2024 ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30 2024

BIDCORP CONSOLIDATED ANNUAL FINANCIAL STATEMENTS 2024

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DIRECTORS’ RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

To the shareholders of Bid Corporation Limited

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

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

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

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

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

The consolidated and separate financial statements for the year ended June 30 2024, were approved by the board of directors and are signed by:

Stephen Koseff
Authorised director
Non-executive chairman

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 27 2024

PREPARER OF THE ANNUAL FINANCIAL STATEMENTS

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

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

In line with paragraph 3.84(k) of the JSE Limited (JSE) Listings Requirements, each of the directors, whose names are stated below hereby confirm that:

- the annual financial statements set out on pages 25 to 86, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 27 2024

DECLARATION BY COMPANY SECRETARY

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

Bidcorp Corporate Services (Pty) Limited

August 27 2024

DIRECTORS' REPORT

The directors have pleasure in presenting their report for the year ended June 30 2024.

Nature of business

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

Bidcorp is focused on growth opportunities:

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

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

Financial reporting

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

The financial statements as set out in this report have been prepared by management in accordance with IFRS and the Companies Act and are based on appropriate accounting policies supported by reasonable and prudent judgements and estimates. For the year ended June 30 2024, the Türkiye Lira is considered to be hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries have been expressed in terms of the inflation-adjusted Türkiye lira at the reporting date (June 30 2024). Refer note 13 for details.

The directors are of the opinion that the financial statements fairly present the financial position of the group and company as at June 30 2024 and the results of their operations and cash flows for the year then ended.

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

Stated capital

The company's authorised stated capital is 540 000 000 no par value ordinary shares. There were no issues of no par value ordinary shares during the year and as at June 30 2024 the total issued ordinary no par value shares was 335 404 212.

Results of operations

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

Acquisitions and disposals

For the year ended June 30 2024, four bolt-on acquisitions were concluded, these were as follows:

- Midwest Foods, a food and liquor distributor servicing the Central West of New South Wales, Australia (effective September 2023);
- Northern Bloc, an ice cream manufacturer based in Northern England (effective May 2024);
- Gourmet Express, a small supplier for frozen bakery products in Munich, Germany (effective January 2024);
- Unick Foods, a broadline foodservice distributor, with a seafood focus supplying into the foodservice, hospitality and retail sectors in the Eastern Cape, South Africa (effective April 2024).

During the year, these four bolt-on acquisitions contributed R482,5 million to revenue and R36,3 million to trading profit.

Shenzhen Good Master Food (Shenzen) was disposed on May 8 2024. Up to disposal, Shenzen contributed R314,0 million to revenue but had a trading loss of R3,5 million.

Liquidity

The group and its subsidiaries have at June 30 2024, including uncommitted facilities and cash and cash equivalents, R24,2 billion (£1,0 billion) of headroom available.

Subsequent events

With effect from July 2024, the group acquired a 100% interest in Turner & Price Limited (TP), a food wholesaler servicing 2 500 customers in the Midlands and north of England. The purchase consideration was approximately R1,5 billion (£65 million). TP joins the Caterfood Buying Group, our growing network of independent businesses which includes Thomas Ridley, Nichol Hughes, Elite Fine Foods, Caterfood, South Lincs Foodservice, Harvest Fine Foods and Cimandis. The TP acquisition makes Caterfood one of the UK's main buying groups serving the independent foodservice sector and forms part of the group's strategic expansion plans in the international foodservice industry.

DIRECTORS' REPORT continued

Directorate and attendance

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

Director	Date of appointment	Q1F2024 November 22 2023	Q2F2024 February 20 2024	Q3F2024 May 20 2024	Strategy & Budget June 13 2024	Q4F2024 August 27 2024
Chairman						
S Koseff	August 16 2017	^	^	^	^	^
Independent non-executive directors						
T Abdool-Samad	September 16 2019	^	^	^	^	^
PC Baloyi	March 10 2016	^	^	A	^	^
B Joffe	August 17 1995	^	^	A	^	A
KR Moloko	July 5 2021	^	^	^	A	^
NG Payne	March 10 2016	^	^	^	^	^
CJ Rosenberg	September 16 2019	^	^	^	^	^
H Wiseman	March 10 2016	^	^	^	^	^
Executive directors						
BL Berson	March 10 2016	^	^	^	^	^
DE Cleasby	September 12 2007	^	^	^	^	^

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

Dividends

The directors declared an interim gross cash dividend of 525,0 cents (420,0 cents net of dividend withholding tax, where applicable) per ordinary share to those members registered on the record date, being Friday, March 22 2024. The dividend was declared from income reserves.

In line with the group dividend policy, the directors declared a final gross cash dividend of 565,0 cents (452,0 cents net of dividend withholding tax, where applicable) per ordinary share for the year ended June 30 2024 to those members registered on the record date, being Friday, September 27 2024. The dividend has been declared from income reserves.

Declaration date	Wednesday, August 28 2024
Last day to trade cum dividend	Monday, September 23 2024
First day to trade ex dividend	Wednesday, September 25 2024
Record date	Friday, September 27 2024
Payment date	Monday, September 30 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, September 25 2024 and Friday, September 27 2024, both days inclusive.

DIRECTORS' REPORT • continued

Directors' shareholdings

Beneficial

The individual beneficial interests declared by directors' in the company's stated capital at June 30 2024 held directly or indirectly were:

Director	2024 Number of shares Direct	2024 Number of shares Indirect	2023 Number of shares Direct	2023 Number of shares Indirect
BL Berson	8	399 748	8	399 748
DE Cleasby	215 000	–	188 525	–
S Koseff	1 168	–	1 168	–
Total	**216 176**	**399 748**	189 701	399 748

Non-beneficial

In addition to the aforementioned holdings:

- B Joffe is a trustee and potential beneficiary of a discretionary trust holding 361 278 shares (2023: 361 278).
- DE Cleasby is a potential beneficiary of a family trust holding 1 050 shares (2023: 1 050).
- DE Cleasby is a trustee of The Bidvest Group Limited retirement funds which holds 405 967 shares (2023: 741 709).

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

Directors' remuneration

The remuneration paid to executive directors while in office of the company during the year ended June 30 2024 can be analysed as follows:

Director	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
	Remuneration and benefits paid to directors				
BL Berson	22 098	313	336	34 130	56 877
DE Cleasby	8 217	180	488	13 316	22 201
Total	**30 315**	**493**	**824**	**47 446**	**79 078**

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

Summary of directors' long-term incentives

Director	2024 SBP expense R'000	Benefit arising from exercise of CSP awards R'000	Gross benefit R'000	Previous SBP expense R'000	Actual LTI benefit R'000	2023 R'000
BL Berson	49 573	57 633	107 206	(29 286)	77 920	44 136
DE Cleasby	23 289	26 663	49 952	(13 403)	36 549	21 044
Total	**72 862**	**84 296**	**157 158**	**(42 689)**	**114 469**	65 180

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

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

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

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

Non-executive director	2024 Director fees R'000	2024 Other services R'000	2024 Total R'000	2023 R'000
T Abdool-Samad	1 256	–	1 256	1 130
PC Baloyi	1 630	–	1 630	1 486
B Joffe	2 123	–	2 123	1 128
S Koseff	4 460	–	4 460	4 056
KR Moloko	1 140	–	1 140	1 036
CJ Rosenberg	2 085	–	2 085	1 831
NG Payne	2 005	–	2 005	1 836
H Wiseman[1]	2 516	773	3 289	2 788
Total	**17 215**	**773**	**17 988**	15 291

[1] *H Wiseman provided services by chairing the quarterly Divisional Audit and Risk Committee meetings.*

DIRECTORS' REPORT continued

Prescribed officers

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

Directors' service contracts

BL Berson and DE Cleasby

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

No other directors have fixed term contracts.

Directors' and officers' disclosure of interest in contracts

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

Secretary

In compliance with paragraph 3.84(h) of the JSE Listings Requirements, the board evaluated Ms AK Biggs and Ms L Roos, in their roles as representatives of the appointed juristic company secretary Bidcorp Corporate Services (Pty) Ltd, and is satisfied that they are competent, suitably qualified and experienced. Furthermore, since neither Ms Biggs nor Ms Roos are directors, nor are they related to or connected to any of the directors, thereby negating a potential conflict of interest, it was agreed that Ms Biggs and Ms Roos maintain an arm's-length relationship with the board.

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

AUDIT AND RISK COMMITTEE REPORT

This is the report of the group audit and risk committee (committee or GARC) appointed for the financial year ended June 30 2024, in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter which is aligned with the aforementioned legislation, regulations, and principles, and is annually reviewed and adopted, most recently approved at the board meeting held on August 27 2024. The charter is in line with the recommendations as set out in King IV. Copies are available from the company secretary on request or can be downloaded from the group website.

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

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

Membership

The committee, as per its charter, must comprised a minimum of three (3) members, all of whom, including the chairman, must be independent non-executive directors.

The appointment of committee members for the financial year ended June 30 2024 was approved by shareholders' resolution at the annual general meeting held on November 22 2023.

The committee members comprise Mrs H Wiseman (chairman), Mesdames T Abdool-Samad and KR Moloko, and Messrs PC Baloyi and NG Payne. Committee membership therefore includes five (5) independent non-executive directors, thus exceeding charter and statutory requirements.

The shareholders will be requested to approve the appointment of the chairman and members to the committee for the 2025 financial year at the annual general meeting scheduled for Thursday, October 31 2024.

The committee members are all financially literate. The board considers the membership of the committee adequate and sufficiently qualified to perform the duties in line with the charter and Companies Act requirements. The committee, its chairman and members are assessed annually. A brief profile of each committee member can be viewed on the board of directors' CVs included in the 2024 annual reporting suite.

The committee's work is supported by five (5) DARCs. These DARCs play a vital role in the risk and assurance oversight of the five (5) reporting segments being Australasia, United Kingdom, Europe, Emerging Markets, and Corporate. Findings from these five (5) DARCs are reported to the committee quarterly (bi-annually for Corporate).

The Australasia, United Kingdom, and Corporate DARCs are chaired by Mrs H Wiseman, who also chairs this committee. Mr TJ Brown performs the role of independent external adviser, member of the Australasia, United Kingdom, and Corporate DARCs, and chairman of the Europe and Emerging Markets DARCs. The committee was satisfied with the DARC membership structure and escalation of critical issues to the DARC, and determined that GARC member sponsorship of a DARC was no longer required for F2024 onwards. There is a standing invitation to all GARC members wishing to attend DARC meetings.

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

Purpose

The purpose of the committee is to:

- assist the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards;
- oversee the suitability, appointment, independence and performance of the external auditors, and their objectivity and professional scepticism in conducting a robust audit;
- oversee the activities of, and to ensure coordination between, the internal and external audit;
- oversee information and technology to achieve integration of people, technologies, information, and processes, as well as to ensure business resilience, and ethical and responsible use of data and technology;
- provide a forum for discussing financial, enterprise-wide, market, regulatory, tax compliance, safety, and other risks and control issues, and to monitor controls designed to minimise these risks;
- oversee the reasonableness of insurance coverage for the group;
- review the Bidcorp annual integrated report, in conjunction with the environmental, social and ethics committee, including the consolidated and separate financial statements, the interim report, and any other public reports or announcements containing financial information;
- receive and deal with any complaints concerning internal audit, the accounting practices, or the content and audit of the annual financial statements and related matters;
- review fraud and whistleblowing reports from across the group and monitor and assess the effectiveness of remedial actions, in conjunction with the environment, social and ethics committee; and
- annually review the committee's charter and output to report on the effectiveness of the committee to the board.

Attendance

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

Director	Q4F2023 August 22 2023	Q4F2023 August 24 2023	Q1F2024 November 9 2023	Ad hoc December 14 2023	Q2F2024 February 15 2024	Q3F2024 May 16 2024	Q4F2024 August 20 2024	Q4F2024 August 22 2024
H Wiseman (chairman)	^	^	^	^	^	^	^	^
T Abdool-Samad	^	^	^	^	^	^	^	^
PC Baloyi	^	^	^	^	^	^	^	^
KR Moloko	^	^	^	^	^	^	^	^
NG Payne	^	^	^	^	^	^	^	^

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

AUDIT AND RISK COMMITTEE REPORT • continued

The chief executive officer, chief financial officer, senior external audit partner, group internal audit manager, and DARC members attend committee meetings as permanent invitees and have unrestricted access to the GARC chairman and members in relation to any matter falling within the committee's remit.

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

Duties carried out

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

The committee continued to receive regular updates regarding the progress of investigations by the Hong Kong and Chinese authorities and avenues for recovery of losses incurred in the Miumi fraud uncovered in the Miumi division of Angliss Greater China in late June 2021 and appropriate actions have been taken against the perpetrators in accordance with Bidcorp's fraud prevention, anti-bribery and corruption policy. Attention continues to be directed towards strengthening the control environment in Angliss Greater China.

The committee assessed risks associated with management override of controls; the ability of the group to continue as a going concern, review of related-party transactions, the overall presentation of the financial information to shareholders, engagement with and review of the application of JSE proactive monitoring, and other pronouncements to group reporting, as well as the review of the 2024 annual reporting suite. The committee reviewed the risks including information technology risks, that could materially impact the ability of the group to deliver against its objectives and the related mitigation plans, providing feedback where appropriate.

The committee, in conjunction with the environmental, social and ethics committee, monitored developments during the year in sustainability reporting as well as the trends in sustainability disclosure requirements adopted around the world, particularly in the UK and Europe. The DARCs continued to monitor the ESG metrics tabled by each business at the quarterly DARC meetings, which are then aggregated to form the sustainability disclosures in the 2024 annual reporting suite, which are reviewed and approved by this committee and the environmental, social and ethics committee.

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

Financial statements and accounting practices

The committee:

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

External audit

The committee:

- recommended the appointment of PricewaterhouseCoopers Inc (PwC) as Bidcorp's external auditors and Mr L de Wet as the independent and accredited auditor, to the shareholders for appointment for the financial year ended June 30 2024, of the group and company, and ensured that the appointments comply with legal and regulatory requirements for the appointment of an audit firm and designated auditor;
- approved the external audit engagement letter, the audit plan, and the budgeted audit fees payable to the external auditors;
- determined the nature and extent of all non-audit services provided by the independent auditors and pre-approved all non-audit services undertaken;
- obtained assurances from the independent auditor that adequate accounting records were being maintained;
- confirmed that no reportable irregularities were identified or reported by the independent auditor under the Auditing Profession Act; and
- recommended that PwC be re-appointed as Bidcorp's external auditors for the year ending June 30 2025, being the seventh year of their appointment, at the 2024 annual general meeting. It is noted that Mr L de Wet is the current individual designated auditor.

Independence of external auditors, PwC

The committee:

- reviewed representations made by PwC to the committee;
- confirmed that the auditor did not, except as external auditors or in rendering permitted non-audit services, receive any remuneration or other benefit from the group;
- confirmed the auditors' independence was not impaired by any consultancy, advisory, or other work undertaken; and

AUDIT AND RISK COMMITTEE REPORT • continued

- considered the criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies and found no cause for concern or doubt of the independence of the external auditors, PwC.

Internal control and internal audit

The committee:

- approved the annual internal audit plans as an appropriate risk-based audit approach for the year under review;
- evaluated and was satisfied with the independence, effectiveness, and performance of the internal audit function;
- considered the reports of the internal auditors on the group's systems of internal controls including financial controls, business risk management, and maintenance of effective internal control systems;
- reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;
- reviewed incidences of fraud where they have arisen including investigating causes, assessing weaknesses in internal controls, and monitoring and assessing the effectiveness, of remedial action taken;
- reviewed and considered the approach adopted by executive management to assess the state of the financial control environment, obtaining a body of evidence to support their signed positive attestation to the JSE confirming the robustness of the financial control environment; and
- concluded the opinion recommended to the board at yearend that there were no material breakdowns in internal controls.

Risk management

The committee:

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

Regulatory compliance

The committee obtained confirmation from management that they have identified and addressed the significant in-country legislative, regulatory, and taxation requirements and that they ensure that all information and/or data is secured and protected. The committee was also appraised of the group's assessment to date of the application of the OECD Pillar II global minimum tax rules in the jurisdictions in which it operates.

Combined assurance

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

Chief financial officer (CFO)

The committee:

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

Consolidated and separate financial statements

The committee reviewed the consolidated and separate annual financial statements for the year ended June 30 2024, and the committee is of the view that, in all material respects, they comply with the relevant provisions of the Companies Act and IFRS, and fairly present the financial position at that date and the results of its operations and cash flows for the year.

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

The committee is satisfied with the conduct, quality, and independence of PwC in carrying out its external audit of the annual financial statements for the year ended June 30 2024.

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

AUDIT AND RISK COMMITTEE REPORT • continued

Key audit matter – goodwill impairment assessment

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

Key focus area – put option accounting

As at June 30 2024, the group has several significant puttable non-controlling interest (NCI) liabilities entitling the non-controlling shareholders to sell their holdings in a number of subsidiaries to the group at contracted dates and amounts. The most significant of these pertains to DAC Italy which includes an option for the minority shareholders to put their 40% interest to the group after June 30 2026; 20% after June 2026, 10% after June 2027, and 10% after June 2028 (refer to note 10.5 in the consolidated annual financial statements for further details). The group accounts for puttable NCI liabilities under the anticipated acquisition method whereby the put option is derecognised from NCI and accounted for as a financial liability. The group consolidates the NCI's share of the equity in the subsidiary and recognises the fair value of the NCI's put option, being the present value of the estimated future purchase price, as a financial liability in the statement of financial position. In raising this liability, the NCI is derecognised and any excess or shortfall is charged or realised directly in retained earnings in the statement of changes in equity.

The committee considered and was satisfied with the evidence to support the remeasurement of the fair value of put option liabilities totalling R158 million (refer note 10.5).

Conclusion

Following the review by the committee for the year ended June 30 2024, the committee is of the view that, in all material respects, it has complied with the relevant requirements.

Having achieved its objectives for the financial year, the committee recommended the consolidated and separate financial statements for the year ended June 30 2024 to the board for approval.

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

Helen Wiseman

Chairman

August 27 2024

ACQUISITIONS COMMITTEE REPORT

This is the report of the acquisitions committee (committee) appointed for the financial year ended June 30 2024 in compliance with the principles of good governance.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved by the board on May 20 2024. Copies are available from the company secretary on request or can be downloaded from the group website.

Membership

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

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

The board considers the membership of the committee adequate, and the members are appropriately skilled and experienced to perform the duties as set out in the charter. The committee, its chairman and members are assessed annually. A brief profile of each of the members can be viewed on the board of directors' CVs included in the 2024 annual reporting suite.

Purpose

The primary purpose of the acquisitions committee is to:

» review any significant acquisitions or disposals as determined by the group-delegated levels of authority for an in-principle decision as to whether the transactions should be investigated and pursued;

» recommend to the board planned acquisitions or disposals that were evaluated and determined to be in the best interest of the company and the future growth of the group; and

» inform the board of acquisitions or disposals that were not recommended for consideration.

Attendance

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

Members	Q4F2023 August 28 2023	Q2F2024 February 14 2024	Q3F2024 May 15 2024	Q4F2024 August 26 2024
PC Baloyi (chairman)	^	^	^	^
BL Berson	A	^	^	^
DE Cleasby	^	^	^	^
B Joffe	^	A	^	A
NG Payne	^	^	^	^
CJ Rosenberg	^	^	^	^

^ Attended in person, by video conference or by teleconference

A Apologies

Duties carried out

The committee met three times over the period under review to:

» consider potential acquisition targets as identified by management or others;

» monitor and report to the board on the progress of acquisitions and disposals, including those concluded under management's delegated levels of authority; and

» monitor the group's property portfolio and make recommendations to the board in respect of Bidcorp's property investment strategy.

Matters considered by the committee over the period included, but were not limited to, the review of bolt-on acquisitions made within delegated authority, along with acquisition opportunities in the UK, Belgium, South Africa and Latvia.

Cash spent on acquisitions for the year ended June 30 2024 amounted to R384 million (F2023: R1,3 billion), which comprised four bolt-on acquisitions which contributed R482 million to revenue and R36 million to trading profit. There were no material disposals considered by the committee for the year under review. Full details of the acquisitions are set out in note 8.1 of the 2024 annual financial statements.

Conclusion

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

Signed on behalf of the acquisitions committee by:

Paul Baloyi

Chairman

August 27 2024

NOMINATIONS COMMITTEE REPORT

This is the report of the nominations committee (committee) appointed for the financial year ended June 30 2024 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 27 2024. The charter is in line with the recommendations as set out in King IV. Copies are available from the company secretary on request or can be downloaded from the group website.

Membership

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

The committee members for the reporting period comprised Messrs S Koseff (chairman), NG Payne (lead independent director), PC Baloyi, and B Joffe, thus exceeding the minimum charter requirements.

The board is satisfied that the members of the committee have sufficient skills and experience to fulfil their duties. The committee, its chairman, and members are assessed annually. A brief profile of each of the members can be viewed on the board of directors' CVs included in the 2024 annual reporting suite.

Purpose

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

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

Attendance

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

Members	Q4F2023 August 28 2023	Q2F2024 February 14 2024	Q4F2024 August 26 2024
S Koseff (chairman)	^	^	^
PC Baloyi	^	^	^
B Joffe	^	A	A
NG Payne	^	^	^

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

Duties carried out

The committee met twice over the period under review, as well as held informal communications between members to discuss various matters under review.

