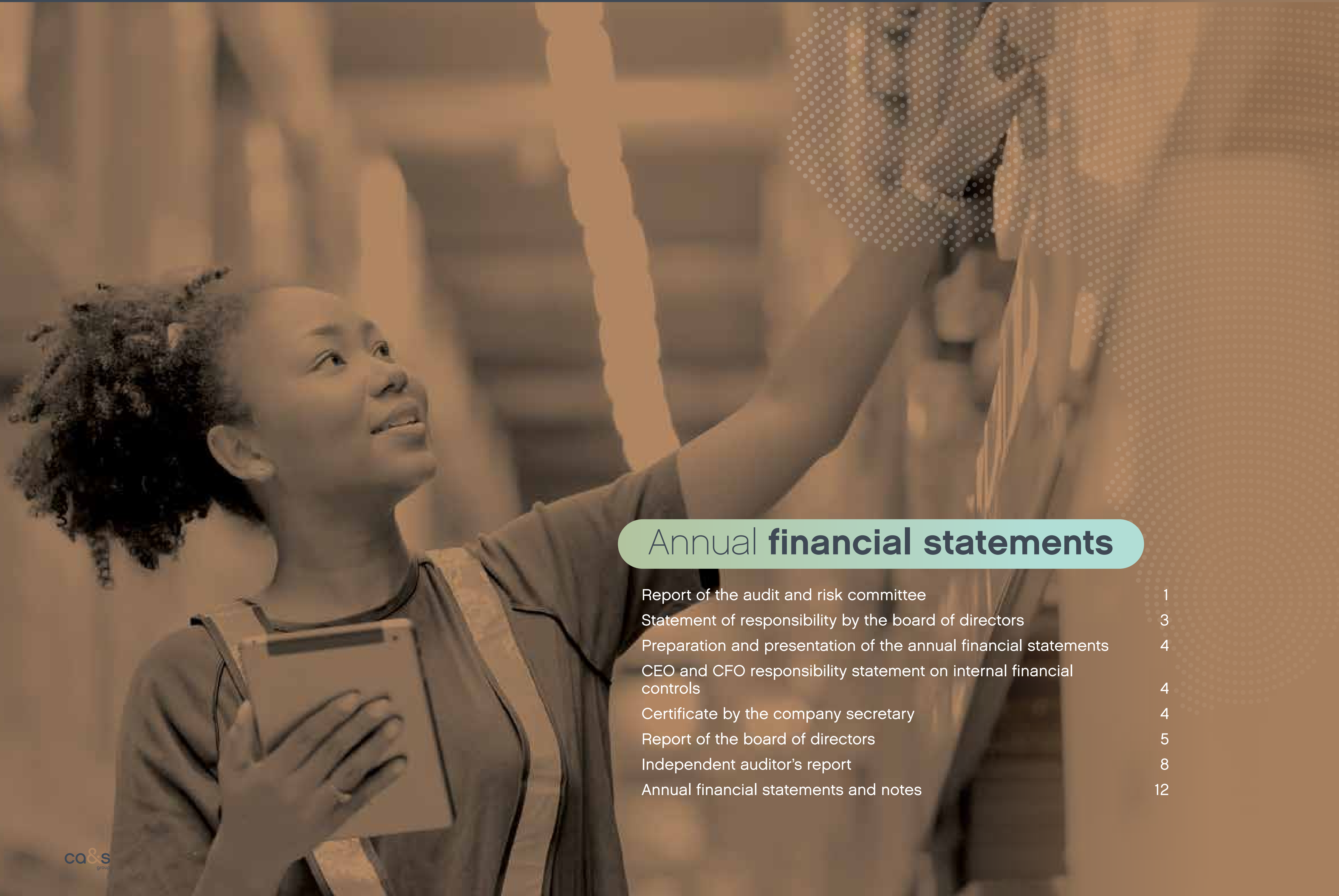
taking brands beyond borders

Annual Financial Statements

for the year ended 31 December 2024



Annual **financial statements**

Report of the audit and risk committee	1
Statement of responsibility by the board of directors	3
Preparation and presentation of the annual financial statements	4
CEO and CFO responsibility statement on internal financial controls	4
Certificate by the company secretary	4
Report of the board of directors	5
Independent auditor’s report	8
Annual financial statements and notes	12

Report of the **audit and risk committee**

The committee is pleased to present its report for the financial year ended 31 December 2024.

The audit and risk committee is an independent statutory committee appointed by the shareholders. Further duties are delegated to the audit and risk committee by the board of directors of the company. This report includes both sets of duties and responsibilities.

The committee is responsible for ensuring the integrity of integrated reporting and reviewing the effectiveness of the financial reporting process, the system of internal control and management of financial risks, the assurance process, and the company's process for monitoring compliance with laws and regulations and its own code of business conduct. The committee recommends the annual financial statements for approval to the board and is responsible for monitoring, engaging with, and determining the remuneration of the external auditor.

TERMS OF REFERENCE

The audit and risk committee has adopted a formal audit and risk committee charter that has been approved by the board of directors, and the committee has executed its duties during the past financial year in compliance with the terms of reference. The terms of reference, including roles and responsibilities, were aligned with the recommendations of the King IV Report on Corporate Governance for South Africa, 2016 (King IV™), the requirements of the South African Companies Act and other regulatory requirements.

COMPOSITION AND MEETING PROCEEDINGS

At 31 December 2024, the audit and risk committee consisted of four non-executive directors who act independently as described in section 94 of the Companies Act.

For the financial year ended 31 December 2024, the members of the audit and risk committee were:

- B Patel (Chairperson)
- F Britz
- L Cronje
- B Mathews

The committee met twice in the financial year under review and had full attendance.

At the meetings, the members fulfilled all their functions as prescribed by the Companies Act, as well as those additional functions as determined by the board.

In addition, the CEO and the CFO attended all audit and risk committee meetings by invitation. The external auditors, in their capacity as auditor to the company, attended and reported to all meetings of the audit and risk committee.

DUTIES

In execution of its statutory duties during the past financial year, the audit and risk committee has reviewed the interim and year-end financial statements, culminating in a recommendation to the board.

During its review, the committee:

- takes appropriate steps to ensure that the financial statements are prepared in accordance with IFRS accounting standards;
- reviews the JSE pro-active monitoring reports and considers the implementation of certain practices set out therein;
- considers and, when appropriate, makes recommendations on internal financial controls;
- deals with concerns or complaints relating to:
  - accounting policies;
  - the auditing or content of annual financial statements; and
  - internal financial controls;
- reviews the external audit report on the annual financial statements;
- reviews the risk management reports and, where relevant, makes recommendations to the board;
- evaluates the effectiveness of risk management, controls, and the governance processes;
- verifies the independence of the external auditor and of any nominee for appointment as the designated individual auditor;
- approves the audit fees and engagement terms of the external auditor; and
- determines the nature and extent of allowable non-audit services and approves the contract terms for the provision of non-audit services by the external auditor.

LEGAL REQUIREMENTS

The audit and risk committee has complied with all applicable legal, regulatory, and other responsibilities for the financial year.

Report of the **audit and risk committee** continued

EXTERNAL AUDITOR

The board sets a policy that governs the level and nature of non-audit services, which requires pre-approval by the audit and risk committee for all non-audit services. In determining the independence of the external auditors, the committee considers the level and types of non-audit services provided as well as other enquiries and representations. As required by the Companies Act, the committee has satisfied itself that CA&S Group's external auditor, Deloitte & Touche, was independent of the company, as set out in sections 90(2)(c) and 94(8) of the Companies Act and is thereby able to conduct its audit functions without any undue influence from the company.

The committee has considered the relevant audit quality indicators, including the audit firm's system of quality control. As required by section 3.84(g)(ii) of the JSE Listings Requirements, the committee was satisfied with the quality of the audit concluded by considering the information supplied by Deloitte & Touche pursuant to the above-mentioned section.

FINANCIAL FUNCTION

In terms of the JSE Listings Requirements, the audit and risk committee performs an annual evaluation of the financial reporting function in CA&S Group. The committee was satisfied that the financial reporting function had appropriate resources, skills, expertise, and experience. The committee ensured that the appropriate financial reporting procedures exist and are operating as contemplated in paragraph 3.84(g)(ii) of the JSE Listings Requirements. The committee also satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that Mr FJ Reichert, the group CFO, possesses the appropriate skills, expertise, and experience to meet the responsibilities required for that position during his service as such.

INTERNAL FINANCIAL CONTROLS

The audit and risk committee evaluated the company's internal financial controls including the combined assurance model and based on the information and explanations given by management, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review. During the year, control self-assessments were conducted, and management received monthly internal control checklists from the operations.

The group's internal auditors, outsourced to PricewaterhouseCoopers Inc., appointed in January 2024, operate under the direction of the committee, which approves the scope of the work to be performed. Significant findings are reported to both executive management and the committee, and corrective action is taken to address the identified internal control deficiencies. During the year under review, internal audit findings were reported on against an approved internal audit plan. The internal audit function was evaluated during the year, and the committee has satisfied itself that the internal audit function is operating effectively.

GOVERNANCE OF RISK

The board has assigned oversight of the company's risk management function to the audit and risk committee. The audit and risk committee oversees financial reporting risks, internal financial controls, fraud, and IT risks as these relate to financial reporting.

GOING CONCERN

The audit and risk committee reviewed a documented assessment prepared by management, including key assumptions, of the going concern status of the company and made a recommendation to the board in accordance with this assessment. The board's statement on the going concern status appears on page 5 of the annual financial statements.

ANNUAL REPORT

The committee has evaluated the annual financial statements of the group and company for the year ended 31 December 2024, with specific consideration of the following significant financial reporting matters during the year:

- The key judgements used in the impairment assessment of goodwill

In assessing the appropriateness of the key judgements used in the valuation of intangible assets, the committee determines whether they are reasonable in terms of the current macroeconomic climate and in line with assumptions utilised by comparable third parties. Refer to notes 1 and 5 of the annual financial statements for further information.

Based on the information provided to the committee, the committee considers that the group complies, in all material respects, with the requirements of the Companies Act and IFRS accounting standards.

B Patel

Chairperson of Audit and Risk Committee

26 March 2025

Statement of responsibility by the **board of directors**

The directors of CA&S Group are responsible for the preparation, integrity and fair presentation of the group and company financial statements of CA Sales Holdings Limited. The group and company financial statements, comprising the statements of financial position at 31 December 2024, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes, have been prepared in accordance with IFRS accounting standards and the requirements of the Companies Act, and include amounts based on judgements and estimates made by management. In addition, the directors are responsible for preparing the report of the board of directors.

The directors consider that in preparing the annual financial statements they have used the most appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgements. Estimates have been used in the preparation of the annual financial statements and all IFRS accounting standards that are considered applicable have been followed. The directors are satisfied that the information contained in the annual financial statements fairly presents the results of operations for the year and the financial position of the group and company at year-end. The directors also prepared the report of the board of directors and other information included in the annual report and are responsible for its accuracy and consistency with the annual financial statements.

The directors have the responsibility of ensuring that adequate accounting records are kept. The accounting records should disclose, with reasonable accuracy, the financial position of the group and company to enable the directors to ensure that the annual financial statements comply with relevant legislation.

