FRONTIER
Transport Holdings

2025

ANNUAL FINANCIAL STATEMENTS

FRONTIER TRANSPORT HOLDINGS LIMITED

Consolidated Annual Financial Statements for the year ended 31 March 2025

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SHAREHOLDERS' DIARY

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CORPORATE INFORMATION

Directors
Executive directors
FE Meyer (chief executive officer)
ML Wilkin (chief financial officer)

Non-executive directors
Y Shaik (chairperson)
TG Govender
JR Nicolella (Resigned 02 December 2024)

Independent non-executive directors
L Govender (lead independent director)
RD Watson
MF Magugu
SNN Mkhwanazi (Resigned 14 April 2025)
L Seftel (Appointed 01 May 2025)

Company name and registration
FRONTIER TRANSPORT HOLDINGS LIMITED
("Frontier" or "the Company" or "the Group")
Incorporated in the Republic of South Africa
Registration number: 2015/250356/06

JSE share code: FTH
ISIN: ZAE000300505

Registered office
103 Bofors Circle, Epping Industria, 7460
(PO Box 115, Cape Town, 8000)

Company Secretary
HCI Managerial Services Proprietary Limited
Suite 801, 76 Regent Road, Sea Point, Cape Town, 8005
(PO Box 5251, Cape Town, 8000)

Auditors
BDO South Africa Incorporated
6th Floor, 123 Hertzog Boulevard, Foreshore, Cape Town, 8001
(PO Box 3883, Cape Town, 8000)

Transfer Secretaries
Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Sponsor
Investec Bank Limited
100 Grayston Drive, Sandown, Sandton, 2196
(PO Box 785700, Sandton, 2146)

Website address
www.frontiertransport.co.za

SHAREHOLDER SNAPSHOT

Listed below is an analysis of shareholdings extracted from the register of ordinary shareholders at 31 March 2025.

DISTRIBUTION OF SHAREHOLDERS

SHARE RANGE	Number of shareholders	% of shareholders	Number of shares	% of issued capital
1 – 1 000	3 158	66.19%	719 884	0.25%
1 001 – 10 000	1 177	24.67%	4 247 753	1.45%
10 001 – 50 000	340	7.13%	6 884 836	2.35%
50 001 – 100 000	48	1.01%	3 448 632	1.18%
100 001 – 500 000	33	0.69%	7 144 764	2.44%
500 001 – 1 000 000	5	0.10%	3 224 277	1.10%
1 000 001 shares and over	10	0.21%	267 173 247	91.23%
Total	**4 771**	**100.00%**	**292 843 393**	**100.00%**

TYPE OF SHAREHOLDER

	Number of shareholders	% of shareholders	Number of shares	% of issued capital
Bank	3	0.06%	2 809 380	0.96%
Close corporation	24	0.50%	9 009 036	3.08%
Endowment fund	4	0.08%	62 490	0.02%
Individual	4 247	89.02%	17 476 470	5.97%
Investment company	23	0.48%	245 129 523	83.71%
Private company	228	4.78%	9 704 296	3.31%
Pension/Provident fund	8	0.17%	135 297	0.05%
Public company	7	0.15%	4 425 925	1.51%
Trust	227	4.76%	4 090 976	1.40%
Total	**4 771**	**100.00%**	**292 843 393**	**100.00%**

SHAREHOLDING GREATER THAN 5%

The following beneficial shareholder held, directly or indirectly, 5% or more of the issued shares of the Company.

SHAREHOLDER	Number of shares	% of issued capital
TIH Prefco Proprietary Limited ("TIH"), a 100% subsidiary of Hosken Consolidated Investments Limited	232 777 041	79.49%

SHAREHOLDER SPREAD

To the best of the knowledge of the directors and after reasonable enquiry, the spread of shareholders at 31 March 2025, was as follows:

	Number of shareholders	% of shareholders	Number of shares	% of issued capital
Public shareholding	4 765	99.88%	52 567 136	17.95%
Non-Public shareholding	6	0.12%	240 276 257	82.05%
HCI (indirect)	1	0.02%	238 462 374	81.43%
FE Meyer (direct)*	1	0.02%	535 390	0.18%
FE Meyer (indirect)*	1	0.02%	256	0.00%
ML Wilkin (direct)*	1	0.02%	368 753	0.13%
TG Govender (direct)*	1	0.02%	87 808	0.03%
TG Govender (indirect)*	1	0.02%	821 676	0.28%
Total	**4 771**	**100.00%**	**292 843 393**	**100.00%**

*directors

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS

The directors of Frontier Transport Holdings Limited ("Frontier" or "the Group" or "the Company") are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the annual financial statements of the Company and the Group and for other information contained herein.

The annual financial statements for the year ended 31 March 2025 have been prepared, in accordance with IFRS® Accounting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB®), the Financial Reporting Pronouncements (as issued by the Financial Reporting Standards Council), the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008, as amended, on the going concern basis and incorporate full and responsible disclosure. The annual financial statements are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates. The annual financial statements were prepared under the supervision of the chief financial officer, Mr ML Wilkin CA(SA).

The directors are satisfied that the information contained in the annual financial statements fairly represents the results of operations for the year and the financial position of the Group at year end. The accuracy of the other information included in this report was considered by the directors and they are satisfied that it accords with the annual financial statements.

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

The directors are of the opinion that the Group will continue as a going concern for the next 12 months.

The financial statements were audited by the independent auditor, BDO South Africa Incorporated, to whom unrestricted access was given to all financial records and related information. The report of the independent auditor is presented on page 12.

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

(a) the annual financial statements set out on pages 16 to 62, fairly present in all material respects the financial position, financial performance and cash flows of the Company in terms of IFRS Accounting Standards;

(b) 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;

(c) internal financial controls have been put in place to ensure that material information relating to the Company and its consolidated subsidiaries has been provided to effectively prepare the annual financial statements of the Company; and

(d) 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;

(e) where we are not satisfied, we have disclosed to the Audit 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

(f) we are not aware of any fraud involving directors.

The annual financial statements for the year ended 31 March 2025 were approved by the board of directors on 31 July 2025 and are signed on its behalf by:

FE Meyer	**ML Wilkin**
Chief executive officer	Chief financial officer

Cape Town
31 July 2025

DECLARATION BY COMPANY SECRETARY

We certify that Frontier Transport Holdings Limited has lodged with the Companies and Intellectual Property Commission, for the financial year ended 31 March 2025, all such returns as required by a public company in terms of the South African Companies Act, 71 of 2008, as amended and that such returns are true, correct and up to date.

HCI Managerial Services Proprietary Limited

HCI Managerial Services Proprietary Limited
Company Secretary

Cape Town
31 July 2025

REPORT OF THE AUDIT & RISK COMMITTEE

This report is provided by the audit and risk committee ("the committee") appointed in respect of Frontier Transport Holdings Limited and its subsidiaries ("the Group") for year ended 31 March 2025.

The Committee consists solely of independent non-executive directors being:

- L Govender (Chairperson)
- RD Watson
- MF Magugu
- SNN Mkhwanazi (Resigned 14 April 2025)

The committee is a formal committee of the board appointed by the shareholders and functions within its documented terms of reference, which is reviewed annually. All members of the committee are independent non-executive directors who act independently and are suitably skilled and experienced. The committee members are permitted to consult with specialists or consultants subject to board approval.

The chief executive officer and the chief financial officer attend the meetings as permanent invitees, along with the external and internal auditors. Other directors and members of management are also invited to attend as required.

The committee performs its duties by holding meetings with key management on a regular basis and by unrestricted access granted to the external and internal auditors.

The committee met four times during the year under review. At least two non-conflicting members are required to form a quorum. The committee is expected to hold at least four meetings per financial year. Individual directors' attendance at the committee meetings is set out below:

Committee member	No. of meetings attended by member
L Govender	4
RD Watson	4
MF Magugu	4
SNN Mkhwanazi	2

FUNCTIONS OF THE AUDIT AND RISK COMMITTEE

The committee fulfils an independent oversight role with respect to the Group's Integrated Annual Report, the financial statements and the reporting process, which includes the system of internal financial control. The committee is ultimately accountable to both the board and shareholders. The committee's responsibilities include the statutory duties prescribed by the South African Companies Act, 71 of 2008, as amended, recommendations by King IV and additional responsibilities assigned by the board.

The committee is satisfied that, in respect of the financial period under review, it has performed all the functions required of it by law, including those set out in section 94 of the South African Companies Act, 71 of 2008, as amended, recommendations by King IV, and in terms of the committee's terms of reference. In connection with the above, the committee has:

- satisfied itself that the external auditor is independent of the Group, as set out in section 94(8) of the South African Companies Act, 71 of 2008, as amended, and suitable for reappointment considering, inter alia, the information stated in paragraph 3.84(g)(ii) of the JSE Listings Requirements;
- assessed and nominated for re-election at the next annual general meeting, BDO South Africa Incorporated, as the external audit firm, and the appointment of Mr Imraan Moosa as the designated auditor for the following year;
- in consultation with management, agreed the engagement letter, terms, audit plan and budgeted fees for the 2025 financial year;
- considered the nature and extent of non-audit services provided by the external auditor for the financial year ended 31 March 2025 and the fees thereof to ensure the independence of the external auditor is maintained;
- in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements, satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the external auditor, that the system of internal financial control is effective and forms a basis for the preparation of reliable financial statements;
- reviewed the external audit report on the financial statements and confirmed no reportable irregularities were identified or reported by the external auditor;
- reviewed the accounting policies and consolidated financial statements for the year ended 31 March 2025 and based on the information provided to the committee, considers the Group complies, in all material aspects, with the requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008, as amended;
- satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that the chief financial officer, as well as the finance function, has the appropriate expertise and experience; and
- reviewed and ensured that the interim condensed consolidated financial statements of the Group, in respect of the first six-month period of the financial year, complied with all statutory and regulatory requirements.

REPORT OF THE AUDIT & RISK COMMITTEE

INTERNAL AUDIT

The committee has oversight of the Group's financial statements and reporting process, which includes the system of internal financial control. It is responsible for ensuring that the Group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties. The committee is responsible for the appointment of the internal auditors who report directly to the committee.

The Group has appointed GRIPP Advisory Proprietary Limited to perform the internal audit function. The committee oversees co-operation between internal and external auditors, and serves as a link between the board and these functions. In assessing the system of internal control, the committee agreed the internal audit plan, reviewed the internal audit reports and interrogated the findings directly with the internal auditors.

RISK MANAGEMENT AND INTERNAL CONTROL

The board acknowledges that it is accountable for the process of risk management, and the system of internal control of the Group. The committee is accountable to the board for monitoring the risk management process. However, the committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management. The committee's responsibilities in terms of risk are to ensure that:

- management designs, implements and monitors risk management (as approved by the board);
- risk assessments are performed on an ongoing basis;
- frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risks;
- risk responses by management are considered and implemented;
- risk monitoring is continuous; and
- the Board receives assurance regarding the effectiveness of Group risk management.

Risk registers are presented to the committee, which identify the most significant risks based on likelihood and impact of occurrence, with mitigating controls documented per risk. This is achieved by requiring that subsidiaries report their key risks and responses to the committee at each committee meeting. The chairperson of the committee reports the most significant risks derived from the above process to the board.

MATERIAL RISKS

A description of all immediately identifiable material risks which are specific to the Group, its industry and its issued ordinary shares is available on the Company's website at www.frontiertransport.co.za.

PREPARATION AND RECOMMENDATION OF THE FINANCIAL STATEMENTS

The committee, taking into account the risk of fraud relating to financial reporting, has further considered, and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the Frontier Group finance function, the effectiveness of the internal financial controls and the experience of the senior members of management responsible for the finance function.

In assessing the integrity of the financial statements, the committee has reviewed the appropriateness of accounting policies, estimates and areas of judgement. The following key audit matter was identified and disclosed accordingly in the notes to the financial statements:

Useful lives, residual values and depreciation method of buses	Due to the specialised nature of these assets, and as required by IFRS Accounting Standards, the useful lives, residual values and depreciation method attached to these assets are reviewed annually.

The committee was satisfied that the processes and pertinent assumptions used in areas of judgement were reasonable and applied appropriately. The committee was further satisfied that areas of judgement had been reviewed and discussed with the external auditors who agreed with the accounting treatment adopted.

REPORT OF THE AUDIT & RISK COMMITTEE

The committee has reviewed the consolidated financial statements of the Group and is satisfied that they comply with the requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008, as amended, and that the accounting policies used are appropriate.

The committee reviewed and considered representations by management on the going concern statement for the Group and recommended the adoption of the going concern statement to the Board.

Based on the information provided, the consolidated financial statements have been recommended for approval by the board.

L Govender
Chairperson
Audit and Risk Committee
31 July 2025

DIRECTORS' REPORT

The directors have pleasure in submitting their report on the activities of the business together with the consolidated annual financial statements of the Group for the year ended 31 March 2025.

A copy of the annual financial statements of the Company is available on request from the registered office of the Company, available via email (info@frontiertransport.co.za) or can be retrieved from the Company's website (www.frontiertransport.co.za).

NATURE OF BUSINESS AND OPERATIONS

The Company is an investment holding company and holds interests in various subsidiaries operating within the transport sector. Its investment holdings are detailed below on Page 10.

There have been no material changes to the nature of the Group's business from the prior year, other than a significant growth in the vehicle sales segment. Refer to Note 21 Revenue.

FINANCIAL RESULTS

The results for the year under review are set out fully in the attached consolidated annual financial statements.

CASH DIVIDENDS

The Company declared and paid an interim ordinary dividend for the year ended 31 March 2025 of 25.9 cents (2024: 24.2 cents) (gross) per share in December 2024. The Board declared a final ordinary dividend for the year ended 31 March 2025 of 37.2 cents (2024: 24.2 cents) (gross) per share on 29 May 2025 which was paid subsequent to year end on 23 June 2025.

SHARE CAPITAL

In terms of the Frontier Group Employee Option Scheme, 1 663 139 shares were issued during the current financial year (2024: 584 457). At 31 March 2025, the total shares in issue was 292 843 393 (2024: 291 180 254).

