Barloworld

Interim results

For the six months ended
31 March 2024

Well-positioned to deliver stakeholder value by consistently executing on our strategy

One Barloworld

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Our purpose

Inspiring a world of difference, enabling growth and progress in society

Our vision

We create enduring economic and social value for our stakeholders by building businesses that serve industrial customers

Our sustainability commitment

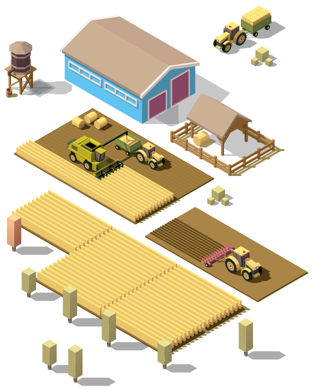
To be a responsible corporate delivering products, services and solutions that generate sustainable outcomes

Industrial Equipment and Services

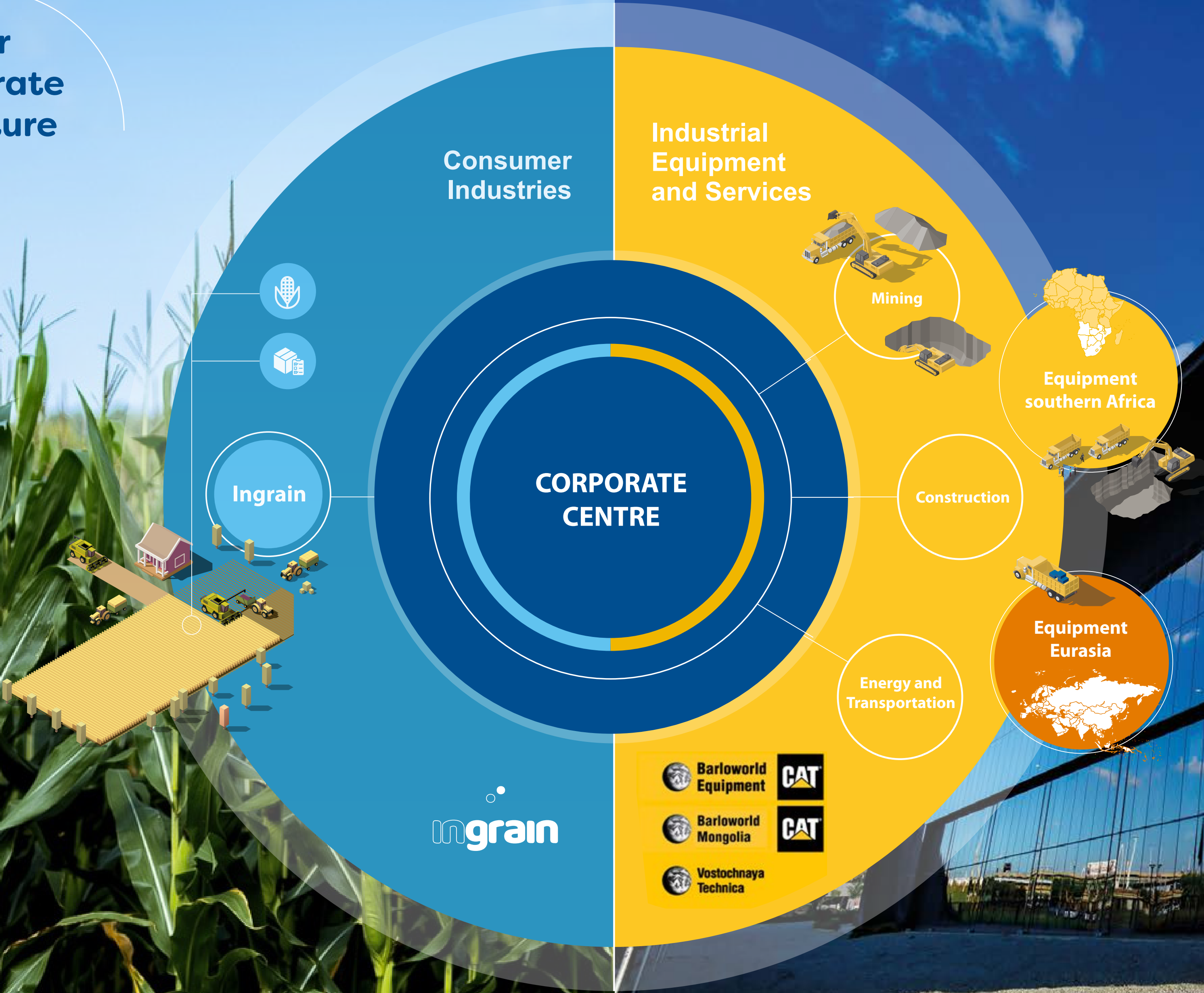
Our Industrial Equipment and Services business offers earthmoving equipment, industrial services and power systems that enable a large array of mining, construction and power solutions for our customers through deep relationships built on trust

Consumer Industries

Through our Consumer Industries business we provide large businesses with the ingredients essential to the manufacturing of, among others, food and beverages, paper, pharmaceuticals, building materials and adhesives



Our corporate structure



Key features of our performance

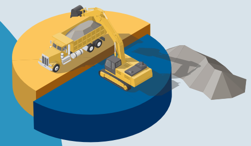
Executing against our strategy

Completed our exit from businesses that are not core to Barloworld's strategy to focus on our two core verticals: Industrial Equipment and Services and Consumer Industries

Strengthening the group's position in its core verticals:

- We continue to deliver on our strategic lever of fixing and optimising our existing business portfolio to ensure we achieve its full potential
- Organic and inorganic growth is being actively considered, in line with our identified strategic growth segments, investment guardrails and capital allocation framework

Our environmental, social and governance (ESG) performance



Environmental

- We continue to reduce our environmental footprint by pursuing our energy, emissions and water efficiency targets
- Additional renewable energy capacity achieved through the installation of solar PV
- First-of-its-kind sustainability funding solutions in our territories. These include an innovative green building loan to facilitate the construction of a new head office in Botswana, which boasts cutting-edge sustainability features and a rebate received which can be used for greening and social initiatives

Social

- We enable social impact through our continued support of the wealth-building enterprise and supplier development programme, Siyakhula; and our social enterprise programme, Barloworld Mbewu
- The Barloworld Mbewu programme was recognised by winning the CSI Legacy Best Corporate Award 2024
- Our continued focus on safety has resulted in a LTIFR of 0.08, a 72% improvement against 1H23
- Despite our safety focus we did not achieve our goal of zero harm. Tragically, the group lost two colleagues due to fatalities at Vostachnaya Technica (VT) and Ingrain in the first three months of 2024

Governance

Our board of directors is committed to maintaining the highest standards of corporate governance. It considers all the elements of the value creation process when steering and setting Barloworld's strategic direction

80% of our directors are independent non-executive directors. Women make up 50% of our board and 70% of our board are black South Africans

"Against a tough macro-economic backdrop characterised by geopolitical tensions and unstable commodity prices, Barloworld has remained agile to these risks with a view to delivering value for all its stakeholders."

Dominic Sewela Group Chief Executive Officer

DOMINIC SEWELA

Group Chief Executive Officer's review

AT A GLANCE

Results are reflective of the diverse macro-economic environments in which the group operates.

The slow down in the southern African portfolio was bolstered by the outperformance of Barloworld Mongolia.

Net Asset Value per share growth driven by debt reduction from operational free cash flow.

Interim dividend of 210 cents per share, up 5% from 1H23

Performance review

The first half of the 2024 financial year was challenging for our businesses in South Africa, whereas our Mongolian business benefited from the tailwinds of that economy.

Our South African operations have had to contend with the macro-economic headwinds presented by a high inflation, high interest rate environment as well as the cost-of-living constraints on Ingrain's ultimate customers. While we had anticipated a slowdown in local mining activity, the effect of South Africa's rail and port bottlenecks and the resultant parking of large equipment by our large mining customers, added additional pressures on the performance of our South African equipment business. It is therefore commendable that against this backdrop, Equipment southern Africa delivered 7% growth in parts revenue to R5.1 billion, mitigating the 25% decline in machine sales.

At Ingrain, lower performance was attributable to the combination of lower export sales volumes, lower demand by domestic consumers and inflationary pressures on operating costs.

The Fix, Optimise and Grow strategy remains relevant as we continue to optimise our existing businesses to ensure that the portfolio reaches its full potential. We are addressing operational inefficiencies through investment in plant maintenance and through the respective business plans. We have endeavoured to do this while keeping true to our environmental, social and governance (ESG) commitments.

It is with great sadness, that we report the loss of two of our colleagues at Vostochnaya Technica (VT) in January 2024 and at Ingrain in March 2024. We extend heartfelt condolences to the families and friends of both our departed colleagues.

Financial performance at a glance

The group's revenue of R19.2 billion decreased by 8% compared to the prior period, driven by a 24% decrease in revenue in VT, a 10% decrease in Equipment southern Africa and a 3% decrease in Ingrain. This decline was, however, offset by a 43% revenue increase in Barloworld Mongolia.

Consequently, the group's EBITDA of R2.5 billion and operating profit from core trading activities of R1.9 billion decreased by 8% and 12%, respectively, when compared to the prior period, while the margins held steady at 12.9% for EBITDA and declined to 9.7% for operating profit (10.1% in FY2023).

As a result, the group headline earning per share (HEPS) from continuing operations declined by 8% (46 cents) from the 578 cents reported in the prior period to 532 cents per share as at 31 March 2024.

Capital allocation remains a key enabler to value creation

The group allocates capital to projects that have yielded returns higher than the cost of capital; thereafter paying down debt and distributing cash to shareholders as part of our ongoing efforts to maximise shareholder value.

In line with our plans, our paying down of debt in the first half of 2024, resulted in a 31% reduction in gross debt or R3.5 billion debt repayment. Net Asset Value per share increased by 9% to 9 111 cents from March 2023 due to an overall reduction in liabilities.

Due to a significant debt repayment in the first half of 2024, our headroom increased to R18.7 billion and the group is assured of availability of resources as and when the need could arise.

Capital allocation remains a key enabler of value creation

Return on invested capital (ROIC), the group's key measure, held steady at 14,3%. This remains higher than the 14% weighted average cost of capital.

In the current period, the board has approved an interim dividend of 210 cps. This is in line with the group's stated dividend policy cover of 2.5 to 3.0 times normalised headline earnings.

A value-creating workforce

Our approach to safety and overall wellness, centres on driving zero harm and integrated well-being across our workforce.

Ongoing and regular awareness programmes further entrench our safety culture. Initiatives focus on preventative measures, including safe operating procedures, risk identification, hazard reporting and mitigation measures. A safety pledge was also rolled out that reiterated employee responsibility for their own and their colleagues' safety and for providing a safe working environment.

Our BBS culture of continuous improvement is rooted in the premise of respect for people, and psychologically safe work environments where people feel empowered to contribute their best efforts and to raise issues as they arise. In addition to supporting our employees with access to mental wellness support services, we have invested in equipping our leaders with the tools of conscious leadership and raising awareness by creating psychologically safe workspaces.

Appreciating that a diverse workforce strengthens our problem solving and decision-making capability, diversity and equality remain a focus area and we strive to have a workforce that is representative of the local communities in which we operate. Our diversity aspirations also extend to socio-economic inclusion within our supply chain. Both elements are targeted in the Gender Linked Bond we issued in FY2022.

Succession planning is a crucial focus for the group. We continue to develop our management and leadership teams through the continued roll-out of leadership and technical development programmes to build current and future capabilities.

SEED Programme launched its second cohort in February 2024 comprising

45 leaders

Last year, Barloworld launched the SEED (Sustainable Evolution Executive Development) Programme in partnership with the University of Pretoria's Gordon Institute of Business Science. The programme forms a crucial part of the One Barloworld Leadership Journey that aims to equip leaders across the group with the knowledge and tools to address the evolving paradigms of sustainability, ethics and wellness. In February 2024, the programme welcomed 45 leaders as part of its second cohort.

We continue to raise the awareness and interest of young people in the mechanical/technical field. Barloworld offers a myriad of vocational training opportunities to young people as a means for them to acquire hands-on work experience and ultimately future employment opportunities.

As part of the ongoing investment in our internal capabilities, Equipment Eurasia launched an apprenticeship programme in Mongolia, with 26 young people forming part of the first cohort. Equipment southern Africa currently has 135 apprentices in the pipeline at various stages of their training, with an additional 100 new intakes scheduled to commence in July 2024. Ingrain has 31 apprenticeships/ learnerships in training. In the current financial year, the group has awarded 12 bursaries, which enable the bursars to study chemical, electrical and mechanical engineering, data science, finance, agriculture, and mechatronics.

Enabling growth and progress in society

Through our active role in society, we enable growth and progress in the communities in which we operate.

Stakeholder management processes continue to enable the identification of key stakeholder groups and facilitate engagement on material stakeholder issues.

The group's collective social impact programmes include our corporate social investment (CSI); the social entrepreneurship fund, Barloworld Mbewu; and our Enterprise and Supplier Development (ESD) vehicle, Siyakhula.