CA&S Group operated in a well-established control environment, which is documented and regularly reviewed. The control environment incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that the risks facing the business are being controlled and managed. To the best of their knowledge and belief, the directors are satisfied that no material breakdown in the operation of the systems of internal financial controls and procedures occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. Based on their assessment, the directors have no reason to believe that the group or any company in the group will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These annual financial statements support the viability of the group.

It is the responsibility of the independent auditor to report on the annual financial statements. In order to do so, they were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The group's external auditor, Deloitte & Touche, audited the financial statements and their report is presented on pages 8 to 11.

The annual financial statements, presented on pages 1 to 83, were approved by the board of directors on 26 March 2025 and are signed on its behalf by:

JA Holtzhausen	**DS Lewis**	**FJ Reichert**
Chairperson	*Chief executive officer*	*Chief financial officer*

Preparation and presentation of **the annual financial statements**

The annual financial statements for the year ended 31 December 2024 have been prepared under the supervision of the CFO, Mr FJ Reichert, CA(SA).

These annual financial statements have been audited by Deloitte & Touche in accordance with the requirements of the Companies Act.

CEO and CFO responsibility statement on **internal financial controls**

The directors, whose names are stated below, hereby confirm that:

- the annual financial statements, set out on pages 1 to 83, fairly present in all material respects the financial position, financial performance, and cash flows of CA&S Group in terms of IFRS accounting standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to CA&S Group and its consolidated subsidiaries has been provided to effectively prepare the financial statements of CA&S Group;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

DS Lewis
Chief executive officer

26 March 2025

FJ Reichert
Chief financial officer

26 March 2025

Certificate by the **company secretary**

I hereby certify, in terms of section 88(2)(e) of the Companies Act, that to the best of my knowledge, for the year ended 31 December 2024, the company has lodged with the Companies and Intellectual Property Commission all such returns and notices as required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.

B Naude
Company secretary

26 March 2025

Report of the **board of directors**

NATURE OF BUSINESS

The CA&S Group specialises in the fast-moving consumer goods industry and on-shelf availability of some of the world's most-loved consumer brands. The group's services include warehousing and distribution, retail execution and advisory, retail support, technology and data solutions, and training. The group has a varied geographical presence across southern and East Africa.

OPERATING RESULTS

The following commentary reflects results from continuing operations. Revenue increased by 10.6% on the prior year to R12.5 billion. Gross profit increased with 11.4% on the prior year to R1.9 billion. Net profit after taxation of R620.9 million indicated 2.7% growth on the prior year. The growth was negatively impacted by the once-off gain on bargain purchase of R123.6 million in the prior year. Headline earnings of R585.3 million (2023: R464.8 million) is 25.9% higher than the prior year.

On 25 March 2024, CA Sales Investments (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, purchased 49% of the share capital of Roots Sales (Pty) Ltd ("Roots") for R70 million. Roots is domiciled in South Africa and services the informal market in the country and is a channel broadening acquisition for the group.

On 18 October 2024, CA Sales Investments (Pty) Ltd and Pamstad (Pty) Ltd, fully owned subsidiaries of CA Sales Holdings Ltd, acquired the remaining 53.3% and 54%, respectively of the share capital of Mac Investments (Pty) Ltd and Mac Marketing Communications (Mauritius) Ltd for R37.7 million, collectively known as the Macmobile Group. The Macmobile Group provides information technology and data solutions to both the formal retail sector and merchants in the informal market (general trade), delivering market intelligence across the entire value chain of the fast-moving consumer goods sector. The transaction resulted in goodwill of R29.2 million and other intangible assets of R40.4 million. See note 25.

The group increased its shareholding in Kalahari Training Institute (Pty) Ltd to 100%. See note 6.

The operating results and state of affairs of the company are fully set out in the attached statements of comprehensive income and statements of financial position, statements of cash flows, statements of changes in equity and notes thereto.

SHARE CAPITAL

Details of the authorised and issued share capital appear in note 12 to the financial statements. On 7 May 2024, shares were issued in lieu of share options exercised in April 2024, by directors of the company and executives of the subsidiaries of the group.

Additional shares were issued on 4 November 2024 to the majority shareholder of the Macmobile Group in exchange for his remaining shareholding, see note 25.

DIVIDENDS

A final dividend of 24.44 (2023: 19.56) cents (or BWP equivalent) per share in respect of the year ended 31 December 2024 was declared on Thursday, 27 March 2025, for payment to the ordinary shareholders of the company at the close of business on Tuesday, 29 April 2025. In line with the company's dividend policy, the dividend was maintained at 20% of the headline earnings. The number of issued shares at the declaration date is 478 917 481. The dividend has been declared from income reserves.

As per the double tax agreement between Botswana and South Africa, withholding tax of 15% is deducted from dividends distributed to shareholders registered on the Botswana Stock Exchange. This dividend is treated as a foreign dividend for Botswana shareholders. In respect of shareholders registered on the JSE Limited, the dividend payable is subject to a 20% withholding tax as required under the South African Income Tax Act, resulting in a net dividend of 19.55 cents per share.

The last date to trade is Tuesday, 22 April 2025 and trading ex-dividend commences on Wednesday, 23 April 2025.

CHANGES IN DIRECTORATE

There have been no changes to the board of directors during the financial year ending December 2024.

GOING-CONCERN

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

Report of the **board of directors** continued

SUBSTANTIAL SHAREHOLDERS

Pursuant to the provisions of section 56 of the Companies Act, the following shareholders held directly and indirectly equal to or in excess of 5% of the issued share capital as at 31 December 2024:

	Total Shareholding	%
Botswana Insurance Fund Management	71 085 222	15
Coronation Fund Managers	46 799 946	10
Botswana Public Officers Pensions Fund (BPOPF)	45 357 877	9
Export Marketing Investments (Pty) Ltd	42 200 690	9
Total	205 443 735	43

PUBLIC SHAREHOLDERS

Pursuant to the provisions of paragraph 4.25 to 4.27 of the JSE Listing Requirements, the following shares were held by the public as at 31 December 2024:

	Number of shareholders	%	Number of shares	%
Non-Public Shareholders				
Directors and Associates	29	0.40	47 129 481	9.84
Public Shareholders	7 152	99.60	431 788 000	90.16
Total	7 181	100.00	478 917 481	100.00

DIRECTORS

Details of the directors are listed in note 27.

The shareholding of directors in the ordinary issued share capital of CA Sales Holdings Ltd as at 31 December 2024 was as follows:

	2024		2023	
	Number	%	Number	%
Direct shareholding				
Executive directors				
DS Lewis	3 081 032	0.64	2 845 689	0.60
FJ Reichert	468 954	0.10	164 047	0.03
Non-Executive directors				
JA Holtzhausen	759 233	0.16	759 233	0.16
Indirect shareholding				
Executive directors				
DS Lewis	11 208 100	2.34	11 248 100	2.37
Non-Executive directors				
FW Britz	1 229 382	0.26	1 229 382	0.26
E Masilela	110 250	0.02	110 250	0.02
L Cronje	9 950	0.00	9 950	0.00
JA Holtzhausen	627 092	0.13	627 092	0.13
Total	17 493 993	3.65	16 993 743	3.58

There were no changes in directors' shareholdings between 31 December 2024 and the approval of the financial statements.

Report of the **board of directors** continued

BOARD COMMITTEES AND ATTENDANCE

Regular board and subcommittee meetings were held during the reporting year and all meetings were attended by all members.

	Board	Audit and risk	Remunerations and nominations	Social and ethics
Number of meetings	4	2	2	2
F Britz	4	2		2
L Cronje	4	2		
JA Holtzhausen	4		2	2
DS Lewis	4			
B Marole	4			2
E Masilela	4		2	
B Mathews	4	2		2
S Moakofi	4		2	
B Patel	4	2		
FJ Reichert	4			

EVENTS AFTER BALANCE SHEET DATE

A significant event that occurred after the reporting date that requires disclosure in the consolidated annual financial statements for the year ended 31 December 2024 is the following:

On 17 February 2025, Pamstad (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, purchased 35% of the share capital of Trapin Holdings Ltd ("the Tradco Group") for an estimated capped value of R135 million. The final payment will be determined upon the finalisation of the Tradco Group's audited results and the Rand value will also be dependent on the Kenyan Shilling/Rand exchange rate at the date of payment. The Tradco Group is a trade marketing and branding services business based in Kenya with further operations in Uganda. This acquisition is in line with the group's strategy to enter new geographies.

ENVIRONMENT, SOCIAL AND GOVERNANCE RESPONSIBILITIES

The group is committed to addressing its ESG responsibilities and has defined its ESG aspiration and set its high-level priority areas. It has identified the relevant metrics and obtained prior year data to establish the base line. The operations have identified green projects and started with the implementation of these projects. Social investments continued with a strong focus on the education theme.

AUDITOR

Deloitte & Touche, with Mr J van der Walt as the designated auditor, will continue in office in accordance with section 90 of the Companies Act.

SECRETARY

The secretary of the company is B Naude, whose business address is:

1st Floor, Building C
Westend Office Park
254 Hall Street
Centurion, 0157

Independent **auditor's report**

To the Shareholders of CA Sales Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of CA Sales Holdings Limited and its subsidiaries (the group and company) set out on pages 12 to 83, which comprise the consolidated and separate statement of financial position as at 31 December 2024; and the consolidated and separate statement of comprehensive income; the consolidated and separate statement of changes in equity; and the consolidated and separate statement of cash flows for the year then ended; and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of CA Sales Holdings Limited and its subsidiaries as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements 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

We define materiality as the magnitude of misstatement in the consolidated and separate financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

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

	Financial statements - group	Financial statements - company
Overall materiality	*R63.0 million (2023: R53.0 million).*	*R27.1 million (2023: R11.7 million).*
Indicative ranges for benchmark	*Based on 5% – 10% of profit before tax.*	*Based on 1% – 3% of net assets.*
Rationale for benchmark applied	*A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. We determined that profit before tax remained the key benchmark and is generally accepted for listed entities. The final materiality selected amounts to 7.7% (2023: 7%) of the audited profit before tax. This was determined considering supporting benchmarks and the history of the audit outcomes.*	*A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. We determined that net assets remained the key benchmark as it is of particular interest to users as it depicts the value available to shareholders after the liabilities have been settled. The final materiality selected amounts to 2% (2023: 1%) of the audited net assets. This was determined considering supporting benchmarks and the history of the audit outcomes.*

Independent **auditor's report** continued

Scope of our Audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the structure and organisation of the Group, and assessing the risks of material misstatement at the Group level.

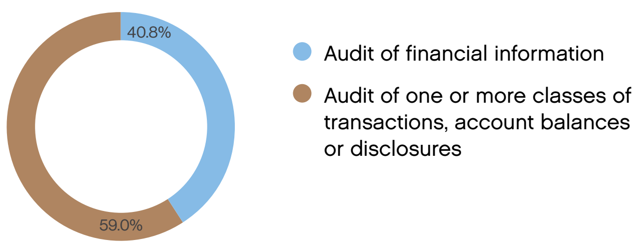
We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component's contribution to relevant classes of transactions, account balances or disclosures.