MAJORITY SHAREHOLDER

The Company's majority shareholder is TIH Prefco Proprietary Limited holding 79.49% of the issued share capital of the Company at 31 March 2025. TIH Prefco Proprietary Limited is a wholly owned subsidiary of Hosken Consolidated Investments Limited.

DIRECTORATE

The directors of the company who held office during the year under review and at the date of this report are as follows:

Directors	Office	Designation
Mr Y Shaik	Chairperson	Non-executive
Mr FE Meyer	Chief executive officer	Executive
Mr ML Wilkin	Chief financial officer	Executive
Mr TG Govender		Non-executive
Mr JR Nicolella (resigned 02 December 2024)		Non-executive
Mr L Govender	Lead independent	Independent non-executive
Ms RD Watson		Independent non-executive
Mr MF Magugu		Independent non-executive
Ms SNN Mkhwanazi (resigned 14 April 2025)		Independent non-executive
Ms L Seftel (appointed 1 May 2025)		Independent non-executive

Mr JR Nicolella resigned as an non-executive director effective from 2 December 2024. On the 14th April 2025 Ms SNN Mkhwanazi resigned as an independent non-executive director and as a member of the audit and risk committee. Ms L Seftel was appointed as an independent non-executive director on 1 May 2025.

There were no other changes in directorate during the period under review.

DIRECTORS' REPORT

DIRECTORS' INTERESTS AND EMOLUMENTS

Details of directors' shareholdings and emoluments appear in Note 34, and details of share options awarded to executive directors' appear in Note 28.

COMPANY SECRETARY

The secretary of the Company is HCI Managerial Services Proprietary Limited, whose details are set out on the Corporate Information page.

INVESTMENTS

Company	Nature of business	Holding
Alpine Truck and Bus Proprietary Limited	Bus, truck and spare part sales and servicing	51%
Eljosa Travel & Tours Proprietary Limited	Passenger transport services	92.7%
Frontier Tyres Proprietary Limited	Tyre and retread sales and servicing	100%
Golden Arrow Bus Services Proprietary Limited	Passenger transport services	100%
Hollyberry Props 12 Proprietary Limited	Property holding	100%
HPL and R Investments Proprietary Limited	Investment holding	100%
N2 Express Joint Venture Proprietary Limited	Passenger transport services	33.3%
Sibanye Bus Services Proprietary Limited	Passenger transport services	100%
Shuttle Up Proprietary Limited	Passenger transport services	100%
Table Bay Area Rapid Transit Proprietary Limited	Passenger transport services	100%

GOING CONCERN

The directors have assessed the cash flow forecasts and borrowing profiles of all entities within the Group and are of the view that the Group has sufficient liquidity to meet its obligations for the foreseeable future. Details of the going concern assessment are set out in accounting policy 1.1.

AUDITORS

BDO South Africa Incorporated was appointed in accordance with section 90 of the South African Companies Act, 71 of 2008, as amended, with Mr I Moosa as designated auditor for the year ended 31 March 2025.

OPERATING SEGMENT

The directors have considered the implications of IFRS 8: Operating segments and are of the opinion that the main operations of the Group can be classed into two segments being the provision of passenger transport services and vehicle and spares - sales and servicing. The chief operating decision maker of the Group, who is responsible for making strategic decisions, allocating resources and assessing performance of the operating segments, has been identified as the Group's chief executive officer. Operating segments are identified based on financial information regularly reviewed by the chief operating decision maker of the Group. Refer to Note 27 Segmental Analysis.

NO MATERIAL CHANGE

There has been no material change in the financial or trading position of the Group since the publication of its condensed results for the year ended 31 March 2025.

DIRECTORS' REPORT

SPECIAL RESOLUTIONS

The following special resolutions were passed by the Company's shareholders at the annual general meeting held on 29 August 2024:

- Granting the Company a general authority to issue ordinary shares, options and convertible securities for cash, subject to the provisions of the Company's MOI, the South African Companies Act, 71 of 2008, as amended, and the JSE Listings requirements;
- Approval of the fees payable to non-executive directors for their services as directors or as members of the board sub-committees in respect of the financial period 29 August 2024 until the next annual general meeting of the Company; and
- Granting the Company and the subsidiaries of the Company a general authority contemplated in terms of the JSE Listings Requirement paragraph 5.72, for the acquisition by the Company, or a subsidiary of the Company, of ordinary issued shares issued by the Company

SPECIAL RESOLUTIONS OF SUBSIDIARIES

The statutory information relating to special resolutions passed by subsidiaries is available from the registered office of the Company.

SUBSEQUENT EVENTS

Events that occurred subsequent to the reporting date are set out in Note 39 of this report.

PREPARER

These annual financial statements were prepared under the supervision of the chief financial officer, Mr ML Wilkin CA(SA).

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Independent Auditor's Report

To the Shareholders of

Frontier Transport Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Frontier Transport Holdings Limited and its subsidiaries ("the Group") set out on pages 16 to 62, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Frontier Transport Holdings Limited and its subsidiaries as at 31 March 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. 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)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

Materiality is defined as the magnitude of misstatement in the consolidated financial statements which is expected to influence the economic decisions of the main users of the consolidated financial statements. We use materiality in planning the nature and extent of our audit work and in evaluating the results of our work.

Based on our professional judgement, we have determined materiality for the consolidated financial statements as follows:

Final Group Materiality	R31 312 860
How was it determined (Benchmark)	6% of Consolidated Net Profit Before Tax
Rationale For Benchmark Selection	Taking into account the financial information needs of the main users of the financial statements, we concluded that the consolidated net profit before tax, is the appropriate benchmark to be used. This is consistent with general practice for listed entities.

Rationale For Percentage Applied to Chosen Benchmark	We concluded that 6% was the appropriate percentage to be applied given the circumstances. This falls within the general range of typically used for profit orientated entities. Taking into account factors such as the distribution of the shareholding and its related trading, and based on our prior audit knowledge, we concluded that 6% was the appropriate percentage to be applied within the generally accepted range applicable to consolidated net profit before tax.

Group Audit Scope

The Group comprises of the Holding Company, and four main components, the most significant of which is Golden Arrow Bus Services (Pty) Ltd.

We developed the scope of the Group audit in order to perform sufficient work to allow us to provide an opinion on the consolidated financial statements as a whole, taking into account, our understanding of the Group and its environment, the structure of the Group, and our assessment of the risk of material misstatement at a Group level.

Our scoping assessment included the identification and assessment of risks of material misstatement of the Group financial statements which incorporated all entities in the Group, whose financial information has been included in the Group financial statements.

In establishing the scoping assessment, we determined audit work to be performed at each component where Group risks of material misstatement has been identified.

Based on the outcome of our risk assessment performed, we concluded that it is necessary to perform full scope audits of the company and Golden Arrow Bus Services (Pty) Ltd. In addition, we considered it necessary to perform procedures related to specific financial statement areas of Alpine Truck and Bus (Pty) Ltd, Eljosa Travel and Tours (Pty) Ltd and Frontier Tyres (Pty) Ltd to address the assessed risk of material misstatement at the consolidated financial statement level.

Key Audit Matters

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

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Key audit matter	How our audit addressed the key audit matter
Useful lives, residual values and depreciation method of Buses – (Valuation of buses) – Note 3 IAS 16 *Property, Plant and Equipment* requires management to review and assess the useful lives, residual values, and depreciation method of buses annually. In determining the useful lives, residual values and depreciation method of buses, management applies judgement as follows: a) Useful lives - management applies judgement in determining the period over which the buses are expected to be available for use; b) Residual values - management applies judgement in determining the estimated amount that the Group would currently obtain from the disposal of the buses, after deducting the estimated costs of disposal, if the buses were	Our audit procedures relating to the assessment of the useful lives, residual values and depreciation method of the buses included, amongst others: • We obtained an understanding of the design and implementation of relevant controls in respect of the determination of the useful life and residual value assessment performed by management; • We recalculated the depreciation charge for the buses and found the depreciation charge to be mathematically accurate; • We assessed the depreciation method, including the policy, against the requirements of the IFRS Accounting Standards. This was found to be acceptable with the requirements of IFRS Accounting Standards; • We assessed management’s judgements and estimates in determining the useful lives and

already of the age and in the condition expected at the end of its useful life; and

c) Depreciation method - management applies judgement in determining the systematic allocation of the depreciable amount over the useful life of the buses.

The valuation of buses, which includes the assessment of useful lives, residual values and depreciation method thereof, was considered to be a matter of most significance in our audit of the consolidated financial statements of the current year, due to the estimates and judgement applied by management and the significance of the balance to the consolidated financial statements.

residual values of the buses by inspecting management's disposal policy, by considering the historical aging of the buses and by considering historical and current sales values. Based on work performed we accepted management's useful lives and residual values;

- We evaluated the adequacy of the disclosure against the requirements of IFRS Accounting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Frontier Transport Holdings Limited Annual Financial Statements 2025" the document titled "Frontier Transport Holdings Limited Integrated Annual Report for the year ended 31 March 2025", and the document titled "Frontier Transport Holdings Limited,(Registration Number 2015/250356/06), Separate Company Financial Statements for the year ended 31 March 2025", which includes the Directors' Report, the Report of the Audit and Risk Committee and the Declaration of the Company Secretary's as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion Group.

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 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

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Frontier Transport Holdings Limited for eight years.

BDO South Africa INC.

BDO South Africa Incorporated

Registered Auditors

Imraan Moosa

Director

Registered Auditor

31 July 2025

123 Hertzog Boulevard

Foreshore

Cape Town, 8001

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 R'000	2024 R'000
ASSETS			
Non-current assets		**1 922 416**	1 719 868
Property, plant and equipment	3	1 879 818	1 682 550
Right-of-use assets	4	9 926	8 819
Goodwill	5	23 940	23 940
Intangible assets	6	228	59
Investment in associate	7	5 604	3 515
Deferred tax	8	2 900	985
Current assets		**857 582**	606 420
Inventories	9	61 348	43 068
Trade and other receivables	10	250 309	96 770
Current tax receivable		8 250	4 381
Cash and cash equivalents	11	537 675	462 201
Total assets		**2 779 998**	2 326 288
EQUITY AND LIABILITIES			
Equity		**1 633 671**	1 381 556
Share capital	12	1 814 323	1 803 067
Share-based payments reserve	28	19 598	13 242
Common control reserve		(1 800 000)	(1 800 000)
Reinvestment reserve	13	98 295	98 295
Maintenance reserve	14	5 643	16 932
Retained income		1 488 765	1 249 495
Total equity attributable to equity holders of the parent		**1 626 624**	1 381 031
Non-controlling interest	15	7 047	525
Liabilities			
Non-current liabilities		**643 517**	504 350
Lease liabilities	4	7 378	6 301
Deferred tax	8	242 892	253 392
Borrowings	16	28 974	512
Instalment sale obligations	17	298 994	181 950
Post-employment medical benefit liability	18	65 279	62 195
Current liabilities		**502 810**	440 382
Borrowings	16	6 123	1 128
Instalment sale obligations	17	89 542	72 376
Post-employment medical benefit liability	18	5 777	5 717
Trade and other payables	19	250 149	231 935
Current tax payable		1 086	3 237
Provisions	20	150 133	125 989
Total liabilities		**1 146 327**	944 732
Total equity and liabilities		**2 779 998**	2 326 288

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2025

	Notes	2025 R'000	2024 R'000
Revenue	21	3 037 003	2 605 820
Other income	22	58 262	47 052
Operating expenses		(2 457 289)	(2 077 391)
Operating profit before depreciation and amortisation		637 976	575 481
Depreciation and amortisation	22	(119 291)	(105 394)
Investment income	23	33 723	56 981
Profit from equity accounted investment	7	4 089	2 533
Finance costs	24	(34 616)	(23 897)
Profit before taxation	22	521 881	505 704
Taxation	25	(134 544)	(111 252)
Profit for the year		387 337	394 452
Profit for the year attributable to:			
Equity holders of the parent		380 571	389 940
Non-controlling interest		6 766	4 512
		387 337	394 452
Earnings per share (cents)	26		
– Basic		130.19	134.01
– Diluted		126.50	131.10

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	2025 R'000	2024 R'000
Profit for the year	**387 337**	394 452
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
- Actuarial gains on defined benefit plan	**584**	3 783
- Taxation relating to actuarial gains on defined benefit plan	**(158)**	(1 022)
Other comprehensive income for the year net of taxation	**426**	2 761
Total comprehensive income for the year	**387 763**	397 213
Total comprehensive income for the year attributable to:		
Equity holders of the parent	**380 997**	392 701
Non-controlling interest	**6 766**	4 512
	387 763	397 213

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Share capital R'000	Reinvest-ment reserve R'000	Share based payments reserve R'000	Common control reserve R'000	Maintenance reserve R'000	Total reserves R'000	Retained income R'000	Total attributable to equity holders of the parent R'000	Non-controlling interests R'000	Total equity R'000
Balance at 1 April 2023	1 800 083	98 295	6 432	(1 800 000)	28 221	(1 667 052)	1 413 596	1 546 627	(3 857)	1 542 770
Other comprehensive income	-	-	-	-	-	-	2 761	2 761	-	2 761
Profit for the year	-	-	-	-	-	-	389 940	389 940	4 512	394 452
Issue of equity	2 984	-	(1 323)	-	-	(1 323)	3 977	5 638	-	5 638
Dividends	-	-	-	-	-	-	(572 198)	(572 198)	-	(572 198)
Transfers between reserves	-	-	-	-	(11 289)	(11 289)	11 289	-	-	-
Effect of changes in shareholding	-	-	-	-	-	-	130	130	(130)	-
Equity settled share-based payments	-	-	8 133	-	-	8 133	-	8 133	-	8 133
Balance at 31 March 2024	1 803 067	98 295	13 242	(1 800 000)	16 932	(1 671 531)	1 249 495	1 381 031	525	1 381 556
Balance at 1 April 2024	**1 803 067**	**98 295**	**13 242**	**(1 800 000)**	**16 932**	**(1 671 531)**	**1 249 495**	**1 381 031**	**525**	**1 381 556**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**426**	**426**		**426**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**380 571**	**380 571**	**6 766**	**387 337**
Issue of equity	**11 256**	**-**	**(2 616)**	**-**	**-**	**(2 616)**	**(6 446)**	**2 194**	**-**	**2 194**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	**(146 570)**	**(146 570)**	**(244)**	**(146 814)**
Transfers between reserves	**-**	**-**	**-**	**-**	**(11 289)**	**(11 289)**	**11 289**	**-**	**-**	**-**
Equity settled share-based payments	**-**	**-**	**8 972**	**-**	**-**	**8 972**	**-**	**8 972**	**-**	**8 972**
Balance at 31 March 2025	**1 814 323**	**98 295**	**19 598**	**(1 800 000)**	**5 643**	**(1 676 464)**	**1 488 765**	**1 626 624**	**7 047**	**1 633 671**
Notes	12	13	28		14				15	