Significant topics considered by the committee over this period included:

- board and executive succession planning;
- review and assessment of the board's composition, ensuring the requirements of the board diversity policy are complied with;
- review of non-executive directors' independence;
- review of the composition of the board committees, to recommend changes as required;
- overseeing the independent evaluation of the board and its committee in April 2024;
- review and recommendation of those directors eligible for rotational re-election, as well as those directors to be appointed as members of the audit and risk committee, to be presented to shareholders at the 2024 AGM for consideration and approval;
- evaluation of the company secretary function; and
- continuing focus and progression of a succession plan for roles within the board, the group chief executive officer, and chief financial officer, as well as other senior management roles within the group.

Conclusion

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

Signed on behalf of the nominations committee by:

Stephen Koseff
Chairman
August 27 2024

REMUNERATION COMMITTEE REPORT

This is the report of the remuneration committee (committee) appointed for the financial year ended June 30 2024 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 27 2024. This charter is compliant with the requirements of the Companies Act and is in line with the recommendations as set out in King IV. Copies are available from the company secretary on request or can be downloaded from the group website.

Membership

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

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

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

The board considers the membership of the committee adequate, and the members are appropriately qualified and experienced to perform the duties as set out in the charter. The committee, its chairman and members are assessed annually. A brief profile of each of the members can be viewed on the board of directors' CVs included in the annual financial statements.

Purpose

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

- consideration and approval of fair and responsible remuneration of the executives and group-wide senior management;
- determination of the necessary performance criteria and assessment thereof of the group executives in their respective roles;
- consideration and recommendation of the quantum and allocation of the long-term incentive awards to executives and group-wide senior management;
- review and recommendation of the non-executive directors' annual fees, as recommended to the shareholders for approval at the annual general meeting; and
- review and approval of the annual remuneration report, ensuring complete and transparent disclosure of remuneration costs and awards, as well as the remuneration policy, in compliance with legal and regulatory requirements.

Attendance

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

Members	Q4F2023 August 28 2023	Q2F2024 February 14 2024	Q4F2024 August 26 2024
NG Payne (chairman)	^	^	^
PC Baloyi	^	^	^
CJ Rosenberg	^	^	^

^ Attended in person, by video conference or by teleconference

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

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

Duties carried out

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

- shareholder engagement process required in terms of the JSE Listings Requirements, following the voting results of the remuneration policy at the annual general meeting in November 2023 to address dissenting shareholders' concerns;
- defining and assessing the performance of the chief executive officer and chief financial officer against the criteria as determined;
- considering the allocation of short and long-term incentives to the executives and group-wide senior management based on the key performance indicators as set out in the remuneration policy;
- review and approval of the CSP awards granted to group-wide senior management, in compliance with the Bidcorp incentive scheme rules;
- review and recommendation of the non-executive directors' fees to be presented to shareholders for approval at the annual general meeting; and
- finalisation and approval of the annual remuneration report, including the remuneration policy, presented to shareholders at the annual general meeting.

REMUNERATION COMMITTEE REPORT • continued

Conclusion

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

Having achieved its objectives for the period under review, the committee sets out the required remuneration disclosures as part of the directors' report, as included in the 2024 annual financial statements.

Signed on behalf of the remuneration committee by:

Nigel Payne
Chairman

August 27 2024

ENVIRONMENTAL, SOCIAL AND ETHICS COMMITTEE REPORT

This is the report of the environmental, social and ethics committee (committee), previously referred to as the social and ethics committee, appointed for the financial year ended June 30 2024 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is reviewed and adopted annually, most recently approved at the board meeting held on August 27 2024. The charter complies with the statutory requirements as set out in the Companies Act and is in line with the recommendations as set out in King IV. Copies are available from the company secretary on request or can be downloaded from the group website.

Membership

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

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

The board considers the membership of the committee adequate, and the members are appropriately experienced to perform the duties as set out in the charter, the Companies Act and Companies Regulations, 2011. The committee, its chairman, and members are assessed annually. A brief profile of each committee member can be viewed on the board of directors' CVs included in the 2024 annual reporting suite.

Purpose

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

- reviewing the effectiveness of health and safety protocols across the group and guiding in developing and approving the policy, strategy, and structure to manage these issues;
- confirming fair, transparent and positive labour practices are in place across the group, ensuring a positive and constructive employment environment is available for all;
- establishing a zero-tolerance standard for group-wide ethics, adherence to the group fraud prevention, anti-bribery and corruption policy, and compliance with the code of conduct;
- positive and engaging stakeholder relations group-wide;
- ensuring responsible corporate citizenship is demonstrated in each operating jurisdiction;
- strict adherence and compliance with the relevant regulatory, statutory and legislative requirements in all jurisdictions;
- in line with B-BBEE regulatory requirements, monitoring and reporting of social and economic development, empowerment and transformation developments, to comply with the relevant South African legislation; and
- monitoring and reporting on progress and improvements in the area of sustainability, specifically concerning climate change, and the residual impact on the operational environment, in line with globally recommended reporting standards.

Attendance

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

Members	Q4F2023 August 25 2023	Q1F2024 November 10 2023	Q2F2024 February 13 2024	Q3F2024 May 13 2024	Q4F2024 August 23 2024
T Abdool-Samad (chairman)	^	^	^	^	^
BL Berson	^	^	^	^	^
KR Moloko	^	^	^	^	^
NG Payne	^	^	^	^	^
H Wiseman	^	^	^	^	^

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

Duties carried out

We reiterate our commitment to maintaining the highest standards in health and safety protocols. Group-wide health and safety awareness programmes are ongoing, focused on the reinforcement of all internal safety policies, training programmes and additional warning mechanisms to ensure the highest standards of safety are in place. All businesses confirmed that they have complied with occupational health and safety requirements applicable to their operations and no material occupational health and safety non-compliances were reported during the period.

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

ENVIRONMENTAL, SOCIAL AND ETHICS COMMITTEE REPORT • continued

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

The committee monitors the group's initiatives to promote diversity and advance the objectives of non-discrimination. Confirmation of adherence to the group Code of Ethics is obtained through the quarterly signed management representation letters submitted through the divisional audit and risk committee meetings. The committee approved the group parity policy at its meeting held on February 13 2024, which was subsequently rolled out across the group and has been incorporated into the management representation letter.

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

Mandatory reporting requirements in the UK for large private companies and anticipated reporting requirements in Europe and Australia remain an area of focus, and learning continues to be shared across the group. In the current year, limited assurance has been obtained over the group's reported scope 1 and scope 2 carbon emissions data. Climate change risks are incorporated into the board strategy. The committee is pleased to report that sustainability programmes across the group are progressing well.

The committee regularly assesses the quality and strength of key stakeholder relationships, appreciating that stakeholders' perceptions affect the group's reputation.

Conclusion

The committee notes that there were no items identified by management or reported directly to the committee by third parties, that would indicate any reportable non-compliances, in terms of the Companies Act requirements. Following the review by the committee for the year ended June 30 2024, the committee is of the opinion that, in all material respects, it has achieved its objectives for the financial year.

For more information and details on the progress and outcomes noted by the committee over the period under review, please refer to the 2024 annual reporting suite, which includes the annual integrated report and the sustainability report.

Signed on behalf of the environmental, social and ethics committee by:

Tasneem Abdool-Samad
Chairman

August 27 2024

DIRECTORS' CURRICULA VITAE

Stephen Koseff

Chairman

Independent non-executive director

Qualifications: BCom, CA(SA), MBA, H Dip BDP and Hon DCom (Wits)

Age: 73

Appointed: August 16 2017

Board committee: Nominations committee (chairman)

Experience and expertise: Stephen is a stalwart of the South African business and financial services landscape. His decades of experience in building and sustaining the Investec Group into a global bank culminated in 22 years as CEO, ending in 2018. His inspirational leadership has resulted in him receiving multiple prestigious awards, including the 2009 Sunday Times Lifetime Achievers Award, the 2014 Southern Africa Master Entrepreneur Winner at the EY World Entrepreneur Awards, and an Honourary Doctor of Commerce Degree from the University of Witwatersrand in 2017.

He has served on many prominent boards and associations, including Business Leadership South Africa, the South African Banking Association, the JSE Limited, Bidvest Group Limited, Irongate Funds Management Limited (Australia), the Financial Markets Advisory Board, and the Independent Bankers Association.

Stephen divides his time between Australia and South Africa and currently serves as the chairman of Bid Corporation Limited, Bud Group (Pty) Limited, Innovation Africa SA NPC, ArrowPoint Capital, EDT Trust, co-chair of Youth Employment Service (YES), and is a non-executive director of INVESTEC Limited and INVESTEC plc, as well as a number of other companies in the INVESTEC group.

Bernard Larry Berson*

Chief executive officer

Qualifications: BCom and BAcc

Age: 59

Appointed: March 10 2016

Board committees: Acquisitions committee, environmental, social and ethics committee

Experience and expertise: After qualifying as a Chartered Accountant, Bernard joined Bidvest in South Africa in 1990. A move to Canada in 1993 meant a short break from the group, but he rejoined Bidvest in Australia in 1996, shortly after the first Bidvest off-shore acquisition in Australia, expanding the group's footprint beyond South Africa.

Bernard was instrumental in the development of Bidvest's foodservice business in Australia, New Zealand, and Asia, and in 2010 assumed responsibility for the global foodservice businesses, including the UK and Europe operations.

Following the group's unbundling and separate JSE listing of Bid Corporation Limited in 2016, Bernard was appointed as chief executive officer and has been integral in developing the group's strategy and global footprint.

Bernard is based in Sydney, Australia, and travels extensively across the breadth of the group's operations, engaging and supporting local management in the delivery of their strategy, as well as exploring further growth opportunities.

Bernard blends a wealth of operational, finance, and M&A experience with an entrepreneurial mindset and has been responsible for multiple acquisitions and delivering sustained growth over the past many years.

* *Australian.*

David Edward Cleasby

Chief financial officer

Qualifications: CA(SA)

Age: 62

Appointed: September 12 2007

Board committee: Acquisitions committee

Experience and expertise: David was financial director of Rennies Terminals when Bidvest acquired the Rennies group in 1998. In 2001, he joined the Bidvest corporate office where he was involved in both group corporate finance and investor relations, before being appointed as Bidvest financial director on July 9 2007. David managed Bidvest's interests in the investments made by the group over the years.

David was appointed as chief financial officer of Bid Corporation Limited on April 14 2016. He is based in Johannesburg, South Africa, and travels extensively across the spread of Bidcorp geographies, enabling him to maintain a global and local focus. David is actively involved in managing stakeholder interests in Bidcorp.

DIRECTORS' CURRICULA VITAE • continued

Nigel George Payne

Lead Independent non-executive director

Qualifications: BCom (Hons), CA(SA), MBL (Unisa)

Age: 64

Appointed: March 10 2016

Board committees: Nigel is a mature and extremely experienced independent non-executive director. An exemplary academic record aligned with over 30 years of commercial and consulting experience provides a knowledgeable foundation from which he has served a range of multi-national, listed organisations and their boards across the industrial, retail, consumer goods, property and financial services sectors.

Nigel's early career included being an external audit partner, a CFO, and the head of a large internal audit/IT audit team. He has been a diligent chairman of audit and risk committees for the past 20 years, focused on detail and bringing strategic and global insights to the fore. He also has significant experience in acquisitions and strategic growth initiatives.

His work with the King Committee, the Institute of Directors (IoD), and the Institute of Internal Auditors (IIA) reflects his strong contribution in the areas of governance, financial management and risk. In 2023, Nigel received the President's Award from the South African Reward Association for his input over many years in the remuneration and human capital professions.

Nigel is the chairman of the board at Mr Price Group Limited and Vukile Property Fund Limited.

Paul Cambo Baloyi

Independent non-executive director

Qualifications: MBA (University of Manchester and Bangor University), SEP (Harvard), AMD: INSEAD (France), MDP (Stellenbosch University)

Age: 68

Appointed: March 10 2016

Board committees: Acquisitions committee (chairman), audit and risk committee, remuneration committee, nominations committee

Experience and expertise: Paul brings decades of financial services and banking experience to the Bidcorp board, from both private and public sector engagement. He brings extensive governance, risk, and operational experience gained from leading complex and diverse organisations through executive and board positions in South Africa and internationally. His global knowledge and experience have been bolstered by his previous roles as chairman and board member for a number of entities based outside of South Africa.

His role as managing director for Nedbank Africa provided him with unique insights into the continent's people and business cultures. In his six-year term as chief executive officer at the Development Bank of South Africa he was instrumental in navigating a complex structure and multiple stakeholders while managing large-scale, successful infrastructure development across the continent. He is currently the managing director of CAP Leverage (Pty) Limited, an industrial holding company.

Paul is the chairman of Momentum Metropolitan Holdings Limited and Peermont Holdings (Pty) Limited, and serves on the boards of Peresec Holdings (Pty) Limited, ENX Group and Alphamin Resources Corp.

Brian Joffe

Independent non-executive director

Qualifications: CA(SA)

Age: 78

Appointed: August 17 1995

Board committees: Acquisitions committee, nominations committee

Experience and expertise: As the founder of The Bidvest Group Limited and Bid Corporation Limited, Brian has over 50 years' commercial experience across the global business landscape. His entrepreneurial approach has built multiple businesses, through both M&A activities and organic growth.

Among his achievements, Brian has been recognised by Sunday Times as SA's businessman of the year, won the South African chapter of the Ernst & Young Entrepreneur Award, and represented South Africa at the World Entrepreneur Awards. Profiled as one of South Africa's Greatest Entrepreneurs by MME Media in association with the Gordon Institute of Business Science, Brian has been named by Wits Business School Journal as one of SA's top 25 business leaders with significant impact on South African business.

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

Brian is based in Tel Aviv, Israel and currently serves as an independent non-executive director of Bidcorp.

DIRECTORS' CURRICULA VITAE • continued

Helen Wiseman*

Independent non-executive director

Qualifications: BSc (Hons) (University of Manchester), CA, GAICD, IDP-C INSEAD
Age: 58
Appointed: March 10 2016
Board committees: Audit and risk committee (chairman), environmental, social and ethics committee

Experience and expertise: Helen brings over 20 years of international board chair, non-executive director and audit chair experience across a range of sectors including food, pharmaceutical, manufacturing, distribution, mining, energy and financial services. She has extensive governance, financial, risk and compliance oversight skills, having navigated growth, transformation, and turnaround scenarios, mergers and acquisitions, capital raising, and ESG initiatives, throughout her career.

Helen spent 14 years in the corporate and international tax practices of KPMG UK and KPMG Australia, and was a partner in the Australian practice. She is a dual British-Australian citizen; her current base in the United Kingdom provides her with easy access to Bidcorp's major operations across Europe.

Helen chaired Bidvest's International foodservice business divisional audit committees from 2011 to 2016. Helen is a trustee director of SFI Health and is the President of the INSEAD International Directors Network

* *British.*

Tasneem Abdool-Samad

Independent non-executive director

Qualifications: CA(SA)
Age: 50
Appointed: September 16 2019
Board committees: Environmental, social and ethics committee (chairman), audit and risk committee

Experience and expertise: Tasneem contributes a broad palette of knowledge from her time as an audit partner at Deloitte, her subsequent role as the lead of the Deloitte Risk Advisory business in her market area and her time served on the Deloitte board in South Africa. Her detailed understanding of accounting and business practices was founded during her years as a post-graduate lecturer at the University of the Witwatersrand.

She has expanded her executive experience into non-executive director positions at Reunert Limited, where she is also chair of the remuneration committee, and Absa Group Limited, one of Africa's leading financial services organisations, with operations in 12 countries. She serves as chair of Absa Group Limited's audit committee, chairman of Absa Financial Services Limited and as a non-executive director for Absa Bank Limited.

Tasneem is currently spending time between Toronto and South Africa. Her insights into operational, compliance, and sustainability matters through regular engagements with developed market thought leadership allows her to bring additional perspectives into the boardroom conversation.

Clifford Johann Rosenberg*

Independent non-executive director

Qualifications: BBusSci (Hons) (UCT), MScM (Hons) (Boston University)
Age: 60
Appointed: September 16 2019
Board committees: Acquisitions committee, remuneration committee

Experience and expertise: Clifford has over 25 years' experience leading change and innovation in technology and media companies, as an entrepreneur and an executive. As the former managing director of LinkedIn for Australia, New Zealand, and South-East Asia, he started the Australian office in 2009 and oversaw the expansion of LinkedIn in Australia from one to eight million members over eight years. Clifford was the managing director of Yahoo! Australia and New Zealand, from 2003 to 2006, and was formerly the founder and managing director of iTouch Australia and New Zealand, where he grew the Australian office to one of the largest mobile content and application providers in the country.

Based in Australia but bringing both South African and Asian corporate experience to Bidcorp, his more than 10 years spent on the boards of publicly listed companies have enabled him to bring a sharp technology and innovation focus to companies operating in more traditional sectors.

He is an active investor, adviser and board member in the technology sector and is currently a non-executive director of ASX-listed Technology One Limited. He previously served on the boards of ASX-listed Afterpay Touch Limited, A2B Limited and Nearmap Limited.

* *Australian.*

Keneilwe Rachel Moloko

Independent non-executive director

Qualifications: NDip (Building Survey), BSc (QS), BCom, PGDA, CA(SA)
Age: 55
Appointed: July 5 2021
Board committees: Environmental, social and ethics committee, audit and risk committee

Experience and expertise: Keneilwe is a Chartered Accountant and a Quantity Surveyor, with executive experience gained in the construction, auditing and investment management industries.

She has held board positions at a number of JSE listed companies, including Attacq Limited, Motus Holdings Limited, Brimstone Investment Corporation, and Long4Life Limited. Keneilwe currently holds board positions on Balwin Properties Limited and Bid Corporation Limited.

In addition to her non-executive director roles, she actively contributes to the social environment by serving on the boards of several non-profit organisations. These organisations are dedicated to uplifting local South African communities through various initiatives, including early learning development, golf development, and social services.

Keneilwe is based in Cape Town, South Africa.

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Bid Corporation Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

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

What we have audited

Bid Corporation Limited's consolidated and separate financial statements set out on pages 25 to 86 comprise:

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

Basis for opinion

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

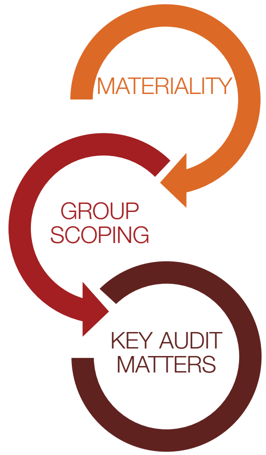
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



Overall group materiality

- R1,130 million which represents 0.5% of Revenue.

Group audit scope

- Full scope audits were performed over all financially significant components

Key audit matters

- Goodwill Impairment Assessment

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

INDEPENDENT AUDITOR'S REPORT • continued

Materiality

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

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

Overall group materiality	R1,130 million
How we determined it	0.5% of Revenue
Rationale for the materiality benchmark applied	We chose Revenue as an appropriate benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and it is the benchmark that provides the most representative reflection of the activities of the Group. We chose 0.5% based on our professional judgement, after consideration of the range of quantitative materiality thresholds that we would typically apply when using revenue as a benchmark in calculating materiality.

How we tailored our group audit scope

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

The Group's financial statements are a consolidation of fifty-three reporting components. Our scoping assessment included consideration of financially significant components in terms of their contribution to consolidated revenue, consolidated assets, and consolidated profit before tax as well as taking into consideration the sufficiency of work performed over material line items in the consolidated financial statements. Based on our scoping assessment, full scope audits were performed at eleven components. In addition, analytical procedures were performed by the group and component engagement teams on forty-two components.

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

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

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

Key audit matters

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

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

INDEPENDENT AUDITOR'S REPORT . continued

Key audit matter	How our audit addressed the key audit matter
Goodwill Impairment Assessment **Refer to notes 3 and 8.3 to the consolidated financial statements.** International Accounting Standard (IAS) 36: Impairment of Assets requires goodwill to be tested annually for impairment, or more frequently if impairment indicators are identified. As at year end, the Group had recognised goodwill amounting to R19.5 billion. Management tested goodwill for impairment within all cash generating units (CGUs), and concluded that there were no impairments relating to any of the identified CGUs as all the recoverable amounts exceeded the carrying amounts as per management's assumptions. The recoverable amount was based on the fair value less cost of disposal method for all CGUs. In determining the fair value less costs of disposal of the CGUs, management applied judgement in determining the following key assumptions: » Discount rates » Terminal growth rates » Revenue growth rates » Trading margin We considered the goodwill impairment assessments to be a matter of most significance to our current year audit due to the following: » The level of judgement applied by management in performing the impairment assessments, including determining the key assumptions; and » The magnitude of the consolidated goodwill balance.	We obtained an understanding of the process and procedures applied by management during their impairment assessment of goodwill. Our audit procedures included, among others, testing of the principles and integrity of management's fair value less costs of disposal calculations. We evaluated management's calculation by: » Challenging and testing the reasonability of the key assumptions used by management in the calculations, which included discount rates, terminal growth rates, revenue growth rates and trading margins. We compared these key assumptions to industry benchmarks, historical performance and future market forecasts. Whilst we noted that our independently determined assumptions varied from those used by management, the impact had an immaterial impact on the impairment assessment. » We compared the process followed by management in determining cash flow forecasts to past practice and found the process to be consistent. » We considered the historical accuracy of forecasts by comparing the prior period results to forecasts for those periods. Where variances were noted, we assessed the reasonability of the variances, and noted that these either do not impact the accuracy of forecasts based on available information at the time they were made, or assessed the impact using sensitivity analysis and noted no material impact. » We made use of our valuation expertise to test the appropriateness and reasonability of the discount rate through independent recalculation, based on inputs obtained which are comparable to other companies in the same industry and of similar size. Whilst we noted that our independently determined discount rates differed to those applied by management, this had an immaterial impact on the impairment assessment. » We compared the terminal growth rates used by management to economic and industry forecasts and found most of the long term growth rates applied by management to be conservative. This had no impact on the impairment assessment. » We tested the mathematical accuracy of management's impairment assessment and no material differences were noted. » We evaluated the valuation methodology applied by management and found the methodology applied by management to be consistent with industry practice. » We independently performed sensitivity calculations on the impairment assessments in order to determine the degree by which certain key assumptions (discount rate, revenue growth rate, terminal growth rate and trading margins) needed to change in order to trigger an impairment. Whilst our independently determined key assumptions were different from those applied by management, the impact of these differences was found to be immaterial to the impairment assessment.