Based on our assessment, we performed work at 15 components. The following audit scope was applied:

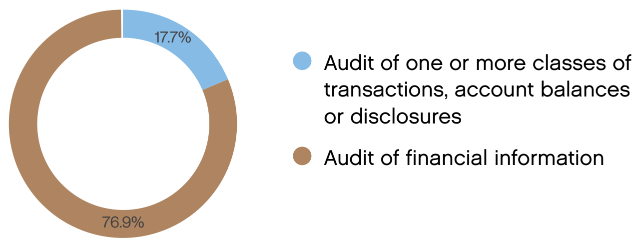
- 4 components were subject to audits of the components' financial information; and
- 11 components were subject to audits of one or more classes of transactions, account balances or disclosures.

Residual values were addressed by risk assessment and analytical procedures performed at a Group level. These 15 components account for 99.8% of the Group's net assets and 94.6% of the Group's revenue.

NET Assets



Revenue



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report. We have determined that there are no key audit matters to communicate in respect of the separate financial statements.

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 Impairment of goodwill (Group)	How the matter was addressed in the audit
Refer to the following notes to the consolidated financial statements for detail: • Note 1: Accounting policies – Critical Accounting Estimates and Judgements; and • Note 5: Intangible assets. On an annual basis, the Group tested whether goodwill has suffered any impairment in accordance with the Group's accounting policy on goodwill. At year end, the Group recognised goodwill with a carrying value of R530.9 million. No impairment was recognised in relation to the cash-generating units (CGUs) to which goodwill has been allocated due to the recoverable amounts of respective CGUs exceeding their carrying amounts.	Our audit addressed this key audit matter as follows: Through discussion with management, we obtained an understanding of their process and procedures applied during their impairment assessment of goodwill. Our audit procedures included, testing of the principles and integrity of management's fair value less cost of disposal calculations. We evaluated the reasonableness of management's calculation by: • Gaining an understanding of the process followed in determining cash-flow projections, including management's considerations of the current market conditions, being inflation and GDP; • Challenging and testing the reasonability of the key assumptions used by management in the calculations selected, which included discount rates, long-term growth rates, revenue average annual growth rate over the five-year period and budgeted gross margins. We compared these key assumptions to industry benchmarks, historical performance and future market forecasts. • We compared the process followed by management in determining cash flow forecasts to past practice. • We considered the historical accuracy of selected forecasts by comparing the 2023 actual results to the forecast for that year. Where variances were noted, we followed up with management and assessed the reasonability of the variances.

Independent **auditor's report** continued

Key audit matter Impairment of goodwill (Group)	How the matter was addressed in the audit
The recoverable amounts of the respective CGUs were determined based on the fair value less cost of disposal method for all CGUs. This method involves management having to apply judgement in determining the following key assumptions: • Discount rates; • Long-term growth rates; • Revenue average annual growth rate over a five-year period; and • Budgeted gross margins. We considered the impairment assessment of goodwill to be a matter of most significance to our current year audit due to the level of judgement applied by management in performing the impairment assessments, including determining the key assumptions.	• With the assistance of our valuation specialists, we assessed the appropriateness and reasonability of selected discount rates applied by management and management's specialist in their calculations, through performing an independent recalculation, that relied on inputs obtained and are comparable to other companies in the same industry and of similar size. • We compared the long-term growth rates used by management to economic and industry forecasts. • We evaluated the reasonableness of the valuation methodology applied by management through comparison against industry practice. • We tested, on a sample basis, the mathematical accuracy of management's calculations. • We independently performed a sensitivity analysis on the recoverable amounts determined by management, to determine the degree by which certain selected key assumptions (discount rate, long-term growth rate and budgeted gross margin) would need to change in order to result in an impairment. We noted that: • The assumptions used by management in the calculation of the recoverable amounts were found to be within acceptable ranges. • We consider the disclosure of the accounting policy and estimates used with regard to goodwill that are set out in note 1 and 5 of the consolidated financial statements respectively to be reasonable.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "CA Sales Holdings Limited Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate, as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

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

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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

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

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of CA Sales Holdings Limited for 2 years.

DocuSigned by:
Deloitte & Touche
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Deloitte & Touche

Registered Auditor

Per: **Johan van der Walt**
Partner

26 March 2025

5 Magwa Crescent,
Waterfall City, Waterfall
Johannesburg

Consolidated and **separate statements of financial position**

as at 31 December 2024

	Note	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Assets					
Non-current assets		**1 573 920**	1 360 880	**1 219 514**	1 033 686
Property, plant and equipment	3	**852 553**	770 727	**–**	–
Investment properties	4	**8 999**	8 999	**–**	–
Intangible assets	5	**577 588**	512 197	**–**	–
Investment in subsidiaries	6	**–**	–	**948 593**	942 964
Investments accounted for using the equity method	7	**90 075**	28 872	**1 903**	1 903
Deferred income tax assets	15	**44 705**	40 085	**–**	–
Trade and other receivables	9	**–**	–	**269 018**	88 819
Current assets		**4 074 932**	3 791 682	**135 436**	138 264
Inventories	8	**1 009 104**	990 804	**–**	–
Trade and other receivables	9	**1 887 557**	1 712 494	**–**	2
Income tax receivable		**10 328**	10 133	**–**	–
Cash and cash equivalents	10	**1 167 943**	1 061 982	**135 436**	138 262
Assets available for sale	11	**–**	16 269	**–**	–
Total assets		**5 648 852**	5 152 562	**1 354 950**	1 171 950
Equity and liabilities					
Stated capital	12	**980 661**	955 797	**980 661**	955 797
Other reserves	13	**6 610**	47 553	**11 931**	13 772
Retained earnings		**2 213 654**	1 703 149	**361 230**	201 265
		3 200 925	2 706 499	**1 353 822**	1 170 834
Non-controlling interest	6	**35 807**	26 386	**–**	–
Total equity		**3 236 732**	2 732 885	**1 353 822**	1 170 834
Non-current liabilities		**367 028**	335 708	**–**	–
Borrowings	14	**326 421**	310 581	**–**	–
Deferred income tax liabilities	15	**40 607**	25 127	**–**	–
Current liabilities		**2 045 092**	2 083 969	**1 128**	1 116
Trade and other payables	16	**1 418 266**	1 313 966	**1 121**	1 101
Employee benefits and other provisions	17	**185 792**	172 869	**–**	–
Income tax payable		**24 082**	30 298	**7**	15
Borrowings	14	**416 952**	566 836	**–**	–
Total liabilities		**2 412 120**	2 419 677	**1 128**	1 116
Total equity and liabilities		**5 648 852**	5 152 562	**1 354 950**	1 171 950

Consolidated and **separate statements of comprehensive income**

for the year ended 31 December 2024

	Note	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Revenue from contracts with customers	18	**12 519 327**	11 322 024	**–**	–
Dividend income		**–**	–	**273 736**	184 227
Cost of sales		**(10 598 213)**	(9 596 848)	**–**	–
Gross profit		**1 921 114**	1 725 176	**273 736**	184 227
Other operating expenses	19	**(1 214 004)**	(1 139 667)	**(4 495)**	(3 775)
Net impairment (losses)/gains on financial assets	9	**(1 759)**	3 593	**–**	(35 950)
Other operating income	19	**48 888**	147 854	**–**	–
Share of profit of investments accounted for using the equity method	7	**28 333**	10 356	**–**	–
Operating profit		**782 572**	747 312	**269 241**	144 502
Finance income	21	**81 529**	68 068	**1 635**	1 233
Finance costs	21	(49 284)	(56 531)	–	–
Profit before income tax		**814 817**	758 849	**270 876**	145 735
Income tax	22	(193 959)	(154 361)	(17 926)	(9 451)
Profit for the year		**620 858**	604 488	**252 950**	136 284
Other comprehensive income to be subsequently reclassified to profit or loss:					
Currency exchange differences on translation of foreign operations net of taxation		(38 496)	25 209	–	–
Total comprehensive income for the year		**582 362**	629 697	**252 950**	136 284
Profit attributable to:					
– Owners of the parent		**605 226**	594 150	**252 950**	136 284
– Non-controlling interest		**15 632**	10 338	**–**	–
Total profit for the year		**620 858**	604 488	**252 950**	136 284
Total comprehensive income attributable to:					
– Owners of the parent		**566 773**	618 921	**252 950**	136 284
– Non-controlling interest		**15 589**	10 776	**–**	–
Total comprehensive income for the year		**582 362**	629 697	**252 950**	136 284
Earnings per share for profit attributable to the owners of the parent					
Basic earnings per share (cents)	23	**126.89**	125.22		
Diluted earnings per share (cents)	23	**124.25**	122.90		

Consolidated and **separate statements of changes in equity**

for the year ended 31 December 2024

	Note	Stated capital R'000	Other reserves R'000	Retained income R'000	Total attributable to the owners R'000	Non-controlling interest R'000	Total equity R'000
GROUP							
Balance at 1 January 2023		949 342	23 437	1 178 186	2 150 965	23 928	2 174 893
Profit for the year		–	–	594 150	594 150	10 338	604 488
Other comprehensive income for the year:							
Currency translation differences net of taxation	13	–	24 771	–	24 771	438	25 209
Transactions with owners:							
Transactions with non-controlling interest	6	3 822	–	(541)	3 281	(3 281)	–
Share options exercised		3 339	(7 802)	4 011	(452)	–	(452)
Share-based payment costs	13	–	6 921	–	6 921	–	6 921
Share buy back	12	(706)	–	–	(706)	–	(706)
Acquisition of subsidiary		–	–	–	–	1 308	1 308
Foreign currency translation reclassified to comprehensive income	13	–	226	–	226	–	226
Dividends paid		–	–	(72 657)	(72 657)	(6 345)	(79 002)
Balance as at 31 December 2023		955 797	47 553	1 703 149	2 706 499	26 386	2 732 885
Balance at 1 January 2024		**955 797**	**47 553**	**1 703 149**	**2 706 499**	**26 386**	**2 732 885**
Profit for the year		**–**	**–**	**605 226**	**605 226**	**15 632**	**620 858**
Other comprehensive income for the year:							
Currency translation differences net of taxation	13	**–**	**(38 453)**	**–**	**(38 453)**	**(43)**	**(38 496)**
Transactions with owners:							
Shares issued as part of a business combination transaction	25	**22 432**	**–**	**–**	**22 432**	**–**	**22 432**
Transactions with non-controlling interest	6	**–**	**–**	**(1 736)**	**(1 736)**	**(290)**	**(2 026)**
Share options exercised	13	**2 432**	**(10 242)**	**–**	**(7 810)**		**(7 810)**
Share-based payment costs	13	**–**	**8 401**	**–**	**8 401**	**–**	**8 401**
Foreign currency translation reclassified to comprehensive income	13	**–**	**(649)**	**–**	**(649)**	**–**	**(649)**
Dividends paid		**–**	**–**	**(92 985)**	**(92 985)**	**(5 878)**	**(98 863)**
Balance as at 31 December 2024		**980 661**	**6 610**	**2 213 654**	**3 200 925**	**35 807**	**3 236 732**

