Transaction Capital

AFS

Audited consolidated and company annual financial statements

For the year ended 30 September 2024

Contents

The group and company accounting policies have been disclosed as part of the relevant notes to the financial statements.

The consolidated and company financial statements have been prepared under the supervision of Mark Herskovits CA (SA), chief financial officer.

Directors' responsibility statement

for the year ended 30 September 2024

The directors of Transaction Capital Limited (Transaction Capital) are responsible for the preparation, integrity, and fair presentation of the audited consolidated and company annual financial statements. It is their responsibility to ensure that the financial statements fairly present the financial position of the group and company as at the end of the financial year, the results of the operations and the cash flow information is in conformity with IFRS® Accounting Standards of the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) financial reporting guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act, 71 of 2008 (Companies Act) (as amended).

The directors confirm that Transaction Capital is in compliance with the Companies Act and is operating in conformity with the company's memorandum of incorporation.

The directors' responsibilities include designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of these annual financial statements to ensure that they are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. The responsibilities also include maintaining adequate accounting records and an effective system of risk management. The annual financial statements are prepared based on appropriate accounting policies which have been consistently applied and have incorporated prudent judgement and estimates.

The audited consolidated and company annual financial statements are prepared on the going concern basis.

The auditors are responsible for reporting on whether the consolidated and company annual financial statements are fairly presented in accordance with the applicable financial reporting framework, and their modified opinion appears on page 11. The modified report is due to material uncertainty as to the ability of Mobalyz Group Holdings (MGH) to continue as a going concern due to ongoing discussions being held with the various external funder stakeholders in order to restructure its debt which have not been concluded at year end.

Chief executive officer and chief financial officers' responsibility statement relating to internal financial controls

The chief executive officer (CEO) and the chief financial officer (CFO) of Transaction Capital Limited hereby submit the responsibility statement in terms of the JSE Listings Requirement Paragraph 3.84(k) after due, careful and proper consideration of same as follows:

The CEO and CFO, whose names are stated below, hereby confirm that –

- the annual financial statements set out on pages 15 to 154, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
- 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.

Approval of Audited consolidated and company annual financial statements

The annual financial statements on pages 1 to 155 were approved by the board of directors on 12 December 2024, and are signed on their behalf by:

Jonathan Jawno
Chief executive officer

Mark Herskovits
Chief financial officer

Company secretary's certificate

for the year ended 30 September 2024

I hereby certify that, to the best of my knowledge and belief, the company has filed all such returns and notices as is required of a public company in terms of the Companies Act, 71 of 2008 as amended of South Africa ('Companies Act'), with the Companies and Intellectual Property Commission ('CIPC') for the financial year ended 30 September 2024, and that all such returns and notices appear to be true, correct and up to date.

Lisa Lill

Company secretary

12 December 2024

Directors' report

for the year ended 30 September 2024

Nature of business

At the end of the 2024 financial year, the company had a 100% shareholding in Nutun, the sole operating business in the group, supported by the head office function. The company's issued ordinary shares are listed on the Johannesburg Stock Exchange (JSE), with a secondary listing on the A2X Markets.

Operational review

The group initiated and implemented a number of significant strategic initiatives which were transformational for the group in a bid to unlock and create shareholders' value and eliminate company debt and contingent liabilities.

In April 2024, the group successfully completed the unbundling, placement and separate listing of WeBuyCars (WBC) on the main board of the JSE which resulted in the return of R5.2 billion to shareholders through the distribution of 256.3 million WBC shares. The group further raised R1.0 billion via the placement. Consequently, the group materially settled the debt at the holding company level which eliminated the cross-default triggers with SA Taxi and effectively, resulted in a positive net cash position for the company.

In September 2024, the group disposed its controlling interest in Mobalyz Group Holdings (MGH), (previously Transaction Capital Holdings) which was the holding company for SA Taxi Holdings Proprietary Limited. The restructuring of MGH has been critical to ensure stability of the operations of Nutun and effective turnaround of Mobalyz. The aggressive changes that began in FY23 continued into FY24 and culminated in a series of transactions agreed upon by the relevant stakeholders. The disposal of MGH is intended to pave the way for a sustainable future for the business. As a result, Transaction Capital has reduced its effective stake in MGH to 35.5% and will remain a minority shareholder for the foreseeable future. MGH now operates as an independent, private company with a strong, experienced management team who are now co-owners of the company. The remaining investment in MGH is now accounted for as an associate.

Due to the disposal of the two operational businesses, WBC and MGH, the group has Nutun remaining as the only operating business in the group. A strategic review was done on its operations which resulted in the identification of Nutun Australia and Nutun Transact as non-core and therefore, the board decided to divest these businesses. Nutun Australia was disposed of, effective 22 March 2024, for a consideration of AUS58.3 million (R625 million). Nutun Transact was disposed of post year-end effective from 1 November 2024, for a consideration of R405 million. As at year end, the business was classified as asset held for sale.

Financial results

The results of the company and the group are set out in the annual financial statements on pages 1 to 155.

Directorate and company secretary

David Hurwitz resigned as the CEO with effect from 31 December 2023. Jonathan Jawno was appointed as the CEO from the same date.

Kuben Pillay retired from being a member of the board with effect from 7 March 2024. Consequently, he also retired as an independent non-executive director, chairman of the remuneration committee, member of the nominations committee and as a member of the social, ethics and sustainability committee.

Buhle Hanise resigned as an independent non-executive director and a member of the audit and risk committee with effect from 7 March 2024.

Sharon Wapnick was appointed as the chairperson of the remuneration committee with effect from 7 March 2024.

Albertinah Kekana was appointed as a member of the remuneration committee with effect from 7 March 2024.

Sahil Samjowan resigned as the CFO with effect from 31 May 2024 and Mark Herskovits was appointed as the CFO from the same date.

Christopher Seabrooke will resign as an independent non-executive director with effect from 31 December 2024. Consequently, he will also retire as a member of the audit and risk committee and a member of the remuneration and nomination committee.

Roberto Rossi resigned as executive and was appointed as non-executive director of the board effective 1 October 2024. Michael Mendelowitz will resign as executive and be appointed as non-executive director of the board effective 1 April 2025.

Mark Herskovits will resign as the CFO effective 31 March 2025.

Rob Huddy will be appointed as the CFO effective 1 April 2025.

No further appointments or resignations occurred during the year.

Directors' report continued
for the year ended 30 September 2024

Interest of directors in the company's shares

The direct and indirect interests of the directors (and their associates) in the ordinary shares of the company at the end of the financial year, categorised as beneficial, are as follows:

	2024		2023	
	Number of shares '000	**Shareholding %**	Number of shares '000	Shareholding %
Indirect beneficial holdings of directors				
Dovie Trust[1]	**–**	**–**	2 350	<1
Pilatucom Holdings Limited[2]	**–**	**–**	110 500	14.59
Rigicom Holdings Limited[3]	**36 833**	**4.70**	–	–
Neuheim Holdings Limited[4]	**36 833**	**4.70**	–	–
Neranga Holdings Limited[5]	**36 833**	**4.70**	–	–
Sabvest Limited[6]	**6 000**	**<1**	6 000	<1
Kubandiran Pillay Family Trust	**–**	**–**	105	<1
Upperway Investments Private Limited[7]	**1 500**	**<1**	1 500	<1
Direct beneficial holdings of directors				
Sean Doherty[9]	**–**	**–**	41	<1
Mark Herskovits	**1 635**	**<1**	1 635	<1
Albertinah Kekana	**128**	**<1**	128	<1
Diane Radley	**120**	**<1**	120	<1
Sharon Wapnick[8]	**199**	**<1**	199	<1
Total	**120 081**		122 578	
Percentage of issued shares	**15.32%**		16.06%	

1. *David Hurwitz is a discretionary beneficiary of the Dovie Trust. David Hurwitz resigned as a director of Transaction Capital Limited with effect from 31 December 2023.*
2. *Jonathan Jawno, Michael Mendelowitz and Roberto Rossi are discretionary contingent beneficiaries of Pilatucom Holdings Limited. The shares have been pledged as security for a finance facility.*
3. *Jonathan Jawno is a discretionary contingent beneficiary of Rigicom Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.*
4. *Michael Mendelowitz is a discretionary contingent beneficiary of Neuheim Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.*
5. *Roberto Rossi is a discretionary contingent beneficiary of Neranga Holdings Limited. The shares have been and continue to be pledged with an institutional lender against a general finance facility.*
6. *Christopher Seabrooke is the chief executive of Sabvest Limited.*
7. *Jonathan Jawno, Michael Mendelowitz and Roberto Rossi are joint associates of Upperway Investments Private Limited.*
8. *Of these, 139 000 shares are held by associates of Sharon Wapnick.*
9. *Sean Doherty resigned as a director of Transaction Capital Limited with effect from 1 June 2023.*

There are no circumstances under which a reduction of the Transaction Capital share price will trigger a forced sale of shares based on unrelated security pledged in respect of the facility. Other than as indicated above, none of the direct or indirect shareholdings of any of the directors has been encumbered pursuant to security, guarantee, collateral or otherwise.

Changes in interests of directors

In February 2024, Pilatucom Holdings Limited (joint associate of Jonathan Jawno, Michael Mendelowitz and Roberto Rossi) ("Founders") entered into an off market restructure by way of a sale of 110 500 000 ordinary shares by Pilatucom Holdings Limited to its parent companies, being Rigicom Holdings Limited, Neuheim Holdings Limited and Neranga Holdings Limited ('the parent companies"), in equal one third proportions. As previously disclosed, these shares have been and continue to be pledged with an institutional lender against a general finance facility related to the Founders. In addition, the parent companies are wholly owned by the family trusts of the Founders who are contingent discretionary beneficiaries.

Kuben Pillay retired as an independent non-executive director on 7 March 2024, at the conclusion of the AGM. The Kubandran Pillay Family Trust is no longer required to be disclosed as he is no longer a director of Transaction Capital.

There have been no changes in the interests of the directors between 30 September 2024 and the date of approval of these annual financial statements.

Dividends

In the context of the headline and basic losses for the year and to preserve liquidity, the board resolved not to declare any dividends for the 2024 financial year. However the board resolved to distribute its shareholding in WBC for a value of R5.2 billion as part of the WBC unbundling and listing on the JSE.

Directors' report continued
for the year ended 30 September 2024

Consolidated share capital

The authorised and issued share capital is detailed in note 26 of the annual financial statements.

The following changes took place during the year under review:

	2024		2023	
	Number of shares '000	**Value of shares R'000**	Number of shares '000	Value of shares R'000
Balance at the beginning of the year	**763 313**	**5 266 847**	757 366	5 179 469
Shares issued in settlement of the Conditional Share Plan*	**–**	**–**	5 947	87 378
Shares issued	**21 000**	**147 000**	-	–
Balance at the end of the year	**784 313**	**5 413 847**	763 313	5 266 847

* *In terms of specific authority received from shareholders on the adoption of the Transaction Capital Conditional Share Plan, a total of 5 945 809 shares were issued to participants/employees as part of respective vesting at an average price of R14.94 per share in the 2023 financial year.*

All Rand value amounts for share capital issued are net of share issue costs.

Special resolutions passed

The following special resolutions were approved during the year under review:

- Approval of non-executive directors' and committee members' fees.
- Authority to provide financial assistance in terms of section 45 of the Companies Act.
- Authority to provide financial assistance in terms of section 44 of the Companies Act.
- Annual general authority to repurchase securities.
- Annual general authority to allot and issue authorised but unissued securities for cash.
- Authority to issue shares to persons contemplated in section 41 of the Companies Act.

Borrowings

The memorandum of incorporation of the company does not place any restrictions on the borrowing powers of the company or the group. Details of borrowings at the end of the financial year are set out in note 23 to the consolidated annual financial statements.

Litigation

There are no current or pending legal proceedings against the group which are anticipated to materially affect its financial position.

Subsidiaries

Details of subsidiaries and of changes in holdings are set out in note 18 to the company financial statements.

Going concern

The board believes that the group and the company have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. Accordingly, the annual financial statements were prepared on the going concern basis.

Subsequent events

The group disposed of its' controlling interest in Nutun Transact effective 1 November 2024 for a consideration of R405 million. No other events which would have a material impact on either the financial position or operating results of the group or company have taken place between 30 September 2024 and the date of release of this report.

Employee incentive schemes

The group operates share incentive initiatives for employees, including directors.

Transaction capital conditional share plan ('CSP')

The CSP was approved by shareholders at a general meeting held on 20 October 2016. The first issue of CSPs was awarded in November 2016. All awards are subject to remuneration committee approval.

It is believed that the CSP is a superior long-term incentive for Transaction Capital's objectives. The CSP offers participants certainty in that it comprises a fixed number of conditional shares. While its ultimate value will depend on performance, CSP awards will always have a value. Further disclosure relating to the CSP is set out in note 35 of the consolidated financial statements.

Audit and risk committee report

for the year ended 30 September 2024

During the current year, the audit committee and risk and technology committee were combined into the audit and risk committee. The responsibilities of the audit and risk committee are set out in the Companies Act, ('The Act'), Transaction Capital's Memorandum of Incorporation, the King Code on Corporate Governance (King IV) and the JSE Listings Requirements. The audit and risk committee's terms of reference are reviewed annually and approved by the board.

Composition

At 30 September 2024, the audit and risk committee comprised of three independent non-executive directors, all of whom are financially literate and have adequate financial and commercial experience to fulfil their roles as members. The committee met six times during the current year, with two members of the audit and risk committee forming a quorum.

At the date of this report, the audit and risk committee comprised of:

- Diane Radley (chairperson)
- Suresh Kana
- Christopher Seabrooke

The external auditors attend all audit and risk committee meetings and separate meetings may be held with the audit and risk committee to afford the external auditors the opportunity to meet with the audit and risk committee without the presence of management.

Representatives from internal audit attend all audit and risk committee meetings and are similarly afforded the opportunity of separate meetings with the audit and risk committee. The group internal audit function has a functional reporting line to the committee chairperson and an administrative reporting line to the CFO.

The audit and risk committee approved a plan to outsource the Transaction Capital internal audit function, and Deloitte were appointed as the internal auditors effective 1 June 2024. As part of the outsourcing arrangement, the previous in-house internal audit team transitioned to Deloitte and forms part of the team that will be redeployed back to service Transaction Capital and its divisions on an outsourced basis. This was done to ensure continuity, preservation of institutional knowledge and a smooth transition. The audit and risk committee considered the following key factors in arriving at the outsourcing decision:

- Strengthening internal audit's independence and objectivity;
- Access to specialist skills and subject matter experts within Deloitte;
- Flexibility to adjust resource requirements up and down as needed; and
- Reducing the impact of staff turnover, as outsourcing ensures continuity of service.

The audit and risk committee members assess the effectiveness of the audit and risk committee and the audit and risk committee chairman on an annual basis.

Members of the audit and risk committee are elected annually at the company's annual general meeting by the group's shareholders on recommendation from the board and remunerations and nominations committee. The board may remove members of the audit and risk committee and must fill vacancies within 40 business days.

Access to training is provided on an ongoing basis to assist members in discharging their duties.

Roles and responsibilities

The key functions and responsibilities of the audit and risk committee, as outlined in the audit and risk committee's terms of reference, include oversight of:

The preparation of financial reporting

- Ensure appropriate financial reporting procedures are established and operating effectively, including the consideration of all entities included in the consolidated group financial statements, to ensure it has access to all the financial information to allow the group to effectively prepare and report on the financial statements;
- Review of the annual financial statements, accounting practices and policies, internal financial controls, and reports; and
- Review and consider the findings of the annual JSE proactive monitoring report and ensure that appropriate action is taken.

Combined assurance

- Monitor the appropriateness of the intended combined assurance model to provide a coordinated approach to all assurance activities;
- Review the skills, resources and experience of the company's finance function annually and report the results in the integrated annual report; and
- Review the suitability of the skills and experience of the CFO.

Internal audit

- Review the independence, performance and effectiveness of the internal audit process and ensure that it has the necessary resources, budget, standing and authority to discharge its functions;
- Ensure that the internal audit function is periodically, subject to an independent quality review to ensure that it remains effective; and
- Review the suitability of the skills and experience of the internal audit function.

Audit and risk committee report continued
for the year ended 30 September 2024

External audit
- Recommend/nominate the external auditor for appointment by the shareholders;
- Approve the external auditor's engagement terms, including remuneration;
- Monitor the relationship between the external auditor and management;
- Report on the independence of the external auditor in the annual financial statements;
- Define a policy for non-audit services provided by the external auditor and pre-approve contracts for non-audit services outside this policy;
- Review the performance and effectiveness of the external audit process; and
- Review the Independent Regulatory Board of Auditors (IRBA) Inspection Findings Report to evaluate the engagement team's independence, competency, capacity and risk focus of the auditors.

Governance
- In liaison with external and internal audit, review the developments in corporate governance and best practices and consider their impact and implication for the businesses' processes and structures;
- Be available at all times to advise the chairman of the board on queries relating to the financial affairs and internal controls; and
- Oversee matters relating to accounting practices, internal control, content or audit of the financial statements, internal financial controls and any related matters.

Risk
- Oversee the management of:
  - Tax risks;
  - Financial reporting risks;
  - Internal financial controls; and
  - Fraud risks relating to financial reporting.

Accounting
- Make submissions to the board on accounting policies, financial controls, records and reporting.

Requirements of the Act
- The audit and risk committee assumes responsibility for all subsidiary companies that do not have their own audit and risk committees. Responsibilities include reviewing the formalised processes and controls followed on behalf of subsidiaries.

The audit and risk committee confirms that it has adopted appropriate formal terms of reference to discharge its responsibilities, has regulated its affairs and has discharged all of its responsibilities as contained therein.

Annual confirmations
Having considered, analysed, reviewed and debated information provided by management, internal audit and external audit, the audit and risk committee confirms that:

- The internal financial controls of the group have been effective in all material aspects throughout the year under review;
- These controls have ensured that the group's assets have been safeguarded;
- The CFO's expertise and experience is deemed appropriate;
- Appropriate financial reporting procedures have been established and are operating effectively;
- The group has complied in all material respects with the implemented risk management policy during the year under review;
- The skills, independence, audit plan, reporting and overall performance of the external auditors is deemed appropriate; and
- It has confirmed the suitability of the appointment of the current audit firm and the designated individual partner with the audit firm, having obtained information as required by the JSE Listings Requirements.

The group finance function has reviewed the controls over financial reporting and presented their findings to the audit and risk committee. During the current financial year, management identified no significant deficiencies in internal control over financial reporting either through the control self-assessment process or direct testing of results. The CEO and CFO's evaluation of controls included:

- The identification and classification of risks including the determination of materiality;
- Obtaining control declarations from divisional managers on the operating effectiveness of all controls on a quarterly basis; and
- Developing remediation plans to address control deficiencies identified.

The audit and risk committee has discussed and documented the basis of its conclusion, which includes discussions with internal and external auditors as well as management.

Conclusions on roles and responsibilities

Finance function
The audit and risk committee has satisfied itself with the appropriateness of the expertise and experience of the CFO and finance function for the year under review.

Risk management
The audit and risk committee has satisfied itself to the risk management processes within the group and the effectiveness thereof.

Audit and risk committee report continued
for the year ended 30 September 2024

Conclusions on roles and responsibilities continued

External audit

The committee has the primary responsibility for overseeing the relationship with, and performance of, the external auditors. This includes making the recommendation on the appointment, reappointment, and removal of the external auditors, assessing their independence on an ongoing basis, and for approving the external audit engagement terms including audit fees and defining a policy for non-audit services permitted to be provided by the external auditors and pre-approve material non-audit services.

The group transitioned to PricewaterhouseCoopers Inc. (PwC) as the external auditor for the period under review following the expiry of the term of Deloitte.

The audit and risk committee, in consultation with executive management, agreed to an audit fee for the year under review. The fee is considered appropriate for the work that could reasonably have been foreseen at that time. Audit fees are disclosed in note 31 to the consolidated annual financial statements. In addition, the audit and risk committee has approved a policy for non-audit services provided by the external auditors, is comfortable that non-audit services performed during the year have been reasonable and that this has not impacted on the independence of the external auditors.

The audit and risk committee has reviewed the external auditor's reports and is satisfied with the performance and effectiveness of the external audit process.

Internal audit

The audit and risk committee has satisfied itself with the independence, performance and effectiveness of the internal audit process. The audit and risk committee has considered and recommended the internal audit charter for approval by the board, which has so approved it.

The internal audit function was subject to an independent quality review in 2023, and the function was found to generally conform to the International Standards for the Professional Practice of Internal Auditing which is the highest rating awarded during such a review. The internal audit function was outsourced during the year and will be subject to independent reviews in line with Deloitte's practice and the next independent review is set to take place in 2028.

The committee is satisfied with the arrangement and level of combined assurance provided by the internal and external audit functions.

Going concern

The going concern assertion of the group, as prepared by management, was reviewed by the audit and risk committee and recommended to the board.

Annual financial statements

The committee has reviewed and is satisfied that the annual financial statements, including accounting policies, are appropriate and comply with the IFRS Accounting Standards of the International Accounting Standards Board (IASB) and in compliance with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act.

The committee:

- Reviewed the audited annual financial statements after interrogation with management, the external auditors and the internal auditors;
- Reviewed the external auditor's management letter and management's response thereto;
- Reviewed adjustments resulting from external audit queries and accepted any unadjusted audit differences;
- Received and considered reports from the internal auditors; and
- Reviewed the balance sheet substantiation report prepared by the group finance function.

The external audit report meets the requirements of International Auditing and Assurance Standards Board ('IAASB'). The audit opinion listed key audit matters in which areas of judgement have been applied, and how these matters have been addressed as part of the audit process. In this regard, the committee has obtained comfort on areas in which management has applied judgement by:

- Interrogating management on methodologies applied to areas of judgement and being kept appraised on changes to methodologies applied (where applicable);
- Reviewing back-tests results on areas of judgement, with satisfying results;
- Receiving detailed feedback from the auditors on their testing performed on areas of judgement; and
- Reviewing disclosure in the annual financial statements with regards to areas of judgement.

The committee concurs with and accepts the external auditor's report on the annual financial statements and has recommended the approval thereof to the board, which has subsequently approved the annual financial statements. These will be open for discussion at the forthcoming annual general meeting.

Conclusion

The audit and risk committee is satisfied that it has fulfilled all its statutory duties, including those prescribed by the Companies Act, and those assigned to it by the board during the year under review in relation to its terms of reference.

Diane Radley

Audit and risk committee chairperson
12 December 2024

Social, ethics and sustainability committee report

for the year ended 30 September 2024

At 30 September 2024, the social, ethics and sustainability committee (the 'committee') comprised of the following members:

- Suresh Kana (chairman)
- Albertinah Kekana
- Ian Kirk (with effect from 31 May 2024)

The committee has adopted terms of reference as its charter and has regulated its affairs in compliance with this, and has discharged all of the responsibilities set out therein.

The committee was established to assist the board in ensuring that Transaction Capital is and remains a good and responsible corporate citizen, and to perform the statutory functions required of a social and ethics committee in terms of the Companies Act and the King IV Report on Corporate Governance for South Africa, 2016 (King IV).

The committee monitors relevant legislation and other legal requirements or prevailing codes of best practice, specifically with regard to matters relating to social and economic development, good corporate citizenship, transformation, the environment, health and public safety as well as labour and employment. The committee met two times during this financial year.

Key focus areas for the committee for the year under review included:

- Transformation, and particularly employment equity;
- Implementing the ethics functions across the group;
- Developing and implementing Transaction Capital's environmental, social and economic impact framework, which provides an objective and balanced account of Transaction Capital's sustainability impact and facilitates the communication of its shared value creation to stakeholders; and
- Staff wellness and mental wealth.

Conclusion

Transaction Capital has the necessary policies and programmes in place to advance social and economic development, sound ethical behaviour, fair labour practices, responsible environmental practices and good customer relations. The committee confirms that Transaction Capital gives the necessary attention to its transformation, social and ethics responsibilities and has complied with the company's Memorandum of Incorporation and regulatory requirements. The committee is satisfied that it discharged its responsibilities set out in its terms of reference during the year.

Suresh Kana

Social, ethics and sustainability committee chairman
12 December 2024

Independent auditor's report

To the Shareholders of Transaction Capital Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Transaction Capital Limited (the Company) and its subsidiaries (together the Group) as at 30 September 2024, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

Transaction Capital Limited's consolidated and separate financial statements set out on pages 15 to 154 comprise:

- the consolidated and company statements of financial position as at 30 September 2024;
- the consolidated income statement for the year then ended;
- the consolidated and company statements of comprehensive income for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended;
- the consolidated and company statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for qualified opinion

Mobalyz Group Holdings Proprietary Limited (MGH), an equity-accounted associate of the Group, currently does not have signed waivers in place for its loans. The implementation of its debt restructuring initiatives, which underpin its future budgets and cash flow forecasts, are still in progress at year-end. Consequently, we were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of the going concern basis of accounting applied by management in preparing the MGH financial information.

The application of an alternative basis of accounting could have resulted in a remeasurement of MGH's assets and liabilities, with a corresponding net impact on the "Loss for the year from discontinued operations" caption included in the consolidated income statement. Such possible remeasurement could affect the consolidated financial statements of the Group, potentially changing the carrying values of the net assets derecognised upon loss of control as detailed in note 20 together with the related asset/liability disclosure notes. This could further result in a different computation of the gain/loss on disposal of the subsidiary and a potential difference in the "Loss from discontinued operations" as disclosed in note 19.1.3. This potential classification misstatement would not affect the Group's loss before taxation but could impact the headline earnings per share and diluted headline earnings per share measures. The disclosure of the summary financial information of MGH presented in note 14 could also be impacted.

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

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

Independence

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

Our audit approach

Overview

<table>
<tr><td rowspan="3">
</td>
<td>Overall group materiality
• Overall group materiality: R76 660 000, which represents 1% of consolidated total assets.</td></tr>
<tr><td>Group audit scope
• We identified significant components based on their contribution to consolidated total assets.
• We performed full-scope audits on the following (please refer to the group scoping section below for further details):
- Two significant components;
- Two non-significant components;
• We performed review procedures on one component that was unbundled by the Group; and
• We performed audit procedures over specific account balances/transactions on one component.</td></tr>
<tr><td>Key audit matters
• Valuation of the principal book portfolios for the Nutun Holdings (Pty) Ltd ("Nutun") group.</td></tr>
</table>

Independent auditor's report continued
To the Shareholders of Transaction Capital Limited

Report on the audit of the consolidated and separate financial statements continued

Our audit approach continued

Overview continued

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

Materiality

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

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

Overall group materiality	R76 660 000
How we determined it	We used our professional judgement, and our knowledge obtained of the Group to determine overall materiality. As a basis for our judgement, we used 1% of consolidated total assets at year end.
Rationale for the materiality benchmark applied	The Group's overall performance has been significantly affected by the operational restructuring that took place during the year. The primary goals of the restructuring were to strengthen the balance sheet and maintain assets to support sustainable growth. Considering these strategic initiatives and the fact that there is inherent volatility in the operations of the Group, consolidated total assets was the most suitable and relevant benchmark for the current year. We chose 1% of total assets, which is consistent with quantitative materiality thresholds used for public interest entities within this sector.

How we tailored our group audit scope

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

In scoping our group audit, we first determined the components that are individually financially significant to the Group, namely Nutun Holdings (Pty) Ltd and SA Taxi Holdings (Pty) Ltd, which includes the majority of the Group's total consolidated assets.

To achieve appropriate coverage over the consolidated financial statements, as well as material line items in the financial statements, based on our assessment of significant risks and qualitative factors including our understanding of the developments within the Group and nature of components, we selected two additional components (the Road Cover group and the General Executive Office consolidated group) for audits of their complete financial information and one component (Gomo Vehicle Solutions Holdings (Pty) Ltd) was scoped in for the testing of specific transactions/account balances. Additionally, since the We Buy Cars Holdings group formed part of the group until 11 April 2024, the We Buy Cars Holdings component was scoped in for review procedures for the results for the six months ended at 31 March 2024. Analytical procedures were performed over all remaining components to assess whether any risks exist that would require additional audit procedures.

Where component auditors performed the work, we determined the level of involvement we needed to have in their audit work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued group audit instructions to the component audit teams in our audit scope. These instructions included, among others, our risk analysis, materiality and the scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our audit approach. We had various in-person meetings with each of the in-scope component audit teams before them commencing their respective audits, throughout the audit and upon conclusion of their work. During these meetings, we discussed our instructions, the audit plan and execution, significant risks, the significant accounting and audit issues and other relevant audit topics identified by the component auditors, their reports, the findings of their procedures and other matters that could be of relevance for the consolidated financial statements. The group engagement team performed a preview of selected working papers of the significant component teams. By performing the procedures outlined above at the components, combined with additional procedures performed at Group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the consolidated financial statements.

Key audit matter

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.

In addition to the matter described in the *basis for qualified opinion* section, we have determined the matter described below to be the key audit matters to be communicated in our report with respect to the consolidated financial statements.

Independent auditor's report continued
To the Shareholders of Transaction Capital Limited

Report on the audit of the consolidated and separate financial statements continued

Key audit matter continued

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

Key audit matter	How our audit addressed the key audit matter

Valuation of the principal book portfolios for the Nutun group
Within the Nutun Holdings Proprietary Limited ("Nutun") group, the principal collections business purchases credit-impaired financial assets (principal book portfolios) which form part of the 'Purchased book debts' financial statement line item as presented in the consolidated statement of financial position. The principal book portfolios amounted to R3 831 million (2023: R4 038 million) as at 30 September.
 	
These principal book portfolios are classified as Purchased Originated Credit Impaired Assets under IFRS 9, 'Financial Instruments' (IFRS 9).
 	
In accordance with IFRS 9, the Group is required to project future cashflows which include Forward Looking Information (FLI) with respect to expected, rather than just incurred, credit losses.
 	
On an ongoing basis, management determined the assumptions with respect to the amortised cost models, incorporating the most recent available collection data and expectations on macro-economic factors which could impact on future collection levels. In doing so, management exercised significant judgement in considering the representativeness of historical data and how FLI is taken into account within the models and whether any additional 'out of model adjustments' are required where the models do not cater for all the potential impacts.
 	
We considered the assessment of the recoverability of the principal book portfolios to be a matter of most significance to our current year audit of the consolidated financial statements due to:
• the significant judgement and assumptions applied by management in determining the recoverable amounts of the principal book portfolios;
• the magnitude of the balance in relation to the consolidated financial statements; and
• the audit effort expended in this area, including our use of experts.
 	
Refer to the following accounting policies and notes to the Group consolidated annual financial statements for details:
• Note 5: Management estimates;
• Note 11: Purchased book debts;
• Note 28: Restatements; and
• Note 41: Financial risk management.
	We obtained management's amortised cost models and by making use of our internal actuarial expertise we performed the following:
	• Assessed the methodology applied with reference to the requirements of IFRS 9;
	• Assessed the accuracy of the models by:
	  - Reviewing the output from management's back testing; and
	  - Independently recalculating the input parameters and comparing the results to that of management;
	  - Developed independent estimates using challenger models and compared the output of those models to the output per management's models;
	  - Assessed the reasonableness of the forecast information and underlying assumptions applied by management in the models by comparing actual results to management's forecasts as part of the review of management's back testing. As part of the audit process, we challenged a number of the management assumptions, models and methodologies applied. Management subsequently performed their own reassessment and made the required changes to their assumptions, models and methodologies. This resulted in several updates to the final models;
	  - Assessed the reasonableness of key inputs used by comparing inputs to external data, developing a range of independent estimates and comparing those to the inputs used by management;
	• On a sample basis, we assessed the completeness of the data inputs used in the models and in the 'out of model adjustment' calculations by tracing mandates loaded onto the loan management system through to data inputs used in models; and
	• On a sample basis, we assessed the accuracy of the data inputs used in the models and in the 'out of model adjustment' calculations by tracing to relevant supporting documentation.
	
	It was determined that management's overall expected credit loss amount was within an acceptable range following the adjustments made above and therefore we accepted management's amount as being reasonable.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Transaction Capital Audited consolidated and company annual financial statements for the year ended 30 September 2024", which includes the Directors' Report, the Audit and Risk Committee Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "Transaction Capital Integrated Report for the year ended 30 September 2024" which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for qualified opinion* section above, we were unable to obtain sufficient appropriate evidence supporting the application of the going concern basis of accounting with respect to the MGH financial information, and consequently, the measurement of that financial information and the related disclosures with respect to the derecognition of the subsidiary and its reclassification as an equity-accounted associate. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Independent auditor's report continued
To the Shareholders of Transaction Capital Limited

Report on the audit of the consolidated and separate financial statements continued

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 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[1].

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Transaction Capital Limited for 1 year.

PricewaterhouseCoopers Inc.

Director: J Potgieter
Registered Auditor
Johannesburg, South Africa
12 December 2024

1 *The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.*

Consolidated statement of financial position

at 30 September 2024

	Notes	**2024 Rm**	2023 Restated* Rm	1 October 2022 Restated* Rm
Assets				
Cash and cash equivalents	6	**370**	2 203	1 836
Other investments	7	**264**	850	1 426
Tax receivables		**12**	19	28
Trade and other receivables	8	**497**	1 162	1 297
Inventories	9	**–**	2 907	3 790
Assets classified as held for sale	19	**608**	119	371
Reinsurance contract assets	22	**–**	44	68
Leased assets	24	**–**	12	11
Loans and advances	10	**–**	15 046	15 340
Purchased book debts	11	**4 503**	4 665	3 848
Other loans receivable	12	**4**	101	126
Derivative assets	13	**–**	899	693
Equity accounted investments	14	**167**	1 063	1 097
Intangible assets	15	**88**	3 415	3 336
Property and equipment	16	**461**	2 077	1 900
Goodwill	17	**511**	5 250	4 754
Deferred tax assets	18	**181**	457	273
Total assets		**7 666**	40 289	40 194
Liabilities				
Bank overdrafts**	6/23	**282**	594	818
Other short-term borrowings		**–**	22	23
Tax payables		**2**	38	58
Trade and other payables	21	**242**	1 941	1 867
Provisions		**5**	6	32
Liabilities directly associated with assets held for sale	19	**281**	5	21
Insurance contract liabilities****	22	**–**	1 015	–
Put option liability	25	**–**	2 352	4 042
Derivative liabilities	13	**–**	61	20
Interest-bearing liabilities	23	**4 237**	25 537	21 958
Senior debt		**4 012**	24 292	20 858
Subordinated debt		**225**	1 245	1 100
Lease liabilities	24	**373**	768	715
Deferred tax liabilities	18	**586**	1 369	1 311
Total liabilities		**6 008**	33 708	30 865
Equity				
Ordinary share capital	26	**5 414**	5 267	5 179
Put option reserve		**–**	(4 117)	(4 307)
Other reserves***		**29**	270	227
Retained earnings		**(3 788)**	4 306	6 594
Equity attributable to ordinary equity holders of the parent		**1 655**	5 726	7 693
Non-controlling interests	27	**3**	855	1 636
Total equity		**1 658**	6 581	9 329
Total equity and liabilities		**7 666**	40 289	40 194

* *The comparative periods have been restated as a result of prior period errors. Refer to note 28 for further information.*

** *In 2022, R293 million is considered part of cash and cash equivalents for the purposes of the statement of cash flow. Refer to note 6 for further information.*

*** *Other reserves consist of the cash flow hedging reserve, the share-based payment reserve and the foreign currency translation reserve.*

**** *Insurance contract liabilities arise from different insurance events namely repossession of vehicles (loans), repair of repossessed vehicles (inventory) and normal insurance events (accidents, theft, hi-jack, fire, glass etc). This has now been collapsed on the face of the Statement of Financial Position and included in the Insurance contract liabilities note.*

Consolidated income statement

for the year ended 30 September 2024

	Notes	2024 Rm	2023 Restated* Rm
Gross profit from the provision of services and sale of goods		**774**	757
Revenue	30	**1 476**	1 377
Cost of revenue**		**(702)**	(620)
Net income from purchased book debts		**406**	984
Imputed interest revenue, calculated using the credit-adjusted effective interest rate	29	**687**	698
Interest expense	29	**(377)**	(329)
Impairment (loss)/gain on principal book portfolios	11	**(129)**	296
Fair value movements on other financial assets	11	**225**	319
Operating costs	31	**(1 340)**	(1 333)
Net finance charge – not relating to provision of financing to customers	29	**(304)**	(525)
Finance income		**87**	95
Finance charges		**(391)**	(620)
Net other income***		**67**	8
Equity accounted loss	14	**(1)**	(56)
Operating loss		**(398)**	(165)
Non-operating profit	32	**311**	1 813
(Loss)/profit before tax		**(87)**	1 648
Income tax expense	33	**(67)**	(108)
(Loss)/profit for the year from continuing operations		**(154)**	1 540
Discontinued operations			
Loss for the year from discontinued operations	19	**(1 340)**	(4 035)
Loss for the year		**(1 494)**	(2 495)
(Loss)/profit for the year from continuing operations attributable to:			
Ordinary equity holders of the parent		**(146)**	1 483
Non-controlling interests		**(8)**	57
Loss for the year from discontinued operations attributable to:			
Ordinary equity holders of the parent		**(839)**	(3 361)
Non-controlling interests		**(501)**	(674)
Earnings per share (cents)			
From continuing operations			
Basic (loss)/earnings per share	34	**(18.7)**	198.1
Diluted basic (loss)/earnings per share	34	**(18.7)**	198.1
From continuing and discontinued operations			
Basic loss per share	34	**(126.2)**	(247.2)
Diluted basic loss per share	34	**(126.2)**	(247.2)

* *The comparative period has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations and the correction of prior period errors. Refer to note 28 for further information.*

** *Cost of revenue includes directly and incremental costs associated with the generation of customer experience management revenue and includes salaries of R544 million (2023: R435 million), communication costs of R54 million (2023 R65 million) and commission costs of R44 million (2023: R87 million).*

*** *Included in net other income is the derecognition of contingent consideration of R64 million as the remaining 25% shareholding in Nutun CX and Nutun UK was acquired from minorities before the options were exercisable.*

Consolidated statement of comprehensive income

for the year ended 30 September 2024

	2024 Rm	2023 Restated* Rm
Loss for the year	**(1 494)**	(2 495)
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss:		
Movement in cash flow hedging reserve	**38**	(29)
Fair value gains/(loss) arising during the year	**45**	(40)
Hedging gains reclassified to profit or loss	**1**	–
Deferred tax	**(8)**	11
Exchange (loss)/gain on translation of foreign operations	**(17)**	68
Exchange differences on translation of discontinued operations	**(39)**	23
Exchange differences reclassified to profit or loss**	**(120)**	–
Total comprehensive loss for the year	**(1 632)**	(2 433)
Total comprehensive loss income attributable to:		
Ordinary equity holders of the parent	**(1 123)**	(1 816)
Non-controlling interests	**(509)**	(617)

* *The comparative period has been restated as a result of prior period errors. Refer to note 28, for further information.*

** *R88 million of this amount relates to Nutun Australia and has been included in the loss for the year from discontinued operations.*

Consolidated statement of changes in equity

for the year ended 30 September 2024

	Number of ordinary shares million	Share capital Rm	Put option reserve Rm	Cash flow hedging reserve Rm	Share based payment reserve Rm	Foreign currency translation reserve Rm	Retained earnings Rm	Equity attributable to ordinary equity holders of the parent Rm	Non-controlling interests Rm	Total equity Rm
Balance at 30 September 2022	757	5 179	(4 307)	(20)	259	88	6 757	7 956	1 636	9 592
Correction of error (net of tax)[1]	–	–	–	–	(100)	–	(163)	(263)	–	(263)
Restated balance at 1 October 2022	757	5 179	(4 307)	(20)	159	88	6 594	7 693	1 636	9 329
Total comprehensive income (restated)[1]	–	–	–	(29)	–	91	(1 878)	(1 816)	(617)	(2 433)
Profit for the year (restated[1])	–	–	–	–	–	–	(1 878)	(1 878)	(617)	(2 495)
Other comprehensive income	–	–	–	(29)	–	91	–	62	–	62
Transactions with non-controlling interests	–	–	–	–	–	–	(105)	(105)	(10)	(115)
Grant of conditional share plans	–	–	–	–	69	–	–	69	–	69
Settlement of conditional share plans	–	–	–	–	(88)	–	(24)	(112)	–	(112)
Derecognition of reserve to acquire non-controlling interests	–	–	190	–	–	–	–	190	–	190
Dividends paid	–	–	–	–	–	–	(281)	(281)	(154)	(435)
Issue of shares	6	88	–	–	–	–	–	88	–	88
Restated balance at 30 September 2023	**763**	**5 267**	**(4 117)**	**(49)**	**140**	**179**	**4 306**	**5 726**	**855**	**6 581**
Total comprehensive income	**–**	**–**	**–**	**38**	**–**	**(176)**	**(985)**	**(1 123)**	**(509)**	**(1 632)**
Loss for the year	**–**	**–**			**–**	**–**	**(985)**	**(985)**	**(509)**	**(1 494)**
Other comprehensive income	**–**	**–**	**–**	**38**	**–**	**(176)**	**–**	**(138)**	**–**	**(138)**
Derecognition of non-controlling interests on disposal of WBC[2]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1 524)**	**(1 524)**
Derecognition of non-controlling interests on disposal of Mobalyz[3]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**856**	**856**
Transactions with non-controlling interests[4]	**–**	**–**	**–**	**–**	**–**	**–**	**21**	**21**	**(87)**	**(66)**
WBC unbundling steps[5]	**–**	**–**	**–**	**–**	**–**	**–**	**535**	**535**	**1 269**	**1 804**
Equity cure payment [6]	**–**	**–**	**–**	**–**	**–**	**–**	**(285)**	**(285)**	**–**	**(285)**
Partnership interest[7]	**–**	**–**	**–**	**–**	**–**	**–**	**(177)**	**(177)**	**–**	**(177)**
Grant of conditional share plans	**–**	**–**	**–**	**–**	**(37)**	**–**	**–**	**(37)**	**–**	**(37)**
Settlement of conditional share plans	**–**	**–**	**–**	**–**	**(77)**	**–**	**14**	**(63)**	**–**	**(63)**
Transfer to retained earnings	**–**	**–**	**–**	**11**	**–**	**–**	**(11)**	**–**	**–**	**–**
Derecognition of Nutun CX put option on acquisition of non-controlling interests[8]	**–**	**–**	**407**	**–**	**–**	**–**	**(206)**	**201**	**–**	**201**
Derecognition of WBC put option reserve to acquire non-controlling interests[9]	**–**	**–**	**3 710**	**–**	**–**	**–**	**(1 771)**	**1 939**	**–**	**1 939**
Dividends paid		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(857)**	**(857)**
Distribution in specie[10]	**–**	**–**	**–**	**–**	**–**	**–**	**(5 229)**	**(5 229)**	**–**	**(5 229)**
Issue of shares[7]	**21**	**147**	**–**	**–**	**–**	**–**	**–**	**147**	**–**	**147**
Balance at 30 September 2024	**784**	**5 414**	**–**	**–**	**26**	**3**	**(3 788)**	**1 655**	**3**	**1 658**

1. *This relates to the correction of prior period errors, refer to note 28 for further information.*
2. *This relates to the derecognition of non-controlling interest upon unbundling of WBC, refer to note 20 for further information.*
3. *This relates to the derecognition of non-controlling interest upon disposal of Mobalyz, refer to note 20 for further information.*
4. *Refer to note 27 for further details regarding transactions with non controlling interests.*
5. *This relates to the pre-unbundling transactions with non-controlling interests related to the WBC listing.*
6. *This relates to the settlement of the equity cure payments for the transaction with Santaco, refer to note 35 for further information.*
7. *This relates to the settlement of partnership interests on the acquisition of Nutun CX and Nutun UK Limited, refer to note 26 for further information.*
8. *This relates to the release of the put option reserve upon acquisition of additional 25% in Nutun CX during the current year.*
9. *This relates to the release of the put option reserve when the shareholders agreement for the additional acquisition of 25.1% interest in WBC was cancelled upon unbundling.*
10. *This relates to WBC which was distributed to shareholders during the current year, refer to note 20 for further details.*

Consolidated statement of cash flows

for the year ended 30 September 2024

	Notes	2024 Rm	2023 Restated* Rm
Cash flow from operating activities			
Cash generated by operations	36	**305**	835
Interest received		**1 837**	2 409
Interest paid		**(2 461)**	(2 767)
Income taxes paid	37	**(203)**	(346)
Payment of Santaco equity cure		**(285)**	–
Dividends paid	38	**(857)**	(435)
Cash flow from operating activities before changes in operating assets and working capital		**(1 664)**	(304)
Decrease/(increase) in operating assets		**2 569**	(2 817)
Loans and advances	36.1	**1 613**	(3 320)
Decrease in leased assets		**11**	7
Purchased book debts	36.2	**945**	496
Changes in working capital		**(628)**	553
(Increase)/decrease in inventories		**(463)**	769
Increase in trade and other receivables		**(1)**	(112)
Increase in other loans receivable		**(5)**	(11)
Decrease in trade and other payables		**(159)**	(93)
Net cash generated/(utilised) by operating activities		**277**	(2 568)
Cash flow from investing activities			
Acquisition of property and equipment		**(76)**	(304)
Proceeds on disposal of property and equipment		**22**	27
Acquisition of intangible assets		**(78)**	(135)
Investment into equity accounted investment	14.2.1	**–**	(10)
Dividends from equity accounted investment	14.2.1	**235**	–
Acquisition of subsidiaries		**–**	(446)
Proceeds on disposal of subsidiary (net of cash disposed)		**(501)**	–
Proceeds from disposal of asset held for sale		**–**	321
Deposits into other investments		**(1 848)**	(3 003)
Withdrawals from other investments		**2 408**	3 595
Proceeds on disposal of intangible assets		**4**	2
Net cash generated/(utilised) by investing activities		**166**	47
Cash flow from financing activities			
Proceeds from interest-bearing liabilities	39	**2 129**	9 907
Settlement of interest-bearing liabilities	39	**(5 598)**	(6 537)
Draw-down of bank overdrafts	39	**4 749**	19 826
Settlement of bank overdrafts	39	**(4 862)**	(19 952)
Settlement of other short-term borrowings		**(22)**	(1)
Repayment of lease liabilities	39	**(174)**	(198)
Transactions with non-controlling interests		**203**	(70)
Net proceeds on issue of shares by subsidiary to non-controlling interests		**1 510**	–
Net cash generated/(utilised) by financing activities		**(2 065)**	2 975
Net (decrease)/increase in cash and cash equivalents		**(1 622)**	454
Cash and cash equivalents at the beginning of the year	6	**2 204**	1 741
Effects of exchange rate changes on the balance of cash held in foreign currencies		**6**	9
Cash and cash equivalents at the end of year**	6	**588**	2 204

* *The comparative period has been restated as a result of prior period errors. Refer to note 28 for further information.*

** *Cash and cash equivalents are presented net of bank overdrafts and includes R218 million (2023: R1 million) of cash transferred as part of assets held for sale.*

Notes to the consolidated financial statements

for the year ended 30 September 2024

1 Basis of preparation

The financial statements of Transaction Capital Limited ('the company'), and the company and its subsidiaries (the group) have been prepared in accordance with the IFRS Accounting Standards of the International Accounting Standards Board (IASB), and in compliance with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act. The group also subscribes in all its activities to principles of best practice and corporate governance, as set out in the King IV Report on Corporate Governance for South Africa 2016.

