction and accounted for in other comprehensive income.*

Significant FVOCI investments	30 June 2024	30 June 2023
Number of shares held in listed investments (million)		
British American Tobacco Plc, United Kingdom	**1 252 712**	1 252 712
Discovery Limited, South Africa	**51 254 365**	51 254 365
FirstRand Limited, South Africa	**122 853 406**	122 853 406
Momentum Group Limited, South Africa (previously Momentum Metropolitan Holdings Limited)[(1)]	**–**	122 908 061
Percentage interest held in unlisted investments[(2)]		
Pembani Remgro Infrastructure Fund I	**16.2**	16.2
Prescient China Equity Fund	**37.1**	42.4
Milestone China Opportunities Fund III, LP	**28.1**	28.1
Asia Partners I LP	**6.5**	6.5
Asia Partners II LP	**10.0**	10.0

(1) *During June 2024, 122 908 061 Momentum shares were disposed for a consideration of R2 678 million.*

(2) *The Prescient China Equity Fund and the Milestone China Opportunities Fund III are managed by the respective fund managers. Remgro has a 5% interest in the Prescient Fund Manager as well as a 7.5% interest in the Milestone Fund Manager. Therefore, Remgro does not have control or significant influence in these funds.*

4. Investments (continued)

4.4 Investments – net impairments and loss allowances on loans

R million	30 June 2024	30 June 2023
Reversal of impairments/(impairments) and loss allowances on loans were recognised for the following equity accounted investments:		
Associates	**(4 251)**	(50)
Loans	**–**	3
Heineken Beverages (note 4.4.1)	**(4 257)**	–
Other investments[1]	**6**	(53)
Joint ventures	**5**	–
Other investments[1]	**5**	–

[1] *Reversal of impairments on various insignificant investments during the current year. Various insignificant investments impaired during the prior year due to their underlying financial performance.*

4.4.1 Heineken Beverages

At 31 December 2023, an impairment indicator was identified on Remgro's investment in Heineken Beverages as a result of the carrying value exceeding its fair value. Heineken Beverages' volumes were impacted by lower industry growth, load shedding, a shift from premium to mainstream (Heineken Beverages' portfolio over-indexed in premium), and a challenging competitive environment. Margins were also negatively impacted by non-recurring expenses related to integration and supply chain challenges. As a result, the Heineken Beverages business itself impaired goodwill. Remgro's carrying value of Heineken Beverages included the cost of the investment at transaction date (being R165 per Heineken Beverages share or R12 451 million) and equity accounted losses since the acquisition, which included Remgro's portion of the aforementioned Heineken Beverages goodwill impairment. Accordingly, the investment in Heineken Beverages was impaired to its recoverable amount of R6 751 million, being the fair value of the investment at level 3. The fair value of the investment was determined using an average market EBITDA multiple methodology. A 5% change in the EBITDA multiple will result in an inverse change in the impairment of R403 million.

At 30 June 2024, the total impairment relating to Heineken Beverages amounted to R5 307 million consisting of Remgro's portion of Heineken Beverages' goodwill impairments of R1 050 million and an additional impairment recorded by Remgro of R4 257 million in respect of its investment in Heineken Beverages. The Heineken Beverages impairment mainly represents the impairment of notional goodwill that was recognised on the acquisition of the investment.

4. Investments (continued)

4.4 Investments – net impairments and loss allowances on loans (continued)

4.4.2 Mediclinic

At 30 June 2024, the fair value of the investment in Mediclinic was R40 756 million (2023: R47 268 million), which exceeded the carrying value of R40 027 million (2023: R41 050 million). Included in the carrying value of the investment is an impairment of R3 898 million which arose following regulatory changes in the investments' Switzerland business that affected its profitability since the 2019 financial year. Subsequently, the business was also severely impacted by the Covid-19 pandemic. Even though after Covid the businesses have performed better, growth in Switzerland is still negatively impacted by a general shortage of nursing employees, leading to higher contracted staff cost and lower margins and tariff pressures. While the Switzerland business is adapting to the new business environment, its profitability has not yet improved sufficiently to warrant a reversal of the impairment.

4.4.3 eMedia Investments

The fair value of the investment in eMedia Investments was valued at R601 million on 30 June 2024 (2023: R659 million), which is lower than the carrying value of R936 million (2023: R897 million). Accordingly, management performed a value in use calculation using a discounted cash flow model to determine the investment's recoverable amount. The calculation requires the use of estimates in respect of cash flows, growth and discount rates.

Cash flow projections for a five-year period were estimated and reflect management's best view of future earnings. The discount and terminal growth rates used were 12.8% and 4.5%, respectively. The value in use of the investment of R1 136 million (2023: R942 million), representing the investment's recoverable amount, exceeded the carrying value. Accordingly, no impairment was recognised for the year under review.

Neither 1% increase in the discount rate, nor a 1% decrease in the growth rate, will result in an impairment.

4.4.4 Other considerations

The carrying amount of the investment in Business Partners exceeded its fair value by R47 million. Business Partners is a profitable enterprise and management concluded that there is no impairment indicator regarding the Business Partners investment.

4.5 Dividend income

R million	30 June 2024	30 June 2023
Included in profit from continuing operations:		
Listed	**823**	806
Unlisted	**37**	355
	860	1 161
Dividends from equity accounted investments set off against investments	**2 036**	1 459

5. Cash position

5.1 Investment in money market funds

Investments in money market funds relate to investments in shares of liquidity funds of which the underlying investments have maturities of up to one year. The shares in these funds are callable daily.

R million	30 June 2024	30 June 2023
Money market fund investments are held in SA rand		
At the centre	**2 649**	4 532
Operating subsidiaries	**50**	50
	2 699	4 582

Local money market funds relate to investments in South African unit trusts offered by Nedgroup Collective Investments, STANLIB Collective Investments, Ninety One Corporate Money Market Fund and Ashburton Money Market Fund mandated to invest only in money market instruments of major South African banks and government securities. These instruments carry very low credit risk (with AA+ GCR credit ratings) and provide daily liquidity but cannot be classified as cash and cash equivalents as the individual instruments held by the funds are not readily convertible to a known amount of cash as per the criteria of *IAS 7: Statement of Cash Flows*. These investments are categorised as "financial assets at fair value through profit and loss".

5.2 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and deposits held at call with banks, net of bank overdrafts. In the statement of financial position, bank overdrafts are included in short-term interest-bearing loans.

R million	30 June 2024	30 June 2023
Cash at the centre	**4 173**	4 469
Operating subsidiaries	**2 616**	1 578
	6 789	6 047
The cash is held in the following currencies:		
SA rand	**3 292**	2 795
USA dollar	**3 341**	2 968
British pound	**122**	228
Euro	**–**	11
New Taiwan dollar	**18**	30
Swiss franc	**16**	15
	6 789	6 047
At year-end cash and cash equivalents earned interest at effective interest rates that varied between 0.00% and 11.75% (2023: 0.00% and 11.75%) per annum at local financial institutions and between 0.9694% and 8.5943% (2023: -0.75% and 8.5943%) per annum abroad.		
Cash and cash equivalents are represented by the following:		
Current accounts and call accounts	**6 787**	6 046
Cash on hand	**2**	1
	6 789	6 047
At year-end the Group's cash was invested at financial institutions with the following Moody's credit rating (unless otherwise indicated):		
Aa2	**660**	505
Aa3	**–**	30
A1	**2 385**	2 396
A3	**1**	–
Ba2	**–**	2 513
Baa3	**3 584**	–
AA+ (GCR credit rating)	**155**	–
AA (S&P rating)	**–**	600
$AA_{(NA)}$ (GCR credit rating)	**2**	2
Cash on hand	**2**	1
	6 789	6 047

Remgro considered the expected credit losses on its investments in cash and cash equivalents and concluded that those losses would be negligible.

5. Cash position (continued)

5.3 Cash flow information

	R million	30 June 2024	30 June 2023
5.3.1	Adjustments		
	Amortisation of intangible assets and depreciation	**1 189**	2 313
	Movement in retirement benefits and provisions	**(1)**	255
	Net movement in financial instruments at FVPL	**91**	(597)
	Share scheme cost	**171**	577
	(Profit)/loss on the sale of property, plant and equipment	**(135)**	11
	Other	**(31)**	(11)
		1 284	2 548
5.3.2	Decrease/(increase) in working capital		
	Increase in inventories and biological agricultural assets	**(719)**	(2 497)
	Increase in trade and other receivables	**(1 298)**	(2 795)
	Increase in trade and other payables	**1 641**	1 248
		(376)	(4 044)
5.3.3	Reconciliation of dividends received		
	Receivable at the beginning of the year	**144**	174
	Per income statement (continuing and discontinued operations)	**860**	1 170
	Dividends from equity accounted investments set off against investments	**2 036**	1 459
	Dividends *in specie* from equity accounted investments	**–**	(11)
	Receivable at the end of the year	**(167)**	(144)
	Cash received	**2 873**	2 648
5.3.4	Reconciliation of taxation paid with the amount disclosed in the income statement		
	Paid in advance at the beginning of the year	**47**	98
	Unpaid at the beginning of the year	**(127)**	(325)
	Per income statement (continuing and discontinued operations)	**(1 044)**	(2 075)
	Capital gains taxation per other comprehensive income	**(463)**	(188)
	Provision for taxation on Distell share-based payments	**–**	150
	Foreign exchange translation	**–**	(41)
	Business disposed	**–**	247
	Business acquired	**–**	2
	Transferred to held for sale	**–**	1
	Unpaid at the end of the year	**139**	127
	Paid in advance at the end of the year	**(50)**	(47)
	Cash paid	**(1 498)**	(2 051)
5.3.5	Reconciliation of dividends paid		
	Per statement of changes in equity	**(1 330)**	(1 014)
	Paid by subsidiaries to non-controlling shareholders	**(307)**	(61)
	Cash paid	**(1 637)**	(1 075)

5. Cash position (continued)

5.3 Cash flow information (continued)

5.3.6 Reconciliation of liabilities arising from financing activities

R million	30 June 2023 Carrying value	***Loans advanced***	***Loans and leases repaid***	***Non-cash flow move-ments***[1]	**30 June 2024 Carrying value**
Included in debt at the centre	7 857	**–**	**(5 366)**	**12**	**2 503**
Capevin	1 131	**35**	**(17)**	**9**	**1 158**
RCL Foods	2 947	**18**	**(505)**	**100**	**2 560**
Other loans and leases	109	**200**	**(29)**	**37**	**317**
Total loan and lease liabilities (excluding bank overdrafts)	12 044	**253**	**(5 917)**	**158**	**6 538**
Per statement of financial position:					
Long-term and short-term loans	12 235				**5 897**
Current and non-current lease liabilities	719				**726**
Less: Bank overdrafts	(910)				**(85)**

R million	30 June 2022 Carrying value	*Loans advanced*	*Loans and leases repaid*	*Non-cash flow move-ments*[1]	30 June 2023 Carrying value
Included in debt at the centre	7 838	–	–	19	7 857
Distell/Capevin	3 711	178	(1 665)	(1 093)	1 131
RCL Foods	3 544	76	(536)	(137)	2 947
Other loans and leases	92	–	–	17	109
Total loan and lease liabilities (excluding bank overdrafts)	15 185	254	(2 201)	(1 194)	12 044
Per statement of financial position:					
Long-term and short-term loans	14 374				12 235
Current and non-current lease liabilities	1 190				719
Less: Bank overdrafts	(379)				(910)

(1) *Non-cash flow movements relate mainly to business disposed, business acquired, transfers to held for sale, foreign exchange translation reserves, accrued interest, lease liabilities recognised in terms of IFRS 16 as well as the corresponding interest incurred and remeasurements.*

6. Financing and commitments

Borrowings

Borrowings are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Preference shares issued by the Group that carry non-discretionary dividend obligations are classified as borrowings.

Financial instruments at fair value through profit and loss

These instruments, consisting of financial instruments held for trading and those designated at fair value through profit and loss at inception, are carried at fair value. Derivatives are also classified as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these financial instruments are recognised in the income statement in the period in which they arise.

6. Financing and commitments (continued)

6.1 Long-term loans

R million	30 June 2024	30 June 2023
Included in debt at the centre (refer note 6.1.1)	**2 503**	7 857
14 289 (2023: 20 000) Class A 7.42% cumulative redeemable preference shares Redeemable on 17 March 2025 with bi-annual dividend payments	**2 503**	3 510
10 000 Class B 7.8% cumulative redeemable preference shares (8.3% until 15 March 2021) Bi-annual dividend payments. Redeemed during the year under review	**–**	4 347
RCL Foods	**1 960**	2 115
Term-funded debt package consisting of two bullet loans. The loans bear interest at an effective rate of Jibar with a margin of between 1.50% and 1.55% and is guaranteed by RCL Foods[(1)]	**1 675**	1 675
Secured long-term loan with a fixed rate of three-month Jibar with a margin of between 3.95% and 4.08% repayable quarterly, over a 10-year term[(2)]	**129**	142
Secured long-term loan with a fixed rate of prime less 1.0% repayable bi-annually, over a maximum period of six years	**–**	117
Unsecured loan bearing interest at prime rate, repayable during September 2024	**128**	110
Unsecured long-term loans repayable based on the growth of the underlying operations. These loans bear interest at 3.0% per annum repayable over a period of eight years in equal instalments.	**24**	27
Unsecured loans with varying terms and interest rates	**4**	44
Capevin	**1 104**	1 083
Secured inventory UK pound facility, bearing interest at the Bank of England base rate plus 1.3%, for a minimum period of five years from February 2022[(3)]	**1 104**	1 083
Siqalo Foods	**200**	–
Secured long-term loan with an interest rate of Jibar plus 1.95%, repayable in November 2027	**200**	–
Other unsecured loans with varying terms and interest rates	**–**	3
	5 767	11 058
Instalments payable within one year transferred to short-term interest-bearing loans	**(4 346)**	(5 254)
	1 421	5 804
Payable – two to five years	**1 383**	4 617
Payable thereafter	**38**	1 187
	1 421	5 804

Refer to note 13.1 for the fair value of loans.

(1) *The debt package initially had a five-year term which expired in December 2023. In December 2023, an agreement was reached with the term-funded debt providers to extend the term-funded debt facility whilst the Rainbow separation process was still in progress. RCL Foods is expected to seek refinance of the debt package prior to December 2024 and hereby ensure an optimal mix of debt and equity remains in the capital structure. The covenants related to RCL Foods' term-funded debt package require compliance with a senior leverage ratio of <3:1 and senior interest cover of >3.5:1. The senior leverage ratio was 0.4 (2023: 1.6) and the senior interest cover was 10.9 (2023: 5.4). Thus RCL Foods was within the limits of its financial covenants.*

(2) *Secured by notarial bond, bank accounts and shares held by non-controlling shareholders in Matzonox Proprietary Limited.*

(3) *The secured inventory UK pound facility, which was due to expire in February 2022, was renegotiated and extended for a further minimum five-year term expiring in February 2027.*

6.1.1 Class A and Class B cumulative redeemable preference shares

During the 2016 financial year, Remgro (through its wholly owned subsidiary Remgro Healthcare Holdings Proprietary Limited (RHH)) issued Class A cumulative preference shares of R3.5 billion (four-year tenure and a fixed dividend rate of 7.7%) and Class B cumulative preference shares of R4.366 billion (five-year tenure and a fixed dividend rate of 8.3%). During March 2019, Remgro extended the maturity dates of the Class A preference shares to 15 January 2024 (at a fixed dividend rate of 7.5%) and the Class B preference shares to 17 March 2025 (at a fixed dividend rate of 7.8%).

On 5 December 2023, Remgro early redeemed R3.5 billion of the Class B preference shares and, on 12 December 2023, Remgro extended the redemption of the R3.5 billion Class A preference shares to 17 March 2025 (previously 15 January 2024), while negotiating a lower dividend rate of 7.42% on these preference shares.

On 28 June 2024, Remgro redeemed the remaining R866 million Class B preference shares and also R1.0 billion of these Class A preference shares. The remaining R2.5 billion Class A preference shares are still redeemable on 17 March 2025.

Finance costs in the income statement is calculated on the original interest rate of these shares until the maturity date.

Remgro's debt covenant, which relates to the Class A and B cumulative redeemable preference shares, is based on net debt at the centre. As Remgro is in a net cash position, the debt covenant is comfortably met.

6. Financing and commitments (continued)

6.2 Short-term loans

R million	30 June 2024	30 June 2023
Interest-bearing loans		
Portion of long-term interest-bearing loans payable within one year	**4 346**	5 254
Bank overdrafts	**85**	910
Various secured and unsecured loans with varying terms and interest rates	**13**	235
	4 444	6 399
Interest-free loans with no fixed repayment conditions	**32**	32
	4 476	6 431

6.3 Leases

The Group leases various items of property, plant and equipment under non-cancellable operating lease agreements. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the incremental borrowing rate of the Group entity incurring the lease is used.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases, i.e. leases with a lease term of 12 months or less, of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

R million	30 June 2024	30 June 2023
Lease liabilities		
Non-current	**531**	523
Current	**195**	196
	726	719
Gross lease liabilities – minimum lease payments	**909**	897
Due within one year	**253**	236
Due – two to five years	**475**	504
Due thereafter	**181**	157
Future finance charges on lease liabilities	**(183)**	(178)
Present value of lease liabilities	**726**	719
Due within one year	**195**	196
Due – two to five years	**422**	414
Due thereafter	**109**	109
	726	719
Right-of-use assets (included in property, plant and equipment) are:		
Buildings	**358**	338
Machinery and equipment	**10**	12
Vehicles	**144**	177
Office equipment	**3**	2
	515	529
Additions to right-of-use assets during the year	**126**	426

6. Financing and commitments (continued)

6.3 Leases (continued)

R million	30 June 2024	30 June 2023
The following relating to leases are recognised in the income statement:		
Depreciation charge of right-of-use assets	**163**	301
Buildings	**90**	211
Machinery and equipment	**3**	10
Vehicles	**70**	80
Interest expense	**61**	126
Expense relating to short-term leases	**173**	521
Expense relating to leases of low-value assets (not included as short-term leases)	**5**	56
Expense relating to variable lease payments not included in lease liabilities	**114**	105
Lease repayments made during the year included in the statement of cash flows	**189**	302
Cash payments of short-term leases, low-value item leases, variable lease payments and lease interest	**353**	808

6.4 Financial instruments at FVPL

The Group was party to the following instruments:

R million	30 June 2024	30 June 2023
Non-current assets		
Investment in LIVEKINDLY co (refer note 6.4.1)	**114**	150
	114	150
Current assets		
Derivatives	**22**	29
	22	29
Current liabilities		
Derivatives	**53**	6
	53	6

6.4.1 LIVEKINDLY co (LIVEKINDLY)

During January 2020, RCL Foods secured a minority shareholding in LIVEKINDLY. LIVEKINDLY is a start-up Swiss entity with a vision to create a vertically integrated plant-based food and beverage value chain of scale and with global reach. A fair value loss of R36 million was accounted for in 2024 (2023: R127 million). The prior year carrying value included a foreign exchange translation gain of R35 million. On 30 June 2024, the investment was valued at R114 million (2023: R150 million).

6. Financing and commitments (continued)

6.5 Hedge derivatives

6.5.1 Zero cost collar

Fair value hedge accounting

Remgro applies *IFRS 9* hedge accounting for qualifying designated instruments that hedge the fair value of recognised assets. The hedged item is an equity instrument for which Remgro has elected to present changes in fair value in other comprehensive income. Accordingly, the hedged exposure affects other comprehensive income and recognised hedge ineffectiveness, as well as the hedge effectiveness, is presented in other comprehensive income. Remgro separated the intrinsic value and time value of an option contract and designated as the hedging instrument only the change in intrinsic value of the option.

The change in the time value of such option is recognised in other comprehensive income to the extent it relates to the hedged item (aligned time value) and is accumulated in the fair value reserve (a separate component of equity). Changes in the intrinsic value of the hedge are accumulated in the fair value hedge reserve.

Hedge accounting is discontinued prospectively only when the hedging relationship ceases to meet the qualifying criteria. If hedge accounting is discontinued in terms of *IFRS 9* for the hedging relationship that includes the change in intrinsic value of the option as the hedging instrument, the amount of the time value that has been accumulated in the separate component of equity shall be immediately reclassified into profit or loss as a reclassification adjustment.

During the 2023 financial year, Remgro hedged 60 million of its FirstRand shares for a period of approximately two years by entering into zero cost collar instruments. The intrinsic value of these instruments was designated as hedging instruments, while the time value of the option is measured in other comprehensive income. A put and call option was entered into for each share hedged, resulting in a 1:1 hedge ratio. The hedge ratio remained 1:1 on the reporting date. Hedge ineffectiveness is measured on each reporting date, as well as upon a significant change in circumstances. The hedge is expected to be effective prospectively. All changes in fair value of the derivative instrument attributable to changes to the time value will be excluded from assessment of hedge effectiveness, because the hedged risk has been designated as changes in intrinsic value. Such amounts will be deferred as a component of other comprehensive income, as permitted under *IFRS 9*. Remgro assesses the risk pertaining to fair value of instruments on a continuous basis and will enter into appropriate derivative instruments in order to mitigate identified risks.

6. Financing commitments (continued)

6.5 Hedge derivatives (continued)

6.5.1 Zero cost collar (continued)

The details of the options are as follows:

Expiration date	*Number of options* (million)	*Put strike price* (Rand)	*Call strike price* (Rand)	*Average forward price* (Rand)	*Fair value of liability* R million
30 June 2024					
7 October 2024 – 29 November 2024	**30**	**64.00**	**77.96**	**77.56**	**(112)**
31 January 2025 – 11 April 2025	**30**	**63.67**	**76.40**	**79.18**	**(197)**
					(309)
30 June 2023					
7 October 2024 – 29 November 2024	30	64.00	77.96	71.39	(23)
31 January 2025 – 11 April 2025	30	63.67	76.40	72.53	(69)
					(92)

R million	30 June 2024	30 June 2023
The hedging instrument		
Included in the statement of financial position under the following line items:		
Non-current liabilities		
Hedge derivatives	**–**	(92)
Current liabilities		
Hedge derivatives	**(309)**	–
Carrying value of the collar instrument	**(309)**	(92)
Fair value of the collar instrument	**(309)**	(92)
Less: Intrinsic value of the collar instrument	**12**	–
Time value of the collar instrument	**(297)**	(92)
The change in fair value of the hedging instrument used as the basis for calculating hedge ineffectiveness for the period	**–**	–
The hedged item: FirstRand shares		
Carrying value of hedged FirstRand shares	**4 614**	4 110
FirstRand shares included in the statement of financial position	**9 447**	8 415
The accumulated amount of fair value hedge adjustments on the hedged item	**831**	327
Change in value of the hedged shares that are used as the basis for recognising hedge ineffectiveness for the period	**504**	327
Hedge ineffectiveness (included in fair value adjustment of investments at FVOCI in the statement of other comprehensive income in the fair value hedge reserve)	**–**	–

The intrinsic value of the options was calculated using the estimated forward price of FirstRand at the relevant date and the strike prices of the put and call options that established the collar. The intrinsic value of the options was R12 million on the reporting date (2023: Rnil million). The time value portion of the collar amounted to R297 million on the reporting date (2023: R92 million).

6.6 Commitments

R million	30 June 2024	30 June 2023
Capital commitments		
Uncompleted contracts for capital expenditure	**510**	652
Capital expenditure authorised but not yet contracted	**491**	673
Investments	**2 210**	3 162
	3 211	4 487

6. Financing and commitments (continued)

6.7 Borrowing powers

There are no limitations on the borrowing powers of the Company and its subsidiaries in respect of loans and guaranteed debts.