Our CSI focus areas remain in education, food security and youth skills development.

During the period, Barloworld Mbewu, our social enterprise fund, received the prestigious CSI Legacy Best Corporate Award 2024 for innovation. The CSI Legacy Awards recognise South African and African companies that have excelled in terms of their social and economic development success in the last fiscal year. Such recognition is a testament to the success of Barloworld Mbewu.

Siyakhula, our ESD programme, supports 66 beneficiaries, that collectively sustained a total of 1 972 jobs.

We continue to advance socio-economic inclusion by procuring goods and services from these internally cultivated suppliers.

Barlow Park Development Phase 1 residential tenants have taken occupancy with the retail component successfully launched in February 2024

Access to adequate, safe and affordable housing

Barlow Park delivers on our strategy to create enduring economic and social value for our stakeholders by providing an inclusive, safe, resilient and sustainable urban environment for middle and lower income residents of Sandton in Johannesburg.

Since the inception phase of the development in 2017, the initial plan provided for a mixed-use development of at least 130 000m^2 focused on commercial office space as the primary use with retail, a gym and hotel as secondary use, and a large portion of land earmarked for low density residential apartments. The residential units are available for rental and are not developed for sale. Phase 1 offers 750 rental apartments, and to date approximately 300 units have been occupied since its launch in January 2024.

The school is also fully operational and has commenced with its high school offering. The retail component was also successfully launched in February 2024.

Environmental stewardship

Environmental responsibility and related practices are a prerequisite for creating sustainable value, enhancing trustworthiness and building credibility with our stakeholders.

Our holistic approach to environmental management enables us to actively engage and address matters impacting our business and our stakeholders. This is achieved through our sound and sustainable business practices.

The group continues to progress against its efficiency improvement targets by continuing to focus on the efficiency of our use of fossil fuel-based energy, and the consequent greenhouse gas emissions and water withdrawals. As of March 2024, our non-renewable energy consumption, greenhouse gas emissions (scope 1 and 2) and water withdrawals (municipal and borehole sources) have improved by 4%, 2% and 3%, respectively, against a business-as-usual scenario.

In pursuit of efficiency targets, several initiatives have been implemented and several more are being assessed for feasibility.

An example is our increased renewable energy capacity - as at March 2024 our Industrial Equipment and Services division had installed a total Solar PV capacity of some 2 900 kW (peak), of which approximately 800 kW (peak) was installed during 1H24. Another is leveraging an innovative Green building loan, a first of its kind for the major bank involved, for the construction of a new Head office in Botswana, that incorporates cutting-edge sustainability features in its design and construction.
In another first of its kind, a grant was received for the Barlow Park development.

This substantial rebate can be utilised for greening and social initiatives, including renewable energy, water and energy efficiency initiatives.

Industrial Equipment and Service's component rebuild and remanufacture offerings continue to contribute to the circular economy by extending machine life. Such practices reduce waste, use less energy, water, and emissions, versus the manufacturing process of a new product. Other benefits include local employment, training and development for the artisans working on the rebuilding and remanufacturing of machines.

Outlook

We are a business focused on creating a sustainable future and continue to prioritise creating and delivering value to all our stakeholders. Notwithstanding the expected headwinds presented by the local macro-economic environment, we continue to firmly pull on the strategic levers that are within our control.

We expect the current challenging macro-economic environment to linger for the remainder of the 2024 financial year with some potential easing in 2025.

The rand continues to face several headwinds, including geopolitical tensions, local elections, as well as investor concerns about the economic growth and fiscal sustainability of the country.

Tailwinds include the improvement in global consumer and business sentiment, largely driven by expectations of lower inflation and consequently interest rate cuts later in the year.

However, there is still the risk of geopolitical conflict-driven disruptions to the energy markets and global trade patterns, resulting in protracted global inflationary pressures.

Assuming no further surges in geopolitical tensions, the World Bank expects overall global commodity prices to soften in 2024 and 2025, albeit above pre-pandemic levels.

The mining sector is expected to be constrained with recovery expected late 2025 and onwards. The energy sector, however, remains buoyant as demand for renewable energy solutions persists.

The 2024 South African national elections are set to be the most unpredictable since 1994, as the outcomes could result in possible policy changes, and are likely to affect the efficiency of governance of the country. This presents a precarious environment for investors and the economy overall. We expect to see investment activity pick-up post the May 29th elections.

Notwithstanding the expected headwinds presented by the local macro-economic environment, we continue to keep our focus on the levers that we can control with agility and discipline in response to market changes as they present both challenges and opportunities.

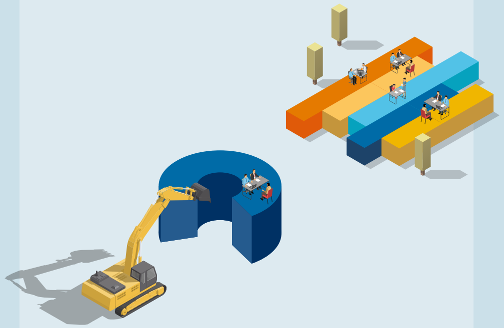
We expect activity in Mongolia to remain elevated for the remainder of the 2024 financial year and well into 2025. We are mindful that the current levels of activity are cyclical and stimulated by the post-Covid reopening of China's borders, as well as the Mongolian government's intensified investment in infrastructure.

We expect VT to remain self-funding as we continue to monitor activity in that territory.

Our strategy

Our strategy, based on a clear ambition and outcome, is to sustainably double the group's intrinsic value every four years, which means that we need to be forward-looking in how we approach our business.

The group is actively pivoting its portfolio towards defensive, relatively asset light and cash generative industrial sectors, based on a business-to-business operating model.



Our ambition

Sustainably double the intrinsic value created every four years

Deliver top quartile shareholder returns	Drive profitable growth	Instil a high-performance culture

Sustainable development

Strategic levers

As we strengthen our position in our chosen verticals, our strategic focus will remain on:

A Fix and optimise

We continued to deliver on our strategic lever of fixing and optimising our existing business portfolio to ensure we extract its full potential.

Our focus will remain on reviewing areas of the business with low operating performance and implementing the various disposal and corporate actions intended to simplify the group's portfolio.

B Active shareholder operating model

The role of our Corporate Centre remains one of an active shareholder operating model. This is a key component of our *managing for value model* and focuses on:

- setting strategy and driving transactions through a centralised mergers and acquisitions (M&A) function.
- a centralised management team and the deployment of leadership and talent to the best suited opportunities within the group.
- monitoring, measuring and rewarding performance that contributes to the achievement of the group's strategic priorities.
- allocating organisational resources to support performance and deliver on strategy, including responsibly allocating these in terms of our overall strategic objectives and by using Barloworld Business System (BBS).
- responsible corporate citizenship and ethical and effective leadership that ensure socio-economic and environmental outcomes that meet stakeholder expectations.

C Organic and inorganic growth

As we near the completion of our identified portfolio changes, future growth is being actively considered, in line with our identified strategic growth segments, investment guardrails and capital allocation framework.

Group financial review

Headline earnings per share (HEPS) decreased by 46 cents to 532 cents in the current period.

Revenue decreased by 7.7% to R19.2 billion compared to the prior period. This decline in revenue, together with other measures, resulted in a decrease of 7.7% in EBITDA to R2.5 billion and a decrease of 12.0% in operating profit from core trading activities to R1.9 billion, compared to the prior period. Total EBITDA and operating profit margins achieved were 12.9% and 9.7%, respectively, in line with the preceding period of 12.9% and 10.1%.

Group EBITDA and operating profit margins respectively
12.9% AND 9.7%

Group EBITDA
R2.5bn
7.7% ↓

Operating profit from core trading activities
R1.9bn
12.0% ↓

- **EBITDA for Equipment southern Africa** of R1.4 billion declined by 8.5% compared to the prior period, representing an EBITDA margin of 11.6% compared to the prior period margin of 11.4%. Operating profit of R966 million from core trading activities declined by 14.4% compared to the preceding period representing an operating profit margin of 8.2%, which was below the prior period margin of 8.6%. The margin reduction resulted mainly from input cost pressures, ZAR weakness, and softer parts sales margins, while operating expenses were impacted by lower service productivity due to the slowdown in mining activity.

Equipment southern Africa EBITDA
R1.4bn
8.5% ↓

- **EBITDA for Barloworld Mongolia** of R479 million increased by 78.8% compared to the prior period, representing an EBITDA margin of 24.7% which was ahead of prior period margins of 19.8%. Operating profit of R428 million increased by 95.4% compared to the preceding period, representing an operating profit margin of 22.1%, which is well above the prior period margin of 16.2%. The improved margins resulted from positive margin conversion and disciplined cost control.

Barloworld Mongolia EBITDA
R479m
78.8% ↑

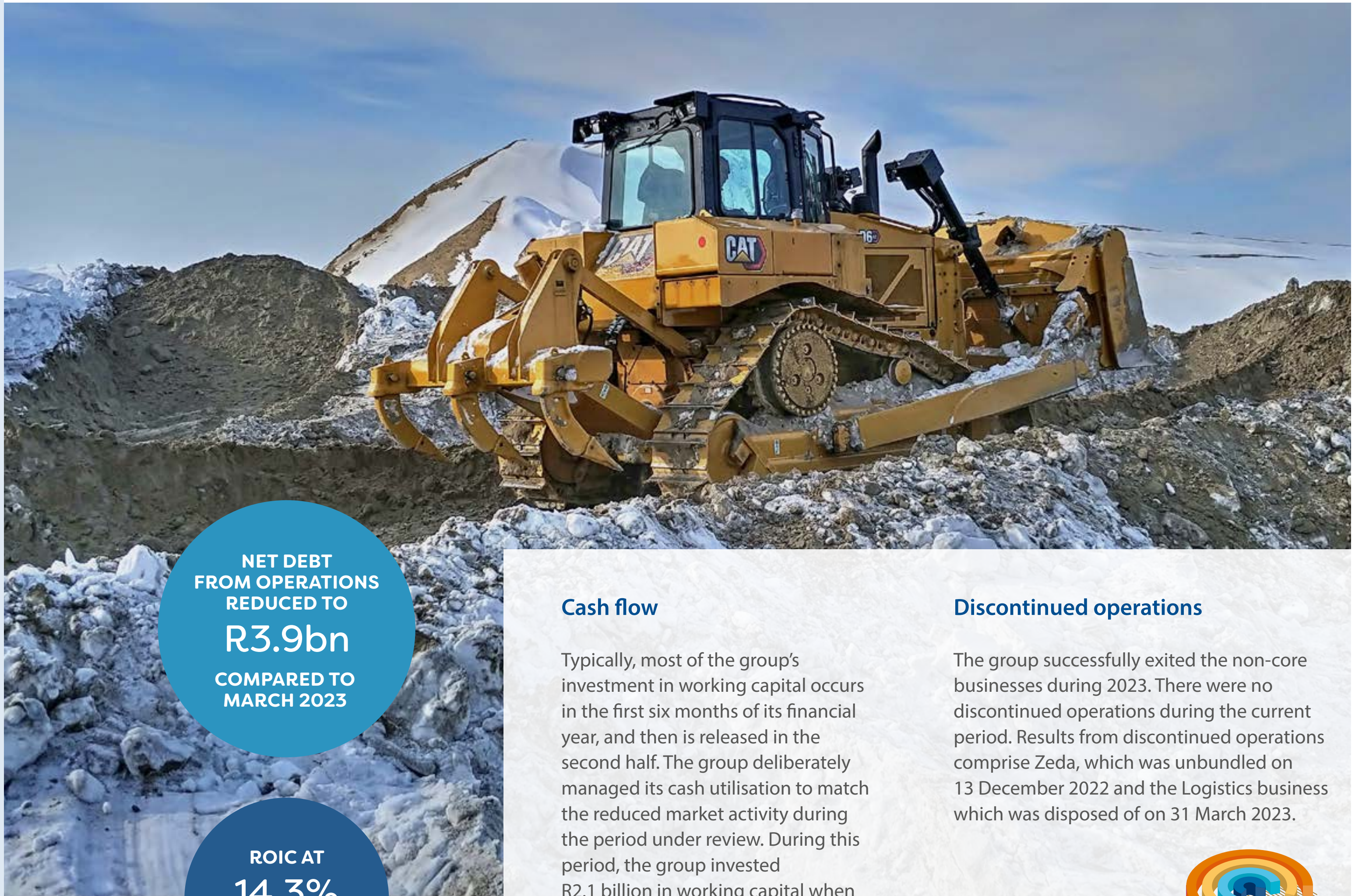
- **Vostochnaya Technica's EBITDA** of R417 million decreased by 16.1% compared to the prior period, representing an EBITDA margin of 21.0%, which is higher than the 19.0% achieved in the prior period. Operating profit of R387 million decreased by 16.8% compared to the prior period, representing a margin of 19.5%, ahead of 17.8% achieved in the prior period, due to increased aftermarket activity revenue mix. The demand for aftermarket products created higher operating profit margins in Vostochnaya Technica.