INDEPENDENT AUDITOR'S REPORT . continued

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Bidcorp Annual Integrated Report for the year ended June 30 2024", which includes the Directors' report, the Audit and risk committee report and the Declaration by company secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "Bidcorp Remuneration Report for the year ended June 30 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT continued

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

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

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

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Bid Corporation Limited for 6 years.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: L de Wet
Registered Auditor
Johannesburg, South Africa

27 August 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended June 30

	Note	2024 R'000	2023 R'000
Revenue	4.1	225 905 337	196 341 239
Cost of revenue		(171 444 523)	(149 537 909)
Gross profit		54 460 814	46 803 330
Operating expenses	4.2	(42 284 017)	(36 294 726)
Sales and distribution costs		(34 342 428)	(28 987 388)
Administration costs		(7 637 925)	(6 944 997)
Impairment of trade receivables		(182 086)	(306 000)
Other costs		(121 578)	(56 341)
Trading profit		12 176 797	10 508 604
Share-based payment expense	11.1	(304 294)	(226 717)
Acquisition costs	8.1	(24 577)	(45 806)
Capital items	4.2	(43 710)	(77 724)
Operating profit		11 804 216	10 158 357
Net finance costs		(1 037 597)	(909 802)
Finance income	10.2	324 310	162 974
Finance charges	10.2	(1 361 907)	(1 072 776)
Share of profit from associates and jointly controlled entities (refer note 9)		128 443	89 242
Monetary gain arising from hyperinflation in Türkiye	13	14 622	7 426
Profit before taxation		10 909 684	9 345 223
Taxation	5.1	(2 850 584)	(2 393 482)
Profit for the year		8 059 100	6 951 741
Attributable to			
Shareholders of the company		8 010 072	6 886 260
Non-controlling interests		49 028	65 481
		8 059 100	6 951 741
Basic earnings per share (cents)	6.1	2 392,6	2 061,8
Diluted basic earnings per share (cents)	6.2	2 383,4	2 055,8
Headline earnings per share (cents)	6.3	2 405,5	2 082,9
Diluted headline earnings per share (cents)	6.3	2 396,3	2 076,9
Dividends per share (cents)		1 090,0	940,0

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended June 30

	2024 R'000	2023 R'000
Profit for the year	8 059 100	6 951 741
Other comprehensive income net of taxation	(1 879 308)	5 160 686
Items that may be classified subsequently to profit or loss	(1 880 006)	5 161 178
Movement in foreign currency translation reserve including hyperinflation effects	(1 880 006)	5 162 376
Movement in fair value of cash flow hedges	–	(1 198)
Fair value loss	–	(1 577)
Deferred taxation relief	–	379
Items that will not be reclassified subsequently to profit or loss		
Defined benefit obligations	698	(492)
Gain on remeasurement of defined benefit obligations	1 593	1 349
Deferred taxation charge	(895)	(1 841)
Total comprehensive income for the year	6 179 792	12 112 427
Attributable to		
Shareholders of the company	6 192 617	11 991 358
Non-controlling interest	(12 825)	121 069
	6 179 792	12 112 427

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended June 30

	Note	2024 R'000	2023 R'000
Cash flows from operating activities		**6 941 221**	7 665 873
Cash generated by operations	4.4	**13 779 988**	13 211 970
Finance income received	10.2	**313 707**	154 398
Finance charges paid	10.2	**(1 112 473)**	(870 503)
Taxation paid	5.3	**(2 602 108)**	(2 012 597)
Dividends paid	12.2	**(3 437 893)**	(2 817 395)
Cash flows from investment activities[1]		**(6 457 038)**	(5 774 795)
Additions to property, plant and equipment	7.1	**(5 752 011)**	(4 284 573)
Additions to intangible assets	7.2	**(199 176)**	(154 786)
Proceeds on disposal of property, plant and equipment		**185 941**	128 319
Proceeds on disposal of intangible assets		**7 085**	1 218
Acquisition of businesses and subsidiaries	8.1	**(384 084)**	(1 340 143)
Proceeds on disposal of businesses		**29 980**	–
Receipts from associates		**9 121**	6 160
Payments made to jointly controlled entities		**(7 165)**	–
Investments acquired		**(210 335)**	(39 385)
Proceeds on disposal of investments		**32 567**	37 771
Payments made to vendors for acquisition[1]		**(168 961)**	(129 376)
Cash flows from financing activities		**(720 697)**	1 735 055
Borrowings raised	10.3	**6 818 110**	10 722 066
Borrowings repaid	10.3	**(5 897 487)**	(7 627 594)
Right-of-use lease liability payments (including lease incentives)		**(1 540 376)**	(1 126 037)
Payments made to puttable non-controlling interests	10.5	**(71 904)**	(143 783)
Payments to non-controlling interests		**(29 040)**	(26 587)
Treasury shares purchased	12.1	**–**	(63 010)
Movement in cash and cash equivalents		**(236 514)**	3 626 133
Cash and cash equivalents at beginning of year		**12 224 633**	7 398 250
Effects of exchange rate fluctuations on cash and cash equivalents		**(443 538)**	1 187 723
Hyperinflation effect on cash and cash equivalents	13	**14 607**	12 527
Cash and cash equivalents (including bank overdrafts) at end of the year		**11 559 188**	12 224 633
Cash and cash equivalents comprise:			
Cash and cash equivalents		**11 722 482**	12 397 292
Bank overdrafts included in short-term portion of borrowings		**(163 294)**	(172 659)
		11 559 188	12 224 633

1 Other than the Thomas Ridley deferred consideration non-cash movements, payments made to vendors for acquisition were in line with their at acquisition date fair values.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at June 30

	Note	2024 R'000	2023 R'000
ASSETS			
Non-current assets		**55 412 934**	52 857 592
Property, plant and equipment	7.1	**25 968 336**	23 347 364
Intangible assets	7.2	**956 226**	948 194
Right-of-use lease assets	7.3	**6 232 942**	5 797 500
Goodwill	8.3	**19 473 908**	20 234 696
Deferred taxation assets	5.2	**1 619 173**	1 551 652
Interest in associates	9.1	**260 959**	254 799
Investments and loans	9.2	**302 158**	150 685
Investment in jointly controlled entities	9.3	**575 314**	542 049
Defined benefit pension assets	11.3	**23 918**	30 653
Current assets		**52 254 775**	53 782 660
Inventories	7.4	**17 007 694**	17 866 396
Trade and other receivables	7.5	**23 524 599**	23 518 972
Cash and cash equivalents		**11 722 482**	12 397 292
Total assets		**107 667 709**	106 640 252
EQUITY AND LIABILITIES			
Capital and reserves		**42 524 366**	40 194 621
Capital and reserves attributable to shareholders of the company	12.1	**42 190 148**	39 810 578
Non-controlling interests		**334 218**	384 043
Non-current liabilities		**22 855 346**	24 773 239
Deferred taxation liabilities	5.2	**1 434 666**	1 150 000
Long-term borrowings	10.3	**8 731 219**	10 974 753
Long-term right-of-use lease liabilities	10.4	**6 224 757**	6 316 001
Long-term puttable non-controlling interest liabilities	10.5	**5 221 784**	5 408 028
Long-term vendors for acquisition		**439 386**	88 994
Post-retirement obligations	11.3	**42 272**	50 624
Long-term provisions	7.7	**761 262**	784 839
Current liabilities		**42 287 997**	41 672 392
Trade and other payables	7.6	**33 261 750**	35 496 521
Short-term provisions	7.7	**505 607**	376 265
Short-term puttable non-controlling interest liabilities	10.5	**271 718**	217 899
Short-term vendors for acquisition		**96 529**	337 112
Taxation	5.3	**753 930**	548 319
Short-term right-of-use lease liabilities	10.4	**1 356 803**	1 194 672
Short-term borrowings	10.3	**6 041 660**	3 501 604
Total equity and liabilities		**107 667 709**	106 640 252
Net asset value per share (cents)		**12 579**	11 869
Net tangible asset value per share (cents)		**6 488**	5 554

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended June 30

	2024 R'000	2023 R'000
Equity attributable to shareholders of the company	**42 190 148**	39 810 578
Stated capital	**5 428 016**	5 428 016
Treasury shares	**226 899**	(134 001)
Balance at beginning of the year	**(134 001)**	(284 653)
Shares disposed of in terms of share incentive plans	**360 900**	213 662
Shares purchased during the year	**–**	(63 010)
Foreign currency translation reserve	**11 083 099**	12 900 124
Balance at beginning of the year	**12 900 124**	7 793 336
Arising during the year including hyperinflation effects	**(1 818 153)**	5 106 788
Realisation of reserve on foreign subsidiaries	**1 128**	–
Hedging reserve	**–**	–
Balance at beginning of the year	**–**	1 198
Fair value loss arising during the year	**–**	(1 577)
Deferred taxation recognised directly in reserve	**–**	379
Equity-settled share-based payment reserve	**624 265**	971 889
Balance at beginning of year	**971 889**	615 554
Arising during the year	**266 557**	208 157
Deferred tax recognised directly in reserve	**12 034**	56 337
Utilisation during the year	**(845 714)**	(213 662)
Transfer from retained earnings	**219 499**	305 503
Retained earnings	**24 827 869**	20 644 550
Balance at beginning of the year	**20 644 550**	17 289 705
Attributable profit	**8 010 072**	6 886 260
Remeasurement of defined benefit obligations during the year	**698**	(492)
Recognition of puttable non-controlling interest liabilities	**–**	(74 082)
Remeasurement of puttable non-controlling interest liabilities	**(158 921)**	(304 244)
Dividends paid	**(3 437 893)**	(2 817 395)
Change in shareholding with non-controlling interests	**(10 010)**	(29 699)
Transfer from foreign currency translation reserve	**(1 128)**	–
Transfer to equity-settled share-based payment reserve	**(219 499)**	(305 503)

	2024 R'000	2023 R'000
Equity attributable to non-controlling interests of the company	**334 218**	384 043
Balance at beginning of the year	**384 043**	260 316
Total comprehensive income	**(12 825)**	121 069
Attributable profit	**49 028**	65 481
Movement in foreign currency translation reserve	**(61 853)**	55 588
Dividends paid	**(25 697)**	(23 721)
Changes in shareholding	**(11 303)**	251 360
Transfer to puttable non-controlling interest liability (refer note 10.5)	**–**	(224 981)
Total equity	**42 524 366**	40 194 621

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended June 30

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

1. Basis of preparation

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

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

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

Judgements made in the application of IFRS that have had an effect on the financial statements and estimates with a risk of adjustment in the next year are set out in note 3.1. The consolidated financial statements as at and for the year ended June 30 2024 comprise the company, its subsidiaries and equity accounted investees (together referred to as the "group" or "consolidated" and separately "separate" or "company").

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

A number of new pronouncements and/or interpretations were effective from July 1 2023. These had no material effect on the group's or company's financial statements.

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

For the year ended June 30 2024, the Türkiye lira is hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries using the Türkiye lira as their functional currency have been expressed in terms of the inflation-adjusted Türkiye lira at the reporting date (June 30 2024) (refer note 13).

The consolidated and separate financial statements were approved by the board of directors on August 27 2024.

2. Basis of consolidation

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended June 30

2. Basis of consolidation continued

2.1 Business combinations

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

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

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

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

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

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

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

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

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

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

2.2 Foreign operations

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

3. Accounting estimates, judgements and fair values

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

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

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

Property, plant and equipment (refer note 7.1)

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

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

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

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

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

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

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

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

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

Deferred taxation (refer note 5.2)

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

Inventories (refer note 7.4)

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

3. Accounting estimates, judgements and fair values continued

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

Revenue (agent versus principal) (refer note 4.1)

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

Trade receivables (refer note 7.5)

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

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

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

Puttable non-controlling interest liabilities (refer note 10.5)

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

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

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

The total remeasurement changes of the puttable NCI liabilities during the year was R158,9 million (debit) (2023: R304,2 million (debit)). Refer to the statement of changes of equity and note 10.5 for the remeasurement of the puttable NCI liabilities.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

3. Accounting estimates, judgements and fair values continued

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

Share-based payments (refer note 11.1)

Share appreciation right

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

Conditional share plan

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

Customer or supplier relationships on acquisition (refer note 8.1)

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
4. Operating performance		
4.1 Revenue		
Sale of goods – frozen	**82 822 216**	70 788 648
Sale of goods – chilled	**63 175 438**	55 303 603
Sale of goods – ambient	**69 948 008**	61 004 022
Sale of goods – non-food	**9 659 093**	8 948 959
Rendering of services and commissions earned	**300 582**	296 007
	225 905 337	196 341 239
Revenue percentage by customer type		
Hotels, restaurants and cafés	**43%**	43%
Caterers, butcheries and canteens	**14%**	14%
Quick service restaurants	**12%**	12%
Retail, wholesalers and other distributors	**11%**	10%
Healthcare and aged care	**8%**	9%
Education	**6%**	6%
Travel (airlines and cruise liners)	**3%**	3%
Government related customers	**3%**	3%
Analysis of revenue per country by percentage		
United Kingdom	**28%**	26%
Australia	**13%**	15%
Netherlands	**9%**	9%
New Zealand	**7%**	8%
Italy	**8%**	7%
Czech Republic	**8%**	7%
Belgium	**5%**	5%
People's Republic of China and Hong Kong	**4%**	5%
South Africa	**4%**	4%
Other	**14%**	14%

Composition of revenue

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

Revenue recognition

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

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

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

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

IFRS 15 *Revenue from Contracts with Customers*

Due to the group's revenue being earned through the sale of goods relating to frozen, ambient, chilled and other non-food-related products there are no significant multiple-element revenue arrangements with customers. The largest customer contract is Subway in the United Kingdom which accounts for 2,3% of the group's 2024 revenue (2023: 2,2%).

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

Cost of revenue

Cost of revenue comprises the cost of goods sold, including where manufactured in-house, overheads such as labour, production, depreciation and less discounts and rebates from suppliers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	Note	2024 R'000	2023 R'000
4. Operating performance continued			
4.2 Operating profit			
Determined after charging (crediting)			
Auditors' remuneration		92 380	80 292
Group auditor audit fees and related expenses		75 269	66 718
Group auditor related tax, consulting, other related expenses		3 849	1 438
Other audit firm fees and related expenses		13 262	12 136
Depreciation of property, plant and equipment	7.1	1 882 516	1 579 347
Freehold properties		55 593	48 402
Leasehold improvements		116 974	103 587
Plant and equipment		707 428	559 940
Office equipment, furniture and fittings		218 359	208 604
Vehicles		784 162	658 814
Impairment of property, plant and equipment	7.1	46 569	21 892
Freehold properties		1 294	–
Leasehold improvements		2 573	340
Plant and equipment		19 751	17 311
Office equipment, furniture and fittings		11 720	4 231
Vehicles		11 231	10
Amortisation of intangible assets	7.2	160 383	134 560
Patents, trademarks, and tradenames		7 142	8 072
Computer software		153 241	126 488
Right-of-use lease asset depreciation	7.3	1 269 111	1 025 470
Leasehold properties		907 030	775 463
Vehicles		345 568	240 080
Equipment and other		16 513	9 927
Directors' emoluments			
Executive directors	11.2	79 078	78 381
Basic remuneration		30 315	28 026
Retirement and medical benefits		824	770
Other benefits		493	485
Cash incentives		47 446	49 100
Non-executive director emoluments	11.2	17 988	15 291
Director fees		17 215	14 573
Other services		773	718

	Note	2024 R'000	2023 R'000
Employer contributions to		3 203 344	2 682 719
Defined contribution pension funds		790 598	711 222
Provident funds		30 338	31 747
Retirement funds		141 145	123 025
Social securities		2 130 750	1 736 126
Medical aids		110 513	80 599
Defined benefit pension plans related expenses		18 063	21 192
Share-based payment expense	11.1	304 294	226 717
Bidvest Incentive Scheme (BIS)		–	(1 395)
Bid Corporation Limited Share Appreciation Rights Plan (SARs)		8 800	15 269
Bidcorp Conditional Share Plan (CSP)		257 757	194 283
Czech Management Scheme		37 737	18 560
Staff costs excluding directors' emoluments, employer contributions		23 191 177	19 821 905
Gross staff costs excluding directors' emoluments, employer contributions		23 210 376	19 848 208
Government grants recognised in the consolidated statement of profit or loss		(19 199)	(26 303)
The group received government grants in respect of staff job retention schemes in a few geographies. The group accounts for government grants in profit or loss in the year the staff costs are incurred and presented net of the related staff cost.			
Foreign exchange losses (gains) on hedging activities		21 594	262
Forward exchange contracts		19 001	(664)
Foreign bank accounts		2 593	926
Foreign exchange losses (gains) on transactions		32 834	(19 160)
Realised		24 775	(3 522)
Unrealised		8 059	(15 638)
Transport costs		5 737 761	5 017 927
Fuel		1 455 412	1 374 193
Vehicle running and transport costs (repairs, road tax, etc.)		2 259 579	1 988 884
Freight out		2 022 770	1 654 850

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	Note	2024 R'000	2023 R'000
4. Operating performance continued			
4.2 Operating profit continued			
Accommodation and premise costs		3 328 345	2 966 028
Electricity, gas and water (utilities)		1 127 323	1 096 229
Repairs and maintenance		833 639	747 097
Health and safety costs		422 875	314 865
Packaging and pallets		359 143	311 114
Other accommodation and premise costs		585 365	496 723
Office and communication costs		1 146 914	965 324
Insurance costs		591 601	456 029
Marketing and commercial costs		625 296	507 312
IFRS 16 related lease expenses recognised in the consolidated statement of profit or loss		433 175	377 932
Expenses relating to short-term leases (leases shorter than 12 months)		364 918	291 556
Expenses relating to leases of low-value assets that are not shown above as short-term leases		42 960	54 841
Expense relating to variable lease payments not included in lease liabilities		25 297	31 535
Impairment of trade receivables		182 086	306 000
Impairment of assets		48 516	87 183
Property, plant and equipment	7.1	46 569	21 892
Intangible assets	7.2	1 112	8 258
Goodwill	8.3	–	56 023
Jointly controlled entities	9.3	835	1 010
Net capital profit		(4 806)	(9 459)
Loss (profit) on disposal of property, plant and equipment		1 893	(6 057)
Profit on disposal of interests in associates		–	(3 402)
Profit on disposal of intangibles		(4 314)	–
Profit on disposal of Shenzhen Good Foodmaster (China)		(2 385)	–
Impairment of assets and capital loss items included as capital items on consolidated statement of profit or loss		43 710	77 724

4.3 Segmental operational performance

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

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

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

	2024 R'000	2023 R'000
Segmental revenue		
Australasia	46 755 247	44 336 732
United Kingdom	63 895 204	51 378 872
Europe	82 013 393	69 548 732
Emerging Markets	33 241 493	31 076 903
	225 905 337	196 341 239

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

4. Operating performance continued

4.3 Segmental operational performance continued

Segmental revenue by category and market

	Total R'000	Australasia R'000	United Kingdom R'000	Europe R'000	Emerging Markets R'000
2024					
Sale of goods – frozen	82 822 216	18 412 056	23 234 225	28 801 714	12 374 221
Sale of goods – chilled	63 175 438	12 474 847	15 245 204	27 706 347	7 749 040
Sale of goods – ambient	69 948 008	13 925 214	22 356 630	21 836 424	11 829 740
Sale of goods – non-food	9 659 093	1 940 256	3 051 433	3 381 890	1 285 514
Rendering of services and commissions	300 582	2 874	7 712	287 018	2 978
	225 905 337	46 755 247	63 895 204	82 013 393	33 241 493
Independent	55%	73%	39%	61%	50%
Chain	34%	14%	60%	25%	34%
Logistics	4%	5%	0%	7%	2%
Retail and other	7%	8%	1%	7%	14%
Hotels, restaurants and cafés	43%	38%	38%	50%	45%
Caterers, butcheries and canteens	14%	9%	11%	17%	18%
Quick service restaurants	12%	10%	15%	13%	7%
Retail, wholesalers and other distributors	11%	13%	3%	11%	24%
Healthcare and aged care	8%	14%	10%	6%	2%
Education	6%	4%	14%	2%	2%
Travel (airlines and cruise liners)	3%	10%	3%	0%	1%
Government-related customers	3%	2%	6%	1%	1%

Customer segmentation

Independent

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

Chain

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

Logistics

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

Retail

Retail customers predominantly include independent retailers and wholesalers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

4. Operating performance continued

4.3 Segmental operational performance continued

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

4. Operating performance continued

4.3 Segmental operational performance continued

	2024 R'000	2023 R'000
Segmental trading profit		
Trading division	12 377 942	10 689 990
Australasia	3 998 629	3 541 197
United Kingdom	2 102 464	1 918 805
Europe	4 448 371	3 659 132
Emerging Markets	1 828 478	1 570 856
Corporate	(201 145)	(181 386)
	12 176 797	10 508 604
Segmental trading EBITDA[1]		
Trading division	13 642 771	11 956 064
Australasia	4 318 342	3 803 487
United Kingdom	2 497 085	2 246 875
Europe	5 038 654	4 236 905
Emerging Markets	1 788 690	1 668 797
Corporate	(181 448)	(169 953)
	13 461 323	11 786 111

1 2024 Segmental trading EBITDA is determined as trading profit (R12,177 billion) before depreciation (R1,883 billion) and amortisation charges (R160 million). EBITDA has been adjusted for the impact of IFRS 16 Leases by adding back the right-of-use asset depreciation (R1,269 billion) and deducting lease payments (R2,027 billion). 2023 Segmental trading EBITDA is determined as trading profit (R10,509 billion) before depreciation (R1,579 billion) and amortisation charges (R135 million). EBITDA has been adjusted for the impact of IFRS 16 Leases by adding back the right-of-use depreciation (R1,025 billion) and deducting lease payments (R1,462 billion).