Consolidated and **separate statements of changes in equity** continued

for the year ended 31 December 2024

	Note	Stated capital R'000	Other reserves R'000	Retained income R'000	Total equity R'000
COMPANY					
Balance at 1 January 2023		949 342	14 653	137 075	1 101 070
Profit for the year		–	–	136 284	136 284
Transactions with owners:					
Shares issued	12	3 822	–	–	3 822
Share options exercised	13	3 339	(7 802)	563	(3 900)
Share-based payment costs	13	–	6 921	–	6 921
Share buy back	12	(706)	–	–	(706)
Dividends paid		–	–	(72 657)	(72 657)
Balance as at 31 December 2023		955 797	13 772	201 265	1 170 834
Balance at 1 January 2024		**955 797**	**13 772**	**201 265**	**1 170 834**
Profit for the year		**–**	**–**	**252 950**	**252 950**
Transactions with owners:					
Shares issued as part of a business combination transaction	12	**22 432**	**–**	**–**	**22 432**
Share swap	6	**–**	**–**	**–**	**–**
Share options exercised	13	**2 432**	**(10 242)**	**–**	**(7 810)**
Share-based payment costs	13	**–**	**8 401**	**–**	**8 401**
Dividends paid		**–**	**–**	**(92 985)**	**(92 985)**
Balance as at 31 December 2024		**980 661**	**11 931**	**361 230**	**1 353 822**

		Company	
		2024	2023
Dividends paid per share	(cents)	**19.56**	15.35

Consolidated and **separate statements of cash flows**

for the year ended 31 December 2024

	Note	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Cash flows from operating activities					
Cash generated from operations	24.1	**772 149**	533 734	**(11 859)**	(5 385)
Interest paid	21	**(49 265)**	(56 531)	**–**	–
Income taxes paid	24.5	**(199 695)**	(134 876)	**(17 934)**	(9 441)
Net cash generated from operating activities		**523 189**	342 327	**(29 793)**	(14 826)
Cash flows from investing activities					
Acquisition of subsidiaries	25	**(5 349)**	(71 351)	**–**	–
Additions to property, plant and equipment	3	**(92 363)**	(70 974)	**–**	–
Additions to intangible assets	5	**(2 501)**	(686)	**–**	–
Proceeds from disposal of property, plant and equipment	24.2	**6 717**	21 284	**–**	–
Acquisition of associated companies	7	**(70 000)**	–	**–**	–
Proceeds from disposal of investment		**2 004**	–	**–**	–
Loans granted to related parties		**–**	–	**(321 423)**	(91 231)
Loans repaid from related parties		**–**	–	**163 550**	–
Dividends received		**4 433**	2 358	**273 736**	184 227
Interest received	21	**79 190**	68 057	**1 635**	1 233
Net cash (outflow)/inflow from investing activities		**(77 869)**	(51 312)	**117 498**	94 229
Cash flows from financing activities					
Consideration received from share options exercised		**2 432**	3 339	**2 432**	3 339
Share buy back		**–**	(706)	**–**	(706)
Transactions with non-controlling interest	6	**(2 026)**	–	**–**	–
Dividends paid		**(92 963)**	(72 648)	**(92 963)**	(72 648)
Dividends paid to non-controlling interest		**(5 878)**	(6 345)	**–**	–
Repayments of borrowings	24.4	**(5 414 586)**	(5 258 098)	**–**	–
Proceeds from borrowings	24.4	**5 187 392**	5 355 564	**–**	–
Net cash (outflow)/inflow from financing activities		**(325 629)**	21 106	**(90 531)**	(70 015)
Net increase/(decrease) in cash and cash equivalents		**119 691**	312 121	**(2 826)**	9 388
Effects of exchange rate changes on cash and cash equivalents		**(13 730)**	14 012	**–**	–
Cash and cash equivalents at the beginning of the year		**1 061 982**	735 849	**138 262**	128 874
Cash and cash equivalents at the end of the year	10	**1 167 943**	1 061 982	**135 436**	138 262

Notes to the **consolidated and separate financial statements**

1. GENERAL ACCOUNTING POLICIES

SUMMARY OF MATERIAL GENERAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out within the notes to the consolidated annual financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The accounting policies of the company are the same as those of the group.

BASIS OF PREPARATION

The consolidated and separate financial statements of CA Sales Holdings Limited have been prepared in accordance with IFRS® accounting standards, as issued by the International Accounting Standards Board ("IASB"), interpretations issued by the IFRS Interpretations Committee ("IFRIC") and the South African Companies Act, No 71 of 2008, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The Botswana Stock Exchange ("BSE") and the JSE Limited ("JSE") listings requirements were also taken into consideration in the presentation. The consolidated and separate financial statements have been prepared under the historical cost convention.

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

INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) There are no new and amended standards relevant to the group that were implemented for the first time for its annual reporting period commencing 1 January 2024, apart from the below:

- Classification of liabilities as current or con-current – Amendment to IAS 1
- Lease liability in sale and leaseback – Amendment to IFRS 16
- Non-current liabilities with covenants – Amendments to IAS 1
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7
- International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

These amendments had no material impact on the group

(b) The following standards are not yet effective and would not be expected to have a material impact on the group in the current or future reporting periods nor on foreseeable future transactions:

- Lack of exchangeability – amendments to IAS 21
- Subsidiaries without public accountability: Disclosures – IFRS 19
- Amendments to the classification and measurement of financial instruments – Amendments to IFRS9 and IFRS 7
- Annual improvements to IFRS Accounting Standards – Volume 11
- Contracts referencing nature-dependent electricity – Amendments to IFRS 9 and IFRS 7

The group is still in the process of assessing the impact on future disclosures of IFRS 18 *Presentation and disclosure in financial statements.*

CONSOLIDATION

GROUP FINANCIAL STATEMENTS

The group annual financial statements comprise those of the company, its subsidiaries and the group's interest in associates (together referred to as the group).

SUBSIDIARIES

Subsidiaries are fully consolidated from the date on which control is transferred to the group (acquisition date) and are deconsolidated from the date that control ceases (disposal date).

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. In addition, unrealised losses are considered to be an indicator of impairment. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the group.

TRANSACTIONS AND NON-CONTROLLING INTEREST

The group treats transactions with non-controlling interest that do not result in loss of control as transactions with equity owners of the group. Purchases from non-controlling interest are recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control or significant influence, any retained interest in the entity is remeasured at its fair value, with the change in carrying amount recognised in the statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the statement of comprehensive income.

1. GENERAL ACCOUNTING POLICIES continued

ASSOCIATED COMPANIES

Associated companies are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

FOREIGN CURRENCY TRANSLATION

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in South African Rand, which is the company's functional and the group's presentation currency. All financial information presented in South African Rand has been rounded to the nearest thousand.

SUBSIDIARIES

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- Assets and liabilities are translated at the closing rate at the date of the statement of financial position.
- All resulting exchange differences are recognised in the statement of comprehensive income and as a separate component of equity.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The group assesses tangible and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

FINANCIAL ASSETS

The classification depends on the objective of the group's business model. Management determines the classification of its financial assets at initial recognition.

The group classifies its financial assets as financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective it is to collect the contractual cash flows ("Business model test"); and
- the contractual terms give rise to cash flows that are solely payments of principal and interest ("SPPI").

The group's financial assets at amortised cost category comprises "trade and other receivables" and "cash and cash equivalents" in the statement of financial position (note 9 and 10 respectively).

The company's financial assets at amortised cost category comprises "loans to related parties" and "cash and cash equivalents" in the statement of financial position (note 9 and 10 respectively).

FINANCIAL LIABILITIES

Financial liabilities include borrowings, accrual for other liabilities and charges, contingent considerations and trade and other payables.

CURRENT AND DEFERRED INCOME TAX

Dividend withholding tax is not levied on the company but on the beneficial owner of the share and accordingly does not require recognition in the statement of comprehensive income.

Dividend tax withheld by the company on dividends paid to its shareholders (who do not qualify for an exemption from dividends tax) and payable at the reporting date to the South African Revenue Service (where applicable) is included in trade and other payables in the statement of financial position.

DIVIDEND DISTRIBUTION

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's board of directors.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

ESTIMATED IMPAIRMENT OF GOODWILL

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy on goodwill. The recoverable amounts of cash-generating units have been determined based on fair value less cost to sell calculations. These calculations require the use of assumptions (see note 5 for further detail and disclosure of assumptions used.

2. FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by each major entity within the group under policies approved by the respective boards of directors. Each major entity's board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

Financial instruments are grouped into the following classes in order to facilitate effective financial risk management and disclosure in terms of IFRS 7 *Financial Instruments: Disclosures.*

		Group		Company	
	Note	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Classes of financial assets					
Trade receivables		**1 730 103**	1 535 767	**–**	–
Loans receivable from related parties		**–**	–	**269 018**	88 819
Right of return asset		**1 509**	–	**–**	–
Sundry debtors		**68 841**	50 239	**–**	2
Total receivables	9	**1 800 453**	1 586 006	**269 018**	88 821
Cash and cash equivalents	10	**1 167 943**	1 061 982	**135 436**	138 262
Total financial assets		**2 968 396**	2 647 988	**404 454**	227 083
Classes of financial liabilities					
Bank overdrafts		**332 124**	475 257	**–**	–
Borrowings		**411 249**	402 160	**–**	–
Total borrowings	14	**743 373**	877 417	**–**	–
Trade and other payables		**1 369 389**	1 249 236	**1 070**	1 072
Contingent consideration		**–**	6 000	**–**	–
Amounts due to related parties		**–**	1 089	**–**	–
Payments received in advance		**–**	17 000	**–**	–
Total trade and other payables	16	**1 369 389**	1 273 325	**1 070**	1 072
Total financial liabilities		**2 112 762**	2 150 742	**1 070**	1 072

Notes to the **consolidated and separate financial statements** continued

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

Financial instruments by category

Financial assets	Note	Group			Company		
		Assets measured at amortised cost R'000	Assets measured at fair value R'000	Total R'000	Assets measured at amortised cost R'000	Assets measured at fair value R'000	Total R'000
2024							
Receivables	9	**1 798 944**	**–**	**1 798 944**	**269 018**	**–**	**269 018**
Right of return asset	25	**–**	**1 509**	**1 509**	**–**	**–**	**–**
Cash and cash equivalents	10	**1 167 943**	**–**	**1 167 943**	**135 436**	**–**	**135 436**
		2 966 887	**1 509**	**2 968 396**	**404 454**	**–**	**404 454**
2023							
Receivables	9	1 586 006	–	1 586 006	88 821	–	88 821
Cash and cash equivalents	10	1 061 982	–	1 061 982	138 262	–	138 262
		2 647 988	–	2 647 988	227 083	–	227 083

Financial liabilities	Note	Group			Company		
		Liabilities measured at amortised cost R'000	Liabilities measured at fair value R'000	Total R'000	Liabilities measured at amortised cost R'000	Liabilities measured at fair value R'000	Total R'000
2024							
Borrowings	14	**743 373**	**–**	**743 373**	**–**	**–**	**–**
Trade and other payables	16	**1 369 389**	**–**	**1 369 389**	**1 070**	**–**	**1 070**
		2 112 762	**–**	**2 112 762**	**1 070**	**–**	**1 070**
2023							
Borrowings	14	877 417	–	877 417	–	–	–
Contingent consideration	14	–	6 000	6 000	–	–	–
Trade and other payables	16	1 267 325	–	1 267 325	1 072	–	1 072
		2 144 742	6 000	2 150 742	1 072	–	1 072

The group's management has assessed which business models apply to the financial assets held by the group and has classified its financial assets into the appropriate IFRS 9 category. All financial assets/liabilities (excluding contingent consideration) are classified as measured at amortised cost as the assets and liabilities are held with the objective to collect or pay the contractual cash flows which are solely payments of principle and interest.

Excluding the non-current borrowings and loans receivable from related parties, carrying values approximate fair values due to the short-term nature of these financial instruments.