Vostochnaya Technica EBITDA
R417m
16.1% ↓

- **Ingrain's** EBITDA of R372 million and operating profit of R234 million were below the prior period by 19.6% and 29.5%, respectively. The EBITDA and operating profit margins of 11.7% and 7.3%, respectively, were lower than the preceding period margins of 14.1% and 10.1%, respectively. Lower margins resulted mainly from lower trading activity and fixed overheads outpacing inflation.

Ingrain's EBITDA
R372m
19.6% ↓

- **Finance costs** of R820 million increased by 13.4% compared to the prior period, driven by higher interest rates and higher average interest-bearing trade payables (floor plans) compared to the prior period. Average net debt decreased in the current period mainly because of a decline in working capital.
- **The effective tax rate (ETR)** of 23.9% (March 2023 35.9%) was largely impacted by migration of the Equipment businesses from the United Kingdom to the Middle East (lower income tax jurisdiction), and the impact of IAS12.41 in Russia and Angola, which resulted in appreciation of local currency against the US Dollar functional currency compared to 30 September 2023.
- **The share of profit from associates and joint ventures** of R142 million is 22.4% higher than the prior period's share of profit of R116 million. Our share of profit in Bartrac of R91 million represents a 17.7% increase from the prior period, while our share of profit of R45 million in NMI-DSM is 28.6% higher than the prior period.
- **The net operating** costs of R162 million from other segments increased from R36 million in the prior period, mainly due to increased losses from SMD as well as non-recurring corporate expenses.



NET DEBT FROM OPERATIONS REDUCED TO

R3.9bn

COMPARED TO MARCH 2023

ROIC AT

14.3%

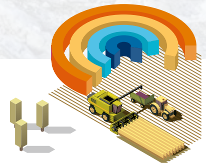
ABOVE HURDLE

Cash flow

Typically, most of the group's investment in working capital occurs in the first six months of its financial year, and then is released in the second half. The group deliberately managed its cash utilisation to match the reduced market activity during the period under review. During this period, the group invested R2.1 billion in working capital when compared to R4.1bn in March 2023. Free cash outflow amounted to R1.9 billion compared to R3.3 billion in the prior period.

Discontinued operations

The group successfully exited the non-core businesses during 2023. There were no discontinued operations during the current period. Results from discontinued operations comprise Zeda, which was unbundled on 13 December 2022 and the Logistics business which was disposed of on 31 March 2023.



Financial position, gearing and liquidity

The group's total assets and equity amounted to R42.1 billion and R17.2 billion, respectively, on 31 March 2024 compared to R48.1 billion and R16.8 billion, respectively, on 30 September 2023. This decrease in assets was due mainly to the utilisation of cash on hand to repay debt and trade and other payables. Furthermore, a dividend of R0.5 billion, was paid in January 2024. Equity was increased by profits generated in the first half of the year.

The group has significant headroom on committed facilities for local and offshore operations, which remains adequate at R7.8 billion, excluding the listed bond headroom which adds up to an all-inclusive headroom of R18.7 billion. The group actively and continuously reviews and monitors all its facilities, and we remain confident of our strong liquidity position.

Our total utilised facilities of R7.8 billion includes short term debt of R1.2 billion. We expect to maintain our participation in the bond market to the extent that we can achieve competitive funding rates. Our short-term facilities are competitively priced in comparison to our short-term overnight facilities in all banks, hence fully drawn.

Within our R15 billion domestic medium-term note (DMTN) programme, R4 billion is held in bonds. Barloworld repaid bonds to the value of R714 million in February 2024 without refinancing, in line with our capital allocation policy.

Group facilities

R million	Mar 2024
Utilised	7 773
Unutilised	7 734
Total facilities	15 507
Unutilised - committed	7 598
Unutilised - uncommitted	136
Total unutilised facilities	7 734

Debt covenants

Ratio	Mar 2024
EBITDA: Interest cover > 2.5 times	3.2 times
Net debt: EBITDA cover < 3.0 times	0.6 times

GROUP TOTAL ASSETS
R42.1bn

Divisional performance

Industrial Equipment and Services

R million	Revenue		Operating profit from core trading activities		Invested capital	
	Six months ended		Six months ended		Six months ended	
	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**
Southern Africa	**11 758**	13 060	**964**	1 125	**10 793**	11 077
• Russia	**1 985**	2 619	**387**	465	**2 262**	2 298
• Mongolia	**1 941**	1 354	**428**	219	**202**	1 439
Eurasia	**3 926**	3 973	**815**	684	**2 464**	3 737
	15 684	**17 033**	**1 779**	**1 809**	**13 257**	**14 814**
Share of associate profit			**93**	81		

Equipment southern Africa

Equipment southern Africa offers business-to-business sales, servicing, rebuilding and salvaging of earthmoving equipment, industrial services and power systems that enable a large variety of mining, construction and power solutions for our customers in the mining, construction, energy and transportation sectors.

Equipment southern Africa's results reflect the impact of changes in the commodity cycle, which resulted in lower demand from the mining segment, and South Africa's logistics challenges. In Greater Africa, our business units had stronger aftermarket activity, particularly in Botswana and Zambia. Overall revenue ended at R11.8 billion (1H23: R13.1 billion), 10.0% lower than the previous period with machine sales ending at R4.5 billion (1H23: R6.0 billion) and parts revenue of R5.1 billion (1H23: R4.8 billion) which ended 6.7% ahead of the previous period.

PROFIT MARGIN SUPPORTED BY HIGHER AFTERMARKET CONTRIBUTION

Net operating costs were higher compared to the prior period due to input cost pressures, ZAR weakness and the slowdown in mining activity resulting in lower service productivity. Operating profit before fair value adjustments ended at R1.1 billion (1H23: R1.2 billion), 8% lower than the prior period. While the associated operating margin ended higher at 9.2% (1H23 9.0%), benefiting from the change in sales mix.

Fair value adjustments on financial instruments were higher compared to the prior period at R112 million (1H23: R50 million), South Africa was impacted by higher forward points and the weakening of the ZAR while fair value adjustments relating to Greater Africa were mainly driven by currency devaluations in Zambia and Malawi. This culminated in operating profit from core trading activities ending R161 million lower than the previous period at R964 million (1H23: R1.1 billion) and the associated operating margin ending at 8.2% (1H23: 8.6%).

EBITDA ended at R1.4 billion (1H23: R1.5 billion) which decreased when compared to the previous period, while our EBITDA margin improved to 11.6% (1H23: 11.4%).

Elevated global interest rates combined with higher inventory resulted in net finance costs ending at R474 million (1H23: R313 million). Finance costs attributable to working capital facilities amounted to R173 million (1H23: R110 million), with the balance related to general borrowings.

The effective tax rate declined to 22% (1H23: 30%) due mainly to the release of IAS12.41 deferred tax charge. The Bartrac joint venture contributed positively to our earnings adding R91 million (1H23: R77 million) attributable profit.

The investment in net working capital has reduced relative to the prior period as reflected in the improvement in net free cash flow position of R1.9 billion outflow (1H23 R2.7 billion outflow). The net working capital position is expected to further unwind in the second half of the financial year. The firm order book ended at R2.9 billion compared to September 2023 at R5.7 billion, reflective of the slowdown in the mining sector.

Equipment Eurasia

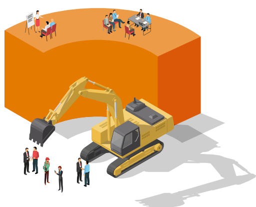
The Equipment Eurasia division sells, services and rents equipment and engines in Mongolia and Russia. Our markets include mining, construction, forestry, rental, and power systems, with mining dominating the revenue portfolio.

Eurasia had a strong first half in FY2024 supported by a robust performance in Mongolia.

The division generated $208.7 million in revenue, which is 6.9% lower than the prior period due to a 28% decrease in VT's revenue, partially offset by 35% growth in Barloworld Mongolia's revenue.

The division generated $43.3 million operating profit from core trading activities compared to $38.6 million the prior period, a 12.1% increase in dollar terms. The operating margin growth from17.2% to 20.8% was achieved through good margin realisation, disciplined cost control and a greater contribution by aftermarket sales.

In rand terms, the division generated R3.9 billion in revenue, which was 1.2% lower than the previous year (1H23: R4.0 billion). However, operating profit from core activities of R815.0 million exceeded the prior period by 19.2%. The improvement in rand terms was enhanced by a 6.2% weakening of the rand to the dollar. Rolling 12 month ROIC returns at a divisional level improved to 38.4% (1H23: 30.4%).



Barloworld Mongolia

Mongolia's performance is supported by prime product sales. Revenue for the current period increased from $76.6 million to $103.1 million. Machine sales were up by 74% on the prior period, and further supported by 15% aftermarket growth.

The prime product contribution to revenue increased to 45% compared to the prior period at 35% while the aftermarket contribution declined to 44% (1H23: 51%) of the total revenue mix.

Barloworld Mongolia generated an operating margin of 22.0% compared to 16.2% in the prior period driven by positive margin conversion and disciplined cost control. Operating profit from core trading activities at $22.7 million was achieved versus $12.3 million in the prior year. EBITDA also benefited from these factors, and as a result EBITDA margin improved from 19.9% in the previous period to 24.7% at March 2024.

Focused working capital management resulted in the business achieving a 169.4% FCF/EBITDA conversion rate for the current period.

The strong returns and low working capital collectively resulted in a ROIC of 88.1% on a rolling 12-month basis (September 2023: 43.1%).

The firm order book grew from $9.1 million at March 2023 to $110.9 million at March 2024. Despite the strong prime product sales in the first six months the firm orders were slightly higher than reported at the end of September 2023.

Vostochnaya Technica (VT)

The decrease in VT's revenue is attributable to reduced product lines, supply chain constraints and the sanction regime.

Revenue for the current period decreased 28% to $105.6 million, from $147.5 million in the prior period, however, operating profit at $20.6 million (1H23: $26.3 million) only reduced by 22% due to the higher aftermarket revenue mix (74%).

The business continues to restructure the cost base in line with existing trading levels. The combination of the change in revenue mix and cost adjustments contributed to a strong operating profit margin of 19.5% compared to 17.8% in the prior period.

EBITDA also benefited from these factors and as a result, the EBITDA margin improved from 19.0% to 21.0%.

Working capital remains elevated due to supply chain constraints, reduced supplier payment terms and payment terms provided to customers resulting in cash utilised of $24.5 million since September 2023.

As demand for parts remains strong and demand for construction machines improves during the summer months, we expect an improved cash generation position over the remainder of the 2024 financial year.

VT continues to be self-sufficient in terms of its funding requirements. The firm order book will remain at low levels with sales now linked to the smaller construction products.

VT continues to generate good ROIC returns at 18.8% that exceed the Barloworld hurdle rate. Compliance and cash management remain key priorities.

Consumer Industries

R million	Revenue		Operating profit from core trading activities		Invested capital	
	Six months ended		Six months ended		Six months ended	
	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**
South Africa	**3 088**	3 174	**241**	327	**4 976**	4 698
Australia	**89**	113	**(7)**	4	**46**	35
	3 177	3 287	**234**	331	**5 022**	4 734

Ingrain positions Barloworld for growth in the food ingredients markets, focused on business-to-business customers. The business has established a strong pillar for the development of the Consumer Industries vertical.

Ingrain

Ingrain is well-positioned after the restructuring undertaken in Q2 of FY2024, despite the deteriorating macro-economic environment in South Africa. The divisional restructuring will result in a lower fixed cost base, internal efficiencies and better resource allocation across the operations.

During the period, revenue decreased by 3.3% to R3.2 billion from R3.3 billion in the prior period. The decline was attributable to a 4.6% decrease in volumes which was offset by average price increases of 1.4%.

Domestic demand softened compared to the prior reporting period resulting in a 5.6% reduction in volumes while on average, selling prices increased by 4.4%. The lower demand is reflective of overall pressure on the South African consumer due to food inflation and high interest rates, as well as the adverse impact of load shedding across the value chain. Export sales volumes were 6.1% lower than the prior period with prices some 4.9% lower as a result of more competitive international pricing. The price per tonne realised for agri products was 4.0% lower year-on-year.

Operating profit for the period of R234 million declined by 29.6% relative to the prior period (March 2023: R331 million) resulting in a decrease in the division's operating margin from 10.1% in the comparative prior period to 7.3%.

The division generated EBITDA of R372 million relative to R463 million in the prior period, a decrease of 19.6%.

The decline in operating profit is attributable to lower volumes, a reduction in overall plant efficiencies and increased fixed costs. Key cost drivers with above average inflation increases included energy costs, water, chemicals, and compensation while maintenance costs remained high. Included in the operating costs are restructuring costs of R37 million.

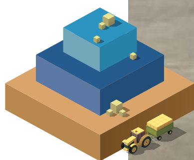
Overall plant efficiencies were impacted by plant reliability, an extended plant shutdown over the year-end period as a result of low customer demand and an unscheduled plant closure in early March as a result of the unfortunate fatality that occurred at the Germiston Mill.

Despite the declining performance over the last 18 months, the business continues to show EBITDA ahead of the pre-acquisition results.