6.8 Guarantees and contingent liabilities

R million	30 June 2024	30 June 2023
Guarantees to third parties	–	15

7. Equity position

7.1 Stated and issued capital

7.1.1 Stated capital

Ordinary shares and B ordinary shares of the Company are classified as equity. Costs directly attributable to the issue of new shares are accounted for in equity as a deduction from the proceeds.

R million	30 June 2024	30 June 2023
Stated and issued capital		
Authorised		
1 000 000 000 ordinary shares of no par value		
100 000 000 B ordinary shares of no par value		
Issued		
529 217 007 ordinary shares of no par value	**12 729**	12 729
39 056 987 B ordinary shares of no par value	**687**	687
	13 416	13 416

Each ordinary share has one vote.
Each B ordinary share has ten votes.

7.1.2 Treasury shares

Shares in the Company held by Group companies are classified as treasury shares and are held at cost. These shares are treated as a deduction from the issued number of shares and taken into account in the calculation of the weighted average number of shares. The cost price of the shares is deducted from the Group's equity.

	30 June 2024 Number of shares	30 June 2023 Number of shares
Balances at the beginning of the year	**9 646 270**	4 205 497
Shares purchased during the year	**4 701 343**	5 882 333
Shares utilised to settle share incentive schemes' obligations	**(997 464)**	(441 560)
Balances at the end of the year	**13 350 149**	9 646 270

Remgro ordinary shares are held as treasury shares by a wholly owned subsidiary of Remgro. At 30 June 2024, 6 766 473 (2023: 7 763 937) of these shares were held for the purpose of hedging Remgro's obligation in terms of its share incentive scheme. The remainder of 6 583 676, of which 1 882 333 were acquired in 2023 and 4 701 343 in 2024, were acquired pursuant to a general share repurchase programme of R1 billion, which shares were not acquired for the Remgro Share Scheme. The 4 701 343 Remgro shares were acquired at an average price of R154.40 per share for a total amount of R726 million. The share repurchase programme was completed by 2 August 2023.

Details in respect of the Remgro Share Schemes and the current year's offers are disclosed in note 8.

7. Equity position (continued)

7.1 Stated and issued capital (continued)

7.1.3 Shares in issue

	30 June 2024 Number of shares	30 June 2023 Number of shares
Stated capital	**568 273 994**	568 273 994
Treasury shares	**(13 350 149)**	(9 646 270)
	554 923 845	558 627 724

7.2 Reserves

7.2.1 Composition of reserves

R million	30 June 2024	30 June 2023
Equity accounted investments		
Equity reserves	**12 728**	13 850
Subsidiaries	**88 613**	90 092
Fair value reserve	**(1 287)**	(1 203)
Retained earnings	**82 579**	83 134
Other reserves	**7 321**	8 161
Capital reserves, including foreign currency translation reserves on investments	**6 081**	6 649
Share scheme reserves	**962**	981
Other	**278**	531
	101 341	103 942

7.2.2 Included in the respective reserves above are reserves arising on exchange rate translation

R million	*Equity reserves*	*Other reserves*	*Fair value reserves*	*Retained earnings*	Total
At 1 July 2022	(1 227)	1 617	(70)	1 668	1 988
Exchange rate adjustments during the year	2 268	4 444	(14)	1 362	8 060
Reclassification to the income statement	–	(8)	–	79	71
Transactions with non-controlling interest	–	–	–	(4)	(4)
Business disposed	–	–	–	(15)	(15)
Transfers	11	–	–	–	11
At 30 June 2023	**1 052**	**6 053**	**(84)**	**3 090**	**10 111**
Exchange rate adjustments during the year	**(1 850)**	**(568)**	**26**	**(245)**	**(2 637)**
Reclassification to the income statement	**–**	**–**	**–**	**(11)**	**(11)**
Transactions with non-controlling interest	**–**	**–**	**–**	**31**	**31**
At 30 June 2024	**(798)**	**5 485**	**(58)**	**2 865**	**7 494**

7. Equity position (continued)

7.3 Non-controlling interest

R million	30 June 2024	30 June 2023
Balances at the beginning of the year	**6 521**	17 437
Total comprehensive income for the year	**1 064**	1 527
Net profit for the year	**1 135**	1 196
Exchange rate adjustments	**(69)**	397
Fair value adjustments for the year	**–**	3
Reclassification to the income statement	**(3)**	(58)
Remeasurement of post-employment benefit obligations	**1**	(11)
Dividends paid	**(307)**	(61)
Transactions with non-controlling shareholders	**(236)**	103
Long-term share incentive scheme reserve	**14**	(246)
Business disposed	**(9)**	(12 239)
Balances at the end of the year	**7 047**	6 521
Capevin	**4 069**	3 898
RCL Foods	**2 928**	2 573
Other non-wholly owned subsidiaries	**50**	50

The Group consists of various investing and operating subsidiaries, details of which are disclosed in note 14.2. The main operating subsidiaries are Capevin and RCL Foods in which the Group has interests of 33.6% (2023: 31.4%) and 80.2% (2023: 80.2%), respectively. Remgro owns all the unlisted B-shares issued by Capevin. These shares carry voting rights only and, in conjunction with the ordinary shares held, Remgro has voting rights of 57.8% (2023: 55.9%) in Capevin.

Refer to note 10.9 for details regarding the prior year transaction impacting Remgro's interests in Distell and Capevin. The Group previously had an interest of 31.7% in Distell. Remgro previously owned all the unlisted B-shares issued by Distell. These shares carried voting rights only and, in conjunction with the ordinary shares held, Remgro had voting rights of 56.4% in Distell.

Capevin derives its revenue primarily from the production, marketing and distribution of alcoholic beverages. Capevin's non-controlling shareholders own 66.4% (2023: 68.6%) of Capevin. During June 2024, Remgro acquired a further 2 921 261 Capevin shares for a total amount of R61 million.

RCL Foods consists of four business divisions, namely Groceries (Culinary, Pies and Beverages operations), Baking (Milling, Speciality, Sunbake bakeries and Buns and Rolls operations), Rainbow (including the Chicken and grain-based feed operations) and Sugar (Sugar and molasses-based feed operations). During the year under review, its business division Vector Logistics, a specialist third-party logistics provider, was sold. During the prior financial year, Vector Logistics met the recognition criteria for classification as a discontinued operation and its assets and liabilities were included in held for sale at 30 June 2023. The group's revenue and operating profit are mainly driven by these business divisions and are presented as trading profit in the income statement. RCL Foods' non-controlling shareholders own 19.8% (2023: 19.8%) of RCL Foods.

RCL Foods announced its intention on 4 March 2024 to pursue a formal separation of its poultry operation, which is housed in the legal entity Rainbow Chicken Limited (Rainbow), via a listing of the ordinary shares in Rainbow on the Main Board of the JSE and pro rata distribution *in specie* of the Rainbow shares to RCL Foods' shareholders. The listing and unbundling were approved by the RCL Foods board on Monday, 3 June 2024. The effective date of the unbundling was on 1 July 2024. At 30 June 2024 Rainbow remains included as part of RCL Foods. From 1 July 2024 it will be reported on as a separate subsidiary of the Group. The Group's interest in Rainbow after the 1 July 2024 unbundling was 80.2%.

7. Equity position (continued)

7.3 Non-controlling interest (continued)

Below is Capevin, Distell and RCL Foods' summarised financial information:

R million	30 June 2024 Capevin	30 June 2024 RCL Foods	30 June 2023 Capevin	30 June 2023 Distell	30 June 2023 RCL Foods
Statement of financial position					
Assets					
Non-current assets	**3 220**	**11 761**	3 029	–	11 280
Current assets	**4 614**	**11 914**	4 535	–	7 523
Assets of disposal group classified as held for sale	**–**	**1**	7	–	6 499
	7 834	**23 676**	7 571	–	25 302
Equity and liabilities					
Shareholders' equity	**5 504**	**13 559**	5 040	–	11 878
Non-controlling interest	**215**	**(136)**	227	–	(156)
Non-current liabilities	**1 504**	**1 795**	1 437	–	1 894
Current liabilities	**611**	**8 458**	867	–	7 689
Liabilities of disposal group classified as held for sale	**–**	**–**	–	–	3 997
	7 834	**23 676**	7 571	–	25 302
Income statement					
Continuing Operations					
Income					
Revenue	**2 659**	**40 511**	421	2 476	37 783
Finance income	**97**	**57**	9	4	39
Fair value adjustment – biological agricultural assets	**–**	**398**	–	–	333
Share of profit of equity accounted investments	**–**	**159**	–	–	230
Expenses					
Finance costs	**88**	**328**	11	19	376
Fair value adjustment – derivative instruments	**–**	**80**	–	–	227
Repairs and maintenance	**52**	**1 364**	9	28	1 241
Depreciation, amortisation and impairments	**83**	**966**	478	76	925
Operating lease and rental charges	**100**	**189**	17	66	188
Taxation	**73**	**477**	11	68	242
Profit/(loss) for the year from discontinued operations	**838**	**256**	(5)	1 817	76
Profit/(loss) for the year	**1 087**	**1 630**	(418)	2 118	513
Profit/(loss) for the year attributable to equity holders	**297**	**1 288**	(418)	2 112	616
Continuing operations	**74**	**1 084**	(413)	301	543
Discontinued operations	**223**	**204**	(5)	1 811	73
Profit/(loss) for the year attributable to non-controlling interest	**790**	**342**	–	6	(103)
Continuing operations	**175**	**290**	–	–	(106)
Discontinued operations	**615**	**52**	–	6	3

7. Equity position (continued)

7.3 Non-controlling interest (continued)

Below is Capevin, Distell and RCL Foods' summarised financial information:

	30 June 2024		30 June 2023		
R million	**Capevin**	**RCL Foods**	Capevin	Distell	RCL Foods
Statement of comprehensive income					
Profit/(loss) for the year	**1 087**	**1 630**	(418)	2 118	513
Other comprehensive income	**(97)**	**17**	139	516	11
Total comprehensive income	**990**	**1 647**	(279)	2 634	524
Total comprehensive income attributable to equity holders	**856**	**1 573**	(279)	2 651	627
Continuing operations	**633**	**1 371**	(274)	778	549
Discontinued operations	**223**	**202**	(5)	1 873	78
Total comprehensive income attributable to non-controlling interest	**134**	**74**	–	(17)	(103)
Continuing operations	**(481)**	**23**	–	(17)	(106)
Discontinued operations	**615**	**51**	–	–	3
Dividends paid to non-controlling interest	**146**	**2**	–	3	2
Cash flow information					
Cash inflow from operating activities	**591**	**2 516**	(61)	(321)	45
Cash inflow/(outflow) from investing activities	**(294)**	**(259)**	–	(1 061)	(1 605)
Cash outflow from financing activities	**(519)**	**(1 427)**	–	(1 044)	268

7.4 Capital management

The Company manages its shareholders' equity, i.e. its stated capital, reserves and treasury shares, as capital. The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to shareholders in the form of dividends and capital appreciation.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue shares or repurchase shares from shareholders. For the year under review cash dividends amounting to R1 500 million (2023: R1 364 million) were declared. As part of a general share repurchase programme, Remgro acquired 4 701 343 shares during the year under review (refer to note 7.1.2).

Refer to the statement of changes in equity for further details regarding the Group's capital.

8. Share-based payments

Equity compensation plans

The Remgro Group operates various equity settled share-based compensation plans. The fair value of offers is determined on the grant date and is accounted for as an employee services expense over the vesting period of the offer, with a corresponding increase in equity, based on the Group's estimate of the number of shares that will eventually vest. Fair value is determined using a binomial model. The expected contract life used in the model has been adjusted based on management's best estimate of the effects of non-transferability, exercise restrictions and behavioural considerations.

Any profits or losses that realise from shares being delivered to participants of the schemes are recognised directly in equity. The proceeds received net of any directly attributable transaction costs are accounted for against treasury shares when the options are exercised.

The share-based payments that are accounted for in the financial statements are in respect of the Remgro Equity Settled Share Appreciation Right Scheme, the Remgro Share Appreciation Rights Plan and the Remgro Conditional Share Plan (or the Remgro Share Schemes), as well as RCL Foods' share schemes.

Background to the Remgro Share Schemes

The valuations of the Remgro Share Schemes were performed using an actuarial model that was developed by an independent third party from the standard binomial option pricing model in order to address the unique nature of the schemes, especially with regard to early exercise of offers.

The expected contract lifetimes are estimated by considering each of the tranches within that grant separately. The risk-free rate was estimated by using the implied yield on an SA zero-coupon government bond and the yield curve over the expected contract lifetimes of five, six and seven years from the offer date.

Share price volatility of ordinary shares in Remgro Limited was determined with reference to movements in the share price since 1 October 2000, that being the date from which Remgro commenced trading on the JSE.

Dividend yield was calculated using the two-year moving average dividend yield at each offer date.

8. Share-based payments (continued)

8.1 Remgro Equity Settled Share Appreciation Right Scheme (SAR Scheme)

Participants of the SAR Scheme are remunerated with shares to the value of the appreciation of their rights to a specified number of Remgro ordinary shares that must be exercised within a period of seven years after the grant date.

The earliest intervals at which the share appreciation rights (SARs) are exercisable are as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

Following the unbundling of Grindrod during the 2023 financial year, the exercise prices of all options were reduced by between R3.25 and R4.30 in order to place participants in the same position they would have been had the unbundling not taken place. These changes were treated as modifications to the scheme and resulted in additional expenses that will be amortised over the remaining option lives.

R million	**30 June 2024**	30 June 2023
Share-based payment cost included in the income statement	**–**	16

Number and weighted average option prices of all SARs offered to participants of the SAR Scheme:

	30 June 2024		30 June 2023	
	Number of SARs	**Weighted average option price (Rand)**	Number of SARs	Weighted average option price (Rand)
Carried forward from previous financial years	**2 349 563**	**128.60**	3 410 942	131.25
Forfeited during the year	**–**	**–**	(1 639)	114.92
Expired during the year	**(778 429)**	**162.70**	(77 549)	166.27
Exercised during the year	**(1 418 074)**	**111.36**	(982 191)	121.78
Outstanding at the end of the year	**153 060**	**114.91**	2 349 563	128.60
Exercisable at the end of the year	**153 060**	**114.91**	2 349 271	128.61

Exercise prices of all options:

	30 June 2024		30 June 2023	
	Number of SARs outstanding at year-end	**Weighted average remaining contract lifetime in years**	Number of SARs outstanding at year-end	Weighted average remaining contract lifetime in years
R90.00 – R99.99	**–**	**–**	449 252	0.42
R110.00 – R119.99	**152 770**	**0.46**	736 946	1.15
R120.00 – R129.99	**290**	**0.34**	289 310	0.42
R130.00 – R139.99	**–**	**–**	40 631	0.48
R140.00 – R149.99	**–**	**–**	30 080	0.25
R150.00 – R159.99	**–**	**–**	98 488	0.11
R160.00 – R169.99	**–**	**–**	704 632	0.40
R170.00 – R179.99	**–**	**–**	224	0.40

Due to the Grindrod Unbundling an additional R13 million was expensed during the prior financial year.

8. Share-based payments (continued)

8.2 Remgro Share Appreciation Rights Plan and the Remgro Conditional Share Plan

During the 2019 financial year, Remgro implemented two share-based payment plans to replace the Remgro Share Appreciation Right Scheme.

Remgro Conditional Share Plan (CSP)

The CSP provides employees with the opportunity to receive shares in the Company through the award of conditional rights to a fixed number of shares in Remgro (either in the form of performance shares or retention shares).

Awards under the CSP will vest as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

There were also special retention awards that vested as follows:

- Half of the awards granted vested after one year
- The remainder of the awards granted vested after two years

All awards under the CSP lapse after a period of 90 days following the last vesting date.

Remgro Share Appreciation Rights Plan (SAR Plan)

The SAR Plan provides employees with the opportunity to receive shares in the Company. Participants in the SAR Plan are remunerated with Remgro shares to the value of the appreciation of their rights to a specific number of Remgro ordinary shares.

The earliest intervals at which the SARs vest and are exercisable are as follows:

- One-third after the third anniversary of the grant date
- An additional third after the fourth anniversary of the grant date
- The remainder after the fifth anniversary of the grant date

All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.

Some of the awards granted under the CSP and SAR plans will vest based on certain performance conditions. These non-market-related performance conditions will therefore not affect the value of the awards, but will affect the number of awards that vest.

8. Share-based payments (continued)

8.2 Remgro Share Appreciation Rights Plan and the Remgro Conditional Share Plan (continued)

R million	30 June 2024	30 June 2023
Share-based payment cost included in the income statement	**99**	86
Fair value of offers made during the year	**181**	137

Number of all CSPs offered to participants of the CSP:

	30 June 2024 Number of CSPs	30 June 2023 Number of CSPs
Outstanding at the beginning of the year	**3 053 129**	2 757 424
Awarded during the year	**1 136 144**	817 774
Awarded following Remgro dividend	**20 962**	8 953
Exercised during the year	**(567 118)**	(304 613)
Lapsed	**(155 367)**	–
Forfeited due to unmet performance conditions	**(177 645)**	(172 281)
Forfeited during the year	**(40 119)**	(54 128)
Outstanding at the end of the year	**3 269 986**	3 053 129
Exercisable at the end of the year	**–**	–

CSPs are exercisable on the following dates:

	30 June 2024 Number of CSPs	30 June 2023 Number of CSPs
5 December 2023	**3 359**	748 074
5 December 2024	**708 153**	776 456
5 December 2025	**724 326**	794 190
5 December 2026	**848 159**	487 198
5 December 2027	**613 165**	247 211
5 December 2028	**372 824**	–

Number and weighted average option prices of all SARs offered to participants of the SAR Plan:

	30 June 2024		30 June 2023	
	Number of SARs	Weighted average option price (Rand)	Number of SARs	Weighted average option price (Rand)
Outstanding at the beginning of the year	**2 079 985**	**110.02**	1 728 668	103.53
Offered during the year	**286 717**	**145.17**	507 775	141.64
Exercised during the year	**(153 006)**	**91.50**	(5 033)	97.50
Forfeited due to unmet performance conditions	**(154 334)**	**89.69**	(151 425)	89.21
Forfeited during the year	**(19 840)**	**123.05**	–	–
Outstanding at the end of the year	**2 039 522**	**117.76**	2 079 985	110.02
Exercisable at the end of the year	**323 479**	**90.32**	154 314	90.85

8. Share-based payments (continued)

8.2 Remgro Share Appreciation Rights Plan and the Remgro Conditional Share Plan (continued)

Exercise prices of all options:

	30 June 2024		30 June 2023	
	Number of SARs outstanding at year-end	**Weighted average remaining contract lifetime in years**	Number of SARs outstanding at year-end	Weighted average remaining contract lifetime in years
R89.21	**316 019**	**3.43**	427 253	3.44
R89.69	**441 192**	**3.43**	630 939	4.44
R107.67	**16 005**	**1.43**	21 738	2.44
R121.63	**483 545**	**4.43**	492 280	5.44
R141.64	**496 044**	**5.43**	507 775	6.44
R145.17	**286 717**	**6.43**	–	–

The following assumptions were used to value offers made during the year:

Assumptions	**30 June 2024**	30 June 2023
Weighted average Remgro share price for the year (Rand)	**141.95**	136.72
Price volatility (%)	**22.98 – 26.87**	24.89 – 30.03
Risk-free rate (%)	**7.68 – 8.74**	6.17 – 8.82
Expected dividend yield (%)	**2.11 – 2.26**	0.00 – 5.12

In terms of the rules of the SAR Plan and the CSP, no award will be made if at the time of or as a result of the making of such award, the aggregate number of Remgro ordinary shares in respect of which any unexercised SAR Plan may be exercised or CSP awards, shall exceed 26 450 000 Remgro ordinary shares, being approximately 5% of issued ordinary shares.

If it is assumed that all awards made under the CSP vest in full and all of the participants to the SAR Plan exercise all options awarded to them based on Remgro's closing share price on 30 June 2024 of R136.09 (2023: R147.05), the number of Remgro ordinary shares available for new awards will be limited to:

	30 June 2024 Number of shares	30 June 2023 Number of shares
Overall limit, adjusted for unexercised SARs and CSPs, at the beginning of the year	**22 873 090**	23 341 484
CSP	**(216 857)**	(295 705)
Awarded during the year	**(1 136 144)**	(817 774)
Awarded following Remgro dividend	**(20 962)**	(8 953)
Exercised during the year	**567 118**	304 613
Forfeited during the year	**373 131**	226 409
SAR Plan	**185 958**	(172 689)
Calculated Remgro ordinary shares at the beginning of the year	**523 781**	351 092
Calculated Remgro ordinary shares at the end of the year	**(337 823)**	(523 781)
Overall limit, adjusted for unexercised SARs and CSPs, at the end of the year	**22 842 191**	22 873 090

8.3 RCL Foods share schemes

RCL Foods has an equity settled share scheme, as well as a share appreciation right scheme, for certain of its employees, in terms of which share options offered are exercisable in three equal tranches from two, three and four years (for the share scheme) and three, four and five years (for the share appreciation right scheme) after the grant date. Subject to the discretion of the RCL Foods Share Incentive Trust's trustees, options are forfeited if not exercised before termination of employment. An expense of R73 million (2023: R70 million) relating to these schemes was recognised in the income statement in results from continuing operations. For additional information, refer to RCL Foods' financial statements published on www.rclfoods.com.