Notes to the **consolidated and separate financial statements** continued

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) Market risk

The group reviews its foreign currency exposure, including commitments, on an ongoing basis.

(i) **Foreign exchange risk**

The group operates in Southern Africa and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Botswana Pula and the South African Rand. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations as well as translation risk arising from the consolidation of foreign operations into South African Rand.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Natural hedging is applied as far as possible to minimise the exposure. The forex gain or loss recognised in the group's statement of comprehensive income for the year is disclosed in note 19.

The group's financial assets and liabilities where the balance is denominated in a currency other than the entity's functional currency, are analysed in the following table:

2024	Note	Pula R'000	Rand R'000	Other R'000	Total R'000
Financial assets					
Receivables	9	**–**	**392 937**	**5 678**	**398 615**
Cash and cash equivalents	10	**11**	**428 877**	**–**	**428 888**
Financial liabilities					
Trade and other payables	16	**(16)**	**(420 607)**	**–**	**(420 623)**
Borrowings	14	**–**	**–**	**(6 873)**	**(6 873)**
		(5)	**401 207**	**(1 195)**	**400 007**

2023	Note	Pula R'000	Rand R'000	Other R'000	Total R'000
Financial assets					
Receivables	9	–	381 975	3 425	385 400
Cash and cash equivalents	10	11	533 495	–	533 506
Financial liabilities					
Trade and other payables	16	(20)	(298 746)	(16)	(298 782)
Borrowings	14	–	–	(9 493)	(9 493)
		(9)	616 724	(6 084)	610 631

The Botswana Pula (BWP) to the Rand was at BWP1/ZAR1.3435 (2023: BWP1/ZAR1.3826) at year end and an average of BWP1/ZAR1.3514 (2023: BWP1/ZAR1.381) for the year.

Other currencies include the Euro, United States Dollar (USD) and Zambian Kwacha (ZMW).

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) **Market risk** continued

(i) **Foreign exchange risk continued**

The percentage change used has been selected according to what could reasonably be expected as a change in exchange rates based on historical movements in exchange rates. The table below shows the sensitivity of the above translated financial assets and liabilities of the group to a 10% movement in the Rand exchange rate (representing the Rand strengthening or weakening against the foreign currencies).

Impact on net financial assets		Pula appreciation R'000	Other appreciation R'000	Total Group appreciation R'000	Total Group depreciation R'000
2024	10%	**(48 287)**	**120**	**(48 167)**	**48 167**
2023	10%	(71 762)	608	(71 154)	71 154

The Namibian Dollar (NAD), Lesotho Loti (LSL) and Emalangeni (SZL) are pegged to the South African Rand, therefore, no sensitivity to these currencies are expected. Other currencies include the Euro and the United States Dollar (USD).

The impact on the profit and loss, based on the impact on the net financial assets, is R3.7 million (2023: R4.1 million).

(ii) **Cash flow and fair value interest rate risk**

The group's interest rate risk arises from interest-bearing cash and cash equivalents and long-term and short-term borrowings.

The group's exposure to floating rate and fixed rate interest-bearing financial instruments is as follows:

		Group		Company	
	Note	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Borrowings					
Floating rate		**(474 013)**	(658 670)	**–**	–
Fixed rate and non-interest-bearing		**(269 360)**	(218 747)	**–**	–
	14	**(743 373)**	(877 417)	**–**	–
Cash and cash equivalents					
Floating rate		**921 204**	972 389	**135 425**	138 251
Fixed rate and non-interest-bearing		**246 739**	89 593	**11**	11
	10	**1 167 943**	1 061 982	**135 436**	138 262
Total					
Floating rate		**447 191**	313 719	**135 425**	138 251
Fixed rate and non-interest-bearing		**(22 621)**	(129 154)	**11**	11
		424 570	184 565	**135 436**	138 262

The group companies manage their cash flow interest rate risk by monitoring interest rates on a regular basis and engaging in discussions with financial institutions in the relevant countries to obtain the optimum rate.

The fixed rate borrowings increased in the year due to the increase in building lease agreements.

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(a) Market risk continued

(ii) Cash flow and fair value interest rate risk continued

This sensitivity analysis has been prepared using the closing net borrowings or net cash position for the financial year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as the prior. A decrease in interest rates would have an equal and opposite effect on profit after taxation as detailed below. The percentage change used has been selected according to what could reasonably be expected as a change in interest rates based on historical movements in interest rates within the countries. Based on simulations performed, the impact on post-tax profit of a 3% movement in interest rates is analysed in the following table:

		Group		Company	
Impact on post-tax profit		**Increase R'000**	**Decrease R'000**	**Increase R'000**	**Decrease R'000**
2024	3%	**15 297**	**(15 297)**	**2 966**	**(2 966)**
2023	3%	8 699	(8 699)	3 028	(3 028)

(b) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers. For banks and financial institutions, only independently rated financial institutions with a high credit quality are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, management responsible for risk control, assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board.

The utilisation of credit limits is regularly monitored.

Trade receivables of approximately R556.5 million (2023: R344.8 million) are derived from three external customers domiciled in Botswana and are attributed to the Botswana, Lesotho and Namibia segments.

Notes to the **consolidated and separate financial statements** continued

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(b) **Credit risk** continued

The table below shows the group's maximum exposure to credit risk by class of asset:

	Note	Group Balance R'000	Group Maximum exposure R'000	Company Balance R'000	Company Maximum exposure R'000
2024					
Receivables	9	**1 800 453**	1 800 453	**269 018**	269 018
Cash and cash equivalents	10	**1 167 943**	1 167 943	**135 436**	135 436
		2 968 396	2 968 396	**404 454**	404 454
2023					
Receivables	9	**1 586 006**	1 586 006	**88 821**	88 821
Cash and cash equivalents	10	**1 061 982**	1 061 982	**138 262**	138 262
		2 647 988	2 647 988	**227 083**	227 083

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Receivables				
Group 1	**6 709**	29 455	**–**	–
Group 2	**1 747 777**	1 552 360	**–**	–
Group 3	**39 399**	3 720	**–**	–
Non-rated	**6 568**	471	**269 018**	88 821
Cash and cash equivalents				
B	**1 114 275**	990 128	**135 436**	138 262
F1	**31 707**	56 443	**–**	–
F3	**4 471**	4 077	**–**	–
Not rated	**17 490**	11 334	**–**	–
	2 968 396	2 647 988	**404 454**	227 083

The above receivables balances are shown net of loss allowances of R14.2 million (2023: R14.5 million). See note 9 for more detail.

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(b) Credit risk continued

Receivables

Group 1 – new customers (less than six months)
Group 2 – existing customers (more than six months) with no defaults in the past.
Group 3 – existing customers (more than six months) with some defaults in the past.
No credit limits were set for loans to related parties.

Cash and cash equivalents

B, F1, F3 = Fitch's rating
These ratings are considered sufficient enough to warrant not providing for a loss allowance.

Net trade receivables of R504.2 million (2023: R435.8 million) were past due. The ageing analysis of past due, net trade receivables, is as follows:

		Group		Company	
		2024	2023	2024	2023
	Note	R'000	R'000	R'000	R'000
30 days		**418 401**	361 514	**–**	–
31 to 60 days		**35 930**	48 691	**–**	–
61 to 90 days		**29 854**	12 318	**–**	–
91 to 120 days		**3 739**	4 576	**–**	–
121 days plus		**16 272**	8 726	**–**	–
Total net past due		**504 196**	435 825	**–**	–
Within terms (not past due)		**1 225 907**	1 099 942	**–**	–
Total net trade receivables	9	**1 730 103**	1 535 767	**–**	–

(c) Liquidity risk

Liquidity risk arises from the seasonal fluctuations in short-term borrowing positions. A material and sustained shortfall in cash flows could undermine investor confidence and restrict the group's ability to raise funds. The group manages its liquidity risk by monitoring weekly cash flows and ensuring that adequate cash is available or borrowing facilities maintained. The group has no significant concentration of liquidity risk with any one single counterparty.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, each entity aims to maintain flexibility in funding by keeping committed credit lines available.

Total undrawn facilities available amount to R557.6 million (2023: R154.8 million). For detail on undrawn facilities available, refer to note 14.

The company has extended a written offer of an unlimited loan facility at 0% interest that is repayable on demand, to its wholly owned subsidiary, CAS Marketing (Pty) Ltd (CAS Marketing). The value of this inter-company loan, gross of the estimated credit loss, is R157.2 million. The company has agreed to assist, by subordinating its claim in favour of and for the benefit of other creditors of CAS Marketing. As at 31 December 2024, CA&S Marketing's total liabilities exceeded its total assets by R41.8 million (including this intercompany loan).

Notes to the **consolidated and separate financial statements** continued

2. FINANCIAL RISK MANAGEMENT continued

2.1 Financial risk factors continued

(c) Liquidity risk continued

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.

Group	Note	Undiscounted value R'000	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
2024						
Secured and unsecured loans	14	**145 537**	**44 106**	**43 990**	**57 441**	**–**
Lease liabilities	14	**362 746**	**69 331**	**65 194**	**145 974**	**82 247**
Bank overdraft	14	**332 124**	**332 124**	**–**	**–**	**–**
Trade and other payables	16	**1 369 389**	**1 369 389**	**–**	**–**	**–**
		2 209 796	**1 814 950**	**109 184**	**203 415**	**82 247**
2023						
Secured and unsecured loans	14	197 807	55 765	45 268	96 774	–
Lease liabilities	14	281 971	59 865	53 159	104 117	64 830
Bank overdraft	14	475 257	475 257	–	–	–
Contingent consideration	16	6 000	6 000	–	–	–
Trade and other payables	16	1 267 325	1 267 325	–	–	–
		2 228 360	1 864 212	98 427	200 891	64 830
Company						
2024						
Trade and other payables	16	**1 070**	**1 070**	**–**	**–**	**–**
		1 070	**1 070**	**–**	**–**	**–**
2023						
Trade and other payables	16	1 072	1 072	–	–	–
		1 072	1 072	–	–	–

Trade and other payables, to the value of R1196.7 million (2023: R1091.6 million), is due within 90 days of the reporting period.

Notes to the **consolidated and separate financial statements** continued

2. FINANCIAL RISK MANAGEMENT continued

2.2 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 shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group's capital comprises total equity as shown in the consolidated statement of financial position plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents as shown in the consolidated statement of financial position. When funding is required, management will consider the various forms of paper available for issue, taking into account current market conditions, anticipated trends in market indicators and the financial position of the group at the time. Management will accordingly consider issuing ordinary shares by the group's holding company, perpetual preference shares, short, long or medium-term borrowings with variable or fixed rates.

The group manages capital by maintaining a low gearing ratio. Increased long-term debt is approved by the board based on the impact on the gearing ratio. This ratio is calculated as net debt divided by the total capital. The group's target is to maintain a gearing ratio of less than 1.