	2024 R'000	2023 R'000
Segmental employee benefits and remuneration		
Trading division	26 267 582	22 408 646
Australasia	5 457 016	4 920 075
United Kingdom	7 897 138	6 313 819
Europe	9 578 369	8 200 758
Emerging Markets	3 335 059	2 973 994
Corporate	149 606	177 680
	26 417 188	22 586 326
Share-based payment expense	304 294	226 717
	26 721 482	22 813 043

	Number of employees	Number of employees
Segmental number of employees		
Trading division	29 029	27 948
Australasia	4 940	4 846
United Kingdom	7 996	7 369
Europe	8 855	8 539
Emerging Markets	7 238	7 194
Corporate	83	74
	29 112	28 022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

4. Operating performance continued

4.4 Cash generated by operations

	2024 R'000	2023 R'000
Reconciliation of operating profit to cash generated from operations		
Operating profit	**11 804 216**	10 158 357
Adjustments for:		
Costs incurred in respect of acquisitions (refer note 8.1)	**24 577**	45 806
Dividends received from associates and jointly controlled entity (refer note 9.1 and 9.3)	**64 411**	27 786
Nowaco share-based payments	**(313 637)**	–
Adjustment for depreciation and amortisation (refer note 7.1 and 7.2)	**2 042 899**	1 713 907
Adjustment for RoU lease asset depreciation (refer note 7.3)	**1 269 111**	1 025 470
Adjustment for non-cash items	**525 558**	694 400
Non-cash movement in the trade receivables impairment allowance	**182 086**	306 000
Impairment of goodwill (refer note 8.3)	**–**	56 023
Non-cash movement in the provision for stock obsolescence	**55 929**	135 674
Non-cash movement in provisions	**162 029**	(45 247)
Charge to profit or loss for share-based payments (refer note 11.1)	**304 294**	226 717
Profit on disposal of plant, property and equipment	**(62 473)**	(42 934)
Impairment of plant, property and equipment (refer note 7.1)	**46 569**	21 892
Impairment of intangible assets (refer note 7.2)	**1 112**	8 258
Non-cash movements related to lease cancellations for RoU lease assets and RoU lease liabilities	**(47 318)**	(38 915)
Profit on disposal of businesses	**(2 384)**	–
Non-cash movement in deferred consideration recognised on acquisition	**(141 344)**	–
Other non-cash items movements	**27 058**	66 932
Working capital changes	**(1 637 147)**	(453 756)
Increase in inventories	**(10 570)**	(1 594 770)
Increase in trade and other receivables	**(1 089 438)**	(2 128 766)
(Decrease) increase in trade and other payables	**(537 139)**	3 269 780
Cash generated by operations	**13 779 988**	13 211 970

5. Taxation

5.1 Income taxation

	2024 R'000	2023 R'000
Current taxation	**2 601 039**	2 030 893
Current year	**2 638 049**	2 114 772
Prior years' over provision	**(37 010)**	(83 879)
Deferred taxation	**197 866**	322 246
Current year	**141 877**	289 153
Prior years' under provision	**52 498**	31 668
Change in rate of taxation	**3 491**	1 425
Foreign withholding taxation	**51 679**	40 343
Total taxation per consolidated statement of profit or loss	**2 850 584**	2 393 482
Comprising		
South African taxation	**259 558**	229 908
Foreign taxation	**2 591 026**	2 163 574
	2 850 584	2 393 482

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 %	2023 %
5. Taxation continued		
5.1 Income taxation continued		
The reconciliation of the effective taxation rate with the South African company taxation rate is:		
Taxation for the year as a percentage of profit before taxation	**26,1**	25,6
Associates	**0,3**	0,2
Effective rate excluding associate income	**26,4**	25,8
Dividend and exempt income	**1,5**	1,0
Foreign taxation rate differential	**0,9**	0,9
Non-deductible expenses[1]	**(2,1)**	(1,5)
Deferred taxation assets not previously raised	**0,7**	0,3
Exempt portion of capital gains	**(0,3)**	(0,1)
Changes in prior years' estimation	**(0,1)**	0,6
Rate of South African company taxation (%)	**27,0**	27,0

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

The group is within the scope of the Organisation for Economic Cooperation and Development (OECD) Pillar Two model rules which is effective for the 2025 financial year. Most businesses in the group are expected to report an effective tax rate in excess of 15% and therefore to qualify for a safe harbour exemption such that no top up tax should apply. In countries where this is not the case there is the potential for Pillar Two taxes to apply, but these are not expected to be significant.

	2024 R'000	2023 R'000
5.2 Deferred taxation		
Deferred taxation assets	**1 619 173**	1 551 652
Deferred taxation liabilities	**(1 434 666)**	(1 150 000)
Net deferred taxation asset	**184 507**	401 652
Movement in net deferred taxation assets and liabilities		
Balance at beginning of year	**401 652**	635 958
Deferred taxation charge	**(197 866)**	(322 246)
Items recognised directly in equity and other comprehensive income	**11 139**	54 847
On acquisition of businesses	**(1 656)**	(39 219)
On disposal of businesses	**(4 883)**	–
Exchange rate adjustments, including the effect of hyperinflation	**(23 879)**	72 312
Balance at end of year	**184 507**	401 652
Analysis of deferred taxation balances		
Differential between carrying values and taxation values of property, plant and equipment	**(1 485 789)**	(1 352 894)
Differential between carrying values and taxation values of intangible assets	**(77 340)**	(74 370)
Estimated taxation losses	**340 744**	233 117
Staff-related allowances and liabilities	**499 961**	494 487
Differential between right-of-use lease assets and liabilities	**277 034**	360 795
Inventories	**74 489**	110 254
Investments	**(70 717)**	(91 877)
Trade and other receivables	**296 229**	275 050
Trade, other payables and provisions	**329 896**	447 090
	184 507	401 652

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

5. Taxation continued

5.2 Deferred taxation continued

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

Deferred taxation has been provided at rates ranging between 9% – 34% (2023: 15% – 34%). The variance in rates arises as a result of the differing taxation and Capital Gains Taxation rates present in the various countries in which the group operates.

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

	2024 R'000	2023 R'000
Estimated taxation losses available for offset against future taxable income	**2 316 451**	2 622 105
Utilised in the computation of deferred taxation	**(1 262 015)**	(863 396)
Not accounted for in deferred taxation	**1 054 436**	1 758 709

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

The significant taxation losses not accounted for as deferred taxation assets relates to the Guzmán Gastronomía S.L. group (Spain). At June 30 2024, the estimated taxation losses for Spain was €29,2 million (R568 million) (2023: €66,3 million (R1,4 billion)).

Miumi International Food Company Limited has incurred losses of HK$387 million (R902 million) (2023: HK$379 million (R911 million)). At June 30 2024, these losses have not been included in the above reconciliation as it is uncertain that a taxation deduction will be obtained against future taxable income.

	2024 R'000	2023 R'000
5.3 Taxation paid		
Amounts payable at beginning of year	**(548 319)**	(396 843)
Current taxation charge including foreign withholding taxation	**(2 652 718)**	(2 071 236)
Businesses acquired	**(986)**	(21 422)
Disposal of business	**498**	–
Interest earned on taxation deposits	**726**	–
Exchange rate adjustments	**20 013**	(71 415)
Amounts payable at end of year[1]	**578 678**	548 319
Amounts paid	**(2 602 108)**	(2 012 597)

1 Amount payable includes taxation receivable of R175,3 million (refer note 7.5) and taxation payable of R753,9 million (refer Statement of Financial Position)

6. Basic, diluted and headline earnings per share

6.1 Earnings per share

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

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

	2024 R'000	2023 R'000
Profit attributable to shareholders of the company (R'000)	**8 010 072**	6 886 260
Weighted average number of shares in issue ('000)	**334 786**	333 999
Basic earnings per share (cents)	**2 392,6**	2 061,8
6.2 Diluted earnings per share		
The diluted basic earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares.		
Dilutive earnings* (R'000)	**8 010 072**	6 886 260
Weighted average number of shares in issue ('000)	**334 786**	333 999
Potential dilutive impact of outstanding share and conditional awards ('000)	**1 292**	970
Number of outstanding staff share awards	**787**	1 192
Number of share awards deemed to be issued at fair value	**(660)**	(1 101)
Contingent issuable shares in terms of conditional share plan to be issued not at fair value	**1 165**	879
Dilutive weighted average number of shares ('000)	**336 078**	334 969
Diluted basic earnings per share (cents)	**2 383,4**	2 055,8
Dilution (%)	**0,4**	0,3

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

6. Basic, diluted and headline earnings per share
continued

6.3 Headline earnings per share

	2024 R'000	2023 R'000
Profit attributable to shareholders of the company	8 010 072	6 886 260
Impairments	42 723	79 824
Property, plant and equipment	46 569	21 892
Intangible assets	1 112	8 258
Goodwill	–	56 023
Associates	835	1 010
Taxation relief	(5 793)	(7 359)
Loss (profit) on disposal of property, plant and equipment	157	(5 770)
Property, plant and equipment	1 893	(6 057)
Taxation (relief) charge	(1 736)	287
Profit on disposal of intangibles	(3 236)	–
Intangibles	(4 314)	–
Taxation charge	1 078	–
Loss on disposal of a business	3 700	–
Profit on disposal of interests in Shenzhen Good Foodmaster (China)	(2 385)	–
Taxation charge	6 085	–
Profit on disposal of interests in associates	–	(3 402)
Headline earnings	8 053 416	6 956 912
Headline earnings per share (cents)	2 405,5	2 082,9
Diluted headline earnings per share (cents)	2 396,3	2 076,9
Dilution (%)	0,4	0,3

7. Net operating assets

7.1 Property, plant and equipment

	2024 R'000	2023 R'000
Freehold land and buildings	14 220 191	13 972 216
Cost	15 684 592	15 477 361
Accumulated depreciation and impairments	(1 464 401)	(1 505 145)
Leasehold improvements	934 003	734 083
Cost	2 329 216	2 088 012
Accumulated depreciation and impairments	(1 395 213)	(1 353 929)
Plant and equipment	4 398 136	3 699 261
Cost	10 406 485	9 562 314
Accumulated depreciation and impairments	(6 008 349)	(5 863 053)
Office equipment, furniture and fittings	984 165	989 315
Cost	2 851 911	2 902 891
Accumulated depreciation and impairments	(1 867 746)	(1 913 576)
Vehicles	3 507 587	3 176 349
Cost	7 972 025	8 026 618
Accumulated depreciation and impairments	(4 464 438)	(4 850 269)
Capital work-in-progress	1 924 254	776 140
	25 968 336	23 347 364

Property, plant and equipment with an estimated carrying value of R800 million (2023: R897 million) were pledged as security for borrowings of R516 million (2023: R551 million) (refer note 10.3).

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

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

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

Finance costs incurred on qualifying assets are capitalised until such time the assets are substantially ready for their intended use. During the year finance costs of R21,5 million (2023: nil) were capitalised as part of capital expenditure additions. Qualifying assets are those that take a substantial period of time to prepare for their intended use (refer to note 10.2).

Depreciation is provided for on the straight-line basis over the estimated useful lives of the property, plant and equipment to anticipated residual values. The estimated market value of the group's freehold property based on most recent valuation reports within the last five years amounted to R18,6 billion (2023: R18,4 billion).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.1 Property, plant and equipment continued

Estimate useful lives are:

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

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

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

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

	2024 R'000	2023 R'000
Movement in property, plant and equipment		
Carrying value at beginning of year	23 347 364	17 298 876
Capital expenditure including capitalised interest	5 773 495	4 284 573
Freehold land and buildings	787 493	741 955
Leasehold improvements	427 853	41 381
Plant and equipment	1 141 325	861 021
Office equipment, furniture and fittings	198 597	255 595
Vehicles	741 247	758 507
Capital work-in-progress	2 476 980	1 626 114
Acquisition of businesses	50 837	391 210
Freehold land and buildings	–	223 989
Leasehold improvements	5 540	8 616
Plant and equipment	14 445	81 219
Office equipment, furniture and fittings	11 700	9 459
Vehicles	19 152	67 927
Disposals	(123 468)	(85 385)
Freehold land and buildings	(55 309)	(35 396)
Leasehold improvements	(2 148)	(147)
Plant and equipment	(17 442)	(12 472)
Office equipment, furniture and fittings	(6 164)	(15 788)
Vehicles	(39 719)	(15 499)
Capital work-in-progress	(2 686)	(6 083)

	2024 R'000	2023 R'000
Net transfers	–	–
Freehold land and buildings	216 977	946 810
Leasehold improvements	(76 404)	6 126
Plant and equipment	479 602	409 181
Office equipment, furniture and fittings	72 904	151 741
Vehicles	563 892	466 403
Capital work-in-progress	(1 256 971)	(1 980 261)
Disposal of business	(1 589)	–
Plant and equipment	(677)	–
Office equipment, furniture and fittings	(846)	–
Vehicles	(66)	–
Exchange rate adjustments, including the effect of hyperinflation	(1 149 218)	3 059 329
Freehold land and buildings	(644 300)	1 851 643
Leasehold improvements	(35 374)	121 942
Plant and equipment	(191 199)	466 881
Office equipment, furniture and fittings	(51 262)	110 609
Vehicles	(157 874)	359 648
Capital work-in-progress	(69 209)	148 606
Depreciation (refer note 4.2)	(1 882 516)	(1 579 347)
Impairment losses (refer note 4.2)	(46 569)	(21 892)
Carrying value at end of year	25 968 336	23 347 364

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.1 Property, plant and equipment continued

	2024 R'000	2023 R'000
Segmental capital expenditure[1]		
Bidfood	5 772 375	4 284 153
Australasia	1 954 128	1 400 630
United Kingdom	1 645 406	1 134 919
Europe	1 660 770	1 324 660
Emerging Markets	512 071	423 944
Corporate	1 120	420
Total	5 773 495	4 284 573
Segmental depreciation		
Trading division		
Bidfood	1 881 766	1 578 666
Australasia	403 250	339 053
United Kingdom	538 080	442 696
Europe	700 349	557 095
Emerging Markets	240 087	239 822
Corporate	750	681
Total	1 882 516	1 579 347
Segmental impairments		
Trading division		
Bidfood		
Australasia	14 948	–
United Kingdom	4 125	4 510
Europe	–	2 231
Emerging Markets	27 496	15 151
	46 569	21 892

[1] *During the year, expansionary capital expenditure accounted for R3,1 billion (2023: R1,8 billion) mainly related to infrastructure capital expenditure (through upgrades to (or new) distribution centres including the fit out of plant and equipment). The group's infrastructure capital expenditure is long term in nature as distribution centres are generally used for 20 to 40 years (or beyond) and they are purposely built close to the customer. The capital expenditure is integrated with leading ESG trends (solar, water saving measures, LED lighting, state-of the-art refrigeration etc) and over time provides a strategic advantage for the group. Operational (replacement) capital expenditure of R2,6 billion (2023: R2,4 billion) is larger than the depreciation charge as replacement values have increased due to global inflationary pressures and timing of vehicle fleet replacements given long lead times and supply constraints.*

7.2 Intangible assets

	2024 R'000	2023 R'000
Patents, trademarks and tradenames	456 124	464 419
Cost	543 708	553 633
Accumulated amortisation and impairments	(87 584)	(89 214)
Computer software	460 857	454 794
Cost	2 345 481	2 284 592
Accumulated amortisation and impairments	(1 884 624)	(1 829 798)
Capital work-in-progress	39 245	28 981
	956 226	948 194
Movement in intangible assets		
Carrying value at beginning of year	948 194	694 435
Additions	199 176	154 786
Patents, trademarks and tradenames	4 116	3 722
Computer software	183 564	161 592
Capital work-in-progress	11 496	(10 528)
Expenditure	50 719	29 754
Transfers to other categories	(39 223)	(40 282)
Acquisition of businesses	16 421	93 948
Patents, trademarks and tradenames	15 931	92 889
Computer software	490	1 059
Disposals	(2 771)	(1 312)
Patents, trademarks and tradenames	(636)	(8)
Computer software	(2 135)	(1 304)
Exchange rate adjustments, including the effect of hyperinflation	(43 299)	149 155
Patents, trademarks and tradenames	(20 564)	72 271
Computer software	(21 503)	70 792
Capital work-in-progress	(1 232)	6 092
Amortisation (refer note 4.2)	(160 383)	(134 560)
Impairment losses (refer note 4.2)	(1 112)	(8 258)
Carrying value at end of year	956 226	948 194

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
7. Net operating assets continued		
7.2 Intangible assets continued		
Segmental amortisation		
Bidfood	**140 669**	123 096
Australasia	**10 377**	10 426
United Kingdom	**56 474**	49 833
Europe	**62 840**	52 292
Emerging Markets	**10 978**	10 545
Corporate	**19 714**	11 464
Total	**160 383**	134 560
Segmental impairments		
United Kingdom	**1 112**	–
Europe	**–**	8 258
Total	**1 112**	8 258

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

- "SimplyPuree" and "The Punjab Kitchen" brand names from the Simply Food Solutions acquisition. The carrying value of these brand names at June 30 was R241,4 million (2023: R250,5 million);
- "Foster" tradename and Inter Resto customer relationship recognised on the Foster Fast Food acquisition. The carrying value of this Foster tradename at June 30 was R41,3 million (2023: R43,5 million); and
- "Thomas Ridley" brand name recognised on acquisition of Thomas Ridley. The carrying value of this brand name at June 30 was R58,4 million (2023: R60,6 million).

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

The estimated useful lives are:

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
7. Net operating assets continued		
7.3 Right-of-use lease assets (RoU lease assets)		
Leasehold properties	5 530 478	5 192 729
Cost	9 406 350	8 589 392
Accumulated depreciation	(3 875 872)	(3 396 663)
Vehicles	612 365	577 148
Cost	1 348 408	1 224 391
Accumulated depreciation	(736 043)	(647 243)
Equipment and other	90 099	27 623
Cost	116 845	49 844
Accumulated depreciation	(26 746)	(22 221)
	6 232 942	5 797 500

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

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

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

	2024 R'000	2023 R'000
Movement in RoU lease assets		
Carrying value at beginning of year	5 797 500	4 501 704
New leases entered into including lease incentives	1 789 387	1 206 536
Leasehold properties	1 282 841	1 026 232
Vehicles	421 009	171 962
Equipment and other	85 537	8 342
Lease modifications and remeasurements	322 310	416 131
Leasehold properties	318 839	304 807
Vehicles	2 706	104 618
Equipment and other	765	6 706
Cancelled leases	(78 836)	(237 274)
Leasehold properties	(68 951)	(205 906)
Vehicles	(7 959)	(28 458)
Equipment and other	(1 926)	(2 910)
Group transfers	–	–
Leasehold properties	–	861
Vehicles	–	(861)
Acquisition of business	1 173	91 838
Leasehold properties	1 173	59 061
Vehicles	–	32 363
Equipment and other	–	414
Depreciation (refer note 4.2)	(1 269 111)	(1 025 470)
Exchange rate adjustments, including the effect of hyperinflation	(329 481)	844 035
Leasehold properties	(289 123)	749 579
Vehicles	(34 971)	89 965
Equipment and other	(5 387)	4 491
	6 232 942	5 797 500
Segmental RoU depreciation		
Bidfood	1 266 968	1 023 443
Australasia	146 323	145 995
United Kingdom	323 946	210 030
Europe	407 180	330 248
Emerging Markets	389 519	337 170
Corporate	2 143	2 027
	1 269 111	1 025 470

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
7. Net operating assets continued		
7.4 Inventories		
Raw materials	**759 804**	794 206
Work-in-progress	**22 005**	27 963
Finished goods	**16 126 699**	16 942 371
Roll cages	**99 186**	101 856
	17 007 694	17 866 396
Value of inventory expensed to the consolidated statement of profit or loss	**180 093 004**	162 963 985
Provision for stock obsolescence included in inventories	**417 729**	438 833
Total value of inventories on hand at June 30 written down to net realisable value	**782 908**	826 135
Provision for stock obsolescence (credited) debited to the consolidated statement of profit or loss	**(5 259)**	62 132

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

	2024 R'000	2023 R'000
7.5 Trade and other receivables		
Trade receivables	**22 614 530**	22 750 564
Impairment allowances	**(1 271 209)**	(1 351 892)
Net trade receivables	**21 343 321**	21 398 672
Forward exchange contracts asset	**4 686**	9 162
Prepayments	**974 775**	1 010 527
Deposits	**190 727**	241 001
Value added taxation receivable	**225 652**	262 011
Signing and listing fees	**156 016**	148 437
Rebates due from suppliers	**228 601**	262 062
Taxation receivable	**175 253**	–
Other receivables	**225 568**	187 100
	23 524 599	23 518 972

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

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

The group does not have any significant contract assets.