9. Directors' and key management personnel's emoluments

R'000	30 June 2024 Executive	Non-executive	Total	30 June 2023 Executive	Non-executive	Total
Executive directors						
Fees	**1 335**	**–**	**1 335**	1 239	–	1 239
Salaries	**21 728**	**–**	**21 728**	20 404	–	20 404
Retirement fund contributions	**4 574**	**–**	**4 574**	4 294	–	4 294
Other benefits	**1 405**	**–**	**1 405**	1 343	–	1 343
Subtotal	**29 042**	**–**	**29 042**	27 280	–	27 280
Non-executive directors						
Independent	**–**	**5 775**	**5 775**	–	4 991	4 991
Non-independent	**–**	**605**	**605**	–	477	477
Total	**29 042**	**6 380**	**35 422**	27 280	5 468	32 748
Share options exercised						
Increase in value – Remgro Share Schemes*	**58 488**	**–**	**58 488**	22 185	–	22 185

* *This refers to the cash value of SARs and CSPs exercised for the year.*

R'000	30 June 2024 Fees	Salaries and other	Total	30 June 2023 Fees	Salaries and other	Total
Paid by:						
The Company	**6 380**	**–**	**6 380**	5 468	–	5 468
Subsidiaries	**1 335**	**27 707**	**29 042**	1 239	26 041	27 280
Total	**7 715**	**27 707**	**35 422**	6 707	26 041	32 748

9. Directors' and key management personnel's emoluments (continued)

Directors: Fixed pay

R'000	30 June 2024 Fees	Salaries	Retirement fund	Other benefits[5]	Total	30 June 2023 Fees	Salaries	Retirement fund	Other benefits[5]	Total
Executive										
J J Durand	**445**	**13 622**	**2 790**	**463**	**17 320**	413	12 819	2 625	442	16 299
M Lubbe	**445**	**3 029**	**689**	**482**	**4 645**	413	2 807	639	456	4 315
N J Williams	**445**	**5 077**	**1 095**	**460**	**7 077**	413	4 778	1 030	445	6 666
Subtotal	**1 335**	**21 728**	**4 574**	**1 405**	**29 042**	1 239	20 404	4 294	1 343	27 280
Non-executive (independent)										
S E N De Bruyn	**1 141**	**–**	**–**	**–**	**1 141**	1 094	–	–	–	1 094
T Leoka[1]	**222**	**–**	**–**	**–**	**222**	103	–	–	–	103
N P Mageza[2]	**720**	**–**	**–**	**–**	**720**	657	–	–	–	657
P J Moleketi	**705**	**–**	**–**	**–**	**705**	657	–	–	–	657
M Morobe[3]	**766**	**–**	**–**	**–**	**766**	678	–	–	–	678
G G Nieuwoudt	**605**	**–**	**–**	**–**	**605**	477	–	–	–	477
K S Rantloane	**685**	**–**	**–**	**–**	**685**	604	–	–	–	604
F Robertson	**931**	**–**	**–**	**–**	**931**	721	–	–	–	721
Subtotal	**5 775**	**–**	**–**	**–**	**5 775**	4 991	–	–	–	4 991
Non-executive (non-independent)										
J Malherbe	**605**	**–**	**–**	**–**	**605**	477	–	–	–	477
P J Neethling[4]	**–**	**–**	**–**	**–**	**–**	–	–	–	–	–
A E Rupert[4]	**–**	**–**	**–**	**–**	**–**	–	–	–	–	–
J P Rupert[4]	**–**	**–**	**–**	**–**	**–**	–	–	–	–	–
Subtotal	**605**	**–**	**–**	**–**	**605**	477	–	–	–	477
Total	**7 715**	**21 728**	**4 574**	**1 405**	**35 422**	6 707	20 404	4 294	1 343	32 748

(1) *During the year under review Ms T Leoka advised the Board that she was no longer available to serve as a director of the Company.*
(2) *During the year under review Mr N P Mageza also received R860 000 (2023: R812 000) as director's fees from RCL Foods Limited, a subsidiary of Remgro Limited.*
(3) *During the year under review Mr M Morobe also received R300 000 (2023: R300 000) as director's fees from Wispeco Holdings Proprietary Limited, a subsidiary of Remgro Limited.*
(4) *Messrs A E Rupert, J P Rupert and P J Neethling receive no emoluments.*
(5) *Other benefits include medical scheme contributions, longservice awards, vehicle benefits and UIF contributions.*

Prescribed officers: Fixed pay

R'000	30 June 2024 Salaries	Retirement fund	Other benefits[1]	Total	30 June 2023 Salaries	Retirement fund	Other benefits[1]	Total
P R Louw	**3 429**	**680**	**482**	**4 591**	3 220	639	456	4 315
P J Uys	**6 841**	**1 357**	**423**	**8 621**	6 456	1 276	403	8 135
C P F Vosloo[2]	**1 347**	**170**	**121**	**1 638**	–	–	–	–
Total	**11 617**	**2 207**	**1 026**	**14 850**	9 676	1 915	859	12 450

(1) *Other benefits include medical scheme contributions, longservice awards, vehicle benefits and UIF contributions.*
(2) *Mr C P F Vosloo was appointed as member of the Management Board on 5 April 2024 and his remuneration relates to the period from 5 April 2024.*

9. Directors’ and key management personnel’s emoluments (continued)

Share-based payments to directors and key management personnel

Share appreciation rights (SARs)

Directors

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2023[5]	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2024[5]
Executive										
J J Durand	**29-Nov-12[6]**	**147.25**	**271 258**	**10 763**	271 258	**90.97**	**(271 258)**	**151.11**	**16 313**	**–**
	26-Nov-14[6]	**253.53**	**108 468**	**7 442**	108 468	**160.29**	**(108 468)**			**–**
	24-Nov-15[6]	**272.00**	**192 676**	**15 591**	192 676	**166.08**	**(192 676)**			**–**
	14-Dec-17	**206.35**	**132 309**	**9 705**	132 309	**114.92**	**(132 309)**	**151.11**	**4 788**	**–**
	05-Dec-20[7]	**93.82**	**235 427**	**6 111**	167 155	**89.21**	**(55 719)**	**151.11**	**3 449**	**111 436**
	05-Dec-20[8]	**93.82**	**235 454**	**6 631**	235 454	**89.69**	**(63 571)**			**171 883**
	05-Dec-21	**126.99**	**181 379**	**7 853**	181 379	**121.63**				**181 379**
	05-Dec-22	**141.64**	**172 168**	**8 509**	172 168	**141.64**				**172 168**
	05-Dec-23	**145.17**	**89 264**	**4 666**	–	**145.17**	**89 264**			**89 264**
M Lubbe	**29-Nov-12[6]**	**147.25**	**13 961**	**554**	13 961	**90.97**	**(13 961)**	**151.11**	**840**	**–**
	26-Nov-14[6]	**253.53**	**4 011**	**275**	4 011	**160.29**	**(4 011)**			**–**
	24-Nov-15[6]	**272.00**	**8 036**	**650**	8 036	**166.08**	**(8 036)**			**–**
	14-Dec-17	**206.35**	**15 481**	**1 136**	15 481	**114.92**	**(15 481)**	**143.86**	**448**	**–**
	05-Dec-20[7]	**93.82**	**39 078**	**1 014**	27 747	**89.21**				**27 747**
	05-Dec-20[8]	**93.82**	**46 448**	**1 308**	46 448	**89.69**	**(12 540)**			**33 908**
	05-Dec-21	**126.99**	**35 796**	**1 550**	35 796	**121.63**				**35 796**
	05-Dec-22	**141.64**	**37 780**	**1 867**	37 780	**141.64**				**37 780**
	05-Dec-23	**145.17**	**19 835**	**1 037**	–	**145.17**	**19 835**			**19 835**
N J Williams	**29-Nov-12[6]**	**147.25**	**81 901**	**3 250**	81 901	**90.97**	**(81 901)**	**151.11**	**4 926**	**–**
	26-Nov-14[6]	**253.53**	**16 430**	**1 127**	16 430	**160.29**	**(16 430)**			**–**
	24-Nov-15[6]	**272.00**	**27 492**	**2 225**	27 492	**166.08**	**(27 492)**			**–**
	14-Dec-17	**206.35**	**55 677**	**4 084**	55 677	**114.92**	**(55 677)**	**149.00**	**1 897**	**–**
	05-Dec-20[7]	**93.82**	**72 103**	**1 871**	51 195	**89.21**				**51 195**
	05-Dec-20[8]	**93.82**	**72 124**	**2 031**	72 124	**89.69**	**(19 473)**			**52 651**
	05-Dec-21	**126.99**	**55 568**	**2 406**	55 568	**121.63**				**55 568**
	05-Dec-22	**141.64**	**58 623**	**2 897**	58 623	**141.64**				**58 623**
	05-Dec-23	**145.17**	**30 400**	**1 589**	–	**145.17**	**30 400**			**30 400**
Total					2 069 137		**(939 504)**		**32 661**	**1 129 633**

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. As the employee chose to exercise the 2012 SAR award, the special CSP award lapsed. The 2014 and 2015 awards lapsed due to the offer price being higher than the share price on expiry date.*

(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited in the 2023 financial year.*

(8) *The performance conditions of the 2020 awards were met by 73% and consequently 27% of the SARs were forfeited in the 2024 financial year.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Share appreciation rights (SARs) (continued)

Directors (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2022[5]	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2023[5]
Executive										
J J Durand	29-Nov-12[6]	147.25	271 258	10 763	271 258	90.97				271 258
	04-Dec-13[6]	191.70	93 128	5 064	93 128	123.80	(93 128)	144.47	1 925	–
	26-Nov-14[6]	253.53	108 468	7 442	108 468	160.29				108 468
	24-Nov-15[6]	272.00	192 676	15 591	192 676	166.08				192 676
	01-Dec-16	209.11	150 872	10 554	150 872	122.38	(150 872)	144.47	3 333	–
	14-Dec-17	206.35	132 309	9 705	132 309	114.92				132 309
	05-Dec-20[7]	93.82	235 427	6 111	235 427	89.21	(68 272)			167 155
	05-Dec-20	93.82	235 454	6 631	235 454	89.69				235 454
	05-Dec-21	126.99	181 379	7 853	181 379	121.63				181 379
	05-Dec-22	141.64	172 168	8 509	–	141.64	172 168			172 168
M Lubbe	29-Nov-12[6]	147.25	13 961	554	13 961	90.97				13 961
	04-Dec-13[6]	191.70	7 444	405	7 444	123.80	(7 444)	147.57	177	–
	26-Nov-14[6]	253.53	4 011	275	4 011	160.29				4 011
	24-Nov-15[6]	272.00	8 036	650	8 036	166.08				8 036
	01-Dec-16	209.11	65 632	4 591	65 632	122.38	(65 632)	147.57	1 653	–
	14-Dec-17	206.35	15 481	1 136	15 481	114.92				15 481
	05-Dec-20[7]	93.82	39 078	1 014	39 078	89.21	(11 331)			27 747
	05-Dec-20	93.82	46 448	1 308	46 448	89.69				46 448
	05-Dec-21	126.99	35 796	1 550	35 796	121.63				35 796
	05-Dec-22	141.64	37 780	1 867	–	141.64	37 780			37 780
N J Williams	29-Nov-12[6]	147.25	81 901	3 250	81 901	90.97				81 901
	04-Dec-13[6]	191.70	22 221	1 208	22 221	123.80	(22 221)	147.57	528	–
	26-Nov-14[6]	253.53	16 430	1 127	16 430	160.29				16 430
	24-Nov-15[6]	272.00	27 492	2 225	27 492	166.08				27 492
	01-Dec-16	209.11	98 716	6 905	98 716	122.38	(98 716)	147.57	2 487	–
	14-Dec-17	206.35	55 677	4 084	55 677	114.92				55 677
	05-Dec-20[7]	93.82	72 103	1 871	72 103	89.21	(20 908)			51 195
	05-Dec-20	93.82	72 124	2 031	72 124	89.69				72 124
	05-Dec-21	126.99	55 568	2 406	55 568	121.63				55 568
	05-Dec-22	141.64	58 623	2 897	–	141.64	58 623			58 623
Total					2 339 090		(269 953)		10 103	2 069 137

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2023 financial year offer prices were reduced by between R3.25 and R5.36 (depending on the offer date), as a result of the Grindrod Unbundling.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited in the 2023 financial year.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Share appreciation rights (SARs) (continued)

Prescribed officers

Participant	Offer date[1]	Offer price[2] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2023[5]	Adjusted offer price[3] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[4] (R'000)	Balance of SARs accepted as at 30 June 2024[5]
P R Louw	26-Nov-14[6]	253.53	5 952	408	5 952	160.29	(5 952)			–
	24-Nov-15[6]	272.00	9 497	768	9 497	166.08	(9 497)			–
	14-Dec-17	206.35	20 301	1 489	20 301	114.92	(20 301)	145.21	615	–
	05-Dec-20[7]	93.82	46 428	1 205	32 964	89.21	(21 976)	145.08	1 228	10 988
	05-Dec-20[8]	93.82	46 448	1 308	46 448	89.69	(23 844)[8]	145.17	627	22 604
	05-Dec-21	126.99	35 796	1 550	35 796	121.63				35 796
	05-Dec-22	141.64	37 780	1 867	37 780	141.64				37 780
	05-Dec-23	145.17	19 602	1 025	–	145.17	19 602			19 602
P J Uys	02-Apr-13[6]	183.15	218 400	10 519	218 400	118.16	(218 400)	145.03	5 868	–
	04-Dec-13[6]	191.70	3 325	181	3 325	123.80	(3 325)	145.80	73	–
	26-Nov-14[6]	253.53	14 774	1 014	14 774	160.29	(14 774)			–
	24-Nov-15[6]	272.00	11 533	933	11 533	166.08	(11 533)			–
	01-Dec-16	209.11	91 463	6 398	91 463	122.38	(91 463)	144.45	2 019	–
	14-Dec-17	206.35	85 936	6 303	85 936	114.92				85 936
	05-Dec-20[7]	93.82	88 088	2 286	62 545	89.21				62 545
	05-Dec-20[8]	93.82	88 108	2 481	88 108	89.69	(23 787)			64 321
	05-Dec-21	126.99	67 853	2 938	67 853	121.63				67 853
	05-Dec-22	141.64	71 565	3 537	71 565	141.64				71 565
	05-Dec-23	145.17	37 105	1 939	–	145.17	37 105			37 105
C P F Vosloo[9]	05-Dec-23	145.17	22 350	1 168	–	145.17	22 350			22 350
Total					904 240		(365 795)		10 430	538 445

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *The expiry dates of these awards were extended to November 2023.*

(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited in the 2023 financial year.*

(8) *The performance conditions of the 2020 awards were met by 73% and consequently 27% of the SARs were forfeited in the 2024 financial year. In addition to the 12 540 SARs that Mr P R Louw forfeited, he also exercised 11 304 SARs of his 2020 awards in the 2024 financial year.*

(9) *With effect from 5 April 2024 Mr C P F Vosloo was appointed as member of the Management Board. SARs accepted refer to the SARs granted and accepted by him prior to 5 April 2024.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Share appreciation rights (SARs) (continued)

Prescribed officers (continued)

Participant	Offer date[(1)]	Offer price[(2)] (Rand)	Number of SARs offered and accepted	Fair value of SARs on offer date (R'000)	Balance of SARs accepted as at 30 June 2022[(5)]	Adjusted offer price[(3)] (Rand)	SARs accepted/ (exercised)/ (forfeited) during the year	Share price on exercise date (Rand)	Cash value of SARs exercised during the year[(4)] (R'000)	Balance of SARs accepted as at 30 June 2023[(5)]
P R Louw	29-Nov-12[(6)]	147.25	22 646	899	22 646	90.97	(22 646)	146.18	1 250	–
	04-Dec-13[(6)]	191.70	12 944	704	12 944	123.80	(12 944)	146.18	290	–
	26-Nov-14[(6)]	253.53	5 952	408	5 952	160.29				5 952
	24-Nov-15[(6)]	272.00	9 497	768	9 497	166.08				9 497
	01-Dec-16	209.11	91 120	6 374	91 120	122.38	(91 120)	146.18	2 169	–
	14-Dec-17	206.35	20 301	1 489	20 301	114.92				20 301
	05-Dec-20[(7)]	93.82	46 428	1 205	46 428	89.21	(13 464)			32 964
	05-Dec-20	93.82	46 448	1 308	46 448	89.69				46 448
	05-Dec-21	126.99	35 796	1 550	35 796	121.63				35 796
	05-Dec-22	141.64	37 780	1 867	–	141.64	37 780			37 780
P J Uys	02-Apr-13[(6)]	183.15	218 400	10 519	218 400	118.16				218 400
	04-Dec-13[(6)]	191.70	3 325	181	3 325	123.80				3 325
	26-Nov-14[(6)]	253.53	14 774	1 014	14 774	160.29				14 774
	24-Nov-15[(6)]	272.00	11 533	933	11 533	166.08				11 533
	01-Dec-16	209.11	91 463	6 398	91 463	122.38				91 463
	14-Dec-17	206.35	85 936	6 303	85 936	114.92				85 936
	05-Dec-20[(7)]	93.82	88 088	2 286	88 088	89.21	(25 543)			62 545
	05-Dec-20	93.82	88 108	2 481	88 108	89.69				88 108
	05-Dec-21	126.99	67 853	2 938	67 853	121.63				67 853
	05-Dec-22	141.64	71 565	3 537	–	141.64	71 565			71 565
Total					960 612		(56 372)		3 709	904 240

(1) *Unless otherwise indicated, one-third of the SARs are exercisable after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date. All SARs must be exercised within seven years after the grant date, upon which date unexercised SARs lapse.*

(2) *Offer price of SARs granted before December 2018 is equal to the face value on grant date. Offer price of SARs granted from 5 December 2018 onwards is the five-day VWAP on offer date.*

(3) *In terms of the rules of the share schemes, the offer price of SARs that were awarded prior to unbundlings, rights issues, special dividends, etc., was reduced to ensure that the participants were placed in substantially the same position as they were prior to such corporate actions. During the 2023 financial year offer prices were reduced by between R3.25 and R5.36 (depending on the offer date), as a result of the Grindrod Unbundling.*

(4) *This refers to the increase in value of the SARs from the offer date to the date of exercise.*

(5) *SARs offered from 5 December 2018 onwards, have performance conditions and reflect the number of SARs as if performance conditions were fully met, unless SARs were forfeited.*

(6) *The expiry dates of these awards were extended to November 2023. As an alternative option to the 2012 SAR awards, a special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, the special CSP award will lapse.*

(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively. The performance conditions of the 2019 awards were met by 71% and consequently 29% of the SARs were forfeited in the 2023 financial year.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Conditional share plan shares (CSPs)

Directors

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2023[5]	CSPs accepted/ (forfeited) during the year	Additional CSPs from dividends[3]	CSPs exercised during the year	Cash value of CSPs vesting in year[4] (R'000)	Balance of CSPs accepted as at 30 June 2024[5]
Executive										
J J Durand	05-Dec-20[6]	93.82	235 427	20 366	113 876		2 000	(58 938)	8 556	56 938
	05-Dec-20[1]	93.82	235 454	19 655	240 611	(64 963)	2 057	(60 607)	8 798	117 098
	05-Dec-20[7]	93.82	95 672	8 728	98 623	(98 623)				–
	05-Dec-21[1]	126.99	181 379	20 747	185 352					185 352
	05-Dec-22[1]	141.64	172 168	23 623	172 168					172 168
	05-Dec-23[1]	145.17	267 790	39 033	–	267 790				267 790
M Lubbe	05-Dec-20[6]	93.82	39 078	3 380	18 904		332	(9 784)	1 420	9 452
	05-Dec-20[1]	93.82	46 448	3 877	47 466	(12 813)	407	(11 960)	1 736	23 100
	05-Dec-20[7]	93.82	4 924	449	5 077	(5 077)				–
	05-Dec-21[1]	126.99	35 796	4 094	36 580					36 580
	05-Dec-22[1]	141.64	37 780	5 184	37 780					37 780
	05-Dec-23[1]	145.17	59 503	8 673	–	59 503				59 503
N J Williams	05-Dec-20[6]	93.82	72 103	6 237	34 878		614	(18 053)	2 621	17 439
	05-Dec-20[1]	93.82	72 124	6 021	73 704	(19 899)	631	(18 568)	2 696	35 868
	05-Dec-20[7]	93.82	28 887	2 635	29 779	(29 779)				–
	05-Dec-21[1]	126.99	55 568	6 356	56 785					56 785
	05-Dec-22[1]	141.64	58 623	8 044	58 623					58 623
	05-Dec-23[1]	145.17	91 200	13 293	–	91 200				91 200
Total					1 210 206	187 339	6 041	(177 910)	25 827	1 225 676

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *Dividend equivalents accumulated and converted to shares upon vesting.*
(4) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R145.17.*
(5) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(6) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(7) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. As the employee choose to exercise the 2012 SAR award, this special CSP award lapsed.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Conditional share plan shares (CSPs) (continued)

Directors (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2022[6]	CSPs accepted/ (forfeited) during the year	Additional CSPs from Grindrod Unbundling[3]	Additional CSPs from dividends[4]	CSPs exercised during the year	Cash value of CSPs vesting in year[5] (R'000)	Balance of CSPs accepted as at 30 June 2023[6]
Executive											
J J Durand	05-Dec-20[7]	93.82	235 427	20 366	235 427	(69 766)	5 156	996	(57 937)	8 206	113 876
	05-Dec-20	93.82	235 454	19 655	235 454		5 157				240 611
	05-Dec-20[8]	93.82	95 672	8 728	95 672		2 096	855			98 623
	05-Dec-21	126.99	181 379	20 747	181 379		3 973				185 352
	05-Dec-22	141.64	172 168	23 623	–	172 168					172 168
M Lubbe	05-Dec-20[7]	93.82	39 078	3 380	39 078	(11 577)	856	166	(9 619)	1 362	18 904
	05-Dec-20	93.82	46 448	3 877	46 448		1 018				47 466
	05-Dec-20[8]	93.82	4 924	449	4 924		108	45			5 077
	05-Dec-21	126.99	35 796	4 094	35 796		784				36 580
	05-Dec-22	141.64	37 780	5 184	–	37 780					37 780
N J Williams	05-Dec-20[7]	93.82	72 103	6 237	72 103	(21 365)	1 580	306	(17 746)	2 514	34 878
	05-Dec-20	93.82	72 124	6 021	72 124		1 580				73 704
	05-Dec-20[8]	93.82	28 887	2 635	28 887		633	259			29 779
	05-Dec-21	126.99	55 568	6 356	55 568		1 217				56 785
	05-Dec-22	141.64	58 623	8 044	–	58 623					58 623
Total					1 102 860	165 863	24 158	2 627	(85 302)	12 082	1 210 206

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *As a result of the Grindrod Unbundling, additional CSPs, being a factor of 0.0219 of the CSPs held, were allocated during the 2023 financial year.*
(4) *Dividend equivalents accumulated and converted to shares upon vesting.*
(5) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R141.64.*
(6) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(8) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Conditional share plan shares (CSPs) (continued)

Prescribed officers

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2023[5]	CSPs accepted/ (forfeited) during the year	Additional CSPs from dividends[3]	CSPs exercised during the year	Cash value of CSPs vesting in year[4] (R'000)	Balance of CSPs accepted as at 30 June 2024[5]
P R Louw	05-Dec-20[6]	93.82	46 428	4 016	22 458		395	(11 624)	1 687	11 229
	05-Dec-20	93.82	46 448	3 877	47 466	(12 813)	407	(11 960)	1 736	23 100
	05-Dec-21	126.99	35 796	4 094	36 580					36 580
	05-Dec-22	141.64	37 780	5 184	37 780					37 780
	05-Dec-23	145.17	58 806	8 572	–	58 806				58 806
P J Uys	05-Dec-20[6]	93.82	88 088	7 620	42 610		749	(22 054)	3 202	21 305
	05-Dec-20	93.82	88 108	7 355	90 038	(24 306)	770	(22 682)	3 293	43 820
	05-Dec-21	126.99	67 853	7 761	69 339					69 339
	05-Dec-22	141.64	71 565	9 819	71 565					71 565
	05-Dec-23	145.17	111 314	16 225	–	111 314				111 314
C P F Vosloo[7]	05-Dec-23	145.17	67 048	9 773	–	67 048				67 048
Total					417 836	200 049	2 321	(68 320)	9 918	551 886

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *Dividend equivalents accumulated and converted to shares upon vesting.*
(4) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R145.17.*
(5) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(6) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(7) *With effect from 5 April 2024 Mr C P F Vosloo was appointed as member of the Management Board. CSPs accepted refer to the CSPs granted and accepted by him prior to 5 April 2024.*

9. Directors' and key management personnel's emoluments (continued)

Share-based payments to directors and key management personnel (continued)

Conditional share plan shares (CSPs) (continued)

Prescribed officers (continued)

Participant	Offer date[1]	Offer price[2] (Rand)	Number of CSPs offered and accepted	Fair value of CSPs on offer date (R'000)	Balance of CSPs accepted as at 30 June 2022[6]	CSPs accepted/ (forfeited) during the year	Additional CSPs from Grindrod Unbundling [3]	Additional CSPs from dividends[4]	CSPs exercised during the year	Cash value of CSPs vesting in year[5] (R'000)	Balance of CSPs accepted as at 30 June 2023[6]
P R Louw	05-Dec-20[7]	93.82	46 428	4 016	46 428	(13 758)	1 017	197	(11 426)	1 618	22 458
	05-Dec-20	93.82	46 448	3 877	46 448		1 018				47 466
	05-Dec-20[8]	93.82	7 988	729	7 988		175	72	(8 235)		–
	05-Dec-21	126.99	35 796	4 094	35 796		784				36 580
	05-Dec-22	141.64	37 780	5 184	–	37 780					37 780
P J Uys	05-Dec-20[7]	93.82	88 088	7 620	88 088	(26 101)	1 930	374	(21 681)	3 071	42 610
	05-Dec-20	93.82	88 108	7 355	88 108		1 930				90 038
	05-Dec-21	126.99	67 853	7 761	67 853		1 486				69 339
	05-Dec-22	141.64	71 565	9 819	–	71 565					71 565
Total					380 709	69 486	8 340	643	(41 342)	4 689	417 836

(1) *Unless otherwise indicated, one-third of the CSPs vest, after the third anniversary of the grant date, an additional third after the fourth anniversary of the grant date and the remainder after the fifth anniversary of the grant date.*
(2) *Offer price of CSPs granted is the five-day VWAP on offer date.*
(3) *As a result of the Grindrod Unbundling, additional CSPs, being a factor of 0.0219 of the CSPs held, were allocated during the 2023 financial year.*
(4) *Dividend equivalents accumulated and converted to shares upon vesting.*
(5) *This refers to the total value of the CSPs on vesting at the five-day VWAP of Remgro of R141.64.*
(6) *CSPs have performance conditions and reflect the number of CSPs as if performance conditions were fully met, unless CSPs were forfeited.*
(7) *These awards relate to the 2019 award not made and will vest in one-thirds on the second, third and fourth anniversaries of the grant date, respectively.*
(8) *As an alternative to the 2012 SAR awards, this special award of CSPs was also made to employees. Should the employee choose to exercise the 2012 SAR award, this special CSP award will lapse.*

10. Other assets and liabilities

10.1 Property, plant and equipment

Property, plant and equipment

Property, plant and equipment consist mainly of land and buildings, machinery, equipment, office equipment, bearer plants and vehicles. All property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Refer to note 6.3 for the accounting treatment of right-of-use assets.