The gearing ratios at 31 December 2024 and 31 December 2023 were as follows:

		Group		Company	
	Note	**2024 R'000**	**2023 R'000**	**2024 R'000**	**2023 R'000**
Total borrowings	14	**743 373**	877 417	**–**	–
Less: Cash and cash equivalents	10	**(1 167 943)**	(1 061 982)	**(135 436)**	(138 262)
Net cash		**(424 570)**	(184 565)	**(135 436)**	(138 262)
Total equity		**3 236 732**	2 732 885	**1 353 822**	1 170 834
Total capital		**2 812 162**	2 548 320	**1 218 386**	1 032 572
Gearing ratio (%)		**(15)**	(7)	**(11)**	(13)

2.3 Fair value estimation of financial instruments

Financial instruments consist of trade receivables, bank and cash balances and trade and other payables resulting from normal business operations. The nominal value less loss allowance of trade receivables and payables are assumed to approximate their fair values. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Fair value hierarchy

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

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

3 PROPERTY, PLANT AND EQUIPMENT

AP Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. Depreciation is calculated on the straight-line method at rates considered appropriate to reduce book values to estimated residual values over the useful lives of the assets, as follows:

Office equipment 3 – 10 years
Computer equipment 3 – 5 years
Vehicles, plant and machinery 4 – 10 years
Buildings 3 – 100 years
Land indefinite

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

RIGHT-OF-USE ASSETS

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The group has chosen not to revalue its right-of-use buildings held by the group.

Properties 3 – 10 years
Vehicles and equipment 3 – 5 years

	Group				
2024	**Vehicles, plant and machinery R'000**	**Office equipment and other R'000**	**Computer equipment R'000**	**Land & buildings R'000**	**Total R'000**
At the end of the year					
Cost	564 648	59 895	63 807	719 487	1 407 837
Accumulated depreciation	(330 328)	(30 113)	(49 327)	(145 516)	(555 284)
Net book value	234 320	29 782	14 480	573 971	852 553
Reconciliation of net book value:					
Opening net book value 1 January 2024	200 241	23 636	14 627	532 223	770 727
Exchange differences	(1 890)	(211)	(125)	(8 242)	(10 468)
Additions – owned assets	63 550	11 514	6 975	10 324	92 363
Additions – right-of-use assets	23 204	–	–	88 564	111 768
Disposals	(2 778)	(38)	(132)	(67)	(3 015)
Termination of lease agreements	–	–	–	(3 261)	(3 261)
Business combinations	52	3	54	798	907
Lease modifications	(142)	–	–	295	153
Depreciation	(47 917)	(5 122)	(6 919)	(46 663)	(106 621)
Closing net book value 31 December 2024	234 320	29 782	14 480	573 971	852 553

3 PROPERTY, PLANT AND EQUIPMENT continued

	Group				
2024	**Vehicles, plant and machinery R'000**	**Office equipment and other R'000**	**Computer equipment R'000**	**Land & buildings R'000**	**Total R'000**
Right-of-use assets included above comprise:					
Cost of right-of-use assets	**103 793**	**1 260**	**–**	**280 712**	**385 765**
Accumulated depreciation	**(43 725)**	**(896)**	**–**	**(81 623)**	**(126 244)**
Net book value	**60 068**	**364**	**–**	**199 089**	**259 521**
2023					
At the end of the year					
Cost	514 972	49 146	59 136	652 199	1 275 453
Accumulated depreciation	(314 731)	(25 510)	(44 509)	(119 976)	(504 726)
Net book value	200 241	23 636	14 627	532 223	770 727
Reconciliation of net book value:					
Opening net book value 1 January 2023	157 467	19 034	13 280	446 491	636 272
Exchange differences	1 697	138	56	9 959	11 850
Additions – owned assets	52 157	8 192	8 315	2 310	70 974
Additions – right-of-use assets	18 755	554	–	52 084	71 393
Disposals	(11 021)	(3 178)	(471)	(1 238)	(15 908)
Termination of lease agreements	(1 262)	(48)	–	(595)	(1 905)
Business combinations	23 796	3 102	424	62 017	89 339
Lease modifications	5 200	–	–	(128)	5 072
Transfers to intangible assets – software	–	–	(391)	–	(391)
Reclassified as assets available for sale	(238)	(9)	–	–	(247)
Depreciation	(46 310)	(4 149)	(6 586)	(38 677)	(95 722)
Closing net book value 31 December 2023	200 241	23 636	14 627	532 223	770 727
Right-of-use assets included above comprise:					
Cost of right-of-use assets	123 780	1 319	–	214 081	339 180
Accumulated depreciation	(58 785)	(540)	–	(64 232)	(123 557)
Net book value	64 995	779	–	149 849	215 623

3 PROPERTY, PLANT AND EQUIPMENT continued

Additions to the right-of-use assets during the 2024 financial year were R111.8 million (2023: R71.4 million).

The total cash outflow for leases in 2024 was R73 million (2023: R69.9 million).

The statement of comprehensive income includes the following amounts relating to leases:

	Group	
Depreciation charge of right-of-use assets	**2024 R'000**	**2023 R'000**
Buildings	**37 215**	28 615
Plant and machinery	**1 900**	1 102
Vehicles	**17 194**	16 119
Office equipment	**416**	468
	56 725	46 304

The group companies lease various properties, vehicles and machinery under non-cancellable lease agreements. The lease terms are between three and ten years.

A register with full detail of property, plant and equipment is available at each company's registered office. See note 14 for the bond over properties.

No major change in the nature of property, plant and equipment or change in the policy regarding the use thereof took place during the financial year.

4 INVESTMENT PROPERTIES

AP Investment properties are initially measured at cost and subsequently measured in accordance with the cost model as set out in IAS 16. Depreciation is calculated on a straight-line basis to write off the cost of each component of an asset to its residual value over its estimated useful life as follows:

Buildings 100 years
Land indefinite

When assessing the useful lives, the group uses historical experience and other relevant factors, such as the expected future use of the properties and the expected wear and tear. To arrive at the residual value of a building in today's values, the usage of the building and its forecast residual value at the end of its useful life needs to be assessed and thereafter present valued. The assumptions and techniques utilised in determining the residual value of investment properties are consistent with those utilised in the impairment of properties. The group reassesses the estimated useful lives, residual values and depreciation methods of its investment properties annually. Actual useful lives, residual values and depreciation methods can vary from those previously estimated, with the effect of any changes in estimate accounted for on a prospective basis. Based on this assessment, the estimated useful lives, residual values and depreciation methods are reasonable.

	Group	
At the end of the year	2024 R'000	2023 R'000
Cost	12 582	12 582
Accumulated depreciation	(3 583)	(3 583)
Net book value	**8 999**	**8 999**
Reconciliation of net book value:		
Opening net book value 1 January 2024	8 999	–
Subsidiaries acquired	–	24 477
Reclassified as assets available for sale	–	(15 478)
Closing net book value 31 December 2024	**8 999**	**8 999**

The group engaged external experts, Eaton Property Valuations, in July 2023 to value the properties using the income capitalisation method. The properties include a vacant land, warehouse and office buildings in Ongwediwa, Namibia.

Rental income received for the year was less than R0.1 million and direct costs of R1.6 million were incurred during the financial year.

No investment properties have been held as security and there are no capital commitments relating to the investment properties.

5 INTANGIBLE ASSETS

AP GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary/associated company at the date of acquisition.

The notional goodwill that arises in the notional purchase price allocation of associates is included in the carrying amount of the associate and not shown as a separate asset. Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The groups of cash-generating units are not larger than operating segments. An excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities arises where the net assets of a subsidiary at the date of acquisition, fairly valued, exceed the cost of the acquisition. This excess arising on acquisitions is taken directly to income.

CUSTOMER LISTS

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over the estimated useful lives ranging between two and five years. The carrying amount is reviewed for impairment when an impairment indicator is identified.

COMPUTER SOFTWARE AND OTHER INTERNALLY GENERATED INTANGIBLE ASSETS

Costs associated with maintaining computer software programmes and other internally generated intangible assets are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique items controlled by the group, are recognised as intangible assets when all of the following criteria are met:

- it is technically feasible to complete the item so that it will be available for use;
- management intends to complete the item and use or sell it;
- there is an ability to use or sell the item;
- it can be demonstrated how the item will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the item are available; and
- the expenditure attributable to the item during its development can be reliably measured.

Directly attributable costs that are capitalised as part of such items include development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. These intangible assets are amortised using the straight-line method over their estimated useful lives, which range between two and five years. When configuration or customisation of cloud-based application software is identifiable and meets the recognition criteria in IAS 38, the cost is recognised as an intangible asset.

	Group			
2024	**Goodwill R'000**	**Customer lists R'000**	**Computer software and other R'000**	**Total R'000**
At the end of the year				
Cost	**595 365**	**25 252**	**36 949**	**657 566**
Accumulated amortisation	**–**	**(8 066)**	**(7 417)**	**(15 483)**
Accumulated impairment	**(64 495)**	**–**	**–**	**(64 495)**
Net book value	**530 870**	**17 186**	**29 532**	**577 588**

5 INTANGIBLE ASSETS continued

	Group			
2024	**Goodwill R'000**	**Customer lists R'000**	**Computer software and other R'000**	**Total R'000**
Reconciliation of net book value:				
Opening net book value 1 January 2024	**501 665**	**8 437**	**2 095**	**512 197**
Additions	**–**	**–**	**2 501**	**2 501**
Amortisation (note 19 (ii))	**–**	**(4 685)**	**(2 021)**	**(6 706)**
Exchange differences	**8**	**–**	**–**	**8**
Business combinations (note 25)	**29 197**	**13 434**	**26 957**	**69 588**
Closing net book value 31 December 2024	**530 870**	**17 186**	**29 532**	**577 588**
2023				
At the end of the year				
Cost	566 184	11 818	7 462	585 464
Accumulated amortisation	–	(3 381)	(5 367)	(8 748)
Accumulated impairment	(64 519)	–	–	(64 519)
Net book value	501 665	8 437	2 095	512 197
Reconciliation of net book value:				
Opening net book value 1 January 2023	495 845	1 881	2 643	500 369
Additions	–	–	686	686
Amortisation	–	(2 440)	(1 625)	(4 065)
Exchange differences	196	–	–	196
Transfers from computer equipment	–	–	391	391
Business combinations	5 624	8 996	–	14 620
Closing net book value 31 December 2023	501 665	8 437	2 095	512 197

5 INTANGIBLE ASSETS continued

Impairment test for goodwill

Goodwill arising from a business combination is allocated, at acquisition, to the group's cash-generating units (CGUs) that are expected to benefit from the business combination. The CGUs to which the amount of goodwill has been allocated, are presented below.

	Note	2024 R'000	2023 R'000
CA Sales and Distribution (Pty) Ltd and subsidiaries (CA Sales)		**262 097**	262 097
Pack n Stack Investment Holdings (Pty) Ltd and subsidiaries (PnS)		**112 060**	112 060
Logico Unlimited (Pty) Ltd and subsidiaries (Logico)		**42 858**	42 858
Macmobile Group (Macmobile)*	25	**29 349**	–
SMC Brands Namibia (Pty) Ltd (SMC Namibia)		**26 855**	26 855
Effective Sales and Merchandising (Pty) Ltd (ESM)		**21 774**	21 774
SMC Brands Botswana (Pty) Ltd (SMC Botswana)		**17 971**	17 971
SMC Brands Swaziland (Pty) Ltd (SMC Swaziland)		**5 855**	5 855
Brand Support Services (Pty) Ltd (MarketMax)		**5 560**	5 560
Smithshine Enterprises (Pty) Ltd (Smithshine)*		**3 621**	3 726
Visible Worx (Pty) Ltd (Visible Worx)		**1 468**	1 468
Kalahari Training Institute (Pty) Ltd (KTI)*		**1 110**	1 142
Peo Capital (Pty) Ltd (Peo)*		**228**	235
Takbro Logistics (Pty) Ltd (Takbro)		**64**	64
		530 870	501 665

** Values are impacted by foreign exchange rate movements.*

The recoverable amount of a CGU is determined based on the fair value less cost of disposal which requires the use of assumptions. These calculations use post-tax cash flow projections based on financial budgets approved by management, covering a five-year period.