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

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group's largest exposure to a single customer group, across multiple geographies is R890 million (2023: R772 million). The group had 370 395 individual trade debtors at June 30 2024 (2023: 382 318). The total number of debtors per reporting division was obtained and the average net revenue per trade debtor was calculated for each reporting division. Based on the average net revenue per trade debtor in comparison to the group's total net revenue for the year, there was no significant concentration of credit risk to any single trade debtor. The concentration of credit risk is therefore limited due to the customer base being large and independent.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.5 Trade and other receivables continued

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

	2024 R'000	2023 R'000
Hotels, restaurants and cafés	**9 942 298**	9 512 772
Caterers, butcheries and canteens	**4 021 158**	3 961 767
Quick service restaurants	**2 692 780**	2 703 939
Retail, wholesalers and other distributors	**2 529 102**	2 313 629
Healthcare and aged care	**1 583 111**	1 962 665
Education	**1 244 973**	1 477 848
Travel (airlines and cruise liners)	**266 715**	501 334
Government-related customers	**334 393**	316 610
	22 614 530	22 750 564

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.5 Trade and other receivables continued

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

	2024			2023		
	Gross debtor R'000	Loss rate %	Expected credit loss R'000	Gross debtor R'000	Loss rate %	Expected credit loss R'000
Not past due	18 603 770	1,5	287 354	18 529 990	1,5	276 581
Hotels, restaurants and cafés	7 640 489	1,6	123 368	6 966 797	1,9	129 281
Retail, wholesalers and other distributors	1 950 482	2,8	53 938	1 891 036	2,5	48 109
Quick service restaurants	2 451 918	1,0	24 831	2 470 455	0,9	21 645
Caterers, butcheries and canteens	3 476 055	1,5	50 573	3 323 173	0,9	31 351
Healthcare and aged care	1 391 715	1,2	17 135	1 764 404	1,2	20 671
Education	1 200 827	0,8	10 011	1 408 755	0,8	11 767
Travel (airlines and cruise liners)	207 802	2,9	5 944	447 312	2,6	11 613
Government-related customers	284 482	0,5	1 554	258 058	0,8	2 144
Past due 0 – 30 days	2 042 343	5,1	104 811	2 025 163	4,7	94 756
Hotels, restaurants and cafés	1 085 670	6,6	71 517	1 173 958	5,0	59 230
Retail, wholesalers and other distributors	349 561	3,5	12 262	249 501	7,4	18 342
Quick service restaurants	129 186	3,9	5 067	112 377	3,6	4 054
Caterers, butcheries and canteens	285 310	2,4	6 832	297 541	2,4	7 188
Healthcare and aged care	124 846	3,7	4 625	114 330	2,3	2 653
Education	13 229	5,5	724	46 091	1,8	811
Travel (airlines and cruise liners)	37 739	9,1	3 427	14 950	15,4	2 305
Government-related customers	16 802	2,1	357	16 415	1,1	173
Past due 31 – 180 days	919 036	19,2	176 277	1 089 622	17,3	188 715
Hotels, restaurants and cafés	538 373	18,9	101 973	664 763	15,4	102 680
Retail, wholesalers and other distributors	122 320	18,7	22 910	87 817	26,5	23 261
Quick service restaurants	44 101	22,5	9 929	63 117	21,6	13 613
Caterers, butcheries and canteens	111 617	20,2	22 536	163 644	13,4	21 848
Healthcare and aged care	46 342	21,2	9 816	54 543	11,7	6 373
Education	20 222	10,0	2 032	13 287	17,2	2 281
Travel (airlines and cruise liners)	15 565	31,4	4 883	22 610	73,0	16 494
Government-related customers	20 496	10,7	2 198	19 841	10,9	2 165
181 + days	1 049 381	67,0	702 767	1 105 789	71,6	791 840
Hotels, restaurants and cafés	677 766	73,6	498 723	707 254	80,3	567 582
Retail, wholesalers and other distributors	106 739	74,1	79 130	85 275	83,9	71 576
Quick service restaurants	67 575	46,0	31 070	57 990	52,5	30 470
Caterers, butcheries and canteens	148 176	49,2	72 966	177 409	49,5	87 802
Healthcare and aged care	20 208	49,8	10 072	29 388	26,4	7 751
Education	10 695	32,9	3 520	9 715	35,9	3 492
Travel (airlines and cruise liners)	5 609	38,7	2 168	16 462	93,0	15 315
Government-related customers	12 613	40,6	5 118	22 296	35,2	7 852
	22 614 530	5,6	1 271 209	22 750 564	5,9	1 351 892

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.5 Trade and other receivables continued

Ageing of trade receivables per segment at June 30

	2024				2023			
	Loss rate %	Gross trade receivables R'000	Expected credit loss R'000	Net trade receivables R'000	Loss rate %	Gross trade receivables R'000	Impairment allowance R'000	Net trade receivables R'000
Not past due	1,5	18 603 770	(287 354)	18 316 416	1,5	18 529 990	(276 581)	18 253 409
Australasia	4,2	2 619 847	(110 948)	2 508 899	3,7	2 952 460	(108 314)	2 844 146
United Kingdom	0,6	6 113 352	(34 767)	6 078 585	0,6	5 843 324	(37 547)	5 805 777
Europe	1,2	6 922 722	(83 017)	6 839 705	1,3	6 594 216	(88 282)	6 505 934
Emerging Markets	2,0	2 947 849	(58 622)	2 889 227	1,4	3 139 990	(42 438)	3 097 552
Past due 0 – 30 days	5,1	2 042 343	(104 811)	1 937 532	4,7	2 025 163	(94 756)	1 930 407
Australasia	12,2	240 549	(29 372)	211 177	24,8	101 117	(25 069)	76 048
United Kingdom	2,0	211 939	(4 326)	207 613	1,5	328 679	(5 067)	323 612
Europe	4,6	1 017 062	(46 780)	970 282	3,9	1 057 876	(41 251)	1 016 625
Emerging Markets	4,2	572 793	(24 333)	548 460	4,3	537 491	(23 369)	514 122
31 – 180 days	19,2	919 036	(176 277)	742 759	17,3	1 089 622	(188 715)	900 907
Australasia	56,7	89 827	(50 965)	38 862	59,0	61 724	(36 432)	25 292
United Kingdom	8,8	265 375	(23 388)	241 987	11,4	278 846	(31 891)	246 955
Europe	17,3	386 506	(66 939)	319 567	13,4	536 785	(71 709)	465 076
Emerging Markets	19,7	177 328	(34 985)	142 343	22,9	212 267	(48 683)	163 584
181 + days	67,0	1 049 381	(702 767)	346 614	71,6	1 105 789	(791 840)	313 949
Australasia	95,0	17 388	(16 520)	868	89,9	22 489	(20 209)	2 280
United Kingdom	40,2	298 353	(119 801)	178 552	43,1	334 228	(143 973)	190 255
Europe	78,3	516 186	(404 420)	111 766	83,3	575 738	(479 741)	95 997
Emerging Markets	74,5	217 454	(162 026)	55 428	85,3	173 334	(147 917)	25 417
	5,6	22 614 530	(1 271 209)	21 343 321	5,9	22 750 564	(1 351 892)	21 398 672

The ECL percentage for trade receivables increased from 4,5% in 2019 to 11,5% in 2020 due to the onset of COVID. In 2021, the ECL percentage reduced to 9,8% given better than expected collections and improvements in forward-looking information arising from the effectiveness of global vaccine programmes. In 2022, the ECL provision reduced further to 5,8% due to increased economic activity in most parts of the world and improvements in forward-looking information and has remained at a similar ECL percentage for 2023 at 5,9%. The 2024 overall ECL of 5,6% remains elevated compared to 2019 (pre-COVID ECL) of 4,5% as we still operate in times of economic uncertainty (sticky global inflation, high interest rates, possible recession risks and continued geo-political volatility).

In summary, the ECL for the year ended June 30 2024 has been conservatively calculated on a country-by-country basis based on evidence available at the time of finalising the group annual financial statements.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.5 Trade and other receivables continued

Movement in the impairment allowance in respect of trade receivables

	2024 R'000	2023 R'000
Balance at July 1	1 351 892	995 623
Allowances raised during the year	261 000	419 197
Australasia	37 404	97 373
United Kingdom	24 914	31 611
Europe	130 482	183 980
Emerging Markets	68 200	106 233
Bad debts written off during the year	(195 343)	(138 338)
Australasia	(8 492)	(30 363)
United Kingdom	(53 911)	(12 269)
Europe	(118 338)	(81 195)
Emerging Markets	(14 602)	(14 511)
Acquisition of businesses	590	10 271
Australasia	290	1 069
United Kingdom	–	4 299
Europe	–	4 820
Emerging Markets	300	83
Disposal of businesses		
Emerging Markets	(6 448)	–
Allowances reversed during the year	(78 914)	(113 197)
Australasia	(4 623)	(6 464)
Europe	(57 100)	(38 858)
Emerging Markets	(17 191)	(67 875)
Exchange rate adjustments, including the effect of hyperinflation	(61 568)	178 336
Balance at June 30	1 271 209	1 351 892

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

	2024		2023	
	Fair value of collateral held R'000	Trade receivables net of impairment allowance R'000	Fair value of collateral held R'000	Trade receivables net of impairment allowance R'000
Collateral held on past due amounts				
Cover by credit insurance				
Australasia	51 961	51 961	23 440	23 440
United Kingdom	65 780	65 780	75 407	75 407
Europe	443 921	458 858	471 581	301 325
Emerging Markets	379 585	391 663	108 977	125 243
	941 247	968 262	679 405	525 415

The majority of the collateral held R941 million (2023: R515 million) relates to credit insurance with Atradius N.V., Allianz, Coface and Credendo. Atradius N.V. Insurer Financial Strength (IFS) rating has been affirmed by ratings agencies AM Best as A (excellent) with a stable outlook, and Moody's as A1 with a stable outlook. Rating agency Fitch, affirmed Coface AA- IFS rating and outlook remaining stable. Standard and Poor's confirmed Credendo credit rating as 'A-1+' and Allianz as 'AA' with outlook for both as stable.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7. Net operating assets continued

7.6 Trade and other payables

	2024 R'000	2023 R'000
Trade payables	**26 671 875**	29 153 697
Forward exchange contracts liability	**21 828**	12 133
Salary and wage related creditors	**3 566 369**	3 595 574
Value added taxation liability	**395 916**	410 978
Czech cash-settled incentive scheme	**139 797**	340 703
Other payables and accrued expenses	**2 465 965**	1 983 436
	33 261 750	35 496 521
Trade payables by segment		
Bidfood	**26 573 987**	29 098 769
Australasia	**4 634 396**	5 130 808
United Kingdom	**7 883 250**	9 103 653
Europe	**10 946 986**	11 409 586
Emerging markets	**3 109 355**	3 454 722
Corporate	**97 888**	54 928
	26 671 875	29 153 697

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

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

The group has contract liabilities disclosed in other payables and accrued expenses in the form of deferred income which arises from consideration received in advance of the satisfaction of performance obligations. The deferred income at June 30 2024 was R0,9 million (2023: R0,9 million).

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

7.7 Provisions

	2024 R'000	2023 R'000
Long-term portion	761 262	784 839
Short-term portion	505 607	376 265
	1 266 869	1 161 104

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7 Net operating assets continued

7.7 Provisions continued

	Onerous contracts R'000	Dismantling and site restoration R'000	Customer loyalty programme R'000	Restructuring provisions R'000	Other R'000	Total R'000
Balance at July 1 2022	97 579	419 918	126 753	126 380	222 050	992 680
Created	13 047	22 034	16 331	14 476	148 798	214 686
Utilised	(81 893)	(15 144)	(33 219)	(79 502)	(28 661)	(238 419)
On acquisition of business	4 015	–	–	–	6 503	10 518
Exchange rate adjustments	11 448	69 157	13 694	18 249	53 934	166 482
Effect of discounting	–	15 157	–	–	–	15 157
Balance at June 30 2023	44 196	511 122	123 559	79 603	402 624	1 161 104
Created	**8 192**	**126 319**	**34 435**	**42 977**	**105 145**	**317 068**
Utilised	**(15 798)**	**(48 805)**	**(33 595)**	**(39 959)**	**(36 564)**	**(174 721)**
On acquisition of business	**–**	**1 847**	**100**	**–**	**–**	**1 947**
Exchange rate adjustments	**(1 853)**	**(19 934)**	**(3 773)**	**(3 492)**	**(21 403)**	**(50 455)**
Effect of discounting	**–**	**11 926**	**–**	**–**	**–**	**11 926**
Balance at June 30 2024	**34 737**	**582 475**	**120 726**	**79 129**	**449 802**	**1 266 869**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

7 Net operating assets continued

7.7 Provisions continued

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

Onerous contracts

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

Cost of dismantling and site restoration

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

Customer loyalty programme

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

Restructuring provisions

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

Other

Consists of provision for various other individually insignificant provisions.

7.8 Segmental assets and liabilities

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

	2024 R'000	2023 R'000
Segmental operating assets		
Bidfood	**67 432 596**	65 642 759
Australasia	**15 547 192**	14 592 202
United Kingdom	**18 047 893**	17 377 055
Europe	**23 007 253**	22 595 305
Emerging Markets	**10 830 258**	11 078 197
Corporate	**326 417**	188 852
	67 759 013	65 831 611

Segmental operating liabilities

Segmental operating liabilities includes trade and other payables and provisions.

	2024 R'000	2023 R'000
Bidfood	**33 752 970**	36 138 228
Australasia	**6 651 290**	6 961 612
United Kingdom	**8 915 077**	10 325 941
Europe	**13 562 123**	13 877 045
Emerging Markets	**4 624 480**	4 973 630
Corporate	**775 649**	519 397
	34 528 619	36 657 625

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
8. Acquisitions, disposals and goodwill		
8.1 Acquisitions		
Property, plant and equipment	(50 837)	(391 210)
Intangible assets	(530)	(5 013)
RoU leased assets	(1 173)	(91 838)
Deferred taxation	1 656	16 985
Investments and loans	–	(897)
Inventories	(72 921)	(213 875)
Trade and other receivables	(75 671)	(370 415)
Cash and cash equivalents	(4 941)	(121 788)
Borrowings	–	69 538
RoU lease liabilities	1 376	121 530
Trade and other payables and provisions	92 916	514 080
Taxation	986	21 422
Total identifiable net assets at fair value	(109 139)	(451 481)
Separately identifiable intangible assets	(15 891)	(88 935)
Deferred taxation on separately identified intangible assets	–	22 234
Goodwill	(281 950)	(1 393 274)
Total value of acquisitions	(406 980)	(1 911 456)
Cash and cash equivalents acquired	4 941	121 788
Vendors for acquisition recognised	42 532	344 432
Puttable NCI liabilities recognised	–	150 899
Costs incurred in respect of acquisitions	(24 577)	(45 806)
Cash paid for acquisitions	(384 084)	(1 340 143)

For the year ended June 30 2024, four bolt-on acquisitions were concluded, these were as follows:

- Midwest Foods, a food and liquor distributor servicing the Central West of New South Wales, Australia (effective September 2023);
- Northern Bloc, an ice cream manufacturer based in Northern England (effective May 2024);
- Gourmet Express, a small supplier for frozen bakery products in Munich, Germany (effective January 2024);
- Unick Foods, a broadline foodservice distributor, with a seafood focus supplying into the foodservice, hospitality and retail sectors in the Eastern Cape, South Africa (effective April 2024).

Goodwill arose on the acquisitions as the anticipated value of future cash flows that were taken into account in determining the purchase consideration exceeded the net assets or net liabilities acquired at fair value. The acquisitions have enabled the group to expand its range of products and services and, as a consequence, has broadened the group's base in the marketplace. In addition, through these acquisitions the group has acquired management's skills and expertise as a platform from which to further consolidate its position in the foodservice market. No taxation relief is expected from the R282 million acquisition-related goodwill Included in trade and other receivables recognised on acquisition is R0,3 million of impairment allowances in respect of trade receivables.

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

	Midwest Foods R'000	Unick Foods R'000	Individually insignificant R'000	Total R'000
Property, plant and equipment	(30 879)	(1 280)	(18 678)	(50 837)
Intangible assets	(490)	–	(40)	(530)
RoU leased assets	–	(1 173)	–	(1 173)
Deferred taxation	1 656	–	–	1 656
Inventories	(27 874)	(19 179)	(25 868)	(72 921)
Trade and other receivables	(34 183)	(20 250)	(21 238)	(75 671)
Cash and cash equivalents	(4 441)	(500)	–	(4 941)
RoU lease liabilities	–	1 376	–	1 376
Trade and other payables and provisions	60 393	2 428	30 095	92 916
Taxation	986	–	–	986
Total identifiable net assets at fair value	(34 832)	(38 578)	(35 729)	(109 139)
Separately identified intangible assets	–	–	(15 891)	(15 891)
Goodwill	(192 519)	(70 381)	(19 050)	(281 950)
Total value of acquisition(s)	(227 351)	(108 959)	(70 670)	(406 980)
Cash and cash equivalents acquired	4 441	500	–	4 941
Vendors for acquisition recognised	28 681	13 851	–	42 532
Costs incurred in respect of acquisitions	(817)	(750)	(23 010)	(24 577)
Cash paid for acquisitions	(195 046)	(95 358)	(93 680)	(384 084)
Contribution to results for the year				
Revenue	399 361	42 758	40 334	482 453
Trading profit	21 150	3 485	5 303	29 938
Contribution to results for the year if the acquisitions had been effective July 1 2023				
Revenue	525 966	194 328	69 072	789 366
Trading profit	25 893	15 993	10 743	52 629

Separately identified intangible assets

Separately identified intangible assets have been recognised for brand names relating to Northern Bloc and Gourmet Express acquisition. These brands have a strong influence in the respective regional areas of the United Kingdom and Germany and the group expects to continue using these brand names into the foreseeable future. The purchase price allocations for these bolt-on acquisitions are provisional and may be retrospectively adjusted if the group obtains new information about facts and circumstances that existed at the acquisition date relating to these entities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

8. Acquisitions, disposals and goodwill continued

8.1 Acquisitions continued

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

8.2. Disposal of businesses

Shenzhen Good Foodmaster was disposed on May 8 2024 for R30,0 million. Up to disposal, Shenzen contributed R314,0 million to revenue but had a trading loss of R3,5 million. A profit of R2,4 million was recognised on the disposal.

		2024 R'000	2023 R'000
8.3	**Goodwill**		
	Carrying value at beginning of year	**20 234 696**	15 755 681
	Acquisition of businesses	**281 950**	1 393 274
	Impairment of goodwill	**–**	(56 023)
	Exchange rate adjustments	**(1 042 738)**	3 141 764
	Carrying value at end of year	**19 473 908**	20 234 696
	The carrying value of goodwill allocated to cash-generating units as follows:		
	Australia	**3 391 335**	3 308 269
	New Zealand	**476 996**	495 106
	United Kingdom	**4 563 679**	4 722 034
	The Netherlands	**1 095 710**	1 133 712
	Belgium	**666 993**	706 826
	Czech Republic and Slovakia	**3 582 191**	3 935 280
	Poland	**416 651**	433 165
	Italy	**2 069 573**	2 178 009
	Spain	**769 404**	800 588
	Portugal	**115 521**	119 785
	Baltics	**323 323**	337 195
	Germany	**307 278**	300 423
	Greater China	**414 632**	427 540
	South East Asia	**433 046**	444 983
	Brazil	**569 260**	683 074
	Chile	**118 855**	118 578
	South Africa	**141 363**	70 982
	Türkiye	**1 353**	1 762
	Middle East	**16 745**	17 385
		19 473 908	20 234 696

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

Impairment testing of goodwill

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

8. Acquisitions, disposals and goodwill continued

8.3 Goodwill continued

	Discount rate		Average revenue growth	
	2024 %	2023 %	**2024 %**	2023 %
Australia	**6,8**	7,0	**6,3**	6,0
New Zealand	**7,8**	7,8	**5,0**	5,5
United Kingdom	**7,5**	7,5	**4,8**	4,6
The Netherlands	**5,5**	6,0	**5,2**	3,7
Belgium	**6,5**	6,3	**5,1**	3,4
Czech Republic and Slovakia	**7,0**	7,6	**4,6**	5,8
Poland	**8,0**	8,5	**6,9**	7,0
Italy	**8,3**	8,0	**5,3**	5,9
Spain	**7,3**	7,3	**7,7**	6,0
Portugal	**7,8**	7,5	**7,3**	8,3
Baltics	**7,8**	8,3	**7,1**	8,5
Germany	**6,8**	6,5	**8,2**	6,3
Greater China	**9,3**	9,0	**6,1**	7,5
South East Asia	**7,8**	7,5	**10,8**	8,2
Brazil	**13,5**	13,0	**14,2**	10,7
Chile	**10,8**	11,5	**9,3**	10,5
South Africa	**12,5**	12,5	**8,5**	6,9
Türkiye	**37,5**[1]	25,0	**33,0**[1]	28,4
Middle East	**10,0**	10,0	**7,7**	8,5

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

	Average trading margins		Terminal growth rate	
	2024 %	2023 %	**2024 %**	2023 %
Australia	**9,0**	8,7	**1,5**	1,5
New Zealand	**8,0**	7,3	**1,5**	1,5
United Kingdom	**4,8**	4,8	**1,5**	1,5
The Netherlands	**4,4**	3,5	**1,5**	1,5
Belgium	**5,2**	4,7	**1,5**	1,5
Czech Republic and Slovakia	**8,9**	8,5	**1,5**	1,5
Poland	**5,1**	5,7	**1,5**	1,5
Italy	**5,1**	5,0	**1,5**	1,5
Spain	**6,5**	4,9	**1,5**	1,5
Portugal	**7,8**	7,1	**1,5**	1,5
Baltics	**5,6**	4,4	**1,5**	1,5
Germany	**2,6**	3,2	**1,5**	1,5
Greater China	**4,8**	4,5	**1,5**	1,5
South East Asia	**6,9**	5,4	**1,5**	1,5
Brazil	**5,4**	4,7	**1,5**	3,0
Chile	**4,6**	3,7	**1,5**	2,5
South Africa	**9,5**	8,6	**1,5**	1,5
Türkiye	**4,3**	3,4	**1,5**	3,0
Middle East	**5,0**	4,2	**1,5**	1,5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

8. Acquisitions, disposals and goodwill continued

8.3 Goodwill continued

Sensitivity analyses

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

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

	Goodwill attributable to CGU R'000	Net identifiable assets per CGU R'000	Calculated recoverable amount R'000	Headroom R'000
Germany	307 278	431 846	757 653	18 529

Key assumption change to result in quantitative impairment trigger:	Decrease in average revenue %	Discount rate %	Decrease in average trading margins %
Germany	2,0	6,9	0,1

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

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

9. Investments

9.1 Interest in associates

	2024 R'000	2023 R'000
Investments in unlisted associates at cost less impairments	56 185	89 897
Balance at beginning of the year	89 897	80 964
Increase in unlisted associate investment	72	260
Disposal of unlisted associate investment	(30 350)	(6 141)
Exchange rate adjustments	(3 434)	14 814
Attributable share of post-acquisition reserves of associates	179 874	121 077
At beginning of year	121 077	56 056
Share of profit from unlisted associate investments	50 941	50 259
Realised loss on disposal of unlisted associate investment	30 350	2 100
Dividends received from unlisted associate investments	(14 411)	(2 786)
Share of movement in exchange rate adjustments	(8 083)	15 448
Advances to associates held at amortised cost	24 900	43 825
	260 959	254 799

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

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

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

Unsecured advances to associates bear interest at a rate of 3,4% (2023: 2,0% to 5,2%) and have no fixed terms of repayment.