Depreciation on buildings, machinery, equipment, office equipment, bearer plants and vehicles is provided on a straight-line basis at rates that reduce the cost thereof to an estimated residual value over the expected useful life of the asset. The residual values and expected useful lives of assets are reviewed annually on the reporting date and adjusted where necessary. No depreciation is provided for land.

Depreciation rates (%) are as follows:	**30 June 2024**	30 June 2023
Bearer plants	**10.0**	5.0 – 10.0
Buildings	**1.7 – 50.0**	1.7 – 50.0
Machinery and equipment	**1.7 – 50.0**	1.7 – 50.0
Vehicles	**3.0 – 50.0**	3.0 – 50.0
Office equipment	**4.0 – 50.0**	4.0 – 50.0

R million	*Land and buildings*	*Machinery and equipment*	*Vehicles*	*Office equipment*	*Bearer plants*	Total
Carrying value at 1 July 2022	7 724	8 482	990	464	171	17 831
Cost	10 346	19 174	2 169	1 058	414	33 161
Accumulated depreciation and impairments	(2 622)	(10 692)	(1 179)	(594)	(243)	(15 330)
Additions	1 054	1 896	346	102	36	3 434
Businesses acquired	31	64	26	–	–	121
Businesses disposed	(3 691)	(4 117)	(83)	(350)	(16)	(8 257)
Disposals	(16)	(100)	(52)	(1)	(5)	(174)
Depreciation	(345)	(1 202)	(193)	(73)	(33)	(1 846)
Reversal of impairments/(impairments)	(7)	(32)	34	–	(30)	(35)
Foreign exchange translation	117	84	2	4	–	207
Reassessment of leases	2	–	7	–	–	9
Transfer to assets held for sale[(1)]	(593)	(306)	(260)	(44)	–	(1 203)
Transfers to investment properties	(385)	48	–	7	–	(330)
Carrying value at 30 June 2023	3 891	4 817	817	109	123	9 757
Cost	6 103	11 876	1 586	241	411	20 217
Accumulated depreciation and impairments	(2 212)	(7 059)	(769)	(132)	(288)	(10 460)
Additions	**522**	**1 266**	**152**	**33**	**31**	**2 004**
Disposals	**(30)**	**(12)**	**(43)**	**–**	**–**	**(85)**
Depreciation	**(206)**	**(722)**	**(145)**	**(22)**	**(25)**	**(1 120)**
Impairments	**(54)**	**(3)**	**–**	**–**	**–**	**(57)**
Foreign exchange translation	**(16)**	**(25)**	**(2)**	**–**	**–**	**(43)**
Reassessment of leases	**97**	**–**	**–**	**–**	**–**	**97**
Transfers and other	**(13)**	**20**	**(2)**	**–**	**–**	**5**
Carrying value at 30 June 2024	**4 191**	**5 341**	**777**	**120**	**129**	**10 558**
Cost	**6 517**	**12 737**	**1 570**	**269**	**438**	**21 531**
Accumulated depreciation and impairments	**(2 326)**	**(7 396)**	**(793)**	**(149)**	**(309)**	**(10 973)**

(1) *During March 2023 of the prior year, Vector Logistics' property, plant and equipment amounting to R1 203 million was transferred to assets held for sale. Movements since the classification date of R94 million are included in note 10.9.*

The registers containing details of land and buildings are available for inspection by shareholders or their proxies at the registered offices of the companies to which the relevant properties belong.

10. Other assets and liabilities (continued)

10.1 Property, plant and equipment (continued)

RCL Foods impairment assessments

During the current year, total net impairments of R57 million was recognised by RCL Foods. These impairments relate to the following cash-generating units (CGU): Rainbow (Chicken) (R3 million impairment loss) and the Unallocated segment (R54 million impairment loss) relating to the National Office building. The prior year included a total net impairments of R70 million which related to the following CGUs: Sugar (R69 million impairment loss) and Rainbow (Chicken) (R1 million impairment loss).

The impairment recognised in the Sugar business in the prior year relates to the Sivunosetfu Proprietary Limited CGU. The impairment was raised due to an ongoing decline in agricultural performance, compounded by the impact of load shedding in the prior year.

The key assumptions used in the value in use calculations are presented below. These calculations use cash flow projections based on financial budgets approved by RCL Foods management, which include assumptions on profit before tax, working capital and capital maintenance expenditure.

The forecast cash flows used in the value in use calculations are the output of RCL Foods' five-year business planning process.

The assumptions used in the value in use calculations include:

- volume growth: RCL Foods is a food producer with products sold mainly in the South African market. Volume assumptions are therefore closely linked to population and gross domestic product (GDP) growth forecasts for South Africa. Compounded volume growth over the five-year period does not exceed long-term GDP forecasts, apart from additional volume resulting from recent capital investments which have yet to reach full production and innovation/new product launches serviced from existing capacity;
- selling price and cost growth are linked to consumer price index (CPI) and food inflation;
- capital expenditure: capex spend is limited to replacement capex, in line with the group's maintenance programmes;
- working capital: working capital is held at a constant percentage of revenue based on the historic averages achieved in each CGU; and
- the cash flow beyond year five (terminal cash flow) has assumed a steady state of growth with capital expenditure equal to depreciation, volumes and profit margins maintained at year five levels with the growth beyond year five resulting solely from price inflation.

Key assumptions	**30 June 2024**	30 June 2023
Discount rate (pre-tax) (%)	**15.9 – 32.5**	16.5 – 20.1
Growth rate (%)	**4.0**	4.0
Period (years)	**5**	5

Sensitivity analysis of assumptions used in the impairment test:

Assumptions (R million)	**30 June 2024** *Movement*	***Additional impairment***	30 June 2023 *Movement*	*Additional impairment*
Discount rate (%)	**+1.0**	**–**	+1.0	296
Growth rate (%)	**-0.5**	**–**	-0.5	37

Note that the impairment above relates to the entire carrying value of the CGU and not only to the value of the property, plant and equipment.

10. Other assets and liabilities (continued)

10.2 Investment properties

Investment properties are held to generate rental income and appreciate in capital value. Investment properties are treated as long-term investments and are carried at cost less accumulated depreciation. Buildings are depreciated to their estimated residual values on a straight-line basis over their expected useful lives. Depreciation rates between 4% and 20% per annum are applied on significant components.

The fair values disclosed for investment properties are determined by external independent valuators every third year and adjusted by management by taking into account property-specific information in each intermediary year.

R million	**30 June 2024** *Cost*	*Accumulated depreciation*	*Carrying value*	30 June 2023 Cost	Accumulated depreciation	Carrying value
Land	**18**	**–**	**18**	17	(1)	16
Buildings	**522**	**(46)**	**476**	497	(40)	457
	540	**(46)**	**494**	514	(41)	473

Reconciliation of carrying value at the beginning and end of the year (R million)	*Land*	*Buildings*	**30 June 2024**	Land	Buildings	30 June 2023
Balances at the beginning of the year	**16**	**457**	**473**	7	130	137
Additions	**2**	**10**	**12**	10	2	12
Depreciation	**–**	**(6)**	**(6)**	–	(5)	(5)
Impairments	**–**	**–**	**–**	(1)	–	(1)
Transfers from/(to) property, plant and equipment	**–**	**15**	**15**	–	330	330
Balances at the end of the year	**18**	**476**	**494**	16	457	473

The Group's diverse investment property portfolio was valued at 30 June 2022 by independent, qualified valuers using, depending on the specific property, either a discounted cash flow or a depreciated replacement cost approach utilising inputs appropriate to each specific property. The Group obtains external valuations of its properties every three years, which are subsequently adjusted for inflation until the next valuations are performed. Management's current fair value estimate of investment properties (level 3), VAT exclusive, is R1 270 million (2023: R1 213 million), by taking into account property-specific information such as market rental growth, vacancy rate and vacancy periods to estimate a 2.1% (2023: 6.0%) increase on the prior year value plus the cost price of additions for the year.

The registers containing details of investment properties are available for inspection by shareholders or their proxies at the registered offices of the companies to which the relevant properties belong.

10. Other assets and liabilities (continued)

10.3 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Remgro's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is carried at cost less accumulated impairment losses.

Identifiable intangible assets

Identifiable intangible assets include trade marks, customer contracts and customer and supplier relationships and software. The cost of developing and establishing identifiable intangible assets is expensed as incurred. Consequently, the value thereof is not reflected in the Annual Financial Statements. The cost of purchased identifiable intangible assets is written off on a straight-line basis over their expected useful lives. Identifiable intangible assets with indefinite useful lives are not amortised, but are annually tested for impairment.

An intangible asset is regarded as having an indefinite useful life if, based on all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. Indefinite life is not the same as infinite, i.e. limitless. The useful life of an intangible asset reflects only the level of future maintenance (and management's ability and intention to carry out such maintenance) that is necessary to preserve the asset's operating capability as assessed when initially estimating the asset's useful life. The following factors were taken into account to determine the useful life of intangible assets:

- track record of stability;
- high barriers to market entry; and
- management's commitment to continue to invest for the long term to extend the period over which the intangible asset is expected to continue to provide economic benefits.

Research and development costs

Research cost is expensed as incurred. Where the asset recognition criteria have been met, development cost is capitalised and written off over the expected useful life of the product. Development cost previously expensed is not recognised as an asset in a subsequent period.

Amortisation is included in "Other net operating expenses" in the income statement.

10. Other assets and liabilities (continued)

10.3 Intangible assets (continued)

R million	*Goodwill*	*Trade marks*	*Customer and supplier relationships*	*Software*	Total
Carrying value at 1 July 2022	7 970	11 294	535	476	20 275
Cost	11 838	12 272	2 324	1 194	27 628
Accumulated amortisation and impairments	(3 868)	(978)	(1 789)	(718)	(7 353)
Additions	–	–	–	58	58
Business acquired	119	99	6	–	224
Businesses disposed	(527)	(8 291)	(18)	(187)	(9 023)
Impairments	(461)	–	–	–	(461)
Amortisation	–	(71)	(266)	(125)	(462)
Foreign exchange translation	37	75	17	–	129
Transfer to assets held for sale	(54)	(9)	(3)	(13)	(79)
Transfers and other	–	1	–	3	4
Carrying value at 30 June 2023	7 084	3 098	271	212	10 665
Cost	9 260	3 863	1 612	492	15 227
Accumulated amortisation and impairments	(2 176)	(765)	(1 341)	(280)	(4 562)
Additions	**–**	**–**	**–**	**53**	**53**
Business acquired	**25**	**–**	**–**	**–**	**25**
Impairments	**(25)**	**–**	**–**	**–**	**(25)**
Amortisation	**–**	**(3)**	**(18)**	**(42)**	**(63)**
Foreign exchange translation	**(11)**	**(8)**	**–**	**–**	**(19)**
Transfers and other	**–**	**95**	**(97)**	**(7)**	**(9)**
Carrying value at 30 June 2024	**7 073**	**3 182**	**156**	**216**	**10 627**
Cost	**9 243**	**3 948**	**1 518**	**534**	**15 243**
Accumulated amortisation and impairments	**(2 170)**	**(766)**	**(1 362)**	**(318)**	**(4 616)**

Amortisation periods (years)	30 June 2024	30 June 2023
Trade marks	**5 – 20**	5 – 20
Customer and supplier relationships	**5 – 20**	3 – 20
Software	**5 – 20**	5 – 20

No impairment of Capevin's goodwill or indefinite life intangibles was required at 30 June 2024. Based on its value in use, Capevin impaired goodwill amounting to R461 million at 30 June 2023.

During the current financial year, RCL Foods acquired an additional 50% shareholding in TSGRO Farming Services Proprietary Limited. The acquisition resulted in goodwill being recognised, which was subsequently impaired. The subsidiary was acquired exclusively with the view to resell and was sold before the financial year-end. During the 2023 financial year, RCL Foods acquired a 100% interest in Sunshine Bakery Proprietary Limited (Sunshine) and recognised goodwill amounting to R119 million.

Based on current forecasts and projections, no additional impairment on RCL Foods' goodwill was required for the 2024 and 2023 financial years. The recoverable amounts of the RCL Foods CGUs were based on their value in use.

No impairment on the goodwill allocated to Siqalo Foods was required for either the 2024 or 2023 financial year.

10. Other assets and liabilities (continued)

10.3 Intangible assets (continued)

Software with a book value of R14 million is still in the development phase (2023: R6 million).

No intangible assets were pledged as security.

Goodwill and indefinite life intangible assets are tested annually for possible impairment and for this purpose are allocated to the respective CGUs. Goodwill and indefinite life intangible assets are allocated to CGUs as indicated below:

Goodwill	Siqalo Foods[(1)]	Capevin and its subsidiaries[(2)]	RCL Foods and its subsidiaries[(3)]	Wispeco and its subsidiaries	Total
30 June 2024					
Carrying value (R million)	**4 320**	**766**	**1 954**	**19**	**7 059**
Basis of valuation of cash-generating units	**Value in use**	**Value in use**	**Value in use**	**Value in use**	
Discount rate (%)	**14.5**	**7.8**	**15.9 – 16.9**	**15.1**	
Growth rate (%)	**5.4**	**3.3**	**4.0**	**3.0**	
Period (years)	**5**	**10**	**5**	**5**	
30 June 2023					
Carrying value (R million)	4 320	777	1 954	19	7 070
Basis of valuation of cash-generating units	Value in use	Value in use	Value in use	Value in use	
Discount rate (%)	14.4	8.7	16.5 – 20.1	15.3	
Growth rate (%)	5.25	3.5	4.0	3.0	
Period (years)	5	5	5	5	

(1) *Goodwill of R5 208 million was recognised with the acquisition of Siqalo Foods. R888 million was impaired during the 2019 financial year.*

(2) *Capevin's goodwill is allocated to its Scotch whisky business, a foreign operation. At 30 June 2023, Capevin impaired goodwill amounting to R461 million. The carrying value of goodwill of the foreign operation fluctuates due to movements in the rand/British pound exchange rate.*

(3) *Goodwill relates to the acquisition of Vector Logistics, New Foodcorp Holdings Proprietary Limited (Foodcorp) in 2013, the sweetener operation in 2018, Driehoek Voere in 2019, L&A Logistics Limited in 2021 financial year and Siyathuthuka Sugar in 2022. During the 2023 financial year, RCL Foods acquired Sunshine. The carrying value of RCL Foods' goodwill includes accumulated impairments amounting to R805 million (2023: R1 150 million). Vector Logistics was disposed of during the 2024 financial year and the related goodwill was derecognised.*

Indefinite life intangible assets	Siqalo Foods[(1)]	Capevin and its subsidiaries[(2)]	RCL Foods and its subsidiaries[(3)]	Total
30 June 2024				
Carrying value included in trade marks (R million)	**1 153**	**715**	**1 304**	**3 172**
Basis of valuation	**Value in use**	**Value in use**	**Value in use**	
Discount rate (%)	**14.5**	**7.8**	**15.9 – 16.9**	
Growth rate (%)	**5.4**	**3.3**	**4.0**	
Period (years)	**5**	**10**	**5**	
30 June 2023				
Carrying value included in trade marks (R million)	1 153	715	1 304	3 172
Basis of valuation	Value in use	Fair value	Value in use	
Royalty rate (%)	n/a	3.0 – 6.0	n/a	
Discount rate (%)	14.4	8.7	16.5 – 20.1	
Growth rate (%)	5.25	2.1	4.0	
Period (years)	5	15	5	

(1) *Relates to the acquisition of Siqalo Foods.*

(2) *Relates to the acquisition of Distell. The portion relating to the retained business was transferred to Capevin during the disposal and restructuring of Distell in the 2023 financial year.*

(3) *Relates to the acquisition of Foodcorp.*

10. Other assets and liabilities (continued)

10.3 Intangible assets (continued)

Sensitivity analysis of assumptions used in the impairment tests:

Siqalo Foods

Assumptions (R million)	30 June 2024 Movement	30 June 2024 Additional impairment	30 June 2023 Movement	30 June 2023 Additional impairment
Discount rate (%)	**+1.0**	**418**	+1.0	494
Growth rate (%)	**-1.0**	**270**	-1.0	354

The recoverable amount of Siqalo Foods exceeded its carrying amount at 30 June 2024 by R157 million.

Capevin

Assumptions (R million)	30 June 2024 Movement	30 June 2024 Additional impairment	30 June 2023 Movement	30 June 2023 Additional impairment
Discount rate (%)	**+0.5**	**115**	+0.5	612
Growth rate (%)	**-0.5**	**26**	-0.5	291

At 30 June 2024, the recoverable amount of the Capevin CGU exceeded its carrying value by R201 million. At 30 June 2023, Capevin tested the goodwill allocated to its Scotch whisky business for impairment against the CGU's value in use. Goodwill amounting to R461 million was impaired. The fair values of its indefinite life intangible assets exceed their carrying values. Accordingly, no impairment was recognised relating to those assets.

RCL Foods

Assumptions (R million)	30 June 2024 Movement	30 June 2024 Additional impairment	30 June 2023 Movement	30 June 2023 Additional impairment
Discount rate (%)	**+1.0**	**–**	+1.0	296
Growth rate (%)	**-0.5**	**–**	-0.5	37

Wispeco

Assumptions (R million)	30 June 2024 Movement	30 June 2024 Additional impairment	30 June 2023 Movement	30 June 2023 Additional impairment
Discount rate (%)	**+1.0**	**–**	+1.0	–
Growth rate (%)	**-1.0**	**–**	-1.0	–

10. Other assets and liabilities (continued)

10.4 Retirement benefits

Pension obligations

The Group provides defined-benefit and defined-contribution post-employment plans for their employees. The plan assets are held in separate trustee-administered funds. These plans are funded by payments from the employees and the Group, taking into account recommendations of independent qualified actuaries.

For the defined-benefit plans, the pension accounting costs are assessed using the projected unit credit method. The cost of providing pensions is charged to the income statement to spread the regular costs over the service lives of the employees in accordance with advice of qualified actuaries. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities that have maturity terms approximating the terms of the related liability.

Past service costs are immediately expensed.

The net surplus or deficit of the benefit obligation is the difference between the present value of the funded obligations and the fair value of the plan assets. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The Group's contribution to the defined-contribution pension plans is charged to the income statement in the period to which they relate.

Post-employment medical obligations

The Group provides post-employment medical benefits to its retirees. The entitlement to post-employment medical benefits is based on the employees remaining in service up to retirement age and the completion of a minimum service period. The projected unit credit method of valuation is used to calculate the liability for post-employment medical benefits.

The expected costs of these benefits are expensed, and the liabilities accumulated over the period of employment, using accounting methodology similar to that for defined-benefit pension plans. Independent qualified actuaries value these obligations.

R million	30 June 2024	30 June 2023
Statement of financial position obligations		
Post-employment medical benefits	**(51)**	(70)
	(51)	(70)
Statement of financial position assets	**386**	351
Retirement benefits	**378**	321
Defined-contribution fund employer's surplus	**–**	22
Post-employment medical benefits	**8**	8
Net defined-benefit post-retirement asset	**335**	281
Represented by:		
Retirement benefits (refer note 10.4.1)	**378**	321
Post-employment medical benefits (refer note 10.4.2)	**(43)**	(62)
Defined-contribution fund employer's surplus	**–**	22
	335	281
Income statement		
Retirement benefits	**(36)**	(32)
Post-employment medical benefits	**9**	–
Income	**(27)**	(32)
Statement of comprehensive income – other comprehensive income		
Retirement benefits (refer note 10.4.1)	**(21)**	(38)
Post-employment medical benefits (refer note 10.4.2)	**(6)**	(5)
Income	**(27)**	(43)

10. Other assets and liabilities (continued)

10.4 Retirement benefits (continued)

10.4.1 Retirement benefits

Some of the Company's subsidiaries have various defined-benefit and defined-contribution funds which are privately administered independent of the finances of the Group. The Group operates defined-benefit funds in South Africa, governed by the Pension Funds Act, 1956 (as amended).

	Statement of financial position				Income statement	Statement of other comprehensive income
R million	***Fair value of plan assets***	***Present value of funded obligations***	***Effect of the asset limit***	***Amount recognised in the statement of financial position***	***(Income)/ expense included in staff costs***	***(Income)/ expense***
Balances at 1 July 2022	924	(430)	(173)	321		
Current service cost	–	(2)	–	(2)	2	–
Net interest income/(expense)	89	(37)	(18)	34	(34)	–
Fund expenses	(2)	2	–	–	–	–
Benefit payments	(34)	34	–	–	–	–
Businesses disposed	(348)	220	58	(70)	–	–
Remeasurements:						
– Return on plan assets excluding interest	(8)	–	23	15	–	(15)
– Experience adjustments	–	7	–	7	–	(7)
– Change in financial assumptions	–	16	–	16	–	(16)
Balances at 30 June 2023	621	(190)	(110)	321	(32)	(38)
Current service cost	**–**	**(1)**	**–**	**(1)**	**1**	**–**
Net interest income/(expense)	**71**	**(21)**	**(13)**	**37**	**(37)**	**–**
Benefit payments	**(24)**	**24**	**–**	**–**	**–**	**–**
Remeasurements:						
– Return on plan assets excluding interest	**(2)**	**–**	**21**	**19**	**–**	**(19)**
– Experience adjustments	**–**	**(2)**	**–**	**(2)**	**–**	**2**
– Change in financial assumptions	**–**	**4**	**–**	**4**	**–**	**(4)**
Balances at 30 June 2024	**666**	**(186)**	**(102)**	**378**	**(36)**	**(21)**

10. Other assets and liabilities (continued)

10.4 Retirement benefits (continued)

10.4.1 Retirement benefits (continued)

R million	30 June 2024	30 June 2023
Actual return on plan assets	**69**	81
Number of members	**50**	54

Composition of plan assets (%)		
Cash	**1.0**	1.3
Equity	**19.8**	30.2
Bonds	**32.5**	35.8
Property	**0.1**	0.3
International	**46.5**	32.2
Other	**0.1**	0.2
	100.0	100.0

Principal actuarial assumptions on reporting date (%)		
Discount rate	**11.5**	11.7
Future salary increases	**n/a**	7.0
Future pension increases	**5.6**	6.0
Inflation rate	**5.6**	6.0

The sensitivity of the defined-benefit obligation to changes in the principal assumptions is:

	30 June 2024 Impact on defined-benefit obligation			30 June 2023 Impact on defined-benefit obligation		
R million	***Change in assumption***	***Increase in assumption***	***Decrease in assumption***	*Change in assumption*	*Increase in assumption*	*Decrease in assumption*
South Africa						
Discount rate	**1.0%**	**(11)**	**12**	1.0%	(11)	12
Inflation rate	**1.0%**	**12**	**(11)**	1.0%	12	(11)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice this is unlikely to occur and changes in some assumptions may be correlated.