The consolidated and company financial statements have been prepared on the historical cost basis except for derivative financial instruments, loans and advances for entry-level vehicles, other financial assets, other investments, and contingent consideration which are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 – Share-based payments and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 – Inventories or value in use in IAS 36 – Impairment of assets.

The consolidated annual financial statements include amounts based on judgements and estimates made by management.

The company and group statements of financial position are presented in order of liquidity. Reference to the current maturities of these financial assets and liabilities are disclosed in the statements of financial position notes and in the analysis of financial assets and liabilities.

The group has made the following accounting policy elections in terms of IFRS Accounting Standards, with reference to the detailed accounting policies shown in brackets:

- Property and equipment are accounted for using the cost model (note 16);
- Intangible assets are accounted for using the cost model (note 15);
- Regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting (note 41); and
- Cumulative gains and losses recognised in other comprehensive income (OCI) in terms of a cash flow hedge relationship are transferred from OCI and included in the initial measurement of the non-financial asset or liability (note 41.8).

All monetary information and figures presented in these consolidated financial statements are stated in millions of South African Rand (Rm), unless otherwise indicated.

2 Changes in accounting policies and disclosures

The accounting policies applied in the preparation of the consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of amended accounting standards and interpretations, as described below.

2.1 Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of accounting policies

The amendments changed the requirements in IAS 1 with regard to the disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The application of these amendments has not had a material impact on the group's consolidated financial statements.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

2 Changes in accounting policies and disclosures continued

2.2 Amendments to IAS 8 Accounting Policies, Changes in accounting estimates and errors – Definition of accounting estimates

The amendments replace the definition of a change in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The amendment further clarifies the following:

- A change in accounting estimate that results from new information or new developments is not the correction of an error.
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.

The application of these amendments has not had a material impact on the amounts reported in the group's consolidated financial statements.

2.3 Amendments to IAS 12 Income Taxes – Deferred tax relating to assets and liabilities arising from a single transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  - right of use assets and lease liabilities; and
  - decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

The application of these amendments has not had a material impact on the amounts reported in the group's consolidated financial statements.

3 New and amended accounting standards and interpretations

New amendments and standards issued but not yet effective

Amendments to IFRS 7 Financial Instruments: Disclosures and IAS 7 Statement of Cash Flows – Supplier finance arrangements

The amendments supplement existing disclosure requirements by requiring a company to disclose specific information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the company's liabilities and cash flows and on the company's exposure to liquidity risk.

The amendments to IAS 7 are effective for the financial year ending 30 September 2025, and is not expected to have a material impact on the group's consolidated financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of exchangeability

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The amendments to IAS 21 are effective for the financial year ending 30 September 2026, and are not expected to have a material impact on the group's consolidated financial statements.

Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 9 Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments

The amendments to IFRS 7 introduce additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets.

The amendments to IFRS 9 narrows the scope amendments to address diversity in accounting practice by making the classification and measurement requirements of IFRS 9 more understandable and consistent by:

- Classifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features; and
- Clarifying the date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a company to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

The amendments to IFRS 7 and IFRS 9 are effective for the financial year ending 30 September 2027, and are not expected to have a material impact on the group's consolidated financial statements.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

3 New and amended accounting standards and interpretations continued

New amendments and standards issued but not yet effective continued

Amendments to IFRS 16 Leases — Lease liability in a sale and leaseback

The IASB has issued additional guidance in IFRS 16 on accounting for sale and leaseback transactions. Previously IFRS 16 only included guidance on how to account for sale and leaseback transactions at the date of the transaction itself, but did not specify any subsequent accounting when reporting on the sale and lease back transaction after that date.

As a result, without further requirements, when the payments include variable lease payments there is a risk that a modification or change in the leaseback term could result in the seller-lessee recognising a gain on the right of use they retained even though no transaction or event would have occurred to give rise to that gain. Consequently, the IASB decided to include subsequent measurement requirements for sale and leaseback transactions to IFRS 16.

The amendments are effective for the financial year ending 30 September 2025, and are not expected to have a material impact on the group's consolidated financial statements.

Amendments to IAS 1 Presentation of Financial statements — Classification of non-current liabilities with covenants as current or non- current

IAS 1 requires an entity to classify debt as current if it is unable to avoid settling the debt within 12 months after the reporting date. However, the entity may need to comply with covenants during that same period, which may question whether the debt should be classified as non-current.

The amendments state that at the reporting date, the entity does not consider covenants that will need to be complied with in the future, when considering the classification of the debt as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements, to enable investors to understand the risk that such debt could become repayable early and therefore improving the information being provided on the long-term debt.

The amendments are effective for the financial year ending 30 September 2025, and are not expected to have a material impact on the group's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies:

- Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals including operating profit.
- Enhanced transparency of management defined performance measures with a requirement for companies to disclose explanations for those company-specific measures that are related to the income statement.
- More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.

The new standard is effective for the financial year ending 30 September 2028, and is expected to have a material impact on the group's consolidated financial statements.

IFRS 19 Subsidiaries without public accountability: Disclosures

IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders.

The new standard is effective for the financial year ending 30 September 2028, and is not expected to have an impact on the group's consolidated financial statements.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

4 Basis of consolidation

Subsidiary companies and other controlled entities

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group. Control is achieved when the group:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

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

- The size of the group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the group gains control until the date when the group ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the group's accounting policies.

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

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. Those interests of non-controlling shareholders that present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to the acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the company.

Special purpose entities

Special purpose entities (SPEs) are entities that are created to accomplish a narrow and well-defined objective, such as the securitisation of particular assets or the execution of a specific borrowing or lending transaction. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the group and the SPE's exposure, or rights, to variable returns from an investee, the group concludes that it controls the SPE, including SPEs that are owned by trusts.

The assessment of whether the group has control over an SPE is carried out at inception, and normally no further reassessment of control is carried out in the absence of changes in the structure or terms of the SPE or additional transactions between the group and the SPE. Day-to-day changes in market conditions normally do not lead to a reassessment of control. However, sometimes changes in market conditions may alter the substance of the relationship between the group and an SPE, and in such instances, the group determines whether the change warrants a reassessment of control based on the specific facts and circumstances. Where the group's voluntary actions change the relationship between the group and an SPE, the group performs a reassessment of control over the SPE.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

5 Management estimates

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. This forms the basis of making the judgements on the carrying values of assets or liabilities that are not otherwise readily apparent. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of the revision and future periods if the revision affects both current and future periods.

Certain accounting policies have been identified as involving particularly complex or subjective judgements or assessments, as follows:

5.1 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit (CGU) to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Goodwill is considered for impairment annually.

Factors taken into consideration include the economic viability of the asset itself and, where it is a component of a larger economic unit, the viability of the unit. Refer to note 17 of the consolidated financial statements for further disclosure around goodwill impairment testing.

5.2 Deferred tax

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

5.3 Significant increase in credit risk

As explained in note 41, Credit risk - SA Taxi significant increase in credit risk (SICR), expected credit losses are measured as an allowance equal to 12-month expected credit losses (ECL) or lifetime ECL. An asset moves to lifetime ECL when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

5.4 Impairment of financial assets

The group measures the ECL of a financial instrument in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The estimation of the ECL for the Nutun group is a key judgement. Further details on the key judgement relating to the ECL for the Nutun group has been included in note 41, Credit risk management and measurement, Nutun: Method of provisioning and fair valuing.

5.5 Repossessed vehicle stock

Repossessed vehicle stock represents vehicles that have been physically repossessed by the group and represents 'stock on hand'. Repossessed vehicle stock held by the group represents security attached where a borrower has defaulted under the terms of a vehicle finance arrangement.

The group maximises its recovery on repossessed vehicle stock through refurbishment capability, where repossessed vehicle stock is repaired and onsold as quality renewed taxis. These assets therefore in substance meet the definition of inventory per IAS 2 as they are 'held for sale in the ordinary course of business, or in the process of production for such a sale' and therefore are measured according to the measurement principles of IAS 2.

Repossessed vehicle stock is stated at the lower of cost or net realisable value. Net realisable value is determined as the fair value of the asset acquired. Costs include anticipated refurbishment costs and related costs incurred in bringing such vehicles to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of refurbishment and selling expenses. The write down of vehicles in possession to net realisable value and the reversal thereof is recognised in profit and loss and presented within the impairment of loans and advances. The reversals of the write downs are limited to the reacquired cost of vehicles in possession.

Repossessed vehicle stock is reported as part of loans and advances (given these assets still represent security for defaulted loans and therefore affect the credit risk that lenders are exposed to in terms of outstanding loans and advances). Repossessed vehicle stock is presented as part of inventory where the balances are expected to be recovered as they are either ready for sale in their current condition or have entered the realisation channel.

Repossessed vehicle stock is included as a non-financial asset in the categorised statement of financial position and is also excluded from the credit risk disclosures.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

5 Management estimates continued

5.6 Insurance contracts

5.6.1 Presentation of insurance contract liabilities

The presentation of the IFRS 17 provision is inextricably linked with the IFRS 9 provision and IAS 2 inventory repossessions. Insurance liabilities arise from different insurance events namely repossession of vehicles (loans), repair of repossessed vehicles (inventory) and normal insurance events (accidents, theft, hi-jack, fire, glass etc). The specific insurance contract liabilities related to loans and inventory is a representation of the inter-relationship of the transactions. On the face of the statement of financial position, these liabilities that occur from these insurance events are shown as part of insurance contract liabilities. The presentation insurance liabilities related to loans and inventory is to enable users to understand the underlying risk that the group is exposed to after considering provisions and liabilities recognised to cover both the credit and insurance risk of the portfolio.

5.6.2 Assessment of in-substance of reinsurance contract

The group has a shareholding in third party cell captives registered through an insurer in South Africa.

The third party cell captives allow cell shareholders to purchase non-convertible preference shares in the registered insurance company which undertake the professional insurance management of the cell, including: underwriting, reinsurance, claims management, actuarial and statistical analysis, investment, and accounting services. The shareholders' agreement, however, determines that the cell shareholders remain responsible for the solvency of the cell captive arrangements. The cell's shareholders interest represents the cell's shareholder funds, in respect of the insurance business conducted in the cell structures, held by the insurer.

During the current year, the group reassessed the overall commercial effect of the reinsurance agreements between the South African cell captives and Mauritian cell captive, and determined that they contain in-substance, properties of reinsurance agreements. In terms of these agreements, significant insurance risk is initially accepted by the insurer, and to the extent that premiums and reserves are insufficient to cover claims, the insurer transfers significant insurance risk to the group by requiring the group to recapitalise the cell as and when necessary to meet capital adequacy requirements. As a result, the overall commercial effect is similar to an insurance contract and is considered an in-substance reinsurance contract issued from the perspective of the group. The agreements between the South African cell captives and Mauritian cell captive are therefore accounted for as insurance contracts in terms of IFRS 17 Insurance Contracts.

5.7 Assessment of loss of control of a subsidiary

Refer to note 14.3 regarding the significant judgment applied on the loss of control of a subsidiary and the subsequent treatment.

	2024 Rm	2023 Restated* Rm	1 October 2022 Restated* Rm
6 Cash and cash equivalents*****			
Bank balances**	**365**	858	485
Call deposits***	**5**	162	353
Bank balances and call deposits held within securitisation special purpose vehicles****	**–**	1 102	620
Cash held on behalf of customers	**–**	65	358
Cash held for insurance operations****	**–**	16	20
Total cash and cash equivalents	**370**	2 203	1 836
Bank overdrafts			
Bank overdrafts	**–**	–	(98)
Net cash and cash equivalents	**370**	2 203	1 738

* *The comparative periods have been restated as a result of correction of a prior period error related to the grossing-up of cash that is being held on behalf of customers within Nutun, as well as the reclassification of bank overdrafts which are repayable on demand and form an integral part of the group's financing activities have been included in bank overdrafts on the statement of financial position, and disclosed within interest-bearing debt, refer to note 23. Refer to note 28 for further details.*

** *Rnil million (2023: R69 million) of cash balances and call deposits at year end have been pledged by Transaction Capital Limited and Nutun Investments Limited (previously Transcapital Investments Limited), to a guarantor as security for any obligations that may arise should these entities default on payment obligations to their funders.*

*** *Pledged as part security for securitisation debentures and loans as shown in note 23, and therefore regarded as restricted cash.*

**** *Represents restricted cash held within the SA Taxi insurance cell captive.*

***** *Cash and cash equivalents are held with reputable bank institutions, (First National Bank, being the most significant) – all with S&P short term deposit credit ratings of zaA-1+.*

The carrying value of cash and cash equivalents approximates fair value as it is short-term in nature and not subject to significant changes in credit risk and fair value. The credit risk in relation to cash and cash equivalents is assessed as low as the group diversifies the financial institutions hence the expected credit loss is assessed as immaterial.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above as well as outstanding overdrafts which form an integral part of the group's cash management. Such overdrafts are presented as liabilities in the statement of financial position. Outstanding bank overdrafts which are repayable on demand and form an integral part of the group's financing activities are included as part of interest-bearing debt.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

7 Other investments

Other investments are carried at fair value through profit and loss. The net fair value gain or loss includes interest earned on the investment and is disclosed as part of interest income on the income statement.

	2024 Rm	2023 Rm
Money market fund investments (Refer to 7.1)*	**264**	850
Total other investments**	**264**	850

* *Money market fund investments have been pledged as security as follows:*
- *Rnil million (2023: R728 million) has been pledged to a guarantor as security for any obligations that may arise should Transaction Capital Limited and Nutun Investments Limited (previously Transcapital Investments Limited) default on payment obligations to their funders.*
- *Rnil million (2023: R122 million) pledged as part security for securitisation debentures and loans as shown in note 23, and therefore regarded as restricted.*

** *The money market fund investments have been utilised in the current year to early settle interest-bearing debt within Transaction Capital and Nutun Investments Limited (previously Transcapital Investments Limited). Refer to note 23 for further details.*

7.1 Money market fund investments

Money market fund investments comprise the following:

2024	**Stanlib**	**Nedgroup**	**Ninety-One**	**Standard Bank**	**Total**
Funds invested (Rm)	–	**264**	–	–	**264**
Average interest rate earned	–	**8.7%**	–	–	**8.7%**
Composition of underlying investments:	–	**100%**	–	–	**100%**
Local banks	–	**90.8%**	–	–	**90.8%**
Foreign banks	–	**8.1%**	–	–	**8.1%**
Government	–	**1.1%**	–	–	**1.1%**
Credit rating	**n/a**	**BB-**	**n/a**	**n/a**	
2023					
Funds invested (Rm)	322	266	25	237	850
Average interest rate earned	8.3%	8.5%	8.6%	8.2%	8.4%
Composition of underlying investments:	100%	100%	100%	100%	100%
Local banks	84.0%	86.0%	70.9%	86.2%	84.9%
Foreign banks	14.8%	12.3%	27.2%	12.6%	13.7%
Government	1.2%	1.7%	1.9%	1.2%	1.4%
Credit rating	**AA+**	**BB-**	**AA+**	**BB-**	

Whilst the money market fund investments are highly liquid and the group is able to convert the investments into cash within 24 hours of making such requests, the group has classified its money market investments as other investments as the risk of future changes in value have been assessed as not insignificant. Other investments are expected to be settled within the next 12 months.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

			2024 Rm	2023 Restated* Rm
8	**Trade and other receivables**			
	Trade receivables**		**423**	818
	Loss allowance		**(5)**	(30)
	Net trade receivables	Financial asset	**418**	788
	Prepayments and other deferrals	Non-financial asset	**18**	137
	Other sundry insurance claim receivables	Financial asset	**–**	61
	Premium debtors	Financial asset	**–**	14
	VAT receivable	Non-financial asset	**12**	99
	Deposits	Non-financial asset	**3**	40
	Sundry debtors***	Financial asset	**46**	23
	Total trade and other receivables		**497**	1 162
	Movement in loss allowance			
	Balance at the beginning of the year		**(30)**	(14)
	Impairment recognised in profit or loss		**(30)**	(35)
	Utilisation of impairments		**14**	18
	Reversal of impairments		**10**	1
	Disposal of subsidiary		**24**	–
	Transferred to assets held for sale		**7**	–
	Balance at the end of the year		**(5)**	(30)

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

** *Trade receivables have been pledged as security for overdraft facilities of R554 million (2023: R550 million) as shown in note 23.*

*** *Included in the current year amount is R16 million which relates to the consideration receivable on the Nutun Australia disposal and receivable in April 2026.*

The carrying value of trade and other receivables approximates fair value as these are short-term in nature and not subject to material changes in credit risk and fair value.

The group measures the loss allowance for trade receivables at an amount equal to lifetime expected losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

	2024 Rm	2023 Rm
Maximum exposure to credit losses of trade receivables	**418**	788
Gross trade receivables	**423**	818
Less impairment provision	**(5)**	(30)
Carrying value of trade receivables less impairment provision	**418**	788
Residual exposure	**418**	788

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

9 Inventories

Inventories comprise vehicles inventories, work in progress relating to the refurbishment of repossessed vehicles, components and spares, parts, and hardware. Vehicle inventories comprised of new and repossessed minibus taxis held by SA Taxi.

Inventories are stated at the lower of cost or net realisable value. Cost is determined using specific identification for vehicles and work in progress as the vehicles are not ordinarily interchangeable. Cost is determined using the weighted average method for components and spares, and hardware. Costs include landed costs, freight and clearing costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and costs to be incurred in marketing, selling and distribution. The write-down of inventory to net realisable value and the reversal thereof is recognised in profit and loss. The reversals of write-downs are limited to the cost of inventory.

SA Taxi minibus vehicles

Vehicles in possession held by credit providers within the group represent security attached where a borrower has defaulted under the terms of a vehicle finance arrangement. Vehicles in possession are stated at the lower of cost or net realisable value. Costs include anticipated refurbishment costs and related costs incurred in bringing such vehicles to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of refurbishment and selling expenses. The write-down of vehicles in possession to net realisable value and the reversal thereof is recognised in profit and loss. The reversals of the write-downs are limited to the reacquired cost of vehicles in possession.

Repossessed vehicle stock is presented as part of inventory where the balances are expected to be recovered within 12-18 months as they are either ready for sale in their current condition or have entered the realisation channel.

	2024 Rm	2023 Restated* Rm
Net hardware	–	2
Hardware stock	–	2
Impairment provision for hardware stock	–	–
Components and spares	–	126
Work in progress	–	4
Minibus vehicle sales stock**	–	229
Net minibus vehicle stock which has entered realisation channels**	–	320
Gross minibus vehicle stock which has entered realisation channels*/****	–	359
IFRS 17 – ceded insurance contract liabilities***	–	(39)
Second-hand motor vehicle stock*****	–	2 187
Inventories net of benefits ceded on insurance contracts	–	2 868
IFRS 17 provision – ceded***	–	39
Total inventories	–	2 907

Inventory balance relate to stock held by WBC and SA Taxi (part of Mobalyz) and these entities were disposed during the current financial year.

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

** *Minibus vehicle inventories with a value of Rnil million (2023: R22 million) have been pledged to secure the floorplan facility. A further Rnil million (2023: R396 million) has been ceded as part security for amortising securitising debentures and loans as shown in note 23.*

*** *To the extent that the insured event affects the recovery of the underlying asset and given that the assessment of risk and exposure on the underlying portfolio is considered on a group basis, a portion of the liability for remaining coverage relating to insurance contracts that are ceded to the finance provider to cover the repair/realisation costs of the collateral relating to the repossessed vehicle stock portfolios, is presented as part of inventory where the repossessed stock has moved into a repair/realisation channel. The movement in these liabilities is due to a change in the distribution of stock on hand to newer year models.*

**** *Includes minibus vehicle and salvage stock with a gross value of Rnil million (2023: R1 300 million) and an impairment provision of Rnil million (2023: R745 million).*

***** *Second-hand motor vehicles related to the vehicle inventory held by WeBuyCars. This includes vehicle stock with a gross value of Rnil million (2023: R2 220 million) and an impairment provision of Rnil million (2023: R33 million).*

Of the total inventories of Rnil million (2023: R2 907 million), inventories to the value of Rnil million (2023: R907 million) are carried at net realisable value. The remainder is carried at cost. Inventories of Rnil million (2023: R182 million) are expected to be recovered after more than 12 months.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		2024 Rm	2023 Restated* Rm
10	**Loans and advances^**		
	Gross loans and advances	–	17 294
	Loans and advances** (refer to note 41 for the IFRS 7 – Financial Instruments disclosure)	–	17 266
	Repossessed vehicle stock on hand	–	114
	Ceded insurance contract liabilities***	–	(486)
	Origination costs*	–	400
	Impairment provision (refer to note 10.1.2)	–	(3 257)
	Loans and advances (refer to note 41 for the IFRS 7 – Financial Instruments disclosure)****	–	(2 638)
	Repossessed vehicle stock on hand****	–	(95)
	Ceded insurance contract liabilities***/****	–	(524)
	Loans and advances net of expected credit loss and benefits ceded on insurance contracts*****	–	14 037
	IFRS 17 provision – ceded***	–	1 009
	Loans and advances net of expected credit loss	–	15 046

^ *Loans and advances relate to the Mobalyz group which was disposed of at the end of September 2024.*

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

** *In the prior year, R6 million of loans and advances related to entry-level vehicles carried at fair value. The reduction in fair value was a result of SA Taxi's business model change and the shift in management's focus on core strategic assets.*

*** *For the prior year. to the extent that the insured event affected the recovery of the underlying asset and given that the assessment of risk and exposure on the underlying portfolio is considered on a group basis, a portion of the liability for remaining coverage relating to active financed debtors is presented as part of net loans and advances.*

**** *In the prior year, higher provision coverage was held across both the IFRS 9 and IFRS 17 portfolios, which reflected the group's view of the future uncertainty and risk of the taxi industry, as well as the impact of the revised business model to originate less pre-owned units going forward impacting overall recovery rates.*

***** *In the prior year, R14.1 billion was ceded as part security for amortising securitising debentures and loans as disclosed in note 23 of the group consolidated financial statements.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		2024 Rm	2023 Restated* Rm
10	**Loans and advances** continued		
10.1	**Gross loans and advances by asset type**		
	Finance leases (Refer to note 10.1.1)	–	16 894
	Origination costs*	–	400
	Gross loans and advances	–	17 294
10.1.1	**Finance leases**		
	Gross finance leases including unearned finance charges	–	27 537
	Unearned finance charges	–	(10 643)
	Origination costs*		400
	Gross finance leases	–	17 294
	Impairment provision*	–	(3 257)
	Net finance leases	–	14 037
	Maturity analysis of gross finance leases		
	Amounts up to one year	–	2 631
	Amounts between one and two years	–	2 904
	Amounts between two and three years	–	2 747
	Amounts between three and four years	–	2 400
	Amounts between four and five years	–	1 931
	Amounts in excess of five years	–	4 281
	Origination costs*	–	400
	Total gross finance leases	–	17 294
	Average remaining loan term (months)	–	55
	Average loan term at origination (months)	–	84
10.1.2	**Movement in impairment provision**		
	Balance at the beginning of the year	**(3 257)**	(642)
	Impairment recognised in profit or loss**	**(5 715)**	(4 332)
	Reversals of impairments recognised in profit and loss in prior years	**4**	4
	Utilisation of impairment provision***	**3 828**	1 713
	Disposal of subsidiary	**5 140**	–
	Balance at the end of the year	–	(3 257)
10.1.3	**Loans and advances past due not credit impaired******		
	Amounts up to 30 days overdue	–	1 522
	Amounts 30 to 60 days overdue	–	984
	Amounts 60 to 90 days overdue	–	647
	Amounts in excess of 90 days overdue	–	2 419
	Total	–	5 572

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

** *These amounts are included in the income statement as part of the loss from discontinued operations as it relates to Mobalyz group which was disposed of at the end of September 2024.*

*** *The utilisation of the impairment provision is impacted by the volume of repossessed vehicle refurbishments and sales. The impairment of repossessed vehicles is calculated in relation to its net realisable value. The net realisable value is the estimated selling price achieved in the active secondhand taxi market less the cost of refurbishment and selling expenses. The cost of refurbishment includes a forward-looking forecast for repair costs. In the prior year, utilisation of impairment provision included R336 million related to insurance contract liabilities.*

**** *Refer to note 41.1 of the consolidated annual financial statements for the definition of default.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

11 Purchased book debts

Purchased credit-impaired financial assets (principal book portfolios) are those that, at the date of initial recognition (acquisition), are credit-impaired. The group purchases its portfolios at a deep discount that reflects the incurred credit losses.

Principal book portfolios are portfolios of written-off consumer debts purchased at prices below the nominal receivable amounts. Principal book portfolios are reflected at amortised cost on a portfolio basis. Cost includes amounts payable to the vendor and other direct acquisition costs. Principal book portfolios reflected below include cumulative changes in lifetime expected credit losses since acquisition as a loss allowance. The amount of the change in lifetime expected credit losses is reflected as an impairment gain or loss in profit or loss. Favourable changes in lifetime expected credit losses (where collections on portfolios are expected to outperform the collections expected when the portfolios were acquired) are recognised as an impairment gain even if the lifetime expected credit losses are less than the value of expected credit losses that were included in the estimated cash flows when acquired.

Other financial assets relate to purchased book debt contracts where Nutun does not have title of the underlying portfolio. The portfolios include non-performing accounts held by South African banks and credit providers. Nutun's return on the portfolio is driven mainly by its collection activities and performance. Nutun has no recourse to the banks or credit providers. Under certain circumstances, the titleholder may retract some of the underlying accounts and dispose thereof to third parties with Nutun being entitled to a portion of the proceeds. The terms of these contracts therefore do not give rise to cash flows that are solely payments of principal and interest as it is not consistent with a basic lending arrangement. Accordingly, these purchased book debts are measured on a fair value basis. Refer to note 41.10.

	2024 Rm	2023 Restated* Rm
Non-current		
Principal book portfolio** (refer to 11.1)	**2 867**	2 999
Other financial assets (refer to 11.2)	**511**	470
	3 378	3 469
Current		
Principal book portfolio** (refer to 11.1)	**964**	1 039
Other financial assets (refer to 11.2)	**161**	157
	1 125	1 196
Total purchased book debts	**4 503**	4 665

11.1 Principal book portfolio

Reconciliation of movements in the year	2024 Rm	2023 Restated* Rm
Balance at the beginning of the year*	**4 038**	3 425
Additions	**431**	1 030
Net cash collections***	**(1 196)**	(1 411)
Interest calculated using the credit adjusted effective interest rate (CAEIR)*	**687**	698
Impairment (loss)/gain*	**(129)**	296
Balance at the end of the year	**3 831**	4 038

11.2 Other financial assets

Reconciliation of movements in the year	2024 Rm	2023 Restated* Rm
Balance at the beginning of the year	**627**	423
Additions	**44**	111
Cash collections	**(224)**	(226)
Fair value movements	**225**	319
Balance at the end of the year	**672**	627

* *The comparative period has been restated as a results of a prior period error. Refer to note 28 for further information.*

** *R3 831 million (2023: R4 038 million) pledged as part of security for loans as shown in note 23.*

*** *Included in net collections are gross collections of R1 279 million (2023: R1 506 million) and directly attributable and incremental collection costs of R83 million (2023: R95 million).*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

	2024 Rm	2023 Rm
12 Other loans receivable		
Gross other loans receivable	**4**	114
Impairment	**–**	(13)
Net other loans receivable	**4**	101
Gross other loans receivable by asset type		
Other loans receivable*	**4**	114
Gross other loans receivable	**4**	114
Reconciliation of movements in the year		
Balance at the beginning of the year	**101**	126
Loans advanced	**2**	12
Interest	**2**	5
Loans repaid	**(64)**	(1)
Transfer to held for sale**	**(37)**	(49)
Effect of foreign currency exchange difference	**–**	8
Balance at the end of the year	**4**	101

* *Of the loans outstanding at the end of the current year, Rnil million (2023: R86 million) were advanced to related parties. Refer to note 42 for further details.*

** *The loan receivable transferred to held for sale relates to Nutun Transact R25 million and WBC R12 million.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

	2024 Rm	2023 Rm
13 Derivative assets and liabilities*		
Derivative assets held for risk management**		
Interest rate swaps	–	5
Cross-currency swaps	–	468
Other derivative assets – not held for risk management		
Call option derivative***	–	426
Total derivative assets**	–	899
Derivative liabilities held for risk management**		
Interest rate swaps	–	(9)
Cross-currency swaps	–	(52)
Total derivative liabilities	–	(61)

* *Derivative assets and liabilities related to SA Taxi (part of Mobalyz) and WBC which were disposed during the current financial year.*
** *Rnil million (2023: R174 million) of the Derivative assets held for risk management is expected to realise within the following 12 months.*
Rnil million (2023: R61 million) of the Derivative liabilities held for risk management is expected to realise within the following 12 months.
*** *In 2023, the call option was considered non-current.*

Fair value hedges of interest rate risk
The group uses interest rate swaps to hedge the interest rate by exchanging fixed rate liabilities for floating rate liabilities.

Cash flow hedges of foreign currency risk
The group uses cross-currency swaps to hedge the foreign currency risks arising from interest-bearing liabilities denominated in foreign currencies. These interest-bearing liabilities have a carrying value of Rnil (2023: R4.1 billion (USD 226 million)).

The details of the hedging derivative instruments are set out in note 41.8.

Call option derivative
The group, through its subsidiary WBC held a call option over the acquisition of the remaining 25.1% shareholding. During the current financial year the group unbundled its interest in WBC resulting in the cancellation of the call option derivative of R426 million which was recognised in the income statement as part of the loss from discontinued operations.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

14 Equity accounted investments

An associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. Under the equity method, an investment in an associate is recognised initially in the statement of financial position at cost and adjusted thereafter to recognise the group's share of the profit or loss and other comprehensive income of the associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 28 – Investments in Associates and Joint Ventures, impairment provisions are applied to determine whether it is necessary to recognise any impairment loss with respect to the group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

14.1 Details of the group's investments in associates at 30 September 2024 are as follows:

	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest held by the group % 2024	2023
Mobalyz Group Holdings (MGH)*	**Mobility products and services**	**South Africa**	**35.5%**	100%
TC Global Finance Limited (TC Global Finance)*/**	**TC Globalisation**	**Europe**	**44%**	50%
GoBid (Pty) Ltd (GoBid)***	**Digital salvage platform**	**South Africa**	**0%**	40%
Revive Financial Group (Pty) Ltd (Revive)****	**Debt advisory**	**Australia**	**0%**	25%
Agile Bridge (Pty) Ltd (Agile Bridge)*****	**Software development**	**South Africa**	**0%**	20%

* *Investment is accounted for as an associate as the group does not have the unilateral ability to control, direct or govern how the independent directors may vote on decisions that impact the variable returns of the investment, therefore significant influence exists opposed to unanimous consent. Refer to note 14.3 for further details with regards to the treatment of MGH.*

** *During the current financial year TC Global Finance disposed of its underlying assets. Nutun elected to participate in the sale in relation to its relative shareholding and, due to some of the beneficial shareholders in TC Global Finance electing to not participate, Nutun's economic entitlement to the net asset value of TC Global Finance reduced from 50% to 44%.*

*** *The associate is part of the Mobalyz segment which has been disposed, refer to note 19 and note 20, for further details.*

**** *Revive was disposed as part of the Nutun Australia disposal, refer to note 19 and note 20, for further details.*

***** *Agile Bridge was disposed as part of WBC unbundling, refer to note 19 and note 20, for further details.*

With the exception of MGH, the group does not consider the other investments above to be material to its operations. MGH is considered a material associate due to the size of its consolidated assets, liabilities and revenue in comparison to that of the group.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

14 Equity accounted investments continued

14.2 Carrying amount of equity accounted investments^

	GoBid		TC Global Finance		Revive		Agile Bridge		Total	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Net assets of investment*	**66**	598	**382**	713	**–**	37	**35**	31	**483**	1 378
Proportion of the group's ownership interest in the investment	**26**	239	**167**	357	**95**	9	**7**	6	**295**	611
Goodwill	**271**	362	**–**	–	**–**	76	**4**	4	**275**	442
Shareholder loan	**–**	–	**–**	–	**–**	4	**–**	–	**–**	4
Transaction costs	**–**	–	**–**	–	**–**	6	**–**	–	**–**	6
Transferred to held for sale	**–**	–	**–**	–	**–**	–	**(11)**	–	**(11)**	–
Disposal	**(297)**	–	**–**	–	**(95)**	–	**–**	–	**(392)**	–
Carrying amount of the group's interest in investment	**–**	601	**167**	357	**–**	95	–	10	**167**	1 063

14.2.1 The carrying amount of the group's interest in the investment comprises:

	GoBid		TC Global Finance		Revive		Agile Bridge		Total	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Carrying amount at the beginning of the year	**601**	656	**357**	343	**95**	90	**10**	8	**1 063**	1 097
Investment into equity accounted investment	**–**	–	**–**	12	**–**	–	**–**	–	**–**	12
Share of profit/(loss) after tax**	**14**	(2)	**(1)**	(56)	**–**	1	**4**	4	**17**	(53)
Dividend received***	**(44)**	–	**(188)**	–	**–**	–	**(3)**	(2)	**(235)**	(2)
Effect of foreign currency exchange difference	**–**	–	**(1)**	58	**–**	4	**–**	–	**(1)**	62
Impairment of investment****	**(274)**	(53)	**–**	–	**–**	–	**–**	–	**(274)**	(53)
Transferred to held for sale	**–**	–	**–**	–	**–**	–	**(11)**	–	**(11)**	–
Derecognition of investment in associate	**(297)**	–	**–**	–	**(95)**	–	**–**	–	**(392)**	–
Balance at the end of the year	**–**	601	**167**	357	**–**	95	**–**	10	**167**	1 063

^ *MGH has been excluded from the reconciliation as there was no movement in the current year and the carrying value was Rnil. Refer to note 14.3.*

* *This represents amounts included in the IFRS financial statements of the associate, not the group's share of these amounts.*

** *The share of profits or losses for GoBid, Revive and Agile Bridge have been included as part of loss of discontinued operations as it relates to disposal groups that have been sold.*

*** *Dividends received from associates represent the actual amounts attributable and hence received by the group.*

**** *The valuation of the equity accounted investment has been calculated applying a free cashflow model, discounted with a weighted average cost of capital. The discount rate used in the value in use calculation at year end was 18.1% (2023: 17.2%). A terminal value growth rate of 4% (2023: 4%) was estimated based on GoBid's future financial performance and market developments. These rates do not exceed the average long term growth rate for the relevant market. The impairment is recognised as a result of the recoverable amounts being less than the carrying value of the investment. The investment has been disposed as part of the Mobalyz disposal.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

14 Carrying amount of equity accounted investments continued

14.3 Material interest in associate

Significant judgement: MGH loss of control and treatment as a material associate

In the current financial year, the group reduced its shareholding in MGH from 100% to 35.5% which effectively reduced the effective shareholding in SA Taxi from 82.7% to 29.4%. This reduction in ownership and accompanying rights led the group to reassess its involvement in MGH to determine whether it continued to exercise control or if its influence had diminished to significant influence only. Management applied the principles of IFRS 10, particularly considering the control criteria of power over investee, exposure to variable returns, and the ability to use power to affect those returns.

Following the shareholding reduction, the group's remaining rights and shareholding structure were evaluated. As no single shareholder, including the group, holds the majority required to unilaterally direct MGH's relevant activities, and given that decisions require broader shareholder voting approval, management concluded that the group no longer controls MGH. Despite retaining significant influence through board representation and voting power, the group no longer has the ability to direct relevant activities or the unilateral power to affect returns, leading to the conclusion that the group now holds significant influence, not control.

Upon the loss of control, MGH was reclassified as an associate and accounted for using the equity method in accordance with IAS 28. At the date control was lost, the group's retained interest in MGH was measured at fair value, with any gain or loss from remeasurement recognised in profit or loss. Due to the continuous operational difficulties that are being faced by MGH and its subsidiaries which has led to poor financial performance and outlook, the fair value was determined as nil.

As per the requirements of IAS 28 and IFRS 3, certain intangible assets are recognised if they are identifiable and separable. For the associate, a notional purchase price allocation is performed to determine if there are intangible assets that can be recognised. Management is still in the process of determining the notional purchase price allocation which might result in the recognition of additional intangible assets for the associate.

Provisional statement of financial position	2024 Rm
Non-current assets	
Loans and advances	**5 978**
Goodwill	**536**
Other non-current assets	**476**
Total non-current assets	**6 990**
Current assets	
Cash and cash equivalents	**934**
Trade and other receivables	**195**
Inventories	**750**
Loans and advances	**2 495**
Other current assets	**584**
Total current assets	**4 958**
Total assets	**11 948**
Non-current liabilities	
Interest bearing liabilities	**1 871**
Other non-current liabilities	**203**
Total non-current liabilities	**2 074**
Current liabilities	
Trade and other payables	**556**
Interest bearing liabilities	**11 296**
Other current liabilities	**571**
Total current liabilities	**12 423**
Total liabilities	**14 497**
Net assets	**(2 549)**
Share in %	**35.5%**
Carrying amount*	**(905)**

* *The investment in associate is limited to its carrying value of Rnil. The group will recognise its share of the associates profits once the net assets of the associates surpasses Rnil. Any cumulating unrecognised share of losses of the associate due to the carrying amount of the investment being zero will be disclosed. There is a material uncertainty in ability of MGH to continue as a going concern due to ongoing discussions being held with the various external funder stakeholders in order to restructure its debt which have not been concluded at year end.*

Refer to note 19.1.3 for the disclosure of the summarised income statement for MGH.

Notes to the consolidated financial statements continued
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15 Intangible assets

Intangible assets with finite useful lives are initially recognised at cost if acquired separately or at fair value at the date of acquisition in a business combination and are subsequently carried at cost less accumulated amortisation and accumulated impairment. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets are amortised using a combination of the straight-line method and the diminishing balance method over the estimated economic lives over the assets. In some cases, assets within the same class are amortised using different methods. This is the case for customer relationships acquired by the group, in which case where the benefit is expected to be derived from a portion of the asset class in a constant manner over the useful life of the asset, the straight line basis has been used, but where the benefits are expected to decrease over the useful life of a portion of the asset class, the diminishing balance method has been used.

For intangible assets amortised on the straight-line basis, the following periods are applied:

Internally- generated computer software	5 – 10 years
Other computer and telephony software	2 – 3 years
Customer relationships	4 – 13 years
Brands and trademarks	Indefinite useful life

For intangible assets amortised on the diminishing balance basis, the carrying values of the assets are amortised annually using the following percentages:

Customer relationships*	20%

* *This was applied to the WBC customer relationships, which were amortised differently compared to the remaining customer relationships within the group.*

Useful lives and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimates being recognised on a prospective basis.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. This is done by comparing the recoverable amounts (higher of value in use and fair value less costs to sell) of the intangible assets to their carrying amounts. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognised immediately in profit and loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Impairment assessment of brands and trademarks

The trademarks and brands relating to the business combinations do not have foreseeable limits to the periods over which the assets are expected to generate net cash inflows for the group. It is management's intention to renew the trademarks associated with these brands for the foreseeable future. During the current financial year, the group disposed of WBC, Nutun Australia and Roadcover (which is being reported as part of Mobalyz) which resulted in the derecognition of brand and trademarks of R2 802 million. The remaining balance relates to Nutun South Africa (for Nutun Transact) of R10 million (2023: R10 million) which is part of the held for sale balance as at year end.

In the prior year, brands and trademarks were tested for impairment as part of the goodwill impairment and no impairment loss was recognised. The following input was used in the impairment assessment:

Terminal values were calculated based on long-term growth rates of:

- 5% for Nutun South Africa;
- 2.5% for Nutun Australia;
- 5.3% for Value Added Services; and
- 4.8% for WeBuyCars.

These rates did not exceed the average long-term growth rate for the relevant markets. The values in use of the CGUs which are lending businesses were determined based on free cash flow to equity, discounted with a cost of equity, and the value in use of CGUs which operate as service businesses were determined based on free cash flows to the firm, discounted with a weighted average cost of capital.

The pre-tax discount rates used in the value in use calculations in the prior year were:

- 18.3% for Nutun South Africa;
- 11% for Nutun Australia,
- 16.5% for Value Added Services; and
- 15.1% for WeBuyCars.

Please refer to Note 17 for the disclosures regarding the sensitivity analysis related to the impairment assessment.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

15 Intangible assets continued

	Computer and telephony software* Restated** Rm	Internally generated software Restated** Rm	Brands and trademarks Rm	Customer relationships Rm	Total Rm
Intangible assets					
Cost					
At 30 September 2022	435	200	2 811	257	3 703
Additions	85	50	–	–	135
Additions through business combinations	–	–	–	90	90
Disposals	(1)	(22)	–	–	(23)
Effect of foreign currency exchange difference	4	–	1	1	6
At 30 September 2023	**523**	**228**	**2 812**	**348**	**3 911**
Additions	**40**	**27**	**–**	**–**	**67**
Disposals	**(8)**	**(1)**	**–**	**–**	**(9)**
Disposal of subsidiary	**(475)**	**–**	**(45)**	**(124)**	**(644)**
Impairment	**(27)**	**–**	**–**	**–**	**(27)**
Effect of foreign currency exchange difference	**(5)**	**–**	**–**	**3**	**(2)**
Transferred to assets held for sale	**–**	**(98)**	**(2 767)**	**(141)**	**(3 006)**
At 30 September 2024	**48**	**156**	**–**	**86**	**290**
Accumulated amortisation					
At 30 September 2022	(180)	(78)	–	(109)	(367)
Disposals	–	21	–	–	21
Amortisation expense	(51)	(26)	–	(69)	(146)
Effect of foreign currency exchange difference	(3)	–	–	(1)	(4)
At 30 September 2023	**(234)**	**(83)**	**–**	**(179)**	**(496)**
Disposals	**4**	**1**	**–**	**–**	**5**
Amortisation expense	**(50)**	**(26)**	**–**	**(32)**	**(108)**
Disposal of subsidiary	**252**	**–**	**–**	**60**	**312**
Effect of foreign currency exchange difference	**(7)**	**–**	**–**	**13**	**6**
Transferred to assets held for sale	**–**	**22**	**–**	**58**	**80**
At 30 September 2024	**(36)**	**(86)**	**–**	**(80)**	**(202)**
Net carrying value					
Cost	523	228	2 812	348	3 911
Accumulated amortisation	(234)	(83)	–	(179)	(496)
Net carrying value at 30 September 2023	**289**	**145**	**2 812**	**169**	**3 415**
Cost	**48**	**156**	**–**	**86**	**290**
Accumulated amortisation	**(36)**	**(86)**	**–**	**(80)**	**(202)**
Net carrying value at 30 September 2024	**12**	**70**	**–**	**6**	**88**

* *Included in computer and telephony software is IT software still under development of Rnil million (2023: R38 million) which will start amortising in accordance with the accounting policy when the software becomes operational. IT software still under development related to SA Taxi which was disposed as part of the Mobalyz group at the end of September 2024.*

** *Computer and telephony software has been restated to exclude internally generated software which is now being shown separately.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

16 Property and equipment

The cost of an item of property and equipment (PE) is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Property and equipment is subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Items of property and equipment are depreciated on a component basis to their residual values on a straight line basis over their estimated economic lives.

Depreciation commences from the date that they are available for use over the following periods:

Vehicles	5 – 6 years
Office and computer equipment	2 – 8 years
Machinery	6 – 7 years
Furniture and fittings	4 – 9 years
Right-of-use assets	Shorter period of the lease term and useful life of the underlying asset
Leasehold improvements	Lesser of lease period or useful life
Buildings	20 years

Land has an unlimited useful life and is therefore not depreciated.