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 R'000	2024 R'000
Cash flows from/(used in) operating		**222 974**	(94 221)
Cash generated from operations	29	**521 119**	600 768
Investment income received	23	**33 723**	56 981
Dividends paid	31	**(146 309)**	(571 846)
Finance costs paid	24	**(34 616)**	(23 897)
Taxation paid	30	**(150 943)**	(156 227)
Cash flows used in investing activities		**(58 586)**	(25 606)
Acquisition of property, plant and equipment	3, 32	**(85 658)**	(58 302)
Proceeds from sale of plant and equipment		**17 426**	19 597
Dividends received from associate	7	**2 000**	5 000
Acquisition of intangible assets	6	**(210)**	-
Proceeds from insurance claims for capital assets	22	**7 856**	8 099
Cash flows used in financing activities		**(88 914)**	(96 593)
Funding repaid	32	**(85 502)**	(93 812)
Principal paid on lease liabilities	4	**(3 412)**	(2 781)
Increase/(decrease) in cash and cash equivalents		**75 474**	(216 420)
Cash and cash equivalents			
At the beginning of the year		**462 201**	678 621
At the end of the year	11	**537 675**	462 201

1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

1.1 Basis of preparation

The consolidated financial statements are presented in accordance with, and comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the South African Companies Act, 71 of 2008, as amended.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies set out below. They are presented in South African Rands, which is the Group and Company's functional currency.

These accounting policies are consistent with the previous period.

Going concern

The directors believe that the Group have adequate financial resources to continue operations for the foreseeable future and accordingly the consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern.

The Group has no financial covenants imposed by its funders. Based on these cash flow forecasts the directors are of the view that the Group has sufficient liquidity to meet its obligations as currently foreseen in the next financial year.

The directors are not aware of any other material changes that may adversely impact the Group nor are they aware of any material non-compliance with statutory or regulatory requirements which may affect the Group.

1.2 Consolidation and Equity accounting

Basis of consolidation

The consolidated financial statements include the financial information of the Company and its subsidiaries and associates.

Subsidiaries

Subsidiaries are entities controlled by the Group, where control is when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Where the Group's interest in subsidiaries is less than 100%, the share of equity attributable to outside shareholders is reflected in non-controlling interest. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

Associates

An associate is an entity over which the investor has significant influence.

The investment in associate is accounted for using the equity method of accounting and is initially recognised at cost. The Group's share of its associate's post-acquisition profits or losses is recognised in profit or loss. The cumulative post-acquisition movements are recognised against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group's associate has a financial year-end other than 31 March, and therefore is equity accounted using management prepared information on a basis in line with the Group's reporting date and the Group's accounting policies. Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Goodwill

Goodwill is initially measured at cost and is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is subsequently carried at cost less impairment losses and is reviewed for impairment on an annual basis. The recoverable amount is determined by calculating a value in use for each cash generating unit. If goodwill is assessed to be impaired, that impairment will not subsequently be reversed. For the purpose of impairment testing, goodwill is allocated to cash generating units.

1.3 Common control transactions

Acquisitions of subsidiaries which do not result in a change of control of the subsidiaries are accounted for as common control transactions. The Group has made the policy choice to apply predecessor accounting to common control transactions. The principles of predecessor accounting are that no assets or liabilities are restated to their fair values.

The Group incorporates the pre-combination carrying amounts of assets and liabilities of the acquired entity. These amounts include any goodwill recorded at the consolidated level in respect of the acquired entity. No new goodwill arises. The excess of the cost of the acquisition over the Group's interest in the carrying value of the identifiable assets and liabilities of the acquired entity has been recognised in equity. This treatment requires that the comparative figures are presented as if the common control transaction had taken place at the start of the first reporting period presented.

1.4 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable operating segments, has been identified as the chief executive officer.

The main operations of the Group can be classed into two segments being the provision of passenger transport services and vehicle and spares - sales and servicing. Operating segments are identified based on financial information regularly reviewed by the chief operating decision maker of the Group.

1.5 Use of estimates, judgements and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Judgement also needs to be exercised in applying the group's accounting policies.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

Impairment of financial assets

The loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The Group calculates the loss allowance taking into account historic analysis, existing market conditions, and forward-looking estimates at the end of each reporting period. Further detail is disclosed in Note 10.

Allowance for slow moving, damaged and obsolete inventory

Slow moving inventories and obsolete materials are written down to net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the Note 22.

All MAN, Scania, Volvo and BYD parts held for maintenance, repair and overhaul that are older than 6 months have been written down to 50% of the value and all parts older than 12 months have been written off in full. Spare parts held for resale that are older than 18 months have been written down to 50% of the value and all parts older than 30 months have been written off in full. Refer to Note 9 for inventories detail.

Impairment of non-financial assets

The Group reviews and tests the carrying value of assets annually and when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Refer to Goodwill Note 5.

Residual values and useful lives of property, plant and equipment

Due to the specialised nature of the Group's property, plant and equipment, the residual values attached to these assets are reviewed annually. Assumptions and estimates are based on management's experience and market information.

The expected operational life for diesel commuter buses - 18 years and diesel luxury coaches - 15 years, electric buses (excluding battery) - 24 years and battery - 16 years. The estimated residual value of a diesel commuter bus after 18 years is R250 000 (2024: R250 000), for a luxury coach after 15 years is R500 000 (2024: R500 000) and an electric bus after 24 years is R20 000 (2024: R50 000). The battery is not expected to have any residual value. The estimated residual value of cars is 25% of the original cost of the vehicle, while the estimated residual value of vans are 10% of the original cost of the vehicle (2024: Rnil).

The residual value of buildings is assessed every 3 years in relation to the valuations performed using the depreciated replacement cost model. Refer to Accounting policy 1.6 and Note 3.

Post-retirement health care benefit

The Group provides a post-retirement health care benefit and therefore recognises an obligation in the statement of financial position.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds. Refer to Note 18.

Repurchase of service provision

The repurchase of service provision is raised in respect of amounts that could be payable to employees who would be surplus to requirements should the operating of some routes be awarded to third parties.

The amount provided for is based on management's best estimate of the maximum costs payable in accordance with the employees' current conditions of employment. Assumptions have been made in respect of the timing of the service being put out to tender and the extent of the services that would be awarded to third parties. Refer to Note 20.

1.6 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying value or recognised as a separate asset as appropriate, only when it is probable that the future economic benefits associated with the specific asset will flow to the company and the cost can be measured reliably. Repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is provided to write off the gross carrying value, less residual value, on a straight-line basis over their estimated useful lives. Land is not depreciated. The depreciation rates applicable to each category of property, plant and equipment are as follows:

Item	Depreciation method	Depreciation rate
Buses - Diesel		
• Commuter	Straight line	18 years
• Luxury	Straight line	15 years
• Midi	Straight line	8 years
Buses - Electric		
• Commuter - Drive train	Straight line	24 years
• Commuter - Battery	Straight line	16 years
Computers and computerised fare collection equipment	Straight line	3 – 15 years
Equipment		
• Fare collection equipment	Straight line	15 years
• Radio equipment	Straight line	5 years
Furniture and fixtures	Straight line	3 – 6 years
Buildings	Straight line	50 years
Motor vehicles		
• Cars	Straight line	5 years
• Vans	Straight line	4 years
Plant and machinery	Straight line	5 - 10 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss. Depreciation ceases once the asset is depreciated to its residual value or the asset is disposed of.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.7 Intangible assets

Trademarks

Trademarks are recognised initially at cost and are assessed for impairment annually. Trademarks have indefinite useful lives and are carried at cost less impairment.

Computer software

Computer software is recognised at cost and is amortised over two years. The amortisation for each year is recognised in profit or loss.

1.8 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments.

The Group’s financial assets comprise:
- Trade and other receivables
- Cash and cash equivalents

The Group’s financial liabilities comprise:
- Borrowings and Instalment sale obligations
- Trade and other payables

The Group’s financial assets and liabilities are measured at amortised cost.

Note 37 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

Trade and other receivables

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions. Trade receivables are recognised at their transaction price in accordance with IFRS 15.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

The Group applies a simplified approach and recognises a loss allowance for lifetime expected credit losses on trade receivables, excluding VAT and prepayments, as these items do not have a significant financing component. The Group applies a general approach to other receivables. The amount of expected credit losses is updated at each reporting date.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within agreed upon contractual terms from the invoice date and failure to engage with the Group on alternative payment arrangement among others are considered indicators of no reasonable expectation of recovery. Receivables written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

The Group at year-end performs an assessment on the expected credit loss taking into account both customer specific factors and forward-looking information. Specific factors considered were disputes with customers, untraceable and slow payers, long overdue accounts, customers placed under liquidation, whether the customer had been handed over to attorneys for collection, whether the customer was a governmental institution, the established relationship with the customer and whether the customer was a related entity as defined by IAS 24. Historical data is also assessed to identify indicators of possible default by customers in the Group. Forward looking information considered was the general economic growth rate in South Africa.

Credit risk

Details of credit risk are included in Note 10 Trade and other receivables and in Note 37 Financial instruments and risk management.

Borrowings and instalment sale obligations (interest bearing borrowings)

Borrowings and instalment sale obligations are classified as financial liabilities subsequently measured at amortised cost.

Interest bearing borrowings are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method and includes accrued interest.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.

These debts expose the Group to liquidity risk and interest rate risk. Refer to Note 37 for details of risk exposure and management thereof.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Trade and other payables expose the Group to liquidity risk and possibly to interest rate risk. Refer to Note 37 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value, they are subsequently measured at amortised cost, using the effective interest rate method. Refer to Note 37 for details of risk exposure and management thereof.

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, is recognised in profit or loss.

1.9 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except for deferred taxes to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

1.10 Leases

The Group recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified assets for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

A lease liability and corresponding right-of-use asset are recognised on the lease commencement date for all lease agreements where the Group is a lessee except, short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT and office equipment.

Lease liability

A lease liability is initially recognised at the commencement date and measured at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Lease payments are discounted using the Group's incremental borrowing rate. If that rate cannot be readily determined, the Group's incremental borrowing rate is used. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment.

On initial recognition, the carrying value of the lease liability includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to exercise that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use asset

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Remeasurements

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the revised discount rate. An equivalent adjustment is made to the carrying value of the right-of use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

Modifications

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiated terms increase the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

1.11 Inventories

Inventories are measured at the lower of cost and net realisable value. Spares cost is calculated on a weighted average basis and consumables cost is calculated on a first-in, first-out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of the business less selling expenses. Slow-moving inventories and obsolete materials are written down to net realisable value.

1.12 Impairment of non-financial assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination. Goodwill is tested annually for impairment and when there is an indicator of impairment. Impairment losses relating to goodwill are not reversed. Any impairment is recognised in the statement of profit or loss.

1.13 Equity-settled share based payments

Equity-settled

The Group has granted share options to employees in terms of The Frontier Group Employee Option Scheme. In terms of IFRS 2 these options are fair valued at the date of grant and the fair value determined on the date of grant recognised as an expense over the relevant vesting periods. The fair value of options granted is measured using the Black Scholes valuation model.

1.14 Other reserves

Reinvestment reserve

The reinvestment reserve, is a distributable reserve, which resulted from the surplus on the liquidation of The Golden Arrow Retirement Plan in 1998.

Maintenance reserve

In terms of the contract between Table Bay Area Rapid Transit Proprietary Limited and the City of Cape Town, the buses have to be maintained and returned to the City after the initial contract period of 12 years, in the state and condition they were in as at the vehicle delivery date, fair wear and tear accepted. The payment for the maintenance is by way of the estimated life time cost averaged over the period of the contract. The difference between the actual cost incurred and the amount received was transferred to retained income. As the current contract ends in October 2025, the maintenance reserve is being reversed to retained income.

1.15 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid leave, bonuses, and non-monetary benefits such as medical aid), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of bonus payments is recognised as an expense when there is a constructive obligation to make such payments as a result of past performance.

Defined contribution plans

The Group makes payments to industry-managed retirement benefit schemes. The Group has no further payment obligations once the contributions are paid. The contributions are recognised as employee benefit expense in profit and loss in the periods during which the related service is rendered by employees.

Post-retirement medical benefits

Defined benefit plans, within the Group, are post-employment benefit plans under which contributions to Golden Arrow Employees' Medical Benefit Fund (MBF) and Discovery Health are paid, in respect of certain employees and pensioners. These contributions are used to cover outgoings not financed from member contributions.

The cost of providing benefits in respect of retirement health care is determined separately for each plan using the projected unit credit method, with actuarial valuations being carried out at each reporting date. Past service cost is recognised immediately to the extent that the benefits have already vested, or otherwise amortised on a straight-line basis over the average period until the amended benefits become vested. Current service cost and any gain or loss on settlement are recognised in profit or loss.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligation.

Actuarial gains and losses, returns on plan assets and any change in the effect of the asset ceiling are recognised in the year in which they arise, in other comprehensive income.