Management has determined the values assigned to each of the below key assumptions as follows:

Assumption	Approach used to determining values	Fair value hierarchy
Revenue average annual growth rate over the five-year period	Based on past performance and management's expectations of market development as well as current industry trends, including long-term inflation forecasts for each territory. Management considered the impact of economic uncertainties on the cash flow projections, through adjusting their costs and revenue for the impact of the higher expected inflation in the period before the terminal period.	3
Budgeted gross margin	Based on past performance and management's expectations for the future, including the impact of economic uncertainty and long-term inflation forecasts for each territory, on gross margins.	3
Long-term growth rate	This is the growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.	3
Discount rate	Reflect specific risks relating to the relevant segments and the countries in which they operate.	3

5 INTANGIBLE ASSETS continued

Impairment test for goodwill continued

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

2024	CA Sales %	PnS %	Logico %	SMC Namibia %	ESM %	SMC Botswana %
Revenue growth	**11.9**	**6.2**	**14.4**	**16.3**	**11.6**	**13.3**
Gross margin	**10.3**	**29.5**	**16.6**	**17.8**	**25.3**	**19.8**
Long-term growth rate	**5.0**	**5.0**	**5.0**	**5.0**	**5.0**	**5.0**
Discount rate (pre tax)	**15.2**	**18.7**	**24.3**	**26.6**	**22.3**	**17.7**
2023						
Revenue growth	9.4	7.4	10.4	15.4	7.7	9.3
Gross margin	10.3	28.0	16.8	17.7	29.5	16.6
Long-term growth rate	5.0	5.0	5.0	5.0	5.0	5.0
Discount rate (post tax)	12.3	17.2	16.6	16.6	20.3	14.3

Where the revenue growth assumptions of a CGU increased, compared to the prior year assumptions, increased inflation as well as new clients and products were taken into account.

The discount rates fluctuated compared to 2023 due to changes in the corporate debt margin and the assumptions regarding the equity market risk premium and the country related inflation rates.

The results of the group's impairment tests are dependent upon estimates and judgements made by management, particularly in relation to the key assumptions described above. Sensitivity analysis to potential changes in key assumptions has therefore been considered.

The goodwill that arose on 1 November 2024 from the acuqisition of the Macmobile Group, was not tested for impairment at 31 December 2024 as there have been no significant changes to the assets and liabilities since the business combination calculation was done. No events have occured and no circumstances have changed since the calculation of 1 November 2024. The recoverable amount exceeded the carrying amount by a substantial margin.

Sensitivity analysis of assumptions used in the goodwill impairment tests of CGUs indicating low safety margins:

The table below shows the adjusted assumptions used in isolation in the calculation of the fair value less cost of disposal where the estimated recoverable amount equals the carrying value.
Apart from the below, no other CGUs key assumptions were sensitive.

	SMC Namibia 2024 R'000	SMC Namibia 2023 R'000
Recoverable amount based on fair value less cost of disposal using original assumptions	**103 306**	105 716
Carrying value	**103 147**	91 118
Headroom	**159**	14 598
Adjusted assumptions where the carrying value equals the recoverable amount		
Revenue growth rate (%)	**15.38**	12.20
Gross margin (%)	**17.80**	16.90
Long-term growth rate (%)	**4.97**	2.31
Discount rate (%)	**26.59**	18.16

CGUs assumptions were considered sensitive when a movement of less than 10% in any one of the assumptions above will result in the fair value equalling the carrying value.

6 INVESTMENTS IN SUBSIDIARIES

AP Investments in subsidiaries in the company's separate financial statements are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Direct attributable costs of investment are capitalised as part of the investment, as incurred. Investments in subsidiaries are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. An indicator for impairment is when the investment value exceeds the net asset value of the subsidiary.

	Company 2024 R'000	Company 2023 R'000
Ordinary shares at cost	**930 952**	930 952
Share-based payments allocated to subsidiaries	**17 641**	12 012
	948 593	942 964

The investments of the holding company increased with the share-based payment expense allocation as per IFRS 2. The holding company has an obligation to settle the transaction with the subsidiaries' employees by providing its own equity instruments.

The group's subsidiaries at 31 December 2024 are set out below. They have share capital consisting solely of ordinary shares that are held directly and indirectly by the company.

The proportion of ownership interests held equals the voting rights held by the group. The country of incorporation is also their principal place of business.

Direct holding	Indirect holding	Country of incorporation	Effective holding 2024 %	Effective holding 2023 %	Stated capital R'000	Shares at cost 2024 R'000	Shares at cost 2023 R'000
CA Sales & Distribution (Pty) Ltd		Botswana	**100**	100	**798.7**	**336 422**	336 422
	Dafin Sales and Distribution (Pty) Ltd	Botswana	**100**	100			
	Warehousing Services Botswana (Pty) Ltd	Botswana	**100**	100			
	Kalahari Sales (Pty) Ltd	Botswana	**100**	100			
Logico Unlimited (Pty) Ltd		Eswatini	**100**	100	**100.0**	**204 273**	204 273
	Biotrace Trading 338 (Pty) Ltd	South Africa	**100**	100			
	Takbro Services (Pty) Ltd	Eswatini	**60**	60			
	Takbro Logistics (Pty) Ltd	South Africa	**60**	60			
Pack 'n Stack Investment Holdings (Pty) Ltd		South Africa	**94**	94	**2.0**	**218 019**	218 019
	^Agility-in-store (Pty) Ltd	South Africa	**–**	94			
	^Array Marketing (Pty) Ltd	South Africa	**–**	94			
	Brand Support Services (Pty) Ltd	South Africa	**94**	94			
	Pack 'n Stack (Pty) Ltd	South Africa	**71**	71			
	* Pack 'n Stack IT (Pty) Ltd	South Africa	**32**	32			
	PnS Activate (Pty) Ltd	South Africa	**94**	94			
	PnS Retail Solutions Namibia (Pty) Ltd	Namibia	**94**	94			
	^Surapax (Pty) Ltd	South Africa	**–**	94			
	Effective Sales and Merchandising (Pty) Ltd	South Africa	**71**	71			
	Pack 'n Stack Eswatini (Pty) Ltd	Eswatini	**94**	94			
	* Visible Worx (Pty) Ltd	South Africa	**48**	48			

6 INVESTMENTS IN SUBSIDIARIES continued

Direct holding	Indirect holding	Country of incorporation	Effective holding 2024 %	Effective holding 2023 %	Stated capital R'000	Shares at cost 2024 R'000	Shares at cost 2023 R'000
SMC Brands SA (Pty) Ltd		South Africa	**100**	100	**100.0**	**158 017**	158 017
	SMC Brands Botswana (Pty) Ltd	Botswana	**100**	100			
	SMC Brands Namibia (Pty) Ltd	Namibia	**100**	100			
	SMC Brands Swaziland (Pty) Ltd	Eswatini	**100**	100			
	SMC Brands Lesotho (Pty) Ltd	Lesotho	**90**	90			
Wutow Trading (Pty) Ltd		Namibia	**100**	100	**0.0**	**14 221**	14 221
	WUTCA Trading (Pty) Ltd	Namibia	**100**	100			
	T&C Properties Namibia (Pty) Ltd	Namibia	**100**	100			
	Taeuber and Corssen (Pty) Ltd	Namibia	**100**	100			
	Smithshine Trading Namibia (Pty) Ltd	Namibia	**100**	100			
	HBW Trading (Pty) Ltd	Namibia	**100**	100			
Diverse Distribution (Pty) Ltd		Namibia	**100**	100	**0.1**	**–**	–
Private Label Sales and Merchandising Services (Pty) Ltd		South Africa	**100**	100	**0.1**	**–**	–
CAS Marketing (Pty) Ltd		South Africa	**100**	100	**1.0**	**–**	–
CA Sales Investments (Pty) Ltd		South Africa	**100**	100	**1.0**	**–**	–
	Mac Investments (Pty) Ltd	South Africa	**100**	–			
	**Mac Web (Pty) Ltd	South Africa	**49**	–			
	Mac Money Mobile Banking Solutions (Pty) Ltd	South Africa	**100**	–			
	Expo Africa Marketing Ltd	Mauritius	**90**	90			
	Expo Africa (Pty) Ltd	Botswana	**90**	90			
	Expo Mozambique Ltd	Mozambique	**90**	90			
	Expo Africa Marketing and Promotions (Pty) Ltd	Namibia	**90**	90			
Pamstad (Pty) Ltd		Botswana	**100**	100	**–**	**–**	–
	Smithshine Enterprises (Pty) Ltd	Botswana	**100**	100			
	Smithshine Distribution Ltd	Zambia	**100**	95			
	Kalahari Training Institute (Pty) Ltd	Botswana	**100**	83			
	Peo Capital (Pty) Ltd	Botswana	**70**	70			
	Promexs Ltd	Zambia	**100**	100			
	Breckwick Holdings (Pty) Ltd	Botswana	**100**	100			
	Mac Marketing Communications (Mauritius) Ltd	Mauritius	**100**	–			
	Mac Mobile International Ltd	Kenya	**60**	–			
						930 952	930 952

* *Despite the indirect shareholding of CA Sales Holdings Ltd being below 50%, its direct subsidiary, Pack 'n Stack Investments Holdings (Pty) Ltd has control over those subsidiaries. In the case of Pack 'n Stack IT (Pty) Ltd, 55% of its shares are owned by an employee trust.*

** *Despite the indirect shareholding of CA Sales Holdings Ltd being below 50%, its direct subsidiary, Mac Investments (Pty) Ltd has control over this subsidiary. 50% of Mac Web (Pty) Ltd 's shares are owned by an employee trust.*

^ *Dormant companies have been deregistered during the year.*

6 INVESTMENTS IN SUBSIDIARIES continued

Non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interest that is material to the group. The amounts disclosed are before inter-company eliminations.

	Pack 'n Stack		Visible Worx	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Summarised statement of financial position				
Current assets	593 768	483 631	19 431	22 110
Current liabilities	(284 639)	(273 620)	(7 277)	(13 052)
Current net assets	309 129	210 011	12 154	9 058
Non-current assets	123 045	123 795	10 550	4 002
Non-current liabilities	(16 367)	(17 959)	(9 191)	(3 017)
Non-current net assets	106 678	105 836	1 359	985
Net assets	415 807	315 847	13 513	10 043
Accumulated NCI	(24 325)	(18 477)	(6 621)	(4 921)
Summarised statement of comprehensive income				
Revenue	1 746 753	1 465 152	46 448	40 955
Profit for the period	194 207	142 015	3 467	1 094
Total comprehensive income attributable to the owners	194 207	142 015	3 467	912
Profit allocated to NCI	11 361	8 309	1 699	447
Dividends paid to NCI	5 514	4 826	–	–
Summarised cash flows				
Cash flows from operating activities	150 006	112 304	1 666	2 950
Cash flows from investing activities	12 583	(10 795)	(70)	(1 764)
Cash flows from financing activities	(110 594)	(99 770)	(729)	(613)
Net increase in cash and cash equivalents	51 995	1 739	867	573

6 INVESTMENTS IN SUBSIDIARIES continued

Transactions with non-controlling interest

On 1 June 2024, Pamstad (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, acquired the remaining 5% of the issued shares of Smithshine Distribution (Smithshine Zambia) for no compensation. Immediately prior to the purchase, the group's carrying amount of the existing 5% non-controlling interest in Smithshine Zambia was R0.6 million. The group recognised a decrease in non-controlling interest of R0.6 million and a decrease in retained losses attributable to the owners of the parent of R0.6 million.