The residual values, estimated useful lives and methods of depreciation of the assets are reviewed at each financial year-end, and, if expectations differ from previous estimates, the changes are accounted for as changes in accounting estimates.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

16 Property and equipment continued

	Vehicles Rm	Machinery Rm	Office and computer equipment* Rm	Right of use assets** Rm	Land*** Rm	Buildings*** Rm	Total Rm
Property and equipment							
Cost							
At 30 September 2022	73	58	418	867	264	791	2 471
Additions****	6	2	155	266	–	22	451
Disposals	(9)	(6)	(92)	(85)	(3)	(19)	(214)
Remeasurements	–	–	–	49	–	–	49
Reclassifications	11	–	(4)	2	–	–	9
Effect of foreign currency exchange difference	–	–	6	8	–	–	14
At 30 September 2023	**81**	**54**	**483**	**1 107**	**261**	**794**	**2 780**
Additions****	**3**	**1**	**46**	**61**	**–**	**4**	**115**
Disposals	**(19)**	**–**	**(23)**	**(92)**	**–**	**–**	**(134)**
Disposal of subsidiary	**(53)**	**(45)**	**(162)**	**(512)**	**–**	**–**	**(772)**
Remeasurements	**–**	**–**	**–**	**120**	**–**	**–**	**120**
Reclassification	**2**	**–**	**–**	**–**	**–**	**–**	**2**
Effect of foreign currency exchange difference	**–**	**–**	**2**	**3**	**–**	**–**	**5**
Transferred to assets held for sale	**(10)**	**(10)**	**(148)**	**(160)**	**(261)**	**(798)**	**(1 387)**
At 30 September 2024	**4**	**–**	**198**	**527**	**–**	**–**	**729**
Accumulated depreciation							
At 30 September 2022	(36)	(24)	(211)	(282)	–	(18)	(571)
Depreciation expense	(8)	(7)	(85)	(161)	–	(40)	(301)
Disposals	8	3	93	82	–	2	188
Impairment losses	–	(1)	–	(28)	–	–	(29)
Remeasurements	–	–	–	14	–	–	14
Effect of foreign currency exchange difference	–	–	(2)	(2)	–	–	(4)
At 30 September 2023	**(36)**	**(29)**	**(205)**	**(377)**	**–**	**(56)**	**(703)**
Depreciation expense	**(7)**	**(7)**	**(69)**	**(158)**	**–**	**(12)**	**(253)**
Disposals	**12**	**–**	**19**	**64**	**–**	**–**	**95**
Disposal of subsidiary	**32**	**30**	**127**	**270**	**–**	**–**	**459**
Impairment losses	**–**	**–**	**(3)**	**(6)**	**–**	**–**	**(9)**
Remeasurements	**–**	**–**	**–**	**7**	**–**	**–**	**7**
Reclassification	**(5)**	**–**	**–**	**4**	**–**	**–**	**(1)**
Effect of foreign currency exchange difference	**–**	**–**	**(3)**	**(1)**	**–**	**–**	**(4)**
Transferred to assets held for sale	**2**	**6**	**38**	**28**	**–**	**68**	**142**
At 30 September 2024	**(2)**	**–**	**(96)**	**(169)**	**–**	**–**	**(267)**
Net carrying value							
Cost	81	54	483	1 107	261	794	2 780
Accumulated depreciation	(36)	(29)	(205)	(377)	–	(56)	(703)
Net carrying value at 30 September 2023	45	25	278	730	261	738	2 077
Cost	**4**	**–**	**198**	**527**	**–**	**–**	**729**
Accumulated depreciation	**(2)**	**–**	**(96)**	**(169)**	**–**	**–**	**(267)**
Net carrying value at 30 September 2024	**2**	**–**	**102**	**358**	**–**	**–**	**461**

* *Office and computer equipment includes computer equipment, furniture and fittings, and office equipment.*

** *Right of use assets also include leasehold improvements and it relates to leasing buildings.*

*** *Freehold land and buildings with a carrying amount of Rnil million (2023: R958 million) have been pledged to secure borrowings of the group (see note 23). The group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.*

**** *Additions includes purchases of R69 million (2023: R304 million) and capitalisation of leases of R46 million (2023: R147 million).*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

17 Goodwill

The group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

At the acquisition date, goodwill acquired is allocated to cash-generating units (CGUs) that are expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amounts of assets in the unit. Any impairment loss for goodwill is recognised directly in profit or loss and is not reversed in subsequent periods.

On disposal of a CGU, the amount of goodwill attributable is included in the determination of the profit or loss on disposal.

	2024 Rm	2023 Rm
Balance at the beginning of the year	**5 250**	4 754
Impairment loss	–	(63)
Additions recognised from business combinations:	–	537
Milton Graham Australia and Milton Graham New Zealand	–	537
Disposal of subsidiary	**(1 585)**	–
Reclassified as held for sale	**(3 166)**	–
Effect of foreign currency exchange differences	**12**	22
Carrying value at the end of the year	**511**	5 250
Composition of goodwill per cash-generating unit		
SA Taxi components		
SA Taxi – Insurance	–	436
Value Added Services	–	100
Nutun Holdings (Nutun) components:		
Nutun South Africa	**164**	342
Nutun International	**347**	352
Nutun Australia	–	1 034
WeBuyCars	–	2 986
Total goodwill	**511**	5 250

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

17 Goodwill continued

When testing goodwill for impairment, the recoverable amounts of CGUs are determined as the higher of value in use and fair value less costs to sell. The CGUs prepare five-year forecasts using growth rates based on the specific market segments in which they operate and their expected performance in these markets. The key assumptions for value in use calculations are discount rates, growth rates and expected margins over the determined period. Discount rates reflect management's assessment of risks specific to the CGU as well as current market trends of the time value of money. Growth rates and expected margins are based on industry indicators as well as current and expected business trends.

During the prior year, Recoveries Corporation Holdings Proprietary Limited and Recoveries Corporation New Zealand Limited (together the Recoveries Corporation Holdings Group "RCH Group"), wholly owned subsidiaries of Nutun Holdings acquired the receivables management business of Milton Graham Australia and Milton Graham New Zealand (together known and referred to as MG) on 2 November 2022. MG formed part of the Nutun Australia CGU which was disposed of in the current year.

Impairment

Nutun impairment assessment

The group prepared five-year cash flow forecasts for each CGU. Terminal values were calculated based on long-term growth rates of:

- 5% (2023: 5%) for Nutun South Africa;
- 5% (2023: 4.5%) for Nutun International.

These rates do not exceed the average long-term growth rate for the relevant markets. The values in use of the CGUs are determined based on free cash flows to the firm, discounted with a weighted average cost of capital.

The pre-tax discount rates used in the value in use calculations at year end were:

- 18.5% (2023: 18.3%) for Nutun South Africa;
- 24.5% (2023: 21.5%) for Nutun International.

The valuation method applied is consistent with that of the prior year.

The CGUs have significant headroom available and a reasonably possible change in the assumptions would not result in an impairment charge.

SA Taxi impairment assessment

The group prepared five-year cash flow forecasts for each CGU. Terminal values were calculated based on long-term growth rates of:

- 5.3% for the SA Taxi lending business;
- 5.3% for Value Added Services.

These rates did not exceed the average long-term growth rate for the relevant markets. The values in use of the CGUs which are lending businesses are determined based on free cash flow to equity, discounted with a cost of equity, and the value in use of CGUs which operate as service businesses are determined based on free cash flows to the firm, discounted with a weighted average cost of capital.

The pre-tax discount rates used in the value in use calculations at year end were:

- 17.1% for the SA Taxi lending business;
- 16.5% for Value Added Services.

In the prior year, the valuation of the SA Taxi Insurance CGU was calculated applying a free cashflow model, discounted with a pre-tax discount rate of 22.1%. The valuation method applied is consistently. No terminal value was calculated.

The terminal value growth rate is estimated by the directors of the group based on past performance of the CGUs and their expectations of market development.

In the prior year, goodwill of R63 million attributable to the SA Taxi lending business (part of SA Taxi segment) was fully impaired. The recoverable amount was assessed to be less than the carrying value. The impairment is directly related to the stressed macroeconomic environment and the systemic changes in the taxi industry that eroded profitability of operators making it difficult for operators to afford loan repayments. Cash collections off the underlying loan portfolios drives the ability of the group to settle debt obligations. The reduction seen in cash collections off the portfolio has had a significant impact on the lending businesses to meet debt repayments. In turn, this has resulted in an asset and liability mismatch when comparing cash inflow and cash outflow requirements for a few of the lending businesses. The group has conducted an analysis of the sensitivity of the impairment tests performed on all SA Taxi's CGUs, to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is calculated. The change in SA Taxi's business model has had an impact on the headroom in the cash-generating units and any significant continued and further deterioration will be monitored on a going forward basis to determine whether goodwill needs to be impaired.

SA Taxi was disposed as part of the Mobalyz group at the end of September 2024.

WeBuyCars impairment assessment

The group prepared five-year cash flow forecasts. Terminal values were calculated based on long-term growth rates of 4.8%. This rate did not exceed the average long-term growth rate for the relevant markets. The values in use of the CGU was determined based on free cash flows to the firm, discounted with a weighted average cost of capital.

The pre-tax discount rates used in the value in use calculations at year end was 16.5%.

WBC was disposed as part of the unbundling transaction during the current year.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

18 Deferred tax

Deferred tax is calculated using the liability method.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or tax loss.

A deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that both of the following conditions are satisfied:

- The company is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated using taxation rates that have been enacted or substantively enacted at financial year-end.

The effect on deferred tax of any changes in taxation rates is charged to profit or loss, except to the extent that it relates to items previously charged or credited directly to equity in which case the deferred tax is charged to equity.

Deferred tax assets are recognised to the extent that it is probable that future profits will be available against which the associated tax-deductible temporary differences can be utilised and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient profits will be available to allow all or part of the asset to be recovered.

Deferred tax related to fair value measurement of cash flow hedges, which are charged or credited directly to other comprehensive income, is also credited or charged directly to other comprehensive income and is subsequently recognised in profit or loss together with the deferred gain or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the financial reporting period, to recover or settle the carrying amount of its assets and liabilities.

	2024 Rm	2023 Restated* Rm
Deferred tax is presented in the statement of financial position as follows:		
Deferred tax assets	**181**	457
Deferred tax liabilities	**(586)**	(1 369)
Net deferred tax liabilities	**(405)**	(912)
The movements during the year are analysed as follows:		
Balance at the beginning of the year	**(912)**	(1 039)
Recognised in the income statement for the year	**(153)**	120
Recognised in equity for the year	**(10)**	15
Business combinations	**–**	(10)
Prior year adjustment	**(7)**	1
Translation of foreign operations	**(2)**	1
Disposal of subsidiary	**(77)**	–
Transferred to assets held for sale	**756**	–
Net deferred tax liabilities at the end of the year**	**(405)**	(912)

* *Comparatives have been restated to correctly reflect the balances after offsetting was applied. Refer to note 28.*

** *The net deferred tax liabilities are not expected to reverse in part nor in full over the next twelve months.*

Deferred tax assets have only been recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. This assessment is performed by comparing budgeted taxable earnings to the deferred tax asset. The assessments are performed on a continuous basis and if required the deferred tax asset is limited.

An amount of R62 million (2023: R918 million) has not been recognised as deferred tax assets during the year due to probable taxable profit limitation.

Notes to the consolidated financial statements continued

for the year ended 30 September 2024

18 Deferred tax continued

	Opening balance Rm	Charged/ (credited) to income statement Rm	Charged to equity Rm	Prior year adjustment Rm	Effect of foreign currency exchange differences Rm	Disposal of subsidiary Rm	Transferred to assets held for sale Rm	Closing balance Rm
2024								
Temporary difference								
Assessed loss unutilised	921	94	2	(8)	(1)	(293)	–	713
Provision for impairment of loans and advances	3	10	–	–	–	(13)	–	–
Prepayments	(118)	73	–	–	–	44	–	(1)
Creditor provisions	68	(27)	–	–	–	(27)	(2)	12
Property and equipment	(12)	(1)	–	–	–	13	(11)	(11)
Intangible assets	(798)	3	–	–	–	1	770	(24)
Deferred income	–	4	–	–	–	–	(2)	2
Right of use asset	(17)	(23)	–	–	–	38	(4)	(6)
Lease liability	55	41	–	–	–	(48)	–	48
Timing difference of expenditure	12	(5)	–	–	–	–	16	23
Purchased book debts	(1 090)	56	–	–	–	–	–	(1 034)
Loans and advances	(116)	(22)	–	–	–	136	–	–
Conditional share plan	25	(21)	(4)	–	–	(1)	–	(1)
Insurance provisions	115	(116)	–	–	–	1	–	–
Other provisions	102	(163)	–	–	–	105	(25)	19
Other temporary differences*	(104)	(19)	–	–	–	(33)	20	(136)
Cross-currency swap	19	(1)	(8)	–	–	(10)	–	–
Interest-bearing liabilities	(24)	14	–	–	–	10	–	–
Undistributed insurance income	57	(52)	–	1	–	(6)	–	–
Other	(6)	(11)	–	–	(1)	18	(6)	(6)
Debtor provisions	–	(2)	–	–	–	(1)	–	(3)
Inventory	(14)	12	–	–	–	2	–	–
Leased assets	3	3	–	–	–	(6)	–	–
Shortfall book – held at fair value	7	–	–	–	–	(7)	–	–
Total	(912)	(153)	(10)	(7)	(2)	(77)	756	(405)

* *Included in other temporary differences are deferred tax liabilities of R123 million (2023: R101 million) relating to other financial assets held at fair value.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

18 Deferred tax continued

	Opening balance Rm	Charged/ (credited) to income statement Rm	Charged to equity Rm	Business combinations Rm	Prior year adjustment Rm	Effect of foreign currency exchange differences Rm	Closing balance Rm
2023							
Temporary difference							
Assessed loss unutilised	855	65	–	–	1	–	921
Provision for impairment of loans and advances	–	3	–	–	–	–	3
Prepayments	(124)	5	–	–	1	–	(118)
Creditor provisions	34	32	–	2	–	–	68
Property and equipment	(41)	5	–	–	24	–	(12)
Intangible assets	(761)	(8)	–	(26)	(3)	–	(798)
Deferred income	3	(3)	–	–	–	–	–
Right of use asset	(10)	(7)	–	–	–	–	(17)
Lease liability	81	(2)	–	–	(24)	–	55
Timing difference of expenditure	12	–	–	–	–	–	12
Purchased book debts	(918)	(172)	–	–	–	–	(1 090)
Loans and advances	(140)	24	–	–	–	–	(116)
Conditional share plan	28	(7)	4	–	–	–	25
Insurance provisions	58	57	–	–	–	–	115
Other provisions	44	44	–	14	–	–	102
Other temporary differences	(68)	(36)	–	–	–	–	(104)
Cross-currency swap	8	–	11	–	–	–	19
Interest-bearing liabilities	(30)	6	–	–	–	–	(24)
Undistributed insurance income	(59)	116	–	–	–	–	57
Other	(12)	3	–	–	2	1	(6)
Inventory	–	(14)	–	–	–	–	(14)
Leased assets	1	2	–	–	–	–	3
Shortfall book – held at fair value	–	7	–	–	–	–	7
Total	(1 039)	120	15	(10)	1	1	(912)

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. This condition is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the group's accounting policies. Thereafter the assets (or disposal group) are measured at the lower of their carrying amount or fair value less cost to sell. Any impairment loss on a disposal group is first allocated to reduce goodwill and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to financial assets, deferred tax assets, insurance assets, which continue to be measured in accordance with the group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss until finally sold. Property, equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Discontinued operations are excluded from the results of continuing operations and are presented as a profit or loss after tax from discontinued operations in the statement of profit or loss.

Assets and liabilities classified as held for sale on the statement of financial position are made up as follows:

	2024 Rm	2023 Rm
Assets classified as held for sale are made up as follows:		
TCBS (refer to 19.1.1.)	**8**	20
Nutun Transact (refer to 19.1.1)	**600**	–
Non-current asset classified as held for sale (refer to 19.2.1)	**–**	99
Total assets classified as held for sale	**608**	119
Liabilities classified as held for sale are made up as follows:		
TCBS (refer to 19.1.1)	**4**	5
Nutun Transact (refer to 19.1.1)	**277**	–
Total liabilities classified as held for sale	**281**	5
(Loss)/profit from discontinued operations is made up as follows:		
TCBS (refer to 19.1.1)	**(7)**	(9)
Nutun Transact (refer to 19.1.1)	**32**	22
Nutun Australia (refer to 19.1.1)	**132**	10
WBC (refer to 19.1.2)	**(216)**	845
Mobalyz (refer to 19.1.3)	**(1 281)**	(4 903)
Total loss from discontinued operations	**(1 340)**	(4 035)

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale continued

19.1 Discontinued operations

19.1.1 Nutun Discontinued operations

19.1.1.1 TCBS

Cognisant of the higher risk in the small and medium-sized enterprises (SME) sector, Transaction Capital Business Solutions (Pty) Ltd (TCBS) has proactively curbed gross loans and advances growth to this sector. During the 2020 financial year, the group took the decision to significantly reduce this exposure and the assets and liabilities were presented as held for sale. The group was of the view that the capital allocated towards TCBS could be applied to achieve better risk-adjusted returns. TCBS is accounted for as a discontinued operation as its business and assets are available for sale. For the current year, the group continued to implement various disposal strategies.

19.1.1.2 Nutun non-core assets

During the current year, the group initiated the review of Nutun's operations to identify non-core assets that can be repositioned or divested. This is in line with the group's strategy to maximise shareholder value. As a result, the following businesses were identified for divestment:

Nutun Australia

The group disposed of 100% of its equity interest in Nutun Australia which includes all operations, infrastructure, and statutory structures across Australia, New Zealand, and Fiji, as part of a strategic alignment. The disposal aligns with Nutun's goal of repositioning non-core assets to enhance shareholder value, in line with the group's broader strategy. The transaction resulted in streamlining Nutun's operational structure, enabling it to focus on core markets and strengthen its global position in business process outsourcing (BPO).

Nutun Australia, a separate geographic region, was disposed effective 22 March 2024 for a consideration of AUD58.3 million (R625 million). The results of the operations of Nutun Australia up to the disposal date have been included as part of discontinued operations.

Nutun Transact

Nutun Transact offers services including payment processing, risk management, HR management, and collections, supporting B2B transactions and HR solutions in South Africa which is considered a separate major line of business within the group. As part of Nutun's strategic decision to dispose of non-core assets to strengthen its balance sheet, improve liquidity, and support ongoing growth objectives, Nutun Transact was identified as a non-core asset. The board decided to dispose Nutun Transact.

Nutun Transact was classified as held for sale and discontinued operation effective 31 March 2024.

Nutun Transact was disposed post year-end for a consideration of R405 million and the assets and liabilities were presented as held for sale in the financial statements at 30 September 2024.

TCBS, Nutun Australia and Nutun Transact are included in the Nutun reportable segment in terms of IFRS 8: Operating Segments.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale continued

19.1 Discontinued operations continued

19.1.1 Nutun Discontinued operations continued

The results of discontinued operations, which have been included in the profit for the year and the cash flow information are as follows:

	TCBS		Nutun Transact		Nutun Australia	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
Risk-adjusted net interest (expense)/income	**(5)**	(7)	**36**	24	**(31)**	(50)
Non-interest revenue	**–**	–	**159**	118	**427**	960
Non-operating profit	**–**	–	**–**	37	**–**	–
Operating costs	**(2)**	(2)	**(151)**	(146)	**(399)**	(894)
Profit on disposal of subsidiary	**–**	–	**–**	–	**138**	–
(Loss)/profit before tax	**(7)**	(9)	**44**	33	**135**	16
Income tax expense	**–**	–	**(12)**	(11)	**(3)**	(6)
(Loss)/profit for the period from discontinued operations	**(7)**	(9)	**32**	22	**132**	10
(Loss)/profit on discontinued operations attributable to:						
Ordinary equity holders of the parent	**(3)**	(9)	**32**	23	**132**	10
Non-controlling interests	**–**	–	**2**	1	**–**	–
Cash flows from discontinued operations						
Net cash (outflow)/inflow from operating activities	**–**	(2)	**22**	34	**50**	82
Net cash (outflow)/inflow from investing activities	**–**	–	**(14)**	(31)	**(12)**	6
Net cash outflow from financing activities	**–**	–	**(10)**	(1)	**(18)**	(38)
Net (decrease)/increase in cash generated by discontinued operations	**–**	(2)	**(2)**	2	**20**	50

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale continued

19.1 Discontinued operations continued

19.1.1 Nutun Discontinued operations continued

The major classes of assets and liabilities comprising the discontinued operations classified as held for sale are as follows:

	TCBS		Nutun Transact
	2024 Rm	2023 Rm	**2024 Rm**
Cash and cash equivalents	**1**	1	**217**
Tax receivables	**–**	–	**4**
Trade and other receivables	**–**	–	**22**
Inventories	**–**	–	**1**
Loans and advances	**7**	19	**–**
Other loans receivable	**–**	–	**25**
Intangible assets	**–**	–	**136**
Property and equipment	**–**	–	**7**
Goodwill	**–**	–	**180**
Deferred tax assets	**–**	–	**8**
Total assets classified as held for sale	**8**	20	**600**
Tax payables	**–**	–	**4**
Trade and other payables	**4**	5	**233**
Provisions	**–**	–	**3**
Deferred tax liabilities	**–**	–	**37**
Total liabilities associated with assets classified as held for sale	**4**	5	**277**
Net assets of disposal group	**4**	15	**323**

Financial risk management of assets and liabilities held for sale

- Cash and cash equivalents are held with reputable bank institutions – all with S&P short term deposit credit ratings of zaA-1+.
- Trade and other receivables are with a variety of customers, and have no specific consideration of credit risk. (Gross carrying value: R11 million and impairment allowance of Rnil million).
- The impact of a 1% change in interest rates on cash and cash equivalents would result in a R2 million increase in profit from discontinued operations.
- All financial assets and liabilities are current in nature.
- Financial assets are categorised as financial assets carried at amortised costs. Financial liabilities are categorised as financial liabilities carried at amortised cost.

19.1.2 WeBuyCars discontinued operations

During the current year, the group successfully unbundled WBC by listing the business on the JSE separately as part of the group's strategy in unlocking shareholders value effective 11 April 2024. The unbundling of WBC enabled the group to significantly reduce its debt thereby eliminating cross-default triggers that were in place. The transaction involved pre-listing capital raising initiatives which resulted in the group realising R1 038 million as follows:

- Issue of WBC shares to Coronation for R760 million which resulted in a cash dividend paid to the group of R182.5 million. This resulted in a reduction of the shareholding in WBC from 81.36% to 72.2%;
- Issue of WBC shares via a Bookbuild for R750 million which resulted in a cash dividend paid to the group of R561.8 million. This resulted in a reduction of the shareholding in WBC from 72.2% to 65.27%;
- Sale of 1.95% interest in WBC for R152.7 million via the Bookbuild excess. This resulted in a reduction of the shareholding in WBC from 65.27% to 63.32%; and
- Sale of 1.89% interest in WBC for R141.0 million to an external shareholder. This resulted in a reduction of shareholding in WBC from 63.32% to 61.44%.

For further information regarding the unbundling steps, refer to note 27.

As a result of the unbundling, the group managed to distribute the 61.44% WBC shareholding for the fair value of R5 229 million which was based on the WBC share price of R20.40 per share. WBC shares were distributed to the group's shareholders pro rata to their respective shareholdings in Transaction Capital. The distribution resulted in a loss on disposal of R199 million.

In addition, the call option derivative and the put option liability for the group to acquire additional 25.1% in WBC was cancelled in March 2024, refer to note 25 for further information regarding the options.

WBC has been classified as a discontinued operation for the current financial year. The discontinued operation is reported as WBC reportable segment in terms of IFRS 8: Operating Segments. The results of discontinued operations, which have been included in the loss for the year and the cash flow information shown on the next page:

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale continued

19.1 Discontinued operations continued

19.1.2 WeBuyCars discontinued operations continued

	2024 Rm	2023 Rm
Revenue	**12 132**	19 965
Other income	**66**	–
Operating costs	**(12 068)**	(18 898)
Loss on disposal of subsidiary	**(199)**	–
(Loss)/profit before tax	**(69)**	1 067
Income tax expense	**(147)**	(222)
(Loss)/profit for the period from discontinued operations	**(216)**	845
(Loss)/profit on discontinued operations attributable to:		
Ordinary equity holders of the parent	**(233)**	633
Non-controlling interests	**17**	212
Cash flows from discontinued operations		
Net cash inflow from operating activities	**215**	603
Net cash outflow from investing activities	**(28)**	(71)
Net cash outflow from financing activities	**(215)**	(138)
Net (decrease)/increase in cash generated by discontinued operations	**(28)**	394

19.1.3 Mobalyz discontinued operations

During the current year, the group disposed of its controlling interest in MGH for a consideration of R51.60. MGH is the direct shareholder of SA Taxi (and it's subsidiaries Gomo and Roadcover) which is now being referred to as Mobalyz. This resulted in a reduction of the interest in MGH from 100% to 35.5% and effectively a reduction in interest in SA Taxi from 82.7% to 29.4%. This disposal includes agreements with Mobalyz's management team and the Oberholster Family Trust, with Santaco retaining its 25% stake in MGH.

The disposal is part of the group's restructuring efforts due to challenging economic conditions for Mobalyz, which necessitated operational and balance sheet restructuring. The group believes the Mobalyz management team is best positioned to lead a successful turnaround for the business, hence transferring control. Mobalyz will be accounted for as an associate of the group going forward, refer to note 14 for further details regarding the associate.

The group effectively disposed of Mobalyz on 27 September 2024 and this resulted in a gain on disposal of R1 676 million.

As a result, Mobalyz has been classified as a discontinued operation. The discontinued operation is reported as Mobalyz reportable segment in terms of IFRS 8: Operating Segments. The results of discontinued operations, which have been included in the profit for the year and the cash flow information are as follows:

	2024 Rm	2023 Rm
Revenue	**442**	1 091
Risk-adjusted net interest income	**161**	952
Other income	**3 407**	–
Impairment of loans and advances	**(5 279)**	(4 755)
Impairment of associate	**(274)**	(53)
Operating costs	**(1 309)**	(2 272)
Gain on disposal of subsidiary	**1 676**	–
Loss before tax	**(1 176)**	(5 037)
Income tax expense	**(105)**	134
Loss for the period from discontinued operations	**(1 281)**	(4 903)
Other comprehensive loss	**(38)**	(29)
Total comprehensive loss for the year	**(1 243)**	(4 932)
Loss on discontinued operations attributable to:		
Ordinary equity holders of the parent	**(847)**	(3 914)
Non-controlling interests	**(541)**	(864)
Cash flows from discontinued operations		
Net cash inflow/(outflow) from operating activities	**988**	(2 079)
Net cash inflow/(outflow) from investing activities	**66**	(89)
Net cash (outflow)/inflow from financing activities	**(1 627)**	2 711
Net (decrease)/increase in cash generated by discontinued operations	**(573)**	543

Notes to the consolidated financial statements continued

for the year ended 30 September 2024

19 Discontinued operations and assets classified as held for sale continued

19.2 Non-current assets classified as held for sale

19.2.1 Investment in Troy

During the 2023 financial year, the group classified its investments in Troy GmbH as held for sale. The investments consist of an ordinary shareholding with a carrying amount of R51 million (2023: R50 million) and a convertible loan with a carrying amount of R51 million (2023: R49 million). The decision to dispose of the investment is consistent with the group's strategy to unlock capital for strategic growth. The group is still expecting to dispose of the investment within the next 12 months. The asset held for sale of R102 million was impaired in full during the current period because management does not expect to recover the carrying amount of the investment and the loan receivable.

20 Disposal of subsidiaries

The carrying amounts of assets and liabilities as at the date of sale for Nutun Australia, WBC and Mobalyz were:

	2024		
	Nutun Australia Rm	**WBC Rm**	**Mobalyz Rm**
Cash and cash equivalents	162	30	934
Other investments	–	–	65
Tax receivables	–	–	16
Trade and other receivables	330	10	195
Inventories	–	2 244	750
Reinsurance contract assets	–	52	–
Other loans receivable	–	12	–
Equity accounted investments	95	11	297
Goodwill	1 049	2 986	536
Loans and advances	–	–	8 473
Derivative financial assets	–	–	154
Leased assets	–	–	52
Intangible assets	169	2 794	163
Deferred tax assets	–	46	82
Property and equipment	82	1 253	231
Total assets disposed	**1 887**	**9 418**	**11 948**
Bank overdrafts	–	–	212
Tax payables	1	35	–
Trade and other payables	594	123	556
Provisions	–	34	12
Insurance contract liabilities	–	–	128
Derivative financial liabilities	–	–	159
Interest-bearing liabilities	623	1 371	13 167
Lease liabilities	91	146	252
Deferred tax liabilities	3	757	11
Total liabilities disposed	**1 312**	**2 466**	**14 497**
Net assets disposed	**575**	**6 952**	**(2 549)**
Reclassification of foreign currency translation reserve or cash flow hedge reserve	88	–	(17)
Disposal consideration*	625	5 229	–
Non-controlling interest	–	1 524	(856)
Profit/(loss) on disposal	**138**	**(199)**	**1 676**
Net cash inflow arising on disposal			
Consideration received in cash and cash equivalents	625	–	–
Less: cash and cash equivalents disposed of	(162)	(30)	(934)
Total	**463**	**(30)**	**(934)**

* *The consideration for the unbundling of WBC relate to the fair value of the dividend that was distributed to the shareholders and Mobalyz was disposed for a consideration of R51.60 which equals the fair value of the disposal group.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

			2024 Rm	2023 Rm	1 October 2022 Restated* Rm
21	**Trade and other payables**				
	Trade payables and accruals	Financial liability	**153**	915	1 061
	Contingent consideration from business combination (refer to note 21.1)	Financial liability	**–**	457	272
	Revenue received in advance	Non-financial liability	**–**	51	54
	Bonus accrual	Non-financial liability	**40**	215	169
	Leave pay accrual	Non-financial liability	**29**	131	99
	Forward flow obligation**	Financial liability	**–**	72	78
	VAT payable	Non-financial liability	**19**	70	91
	Other	Financial liability	**1**	30	43
	Trade and other payables		**242**	1 941	1 867

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

** *In the prior year, this related to the obligation to deliver salvage taxis in terms of the forward flow agreement entered into as part of the transaction to acquire 40% investment in GoBid. The obligation is measured as the best estimate of the remaining forward flow liability required to settle the obligation, which is the present value of salvage taxis to be delivered to GoBid by the group over the forward flow period to meet the minimum turnover amount. GoBid has been disposed of at the end of September 2024 as part of the Mobalyz group disposal.*

21.1 Contingent consideration

	2024 Rm	2023 Rm
Opening balance	**457**	272
Recognised through business combinations	**–**	388
Acquisition of additional interest in a subsidiary	**–**	45
Disposal of subsidiary	**(393)**	–
Re-measurement through profit and loss	**(64)**	24
Settlement of contingent consideration	**(6)**	(272)
Foreign exchange differences	**6**	–
Total contingent consideration	**–**	457
The contingent consideration balance relates to the following acquisitions:		
Synergy	**–**	69
Milton Graham	**–**	388
Total contingent consideration	**–**	457

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days. For most suppliers no interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts

The group's insurance contracts related to SA Taxi (part of Mobalyz) and WBC which were disposed during the current financial year.

22.1 Summary of measurement approaches

The group entered into various separate Share Purchase Agreements. Two of these agreements were with South African based cells, one for non-life and one for life business. A portion of the risk was then retroceded to a Mauritian based cell.

The South African based cell Share Purchase Agreements are recognised as in-substance inwards reinsurance agreements as the group has to recapitalise the cells as and when necessary to meet capital adequacy requirements.

The Mauritian based cell Share Purchase Agreements gives SA Taxi control over the Mauritian cell and this cell is therefore consolidated in terms of IFRS 10, as this is a deemed separate entity. The Mauritian cell entered into two inward reinsurance agreements with the South African cells via a Bermudian reinsurer. The group uses the PAA model to measure these insurance contracts. Based on this structure, the group accounts for the following agreements as part of the insurance contract liabilities:

Contracts issued (group)	Portfolio classification*	Measurement model
In-substance insurance contracts (South Africa cell captive)		
Share Purchase Agreement (SPA): Non-Life Cell Captive	Non-life portfolio	PAA
Share Purchase Agreement (SPA): Life Cell Captive	Life portfolio	PAA
Reinsurance contracts held (Mauritian cell captive)		
Quota Share Reinsurance Retrocession: Non-Life	Non-life portfolio	PAA
Quota Share Reinsurance Retrocession: Life	Life portfolio	PAA

* *During the current year the company reassessed their portfolios. Previously the portfolios were based on the underlying individual policy holders. As the company is not party to these contracts but only party to the reinsurance arrangement (both the SPA and Quota share agreements) noted above, this was regarded as a prior period error and the IFRS 17 measurement was reperformed at the reinsurance group level. The effect of this change was quantitatively immaterial. The group considers the above portfolios (non-life and life) as the two disclosure groups.*

22.2 Insurance and reinsurance contracts and classification

A contract is classified as an insurance contract where the group provides insurance coverage by accepting significant insurance risk when agreeing with the contract holder to pay benefits if a specified uncertain future event (the insured event) adversely affects the contract holder or other beneficiary. Significant insurance risk is assessed on a contract level and exists where there is at least one scenario in which the insured event results both in significant additional payments and also in an overall loss to the group on a present value basis.

The remeasurement model applied to these insurance contracts (including reinsurance contracts) for liability measurement purposes is the Premium Allocation Approach (PAA). The PAA is a modification of the General Measurement Model (GMM) that allows the use of a simplified approach for measuring the insurance contract liabilities for certain eligible types of contracts.

The group will apply the PAA to simplify the measurement of the majority of its insurance contracts and reinsurance contracts. When measuring liabilities for incurred claims, the group discounts cash flows and includes an explicit risk adjustment for non-financial risk.

All references to insurance contracts in these consolidated financial statements apply to insurance contracts issued or acquired, reinsurance contracts, unless specifically stated otherwise.

22.3 Aggregation

The group managed insurance contracts that are subject to similar risks. The portfolios noted in the table above are the two portfolios that the group accounted for. Applying the grouping requirements to portfolios held, the group aggregated portfolios concluded within a calendar year (annual cohorts) into groups of:

- contracts are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- groups of remaining contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the group determined the appropriate level at which reasonable and supportable information is available, to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous.

An insurance contract is expected to be onerous if the fulfilment cash flows allocated to the contract at initial recognition in total are a net outflow. For insurance contracts measured under the PAA, the group may assume that these contracts are not onerous at initial recognition, unless facts and circumstances indicate otherwise. The group's focus was to grow a profitable and sustainable business and does not anticipate the recognition of onerous contracts except where the following facts and circumstances have been identified:

- relevant pricing decisions;
- relevant claims behavior and costs; or
- any other strategic decisions the board considers appropriate.

Management reviewed all contracts that have been identified and disclosed as onerous to consider the appropriate action required to ensure the future profitability of the identified contracts.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.4 Recognition

The group initially recognises insurance contracts from the earliest of the following:

- The beginning of the coverage period;
- The date when the first payment from the insured is due or actually received, if there is no due date; and
- When the group determines that a contract becomes onerous.

22.5 Derecognition and modification

The group derecognises a contract when the rights and obligations relating to the contract are extinguished, i.e. expired, discharged, or cancelled. The group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, consistent with the criteria set out in the standard, or if the contract is transferred to a third party. Where terms are modified, a new contract on the modified terms is recognised.

If a contract modification does not result in derecognition, then the group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

Under the PAA, the liability for remaining coverage of the group of insurance contracts is adjusted to reflect the amount refunded to the policyholder (or the premium that would have been received for a new contract in the case of a contract modification or the amount paid to a third party in the case of a transfer) other than for settlement of incurred claims.

22.6 Fulfilment cash flows within contract boundary of the liability for incurred claims

The fulfilment cash flows (FCF) are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

a) are based on a probability-weighted mean of the full range of possible outcomes;
b) are determined from the perspective of the group, provided that the estimates are consistent with observable market prices for market variables; and
c) reflect conditions existing at the measurement date.

The explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

22.7 Contract boundary

Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the group can compel the policyholder to pay premiums; or the group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- the group has the practical ability to reprice the risks of the policyholder or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
  - the group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Group, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.7 Contract boundary continued

The group considers the legal rights, the commercial substance, past business behavior and management view of the contracts in this assessment.

Cash flows outside of the boundary of the insurance contract relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

The group has historically used all available contractual tools to manage risk, demonstrating its practical ability to act when necessary. Management's measured approach to risk management emphasises using the right tool at the right time, which reflects the group's dynamic approach rather than constraints on the use of these options.

For non-life insurance portfolios the in-substance inwards reinsurance contract boundary is determined at 12 months based on the termination clause. However, as it is risk-attaching, the boundary of the underlying Share Purchase Agreement is considered when determining the coverage period. The coverage period is 24 months.

For life insurance portfolios the in-substance inwards reinsurance contract boundary is determined at 12 months based on the termination clause. However, as it is risk-attaching, the coverage period of the underlying Share Purchase Agreement is considered. The coverage period is 24 months.

The contract boundary captures the economic substance of the contract and reflects the associated risks, particularly the need for rapid response to volatile risks with significant consequences.

22.8 Separating components from insurance contracts Contract measure under the Premium Allocation Approach (PAA)

The PAA measurement methodology is to be applied to all contracts with a coverage period of one year or less. The PAA is also applied for the measurement of groups of insurance contracts where the group reasonably expects that the measurement under the PAA model would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced by applying the GMM.

The in-substance inwards reinsurance contracts were evaluated for PAA eligibility. The evaluation examines whether the simplifications offered by the PAA does not differ materially from the General Measurement Model (GMM) measurement for the Liability for Remaining Coverage (LRC). The in-substance inwards reinsurance contract covers multiple products, with credit life contributing the largest share. The results of the quantitative assessment does not breach the materiality, and the PAA method is does not differ materiality from the GMM and therefore the group applies the PAA.

22.8.1 Initial measurement

On initial recognition, the group measures the liability for remaining coverage (LRC) under the PAA as the amount of premiums received on initial recognition, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows. As premiums are not received upfront, there is no liability for remaining (LRC) coverage for the portfolios nor for the reinsurance contracts (other than those identified as onerous).

The PAA is a modification of the GMM that allows the use of a simplified approach for measuring the liability for remaining coverage for certain eligible types of contracts.

22.8.2 Subsequent measurement

On subsequent measurement, the group measures the liability for remaining coverage under the PAA as the carrying amount at the beginning of the reporting period:

- plus the premiums received in the period;
- minus the amount recognised as insurance revenue for services provided in that period;
- minus any investment component paid or transferred to the liability for incurred claims.

The group expenses the insurance acquisition costs in profit and loss.

The time value of money and the effect of financial risk are allowed for. The group recognises a liability for incurred claims (LIC) for a portfolio of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The group has chosen to adjust the liability for incurred claims to reflect the time value of money and the effect of financial risk.

A risk adjustment is determined for the liabilities for incurred claims (LIC) where there is uncertainty in the size of the estimate and/or the timing of the underlying cash flows.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.8 Separating components from insurance contracts Contract measure under the Premium Allocation Approach (PAA) continued

22.8.2 Subsequent measurement continued

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the group recognises a loss in profit or loss and increases the liability for remaining coverage (LRC) to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage (including the risk adjustment for non-financial risk) exceed the carrying amount of the liability for remaining coverage (LRC). The fulfilment cash flows are adjusted for the time value of money and the effect of financial risk (using current estimates) if the liability for incurred claims is also adjusted for the time value of money and the effect of financial risk.

If there are facts and circumstances that indicate that a group of contracts is onerous, a loss will be recognised in profit or loss equal to the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. The loss recognised for an onerous group of contracts will be rebalanced at each reporting date, with any change in the loss component recognised as an increase or reversal of losses in profit or loss. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

22.9 Presentation of insurance contracts

Portfolios of insurance contracts that are liabilities are presented separately in the statement of financial position and shown as part of insurance contract liabilities.

The group aggregates amounts recognised in the statement of profit or loss and OCI into an insurance service result, comprising insurance revenue and insurance service expenses, and insurance finance income or expenses.

The group does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result. Insurance revenue is measured as the sum of all the expected premium receipts for providing coverage in the period.

22.10 Insurance revenue

Insurance revenue for the period is the amount of expected premium receipts allocated to the period based on the passage of time. There are no contracts where the expected pattern of release of risk during the coverage period differs significantly from the passage of time.

Insurance service expense

The following amounts are recognised in insurance service expenses:

- claims and administration expenses incurred;
- experience adjustments relating to claims and administration expenses incurred;
- the initial loss on onerous groups of contracts recognised during the period, if any;
- the increases and reversals of losses on onerous contracts, if any;
- the changes in liability for incurred claims relating to past service; and
- the insurance acquisition cash flows.

Expense cashflows included in the boundary of a contract, comprise of expenses that are directly attributable to fulfilling the obligations under the insurance contract and includes an allocation of fixed and variable overheads. The group considers all overheads to determine expenses that are directly attributable to fulfilment of the insurance contract and non-attributable expense. Attributable overhead expenses are allocated to revenue-generating business units on an economic basis, with gross written premium being the key driver to the allocation. Non-attributable expenses are excluded from the valuation.

22.11 Insurance contract liabilities

The group previously interpreted that the underlying customer contracts (UCC) under IFRS for the Cell Captives as only the commercial, legal and substance value driving the liability for remaining coverage (LRC) of the contract. However, this interpretation was incorrect and should have been contracts between the Group Companies and the Cell Captives (CGCC). These contracts should be measured and considered in the context of their own legal rights and substance. As a result of our incorrect interpretation, these contracts should have been treated in terms of IFRS 17 and had to be measured and recognised under IFRS 17. The contract boundaries were reassessed for the different group contracts including a reassessment of the UCC. The assessment of the CGCC contracts resulted in a longer contract boundary when compared to the UCC contracts, while the UCC contracts reassessment resulted in a shorter contract boundary than historically interpreted.

The difference in contract boundaries for both the CGCC and UCC contracts had an immaterial quantitative impact in the value of the historical reserves recorded in the statement of financial position.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.11 Insurance contract liabilities continued

Insurance contract liabilities comprise:

	2024 Rm	2023 Restated* Rm
Non-life portfolio	–	999
Life portfolio	–	16
Total insurance contract liabilities	**–**	1 015

* *The comparative period has been restated as a result of prior period error. Refer to note 28 for further information.*

22.11.1 Reconciliation of the net carrying amounts of insurance contract liabilities

The following reconciliations indicate how the net carrying amounts of insurance contracts changed during the year as a result of cash flows and the amounts recognised in the income statement.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.11 Insurance contract liabilities continued

22.11.1 Reconciliation of the net carrying amounts of insurance contract liabilities continued

22.11.1.1 Non-life portfolio

Analysis by remaining coverage and incurred claims

The roll-forward of liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims is disclosed in the table below.

	2024					2023 Restated*				
	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component Rm	Loss component Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm	Excluding loss component Rm	Loss component Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm
Insurance contract liabilities – at the beginning of the year	(62)	487	571	3	999	(66)	59	(52)	3	(56)
Insurance revenue	(714)	–	–	–	(714)	(854)	–	–	–	(854)
Insurance service expenses	(1)	(506)	(221)	–	(728)	–	441	948	–	1 389
Incurred claims and other expenses	(1)	(136)	(221)	–	(358)	–	(359)	948	–	589
Losses on onerous contracts and reversals of those losses**	–	(370)	–	–	(370)	–	800	–	–	800
Changes to liabilities for incurred claims	–	–	(83)	6	(77)	–	–	32	–	32
Insurance service result	(715)	(506)	(304)	6	(1 519)	(854)	441	980	–	567
Insurance finance expenses	–	25	1	–	26	–	(13)	1	–	(12)
Total changes in the statement of profit or loss	(715)	(481)	(303)	6	(1 493)	(854)	428	981	–	555
Premium received	735	–	–	–	735	858	–	–	–	858
Claims and other expenses paid	1	–	(183)	–	(182)	–	–	(358)	–	(358)
Total cash flows	736	–	(183)	–	553	858	–	(358)	–	500
Disposal of subsidiary	41	(6)	(85)	(9)	(59)	–	–	–	–	–
Insurance contract liabilities at the end of the year	–	–	–	–	–	(62)	487	571	3	999

* *The comparative period has been restated as a result of prior period error, Refer to note 28 for further information.*

** *Included in the current year is a net decrease in provisions of R634 million (included as part of loss from discontinued operations in the income statement) directly as a result of the change in terms and the subsequent cancellation of the Absconsion and Violation cover.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.11 Insurance contract liabilities continued

22.11.1 Reconciliation of the net carrying amounts of insurance contract liabilities continued

22.11.1.2 Life portfolio

Analysis by remaining coverage and incurred claims

The roll-forward of liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims is disclosed in the table below.

	2024					2023 Restated*				
	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component Rm	Loss component Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm	Excluding loss component Rm	Loss component Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm
Insurance contract liabilities at the beginning of the year	(23)	–	39	–	16	(23)	–	10	–	(13)
Insurance revenue	(177)	–	–	–	(177)	(242)	–	–	–	(242)
Insurance service expenses	–	–	104	–	104	–	–	128	–	128
Incurred claims and other expenses	–	–	104	–	104	–	–	128	–	128
Losses on onerous contracts and reversals of those losses	–	–	–	–	–	–	–	–	–	–
Changes to liabilities for incurred claims	–	–	50	–	50	–	–	(1)	–	(1)
Insurance service result	(177)	–	154	–	(23)	(242)	–	127	–	(115)
Insurance finance expenses	–	–	–	–	–	–	–	–	–	–
Total changes in the statement of profit or loss	(177)	–	154	–	(23)	(242)	–	127	–	(115)
Premium received	184	–	–	–	184	242	–	–	–	242
Claims and other expenses paid	–	–	(104)	–	(104)	–	–	(98)	–	(98)
Total cash flows	184	–	(104)	–	80	242	–	(98)	–	144
Disposal of subsidiary	16	–	(89)	–	(73)	–	–	–	–	–
Insurance contract liabilities at the end of the year	–	–	–	–	–	(23)	–	39	–	16

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

22 Insurance contracts continued

22.12 Insurance contract assets

Reinsurance contracts assets comprise:

	2024 Rm	2023 Rm
In-substance contract assets	–	44
Total reinsurance contract assets	–	44

22.12.1 Reconciliation of the net carrying amounts of reinsurance contract assets

The following reconciliations indicate how the net carrying amounts of reinsurance contract assets changed during the year as a result of cash flows and the amounts recognised in the income statement.

	2024			
		Liabilities for incurred claims		
	Liabilities for remaining coverage Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm
Insurance contract asset at the beginning of the year	41	3	–	44
Insurance revenue	163	–	–	163
Insurance service expenses	–	(116)	–	(116)
Net income from insurance contracts held	163	(116)	–	47
Net insurance finance expenses	9	–	–	9
Total changes in the statement of profit or loss	172	(116)	–	56
Dividend payment	(61)	–	–	(61)
Investment assets	68	–	–	68
Premium received	(143)	–	–	(143)
Claims and other expenses paid	–	75	–	75
Total cash flows	(136)	75	–	(61)
Transferred to held for sale	(77)	38	–	(39)
Insurance contract assets at the end of the year	–	–	–	–

	2023			
		Liabilities for incurred claims		
	Liabilities for remaining coverage* Rm	Present value of cash flows Rm	Risk adjustment Rm	Total Rm
Insurance contract asset at the beginning of the year	(2)	3	–	1
Insurance revenue	179	–	–	179
Insurance service expenses	–	(101)	–	(101)
Net income from insurance contracts held	179	(101)	–	78
Net insurance finance expenses	(13)	–	–	(13)
Total changes in the statement of profit or loss	166	(101)	–	65
Dividend payment	(22)	–	–	(22)
Investment assets	125	–	–	125
Premium received	(226)	–	–	(226)
Claims and other expenses paid	–	101	–	101
Total cash flows	(123)	101	–	(22)
Insurance contract assets at the end of the year	41	3	–	44

* *During the current financial year, investment assets in the cell captive and the liability for the remaining coverage have been aggregated to enhance disclosure. The comparative disclosure has been represented to align with the current financial year disclosure.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

23 Interest-bearing liabilities

	Notes	2024 Rm	2023 Restated* Rm
Type of loan			
Notes, securitisation notes and debentures**	23.1	**929**	5 996
Loans**	23.1	**3 308**	19 397
Accrued interest		**–**	144
Bank overdrafts		**282**	594
Total interest-bearing liabilities		**4 519**	26 131
Classes of interest-bearing liabilities			
Senior debt		**4 012**	24 292
Subordinated debt		**225**	1 245
Bank overdrafts		**282**	594
Total interest-bearing liabilities		**4 519**	26 131
Maturity profile			
Payable within 12 months		**1 209**	9 519
Payable thereafter		**3 310**	16 612
Total interest-bearing liabilities		**4 519**	26 131
Total undrawn overdraft facilities		**816**	880

* *The comparative period has been restated to include bank overdrafts as part of interest bearing liabilities.*

** *As part of the comparative amount, the group through SA Taxi obtained funding from a government institution at below market interest rates and has applied IAS 20 recognition principles relating to Government Grants for the difference between the funding received and the fair value of the loan based on market interest rates. As a result, the group has recognised a benefit of R9.1 million to funding costs as a result of this grant in the prior year, with a cumulative gain recognised of R6.7 million. SA Taxi was disposed at the end of September as part of the Mobalyz disposal group.*

During the current year, the group settled the following:

- Zephyr Finance (RF) Proprietary Limited preference shares in full and final settlement of R483 million.
- Revolving credit facility in full and final settlement of R1 110 million.
- The notes of Nutun Investments Limited which had a maturity date of 15 February 2025 in full and final settlement of R210 million.
- Partially settled the notes of Nutun Investments Limited which had a maturity date of February 2025 of R60 million. The remaining balance of the notes as at year end was R183 million.