10.4.2 Post-employment medical benefits

The Group operates a number of post-employment medical benefit schemes in South Africa. The majority of these plans are unfunded.

The amounts recognised in the statement of financial position are determined as follows:

R million	30 June 2024	30 June 2023
Present value of funded obligations	**(77)**	(73)
Fair value of plan assets	**84**	81
Excess of the funded plans	**7**	8
Present value of unfunded obligations	**(50)**	(70)
Liability included in the statement of financial position	**(43)**	(62)

10. Other assets and liabilities (continued)

10.4 Retirement benefits (continued)

10.4.2 Post-employment medical benefits (continued)

R million	Statement of financial position: *Fair value of plan assets*	Statement of financial position: *Present value of funded obligations*	Statement of financial position: *Amount recognised in the statement of financial position*	Income statement: *(Income)/ expense included in staff costs*	Statement of other comprehensive income: *(Income)/ expense*
Balances at 1 July 2022	1 190	(992)	198		
Current service cost	–	(24)	(24)	24	–
Net interest income/(expense)	130	(106)	24	(24)	–
Benefit payments	(32)	41	9	–	–
Transfer to assets held for sale[(1)]	–	42	42	–	–
Businesses disposed[(1)]	(1 091)	775	(316)	–	–
Remeasurements:					
– Change in financial assumptions	–	117	117	–	(117)
– Return on plan assets excluding interest income	(115)	–	(115)	–	115
– Gain/(loss) due to experience adjustment	–	3	3	–	(3)
Balances at 30 June 2023	82	(144)	(62)	–	(5)
Current service cost	**–**	**(3)**	**(3)**	**3**	**–**
Net interest income/(expense)	**11**	**(17)**	**(6)**	**6**	**–**
Benefit payments	**(5)**	**27**	**22**	**–**	**–**
Remeasurements:					
– Change in financial assumptions	**–**	**1**	**1**	**–**	**(1)**
– Return on plan assets excluding interest income	**(4)**	**–**	**(4)**	**–**	**4**
– Gain/(loss) due to experience adjustment	**–**	**9**	**9**	**–**	**(9)**
Balances at 30 June 2024	**84**	**(127)**	**(43)**	**9**	**(6)**

(1) *Refer to note 10.9.*

R million	30 June 2024	30 June 2023
Actual return on plan assets	**7**	15
Composition of plan assets (%)		
Cash	**2.9**	4.7
Equity	**72.1**	68.9
Bonds	**17.4**	18.4
Property	**2.6**	2.6
Other	**5.0**	5.4
	100.0	100.0

10. Other assets and liabilities (continued)

10.4 Retirement benefits (continued)

10.4.2 Post-employment medical benefits (continued)

Principal actuarial assumptions on reporting date (%)	30 June 2024	30 June 2023
Discount rate	10.6 – 13.6	10.7 – 14.2
Annual increase in healthcare costs	6.7 – 9.0	7.2 – 9.6

The sensitivity of the post-employment medical liability to changes in the principal assumptions is:

	30 June 2024 Impact on post-employment medical liability			30 June 2023 Impact on post-employment medical liability		
R million	Change in assumption	Increase in assumption	Decrease in assumption	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.0%	(11)	14	1.0%	(14)	17
Healthcare cost inflation	1.0%	14	(12)	1.0%	18	(15)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice this is unlikely to occur and changes in some assumptions may be correlated.

10. Other assets and liabilities (continued)

10.5 Inventories

Inventories are stated at the lower of cost or net realisable value. The basis of determining cost, which excludes finance costs, is the first-in-first-out cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Work in progress and finished goods include direct costs and an appropriate allocation of manufacturing overheads.

R million	**30 June 2024**	30 June 2023
Raw materials	**1 516**	1 282
Finished products	**3 192**	3 251
Work in progress	**3 149**	2 673
Consumables	**640**	626
	8 497	7 832
Inventory expensed during the year	**30 919**	49 824
Inventory carried at net realisable value	**251**	657

Inventories at year-end consist primarily of Capevin's and RCL Foods' inventories.

Capevin's inventory provisions amounted to R21 million (2023: R26 million) at year-end.

Bank borrowings are secured by inventories of Capevin for a maximum value of R2 217 million (2023: R2 248 million).

RCL Foods' net realisable value write-down of R45 million (2023: R89 million) relates to the Rainbow segment. Due to the fast-moving nature of the products, RCL Foods based its write-down calculation on actual selling price information available, post year-end, related to these products which supports the net realisable value of stock on hand. In addition, the current year's amount includes a write-down on feed stocks driven by lower selling prices for feed post year-end.

10.6 Biological agricultural assets

Biological assets are measured at fair value less estimated harvesting, transport, packing and point-of-sale costs. Gains and losses arising from the remeasurement of biological assets are accounted for in the income statement during the period in which they arise.

Growing crops

Growing crops consist of consumable biological assets, i.e. sugar cane plants and banana fruit. The fair value of growing crops is determined with reference to current market prices, considering the following:

- sugar cane plants – sucrose content and age; and
- banana fruit – estimated yields, quality standards and age.

Chicken stock

Chicken stock includes breeding and broiler stock. Breeding stock includes the breeding and laying operations, including hatching eggs. The fair value of chicken stock is determined with reference to current market prices or, where market prices are not available, by reference to sector benchmarks.

Biological assets are measured at fair value using inputs that are not based on observable market data. Accordingly, these assets are classified as level 3 in terms of *IFRS 13*. There were no transfers to either level 1 or level 2 fair value assets during the periods under review.

R million	***Breeding stock***	***Broiler stock***	***Sugar cane plants***	***Banana fruit***	**Total**
Carrying value at 1 July 2022	494	389	346	3	1 232
Additions	1 787	6 495	–	–	8 282
Decrease due to harvest	(1 711)	(6 465)	(351)	(3)	(8 530)
Fair value adjustment	7	12	314	–	333
Carrying value at 30 June 2023	577	431	309	–	1 317
Additions	**1 692**	**5 859**	**–**	**–**	**7 551**
Decrease due to harvest	**(1 722)**	**(5 937)**	**(314)**	**–**	**(7 973)**
Fair value adjustment	**15**	**15**	**395**	**–**	**425**
Carrying value at 30 June 2024	**562**	**368**	**390**	**–**	**1 320**

10. Other assets and liabilities (continued)

10.6 Biological agricultural assets (continued)

The following valuation techniques and significant inputs were used to measure the biological assets:

Description	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable input to fair value	Fair value at 30 June 2024 R million
Chicken stock	**Replacement cost of the components of growing the stock**	**Eggs per hen**	**147 to 162 per hen**	**The higher the eggs per hen, the higher the fair value**	
		Cost of a day-old breeder bird	**R109 to R122 per chick**	**The higher the cost per chick, the higher the fair value**	
		Mortality rates	**3.2% to 11.6%**	**The higher the mortality, the lower the fair value**	
		Average live mass	**1.59kg to 2.01kg per bird**	**The higher the average live mass, the higher the fair value**	
		Feed cost	**R7 828 to R8 497 per ton**	**The higher the feed cost per ton, the higher the fair value**	**930**
Sugar cane plants	**Recoverable value**	**Recoverable value (price per ton of sucrose) less harvesting, transport and other costs to sell**	**R5 255 to R5 540 per ton**	**The higher the recoverable value of sucrose less harvesting, transport and other costs to sell per ton, the higher the value of sugar cane plants**	**390**

Description	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable input to fair value	Fair value at 30 June 2023 R million
Chicken stock	Replacement cost of the components of growing the stock	Eggs per hen	129 to 191 per hen	The higher the eggs per hen, the higher the fair value	
		Cost of a day-old breeder bird	R71.18 to R111.60 per chick	The higher the cost per chick, the higher the fair value	
		Mortality rates	3.1% to 7.9%	The higher the mortality, the lower the fair value	
		Average live mass	1.61kg to 1.88kg per bird	The higher the average live mass, the higher the fair value	
		Feed cost	R8 270 to R9 021 per ton	The higher the feed cost per ton, the higher the fair value	1 008
Sugar cane plants	Recoverable value	Recoverable value (price per ton of sucrose) less harvesting, transport and other costs to sell	R4 764 to R5 037 per ton	The higher the recoverable value of sucrose less harvesting, transport and other costs to sell per ton, the higher the value of sugar cane plants	309

10. Other assets and liabilities (continued)

10.6 Biological agricultural assets (continued)

Sensitivity analysis

A sensitivity analysis is shown for the significant unobservable inputs below:

Input	Sensitivity
Feed cost – chicken stock	A 5.0% change in feed cost would result in a R11 million (2023: R12 million) change in fair value.
Recoverable value price per ton – sugar cane plants	A change of 5.0% in recoverable value would result in a R13 million change in fair value (2023: R21 million).

10.7 Debtors and short-term loans

R million	30 June 2024	30 June 2023
Trade debtors (gross)	**6 419**	2 701
Less: Loss allowance	**(47)**	(57)
Trade debtors (net)	**6 372**	2 644
Dividends receivable	**167**	144
Short-term loans	**87**	137
Advance payments	**330**	232
VAT receivable	**113**	114
Accrued finance income	**49**	63
Other	**313**	484
	7 431	3 818

Debtors with a carrying value of R2 300 million (2023: R1 815 million) provided collateral to the Group. The collateral consists of mortgage and notarial bonds, cessions, bank guarantees and credit insurance.

Movements on the Group loss allowance for trade debtors are as follows:

R million	30 June 2024	30 June 2023
Balances at the beginning of the year	**57**	251
Loss allowance	**11**	41
Trade debtors written off as uncollectable during the year	**(11)**	(42)
Business disposed	**–**	(208)
Unused amounts written back	**(10)**	(12)
Exchange difference	**–**	27
Balances at the end of the year	**47**	57

During the year, bad debts amounting to R11 million (2023: R42 million) were written off. The other classes of assets in trade debtors and short-term loans have no assets where impairments were made. Refer to note 13 for further details.

10. Other assets and liabilities (continued)

10.8 Trade and other payables

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

R million	30 June 2024	30 June 2023
Non-current	**124**	–
Current	**7 812**	5 980
	7 936	5 980
Trade payables	**3 583**	2 086
Accrued expenses	**4 098**	3 737
Excise duty	**6**	7
VAT payable	**125**	150
RCL Foods' deferred bonus scheme included in non-current	**124**	–
	7 936	5 980

10.9 Assets and liabilities held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. These assets (or disposal groups) are measured at the lower of its carrying amount or fair value less costs to sell.

The Group classifies a component as a discontinued operation when that component has been disposed of, or is classified as held for sale; and

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resell.

A component of the Group comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group.

10.9.1 Vector Logistics Proprietary Limited (Vector Logistics)

During the prior year, RCL Foods announced its intention to dispose of Vector Logistics. On 29 March 2023, RCL Foods entered into a binding agreement with EMIF II Investment Proprietary Limited, a subsidiary of A.P. Möller Capital, to dispose of the Vector Logistics business. The related assets and liabilities were presented as held for sale in the statement of financial position at 30 June 2023 and the results for the current and previous financial year are disclosed as a discontinued operation.

The sale was finalised on 28 August 2023, resulting in a net cash receipt of R1 207 million, comprising the purchase price of R1 250 million, plus interest and less the post-tax share option liability of Vector Logistics. RCL Foods provided transitional services to Vector Logistics for a 12-month period which came to an end on 28 August 2024. RCL Foods' relationship with Vector Logistics continues at arm's length via various contractual agreements between Vector Logistics and some of its business units. The purchase price amounted to R1 250 million and the disposal agreement includes a contractual price adjustment relating to the achievement by Vector Logistics of certain EBITDA targets in their 2023 and 2024 financial years (maximum adjustment of R100 million) and the settlement of the RCL Foods share option liabilities. This is expected to be finalised during the 2025 financial year.

Refer to note 10.9.6 for the financial performance and cash flow information related to the discontinued Vector Logistics operation, as well as note 10.9.7 for the disposal details.

10.9.2 Gordon's Gin

During May 2023, Capevin reached an agreement with Diageo Brands B.V. to terminate the longstanding Gordon's Gin and Pimm's No 1 Cup (Gordon's Gin) distribution agreement. On 19 July 2023, the Competition Commission of South Africa approved the proposed transaction, whereby this distribution agreement was terminated in favour of the brand owner Diageo, without conditions. The termination consideration amounted to R1 billion which was received during the year under review. A profit of R991 million was realised on disposal of the Gordon's Gin distribution agreement.

The financial results of the disposed business have been disclosed as part of discontinued operations and the related assets and liabilities were presented as held for sale at 30 June 2023.

Refer to note 10.9.6 for the financial performance and cash flow information related to the discontinued Gordon's Gin operation.

10. Other assets and liabilities (continued)

10.9 Assets and liabilities held for sale and discontinued operations (continued)

10.9.3 DC Foods Proprietary Limited (DC Foods)

An agreement, subject to conditions precedent, was reached for the disposal of the equity accounted investment in DC Foods and the carrying value of the investment was transferred to held for sale during the prior year. The sale was concluded during October 2023.

10.9.4 Disposal of certain assets and liabilities of Distell

During the prior financial year, on 26 April 2023, Heineken International B.V. (Heineken) acquired the bulk of Distell's business (consisting of its cider, other RTDs and spirits and wine business). The transaction entailed the following:

- Distell sold its equity interests in Distell Namibia Limited, Distillers Corporation (Namibia) Limited and Namibia Wines and Spirits Limited to Namibia Breweries for a cash consideration of R1 564 million.
- Heineken's Southern African business, including an interest in Namibia Breweries, was combined with the bulk of the Distell business (consisting of its cider, other RTDs and spirits and wine business) in Heineken Beverages, a new unlisted entity, controlled by Heineken. Remgro exchanged 62 242 453 Distell shares for 62 242 453 Heineken Beverages shares (being a 15.5% stake in Heineken Beverages) and sold 7 607 803 of its Distell shares to Heineken Beverages for R1 255 million (being R165 per Distell share) in terms of a scale back of the issue of Heineken Beverages shares to Distell shareholders, electing to receive Heineken Beverages shares, to ensure a 65% shareholding by Heineken in Heineken Beverages.
- Distell unbundled the unlisted shares in its subsidiary, Capevin, which holds Distell's remaining assets, mainly its Scotch whisky business. Remgro is the controlling shareholder in Capevin, which shareholding mirrors the shareholding that was previously held in Distell (being an economic interest of 31.4% and a voting interest of 55.9%). Therefore, the Capevin investment continues to be classified as a subsidiary. It was previously held indirectly through Distell.

The investment in Distell was derecognised on 26 April 2023, while Remgro continued to consolidate the investment in Capevin at its underlying carrying values as previously accounted for. A profit on disposal of R4 374 million was recognised during the prior year for the assets and liabilities transferred to Heineken Beverages and the related business activities was disclosed as a discontinued operation. No profit or loss was recognised from the unbundling of Capevin. The investment in Heineken Beverages was classified as an associate since Remgro has board representation.

Refer to note 10.9.6 for the financial performance and cash flow information related to the discontinued Distell operation, as well as note 10.9.7 for the disposal details.

10.9.5 Assets and liabilities held for sale

R million	**30 June 2024**	30 June 2023
Assets held for sale comprise:		
Assets held for sale	**1**	6 644
Liabilities held for sale	**–**	(3 997)
	1	2 647
Consisting of:		
Vector Logistics (refer note 10.9.1) – discontinued operation	**–**	2 476
Gordon's Gin (refer note 10.9.2) – discontinued operation	**–**	16
DC Foods (refer note 10.9.3)	**–**	129
Other	**1**	26
Non-current assets held for sale	**1**	2 647

10. Other assets and liabilities (continued)

10.9 Assets and liabilities held for sale and discontinued operations (continued)

10.9.6 Discontinued operations

R million	30 June 2024 Vector Logistics	Gordon's Gin	Total
Profit for the year from discontinued operations:			
Revenue	479	242	721
Inventory expenses	(110)	(188)	(298)
Staff costs	(198)	–	(198)
Other net operating expenses	(160)	(30)	(190)
Trading profit	11	24	35
Interest received	3	–	3
Finance costs	(22)	–	(22)
Consolidated profit/(loss) before tax	(8)	24	16
Taxation	5	(9)	(4)
Consolidated profit/(loss) after tax	(3)	15	12
Net profit/(loss) for the year from discontinued operations	(3)	15	12
Profit on sale of intangible asset	–	991	991
Profit on sale of investments	244	–	244
Reserves recycled	15	–	15
Taxation	–	(168)	(168)
Total profit for the year from discontinued operations	256	838	1 094
Attributable to:			
Equity holders	204	223	427
Non-controlling interest	52	615	667
Other comprehensive income for the year from discontinued operations:			
Net profit for the year	256	838	1 094
Exchange rate adjustments	12	–	12
Reclassification of other comprehensive income to the income statement	(15)	–	(15)
Total comprehensive income	253	838	1 091
Attributable to:			
Equity holders	202	223	425
Non-controlling interest	51	615	666
Cash flows for the year from discontinued operations:			
Operating activities	(261)	1 000	739
Investment activities	(10)	–	(10)
Financing activities	(17)	–	(17)
Net increase/(decrease) in cash generated	(288)	1 000	712

10. Other assets and liabilities (continued)

10.9 Assets and liabilities held for sale and discontinued operations (continued)

10.9.6 Discontinued operations (continued)

R million	Distell	30 June 2023 Vector Logistics	Gordon's Gin	Total
Profit for the year from discontinued operations:				
Revenue	27 296	3 067	2 329	32 692
Inventory expenses	(17 990)	(597)	(1 864)	(20 451)
Staff costs	(2 892)	(1 124)	(16)	(4 032)
Depreciation	(669)	(150)	–	(819)
Other net operating expenses	(4 181)	(1 041)	(224)	(5 446)
Trading profit	1 564	155	225	1 944
Dividend income	3	6	–	9
Interest received	108	31	–	139
Finance costs	(198)	(111)	–	(309)
Loss allowances on loans	(22)	–	–	(22)
Consolidated profit before tax	1 455	81	225	1 761
Taxation	(478)	(17)	(61)	(556)
Consolidated profit after tax	977	64	164	1 205
Share of after-tax profit of equity accounted investments	164	12	–	176
Net profit for the year from discontinued operations	1 141	76	164	1 381
Profit on sale of investments	4 374	–	–	4 374
Reserves recycled	(23)	–	–	(23)
Taxation	(615)	–	–	(615)
Total profit for the year from discontinued operations	4 877	76	164	5 117
Attributable to:				
Equity holders	3 677	59	52	3 788
Non-controlling interest	1 200	17	112	1 329
Other comprehensive income for the year from discontinued operations:				
Net profit for the year	4 877	76	164	5 117
Exchange rate adjustments	(174)	3	–	(171)
Fair value adjustments for the year	4	–	–	4
Reclassification of other comprehensive income to the income statement	22	–	–	22
Remeasurement of post-employment benefit obligations	(24)	2	–	(22)
Deferred taxation on remeasurement of post-employment benefit obligations	6	–	–	6
Total comprehensive income	4 711	81	164	4 956
Attributable to:				
Equity holders	3 623	63	52	3 738
Non-controlling interest	1 088	18	112	1 218
Cash flows for the year from discontinued operations:				
Operating activities	(457)	(197)	15	(639)
Investment activities	184	(179)	–	5
Financing activities	(1 044)	(126)	–	(1 170)
Net increase/(decrease) in cash generated	(1 317)	(502)	15	(1 804)

10. Other assets and liabilities (continued)

10.9 Assets and liabilities held for sale and discontinued operations (continued)

10.9.7 Assets and liabilities held for sale and business disposed

R million	At disposal date
Vector Logistics	
Carrying value disposed	**963**
Consideration received	**1 207**
Profit on sale of subsidiary	**244**
Consideration received	**1 207**
Non-cash settled contingent payment due to Vector Logistics	**100**
Vector Logistics' cash balance at disposal	**(64)**
Settlement of intergroup debt	**(494)**
Cash on sale included in the Statement of Cash Flows	**749**

R million	At disposal date Distell	Held for sale – 30 June 2023 Vector Logistics	Gordon's Gin, DC Foods and other	Total
Assets	35 476	6 472	172	6 644
Property, plant and equipment (refer note 10.1)	8 257	1 297	15	1 312
Intangible assets (refer note 10.3)	9 023	71	8	79
Investments – Equity accounted (refer note 4.1)	806	139	129	268
– FVOCI (refer note 4.3)	38	–	–	–
Retirement benefits (refer note 10.4)	415	–	–	–
Long-term loans and debtors	85	45	–	45
Deferred taxation (refer note 11.1)	32	22	–	22
Inventories	8 461	117	8	125
Biological agricultural assets	–	–	7	7
Debtors and short-term loans	5 979	4 699	4	4 703
Taxation	62	1	–	1
Cash and cash equivalents	2 318	81	1	82
Liabilities	(14 532)	(3 996)	(1)	(3 997)
Retirement benefits (refer note 10.4)	(29)	(42)	–	(42)
Long-term loans	(1 092)	–	–	–
Lease liabilities – non-current	(94)	(410)	–	(410)
Deferred taxation (refer note 11.1)	(3 300)	–	–	–
Trade and other payables	(7 938)	(3 413)	(1)	(3 414)
Lease liabilities – current	(83)	(101)	–	(101)
Short-term loans	(118)	–	–	–
Financial liabilities at FVPL	(19)	–	–	–
Bank overdraft	(1 550)	(30)	–	(30)
Taxation	(309)	–	–	–
Net assets disposed/transferred to held for sale	20 944	2 476	171	2 647
Non-controlling interest	(12 239)			
Carrying value disposed	8 705			
Consideration received	13 079			
Cash consideration received from Namibia Breweries	1 564			
Cash on shares disposed to Heineken, net of costs	1 245			
Exchanged for investment in Heineken Beverages	10 270			
Profit on disposal	4 374			
Cash inflow on disposal	2 041			
Cash and cash equivalents and bank overdrafts of business disposed	(768)			
Cash consideration received	2 809			

11. Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Interest and penalties are disclosed as part of other payables.

Current taxation is provided by using rates that have been enacted or substantially enacted in terms of applicable tax laws.

Deferred taxation is provided for at rates that have been enacted or substantially enacted using the statement of financial position liability method. Full provision is made for all temporary differences between the taxation base of an asset or liability and its carrying amount on the statement of financial position. No deferred tax liability is recognised in those circumstances where the initial recognition of an asset or liability has no impact on accounting profit or taxable income. Deferred tax assets are not raised unless it is probable that future taxable profits will be available against which the deferred tax asset can be realised in the foreseeable future.

No deferred tax is provided on temporary differences relating to investments in subsidiaries as Remgro controls the dividend policy of these companies and consequently also controls the reversal of the temporary differences.

Deferred taxation is provided at a rate of 0% on temporary differences relating to the investments in associates and joint ventures, as the carrying values of these investments are expected to be recovered through dividends, which are exempt from taxation.