The business achieved a rolling 12 month ROIC of 7.4%.

In the short term, Ingrain is focused on further reducing the cost base aligned to current domestic sales volumes and maintaining selling prices in line with input cost inflation. Operating efficiencies are being addressed through the overall restructuring plan and ongoing investments into critical equipment.

Local maize prices have hardened over the past few months, and prices are trending closer to import parity. The Crop Estimates Committee's latest forecast suggests a maize crop for the current season of 13.4 million tonnes which is above long-term harvest trends and would be sufficient to meet local demand. Ingrain is monitoring the situation closely and will continue in its disciplined approach to managing cash and commodity price exposure.



Other segments

R million	Revenue		Operating profit from core trading activities		Invested capital	
	Six months ended		Six months ended		Six months ended	
	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**	31 Mar **2024**	31 Mar **2023**
South Africa	**315**	451	**(23)**	42	**3 486**	4 345
United Kingdom			**(139)**	(78)	**(638)**	(229)
	315	**451**	**(162)**	**(36)**	**2 848**	**4 116**
Share of associate profit			**48**	35		

Revenue from other segments
R315 million

Share of associate profits of
R48 million

Revenue of R315 million from other segments was 30% down compared to the prior period, mainly as a result of the 36% reduction in revenue , which was due to a decrease in sales volumes in the salvage management and disposal business, SMD.

The net operating loss of R162 million from other segments increased from R36 million in the prior period mainly as a result of the increase in the loss from SMD from R14 million to R43 million as well as non-recurring corporate expenses.

The share of profit from associates and joint ventures of R48 million is 38.0% higher than the prior period's share of profit of R35 million. Our share of profit in NMI-DSM of R45 million is 28.6% higher than the previous period mainly as a result of a profit on the disposal of property.

Ordinary Dividend Number 189

Notice is hereby given that interim dividend number 189 of 210 cents per ordinary share in respect of the six months ended 31 March 2024 has been declared subject to the applicable dividends tax levied in terms of the Income Tax Act, 58 of 1962, as amended, as follows:

DIVIDEND	ORDINARY
GROSS AMOUNT	210 cps
WITH-HOLDING TAX	20%
NET AMOUNT	168 cps

In accordance with the JSE Listings Requirements, the following additional information is disclosed:

- The dividends have been declared out of income reserves
- The company's income tax number is IT 9000051715
- The local dividend tax rate is 20% (twenty percent)
- Barloworld has 189 641 787 ordinary shares in issue

In compliance with the requirements of Strate and the JSE Limited, the following dates apply to the dividends:

Dividend declared
Friday, 24 May 2024

Last day to trade cum dividend
Tuesday, 18 June 2024

Ordinary shares trade ex-dividend
Wednesday, 19 June 2024

Record date
Friday, 21 June 2024

Payment date
Monday, 24 June 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 June 2024 and Friday, 21 June 2024, both days inclusive.

On behalf of the board

Nomini Rapoo
Group Company Secretary

Condensed consolidated income statement

for the six months ended 31 March 2024

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
CONTINUING OPERATIONS				
Revenue	3	**19 176**	20 771	45 028
Operating profit before items listed below		**2 566**	2 626	5 697
(Impairments)/reversal of impairments on financial assets and contract assets		**(24)**	85	(62)
Fair value adjustments on financial instruments		**(77)**	(41)	(138)
Operating profit before depreciation and amortisation, impairments and capital items, interest and taxation		**2 465**	2 670	5 496
Depreciation		**(532)**	(480)	(989)
Amortisation of intangible assets		**(82)**	(86)	(175)
Operating profit from core trading activities	4	**1 851**	2 104	4 332
Impairments and capital items comprising of:				
Impairment of property, plant and equipment, intangibles and other assets				(31)
Impairment of goodwill		**(92)**		(53)
Profit on disposal of investments		**37**		
Gains on the disposal of property, plant and equipment and other assets		**4**	8	29
Other capital items*		**(28)**	(1)	2
Profit before finance costs and income		**1 772**	2 111	4 278
Finance costs		**(820)**	(723)	(1 601)
Finance income		**137**	140	264
Profit before taxation		**1 089**	1 528	2 942
Taxation	5	**(260)**	(548)	(1 235)
Profit after taxation		**829**	980	1 707
Profit from associates and joint ventures		**142**	116	325
Profit for the year from continuing operations		**971**	1 096	2 032

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
DISCONTINUED OPERATIONS				
Profit from discontinued operations	11		243	243
Profit for the year		**971**	1 339	2 275
Attributable to:				
Owners of Barloworld Limited		**950**	1 320	2 222
Non-controlling interests in subsidiaries		**21**	19	53
		971	1 339	2 275
Earnings per share group (cents)				
– basic		**511.7**	711.3	1 197.0
– diluted		**505.8**	705.6	1 183.1
Earnings per share from continuing operations (cents)				
– basic		**511.7**	580.6	1 067.2
– diluted		**505.8**	575.9	1 054.8
Profit per share from discontinued operation (cents)				
– basic			130.7	129.8
– diluted			129.7	128.3

* Current year relates mainly to the final costs related to the unbundling of Zeda.

Condensed consolidated statement of financial position

for the six months ended 31 March 2024

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
ASSETS				
Non-current assets		**18 146**	17 390	17 633
Property plant and equipment		**8 598**	7 723	8 017
Investment property		**1 191**	1 150	1 187
Right of use assets		**481**	542	515
Goodwill	6	**2 003**	2 136	2 094
Intangible assets	7	**2 035**	2 011	2 049
Investment in associates and joint ventures	8	**2 841**	2 555	2 835
Long-term trade and other receivables		**36**	68	52
Long-term financial assets	9	**439**	280	391
Deferred taxation asset		**522**	925	493
Current assets		**23 929**	24 763	30 432
Inventories		**12 610**	11 449	13 130
Contract assets		**899**	822	814
Trade and other receivables		**5 541**	8 166	5 877
Current taxation receivable		**324**	154	200
Cash and cash equivalents*		**4 555**	4 172	10 411
Assets classified as held for sale	11	**57**	57	57
Total assets		**42 132**	42 210	48 122

* Included in cash and cash equivalents is restricted cash, refer to note 10 for details on restricted cash.

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital and premium		**(2 212)**	(2 261)	(2 212)
Other reserves		**6 932**	6 301	6 965
Retained income		**12 194**	11 471	11 804
Interest of shareholders of Barloworld Limited		**16 914**	15 511	16 557
Non-controlling interest		**283**	236	262
Interest of all shareholders		**17 197**	15 747	16 819
Non-current liabilities		**8 269**	8 758	8 922
Interest-bearing liabilities		**6 554**	6 398	7 184
Deferred taxation liabilities		**1 061**	1 041	1 049
Lease liabilities		**501**	591	521
Provisions and other accruals		**149**	217	154
Other non-current liabilities		**4**	511	14
Current liabilities		**16 666**	17 705	22 381
Contract liabilities		**1 733**	1 192	1 339
Trade and other payables		**12 537**	10 565	15 535
Lease liabilities		**212**	206	247
Provisions and other accruals		**893**	663	1 205
Current taxation payable		**72**	186	160
Amounts due to bankers and short-term loans		**1 219**	4 893	3 895
Total equity and liabilities		**42 132**	42 210	48 122

Condensed consolidated statement of other comprehensive income

for the six months ended 31 March 2024

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Profit for the year		**971**	1 339	2 275
Items that may be reclassified subsequently to profit or loss:		**5**	(74)	492
Exchange gain on translation of foreign operations		**37**	(19)	512
Translation reserves realised on liquidation/disposal of subsidiaries			22	23
Loss on cash flow hedges		**(38)**	(102)	(64)
Deferred taxation on cash flow hedges		**6**	25	21
Items that will not be reclassified to profit or loss:		**(21)**	71	(89)
Actuarial gain on post-retirement benefit obligations		**(27)**	109	66
Taxation effect of actuarial gain/(loss)		**6**	(25)	(155)
Fair value adjustment on listed investments			(13)	
Other comprehensive (loss)/income for the year, net of taxation		**(16)**	(3)	403
Total other comprehensive income for the year		**955**	1 336	2 678
Total other comprehensive income attributable to:				
Barloworld Limited shareholders		**934**	1 317	2 625
Non-controlling interest in subsidiaries		**21**	19	53
		955	1 336	2 678

Condensed consolidated statement of changes in equity

for the six months ended 31 March 2024

R million	Share capital and premium	Total reserves	Total retained income	Attributable to Barloworld Limited shareholders	Non-controlling interest	Interest of all shareholders
Balance at 1 October 2022	(2 212)	6 517	14 614	18 919	262	19 181
Other comprehensive income		(74)		(74)		(74)
Profit for the period			1 390	1 390	19	1 409
Total comprehensive income for the period		(74)	1 390	1 316	19	1 335
Share buy back	(49)			(49)		(49)
Equity settled IFRS 2 charges		57		57		57
Share scheme receipts		(104)		(104)		(104)
Other reserve movements		(16)	(6)	(22)		(22)
Dividends (note 14)			(4 601)	(4 601)		(4 601)
Transfer of reserves		(12)	12			
Disposal of subsidiaries		(67)	62	(5)	(45)	(50)
Balance at 31 March 2023	(2 261)	6 301	11 471	15 511	236	15 747
Other comprehensive income		566		566		566
Profit for the period			743	743	34	777
Total comprehensive income for the period		566	743	1 309	34	1 343
Share buy back	49			49		49
Equity settled IFRS 2 charges		126		126		126
Share scheme receipts		(9)		(9)		(9)
Disposal of subsidiaries			(7)	(7)	(7)	(14)
Transfer of reserves		12	(12)			
Other reserve movements		(31)	(8)	(39)	1	(38)
Dividends (note 14)			(383)	(383)	(2)	(385)
Balance at 30 September 2023	(2 212)	6 965	11 804	16 557	262	16 819
Other comprehensive income		**5**		**5**		**5**
Profit for the period			**929**	**929**	**21**	**950**
Total comprehensive income for the period		**5**	**929**	**934**	**21**	**955**
Equity settled IFRS 2 charges		**78**		**78**		**78**
Share scheme receipts		**(107)**		**(107)**		**(107)**
Other reserve movements		**(9)**		**(9)**		**(9)**
Dividends (note 14)			**(539)**	**(539)**		**(539)**
Balance at 31 March 2024	**(2 212)**	**6 932**	**12 194**	**16 914**	**283**	**17 197**

Condensed consolidated statement of cash flows

for the six months ended 31 March 2024

R million	Notes	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from/(used in) operations before investment in rental fleets and leasing receivables		**489**	(539)	8 497
Inflow of investment in leasing receivables		**12**	8	20
Fleet leasing and equipment rental fleet		**(753)**	(668)	(1 127)
Additions		**(1 137)**	(1 134)	(2 002)
Proceeds on disposal		**384**	466	875
Vehicles rental fleet			(1 472)	(1 472)
Additions			(1 709)	(1 709)
Proceeds on disposal			237	237
Cash (used in)/generated from operations		**(252)**	(2 671)	5 918
Finance costs		**(805)**	(796)	(1 658)
Settlement of financial instruments (derivatives)		**(308)**	(248)	(479)
Dividends received from investments, associates and joint ventures		**137**	2	3
Finance income		**137**	149	273
Taxation paid		**(488)**	(291)	(741)
Net cash (used in)/retained from operating activities		**(1 579)**	(3 855)	3 316
Dividends paid (including non-controlling interest)		**(538)**	(1 502)	(1 897)
Net cash (used in)/generated from operating activities		**(2 117)**	(5 357)	1 419

R million	Notes	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
CASH FLOWS FROM INVESTING ACTIVITIES				
Net cash used in investing activities		**(280)**	(724)	(1 028)
Proceeds on disposal of subsidiaries	12		(322)	(322)
Investments realised	8	**67**	2	
Advances to joint ventures		**(26)**	(26)	(39)
Acquisition of intangible assets		**(64)**	(22)	(115)
Goodwill paid for licences				(2)
Acquisition of property, plant and equipment		**(274)**	(425)	(651)
Proceeds on disposal of property, plant and equipment		**17**	69	99
Net cash inflow/(outflow) before financing activities		**(2 397)**	(6 081)	389
CASH FLOWS FROM FINANCING ACTIVITIES				
Net cash (used in)/received from financing activities		**(3 534)**	643	278
Shares repurchased for equity-settled share-based payments		**(107)**	(57)	(113)
Share buy back			(49)	
Proceeds from long-term borrowings		**935**	36	1 219
Repayment of long-term borrowings		**(3 141)**	(1 350)	(2 361)
(Repayment of)/proceeds from short-term interest-bearing liabilities		**(1 088)**	2 226	1 795
Repayments of lease liabilities		**(133)**	(163)	(262)
Net (decrease)/increase in cash and cash equivalents		**(5 931)**	(5 438)	667
Cash and cash equivalents at the beginning of the year		**10 411**	9 200	9 200
Cash and cash equivalents held for sale at the beginning of the year			310	310
Effect of foreign exchange rate movement on cash balance		**76**	100	234
Cash and cash equivalents at the end of the year		**4 556**	4 172	10 411

Notes to the condensed consolidated interim financial statements

for the six months ended 31 March 2024

1. Basis of preparation

Reporting entity

Barloworld Limited is a company domiciled in South Africa. These condensed consolidated interim financial statements as at the six months ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as 'the Group'). The Group is primarily involved in the industrial processing, distribution, and services with two primary areas of focus being Industrial Equipment & Services and Consumer Industries.