The following interest bearing liabilities were disposed as part of the businesses that were sold during the current financial year:

- Mobalyz – R13 013 million
- WBC – R1 371 million
- Nutun Australia – R623 million

For further updates on the management of liquidity risk and adherence to covenants as at 30 September 2024, refer to note 41.3.

Restrictive funding arrangements

The restrictive funding arrangements related to SA Taxi (part of Mobalyz) which was disposed of during the current year. The group was party to the following restrictive funding arrangements as defined by the JSE listing requirements.

2023

Lender	Borrower	Maturity date	Rm	Restrictive conditions
Ninety One Proprietary Limited	SA Taxi Development Finance Proprietary Limited	13/11/23	145	• The borrower may not enter into certain corporate actions, activities and/or events without prior written consent of the lender; and • Early settlement of the loan is not permissible.
Ninety One Proprietary Limited	SA Taxi Development Finance Proprietary Limited	16/09/24	65	• The borrower may not enter into certain corporate actions, activities and/or events without prior written consent of the lender; and • Early settlement of the loan is not permissible.
Ninety One Proprietary Limited	SA Taxi Development Finance Proprietary Limited	15/06/26	225	• The borrower may not enter into certain corporate actions, activities and/or events without prior written consent of the lender; and • Early settlement of the loan is not permissible.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

23 Interest-bearing liabilities continued

23.1

Segment	Type of loan	Description	Date issued	Interest rate	Maturity date	Currency	Carrying value Rm
2024							
Notes, securitisation notes and debentures							
Nutun*	Notes	Bullet	15/11/2022 to 18/12/2023	3 Month JIBAR plus 2.8% to 3.2%	31/12/2025 to 31/10/2027	ZAR	**646**
Nutun*	Notes	Amortising	13/07/2023	3 Month JIBAR plus 3.1%	31/07/2027	ZAR	**100**
Head office**	Notes	Bullet	15/02/2022	3 Month JIBAR plus 3.39%	15/02/2027	ZAR	**183**
Total							**929**
Loans							
Nutun*	Senior	Amortising	19/02/2020 to 14/06/2024	3 Month JIBAR plus 3.3% to 5.25%	30/11/2023 to 16/08/2027	ZAR	**1 185**
Nutun*	Senior	Bullet	09/12/2021 to 31/07/2023	3 Month JIBAR plus 2.8% to 3.50%	31/12/2026 to 30/06/2028	ZAR	**1 098**
Nutun*	Subordinated	Bullet	18/03/2022 to 19/10/2022	3 Month JIBAR plus 4.5% to 5.0%	30/09/2025 to 30/09/2027	ZAR	**225**
Nutun*	Senior	Revolving Facility	30/05/2022 to 30/06/2023	Prime minus 0.1% to 0.85%	29/05/2025 to 30/04/2026	ZAR	**700**
Nutun*	Senior	Revolving Facility	23/06/2022	3 Month JIBAR plus 4.75%	03/04/2027	ZAR	**100**
Total							**3 308**

* *Secured by the cession of purchased book debts and cash and cash equivalents.*
** *Secured by the cession of cash and cash equivalents.*

23.1

Segment	Type of loan	Description	Date issued	Interest rate	Maturity date	Currency	Carrying value Rm
2023							
Securitisation notes, debentures and loans							
SA Taxi*	Junior	Amortising	28/05/2020	3 Month JIBAR plus 7%	28/05/2025	ZAR	**85**
SA Taxi*	Mezzanine	Amortising	26/05/2021 to 29/11/2021	3 Month JIBAR plus 3.9%	22/06/2026	ZAR	**95**
SA Taxi*	Senior	Amortising	13/03/2019 to 26/05/2021	Fixed rate of 7.61% to 9.225%	15/04/2024 to 22/06/2026	ZAR	**128**
SA Taxi*	Senior	Amortising	13/03/2019 to 20/07/2023	3 Month JIBAR plus 1.43% to 3.8%	15/04/2024 to 14/12/2027	ZAR	**4 441**
SA Taxi*	Senior	Amortising	23/03/2022 to 06/04/2022	Prime plus 0.5%	14/12/2027	ZAR	**143**
Nutun**	Notes	Notes	18/11/2022 to 12/07/2023	3 Month JIBAR	31/10/2025 to 31/10/2027	ZAR	**647**
Head office***	Notes	Bullet	15/02/2022	3 Month JIBAR plus 2.89% to 3.39%	17/02/2025 to 15/02/2027	ZAR	**457**
Total							**5 996**

* *Secured by the cession of loans and advances, cash and cash equivalents, trade receivables and inventories.*
** *Secured by the cession of purchased book debts, cash and cash equivalents and the group's 75% shareholding in Nutun CX.*
*** *Secured by cession of cash and cash equivalents.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

23 Interest-bearing liabilities continued

23.1

Segment	Type of loan	Description	Date issued	Interest rate	Maturity date	Currency	Carrying value Rm
2023							
Loans							
SA Taxi*	Mezzanine	Bullet	20/02/2018 to 23/08/2022	3 Month JIBAR plus 4.75% to 6.5%	30/11/2023 to 16/08/2027	ZAR	**840**
SA Taxi*	Senior	Amortising	26/09/2019	Fixed rate of 11.5%	30/11/2023	ZAR	**11**
SA Taxi*	Senior	Amortising	26/07/2017 to 16/02/2023	3 Month JIBAR plus 3.53% to 6.827%	15/05/2024 to 15/11/2029	USD	**4 147**
SA Taxi*	Senior	Amortising	17/11/2017 to 27/02/2023	3 Month JIBAR plus 2.25% to 5.01%	30/11/2023 to 16/03/2028	ZAR	**2 449**
SA Taxi*	Senior	Amortising	28/03/2018 to 13/01/2022	Prime Plus 0.25% to 1%	30/11/2023 to 15/12/2026	ZAR	**16**
SA Taxi*	Senior	Bullet	12/03/2018 to 02/02/2023	3 Month JIBAR plus 3.65% to 5.4%	30/11/2023 to 02/02/2028	ZAR	**1 161**
SA Taxi*	Senior	Bullet	09/11/2022	Prime plus 1%	15/11/2027	ZAR	**1**
SA Taxi*	Senior	Revolving Facility	14/11/2022 to 10/02/2023	Prime less 0.6% – plus 0.45%	10/05/2024 to 28/01/2026	ZAR	**3 307**
Nutun**	Senior	Bullet	30/12/2022	3 Month AUD BLR	30/12/2025	AUD	**613**
Nutun**	Senior	Bullet	19/12/2019 to 31/07/2023	3 Month JIBAR plus 2.8% to 4.5%	28/03/2024 to 30/06/2028	ZAR	**931**
Nutun**	Senior	Amortising	30/05/2019 to 05/12/2022	3 Month JIBAR plus 2.85% to 5.25%	30/05/2024 to 31/12/2027	ZAR	**810**
Nutun**	Senior	Amortising	31/03/2021 to 17/08/2021	Fixed	30/09/2024 to 30/09/2026	ZAR	**286**
Nutun**	Senior	Revolving Facility	28/05/2021 to 30/06/2023	Prime plus 0.45% to 0.85%	22/04/2024 to 30/06/2026	ZAR	**1 065**
Nutun**	Senior	Revolving Facility	23/06/2022	3 Month JIBAR plus 4.75%	03/04/2027	ZAR	**99**
Nutun**	Subordinated	Bullet	25/03/2022 to 24/10/2022	3 Month JIBAR plus 4.5% to 5%	30/09/2025 to 30/09/2027	ZAR	**225**
Head office***	Senior	Revolving facility	10/12/2020	Prime plus 1.2%	02/12/2024	ZAR	**1 101**
Head office***	Senior	Preference share	09/09/2022	82.5% of Prime	09/09/2027	ZAR	**489**
WBC****	Senior	Revolving Facility	16/03/2023 to 31/05/2023	JIBAR plus 2.20% – 2.24%	15/03/2024 to 30/05/2024	ZAR	**426**
WBC****	Senior	Revolving Facility	06/04/2023 to 06/09/2023	Prime less 1.25% – 1.35%	06/09/2024 to 05/04/2024	ZAR	**255**
WBC****	Senior	Amortising	06/12/2018 to 15/12/2021	Prime less 0.5%	30/11/2023 to 15/12/2027	ZAR	**497**
WBC****	Senior	Amortising	03/12/2021 to 15/21/2021	1 month JIBAR plus 2.95%	14/12/2026 to 14/06/2027	ZAR	**203**
Gomo*****	Senior	Amortising	07/04/2022 to 07/11/2022	1 month JIBAR plus 2.28%	07/11/2023 to 07/06/2028	ZAR	**465**
Total							**19 397**

* *Secured by the cession of loans and advances, cash and cash equivalents, trade receivables and inventories.*
** *Secured by the cession of purchased book debts, cash and cash equivalents and the group's 75% shareholding in Nutun CX.*
*** *Secured by the cession of cash and cash equivalents.*
**** *Secured by the cession of mortgage facilities.*
***** *The loan facility is not secured.*

The group was not during the year or at year end in breach or default of any provisions of the terms or conditions of the agreements governing borrowings that will change the timing or amount of cash flows.

All USD denominated loans have been hedged. Refer to note 41.8.

All loans per section 23.1 are subordinated debt and senior loans.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

24 Leases

24.1 The group as lessee

The group leases office buildings and low value assets (such as tablets and personal computers, small items of office furniture and telephones and printers) and it assesses whether a contract is or contains a lease at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

A lease incentive is a payment made by a lessor to a lessee associated with a lease, or the reimbursement or assumption by a lessor of costs of a lessee. Lease incentives received at the commencement of the lease are recognised as an adjustment to the right-of-use asset. When lease incentives are receivable at a later date, they are recognised as a reduction in future lease payments. Lease incentives received during the current financial year include tenant installation allowances on premises and a lessor taking over the group's obligations under the previous lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.
- the lease term has changed or there is a significant event or change in the circumstances resulting in a change in the assessment of the exercise of a purchase option, in which case the liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- the lease payments change due to changes in an index rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

On the date of the modification, the carrying amount of the finance lease liability is remeasured to reflect the latest assessment of future cash flows using the incremental borrowing rate applicable at the date of the modification over the remaining lease period. A corresponding adjustment is made to the right-of-use asset. To the extent that the right-of-use asset balance is reduced to zero, any additional adjustments are taken to profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The group has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as part of property and equipment in the consolidated statement of financial position. The group applies IAS 36- Impairment of Assets to determine whether a right-of-use asset is impaired.

24.2 The group as lessor

The group is an intermediate lessor and accounts for the head lease and the sub lease as two separate components. The sub lease is classified as a finance lease by reference to the right of use asset arising from the head lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e. after a deduction of the loss allowance).

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

24 Leases continued

24.3 Lease liabilities and leased assets

	2024 Rm	2023 Rm
Lease liabilities		
Maturity analysis		
Year 1	**88**	235
Year 2	**82**	183
Year 3	**85**	151
Year 4	**76**	137
Year 5	**47**	88
Onwards	**131**	184
Less: interest not incurred	**(136)**	(210)
Total	**373**	768

The group does not face significant liquidity risk with regard to its lease liabilities.

The group leases several buildings.

Options to extend or terminate leases have only been taken into account where it is probable that the option will be exercised by the lessee. There are no residual value guarantees or material restrictions imposed by any lease agreements.

The weighted average expected remaining lease term for the lease of buildings within the scope of IFRS 16 is 3 years (2023: 4 years).

	2024 Rm	2023 Rm
Leased assets		
Maturity analysis		
Year 1	**–**	10
Year 2	**–**	3
Less: unearned interest	**–**	(1)
Total	**–**	12

The group is party to a sublease arrangement, which has been accounted for separately as required by IFRS 16. The total cash inflows for sub leases of buildings within the scope of IFRS 16 amount to Rnil million (2023: R8 million).

During the prior year SA Taxi entered into a new sublease related to warehouse rental at its Midrand premises. The sublease has been accounted for separately in accordance with IFRS 16 and has resulted in the recognition of the net investment in the sublease of Rnil million (2023: R8 million). The net investment in the sublease represents the present value of future sublease cashflows discounted at an appropriate entity specific discount rate. SA Taxi has been disposed of on 27 September 2024 as part of the Mobalyz disposal group.

Amounts recognised in profit and loss

	2024 Rm	2023 Restated* Rm
Depreciation expense on right-of-use assets	**(67)**	(137)
Interest expense on lease liabilities	**(40)**	(60)
Expense relating to short-term leases**	**(1)**	(40)
Expense relating to leases of low value assets	**(2)**	(6)

* *The comparative period has been restated for the classification of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations.*

** *Included in short-term leases expenses are storage costs of Rnil million (2023: R9 million) as well as workshop rental costs of Rnil million (2023: R2 million).*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

25 Put option liability

Put options held by non-controlling interests in the group's subsidiaries entitle the non-controlling interest to sell their interest in the subsidiary to the group/group's subsidiaries at values determined as per the option agreements and on contracted dates. The group recognises the value of the non-controlling interest's put option, being the present value of the estimated future purchase prices, as a financial liability in the statement of financial position. At initial recognition, the present value of the future purchase prices is recognised in the put option reserve in equity, with any changes in the value of the estimated future cash flows recognised in the income statement as explained below.

The unwinding of the present value discount on these liabilities is recognised as an imputed finance charge in the income statement using the effective interest rate method. If there is a change in the timing or amount of estimated cash flows, then the amortised cost of the financial liability (or group of financial instruments) is adjusted in the period of change to reflect the actual and revised estimated cash flows. A corresponding income or expense is recognised in profit or loss. At each reporting date, a revised amortised cost of the financial liability is recalculated by discounting the revised estimated future cash flows at the instrument's original effective interest rate. Upon cancellation of or settlement, the put option reserve is reversed, with a corresponding extinguishment of the liability, and any remaining put option reserve is reclassified to retained earnings.

25.1 During the 2022 financial year, the group, through its subsidiary Transaction Capital Motor Holdco (Pty) Ltd (TCMH) concluded a shareholders agreement with the minority shareholders of WBC Holdings, which included put options in favour of the minority shareholders, which if exercised would result in TCMH acquiring, in various increments and at various intervals, additional shares in WBC Holdings up to a maximum of 25.1% (being all the shares in WBC Holdings currently held by the minority shareholders) and which, if implemented in full, would result in WBC Holdings becoming a wholly owned subsidiary of TCMH.

The shareholders' agreement was cancelled in March 2024 due to the implementation of WBC unbundling. As a result, the put option liability was extinguished, and the remaining balance of the put option reserve has been reclassified to retained earnings.

The value of the WBC put option liability in the prior year was calculated by applying price earnings multiple to the adjusted profits of WBC for the 12-month period ending on 30 September of the year in which the put option would be exercised. The discount rate applied to the valuation was 2024: n/a (2023: 6.9%). Imputed interest expense of 2024: R54 million (2023: R236 million) was recognised in the income statement. A gain of 2024: Rnil million (2023: R1 754 million) was recognised in relation to the re-measurement of the liability as a result of a change in the expected cash flows. Due to the cancellation of the shareholders agreement, the value of the liability at 30 September 2024 is nil.

25.2 During April 2022, the group through its subsidiary Nutun Holdings (acting as a general partner of the Synergy Investment partnerships) concluded a shareholders agreement with the minority shareholders of Nutun CX Proprietary Limited (formerly known as the Synergy Contact Centre Proprietary Limited) (Nutun CX) and Nutun UK Limited (formerly Synergy Outsourcing Limited) (Nutun UK), which includes put options in favour of the minority shareholders, which if exercised would result in Nutun acquiring additional shares in Nutun CX and Nutun UK up to a maximum of 35% (being all the shares in Nutun CX and Nutun UK held by minority shareholders at that date).

The shareholders' agreement was cancelled in July 2024 due to the implementation of the direct purchase of the remaining non-controlling interests in Synergy. As a result, the put option liability was extinguished, and the remaining balance of the put option reserve has been reclassified to retained earnings.

The value of the Synergy put option liability in the prior year was calculated by applying price earnings multiple to the profits of Nutun CX and Nutun UK for the 12-month period ending on 28 February 2025. The discount rate applied to the valuation was 2024: n/a (2023: 7.1% for Nutun CX and 4.49% for Nutun UK). Imputed interest expense of 2024: R20 million (2023: R30 million) was recognised in the income statement. A gain of 2024: R286 million (2023: R39 million) was recognised in the income statement relating to the re-measurement of the liability as a result of a change in the expected cash flows during the year. Due to the cancellation of the shareholders agreement, the value of the liability at 30 September 2024 is nil.

	2024			2023		
	Rm WBC	**Rm Synergy**	**Rm Total**	Rm WBC	Rm Synergy	Rm Total
25.3 The effect of granting these put options on the group's results is summarised as follows:						
Balance at the beginning of the year	**1 885**	**467**	**2 352**	3 403	639	4 042
Imputed interest charge recognised in the income statement	**54**	**20**	**74**	236	30	266
Re-measurement of put option liability	**–**	**(286)**	**(286)**	(1 754)	(39)	(1 793)
Derecognition of put option to acquire non controlling interest	**(1 939)**	**(201)**	**(2 140)**	–	(190)	(190)
Effect of foreign currency exchange difference	**–**	**–**	**–**	–	27	27
Balance at the end of the year	**–**	**–**	**–**	1 885	467	2 352

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		2024 Number of shares	2023 Number of shares
26	**Ordinary share capital**		
	Authorised		
	Ordinary shares	**1 000 000 000**	1 000 000 000
	Issued and fully paid up		
	Ordinary share capital	**784 313 242**	763 313 142
	Ordinary share capital	**784 313 242**	763 313 142

		2024		2023	
		Number of shares million	**Share capital Rm***	Number of shares million	Share capital Rm*
26.1	**Reconciliation of ordinary share capital**				
	Balance at the beginning of the year	**763**	**5 267**	757	5 179
	Shares issued in settlement of the Conditional Share Plan (Note 26.1.1)	**–**	**–**	6	88
	Shares issued to sponsors (Note 26.1.2)	**21**	**147**	–	–
	Balance at the end of the year	**784**	**5 414**	763	5 267

* *Net of share issue costs.*

26.1.1 In terms of the specific authority received from shareholders in the adoption of the Transaction Capital Conditional Share Plan, a total of 5 945 809 shares were issued to participants/employees as part of the respective vesting at an average price of R14.94 per share.

26.1.2 Nutun, through its wholly owned subsidiaries, acquired 65% controlling interest in Nutun CX and Nutun UK in 2022, with Nutun increasing its shareholding in 2023 to 75%. All shareholdings were acquired through partnership arrangements with sponsors. The partnership arrangements entitled the sponsors to a share of the distributions made by Nutun CX and Nutun UK once pre-defined waterfall hurdles were met. Furthermore, the sponsors had the option to put a part of their entitlement to Nutun. In November 2023 Nutun acquired the sponsors' partnership interests, thereby acquiring their share of the distributions to be made by Nutun CX and Nutun UK in future. The agreed purchase price was 21 million Transaction Capital shares at R7 per share (R147 million) for the interest in Nutun CX and R30 million in cash for the interest in Nutun UK.

Preference share capital

Authorised

10 000 000 cumulative, non-participating, non-convertible preference shares of no par value

Issued

Nil (2023: nil) preference shares

		2024 Rm	2023 Restated* Rm
27	**Non-controlling interests**		
	Balance at the beginning of the year	**855**	1 636
	Dividends paid	**(857)**	(154)
	Share of loss for the year	**(509)**	(617)
	Purchase of shares in subsidiaries from non-controlling interests (refer to note 27.1)	**(87)**	(10)
	WBC unbundling steps (refer to note 27.2)	**1 269**	–
	Derecognition of non-controlling interests on disposal of WBC (refer to note 27.3)	**(1 524)**	–
	Derecognition of non-controlling interests on disposal of Mobalyz ((refer to note 27.3)	**856**	–
	Balance at the end of the year	**3**	855

* *The comparative period has been restated as a result of a prior period error. Refer to note 28 for further information.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

27 Non-controlling interests continued

27.1 Transactions with non-controlling interests

The group concluded the following transactions with non-controlling interests during the year:

- In October 2023, the group acquired 0.52% of ordinary shares in SA Taxi Holdings and 1% of the ordinary shares in TCMH that was held by the Empire Family Trust for the nominal amount of R1 for SA Taxi Holdings and R48 million for TCMH.
- In July 2024 the group acquired the remaining 25% non-controlling interest in Nutun CX and Nutun UK for a purchase consideration of R50 million. The group recognised a decrease in non-controlling interest of R18 million. At 30 September 2024, Nutun CX and Nutun UK are wholly owned subsidiaries of the group.
- In September 2024, the group acquired 5% non-controlling interests related to Nutun Wellness for consideration of R1 million. The group recognised an increase in non-controlling interest of R3 million in relation to this transaction.

27.2 WBC unbundling steps

The group implemented the unbundling of WBC in April 2024. Prior to the unbundling, the group initiated the following steps which had an impact on the non-controlling interests:

- A scrip dividend was declared for R2 301 million by WBC where the group received shares worth R1 541 million and dividends in cash of R183 million with the non-controlling interest receiving dividends of R578 million in cash. This resulted in an increase in shareholding by the group from 74.9% to 81.36%. The group recognised an increase in non-controlling interest of R204 million with a corresponding decrease in equity attributable to owners.
- WBC issued shares to an external shareholder for R760 million in cash. The group recognised an increase in non-controlling interest of R433 million and an increase of R327 million in equity attributable to owners. This resulted in a reduction of the group's shareholding from 81.36% to 72.20%.
- WBC issued shares to external investors via a bookbuild for R750 million in cash. The group recognised an increase in non-controlling interest of R480 million and an increase of R270 million in equity attributable to owners. This resulted in a reduction of the group's shareholding from 72.20% to 65.27%.
- The bookbuild above was oversubscribed which resulted in the group selling 1.95% shareholding in WBC for R153 million. The group recognised an increase in non-controlling interest of R77 million and an increase of R76 million in equity attributable to owners. This resulted in a reduction of the group's shareholding from 65.27% to 63.32%.
- The group sold 1.89% of its shareholding to another external shareholder for R141 million. The group recognised an increase in non-controlling interest of R74 million and an increase of R67 million in equity attributable to owners. This resulted in a reduction of the group's shareholding from 63.32% to 61.44% which was unbundled on 11 April 2024.

27.3 Disposal of subsidiary

- The group disposed its controlling interest in WBC via distribution in specie to the shareholders. This resulted in a derecognition of 38.56% related non-controlling interest with a carrying value of R1 524 million. Refer to note 20 for further information
- The group disposed its controlling interest in Mobalyz which includes SA Taxi. This resulted in a derecognition of 17.3% related non-controlling interest with a carrying value of (R856 million). Refer to note 20 for further information.

28 Restatements

28.1 Impairment of loans and advances – Mobalyz

During the year, an error was identified in relation to the IFRS 9 – *Financial instruments*, expected credit loss (ECL) provisions recognised by the group on loans and advances for the 2023 financial year. The restatement relates to:

- updating the selling prices of vehicles that were effective at year end which were not correctly reflected when calculating the ECL provisions;
- updating the cost of repairs to include both panel and mechanical repair costs as panel costs were incorrectly excluded;
- a formula error which was identified in the calculation for the salvage ratio; and
- correcting an error in the discounting approach applied in present valuing the expected future cash flows.

These errors resulted in a material understatement of the impairment of loans and advances for 2023 of R771 million (included within the loss for the year from discontinued operations within the consolidated income statement) and a corresponding overstatement of loans and advances by R771 million, an overstatement of retained earnings of R633 million and an overstatement of non-controlling interest of R138 million on the consolidated statement of financial position. The error did not have any impact on income tax expense or deferred tax in 2023, nor did it impact the 2022 financial year.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

28 Restatements continued

28.2 Dealer incentive commission – Mobalyz

The classification of directly attributable costs, i.e., dealer incentive commission receivables related to loans and advances was presented as part of trade and other receivables on the consolidated statement financial position. In terms of IFRS 9, these costs should be added to the fair value at initial recognition of the related financial asset and considered in the determination of the effective interest rate. This resulted in a decrease in trade and other receivables of R378 million in 2022 and R400 million in 2023 with a corresponding increase in loans and advances in the consolidated statement of financial position. The restatement does not have an impact on the prior year reported profit, but does result in a reclassification from operating costs to interest income, calculated using the effective interest method amounting to R157 million. There is therefore no impact on the cash flow from operating activities before changes in operating assets and working capital. In addition, the increases in operating assets within the consolidated cash flow statement for loans and advances decreased by R22 million, and the increase in trade and other receivables increased by R22 million. This has no impact on the net cash utilised by operating activities.

28.3 Market values of vehicle stock – Mobalyz

During the year, an error was identified in relation to IAS 2 – Inventories, specifically in relation to the vehicles which have entered the realisation channels for the 2023 financial year. The Mobalyz group recovers a number of vehicles where loans and advances provided in relation to these vehicles are no longer being honoured. At the point in time where the vehicle is repossessed, its market value is determined and the vehicles are reclassified into inventory and no longer form part of the IFRS 9 – Financial instruments measurement of loans and advances. The restatement relates to correcting the market values of vehicles that were effective at the end of the 2023 financial year.

The Mobalyz group also has repossessed vehicles in a hold period, which are transferred to inventory from being included in the collateral value under IFRS 9, where the incorrect market values were also applied.

In addition, the market value of the vehicles impacts the measurement of the insurance contract liabilities, as Mobalyz recovers vehicles as part of salvages under the insurance contracts issued to vehicle owners. Therefore, the incorrect vehicle market values were also applied in determining the liability for incurred claims (LIC) and the liability for remaining coverage (LFRC) under IFRS 17 – Insurance Contracts.

This error resulted in an overstatement of inventories of R98 million, and understatement of the impairment of loans and advances of R108 million (included within loss for the year from discontinued operations within the consolidated income statement) and an overstatement of loans and advances in the consolidated statement of financial position of R10 million. The error further resulted in an understatement of the insurance service expense of R272 million (included within loss for the year from discontinued operations within the consolidated income statement), and an understatement of the insurance contract liabilities of R272 million in the consolidated statement of financial position.

As a result of the error, retained earnings and non-controlling interest is overstated by R312 million and R68 million respectively. The error did not have any impact on income tax expense or deferred tax in 2023, nor did it impact the 2022 financial year.

28.4 Purchased book debts – Nutun

During the current financial year errors were identified in the purchased book debts IFRS 9 valuation model which impacted on the expected credit loss provisions recognised by the group for the 2022 and 2023 financial years. The restatement relates to the following:

- correction of an error in the estimation of payment probabilities and retraction payment application which resulted in payments being overstated in the purchased book debts valuation;
- changing from an annual to monthly move through transition matrices as the annual basis oversimplified the modelling of loan behaviour; and
- removal of model capping and flooring together with the outlier data points as only observations that will not recur in future should be removed to prevent bias in model predictions.

The correction of the error resulted in the reduction of the carrying amount of purchased book debts by R360 million, emanating from financial years prior to the year ended 30 September 2022. Accordingly, the group restated its purchased book debts balance at the end of 2022 and 2023 with a corresponding decrease in retained earnings of R263 million and a decrease in deferred tax liabilities of R97 million.

The restatement does not have an impact on the profit reported for the 2023 financial year, however it does decrease the 'Imputed interest income, calculated using the credit-adjusted effective interest rate' by R80 million, and increases the impairment gain on principal book portfolios with the same amount in that year. This had no impact on the consolidated cash flow statement.

28.5 Reclassification of insurance related trade receivables

Insurance related trade receivables were reclassified from trade and other receivables to insurance contract liabilities in line with the requirements of IFRS 17 – Insurance Contracts. This resulted in a decrease in trade and other receivables of R251 million for 2023 (2022: R248 million) with a decrease in insurance contract liabilities of R251 million (2023: R180 million) and an increase in reinsurance contract assets of R0 million in 2023 (2022: R68 million). Impairment of loans and advances decreased by R303 million, and Insurance service expense increased by R303 million in the consolidated income statement (included within the loss for the year from discontinued operations). There is no impact on the net cash utilised by operating activities within the consolidated statement of cashflows. Cash generated by operations increased by R251 million and the cash outflow as a result of the increase in trade and other receivables decreased by R251 million.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

28 Restatements continued

28.6 Reclassification of put option imputed interest

Imputed interest charge on put option over non-controlling interest was reclassified from non-operating profit to finance charges as part of operating profit in line with the requirements of IAS 1 – Presentation of Financial Statements. This resulted in an increase in finance charges of R266 million (included within operating (loss)/profit) with a corresponding increase in non-operating profit. The restatement does not have an impact on the prior year reported profit.

28.7 Discontinued operations

In line with the group's strategy to unlock and maximise shareholder value, the group identified the following businesses for divestment through disposal and unbundling which have been classified as discontinued operations:

- Nutun Australia – disposal
- Nutun Transact – disposal (non-current assets held for sale)
- WBC – unbundling
- Mobalyz (SA Taxi, Gomo and Roadcover) – disposal

30 September 2023 comparative financial information presented in the consolidated financial statements have been restated for the classification of discontinued operations in the current period in terms of IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

28.8 Cash and cash equivalents – Nutun

During the current year, it was concluded that the cash held on behalf of customers in Nutun Transact was previously incorrectly set off against the trade and other payables line item. These balances should be presented on a gross basis, and therefore the cash and cash equivalents and related trade and other payables line item should be presented separately on the consolidated statement of financial position. This resulted in an increase in cash and cash equivalents of R358 million in 2022 and R65 million in 2023 with a corresponding increase in trade and other payables in the consolidated statement of financial position.

Within the consolidated cash flow statement, cash and cash equivalents at the beginning of the 2023 year was understated by R358 million and cash and cash equivalents at the end of the year was understated by R65 million. This resulted in a cash outflow within the decrease in trade and other payables within net cash utilised by operating activities of R293 million in 2023. The restatement does not have an impact on the prior year reported profit.

28.9 Reclassification of bank overdrafts to financing activities in the cash flow statement

Bank overdrafts were incorrectly disclosed within cash and cash equivalents in the consolidated cash flow statement, as it was considered part of the group's cash management activities. The bank overdrafts are however primarily used as a financing instrument rather than an integral part of day-to-day cash management. As a result, the bank overdrafts do not meet the criteria to be classified as cash and cash equivalents and R720 million no longer been offset against cash and cash equivalents at the beginning of the 2023 year within the consolidated cash flow statement, with a cash inflow of R19 826 million and a cash outflow of R19 952 million on the net cash generated by financing activities. The cash and cash equivalents at the end of the 2023 year increased by R594 million.

The restatement does not have any impact on the prior year reported profit or the statement of financial position.

28.10 Reclassification of deferred taxes

Deferred tax assets amounting to R88 million were incorrectly offset against deferred tax liabilities in 2023. This treatment was not compliant with the requirements of IAS 12 - Income Taxes, which stipulates that deferred tax assets and liabilities may only be offset when specific criteria are met, such as arising from the same taxable entity and jurisdiction and set off being legally enforceable at the same time. As a result, deferred tax assets and deferred tax liabilities have respectively increased by R88 million in 2023. The restatement does not have any impact on the prior year reported profit, nor did it impact the 2022 financial year.

28.11 Reclassification of accrued interest on interest-bearing liabilities

In line with the requirements of IFRS 9, accrued interest was reclassified from trade and other payables to interest-bearing liabilities. The reclassification had no impact on the statement of comprehensive income. This resulted in a decrease in trade and other payables of R144 million for 2023 (2022: R96 million) with a corresponding increase in interest-bearing liabilities.

28.12 Reclassification of the share-based compensation reserve to retained earnings on vesting of the share-based payment award

The group has an accounting policy of reclassifying the share-based compensation reserve to retained earnings on vesting of the share-based compensation transaction. The group had not reclassified the share-based compensation reserve relating to the SANTACO vendor financing arrangement that was classified as a share-based payment transaction that vested immediately (in 2018) to retained earnings in accordance with the group accounting policy. This resulted in a decrease of the share-based payment reserve of R100 million and an increase in retained earnings in 2022 and therefore also for 2023.

28.13 Cash movements in money market funds

Cash flow movements of R531 million relating to money market investments (included in other investments) were incorrectly disclosed on a net basis in cash flows from investing activities. These cash flows should be disclosed on a gross basis in accordance with the requirements of IAS 7. As a result, the cash drawdowns from other investments within cash flows from investing activities have been increased to R3 595 million in 2023. Deposits into other investments within cash flows from investing activities have been increased to R3 003 million in 2023. Interest received has decreased by R61 million, due to this being non-cash. The restatement does not have an impact on the consolidated statement of financial position.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

28 Restatements continued

The reclassification of discontinued operations and the correction of errors have affected the financial statements as follows:

		2023									
		Restatement of prior period errors						28.7 Discontinued operations			
Consolidated income statement	**As previously presented Rm**	28.1 Impairment of loans and advances Rm	28.2 Dealer incentive commission Rm	28.3 Market values of vehicle stock Rm	28.4 Purchased book debts Rm	28.5 Reclassification insurance receivables Rm	28.6 Reclassification of put option imputed interest Rm	Nutun (Transact and Australia) Rm	WBC Rm	Mobalyz Rm	**Restated Rm**
Gross profit from the provision of services and sale of goods	**3 886**	–	–	–	–	–	–	(450)	(2 458)	(221)	**757**
Revenue	**23 475**	–	–	–	–	–	–	(1 042)	(19 965)	(1 091)	**1 377**
Cost of revenue	**(19 589)**	–	–	–	–	–	–	592	17 507	870	**(620)**
Net interest income from provision of financing to customers	**1 256**	–	(157)	–	–	–	–	–	–	(1 099)	**–**
Interest income, calculated using the effective interest rate method	**3 180**	–	(157)	–	–	–	–	–	–	(3 023)	**–**
Interest expense	**(1 924)**	–	–	–	–	–	–	–	–	1 924	**–**
Impairment of loans and advances	**(3 751)**	(771)	–	(108)	–	303	–	–	–	4 327	**–**
Risk-adjusted interest income from provision of financing to customers	**(2 495)**	(771)	(157)	(108)	–	303	–	–	–	3 228	**–**
Net insurance result	**(68)**	–	–	(272)	–	(303)	–	–	(65)	708	**–**
Insurance revenue	**1 280**	–	–	–	–	–	–	–	(179)	(1 101)	**–**
Insurance service expense	**(1 364)**	–	–	(272)	–	(303)	–	–	101	1 838	**–**
Insurance finance (expense)/income	**16**	–	–	–	–	–	–	–	13	(29)	**–**
Net income from purchased book debts	**984**	–	–	–	–	–	–	–	–	–	**984**
Imputed interest income, calculated using the credit-adjusted effective interest rate	**778**	–	–	–	(80)	–	–	–	–	–	**698**
Interest expense	**(329)**	–	–	–	–	–	–	–	–	–	**(329)**
Impairment gain on principal book portfolios	**216**	–	–	–	80	–	–	–	–	–	**296**
Fair value movements on other financial assets	**319**	–	–	–	–	–	–	–	–	–	**319**
Operating costs	**(4 715)**	–	157	–	–	–	–	397	1 501	1 327	**(1 333)**

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

28 Restatements continued

	2023										
		Restatement of prior period errors						28.7 Discontinued operations			
Consolidated income statement	**As previously presented Rm**	28.1 Impairment of loans and advances Rm	28.2 Dealer incentive commission Rm	28.3 Market values of vehicle stock Rm	28.4 Purchased book debts Rm	28.5 Reclassification insurance receivables Rm	28.6 Reclassification of put option imputed interest Rm	Nutun (Transact and Australia) Rm	WBC Rm	Mobalyz Rm	**Restated Rm**
Net finance charge – not relating to provision of financing to customers	**(395)**	–	–	–	–	–	(266)	26	149	(40)	**(525)**
Finance income	**213**	–	–	–	–	–	–	(33)	(9)	(76)	**95**
Finance charges	**(608)**	–	–	–	–	–	(266)	59	158	36	**(620)**
Other income	**80**	–	–	–	–	–	–	(73)	(29)	30	**8**
Equity accounted income	**(53)**	–	–	–	–	–	–	(1)	(4)	2	**(56)**
Operating (loss)/profit	**(2 776)**	(771)	–	(380)	–	–	(266)	(101)	(906)	5 034	**(165)**
Non-operating profit	**1 654**	–	–	–	–	–	266	51	(161)	3	**1 813**
(Loss)/profit before tax	**(1 122)**	(771)	–	(380)	–	–	–	(50)	(1 067)	5 037	**1 648**
Income tax expense	**(213)**	–	–	–	–	–	–	17	222	(134)	**(108)**
(Loss)/profit for the year from continuing operations	**(1 335)**	(771)	–	(380)	–	–	–	(33)	(845)	4 903	**1 540**
Discontinued operations	**(9)**	–	–	–	–	–	–	33	845	(4 903)	**4 034**
Loss for the year	**(1 344)**	(771)	–	(380)	–	–	–	–	–	–	**(2 495)**
Loss per share (cents)											
Basic loss per share	**(122.8)**	(83.3)	–	(41.1)	–	–	–	–	–	–	**(247.2)**

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

28 Restatements continued

	2023										
Statement of financial position (extract)	**As previously presented Rm**	28.1 Impairment of loans and advances Rm	28.2 Dealer incentive commission Rm	28.3 Market values of vehicle stock Rm	28.4 Purchased book debts Rm	28.5 Reclassification insurance receivables Rm	28.8 Cash and cash equivalents Rm	28.10 Reclassification of deferred taxes Rm	28.11 Reclassification of accrued interest on interest-bearing liabilities Rm	28.12 Share based payment reserve Rm	**Restated Rm**
Cash and cash equivalents	**2 138**	–	–	–	–	–	65	–	–	–	**2 203**
Trade and other receivables	**1 813**	–	(400)	–	–	(251)	–	–	–	–	**1 162**
Inventories	**3 005**	–	–	(98)	–	–	–	–	–	–	**2 907**
Loans and advances	**15 427**	(771)	400	(10)	–	–	–	–	–	–	**15 046**
Purchased book debts	**5 025**	–	–	–	(360)	–	–	–	–	–	**4 665**
Deferred tax assets	**369**	–	–	–	–	–	–	88	–	–	**457**
Total assets	**41 626**	(771)	–	(108)	(360)	(251)	65	88	–	–	**40 289**
Bank overdrafts	**594**	–	–	–	–	–	–	–	–	–	**594**
Trade and other payables	**2 020**	–	–	–	–	–	65	–	(144)	–	**1 941**
Insurance contract liabilities	**994**	–	–	272	–	(251)	–	–	–	–	**1 015**
Interest-bearing liabilities	**25 393**	–	–	–	–	–	–	–	144	–	**25 537**
Deferred tax liabilities	**1 378**	–	–	–	(97)	–	–	88	–	–	**1 369**
Total liabilities	**33 631**	–	–	272	(97)	(251)	65	88	–	–	**33 708**
Retained earnings	**5 414**	(633)	–	(312)	(263)	–	–	–	–	100	**4 306**
Other reserves	**370**	–	–	–	–	–	–	–	–	(100)	**270**
Non-controlling interest	**1 061**	(138)	–	(68)	–	–	–	–	–	–	**855**
Total equity*	**7 995**	(771)	–	(380)	(263)	–	–	–	–	–	**6 581**

* *The restatements affecting Total equity also affect the statement of changes in equity. Refer to the statement of changes in equity for the full impact.*

Notes to the consolidated financial statements continued

for the year ended 30 September 2024

28 Restatements continued

Statement of financial position (extract)	**2022** **As previously presented Rm**	28.2 Dealer incentive commission Rm	28.4 Purchased book debts Rm	28.5 Reclassification insurance receivables	28.8 Cash and cash equivalents	28.11 Reclassifi-cation of accrued interest on interest-bearing liabilities Rm	28.12 Share based payment reserve Rm	**Restated Rm**
Cash and cash equivalents	**1 478**	–	–	–	358	–	–	**1 836**
Trade and other receivables	**1 923**	(378)	–	(248)	–	–	–	**1 297**
Reinsurance contract assets	**–**	–	–	68	–			**68**
Loans and advances	**14 962**	378	–	–	–	–	–	**15 340**
Purchased book debts	**4 208**	–	(360)	–	–	–	–	**3 848**
Total assets	**40 376**	–	(360)	(180)	358	–	–	**40 194**
Bank overdrafts	**818**	–	–	–	–	–	–	**818**
Trade and other payables	**1 605**	–	–	–	358	(96)	–	**1 867**
Insurance contract liabilities	**180**	–	–	(180)	–	–	–	**–**
Interest-bearing liabilities	**21 862**	–	–	–	–	96	–	**21 958**
Deferred tax liabilities	**1 408**	–	(97)	–	–	–	–	**1 311**
Total liabilities	**30 784**	–	(97)	(180)	358	–	–	**30 865**
Retained earnings	**6 757**	–	(263)	–	–	–	100	**6 594**
Other reserves	**327**	–	–	–	–	–	(100)	**227**
Total equity*	**9 592**	–	**(263)**	–	–	–	–	**9 329**

* *The restatements affecting Total equity also affect the statement of changes in equity. Refer to the statement of changes in equity for the full impact.*

Notes to the consolidated financial statements continued

for the year ended 30 September 2024

28 Restatements continued

Consolidated cash flow statement (extract)	2023 As previously presented Rm	28.2 Dealer incentive commission Rm	28.5 Reclassification insurance receivables Rm	28.8 Cash and cash equivalents Rm	28.9 Reclassification of bank overdrafts Rm	28.13 Cash movements in money market Rm	Restated Rm
Cash flow from operating activities							
Cash generated by operations	**584**	–	251	–	–	–	**835**
Interest received	**2 470**	–	–	–	–	(61)	**2 409**
Cash flow from operating activities before changes in operating assets and working capital	**(494)**	–	251	–	–	(61)	**(304)**
Increase in operating assets	**(2 795)**	(22)	–	–	–	–	**(2 817)**
Loans and advances	**(3 298)**	(22)	–	–	–	–	**(3 320)**
Decrease in leased assets	**7**	–	–	–	–	–	**7**
Purchased book debts	**496**	–	–	–	–	–	**496**
Changes in working capital	**1 075**	22	(251)	(293)	–	–	**553**
Decrease in inventory	**769**	–	–	–	–	–	**769**
Increase in trade and other receivables	**117**	22	(251)	–	–	–	**(112)**
Increase in other loans receivable	**(11)**	–	–	–	–	–	**(11)**
Decrease in trade and other payables	**200**	–	–	(293)	–	–	**(93)**
Net cash utilised by operating activities	**(2 214)**	–	–	(293)	–	(61)	**(2 568)**
Cash flow from investing activities							
Decrease in other investments	**531**	–	–	–	–	(531)	**–**
Drawdowns from other investments	**–**	–	–	–	–	3 595	**3 595**
Deposits into other investments	**–**	–	–	–	–	(3 003)	**(3 003)**
Net cash utilised by investing activities	**(14)**	–	–	–	–	61	**47**
Cash flow from financing activities							
Drawdowns from bank overdrafts	**–**	–	–	–	19 826	–	**19 826**
Settlement of bank overdrafts	**–**	–	–	–	(19 952)	–	**(19 952)**
Net cash generated by financing activities	**3 101**	–	–	–	(126)	–	**2 975**
Net movements in cash and cash equivalents	**873**	–	–	(293)	(126)	–	**454**
Cash and cash equivalents at the beginning of the year	**663**	–	–	358	720	–	**1 741**
Effects of exchange rate changes on the balance of cash held in foreign currencies	**9**	–	–	–	–	–	**9**
Cash and cash equivalents at the end of the year	**1 545**	–	–	65	594	–	**2 204**

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

29 Interest

Interest revenue is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For purchased credit impaired financial assets, interest revenue is calculated by applying the credit-adjusted effective interest rate to the gross carrying amount of a financial asset. For financial assets that have subsequently become credit impaired, interest revenue is recognised by applying the effective interest rate to the net carrying amount of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest revenue is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

		2024 Rm	2023 Restated* Rm
29.1	**Net interest revenue from principal book portfolios**		
	Interest revenue is earned from:		
	Imputed interest revenue, calculated using the credit-adjusted effective interest rate	**687**	698
	Total interest revenue	**687**	698
	Interest expenses are paid on:		
	Interest-bearing liabilities	**(377)**	(329)
	Total interest expense	**(377)**	(329)
	Interest income, calculated using the effective interest method	**687**	698
	Interest expense	**(377)**	(329)
	Net interest revenue from principal book portfolios	**310**	369
29.2	**Net finance charge – not relating to provision of financing to customers**		
	Finance income is earned from:		
	Cash and cash equivalents and other investments	**51**	78
	Other	**36**	17
	Total finance income	**87**	95
	Finance charges are paid on:		
	Bank overdrafts and other short term-borrowings	**(94)**	(148)
	Interest-bearing liabilities	**(177)**	(172)
	Lease liabilities	**(40)**	(33)
	Imputed interest charge – options over non-controlling interests	**(74)**	(266)
	Other	**(6)**	(1)
	Total finance charges	**(391)**	(620)
	Finance income	**87**	95
	Finance charges	**(391)**	(620)
	Net finance charge – not relating to provision of financing to customers	**(304)**	(525)

* *Comparative period has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations and correction of prior period errors. Refer to note 28 for further information.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

30 Revenue recognition

30.1 General policy

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue comprises of invoiced sales in respect of sale of goods, insurance income, fees for rendering of services to customers; and finance charges on loans and suspensive sale credit agreement.