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

Interest in associates represent 2,0% (2023: 1,9%) of revenue, 2,2% (2023: 2,2%) of trading profit and 1,6% (2023: 1,5%) of total assets of the group.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended June 30

	2024 R'000	2023 R'000
9. Investments continued		
9.2 Investments and loans		
Unlisted investments held at fair value through other comprehensive income	**6 350**	19 634
Unlisted loans held at fair value through other comprehensive income	**30 579**	30 981
Unlisted loans held at amortised cost	**265 229**	100 070
	302 158	150 685

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

Significant unlisted investments held at fair value through other comprehensive income, is an investment in the SA SME Fund that invests directly in scalable small and medium enterprises with the best potential for growth and sustainable employment creation in the South African economy. No dividends were received in 2024 (2023: nil). During the year no impairments were recognised on unlisted investments (2023: nil).

Specific unlisted loans held at amortised cost relate to loans to customers in the Netherlands and Belgium that have maturities between two and three years, as well as Bidfood Czech manager loans relating to the management incentive scheme with maturities of between four and nine years.

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

	2024 R'000	2023 R'000
9.3 Investments in jointly controlled entities		
Investments in jointly controlled entities	**563 462**	537 108
Balance at beginning of year	**537 108**	512 919
Share of profit from jointly controlled entities	**77 502**	38 983
Share of impairments from jointly controlled entities	**(835)**	(1 010)
Exchange rate adjustments	**(313)**	11 216
Dividends received from jointly controlled entity	**(50 000)**	(25 000)
Advances to jointly controlled entity at amortised cost	**11 852**	4 941
Balance at end of year	**575 314**	542 049

Effective April 1 2017, Bidcorp Food Africa Proprietary Limited, a subsidiary of Bid Corporation Limited, concluded an agreement with Puratos Group NV (Puratos) whereby Puratos became an equal shareholder in Chipkins Puratos (CP). CP manufactures and supplies bakery ingredients to industrial bakers, the craft baking market and large retailers under the Chipkins and NCP brands in South Africa. The carrying value of the investment in CP at June 30 2024 is R465,4 million (2023: R466,2 million).

Effective April 1 2019, Bidcorp acquired 38% of the Blancaluna Grupo, a broadline foodservice wholesaler based in Argentina. An additional 8% interest was acquired during 2021 taking the total investment to 46%. As all strategic decisions require joint approval by a Bidcorp appointed director and a Blancaluna representative, Blancaluna has been classified in terms of IFRS 11 as a joint venture. The carrying value of the investment in the Blancaluna Grupo at June 30 2024 is R109,9 million (2023: R75,8 million).

Unsecured advances to jointly controlled entity bears interest at a rate of 5,7% and have no fixed terms of repayment.

	2024 R'000	2023 R'000
Summarised aggregated financial information of investments in jointly controlled entities		
Revenue	**2 484 492**	2 277 208
Operating profit	**239 846**	156 343
Net finance charges	**(40 481)**	(44 015)
Taxation	**(41 681)**	(36 686)
Total comprehensive income for the year	**157 684**	75 642
Group's share of total comprehensive income	**76 667**	37 973
Dividends received from jointly controlled entities	**50 000**	25 000
Total assets	**649 916**	1 068 412
Proportion of group's interest in jointly controlled entities	**278 563**	250 923
Goodwill inherent on acquisition of jointly controlled entities	**284 899**	286 185
Carrying value of group's interest in jointly controlled entities	**563 462**	537 108

Interests in the joint ventures are accounted for using the equity method of accounting. Joint ventures are initially recorded at fair value and thereafter are increased or decreased by Bidcorp's share of the profit or loss. Goodwill relating to jointly controlled entities are included in the initial carrying amount of the investment. Share of property, plant and equipment impairments of R0,8 million were recognised for the group's investments in jointly controlled entities (2023: R1,0 million).

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt

10.1 Financial risk management

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

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

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

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

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

The GARC's primary risk responsibilities include:

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(a) Credit risk

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

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

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk after taking into account the value of any collateral obtained. The carrying values, net of impairment allowances and expected credit losses, amount to R21,3 billion (2023: R21,4 billion) for trade receivables (refer to note 7.5 for credit risk disclosure), other receivables relating to deposits, signing and listing fees and other receivables amounting to R976 million (2023: R839 million), and R302 million (2023: R151 million) for investments and unlisted loans (refer to note 9.2) and cash and cash equivalents of R11,7 billion (2023: R12,2 billion).

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

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

The group has a general credit policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In accordance with the decentralised structure, the operational management is responsible for implementation of credit policies to meet the above objective. This includes credit policies under which new customers are analysed for creditworthiness before the operation's standard payment and delivery terms and conditions are offered, determining whether collateral is required, and if so the type of collateral to be obtained, and setting of credit limits for individual customers based on their financial viability and credit ratings. Many operations in the group have a policy of taking out credit insurance to cover a portion of their risk, which lowers credit risk and has been factored in when calculating the ECLs by each operation. Operational management are also held responsible for monitoring the operations' credit exposure. For cash and cash equivalents, the group places its cash, where possible, with major banking groups and high-quality institutions with high credit ratings in that country. The group's treasury policy is designed to limit exposure to any one institution and invests its excess cash in low-risk investment accounts. The counterparties that are used by the group are evaluated on a continuous basis. At June 30 2024 cash and cash equivalents was held with many major international banking institutions (with investment grade ratings ranging from AA- to A) and local South African banking institutions (with investment grade ratings of BB-).

(b) Liquidity risk

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(b) Liquidity risk continued

Contractual maturities of financial liabilities, including interest payments

	Carrying amount R'000	Undiscounted contractual cash flows Total R'000	6 months or less R'000	6 – 12 months R'000	1 – 2 years R'000	2 – 5 years R'000	More than 5 years R'000
2024							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	**301 870**	**313 557**	**21 926**	**22 378**	**51 726**	**121 379**	**96 148**
Loans secured by lien over certain property, plant and equipment	**214 418**	**241 266**	**64 453**	**52 057**	**70 651**	**54 105**	**–**
Unsecured loans	**14 093 297**	**15 537 338**	**3 722 540**	**2 491 331**	**287 779**	**7 018 871**	**2 016 817**
	14 609 585	**16 092 161**	**3 808 919**	**2 565 766**	**410 156**	**7 194 355**	**2 112 965**
RoU lease liabilities (refer note 10.4)	**7 581 560**	**9 803 114**	**848 488**	**848 488**	**1 181 772**	**2 390 912**	**4 533 455**
Puttable non-controlling liabilities (refer note 10.5)	**5 493 502**	**5 806 117**	**185 351**	**137 087**	**2 590 631**	**2 821 132**	**71 916**
Vendors for acquisition	**535 915**	**971 854**	**52 904**	**43 625**	**36 406**	**213 558**	**625 361**
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	**32 844 006**	**32 844 006**	**32 844 006**	**–**	**–**	**–**	**–**
2023							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	329 803	339 605	20 003	19 424	52 574	103 691	143 913
Loans secured by lien over certain property, plant and equipment	220 995	241 123	56 851	51 116	81 603	51 553	–
Unsecured loans	13 752 900	15 557 698	2 635 565	1 015 427	2 025 355	5 536 976	4 344 375
	14 303 698	16 138 426	2 712 419	1 085 967	2 159 532	5 692 220	4 488 288
RoU lease liabilities (refer note 10.4)	7 510 673	9 729 851	797 399	797 399	1 385 416	2 288 457	4 461 180
Puttable non-controlling liabilities (refer note 10.5)	5 625 927	6 054 021	195 109	22 790	156 149	5 510 049	169 924
Vendors for acquisition	426 106	436 570	149 689	199 070	65 352	22 083	376
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	35 073 410	35 073 410	35 073 410	–	–	–	–

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(b) Liquidity risk continued

	2024 R'000	2023 R'000
Undrawn facilities		
The group has the following undrawn facilities at its disposal to further reduce liquidity risk:		
Unsecured bank overdraft facility, reviewed annually and payable on 360 days' notice	3 378 929	3 771 586
Utilised	179 625	186 921
Unutilised	3 199 304	3 584 665
Unsecured loan facility with various maturity dates through to 2028 and which may be extended by mutual agreement	21 287 287	21 696 331
Utilised	13 251 732	12 809 412
Unutilised	8 035 555	8 886 919
Secured loan facilities with various maturity dates through to 2032 and which may be extended by mutual agreement	301 870	329 803
Utilised	301 870	329 803
Unutilised	–	–
Other banking facilities	1 404 455	1 591 447
Utilised	138 378	189 390
Unutilised	1 266 077	1 402 057
Total utilised facilities	13 871 605	13 515 526
Total unutilised facilities	12 500 936	13 873 641
Total facilities	26 372 541	27 389 167

(c) Market risk

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

(i) Foreign currency risk

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

Currency conversion guide at June 30	Statement of comprehensive income (average) 2024	2023	Statement of financial position (spot) 2024	2023
Rand/sterling	23,56	21,40	22,99	23,85
Rand/euro	20,23	18,61	19,48	20,50
Rand/Australian dollar	12,26	11,96	12,13	12,51
Rand/New Zealand dollar	11,35	10,94	11,08	11,50
Rand/Hong Kong dollar	2,39	2,27	2,33	2,40
Rand/Singapore dollar	13,87	13,03	13,41	13,91
Rand/Czech koruna	0,82	0,77	0,78	0,86
Rand/Polish zloty	4,61	3,98	4,52	4,62
Rand/Brazilian real	3,74	3,44	3,25	3,90

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(c) Market risk continued

(ii) *Interest rate risk*

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

	2024 R'000	2023 R'000
At the reporting date the interest rate profile of the group's interest-bearing financial instruments was:		
Fixed rate instruments		
Financial liabilities		
Borrowings	**(12 918 303)**	(11 824 547)
Puttable non-controlling interest liabilities	**(5 493 502)**	(5 625 927)
Derivative instruments in designated hedge accounting relationships	**(21 828)**	(12 133)
Financial assets		
Derivative instruments in designated hedge accounting relationships	**4 686**	9 162
Variable rate instruments		
Financial assets		
Cash and cash equivalents	**11 722 482**	12 397 292
Financial liabilities		
Borrowings	**(1 691 282)**	(2 479 151)
Bank overdrafts	**(163 294)**	(172 659)

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

Sensitivity analysis

Group borrowings have been categorised by geographical location and the percentage change used for each category has been selected based on what could reasonably be expected as a change in interest rates within that region based on historical movements in interest rates within that particular region. This sensitivity analysis has been prepared using the average borrowings for the financial year as the actual borrowings at June 30 may not be representative of the average borrowings during the year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analyses are performed on the same basis as for 2023. A decrease in interest rates would have an equal and opposite effect on profit after taxation as detailed below. Given the rise in global interest rates, three sensitivities for 2024 have been detailed below.

		Sensitivity 1: 2024		Sensitivity 2: 2024		Sensitivity 3: 2024		2023	
	Average variable borrowings applied R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000	Increase in interest rates %	Decrease in profit after taxation R'000
Emerging Markets	**1 801 330**	**1,00**	**13 510**	**2,50**	**33 775**	**5,00**	**67 550**	1,00	16 034
United Kingdom and Europe	**259 847**	**0,50**	**974**	**1,00**	**1 949**	**2,50**	**4 872**	0,50	1 279
Australasia	**24 039**	**0,50**	**84**	**1,00**	**168**	**2,50**	**421**	0,50	229
			14 568		**35 892**		**72 843**		17 542

(iii) *Equity price risk*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(d) Fair values

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

	2024		2023	
	Carrying amount R'000	Fair value R'000	Carrying amount R'000	Fair value R'000
Borrowings (refer note 10.3)				
Emerging Markets	2 707 779	2 684 404	2 703 335	2 673 698
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	36 944	34 954	30 162	28 839
Unsecured loans	2 670 835	2 649 450	2 673 173	2 644 859
United Kingdom and Europe	11 901 806	11 901 806	11 552 285	11 552 233
Loans secured by mortgage bonds over fixed property	301 870	301 870	329 803	329 803
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	177 474	177 474	190 833	190 781
Unsecured loans	11 422 462	11 422 462	11 031 649	11 031 649
Australasia				
Unsecured loans	–	–	48 078	48 078
	14 609 585	14 586 210	14 303 698	14 274 009
Unrecognised gain	23 375		29 689	

The methods used to estimate the fair values of financial instruments are discussed in note 3.1. The interest rates used to discount cash flows in order to determine fair values, are based on market-related rates at June 30 2024 plus an adequate credit spread which ranges from 0,0% to 78,1% (2023: 0,0% to 57,1%).

Fair value hierarchy

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

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

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

	Non-current assets (liabilities)			Current assets (liabilities)		
R'000	Puttable non-controlling interests	Invest-ments	Vendors for acqui-sition	Puttable non-controlling interests	Vendors for acqui-sition	Total
June 30 2024						
Financial assets measured at fair value	–	6 350	–	–	–	6 350
Financial liabilities measured at fair value	(5 221 784)	–	(439 386)	(271 718)	(96 529)	(6 029 417)
June 30 2023						
Financial assets measured at fair value	–	19 634	–	–	–	19 634
Financial liabilities measured at fair value	(5 408 028)	–	(88 994)	(217 899)	(337 112)	(6 052 033)

	Total	Level 1	Level 2	Level 3
June 30 2024				
Financial assets measured at fair value	6 350	–	–	6 350
Financial liabilities measured at fair value	(6 029 417)	–	–	(6 029 417)
June 30 2023				
Financial assets measured at fair value	19 634	–	–	19 634
Financial liabilities measured at fair value	(6 052 033)	–	–	(6 052 033)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.1 Financial risk management continued

(d) Fair values continued

Valuation techniques and significant unobservable inputs are as follows:

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

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The expected payments are determined by considering the possible scenarios of forecast EBITDAs, the amount to be paid under each scenario and the probability of each scenario. The valuation models consider the present value of expected payment, discounted using a risk-adjusted discount rate.	» Average revenue growth rates: 4,9% (2023: 5,7%). » Average EBITDA margin: 6,1% (2023: 6,5%). » Contractual EBITDA multiple: 10,5x (2023: 10,5x). » Risk-adjusted discount rate: 1,7% (2023 1,7%).	The estimated fair value would increase (decrease) if: » the EBITDA were higher (lower); or » the risk-adjusted discount rate were lower (higher).

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

	Increase in assumption %	Increase (decrease) R'000	Decrease in assumption %	Increase (decrease) R'000
Revenue growth rates	10	50 170	10	(49 727)
Average EBITDA margin	10	561 068	10	(561 068)
Risk-adjusted discount rate	10	(25 650)	10	25 833

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

10.2 Net finance costs

	2024 R'000	2023 R'000
Finance income	324 310	162 974
Interest income on bank balances	297 516	143 525
Interest income on advances	16 917	10 873
Interest imputed on post-retirement assets	9 877	8 576
Finance charges	(1 361 907)	(1 072 776)
Interest imputed on RoU lease liabilities (refer note 10.4)	(456 969)	(402 501)
Interest expense on bank borrowings	(641 538)	(484 189)
Unwinding of discount on puttable non-controlling interest liabilities (refer note 10.5)	(94 906)	(50 216)
Interest expense on provisions and tax liabilities	(55 191)	(53 758)
Interest expense on bank overdrafts	(97 287)	(64 631)
Interest expense on financed assets	(8 460)	(10 546)
Interest imputed on post-retirement obligations	(7 556)	(6 935)
	(1 037 597)	(909 802)

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

	2024 R'000	2023 R'000
Finance income received per the consolidated statement of cash flows		
Income per the statement of profit or loss	324 310	162 974
Interest earned on taxation deposits	(726)	–
Interest imputed on post-retirement obligations	(9 877)	(8 576)
Amounts received	313 707	154 398
Finance charges paid per the consolidated statement of cash flows		
Charge per the statement of profit or loss	(1 361 907)	(1 072 776)
Unwinding of discount on puttable non-controlling interest liabilities	94 906	50 216
Interest imputed on post-retirement obligations and provisions	15 660	18 348
Amounts capitalised for plant, property and equipment, and borrowings	138 868	133 709
Amounts paid	(1 112 473)	(870 503)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.3 Borrowings

	2024 R'000	2023 R'000
Loans secured by mortgage bonds over fixed property (refer note 7.1)	301 870	329 803
Loans secured by lien over certain plant and equipment (refer note 7.1)	214 418	220 995
Unsecured borrowings	14 093 297	13 752 900
Borrowings	14 609 585	14 303 698
Bank overdrafts	163 294	172 659
Total borrowings	14 772 879	14 476 357
Less short-term portion of borrowings	(6 041 660)	(3 501 604)
Long-term portion of borrowings	8 731 219	10 974 753
Schedule of repayment of total borrowings		
Within 1 year	6 041 660	3 501 604
1 year to 2 years	2 289 600	3 648 235
2 years to 3 years	2 592 942	1 518 922
3 years to 4 years	1 627 889	2 148 384
4 years to 5 years	1 212 076	1 501 276
Thereafter	1 008 712	2 157 936
	14 772 879	14 476 357
Total borrowings comprise		
Foreign subsidiaries borrowings	14 123 307	13 774 655
South African subsidiary borrowings	649 572	701 702
	14 772 879	14 476 357

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

	2024 R'000	2023 R'000
Movement in borrowings		
Carrying value at beginning of year	14 303 698	9 115 551
Borrowings raised during the year	6 818 110	10 722 066
Borrowings repaid during the year	(5 897 487)	(7 627 594)
Interest capitalised during the year	160 352	133 709
On acquisition of business	–	69 538
On disposal of business	(14 292)	–
Exchange rate adjustments	(760 796)	1 890 428
	14 609 585	14 303 698

	Currency	Nominal interest rate %	Financial year of maturity	2024 R'000	2023 R'000
Terms and debt repayment schedule					
Borrowings of South African subsidiaries					
Unsecured loans	ZAR	9,8	2025	649 572	701 702
Borrowings of foreign subsidiaries				13 960 013	13 601 996
Loans secured by mortgage bonds over fixed property	EUR	0,8 – 4,8	2025 – 2030	301 870	329 803
Loans secured by lien over certain plant and equipment	EUR	0,3 – 4,5	2025 – 2030	91 889	115 076
	PLN	7,6	2029	82 784	66 015
	GBP	1,6 – 7,1	2025 – 2028	2 800	9 742
	BRL	7,5 – 15,0	2025 – 2030	14 341	14 809
	MYR	3,0 – 3,6	2025	–	945
	TRY	22,0 – 78,1	2025 – 2027	22 604	14 408
Unsecured loans	EUR	0,6 – 5,0	2025 – 2031	11 317 049	10 876 039
	GBP	0,0	2029	47 971	45 504
	HKD	5,8 – 8,0	2025	1 078 089	1 144 605
	CLP	8,6 – 11,6	2025	277 037	293 922
	CZK	10,4	2025	102 714	143 835
	Other			620 865	547 293
Total interest bearing borrowings				14 609 585	14 303 698

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

Capital management

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

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The principal covenant limits are net debt to EBITDA of no more than 2,5 times and interest cover of no less than 5 times (both excluding the impacts of IFRS 16). Compliance with the group's biannual debt covenants is monitored on a monthly basis and formally tested at December 31 and June 30. At June 30, the group's net debt to EBITDA is 0,2 times (2023: 0,2 times) and interest cover of 23,2 times (2023: 23,2 times).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.3 Borrowings continued

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

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

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

	2024 R'000	2023 R'000
Leasehold properties	**6 834 104**	6 861 742
Vehicles	**655 437**	618 905
Equipment and other	**92 019**	30 026
Total RoU lease liabilities	**7 581 560**	7 510 673
Short-term RoU lease liabilities	**1 356 803**	1 194 672
Long-term RoU lease liabilities	**6 224 757**	6 316 001

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

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

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

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

- Leasehold property six-year average lease term for 286 leases (2023: eight-year average lease term for 316 leases);
- Vehicles three-year average lease term for 1 274 leases; and (2023: six-year average lease term for 1 175 leases); and
- Equipment and other five-year average lease term for 72 leases (2023: four-year average lease term for 34 leases).