1.16 Provisions and contingencies

Bonus provision

Union employee bonuses are dependent on the rate negotiated with the respective bargaining councils. Other employee bonuses are paid at the discretion of the company. Senior management receive an incentive bonus based on the results of the company. In all cases, payment of a bonus is dependent upon the employee being in the company's service at the date of payment.

Repurchase of service provision

Government indicated in 1997 that its long term objective is to open public passenger transport to competitive tendering. Past experience has shown where government has followed this course of action the resulting tendered cost to government has been considerably higher than the cost under the existing regime, which has delayed the future roll out of this model.

The repurchase of service provision is raised in respect of amounts that could be payable to employees who would be surplus to requirements should the operating of some routes be awarded to third parties.

The amount provided for is based on management's best estimate of the maximum costs payable in accordance with the employees' current conditions of employment. Assumptions have been made in respect of the timing of the service being put out to tender and the extent of the services that would be awarded to third parties.

A Bus Industry Restructuring Fund was set up in 1999 to compensate employers for some of these retrenchment amounts. The information required to calculate an estimate is contingent on a future event, the occurrence of which is unknown at this stage and as such a reliable estimate of the amount that would be paid to qualifying employers, cannot be made. Reference has been made to the existence of a contingent asset under Note 36, Contingencies.

Third party claims provision

Third party claims are legal claims resulting from traffic accidents. The timing and extent of claims settled remains uncertain until settlement occurs. Where the company expects to be reimbursed under an insurance contract, the reimbursement is recognised as a separate asset.

Exemption provision

The group has applied to the Labour Court for exemptions from paying all staff who fall under the South African Road Passenger Bargaining Council (SARPBAC) an across the board increase since 2018, and has proposed an alternative method of calculation in respect of increases to staff who are currently paid in excess of the SARPBAC minimum, which if not granted would require the group to pay employees historical amounts calculated on a different basis to the rate currently being applied. The wage agreement is considered prejudicial to the group, which is following due process, the outcome of which is uncertain. The amount is considered a provision due to the uncertainty in timing of the outflow.

Trade back provision

Trade backs on new truck sales are offered to customers. If all trade back terms and conditions are met, customers have the right to trade in their existing vehicle when purchasing a new vehicle. A provision was raised where there was uncertainty as to the resale value.

Maintenance cost provision

A subsidiary of the group are in dispute with the City of Cape Town with regards to the rate at which maintenance costs have been paid by the City of Cape Town. A provision was made to account for the expected outcome of this dispute. The amount is considered a provision due to the uncertainty in both the timing and the amount of the outflow.

1.17 Revenue and deferred income

Revenue comprises ticket sales from bus operations, charter hire, shuttle hire, claims in respect of operational contracts with the Department of Mobility and the City of Cape Town, sale of buses, trucks, tyres and vehicle spare parts and automotive repair services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised in profit or loss in the accounting period in which the service is performed in accordance with the terms of contracts, and when collections are reasonably assured.

The operational contracts with the Department of Mobility and the City of Cape Town are in terms of contracts for the provision of bus services. Revenue is recognised over time when the kilometres in respect of the services have been travelled. These two contracts however differ in how they expose the subsidiary companies to revenue risk. Revenue risk is an industry-accepted term whereby the subsidiary company is required to also collect fares from passengers, in addition to revenue earned from the operational contract, in order for the service to be profitable. The operational contract with the City of Cape Town carries no revenue risk and the subsidiary company operating these services does not collect fares from passengers, whereas the operational contract with the Department of Mobility does carry this revenue risk, and although the subsidiary companies operating this service, receive revenue once the kilometres in respect of this service have been travelled, they also charge fares to passengers for using this service. These fares are charged in the form of bus tickets sold. The passenger has the choice to either buy a single journey ticket which is exercisable immediately on sale and is valid for a single ride, or a multi-journey ticket which allows the passenger to use a certain number of rides within a prescribed time period.

Revenue from the sale of single journey tickets is recognised at a point in time. Revenue from the sale of multi-journey tickets is recognised over time as rides are utilised. Deferred income is recognised on unused, multi-journey ticket rides at year-end. Multi-journey tickets allow passengers to purchase a range of products from 5 ride to 48 ride products which expire ranging from 14 to 90 days respectively. In determining the amount of deferred income at year-end, the price per outstanding ride based on the latest price per product is multiplied by the actual number of rides outstanding per product. Passengers are entitled to utilise any unused rides until the ticket expires.

Charter hire revenue comprises the rental of buses to individual customers for private use. Revenue from charter hire is recognised at a point in time when the service has been rendered. Deferred income is recognised on amounts received for charter hires operated subsequent to year end. Shuttle hire revenue comprises the rental of shuttles to transport passengers on required routes. Revenue from shuttle hire is recognised at a point in time when the service has been rendered.

Revenue from the sale of vehicles and the sale of spares, tyres and retreads are recognised at a point in time when the goods have been delivered to the customer.

Revenue from bus and vehicle repairs and maintenance is recognised at a point in time when the service has been rendered. Other revenue comprises revenue from sale of scrap, advertising, training and sundry income (Refer to Note 21).

1.18 Interest income

Interest is recognised, in profit or loss, using the effective interest rate method.

1.19 Dividends

Dividend distributions to equity holders of the parent are recognised as a liability in the financial statements in the period in which the dividends are approved by the board. Dividends declared after the reporting date are not recognised, as there is no present obligation at the reporting date.

2. NEW STANDARDS AND INTERPRETATIONS

Standards and interpretations not yet effective

The below applicable interpretations and amendments have been issued by the International Accounting Standards Board (IASB®) but were not yet effective at 31 March 2025.

The impact of the below standard and amendments are currently being assessed, and although they may affect disclosure information in the annual financial statements, the directors do not expect there to be a significant impact on the results of the Group. The Group has chosen not to adopt any of the below standards and interpretations earlier than required.

Amendments to the following standards:

Standard	Anticipated adoption date
IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendment - Lack of Exchangeability)	**01 April 2025**
The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.	
IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure (Amendment - Classification and Measurement of Financial Instruments	**01 April 2026**
The Amendments significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.	
IFRS 18 Presentation and Disclosure in Financial Statements	**01 April 2027**
IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies: *• Improved comparability in the statement of profit or loss through the introduction of three defined categories for income and expenses- operating, investing and financing.* *• Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those company- specific measures that are related to the income statement.* *•More useful grouping of information in the financial statements.*	

3. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Buses	**2 357 936**	**(1 019 453)**	**1 338 483**	2 190 333	(966 393)	1 223 940
Computers and computerised fare collection equipment	**95 344**	**(49 400)**	**45 944**	98 173	(47 927)	50 246
Fare collection equipment	**137**	**(137)**	**-**	137	(137)	-
Furniture and fixtures	**7 683**	**(6 549)**	**1 133**	6 920	(6 228)	692
Land and buildings	**437 026**	**-**	**437 026**	376 581	-	376 581
Leasehold improvements	**729**	**(447)**	**282**	551	(421)	130
Motor vehicles	**60 699**	**(22 918)**	**37 781**	39 117	(21 525)	17 592
Plant and machinery	**51 469**	**(32 332)**	**19 137**	42 974	(29 680)	13 294
Radio equipment	**2 127**	**(2 095)**	**32**	2 168	(2 093)	75
Total	**3 013 150**	**(1 133 331)**	**1 879 818**	2 756 954	(1 074 404)	1 682 550

Reconciliation of property, plant and equipment – 2025

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Impairments R'000	Transfers R'000	Closing balance R'000
Buses	**1 223 940**	**227 444**	**(12 562)**	**(98 116)**	**(2 223)**	**-**	**1 338 483**
Computers and computerised fare collection equipment	**50 246**	**2 471**	**(8)**	**(6 650)**	**(115)**	**-**	**45 944**
Furniture and fixtures	**692**	**777**	**(3)**	**(333)**	**-**	**-**	**1 133**
Land and buildings	**376 581**	**60 445**	**-**	**-**	**-**	**-**	**437 026**
Leasehold improvements	**130**	**178**	**-**	**(26)**	**-**	**-**	**282**
Motor vehicles	**17 592**	**38 833**	**(552)**	**(7 436)**	**-**	**(10 656)**	**37 781**
Plant and machinery	**13 294**	**8 680**	**(181)**	**(2 656)**	**-**	**-**	**19 137**
Radio equipment	**75**	**-**	**-**	**(43)**	**-**	**-**	**32**
	1 682 550	**338 828**	**(13 306)**	**(115 260)**	**(2 338)**	**(10 656)**	**1 879 818**

A change in use occurred during the financial year. Trucks, previously purchased for use in operations, were reclassed to be held for sale in the ordinary course of business. R10 656 000 was transferred to inventory at year end.

Reconciliation of property, plant and equipment – 2024

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Impairments R'000	Closing balance R'000
Buses	1 155 391	177 935	(11 407)	(89 631)	(8 348)	1 223 940
Computers and computerised fare collection equipment	42 704	13 947	(49)	(5 993)	(363)	50 246
Furniture and fixtures	588	446	(1)	(341)	-	692
Land and buildings	355 958	20 623	-	-	-	376 581
Leasehold improvements	137	17	-	(24)	-	130
Motor vehicles	13 653	9 099	(182)	(4 978)	-	17 592
Plant and machinery	8 877	6 406	(935)	(1 054)	-	13 294
Radio equipment	204	-	-	(129)	-	75
	1 577 512	228 473	(12 574)	(102 150)	(8 711)	1 682 550

Bus, buildings and motor vehicle additions to the value of R253 169 000 (2024: R170 170 000) were financed by instalment sale agreements and are not reflected as cash flows from investing activities. Instalment sales are secured by buses with a book value of R388 536 000 (2024: R254 326 000). Refer to Note 17.

No depreciation has been provided for buildings as the residual values exceed the carrying amount.

The impairment of buses with a net book value of R2 422 000 (2024: R8 348 000) relates to the destruction of 5 Golden Arrow Buses (2024: the destruction of 13 Golden Arrow buses), of which R895 000 is receivable from insurance proceeds (2024: R5 507 000)(refer to Note 10).

4. LEASES

The Group recognises right-of-use assets and lease liabilities in relation to the lease of four properties (2024 : four properties). Lease agreement terms range from 3 to 10 years. The current year movement includes a lease modification and lease termination.

Reconciliation of right-of-use assets	2025 R'000	2024 R'000
Carrying value at the beginning of the year	8 819	4 828
Additions	8 846	1 342
Remeasurement of lease	-	5 740
Modification of lease	245	152
Termination of lease	(3 993)	-
Depreciation	(3 991)	(3 243)
Carrying value at the end of the year	9 926	8 819

Reconciliation of lease liabilities	2025 R'000	2024 R'000
Carrying value at the beginning of the year	9 369	5 113
Finance costs	1 110	870
Lease payments	(4 522)	(3 651)
Additions	8 846	1 342
Remeasurement of lease	-	5 695
Modification of lease	24	-
Termination of lease	(4 278)	-
Carrying value at the end of the year	10 549	9 369

Of which:	2025 R'000	2024 R'000
Current (included in Trade and other payables)	3 171	3 068
Non-current	7 378	6 301
	10 549	9 369

The table below analyses the Group's lease liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2025	Less than 1 year R'000	1-2 years R'000	2-3 years R'000	3-4 years R'000	4-5 years R'000	Over 5 years R'000	Total R'000
Lease liabilities	4 128	4 341	2 860	230	243	821	12 623

31 March 2024	Less than 1 year R'000	1-2 years R'000	2-3 years R'000	3-4 years R'000	4-5 years R'000	Over 5 years R'000	Total R'000
Lease liabilities	3 933	3 417	2552	216	229	1 065	11 412

Commitments relating to low value leases: minimum lease payments due	2025 R'000	2024 R'000
– Within one year	196	187
– in second to fifth year	101	297
	297	484

For the year ended 31 March 2025

Operating lease commitments reflected in the table above relate to future lease charges on the Group's low value leases. The aggregate undiscounted commitments for short-term leases amount to R6 284 000 at 31 March 2025 (2024: R4 174 000).

Short-term and low-value leases included in operating expenses were R4 321 000 (2024: R3 868 000) and R433 000 (2024: R426 000) respectively.

5. GOODWILL

	2025			2024		
	Cost R'000	Accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated impairment R'000	Carrying value R'000
Goodwill	**28 187**	**(4 247)**	**23 940**	28 187	(4 247)	23 940

Reconciliation of goodwill - 2025	Opening balance R'000	Impairment R'000	Closing balance R'000
Goodwill	**23 940**	**-**	**23 940**

Reconciliation of goodwill - 2024	Opening balance R'000	Impairment R'000	Closing balance R'000
Goodwill	23 940	-	23 940

Goodwill relates to the Group's interests in the following subsidiaries:	2025 R'000	2024 R'000
Sibanye Bus Services	**18 647**	18 647
Eljosa Travel and Tours	**4 204**	4 204
Frontier Tyres	**889**	889
Shuttle Up	**200**	200
	23 940	23 940

The value of cash-generating units to which goodwill has been allocated has been determined based on value-in-use calculations using management-generated cash flow projections for Eljosa Travel and Tours, Sibanye Bus Services, Frontier Tyres and Shuttle Up. The value-in-use calculations were performed per cash-generating units using inputs within the below ranges. The following were the principal assumptions, based on past experience and risk growth profile in similar industries, that were used to calculate the value of those cash-generating units:

	Eljosa Travel and Tours, Shuttle up, Sibanye Bus Services & Frontier Tyres
Pre-tax discount rates:	12.91% (2024: 12.77%)
Number of years:	5 years (2024: 5 years)
Cost growth rate:	4 - 6% (2024: 4 - 6%)
Long-term growth rate:	5.5% (2024: 5.5%)

The following assumptions were applied when reviewing goodwill for impairment:

- Asset values were based on the carrying amounts for the financial period.
- Future expected profits were estimated using historical information and forecasts extending over 1 to 5 years.
- Sales growth and gross margins were based on historical performance and known future prospects.
- Costs were assumed to grow in line with expansion and expected inflation.
- Cash flows were extended into perpetuity as management has no reason to believe that the Group will not continue past the forecasted period.