Interest revenue is disclosed in note 29.

30.2 Rendering of services

The recognition of revenue is included in the table below.

The group derives revenue from other insignificant sources not separately specified below. These revenue streams are recognised when the performance obligation is met, either at a point in time or over the period of obligation. The transaction price of these revenue items is priced at their relevant stand-alone prices. There are no significant payment terms as payment is due at the time of invoicing.

Product and service	Nature, timing of satisfaction of performance obligations
Continuing operations	
Customer experience management	The group earns customer experience management revenue from the following: • Nutun provides various business process outsourcing (BPO) solutions to clients through its various call centers, including inbound and outbound call center services. Service fee revenue relating to BPO services is recognised over a period of time as the relevant service is rendered to clients and the performance obligations to the clients are met. • Commission and fee revenue relating to collection of debtors as an agent for third parties is recognised at a point in time. Performance obligations to clients are met when collections have been made and the underlying debtors' funds reflect in Nutun's trust accounts, at which point the revenue is recognised.
Discontinued operations*	
Commission income	The group earns commission revenue from the following: • Administration and installation of tracking devices. The transaction price is a fixed percentage fee as agreed upon in the commission contract. The tracking revenue is recognised over the period of the financing vehicle agreement and the installation revenue is recognised at a point in time, when the installation is complete. • Fees earned from finance, insurance related and allied products (F&I products) sold on behalf of major banks providing asset-backed and unsecured vehicle finance, and leading insurance providers. • Also included here is commission revenue from the sale of value-added products as well as service and maintenance plans.
Fee income	Administration fees: Admin fees are earned by Road Cover and Gomo as follows: • **Road Cover:** The identified performance obligation is the ongoing service, should the member be involved in an accident and/or injured in a road related incident. The service is available over the subscription period. Revenue is recognised over time as the customer simultaneously receives and consumes all the benefits provided by the entity as the entity performs. • **Gomo:** The identified performance obligation is the ongoing service in its capacity as an agent in maintaining and servicing the vehicle finance loan book of a principal. The service is performed over the period of the agreement, and revenue is recognised over time as the agency services are delivered to the principal. • Service fees are recognised over a period of time as performance obligations are met and the service delivered to clients.
Revenue from sale of goods	Revenue from direct sales is recognised at a point in time. Sales relate to vehicles, parts, and hardware. For vehicles, this usually occurs when the customer signs the new contract, the group has satisfied its performance obligations in terms of the contract and the customer takes delivery of the vehicle. For parts, this occurs when the parts are handed over or delivered to the customer.

* *Revenue for discontinued operations has been disclosed as part of the loss from discontinued operations. Refer to note 19 for further information.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

30 Revenue recognition continued

	2024 Rm	2023 Restated* Rm
30.3 Revenue comprises:		
Service fees: Over a period of time**	**1 078**	1 062
Commissions and fees: At a point in time**	**398**	315
Total revenue	**1 476**	1 377

* *Comparative information has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations. Refer to note 28 for further information.*

** *Comparative information has been represented to split customer experience management revenue between service fees, and commissions and fees due to the difference in the timing of their performance obligations.*

31 Operating costs

	2024 Rm	2023 Restated* Rm
Operating costs comprise:		
Advertising, marketing and public relations	**(24)**	(19)
Amortisation of intangible assets	**(37)**	(48)
Audit fees**	**(24)**	(17)
Bank charges	**(3)**	(6)
Cleaning costs	**(13)**	(8)
Commissions paid	**(53)**	(69)
Communication costs	**(17)**	(7)
Consulting fees	**(96)**	(73)
Depreciation	**(127)**	(91)
Donations	**(5)**	(5)
Electricity and water	**(32)**	(28)
Employee expenses	**(517)**	(681)
Entertainment	**(2)**	(4)
Impairment of goodwill	**–**	(3)
Impairment of property, plant and equipment	**(13)**	–
Impairment of right-of-use assets	**–**	(27)
Impairment of trade and other receivables	**(11)**	–
Impairment of assets held for sale	**(102)**	–
Information technology	**(61)**	(54)
Maintenance	**(7)**	(9)
Non-executive directors' fees	**(9)**	(10)
Operating lease rentals and storage costs	**(4)**	(9)
Printing and stationery	**(3)**	(4)
Professional fees – legal	**(17)**	(15)
Professional fees – other	**(35)**	(39)
Recruitment fees	**(1)**	(5)
Risk management	**(30)**	(16)
Staff welfare	**(27)**	(23)
Subscriptions	**(8)**	(12)
Training and seminars	**(3)**	(6)
Travel	**(26)**	(32)
VAT disallowed	**(10)**	(8)
Retrenchments	**(20)**	–
Other operating costs	**(3)**	(5)
Total operating costs	**(1 340)**	(1 333)

* *Comparative information has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations, refer to note 19 for further information.*

** *Includes non-audit fees of R8 million (2023: R0 million).*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

31 Operating costs continued

Executive compensation

Executive directors' remuneration

The following table shows a breakdown of the annual remuneration of directors for the year ended 30 September 2024:

	2024								2023						
	Salary R	**Short-term employee benefits R**	**Restraint of trade R**	**Severance packages R**	**Value of deferred retention awards[2] R**	**Annual incentive bonus R**	**Management fees[6] R**	**Total R**	Salary R	Short-term employee benefits R	Present value of share-based awards R	Value of deferred retention awards[2] R	Annual incentive bonus R	Management fees R	Total R
Executive director															
Sean Doherty	–	–	–	–	–	–	–	–	2 441 233	441 270	–	–	–	–	2 882 503
Mark Herskovits	**4 605 845**	–	–	–	–	**4 800 000**	–	**9 405 845**	3 179 038	677 735	9 550 127	–	2 533 333	–	15 940 233
David Hurwitz[8]	**1 791 522**	**57 066**	**7 170 000**	–	–	–	–	**9 018 588**	6 492 999	868 898	–	–	–	–	7 361 897
Sahil Samjowan[3]	**2 833 333**	**109 428**	–	**12 725 000**	–	–	–	**15 667 761**	1 226 413	207 745	3 612 500	–	1 770 833	–	6 817 491
Jonathan Jawno[1]	**5 602 475**	**105 583**	–	–	–	–	–	**5 708 058**	4 467 095	119 867	–	–	–	–	4 586 962
Michael Mendelowitz[1]	**4 409 898**	**62 033**	–	–	–	–	–	**4 471 931**	4 467 095	188 483	–	–	–	–	4 655 578
Roberto Rossi[1]	**4 409 898**	**120 390**	–	–	–	–	–	**4 530 288**	4 390 742	119 867	–	–	–	–	4 510 609
Prescribed officer															
Sean Doherty	**5 259 167**	**2 187 500**	–	–	**7 875 000**	–	–	**15 321 667**	1 425 895	240 772	–	7 875 000	3 333 333	–	12 875 000
Terry Kier[1,4]	**438 900**	–	–	–	–	–	–	**438 900**	3 686 212	2 519 583	–	–	2 500 000	–	8 705 795
David McAlpin[5]	**1 055 435**	–	**3 165 944**	–	–	**1 600 000**	–	**5 821 379**	2 779 076	368 882	–	–	–	–	3 147 958
Faan van der Walt[1,6]	**2 455 549**	–	–	–	–	–	**2 732 910**	**5 188 459**	3 968 297	674 494	–	–	–	4 774 766	9 417 557
John Watling[7]	**5 491 105**	–	–	–	–	–	–	**5 491 105**	4 686 798	563 675	3 583 125	–	7 625 000	–	16 458 598
Total	**38 353 127**	**2 642 000**	**10 335 944**	**12 725 000**	**7 875 000**	**6 400 000**	**2 732 910**	**81 063 981**	43 210 893	6 991 271	16 745 752	7 875 000	17 762 499	4 774 766	97 360 181

1. *Jonathan Jawno, Michael Mendelowitz, Roberto Rossi, Terry Kier and Faan van der Walt do not participate in the CSP.*
2. *Deferred retention awards (DRA) were issued to key Mobalyz executives paid out in the current financial year. The awards were cash settled in November 2024.*
3. *Sahil Samjowan was appointed as an executive director with effect from 1 June 2023 to 31 May 2024. The STI was prorated as part of this severance package in 2024.*
4. *Terry Kier resigned as CEO of Mobalyz with effect from June 2023; however the final details and payments were only concluded in the 2024 reporting period. The FY24 payment was a prorated salary.*
5. *David McAlpin resigned as CEO of Nutun effective 1 July 2023, David remained a director of Nutun Holdings, and Nutun International until his exit in December 2023.*
6. *The annual bonus amounts represents the management fees earned by Faan van der Walt.*
7. *John Watling was appointed as joint CEO of Nutun on 1 October 2022 and sole CEO on 1 July 2023. As part of John Watling's appointment, John received a bespoke long term incentive award (LTI). Additionally, John received a sign on bonus of R5 million which is included under annual incentive bonus (2023).*
8. *Whilst David Hurwitz stood down as CEO and director from all Transaction Capital companies effective from 31 December 2023, he was still an employee until 31 December 2024.*
   From 1 January 2024 to 31 December 2024 David was required to provide handover services for which he received remuneration of R10.26 million in the 2024 financial year.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

31 Operating costs continued

Executive compensation continued

Conditional Share Plan (CSP)

The following table shows the position for directors in office at 30 September 2024:

	Component	Grant Date Fair Value of CSP R	Opening Number of CSPs	Vesting periods (years)	Number of CSPs exercised during the year	Closing Number of CSPs	Gain on CSPs exercised R
Executive director							
David Hurwitz							
Granted on 20 November 2018	Group	–	38 549	2 to 5	38 549	–	298 369
Granted on 26 November 2019	Group	–	127 338	2 to 5	127 338	–	985 596
Granted on 24 November 2020	Group	–	255 192	3 to 5	255 192	–	1 975 186
Granted on 16 November 2021	Group	–	133 780	3 to 5	133 780	–	1 035 457
Granted on 15 November 2022	Group	–	152 975	3 to 5	152 975	–	1 184 027
Mark Herskovits							
Granted on 20 November 2018	Group	313 624	19 253	2 to 5	19 253	–	137 162
Granted on 26 November 2019	Group	1 076 762	56 622	3 to 5	28 311	28 311	201 693
Granted on 24 November 2020	Group	3 013 986	165 938	3 to 5	55 312	110 626	394 054
Granted on 16 November 2021	Group	3 483 940	91 442	3 to 5	–	91 442	–
Granted on 15 November 2022	Group	4 108 088	115 884	3 to 5	–	115 884	–
Granted on December 2023	Group	9 550 127	1 341 310	3	–	1 341 310	–
Prescribed officer							
John Watling							
Granted on 15 November 2022	Nutun	4 012 695	488 757	3 to 5	–	488 757	–
Granted December 2023	Nutun	3 181 978	389 470	3	–	389 470	–

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

31 Operating costs continued

Executive compensation continued

Non-executive directors' fees

The fees are paid to non-executive directors quarterly in arrears and determined by the board on a market-related basis as recommended by the remuneration committee. Refer to the Directors report for any changes in the directorate during the current year.

Board members 2024	C Seabrooke[1] R	K Pillay R	D Radley[2] R	B Hanise R	S Wapnick R	I Kirk[3] R	S Kana R	A Kekana R	Total R
Board chairman (including committee attendance)	–	–	–	–	–	2 697 040	–	–	2 697 040
Lead independent director	–	–	–	–	–	–	145 704	–	145 704
Director	534 489	226 372	534 489	196 845	534 489	–	534 489	464 773	3 025 946
Audit and risk committee (chairperson)	–	–	567 080	–	–	–	–	–	567 080
Audit and risk committee (member)	228 136	–	–	84 019	–	–	228 136	–	540 291
Asset and liability committee (chairperson)	–	–	–	–	–	–	254 685	–	254 685
Asset and liability committee (member)	–	–	115 225	–	–	–	–	–	115 225
Remuneration committee (chairperson)	–	160 117	–	–	262 433	–	–	–	422 550
Remuneration committee (member)	174 687	–	–	–	42 472	–	174 687	48 787	440 633
Nominations committee (member)	115 225	73 985	–	–	115 225	–	–	38 780	343 215
Social and ethics committee (chairperson)	–	–	–	–	–	–	391 038	–	391 038
Social and ethics committee (member)	–	73 985	–	–	–	–	–	151 902	225 887
Risk and technology committee (member)	–	–	115 225	–	–	–	115 225	–	230 450
Tax sub-committee (chairperson)	45 960	–	–	–	–	–	–	–	45 960
Tax sub-committee (member)	–	–	21 237	–	–	–	–	–	21 237
Independent committee[2]	161 000	–	161 000	–	–	–	–	200 000	522 000
Total annual fees	**1 259 497**	**534 459**	**1 514 256**	**280 864**	**954 619**	**2 697 040**	**1 843 964**	**904 242**	**9 988 941**

1. *In addition to the fees received above, C Seabrooke received directors fees of R2 116 000 including VAT for acting as (i) an independent chairperson of the Mobalyz Debt Sustainability Committee from 1 June 2023 to 30 April 2024, and (ii) an independent chairperson of the Mobalyz Informal Lenders Forum from 1 June 2023 to 31 May 2024. Fees for the period 1 June 2023 to 30 September 2024 were paid in the 2024 financial year post approval from shareholders at the AGM in March 2024.*
2. *In addition to the fees received above, D Radley received directors fees of R145 465 including VAT for acting as an independent director of SA Taxi Holdings Proprietary Limited and Nutun Holdings Proprietary Limited from 1 October 2023 to 31 January 2024.*
3. *In addition to the fees received above, I Kirk received directors fees of R190 177 including VAT for acting as an independent director of the Mobalyz Insurance Advisory Committee for the period 1 October 2023 to 30 September 2024.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

31 Operating costs continued

Executive compensation continued

Non-executive directors' fees continued

The fees are paid to non-executive directors quarterly in arrears and determined by the board on a market-related basis as recommended by the remuneration committee.

Board members 2023	C Seabrooke R	K Pillay R	D Radley[1] R	B Hanise R	S Wapnick R	I Kirk R	S Kana R	A Kekana R	Total R
Board chairman (including committee attendance)	457 188	–	–	–	–	1 427 801	–	–	1 884 989
Lead independent director	–	–	–	–	–	–	134 642	–	134 642
Director	334 514	441 626	812 376	441 626	441 626	107 113	441 626	441 626	3 462 133
Audit committee (chairperson)	–	–	468 555	–	–	–	–	–	468 555
Audit committee (member)	142 780	–	–	188 499	–	45 719	188 499	–	565 497
Asset and liability committee (chairperson)	–	–	–	–	–	–	312 370	–	312 370
Asset and liability committee (member)	–	–	144 329	–	–	35 000	–	–	179 329
Remuneration committee (chairperson)	–	312 370	–	–	–	–	–	–	312 370
Remuneration committee (member)	109 329	–	–	–	144 336	35 008	–	–	288 673
Nominations committee (member)	109 329	144 336	–	–	144 336	–	144 336	–	542 337
Social and ethics committee (chairperson)	–	–	–	–	–	236 607	–	–	236 607
Social and ethics committee (chairperson)	–	–	–	–	–	–	312 370	–	312 370
Social and ethics committee (member)	–	144 336	–	–	–	–	–	144 336	288 672
Risk and technology committee (chairperson)	–	–	–	–	–	75 763	–	–	75 763
Risk and technology committee (member)	–	–	144 336	–	–	–	144 336	–	288 672
Tax sub-committee	119 894	–	55 400	–	–	–	–	–	175 294
Total annual fees	1 273 034	1 042 668	1 624 996	630 125	730 298	1 963 011	1 678 179	585 962	9 528 273

1. In addition to the fees received above, D Radley received directors' fees of R426 363 including VAT for acting as an independent non-executive director of SA Taxi Holdings (Pty) Ltd and Nutun Holdings (Pty) Ltd.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		Note	2024 Rm	2023 Restated* Rm
32	**Non-operating profit**			
	Non-operating profit comprises:			
	Remeasurement of put options over non-controlling interests	25	**286**	1 793
	Other non-operating profit		**25**	20
	Total non-operating profit		**311**	1 813

* *Comparative information has been restated for the presentation of WBC, Nutun Australia, Nutun Transact and Mobalyz as discontinued operations and the correction of prior period errors. Refer to note 28 for further information.*

33 Income tax

33.1 Current tax

The charge for current tax is based on the results for the year adjusted for items which are tax exempt or are not tax deductible. Tax is calculated using rates that have been enacted or substantively enacted by the financial year-end. In the prior year, the income tax rate was lowered to 27% for companies with years of assessment commencing on or after 1 April 2022.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

		2024 Rm	2023 Restated* Rm
33.2	**Income tax expense**		
	South African normal taxation:		
	Current taxation	**(8)**	(81)
	Current year	**(15)**	(80)
	Prior years	**7**	(1)
	Deferred taxation	**(59)**	(26)
	Current year	**(61)**	(38)
	Prior years	**2**	12
	Foreign taxation	**–**	1
	Total income tax expense	**(67)**	(108)
	South African tax rate	**27.0%**	27.0%
	Tax effects of:		
	Income not subject to tax**	**121.0%**	(28.1%)
	Expenses not deductible for tax purposes***	**(108.6%)**	7.8%
	Tax losses not recognised	**(81.5%)**	0.2%
	Prior year taxes****	**0.3%**	0.2%
	Tax not previously recognised	**0.0%**	0.0%
	Permanent differences*****	**(30.3%)**	(0.4%)
	Effects of losses/(profits) taxed in different jurisdictions	**(6.5%)**	(0.1%)
	Effective tax rate	**(78.7%)**	6.6%

* *Comparative information has been restated for the presentation of WBC, Nutun Australia, Nutun Transact and Mobalyz as discontinued operations.*

** *Income not subject to tax includes fair value movements of R286 million (2023: R1 793 million) on put option liabilities, reclassification adjustments of foreign currency translation differences of R32 million (2023: Rnil) relating to foreign operations disposed of in the current year, share of profit from equity accounted associate investments, and receipts of a capital nature.*

*** *Expenses not deductible for tax purposes include an impairment of R102 million of assets held for sale (2023: Rnil), imputed interest of R74 million (2023: R266 million) on put option liabilities, depreciation on leasehold assets, interest and penalties, and expenses not incurred in the production of income.*

**** *This relates mostly to the reassessment of deferred tax in relation to foreign insurance dividends expected in the foreseeable future (in terms of IAS 12). This is as a result of the change in the terms and conditions of absconsion, violation and credit shortfall (AVCS) cover for the financial insurance portfolio.*

***** *Permanent differences include learnerships allowances and intragroup transactions with discontinued operations that have been eliminated in the profit before tax amount, whereas the related tax effect is included in the relevant continuing and discontinued operation as appropriate.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

	Units	2024	2023 Restated*
34 Loss per share			
34.1 From total operations			
Basic loss per share	cents	**(126.2)**	(247.2)
Diluted basic loss per share	cents	**(126.2)**	(247.2)
Headline loss per share	cents	**(303.8)**	(231.8)
Diluted headline loss per share	cents	**(303.8)**	(231.8)
The calculation of loss per share is based on the following data:			
Loss			
Loss for the purposes of basic and diluted earnings per share	Rm	**(985)**	(1 878)
Being loss for the year attributable to ordinary equity holders of the parent			
Headline loss adjustments:**	Rm	**(1 386)**	116
Impairment of goodwill	Rm	**–**	63
Loss on disposal of property and equipment	Rm	**4**	–
Tax impact		**(1)**	
Impairment of property and equipment	Rm	**18**	1
Tax impact		**(5)**	–
Impairment of right of use assets	Rm	**–**	28
Tax impact		**–**	(8)
Impairment of intangibles	Rm	**27**	–
Tax impact		**(7)**	–
Impairment of investment in associate	Rm	**274**	56
Recycled foreign exchange differences	Rm	**(32)**	–
Profit on disposal of business	Rm	**(1 615)**	–
Allocation to non-controlling interest	Rm	**(49)**	(24)
Loss for the purposes of headline and diluted headline earnings per share	Rm	**(2 371)**	(1 762)
Number of shares			
Weighted average number of ordinary shares for the purposes of basic and headline losses per share			
Number of ordinary shares in issue at the beginning of the year	million	**763.3**	757.4
Effect of shares issued during the year	million	**17.2**	2.4
Weighted average number of ordinary shares for the purposes of basic and headline earnings per share	million	**780.5**	759.8
Effect of dilutive potential ordinary shares:	million	**–**	–
Weighted average number of ordinary shares for the purposes of diluted basic and headline earnings per share	million	**780.5**	759.8

* *The comparative period has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations. Refer to notes 28 for further information.*

** *The loss on disposal of financial instruments (within the group's investment in associates) was incorrectly adjusted for within headline earnings, which resulted in an understatement of the headline loss by R56 million. Headline loss from total operations has increased by R56 million. Further the impact of tax and non-controlling interest has been separately disclosed (previously disclosed on a net basis).*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

34 Loss per share continued

34.2 From continuing and discontinued operations

	Units	2024	2023 Restated*	2024	2023 Restated*
		Continuing operation		Discontinued operation	
Basic (loss)/earnings per share	cents	**(18.7)**	195.2	**(107.5)**	(442.4)
Diluted basic (loss)/earnings per share	cents	**(18.7)**	195.2	**(107.5)**	(442.4)
Headline (loss)/earnings per share	cents	**(21.8)**	198.2	**(282.0)**	(430.2)
Diluted headline (loss)/earnings per share	cents	**(21.8)**	198.2	**(282.0)**	(430.2)

The calculation of (loss)/earnings per share is based on the following data:

(Loss)/earnings	Units	2024	2023 Restated*	2024	2023 Restated*
(Loss)/earnings	Rm	**(146)**	1 483	**(839)**	(3 361)
Headline (loss)/earnings adjustments:	Rm	**(24)**	23	**(1 362)**	92
Impairment of goodwill	Rm	**–**	3	**–**	60
Loss on disposal of property and equipment	Rm	**1**	–	**3**	–
Tax impact		**–**		**(1)**	
Impairment of property, and equipment	Rm	**13**	–	**5**	1
Tax impact		**(4)**		**(1)**	
Impairment of intangibles	Rm	**–**	–	**27**	–
Tax impact				**(7)**	
Impairment of right of use of assets	Rm	**–**	28	**–**	–
Tax impact			(8)		
Impairment of investment in associate	Rm	**–**	–	**274**	56
Recycled foreign exchange differences	Rm	**(32)**	–	**–**	–
Profit on disposal of business	Rm	**–**	–	**(1 615)**	–
Allocation to non-controlling interest	Rm	**(2)**	–	**(47)**	(24)
(Loss)/earnings for the purposes of headline and diluted headline (loss)/earnings per share	Rm	**(170)**	1 506	**(2 201)**	(3 269)

* *The comparative period has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations. Refer to notes 28 for further information.*
The loss on disposal of financial instruments (within the group's investment in associates) was incorrectly adjusted for within headline earnings, which resulted in an understatement of the headline loss by R56 million. Headline loss from total operations has increased by R56 million.
Further the impact of tax and non-controlling interest has been separately disclosed (previously disclosed on a net basis).

The denominators used are the same as those detailed above for both basic and diluted earnings per share from continuing and discontinued operations. Shares deemed to be issued for no consideration in respect of the conditional share plan do not have a dilutive effect in the current period.

35 Share-based payments

Equity settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the group's estimate of the number of equity instruments that will eventually vest. At each reporting period, the group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

35.1 Payment of the equity cure

In February 2019, as part of the transaction in which Industry SPV subscribed for shares in SA Taxi, SA Taxi provided vendor financing to Industry SPV through the issue of notional vendor financing (NVF) shares. The fair value of the NVF shares was determined to be R100 million, and were issued to Industry SPV for zero consideration. A call option was granted by SA Taxi to Industry SPV, in terms of which the NVF shares will either be converted into ordinary shares or redeemed by SA Taxi. In line with the principles of IFRS 2 – Share-based Payment, the call option was recognised as a share-based payment transaction. The group, through its subsidiary TC Corporate Support (Pty) Ltd (TCCS) has provided an equity cure mechanism such that in the event of the Industry Holdco (RF) (Pty) (Industry Holdco) (being the entity which owns the shares in Industry SPV on behalf of the various taxi industry bodies) breaching any of its financial covenants and the funders of that entity exercising their rights under an event of default, TCCS may be called on by the funders to provide an equity cure in the form of a cash contribution to Industry Holdco of no more than R285 million. In March 2024, TCCS paid the equity cure amount to Industry Holdco, who made a distribution to the funders. This increased the notional funding balance provided to Industry SPV, consequently increasing the number of shares that will be required to settle such funding, thereby decreasing the value of the call option to Industry SPV. Therefore the value of the call option was reduced by the equity cure payment value.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

35 Share-based payments continued

35.2 Equity settled conditional share plan

35.2.1 Details of the equity settled conditional share plan

The group implemented a conditional share plan for executives and senior employees of the company and its subsidiaries. In accordance with the terms of the plan, as approved by shareholders at a general meeting, the grant of conditional share plans awards (CSPs) will be made on an annual or on an ad hoc basis. The number of CSPs granted to an employee will take cognisance of the employees grade, performance, term of employment, retention requirements and market benchmarks. A CSP is a conditional right to acquire Transaction Capital shares for no consideration, the number of shares being determined by the value of the CSP at vesting date, and the number of CSPs granted. The value of Transaction Capital shares issued will be subject to income tax.

The CSP mechanism is overseen and approved by the remuneration and nominations committee. Key executives are awarded CSPs in each member group (SA Taxi, Nutun, Nutun X, Transaction Capital, Nutun Australia or WeBuyCars) for zero cost based on retention and performance criteria. The CSPs are based on notional shares held in each member group, giving executives direct exposure to the performance of that member group (or based on Transaction Capital's share price for employees of the Head office). At each date on which a CSP award is made, a valuation of each member group is performed by an independent expert. Transaction Capital executives are awarded CSPs at the prevailing share price of Transaction Capital on the date of the award. An updated valuation of each member group is performed semi-annually by an independent expert.

Historic vesting periods ranged between 2 and 5 years and are based on both a retention element (subject to continued employment) and a performance element (subject to continued employment and linked to performance criteria) that is approved by the remuneration and nominations committee. The performance criteria are based on the achievement of core continuing earnings per share from continued operations in excess of prescribed CPI thresholds.

Employees are required to remain in the employ of the group to be eligible for CSP vestings (subject to standard "good leaver" rules). Subject to approval of the remuneration committee, employees may be transferred between member groups with an appropriate adjustment to be made to the number and fair values of CSPs transferred. Employees who resign or are dismissed will forfeit any CSP awards that have not vested.

Due to the nature of the CSP awards, the grant price of each CSP is zero. The fair value of each CSP at grant date is underpinned by the value of the notional share of each member group.

35.3 Conditional share plan

35.3.1 Fair value of conditional share plan awards granted in the year

The following Conditional Share Plan awards were in existence at year end:

	Weighted average fair value at grant date (cents)						
	*SA Taxi ZAR	Nutun ZAR	Nutun X ZAR	Transaction Capital Limited ZAR	*Nutun Australia AUD	*WBC ZAR	*WBC equity value ZAR
Granted on 25 May 2018	901	–	–	–	382	–	–
Granted on 20 November 2018	989	572	–	1 629	450	–	
Granted on 19 June 2019	964	567	–	1 720	–	–	–
Granted on 26 November 2019	1 402	664	598	1 902	451	–	
Granted on 29 May 2020	–	–	–	1 479		–	–
Granted on 24 November 2020	1 226	553	–	1 817	557	290	–
Granted on 1 February 2021	–	521	–	–	–	–	–
Granted on 4 March 2021	–	522	–	–	–	269	–
Granted on 1 April 2021	–	–	–	3 708	–	–	–
Converted on 1 July 2021*	–	–	–	–	–	–	20 000 000
Granted on 1 July 2021	–	554	–	–	–	–	–
Granted on 25 November 2021	1 263	656	–	3 810	411	350	–
Granted on 31 May 2022	1 243	753	–	4 100	–		–
Granted on 1 June 2022	1 266		–	3 957	–	1 505	–
Granted on 24 November 2022	975	821	–	3 545	–	1 185	
Granted on 15 June 2023	–	1 002	–	–	478	1 021	–
Granted on 30 June 2023	–	–	–	591	–	–	–
Granted on 6 December 2024	–	920	920	712	–	–	–

* *These member groups are no longer part of the conditional share plan as at 30 September 2024 and have been included for comparative disclosure.*

** *Relates to the conversion of a cash settled share scheme which existed in WBC Holdings to an equity settled scheme with effect from 1 July 2021.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

35 Share-based payments continued

35.3 Conditional share plan continued

35.3.1 Fair value of conditional share plan awards granted in the year continued

The values of CSPs are determined using a present value methodology whereby the unconditional share value is equal to the value of the notional share of each member group less the present value of estimated dividends paid prior to time of exercise. Key input assumptions are therefore expectations of dividend yields and risk-free interest rates.

Expected dividend yields across the member groups range between 0% and 6.55% (2023: between 0.0% and 13.25%). Dividend forecasts are estimated using a combination of historical dividend data and management's view of future dividends. The risk-free interest rates for the remaining member groups (Nutun, Nutun X, and Transaction Capital) range between 4.42% and 8.60% (2023: between 3.93% and 8.60%). These risk-free interest rates are obtained from the swap yield curve on the valuation date. The swap yield curve was independently constructed using a bootstrapping methodology together with a combination of traded market, Forward Rate Agreement (FRA) and swap rate inputs.

The issue prices, or prices at time of transfer, of the notional shares (of Nutun and Nutun X) and shares (of Transaction Capital) are disclosed below:

	Nutun ZAR	Nutun X ZAR	Transaction Capital Limited ZAR
Granted on 19 June 2019	651	–	1 931
Granted on 26 November 2019	761	685	2 181
Granted on 29 May 2020	–	–	1 656
Granted on 24 November 2020	653	–	2 103
Granted on 1 February 2021	653	–	–
Granted on 4 March 2021	653	–	–
Granted on 1 April 2021	–	–	4 265
Granted on 1 July 2021	697	–	–
Granted on 25 November 2021	800	–	4 265
Granted on 31 May 2022	856	–	4 367
Granted on 1 June 2022	–	–	4 146
Granted on 24 November 2022	1 023	–	3 935
Granted on 15 June 2023	1 101	–	–
Granted on 30 June 2023	–	–	591
Granted on 06 December 2023	920	920	712

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

35 Share-based payments continued

35.3 Conditional share plan continued

35.3.2 Movement in conditional share plan during the year

	2024 Number of CSPs	2023 Number of CSPs
Balance at beginning of year	**31 389 489**	31 500 749
Granted during the year	**11 867 376**	13 115 558
Exercised during the year	**(4 212 704)**	(7 633 057)
Conversion adjustment arising from transfer between member groups	**48 879**	3 189 787
Forfeited during the year	**(11 205 019)**	(7 310 927)
Cancelled during the year	**(11 340 695)**	(1 472 621)
Balance at end of year	**16 547 332**	31 389 489

35.3.3 Conditional share plan exercised during the year

	2024		2023	
	Number of CSPs exercised	Weighted average share price (cents)	Number of CSPs exercised	Weighted average share price (cents)
Granted on 22 November 2017	–	–	605 423	3 869
Granted on 20 November 2018	**431 582**	**895**	1 431 017	3 820
Granted on 25 March 2019	–	–	934 831	3 869
Granted on 19 June 2019	**191 048**	**260**	305 579	703
Granted on 26 November 2019	**1 363 998**	**901**	2 134 064	3 787
Granted on 29 May 2020	–	–	84 541	3 869
Granted on 24 November 2020	**1 842 412**	**892**	237 547	1 291
Granted on 31 March 2021	**1 550**	**250**	1 837 673	703
Granted on 1 July 2021*	**49**	**50 054 900**	26	56 891 000
Granted on 25 November 2021	**133 780**	**774**	44 868	1 947
Granted on 31 May 2022	**85 433**	**911**	17 488	1 059
Granted on 25 July 2022	**9 877**	**712**	–	–
Granted on 24 November 2022	**152 975**	**774**	–	–
	4 212 704		7 633 057	

* *Relates to the conversion of a cash settled share scheme which was historically in place in WBC Holdings to an equity settled scheme with effect from 1 July 2021. The Units and price relates to WBC Holdings only and not Transaction Capital . These awards were not replaced with Transaction Capital awards and therefore the exercise price is significantly different from the other awards.*

35.3.4 Conditional share plan expense recognised during the year

	2024 Rm	2023 Rm
The expense has been recognised in the income statement under employee costs	**(37)**	69

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

	2024 Rm	2023 Restated* Rm
36 Cash generated by total operations**		
Profit before tax from total operations	**(1 161)**	(2 273)
Profit before taxation from continuing operations	**(87)**	1 648
Loss before tax from discontinued operations	**(1 074)**	(3 921)
Adjusted for:		
Interest income	**(3 133)**	(4 171)
Interest expense	**2 966**	3 147
Interest expense (lease liabilities)	**68**	60
Amortisation of intangible assets	**108**	146
Impairment loss/(gain) on principal book portfolio[1]	**129**	(296)
Impairment of goodwill	**–**	63
Impairment of property plant and equipment	**3**	1
Impairment of right of use assets	**6**	28
Impairment of intangible assets	**27**	–
Impairment of investment in associate	**274**	53
Bad debts written off	**3 041**	1 749
Movement in inventory provision	**(36)**	15
Movement in provisions	**48**	(26)
Depreciation (including right-of-use assets)	**253**	301
Fair value adjustment of other financial assets[2]	**(225)**	(319)
Movement in impairment of loans and advances	**2 814**	2 583
Impairment of trade receivables	**46**	35
Impairment of asset held for sale	**102**	–
Movement in conditional share plan accrual	**(37)**	48
Share of profit from associate	**(17)**	53
Movement in insurance contract liabilities[3]	**(887)**	1 640
Loss on disposal of property and equipment	**4**	–
Income from cell captive	**(8)**	(44)
Other income on recognition of sublease	**–**	(8)
Remeasurement of put options over non-controlling interests	**(286)**	(1 793)
Fair value gain on call option derivative	**426**	(157)
Profit on sale of business	**(1 615)**	–
Fair value loss (gain)/loss on contingent consideration	**(66)**	24
Net foreign exchange differences	**(105)**	–
Recycled foreign exchange differences	**(32)**	–
Remeasurement of interest bearing debt	**(2 504)**	–
Impairment of dealer incentive commission	**228**	–
Lease remeasurement	**16**	–
Lease write off	**–**	(24)
Amortisation of dealer incentive commission	**(142)**	–
Cash generated by operations	**305**	835

* *The comparative period has been restated for the presentation of Nutun Australia, Nutun Transact, WBC and Mobalyz as discontinued operations and purchased book debts. Refer to note 28 for further details.*

** *Comprises of both continuing and discontinued operations amounts.*

1. *Impairment of principal book portfolio has been restated from (R216) million to (R296) million.*
2. *Movement in impairment of loans and advances has been restated from R2 007 million to R3 247 million.*
3. *Movement in insurance contract liabilities has been restated from R814 million to R1 065 million.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		Notes	2024 Rm	2023 Restated* Rm
36	**Cash generated by operations** continued			
36.1	**Cash flow from loans and advances**			
	The cash flow movement in loans and advances is calculated as follows:			
	Increase in net loans and advances		**6 585**	294
	Dealer incentive commission		**(86)**	(22)
	Impairment of loans and advances		**(5 851)**	(4 327)
	Bad debts recovered		**(4)**	(5)
	Transfer from inventory		**399**	98
	Accrued interest		**570**	945
	Transfer to insurance contract liabilities		**–**	(303)
	Net decrease/(increase) in loans and advances		**1 613**	(3 320)
36.2	**Cash flow from purchased book debts**			
	The cash flow movement in purchased book debts is calculated as follows:			
	Decrease/(increase) in purchased book debts	11	**162**	(817)
	Impairment (loss)/gain	11	**(129)**	296
	Interest calculated using the credit adjusted effective interest rate (CAEIR)	11	**687**	698
	Fair value adjustment of other financial assets	11	**225**	319
	Net decrease in purchased book debts		**945**	496

* *The comparative period has been restated as a result of prior period errors. Refer to note 28 for further information.*

		2024 Rm	2023 Rm
37	**Income taxes paid**		
	Amounts payable at the beginning of the year	**(19)**	(30)
	Charged in statement of comprehensive income – continuing operations	**(67)**	(108)
	Charged in statement of comprehensive income – discontinued operations	**(270)**	(105)
	Deferred taxation charge in the income statement – continuing operations	**61**	38
	Deferred taxation charge in the income statement – discontinued operations	**90**	(158)
	Prior year deferred tax	**–**	(1)
	Disposal of subsidiary	**19**	–
	Equity settled share appreciation rights	**(7)**	–
	Effects of foreign exchange rates	**–**	(1)
	Amounts (receivable)/payable at the end of the year	**(10)**	19
	Income taxes paid	**(203)**	(346)
38	**Dividends paid**		
	Dividends paid to ordinary equity holders of the parent	**–**	(281)
	Dividends paid to non-controlling shareholders	**(857)**	(154)
	Total dividends paid	**(857)**	(435)

In the context of the headline and basic earnings losses for the year, and to preserve liquidity, the board resolved not to declare any dividend for the current financial year (2023: R281 million).

Unbundling dividend

On 15 April 2024, the group distributed its interest in WBC to its ordinary shareholders by way of a distribution in specie amounting to R5 229 million.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

39 Liabilities from financing activities

	Interest bearing liabilities* Rm	Leases Rm	Total Rm
As at 1 October 2022 – Restated*	22 678	715	23 393
Financing cash flows	3 244	(198)	3 046
Liabilities raised	9 907	–	9 907
Liabilities repaid	(6 537)	(198)	(6 735)
Drawdowns from bank facilities	19 826	–	19 826
Settlement of bank facilities	(19 952)	–	(19 952)
New leases	–	147	147
Movement in hedges	46	–	46
Effect of foreign exchange difference***	9	6	15
Other changes**	154	98	252
As at 30 September 2023 – Restated*	**26 131**	**768**	**26 899**
Financing cash flows	**(3 582)**	**(174)**	**(3 756)**
Liabilities raised	**2 129**	**–**	**2 129**
Liabilities repaid	**(5 598)**	**(174)**	**(5 772)**
Drawdowns from bank facilities	**4 749**	**–**	**4 749**
Settlement of bank facilities	**(4 862)**	**–**	**(4 862)**
New leases	**–**	**231**	**231**
Remeasurement adjustment***	**(2 504)**	**–**	**(2 504)**
Movement in hedges	**(551)**	**–**	**(551)**
Disposal of subsidiary	**(15 373)**	**(489)**	**(15 862)**
Other changes**	**398**	**37**	**435**
As at 30 September 2024	**4 519**	**373**	**4 892**

* *The comparatives have been restated as a result of prior period errors. Refer to note 28. In addition bank facilities have now been included within interest bearing liabilities (refer to Note 23).*

** *Other changes consist mainly of movements in interest accruals and capitalised transaction costs.*

*** *The group controls ring-fenced SPVs which hold interest-bearing liabilities and pools of financial assets, being loans to taxi owners (the loan book). The interest-bearing liabilities are measured at amortised cost. The remeasurement of interest-bearing liabilities relates to a change in the estimated cash outflows of the contractual payments under these interest-bearing liabilities. As the value of the assets (the loan book) have reduced significantly due to higher than expected credit losses and the interest-bearing liabilities can only be settled from assets within the ring-fenced SPVs, the estimated contractual cash outflows have changed, requiring a remeasurement of the interest-bearing liabilities.*

40 Contingencies and commitments

	2024 Rm	2023 Rm
Capital commitments		
Approved	**34**	118
Contracted	**6**	102
Total capital commitments*	**40**	220
Contingent liabilities		
Guarantees issued**	**–**	17
Total contingent liabilities	**–**	17

* *Total capital commitments relate to either approved or contractual commitments that the group has entered into in relation to the acquisition of property and equipment.*

** *The guarantee relates to Recoveries Corporation which has a contingent liability of Rnil million (2023: R17 million) in respect of guarantees issued by bankers for facilities in the normal course of business to the extent that they are utilised.*

As at year end, there are no other contingencies and loan commitments for the group.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management

The group's operations expose it to a number of financial risks, including market risk, interest rate risk, credit risk and liquidity risk. A risk management programme has been established to protect the group against the potential adverse effects of these financial risks.

The board is responsible for risk management and the setting of the risk management framework. Oversight of risk management is the responsibility the audit and risk committee. The committee monitors risks associated with liquidity and funding, interest rates, counterparties, currency exposures and capital adequacy as well as risks associated with financial reporting, accounting policies and internal control. The committee is also responsible for risk management including setting the risk management framework, setting risk appetite and monitoring the group's management of risk including credit and compliance.

The responsibility for day-to-day management of risks falls on each of the respective subsidiary's chief executive officers and their executive committees. Risk management is managed at subsidiary level through the divisional executive committees and reviewed by each of the respective subsidiary boards. Group oversight is the responsibility of the group chief financial officer.

Financial instruments

A financial instrument is defined as a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

The group recognises financial assets and financial liabilities at the trade date when it becomes a party to the contractual provisions of the instrument.

Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments are grouped into classes that are appropriate taking into account the characteristics and risks of those financial instruments. Classes of financial instruments have been determined by referring to the nature and extent of risks arising from the financial instruments and how these are managed.

Classification

A financial asset is measured at amortised cost if:

- The financial asset is held within a business model whose objective is to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income. In certain instances the business model is not to collect contractual cash flows, nor to sell the asset and in these cases the financial asset is held at fair value through profit and loss.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

Financial instruments continued

Financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit or loss (FVTPL).

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial assets

Financial assets at fair value through profit or loss

Financial assets that are held at fair value through profit and loss include certain purchased credit-impaired loan portfolios that are either managed on a fair value basis or that do not meet the requirements to be measured at amortised cost (refer to other financial assets in note 11 of the consolidated annual financial statements).

Realised and unrealised gains and losses arising from changes in the fair value of financial assets classified at fair value through profit or loss are included in profit or loss in the period in which they arise.

Financial assets at fair value through comprehensive income

Financial assets that are held at fair value through other comprehensive income include the effective portion of derivative financial instruments designated as cash flow hedging instruments.

Amortised cost and effective interest method

These instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets which have been classified as loans and receivables include cash that does not meet the definition of cash as defined in IAS 7- Statement of Cash Flows, trade and other receivables, loans and advances, purchased credit-impaired loan portfolios and other loans receivable.

Loans and receivables (including trade and other receivables, other loans receivables, bank balances and cash) are initially recognised at fair value. Subsequently, loans and receivables are carried at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated by taking into account any transaction costs on acquisition and fees and costs that are an integral part of the effective interest rate. The carrying amount of loans and advances considered to be impaired on the statement of financial position is reduced through the use of an expected credit loss impairment methodology.

Purchased credit-impaired loan portfolios are portfolios of written-off consumer debts purchased at prices below the nominal receivable amounts. Purchased credit-impaired loan portfolios, other than those at fair value through profit and loss (referred to as other financial assets in note 11.2 of the consolidated annual financial statements), are reflected at amortised cost on a portfolio basis. Cost includes amounts payable to the vendor and other direct acquisition costs.

Purchased credit-impaired financial assets are those which are credit-impaired on initial recognition.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

Financial assets continued

Impairment

The group recognises a loss allowance for expected credit losses (ECL) on financial assets that are measured at amortised cost, at fair value through other comprehensive income, contracts or loan commitments and financial guarantee contracts.

The loss allowance for a financial instrument is measured at the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. The group only recognises cumulative changes in lifetime expected losses since initial recognition on purchased credit-impaired assets such as purchased credit-impaired loan portfolios.

When calculating the expected cash flows at initial recognition (to determine the credit-adjusted effective interest rate), and for subsequent measurement of the loans (to determine the loss allowance), the group has elected to include those forecast incremental collection costs that are directly attributable to the recovery of cash flows, as a reduction in the future expected cash flows.

The impairment requirements result in the recognition of lifetime ECL for all financial instruments for which there have been significant increases in credit risk since initial recognition, whether assessed on an individual or collective basis, considering all reasonable and supportable information, including that which is forward looking. If at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. This does not apply to purchased credit-impaired assets on which the group only recognises cumulative changes in lifetime expected losses since initial recognition as an impairment gain or loss.

12-month ECL are the portion of the lifetime ECL that represent the ECL that result from default events on a financial instrument that are possible within 12 months after reporting date. For loan commitments and financial guarantee contracts, the date that the group becomes party to the irrevocable commitment is considered the date of initial recognition for the purposes of applying the impairment requirements.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that there is no longer a significant increase in credit risk since initial recognition, the loss allowance is measured at an amount equal to 12-month ECL at the current reporting date. Impairment losses or reversals are recognised in profit or loss.

41.1 Credit risk

Credit risk is the risk of loss arising from the failure of a client or counterparty to discharge an obligation to the group. The primary credit risks that the group are exposed to as at 30 September 2024 relate to the risks associated with the purchased book debts, if the books fail to perform in accordance with estimate net future cash flows. Previously, the primary credit risks of the group arose from finance leases to minibus taxi operators (SA Taxi) and private consumer vehicles (Gomo). Both SA Taxi and Gomo have strict policies for granting credit. Loans and advances comprise a large number of accounts which are secured by minibus taxis. For SA Taxi, collections of instalments are made through a combination of cash and debit order collections, with 84.5% (2023: 83.6%) of the portfolio being cash payers. Gomo collects the majority of its instalments through debit order collections. The nature of SA Taxi's and Gomo's services does not result in significant concentration risks in unsecured credit. Nutun's trade receivables include receivables from clients that have standard 30-day terms. Nutun's clients are diversified across numerous industries and geographies and does not result in significant concentration risk. It is not the group's strategy to avoid credit risk, but rather to manage credit risk within the group's risk appetite and to earn an appropriate risk-adjusted return.

The group limits its counterparty exposure arising from money market instruments by dealing only with well-established financial institutions of high credit standing. Deposits are limited to the big five banks within South Africa.