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

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

The IBR applied to leases per segment were as follows:

	2024 %	2023 %
Australasia	**5,0 – 8,5**	5,0 – 7,7
Emerging Markets[1]	**3,5 – 53,0**	4,0 – 23,0
Europe	**2,0 – 8,0**	4,0 – 8,0
United Kingdom	**3,0 – 8,0**	3,0 – 8,0

[1] *The upper end of the range for Emerging Markets relates to Türkiye which is impacted by its macro-economic environment and hyperinflation. Excluding Türkiye the range for Emerging Markets is 3,5 – 9,0.*

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

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

	2024 R'000	2023 R'000
The movement in RoU lease liabilities is as follows:		
Carrying value at beginning of year	**7 510 673**	6 077 277
New leases entered into	**1 791 089**	1 206 536
Lease modifications and remeasurements	**322 310**	416 131
Finance charges	**456 969**	402 501
Cancelled leases	**(126 154)**	(276 189)
Lease payments	**(1 999 047)**	(1 528 538)
Acquisition of business	**1 376**	121 530
Exchange rate adjustments, including the effect of hyperinflation	**(375 656)**	1 091 425
	7 581 560	7 510 673
The expenses relating to short-term and low-value commitments have been disclosed in note 4.2		
Total contractual undiscounted cash flows related to RoU lease liabilities		
Within one year	**1 696 975**	1 594 798
One to two years	**1 181 772**	1 385 416
Two to five years	**2 390 912**	2 288 457
After five years	**2 412 752**	1 726 085
Total contractual undiscounted cash flows related to RoU lease liabilities	**7 682 411**	6 994 756
Future cash flows included for renewal periods	**2 120 703**	2 735 095
Total undiscounted cash flows including renewal periods related to RoU lease liabilities	**9 803 114**	9 729 851
Effects of discounting	**(2 221 554)**	(2 219 178)
Carrying amount of RoU lease liability	**7 581 560**	7 510 673

10.5 Puttable non-controlling interest liabilities

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

	2024 R'000	2023 R'000
Balance at beginning of the year	**5 625 927**	4 273 161
Arising on the granting of put options to non-controlling interests during the year	**–**	224 981
Payments made to non-controlling interest during the year	**(71 904)**	(143 783)
Remeasurement of put options during the year	**158 921**	304 244
Unwinding of present value discount recognised to the statement of profit or loss	**94 906**	50 216
Exchange rate adjustments	**(314 348)**	917 108
	5 493 502	5 625 927
Long-term portion	**5 221 784**	5 408 028
Short-term portion	**271 718**	217 899

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

10. Financial risk management and net debt continued

10.5 Puttable non-controlling interest liabilities continued

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

Distrubuzione Alimentari Convivenze SPA (DAC)

In December 2021, an amendment to the shareholder agreement was signed with the minority shareholders of DAC which included an option for the minority shareholder to put their 40% interest to the group after June 30 2026; 20% after June 2026, 10% after June 2027 and 10% after June 2028. The minority shareholder agreed not to directly or indirectly sell, transfer or otherwise dispose of their stake in DAC for 5 (five) years.

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

The non-controlling shareholder have the option to put their 40% interest in DAC to the group, at 10,5 times EBITDA less net debt. The discount rate used for the DAC put option was 1,70% (2023: 1,70%). The fair value of this put option liability at June is R4,9 billion (€251,2 million) (2023: R5,0 billion (€243,1 million)).

Irmaos Avelino Brazil (Brazil)

The non-controlling shareholder has the option to put their 40% interest in Brazil to the group, at 7,04 times the average two years EBITDA less net debt. Contractually the put option has been disclosed as a current liability as it is exercisable but is unlikely to be exercised in the short term. The fair value of this put option liability at June is R185,4 million (BRL 57,0 million) (2023: R195,1 million (BRL 50,0 million)).

Bidfood SA (Chile)

The non-controlling shareholder has the option to put their 12% interest in Chile to the group, at 6,5 times EBITDA less net debt and is exercisable from September 1 2024. Contractually the put option has been disclosed as a current liability as it is exercisable but is unlikely to be exercised in the short term. The fair value of this put option liability at June is R65,2 million (A$5,3 million) (2023: R66,0 million (A$5,3 million)).

11. Staff remuneration

11.1 Share-based payments

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

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

	2024 R'000	2023 R'000
Share-based payment expenses recognised:		
Equity-settled share-based payment schemes		
Bidvest Incentive Scheme (BIS)	–	(1 395)
Bid Corporation Limited Share Appreciation Rights Plan (SARs)	8 800	15 269
Bidcorp Conditional Share Plan (CSP)	257 757	194 283
Cash-settled share based payment scheme		
Czech Management Scheme	37 737	18 560
	304 294	226 717

The Bidvest Incentive Scheme (BIS)

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

11. Staff remuneration continued

11.1 Share-based payments continued

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

	2024 Number of awards	2024 Average price R	2023 Number of awards	2023 Average price R
Beginning of the year	62 813	288,55	213 938	273,95
Lapsed	–	–	(3 750)	208,91
Exercised	(42 188)	284,15	(147 375)	269,39
End of the year	20 625	297,54	62 813	288,55
Share options outstanding at June 30 by year of grant are:				
2015	1 625	250,73	16 063	250,73
2016	19 000	301,54	46 750	301,54
	20 625	297,54	62 813	288,55

The options outstanding at June 30 2024 have an exercise price in the range of R250,73 to R301,54 (2023: R250,73 to R301,54) and a weighted average contractual life of 0,3 to 1,5 years (2023: 1,3 to 2,5 years). The fair value of services received in return for shares allotted is measured based on a binomial method. The contractual life of the option is used as an input into this model.

Bid Corporation Limited Share Appreciation Rights Plan (SARs)

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

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

	2024 Number of awards	2024 Average price R	2023 Number of awards	2023 Average price R
Beginning of the year	1 129 375	258,50	1 972 501	252,54
Granted	180 000	364,10	76 500	302,20
Exercised	(527 575)	252,06	(911 125)	250,27
Lapsed	(14 968)	253,65	(8 501)	255,22
End of the year	766 832	299,89	1 129 375	258,50
Share awards outstanding at June 30 by year of grant are:				
2017	–	–	139 500	263,91
2018	102 252	238,62	295 000	239,72
2019	269 080	260,06	461 875	258,10
2021	139 000	271,35	156 500	268,92
2022	76 500	302,20	76 500	302,20
2023	90 000	404,63	–	–
2024	90 000	426,00	–	–
	766 832	299,89	1 129 375	258,50

The awards outstanding at June 30 2024 have an exercise price in the range of R238,30 to R426,00 (2023: R238,30 to R313,08) and a weighted average contractual life of 0,9 to 6,3 years (2023: 0,9 to 6 years). The fair value of services received in return for shares allotted is measured based on a binomial method.

Bidcorp Conditional share plan

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

Executive directors' CSP awards

During the year, executive directors were granted 2024 CSP awards. Vesting of these awards are subject to three group performance conditions to vest and are measured over the performance period commencing from July 1 2023 to June 30 2026:

» 40% of the 2024 CSP award are subject to achievement of constant currency normalised Headline Earnings per Share (HEPS) targets;

» 30% of the 2024 CSP award are subject to the Return on Funds Employed (ROFE) condition; and

» 30% of the 2024 CSP award are subject to the Key Performance Indicators (KPI) condition.

These performance targets/conditions are disclosed in the 2023 Bidcorp Remuneration Report. Once performance conditions have been met, the award will vest with 75% of the CSP award on September 1 2026 and 25% on September 1 2027, unless otherwise determined by the remuneration committee. These share awards do not carry voting rights attributable to ordinary shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

11. Staff remuneration continued

11.1 Share-based payments continued

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

	Balance at July 1 2023	CSP awarded	CSP exercised	CSP forfeited	Closing balance June 30 2024
BL Berson	497 600	170 000	(144 875)	–	522 725
DE Cleasby	232 400	80 000	(67 025)	–	245 375
	730 000	250 000	(211 900)	–	768 100

Senior management

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

The fair value of services received in return for the conditional share awards has been determined by multiplying the number of conditional share awards expected to vest, by the share price at the date of the award, less discounted by anticipated future distribution flows. The exercise price for conditional share awards is nil. The average discounted share price used in the calculation of the share-based payment charge on the conditional share awards allotted during the year is R373,88 per share (2023: R360,75 per share). The assumptions used to determine the fair value of the conditional share awards was a distribution yield of 2,67% (2023: 2,37%) and risk-free interest rate (based on South African government bonds) of 8,54% (2023: 8,14%). A total of 34 289 senior management conditional share awards were forfeited during the year (2023: 65 800).

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

	2024 Number	2023 Number
Beginning of the year	2 796 750	2 225 576
Awarded	788 900	688 600
Exercised	(387 686)	(51 626)
Forfeited	(34 289)	(65 800)
End of the year	3 163 675	2 796 750
Share awards outstanding at June 30 by year of grant are:		
2019	–	12 250
2020	481 125	844 250
2021	582 850	607 650
2022	633 700	644 000
2023	677 100	688 600
2024	788 900	–
	3 163 675	2 796 750

Czech Management Scheme

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

In August 2019, Bidcorp elected to settle Czech managers shares in cash and therefore changed the accounting treatment of the Nowaco Management Scheme from equity-settled to a cash-settled share-based scheme. During the year, payments were made to the Czech managers of £8,0 million (R188,5 million) (2023: nil). The determined fair value of the Czech Management Scheme at June 30 2024 is £6,1 million (R139,8 million) (2023: £14,3 million (R340,7 million)).

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

In July 2023, Czech managers entered an agreement with Bidcorp to purchase 3,40% of the Bidfood Czech group of companies at varying discounts. The managers are obliged to sell their shares to Bidcorp at the end of the relevant period applicable to each manager, which are either July 1 2028 or July 1 2033. The determined fair value of the scheme at June 30 2024 is £17,1 million (R 392,5 million) calculated using an EBITDA multiple of nine times and forecast trading results for Bidfood Czech Republic, and it is disclosed separately in long-term vendors for acquisition liability (refer statement of financial position).

The Polish manager scheme was an equity-settled share-based scheme valued at June 30 2023 at R391,1 million (£18,8 million) and is accounted for in the share-based payment reserve. During the year the Polish managers were fully settled.

11.2 Remuneration of directors

The remuneration paid to executive directors while in office of the company during the year ended June 30 2024 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	22 098	313	336	34 130	56 877
DE Cleasby	8 217	180	488	13 316	22 201
Total	30 315	493	824	47 446	79 078

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

11. Staff remuneration continued

11.2 Remuneration of directors continued

Summary of directors' long-term incentives

	2024					
	Share-based payment expense R'000	Benefit arising from exercise of awards R'000	Gross benefit R'000	Previous share-based payment expense R'000	Actual long-term incentive benefit R'000	2023 R'000
Director						
BL Berson	49 573	57 633	107 206	(29 286)	77 920	44 136
DE Cleasby	23 289	26 663	49 952	(13 403)	36 549	21 044
Total	72 862	84 296	157 158	(42 689)	114 469	65 180

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

11. Staff remuneration continued

11.2 Remuneration of directors continued

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

	2024			
	Director fees R'000	Other services R'000	Total R'000	2023 R'000
Non-executive director				
T Abdool-Samad	1 256	–	1 256	1 130
PC Baloyi	1 630	–	1 630	1 486
B Joffe	2 123	–	2 123	1 128
S Koseff	4 460	–	4 460	4 056
KR Moloko	1 140	–	1 140	1 036
CJ Rosenberg	2 085	–	2 085	1 831
NG Payne	2 005	–	2 005	1 836
H Wiseman[1]	2 516	773	3 289	2 788
Total	17 215	773	17 988	15 291

[1] *H Wiseman provided services by chairing the quarterly Divisional Audit and Risk Committee meetings.*

Prescribed officers

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

11.3 Post-retirement obligations

	2024 R'000	2023 R'000
Post-retirement assets		
The Bidvest South Africa Pension Fund in South Africa	(23 918)	(30 653)
Post-retirement obligations	42 272	50 624
Angliss Hong Kong Food Service Limited Retirement Benefit and Long Service Plans	27 496	33 324
Unfunded defined benefit early retirement plan	14 776	17 300
	18 354	19 971

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

Defined benefit pension funds

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

Unfunded defined benefit retirement plans

Distrubuzione Alimentari Convivenze SPA (Italian subsidiary) provides a retirement plan for its employees. The total number of members as of June 30 was 333 (2023: 294).

	Discount rate (%)	Salary increase (%)
Key assumptions applied in the actuarial valuations:		
2024		
The Bidvest South Africa Pension Fund in South Africa	11,8	7,1
Angliss Hong Kong Food Service Limited Retirement Benefit and Long Service Plans	3.4 – 3.7	4,5
Unfunded defined benefit early retirement plan	3,7	3,0
2023		
The Bidvest South Africa Pension Fund in South Africa	11,9	7,5
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	3,6	4,5
Unfunded defined benefit early retirement plan	3,6	5,8

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

12. Equity, distributions and group information

12.1 Capital and reserves attributable to shareholders of the company

	2024 R'000	2023 R'000
Stated capital		
Issued stated capital	**5 428 016**	5 428 016
Treasury shares	**226 899**	(134 001)
Balance at beginning of the year	**(134 001)**	(284 653)
Shares disposed of in terms of share incentive plans	**360 900**	213 662
Shares purchased during the year	**–**	(63 010)
Reserves		
Foreign currency translation reserve including hyperinflation effects	**11 083 099**	12 900 124
Equity-settled share-based payment reserve	**624 265**	971 889
Retained earnings	**24 827 869**	20 644 550
Total capital reserves comprise		
Amounts attributable to shareholders of the company	**42 190 148**	39 810 578
Amounts attributable to non-controlling interests	**334 218**	384 043
	42 524 366	40 194 621

Stated capital

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

Treasury shares

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

Foreign currency translation reserve

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations including hyperinflationary adjustments.

Equity-settled share-based payment reserve

The equity-settled share-based payment reserve (SBP reserve) includes the fair value of the share appreciation right awards granted and conditional share awards made to executive directors and staff, which have been recognised over the vesting period at fair value with a corresponding expense recognised in the statement of profit or loss. The total share-based payment expense for the group during the year was R266,6 million (2023: R208,2 million). Our settlement practice of the share-based payment incentive plans has been through a subsidiary company (other than the employer company of the participant), which holds Bidcorp treasury shares (Bid Treasury Company).

In terms of an inter-group repayment arrangement, the employer company pays the purchase contribution to the Bid Treasury Company for the market value of the shares that were awarded to the participant exercising the award. The R360,9 million (2023: R213,7 million) utilisation during the year represents the market value of Bidcorp shares received by participants for share awards that were exercised during the year. The credit entry for the R360,9 million (2023: R213,7 million) is recorded under treasury shares representing the Bidcorp shares that were sold to satisfy the participant share awards that were exercised.

Cash settlements of R484,8 million (2023: nil) and R188,5 million (2023: nil) were made for the Poland and Czech management schemes respectively. Refer note 11.1.

The transfer from retained earnings of R219,5 million (2023: R305,5 million) represents a transfer between equity reserves to true up the equity-settled share-based payment reserve to reflect the value of outstanding share awards at June 30 2024.

	2024 Number of shares ('000)	2023 Number of shares ('000)
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2023: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2023: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
Treasury shares held by BTW Investments (Pty) Limited	**(210)**	(1 069)
Balance at beginning of the year	**(1 069)**	(1 438)
Shares disposed in terms of share incentive plans	**859**	592
Shares purchased during the year	**–**	(223)
	335 194	334 335

The issued stated capital is fully paid up.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
12. Equity, distributions and group information continued		
12.2 Dividends paid		
2023 final dividend paid of 500,0 cents per share (2022: final dividend of 400,0 cents per share was declared)	**1 677 021**	1 341 617
2024 interim dividend paid of 525,0 cents per share (2023: interim dividend paid of 440,0 cents per share was declared)	**1 760 872**	1 475 778
Amounts paid per the consolidated statement of cash flows	**3 437 893**	2 817 395

12.3 Group composition

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

		Principal place of business	Nature of business	Effective holding % 2024	Effective holding % 2023
Subsidiaries					
Al Diyafa Company for Catering Services LLC	B	Saudi Arabia	1	**49**	51
Angliss Beijing Food Service Limited		China	1	**70**	70
Angliss Guangzhou Food Service Co Limited		China	1	**90**	90
Angliss Hong Kong Foodservice Limited		Hong Kong	1	**100**	100
Angliss International Investment Limited		Hong Kong	1	**100**	100
Angliss Macau Food Service Limited		Macau	1	**100**	100
Angliss Shanghai Food Service Limited		China	1	**100**	100
Angliss Shenzen Food Service Limited		China	1	**100**	100
Applied Logic Systems Limited		New Zealand	1	**100**	100
Athian Pty Limited t/a Midwest Food and Liquor		Australia	1	**100**	–
BFS Botany Pty Limited		Australia	1	**100**	100
BFS Byron Bay Limited		Australia	1	**100**	100
BFS Group Limited		United Kingdom	1	**100**	100
BFS Port Macquarie Pty Limited		Australia	1	**100**	100
Bidcorp (UK) Limited		United Kingdom	1	**100**	100
Bidcorp Food Africa Pty Limited		South Africa	1	**100**	100
Bidcorp Food Property Pty Limited		South Africa	1	**100**	100
Bidcorp Foodservice International Limited		Isle of Man	2	**100**	100
Bidcorp Foodservice (Europe) Limited		United Kingdom	1	**100**	100
Bidcorp International Limited		Isle of Man	2	**100**	100
Bidcorp Properties International Limited		Isle of Man	2	**100**	100
Bidcorp Spain S.L.		Spain	1	**100**	100
Bidfood Bestfood NV		Belgium	1	**100**	100
Bidfood (Victoria) Pty Limited		Australia	1	**100**	100
Bidfood (WA) Pty Limited		Australia	1	**100**	100
Bidfood Australia Limited		Australia	1	**100**	100
Bidfood Belgium BV		Belgium	1	**100**	100
Bidfood Czech Republic s.r.o.		Czech Republic	1	**96**	98
Bidfood De Clercq NV		Belgium	1	**100**	100
Bidfood Efe Dagıtım ve Pazarlama A.S.	A	Turkey	1	**90**	89,5
Bidfood (EM) Sdn Bhd.	A	Malaysia	1	**60**	60
Bidfood Holdings AS	A	Turkey	1	**90**	90
Bidfood Holdings Malaysia Sdn. Bhd.	A	Malaysia	1	**89**	89
Bidfood Horeca Service N.V.		Belgium	1	**100**	100
Bidfood Limited		Botswana	1	**100**	100
Bidfood Limited		New Zealand	1	**100**	100
Bidfood Pty Limited		South Africa	1	**100**	100
Bidfood SA		Belgium	1	**100**	100
Bidfood Chile S.A.	A	Chile	1	**89**	89
Bidfood China Limited		China	1	**100**	100
Bidfood Malaysia Sdn. Bhd.	A	Malaysia	1	**89**	89
Bidfood Portugal S.A		Portugal	1	**100**	100
Bidfood Singapore Pte Limited		Singapore	1	**100**	100
Bid Foodservice Middle East-Jordan	B	Jordan	1	**39**	41
Bidfresh Limited		United Kingdom	1	**100**	100
BTW Investments Pty Limited		South Africa	2	**100**	100
Burleigh Marr Distributions Pty Limited		Australia	1	**100**	100
Campbell Brothers Limited		United Kingdom	1	**100**	100
Cater Plus Pty Limited		Australia	1	**100**	100
Caterfood Holdings Limited		United Kingdom	1	**100**	100
Cimandis Limited		Jersey	1	**100**	100
Clayton Cold Store Pty Limited		Australia	1	**100**	100
Cold Seas Pty Limited		Australia	1	**100**	100
Crown Food Group Pty Ltd		South Africa	1	**100**	100
Decuyp N.V.		Belgium	2	**100**	–
Distribuidora E Importadora Irmaos Avelino Ltda	A	Brazil	1	**60**	60
Distrubuzione Alimentari Convivenze SPA	A	Italy	1	**60**	60
Elite Fine Foods Limited		United Kingdom	1	**100**	100
Euskopan 2002 S.L.	A	Spain	1	**80**	80

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

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

Nature of business

1. Catering supplies, food and allied products.

2. Group services, investments and property holding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

12. Equity, distributions and group information continued

12.3 Group composition continued

		Principal place of business	Nature of business	Effective holding % 2024	Effective holding % 2023
Farutex Sp. z.o.o		Poland	1	**100**	91
Food and Wine Sp.z o.o		Poland	1	**91**	91
Food Fabrique DMCC	B	United Arab Emirates	1	**49**	51
Foster Fast Food N.V.		Belgium	1	**100**	100
Fruit Xpress OÜ	A	Estonia	1	**80**	80
Goldline Distributors Pty Limited		Australia	1	**100**	100
Guzman Gastromania S.L.		Spain	1	**100**	100
Harvest Fine Foods Limited		United Kingdom	1	**100**	100
Him Kee Food Distribution Co. Limited		Hong Kong	1	**100**	100
Horeca Trade LLC		United Arab Emirates	1	**65**	68
Horeca Trading SPC		Oman	1	**65**	68
Horeca United Services Co. WLL	B	Bahrain	1	**42**	44
Igartza, S.L		Spain	1	**100**	100
Jilin Bidcorp Food Service Limited		China	1	**60**	60
John Lewis Foodservice Pty Limited		Australia	1	**100**	100
Linson Global Seafood Trading Limited		Hong Kong	1	**63**	63
Miča-Bagoňoá S.R.O.		Czech Republic	1	**80**	80
Midwest Group Holdings Pty Limited		Australia	1	**100**	–
Northern Bloc Limited		United Kingdom	1	**100**	–
Nicol Hughes Foodservice Limited		United Kingdom	1	**100**	100
Pastry Global Foodservice Limited		Hong Kong	1	**100**	100
Bidfood Germany Holding GmbH (formerly Pier 7 Holding GmbH)		Germany	1	**100**	90
Simply Food Solutions Limited		United Kingdom	1	**100**	100
Tekoo SPOL s.r.o.		Czech Republic	1	**100**	100

A The group has put option arrangements for these entities or its holding company. In terms of the anticipated acquisition method, these entities are consolidated as 100% held subsidiaries. (Refer note 10.5 for details).
B The group exercises control over the subsidiary as the group has the ability to affect the subsidiaries profit or loss from its involvement and ability to affect those returns through its power over the subsidiary.