Statement of compliance

The condensed consolidated interim financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim reports, and the requirements of the Companies Act applicable to interim financial statements.

The JSE Listings Requirements require interim reports to be prepared in accordance with IAS 34 Interim Financial Reporting, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies applied in the preparation of the condensed interim financial statements are derived in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the annual financial statements for the year ended 30 September 2023.

The condensed consolidated interim financial statements are presented in South African Rand, which is Barloworld Limited's functional and presentation currency. The condensed consolidated interim financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and should be read in conjunction with the Group's annual consolidated financial statements as at 30 September 2023.

The condensed consolidated interim financial statements appearing in this announcement are the responsibility of the directors. The directors take full responsibility for the preparation of the condensed consolidated interim financial statements, which were approved by the board on 24 May 2024. The 2024 condensed consolidated interim financial statements have not been audited nor reviewed by the company's external auditors. The 2023 financial statements were reviewed by the group's external auditors.

This interim financial statements were prepared by GE Hanekom (CA (SA)), the Group Financial Manager under the supervision of P Ndlovu (CA (SA)), the Executive Group Finance.

Use of judgements and estimates

Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those described in the latest annual financial statements.

Going concern

The directors consider that the group has adequate resources to continue operating for the foreseeable future and that it is appropriate to continue preparing the condensed consolidated financial statements on a going concern basis. The directors have satisfied themselves that the group entities and company are in a sound financial position and that they have access to sufficient borrowing facilities to meet foreseeable cash requirements.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

2. Reconciliation of net profit to headline earnings

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
GROUP			
Profit for the year attributable to Barloworld Limited shareholders	**950**	1 320	2 222
Adjusted for the following:			
Remeasurements excluded from headline earnings	**38**	3	175
Profit on disposal of subsidiaries and investments	**(37)**	(199)	(199)
Tax impact of profit on disposal of subsidiaries and investments	**1**	205	205
(Profit)/loss on disposal of plant, property, equipment and other assets excluding rental assets	**(4)**	(16)	(37)
Tax on profit on disposal of property	**1**	2	5
Impairment of goodwill	**92**		53
Tax impact on impairment of goodwill			107
Tax impact on disposal of business		1	
Impairment of plant and equipment and intangibles and other assets			31
Settlement of right of use assets		(2)	
Other capital items	**(1)**	2	4
Tax impact on impairment on plant and equipment, right of use assets, intangibles and other assets			(15)
Impairment of property and right of use asset			8
Reversal of impairment right of use		8	
Impairment of property, plant and equipment – associate and joint venture share			11
(Profit)/loss on sale of property – associate and joint venture share	**(14)**	2	
Change in estimate related to associate and joint venture share			2
Headline earnings	**988**	1 323	2 397

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
CONTINUING OPERATIONS			
Profit from continuing operations	**971**	1 096	2 032
Non-controlling shareholder's interest in net profit from continuing operations	**(21)**	(17)	(51)
Profit from continuing operations attributable to Barloworld Limited shareholders	**950**	1 079	1 981
Adjusted for the following items in continued operations:			
Gross remeasurements excluded from headline earnings from continuing operations	**38**	(6)	166
Profit on disposal of subsidiaries and investments	**(37)**		
Tax impact of profit on disposal of subsidiaries and investments	**1**		
Profit on disposal of plant, property, equipment and other assets excluding rental assets	**(4)**	(8)	(29)
Tax on profit on disposal of property	**1**	2	4
Impairment of goodwill	**92**		53
Tax impact on impairment of goodwill			107
Impairment of plant and equipment and intangibles and other assets			31
Tax impact of Impairment of plant and equipment and intangibles and other assets			(15)
Impairment of property, plant and equipment – associate and joint venture share			11
Settlement of right of use assets		(2)	
Other capital items	**(1)**		2
Profit on sale of property - associate and joint venture share	**(14)**	2	
Change in estimate related to associate and joint venture share			2
Headline earnings from continuing operations	**988**	1 073	2 147

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

2. Reconciliation of net profit to headline earnings continued

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
DISCONTINUED OPERATIONS			
Profit from discontinued operations attributable to Barloworld Limited shareholders		243	243
Non-controlling shareholders interest in net profit from discontinued operations		(2)	(2)
Profit from discontinued operations attributable to Barloworld Limited shareholders		241	241
Adjusted for the following:			
Gross remeasurements excluded from headline earnings from discontinuing operations		9	9
Profit on disposal of subsidiaries and investments		(199)	(199)
Tax impact of profit on disposal of subsidiaries and investments		205	205
Profit on disposal of plant, property, equipment and other assets excluding rental assets		(8)	(8)
Other capital items		2	2
Tax impact on disposal of business		1	1
Impairment of property and right of use asset		8	8
Headline earnings from discontinued operations		250	250

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Weighted average number of ordinary shares in issue during the period (000)			
– basic	**185 645**	185 562	185 627
– diluted	**187 831**	187 059	187 124
Headline earnings per share (cents)			
– basic	**532.2**	713.2	1 291.4
– diluted	**526.0**	707.4	1 276.3
Headline earnings per share from continuing operations (cents)			
– basic	**532.2**	578.1	1 156.3
– diluted	**526.0**	573.6	1 142.8
Headline earnings per share from discontinued operation (cents)			
– basic	**0.0**	135.1	135.1
– diluted	**0.0**	133.9	133.5

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

3. Revenue

Revenue is derived from contracts with customers. Revenue has been disaggregated based on timing of revenue recognition and major type of goods and services.

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
REVENUE				
The Group revenue disaggregation has been determined as follows:				
Revenue recognised in terms of IFRS 15: Revenue from contracts with customers				
Sale of goods (earned at a point in time)		**15 058**	16 940	36 441
Equipment (new and used)		**5 845**	7 379	17 498
Vehicles (new and used)			7	7
Parts (new and used)		**6 037**	6 279	12 420
Starch and glucose – local markets		**2 316**	2 196	4 708
Starch and glucose – export markets		**309**	428	627
Starch and glucose – co-products		**551**	651	1 181
Rendering of services (earned over time)		**4 118**	3 831	8 587
Parts revenue earned over time as services		**1 124**	847	2 410
Service		**2 249**	2 227	4 643
– Workshop and in-field service		**1 746**	1 742	3 659
– Fitment and repairs		**503**	485	984
Commissions		**55**	110	190
Rental (outside the scope of IFRS 16)		**690**	647	1 344
Total continuing operations		**19 176**	20 771	45 028

R million	Notes	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
DISCONTINUED OPERATIONS (note 11)				
Sale of goods			28	28
Vehicles (new and used)			28	28
Rendering of services			1 677	1 677
Service			11	11
– Workshop and in-field service			11	11
Rental (outside the scope of IFRS 16)			1 240	1 240
Supply chain support solutions			426	426
			1 705	1 705
Revenue recognised in terms of IFRS 16: Leases				
Fixed leasing income			368	368
Variable leasing income***			15	15
Total leasing income			383	383
Total discontinued operations			2 088	2 088
Total group^^	19	**19 176**	22 859	47 116

*** Variable leasing income earned mainly relates to excess kilometres and additional maintenance costs invoiced.
^^ Reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment summary (note 19).

4. Operating profit from core trading activities

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Included in operating profit from core trading activities are:			
Cost of goods sold	**13 646**	15 208	33 293
Expenses include the following:			
Staff costs (excluding directors' emoluments)	**2 447**	2 297	5 960
Amortisation of intangible assets arising from acquisitions	**56**	58	115
Expenses relating to short-term leases	**19**	16	28
Restructuring costs (including staff costs)	**37**		

Restructuring costs relates to the section 189 process in the Ingrain business.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

5. Taxation

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Taxation per income statement	**(260)**	(548)	(1235)
Current year	**(255)**	(538)	(1075)
Prior year	**(5)**	(10)	(160)
South Africa normal taxation rate	**27.0**	27.0	27.0
Foreign rate differential	**(4.5)**	(1.0)	(2.1)
Reduction in rate of taxation	**(4.8)**	(1.4)	(10.3)
Exempt income, non-taxable income and special allowances^	**(0.8)**	(0.5)	(1.2)
Taxation losses of prior periods	**(1.1)**	(0.9)	(9.0)
IAS 12.41 adjustment^^	**(2.9)**		
Rate change adjustment**			(0.1)
Increase in rate of taxation	**6.2**	11.3	26.8
Disallowable charges^^^^	**0.9**	0.7	0.5
Impairments and capital items taxation^^^	**3.0**		3.9
IAS 12.41 adjustment^^		9.1	10.0
Impact of elimination of intergroup interest netting to discontinued operations		0.4	0.2
Withholding tax	**1.6**	0.4	0.6
Current year losses not utilised	**0.2**		6.5
Under provision of tax in respect of the prior year	**0.5**	0.7	5.2
Taxation as a percentage of profit before taxation^^^^^	**23.9**	35.9	41.4
Taxation (excluding elimination of intergroup interest netting to discontinued operations and impairments and capital items taxation) as a percentage of profit before taxation (excluding impairments and capital items)	**23.2**	25.7	25.8

^ Exempt income, non-taxable income and special allowances largely comprise of reversal of provisions, fair value adjustments and learnerships allowances.

^^ IAS12.41 adjustment - this amount represents a recognition in deferred tax of the effect of the movement of the exchange rate on the USD equivalent of the local currency tax base of non-monetary assets (i.e. inventories and fixed assets) and the reversals of deferred tax previously raised when the related items of inventory or fixed assets are sold. It applies to the Group's companies in Zambia, Angola, Mozambique, Malawi, Mongolia and Russia where the functional currency and tax reporting currency is not the same.

^^^ Impairments and capital items taxation refers to impairment on SMD goodwill, sale of Option shares, sale of Barzem shares and other. This would include items excluded from the headline earnings of the group.

^^^^ Disallowable charges relate largely to disallowable provisions. Other disallowable expenses consist of professional fees of a capital nature, expenses not incurred in the production of income, provisions and other IFRS Accounting Standards as issued by the International Accounting Standards Board adjustments not allowed for tax purposes. Imputation in terms of section 9D is also included in this line item.

** The rate change impact on 30 September 2023 is mainly attributable to the impact on deferred tax balances of the change in the corporate tax rate from 19% to 25% in the UK.

^^^^^ The overall effective tax rate is significantly impacted by the non-monetary items IAS 12.41 in the previous year which is accounted for as Non-operating, utilisation of losses not recognised as deferred tax asset as well as the impairment of SMD assets accounted for capital items.

Barloworld operates in numerous countries around the world and accordingly is subject to, and pays annual income taxes, under the various income tax regimes in the countries in which it operates. The group has historically filed, and continues to file, all required income tax returns and to pay the taxes reasonably determined to be due. In some countries, tax authorities are yet to complete their assessments for previous years. The tax rules and regulations in many countries are highly complex.

The United Kingdom (UK) government announced that it intends to require large businesses to notify HMRC where they have adopted an uncertain tax treatment applicable to returns filed after April 2021. We do not believe that any of the Barloworld companies in the UK Group will have anything to report.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

6. Goodwill

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
COST			
At 1 October	**2 601**	3 651	3 651
Additions		2	2
Business/subsidiary disposed#		(1 076)	(1 083)
Translation differences	**2**	(4)	31
At 31 March/30 September	**2 603**	2 573	2 601
ACCUMULATED IMPAIRMENT LOSSES			
At 1 October	**507**	1 057	1 057
Business/subsidiary disposed*		(618)	(618)
Impairment**	**92**		53
Translation differences	**1**	(2)	15
At 31 March/30 September	**600**	437	507
TOTAL PER STATEMENT OF FINANCIAL POSITION	**2 003**	2 136	2 094

* Prior period disposal relates to the disposal of the Car Rental and Leasing business (Zeda Limited). Refer to notes 11 and 12.
** The impairments relate to SMD CGU. Refer to detail below.

Goodwill is allocated to the following cash generating units for impairment testing purposes:

Significant cash-generating units (CGUs)	Geographical location	Reportable segment to which the CGUs belong	Carrying amount of goodwill 31 March **2024** R million	31 March 2023 R million	30 September 2023 R million
Barloworld Mongolia	Mongolia	Equipment Eurasia	**363**	344	362
Ingrain	South Africa	Ingrain	**1 640**	1 640	1 640
Other^	Various	Various		152	92
CARRYING AMOUNT			**2 003**	2 136	2 094
TOTAL			**2 003**	2 136	2 094

^ The balance related to March 2023 related to Salvage Management and Disposals and Crownmill Trading whilst the September 2023 balance related to Salvage Management and Disposals only.