Credit risk management and measurement

Each subsidiary is responsible for the identification, measurement, management, control and reporting of credit risk within their business units. Exposure to credit losses is managed by assessing customers' affordability and their ability to repay loans and advances, a customer's risk profile, employment status and stability, earnings potential in the case of taxis and private consumer vehicles and collectability in the case of purchased book debts. Each of the group's lending businesses tends to have homogeneous or similar asset portfolios within their respective businesses. Impairments are monitored and provided for using statistical techniques including experiential and behavioral models. These models are based on customers' financial performance information while on book and assume that recent performance is a strong indicator of future performance. In the case of key asset classes, independent models are developed to monitor the robustness of the primary models relative to actual performance and to optimise their effectiveness. Models are either developed internally or by expert external advisors. In the case of secured lending asset classes, the realisable/fair value of the underlying security is taken into consideration in arriving at a final impairment.

The group assumes that the credit risk on a financial instrument has not increased significantly if the financial instrument is determined to have a low credit risk at the reporting date.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

Credit risk management and measurement continued

Measurement of expected credit losses (ECL)

The group measures ECL of a financial instrument in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum period considered when measuring ECL is the maximum contractual period (including extension options) over which the group is exposed to credit risk, and not a longer period, even if that period is consistent with business practice.

The measurement of ECL is a function of the probability of default (PD), loss given repossession (LGR) and exposure at default (EAD). The assessment of the probability of default and loss given write-offs is based on historical data adjusted by forward-looking information as described above.

As for the EAD for financial assets, this is represented by the assets' gross carrying amount at the reporting date and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate.

Modified financial assets

Standard term extensions

If the contractual cash flows of a financial asset have been renegotiated or modified and the financial asset was not derecognised, the group assesses whether there has been a significant increase in the credit risk of the financial instrument by comparing the risk of a default occurring at the reporting date (based on the modified contractual terms) and the risk of default occurring at initial recognition (based on the original, unmodified contractual terms).

Quantitative analysis has proven that the modifications do not exhibit significantly higher risk than non-modified accounts. The value of these standard modified accounts is immaterial, relative to the book size. Standard modifications are provided to clients in the form of a term extension where the customer has demonstrated payment performance, amongst other specified criteria (such as mechanical breakdown or accident). Although the term of a contract can be extended, the interest rate applicable for the contract remains unchanged and therefore term extensions do not have any effect on the net present value (NPV) of the financial asset. Due to the fact that a vehicle is an income-producing asset, the group understands that the client is unable to pay if the vehicle is out of operation.

SA Taxi – (disposed of its' controlling interest as at year end)

Debt rehabilitation program

The devasting impact of the COVID-19 pandemic and associated national lockdowns continue to impact the ability of customers to repay and/or catch up their loan obligations. Collections have been further impacted by the July 2021 civil unrest in Kwa-Zulu Natal and portions of Gauteng, the outbreak of taxi violence during August 2021 in the Western Cape as well as the severe flooding in Kwa-Zulu Natal mainly during April 2022.

COVID-19 relief was previously granted to customers in the form of payment holidays which resulted in the partial capitalisation of arrears for the affected accounts in the month where the respective client qualified for payment relief (capitalisation applied to the instalments that were raised during the relief time and did not include all arrears). The interest rate remained unchanged, and the term extension did not change the present value of the remaining cash flows. Arrears were not modified, and as a result, the accounts rolled forward without modification.

Customer performance continues to be closely monitored thereafter with quick remedial action taken, where required.

Method of provisioning

The credit committee is responsible for providing executive management and oversight over all credit risk arising within and impacting the SA Taxi balance sheet. Credit committee meetings are attended by the company chief executive officer, chief financial officer and executive head of credit.

The credit policy is designed to ensure that SA Taxi's credit processes are efficient for the applicant while providing SA Taxi with the necessary details to make informed credit decisions. SA Taxi takes the following into consideration in granting credit to prospective customers:

- Vehicle type;
- Validity of the taxi route;
- Client's ability to pay using a route calculator (affordability check); and
- Verification of details and credit history against two independent credit bureaus.

The expected loss model is developed using statistical techniques based on actual historical data. The expected loss is calculated for each active account, using parameter estimates including the PD, EAD and LGR. The segmentation ensures homogenous risk buckets. The LGR is calculated on an explicit basis per account, taking into consideration the settlement balance, recovery value (being either a violation insurance claim less excess, or the estimated selling price less repair costs, where applicable), discount rates and discount periods. Expected losses are also driven by the probability of repossession, and the expectation of repudiation of an insurance claim (where relevant).

SA Taxi determines whether the credit risk of financial instruments has increased significantly since initial recognition based on the contractual delinquency (CD) state (aging and recency). If the account is in stage 1 then the 12-month expected credit loss is calculated, otherwise, for stage 2 & 3, the lifetime expected loss is calculated.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

Credit risk management and measurement continued

SA Taxi – (disposed of its' controlling interest as at year end) continued

Method of provisioning continued

The group determines whether the credit risk of financial instruments has increased significantly since initial recognition based on the contractual delinquency (CD) state (aging and recency). If the account is in stage 1 then the 12-month expected credit loss is calculated, otherwise, for stage 2 & 3, the lifetime expected loss is calculated.

The group determines significant increases in credit risk using tracking data, arrears aging and recency of payments for an account. Due to the nature of the business and higher risk appetite, compared to other Tier 1 financiers, it is the expectation that a client who is 30 days past due is not a significant risk. Most of the SA Taxi clients are cash payers because the taxi industry collects fares in cash from commuters. Recency is included in the definition of default as it is an indicator that the minibus taxi is operational as a cash generating unit and therefore indicative of a customers' ability to make payment on the underlying loan. The group has therefore rebutted the 30-day past due presumption for significantly increased credit risk. This rebuttal is based on a quantitative analysis of account performance relative to expectation at initial recognition as well as alignment to operation collections processes.

SA Taxi's rebuttal is on segments that are never expected to be very large but which are appropriate for the business. SA Taxi has therefore defined stage 2 as an account in arrears that did make a qualifying payment in the last month. A qualifying payment is defined as a payment made which is more than 50% of the instalments due in the last month.

During 2023 financial year, the 90-day rebuttal was applied to accounts 90 days past due but with a payment made in the last 3 months. During 2024 financial year, the effect of payments made in the last 3 months was no longer considered given that there is no longer a material difference in the default rates for late stage two and three loans accounts.

SA Taxi has defined default as 75 days past due (more than 2.5 missed instalments), with no qualifying payment received in the past 3 months. The 90-day presumption was rebutted based on a quantitative analysis of the PDs and alignment to operational collection processes.

The definition of credit-impaired financial assets aligns to the default definition described above. Applying this approach ensures consistency between the accounting application, impairment modelling and internal credit risk management practices. The write-off of an asset occurs at the point of receipt of the recovery amount, following repossession (or write off, where applicable).

Once a vehicle has been repossessed, and final recovery paid or received by way of a violation insurance claim or through refurbishment and ultimate sale of the repossessed vehicle, any difference between the net recovery value and the outstanding amount of the underlying asset is written off.

Forward looking information

Management have considered a number of factors in their assessment of the application of forward looking information in the expected loss modelling, including:

- The use of the PD in the model (which considers 72 months of historical data and includes all impacts of the tough trading conditions of the past few years).
- Current distribution of the portfolio.
- Forward looking estimates of macro-economic conditions and how this might impact the performance of the book going forward.
- The relative importance of the taxi industry to South Africa.
- Future originations expectations and early vintages on latest originations.

Based on this assessment, management are comfortable that the 'expected loss model' is appropriately calibrated (through the use of the PD) and a macroeconomic regression model applied on Stage 1 PD's utilising Gross Domestic Product (GDP) and Consumer Price Index (CPI).

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

Credit risk management and measurement continued

GOMO – (disposed of its' controlling interest as at year end)

Method of provisioning

The credit committee of Gomo is responsible for providing executive management and oversight over all credit risks arising within and impacting the balance sheet. Credit committee meetings are attended by the company's chief executive officer, chief financial officer, and head of credit.

The credit policy is designed to ensure that Gomo's credit processes are efficient for the applicant while providing Gomo with the necessary details to make informed credit decisions. Gomo's credit risk appetite, both the minimum and maximum levels of portfolio credit risk that Gomo is prepared to accept to achieve its objectives, are underpinned by its credit guidelines. This differentiates its willingness to consider a credit application based on three core areas:

- **Eligibility:** A list of compliance requirements, including those set out in the National Credit Act of 2005, as well as internal compliance measures
- **Affordability:** As per the criteria to conduct affordability assessment set out in the National Credit Regulations, including Affordability Assessment Regulations as per Government Gazette No.38557 (13 March 2015), augmented by the Shoprite Investments Limited case law as per the Case Number: A509/2107
- **Credit strategy:** The operational output of Gomo's credit application scorecard, which is the primary view of the underlying credit risk of an application, and serves as a platform where both the system approval rate and process flow are defined.

All new business that originated after passing each of the three abovementioned areas is assigned an ECL assumption, which is the periodic sum of credit losses anticipated over the life of a tranche of homogeneous credit risks. For this analysis, eligibility and affordability are assumed to be met, with differentiated distribution options of credit strategy to solve for both a minimum- and maximum level of ECL.

The expected loss is calculated for each active account, using parameter estimates including the probability of default (PD), exposure at default (EAD) and loss given default (LGDs). Gomo has chosen to use the Implied Market LGD methodology as per IFRS 9 since the LGD under this methodology is measured based on expected asset value, which will be informed by WeBuyCars' vehicle value data. Once data volume suffices, Gomo may opt to move to a workout LGD methodology where the LGD is measured on actual data ensuring accuracy. Furthermore, given a default, the likelihood of a loss being incurred will, for the interim, be informed by subject matter expert advice, to be substantiated by actual data in time.

Accounts are written off according to a specific event i.e., repossession, assisted sale, salvage, insurance claims, no insurance and fraud, or period that lapsed in line with the relevant collection action. The period is calculated from the date the account is in default (Legal Workflow) and written off as soon as all collection action have been exhausted.

Significant increase in credit risk (SICR)

When identifying whether an account is classified as SICR, Gomo will evaluate two dimensions to ensure that the correct stage is assigned to the account for the ECL calculation. Gomo determines significant increases in credit risk using the dimensions of internal behavioural information (partial arrears) and external client information (credit bureau data).

SICR checks whether your performing accounts (i.e., Stage 1 accounts) should not rather be Stage 2 due to partial arrears or bureau score deterioration and, hence, whether to hold 12-month (performing) or lifetime (underperforming) Expected Credit Loss (ECL). Two dimensions are used by the group to determine whether an account is classified as SICR, partial arrears and external client information. Regarding partial arrears, an account is classified as SICR if the account is in arrears by more than 65% of the instalment amount and less than 100% of the instalment amount. Regarding external client information, an account is classified as SICR if the externally sourced credit score of the account holder has deteriorated substantially between the origination date and evaluation date (i.e., Prism Score 4 <= 572 at the evaluation date and the initial score of the client is less than the score at evaluation). If either of the dimensions is met, the account will move from Stage 1 to Stage 2.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

Credit risk management and measurement continued

GOMO – (disposed of its' controlling interest as at year end) continued

Definition of default

Gomo's definition of default is based on the SARB Directive 7 of 2015. Gomo has defined default as 90 days or more past due. If an account goes into a legal status or is under debt review, the account is included in the default population. When a restructure is performed due to the financial distress of the obligor, the restructure will be seen as a distressed restructure. Distressed restructures are also included in the default population for a monitoring period of 6 months after the restructure happened. During the current financial year, Gomo commenced with a debt restructure program, which included the extension of the term of contracts and interest rate concessions. The program has not had a material impact on financial performance in the current financial year. Customer performance on restructured accounts continues to be closely monitored. Given the continued stressed macro-economic environment – further debt restructures may continue to be performed in future periods.

Nutun

Investment process

Prior to the acquisition of purchased book debts (PBDs), there is a defined investment process that is followed in accordance with guidelines determined by a constituted investment committee. PBDs are acquired from various credit providers in multiple sectors. Valuations are determined by projecting the present value of anticipated monthly collections, net of directly attributable collection costs, using past performance characteristics applicable to similar PBDs. Said valuations are ultimately presented to the investment committee to decide upon pricing and bidding strategy.

Collections process

The Insights, Data & Enterprise Analytics (IDEA) team continually develops and recalibrates insights and analytics used by operations to optimise the collection processes, and infrastructure, associated with non-performing debt collected.

Method of provisioning and fair valuing

PBDs are classified as purchased credit-impaired (POCI) financial assets (stage 3) on initial recognition based on the presumption that events that have a detrimental impact on the estimated future cash flows of these financial assets have occurred before acquisition and initial recognition. The classification of PBDs does not change subsequent to initial recognition, even in the unlikely event of the expected cash flows associated thereto returning to full contractual terms.

Any changes in lifetime Expected Credit Losses (ECLs) are recognised in profit or loss. The group recognises favorable changes in lifetime ECLs as an impairment gain/(loss), even if lifetime ECLs are less than the amount of ECLs that were included in the estimated cash flows on initial recognition.

Nutun utilises statistical techniques and models to value PBDs on a monthly basis. Each PBD is modelled based on the collection activity applied to it. A combination of inflows applicable to each PBD and the direct, activity-based, cost projections applicable thereto are used to determine a net cash flow over a rolling 12-month period, which is subsequently discounted to present value using a credit-adjusted effective interest rate to determine its amortised cost value. Nutun determined that the carrying amount of the PBD portfolio does not change materially if reasonably possible changes in key assumptions are made to the model. The weighted average credit-adjusted effective interest rate at year-end is 17.3% (2023: 18.1%).

Other financial assets, recognised within the purchase book debts, include a receivables balance measured at fair value. The valuation technique applicable thereto calculates the present value of all future cash flows associated thereto net of all associated costs. Refer to note 11 for the accounting policy applied to other financial assets measured at value.

Carrying value of purchased book debts

The Nutun business model continues to gain relevance as the protracted effects of COVID-19 drive up indebtedness and impair consumers' ability to service their debt, leaving consumer facing entities with significantly larger NPL portfolios to manage.

The impact of the adverse collection experienced since April 2020 caused by COVID-19, has been considered in the impairment model parameters – (i.e., we did not modify arrears and as a result we allowed accounts to age and roll forward without modification). These impairment model parameters have been applied in determining expected cash shortfalls arising from non-payment in the best estimate provision on the loan book as at 30 September 2024.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

41.1.1 Financial assets

41.1.1.1 Financial assets subject to risk

	Loans and advances* Rm	Other loans receivable Rm	Trade and other receivables** Rm	Purchased book debts Rm	Total Rm
2024					
Gross carrying value	**13 534**	**4**	**469**	**4 503**	**18 510**
Impairment allowance	**(5 149)**	**–**	**(5)**	**–**	**(5 154)**
Performing loans and advances	**(615)**	**–**	**–**	**–**	**(615)**
Non-performing loans and advances	**(4 535)**	**–**	**–**	**–**	**(4 535)**
Non-performing trade and other receivables	**–**	**–**	**(5)**	**–**	**(5)**
Purchased credit-impaired financial assets	**–**	**–**	**–**	**–**	**–**
Disposal of subsidiary	**(8 384)**	**–**	**–**	**–**	**(8 384)**
Carrying value of financial assets	**–**	**4**	**464**	**4 503**	**4 971**

	Loans and advances* Rm	Other loans receivable Rm	Trade and other receivables** Rm	Purchased book debts Rm	Total Rm
2023 – Restated* **					
Gross carrying value****	17 266	114	916	4 665	22 961
Impairment allowance	(2 638)	(13)	(30)	–	(2 681)
Performing loans and advances	(353)	–	–	–	(353)
Non-performing loans and advances	(2 285)	–	–	–	(2 285)
Non-performing other loans receivable	–	(13)	–	–	(13)
Non-performing trade and other receivables	–	–	(30)	–	(30)
Carrying value of financial assets	14 628	101	886	4 665	20 280

* *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

** *Prepayments, VAT receivables and deposits relating to property purchase transactions are not financial assets and therefore have been excluded from trade and other receivables.*

*** *The comparative has been restated as a result of prior period errors. Refer to note 28 for further information.*

**** *Balances neither past due nor credit impaired, 'past due but not credit impaired' and 'credit impaired' were collapsed into gross carrying value.*

Notes to the consolidated financial statements continued

for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

41.1.1 Financial assets continued

41.1.1.2 Valuation of collateral

The group typically holds taxis, and private consumer vehicles as collateral against secured advances. In SA Taxi, the taxis are insured by way of comprehensive motor policy (including violation cover). Any security taken as part of the credit decision is valued according to the applicable credit policies at the time of credit approval and at regular intervals thereafter. The market value of collateral over the secured debt is calculated with reference to the expected recovery being the violation insurance claim (through Guardrisk), or selling prices achieved in the active secondhand taxi market less costs to repair (non Guardrisk), whichever is applicable.

The carrying values of each vehicle in possession has been tested for impairment against current valuations. Impairments are as a result of an analysis of market related valuations prepared for each vehicle. Valuations have been updated to limit vehicle price increases as well as account for SA Taxi's blended recovery (which assumes a mix of both repair and refinance as well as cash sale or salvage recovery) to align with the change in business strategy in the current year.

Due to the specialised nature of the group's businesses, a certain degree of concentration in the collateral underpinning the various portfolios cannot be avoided. At the statement of financial position date, the group did not consider there to be any significant concentration of credit risk which has not been adequately provided for.

Effective 1 February 2024, the Absconsion, Violation and Credit Shortfall ("AVCS") cover for customers insured through Guardrisk was amended. Claims are now capped to a maximum repair cost value (excluding wear and tear, mechanical and electrical costs) for all new originations and repossessions considering the risk profile of the portfolio. Historic claims that are uneconomical to repair will be repudiated. Valid and repairable historical claims will be honored under the old AVCS terms and conditions.

	2024 Rm	2023 Restated* Rm
Related credit risk exposure and enhancements/***		
Maximum exposure to credit risk of loans and advances	–	17 266
Impairment allowance	–	(2 638)
Maximum exposure to credit losses of loans and advances	–	14 628
Ceded insurance contract liabilities	–	(1 009)
Maximum exposure to credit losses of loans and advances (after the effect of ceded insurance contract liabilities)	–	13 619
Credit risk exposure mitigated through unguaranteed residual asset values held as collateral		
Total	–	15 078
Vehicles****	–	1 828
Insurance claim*****	–	13 250
Total vehicles***	–	1 828
Fair value of collateral held for impaired financial assets	–	677
Fair value of collateral held for financial assets past due but not specifically credit impaired	–	429
Fair value of collateral held for financial assets neither past due nor credit impaired	–	722
Total insurance claim*****	–	13 250
Fair value of collateral held for impaired financial assets	–	3 694
Fair value of collateral held for financial assets past due but not specifically credit impaired	–	4 866
Fair value of collateral held for financial assets neither past due nor credit impaired	–	4 690

* *The comparative period has been restated as a result of prior period errors, refer to note 28 for further information.*

** *Credit risk exposure and enhancements on valuation of collateral relates to SA Taxi (part of Mobalyz) which was disposed effective 27 September 2024.*

*** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

**** *Collateral relates to either vehicles alone (non Guardrisk), or in the event that a vehicle is repossessed, and customers are insured through Guardrisk, through a violation insurance claim. Collateral comprises an insurance claim (for absconsion and violation cover where customers are insured with Guardrisk from 1 September 2022 and vehicles (for customers not insured with Guardrisk). This is as a result of changes in terms and conditions of underlying insurance contracts effective from 1 September 2022.*

***** *Collateral values are shown excluding the impact of ceded insurance contract liabilities and the fair value of collateral held for impaired non-financial assets amounts to Rnil million (2023: R28 million). The amendments to the T&Cs of the underlying insurance contracts since 1 September 2022 have resulted in collateral in the form of an insurance claim where the reduction in collateral value is due to the claim amount being limited to the loan exposure. Where the collateral value is greater than the loan exposure, this benefit accrues to the insurer and is not collateral for loans and advances.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued
41.1 Credit risk continued
41.1.1 Financial assets continued
41.1.1.3 Loans and advances that are neither due nor credit impaired

	2024 Rm	2023 Rm
Carrying amount of loans and advances that are neither past due nor credit impaired*	–	5 373
Credit quality		
High	–	2 040
Medium	–	1 281
Low	–	2 052

* *Loans and advances that are neither past nor due relates to SA Taxi (part of Mobalyz) which has been classified as a discontinued operations during the current year.*

The credit quality of loans and advances is determined as follows:

Mobalyz, in conjunction with TransUnion, have developed a bespoke application scorecard to assess credit quality when granting loans. The scorecard uses demographic, vehicle, route and credit bureau information to determine the risk of the deal. A detailed affordability assessment is also performed to mitigate risk.

In addition to the loans and advances disclosed above, other loans receivables have been assessed as having no significant increased credit risk based on the nature of the counterparty and the recent payment history. Similarly, trade and other receivables have been deemed to not have significant increased credit risk as all the debtors are on standard terms with minimal write-off's and limited concentration to individual debtors.

41.1.1.4 Financial assets that are past due but not credit impaired

Financial assets that are past due but not credit impaired are assets where contractual interest or principal payments are past due, but the group believes that impairment is not appropriate. Recent payment history and the level of collateral available, if any, are key considerations in determining whether an asset is impaired.

Credit impaired financial assets are determined considering both ageing and recency of payments for both Gomo and SA Taxi, with Gomo (Mobalyz) also considering legal and/debt review status. Mobalyz has been classified as a discontinued operation during the current year.

Mobalyz – SA Taxi:

SA Taxi customers are mostly cash payers given that they earn their fares from commuters in cash. Recency enables us to understand the cashflow that is generated from the underlying asset which is indicative of a customers' ability to make payment on the underlying loan. The impairment provision calculated on loans and advances disclosed as past due but not credit impaired are measured applying either a 12-month expected credit loss or a lifetime expected credit loss dependent on whether a significant increase in credit risk has incurred. The group has defined a significant increase in credit risk as an account in arrears that did not make a qualifying payment in the most recent month. Of the R15 million (2023: R1.9 billion) reflected as part of past due (older than 4 months) but not credit impaired, a qualifying payment was received on accounts reflecting an exposure balance of R4 million (28%) (2023: R1.0 billion (55%)) in the most recent month, with the remaining 72% (2023: 45%) being collected in the two months prior to the most recent month.

The models continue to reflect the customers' financial performance information while on book (including their performance over the period affected by COVID-19) and historical performance remains a strong indicator of future performance with the impact of COVID-19 and prolonged economic strain (which is expected to continue in the mid-term) embedded into the underlying impairment provision.

Mobalyz – Gomo:

The impairment provision calculated on loans and advances disclosed as past due but not credit impaired are measured applying lifetime expected credit losses whilst the provision on neither past due nor credit impaired loans are based on 12 month expected credit losses unless the loan is classified as SICR.

The models continue to reflect the customers' financial performance information while on book and historical performance remains a strong indicator of future performance with the underlying impairment provision in the current financial year.

Nutun:

IFRS 7.35M requires the disclosure of the gross carrying amount of financial assets that are purchased or originated credit-impaired financial assets. The net carrying amount (book value) of a financial asset is calculated as the gross carrying amount less the accumulated impairment loss allowance. The group determined that it would be impracticable to calculate and disclose the gross carrying amount of the portfolio as the information required to appropriately disclose this is not available for older vintages contained in the portfolio. As the older vintages continue to reduce in size relevant to the total portfolio the group expects that the disclosures of the portfolio are expected to include the gross carrying amount as well as the accumulated impairment loss allowance in future.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.1 Credit risk continued

41.1.1 Financial assets continued

41.1.1.4 Financial assets that are past due but not credit impaired continued

The ageing of loans and advances and trade and other receivables that are past due but not credit impaired is as follows:

	Past due up to 1 month Rm	Past due up to 1-2 months Rm	Past due up to 2-3 months Rm	Past due up to 3-4 months Rm	Past due older than 4 months Rm	Total Rm
2024						
Loans and advances*	**–**	**–**	**–**	**–**	**–**	**–**
Trade and other receivables	**32**	**5**	**3**	**11**	**12**	**63**
Financial assets that are past due but not credit impaired	**32**	**5**	**3**	**11**	**12**	**63**
2023						
Loans and advances	1 522	984	647	532	1 887	5 572
Trade and other receivables	86	40	21	19	6	172
Financial assets that are past due but not credit impaired	1 608	1 024	668	551	1 893	5 744

* *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

41.1.1.5 Impairment provision reconciliation

Loans and advances*	12 month expected credit losses Rm	Lifetime expected credit losses Rm	Credit impaired financial assets Rm	Total Rm
2024				
Balance at the beginning of the year	**110**	**246**	**2 282**	**2 638**
Originations	**53**	**25**	**98**	**175**
Existing book movements (Expected credit losses)***	**233**	**46**	**3 450**	**3 729**
Write-offs	**(12)**	**(79)**	**(1 295)**	**(1 386)**
Derecognition (settlements in the ordinary course of business)	**(3)**	**(2)**	**(3)**	**(8)**
Disposal of subsidiary	**(381)**	**(236)**	**(4 532)**	**(5 149)**
Balance at the end of the year**	**–**	**–**	**–**	**–**
2023 – Restated*				
Balance at the beginning of the year	3	265	291	559
Originations	68	49	99	216
Existing book movements (Expected credit losses)***	41	(65)	1 938	1 914
Write-offs	(1)	(2)	(43)	(46)
Derecognition (settlements in the ordinary course of business)	(1)	(1)	(3)	(5)
Balance at the end of the year**	110	246	2 282	2 638

* *Loans and advances relate to SA Taxi (part of Mobalyz) which was disposed effective 27 September 2024.*

** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

*** *The existing book movements relate to an increase in the impairment of loans and advances that have rolled forward from the prior year. The increase is related to changes in impairment assumptions and parameters which resulted in higher impairment coverages when compared to the prior year.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued
41.1 Credit risk continued
41.1.1 Financial assets continued
41.1.1.5 Impairment provision reconciliation continued

The maximum exposure to credit risk of loans and advances at the financial year-end is analysed further as follows:

Loans and advances*	12 month expected credit losses Rm	Lifetime expected credit losses Rm	Credit impaired financial assets Rm	Total Rm
2024				
Neither past due nor credit impaired	**3 257**	**1**	**11**	**3 269**
Past due not credit impaired	**810**	**1 076**	**57**	**1 943**
Credit impaired	**–**	**–**	**8 323**	**8 323**
Impairment allowance	**(375)**	**(239)**	**(4 535)**	**(5 149)**
Performing loans and advances	**(375)**	**(239)**	**–**	**(614)**
Non-performing loans and advances	**–**	**–**	**(4 535)**	**(4 535)**
Disposal of subsidiary	**(3 692)**	**(838)**	**(3 856)**	**(8 386)**
Carrying value of financial assets**	**–**	**–**	**–**	**–**
2023				
Neither past due nor credit impaired	5 364	2	7	5 373
Past due not credit impaired	1 017	4 520	35	5 572
Credit impaired	–	–	6 322	6 322
Impairment allowance	(102)	(251)	(2 285)	(2 638)
Performing loans and advances	(102)	(251)	–	(353)
Non-performing loans and advances	–	–	(2 285)	(2 285)
Carrying value of financial assets**	6 279	4 271	4 079	14 629

* *Loans and advances relate to SA Taxi (part of Mobalyz) which was disposed effective 27 September 2024.*

** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

41.1.1.6 Concentration of principal book portfolios

	2024 Rm	2023 Rm
Carrying amount of principal book portfolios		
Personal loans	**1 712**	1 700
Credit card	**1 465**	1 544
Banking	**372**	510
Retail	**187**	142
Homeloans	**93**	119
Other	**2**	23
Total carrying amount	**3 831**	4 038

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.2 Interest rate risk

Interest rate risk is the risk of loss arising from changes in the fair value or future cash flows of a financial instrument as a result of movement in market interest rates.

The group is exposed to interest rate risk associated with the effects of fluctuations in the prevailing levels of market rates on future cash flows of a financial instrument and the fair value of the financial instrument based on changes in market interest rates.

41.2.1 Risk profile of financial assets and liabilities

The table below summarises the net exposure of the group to interest rate risk through grouping assets and liabilities that are affected by floating rates.

	Floating rate liabilities Rm	**Floating rate assets* Rm**	**Net floating rate liabilities Rm**
2024			
Total	**(4 519)**	**–**	**(4 519)**
2023			
Total	(25 706)	14 593	(11 113)

* *The comparatives have been restated as a result of the prior period error. Refer to note 28.*

41.2.2 Weighted average interest rates

The table below summarises the weighted interest rate of bank balances and borrowings.

	2024		2023	
	Bank balances %	**Borrowings %**	Bank balances %	Borrowings %
Total	**8.0**	**11.5**	5.7	11.3

41.2.3 Interest rate sensitivity analysis

The group's exposure to interest rate risks is set out below:

	Effect on profit before tax of 1% change in rates* Rm	**Total carrying value of assets and liabilities** Rm**
30 September 2024		
Assets		
Purchased book debts	**45**	**4 503**
Other investments	**3**	**264**
Other loans receivable	**<1**	**4**
Cash and cash equivalents	**4**	**370**
Total	**51**	**5 141**
Liabilities		
Interest-bearing liabilities	**45**	**4 519**
Fixed rate liabilities	**–**	**–**
Floating rate liabilities	**45**	**4 519**
Total	**45**	**4 519**
Net exposure	**6**	**622**

* *The effect of a change in interest rates has been reflected as nil above for fixed rate financial assets and liabilities. The put option liability is discounted using the effective interest rate at inception date, and is therefore not subject to the risk of interest rate fluctuations.*

** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities. Refer to note 10 for more detail.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.2 Interest rate risk continued

41.2.3 Interest rate sensitivity analysis continued

	Effect on profit before tax of 1% change in rates Restated* Rm	Total carrying value of assets and liabilities Restated* Rm
30 September 2023		
Assets***		
Purchased book debts*	47	4 665
Loans and advances*/**	146	14 628
Fixed rate loans and advances	–	35
Floating rate loans and advances	146	14 593
Leased assets	<1	12
Other investments	9	850
Cash and cash equivalents	22	2 203
Total	224	22 358
Liabilities***		
Interest-bearing liabilities	257	26 131
Fixed rate liabilities	–	425
Floating rate liabilities	257	25 706
Other short-term borrowings	<1	22
Total	257	26 153
Net Exposure	(33)	(3 795)

* *The comparatives have been restated as a result of prior period errors. Refer to note 28. In addition bank facilities have now been included within interest bearing liabilities (refer to Note 23). Further, balances not deemed to be exposed to interest rate risk, namely 'trade and other receivables' and 'trade and other payables' have been removed.*

** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities. Refer to note 10 for more detail.*

*** *The comparatives have been represented to exclude balances not deemed to be exposed to interest rate risk, namely "Trade and other receivables" and "Trade and other payables".*

The group uses a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous change in market interest rates. The sensitivity analysis is prepared based on financial instruments that are recognised at the end of the reporting period. This is the case even where those exposures did not exist for the entire period or where the exposure changed materially during the period. The company is mainly exposed to fluctuations in the following market interest rates: prime, JIBAR, BLR, SOFR rates. The sensitivity that is applied is the amount that could reasonably be expected to occur, and has been determined as 1% (100 basis points) up or down. The effect of a 1% change in interest rates is shown above. As the group has no control over rate movements, it cannot predict the effect of future rate movements, if any.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.3 Liquidity risk management

Liquidity risk is the risk that the group is unable to meet payment obligations when they fall due or that insufficient funds are available to meet loan demands in the ordinary course of business. The group's objectives in relation to liquidity risk are to manage the contractual mismatch between cash inflows from assets and cash outflows to settle liabilities, to fund the expected balance sheet growth, to honour all cash outflow commitments, to avoid raising funds at market premiums or through the forced sale of assets as a result of liquidity pressure and to take advantage of attractive but unanticipated borrowing opportunities.

The monitoring and reporting of liquidity risk takes the form of, as a minimum, cash flow projections to settlement of longest dated funding obligations by subsidiary or securitisation vehicle, an analysis of the group's borrowing facilities and utilisation thereof, borrowing facilities under discussion, maturity profile and concentration of liability by counterparty, asset maturities and borrowing facility obligations and special conditions.

The group's capital markets (CM) team is responsible for executing fund raising mandates given to it by subsidiaries in support of the respective business models. This includes the ongoing assessment and evaluation of various funding sources designed to grow and diversify the group's funding base to achieve an optimal funding profile and sound liquidity. The CM team is also responsible for the ongoing monitoring of asset portfolio performance and its obligations to funders, including covenants.

It is the responsibility of each subsidiary to manage the daily cash flow requirements, to ensure funding covenants are maintained, to produce financial projections to monitor the impact of business trends on future funding requirements and covenants and to notify the CM team of any changes to the business environment that may impact funding requirements.

The group's balance sheet is well capitalised and liquid at a holding company level, underpinned by the conservative capital strategy. Prudent liquidity risk management implies maintaining sufficient cash and undrawn facilities and the availability of funding through adequate committed credit facilities.

The group's capital strategy remains appropriately conservative in the current conditions. With available funds of approximately R264 million in highly liquid money market investments, and unrestricted bank balances of R365 million, call deposits of R5 million and undrawn overdraft facilities (30 September 2024).

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.3 Liquidity risk management continued

The table below analyses financial liabilities at the balance sheet date to the contractual maturity dates for continuing operations. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Undiscounted contractual cash flows							
	Carrying amount Rm	Total Rm	On demand Rm	Within 1 year Rm	From 1-2 years Rm	From 2-3 years Rm	From 3-4 years Rm	From 4-5 years Rm	More than 5 years Rm
2024									
Liabilities									
Trade and other payables*	**154**	**162**	**127**	**35**	**–**	**–**	**–**	**–**	**–**
Interest-bearing liabilities**	**4 519**	**5 236**	**–**	**1 324**	**1 145**	**1 887**	**841**	**39**	**–**
Lease liabilities (refer to note 24)	**373**	**509**	**–**	**88**	**82**	**85**	**76**	**47**	**131**
Financial liabilities	**5 046**	**5 907**	**127**	**1 447**	**1 227**	**1 972**	**917**	**86**	**131**
Non-financial liabilities	**962**	**1 081**	**1 019**	**62**	**–**	**–**	**–**	**–**	**–**
Total liabilities	**6 008**	**6 988**	**1 146**	**1 509**	**1 227**	**1 972**	**917**	**86**	**131**
2023 – restated* **									
Liabilities									
Other short-term borrowings	22	22	22	–	–	–	–	–	–
Trade and other payables*	1 474	1 501	523	590	388	–	–	–	–
Derivative liabilities	61	61	–	61	–	–	–	–	–
Interest-bearing liabilities**	26 131	33 286	466	11 721	6 910	5 748	3 114	2 348	2 979
Lease liabilities	768	978		235	183	151	137	88	184
Put option liability	2 352	2 637	–	439	1 033	1 165	–	–	–
Financial liabilities	30 808	38 485	1 011	13 046	8 514	7 064	3 251	2 436	3 163
Non-financial liabilities	2 900	2 790	1 469	1 321	–	–	–	–	–
Total liabilities	33 708	41 275	2 480	14 367	8 514	7 064	3 251	2 436	3 163

* *Revenue received in advance, VAT payables, leave pay and bonus accruals are not financial liabilities and therefore have been excluded from trade and other payables and included in the non-financial liabilities.*

** *Future cash outflows in respect of interest bearing liabilities (capital and interest as per the cross currency swap, i.e. on a net hedged basis to the swap counterparty).*

*** *The comparative period has been restated as result of prior period errors impacting bank overdrafts, trade and other payables and interest bearing liabilities. Refer to note 28 for further information.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.3 Liquidity risk management continued

The group has access to financing facilities as described below, of which R972 million were unused as at 30 September 2024 (2023: R908 million). The group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets excluding SA Taxi restructuring requirement.

	2024 Rm	2023 Restated* Rm
Unsecured bank overdraft facility, reviewed annually and payable on demand:		
Amount used	**–**	200
Amounts unused	**50**	108
Total	**50**	308
Secured bank overdraft and other short term facilities:		
Amount used	**282**	416
Amounts unused	**272**	156
Total	**554**	572
Unsecured bank loan facilities which may be extended by mutual agreement:		
Amount used	**–**	466
Total	**–**	466
Secured bank loan and loan facilities which may be extended by mutual agreement:		
Amount used	**4 237**	24 927
Amounts unused	**650**	644
Total	**4 887**	25 571

* *The comparative period has been restated to include bank overdrafts as part of interest bearing liabilities.*

41.4 Capital risk

The objective of the group's capital management strategy is to maximise shareholder value. To achieve this, the group considers the capital required to support growth in its operating divisions, to maintain credit ratings in group entities, to comply with borrowing covenants and for unexpected shocks.

The group defines capital as equity, group loans and subordinated and structurally subordinated debt.

Equity comprises permanent paid-up capital, revenue and other reserves.

The board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a strong capital position.

Capital management – insurance contracts

The group is required by Solvency Assessment and Management (SAM) to hold an excess of its assets over its insurance contract liabilities calculated on a regulatory basis. The requirement aims to ensure that the group is able to meet its obligations over the next 12 months. Breaching this requirement – the solvency capital requirements (SCR) – would result in supervisory intervention by the lead regulator and remedial actions designed to restore the SCR level of capital.

The SAM approach to the measurement of capital adequacy is primarily based on monitoring the relationship of the SCR to regulatory capital. The group complied with all externally imposed capital requirements during 2024 and 2023.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.5 Insurance risk

Insurance risk is the risk assumed under any insurance contract that the insured event occurs. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The group is exposed to different elements of insurance risks through its insurance contracts (including in-substance reinsurance contracts issued). SA Taxi which is part of Mobalyz has been classified as a discontinued operation during the current financial year.

- For credit life:
  - **Mortality risk:** the risk of losses arising from death of policyholders being earlier than expected. The most significant factors that could increase the amount and frequency of claims are epidemics or widespread changes in lifestyle, resulting in earlier or more claims than expected; and
  - **Longevity risk:** the risk of losses arising from longer life of policyholders than expected.
- For comprehensive motor policies:
  - **Catastrophe risk:** the risk of incurring significant losses as a result of catastrophic events.
- All policies:
  - **Premium risk:** the risk that premiums charged to policyholders are less than claims cost on business written; and
  - **Reserve risk:** the risk that the claims reserves are insufficient to cover all claims.

By the very nature of an insurance contract, this risk is random and unpredictable. The exposure to insurance risk is limited through an underwriting strategy, underwriting limits, adopting appropriate risk assessment techniques and management of the cost of claim. These actions are described below.

SA Taxi – Insurance contracts

Underwriting strategy

The group's underwriting strategy seeks to attract SA Taxi's financed clients as well as non-financed clients. Strict underwriting guidelines for acceptance of new policies are maintained. Adequacy of the pricing structure is monitored through regular review of claims ratios.

Presentation of insurance contract liabilities

The group's exposure to the underlying portfolio consists of both credit life risk (measured in accordance with IFRS 9) and vehicle insurance risk (measured in accordance with IFRS 17). With respect to the measurement of the liability for remaining coverage, credit metrics are used as indicators for the severity of claim. To the extent that the insured event affects the recovery of the underlying asset and given that the assessment of risk and exposure on the underlying portfolio is considered on a group basis, a portion of the liability for remaining coverage relating to the active financed debtors and repossessed vehicle stock portfolios, is allocated to net loans and advances or inventory (where the repossessed vehicle stock has moved into a repair/realisation channel) in the notes to the statement of financial position as these insurance contract liabilities reduce the group's overall exposure related to these assets.

Policies for mitigating the risk of fraudulent claims

SA Taxi is exposed to the risk of false, invalid and exaggerated claims. Fraud detection measures are put in place to improve the group's ability to proactively detect fraudulent claims.

Claims development and management

Appointment of authorised assessors and repair centres, as well as different excess structures are monitored and maintained. Management continues to manage the cost of claim effectively through product mix, operational efficiencies in the procurement of parts as well as through the significant investment in SA Taxi Auto Parts during the previous financial years.

Current economic environment

There has been a significant impact on the claims cost associated with absconsion, violation and credit shortfall ('AVCS') cover during the current year given the current economic environment and business model update. Repossession levels remain higher than historical norms, and given the lower level of repossessed vehicles we intend to refurbish and refinance going forward this has had a significant impact on overall recovery values. Management continues to assess the underlying increased risk of the portfolio in this stressed economic climate.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.5 Insurance risk continued

SA Taxi – Insurance contracts continued

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus a liquidity premium where applicable. Risk-free rates are determined by reference to the ZAR NCDs. NCDs are readily available and is an appropriate representation of the risk-free rate. The liquidity premium is determined by reference to observable market rates, including sovereign debt, corporate debt and market swap rates.

41.5.1 Sensitivities on significant unobservable parameters applied include:

The insurance claim liabilities are sensitive to the key assumptions as per the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process. The analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis.

Potential effect recorded directly in profit and loss.

		2024		2023 Restated**	
Significant unobservable parameters applied*	**Change in assumption**	**Favourable Rm**	**Unfavourable Rm**	Favourable Rm	Unfavourable Rm
Short-term motor comprehensive policy – financed portfolio					
Discount rate	**100bps**	–	–	4	(4)
Probability of repossession	**10.0%**	–	–	64	(64)
Premiums charged	**10.0%**	–	–	37	(37)
Insurance perils	**10.0%**	–	–	21	(21)
Salvage recovery value	**10.0%**	–	–	(12)	(12)
Cost of repair	**10.0%**	–	–	31	(31)
Repair/salvage curve	**5.0%**	–	–	–	–
Credit life portfolio					
Discount rate	**100bps**	–	–	<1	(<1)
Probability of defaults	**10.0%**	–	–	<1	(<1)
Premiums charged	**10.0%**	–	–	<1	(<1)
Mortality rates	**10.0%**	–	–	<1	(<1)
Short-term motor comprehensive policy – financed and non-financed					
Discount rate	**100bps**	–	–	<1	(<1)
Ultimate loss rate gross claims	**1.0%**	–	–	3	(3)
Salvage value	**10.0%**	–	–	<1	(<1)
Development factor	**Smoothed**	–	–	5	(5)

* *These represent the significant unobservable parameters applied in the actuarial model.*

** *The comparative period has been restated as a result of a change in the treatment of the cell captives. Refer to note 22.11 – Insurance contract liabilities.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.5 Insurance risk continued

41.5.2 Maturity analysis for insurance contract liabilities

The following table summarises the maturity profile of groups of insurance contracts issued that are liabilities of the group based on the estimates of the undiscounted future cash flows expected to be paid out in the periods presented:

2024	**Up to 1 year Rm**	**1-2 years Rm**	**2-3 years Rm**	**3-4 years Rm**	**4-5 years Rm**	**> 5 years Rm**	**Total Rm**
Non-life portfolio	–	–	–	–	–	–	–
Life portfolio	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–

2023	Up to 1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	> 5 years Rm	Total Rm
Non-life portfolio	962	49	(6)	(7)	(1)	–	997
Life portfolio	18	–	–	–	–	–	18
Total	980	49	(6)	(7)	(1)	–	1 015

* *The insurance contracts relate to SA Taxi which has been classified as discontinued operations during the current year.*

Amounts less than R500 000 are reflected as “<1”.

The maturity analysis for insurance contract liabilities are presented excluding risk adjustments and the impact of discounting. The maturity profile of the short-term motor comprehensive policy – financed portfolio has been presented considering the measurement applicable under the new terms and conditions of the insurance contract (refer to note 22 for more detail).

41.6 Currency risk

Currency risk is the possibility of incurring a financial loss as a consequence of the depreciation in the measurement currency relative to a foreign currency prior to payment of a commitment in that foreign currency or the strengthening of the measurement currency prior to receiving payment in a foreign currency.

The foreign currencies to which the group has material exposure are US Dollars, Australian Dollars, and British Pound. Where the timing of future cash flows can be predicted with relative certainty, this risk is managed by entering into forward exchange contracts at the time the risk arises.

The following significant exchange rates were applied during the year:

	Average rate		Reporting date closing rate	
	2024	2023	**2024**	2023
US Dollar	**18.5**	18.2	**17.1**	18.8
Euro	**20.1**	19.4	**19.1**	19.9
British Pound	**23.5**	22.3	**22.9**	23.5
Australian Dollar	**12.2**	12.1	**11.8**	12.2

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.6 Currency risk continued

41.6.1 The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm
Foreign amounts included in the financial statements at the end of the financial year:				
US Dollar	**4**	4 147	**77**	22
Euro	**–**	–	**1**	3
British Pound	**–**	2	**126**	208
Australian Dollar	**–**	12	**9**	232

Currency risk arising from exposure to US Dollars currencies has been effectively managed through cross-currency swaps that exactly hedge the contractual cash flows over the life of the foreign currency funding. Refer to note 41.8 for hedge accounting disclosure.

41.6.2 Foreign currency sensitivity analysis

The following table details the group's sensitivity to a 10% increase and decrease in the Rand against the relevant foreign currencies (excluding USD foreign currencies which are fully hedged). 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the group where the denomination of the loan is a currency other than the functional currency of the lender or the borrower. A negative number below indicates a decrease in profit or equity where the Rand strengthens 10% against the relevant currency. For a 10% weakening of the Rand against the relevant currency, there would be an equal and opposite impact on the profit or equity, and the balances below would be positive.

	2024 Rm	2023 Rm
Profit or loss	**4**	18
Equity	**16**	28

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.7 Fair value disclosure

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit and loss. Specifically loans and advances for entry-level vehicles, the shortfall book and certain purchased book debts that are managed on a fair value basis.

The value of the purchased book debts managed on a fair value basis may change over time through the collection of underlying amounts that did not form part of the initial ring-fenced purchased book debt. The quantum of the return is also impacted by the quality of the collection services performed, rather than services associated with normal lending arrangements. On this basis, therefore, the cash flows collected on these books do not present solely payments of principal and interest on the principal amount outstanding.

The entry-level vehicle book and the shortfall book are managed differently to the premium book. Entry-level vehicles and the shortfall book do not meet the requirement to be measured at amortised cost as they are not held within a business model whose objective is to collect contractual cash flows but are held to either realise value from the underlying collateral of the vehicle itself for entry-level vehicle book or recovered through a sales transaction to a collection agent for the shortfall book.

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

The method of determining the fair value of financial instruments is analysed into the following categories:

Level 1 Unadjusted quoted prices in active markets where the quoted price is readily available and the price represents actual and regularly occurring market transactions on an arm's length basis.

Level 2 Valuation techniques using market observable inputs, including:
- Using recent arm's length market transactions;
- Reference to the current fair value of similar instruments; and
- Discounted cash flow analysis, pricing models or other techniques commonly used by market participants.