6. INTANGIBLE ASSETS

	2025			2024		
	Cost R'000	Accumulated amortisation R'000	Carrying value R'000	Cost R'000	Accumulated amortisation R'000	Carrying value R'000
Trademarks	57	-	57	57	-	57
Computer software	11 205	(11 034)	171	10 996	(10 994)	2
Total	11 262	(11 034)	228	11 053	(10 994)	59

Reconciliation of intangible assets - 2025	Opening balance R'000	Additions R'000	Amortisation R'000	Closing balance R'000
Trademarks	57	-	-	57
Computer software	2	210	(41)	171
	59	210	(41)	228

Reconciliation of intangible assets - 2024	Opening balance R'000	Amortisation R'000	Closing balance R'000
Trademarks	57	-	57
Computer software	2	-	2
	59	-	59

7. INVESTMENT IN ASSOCIATE

Name of company	% ownership interest 2025	% ownership interest 2024	Carrying amount 2025 R'000	Carrying amount 2024 R'000
The N2 Express Joint Venture Proprietary Limited	33.33%	33.33%	5 604	3 515
			5 604	3 515

Reconciliation of equity accounted investment in associates as at 31 March	2025 R'000	2024 R'000
Investment at beginning of period	3 515	5 982
Share of profit	4 089	2 533
Dividends received from associate	(2 000)	(5 000)
Investment at end of period	5 604	3 515

Summarised statement of profit or loss	2025 R'000	2024 R'000
Turnover	86 645	84 460
Net profit after tax	2 776	7 601

Associate with different reporting date

The reporting date of The N2 Express Joint Venture Proprietary Limited is 30 June, the results shown above are as at 31 March.

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8. DEFERRED TAX

	2025 R'000	2024 R'000
Deferred tax liability		
Accelerated depreciation for tax purposes	(335 420)	(337 918)
Assessed losses	16 369	17 897
Deferred income	7 667	8 232
Fair value adjustment on defined benefit plan	(158)	(1 021)
Fair value adjustment on associate on gain of control	(2 052)	(2 052)
Prepayments	(9 029)	(7 023)
Provisions and accruals	68 342	60 175
Right-of-use assets and lease liabilities (net)	167	(641)
Share based payments	13 123	9 213
Expected credit loss allowance	999	731
Total deferred tax liability	(239 992)	(252 407)
Composition of deferred tax		
Deferred tax liability	(242 892)	(253 392)
Deferred tax asset	2 900	985
Total net deferred tax liability	(239 992)	(252 407)

Reconciliation of deferred tax liability	2025 R'000	2024 R'000
At beginning of year	(252 407)	(296 172)
Accelerated depreciation for tax purposes	2 498	8 202
Assessed losses	(1 528)	17 897
Deferred income	(565)	3 414
Fair value adjustment on defined benefit plan	863	1 136
Prepayments	(2 006)	(2 027)
Provisions and accruals	8 167	5 539
Right-of-use assets and lease liabilities (net)	808	58
Share based payments	3 910	9 213
Expected credit loss allowance	268	333
At the end of the year	(239 992)	(252 407)

Deferred tax assets of R2 900 000 (2024: R985 000) have been recognised for tax losses carried forward and other temporary differences relating to certain subsidiaries within the Group. These assets have been recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable and are therefore considered fully recoverable.

9. INVENTORIES

	2025 R'000	2024 R'000
Consumables	9 328	9 854
Vehicles and spares	45 255	27 016
Raw materials	1 604	1 430
Work in progress	5 161	4 768
	61 348	43 068

The carrying value of spares stated at net realisable value at year-end is R33 770 000 (2024: R27 016 000).

Motor vehicles to the value of R10 656 000 (2024:nil) were transferred to inventory and included in the Vehicles and spares category.

10. TRADE AND OTHER RECEIVABLES

	2025 R'000	2024 R'000
Financial assets		
Trade receivables	65 045	65 126
Allowance for expected credit losses	(5 143)	(3 428)
Trade receivables at amortised cost	59 902	61 698
Deposits	138 333	1 701
Other receivable	7 448	4 976
Non-financial assets		
VAT	9 693	2 259
Prepayments	34 933	26 136
Total trade and other receivables	250 309	96 770
Trade and other receivables are categorised as follows:		
Financial assets at amortised cost	205 683	68 375
Non-financial assets	44 626	28 395
	250 309	96 770

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due (see also Note 37).

Trade receivables

The Group principally contracts with government entities and established customers that have a long-standing history. The Group also has a significant cash customer base. Credit is continuously monitored to ensure payments are made on time and for the correct amount. The standard credit period on sales is 30 days from the date of invoice. Credit limits exceeded during the year under review were closely monitored, and management does not expect any losses from non-performance by these counterparties that have not been provided for.

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

The Group at year-end performs an assessment on the expected credit loss taking into account both customer specific factors and forward-looking information. Specific factors considered were disputes with customers, untraceable and slow payers, long overdue accounts, customers placed under liquidation, whether the customer had been handed over to attorneys for collection, whether the customer was a governmental institution, the established relationship with the customer and whether the customer was a related entity as defined by IAS 24. Historical data is also assessed to identify indicators of possible default by customers in the Group. Forward looking information considered was the general economic growth rate in South Africa.

Historical data indicates that there has been a reasonably low occurrence of defaults by customers in the Group. Based on this the Group does not anticipate significant future defaults by customers. Certain trade receivables do not expose the Group to significant credit risk and therefore no expected credit losses are raised on these balances.

Allowance for expected credit losses on trade receivables

At 31 March 2025, trade receivables of R5 143 000 (2024: R3 428 000) were charged to the loss allowance account. In measuring the expected credit losses, specific debtors that were known to be irrecoverable were assessed separately. The gross amount of these trade receivables and expected credit losses relating to specific debtors, that were assessed separately, totalled R5 143 000 (2024: R3 428 000), and relate to debtors that have been handed over to attorneys for collection, long outstanding debtors and debtors placed under business rescue. The remaining balance of debtors did not have significant exposure to credit risk and as such no loss allowance was raised on the balance of trade receivables.

Movement in the allowance for expected credit losses on trade and other receivables are as follows:	2025 R'000	2024 R'000
Loss allowance as at 1 April	3 428	2 795
Loss allowance recognised during the year	2 999	2 778
Receivables written off during the year	-	(655)
Loss allowance unused and reversed during the year	(1 284)	(1 490)
Loss allowance at the end of year	5 143	3 428

Collateral

Alpine Truck and Bus holds sold vehicles as collateral against non-payment. The balance of trade receivables noted above holds no collateral as security against non-payment.

Trade receivables past due

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 30 days from the invoice date and failure to engage with the Group on alternative payment arrangement among others, are considered indicators of no reasonable expectation of recovery.

Deposits

Deposits include an advanced part-payment made in respect of the purchase of 101 electric buses of R136 350 000 (2024: Rnil). The advanced part-payment was made to a reputable supplier that has established itself in the global market. The risk of default is not considered to be significant. Subsequent to year end and at the date of this report, R54 000 000 had been received in respect of this balance.

Other receivables

Other receivables balances relate mainly to recoveries and other sundry receivables. Other receivables do not contain significant credit risk and therefore no expected credit losses are raised on these balances.

11. CASH AND CASH EQUIVALENTS

	2025 R'000	2024 R'000
Cash and cash equivalents consist of:		
Cash on hand	431	438
Bank balances	537 244	461 763
	537 675	462 201

12. SHARE CAPITAL

	2025 R'000	2024 R'000
Authorised		
1 000 000 000 Ordinary shares of no par value		
Issued		
292 843 393 ordinary shares of no par value (2024: 291 180 254)	1 814 323	1 803 067
Details of the issued share capital changes in terms of group employee option scheme are as follows:		
At the beginning of the year	1 803 067	1 800 083
Share issue - directors	4 654	955
Share issue - management	6 602	2 029
At the end of the year	1 814 323	1 803 067
Number of shares	'000	'000
At the beginning of the year	291 180	290 596
Shares issued	1 663	584
At the end of the year	292 843	291 180

13. REINVESTMENT RESERVE

The reinvestment reserve, is a distributable reserve, which resulted from the surplus on the liquidation of The Golden Arrow Retirement Plan in 1998.

	2025 R'000	2024 R'000
Balance at the end of the year	98 295	98 295

14. MAINTENANCE RESERVE

In terms of the contract between Table Bay Area Rapid Transit Proprietary Limited and the City of Cape Town, the buses have to be maintained and returned to the City after the initial contract period of 12 years, in the state and condition they were in as at the vehicle delivery date, fair wear and tear accepted. The payment for the maintenance is by way of the estimated life time cost averaged over the period of the contract. The difference between the actual cost incurred and the amount received was transferred to retained income. As the current contract ends in October 2025, the maintenance reserve is being reversed to retained income.

	2025 R'000	2024 R'000
Opening balance	16 932	28 221
Transfer to retained income	(11 289)	(11 289)
	5 643	16 932

15. NON-CONTROLLING INTEREST ("NCI")

Name of company	Location	NCI % Holding 2025	NCI % Holding 2024	Carrying amount 2025 R'000	Carrying amount 2024 R'000
Eljosa Travel & Tours Proprietary Limited	South Africa	7.30%	7.30%	(1 627)	(2 263)
Alpine Truck and Bus Proprietary Limited	South Africa	49.00%	49.00%	8 674	2 788
				7 047	525

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Summary financial information of subsidiary - Eljosa Travel & Tours Proprietary Limited ("Eljosa")	2025 R'000	2024 R'000
Non-current assets	94 036	80 182
Current assets	11 529	10 282
Non-current liabilities	22 441	3 443
Current liabilities	105 205	117 815
Equity and reserves	(22 080)	(30 794)
Turnover	90 643	86 425
Profit before tax	9 541	3 859
Profit for the year	8 713	21 426
Reconciliation of carrying value of non-controlling interest of Eljosa		
Opening balance	(2 263)	(3 827)
Profit for the year after tax	8 713	21 426
Profit attributable to owners of parent	(8 077)	(19 862)
Closing balance	(1 627)	(2 263)

Summary financial information of subsidiary – Alpine Truck and Bus Proprietary Limited ("Alpine")	2025 R'000	2024 R'000
Non-current assets	26 023	3 123
Current assets	46 211	25 219
Non-current liabilities	6 120	1 552
Current liabilities	48 411	21 092
Equity and reserves	17 703	5 698
Turnover	499 859	150 063
Profit before tax	17 610	7 979
Profit for the year	12 508	6 160
Reconciliation of carrying value of non-controlling interest of Alpine		
Opening balance	2 788	(227)
Profit for the year after tax	12 508	6 160
Profit attributable to owners of parent	(6 378)	(3 145)
Dividend	(244)	-
Closing balance	8 674	2 788

Significant restrictions

There are no significant statutory, contractual or regulatory restrictions on the Group's ability to access or use its assets and settle its liabilities.

Encumbrances

Details of assets that serve as security for borrowings are presented in Note 17.

16. BORROWINGS

	2025 R'000	2024 R'000
Held at amortised cost		
ABSA Limited - Term loan	510	1 640
This loan is unsecured, bears interest at prime and is repayable in monthly instalments of R105 000 (2024: R105 000) over the term until August 2025.		
Nedbank Limited - Term Loan	34 587	-
This loan is secured, bears interest at prime and is repayable in monthly instalments of R762 000 over the term until February 2030.		
	35 097	1 640
Shown as:		
Non-current liabilities	28 974	512
Current liabilities	6 123	1 128
	35 097	1 640

17. INSTALMENT SALE OBLIGATIONS

	2025 R'000	2024 R'000
Instalment sale obligations	388 536	254 326
Shown as:		
Non-current liabilities	298 994	181 950
Current liabilities	89 542	72 376
	388 536	254 326
The present value of instalment sale obligations due per financial institution are as follows:		
FirstRand Bank Limited	87 368	51 449
Repayable in monthly instalments of R2 165 000 (2024: R1 175 000)		
Nedbank Limited	109 945	66 353
Repayable in monthly instalments of R3 109 000 (2024: R2 678 000)		
MAN Financial Services SA Proprietary Limited	72 618	68 348
Repayable in monthly instalments of R2 272 000 (2024: R2 869 000)		
The Standard Bank of South Africa Limited	96 378	68 176
Repayable in monthly instalments of R2 955 000 (2024: R2 449 000)		
ABSA Bank Limited	22 227	-
Repayable in monthly instalments of R479 000 (2024: nil)		
	388 536	254 326

Interest is charged at floating rates. The weighted average effective rate is 10.00% (2024: 10.76%) and monthly instalments are repayable over a period of five years.

Instalment sales are secured over buses with a book value of R388 536 000 (2024: R254 326 000) (Refer to Note 3). Refer to Note 37 for further information regarding the liquidity risk associated with the Group's borrowings.

18. POST-EMPLOYMENT MEDICAL BENEFIT LIABILITY

Defined benefit plan

Defined benefit plans, within the Group, are post-employment benefit plans under which contributions in respect of retired employees with more than 20 years of service (employees employed after September 2019 with more than 25 years of service) are paid to Golden Arrow Employees' Medical Benefit Fund (MBF) and Discovery Health. These contributions are used to cover outgoings not financed from member contributions. The administrators of MBF are Metropolitan Health Group.

The calculation of the accrued service liability in respect of post-retirement health care was performed by Actuarial Benefits and Consulting Solutions Proprietary Limited as at 31 March 2025 and amounted to R71 056 000 (2024: R67 912 000).