11. Taxation (continued)

11.1 Deferred taxation

Deferred tax assets

R million	*Property, plant and equipment*	*Invento-ries and biological assets*	*Intangi-ble assets*	*Accruals*	*Invest-ments*	*Tax losses*	*Other*	Total
At 1 July 2022	(119)	8	6	154	–	238	(68)	219
As per the income statement	(22)	7	–	61	–	27	(57)	16
Accounted for in other comprehensive income	–	–	–	(14)	–	–	–	(14)
Business disposed	–	(6)	–	(14)	–	(6)	(6)	(32)
Transfer to asset held for sale*	41	–	–	(47)	–	(58)	36	(28)
Foreign exchange translation	–	–	–	6	–	1	8	15
At 30 June 2023	(100)	9	6	146	–	202	(87)	176
As per the income statement	**(18)**	**1**	**–**	**(30)**	**–**	**4**	**54**	**11**
Accounted for in other comprehensive income	**–**	**–**	**–**	**(8)**	**–**	**–**	**–**	**(8)**
Foreign exchange translation	**–**	**–**	**–**	**–**	**–**	**15**	**–**	**15**
At 30 June 2024	**(118)**	**10**	**6**	**108**	**–**	**221**	**(33)**	**194**

* *Movements from date of reclassification to 30 June 2023 amounts to R6 million.*

Deferred tax liabilities

R million	*Property, plant and equipment*	*Invento-ries and biological assets*	*Intangi-ble assets*	*Accruals*	*Invest-ments*	*Tax losses*	*Other*	Total
At 1 July 2022	(2 338)	(260)	(3 013)	375	(3 013)	199	(226)	(8 276)
As per the income statement	(300)	(26)	57	(49)	(16)	242	148	56
Accounted for in other comprehensive income	–	–	–	(2)	(338)	–	64	(276)
Business disposed	1 297	–	2 249	(112)	–	(20)	(114)	3 300
Business acquired	–	–	–	–	–	–	(37)	(37)
Foreign exchange translation	(15)	–	(26)	(5)	–	–	(19)	(65)
At 30 June 2023	(1 356)	(286)	(733)	207	(3 367)	421	(184)	(5 298)
As per the income statement	**(81)**	**8**	**(21)**	**91**	**(6)**	**(102)**	**24**	**(87)**
Accounted for in other comprehensive income	**–**	**–**	**–**	**(1)**	**60**	**–**	**438**	**497**
Foreign exchange translation	**1**	**–**	**2**	**–**	**–**	**–**	**(18)**	**(15)**
At 30 June 2024	**(1 436)**	**(278)**	**(752)**	**297**	**(3 313)**	**319**	**260**	**(4 903)**

11. Taxation (continued)

11.2 Tax losses

R million	30 June 2024	30 June 2023
Estimated tax losses available for set off against future taxable income	**1 045**	503
Utilised to create deferred tax asset	**(365)**	(103)
	680	400

The Group has the following capital losses and assessed tax losses in respect of which no deferred tax asset has been recognised due to the uncertainty that future capital gains and taxable income will arise and against which these losses can be utilised:

- Assessed tax losses amounting to R680 million (2023: R400 million);
- Capital losses amounting to R1 251 million (2023: R1 275 million); and
- Capital losses amounting to R6 614 million (2023: R6 614 million), which can be utilised against future capital gains in limited circumstances.

11.3 Taxation in income statement

R million			30 June 2024	30 June 2023
Current	– current year	– South African normal taxation	**723**	1 392
		– Capital gains tax	**231**	615
		– Foreign income	**58**	27
		– Foreign taxation	**51**	131
	– previous year	– South African normal taxation	**(4)**	(23)
		– Capital Gains Tax	**(15)**	(50)
		– Foreign taxation	**–**	(17)
			1 044	2 075
Deferred	– current year		**88**	(72)
	– previous year		**(12)**	–
Taxation in income statement			**1 120**	2 003
Continuing operations			**948**	832
Discontinued operations			**172**	1 171

11. Taxation (continued)

11.4 Tax rate reconciliation

%	30 June 2024	30 June 2023
Effective tax rate	**160.9**	21.4
Reduction/(increase) in standard rate as a result of:		
Exempt dividend income	**33.4**	3.4
Taxable capital gains	**(9.7)**	(0.7)
Non-deductible expenditure[(1)]	**(202.6)**	(46.1)
Non-taxable income[(2)]	**49.1**	51.6
Foreign taxation	**(9.1)**	(1.3)
Timing differences	**4.0**	(0.3)
Previous year taxation	**2.1**	1.8
Tax losses utilised	**(1.1)**	(2.8)
Standard rate	**27.0**	27.0

(1) *Non-deductible expenditure includes impairments of investments, assets and loans of R4 342 million (2023: R630 million) and finance costs pertaining to debt at the centre amounting to R498 million (2023: R628 million).*

(2) *Non-taxable income mainly includes the profit on sale and dilution of investments, profit on sale of assets and reversal of impairments of investments, assets and loans amounting to R1 729 million (2023: non-taxable income mainly includes the profit on sale and dilution of investments, and reversal of impairments of investments, assets and loans amounting to R4 745 million).*

11.5 Taxation in statement of comprehensive income

R million	30 June 2024	30 June 2023
Current – current year – Capital gains tax	**463**	188

11.6 International Tax Reform – Pillar Two Model Rules

During December 2021, the Organisation for Economic Cooperation and Development (OECD) released a draft legislative framework (Model Rules) for a global minimum tax that is expected to be used implemented by individual jurisdictions to address the challenges arising from the digitalisation of the economy. The framework's goal is to reduce profit shifting from one jurisdiction to another, in order to reduce global tax obligations in corporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the Model rules and in February 2023 issued further administrative guidance. The framework is designed to ensure large multinational enterprises (MNE's) pay a minimum level of tax on the income arising in each jurisdiction where they operate. The Minister of Finance announced as part of the 2024 National Budget Speech that South Africa would adopt substantially all of the OECD's Pillar Two Model rules, including a 15% global minimum tax, to apply for years commencing on or after 1 January 2024. National Treasury published the 2024 Draft Global Minimum Tax Bill and the Draft Global Minimum Tax Administration Bill (Bills) for comments on 21 February 2024 to affect these Pillar Two changes.

The Group is a MNE with a turnover of more than EUR750 million and is within scope of the OECD Pillar Two Model Rules. Whilst Pillar Two legislation has not yet been substantively enacted in South Africa, where the Group is ultimately parented, South Africa's National Treasury has indicated that the draft legislation will come into effect for fiscal years commencing on or after 1 January 2024. In the event that the tax laws change in South Africa and other jurisdictions where the Group operates, the Group's tax obligations may increase. Should the Bills be enacted during the financial year ended 30 June 2025, the Pillar Two legislation will apply in that financial year. Further, Pillar Two legislation has been substantively enacted in the United Kingdom and Switzerland where the Group operates and will also come into effect for Remgro's year ending 30 June 2025.

Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax expense. The Group intends to apply the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to *IAS 12: Income Taxes* issued in May 2023.

Due to the complexities in applying the Pillar Two legislation, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable or known. Therefore, the Group is assessing its Pillar Two exposures and is currently engaged with tax specialists to assist it with applying the legislation.

12. Other income and expenses

12.1 Revenue

Revenue

Revenue comprises the fair value of the consideration received/receivable arising in the course of the Group's ordinary activities through the sale of goods and services. Revenue is disclosed net of value added tax, general sales taxes, returns, rebates, discounts and other allowances and after eliminating sales within the Group.

Sales of goods comprise the sale of alcoholic beverages, milling, agricultural produce and consumer goods, as well as aluminium products. Sales of services comprise logistics, warehousing and distribution services where the Group acts as an agent on behalf of a principal and earns commission, as well as consulting and management services.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control of a product or when services are rendered to a customer. In certain instances, the sale of goods includes delivery and these sales are identified as being a single performance obligation. In all other cases, where the Group is requested to arrange transport for the customer, two separate performance obligations arise – the sale of goods and the provision of transport. To the extent that the Group is responsible for the provision of the transport services to the customer, the Group acts as a principal and revenue from transport services is recorded at the gross amount.

Revenue from the sale of goods is recognised only when the performance obligations arising from the contract with a customer are satisfied and the amount of revenue that it expects to be entitled to can be determined. For sales that include delivery as a single performance obligation (as indicated above), revenue is recognised when products have been delivered to the customer and the customer has accepted delivery. In instances where the delivery is a separate performance obligation (as indicated above), revenue from the sale of goods is recognised when the goods are transferred to the transport provider for delivery.

The products sold often include various discounts, including volume discounts based on aggregate sales and early settlement discounts. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

In instances where the delivery is a separate performance obligation (as indicated above), revenue from the sale of goods is recognised when the goods are transferred to the transport provider for delivery.

A refund liability (included in trade and other payables) is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with credit terms which are consistent with market practice. The Group's obligation to replace or accept return of faulty products is recognised as a refund liability (included in trade and other payables) and a right to the returned goods (included in other current assets) is recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a category level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

A receivable is recognised when the goods are delivered, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from the sale of services relates mainly to transport services and is recognised when the underlying goods have been delivered. The Group is not entitled to payment until the delivery service has been completed. Revenue from other services provided by the Group is recognised when the service has been rendered with reference to completion of the specific transaction assessed on the basis of actual service provided as a proportion of total services to be provided.

The Group currently accepts returns from customers for damaged goods, with the corresponding refund liability recorded within trade and other receivables, unless a separate obligation to settle with the customer exists, in which case the liability is recorded in trade and other payables.

The Group bases its estimates of incentive rebates and settlement discounts on historical results. Variable consideration is calculated by applying percentages agreed with the customer to actual sales for the period.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Recognition of other income

Interest is recognised on a time proportion basis (taking into account the principal outstanding, the effective rate and the period), unless collectability is in doubt. Dividends are recognised when the right to receive payment is established.

12. Other income and expenses (continued)

12.1 Revenue (continued)

Segment revenue

R million	30 June 2024	30 June 2023
Consumer products		
RCL Foods[(1)]	**40 322**	37 616
Capevin[(1)]	**2 659**	2 897
Siqalo Foods	**3 594**	3 748
Industrial		
Wispeco	**3 759**	3 813
Other	**90**	77
Total revenue from continuing operations	**50 424**	48 151

Disaggregated revenue information

R million	30 June 2024	30 June 2023
RCL Foods[(1)]		
RCL Foods Value-Added Business	**24 844**	23 424
Groceries	**5 313**	5 034
Baking	**9 137**	8 625
Sugar	**10 394**	9 765
Rainbow	**14 527**	13 464
Receipt from South African Sugar Association (SASA)	**1 417**	1 336
Sales between RCL Foods' business units	**(558)**	(639)
Group	**281**	198
	40 511	37 783
Capevin[(1)]		
Spirits	**2 360**	2 632
Other	**299**	265
	2 659	2 897
Siqalo Foods		
Spreads	**3 594**	3 748
Wispeco		
Extrusions and related products	**3 238**	3 208
Other	**521**	605
	3 759	3 813
Other	**90**	77
Elimination of intersegment revenue[(2)]	**(189)**	(167)
Total revenue from continuing operations	**50 424**	48 151

(1) *During the prior year, RCL Foods disclosed Vector Logistics business as a discontinued operation and Distell sold the bulk of its business to Heineken Beverages with its continuing operations consisting of Capevin. Refer to note 10.9 for further details. RCL Foods has a major customer A which accounts for R5 340 million (more than 10%) of revenue from continuing operations.*

(2) *RCL Foods accounts for administration fee received from Siqalo Foods as revenue. On consolidation, this revenue is transferred to intergroup administration fee received.*

Geographical segmental information: Revenue from continuing operations relating to Capevin and Wispeco amounting to R2 435 million (2023: R2 969 million), is derived from outside of South Africa.

12. Other income and expenses (continued)

12.2 Staff costs

Short-term employee benefits

Employee entitlements to leave are recognised when they accrue to employees involved. A creditor is created for the estimated liability for leave as a result of services rendered by employees up to the reporting date.

R million	30 June 2024	30 June 2023
Salaries and wages	**6 263**	5 707
Share-based payments	**172**	172
Pension costs – defined-contribution	**276**	250
Pension costs – defined-benefit	**(36)**	(28)
Post-employment medical benefits	**9**	15
Other	**598**	509
Staff costs included in results from continuing operations	**7 282**	6 625

12.3 Profit

R million	30 June 2024	30 June 2023
Continuing Operations		
Profit includes the following separately disclosable as well as significant income and expense items:		
Income		
Fair value adjustment – biological assets	**425**	333
Fair value adjustment – derivative instruments	**–**	110
Rental income – investment properties	**5**	4
Profit on sale and dilution of investments	**366**	329
Ad Dynamo	**–**	(2)
Grindrod Unbundling (includes reserves recycled)	**–**	339
Other	**366**	(8)
Net profit on the sale of property, plant and equipment	**133**	16
Exchange rate differences	**–**	802
Expenses		
Amortisation of intangible assets	**63**	233
Expenses – investment properties	**7**	9
Lease payments	**292**	278
Short-term leases	**173**	167
Low-value assets	**5**	6
Variable lease payments	**114**	105
Repairs and maintenance	**1 562**	1 420
Research and development costs written off	**14**	18
Auditors' remuneration – audit fees	**63**	58
– other services	**2**	5
Net impairment of investments, assets and goodwill	**4 328**	550
Investments (refer note 4.4)	**4 246**	53
Property, plant and equipment (refer note 10.1)	**57**	35
Intangible and other assets	**25**	462
Loss allowances on loans	**3**	19
Professional fees	**344**	185
Depreciation	**1 126**	1 032
Property, plant and equipment (refer note 10.1)	**1 120**	1 027
Investment properties (refer note 10.2)	**6**	5
Exchange rate losses	**38**	–
Fair value adjustment – derivative instruments	**32**	–
Water, electricity and municipal services	**1 964**	1 587
Fuel and gas	**605**	692
Transportation and vehicle expenses	**2 205**	950
Advertising expenses	**774**	861
Sugar industry levy	**371**	844

13. Financial instruments

Financial instruments disclosed in the financial statements include cash and cash equivalents, investment in money market funds, financial assets at fair value, derivative instruments, debtors and short-term loans, trade and other payables and borrowings.

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at fair value through other comprehensive income;
- those to be measured at fair value through profit and loss; and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies financial assets when, and only when, its business model for managing those assets changes.

The Group classifies its financial liabilities apart from derivatives as other financial liabilities. Derivative financial liabilities are classified as financial liabilities at fair value through profit and loss.

Measurement

Financial instruments are initially recognised at fair value, including directly attributable transaction costs, when the Group becomes party to the contractual terms of the instruments. Transaction costs relating to the acquisition of financial instruments held at fair value through profit and loss are expensed. Subsequent to initial recognition, financial instruments that are not measured at fair value are measured as follows:

Loans and receivables

These assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit and loss and presented in other gains/(losses), together with foreign exchange gains and losses.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is recognised at fair value and subsequently measured at the higher of the expected credit loss relating to the guarantee given and the amount initially recognised less accumulated amortisation, where appropriate.

Derecognition of financial instruments

Financial assets (or portions thereof) are derecognised when the Group realises the rights to the benefits specified in the contract, the rights expire or the Group surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of the financial asset and proceeds receivable, as well as any prior adjustments to reflect fair value that had been recognised in other comprehensive income, are included in the income statement.

Financial liabilities (or portions thereof) are derecognised when the Group's obligation specified in the contract is discharged or cancelled, or has expired. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs and the amount paid for it is included in the income statement.

Fair value estimation

Financial instruments that are measured at fair value in the statement of financial position are disclosed by level of the following fair value hierarchy:

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

The fair value of financial instruments traded in an organised financial market is measured at the applicable quoted prices. The fair value of the financial instruments that are not traded in an organised financial market is determined using a variety of methods and assumptions that are based on market conditions and risk existing at the reporting date, including independent appraisals and discounted cash flow methods. Fair values represent an approximation of possible value, which may differ from the value that will finally be realised.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

13. Financial instruments (continued)

13.1 Classes of financial instruments and fair value

Financial instruments on the statement of financial position include investments, investment in money market funds, loans receivable, debtors, cash, creditors, short-term loans, long-term loans and derivative instruments. Details of the nature, extent and terms of these instruments are explained in the notes to the relevant items.

The accounting policy for financial instruments was applied to the following statement of financial position line items:

Financial assets (R million)	*Non-financial assets*	*Financial assets at amortised cost*	*Financial assets at FVPL*	*Financial assets at FVOCI*	*Carrying value*	*Fair value*
30 June 2024						
Financial assets at FVOCI	**–**	**–**	**–**	**19 933**	**19 933**	**19 933**
Financial assets at FVPL	**–**	**–**	**136**	**–**	**136**	**136**
Long-term loans and debtors	**–**	**19**	**–**	**–**	**19**	**19**
Loans to equity accounted investments	**–**	**103**	**–**	**–**	**103**	**103**
Debtors and short-term loans	**756**	**6 675**	**–**	**–**	**7 431**	**7 431**
Investment in money market funds	**–**	**–**	**2 699**	**–**	**2 699**	**2 699**
Cash and cash equivalents	**–**	**6 789**	**–**	**–**	**6 789**	**6 789**
Assets held for sale	**1**	**–**	**–**	**–**	**1**	**1**
	757	**13 586**	**2 835**	**19 933**	**37 111**	**37 111**
30 June 2023						
Financial assets at FVOCI	–	–	–	22 564	22 564	22 564
Financial assets at FVPL	–	–	179	–	179	179
Long-term loans and debtors	–	33	–	–	33	33
Loans to equity accounted investments	–	57	–	–	57	57
Debtors and short-term loans	460	3 358	–	–	3 818	3 818
Investment in money market funds	–	–	4 582	–	4 582	4 582
Cash and cash equivalents	–	6 047	–	–	6 047	6 047
Assets held for sale	6 644	–	–	–	6 644	6 644
	7 104	9 495	4 761	22 564	43 924	43 924

13. Financial instruments (continued)

13.1 Classes of financial instruments and fair value (continued)

Financial liabilities (R million)	*Non-financial liabilities*	*Liabilities at amortised cost*	*Financial liabilities at FVPL*	*Financial liabilities at FVOCI*	*Carrying value*	*Fair value*
30 June 2024						
Long-term loans	**–**	**1 421**	**–**	**–**	**1 421**	**1 421**
Trade and other payables	**249**	**7 687**	**–**	**–**	**7 936**	**7 936**
Short-term loans	**–**	**4 476**	**–**	**–**	**4 476**	**4 487**
Current instruments at FVPL	**–**	**–**	**53**	**–**	**53**	**53**
Hedge derivatives	**–**	**–**	**–**	**309**	**309**	**309**
	249	**13 584**	**53**	**309**	**14 195**	**14 206**
30 June 2023						
Long-term loans	–	5 804	–	–	5 804	5 804
Trade and other payables	150	5 830	–	–	5 980	5 980
Short-term loans	–	6 431	–	–	6 431	6 436
Current instruments at FVPL	–	–	6	–	6	6
Hedge derivatives	–	–	92	–	92	92
Liabilities held for sale	3 997	–	–	–	3 997	3 997
	4 147	18 065	98	–	22 310	22 315

Fair value

Except for the current term-funded debt package (refer to note 6.1) with a fair value of R1 686 million (2023: R1 680 million), the fair value of the financial instruments approximates their carrying value on 30 June 2024 and 30 June 2023.

Fair value estimation

The following methods and assumptions are used to determine the fair value of each class of financial instrument:

- Financial instruments at fair value and investment in money market funds: Fair value is based on quoted market prices or, in the case of unlisted instruments, appropriate valuation methodologies, being discounted cash flows, liquidation valuation or actual net asset value of the investment.
- Cash and cash equivalents, debtors, creditors and short-term loans: Due to the expected short-term maturity of these financial instruments, their carrying values approximate their fair values.
- Borrowings: The fair value of long-term borrowings is based on discounted cash flows using the effective interest rate method. As the interest rates of long-term borrowings are all market-related, their carrying values approximate their fair values.
- Derivative instruments: The fair values of derivative instruments, which are included in financial instruments at FVPL, are determined by using appropriate valuation methodologies and mark-to-market valuations.

13. Financial instruments (continued)

13.1 Classes of financial instruments and fair value (continued)

Fair value estimation (continued)

The following table illustrates the fair values of financial assets that are measured at fair value, by hierarchy level:

R million	*Level 1*	*Level 2*	*Level 3*	Total
30 June 2024				
Assets				
Non-current assets				
Financial assets at FVOCI	**18 314**	**1**	**1 618**	**19 933**
Financial assets at FVPL	**–**	**–**	**114**	**114**
Current assets				
Financial assets at FVPL	**–**	**22**	**–**	**22**
Investment in money market funds	**2 699**	**–**	**–**	**2 699**
	21 013	**23**	**1 732**	**22 768**
30 June 2023				
Assets				
Non-current assets				
Financial assets at FVOCI	20 246	3	2 315	22 564
Financial assets at FVPL	–	–	150	150
Current assets				
Financial assets at FVPL	–	29	–	29
Investment in money market funds	4 582	–	–	4 582
	24 828	32	2 465	27 325

Reconciliation of carrying value of level 3 assets at the beginning and end of the year (R million)	*Financial assets at FVOCI*	*Financial assets at FVPL*	Total
Balances at 1 July 2022	2 402	242	2 644
Additions	306	–	306
Disposals	(415)	–	(415)
Business disposed	(38)		(38)
Exchange rate adjustment	203	35	238
Fair value adjustments through other comprehensive income	(143)	–	(143)
Fair value adjustments through profit and loss	–	(127)	(127)
Balances at 30 June 2023	2 315	150	2 465
Additions	**186**	**–**	**186**
Disposals	**(299)**	**–**	**(299)**
Transfers	**(5)**	**–**	**(5)**
Exchange rate adjustment	**(30)**	**–**	**(30)**
Fair value adjustments through other comprehensive income	**(549)**	**–**	**(549)**
Fair value adjustments through profit and loss	**–**	**(36)**	**(36)**
Balances at 30 June 2024	**1 618**	**114**	**1 732**

Level 3 financial assets consist mainly of investments in the Milestone China entities (Milestone), Asia Partners Fund I LP and Asia Partners Fund II LP (Asia Partners Funds) and the Pembani Remgro Infrastructure Fund (PRIF) amounting to R54 million (2023: R738 million), R672 million (2023: R658 million) and R326 million (2023: R325 million), respectively. These investments are all valued based on the fair value of each investment's underlying assets, which are valued using a variety of valuation methodologies. Listed entities are valued at the last quoted share price on the reporting date, whereas unlisted entities' valuation methods include discounted cash flow valuations, appropriate earnings and revenue multiples.

The Asia Partners Funds consist of cash balances and eight different investments of which 94% (2023: 80%) is measured using option pricing models. Seven of PRIF's eight assets were valued using the discounted cash flow method.

The investments in LifeQ Global Limited and Bolt Technology OÜ were valued at R61 million and R352 million, respectively, at 30 June 2024 (2023: R202 million and R257 million, respectively).

Remgro's unlisted investments classified as level 3 financial instruments are widely held. Accordingly, changes in the assumptions used to value the above-mentioned unlisted investments will not have a significant impact on Remgro's financial statements.

13. Financial instruments (continued)

13.1 Classes of financial instruments and fair value (continued)

The following table illustrates the fair values of financial liabilities that are measured at fair value, by hierarchy level:

R million	*Level 1*	*Level 2*	*Level 3*	Total
30 June 2024				
Liabilities				
Current instruments at FVPL	**–**	**53**	**–**	**53**
Hedge derivatives	**–**	**309**	**–**	**309**
	–	**362**	**–**	**362**
30 June 2023				
Liabilities				
Current instruments at FVPL	–	6	–	6
Hedge derivatives	–	92	–	92
	–	98	–	98

13.2 Financial instruments and risk management

Various financial risks have an impact on the Group's results: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Company and its subsidiaries' risk management programmes, of which key aspects are explained below, acknowledge the unpredictability of financial markets and are aimed to minimise any negative effect thereof. Derivative instruments are used to hedge against certain financial risk exposures.

Remgro's risk management is performed by its central treasury department in terms of policy that was approved by the Board of Directors. A Treasury Committee identifies, evaluates and hedges financial risks in terms of the Group's risk appetite, sets risk limits and monitors compliance with policy and procedures. The committee is assisted by the internal audit department that regularly, and on an *ad hoc* basis, reviews risk management controls and procedures. It is the responsibility of the Remgro Audit and Risk Committee to supervise these functions and assess the appropriateness of risk management strategies.