Level 3 Valuation techniques, as described for level 2 above, for which not all inputs are market observable prices or rates. Such a financial instrument is initially recognised at the transaction price, which is the best indicator of fair value, although the value obtained from the relevant valuation model may differ. The difference between the transaction price and the model value, commonly referred to as "day one profit or loss', is either amortised over the life of the transaction, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

The valuation techniques in level 2 and level 3 use inputs such as interest rate yield curves, equity prices, commodity and currency prices/ yields, volatilities, and the correlation between inputs. The models used in these valuation techniques are calibrated against industry standards, economic models and against transaction process, where applicable.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.7 Fair value disclosure continued

The following represents the fair values of financial instruments not carried at fair value on the statement of financial position, but for which fair value is required to be disclosed. For all other financial instruments, the carrying value is equal to or a reasonable approximation of the fair value.

	2024					2023 Restated*				
	Carrying value Rm	**Total fair value Rm**	**Level 1 Rm**	**Level 2 Rm**	**Level 3 Rm**	Carrying value Rm	Total fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Assets										
Loans and advances*	–	–	–	–	–	14 628	15 046	–	–	15 046
Principal book portfolio**	**3 831**	**3 831**	–	–	**3 831**	4 038	4 038	–	–	4 038
Financial assets at amortised cost	**3 831**	**3 831**	–	–	**3 831**	18 666	19 084	–	–	19 084
Liabilities										
Interest-bearing liabilities	**4 519**	**4 657**	–	–	**4 657**	26 131	26 380	–	–	26 380
Fixed rate liabilities	–	–	–	–	–	429	422	–	–	422
Floating rate liabilities	**4 519**	**4 657**	–	–	**4 657**	25 702	25 958	–	–	25 958
Put option liability	–	–	–	–	–	2 352	2 091	–	–	2 091
Financial liabilities at amortised cost	**4 519**	**4 657**	–	–	**4 657**	28 483	28 471	–	–	28 471

* *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities.*

** *The comparative period for principal book portfolios has been restated as part of the revised presentation of purchased book debts. The amount disclosed relates to principal book portfolios only which are not measured at fair value. Refer to note 28.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.7 Fair value disclosure continued

Valuation methods and assumptions:

Loans and advances for premium vehicles entered into at variable interest rates approximate fair value as the estimated future cash flows are already considered in the expected loss model. The fair value of loans and advances for premium vehicles at fixed interest rates, which is a small component of the loan book, is determined by adjusting the discount rate from the effective interest rate of the contract to a current effective lending rate. Loans and advances for entry-level vehicles and the shortfall book are carried at fair value, refer "level disclosure" on note 41.10 for additional information in this regard. The assumptions determining these fair values have been reassessed during the current year. Underlying changes in fair value is recognised in impairment in profit or loss. Loans and advances for entry-level vehicles: the fair value is determined with reference to an average collateral value, as a result of the business model changes. The fair value for loans and advances for entry-level vehicles has been set to zero as a result of the business model changes and the shift in management's focus on core strategic assets.

Purchased book debt is held at amortised cost. The balance at year end is calculated based on the expected future cash flows which are adjusted for risk as it takes historical cash flows into account to predict forecasted cash flows. The fair value of purchased book debt is determined by adjusting the discount rate from the credit-adjusted effective interest rate to a current market related discount rate and adjusting the expected cash flows for risk, therefore the carrying value approximates the fair value.

The fair value of interest-bearing liabilities is calculated based on future cash flows, discounted using a forward rate curve plus a valuation margin. The valuation margin is a consensus margin at which deals with similar remaining cash profiles could be secured in the market at the valuation date.

The put option liabilities over non-controlling interests are carried at amortised cost. The fair values of the put option liabilities are calculated by applying a price earnings multiple to the profits of Synergy and the adjusted profits of WBC for a 12-month ending on the year in which the put is exercised. The re-measured value is calculated by adjusting the discount rate to a current effective lending rate.

The carrying value of trade and other receivables, cash and cash equivalents, trade and other payables and bank overdrafts approximates fair value as they are short-term in nature and not subject to material changes in credit risk and fair value.

41.8 Hedge accounting

The group applies hedge accounting to represent the economic effects of its interest and currency risk management strategies.

A derivative is a financial instrument whose value changes in response to an underlying variable, that requires little or no initial investment and that is settled at a future date. The group uses derivative financial instruments to manage its exposure to foreign exchange and interest rate risk. The group does not hold or issue derivative financial instruments for trading purposes. The group designates certain derivatives in respect of foreign currency risk as cash flow hedges and interest rate risk as fair value hedges in line with IFRS 9.

Derivative financial instruments are initially recognised in the statement of financial position at fair value. Derivatives are subsequently re-measured at their fair value with all movements in fair value recognised in profit or loss, unless it is a designated and effective hedging instrument. The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The group treats derivatives embedded in other financial or non-financial instruments such as the conversion option in a convertible bond, as separate derivatives when:

- Their risks and characteristics are not closely related to those of the host contract;
- They meet the definition of a derivative; and
- The host contract is not carried at fair value, with gains and losses reported in profit or loss.

Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the group applies fair value hedge accounting, cash flow hedge accounting, or hedging of a net investment in a foreign operation, as appropriate to the risks being hedged.

Modifications are assessed to determine if the modification is substantial. The modification of a financial instrument can result in the derecognition of a financial asset or financial liability, the recognition of a new financial instrument and the recognition of the resulting gain or loss in the statement of profit or loss following a substantial modification. The derecognition of a financial instrument designated as a hedging instrument or hedged item will result in the discontinuation of the hedging relationship. A substantial modification of the terms of the derivative designated as the hedging instrument results in a discontinuation of hedge accounting. The hedging relationship with the new derivative needs is tested for hedge effectiveness.

Hedge accounting is discontinued when the hedge no longer meets the risk management objective on the basis of which it qualified for hedge accounting, i.e., the company no longer pursues the risk management objective.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.8 Hedge accounting continued

Cash flow hedges of foreign currency risk

The group uses cross-currency swaps to hedge the foreign currency risks arising from interest-bearing liabilities.

Hedge accounting is used for derivatives designated in this way, provided specific criteria are met. The group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

Foreign exchange risk arises when the assets and liabilities are not denominated in the functional currency of the transacting entity. The group's policy is that such exposures should be hedged subject to a review of the specific circumstances of the exposure. The currency exposure under such funding has been hedged through a series of cross-currency swaps that match the timing and amount of each periodic cash flow obligation in terms of the currency funding.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in the cash flow hedging reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Where the forecast transaction or a foreign currency firm commitment results in the recognition of a non-financial asset, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset. Hedge accounting is discontinued when the group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

The ineffective portion of fair value movements of hedging instruments for 2024 was nil (2023:nil).

Fair value hedges of interest rate risk

The group uses interest rate swaps exchanging fixed rate interest for floating rate liabilities.

Where a hedging relationship is designated as a fair value hedge, the hedged item is adjusted for the change in fair value in respect of the risk being hedged. Fair value gains and losses arising on the pre-measurement of both the hedging instrument and the hedged item are recognised in profit and loss, for so long as the hedging relationship is effective.

The group policy is to borrow funds at floating rates of interest as, over the longer term, this is considered by management to give a natural hedge as funds are lent to customers at floating rates. In certain circumstances, the group uses interest rate swap contracts to manage its exposure to interest rate movements on a portion of its existing debt.

Any hedge ineffectiveness is recognised in profit and loss in non-interest revenue. If the derivative expires, is sold, terminated, exercised, no longer meets the criteria for fair-value hedge accounting, or the designation is revoked, then hedge accounting is discontinued.

During the year, the fair value hedges were determined to be effective in hedging the fair value exposure to interest rate movements. As a result of the hedging relationship, the fair value hedge movement is adjusted to the underlying liabilities to the value of Rnil million (2023: R53 million). The nominal value is equal to the capital amount of the hedged item.

	2024 Rm	2023 Rm
Derivative assets held for risk management		
Interest rate swaps	–	5
Cross-currency swaps	–	468
Total	–	473
Derivative liabilities held for risk management		
Interest rate swaps	–	9
Cross-currency swaps	–	52
Total	–	61

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.8 Hedge accounting continued

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss,or included as a basis adjustment to the non-financial hedged item, consistent with the relevant accounting policy.

	2024 Rm	2023 Rm
Balance at the beginning of the year	**(49)**	(19)
(Loss)/gain (net of tax) arising on changes in fair value of hedging instruments entered into for cash flow hedges	**337**	(30)
Cross-currency swaps	**337**	(30)
Gain/(loss) (net of tax) arising on changes in fair value of hedging instruments reclassified to profit or loss	**(305)**	–
Cross-currency swaps	**(305)**	–
Disposal of subsidiary	**17**	–
Balance at the end of the year	**–**	(49)

(Gains)/losses arising on changes in fair value of hedging instruments reclassified from equity into profit or loss during the year are included in operating costs in the statement of comprehensive income.

The time periods in which the hedged cash flows are expected to occur and affect the consolidated statement of comprehensive income are as follows:

	< 1 Year Rm	**1 – 5 years Rm**	**>5 years Rm**	**Total Rm**
2024				
Cash outflows	–	–	–	–
Cash inflows	–	–	–	–
Total cash flows*	–	–	–	–

	< 1 Year Rm	1 – 5 years Rm	>5 years Rm	Total Rm
2023				
Cash outflows	(51)	(10)	(3)	(64)
Cash inflows	174	325	47	546
Total cash flows*	123	315	44	482

* *In line with IFRS 7 paragraph 23B(a), the disclosure reflects the timing of the nominal amount of the hedging instrument only.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.8 Hedge accounting continued

Hedging instruments per risk category

2024	Notional amount**		Carrying amount of hedging instrument		
	Nominal amount (USD-millions)	**Local currency (ZAR-millions)**	**Assets Rm**	**Liabilities Rm**	**Hedge ineffectiveness Rm**
Cash flow hedges					
Foreign exchange risk					
Cross-currency swaps	–	–	–	–	–
Fair value hedges					
Interest rate risk					
Interest rate swaps	–	–	–	–	–

2023	Notional amount**		Carrying amount of hedging instrument		
	Nominal amount (USD-millions)	Local currency (ZAR-millions)	Assets Rm	Liabilities Rm	Hedge ineffectiveness Rm
Cash flow hedges					
Foreign exchange risk					
Cross-currency swaps	226	4 147	468	(52)	–
Fair value hedges					
Interest rate risk					
Interest rate swaps	n/a	169	5	(9)	–

** *This represents the gross notional amounts of all outstanding contracts at year end.*

Interest rate benchmarks and reference to interest rate reforms

JIBAR interest rate swaps exchanging fixed rate interest for floating rate liabilities and assets were not transitioned to a new interest base rate. The group continues to monitor the industry and is engaging with the relevant market participants in this regard. The most efficient outcome will be sought that is aligned with market practice and requirements of the various counterparties.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.9 Statement of financial position categories

	At fair value through profit and loss* Rm	At fair value through other comprehensive income Rm	Financial assets carried at amortised cost Rm	Financial liabilities carried at amortised cost Rm	Non financial liabilities or non financial assets Rm	Equity Rm	Total Rm
2024							
Assets							
Cash and cash equivalents	–	–	370	–	–	–	370
Other investments*	264	–	–	–	–	–	264
Tax receivables	–	–	–	–	12	–	12
Trade and other receivables	–	–	464	–	33	–	497
Assets classified as held for sale	–	–	–	–	608	–	608
Purchased book debts**	672	–	3 831	–	–	–	4 503
Other loans receivable	–	–	4	–	–	–	4
Equity accounted investments	–	–	–	–	167	–	167
Intangible assets	–	–	–	–	88	–	88
Property and equipment	–	–	–	–	461	–	461
Goodwill	–	–	–	–	511	–	511
Deferred tax assets	–	–	–	–	181	–	181
Total assets	936	–	4 669	–	2 061	–	7 666
Equity and liabilities							
Liabilities							
Bank overdrafts	–	–	–	282	–	–	282
Tax payables	–	–	–	–	2	–	2
Trade and other payables	–	–	–	154	88	–	242
Provisions	–	–	–	–	5	–	5
Liabilities directly associated with assets held for sale	–	–	–	–	281	–	281
Interest-bearing liabilities	–	–	–	4 237	–	–	4 237
Lease liabilities	–	–	–	373	–	–	373
Deferred tax liabilities	–	–	–	–	586	–	586
Total liabilities	–	–	–	5 046	962	–	6 008
Equity							
Ordinary share capital	–	–	–	–	–	5 414	5 414
Other reserves	–	–	–	–	–	29	29
Retained earnings	–	–	–	–	–	(3 788)	(3 788)
Equity attributable to ordinary equity holders of the parent	–	–	–	–	–	1 655	1 655
Non-controlling interest		–	–	–	–	3	3
Total equity	–	–	–	–	–	1 658	1 658
Total equity and liabilities	–	–	–	5 046	962	1 658	7 666

* *Other investments are mandatorily measured at fair value through profit and loss.*
** *Purchased book debts have been mandatorily measured at fair value through profit and loss at initial recognition.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued
41.9 Statement of financial position categories continued

	At fair value through profit and loss* Rm	At fair value through other comprehensive income Rm	Financial assets carried at amortised cost Rm	Financial liabilities carried at amortised cost Rm	Non-financial liabilities or financial assets Rm	Equity Rm	Total Rm
2023 Restated*							
Assets							
Cash and cash equivalents	–	–	2 203	–	–	–	2 203
Tax receivables	–	–	–	–	19	–	19
Trade and other receivables	–	–	886	–	276	–	1 162
Inventories**	–	–	–	–	2 907	–	2 907
Assets classified as held for sale	–	–	–	–	119	–	119
Reinsurance contract assets	–	–	–	–	44	–	44
Leased assets	–	–	12	–	–	–	12
Loans and advances**	7	–	14 892	–	147	–	15 046
Purchased book debts	627	–	4 038	–	–	–	4 665
Other loans receivable	–	–	101	–	–	–	101
Derivative assets***	899	–	–	–	–	–	899
Other investments	850	–	–	–	–	–	850
Equity accounted investments	–	–	–	–	1 063	–	1 063
Intangible assets	–	–	–	–	3 415	–	3 415
Property and equipment	–	–	–	–	2 077	–	2 077
Goodwill	–	–	–	–	5 250	–	5 250
Deferred tax assets	–	–	–	–	457	–	457
Total assets	2 383	–	22 132	–	15 774	–	40 289
Liabilities							
Bank overdrafts	–	–	–	594	–	–	594
Other short-term borrowings	–	–	–	22	–	–	22
Tax payables	–	–	–	–	38	–	38
Trade and other payables	457	–	–	1 017	467	–	1 941
Provisions***	–	–	–	–	6	–	6
Liabilities directly associated with assets held for sale	–	–	–	–	5	–	5
Insurance contract liabilities**	–	–	–	–	1 015	–	1 015
Put option liability	–	–	–	2 352	–	–	2 352
Derivative liabilities***	61	–	–	–	–	–	61
Interest-bearing liabilities	–	–	–	25 537	–	–	25 537
Lease liabilities	–	–	–	768	–	–	768
Deferred tax liabilities	–	–	–	–	1 369	–	1 369
Total liabilities	518	–	–	30 290	2 900	–	33 708
Equity							
Ordinary share capital	–	–	–	–	–	5 267	5 267
Put option reserve						(4 117)	(4 117)
Other reserves	–	–	–	–	–	270	270
Retained earnings	–	–	–	–	–	4 306	4 306
Equity attributable to ordinary equity holders of the parent	–	–	–	–	–	5 726	5 726
Non-controlling interest	–	–	–	–	–	855	855
Total equity	–	–	–	–	–	6 581	6 581
Total equity and liabilities	518	–	–	30 290	2 900	6 581	40 289

* *Loans and advances and purchased book debts at fair value through profit and loss have been mandatorily measured as at fair value through profit and loss at initial recognition. Trade and other payables at fair value through profit and loss have been mandatorily measured at fair value through profit and loss.*

** *IFRS 7 disclosures relate to loans and advances and exclude the impact of repossessed vehicles on hand and ceded insurance contract liabilities. Refer to note 10 for more detail.*

*** *Derivative assets and liabilities have been restated to be correctly disclosed within the 'At fair value through profit and loss category'. These were previously incorrectly disclosed 'At fair value through other comprehensive income'.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.10 Level disclosure

2024	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Financial assets at fair value through profit and loss				
Other Financial Assets	**–**	**–**	**672**	**672**
Other investments*	**–**	**264**	**–**	**264**
Total financial assets	**–**	**264**	**672**	**936**

2023	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Financial assets at fair value through profit and loss				
Loans and advances: entry-level vehicles	–	–	7	7
Other Financial Assets	–	–	627	627
Other investments*	–	850	–	850
Derivatives**	–	5	426	431
Derivatives	–	468	–	468
Total financial assets	–	1 323	1 060	2 383
Financial liabilities at fair value through profit and loss****				
Derivatives**	–	9	–	9
Contingent consideration	–	–	457	457
Derivatives	–	52	–	52
Total financial liabilities	–	61	457	518

* *Other investments which have been categorised in level 2 comprise of money market fund investments. Comparatives have been restated to reflect these investments as level 2, previously these were incorrectly reflected as level 1.*

Derivatives consisted of the following:

** *The group enters into derivative financial instruments with respective counterparties. Interest rate swaps and cross- currency swaps are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and interest rate curves. These are categorised as level 2.*

*** *The group, through WBC Holdings is party to a call option over the 25,1% shareholding in WBC Holdings. The call option is valued using a Black Scholes model taking into account the market value of WBC Holdings as well as the exercise price per the formula included in the WBC Holdings shareholders agreement. The call option derivative is categorised as level 3.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.10 Level disclosure continued

Valuation methods and assumptions:

Other Financial Assets: The valuation of Other Financial Assets is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. These represent the significant unobservable parameters applied in the fair value model. The group estimates the expected cash flows by considering all the contractual terms of the financial instrument. The discount rate of 12.93% applied to the expected future cash flows reflects specific risk premiums relating to the asset and is based on the purchase-price average CAEIR for unsecured loan books purchased in the last two years.

Other investments: The following valuation methods are used for other investments:

- The value of money market investments is determined by fund managers on a net asset value basis, which is the total value of the all assets in the portfolio including any income accrual and less permissible deductions from portfolio divided by the number of participatory interests in issue. Unit prices as calculated by fund managers and published daily.
- The value of other investments excluding money market investments are determined using applicable valuation techniques (commonly used by market participants for a similar investment) which use relevant observable inputs to the extent these are available and where unavailable, unobservable inputs are used.

Interest rate and cross currency swaps: The group enters into derivative financial instruments with respective counterparties. Interest rate swaps and cross-currency swaps are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and interest rate curves.

Call option derivative: The call option derivative is initially recognised by the Group at fair value and subsequently measured at fair value through profit or loss. The call option derivative is a level 3 instrument in the fair value hierarchy. The call derivative is not traded in an active market and therefore the fair value is determined using a valuation technique. The valuation was performed using a Black Scholes model taking into account the spot price of WBC Holdings as well as the exercise price per the formula included in the WBC Holdings shareholders agreement. The spot price has been determined per the independent valuation of WBC Holdings performed at 30 September 2023. Other inputs into the valuation model include time to expiration, risk free rate, expected dividend yield for WBC Holdings as well as the expected volatility.

Contingent consideration: The group is party to acquisitions of subsidiaries which contain contingent payments arrangements. The valuation of the contingent considerations is based on the estimated future cash flows as determined in terms of the specific purchase agreement. The fair values of the contingent liabilities are remeasured at each reporting date.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.10 Level disclosure continued

Reconciliation of level 3 fair value measurements of financial assets and liabilities

2024	**Fair value through profit or loss Rm**	**Fair value through other comprehensive income Rm**	**Total Rm**
Financial assets			
Opening balance	**1 060**	**–**	**1 060**
Total gains or losses			
In profit or loss	**225**	**–**	**225**
Other movements*	**(613)**	**–**	**(613)**
Closing balance of fair value measurement for financial assets	**672**	**–**	**672**
Financial liabilities			
Opening balance	**457**	**–**	**457**
Total gains or losses			
Other movements*	**(457)**	**–**	**(457)**
Closing balance of fair value measurement for financial liabilities	**–**	**–**	**–**

2023	Fair value through profit or loss Rm	Fair value through other comprehensive income Rm	Total Rm
Financial assets			
Opening balance	780	–	780
Initial recognition of additional financial assets			
Total gains or losses			
In profit or loss	476	–	476
Other movements*	(196)	–	(196)
Closing balance of fair value measurement for financial assets	1 060	–	1 060
Financial liabilities			
Opening balance	272	–	272
Total gains or losses			
In profit or loss	24	–	24
Other movements*	161	–	161
Closing balance of fair value measurement for financial liabilities	457	–	457

* *Other movements in financial assets include the following:*

– additions of R44 million (2023: R111 million) and mainly cash collections of R224 million (2023: R226 million) relating to other financial assets. Refer to note 11.2.

– reversal of WBC call option of R426 million (2023: Rnil). Refer to note 13.

Other movements in financial liabilities include the following:

– the settlement of contingent liabilities of R6 million (2023: R272 million) resulting from business combinations in terms of IFRS 3: Business Combinations. Refer to note 21.1.

– the recognition of contingent liabilities of Rnil (2023: R433 million) resulting from business combinations in terms of IFRS 3: Business Combinations and the acquisition of an additional 10% shareholding in Nutun CX and Nutun UK. Refer to note 21.1.

– transfers of R393 million (2023: Rnil) to discontinued operations in relation to disposed entities. Refer to note 21.1.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

41 Financial risk management continued

41.10 Level disclosure continued

Sensitivity analysis of valuations using unobservable inputs

As part of the group's risk management processes, stress tests are applied on the significant unobservable parameters to generate a range of potentially possible alternative valuations. The financial instruments that are most impacted by this sensitivity analysis are those with the more illiquid and/or structured portfolios. The stresses are applied independently and do not take account of any cross correlation between separate asset classes that would reduce the overall effect on the valuations. A significant parameter has been deemed to be one which may result in a change in the fair value of the asset or liability of more than 10%. This is demonstrated by the following sensitivity analysis, which includes a reasonable range of possible outcomes.

Movement in fair value given the 10% change in significant assumptions.

	2024		2023	
Other financial assets	**10% Increase Rm**	**10% Decrease Rm**	10% Increase Rm	10% Decrease Rm
Significant unobservable input and description of assumption				
Cash flows: change in the expected revenue	**67**	**(67)**	59	(59)
Cash flows: change in expected costs	**8**	**(9)**	6	(6)
Discount rate: the rate used to discount projected future cash flows to present value	**26**	**(25)**	27	(25)
Total	**101**	**(101)**	92	(90)

	2024		2023	
Contingent consideration – Milton Graham	**10% Increase Rm**	**10% Decrease Rm**	10% Increase Rm	10% Decrease Rm
Significant unobservable input and description of assumption				
Cash flows: change in the EBIT on which the contingent consideration is based	**–**	**–**	33	(33)
Total	**–**	**–**	33	(33)

	2024		2023	
Contingent consideration – Nutun CX	**10% Increase Rm**	**10% Decrease Rm**	10% Increase Rm	10% Decrease Rm
Significant unobservable input and description of assumption				
Cash flows: change in the EBIT on which the contingent consideration is based	**–**	**–**	7	(7)
Total	**–**	**–**	7	(7)

	2024		2023	
Call option derivative	**10% Increase Rm**	**10% Decrease Rm**	10% Increase Rm	10% Decrease Rm
Significant unobservable input and description of assumption				
Change in the spot price on which the valuation is based	**–**	**–**	12	(14)
Change in the risk free rate on which the valuation is based	**–**	**–**	12	(11)
Change in the dividend yield on which the valuation is based	**–**	**–**	(6)	7
Total	**–**	**–**	18	(19)

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

	2024 Rm	2023 Rm

42 Related parties*

42.1 Transactions with key management

Blend Properties 17 (Pty) Ltd (Blend) owns properties occupied by certain group subsidiaries. Jonathan Jawno, Michael Mendelowitz and Roberto Rossi, who are directors of Transaction Capital, are directors of Blend. Their family trusts each own 19.4% (2023: 19.4%) of the issued share capital of Blend (58.1% in aggregate).

	2024 Rm	2023 Rm
Transactions during the year		
Rent paid	**(5)**	(7)

42.2 Loans to key management

42.2.1 Terry Kier (Former CEO of SA Taxi) held a direct investment in SA Taxi Holdings (Pty) Ltd of 0.57% as at 30 September 2023 which was disposed to SA Taxi Holdings (Pty) Ltd in the current year.

Terry owed a wholly-owned subsidiary of Transaction Capital an amount of R12 million as at 30 September 2023. The loan was granted on an interest-free basis and will be repaid from dividends and proceeds from the shares or upon certain pre-determined events. Appropriate fringe benefits tax has been levied on the interest-free loan. The loan is secured by a cession over all of Terry Kier's rights, title and interest in and to the SA Taxi Holdings Proprietary Limited shares. The group bought back the shares in October 2023 which resulted in the settlement of the loan.

	2024 Rm	2023 Rm
Loan owed by key management at period end	**–**	12

42.2.2 Terry Kier (Former CEO of SA Taxi) holds a direct investment in TC Motor Holdco (Pty) Ltd of 1% as at 30 September 2023.

Terry owed a wholly-owned subsidiary of Transaction Capital an amount of R26 million in 2023. The loan was granted on an interest-free basis and will be repaid from dividends and proceeds from the shares or upon certain pre-determined events. Appropriate fringe benefits tax has been levied on the interest-free loan. The loan is secured by a cession over all of Terry Kier's rights, title and interest in and to the TC Motor Holdco (Pty) Ltd shares. The group bought back the shares in October 2023 which resulted in the settlement of the loan.

	2024 Rm	2023 Rm
Loan owed by key management at period end	**–**	26

42.2.3 Craig Bayford (CEO of Nutun Transact) holds a direct investment in Nutun Transact (Pty) Ltd of 5% as at 30 September 2024 (2023: 5%).

Craig owed a wholly-owned subsidiary of Transaction Capital an amount of R25 million (2023: R23 million). The loan is subject to interest at repo + 100bps basis. The loan was secured by a cession over all of Craig Bayford's rights, title and interest in and to the Nutun Transact (Pty) Ltd shares.

	2024 Rm	2023 Rm
Loan owed by key management at period end	**25**	23

42.2.4 Derek Warner (ex CEO of Synergy), through his family trusts, held an investment in Nutun CX Proprietary Limited ("NCX") (formerly Synergy Contact Centre Proprietary Limited) and Synergy Outsourcing Limited("SO") of 0% (2023: 15%).

Derek owes a wholly-owned subsidiary of Transaction Capital an amount of Rnil in 2024 (2023: R18m) as the group acquired the remaining 15% in the current financial year. The loan was granted on an interest-free basis and will be repaid upon the acquisition by the group of the shareholding held by Derek in terms of the options in place. The loan is secured by a cession over all of Derek's rights, title and interest in and to the SO shares.

	2024 Rm	2023 Rm
Loan owed by key management at period end	**–**	18

42.2.5 Hayden Quin (ex MD of Synergy), through his family trusts, held an investment in NCX and SO of 0% (2023: 10%).

Hayden owes a wholly-owned subsidiary of Transaction Capital an amount of Rnil in 2024 (2023: R7m) as the group acquired the remaining 10% in the current financial year. The loan was granted on an interest-free basis and will be repaid upon the acquisition by the group of the shareholding held by Hayden in terms of the options in place. The loan is secured by a cession over all of Hayden's rights, title and interest in and to the SO shares.

	2024 Rm	2023 Rm
Loan owed by key management at period end	**–**	7

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

		2024 Rm	2023 Rm
42	**Related parties* continued**		
42.3	**Remuneration of key management personnel**		
	Refer to note 31 where the remuneration of all key management is disclosed.		
42.4	**Investment in equity accounted investment**		
	During the 2019 financial year Transaction Capital, through its wholly-owned subsidiary, Nutun Holdings (Pty) Ltd, entered into an arrangement with Genki Group Limited, a company owned by the respective trusts of Transaction Capital directors, Jonathan Jawno, Michael Mendelowitz and Roberto Rossi, in order to invest in European non-performing loan portfolios and special credit situations (collectively referred to as distressed debt) through TC Global Finance Limited. Refer to note 14.	**167**	357
42.5	**Transactions with minority shareholders**		
42.5.1	SANTACO holds a 17.3% effective interest in SA Taxi. In the prior year a loan was advanced to SANTACO. Further loan advances were made in the current year, which were impaired and written off. In addition to this, payments were made for services related to the verification of operating licenses.		
	Transactions during the year		
	Consulting fees	**(3)**	(5)
42.5.2	The group, through its subsidiary WBC Holdings holds a call option over the remaining 25.1% shareholding in WBC Holdings. The call option arrangement entails the granting by non-controlling interests to WBC Holdings Pty Ltd of the option ("call option") to require the non-controlling interests to dispose to WBC Holdings in tranches on dates specified in the agreement. The shareholders agreement was terminated in March 2024 as part of WBC unbundling. Refer to 13 for further information.		
	Transactions during the year		
	Call Option derivative raised	**–**	426
42.5.3	On 5 October 2021, TCMH concluded a shareholders agreement with the minority shareholders of WBC Holdings, which includes put options in favour of the minority shareholders, which if exercised could result in TCMH acquiring, in various increments and at various intervals, additional shares in WBC Holdings up to a maximum of 25.1% (being all the shares in WBC Holdings currently held by the minority shareholders) and which, if implemented in full, will result in WBC Holdings becoming a wholly owned subsidiary of TCMH. The shareholders agreement was terminated in March 2024 as part of WBC unbundling. Refer to 25 for further details.		
	Transactions during the year		
	Put option liability raised	**–**	1 885
42.5.4	On 28 April 2022, Nutun CV and Tyco concluded a shareholders agreement with the minority shareholders of Nutun CX and SOL, which includes put options in favour of the minority shareholders, which if exercised could result in Nutun CV and Tyco acquiring additional shares in Nutun CX and SOL up to a maximum of 25% (being all the shares in Nutun CX and SOL currently held by the minority shareholders) and which, if implemented in full, will result in Nutun CX and SOL becoming wholly owned subsidiaries of Nutun CV and Tyco respectively. The group acquired the remaining 25% in July 2024 which resulted in the derecognition of the liability during the current year. Refer to note 25 for further details.		
	Transactions during the year		
	Put option liability raised	**–**	467

Refer to note 15 of the company financial statements for further detail on shareholding.

* *Intercompany transactions have been eliminated upon consolidation and are therefore not disclosed above.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report

The group is organised on the basis of products and services and the segments have been identified on this basis as reported to the chief executive officer (considered the chief operating decision maker). The accrual basis of accounting is applied for transactions between reportable segments. The principal business units in the group are as follows:

Mobalyz

- A vertically integrated taxi platform incorporating a unique blend of vehicle procurement, retail, repossession and refurbishment capabilities with asset-backed developmental finance and insurance competencies for focused vehicle types.
- Revenue is mainly derived from interest earned on financing of vehicles and non-interest revenue streams, including revenue from the sale of vehicles, telematics services and insurance products.
- The Mobalyz segment has been restated to include Gomo which was previously disclosed as a separate segment.
- The SA Taxi segment includes Value-Added Services (Road Cover). Road Cover generates a stable source of subscription income, whilst providing access to greater market depth. SA Taxi has the potential to unlock further value through synergies with Road Cover to be realised from cost efficiencies and revenue uplift, gaining access to SA Taxi's client base.
- Mobalyz was disposed, effective 27 September 2024 and the results are presented as discontinued operations. The comparative information has been restated in terms of the requirements of IFRS 5 and as a result of a prior period error.

Nutun

- Nutun delivers an augmented suite of digital customer services comprising capital-enabled services and capital-light customer experience management services.
- Through capital enabled services, Nutun mainly acts as a principal in acquiring and then collecting NPL portfolios.
- Earnings from customer experience management services primarily comprise revenue from contingency based collection services and fee-for-service income generated in South Africa, United States, Australia and the UK.
- Nutun Australia was disposed effective of 31 March 2024 and the results have been classified as discontinued operations including comparative information.
- Nutun Transact is classified as a discontinued operation and the balance sheet amounts are presented as held for sale as at year end. Nutun Transact was disposed of subsequent to year end.

WBC

- WBC was unbundled effective 11 April 2024 hence it was deconsolidated and the comparative information restated.
- Revenue comprises mainly gross margin on vehicle sales (vehicle margin), with additional gross margin earned on add-on products (product margin). The latter includes agency fees earned from finance, insurance related and allied products (F&I products) sold on behalf of major banks providing asset-backed and unsecured vehicle finance, leading insurance providers, as well as vehicle tracking businesses.

Head office

- In the current year, the Head office segment has been restated to include the results of TCMH corporate.
- The Head office provides an efficient capital management and treasury function for entities within the group, in addition to administrative and management services.
- Revenue comprises mainly of interest income and management fees from subsidiaries, the majority of which is eliminated on group consolidation.
- The numbers presented in the Head office segment exclude group consolidation entries.

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report continued

	Mobalyz	Nutun			WBC	Head office	Intergroup eliminations	Group
	Rm	Management view* Rm	PBD accounting adjustments* Rm	IFRS view Rm	Rm	Rm	Rm	Rm
Summarised income statement								
For the year ended 30 September 2024								
Revenue**	–	2 979	(1 503)	1 476	–	–	–	1 476
Net income from purchased book debts	–	–	406	406	–	–	–	406
Total operating expenses and cost of revenue	–	(2 612)	720	(1 892)	–	(128)	(22)	(2 042)
Cost of revenue***	–	(1 640)	938	(702)	–	–	–	(702)
Operating costs****	–	(972)	(218)	(1 190)	–	(128)	(22)	(1 340)
Net finance charge – not relating to provision of financing to customers	–	(521)	377	(144)	–	(151)	(9)	(304)
Finance income	–	25	–	25	–	94	(32)	87
Finance charge	–	(546)	377	(169)	–	(245)	23	(391)
Other income	–	73	–	73	–	13	(19)	67
Equity accounted income/(loss)	–	(1)	–	(1)	–	–	–	(1)
Non-operating profit*****	–	312	–	312	–	14	(15)	311
Profit before tax	–	230	–	230	–	(252)	(65)	(87)
Income tax expense	–	4	–	4	–	(72)	1	(67)
Profit for the year from continuing operations	–	234	–	234	–	(324)	(64)	(154)
Discontinued operations								
Loss for the period from discontinued operations	(1 342)	158	–	158	(234)	–	78	(1 340)
Profit for the year	(1 342)	392	–	392	(234)	(324)	14	(1 494)

* *The operational view of the Nutun segment reflects the manner in which the chief decision maker measures the segment for the purpose of allocating resources and assessing its performance. Under the operational view, purchased book debt collections are included in the revenue number, and the amortisation of the purchased book debts are reflected in cost of revenue. Adjustments are reflected in the report above to reconcile the operational view to the IFRS view. Under the IFRS view, collections are taken into account in the movement of the amortised cost on the statement of financial position, and the income statement therefore reflects interest revenue and impairment gains/losses.*

** *Refer to note 30 for the disaggregation of revenue.*

*** *Refer to the consolidated income statement for the disaggregation of cost of revenue.*

**** *Refer to note 33 for a disaggregation of the operating costs.*

***** *Refer to note 32 for the disaggregation of non-operating profit.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report continued

	Mobalyz*	Nutun			WBC	Head office	Intergroup eliminations	Group
	Rm	Management view Rm	PBD accounting adjustments	IFRS view** Rm	Rm	Rm	Rm	Rm
Summarised income statement								
For the year ended 30 September 2023								
Revenue***	–	3 110	(1 733)	1 377	–	–	–	1 377
Net income from purchased book debts	–	–	980	980	–	–	4	984
Total operating expenses and cost of revenue#	–	(2 195)	420	(1 775)	–	(118)	(60)	(1 953)
Cost of revenue****	–	(1 270)	650	(620)	–	–	–	(620)
Operating costs*****	–	(925)	(230)	(1 155)	–	(118)	(60)	(1 333)
Net finance charge – not relating to provision of financing to customers	–	(457)	333	(124)	–	(336)	(65)	(525)
Finance income	–	18	–	18	–	141	(64)	95
Finance charge	–	(475)	333	(142)	–	(477)	(1)	(620)
Other income	–	30	–	30	–	(14)	(8)	8
Equity accounted income/(loss)	–	(56)	–	(56)	–	–		(56)
Non-operating profit******	–	62	–	62	–	234	1 517	1 813
Profit before tax	–	494	–	494	–	(234)	1 388	1 648
Income tax expense	–	(135)	–	(135)	–	27	–	(108)
Profit for the year from continuing operations	–	359	–	359	–	(207)	1 388	1 540
Loss for the period from discontinued operations****	(5 006)	24	–	24	818	–	129	(4 035)
Profit for the year	(5 006)	383	–	383	818	(207)	1 517	(2 495)

* *Mobalyz includes SA Taxi and Gomo and the numbers have been restated to show the composition of the new segment.*

** *The operational view of the Nutun segment reflects the manner in which the chief decision maker measures the segment for the purpose of allocating resources and assessing its performance. Under the operational view, purchased book debt collections are included in the revenue number, and the amortisation of the purchased book debts are reflected in cost of revenue. Adjustments are reflected in the report above to reconcile the operational view to the IFRS view. Under the IFRS view, collections are taken into account in the movement in the movement of the amortised cost on the statement of financial position, and the income statement therefore reflects interest revenue and impairment gains/losses.*

*** *Refer to note 30 for the disaggregation of revenue.*

**** *Refer to the consolidated income statement for the disaggregation of cost of revenue.*

***** *Refer to note 33 for a disaggregation of the operating costs.*

****** *Refer to note 32 for the disaggregation of non-operating profit.*

\# *Total operating expenses and cost of revenue have previously been disclosed on an aggregated basis.*

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report continued

	Nutun Rm	Head office Rm	Intergroup eliminations Rm	Group Rm
Summarised statement of financial position				
At 30 September 2024				
Assets				
Cash and cash equivalents	337	33	–	370
Other investments	–	264	–	264
Trade and other receivables	501	19	(23)	497
Assets classified as held for sale	608	–	–	608
Purchased book debts	4 503	–	–	4 503
Equity accounted investments	167	–	–	167
Intangible assets	88	–	–	88
Property and equipment	462	–	(1)	461
Goodwill	517	–	(6)	511
Other assets	178	19	–	197
Total assets	7 361	335	(30)	7 666
Liabilities				
Trade and other payables	205	37	–	242
Interest-bearing liabilities	4 336	183	–	4 519
Bank overdrafts	282	–	–	282
Senior debt	3 829	183	–	4 012
Subordinated debt	225	–	–	225
Lease liabilities	346	27	–	373
Other liabilities	852	22	–	874
Total liabilities	5 739	269	–	6 008
Total equity	1 622	66	(30)	1 658

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report continued

	Mobalyz* Rm	Nutun Rm	WBC Rm	Head office Rm	Intergroup eliminations Rm	Group Rm
Summarised statement of financial position (restated)**						
At 30 September 2023						
Assets						
Cash and cash equivalents	1 496	338	164	205	–	2 203
Other investments	122	–	–	728	–	850
Trade and other receivables	253	831	83	19	(24)	1 162
Inventories	718	2	2 187	–	–	2 907
Reinsurance contract assets	–	–	44	–	–	44
Loans and advances	15 046	–	–	–	–	15 046
Purchased book debts	–	4 665	–	–	–	4 665
Equity accounted investments	601	95	11	356	–	1 063
Intangible assets	201	414	1 754	2	1 044	3 415
Property and equipment	168	626	1 280	3	–	2 077
Goodwill	536	1 728	–	–	2 986	5 250
Other assets	672	338	483	5 281	(5 167)	1 607
Total assets	19 813	9 037	6 006	6 594	(1 161)	40 289
Liabilities						
Trade and other payables	490	1 052	356	67	(24)	1 941
Insurance contract liabilities	1 015	–	–	–	–	1 015
Interest-bearing liabilities	20 210	4 846	1 382	2 047	(2 354)	26 131
Bank overdrafts	199	395	–	–	–	594
Senior debt	17 657	4 451	1 382	2 047	–	25 537
Group loans	2 354	–	–	–	(2 354)	–
Lease liabilities	100	474	165	29	–	768
Put option liability	–	467	–	–	1 885	2 352
Other liabilities	91	625	501	–	284	1 501
Total liabilities	21 906	7 464	2 404	2 143	(209)	33 708
Total equity	(2 093)	1 573	3 602	4 451	(952)	6 581

Notes to the consolidated financial statements continued
for the year ended 30 September 2024

43 Segment report continued

Geographical information

The geographic information presented below has been split as follows:

- The revenues have been attributed to the foreign countries from which the entity derives revenues.
- The non-current assets have been split to reflect the foreign countries in which the group hold assets.

Comparative information presented in this note has been amended as follows:

- The group previously presented the geographic information for revenues based on the country of incorporation. This presentation no longer presents a fair view of the group's geographic operations, as material foreign revenues are now derived out of entities incorporated in South Africa. The group has therefore amended its geographic split presented here to reflect the foreign countries from which the group derives or sources its revenues, and comparatives have been restated accordingly.
- Comparative revenues have also been restated for the presentation of purchased book debts.
- The group previously presented all non-current assets in its geographic split of non-current assets. IFRS 8 however only requires non-current assets other than financial instruments, deferred tax assets and rights arising under insurance contracts to be reflected. The presentation of non-current assets in this section has therefore been amended and comparatives have been restated accordingly.

	Total revenue*		Non-current assets	
	2024 Rm	2023 Rm	**2024 Rm**	2023 Rm
South Africa	**1 896**	2 041	**1 060**	10 536
Australia	**164**	57	**–**	1 495
Europe	**–**	–	**–**	357
United Kingdom	**597**	903	**–**	–
United States	**322**	109	**–**	–
Total	**2 979**	3 110	**1 060**	12 388

* *Revenue comprises gross revenue as presented on the income statement, gross interest income from financing of customers, imputed interest income from purchased book debts, and the net insurance result.*

44 Going concern

The annual financial statements were prepared on a going concern basis. Based on their assessment, the directors have no reason to believe that the group will not continue as a going concern in the foreseeable future. This assessment included an assessment of the relevance of its business models, the nature of the primary assets and the cash-flows generated from these assets as well as the group's balance sheet.

45 Subsequent events

The group disposed its controlling interest in Nutun Transact effective on 1 November 2024 for a consideration of R405 million.

No other events which would have a material impact on either the financial position or operating results of the company have taken place between 30 September 2024 and the date of release of this report.

Company statement of financial position

at 30 September 2024

	Notes	**2024 Rm**	2023 Restated* Rm	1 October 2022 Restated* Rm
Assets				
Cash and cash equivalents	1	**1**	63	41
Other investments	2	**264**	19	1 261
Tax receivables		**–**	–	2
Trade and other receivables	3	**9**	4	2
Group loans*	18.2	**216**	1 452	2 045
Investments in subsidiaries*	4	**1 205**	4 323	5 400
Deferred tax assets	8	**–**	–	3
Total assets		**1 695**	5 861	8 754
Liabilities				
Bank overdrafts	1	**–**	–	98
Trade and other payables	5	**4**	9	23
Group loans*	18.2	**184**	458	456
Interest-bearing liabilities	6	**–**	1 101	1 096
Senior debt		**–**	1 101	1 096
Total liabilities		**188**	1 568	1 673
Equity				
Ordinary share capital	7	**5 427**	5 280	5 192
Share based payment reserve		**27**	138	160
Accumulated (losses)/profit		**(3 947)**	(1 125)	1 729
Total equity		**1 507**	4 293	7 081
Total equity and liabilities		**1 695**	5 861	8 754

* *During the year the group reassessed the order of liquidity of the assets and liabilities within the balance sheet and moved 'Investment in subsidiaries' to below 'Group loans' as it was found to be less liquid than the items that were listed above it. Additionally 'Group loans' have moved above 'Interest-bearing liabilities' as the terms of the underlying loan are more liquid than the items that are listed below it.*

Company statement of comprehensive income

for the year ended 30 September

	Notes	2024 Rm	2023 Rm
Revenue	11	**2 997**	557
Net finance charge		**(25)**	(49)
Finance income	10	**103**	148
Finance charges	10	**(128)**	(197)
Net impairment loss on intercompany loan	18.2	**(63)**	(2 229)
Provision for ECL	18.2	**(18)**	–
Impairment of investment	18.2	**(284)**	(804)
Operating costs	12	**(56)**	(39)
Loss on disposal of investment*		**(144)**	–
Profit/(loss) before tax		**2 407**	(2 564)
Income tax expense	13	**–**	(8)
Profit/(loss) for the year		**2 407**	(2 572)
Total comprehensive income/(loss) for the year		**2 407**	(2 572)

* *Consists of a profit on disposal of WeBuyCars of R164m, a loss on disposal from SA Taxi of R148m, and a loss on disposal of Road Cover R160m (refer to note 4 for further details).*

Company statement of changes in equity

for the year ended 30 September

	Number of ordinary shares million	Share capital Rm	Share based payment reserve Rm	Retained earnings Rm	Total equity Rm
Balance at 30 September 2022	757	5 192	160	1 729	7 081
Total comprehensive loss	–	–	–	(2 572)	(2 572)
Loss for the year	–	–	–	(2 572)	(2 572)
Settlement of conditional share plans	–	–	(22)	–	(22)
Dividends paid	–	–	–	(282)	(282)
Issue of shares	6	88	–	–	88
Balance at 30 September 2023	763	5 280	138	(1 125)	4 293
Total comprehensive Income	**–**	**–**	**–**	**2 407**	**2 407**
Profit for the year	**–**	**–**	**–**	**2 407**	**2 407**
Settlement of conditional share plans	**–**	**–**	**(111)**	**–**	**(111)**
Dividends paid	**–**	**–**	**–**	**(5 229)**	**(5 229)**
Issue of shares	**21**	**147**	**–**	**–**	**147**
Balance at 30 September 2024	**784**	**5 427**	**27**	**(3 947)**	**1 507**

Company statement of cash flows

for the year ended 30 September

	Notes	**2024 Rm**	2023 Restated* Rm
Cash flow from operating activities			
Cash (utilised in)/generated by operations	14	**(16)**	15
Interest received		**19**	70
Interest paid		**(132)**	(176)
Income taxes paid	15	**–**	(3)
Dividends received		**622**	501
Dividends paid	16	**–**	(282)
Cash flow from operating activities before changes in operating assets and working capital		**493**	125
Changes in working capital		**(6)**	(15)
Increase in trade and other receivables		**(1)**	(2)
Decrease in trade and other payables		**(5)**	(13)
Net cash generated by operating activities		**487**	110
Cash flow from investing activities			
Drawdowns on group loans receivable	18.2	**(535)**	(3 714)
Receipts from group loans receivable	18.2	**1 023**	2 104
Proceeds on disposal of subsidiary^		**554**	–
(Increase)/decrease in investment in subsidiary		**–**	251
Withdrawals from other investments		**442**	1 646
Deposits into other investments		**(662)**	(350)
Net cash generated by/(utilised in) investing activities		**822**	(63)
Cash flow from financing activities			
Settlement of interest-bearing liabilities	20	**(1 101)**	–
Settlement of group loans owing	20	**(270)**	–
Issue of shares		**–**	73
Net cash (utilised in)/generated by financing activities		**(1 371)**	73
Net increase in cash and cash equivalents		**(62)**	120
Cash and cash equivalents at the beginning of the year	1	**63**	(57)
Cash and cash equivalents at the end of year	1	**1**	63

* *Refer to note 9 for further details regarding the cash flow restatements.*

^ *As a part of the WeBuyCars unbundling transaction (refer to note 4), the company sold shares in WeBuyCars as a part of the bookbuild excess and received a cash consideration, this is disclosed in the disposal of shares.*

Notes to the company financial statements

for the year ended 30 September

		2024 Rm	2023 Rm
1	**Cash and cash equivalents**		
	Bank balances*	**1**	12
	Call deposits*	**–**	51
	Net cash and cash equivalents	**1**	63
	Total overdraft facilities**	**–**	100

* *In the prior year, these were ceded as part security for loans as shown in note 6, in favour of the guarantor.*

** *The company has no overdraft facilities in the current year.*

		2024 Rm	2023 Rm
2	**Other investments**		
	Money market fund investments*	**264**	19
	Total other investments	**264**	19

* *Money market fund investments are funds which have been invested into Nedbank Group funds. This investment is short term in nature and is readily available to meet cash flow requirements of the group as they fall due. The movement in the balance of Money market fund investments relates to withdrawals of R442m (2023: R1 646m), deposits of R662m (2023: R350m), non-cash interest of R10m (2023: R54m) and other non cash movements of R15m (2023: Rnil). However the money markets do not meet the definition of cash and cash equivalents due to the high risk exposure of the underlying investment portfolio.*

Other investments are measured at fair value at the end of each reporting period, with any fair value movement recognised in profit and loss.