	2025 R'000	2024 R'000
Carrying value		
Present value of the defined benefit obligation-wholly unfunded	**71 056**	67 912

Categorised as follows:	2025 R'000	2024 R'000
Non-current liabilities	**65 279**	62 195
Current liabilities	**5 777**	5 717
	71 056	67 912
Movements for the year		
Opening balance	**67 912**	67 437
Net income recognised	**3 144**	475
	71 056	67 912
Net expense recognised is made up as follows:		
Current service cost	**1 282**	1 353
Interest cost	**8 163**	8 077
Pensioner subsidy	**(5 717)**	(5 172)
Expense recognised in profit or loss	**3 728**	4 258
Actuarial gains recognised in other comprehensive income	**(584)**	(3 783)
	3 144	475

Key assumptions used for the valuation	2025	2024
Normal retirement age	**65**	65
Discount rate used	**11.60%**	12.80%
Price inflation rate used	**5.60%**	6.80%
Continuation of membership at retirement	**55.00%**	55.00%
Discovery Health expected long term medical aid subsidy increase rates	**8.00%**	9.20%
Medical Benefit Fund expected long term medical aid subsidy increase rates	**7.50%**	8.70%

The projected unit credit method has been used to value the post-retirement medical liabilities. Under this method the liability for employee members is allocated based on the service accrued to the date of valuation and the service expected to arise up to retirement age.

Sensitivity analysis

The valuation as at 31 March is sensitive to a change in the assumptions used, particularly in the discount rate and the subsidy increase rate. Below shows a summary of the effect of changes in these assumptions on the valuation of the liability:

Accrued liability	2025 Change in R'000	2024 Change in R'000	2025 Change in %	2024 Change in %
discount rate increased by 0.50% p.a.	**(3 071)**	(2 918)	**(4.3)**	(4.3)
discount rate reduced by 0.50% p.a.	**3 335**	3 167	**4.7**	4.7
subsidy increase rate increased by 1% p.a.	**6 990**	6 634	**9.8**	10.0
subsidy increase rate reduced by 1% p.a.	**(6 004)**	(5 705)	**(8.4)**	(8.4)

19. TRADE AND OTHER PAYABLES

	2025 R'000	2024 R'000
Financial liabilities		
Trade payables	120 019	95 759
Accruals	39 713	36 135
Payroll accruals	12 254	25 271
Other payables *	13 450	13 116
Non-financial liabilities		
Leave pay accruals	32 057	29 061
Deferred income	28 290	29 178
VAT	1 195	347
Lease liability (Refer to Note 4)	3 171	3 068
	250 149	231 935
Trade and other payables are categorised as follows:		
Financial liabilities at amortised cost	185 436	170 281
Non-financial liabilities	64 713	61 654
	250 149	231 935

* Other payables comprise mainly of dividends payable R12 026 000 (2024: R11 521 000).

20. PROVISIONS

Reconciliation of provisions – 2025	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Closing balance R'000
Bonus provision	47 231	88 885	(71 406)	(13 365)	51 345
Repurchase of service provision	38 770	-	-	-	38 770
Third party claims provision	7 074	11 993	(6 374)	(4 683)	8 010
Exemption provision	32 914	13 187	-	(7 041)	39 060
Trade back provision	-	7 851	-	-	7 851
Maintenance cost provision	-	5 097	-	-	5 097
	125 989	127 013	(77 780)	(25 089)	150 133

Reconciliation of provisions – 2024	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Reclassification R'000	Closing balance R'000
Bonus provision	45 344	74 825	(66 517)	(6 281)	(140)	47 231
Repurchase of service provision	38 770	1 128	-	(1 128)	-	38 770
Third party claims provision	8 460	11 178	(7 155)	(5 409)	-	7 074
Exemption provision	-	-	-	-	32 914	32 914
	92 574	87 131	(73 672)	(12 818)	32 774	125 989

Bonus provision

Union employee bonuses are dependent on the rate negotiated with the respective bargaining councils. Other employee bonuses are paid at the discretion of the company. Senior management receive an incentive bonus based on the results of the company. In all cases, payment of a bonus is dependent upon the employee being in the company’s service at the date of payment.

Repurchase of service provision

Government indicated in 1997 that its long term objective is to open public passenger transport to competitive tendering. Past experience has shown where government has followed this course of action the resulting tendered cost to government has been considerably higher than the cost under the existing regime, which has delayed the future roll out of this model.

The repurchase of service provision is raised in respect of amounts that could be payable to employees who would be surplus to requirements should the operating of some routes be awarded to third parties.

The amount provided for is based on management's best estimate of the maximum costs payable in accordance with the employees' current conditions of employment. Assumptions have been made in respect of the timing of the service being put out to tender and the extent of the services that would be awarded to third parties.

A Bus Industry Restructuring Fund was set up in 1999 to compensate employers for some of these retrenchment amounts. The information required to calculate an estimate is contingent on a future event, the occurrence of which is unknown at this stage and as such a reliable estimate of the amount that would be paid to qualifying employers, cannot be made. Reference has been made to the existence of a contingent asset under Note 36 Contingencies.

Third party claims provision

Third party claims are legal claims resulting from traffic accidents. The timing and extent of claims settled remains uncertain until settlement occurs. Where the company expects to be reimbursed under an insurance contract, the reimbursement is recognised as a separate asset.

Exemption provision

The group has applied to the Labour Court for exemptions from paying all staff who fall under the South African Road Passenger Bargaining Council (SARPBAC) an across the board increase since 2018, and has proposed an alternative method of calculation in respect of increases to staff who are currently paid in excess of the SARPBAC minimum, which if not granted would require the group to pay employees historical amounts calculated on a different basis to the rate currently being applied. The wage agreement is considered prejudicial to the group, which is following due process, the outcome of which is uncertain. The amount is considered a provision due to the uncertainty in timing of the outflow.

Trade back provision

Trade backs on new truck sales are offered to customers. If all trade back terms and conditions are met, customers have the right to trade in their existing vehicle when purchasing a new vehicle. A provision was raised where there was uncertainty as to the resale value.

Maintenance cost provision

A subsidiary of the group are in dispute with the City of Cape Town with regards to the rate at which maintenance costs have been paid by the City of Cape Town. A provision was made to account for the expected outcome of this dispute. The amount is considered a provision due to the uncertainty in both the timing and the amount of the outflow.

21. REVENUE

The Group's revenue per segment is as follows:

	2025 R'000	2024 R'000
Passenger transport		
Revenue from bus services		
Revenue recognised over time		
Operational contract carrying revenue risk	**1 230 402**	1 177 519
Operational contract with no revenue risk	**171 540**	168 282
Sale of multi-journey tickets	**636 563**	609 050
Revenue recognised at a point in time		
Sale of single journey tickets	**355 663**	360 419
Charter and shuttle hire services	**122 739**	115 587
Revenue from automotive repair services		
Revenue recognised at a point in time		
Vehicle repair and maintenance	**-**	14 406
Other revenue		
Revenue recognised at a point in time	**5 210**	3 649
	2 522 117	2 448 912

For the year ended 31 March 2025

Vehicle and spares - sales and servicing	2025 R'000	2024 R'000
Revenue from goods sold		
Revenue recognised at a point in time		
Sale of vehicles and spare parts	463 246	122 051
Tyre sales and retreading	39 725	29 893
Revenue from automotive repair services		
Revenue recognised at a point in time		
Vehicle repair and maintenance	7 841	-
Tyre repairs and related services	4 074	4 964
	514 886	156 908
Total revenue	3 037 003	2 605 820

Deferred income

The following aggregated amounts relate to performance obligations that are unsatisfied or partially unsatisfied as at 31 March:

2025	2025 R'000	2026 R'000	Total R'000
Revenue expected to be recognised	-	28 290	28 290
2024			
Revenue expected to be recognised	29 178	-	29 178

22. PROFIT BEFORE TAXATION

Profit before taxation for the year includes the following, amongst others:	Notes	2025 R'000	2024 R'000
External auditors' remuneration			
Audit fees - current year		3 542	3 352
Audit fees - prior year		372	230
Other services		-	345
Total external auditors' remuneration		3 914	3 927
Internal auditors' remuneration		2 025	1 933
Consulting, legal and professional services		17 287	11 804
Employee costs			
Salaries, wages, bonuses and other benefits		959 759	921 672
Pension fund contributions		58 555	58 178
Total employee costs		1 018 314	979 850
Energy costs		500 916	544 728
Leases			
Short term leases		4 321	3 868
Low-value leases		433	426
Total leases	4	4 754	4 294

For the year ended 31 March 2025

	Notes	2025 R'000	2024 R'000
Depreciation and amortisation			
Depreciation of property, plant and equipment	3	115 260	102 150
Depreciation of right-of-use assets	4	3 991	3 243
Amortisation of intangible assets	6	41	-
Total depreciation and amortisation		119 291	105 393
Impairment losses			
Plant and equipment	3, 26	2 338	8 711
Movement in credit loss allowance			
Trade and other receivables	10	1 715	633
Other			
Inventory write downs		2 902	76
Share-based payments equity settled	28	8 972	8 133
Cost of sales - goods sold		498 208	163 887
Other income			
Passenger transport - Bus repair services		(32 475)	(12 460)
Profit on disposal of plant and equipment		(4 121)	(7 025)
Proceeds from insurance claims	26	(7 856)	(8 099)
Training fees		(4 724)	(10 914)
Sundry income		(9 085)	(8 554)
		(58 261)	(47 052)

23. INVESTMENT INCOME

	2025 R'000	2024 R'000
Bank	33 712	56 964
Other interest	11	17
Total investment income	33 723	56 981

24. FINANCE COSTS

	2025 R'000	2024 R'000
Instalment sale obligations	33 506	23 027
Lease liability (refer to Note 4)	1 110	870
Total finance costs	34 616	23 897

25. TAXATION

Major components of the tax expense	2025 R'000	2024 R'000
Current		
Local income tax – current period	146 140	151 188
Local income tax – recognised in current tax for prior periods	(1 217)	(787)
	144 923	150 401
Deferred		
Originating and reversing temporary differences	(11 667)	(39 149)
Deferred tax - under provision prior year	1 288	-
	(10 379)	(39 149)
Total tax expense	134 544	111 252

The income tax relating to each component of other comprehensive income is set out below:	2025 R'000	2024 R'000
Actuarial gains on post-employment benefit plan	(158)	(1 022)

Assessed losses not recognised

Various subsidiaries have incurred historical operating losses which result in losses for tax purposes. Losses for tax purposes available for set off against future taxable income and for which deferred tax assets have not been raised are estimated at:

	2025 R'000	2024 R'000
- Assessed losses on normal tax	88 555	104 629
Tax relief at current rates:		
- Normal tax	23 910	28 250

Reconciliation between applicable tax rate and average effective tax rate	2025	2024
Applicable tax rate	27.00%	27.00%
Non-taxable income - section 12L allowance	(0.39%)	(0.99%)
Non-taxable income - employment tax incentive	(0.01%)	(0.01%)
Share of profits from associate	(0.21%)	(0.10%)
Expenses disallowed for tax purposes	0.03%	0.50%
Expenses attributable to exempt income	0.19%	-
Disposal of property, plant and equipment	0.01%	-
Assessed losses utilised	(0.99%)	(4.20%)
Prior year charges	(0.14%)	(0.20%)
Deferred tax asset not recognised on assessed losses	0.29%	-
Effective tax rate	25.78%	22.00%

26. HEADLINE EARNINGS PER SHARE

Reconciliation of headline earnings	2025 R'000 Gross	2025 R'000 Net	2024 R'000 Gross	2024 R'000 Net
Profit attributable to equity holders of the parent		380 571		389 940
Adjustments for:				
Profit on disposal of plant and equipment	(4 121)	(3 008)	(7 025)	(5 128)
Insurance claims for capital assets	(7 856)	(5 735)	(8 099)	(5 912)
Impairment of plant and equipment	2 338	1 707	8 711	6 359
Headline earnings		373 535		385 259

Earnings per share (cents)	2025	2024
– Basic	130.19	134.01
– Diluted	126.50	131.10
Headline earnings per share (cents)		
– Basic	127.79	132.40
– Diluted	124.16	129.52
Weighted average number of shares issue (‘000)		
– Basic	292 315	290 987
– Diluted	300 858	297 440
Actual number of shares issue (‘000)	292 843	291 180

In terms of the Frontier Group Employee Option Scheme, 1 663 139 shares were issued during the current financial year (2024: 584 457).

Reconciliation of average number of diluted shares	2025 '000	2024 '000
Basic weighted average number of shares	292 315	290 987
Dilution effect of share options	8 543	6 453
Diluted weighted average number of shares	300 858	297 440

27. SEGMENTAL ANALYSIS

	Revenue		Other income	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	2 522 117	2 448 912	51 188	41 254
Vehicle and spares - sales and servicing	514 886	156 908	7 074	5 798
Total	3 037 003	2 605 820	58 262	47 052

	Operating profit before depreciation and amortisation		Depreciation and amortisation	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	609 016	563 578	(113 219)	(102 475)
Vehicle and spares - sales and servicing	28 960	11 903	(6 072)	(2 919)
Total	637 976	575 481	(119 291)	(105 394)

	Impairments		Staff costs	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	(2 338)	(8 711)	(995 943)	(963 605)
Vehicle and spares - sales and servicing	-	-	(22 371)	(16 245)
Total	(2 338)	(8 711)	(1 018 314)	(979 850)

	Profit from equity accounted investment		Investment income	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	4 089	2 533	32 706	56 607
Vehicle and spares - sales and servicing	-	-	1 017	374
Total	4 089	2 533	33 723	56 981

	Finance costs		Profit before tax	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	(29 749)	(21 320)	502 842	498 923
Vehicle and spares - sales and servicing	(4 867)	(2 577)	19 039	6 781
Total	(34 616)	(23 897)	521 881	505 704

	Headline earnings	
	2025 R'000	2024 R'000
Passenger transport	366 078	383 235
Vehicle and spares - sales and servicing	7 457	2 024
Total	373 535	385 259

	Total assets		Total liabilities	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Passenger transport	2 681 808	2 282 535	(1 098 517)	(910 628)
Vehicle and spares - sales and servicing	98 190	43 753	(47 810)	(34 104)
Total	2 779 998	2 326 288	(1 146 327)	(944 732)

	Property, plant and equipment additions	
	2025 R'000	2024 R'000
Passenger transport	307 051	222 456
Vehicle and spares - sales and servicing	31 777	6 017
Total	338 828	228 473

Group income totalling R3 095 265 000 (2024: R2 652 872 000) was generated in South Africa. Non-current assets to the value of R1 919 516 000 (2024: R1 718 883 000) are held in South Africa.