Goodwill is allocated to the appropriate CGUs, based on which CGU is expected to benefit from the synergies arising in a business combination. In assessing whether there is any indication that goodwill may be impaired, external and internal sources of information are considered at each reporting period. In addition, the carrying amount of goodwill is subject to an annual impairment test.

Impairment of goodwill arises when the recoverable amount of the CGU, including goodwill, is less than the carrying value. The recoverable amount is determined as the greater of the fair value less costs to sell or the value in use.

Impairment indicator assessments were conducted for the interim reporting period. In the SMD CGU, disclosed as part of other segments in the segment report, impairment indicators were identified, due to continued losses in the business. Impairment testing was done which resulted in an impairment of goodwill. In the Ingrain business the restructuring in terms of the section 189 retrenchments were an indicator of possible impairment however the impairment testing did not result in any impairment. There were no other significant changes to the factors considered in the impairment calculations at 30 September 2023.

At each impairment testing interval a discounted cash flow valuation model is applied using a five-year strategic plan as approved by the board. The financial plans are the quantification of strategies derived from the use of a common strategic planning process followed across the group. The process ensures that significant risks and sensitivities are appropriately considered and factored into strategic plans.

The discount rate applied to the five-year forecast period has been outlined for each CGU in the following table. Discount rates applied to cash flow projections are based on a country or region specific discount rate, dependent upon the location of cash-generating operations.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

6. Goodwill continued

The pre-tax nominal discount rates applied are as follows:

Significant CGUs	Geographical location	Currency	31 March 2024	31 March 2023	30 September 2023
Barloworld Mongolia	Mongolia	USD	**Note a**	Note a	17.7%
Ingrain	South Africa	ZAR	**Note a**	Note a	18.9%
Other	Various	Various	**Note b**	Note a	16.4 %- 18.8%

Note a: Not applicable. Recoverable amount not calculated as the CGU did not display any indication of impairment.

Note b: Pre-tax nominal discount rate for SMD CGUs = 18.5%

Long term growth rates applied to extrapolate cash flows are as follows:

Significant CGUs	Geographical location	Currency	31 March 2024	31 March 2023	30 September 2023
Barloworld Mongolia	Mongolia	USD	**Note a**	Note a	2.0%
Ingrain	South Africa	ZAR	**Note a**	Note a	4.6%
Other	Various	Various	**Note b**	Note a	2.0%

Note a: Not applicable. Recoverable amount not calculated as the CGU did not display any indication of impairment.

Note b: The terminal growth rate of the SMD CGUs is 4.2%.

Other key assumptions in the prior year
Key operating assumptions:

Sales growth rates: Sales growth rates have been derived by analysing historical data, considering growth rates projected by the senior management teams, which includes price and volumes, and considering the economic and trading conditions of each area within South Africa and the rest of the world.

Gross margins: Gross margins have been derived by analysing historical data, approved forecast gross margins for the forecast period, and considering the impact of currency fluctuations.

Operating costs: Operating costs have been derived by analysing historical data, considering economic and trading conditions, committed and uncommitted capital expenditure, and operating requirements coupled with various operational improvement initiatives.

Working capital: Working capital requirements are driven by required stock turn ratios, credit terms and capital expenditure requirements.

Long-term growth rates: Long-term growth rates are based on the longer term inflation and currency expectations for the various industries in South Africa and the rest of the world.

As at 31 March 2024, management has performed sufficient sensitivity analyses to conclude that a reasonably possible change in key assumptions would not cause the carrying amount of the group's individual cash-generating units to exceed their value in use significantly.

Other key assumptions:
Salvage Management and Disposal
In the current year, management performed an impairment assessment for the SMD business unit because of a reduction in the sales forecast and performance of the business. At the appropriate WACC rate of 15.8% and a terminal growth rate of 4.2% the value-in-use model was used to determine the impairment of R92 million. The recoverable value of the business was calculated as R218 million resulting in an impairment of R92 million goodwill.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

7. Intangible assets

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
COST			
At 1 October	**4 440**	4 559	4 559
Additions	**64**	20	115
Business/Subsidiary disposed		(286)	(309)
Disposals	**(27)**	(13)	(16)
Translation differences	**4**	(11)	91
At 31 March/30 September	**4 481**	4 269	4 440
ACCUMULATED AMORTISATION AND IMPAIRMENT			
At 31 March/30 September	**2 392**	2 470	2 470
Charge for the year	**82**	86	175
Business/Subsidiary disposed		(278)	(296)
Disposals	**(30)**	(13)	(15)
Impairment			3
Translation differences	**2**	(7)	54
At 31 March/30 September	**2 446**	2 258	2 391
CARRYING AMOUNT			
Total Group	**2 035**	2 011	2 049

SIGNIFICANT INTANGIBLE ASSETS

The group did not acquire intangible assets with indefinite useful lives during the current period (2023: Nil).

A detailed breakdown of the carrying value of intangible assets has been shown below:

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

7. Intangible assets continued

Significant cash-generating units (CGUs)	Useful life	Geographical location	Reportable segment to which the CGUs belong	Carrying value: Six months ended Unreviewed 31 March **2024** R million	Carrying value: Six months ended Reviewed 31 March **2023** R million	Carrying value: Year ended Audited 30 September **2023** R million	Accumulated impairments: Six months ended Unreviewed 31 March **2024** R million	Accumulated impairments: Six months ended Reviewed 31 March **2023** R million	Accumulated impairments: Year ended Audited 30 September **2023** R million
Vostochnaya Technica	Indefinite	Russia	Equipment Eurasia				**193**	193	193
Equipment South Africa	Indefinite	South Africa	Equipment southern Africa	**277**	277	277			
Barloworld Mongolia	Finite	Mongolia	Equipment Eurasia	**713**	715	735			
Equipment BZAMM	Indefinite	Rest of Africa	Equipment southern Africa				**708**	708	708
Supplier Relationship intangible assets				**990**	992	1 012	**901**	901	901
Ingrain	Finite	South Africa	Ingrain	**781**	848	815			
Customer relationships and order backlog intangible assets				**781**	848	815			

Customer relationships arose in Ingrain from non-contractual customer relationships, which represent loyal customers that will continue their relationship with the group. The write-off period is 15 years.

The key assumptions used in the value-in-use calculation for the CGUs shown above are detailed in note 6. No intangible asset impairments were identified in the current period.

As at 31 March 2024, management has performed the appropriate sensitivity analyses to conclude that a reasonably possible change in key assumptions would not cause the carrying amount of the group's individual cash-generating units to exceed their recoverable amount.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

8. Investment in associates and joint ventures

R million	Income/(loss) from associates and joint ventures – Six months ended – Unreviewed 31 March **2024**	Income/(loss) from associates and joint ventures – Six months ended – Reviewed 31 March 2023	Income/(loss) from associates and joint ventures – Year ended – Audited 30 September 2023	Carrying value of the investment – Six months ended – Unreviewed 31 March **2024**	Carrying value of the investment – Six months ended – Reviewed 31 March 2023	Carrying value of the investment – Year ended – Audited 30 September 2023
Joint ventures	**94**	78	236	**1 825**	1 573	1 751
Bartrac Equipment Limited	**91**	77	236	**1 652**	1 444	1 670
BHBW South Africa (Pty) Ltd	**3**			**84**	69	81
Other *		1		**89**	60	
Associates	**48**	38	88	**1 016**	982	1 084
NMI Durban South Motors (Pty) Ltd	**45**	35	81	**996**	934	970
Other *	**3**	3	7	**20**	48	114
Total per income statement/statement of financial position	**142**	116	325	**2 841**	2 555	2 835
Discontinued operations		2	2			
Total group	**142**	118	327	**2 841**	2 555	2 835

* The group has interests in a number of individually immaterial associates including a 20% investment in Optron (Pty) Ltd (Optron) and a 40% investment in Barzem (Pty) Ltd (Barzem). On 1 March 2024, the group disposed of its entire interest in Optron at R43.7 million resulting in a profit on disposal of R14.1 million. The group also disposed of its 49% investment in Barzem for R23 million, effective 1 November 2023. The book value of the investment in Barzem was nil therefore the profit on disposal of the investment is R23 million.

Location of associates and joint ventures:

	Geographical Location	**Reportable segment**
Bartrac Equipment Limited	Mauritius/DRC	Equipment
BHBW South Africa (Pty) Limited	South Africa	Other segments
BHBW Zambia Limited	Zambia	Other segments
NMI Durban South Motors (Pty) Ltd	South Africa	Other segments
Other	South Africa	Other segments

In assessing whether there is any indication that any investment may be impaired, objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the net investment is considered at each reporting period. In addition, the carrying amount of investment is subject to annual impairment testing.

No indicators of impairment existed as at 31 March 2024. Impairment of investments arises when the recoverable amount of the investment is less than the carrying value. The recoverable amount is determined as the greater of the fair value less costs to sell or the value in use. For the purposes of assessing the above investments for impairment, the recoverable amount was based on the fair value less costs to sell method.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

9. Long-term financial assets

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Listed investments at fair value (level 1 fair value hierarchy)	**100**	88	101
Unlisted investments at fair value (level 3 fair value hierarchy)	**16**	16	16
Unlisted debt instruments – Derivative (level 3 fair value hierarchy)	**11**	3	22
Other receivables^	**312**	173	252
Total long term financial assets	**439**	280	391

^ Other receivables includes lease smoothing of R186 million (March 2023: R113 million, September 2023: R158 million).

10. Restricted cash included in cash and cash equivalents

The following is included in cash and cash equivalents:

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Cash balances not available for use due to other contractual and foreign exchange restrictions*	**122**	150	138

* As at 31 March 2024, cash held in Vostochnaya Technica was R735.0 million or $39.0 million (31 March 2023: R378.0 million or $21.0 million, for 30 September 2023: R1241.0 million or $66 million). The cash held in Vostochnaya Technica is not included in restricted cash as it will be utilised for operational purposes to settle liabilities. The restricted cash as at 31 March 2024 relates to cash held in Barloworld Insurance and Malawi. Cash held in Barloworld Insurance amounts to R95.4 million or GBP4 million, (31 March 2023 at R88.5 million or GBP4.0 million, for 30 September 2023 R92.0 million or GBP4.0 million), and in Malawi R26.6 million or $1.4 million (31 March 2023: R62.3 million ($3.5 million), 30 September 2023: R46.1 million ($2.6 million).

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

11. Discontinued operations and assets classified as held for sale

The sale of the remaining Warehousing and Distribution business within the Supply Chain Solutions business was finalised, on 31 March 2023. The profit on disposal of businesses in the prior year relates to the unbundling of the car rental and leasing business, Zeda Limited (R295 million profit) and the disposal of Logistics (R96 million loss).

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Results from discontinued operations as reported are as follows:			
Revenue		2 088	2 088
Profit before items listed below		648	648
Impairment on financial assets and contract assets		5	5
Fair value adjustments on financial instruments		(19)	(19)
Operating profit before depreciation and amortisation, impairments and capital items, interest and taxation		634	634
Depreciation		(184)	(184)
Operating profit from trading activities		450	450
Impairments and capital items:			
Profit/(Loss) on disposal of property, plant and equipment and right of use assets		8	8
Capital items		(10)	(10)
Profit before finance costs and income		448	448
Finance costs		(88)	(88)
Income from investments		9	9
Profit before taxation		369	369
Taxation		(122)	(122)
Net profit after taxation		247	247
Profit from associates		2	2
Profit from discontinued operations		249	249
Profit on disposal of businesses		199	199
Taxation on unbundling of Avis businesses		(205)	(205)
Profit from discontinued operations per income statement		243	243
Profit on discontinued operations to the owners of Barloworld Limited after non-controlling interest		241	241

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Taxation on trading loss		(122)	(122)
Tax on disposal of businesses		(205)	(205)
Total discontinued taxation (note 5)		(327)	(327)
The cash flows from the discontinued operations are as follows:			
Cash flows from operating activities		(1 682)	(1 682)
Cash flows from investing activities		(280)	(280)
Cash flows from financing activities		1 621	1 621
The major classes of assets and liabilities comprising the disposal group and other assets classified as held for sale were as follows:			
Property, plant and equipment*	**57**	57	57

* The property classified as held for sale is the Barlow park property that is in the process of development.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

12. Proceeds on disposal of subsidiaries

R million	Notes	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Proceeds on disposal of subsidiaries:				
Inventories disposed			439	442
Receivables disposed			2 191	2 211
Payables, taxation and deferred taxation balances disposed and settled			(4 462)	(4 496)
Borrowings net of cash			(5 314)	(5 311)
Property, plant and equipment, non-current assets, goodwill and intangibles			10 213	10 242
Deferred tax			(185)	(186)
Net assets disposed			2 882	2 902
Non-controlling interest			(45)	(51)
Profit on disposal			199	199
Less internal lease reversals included above			131	131
Payments to be received in future				
Net proceeds on disposal of subsidiaries			3 167	3 181
Bank balances and cash in subsidiaries disposed			(322)	(336)
Dividend in specie on unbundling of Zeda Limited			(3 167)	(3 167)
Cash proceeds on disposal of subsidiaries			(322)	(322)

In the prior reporting period the group unbundled the car rental and leasing business Zeda Limited, and also disposed of the remaining portion of Logistics (refer note 11).