Money market fund investments

Money market fund investments comprise the following:

	Nedgroup	Total
2024		
Funds invested (Rm)	**264**	**264**
Average interest rate earned	**8.6%**	**8.6%**
Composition of underlying investments:	**100%**	**100%**
Local banks	**91.4%**	**91.4%**
Foreign banks	**7.2%**	**7.2%**
Government	**1.5%**	**1.5%**
2023		
Funds invested (Rm)	19	19
Average interest rate earned	8.4%	8.4%
Composition of underlying investments:	100%	100%
Local banks	86.7%	86.7%
Foreign banks	9.4%	9.4%
Government	3.9%	3.9%

Notes to the company financial statements continued

for the year ended 30 September

		2024 Rm	2023 Rm
3	**Trade and other receivables**		
	Prepayments and other deferrals	**1**	1
	VAT receivable	**4**	–
	Sundry debtors	**4**	3
	Total trade and other receivables	**9**	4

The carrying value of trade and other receivables approximates fair value as these are short-term in nature and not subject to material changes in credit risk and fair value.

		2024 Rm	2023 Rm
4	**Investment in subsidiaries**		
	Share at cost	**4 323**	5 127
	Impairment of shares*	**(284)**	(804)
	Additions*	**6 154**	–
	Disposals*	**(5 801)**	–
	Return of capital*	**(3 075)**	–
	Other movements^	**(112)**	–
	Total investments in subsidiaries	**1 205**	4 323

* *At the end of each reporting period, the company reviews the carrying amount of its investments in subsidiaries for any indications of impairment. During the prior year, SA Taxi Holdings announced a restructuring of its business; therefore, no dividends were received from the investment. This triggered an impairment assessment for the related investment. The investment was impaired to a fair value of zero as it no longer holds any value.*

The Group had made a decision to unbundle its investment in WeBuyCars to its shareholders, as a result of the unbundling, Transaction Capital Motor HoldCo declared its investment in WeBuyCars as a dividend in specie to the Company. As this is considered a return of capital, it resulted in a decrease in the investment in Transaction Capital Motor HoldCo of R3.07 billion, and the recognition of an investment in WeBuyCars of R5.38 billion. The excess of the fair value of the WeBuyCars investment received, and the return of capital of R2.31 billion has been recognised as dividend income in the statement of comprehensive income. As this was a dividend in specie, there was no associated cash flow.

The Company subsequently unbundled the investment in WeBuyCars as a dividend in specie, and this resulted in a disposal of R5.38 billion. Leading up to the unbundling, the Company disposed of some of the WeBuyCars shares held for proceeds of R294 million in terms of the unbundling agreement.

The Group previously, through SA Taxi provided vendor finance to SANTACO as part of the equity partnership transaction that was entered into with them. The company through its wholly owned subsidiary TCCS provided a guarantee to the external lenders of SANTACO. The guarantee was called on by the external lenders of SANTACO, and the equity cure payment amounting to R284 million for consistency to note was advanced by the company to TCCS and accounted for as an increase in the investment in TCCS. This triggered an impairment assessment for the related investment. The investment was impaired by R284 million to a fair value of zero as it no longer holds any value.

Transactions with Nutun consisted of the following:

- *Sale of preference shares to Nutun Holdings for R260 million included in disposals.*
- *Capitalisation of group loans for R340 million included in additions.*
- *Nutun Holdings shares were allocated to Transaction Capital Limited for R147 million which was included in the additions.*

The investment in Roadcover was disposed of at carrying amount of R160 million in the current year via loan account. Due to the fair value of the loan receivable from SA Taxi being zero, a loss on disposal of R160 million was disposed of.

^ *The company operates a CSP scheme for the benefit of the employees of the group that can be settled in the company's own equity. The value of the employee services received in exchange for the grant of the options of employees of sister companies and their subsidiaries are treated as a capital contribution and included in the investment of the relevant subsidiary. The total amount to be expensed or included in the investment over the vesting period is determined by reference to the fair value of the options granted. At each reporting date the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, as an adjustment to the investment in subsidiary with a corresponding adjustment to the share based payment reserve. Other movements relate to the movements as a result of the CSP scheme capital contribution and revisions to the number of options expected to vest.*

Refer to note 18 for a schedule of subsidiaries, detailing movement in investments in subsidiaries from the prior year.

		2024 Rm	2023 Rm
5	**Trade and other payables**		
	Trade payables and accruals	**4**	9
	Trade and other payables	**4**	9

Notes to the company financial statements continued
for the year ended 30 September

	Notes	2024 Rm	2023 Rm
6 Interest-bearing liabilities			
Type of loan			
Loans	6.1	–	1 101
Total interest-bearing liabilities		–	1 101
Classes of interest-bearing liabilities			
Senior debt		–	1 101
Total interest-bearing liabilities		–	1 101
Maturity profile			
Payable within 12 months		–	1 101
Total interest-bearing liabilities		–	1 101

6.1 In the current year, the company repaid all of its external debt facilities.

Type of loan	Description	Date issued	Interest rate	Maturity date	Currency	Carrying value Rm
2023						
Loans						
Senior	Revolving	2020/12/10	Prime plus 1.2%	2024/12/06	ZAR	**394**
Senior	Revolving	2020/12/10	Prime plus 1.2%	2024/12/06	ZAR	**398**
Senior	Revolving	2020/12/10	Prime plus 1.2%	2024/12/06	ZAR	**309**
Total						**1 101**

Notes to the company financial statements continued
for the year ended 30 September

		2024	2023
7	**Ordinary share capital**		
	Authorised		
	1 000 000 000 ordinary shares	**1 000 000 000**	1 000 000 000
	Issued		
	Ordinary share capital	**784 313 142**	763 313 142
	Ordinary share capital	**784 313 142**	763 313 142

		2024		2023	
		Number of shares million	**Share capital Rm***	Number of shares million	Share capital Rm*
7.1	**Reconciliation of ordinary share capital**				
	Balance at the beginning of the year	**763**	**5 280**	757	5 192
	Shares issued in settlement of the Conditional Share Plan (Note 7.1.1)	**–**	**–**	6	88
	Shares issued to subsidiaries	**21**	**147**	–	–
	Balance at the end of the year	**784**	**5 427**	763	5 280

* *Net of share issue costs.*

7.1.1 No new shares were issued to participants/employees as part of respective vestings in the current year.

Preference share capital

Authorised

10 000 000 cumulative, non-participating, non-convertible preference shares of no par value

Issued

Nil (2023: nil) preference shares

		2024 Rm	2023 Rm
8	**Deferred tax**		
	Deferred tax is presented in the statement of financial position as follows:		
	Deferred tax assets	**–**	–
	Deferred tax liabilities	**–**	–
	Net deferred tax asset	**–**	–
	The movements during the year are analysed as follows:		
	Balance at the beginning of the year	**–**	3
	Recognised in the income statement for the year	**–**	(3)
	Net deferred tax asset at the end of the year	**–**	–

	Opening balance Rm	**Charged to income statement Rm**	**Closing balance Rm**
2024			
Temporary difference			
Assessed loss unutilised	**–**	**–**	**–**
2023			
Temporary difference			
Assessed loss unutilised	3	(3)	–
Total	3	(3)	–

Notes to the company financial statements continued
for the year ended 30 September

9 Restatements

During the current financial year review, the company noted a few prior period errors which have been corrected in the current year.

The table below represents the restated Statement of cash flows for the year ended 30 September 2023.

Statement of cash flows extract	As previously presented Rm	Increase/ (decrease) Rm	Restated Rm
Cash flow from operating activities			
Cash (utilised in)/generated by operations	15	–	15
Interest received*	148	(78)	70
Interest paid	(176)	–	(176)
Income taxes paid	(3)	–	(3)
Dividends received	501	–	501
Dividends paid	(282)	–	(282)
Cash flow from operating activities	203	(78)	125
Changes in working capital	(15)	–	(15)
Increase in other loans receivable	(2)	–	(2)
Decrease in trade and other payables	(13)	–	(13)
Net cash generated by operating activities	188	(78)	110
Cash flow from investing activities			
Increase in group loans owing from subsidiaries*	(1 634)	1 634	–
Drawdowns on group loans receivable*		(3 714)	(3 714)
Receipts from group loans receivable*	–	2 104	2 104
Decrease/(increase) in other investments*	1 242	(1 242)	–
Withdrawals from other investments*	–	1 646	1 646
Deposits into other investments*	–	(350)	(350)
Decrease in investment in subsidiary^	–	251	251
Net cash utilised by investing activities	(392)	329	(63)
Cash flow from financing activities			
Decrease in investment in subsidiary^	251	(251)	–
Issue of shares	73	–	73
Net cash generated by financing activities	324	(251)	73
Net increase in cash and cash equivalents	120	(0)	120
Cash and cash equivalents at the beginning of the year	(57)	–	(57)
Cash and cash equivalents at the end of year	63	(0)	63

* *In the prior year, the cash flow movements relating to other investments and group loans was incorrectly disclosed on a net basis in cash flows from investing activities. As a result, the cash withdrawals from other investments within cash flows from investing activities have been increased to R1 646 million in 2023 and deposits into other investments within cash flows from investing activities have been increased to R350 million.*

The net movement on group loans was incorrectly disclosed in the increase in group loans owing from subsidiaries on a net basis. Drawdowns on group loans receivable increased by R3 714 million and receipts on group loans increased by R2 104 million.

Similarly, the interest received line previously consisted of both cash and non-cash interest income and has been restated to disclose purely cash interest received. The restatement resulted in a decrease of R78 million, consisting of non-cash interest accrued from group loans of R24 million and non-cash interest accrued from money market funds of R54 million, which also had an impact on the cash flows that were incorrectly disclosed in "Cash flows from investing activities" (please refer to the earlier section of this footnote).

^ *The cash flows associated with investment in subsidiary of R251 million in 2023 was incorrectly disclosed as a cash inflow in 'net cash generated by financing activities' whereas it should have been disclosed under 'net cash utilised by investing activities'.*

Notes to the company financial statements continued
for the year ended 30 September

	2024 Rm	2023 Restated* Rm
10 Net finance (expense)/income		
Finance income is earned from:		
Cash and cash equivalents*	**13**	13
Money market investments*	**10**	54
Group loans	**80**	81
Total finance income	**103**	148
Interest expenses are paid on:		
Bank charges^	**(3)**	(10)
Group loans	**(44)**	(49)
Senior debt	**(81)**	(138)
Total finance expense	**(128)**	(197)
Finance income	**103**	148
Finance expense	**(128)**	(197)
Net finance (expense)/income	**(25)**	(49)

* *In the prior year, finance income from the money market investments were included in the cash and cash equivalents line. This has now been split out to show the finance income separately.*

^ *The line was previously disclosed as "Bank overdrafts", however in FY24 the description was updated to "Bank charges" in order to disclose the nature of the interest expense incurred.*

11 Revenue recognition

Product and service	Nature, timing of satisfaction of performance obligations
Fee income	The identified performance obligation is the ongoing service provided to the subsidiaries. Revenue is recognised over time as the subsidiary receives and consumes all the benefits provided. Services include support relating to governance, compliance and legal advice.
Dividends income	The company earns dividends from investments in subsidiaries. Dividends income is recognised when the shareholders rights to receive payment has been established.

	2024 Rm	2023 Restated* Rm
Revenue		
Revenue comprises:		
Preference shares dividends received^	**6**	24
Dividends received – subsidiaries*	**2 952**	477
Management fee income	**39**	54
Other income	**–**	2
Total revenue	**2 997**	557

* *The dividends received number was incorrectly disclosed as R447 million and has been restated to R477 million. This was due to a typing error in the prior year and has been restated. There is no impact on the total revenue disclosed above, in the statement of comprehensive income or in the cash flow from operating activities.*

^ *The preference share dividends received relates to dividends received from Nutun Business Services South Africa Proprietary Limited.*

	2024 Rm	2023 Restated* Rm
12 Operating costs		
Operating costs comprise:		
Audit fees**	**(5)**	(2)
Bank charges	**(1)**	–
Consulting fees	**(8)**	(2)
Intergroup management fees*	**(18)**	(18)
Non-executive directors' fees	**(9)**	(10)
Professional fees – legal	**(9)**	(2)
Other operating costs	**(6)**	(5)
Total operating costs	**(56)**	(39)

* *Management fees paid to group companies are based on certain costs and services incurred by subsidiary companies on behalf of the company.*

** *No non-audit fees are included in the audit fees number.*

Notes to the company financial statements continued

for the year ended 30 September

		2024 Rm	2023 Rm
13	**Income tax expense**		
	South African normal taxation:		
	Current taxation	–	5
	Current year	(1)	5
	Prior years	1	–
	Deferred taxation	–	3
	Current year	–	3
	Total income tax expense	**–**	**8**
	Tax rate reconciliation		
	South African tax rate	27.00%	27.00%
	Tax effects of:		
	Income not subject to tax*	(29.5%)	5.27%
	Expenses not deductible for tax purposes**	2.51%	(32.54%)
	Prior year taxes	(0.0%)	(0.04%)
	Effective tax rate	**0.0%**	**(0.31%)**

* *Income not subject to tax consists of dividends received and ECL impairment reversals.*

** *Expenses not deductible for tax purposes consists of: expected credit loss allowance on intercompany loan, impairment of investments and other expenses related to funding costs, expenses not incurred in the production of taxable income, interest and penalties.*

		2024 Rm	2023 Rm
14	**Cash generated by operations**		
	Profit/(loss) before taxation from continuing operations:	2 407	(2 564)
	Adjusted for:		
	Interest received	(103)	(148)
	Interest paid	128	197
	Loss on disposal of subsidiary	144	–
	Other non-cash flow movements	–	(2)
	Impairment on investment	284	804
	Provision for ECL	18	–
	Impairment loss on intercompany loan	63	2 229
	Dividends received	(2 957)	(501)
	Cash (utilised in)/generated by operations	**(16)**	**15**
15	**Income taxes paid**		
	Amounts receivable/(payable) at the beginning of the year	–	2
	Charged in statement of comprehensive income	–	(5)
	Deferred taxation charge in the income statement	–	(3)
	Prior year deferred tax	–	3
	Income taxes paid	**–**	**(3)**
16	**Dividends paid**		
	Dividends paid to ordinary equity holders of the parent*	–	(283)
	Total dividends paid	**–**	**(283)**

In the context of the headline and basic losses for the year for the group, and to preserve liquidity, the board resolved not to declare any dividend for the 2024 financial year .In the context of the headline and basic losses for the year for the group, and to preserve liquidity, the board resolved not to declare any dividend for the 2024 financial year (2023: No dividend declared relating to FY 23 profits). Dividends paid in FY 23 was declared during November 2022.

Unbundling dividend

* On 15 April 2024, the group distributed its interest in WeBuyCars Holdings (Pty) Ltd to its ordinary shareholders by way of a distribution in specie amounting to R5 229 million (refer to note 4).

Notes to the company financial statements continued
for the year ended 30 September

	2024 Rm	2023 Rm
17 Related parties		
17.1 Subsidiaries		
Details of share ownership and loan balance are disclosed in note 18, dividends paid in note 16 and dividends received in note 11.		
Loans from subsidiary		
Nutun Investment Limited	**184**	458
The loan bears interest at a rate of 3 month JIBAR + 3.89% and is repayable to Nutun Investment Limited at the earlier of 15 February 2027 or on demand.		
The following income was received from subsidiaries:		
Interest received/(paid)		
SA Taxi Holdings	**–**	45
TC Treasury Proprietary Limited	**72**	23
TC TCMH GOMO Loan	**–**	13
Gomo Vehicle Solutions Proprietary Limited	**8**	–
TransCapital Investment Limited	**(44)**	(49)
Fees received from subsidiaries:		
SA Taxi Holdings Proprietary Limited	**–**	16
TC Corporate Support Proprietary Limited	**39**	40
Fees paid to subsidiaries:		
TC Corporate Support Proprietary Limited	**(18)**	(18)

Notes to the company financial statements continued
for the year ended 30 September

	Nature of business and status	Effective percentage held^ 2024 %	Effective percentage held^ 2023 %	Investment at carrying value 2024 Rm	Investment at carrying value 2023 Rm	Net loans at carrying value 2024 Rm	Net loans at carrying value 2023 Rm
18 Subsidiaries and associates							
18.1 Transaction Capital Limited	H/T						
Mobalyz Group Holdings (Pty) Ltd (previously known as “Transaction Capital Holdings Proprietary Limited”).	*/^	**35.5**	100	**–**	–	**–**	–
SA Taxi							
SA Taxi Holdings Proprietary Limited***	*/H/T	**27**	74.5	**–**	16	**–**	–
Taximart Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gobid Proprietary Limited	T	**40**	40	**–**	–	**–**	–
Black Elite Benefits Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Taxi Wifi Proprietary Limited	D	**40**	40	**–**	–	**–**	–
SA Taxi Securitisation (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
SA Taxi Finance Solutions (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
SA Taxi Development Finance Proprietary Limited	T	**100**	100	**–**	–	**–**	–
SA Taxi Impact Fund (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
Mobalyz Risk Services Proprietary Limited (previously SA Taxi Protect)	T	**100**	100	**–**	–	**–**	–
Bompas Collections Proprietary Limited	D	**100**	100	**–**	–	**–**	–
SA Taxi Finance Insurance Brokers Proprietary Limited	D	**100**	100	**–**	–	**–**	–
Gomo Finance Solutions Proprietary Limited (previously SA Forklifts)	D	**100**	100	**–**	–	**–**	–
Potpale Investments (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
SA Taxi Rewards Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
Mobiflow Proprietary Limited (previously Transsec 2 (RF))	#/T	**100**	100	**–**	–	**–**	–
Transsec 6 (RF) Ltd (previously Transsec 3 (RF) Limited)	#/T	**100**	100	**–**	–	**–**	–
Transsec 4 (RF) Limited	#/T	**100**	100	**–**	–	**–**	–
Keywood 2 (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
Zebra Cabs Proprietary Limited	^	**100**	100	**–**	–	**–**	–
Transflow (RF) Proprietary Limited	#/T	**100**	100	**–**	–	**–**	–
SA Taxi Rentals Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Keywood (RF) Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gomo Vehicle Solutions Holdings Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gomo Vehicle Solutions Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gomo Vehicle Telematics Solutions Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gomo Collections Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Gomo Finance Solutions Proprietary Limited (previously SA Forklifts)	D	**100**	100	**–**	–	**–**	–
RC VAS Holdings Proprietary Limited	*/H	**100**	100	**–**	160	**–**	–
RC Value Added Services Proprietary Limited	T	**81**	81	**–**	–	**–**	–
RC VAS Direct Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Nutun							
Nutun Holdings Proprietary Limited	*/H	**100**	100	**1 188**	1 021	**–**	–
Nutun Proprietary Limited	H	**100**	100	**–**	–	**–**	–
Nutun Corporate Ventures Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Nutun CX Proprietary Limited	T	**100**	75	**–**	–	**–**	–
Nutun Business Services South Africa Proprietary Limited	T	**83**	83	**–**	–	**–**	–
Nutun Transact Proprietary Limited (Namibia)	T	**100**	100	**–**	–	**–**	–
Nutun Transact Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Net1 Fihrst Holdings Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Transact Technologies Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Accsys Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Transaction Capital Business Solutions Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Dubrovnik Properties Proprietary Limited:	D	**100**	100	**–**	–	**–**	–
MBD Legal Collections Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Origin Eight Financial Services Proprietary Limited	D	**100**	100	**–**	–	**–**	–
Nutun Business Services Proprietary Limited (Botswana)	T	**100**	100	**–**	–	**–**	–
Exovic Investments Proprietary Limited	D	**100**	100	**–**	–	**–**	–
Collection and Financial Services Proprietary Limited	D	**100**	100	**–**	–	**–**	–
Generow Investments Proprietary Limited	H	**100**	100	**–**	–	**–**	–
Nutun Credit Health Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Nutun International Proprietary Limited	H/T	**100**	100	**–**	–	**–**	–

Notes to the company financial statements continued
for the year ended 30 September

	Nature of business and status	Effective percentage held^		Investment at carrying value		Net Loans at carrying value	
		2024 %	2023 %	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
18 Subsidiaries and associates continued							
18.1 Transaction Capital Limited continued							
Nutun continued							
Nutun Wellness Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Tyco Holdings Limited (Malta)	H	**100**	100	**–**	–	**–**	–
Integer Mortgage SPV 2 (Pty) Ltd	T	**100**	100				
Tyco Investments Limited (Malta)	T	**100**	100	**–**	–	**–**	–
Nutun UK Limited (previously known as Synergy Outsourcing Limited (UK))	T	**100**	75	**–**	–	**–**	–
Nutun Investments International (Mauritius)	H	**100**	100	**–**	–	**–**	–
Nutun Global Sales	H	**100**	100				
Nutun Australia Holdings Proprietary Limited	H	**–**	100	**–**	–	**–**	–
Nutun Services Proprietary Limited	T	**–**	100	**–**	–	**–**	–
Revive Financial Group Proprietary Limited (Australia)	T	**–**	25	**–**	–	**–**	–
Recoveries Corporation Holdings Proprietary Limited	T	**–**	100	**–**	–	**–**	–
Transaction Capital Finance Australia Proprietary Limited	T	**–**	100	**–**	–	**–**	–
Zurich Capital & Finance Proprietary Limited	T	**–**	100	**–**	–	**–**	–
Mason Black Lawyers Proprietary Limited (Australia)	T	**–**	100	**–**	–	**–**	–
RCL Law Proprietary Limited (Australia)	T	**–**	100	**–**	–	**–**	–
Recoveries Corporation Proprietary Limited (Australia)	T	**–**	100	**–**	–	**–**	–
RCL Services PTE Limited (Fiji)	T	**–**	100	**–**	–	**–**	–
Advanced Collections Systems Proprietary Limited (Australia)	T	**–**	100	**–**	–	**–**	–
Prushka Fast Debt Recovery Pty Ltd	T	**–**	100	**–**	–	**–**	–
Recoveries Corporation New Zealand Limited	T	**–**	100	**–**	–	**–**	–
Nutun Australia Holdings 2 Proprietary Limited (Australia)	H	**–**	100	**–**	–	**–**	–
TC Global Finance Limited (Guernsey)	T	**50**	50	**–**	–	**–**	–
TC Global Finance UK Limited	T	**100**	100	**–**	–	**–**	–
Arnika Universal Limited (Guersney)	T	**100**	100	**–**	–	**–**	–
TC Global Finance JV Holdings Limited (Guernsey)	T	**100**	100	**–**	–	**–**	–
TC Global Finance Originations Limited (Guernsey)	T	**100**	100	**–**	–	**–**	–
TC Global Finance Equities Limited (Guernsey)	T	**100**	100	**–**	–	**–**	–
Nutun Management Services Proprietary Limited	T	**100**	100	**–**	–	**–**	–
Transaction Capital Motor HoldCo							
Transaction Capital Motor HoldCo Proprietary Limited	*/T	**100**	99	**–**	3 075	**–**	125
WBC Holdings Proprietary Limited	*/H	**–**	74.9	**–**	18	**–**	–
We Buy Cars (Namibia) Proprietary Limited	T	**–**	100.0	**–**	–	**–**	–
We Buy Cars AME Holdings DMCC	T	**–**	95.0	**–**	–	**–**	–
We Buy Cars Morocco	T	**–**	100	**–**	–	**–**	–
We Buy Cars Proprietary Limited	T	**–**	100	**–**	–	**–**	–
WBC Investments Proprietary Limited	T	**–**	100	**–**	–	**–**	–
WBC Properties Proprietary Limited	T	**–**	100	**–**	–	**–**	–
Agile bridge Proprietary Limited	T	**–**	20	**–**	–	**–**	–

Notes to the company financial statements continued
for the year ended 30 September

	Nature of business and status	Effective percentage held^		Investment at carrying value		Net Loans at carrying value	
		2024 %	2023 %	**2024 Rm**	2023 Rm	**2024 Rm**	2023 Rm
18 Subsidiaries and associates continued							
18.1 Transaction Capital Limited continued							
Group Executive Office							
TC Corporate Support Proprietary Limited	*/T	**100**	100	**17**	33	**207**	1 306
TC Treasury Proprietary Limited	*/T	**100**	100	**<1**	<1	**–**	–
Nutun Investments Limited (previously known as "TransCapital Investments Limited").	*/T	**100**	100	**<1**	<1	**(175)**	(451)
Red Sky Finance Proprietary Limited**	^	**100**	100	**<1**	<1	**–**	–
Ellehove Investments Proprietary Limited**	^	**100**	100	**–**	–	**–**	–
TC Corporate Ventures Proprietary Limited**	^	**100**	100	**–**	–	**–**	–
TC Corporate Ventures GP Proprietary Limited**	^	**100**	100	**–**	–	**–**	–
Zephyr Finance Proprietary Limited	D	**100**	100	**–**	–	**–**	14
Total				**1 205**	4 323	**32**	994

^ *Effective percentage held by immediate parent*
* *Directly held*
\# *Consolidated special purpose entity*
H *Holding company*
T *Trading company*
D *Dormant company*
** *Entity has been deregistered in the current year*
Note 1: Interest is accrued daily and payable quarterly.
Note 2: Includes a loan payable of R184m and a loan receivable of R9m. Interest on the loan payable is accrued daily and payable quarterly.

18.2 Investments in subsidiary and group loans reconciliation

	2024 Rm	2023 Rm
Investments in subsidiaries	**1 205**	4 323
Investments at cost	**1 489**	5 127
Impairments	**(284)**	(804)
Group loan receivable*	**216**	1 452
Loans receivable	**297**	3 681
ECL provision	**(18)**	–
Impairments	**(63)**	(2 229)
Loans payable	**(184)**	(458)
Net loan receivable	**32**	994

* *The movement in the group loans receivable balance consists of gross cash inflows of R1 023 million and gross cash outflows of R535 million, with the remainder of the movement relating to non-cash interest that has been accrued and other transfers within group loans receivable/payable of R748 million.*

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management

The board is responsible for risk management and the setting of the risk management framework. Oversight of risk management is the audit and risk committee. The committee monitors risks associated with liquidity and funding, interest rates, counterparties, and capital adequacy. The audit and risk committee monitors risks associated with financial reporting, accounting policies, internal control and IT governance. The audit and risk committee is responsible for risk management including setting the risk management framework, setting risk appetite and monitoring the group's management of risk including credit and compliance.

Nutun Investments Limited (previously TransCapital investments Limited) is a special purpose company and the issuer under the Nutun Investments R2 billion note programme. Its sole purpose is to raise funding by the issuance of notes under the programme for general corporate purposes or as may be described in the applicable pricing supplement(s) relating to these notes. Nutun Investments Limited is a 100% held subsidiary of Transaction Capital Limited and Transaction Capital Limited is the sole guarantor for the external debt held by Nutun Investments and therefore a financial guarantee liability had to be recognised at a Transaction Capital Limited level. The fair value of the financial guarantee liability was however determined to be Rnil since the company's maximum exposure is already included within the group loan payable to Nutun Investments.

19.1 Credit risk

Credit risk is the risk of loss arising from the failure of a client or counterparty to discharge an obligation to the company. The primary credit risk that the company is exposed to arises from the loan to subsidiary companies. The measurement of the ECL relating to this loan is discussed in the section below.

The company limits its counterparty exposure arising from cash balances by dealing only with well established financial institutions of high credit standing. Deposits are limited to the big five banks within South Africa and the financial guarantee provided to Nutun Investments amounting to R184 million (2023: R458 million), the maximum exposure to the financial guarantee is included within the group loans payable to Nutun Investments amounting to R184 million and the financial guarantee has been determined to have a negligible fair value and is therefore not separately disclosed on the face of the Statement of Financial Position. Refer to the group set for the credit ratings of the applicable banks.

Measurement of expected credit losses (ECL)

The company measures ECL of a financial instrument in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum period considered when measuring ECL is the maximum contractual period (including extension options) over which the company is exposed to credit risk, and not a longer period, even if that period is consistent with business practice. For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate.

The measurement of the ECL is a function of the probability of default, the loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and the loss given default is based on historical data adjusted by forward-looking information. In the prior year, the company has assessed the probability of default. The probability of default with reference to the financial position of SA Taxi Holdings. The company's assessment of the loss given default is based on a calculated expected recovery rate, determined by comparing the holding company's contractual debt cash outflows relative to its total assets. The exposure at default is represented by the financial asset's gross carrying amount at the reporting date.

Expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets.

- Stage 1 assets are considered performing. Credit risk has not increased significantly since initial recognition.
- Stage 2 assets are considered underperforming as credit risk has increased significantly since initial recognition but are not credit impaired.
- Stage 3 assets are considered as nonperforming and credit impaired.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the company compares the risk of default occurring on the financial instrument at reporting date with the risk of default at the date of initial recognition. In making this assessment, the company considers both qualitative and quantitative information which is reasonable and supportable.

In the prior year there has been a significant increase in credit risk related to the group loan receivable from SA Taxi Holdings. As a result, the loan was classified as Stage 3 and it was credit impaired. The company compared the risk of default occurring on the receivable as at the reporting date with the risk of default as at the date of the initial recognition which indicated a significant increase in credit risk. In addition, the company considered the following information:

- There have been significant adverse changes in business and economic conditions for SA Taxi Holdings which is expected to cause a significant change to their ability to settle the loan.
- There have been significant changes in the operating results of SA Taxi Holdings which have an impact on their ability to settle the loan.

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.1 Credit risk continued

The loan receivable from Transaction Capital Corporate Support (Pty) Ltd (TCCS) has no fixed repayment terms and is repayable on demand. The ECL has been calculated assuming a projected 5-year rundown balance, due to the nature of TCCS and its lack of assets to project a reasonable rundown balance. The ECL was calculated using a lifetime ECL with the following key assumptions:

- Probability of Default (PD): The credit rating of B+ for the Transaction Capital Limited group was applied to the loan as it is intrinsically linked to Transaction Capital Limited (TCL).
- A forward looking adjustment was applied to the credit risk profile of TCCS given forward-looking economic strain, by considering the statistical link between historic industry specific GDP, country level inflation and associated corporate default rates, and then incorporating that into the industry specific GDP and country specific inflation determined.
- Loss given default (LGD): The Basel senior unsecured LGD of 45% for financial corporates was used as a base, adjusted for the lack of assets in TCCS, and therefore a LGD of 75% has been applied.
- Exposure at default (EAD): The exposure at default for the loan is the projected future cash flows based on the assumed terms of the loan (i.e. Assumption that the capital will be repaid in 5 years).

19.1.1 Financial assets subject to risk

	Group loans* Rm	Trade and other receivables** Rm	Cash and cash equivalents*** Rm	Total Rm
2024				
Stage 3	**297**	**4**	**1**	**302**
Impairment allowance	**(81)**	**–**	**–**	**(81)**
Non-performing group loans	**(81)**	**–**	**–**	**(81)**
Carrying value of financial assets	**216**	**4**	**1**	**221**
2023				
Stage 1	1 452	2	63	1 517
Stage 3	2 229	–	–	2 229
Impairment allowance	(2 229)	–	–	(2 229)
Non-performing group loan	(2 229)	–	–	(2 229)
Carrying value of financial assets	1 452	2	63	1 517

* *Group loans relating to Zephyr, Transaction Capital Treasury and Transaction Capital Corporate Support have been credit impaired (R216 million) in the current year and SA Taxi (R2 229 million) in the prior year.*

** *Prepayments and VAT receivables are not financial assets and therefore have been excluded from trade and other receivables.*

*** *The credit risk note has been restated to include cash and cash equivalents in the financial assets subject to risk table.*

19.2 Interest rate risk

Interest rate risk is the risk of loss arising from changes in the fair value or future cash flows of a financial instrument as a result of movement in market interest rates.

The group is exposed to interest rate risk associated with the effects of fluctuations in the prevailing levels of market rates on future cash flows of a financial instrument and the fair value of the financial instrument based on changes in market interest rates.

19.2.1 Risk profile of financial assets and liabilities

The table below summarises the net exposure of the group to interest rate risk through grouping assets and liabilities that are affected by floating rates.

	Floating rate liabilities Rm	Floating rate assets Rm	Net floating rate assets Rm
2024	**184**	**499**	**315**
Total	**184**	**499**	**315**
2023	1 559	1 534	(25)
Total	1 559	1 534	(25)

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.2 Interest rate risk continued

19.2.2 Weighted average interest rates

The table below summarises the weighted interest rate of bank balances and borrowings.

	2024		2023	
	Bank balances %	Borrowings %	Bank balances %	Borrowings %
Total	**8.2**	**14.7**	6.0	12.6

19.2.3 Interest rate sensitivity analysis

The group's exposure to interest rate risks is set out below:

	Effect on profit before tax of 1% change in rates Rm	Total carrying value of assets and liabilities Rm
30 September 2024		
Assets		
Other investments	**3**	**264**
Cash and cash equivalents	**0**	**1**
Group loans	**2**	**234**
Total	**5**	**499**
Liabilities		
Group loans	**(2)**	**(184)**
Total	**(2)**	**(184)**
Net exposure	**3**	**315**
30 September 2023		
Assets		
Other investments	–	19
Cash and cash equivalents	1	63
Group loans	15	1 452
Total	16	1 534
Liabilities		
Interest-bearing liabilities	(11)	(1 101)
Floating rate liabilities	(11)	(1 101)
Group loans*	(5)	(458)
Bank overdrafts		
Total	(16)	(1 559)
Net exposure	–	(25)

* *Interest free loans have been excluded from group loans balance.*

The company uses a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous change in market interest rates. The sensitivity analysis is prepared based on financial instruments that are recognised at the end of the reporting period. This is the case even where those exposures did not exist for the entire period or where the exposure changed materially during the period. The company is mainly exposed to fluctuations in the following market interest rates: prime and JIBAR rates. The sensitivity that is applied is the amount that could reasonably be expected to occur, and has been determined as 1% (100 basis points) up or down. The effect of a 1% change in interest rates is shown above. As the group has no control over rate movements, it cannot predict the effect of future rate movements, if any.

Amounts less than R500 000 are reflected as a "<1".

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.3 Liquidity risk management

Liquidity risk is the risk that the group is unable to meet payment obligations when they fall due or that insufficient funds are available to meet loan demands in the ordinary course of business. The group's objectives in relation to liquidity risk are to manage the contractual mismatch between cash inflows from assets and cash outflows to settle liabilities, to fund the expected balance sheet growth, to honour all cash outflow commitments, to avoid raising funds at market premiums or through the forced sale of assets as a result of liquidity pressure and to take advantage of attractive but unanticipated borrowing opportunities.

The monitoring and reporting of liquidity risk takes the form of, as a minimum, cash flow projections to settlement of longest dated funding obligations by subsidiary or securitisation vehicle, an analysis of the group's borrowing facilities and utilisation thereof, borrowing facilities under discussion, maturity profile and concentration of liability by counterparty, asset maturities and borrowing facility obligations and special conditions.

The group's capital markets (CM) team is responsible for executing on fund raising mandates given to it by subsidiaries in support of the respective business models. This includes the ongoing assessment and evaluation of various funding sources designed to grow and diversify the group's funding base to achieve an optimal funding profile and sound liquidity. The CM team is also responsible for the ongoing monitoring of asset portfolio performance and its obligations to funders, including covenants.

The table below analyses financial liabilities at the balance sheet date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	On demand Rm	Within 1 year Rm	From 1-2 years Rm	From 2-3 years Rm	From 3-4 years Rm	Total Rm
2024						
Liabilities						
Trade and other payables	**4**	**–**	**–**	**–**	**–**	**4**
Group loans	**184**	**–**	**–**	**–**	**–**	**184**
Financial guarantee*	**184**	**–**	**–**	**–**	**–**	**184**
Financial liabilities	**372**	**–**	**–**	**–**	**–**	**372**
Total liabilities	**372**	**–**	**–**	**–**	**–**	**372**
2023 Restated*						
Liabilities						
Bank overdrafts	–	–	–	–	–	–
Trade and other payables	9	–	–	–	–	9
Group loans**	458	–	–	–	–	458
Financial guarantee*^	458	–	–	–	–	458
Interest-bearing liabilities	–	1 281	–	–	–	1 281
Financial liabilities	925	1 281	–	–	–	2 206
Total liabilities	925	1 281	–	–	–	2 206

* *For financial reporting purposes, upon measurement in accordance with IFRS accounting standards, the financial guarantee liabilities were noted to have immaterial values and were therefore not recorded in the statement of financial position. In line with liquidity risk disclosure requirements, the gross amounts of the financial guarantees issued by the Company have been included in the table in the earliest period it can be called upon.*

** *Group loans have been restated to be included in the 'On demand' maturity as the terms of the underlying loan are repayable on demand. This was previously incorrectly disclosed across maturities within this note.*

^ *The prior year table has been restated to include the financial guarantee line as the condition existed at the end of the year.*

	2024 Rm	2023 Rm
Unsecured bank overdraft facility, reviewed annually and payable on demand:		
Amount used	**–**	–
Amounts unused	**–**	100
Total	**–**	100
Senior Debt		
Amount used*	**–**	1 110
Total	**–**	1 110

* *The amount used excludes the gross commitment fees on these facilities.*

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.4 Fair value disclosure

The following represents the fair values of financial instruments not carried at fair value on the statement of financial position, but for which fair value is required to be disclosed. For all other financial instruments, the carrying value is equal to or a reasonable approximation of the fair value.

	Carrying value 2024 Rm	Total fair value 2024 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Carrying value 2023 Rm	Total fair value 2023 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Liabilities										
Interest-bearing liabilities	–	–	–	–	–	1 101	1 111	–	–	1 111
Floating rate liabilities			–	–	–	1 101	1 111	–	–	1 111
Total	–	–	–	–	–	1 101	1 111	–	–	1 111

Valuation methods and assumptions:

The fair value of interest-bearing liabilities is calculated based on future cash flows, discounted using a forward rate curve plus a valuation margin. The valuation margin is a consensus margin at which deals with similar remaining cash profiles could be secured in the market at the valuation date.

The carrying value of trade and other receivables, cash and cash equivalents, trade and other payables, bank overdrafts and group loan assets and liabilities approximates fair value as they are short-term in nature and not subject to material changes in credit risk and fair value.

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2024				
Financial assets at fair value through profit and loss				
Other investments	–	**264**	–	**264**
Total financial assets	–	**264**	–	**264**
Financial liabilities at fair value through profit and loss				
2023 Restated*				
Financial assets at fair value through profit and loss				
Other investments*	–	19	–	19
Total financial assets	–	19	–	19

* *In prior years, Other investments were incorrectly disclosed as Level 1. This has been restated to Level 2 in the current year mainly due to the fact that the underlying value is a function of market observable inputs (interest rates) rather than quoted prices in active markets.*

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.5 Statement of financial position categories

	At fair value through profit and loss Rm	Financial assets carried at amortised cost Rm	Financial liabilities carried at amortised cost Rm	Non-financial liabilities or non-financial assets Rm	Equity Rm	Total Rm
2024						
Assets						
Cash and cash equivalents	–	1	–	–	–	1
Other Investments	264	–	–	–	–	264
Trade and other receivables	–	9	–	–	–	9
Group loans	–	216	–	–	–	216
Investment in subsidiaries	–	–	–	1 205	–	1 205
Total assets	264	226	–	1 205	–	1 695
Equity and liabilities						
Liabilities						
Trade and other payables	–	–	4	–	–	4
Group loans	–	–	184	–	–	184
Total liabilities	–	–	188	–	–	188
Equity						
Ordinary share capital	–	–	–	–	5 427	5 427
Other reserves	–	–	–	–	27	27
Retained earnings	–	–	–	–	(3 947)	(3 947)
Equity attributable to ordinary equity holders of the parent	–	–	–	–	1 507	1 507
Total equity	–	–	–	–	1 507	1 507
Total equity and liabilities	–	–	188	–	1 507	1 695

Notes to the company financial statements continued
for the year ended 30 September

19 Financial risk management continued

19.5 Statement of financial position categories continued

	At fair value through profit and loss Rm	Financial assets carried at amortised cost Rm	Financial liabilities carried at amortised cost Rm	Non-financial liabilities or financial assets Rm	Equity Rm	Total Rm
2023						
Assets						
Cash and cash equivalents	–	63	–	–	–	63
Other investment	19	–	–	–	–	19
Trade and other receivables	–	2	–	2	–	4
Group loans	–	1 452	–	–	–	1 452
Investment in subsidiaries	–	–	–	4 323	–	4 323
Total assets	19	1 517	–	4 325	–	5 861
Equity and liabilities						
Liabilities						
Trade and other payables	–	–	9	–	–	9
Interest-bearing liabilities	–	–	1 101	–	–	1 101
Group loans	–	–	458	–	–	458
Total liabilities	–	–	1 568	–	–	1 568
Equity						
Ordinary share capital	–	–	–	–	5 280	5 280
Other reserves	–	–	–	–	138	138
Retained earnings	–	–	–	–	(1 125)	(1 125)
Equity attributable to ordinary equity holders of the parent	–	–	–	–	4 293	4 293
Total equity	–	–	–	–	4 293	4 293
Total equity and liabilities	–	–	1 568	–	4 293	5 861

20 Liabilities from financing activities

	Interest bearing liabilities Rm	**Group loans Rm**	**Total Rm**
As at 1 October 2022	1 096	456	1 552
Net financing activities	–	–	–
Interest accrued	138	49	187
Interest paid	(138)	(46)	(184)
Other non-cash movements	5	(1)	4
As at 30 September 2023	**1 101**	**458**	**1 559**
Net financing activities	**(1 105)**	**(273)**	**(1 378)**
Liabilities repaid	**(1 101)**	**(270)**	**(1 375)**
Interest accrued	**81**	**44**	**125**
Interest paid	**(85)**	**(47)**	**(132)**
Other non-cash movements	**4**	**(1)**	**3**
As at 30 September 2024	**–**	**184**	**184**

21 Going concern

The annual financial statements were prepared on a going concern basis. Based on their assessment, the directors have no reason to believe that the company will not continue as a going concern in the foreseeable future. This assessment included an assessment of the relevance of its business models, the nature of the primary assets, the cash-flows generated from these assets as well as the company's balance sheet.

22 Subsequent events

No events which would have a material impact on either the financial position or operating results of the company have taken place between the 30th of September 2024 and the date of release of this report.

Shareholder spread

at 30 September 2024

	Number of shareholders	Number of shares (million)	Number of shares (%)
Non-public			
Directors of Transaction Capital and its subsidiaries and their associates	10	122	16
Sub-total	10	122	16
Public			
Public Investment Corporation	1	70	9
Coronation Fund Managers	1	227	29
Royal Bafokeng Holdings	1	38	5
Aylett & Co	1	61	8
Remaining institutional shareholders	95	192	25
Retail investors	1 278	73	9
Sub-total	1 377	661	84
Total	1 387	783	100

Administration

Share code: **TCP**	ISIN: **ZAE000167391**	JSE Limited sector: **Financial Services**	Listing date: **7 June 2012**
Year end: **30 September**	Company registration number: **2002/031730/06**	Country of incorporation: **South Africa**	

Directors

Executive

Jonathan Jawno (CEO)

Mark Herskovits (CFO/CIO)

Michael Mendelowitz

Independent non-executive

Ian Kirk (chairman)

Suresh Kana (lead independent director)

Albertinah Kekana

Diane Radley

Sharon Wapnick

Roberto Rossi

Company secretary and registered office

Lisa Lill

115 West Street, Sandown, Sandton, Johannesburg, Gauteng, 2196
(PO Box 41888, Craighall, 2024)

JSE sponsor and equity markets broker

Investec Bank Limited

(Registration number 1925/002833/06)

100 Grayston Drive

Sandton, 2196

(PO Box 785700, Sandton, 2146)

Debt sponsor

Merchantec Capital

(Registration number 2008/027362/07)

13th Floor, Illovo Point

68 Melville Road

Illovo Sandton

2196

(PO Box 41480 Craighall, 2024)

Legal advisers

Edward Nathan Sonnenbergs Inc.

(Registration number 2006/018200/21)

The MARC

Tower 1

129 Rivonia Road

Sandton, 2196

(PO Box 783347, Sandton, 2146)

Transfer secretaries

Computershare Investor Services Proprietary Limited

(Registration number 2004/003647/07)

Rosebank Towers

15 Biermann Avenue

Rosebank, 2196

(Private Bag X9000, Saxonwold, 2132)

Independent auditors

PricewaterhouseCoopers Inc

(Practice number 901121)

4 Lisbon Lane

Waterfall City, Jukskei View, 2090

(Private Bag X36, Sunninghill, 2157)

Transaction
Capital