28. GROUP EMPLOYEE OPTION SCHEME

The Group operates an option scheme, The Frontier Group Employee Option Scheme ("the Scheme"), in terms of which shares in the Company are offered on a share option basis to participants, provided they remain in the Group's employ until the options vest. Any gain realised on the exercise of these options is settled on a net equity basis, whereby the participant receives the number of shares which equate in value to the gain made on exercise date. Participants have the option to settle net tax. Options must be exercised within six months of the vesting date, where after the options lapse. Options vest over periods of three to five years.

Share options granted to eligible participants that have not yet become unconditional are as follows:

	2025		2024	
	Number of share options	Weighted average exercise price R	Number of share options	Weighted average exercise price R
Balance at the beginning of the year	**16 534 660**	**4.24**	15 554 978	4.09
Options vested	**(1 697 457)**	**6.78**	(814 976)	5.03
Options forfeited	**-**	**-**	(21 560)	-
Options granted	**1 744 898**	**6.79**	1 816 218	5.54
Balance at the end of the year	**16 582 101**	**4.65**	16 534 660	4.24

The grant date fair value of options was determined using the Black-Scholes valuation model. The significant inputs into the model were:

Grant dates	Annual risk free rate	Listed share price	Volatility
16 March 2020	**9.15%**	**3.53**	**36%**
31 March 2021	**7.50%**	**3.03**	**38%**
25 November 2022	**7.84% - 7.87%**	**4.89**	**44%**
28 March 2024	**8.21% - 8.59%**	**6.16**	**20%**
26 November 2024	**7.45% - 7.76%**	**7.55**	**19%**

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of the daily share price since Frontier's shares were listed on the Johannesburg Stock Exchange in April 2018. The cost relating to options is recognised by allocating the fair value over the vesting period on a straight-line basis.

The volume weighted average share price during the current year was R7.19 (2024: R5.64).

Movement in the share-based payment reserve is as follows:

	2025 R'000	2024 R'000
Balance at the beginning of the year	**13 242**	6 432
Equity-settled share-based payment expense for the year	**8 972**	8 133
Share-based payments reserve transferred to retained income	**(2 616)**	(1 323)
Balance at the end of the year	**19 598**	13 242

The options issued in terms of the Scheme and outstanding at 31 March 2025 become unconditional between the following dates:

Number of share options	2025 Number of share options	2025 Exercise price R
Between 16 March 2025 and 16 September 2025	41 883	3.28
Between 31 March 2025 and 30 September 2025	587 311	2.72
Between 06 December 2025 and 05 June 2026	3 934 827	4.40
Between 31 March 2026 and 30 September 2026	587 310	2.72
Between 06 December 2026 and 05 June 2027	3 934 827	4.40
Between 28 March 2027 and 28 September 2027	605 406	5.54
Between 26 November 2027 and 26 May 2028	581 633	6.79
Between 06 December 2027 and 05 June 2028	3 934 827	4.40
Between 28 March 2028 and 28 September 2028	605 406	5.54
Between 26 November 2028 and 26 May 2029	581 633	6.79
Between 28 March 2029 and 28 September 2029	605 406	5.54
Between 26 November 2030 and 26 May 2031	581 632	6.79
Balance at the end of the year	**16 582 101**	

The maximum number of shares that may be utilised for the purposes of the Scheme is 21 750 000 shares.

Subsequent to year end, 629 194 share options became unconditional and were exercised by participants.

Share options granted to executive directors

Mr FE Meyer	2025 Number of share options	2025 Weighted average exercise price R	2024 Number of share options	2024 Weighted average exercise price R
Balance at the beginning of the year	4 516 323	4.21	4 354 863	4.08
Options granted	342 752	6.79	322 662	5.54
Options vested	(448 475)	6.69	(161 202)	4.97
Balance at the end of the year	4 410 600	4.52	4 516 323	4.21

	2025		2024	
Unconditional between the following dates:				
Between 16 March 2024 and 16 September 2024	-	-	90 902	3.28
Between 22 March 2024 and 22 September 2024	-	-	70 300	3.70
Between 31 March 2024 and 30 September 2024	-	-	196 370	2.72
Between 16 March 2025 and 16 September 2025	-	-	90 902	3.28
Between 31 March 2025 and 30 September 2025	196 370	2.72	196 370	2.72
Between 06 December 2025 and 05 June 2026	1 117 482	4.40	1 117 482	4.40
Between 31 March 2026 and 30 September 2026	196 371	2.72	196 371	2.72
Between 06 December 2026 and 05 June 2027	1 117 482	4.40	1 117 482	4.40
Between 28 March 2027 and 28 September 2027	107 554	5.54	107 554	5.54
Between 26 November 2027 and 26 May 2028	114 251	6.79	-	-
Between 06 December 2027 and 05 June 2028	1 117 482	4.40	1 117 482	4.40
Between 28 March 2028 and 28 September 2028	107 554	5.54	107 554	5.54
Between 26 November 2028 and 26 May 2029	114 250	6.79	-	-
Between 28 March 2029 and 28 September 2029	107 554	5.54	107 554	5.54
Between 26 November 2030 and 26 May 2031	114 250	6.79	-	-
	4 410 600	4.52	4 516 323	4.21

Subsequent to year end, 196 370 options became unconditional and were exercised by Mr FE Meyer who received 119 670 shares in the company after settling the related taxes (see also Note 34).

	2025		2024	
Mr ML Wilkin	Number of share options	Weighted average exercise price R	Number of share options	Weighted average exercise price R
Balance at the beginning of the year	2 830 240	4.21	2 729 003	4.08
Options granted	214 802	6.79	202 278	5.54
Options vested	(281 056)	6.69	(101 041)	5.27
Balance at the end of the year	2 763 986	4.52	2 830 240	4.21

	2025		2024	
Unconditional between the following dates:				
Between 16 March 2024 and 16 September 2024	-	-	56 961	3.28
Between 22 March 2024 and 22 September 2024	-	-	44 080	3.70
Between 31 March 2024 and 30 September 2024	-	-	123 054	2.72
Between 16 March 2025 and 16 September 2025	-	-	56 961	3.28
Between 31 March 2025 and 30 September 2025	123 054	2.72	123 054	2.72
Between 06 December 2025 and 05 June 2026	700 266	4.40	700 266	4.40
Between 31 March 2026 and 30 September 2026	123 054	2.72	123 054	2.72
Between 06 December 2026 and 05 June 2027	700 266	4.40	700 266	4.40
Between 28 March 2027 and 28 September 2027	67 426	5.54	67 426	5.54
Between 26 November 2027 and 26 May 2028	71 600	6.79	-	-
Between 06 December 2027 and 05 June 2028	700 266	4.40	700 266	4.40
Between 28 March 2028 and 28 September 2028	67 426	5.54	67 426	5.54
Between 26 November 2028 and 26 May 2029	71 601	6.79	-	-
Between 28 March 2029 and 28 September 2029	67 426	5.54	67 426	5.54
Between 26 November 2030 and 26 May 2031	71 601	6.79	-	-
	2 763 986	4.52	2 830 240	4.21

Subsequent to year end, 123 054 options became unconditional and were exercised by Mr ML Wilkin who received 74 990 shares in the company after settling the related taxes (see also Note 34).

29. CASH GENERATED FROM OPERATIONS

	Notes	2025 R'000	2024 R'000
Profit before taxation		521 881	505 704
Adjustments for:			
Depreciation and amortisation	3 & 4 & 6	119 291	105 393
Profit on disposal of plant and equipment	22	(4 121)	(7 025)
Share based payments	28	8 972	8 133
Profit from equity accounted investments	7	(4 089)	(2 533)
Interest income	23	(33 723)	(56 981)
Finance costs	24	34 616	23 897
Impairment of plant and equipment	22	2 338	8 711
Gain on termination and modification of lease		(221)	-
Movements in post-employment medical benefit liability	18	3 144	4 258
Movements in provisions - cash		24 144	107 088
Movements in provisions - non-cash		(285)	(73 672)
Movement in loss allowance	10	1 715	1 288
Movement in deferred revenue - cash		3 051	11 882
Movement in deferred revenue - non-cash		(3 939)	(1 149)
Non-cash items - shares issued through share incentive scheme		-	(2 984)
Other non cash items		3 580	(6 211)
Changes in working capital:			
Inventories		(7 623)	(10 584)
Trade and other receivables		(163 110)	(17 366)
Trade and other payables		15 498	2 919
		521 119	600 768

30. TAX PAID

	2025 R'000	2024 R'000
Balance at beginning of the year	1 143	(4 683)
Current tax for the year recognised in profit or loss	(144 923)	(150 401)
Balance at end of the year	(7 164)	(1 143)
	(150 943)	(156 227)

31. DIVIDENDS PAID

	2025 R'000	2024 R'000
Unclaimed dividends at 1 April	(11 521)	(11 169)
Dividends declared during the year	(146 814)	(572 198)
Unclaimed dividends at 31 March	12 026	11 521
	(146 309)	(571 846)

32. BORROWINGS ARISING FROM FINANCING ACTIVITIES

Movements in the carrying value of borrowings and instalment sales are as follows:

	2025 R'000	2024 R'000
Carrying value at the beginning of the year	255 966	179 608
Cash-flows:		
Debt repayments	(85 502)	(93 812)
Interest paid	(33 391)	(22 378)
Non-cash:		
Raising of instalment sales obligations	253 169	170 170
Interest capitalised	33 391	22 378
Carrying value at the end of the year	423 633	255 966

	2025 R'000	2024 R'000
Non-current liabilities		
Borrowings	28 974	512
Instalment sale obligations	298 994	181 950
	327 968	182 462
Current liabilities		
Borrowings	6 123	1 128
Instalment sale obligations	89 542	72 376
	95 665	73 504
	423 633	255 966

R253 169 000 (2024: R170 170 000) of debt raised in the period relates to instalment sale obligations used to finance bus, building and motor vehicle acquisitions, and therefore has not been included in the cash flow statement as a cash flow amount.

33. RELATED PARTIES

Relationships

Ultimate holding company	Hosken Consolidated Investments Limited
Holding company	TIH Prefco Proprietary Limited
Fellow subsidiary	HCI Managerial Services Proprietary Limited
	HCI Foundation
	GRIPP Advisory Proprietary Limited
	La Concorde Holdings Limited
Subsidiaries	HPL and R Investments Proprietary Limited
Associate	N2 Express Joint Venture Proprietary Limited
Post-employment medical benefit fund	Golden Arrow Employee’s Medical Benefit Fund

	2025 R'000	2024 R'000
Related party balances		
Amounts included in trade receivables (trade payables) regarding related parties		
HCI Foundation	380	340
The N2 Express Joint Venture Proprietary Limited	10 517	8 550
HCI Managerial Services Proprietary Limited	-	(144)
	10 897	8 746
Related party transactions		
Charter hire services provided to related party		
HCI Foundation	(2 024)	(2 075)
Administration fees paid to related party		
HCI Managerial Services Propriety Limited	1 725	1 956
Contributions paid to related party		
Golden Arrow Employee’s Medical Benefit Fund	41 574	39 181

	2025 R'000	2024 R'000
Dividends paid to related parties		
Hosken Consolidated Investments Limited	116 621	457 593
La Concorde Holdings Limited	3 167	12 423
	119 788	470 016
Internal audit fees paid to related party		
GRIPP Advisory Proprietary Limited	2 025	1 933
Compensation paid to directors and other key management		
Salaries and other short-term employee benefits	42 382	37 284
Post-employment benefits	1 460	1 348
Termination benefits	-	592
Share-based payments	9 253	756
	53 095	39 980

34. DIRECTORS' INTEREST AND EMOLUMENTS

Directors' interest

No director of the Company had any material direct or indirect interest in any transactions that were affected by the Company in the current or preceding financial year-end.

At year-end, the following directors held shares in the Company:

Director 2025	Direct number of shares held	Direct % of shares in issue held	Indirect number of shares held	Indirect % of shares in issue held	Total number of shares held	Total % of shares in issue held
FE Meyer	535 390	0.18%	256	0.00%	535 646	0.18%
ML Wilkin	368 753	0.13%	-	-	368 753	0.13%
TG Govender	87 808	0.03%	821 676	0.28%	909 484	0.31%

Director 2024	Direct number of shares held	Direct % of shares in issue held	Indirect number of shares held	Indirect % of shares in issue held	Total number of shares held	Total % of shares in issue held
FE Meyer	297 048	0.10%	256	0.00%	297 304	0.10%
ML Wilkin	99 743	0.03%	-	-	99 743	0.03%
JR Nicolella	5 185	0.00%	9 727	0.00%	14 912	0.01%
TG Govender	87 808	0.03%	821 676	0.28%	909 484	0.31%

In addition, to the holdings reflected above, subsequent to year end and to the date of the approval of the financial statements the following director acquired an additional interest in the shares of the Company, after exercising his unconditional share options:

	Additional direct number of shares acquired	Additional % of shares in issue acquired
FE Meyer	119 670	0.04%
ML Wilkin	74 990	0.03%

There were no further changes in the directors' interest from 31 March 2025 to the date of the approval of the financial statements.