13. Commitments

R million	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Capital expenditure commitments to be incurred:			
Contracted – Property, plant and equipment	**182**	372	304
Contracted – Intangible assets		357	
Approved but not yet contracted	**209**	234	145
Total	**391**	963	449
Share of joint ventures capital expenditure to be in-curred:			
Contracted	**32**	27	31
Approved but not yet contracted	**12**	21	
Total	**44**	48	480

Capital expenditure will be financed by funds generated by the business, existing cash resources and borrowing facilities available to the group.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

14. Dividends declared

R million	Notes	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Ordinary shares				
Normal dividend No 188 paid on 8 January 2024: 300 cents per share (2023: No 186 - 295 cents)		**539**	1 023	523
Special dividend No 186 paid on 9 January 2023: 550 cents per share			523	1 023
Interim dividend No 187 Paid 26 June 2023: 200 cents per share				383
Dividend in specie – Shares in Zeda Limited^			3 055	3 055
Paid to Barloworld Limited shareholders		**539**	4 601	4 984
Paid to non-controlling shareholders				2
		539	4 601	4 986

In the prior year, the group declared a dividend in specie in the form of shares in Zeda Limited. The value of dividend in specie declared was based on the closing share price on 13 December 2022. The net asset value of the division on date of distribution was R2.7 billion. The dividend in specie of R3 167 million per note 12 was partially offset by the internal Zeda shares remaining in the group after unbundling.

15. Contingent liabilities

R million	Notes	Six months ended Unreviewed 31 March **2024**	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Performance guarantees given to customers and other guarantees and claims		**247**	200	282

16. Related party transactions

There have been no significant changes in related party relationships and the nature of related party transactions since the prior year.

Other than in the normal course of business, there have been no other significant transactions with associate companies, joint ventures and other related parties during the period.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

17. Financial instruments

R million	Six months ended Unreviewed 31 March 2024	Reviewed 31 March 2023	Year ended Audited 30 September 2023
ASSETS			
Finance lease receivables	**36**	68	52
Long-term financial assets	**433**	271	183
Trade and other receivables	**5 491**	7 655	5 272
Cash and cash equivalents	**4 555**	4 172	10 411
Total assets	**10 515**	12 166	15 918
LIABILITIES			
Interest-bearing non-current liabilities	**6 554**	6 398	7 184
Lease liabilities non-current	**501**	591	521
Other non-current liabilities		23	14
Lease liabilities current	**212**	206	247
Trade and other payables	**10 885**	11 750	15 535
Amounts due to bankers and short term loans	**1 219**	4 893	3 895
Total liabilities	**19 371**	23 861	27 396

All financial instruments are carried at fair value or amounts that approximate fair value, except for the non-current portion of fixed rate receivables, payables and interest-bearing borrowings, which are carried at amortised cost. The carrying amounts for investments, cash, cash equivalents as well as the current portion of receivables, payables and interest-bearing borrowings approximate fair value due to the short-term nature of these instruments. The fair values have been determined using available market information and discounted cash flows. For all of the above mentioned financial asset categories the carrying value approximates the fair value.

For all of the above mentioned financial liability categories, the carrying value approximates the fair value with the exception of non-current interest-bearing liabilities where the fair value as at 31 March 2024 is higher than the carrying value by R11 million (31 March 2023: R32 million lower than the carrying value and 30 September 2023: R19 million higher than the carrying value).

FAIR VALUE MEASUREMENTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

- **Level 1 fair value measurements** are those derived from quoted prices (unadjusted) in active markets for identical assets. The markets from which these quoted prices are obtained are the bonds market, the stock exchange as well as other similar markets.
- **Level 2 fair value measurements** are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The valuation techniques used in deriving level 2 fair values are consistent with valuing comparable hedging instruments (foreign exchange contracts and interest rate swaps). The primary inputs into these valuations are foreign exchange rates and prevailing interest rates which are derived from external sources of information.
- **Level 3 fair value measurements** are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The valuation techniques used in deriving level 3 fair values are based on recent comparable transactions as well as the net asset value approach of the investment that is being valued. This information is based on unobservable market data, and adjusted for based on management's experience and knowledge of the investment.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

17. Financial instruments continued

	31 March 2024			
R million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Long term financial assets	**100**		**27**	**127**
Total	**100**		**27**	**127**
Financial liabilities at fair value through profit or loss				
Other non-current liabilities				
Trade and other payables		**1**		**1**
Financial liabilities at FVOCI				
Trade and other payables		**243**		**243**
Total		**244**		**244**

	30 September 2023			
R million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Long term financial assets	101		38	139
Trade and other receivables		4		4
Financial assets irrevocably designated at FVOCI				
Trade and other receivables		10		10
Total	101	14	38	153
Financial liabilities at fair value through profit or loss				
Trade and other payables		7		7
Total		7		7

	31 March 2023			
R million	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Long term financial assets	88		19	107
Trade and other receivables		4		4
Total	88	4	19	111
Financial liabilities at fair value through profit or loss				
Other non-current liabilities	31			31
Financial liabilities at FVOCI				
Amounts due to bankers and short term loans		13		13
Total	31	13		44

	Fair Value through profit and loss:		
R million	Unlisted shares Note 1	Investment in cell captives Note 2	Total
Balance as at 1 Oct 2023	**16**	**22**	**38**
Total gains recognised in profit and loss		**(11)**	**(11)**
Balance 31 March 2024	**16**	**11**	**27**
Balance 30 September 2022	16	9	25
Total gains recognised in profit and loss		(9)	(9)
Balance 31 March 2023	16		16
Balance as at 1 October 2022	16	9	25
Total gains recognised in profit or loss		13	13
Balance 30 September 2023	16	22	38

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

17. Financial instruments continued

Note 1
Unlisted shares are measured at fair value considering the latest arm's length share trade information available for this investment. Sensitivity to inputs is considered immaterial for further disclosure.

Note 2
The valuation techniques used in deriving fair value of investments in cell captives are based on Net asset value approach of the underlying cell captives. Sensitivity to inputs is considered immaterial for further disclosure.

Market risk management

i) Currency risk

Trade commitments
Currency risk arises because the group enters into financial transactions denominated in the functional currency of the transacting entities. The group's currency exposure management policy for the southern African operations is to hedge substantially all material foreign currency trade commitments in which customers have or will not be accepting the currency risk. In respect of offshore operations, where there is a traditionally stable relationship between the functional and transacting currencies, the need to take foreign exchange cover is at the discretion of the divisional board. Each division manages its own trade exposure within the overall framework of the group policy. In this regard the group has entered into certain forward exchange contracts which do not relate to specific items appearing in the statement of financial position, but were entered into to cover foreign commitments not yet due or proceeds not yet received. The risk of having to close out these contracts is considered to be low.

Net currency exposure and sensitivity analysis
The following table represents the extent to which the group has monetary assets and liabilities in currencies other than the group companies' functional currency. The information is shown inclusive of the impact of forward contracts and options in place to hedge the foreign currency exposures. There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Based on the net exposure below it is estimated that a simultaneous 10% change in all foreign currency exchange rates against divisional functional currency will impact the fair value of the net monetary assets/liabilities of the group to the extent:

	Six months ended		Year ended
R million	Unreviewed 31 March **2024**	Reviewed 31 March 2023	Audited 30 September 2023
Foreign currency sensitivity analysis			
Impact of a 10% change in all foreign currency exchange rate	**314**	117	437
– impact on profit or loss	**317**	125	484
– impact other comprehensive income	**(3)**	(8)	(47)

ii) Interest rate risk

Interest rate risk arises when the absolute level of interest rates on the Group's interest-bearing borrowings are subject to fluctuations. The group manages the exposure to interest rate risk by maintaining a balance between fixed and floating rate borrowings. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are structured according to expected movements in interest rates. There has been no change in the current year to this approach.

	Six months ended		Year ended
R million	Unreviewed 31 March **2024**	Reviewed 31 March 2023	Audited 30 September 2023
Interest rate sensitivity analysis			
Impact of a 1% change in South African interest rates			
– charge to profit or loss,	**69**	85	100
Impact of a 1% change in offshore interest rates			
– charge to profit or loss	**5**	8	13

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

17. Financial instruments continued

c. Credit risk management

Credit risk arises from the risk that a counterparty may default or not meet its obligation timeously as contracted. Credit risk is managed on a group-wide basis. Potential areas of credit risk relate primarily to trade receivables and cash on deposit. Trade receivables consist mainly of a large and widespread customer base. Where considered appropriate, use is made of credit guarantee insurance. The granting of credit is controlled by a thorough application process based on factors specific and unique to each operating division which includes creditworthiness checks using the reputable ITC institutions, the credit quality of the customer, its financial position, upfront deposits received, etc. Group companies monitor the financial position of their customers on an ongoing basis. It is group policy to deposit cash with major banks and financial institutions with strong credit ratings.

The following indicates the expected credit loss (ECL) on trade receivables:

	31 March 2024		
R million	**Gross carrying amount R million**	**Lifetime ECL R million**	**Average ECL/ Impairment ratio %**
Equipment	**3 370**	**(541)**	**16.0%**
Ingrain	**947**	**(2)**	**0.2%**
Other segments	**64**	**(4)**	**6.3%**
Balance 31 March 2024	**4 381**	**(547)**	**12.5%**

	31 March 2023		
R million	Gross carrying amount R million	Lifetime ECL R million	Average ECL/ Impairment ratio %
Equipment	4 718	(434)	9.2%
Ingrain	764	(3)	0.3%
Other segments	61	(6)	10.2%
Balance 31 March 2023	5 543	(443)	8.0%

	30 September 2023		
R million	Gross carrying amount R million	Lifetime ECL R million	Average ECL/ Impairment ratio %
Equipment	3 395	(435)	13%
Ingrain	814	(1)	–
Other segments	166	(4)	2%
Balance 30 September 2023	4 374	(440)	10.1%

Liquidity risk

	Maturity profile of financial guarantees contracts as at 31 March 2024		
R million	Total owing	Within one year	two to five years
Risk share debtors			
Financial guarantees on behalf of joint ventures and associates	**1 816**	**1 816**	

	Maturity profile of financial guarantees contracts as at 31 March 2023		
R million	Total owing	Within one year	two to five years
Risk share debtors	437	152	285
Financial guarantees on behalf of joint ventures and associates	924	924	

	Maturity profile of financial guarantees contracts as at 30 September 2023		
R million	Total owing	Within one year	two to five years
Risk share debtors	294	94	200
Financial guarantees on behalf of joint ventures and associates	1 816	1 816	

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

17. Financial instruments continued

During 2018 the Barloworld Equipment division entered into a Risk Share Agreement with Caterpillar Financial Corporation Financeira, S.A., E.F.C. - Sucursal em Portugal and Barloworld Equipment UK Limited. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2024 the maximum exposure of this guarantee was estimated to be R166 million (31 March 2023: R238 million, September 2023: R204 million) representing 25% of the capital balance outstanding.

During 2018 the Barloworld Equipment division entered into Risk Share Agreement with Caterpillar Financial Services South Africa (Pty) Ltd. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2024 the gross maximum exposure of this guarantee was estimated to be R23 million (31 March 2023: R141 million, 30 September 2023: R29 million) representing 25% of the capital balance outstanding.

During 2018 the Vostochnaya Technica Equipment division entered into a Risk Share Agreement with Caterpillar Financial LLC. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2024 the maximum exposure of this guarantee was estimated to be nil (31 March 2023: R59 million, 30 September 2023: R61 million) the capital balance outstanding.

As these risk share agreements relate to a contractual payment in the event of default they are accounted for as financial instruments (Financial Guarantee contracts).

Barloworld also provides certain guarantees, proportionate to our shareholding on behalf of NMI DSM, Maponya, Bartrac, and BHBW of which non-performance by these associates & joint ventures will result in contractual cashflows to be made by Barloworld which has been included in abovementioned maturity analysis.

18. Events after the reporting period

To the knowledge of the directors, no other material events have occurred between the reporting date and the date of approval of these financial statements that would affect the ability of the users of the financial statements to make proper evaluations and decisions.