Risk management at subsidiary level is performed by the respective subsidiaries themselves and Remgro's Board of Directors monitors this on a continuous basis through representation on the subsidiaries' boards.

Relevant financial risks and risk management programmes are summarised as follows:

Market risk

Price risk

Exposure to price risk is due to investments in listed and unlisted shares which are classified as either FVOCI or FVPL, investment in money market funds and investments in commodity future contracts.

Equity investments at FVOCI consist primarily of FirstRand and Discovery. The FirstRand investment is partially hedged, the details of which are disclosed in note 6.5. Other investments at FVOCI consist mainly of the investments in British American Tobacco plc (BAT), PRIF, Prescient China Equity Fund and the Asia Partners Funds, the details of which are disclosed in note 4.3. Investments at FVPL consist mainly of put option derivatives, the investment in LIVEKINDLY and interest rates swaps, the details of which are disclosed in note 6.4. The Management Board monitors all these investments continuously and makes recommendations to the Investment Committee and the Board of Directors in this regard.

Investment in money market funds consists mainly of interest-bearing liquid investments with a low risk. Refer to note 5.1 for further details.

Some operating subsidiaries have commodity options and future contracts that are influenced by the prices of the underlying commodities. The Board of Directors monitors this through representation on the subsidiaries' boards.

13. Financial instruments (continued)

13.2 Financial instruments and risk management (continued)

Market risk (continued)

Foreign exchange risk

Certain subsidiaries operate internationally and are therefore exposed to foreign currency risk due to commercial transactions and offshore borrowings denominated in foreign currencies. These risks are limited by using foreign exchange contracts when deemed necessary.

The Group is also exposed to foreign exchange translation risk through foreign cash (note 5.2).

The Board of Directors monitors the exposure foreign cash and offshore debt on a regular basis and the risk is limited through the diversification in foreign currencies.

Interest rate risk

Due to significant cash investments, movements in market interest rates influence income. The profile of the cash and cash equivalents is explained in note 5.2. Interest rate risk is managed by Remgro's treasury department, as well as the respective subsidiaries, by using approved counter parties that offer the best rates.

The Company and its subsidiaries are also exposed to interest rate risk due to long-term and short-term debt. The interest rate profile of the liabilities is disclosed in note 6.1.

The Group's sensitivity to market risk

The following table illustrates the sensitivity of the Group's profit and other comprehensive income to market risk if markets change with the following percentages:

	30 June 2024			30 June 2023		
	Change	***Income statement*** **R million**	***Equity*** **R million**	*Change*	*Income statement* R million	*Equity* R million
Interest rates	**+2.0%**	**91**	**–**	+2.0%	133	–
Foreign exchange	**+5.0%**	**2**	**281**	+5.0%	(28)	314
Equity prices	**+10.0%**	**(23)**	**1 201**	+10.0%	11	1 432

The above sensitivity analysis was calculated with reference to the carrying value of financial instruments at year-end and a possible change in the market risk factor.

Credit risk

The Group's exposure to credit risk is the fair value of loans, loans to equity accounted investments and other investee companies, debtors, short-term loans, derivative instruments, investments in money market funds and cash and cash equivalents as indicated above, as well as financial guarantee contracts.

Loans receivable

Management continuously assesses the credit risk of loans to equity accounted investments through its representation on the respective boards. The credit risk of loans to other investee companies is assessed through regular reporting from the respective investee companies. Loans to equity accounted investments and other investee companies are within their mandated terms. The loss allowances for loans to external parties are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions, as well as forward looking estimates at the end of each reporting period.

Trade receivables

No significant concentration of credit risk existed regarding debtors, as customers are spread over a wide geographical area. Policies and procedures are in place ensuring that sales occur only to customers with an acceptable credit history. Other debtors consist mainly of dividends receivable.

13. Financial instruments (continued)

13.2 Financial instruments and risk management (continued)

Credit risk (continued)

Trade receivables (continued)

The Group applies the simplified approach for providing the expected credit losses prescribed by *IFRS 9*, which permits the use of lifetime expected loss provision for all trade receivables.

Capevin, Siqalo Foods and RCL Foods are Remgro subsidiaries with significant trade receivables.

Capevin has no insured trade receivables, holds no collateral as security and there is a cession, as per note 10.7, on trade receivables. Credit granting is controlled by a robust application process and credit limits are assigned and are updated continuously taking into account financial position, past experience and other factors.

Capevin's provision matrix of the lifetime expected loss allowance for trade debtors as at 30 June 2024 is as follows:

	Current	*Up to 60 days past due*	*Up to 90 days past due*	*Above 90 days past due*	Total
International	0.0%	0.0%	0.0%	29.1	1.7%
South African	0.0%	0.0%	0.0%	0.0%	0.0%
	0.0%	0.0%	0.0%	29.1	1.7%

Capevin's gross carrying amount of trade debtors per risk segment for the current financial year is as follows:

R million	*Current*	*Up to 60 days past due*	*Up to 90 days past due*	*Above 90 days past due*	Total
International	374	14	1	24	413
	374	14	1	24	413

13. Financial instruments (continued)

13.2 Financial instruments and risk management (continued)

Credit risk (continued)

Trade receivables (continued)

RCL Foods' exposure to credit risk with regards to trade and other receivables is influenced mainly by the individual characteristics of each customer and there is no significant concentration of risk related to industry segments. The granting of credit is controlled by well-established criteria that are reviewed on a regular basis. The terms granted to trade debtors are determined by the respective credit policies of each operating subsidiary. The maximum exposure to credit risk at the reporting date is the carrying amount of each trade receivable and amounts guaranteed as disclosed in note 10.7.

In the current year, 77.6% (2023: 85.2%) of RCL Foods' trade debtors from continuing operations, which have not been specifically impaired, have been covered by credit insurance. The RCL Foods Value-Added Business segment business units (Groceries, Baking and Sugar) trade debtors are covered by Lombard Insurance on all debtors' balances in excess of R50 000, which covered 96.8% of their debtors in the current financial year (2023: 96.8%). Rainbow and a portion of the RCL Foods Value-Added Business segment trade debtors represent large retail customers assessed as being a low risk of default. Rainbow and Groceries segment trade debtors are managed by the Vector Logistics segment and subject to the covers that Vector Logistics has in place. Credit insurance premiums are paid on a monthly basis based on net invoiced sales. The credit policy requires each new customer to be analysed individually for creditworthiness before delivery and payment terms are offered. RCL Foods' review includes external ratings where available and, in some cases, bank references. Limits are established for each customer, which represents the maximum trading amount without requiring further approval. These limits are reviewed on an ongoing basis. Customers that fail to meet RCL Foods' benchmark creditworthiness may transact with RCL Foods on a cash basis. Customers that default on payments are closely monitored and put on "stop supply" if required.

Remgro's loss allowance is as follows:

Loss allowance matrix (R million)	*Low risk of defaults*	*Insured trade receivables*	*Trade receivables specifically provided*	*Current*	*Up to 60 days past due*	*More than 60 days past due*	30 June 2024 Total
Gross carrying amount							
RCL Foods	264	554	661	2 116	1 437	(33)	4 999
Capevin	–	–	–	374	14	25	413
Wispeco	–	–	–	258	54	4	316
Siqalo Foods	564	–	1	–	–	–	565
Other	126	–	–	–	–	–	126
	954	554	662	2 748	1 505	(4)	6 419
Loss allowance							
RCL Foods				2	1	–	3
Capevin				–	–	7	7
Wispeco				2	12	4	18
Siqalo Foods				n/a	n/a	n/a	n/a
				4	13	11	28
Specific allowance							
RCL Foods							19
Total loss allowance							47
Expected loss rate							
RCL Foods		0.07%		0.11%	0.09%	(1.11%)	
Capevin				0.00%	0.00%	28.12%	
Wispeco				0.60%	21.58%	106.81%	
Siqalo Foods				n/a	n/a	n/a	
				0.14%	0.86%	(235.19%)	

13. Financial instruments (continued)

13.2 Financial instruments and risk management (continued)

Credit risk (continued)

Trade receivables (continued)

Loss allowance matrix (R million)	Low risk of defaults	Insured trade receivables	Trade receivables specifically provided	Current	Up to 60 days past due	More than 60 days past due	30 June 2023 Total
Gross carrying amount							
Capevin	–	–	–	494	22	23	539
RCL Foods	(271)	910	25	787	133	5	1 589
Wispeco	–	–	–	315	36	12	363
Siqalo Foods	36	–	–	–	–	–	36
Other	205	–	–	–	–	–	205
	(30)	910	25	1 596	191	40	2 732
Loss allowance							
Capevin				–	–	11	11
RCL Foods				2	2	1	5
Wispeco				–	9	11	20
Siqalo Foods				n/a	n/a	n/a	n/a
				2	11	23	36
Specific allowance							
RCL Foods							21
Total loss allowance							57
Expected loss rate							
Capevin				0.00%	0.00%	45.68%	
RCL Foods				0.25%	1.27%	13.99%	
Wispeco				0.25%	25.71%	90.89%	
Siqalo Foods				n/a	n/a	n/a	
				0.17%	5.70%	55.41%	

Derivative instrument transactions and cash investments

Derivative instruments consist mainly of the zero cost collar described in note 6.5, as well as collars, commodity option contracts and foreign exchange contracts as described in note 6.4. Derivative instruments are limited to transactions with financial institutions with an acceptable credit rating. Remgro's Treasury Committee and/or the respective subsidiaries approve these institutions and determine the limit of credit exposure of each separate entity.

Investment in money market funds and cash and cash equivalents are only held by approved institutions with acceptable creditworthiness. The Treasury Committee sets the limit for each financial institution. Refer to the investment in money market funds note (note 5.1) and cash and cash equivalents note (note 5.2) for additional information.

13. Financial instruments (continued)

13.2 Financial instruments and risk management (continued)

Liquidity risk

Debt levels within the Group are monitored on a continuous basis. The Company and its subsidiaries have substantial cash balances at their disposal and adequate credit facilities that limit their liquidity risk. Liquidity risk is further limited due to the fact that the Company also has substantial investments which can be realised on short notice.

The following schedule indicates the repayment terms of outstanding debt:

			Non-discounted cash flow		
Financial liabilities (R million)	***Carrying value***	***Contractual cash flow***	***0 to 12 months***	***1 to 5 years***	***5 years and longer***
30 June 2024					
Long-term loans	**1 421**	**1 591**	**–**	**1 354**	**237**
Trade and other payables	**7 687**	**7 687**	**7 687**	**–**	**–**
Short-term loans	**4 476**	**4 607**	**4 607**	**–**	**–**
Current instruments at FVPL	**53**	**53**	**53**	**–**	**–**
Hedge derivatives	**309**	**309**	**309**	**–**	**–**
	13 946	**14 247**	**12 656**	**1 354**	**237**
30 June 2023					
Long-term loans	5 804	6 424	–	6 335	89
Trade and other payables	5 980	5 980	5 980	–	–
Short-term loans	6 431	6 496	6 496	–	–
Current instruments at FVPL	6	6	6	–	–
Financial guarantee	–	15	15	–	–
	18 221	18 921	12 497	6 335	89

14. Related parties

Related parties that have been identified consist of subsidiaries, equity accounted investments, key management personnel and certain shareholders. Details of these parties and transactions with them are disclosed below.

14.1 Related party transactions

R million	**30 June 2024**	30 June 2023
Transactions of Remgro Limited and its subsidiaries with:		
Principal shareholder		
Dividends	**(94)**	(70)
Equity accounted investments		
Interest received	**15**	15
Interest paid	**(21)**	(30)
Dividends received	**(2 036)**	(1 459)
Administration fees received	**68**	19
Sales	**74**	327
Purchases	**(1 414)**	(1 375)
Corporate finance transactions and underwriting fees paid	**(38)**	(13)
Key management personnel (refer note 9)		
Salaries and other benefits	**(44)**	(39)
Retirement benefits	**(7)**	(6)
Share-based payments	**54**	53
Balances due from/(to) related parties:		
Equity accounted investments	**(169)**	(154)
Equity accounted investments	**202**	375

No security is given for any outstanding balances. No provisions for expected credit losses against outstanding balances with related parties have been made. This has been assessed and considered to be immaterial. No bad debt of related parties has been written off during the year.

14. Related parties (continued)

14.2 Principal subsidiaries

Name of company Incorporated in South Africa unless otherwise stated		Share capital R (unless otherwise stated)	Effective interest 30 June 2024 %	30 June 2023 %
Capevin Holdings Proprietary Limited[(1)]		11 399 304 000	**33.6**	31.4
Eikenlust Proprietary Limited		100	**100.0**	100.0
Energy Exchange of Southern Africa Proprietary Limited		76 491 730	**75.0**	75.0
Enerweb Proprietary Limited		1 000	**38.3**	38.3
Entek Investments Proprietary Limited		16 029 279	**100.0**	100.0
Historical Homes of South Africa Limited		555 000	**65.8**	65.8
Industrial Electronic Investments Proprietary Limited		1 000	**100.0**	100.0
Industrial Partnership Investments Proprietary Limited		125 000	**100.0**	100.0
Invenfin Proprietary Limited		100	**100.0**	100.0
IPI (Overseas) Limited – Jersey		918 530 004	**100.0**	100.0
IPROP Holdings Limited – British Virgin Islands	(USD)	4 882 892	**100.0**	100.0
Metkor Group Proprietary Limited		82 978 237	**100.0**	100.0
Millennia Jersey Limited – Jersey	(GBP)	458 000 000	**100.0**	100.0
Partnership in Mining Proprietary Limited		100	**100.0**	100.0
RCL Foods Limited	*	10 342 809 000	**80.2**	80.2
Remgro Beverages Proprietary Limited		8 940 134 267	**100.0**	100.0
Remgro Finance Corporation Proprietary Limited		958 430	**100.0**	100.0
Remgro Health Limited – Jersey	(GBP)	100 000 000	**100.0**	100.0
Remgro Healthcare Holdings Proprietary Limited		36 543 642 592	**100.0**	100.0
Remgro International Holdings Proprietary Limited		2	**100.0**	100.0
Remgro International Limited – Jersey		5 014 710 000	**100.0**	100.0
Remgro Investment Corporation Proprietary Limited		100	**100.0**	100.0
Remgro Jersey GBP Limited – Jersey	(GBP)	100 000 000	**100.0**	100.0
Remgro Loan Corporation Proprietary Limited		700	**100.0**	100.0
Remgro Management Services Limited		100	**100.0**	100.0
Remgro South Africa Proprietary Limited		48 614	**100.0**	100.0
Remgro Sport Investments Proprietary Limited		100	**100.0**	100.0
Remgro USA Limited – Jersey	(USD)	2	**100.0**	100.0
Remont Proprietary Limited		100	**100.0**	100.0
Robertsons Holdings Proprietary Limited		1 000	**100.0**	100.0
RPII Holdings Proprietary Limited		8 600 000	**100.0**	100.0
SEACOM SA SPV Proprietary Limited		100	**100.0**	100.0
Siqalo Foods Proprietary Limited		1	**100.0**	100.0
Stellenbosch Academy of Sport Proprietary Limited		2	**100.0**	100.0
TSB Sugar Holdings Proprietary Limited		7 532 040 746	**100.0**	100.0
V&R Management Services AG – Switzerland	(CHF)	100 000	**100.0**	100.0
VenFin Holdings Limited – Jersey	(USD)	88 578 773	**100.0**	100.0
VenFin Proprietary Limited		2 849 304 076	**100.0**	100.0
VenFin Media Investments Proprietary Limited		2	**100.0**	100.0
Wispeco Holdings Proprietary Limited		11 641 000	**100.0**	100.0

Details of income and investments in subsidiaries are disclosed in the Company's separate Annual Financial Statements.

(GBP) British pound
(USD) USA dollar
(CHF) Swiss franc
** Listed company*

(1) *Remgro owns all of the unlisted B-shares issued by Capevin. These shares carry voting rights only and, in conjunction with the ordinary shares held, Remgro has voting rights of 57.8% (2023: 55.9%) in Capevin.*

A complete register of subsidiaries is available for inspection at the registered office of the Company.

14. Related parties (continued)

14.3 Principal equity accounted investments

Name of company Incorporated in South Africa unless otherwise stated	Listed (L)/ Unlisted (U)	30 June 2024 Shares held	30 June 2024 Effective interest %	30 June 2023 Shares held	30 June 2023 Effective interest %
Healthcare					
Manta Bidco Limited – UK	U	**372 574 637**	**50.0**	372 574 637	50.0
Consumer products					
Heineken Beverages Holdings Limited	U	**75 460 929**	**18.8**	75 460 929	18.8
Financial services					
OUTsurance Group Limited	L	**469 448 728**	**30.6**	469 448 728	30.6
Business Partners Limited	U	**77 322 278**	**44.7**	76 276 317	44.1
Infrastructure					
Community Investment Ventures Holdings Proprietary Limited	U	**392 141**	**57.0**	392 141	57.0
SEACOM Capital Limited – Mauritius	U	**1 000**	**30.0**	1 000	30.0
Industrial					
Air Products South Africa Proprietary Limited	U	**4 500 000**	**50.0**	4 500 000	50.0
TotalEnergies Marketing Proprietary Limited	U	**12 872 450**	**24.9**	12 872 450	24.9
PGSI Limited – BVI	U	**26 297 697**	**37.7**	26 297 697	37.7
Media					
eMedia Investments Proprietary Limited	U	**17 730 595**	**32.3**	17 730 595	32.3
Diversified investment vehicles					
Kagiso Tiso Holdings Proprietary Limited (RF) (KTH)	U	**325 892**	**43.5**	325 892	43.5

Details of investments in and income from equity accounted investments are disclosed in note 4.1.

All these investments were equity accounted.

BVI – British Virgin Islands
UK – United Kingdom

Details of investments which are not material to the evaluation of the business of the Group, are not shown.

14.4 Key management personnel

Only Remgro's directors and members of the Management Board are key management personnel. Information on directors' emoluments and their shareholding in the Company appears in notes 8 and 9 as well as on page 121.

14.5 Shareholders

A detailed analysis of shareholders appears on pages 119 and 120.

15. Events after year-end

RCL Foods

On 3 June 2024, the RCL Foods board approved the formal separation of its poultry operation via a listing of the ordinary shares of Rainbow on the Main Board of the JSE and a pro rata distribution *in specie* of the Rainbow shares to shareholders. The effective date of the unbundling was 1 July 2024 and Remgro received 714 057 943 Rainbow shares (80.2% interest), in the ratio of one Rainbow share for every one RCL Foods share held. Similar to Remgro's investment in RCL Foods, the investment in Rainbow is classified as a subsidiary.

Other than the above-mentioned event, there were no other significant events subsequent to 30 June 2024.

16. New accounting standards and interpretations

Management considered all new accounting standards, interpretations and amendments to IFRS that were issued prior to 30 June 2024, but not yet effective on that date.

Published standards, amendments and interpretations not yet effective and not early adopted:

The following new accounting standards, interpretations and amendments will not have a material impact on the financial statements:

- Amendment to *IAS 1: Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)*

  (effective date – financial periods commencing on/after 1 January 2024)

  The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

  The amendment also clarifies what *IAS 1* means when it refers to the 'settlement' of a liability.

- Amendments to *IAS 1: Presentation of Financial Statements (Non-current Liabilities with Covenants)*

  (effective date – financial periods commencing on/after 1 January 2024)

  Amendments to *IAS 1* which requires entities to consider the compliance with financial covenants on its debt. The classification of debt as current or non-current based on the future ability of the entities to comply with financial covenants is not affected, however entities are required to disclose details of these covenants.

- Amendments to *IAS 7: Statement of Cash Flows* and *IFRS 7: Financial Instruments: Disclosures*

  (effective date – financial periods commencing on/after 1 January 2024)

  These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the International Accounting Standards Board's (IASB) response to investors' concerns that some companies' suppliers finance arrangements are not sufficiently visible, hindering investors' analysis.

- Amendments to *IFRS 16: Leases*

  (effective date – financial periods commencing on/after 1 January 2024)

  These amendments include requirements for sale and leaseback transactions in *IFRS 16* to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

- Amendments to *IFRS 7: Financial Instruments: Disclosures* and *IFRS 9: Financial Instruments*

  (effective date – financial periods commencing on/after 1 January 2026)

  Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

  Clarified how to assess the contractual cash flow characteristics of financial assets that include Environmental, Social and Governance (ESG)-linked features and other similar contingent features.

  Clarifies the treatment of non-recourse assets and contractually linked instruments.

  Requires additional disclosures in *IFRS* 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

16. New accounting standards and interpretations (continued)

Published standards, amendments and interpretations not yet effective and not early adopted (continued):

- Amendments to *IFRS 18: Presentation and Disclosure in Financial Statements*

  (effective date – financial periods commencing on/after 1 January 2027)
  In April 2024, the IASB issued *IFRS 18*: *Presentation and Disclosure in Financial Statements* which replaces *IAS 1: Presentation in Financial Statements*. *IFRS 18* introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

- Amendments to *IAS 21: The Effects of Changes in Foreign Exchange Rates (Lack of exchangeability)*

  (effective date – financial periods commencing on/after 1 January 2025)
  The amendment to *IAS 21* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

  If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

- Amendments to *IFRS 10: Consolidated Financial Statements* and *IAS 28: Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)*

  (effective date – IASB decided to defer the effective date of the amendments until such time as it has finalised)
  The amendments address the conflict between *IFRS 10: Consolidated Financial Statements* and *IAS 28: Investments in Associates and Joint Ventures* in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

  The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in *IFRS 3: Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

- Amendments to *IFRS 19: Subsidiaries without Public Accountability: Disclosures*

  (effective date – financial periods commencing on/after 1 January 2027)
  In May 2024, the IASB issued *IFRS 19: Subsidiaries without Public Accountability: Disclosures* (*IFRS 19*), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply *IFRS 19* will not need to apply the disclosure requirements in other IFRS accounting standards.

  An entity applying *IFRS 19* is required to disclose that fact as part of its general IFRS accounting standards compliance statement. *IFRS 19* requires an entity whose financial statements comply with IFRS accounting standards including *IFRS 19* to make an explicit and unreserved statement of such compliance.

- Amendments to *IAS 12: Income Taxes (International Tax Reform – Pillar Two Model Rules)*

  (effective date – the amendments are effective immediately upon issuance, but certain disclosure requirements are effective later)
  In May 2023, the IASB issued amendments to *IAS 12*, which introduce a mandatory exception in *IAS 12* from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

  The amendments clarify that *IAS 12* applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as Pillar Two legislation and Pillar Two income taxes, respectively.