For the year ended 31 March 2025

Directors fees paid by Frontier Transport Holdings Group

	Paid by Frontier Transport Holdings	Paid by Golden Arrow Bus Services Proprietary Limited					
	Directors' fees	Salary	Fringe benefits including medical aid	Pension contributions	Bonus	Gain from share schemes	Total
Year ended 31 March 2025	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Executive directors							
FE Meyer	-	3 985	1 083	664	5 268	3 973	14 973
ML Wilkin	-	3 121	634	372	4 127	2 443	10 697
Non-executive directors							
L Govender	237	-	-	-	-	-	237
MF Magugu	206	-	-	-	-	-	206
RD Watson	206	-	-	-	-	-	206
SNN Mkhwanazi	185	-	-	-	-	-	185
	834	7 106	1 717	1 036	9 395	6 416	26 504

For the year ended 31 March 2025

Directors fees paid by Hosken Consolidated Investments Group

	Paid by E-media Holdings Ltd	Paid by Tsogo Sun Ltd	Paid by Hosken Consolidated Investments					
	Directors' fees	Directors' fees	Directors' fees	Salary	Fringe benefits including medical aid	Bonus	Gain from share schemes	Total
Year ended 31 March 2025	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Non-executive directors								
Y Shaik	-	-	-	5 072	-	2 742	3 264	11 078
TG Govender	-	-	-	4 897	-	1 404	3 289	9 590
JR Nicolella	-	-	-	5 973	150	3 363	3 747	13 233
L Govender	236	-	-	-	-	-	-	236
MF Magugu	-	-	714	-	-	-	-	714
RD Watson	300	574	603	-	-	-	-	1 477
SNN Mkhwanazi	-	-	402	-	-	-	-	402
	536	574	1 719	15 942	150	7 509	10 300	36 730

FE Meyer and ML Wilkin were remunerated by Golden Arrow Bus Services Proprietary Limited as executive directors for the years ended 31 March 2025 and 31 March 2024.

Y Shaik, JR Nicolella and TG Govender were remunerated by HCI as executive directors for the years ended 31 March 2025 and 31 March 2024.

L Govender was remunerated by E-Media Holdings Limited (subsidiary of HCI) as non-executive director for the years ended 31 March 2025 and 31 March 2024.

SNN Mkhwanazi was remunerated by HCI as non-executive director for the years ended 31 March 2025 and 31 March 2024.

RD Watson was remunerated by HCI, Tsogo Sun Limited and E-Media Holdings Limited as non-executive director for the years ended 31 March 2025 and 31 March 2024.

MF Magugu was remunerated by HCI as a non-executive director for the years ended 31 March 2025 and 31 March 2024.

For the year ended 31 March 2025

Directors fees paid by Frontier Transport Holdings Group

	Paid by Frontier Transport Holdings	Paid by Golden Arrow Bus Services Proprietary Limited					
	Directors' fees	Salary	Fringe benefits including medical aid	Pension contributions	Bonus	Gain from share schemes	Total
Year ended 31 March 2024	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Executive directors							
FE Meyer	-	3 737	1 073	349	4 729	569	10 457
ML Wilkin	-	2 928	620	274	3 703	387	7 912
	-	6 665	1 693	623	8 432	956	18 369
Non-executive directors							
L Govender	222	-	-	-	-	-	222
NB Jappie	77	-	-	-	-	-	77
MF Magugu	99	-	-	-	-	-	99
RD Watson	193	-	-	-	-	-	193
	591	6 665	1 693	623	8 432	956	18 960

For the year ended 31 March 2025

Directors fees paid by Hosken Consolidated Investments Group

	Paid by E-media Holdings Ltd	Paid by Deneb Investments Ltd	Paid by Tsogo Sun Ltd	Paid by Hosken Consolidated Investments					
	Directors' fees	Directors' fees	Directors' fees	Directors' fees	Salary	Fringe benefits including medical aid	Bonus	Gain from share schemes	Total
Year ended 31 March 2024	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Non-executive directors									
Y Shaik	-	-	-	-	4 763	-	3 096	3 245	11 104
TG Govender	-	-	-	-	2 399	-	1 560	3 270	7 229
JR Nicolella	-	-	-	-	5 624	125	3 737	3 918	13 404
L Govender	223	-	-	-	-	-	-	-	223
NB Jappie	-	292	-	-	-	-	-	-	292
MF Magugu	-	-	-	476	-	-	-	-	476
RD Watson	282	-	525	565	-	-	-	-	1 372
	505	292	525	1 041	12 786	125	8 393	10 433	34 100

35. COMMITMENTS

Authorised capital expenditure	2025 R'000	2024 R'000
Property, plant and equipment authorised and contracted to be expended	**483 429**	659 255

It is intended that this expenditure will be funded from bank finance and operating cash flows.

The board approved the acquisition of 103 electric commuter buses, 2 luxury charter coaches and additional infrastructure for electric commuter buses which have been included in the commitments noted above.

36. CONTINGENCIES

A Bus Industry Restructuring Fund was set up in 1999 to compensate employers for some of these retrenchment amounts in respect of unionised employees who would be affected by changes should routes be put out to tender at some stage in the future. The information required to calculate an estimate of the contingent asset is dependent on a future event, the occurrence of which is unknown at this stage and as such a reliable estimate of the amount that would be paid to qualifying employers, cannot be made. Refer to the related repurchase of service provision detailed in Note 20.

The Group has a performance guarantee in favour of the City of Cape Town. The amount of the performance guarantee is limited to R20 000 000 (2024: R20 000 000).

The Group has a suretyship to Nedbank Limited for a term loan. At 31 March 2025, an amount of R34 587 000 (2024: Rnil) remained owing to Nedbank Limited (refer to Note 16).

37. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial assets held at amortised cost	Notes	2025 Amortised cost R'000	2024 Amortised cost R'000
Trade and other receivables	10	**205 683**	68 375
Cash and cash equivalents	11	**537 675**	462 201
		743 358	530 576

Categories of financial liabilities held at amortised cost	Notes	2025 Amortised cost R'000	2024 Amortised cost R'000
Trade and other payables	19	**185 436**	170 281
Borrowings	16	**35 097**	1 640
Instalment sale obligations	17	**388 536**	254 326
		609 069	426 247

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 16 & 17, lease liabilities in Note 4, trade and other payables in Note 19 and cash and cash equivalents disclosed in Note 11, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt (in accordance with the Memorandum of Incorporation of the Company, the South African Companies Act, 71 of 2008, as amended, and the JSE Listings Requirements).

There are no externally imposed capital requirements.

There have been no changes to the Group's capital management, its strategy for capital maintenance nor its externally imposed capital requirements from the prior year.

The capital structure and gearing ratio of the Group at the reporting date was as follows:

	Notes	2025 R'000	2024 R'000
Borrowings	16	**35 097**	1 640
Lease liability	4	**7 378**	6 301
Trade and other payables	19	**250 149**	231 935
Instalment sale obligations	17	**388 536**	254 326
Total borrowings		**681 160**	494 202
Cash and cash equivalents	11	**(537 675)**	(462 201)
Net borrowings		**143 485**	32 001
Equity		**1 633 671**	1 381 556
Gearing ratio		**9 %**	2%

Financial risk management

Overview

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk and interest rate risk).

The Group's audit and risk committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit and risk committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk committee.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables and cash and cash equivalents.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each passenger, Government contract counterparty and customer. The Group considers passengers to share similar risk characteristics.

The Group limits its exposure to credit risk by only investing in liquid securities and only investing with major banks with generally high credit ratings that are independently rated. The Group uses credit rating agencies, such as Moody's and Standards and Poor to assess the credit rating of the financial institutions in which it deposits cash in short to medium term deposits. The credit quality of cash and cash equivalents (excluding petty cash), and other financial assets as at 31 March 2025 and 31 March 2024 can therefore be assessed by reference to their external credit rating as follows:

Credit agency	Credit Rating	31 March 2025 R'000	Credit Rating	31 March 2024 R'000
Moody's	**Baa3**	**537 244**	Baa3	461 763

<u>Credit rating definition (Moody's Baseline Credit Assessment):</u>

Baa3 = Moderate credit risk investment grade

The Group did not consider there to be any significant concentration of credit risk within the trade receivables balance which was both individually material and which had not been adequately provided for. Refer to Note 10 for further credit risk analysis in respect of trade and other receivables.

For the year ended 31 March 2025

Financial assets exposed to credit risk at year-end were as follows:

		2025			2024		
	Notes	Gross carrying amount R'000	Credit loss allowance R'000	Carrying value R'000	Gross carrying amount R'000	Credit loss allowance R'000	Carrying value R'000
Trade and other receivables	10	210 826	(5 143)	205 683	71 803	(3 428)	68 375
Cash and cash equivalents	11	537 244	-	537 244	461 763	-	461 763
		748 070	(5 143)	742 927	533 566	(3 428)	530 138

Liquidity risk

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments, budgeting and credit facilities.

Cash flow forecasts are prepared and adequate unutilised borrowing facilities are monitored.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

2025	Less than 1 year R'000	1 to 2 years R'000	2 to 3 years R'000	3 to 4 years R'000	4 to 5 years R'000	Total R'000	Carrying amount R'000
Non-current liabilities							
Borrowings	-	9 143	9 143	9 143	8 381	35 810	28 974
Instalment sale obligations	-	119 555	111 308	81 527	36 668	349 058	298 994
Current liabilities							
Trade and other payables	185 436	-	-	-	-	185 436	185 436
Borrowings	9 667	-	-	-	-	9 667	6 123
Instalment sale obligations	123 979	-	-	-	-	123 979	89 542
	319 082	128 698	120 451	90 670	45 049	703 950	609 069

2024	Less than 1 year R'000	1 to 2 years R'000	2 to 3 years R'000	3 to 4 years R'000	4 to 5 years R'000	Total R'000	Carrying amount R'000
Non-current liabilities							
Borrowings	-	-	-	-	526	526	512
Instalment sale obligations	-	68 933	64 494	55 876	27 463	216 766	181 950
Current liabilities							
Trade and other payables	170 281	-	-	-	-	170 281	170 281
Borrowings	1 263	-	-	-	-	1 263	1 128
Instalment sale obligations	95 639	-	-	-	-	95 639	72 376
	267 183	68 933	64 494	55 876	27 989	484 475	426 247

Foreign currency risk

The Group is not directly exposed to foreign currency risk as the Group's transactions are predominantly entered into in its functional currency, South African Rands. The Group reviews its foreign currency exposure, including commitments on an ongoing basis.

Interest rate risk

The Group's interest rate risk arises from borrowings, instalment sales and investment in liquid securities. The Group's borrowings, instalment sales and investments all have variable rates and expose the Group to cash flow interest rate risk. As part of the process of managing the Group's interest rate risk, interest rate characteristics of new loans, borrowings and investments are positioned according to expected movements in interest rates.

Based on average interest rates of those disclosed in Note 16 and 17, at 31 March 2025 a 1% fluctuation in interest rates higher/lower, with all other variables constant, would have resulted in a R3 092 000 (2024: R1 868 000) decrease/increase in post-tax profits for the year.

38. FAIR VALUE INFORMATION

The carrying amount of all financial assets and liabilities are considered a reasonable approximation of their fair value.

39. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end, the Company declared and paid a dividend of 37.2 cents (gross) per Frontier share on the 23 June 2025.

The Company issued 447 824 ordinary no par value shares to participants who exercised their options under the Group employee option scheme on the 13 June 2025 (see also Note 28).

The directors are not aware of any further matter or circumstance arising since the end of the financial year to the date of this report, not otherwise dealt with within the financial statements that would affect the operations or results of the Group significantly.

FRONTIER TRANSPORT HOLDINGS LIMITED

(Registration Number 2015/250356/06)

Consolidated Annual Financial Statements for the year ended 31 March 2025

Statistics	31-Mar-25 R'million	31-Mar-24 R'million	31-Mar-23 R'million	31-Mar-22 R'million	31-Mar-21 R'million
Revenue	3 037	2 606	2 394	2 080	1 641
% change in revenue	16.50%	8.90%	15.10%	26.80%	(19.87%)
Other income	58	47	19	12	16
Operating expenses	(2 457)	(2 077)	(1 955)	(1 644)	(1 272)
Operating expenses as a % of revenue	81%	80%	82%	79%	77%
Operating profit before depreciation and amortisation	638	575	458	448	385
Operating margin	21%	22%	19%	22%	23%
Depreciation and amortisation	(119)	(105)	(100)	(92)	(92)
Investment income	34	57	36	16	13
Income from equity accounted investments	4.0	2.5	7.2	1.4	(0.5)
Finance costs	(35)	(24)	(16)	(20)	(30)
Profit before tax	522	506	385	353	276
Tax	(135)	(111)	(107)	(96)	(77)
Effective tax rate	26%	22%	28%	27%	28%
Profit for the year	387	394	277	257	199
Non controlling interest	(7.0)	(0.5)	3.9	12.7	8.2
Equity attributable to equity holders of parent	(1 627)	(1 381)	(1 547)	(1 427)	(1 292)
Weighted average number of shares	292	291	290	290	290
HEPS (cents)	127.8	132.4	96.0	90.0	70.0
% change in HEPS	(3.47%)	37.92%	6.70%	28.60%	(19.00%)
Dividend per share (cents)	63	186	57	52	44
Shareholders equity	(1 634)	(1 382)	(1 543)	(1 414)	(1 284)
NAV per share (cents)	558	475	531	488	443
Share price (cents)	686	645	510	500	349
Price to NAV (times)	1.23	1.36	0.96	1.03	0.79
Cash and cash equivalents	538	462	679	578	498
Cash per share (cents)	184	159	234	199	172
ROE	24.74%	26.30%	18.90%	19.40%	16.10%
Capital Employed	2 780	2 326	2 410	2 325	2 302
Turnover to Capital Employed	1.09	1.12	0.99	0.89	0.71
Employee costs	1 018	980	901	887	781
Employee costs as a % of revenue	33.52%	37.60%	37.60%	42.70%	47.60%
CEO remuneration	14.9	10.5	9.3	8.7	9.3
CFO remuneration	10.7	7.9	7.1	6.5	7.4
Total number of shares held by CEO	535 390	297 048	163 833	121 569	121 569
% of total shares issued	0.18%	0.10%	0.06%	0.04%	0.04%
Acquisition of property,plant and equipment	86	58	32	12	7
Bus additions per instalment sale obligations	253	170	72	13	28
Golden Arrow Bus Services (Pty) Ltd					
Breakdowns per 100 000 km	3	3	3	3	2
Fleet Age Average Years	10	10	10	10	10
Fuel Consumption (km per litre)	2.67	2.62	2.51	2.54	2.65