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

19. Segmental summary

	Continuing operations															Discontinued operations					
	Consolidated			Eliminations			Equipment			Ingrain			Other segments			Automotive				Logistics	
																Car Rental		Leasing			
	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023
Operating and geographical segments**																					
Revenue																					
Southern Africa	**15 161**	16 685	36 600				**11 758**	13 060	29 471	**3 088**	3 174	6 331	**315**	451	798	1 199	1 199	463	463	426	426
Australia	**89**	113	220							**89**	113	220									
Russia	**1 985**	2 619	5 341				**1 985**	2 619	5 341												
Mongolia	**1 941**	1 354	2 867				**1 941**	1 354	2 867												
	19 176	20 771	45 028				**15 684**	17 033	37 679	**3 177**	3 287	6 551	**315**	451	798	1 199	1 199	463	463	426	426
Inter-segment revenue***				**(1 621)**	(1 166)	(3 332)	**1 381**	936	2 921				**240**	230	411			23	23	249	249
	19 176	20 771	45 028	**(1 621)**	(1 166)	(3 332)	**17 065**	17 969	40 600	**3 177**	3 287	6 551	**555**	681	1 209	1 199	1 199	486	486	675	675
Operating profit before items listed below	**2 566**	2 626	5 697				**2 360**	2 212	5 040	**367**	465	860	**(161)**	(51)	(203)	382	382	255	255	11	11
Impairment/reversal of impairment on financial assets and contract assets	**(24)**	85	(62)				**(23)**	87	(61)	**(1)**	(2)	(1)				(10)	(10)	(5)	(5)	20	20
Fair value adjustments on financial instruments	**(77)**	(41)	(138)				**(80)**	(47)	(154)	**8**			**(5)**	6	16			(19)	(19)		
EBITDA	**2 465**	2 670	5 496				**2 257**	2 252	4 825	**372**	463	859	**(165)**	(45)	(187)	372	372	231	231	31	31
Depreciation	**(532)**	(480)	(989)				**(437)**	(402)	(819)	**(103)**	(96)	(194)	**8**	18	24	(184)	(184)				
Amortisation of intangibles	**(82)**	(86)	(175)				**(41)**	(41)	(87)	**(36)**	(36)	(72)	**(5)**	(9)	(16)						
Operating profit from core trading activities	**1 851**	2 104	4 332				**1 779**	1 809	3 919	**234**	331	593	**(162)**	(36)	(180)	188	188	231	231	31	31
Southern Africa	**1 182**	1 494	2 936				**964**	1 125	2 501	**241**	327	589	**(23)**	42	(154)	188	188	231	231	31	31
United Kingdom	**(139)**	(78)	(26)										**(139)**	(78)	(26)						
Australia	**(7)**	4	4							**(7)**	4	4									
Russia	**387**	465	815				**387**	465	815												
Mongolia	**428**	219	603				**428**	219	603												
Total segment results	**1 851**	2 104	4 332				**1 779**	1 809	3 919	**234**	331	593	**(162)**	(36)	(180)	188	188	231	231	31	31

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

19. Segmental summary continued

	Continuing operations															Discontinued operations					
	Consolidated			Eliminations			Equipment			Ingrain			Other segments			Automotive				Logistics	
																Car Rental		Leasing			
	31 Mar 2024	31 Mar 2023	30 Sep 2023	31 Mar 2024	31 Mar 2023	30 Sep 2023	31 Mar 2024	31 Mar 2023	30 Sep 2023	31 Mar 2024	31 Mar 2023	30 Sep 2023	31 Mar 2024	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023
(Losses)/income from associates and joint ventures	**142**	116	325				**93**	81	229				**48**	35	96			2	2		
Finance costs	**(820)**	(723)	(1 601)				**(613)**	(431)	(990)	**(137)**	(86)	(175)	**(70)**	(206)	(436)	(37)	(37)	(40)	(40)	(11)	(11)
Finance income	**137**	140	264				**189**	118	287	**1**	1	3	**(53)**	21	(26)			5	5	4	4
Impairments and capital items	**(79)**	7	(53)				**43**	7	44	**(5)**		(1)	**(117)**		(96)	(1)	(1)			(1)	(1)
Taxation	**(260)**	(548)	(1 235)				**(274)**	(548)	(1 118)	**(26)**	(67)	(112)	**40**	67	(5)	(37)	(37)	(57)	(57)	(28)	(28)
Profit/(loss) on disposal of businesses																6	6	84	84	(96)	(96)
Profit from discontinued operations		243	243																		
Net profit	**971**	1 339	2 275				**1 217**	1 036	2 371	**68**	179	308	**(314)**	(119)	(647)	119	119	225	225	(101)	(101)
Assets																					
Property, plant and equipment	**8 598**	7 723	8 017				**4 926**	4 052	4 374	**2 548**	2 497	2 502	**1 124**	1 174	1 141						
Investment property	**1 191**	1 150	1 187										**1 191**	1 150	1 187						
Right of use assets	**481**	542	515				**864**	980	924	**111**	7	49	**(494)**	(445)	(458)						
Intangible assets	**2 035**	2 011	2 049				**1 193**	1 093	1 169	**817**	886	850	**25**	32	30						
Investment in associates and joint ventures	**2 841**	2 555	2 835				**1 652**	1 484	1 703				**1 189**	1 071	1 132						
Long-term finance lease receivables	**36**	68	52										**36**	68	52						
Long-term financial assets	**439**	280	391				**13**	9	11				**426**	271	380						
Inventories	**12 610**	11 449	13 130				**11 863**	10 676	12 080	**724**	752	1 018	**22**	21	32						
Trade and other receivables	**5 541**	8 166	5 877				**4 783**	6 357	5 110	**1 002**	808	880	**(244)**	1 001	(113)						
Contract assets	**899**	822	814				**899**	822	814												
Assets classified as held for sale	**57**	57	57										**57**	57	57						
Segment assets	**34 728**	34 823	34 924				**26 193**	25 473	26 185	**5 202**	4 950	5 299	**3 333**	4 400	3 440						

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

19. Segmental summary continued

	Continuing operations															Discontinued operations					
	Consolidated			Eliminations			Equipment			Ingrain			Other segments			Automotive				Logistics	
																Car Rental		Leasing			
	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023
By geographical region																					
Southern Africa	**28 266**	28 527	28 875				**19 902**	19 361	20 405	**5 081**	4 822	5 179	**3 283**	4 344	3 291						
United Kingdom	**50**	56	149										**50**	56	149						
Australia	**121**	128	120							**121**	128	120									
Russia	**3 342**	3 703	3 089				**3 342**	3 703	3 089												
Mongolia	**2 949**	2 409	2 691				**2 949**	2 409	2 691												
Total segment assets	**34 728**	34 823	34 924				**26 193**	25 473	26 185	**5 202**	4 950	5 299	**3 333**	4 400	3 440						
Goodwill	**2 003**	2 136	2 094				**363**	343	362	**1 640**	1 640	1 640		153	92						
Taxation	**324**	154	200																		
Deferred taxation assets	**522**	925	493																		
Cash and cash equivalents	**4 555**	4 172	10 411																		
Consolidated total assets	**42 132**	42 210	48 122																		
Liabilities																					
Long-term non-interest bearing liabilities including provisions	**153**	728	168				**55**	131	62				**98**	597	106						
Trade and other payables including provisions	**15 163**	11 228	16 740				**13 409**	9 736	14 568	**1 218**	1 232	1 614	**536**	260	558						
Lease liabilities	**713**	797	768				**1 123**	1 212	1 167	**116**	8	50	**(526)**	(423)	(449)						
Contract liabilities	**1 733**	1 192	1 339				**1 733**	1 192	1 339												
Segment liabilities	**17 762**	13 945	19 015				**16 320**	12 271	17 136	**1 334**	1 240	1 664	**108**	434	215						

Notes to the condensed consolidated interim financial statements continued

for the six months ended 31 March 2024

19. Segmental summary continued

	Continuing operations															Discontinued operations					
	Consolidated			Eliminations			Equipment			Ingrain			Other segments			Automotive				Logistics	
																Car Rental		Leasing			
	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar **2024**	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023	31 Mar 2023	30 Sep 2023
By geographical region																					
Southern Africa	**12 647**	10 723	14 364				**12 118**	9 810	13 346	**1 258**	1 153	1 600	**(729)**	(240)	(582)						
United Kingdom	**837**	674	797										**837**	674	797						
Australia	**75**	87	64							**75**	87	64									
Russia	**1 322**	1 448	1 589				**1 322**	1 448	1 589												
Mongolia	**2 880**	1 013	2 201				**2 880**	1 013	2 201												
Segment liabilities	**17 762**	13 945	19 015				**16 320**	12 271	17 136	**1 334**	1 240	1 664	**108**	434	215						
Interest-bearing liabilities (excluding held for sale amounts)	**7 772**	11 291	11 079																		
Deferred taxation liabilities	**1 061**	1 041	1 049																		
Taxation	**72**	186	160																		
Consolidated total liabilities	**26 667**	26 463	31 303																		
Invested capital																					
Southern Africa	**19 255**	20 120	16 612				**10 793**	11 077	8 373	**4 976**	4 698	4 646	**3 486**	4 345	3 593						
United Kingdom	**(638)**	(229)	(529)										**(638)**	(229)	(529)						
Australia	**46**	35	56							**46**	35	56									
Russia	**2 262**	2 298	1 480				**2 262**	2 298	1 480												
Mongolia	**202**	1 439	636				**202**	1 439	636												
	21 127	23 663	18 255				**13 257**	14 814	10 489	**5 022**	4 734	4 702	**2 848**	4 116	3 064						

* The consolidated total excludes discontinued operations for income statement items but includes it for the statement of financial position.
** The geographical segments are determined by the location of assets.
*** Inter-segment revenue is priced on an arm's-length basis.

Salient features

R million	Six months ended Unreviewed 31 March 2024	Six months ended Reviewed 31 March 2023	Year ended Audited 30 September 2023
Financial			
Headline earnings per share from continuing operations (cents)	**532**	578	1 156
Group headline earnings per share (cents)	**532**	713	1 291
Group return on invested capital (ROIC) (%)**	**14.3%**	14.3%	17.7%
Group – Economic profit (Rm)	**76**	704	991
Dividends per share (cents)	**210**	200	500
Operating margin from continuing operations – including B-BBEE (%)	**9.7%**	10.1%	9.6%
Group rolling EBITDA/Interest paid (times) excl IFRS16	**3.2**	5.2	3.7
Group net debt/equity (%)	**22.9%**	50.3%	8.5%
Group return on net operating assets (RONOA) (%)	**23.6%**	27.1%	28.6%
Group return on ordinary shareholders' funds (%)	**13.9%**	19.3%	18.6%
Net asset value per share (cents)	**9 111**	8 359	8 920
Number of ordinary shares in issue (000)	**189 642**	189 486	189 642

** ROIC is is calculated by a rolling 12-month net Group operating profit after tax excluding impairments and capital items net of tax over average equity, plus net debt and IFRS 16 lease liabilities.

R million	Six months ended 31 March 2024	Six months ended 31 March 2023	Year ended 30 September 2023
Non-financial (continuing operations)			
Non-renewable energy consumption (GJ)[β1]	**2 021 568**	1 915 536	4 112 644
Greenhouse gas emissions (tCO_2e)[Δ2]	**247 584**	240 339	506 314
Water withdrawals (ML)*	**1 423**	1 484	2 929
Total number of employees	**6 316**	6 397	6 289
Lost-time injury frequency rate (LTIFR)[†]	**0.08**	0.30	0.17
Number of work-related fatalities	**2**	0	0
dti[^] B-BBEE rating (level)	**2**	3	2

β Excludes energy from rental fleets.
Δ Scopes 1 and 2.
* Municipal and Borehole
† Lost-time injuries multiplied by 200 000 divided by total hours worked.
^ Department of Trade and Industry (South Africa).
[1] Restatement in 1H23 & FYE23 non-renewable energy consumption (GJ) (Previously: 1H23: 1 913 560, FYE23: 4 111 064)
[2] Restatement in 1H23 & FYE23 Greenhouse gas emissions (tCO_2e) (Previously: 1H23: 240 006, FY23: 506 184).

Exchange rates (rand)	Closing rate – Six months ended 31 March 2024	Closing rate – Six months ended 31 March 2023	Closing rate – Year ended 30 September 2023	Average rate – Six months ended 31 March 2024	Average rate – Six months ended 31 March 2023	Average rate – Year ended 30 September 2023
United States dollar	**18.89**	17.86	18.84	**18.78**	17.68	18.89
British pound sterling	**23.86**	22.12	22.99	**23.64**	21.11	23.49

Corporate information

Barloworld Limited

(Incorporated in the Republic of South Africa)
(Registration number: 1918/000095/06)
(Income Tax Registration number: 9000/051/71/5)
(JSE Share code: BAW) (JSE ISIN: ZAE000026639)
(A2X code: BAW)
(Share code: BAWP)
(JSE ISIN: ZAE000026647)
(Bond issuer code: BIBAW)
(Barloworld or "the company" or "the group")

Registered office and business address

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PO Box 782248, Sandton 2146, South Africa
T +27 11 445 1000
E bawir@barloworld.com

Directors

Non-executive
NN Gwagwa (Chair), N Chiaranda^,
NP Mnxasana, NV Mokhesi,
H Molotsi, P Schmid,
V Nkonyeni, B Odunewu*

Executive directors
DM Sewela (Group Chief Executive Officer),
N Lila (Group Finance Director)

^Italy, *Nigeria

Group Company Secretary
Nomini Rapoo

Group Investor Relations
Kgaugelo Legoabe-Kgomari

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Sponsor
Nedbank Corporate and Investment Banking
(a division of Nedbank Limited)

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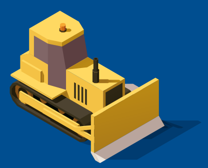

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