Nature of business
1. Catering supplies, food and allied products.
2. Group services, investments and property holding.

		Principle place of business	Nature of business	Effective holding % 2024	Effective holding % 2023
Thomas Ridley and Son Limited		United Kingdom	1	**100**	100
UAB Bidfood Lietuva		Lithuania	1	**100**	100
United Imports and Exports Co. Pty Limited		Australia	1	**100**	100
Wet Fish Trading LLC	B	United Arab Emirates	1	**35**	35
Zegro Centrum Rotterdam B.V.		Netherlands	1	**100**	100
Associates					
ATL Vastgoed BV		Netherlands	1	**30**	30
Chovanecek S.R.O.		Czech Republic	1	**20**	20
Griffith Crown Foods Pty Limited		South Africa	1	**49**	49
Farm Fresh Real Estate BV		Netherlands	1	**25**	25
Meatstreet O.G.		Netherlands	1	**25**	25
Maxxam BV	C	Netherlands	1	**17**	17
Maxxam CV	C	Netherlands	1	**17**	17
Van Gelder Ridderkerk BV		Netherlands	1	**20**	20
Vanilla Venture BV		Netherlands	1	**25**	25
Foodl BV		Netherlands	1	**–**	33
Jointly controlled entities					
Chipkins Puratos Pty Limited		South Africa	1	**50**	50
Distribuidora Blancaluna S.A		Argentina	1	**46**	46

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

12. Equity, distributions and group information continued

12.4 Related parties

Identification of related parties

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

Transactions with key management personnel

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

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

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

Transactions with related parties

	2024 R'000	2023 R'000
Outstanding advances due at year end by associates (note 9.1)	**24 900**	43 825
Revenue received from associates	**133 999**	83 987
Amounts due by associates included in trade receivables [1]	**24 004**	25 810
Inventory purchased from associates	**2 060 033**	1 970 599
Purchases from associates	**97**	–
Amounts due to associates included in trade payables [1]	**162 775**	114 661
Revenue received from jointly controlled entity	**24 890**	13 545
Property rental income from jointly controlled entity	**19 005**	17 551
Property rental expense related to non-controlling interests	**47 266**	36 362
Purchases from jointly controlled entity	**12 280**	12 019
Amounts due by jointly controlled entity included in trade receivables	**2 741**	1 082
Amounts due to jointly controlled entity included in trade payables	**2 479**	1 461
Outstanding advances due at year end by joint-controlled entity (note 9.3)	**11 852**	4 941

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

[1] *Trading relationships with associates and jointly controlled entities are generally concluded on terms similar to those of third parties and there are no abnormal or non-commercial credit terms allowed. There were no impairments or provisions raised against trade receivables or loans to associates or jointly controlled entities during the year (2023: R1,4 million).*

12.5 Commitments and capital management

The board of directors' policy is to maintain a strong capital base so as to sustain future development of the businesses so that it can continue to provide benefits to its stakeholders.

	2024 R'000	2023 R'000
Capital expenditure approved:		
Contracted for	**3 911 307**	2 792 300
Not contracted for	**2 311 262**	2 354 240
	6 222 569	5 146 540
Capital expenditure split		
Property, plant and equipment	**6 024 682**	4 975 566
Computer software	**197 887**	170 974
	6 222 569	5 146 540

It is anticipated that capital investments (capin) will be financed out of existing cash resources.

Significant contracted capin relate to the following:

- United Kingdom – infrastructure spend for land in Durham; fit out for a new Worcester depot and ongoing replacement of the vehicle fleet and IT related costs.
- New Zealand – infrastructure capin including a new depot in Waipapa, land for a replacement fresh produce depot in Auckland, and ongoing replacement of the vehicle fleet.
- Australia – infrastructure capin for the Canberra building and fit out, land for a new depot at North Harbour, and ongoing replacement of the vehicle fleet.
- Italy – infrastructure capin on the fit out of the Rome depot and expansion of the Alborghette warehouse and offices.
- Netherlands – partial replacement of fleet with electric vehicles.
- Portugal – infrastructure capin on the new depot in Sintra.
- Southeast Asia – building a new depot in Selangor, Malaysia.

12.6 Contingent liabilities

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

12. Equity, distributions and group information continued

12.7 Subsequent events

With effect from July 2024, the group acquired a 100% interest in Turner and Price Limited (TP), a food wholesaler servicing 2 500 customers in the Midlands and north of England. The purchase consideration was approximately R1,5 billion (£65 million). TP joins the Caterfood Buying Group, our growing network of independent businesses which includes Thomas Ridley, Nichol Hughes, Elite Fine Foods, Caterfood, South Lincs Foodservice, Harvest Fine Foods and Cimandis. The TP acquisition makes Caterfood one of the UK's main buying groups serving the independent foodservice sector and forms part of the group's strategic expansion plans in the international foodservice industry. A full purchase price analysis will be undertaken in the coming year.

TP is anticipated to contribute revenue of R2,3 billion (£102 million), and trading profit of R185 million (£8 million) to the group results for F2025.

12.8 Going concern

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

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

The group has access to liquid funds amounting to R11,7 billion with gross debt at year end of R14,8 billion, R6,0 billion of which is short term. At June 30 2024 the group had access to unutilised facilities of R12,5 billion (refer note 10.1 (b)).

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

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

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

13. Hyperinflation accounting

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

Hyperinflationary accounting requires transactions and balances of each reporting period to be presented in terms of the measuring unit (Türkiye lira (TRY)) at the end of the reporting period in order to account for the effect of loss of purchasing power during the year. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Türkiye subsidiaries have been expressed in terms of the Türkiye lira at the reporting date (June 30 2024). The group has used the Türkiye Consumer Price Index (as determined by TURKSTAT) as the general price index to restate amounts as it provides an official observable indication of the change in the price of goods and services for our Türkiye subsidiaries.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • continued

for the year ended June 30

13. Hyperinflation accounting continued

	General price index	Conversion factor
Date		
June 30 2024	**2 319,3**	**1,00**
June 30 2023	1 351,6	1,72

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

	Closing exchange rate[1]	Conversion factor (average)
Financial period		
July 1 2022 to June 30 2023	0,72	1,24
July 1 2024 to June 30 2024	**0,56**	**1,22**

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

Reporting on the Türkiye subsidiaries

The Türkiye subsidiaries of the group with the functional currency of the Türkiye lira have applied IAS 29 hyperinflation accounting for the 12 months ended June 30 2024. This has resulted in the group recording in the statement of profit and loss a net monetary gain of R14,6 million (2023: R7,4 million).

While the application of IAS 29 is meant to improve comparability of the group's results, the use of inflation and exchange rates differ from those experienced by the Türkiye operations and, although not significant, to some extent distorts the comparability of the group's results.

14. Accounting standards and interpretations not effective at June 30 2024

The following new standards, interpretations and amendments to existing standards are not yet effective as at June 30 2024. It is expected that the group will adopt the pronouncements on their respective effective dates. The adoption of the new accounting standards and amendments is not expected to have a material impact on the group results, financial position or cash flows:

The group does not believe the adoption of the following pronouncements will have a material impact on its results, financial position or cash flows:

Standard/interpretation	Title	Effective date (periods starting from)
IFRS 16 *Leases*	Leases on sale and leaseback	January 1 2024
IAS 1 *Presentation of Financial Statements*	Non-current liabilities with covenants	January 1 2024
IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments Disclosures*	Supplier finance arrangements	January 1 2024
IAS 21 *Effects of Changes in Foreign Exchange Rates*	Lack of exchangeability	January 1 2025
IFRS 7 *Financial Instruments Disclosures and IFRS 9 Financial Instruments*	Classification and measurement of financial instruments	January 1 2026
IFRS 18 *Presentation and Disclosure in Financial Statements*	Updated to statement of profit or loss	January 1 2027
IFRS 19 *Subsidiaries without Public Accountability*	Disclosures	January 1 2027

SEPARATE FINANCIAL STATEMENTS

for the year ended June 30

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

for the year ended June 30

	Note	2024 R'000	2023 R'000
Revenue	1	**3 481 567**	2 826 893
Guarantee fee income		**2 750**	2 750
Share-based payment expense	14	**(266 557)**	(208 157)
Shareholder-related costs		**(37 947)**	(34 595)
Operating expenses		**(1 173)**	(1 184)
Impairment of investment in subsidiary	4	**(132 001)**	–
Operating profit		**3 046 639**	2 585 707
Finance income	2	**16 997**	10 419
Profit before taxation		**3 063 636**	2 596 126
Taxation	3	**(5 070)**	(2 478)
Profit for the year attributable to shareholders		**3 058 566**	2 593 648
Other comprehensive income net of taxation		**–**	–
Total comprehensive income for the year		**3 058 566**	2 593 648

SEPARATE STATEMENT OF FINANCIAL POSITION

at June 30

	Note	2024 R'000	2023 R'000
ASSETS			
Non-current assets			
Investment in subsidiaries	4	**7 253 514**	7 385 515
Current assets		**130 023**	110 067
Cash and cash equivalents		**130 007**	110 067
Taxation receivable		**16**	–
Total assets		**7 383 537**	7 495 582
EQUITY AND LIABILITIES			
Capital and reserves			
Capital and reserves	5	**7 379 874**	7 492 644
Current liabilities		**3 663**	2 938
Unclaimed dividends		**3 663**	2 926
Taxation payable		**–**	12
Total equity and liabilities		**7 383 537**	7 495 582

SEPARATE FINANCIAL STATEMENTS continued

for the year ended June 30

SEPARATE STATEMENT OF CHANGES IN EQUITY

for the year ended June 30

	Note	2024 R'000	2023 R'000
Equity attributable to shareholders of the company	5	7 379 874	7 492 644
Stated capital	5	5 428 016	5 428 016
Retained earnings	5	1 951 858	2 064 628
Balance at beginning of the year		2 064 628	2 080 219
Attributable profit for the year		3 058 566	2 593 648
Equity-movement on share-based payment expense		266 557	208 157
Dividends paid		(3 437 893)	(2 817 396)

SEPARATE STATEMENT OF CASH FLOWS

for the year ended June 30

	Note	2024 R'000	2023 R'000
Cash flows from operating activities		19 940	(14 908)
Cash utilised by operations	6	(35 633)	(32 354)
Finance income received		16 995	10 419
Taxation paid	7	(5 096)	(2 470)
Dividends received		3 481 567	2 826 893
Dividends paid		(3 437 893)	(2 817 396)
Cash effects of financing activities		–	–
Loan advance from group subsidiary		–	100 000
Loan repayment to group subsidiary		–	(100 000)
Net movement in cash and cash equivalents		19 940	(14 908)
Cash and cash equivalents at beginning of year		110 067	124 975
Cash and cash equivalents at end of year		130 007	110 067

During the financial year, there were no cash flows from investing activities (2023: there were no cash flows from investing activities).

SEPARATE FINANCIAL STATEMENTS • continued

for the year ended June 30

	2024 R'000	2023 R'000
1. Revenue		
Revenue includes dividends received from subsidiaries:		
South African subsidiaries	**590 285**	375 000
Foreign subsidiaries	**2 891 282**	2 451 893
	3 481 567	2 826 893
2. Finance income		
Finance income		
Interest income on bank balances	**16 995**	10 419
Interest income from the South African Revenue Services	**2**	–
	16 997	10 419
3. Taxation		
Current taxation		
Current year	**5 133**	2 483
Prior years' over provision	**(63)**	(5)
Taxation per separate statement of comprehensive income	**5 070**	2 478
Comprising		
South African taxation	**5 070**	2 478

The reconciliation of the effective taxation rate with the South African company tax rate is:	%	%
Taxation for the year as a percentage of profit before taxation	**0,2**	0,1
Dividend income	**31,1**	29,4
Non-deductible expenses[1]	**(4,3)**	(2,5)
Change in prior years' estimation[2]	**–**	–
Section 9D Foreign income inclusion[2]	**–**	–
Rate of South African company taxation (%)	**27,0**	27,0

[1] The non-deductible expenses are Bidcorp group shareholder-related costs, share-based payments expenses and impairment losses that are treated as non-deductible expenses for taxation purposes.

[2] Impact from the change in prior year estimation and section 9D income inclusion is lower than 0,1%.

	2024 %	2023 %	2024 R'000	2023 R'000
4. Investment in subsidiaries				
Bidfood Limited[1]	**100**	100	**11**	11
Bidcorp International Limited[2]	**100**	100	**1 254 897**	1 254 897
Bidcorp Foodservice International Limited[2]	**100**	100	**1 440 209**	1 440 209
Crown Food Ingredients Zambia Limited[3]	**60**	60	**9 808**	9 808
Bidcorp Food Africa Proprietary Limited	**100**	100	**3 163 173**	3 163 173
Bidcorp Food Property Proprietary Limited	**100**	100	**851 028**	851 028
BTW Investments Proprietary Limited	**100**	100	**534 388**	666 389
			7 253 514	7 385 515

Country of incorporation if not South Africa:

[1] Botswana.

[2] Isle of Man.

[3] Zambia.

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

The investment in BTW Investments Proprietary Limited was impaired by R132 million (2023: nil), to its recoverable amount (R534,4 million) which was its net asset value at June 30. BTW Investments is an investment company holding listed shares in Bid Corporation Limited.

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

SEPARATE FINANCIAL STATEMENTS • continued

for the year ended June 30

		2024 R'000	2023 R'000
5.	**Capital and reserves**		
	Stated capital	**5 428 016**	5 428 016
	Reserves		
	Retained earnings	**1 951 858**	2 064 628
	Total capital and reserves comprise	**7 379 874**	7 492 644

	Number '000	Number '000
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2023: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2023: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.		

		2024 R'000	2023 R'000
6.	**Cash utilised by operations**		
	Operating profit	**3 046 639**	2 585 707
	Dividends received from subsidiaries	**(3 481 567)**	(2 826 893)
	Impairment of investment in subsidiary	**132 001**	–
	Share-based payment expense	**266 557**	208 157
	Working capital changes		
	Increase in unclaimed dividends	**737**	675
	Cash utilised by operations	**(35 633)**	(32 354)

		2024 R'000	2023 R'000
7.	**Taxation paid**		
	Balance payable at beginning of year	**(12)**	(4)
	Current taxation charge	**(5 070)**	(2 478)
	SARS interest earned	**2**	–
	Balance (payable) receivable at end of year	**(16)**	12
	Cash paid	**(5 096)**	(2 470)

8. Subsequent events

No material subsequent events have arisen since June 30 2024.

9. Related parties

The subsidiaries and associates of the group are related parties of the company (refer to note 12.3 of the consolidated financial statements).

10. Accounting estimates and judgements

CFC income (tax)

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

11. Going concern

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

12. Financial instruments

The credit risk on cash and cash equivalents is addressed by utilising South African banking institutions, with investment grade ratings of BB-, for investment and cash management purposes.

13. Directors' emoluments

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

14. Accounting policies

Share-based payments

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

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

SEPARATE FINANCIAL STATEMENTS • continued

for the year ended June 30

15. Surety or guarantees

The company has provided surety in respect of the Standard Bank of South Africa Limited (Standard Bank) banking facilities for an amount limited to a maximum of R350 055 000. This banking facility provided by cash management account which includes BTW Investment (Pty) Ltd (Registration number: 2015/071691/07), Bidfood (Pty) Ltd (Registration number:1964/002063/07) and Bidcorp Food Africa Pty Limited (Registration number 2011/001799/07).

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

» As at June 30 2024, the Standard Bank cash management account has cash and cash equivalents of R631,4 million. Therefore, at June 30 2024 no obligation exists to Standard Bank.

» The trading operations performance through 2024 financial year and into July 2024 has been profitable and are generating positive cash flows.

SHAREHOLDERS' INFORMATION

for the year ended June 30

	Total shareholding	%
Beneficial shareholdings		
Major shareholders holding 3% or more of the shares in issue		
Government Employees Pension Fund (PIC)	67 235 043	20,1
Investment management shareholdings		
Fund managers holding 3% or more of the shares in issue		
Government Employees Pension Fund (PIC)	55 464 144	16,5
Coronation Asset Management (Pty) Limited	21 066 438	6,3
Ninety One SA (Pty) Limited	13 672 879	4,1
The Vanguard Group Inc	13 332 051	4,0
J.P. Morgan Investment Management Inc.	11 668 982	3,5
BlackRock Advisors LLC	11 551 322	3,4
J.P. Morgan Asset Management (UK) Limited	11 020 078	3,3
Sanlam Investment Management (Pty) Limited	10 182 416	3,0
	147 958 310	44,1
Shares in issue		
Total number of shares in issue	335 404 212	
BTW Investments (Pty) Limited (treasury shares)	(209 720)	
	335 194 492	

	Total shareholding	%
Beneficial shareholder categories		
Pension Funds	112 010 271	33,4
Unit Trusts	69 155 565	20,6
Mutual Fund	39 106 617	11,7
Sovereign Wealth	26 368 828	7,9
Private Investor	20 822 751	6,2
Trading Position	12 193 132	3,6
Exchange-Traded Fund	8 779 789	2,6
Insurance Companies	8 570 805	2,6
Hedge Fund	5 816 037	1,7
Custodians	3 484 284	1,0
Corporate Holding	2 913 734	0,9
Charity	2 135 221	0,6
Investment Trust	1 740 641	0,5
Black Economic Empowerment	1 586 955	0,5
Medical Aid Scheme	871 762	0,3
University	610 581	0,2
Local Authority	488 758	0,1
ESG	429 902	0,1
Foreign Government	225 706	0,1
American Depository Receipts	78 365	0,0
Other Managed Funds	20 455	0,0
Other	17 994 053	5,4
	335 404 212	100,0
Geographical split of beneficial shareholders		
Region		
South Africa	182 863 225	54,5
United States of America and Canada	66 080 121	19,7
United Kingdom	14 415 961	4,3
Europe	28 617 776	8,5
Rest of world[1]	43 427 129	13,0
	335 404 212	100,0

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

ANALYSIS OF SHAREHOLDING

for the year ended June 30

Shareholder spread	Number of holders	% of total shareholders	Number of shares	% of issued capital
1 – 1 000 shares	37 811	85,5	8 671 496	2,6
1 001 – 10 000 shares	5 066	11,5	13 919 206	4,2
10 001 – 100 000 shares	1 031	2,3	32 673 734	9,7
100 001 – 1 000 000 shares	290	0,6	85 528 508	25,5
1 000 001 shares and above	45	0,1	194 611 268	58,0
Total	44 243	100,0	335 404 212	100,0

Shareholder type	Number of holders	% of total shareholders	Number of shares	% of issued capital
Non-public shareholders	22	0,05	1 593 939	0,5
Directors	7	0,02	978 252	0,3
Bidvest Pension/Retirements Funds	14	0,03	405 967	0,1
BTW Investments (Pty) Limited	1	–	209 720	0,1
Public shareholders	44 221	99,95	333 810 723	99,5
Total	44 243	100,00	335 404 212	100,0

SHAREHOLDERS' DIARY

Financial year end	June 30
Annual general meeting	October 31

Reports and accounts	
Interim report for the half year ending December 31	February
Announcement of annual results	August
Annual reporting suite	August

Distributions	**Declaration**	**Payment (tbc)**
Interim distribution	February	March
Final distribution	August	September

ADMINISTRATION

Directors

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

** Australian ** British*

Bid Corporation Limited

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

Company secretariat

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

Registered office

Bid Corporation Limited
2nd Floor North Wing, 90 Rivonia Road
Sandton, 2196

Service providers

Bankers

Absa Bank Limited
ASB Bank Limited
Bank of America
Bank of China Limited
BNP Paribas Fortis
Ceskoslovenská obchodni banka, a.s (CSOB)
Citibank
Commonwealth Bank of Australia Limited
HSBC Bank plc
Internationale Nederlanden Groep (ING)
Natwest
Nedbank Limited
The Standard Bank of South Africa Limited
Standard Chartered PLC

Legal advisers

Baker & McKenzie
Edward Nathan Sonnenbergs

Transfer secretaries

JSE Investor Services (Pty) Limited
2 Gwen Lane, Sandton, 2196

Sponsor

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

Independent auditor

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

Annual reporting suite

Feedback

We welcome any feedback on this document. You are invited to email:
investorrelations@bidcorp.co.za

Bidcorp

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