Statement of Financial Position

at 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Assets			
Non-current assets			
Investments – Subsidiaries	2	**10 870**	10 870
– Equity accounted investment	3	**14 224**	14 224
– At fair value through other comprehensive income (FVOCI)	4	**16 351**	18 111
Intergroup debt	5	**16 425**	13 492
		57 870	56 697
Current assets		**3 676**	4 372
Intergroup debt	5	**3 675**	4 371
Taxation paid in advance		**1**	–
Trade and other receivables		**–**	1
Total assets		**61 546**	61 069
Equity and liabilities			
Stated capital	6	**13 416**	13 416
Fair value reserve		**(340)**	(1 027)
Fair value hedge reserve		**(243)**	(72)
Retained earnings		**45 629**	45 256
Shareholders' equity		**58 462**	57 573
Non-current liability			
Deferred taxation	10	**2 708**	3 146
Hedge derivatives		**–**	92
Current liabilities		**376**	258
Financial guarantees	8	**40**	235
Hedge derivatives		**309**	–
Trade and other payables	5, 7	**27**	23
Total equity and liabilities		**61 546**	61 069

Income Statement

for the year ended 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Dividend revenue		**1 428**	2 988
Guarantee fee income		**194**	173
Loss on distribution of investment		**–**	(152)
Hedge instrument expense		**(11)**	–
Other net operating expenses	9	**(44)**	(48)
Reversal of impairment of equity accounted investment		**–**	1 155
Net profit before taxation		**1 567**	4 116
Taxation	10	**–**	(7)
Net profit for the year		**1 567**	4 109

Statement of Comprehensive Income
for the year ended 30 June 2024

R million	30 June 2024	30 June 2023
Net profit for the year	**1 567**	4 109
Other comprehensive income, net of tax	**686**	1 729
Items that may be reclassified subsequently to the income statement:		
Fair value adjustment for the year	**(218)**	(98)
Deferred taxation on fair value adjustment	**47**	(32)
Items that will not be reclassified to the income statement:		
Fair value adjustments for the year	**918**	2 137
Deferred taxation on fair value adjustments	**391**	(166)
Capital gains taxation on disposal of FVOCI investment	**(452)**	(112)
Total comprehensive income for the year	**2 253**	5 838

Statement of Changes in Equity
for the year ended 30 June 2024

R million	*Stated capital*	*Fair value reserve*	*Fair value hedge reserve*	*Retained earnings*	Total
Balances at 1 July 2022	13 416	(2 632)	(187)	43 801	54 398
Total comprehensive income for the year	–	1 859	(130)	4 109	5 838
Transfer of realised reserves of FVOCI investments to retained earnings	–	(254)	245	9	–
Dividends paid	–	–	–	(1 023)	(1 023)
Dividend *in specie* (Grindrod Unbundling)	–	–	–	(1 640)	(1 640)
Balances at 30 June 2023	13 416	(1 027)	(72)	45 256	57 573
Total comprehensive income for the year	**–**	**857**	**(171)**	**1 567**	**2 253**
Transfer of realised reserves of FVOCI investments to retained earnings	**–**	**(170)**	**–**	**170**	**–**
Dividends paid	**–**	**–**	**–**	**(1 364)**	**(1 364)**
Balances at 30 June 2024	**13 416**	**(340)**	**(243)**	**45 629**	**58 462**

Statement of
Cash Flows
for the year ended 30 June 2024

R million	Notes	30 June 2024	30 June 2023
Cash flows – operating activities			
Net profit before taxation		**1 567**	4 116
Adjustments	11	**(1 622)**	(4 164)
Operating loss before working capital changes		**(55)**	(48)
Working capital changes	11	**4**	240
Cash generated/(utilised) by operations		**(51)**	192
Dividends received		**1 428**	1 210
Dividends paid		**(1 364)**	(1 023)
Taxation paid	11	**(453)**	(133)
Cash inflow/(outflow) from operating activities		**(440)**	246
Cash flows – investing activities			
Addition to investments		**–**	(14)
Proceeds on disposal of investments		**2 678**	959
Increase in intergroup debt		**(6 017)**	(6 996)
Decrease in intergroup debt		**3 779**	5 805
Cash inflow/(outflow) from investing activities		**440**	(246)
Net increase/(decrease) in cash and cash equivalents		**–**	–
Cash and cash equivalents at the beginning of the year		**–**	–
Cash and cash equivalents at the end of the year[(1)]		**–**	–

(1) *Cash and cash equivalents at year-end is less than R1 million.*

Notes to the Annual Financial Statements

for the year ended 30 June 2024

1. Accounting policies

The Annual Financial Statements are prepared on the historical cost basis, unless otherwise indicated, in accordance with IFRS, the requirements of the Companies Act (No. 71 of 2008), as amended and the Listings requirements of the JSE. The accounting policies are consistent with those of the previous year. Refer to note 1 of the consolidated Annual Financial Statements for detailed accounting policies.

(I) Dividend revenue

Remgro is an investment holding company. Dividends are received in the ordinary course of business and thus constitute revenue.

2. Investments – subsidiaries

R million	**30 June 2024**	30 June 2023
Unlisted shares – at cost	**40 279**	40 279
Less: Provision for impairment	**(29 409)**	(29 409)
	10 870	10 870

The provision for impairment recognised during the prior financial years relates to the investment in Remgro Healthcare Holdings Proprietary Limited (RHH). RHH and its subsidiaries are shareholders in Mediclinic, thus the recoverable amount of the investment in RHH is derived from Remgro's Mediclinic internal valuation. During the year under review the Company performed an impairment assessment on its investment in RHH and determined that the recoverable amount exceeded the carrying value due to an increase in the Mediclinic valuation. The previous impairments were recognised as a result of changes in Mediclinic's Swiss business environment that impacted its profitability. While the business is adapting, profitability has not yet improved sufficiently to warrant a reversal of impairment.

Percentage interest held in unlisted shares (%)	**30 June 2024**	30 June 2023
Industrial Partnership Investments Proprietary Limited	**100.0**	100.0
Partnership in Mining Proprietary Limited	**100.0**	100.0
Remgro Healthcare Holdings Proprietary Limited	**100.0**	100.0
Remgro International Holdings Proprietary Limited	**100.0**	100.0
Remgro Investment Corporation Proprietary Limited	**100.0**	100.0
Remgro South Africa Proprietary Limited	**100.0**	100.0
Remont Proprietary Limited	**100.0**	100.0
VenFin Proprietary Limited	**100.0**	100.0

3. Investments – equity accounted

Associate

R million	**30 June 2024**	30 June 2023
Listed shares – at cost	**14 224**	14 224
Market value of listed investment	**21 792**	15 957
Number of shares held in listed company (million)		
OUTsurance Group Limited	**469**	469

The recoverable amount for OUTsurance Group Limited (previously Rand Merchant Investment Holdings Limited (RMI)) is its listed share price as at 30 June 2024. At 30 June 2022, there was a decrease in the fair value of the investment in RMI (due to the RMI Unbundling), resulting in a R1 155 million impairment being raised. The share price has subsequently increased significantly, hence the impairment was reversed at 30 June 2023.

4. Investments – FVOCI

R million	30 June 2024	30 June 2023
Listed shares	**16 351**	18 111
The movement between the balance of the FVOCI investment at the beginning and end of the year can be analysed as follows:		
Beginning of the year	**18 111**	15 981
Disposals	**(2 678)**	–
Fair value adjustment for the year	**918**	2 130
End of the year	**16 351**	18 111
Market value of listed shares	**16 351**	18 111
Number of shares held in listed companies (million)		
Discovery Limited	**51**	51
FirstRand Limited	**123**	123
Momentum Group Limited (previously: Momentum Metropolitan Holdings Limited)	**–**	123

Refer to note 6.5 of the consolidated Annual Financial Statements for information pertaining to the hedging and scrip lending of shares held in FirstRand, as well as note 4.3 of the consolidated Annual Financial Statements for the information relating to the disposal of the investment in Momentum.

5. Intergroup debt

R million	30 June 2024	30 June 2023
Owing by subsidiaries		
Interest-free loans payable on demand	**20 100**	17 863
Owing to subsidiaries		
Included in trade and other payables	**(7)**	(3)
	20 093	17 860

Intercompany loans receivable are repayable on demand and are interest free. Expected credit losses on these loans are realised based on the counterparty's ability to settle its debt on the reporting date. In the event that the counterparty has insufficient liquid assets to settle its debt, the Company strategy is to recover the outstanding balance over time, in which case the expected cash flows are discounted at the effective rate of the intercompany loan, i.e. 0%. Consequently, expected credit losses are realised to the extent that the counterparty has insufficient assets to repay its debt. During the year, there were no material expected credit losses.

6. Stated capital

The detail of the stated capital is presented in note 7.1 of the consolidated Annual Financial Statements.

7. Trade and other payables

R million	30 June 2024	30 June 2023
Subsidiary	**7**	3
Other	**20**	20
	27	23

8. Financial guarantees

The Company entered into various guarantee agreements as guarantor for debt raised by its subsidiaries. As a result of the Company acting as guarantor, the subsidiaries negotiated favourable interest rates on the debt instruments.

Guarantee to a subsidiary

Since the Company does not receive a guarantee fee from the subsidiary, the beneficial interest increment is regarded as a deemed income received by the Company for accounting purposes. A guarantee fee liability was raised on entering this agreement and annual guarantee fee income will be recognised in the income statement until settlement of the underlying debt. The financial guarantee is not recognised on consolidation as separate contracts, since it is included in the Group's liability to the third party.

9. Other net operating expenses

Other net operating expenses are stated after taking into account directors' emoluments of R6.4 million (2023: R5.5 million). The detail of the remuneration and benefits received by each director of the Company is presented in notes 8 and 9 of the consolidated Annual Financial Statements.

10. Taxation

10.1 Deferred taxation

Deferred tax liabilities

R million	***Fair value adjustments***	**Total**
At 1 July 2022	(2 793)	(2 793)
Accounted for in other comprehensive income	(353)	(353)
At 30 June 2023	(3 146)	(3 146)
Accounted for in other comprehensive income	**438**	**438**
At 30 June 2024	**(2 708)**	**(2 708)**

Deferred taxation on fair value adjustments on FVOCI investments, is provided for at the capital gains tax rate of 21.6% (2023: 21.6%), as it is probable that these investments will be realised over the medium term.

The Company has a calculated capital loss of R2 121 million (2023: R2 121 million). The calculated capital loss of R2 121 million (2023: R2 121 million) can be set off against future capital gains, in limited circumstances.

10.2 Taxation in income statement

R million	**30 June 2024**	30 June 2023
Current – previous year – South African normal taxation	**–**	7

10.3 Tax rate reconciliation

%	**30 June 2024**	30 June 2023
Effective tax rate	**–**	–
Reduction/(increase) in standard rate as a result of:		
Non-taxable income	**27.7**	28.3
Non-deductible expenses	**(0.7)**	(1.2)
Previous year – normal taxation	**–**	(0.1)
Standard rate	**27.0**	27.0

10. Taxation (continued)

10.4 Taxation in statement of comprehensive income

R million	30 June 2024	30 June 2023
Current – current year – Capital gains tax	**452**	112

11. Cash flow information

R million	30 June 2024	30 June 2023
Adjustments		
Dividends received	**(1 428)**	(1 211)
Dividends received – *in specie*	**–**	(1 777)
Guarantee fee income	**(194)**	(173)
Grindrod Unbundling – *in specie*	**–**	152
Reversal of impairment of equity accounted investment	**–**	(1 155)
	(1 622)	(4 164)
Decrease/(increase) in working capital		
Increase/(decrease) in financial guarantee receivable and liability	**–**	240
Increase/(decrease) in trade and other payables	**4**	–
	4	240
Reconciliation of taxation received/(paid) with the amount disclosed in the income statement		
Unpaid at the beginning of the year	**–**	(14)
Paid per income statement	**–**	(7)
Paid per other comprehensive income	**(452)**	(112)
(Paid in advance)/unpaid at the end of the year	**(1)**	–
Cash paid	**(453)**	(133)

12. Related party information

Subsidiaries

Details of income from and investments in subsidiaries are disclosed in the income statement and note 2 respectively. See not 8 for financial guarantees issued on behalf of subsidiaries.

Key management personnel

Only Remgro's directors and members of the Management Board are key management personnel. Information on directors' emoluments and their shareholding in the Company appear in notes 8 and 9 to the consolidated Annual Financial Statements as well as on page 121.

Shareholders

A detailed analysis of shareholders (unaudited) appears on pages 119 and 120.

Related party transactions (R million)	30 June 2024	30 June 2023
Transactions of Remgro Limited with:		
Principal shareholder		
Dividends paid	**(33)**	(70)
Equity accounted investments		
Dividends received	**693**	464
Balances due by/(owed to) related parties:		
Subsidiaries	**20 093**	17 860

No security is given for any outstanding balances. No provisions for bad debts against outstanding balances with related parties have been made.

13. Financial instruments

The Company has the following exposure to financial risks resulting from the use of financial instruments:

13.1 Credit risk

Credit risk is the risk of financial loss should a counterparty fail to meet its contractual obligations and arises from credit exposure from outstanding loans and debtors.

The Company is exposed to credit risk as it acts as guarantor for debt raised by its subsidiaries. The exposure from these guarantees amounts to R2 497 million (2023: 7 832 million). The directors assessed the credit risk as low since the underlying subsidiary holds Mediclinic shares in excess of the debt balance.

13.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Cash resources are managed centrally by the Group's treasury division and flexibility in funding is ensured through the availability of guaranteed credit lines.

The Company's liabilities consist of financial guarantees and hedge derivatives, as well as trade and other payables. The risk in terms of the financial guarantees is limited as the Company guarantees repayment of debt incurred by its subsidiaries. The exposure from these guarantees amounts to R2 497 million (2023: R7 832 million). The risks in terms of the outstanding trade and other payables are also low due to the size of the amount involved.

The Company provided letters of support to certain subsidiaries, which enable them to perform all their obligations of whatsoever nature in the conduct of business for as long as they remain subsidiaries of the Company.

The following schedule indicates the repayment terms of outstanding debt:

Financial liabilities (R million)	*Carrying value*	*Contractual cash flow*	Non-discounted cash flow *0 to 12 months*	*1 to 5 years*	*5 years and longer*
30 June 2024					
Hedge derivatives	**309**	**309**	**309**	**–**	**–**
Financial guarantee liability	**40**	**–**	**40**	**–**	**–**
Trade and other payables	**27**	**27**	**27**	**–**	**–**
	376	**336**	**376**	**–**	**–**
30 June 2023					
Hedge derivatives	92	92	–	92	–
Financial guarantee liability	235	–	235	–	–
Trade and other payables	23	23	23	–	–
	350	115	258	92	–

13.3 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and market prices of equity instruments will affect the Company's income.

Foreign exchange risk

The Company has no transactions in foreign currency and as such is not exposed to any foreign currency risk.

Interest rate risk

The Company has no exposure to interest rate risk at 30 June 2024.

Price risk

The Company is exposed to price risk due to its investments held and classified as FVOCI investments. The market price of these investments are monitored on a continuous basis by management.

The impact on equity of a 5% change in the market price of the FVOCI investments on the reporting date, amounts to R641 million (2023: R710 million).

Refer to note 6.5 of the consolidated Annual Financial Statements for the price risk relating to the derivative instrument recognised on the hedging and scrip lending of shares held in FirstRand.

13. Financial instruments (continued)

13.4 Fair value

At 30 June 2024 and 30 June 2023, the fair value of financial assets and liabilities disclosed in the statement of financial position approximates their carrying value.

Financial instruments measured at fair value are disclosed by level of the following fair value hierarchy:

- Level 1 – Unadjusted listed prices in an active market for identical assets or liabilities; or
- Level 2 – Inputs, other than listed prices, that are directly or indirectly observable; or
- Level 3 – Inputs that are not based on observable market data.

The fair value of listed shares that are classified as at fair value through other comprehensive income are determined from listed share prices in an active market and included in level 1.

The fair value of derivative instruments are determined using the appropriate valuation methodologies and mark-to-market valuations and included in level 2. Refer to note 13 in the consolidated Annual Financial Statements.

13.5 Capital management

There are no limitations on the borrowing powers of the Company in respect of loans and guaranteed debts. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue shares or repurchase shares from shareholders.

Shareholders' information

Statistics at 30 June 2024

	30 June 2024 %	30 June 2024 Number of shares	30 June 2023 %	30 June 2023 Number of shares
Major beneficial shareholders				
Ordinary shares				
Public Investment Corporation	**17.31**	**91 598 348**	16.62	87 952 515
Other	**82.69**	**437 618 659**	83.38	441 264 492
	100.00	**529 217 007**	100.00	529 217 007
B ordinary shares				
Rupert Beleggings Proprietary Limited	**100.00**	**39 056 987**	100.00	39 056 987
Total	**100.00**	**568 273 994**	100.00	568 273 994

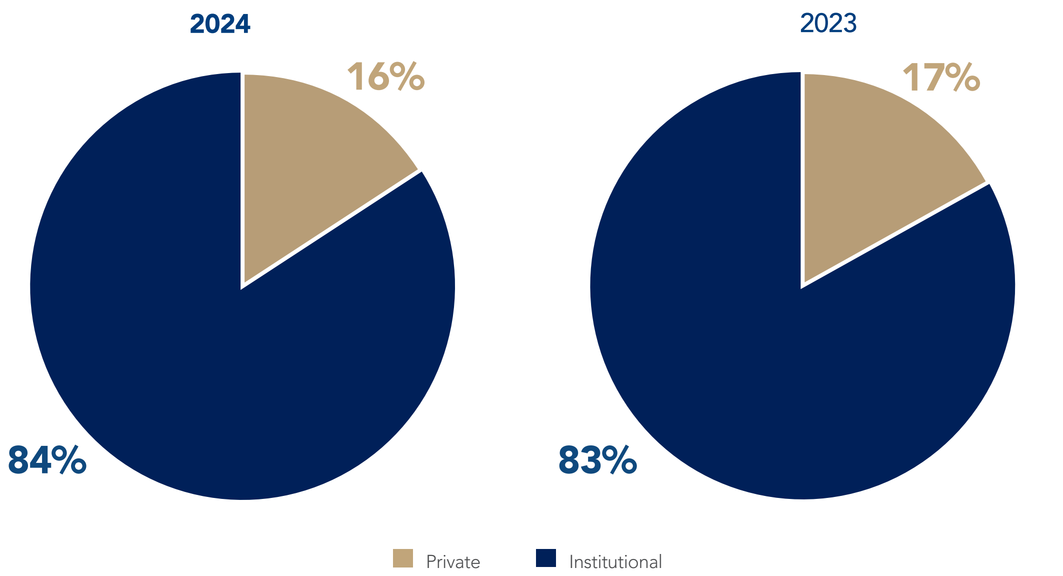
No other shareholder held a beneficial interest of more than 5% in the ordinary shares of the Company on 30 June 2024.

	30 June 2024	30 June 2023	30 June 2022	30 June 2021
Distribution of shareholders				
Ordinary shares				
Public shareholders	**47 088**	48 499	43 862	42 694
Percentage of shareholders	**99.92**	99.93	99.92	99.90
Number of shares	**497 558 709**	501 648 454	507 156 402	508 022 210
Percentage of shares issued	**94.02**	94.79	95.83	96.00
Non-public shareholders				
Directors (including major subsidiaries' directors) and their associates/Share Trust/Treasury shares/Prescribed officers/associates of Remgro and/or its major subsidiaries	**38**	36	37	44
Percentage of shareholders	**0.08**	0.07	0.08	0.10
Number of shares	**31 658 298**	27 568 553	22 060 605	21 194 797
Percentage of shares issued	**5.98**	5.21	4.17	4.00
Number of shareholders	**47 126**	48 535	43 899	42 738

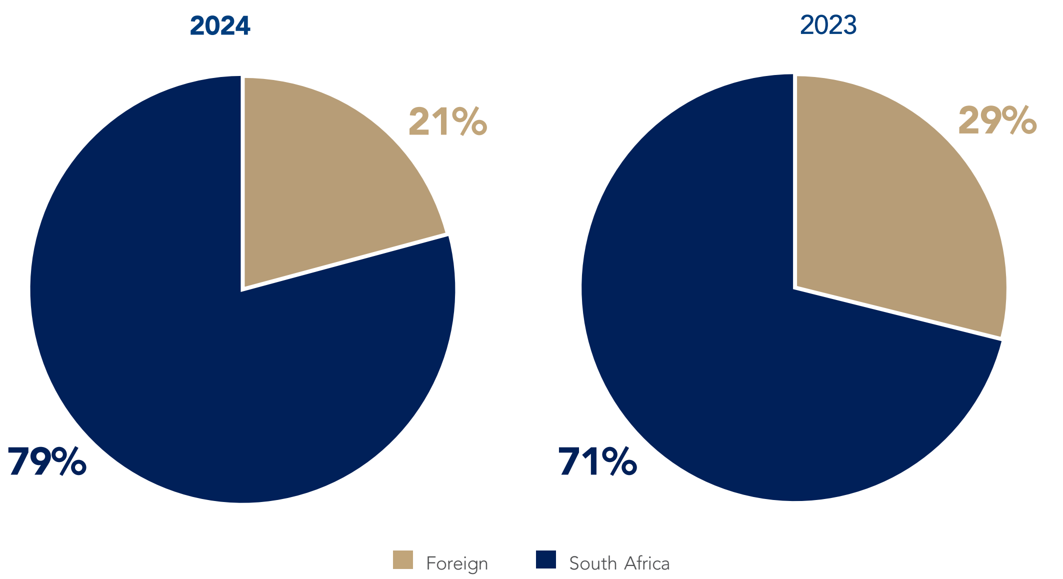
	30 June 2024	30 June 2023	30 June 2022	30 June 2021
Number of shares in issue				
– Ordinary shares of no par value	**529 217 007**	529 217 007	529 217 007	529 217 007
– Unlisted B ordinary shares of no par value	**39 056 987**	39 056 987	39 056 987	39 056 987
Total number of shares in issue	**568 273 994**	568 273 994	568 273 994	568 273 994
Number of shares held in treasury				
Ordinary shares repurchased and held in treasury	**(13 350 149)**	(9 646 270)	(4 205 497)	(3 280 163)
	554 923 845	558 627 724	564 068 497	564 993 831
Weighted number of shares	**554 726 814**	562 745 046	564 417 614	564 984 762

Additional information

Institutional and private shareholding in Remgro Limited ordinary shares



Foreign and local shareholding in Remgro Limited ordinary shares



Interests of the directors in the issued capital of the Company

Ordinary shares

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2024				
S E N De Bruyn	**497**	**–**	**–**	**497**
J J Durand[(1)]	**63 582**	**849 376**	**1 650**	**914 608**
M Lubbe	**44 192**	**–**	**–**	**44 192**
N P Mageza	**4 000**	**296**	**–**	**4 296**
J Malherbe	**–**	**1 176 061**	**2 934**	**1 178 995**
P J Moleketi	**1 243**	**–**	**19 718**	**20 961**
P J Neethling	**–**	**–**	**7 898 806**	**7 898 806**
K S Rantloane	**57**	**–**	**–**	**57**
F Robertson	**–**	**5 500**	**–**	**5 500**
J P Rupert[(2)]	**–**	**–**	**7 553 865**	**7 553 865**
C P F Vosloo	**200 000**	**–**	**–**	**200 000**
N J Williams	**95 000**	**–**	**66 000**	**161 000**
	408 571	**2 031 233**	**15 542 973**	**17 982 777**

(1) *Of Mr J J Durand's shareholding, 363 450 shares have been pledged as collateral for an overdraft facility at a financial institution.*
(2) *Messrs J P Rupert and A E Rupert are both directors of an associate that holds 7 551 005 ordinary shares in Remgro Limited.*

Directors	Direct beneficial	Indirect beneficial	Associates	Total
30 June 2023				
S E N De Bruyn	497	–	–	497
J J Durand[(1)]	31 024	849 376	1 650	882 050
M Lubbe	32 184	–	–	32 184
N P Mageza	–	296	–	296
J Malherbe	–	1 176 061	2 934	1 178 995
P J Moleketi	1 243	–	19 718	20 961
M Morobe	–	–	–	–
P J Neethling	–	–	7 898 806	7 898 806
K S Rantloane	57	–	–	57
F Robertson	–	5 500	–	5 500
J P Rupert[(2)]	–	–	7 553 865	7 553 865
N J Williams[(3)]	34 499	–	66 000	100 499
	99 504	2 031 233	15 542 973	17 673 710

(1) *Of Mr J J Durand's shareholding, 203 500 shares have been pledged as collateral for an overdraft facility at a financial institution.*
(2) *Messrs J P Rupert and A E Rupert are both directors of an associate that holds 7 551 005 ordinary shares in Remgro Limited.*
(3) *Of Mr N J Williams's shareholding, 34 499 shares have been pledged as collateral for an overdraft facility at a financial institution.*

B ordinary shares

Mr J P Rupert is a director of Rupert Beleggings Proprietary Limited which owns all the issued unlisted B ordinary shares.

Since the end of the financial year to the date of this report the interests of the directors remained unchanged.

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