On 1 August 2024, Pamstad (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, acquired the remaining 17% of the issued shares of Kalahari Training Institute (KTI) for R2.0 million cash. Immediately prior to the purchase, the group's carrying amount of the existing 17% non-controlling interest in KTI was R0.9 million. The group recognised a decrease in non-controlling interest of R0.9 million and a decrease in retained earnings attributable to the owners of the parent of R1.1 million.

2024	**Smithshine Zambia R'000**	**KTI R'000**	**Total R'000**
Carrying amount of non-controlling interest acquired	**(590)**	**880**	**290**
Cash consideration paid to non-controlling interest	**–**	**(2 026)**	**(2 026)**
Excess of consideration paid recognised in the transactions with non-controlling interest reserve within equity	**(590)**	**(1 146)**	**(1 736)**

2023	**SMC Lesotho R'000**	**Smithshine Botswana R'000**	**Total R'000**
Carrying amount of non-controlling interest sold/acquired	341	2 940	3 281
Consideration in the form of equity instruments	–	(3 822)	(3 822)
Excess of consideration received/(paid) recognised in the transactions with non-controlling interest reserve within equity	341	(882)	(541)

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

AP Investments in associated companies are accounted for using the equity method of accounting and the interest in associates is initially recognised at cost. Any difference between the cost of the investment and the group's share of the fair values of the identifiable assets and liabilities acquired, is accounted for as notional goodwill which is included in the carrying amount of the investment. The results of associated companies are accounted for according to the equity method, based on their most recent published audited financial statements or latest management information. Certain associated companies have year-ends that differ from that of the group. In these instances, the management accounts for the period 1 January to 31 December are used. Equity accounting involves recognising the group's share of its associated companies' post-acquisition profits or losses in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income and movements in other reserves, in the statement of comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associated company equals or exceeds its interest in the associated company including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associated company. Unrealised gains on transactions between the group and its associated companies are eliminated to the extent of the group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Crossholdings between the group and its associates are eliminated in accordance with normal consolidation procedure. Associates' accounting policies have been changed, where necessary, to ensure consistency with the policies adopted by the group. Dilution gains and losses arising in investment in associated companies are recognised in the statement of comprehensive income. If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to the statement of comprehensive income, where appropriate. After applying the equity method, investments in associated companies are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. Loans to associated companies are disclosed as part of the carrying amount of the investment. The company accounts for investment in associated companies at cost less provision for impairment. Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 27 by following the cost-based approach. According to this approach, subsequent changes in the value of the contingent consideration are recognised as part of the cost or a reduction in the cost of the investment. Upon gaining control ("step acquisition"), the group remeasures its previously held equity interest in the associate, at its acquisition-date fair value and recognise the resulting gain or loss, if any, in the statement of comprehensive income. Goodwill is calculated during a step acquisition, as the excess of the consideration paid, any non-controlling interest and the acquisition-date fair value of the group's previously held equity interest, over the acquisition-date fair value of the identifiable net assets of the acquiree.

Set out below are the associates of the group as at 31 December 2024. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

				Group		Company	
		Percentage of ownership interest		Carrying amount		Carrying amount	
		2024	2023	2024	2023	2024	2023
Name of entity	**Place of business**	**%**	**%**	**R'000**	**R'000**	**R'000**	**R'000**
IBP Africa Distribution (Pty) Ltd	South Africa	**30%**	30%	**–**	–	**–**	–
Whitakers Agencies (Pty) Ltd and Whitakers Agencies (Lesotho) (Pty) Ltd	South Africa and Lesotho	**45%**	45%	**3 930**	3 661	**1 903**	1 903
BRD Distribution (Pvt) Ltd	Zimbabwe	**49%**	49%	**8 055**	6 780	**–**	–
Private Label Sales and Merchandising Cape Town (Pty) Ltd	South Africa	**49%**	49%	**–**	–	**–**	–
Mac Investments (Pty) Ltd	South Africa	**–**	46.67%	**–**	6 463	**–**	–
Mac Marketing Communications (Mauritius) Ltd	Mauritius	**–**	46%	**–**	11 968	**–**	–
Roots Sales (Pty) Ltd	South Africa	**49%**	–	**78 090**	–	**–**	–
Carrying value of ordinary share investments in unlisted associated companies				**90 075**	28 872	**1 903**	1 903

All the above entities are privately owned companies.

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD continued

The table below provides summarised financial information of the associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements or management accounts of the relevant associates and not the group's share of those amounts.

	BRD Distribution		Mac Investments		Mac Marketing		Roots Sales		Total	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Summarised statement of financial position										
Current assets	**130 016**	72 361	**–**	13 775	**–**	10 592	**31 296**	–	**161 312**	**96 728**
Non-current assets	**6 381**	1 747	**–**	863	**–**	–	**721**	–	**7 102**	**2 610**
Current liabilities	**(106 805)**	(60 412)	**–**	(248)	**–**	(1 580)	**(7 812)**	–	**(114 617)**	**(62 240)**
Non-current liabilities	**(13 154)**	(56)	**–**	(11 910)	**–**	–	**–**	–	**(13 154)**	**(11 966)**
Non-controlling interest	**–**	–	**–**	(59)	**–**	–	**–**	–	**–**	**(59)**
Net assets	**16 438**	13 640	**–**	2 421	**–**	9 012	**24 205**	–	**40 643**	**25 073**
Reconciliation to carrying amounts:										
Opening net assets	**13 640**	22 214	**2 421**	981	**9 012**	4 125	**–**	–	**25 073**	**27 320**
At acquisition	**–**	–	**–**	–	**–**	–	**7 695**	–	**7 695**	**–**
Profit for the period	**32 302**	11 609	**1 532**	2 999	**7 456**	6 130	**16 510**	–	**57 800**	**20 738**
Non-controlling interest	**–**	–	**–**	15	**–**	–	**–**	–	**–**	**15**
Dividends paid	**–**	–	**(1 000)**	(1 500)	**(8 622)**	(3 693)	**–**	–	**(9 622)**	**(5 193)**
Transfers and disposals of associates	**–**	–	**(2 953)**	–	**(14 760)**	–	**–**	–	**(17 713)**	**–**
Foreign currency translation and other adjustments	**(29 504)**	(20 183)	**–**	(74)	**6 914**	2 450	**–**	–	**(22 590)**	**(17 807)**
Closing net assets	**16 438**	13 640	**–**	2 421	**–**	9 012	**24 205**	–	**40 643**	**25 073**
Group's share %	**49%**	49%	**–**	46.67%	**–**	46%	**49%**	–		
Group's share R'000	**8 055**	6 684	**–**	1 130	**–**	4 146	**11 860**	–	**19 915**	**11 960**
Goodwill	**–**	–	**–**	5 298	**–**	7 297	**66 230**	–	**66 230**	**12 595**
Foreign currency translation and other adjustments	**–**	96	**–**	35	**–**	525	**–**	–	**–**	**656**
Carrying amount	**8 055**	6 780	**–**	6 463	**–**	11 968	**78 090**	–	**86 145**	**25 211**

Notes to the **consolidated and separate financial statements** continued

7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD continued

	BRD Distribution		Mac Investments		Mac Marketing		Roots Sales		Total	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Summarised statement of comprehensive										
Revenue	**368 819**	135 907	**20 711**	25 078	**13 737**	15 545	**58 472**	–	**461 739**	**176 530**
Profit for the period	**32 302**	11 609	**1 532**	2 999	**7 456**	6 130	**16 510**	–	**57 800**	**20 738**
Group's share	**49%**	49%	**46.67%**	46.67%	**46%**	46%	**49%**	–		
Share of profit of investments accounted for using the equity method	**15 828**	5 688	**715**	1 400	**3 430**	2 820	**8 090**	–	**28 063**	**9 908**
Immaterial aggregated associates										
Carrying amount									**3 930**	**3 661**
Profit for the period									**599**	**483**
Share of profit of investments accounted for using the equity method									**270**	**448**

The year-end for Whitakers Agencies South Africa (Pty) Ltd and Whitakers Agencies (Lesotho) (Pty) Ltd is February. The management accounts for the period 1 January to 31 December were used to include the associate's profit after tax in the group's statement of comprehensive income. Whitakers provides clients with merchandisers, field managers and sales representatives to the FMCG trade in Lesotho.

The year-end for the Macmobile Group is December. The management accounts for the period 1 January to 31 October 2024 were used to include the associates profit after tax in the group's statement of comprehensive income up until the step-up acquisition. The Macmobile Group provides information technology and data solutions to both the formal retail sector and merchants in the informal market (general trade), delivering market intelligence across the entire value chain of the fast-moving consumer goods sector.

The year-end for BRD Distribution is December. The management accounts for the period 1 January to 31 December were used to include the associates profit after tax in the group's statement of comprehensive income. BRD Distribution distributes liquor and FMCG products on behalf of clients in Zimbabwe.

The year-end for Roots Sales is February. The management accounts for the period 1 Apirl to 31 December were used to include the associates profit after tax in the group's statement of comprehensive income. Roots provides clients with merchandisers, field managers and sales representatives for the FMCG trade in the main market in South Africa.

Additions

On 25 March 2024, CA Sales Investments (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, purchased 49% of the share capital of Roots Sales (Pty) Ltd ("Roots") for R70 million. Roots is domiciled in South Africa and service the informal market in the country, which is a channel broadening acquisition for the group.

Transfers to subsidiares

The group obtained control over the Macmobile Group on 18 October 2024 and the subsidary was consolidated from 1 November 2024. See note 25.

8 INVENTORIES

AP Inventories are valued at the lower of cost and net realisable value. Cost is substantially determined on the first-in-first-out basis and includes expenditure in acquiring and transporting the inventory to its present location net of discounts and rebates received. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

	Group	
	2024 R'000	**2023 R'000**
Finished goods held for re-sale	**1 007 190**	988 310
Other consumable stock items	**1 914**	2 494
	1 009 104	990 804

Inventories are measured at the lower of cost or net realisable value. No inventories were carried below cost.

Inventories are ceded against trade loans and bank overdraft facilities to the value of R825.7 million (2023: R579.3 million) as disclosed in note 14.

Inventories recognised as an expense during the year ended 31 December 2024 amounted to R9.4 billion (2023: R8.6 billion). These were included in cost of sales.

Amounts written off during the year due to stock losses and damages amounted to R13.9 million (2023: R1.3 million).

Amounts written off are for short dated stock, expired stock, damaged stock and a provision for stock that has been discontinued in the trade.

9 TRADE AND OTHER RECEIVABLES

AP Trade and other receivables, excluding VAT and prepayments, are classified as financial assets subsequently measured at amortised cost. Trade receivables are amounts due from customers for goods sold or services delivered in the ordinary course of business. Contractual cash flows will be collected as trade receivables and related parties repay their outstanding balances and the repayments on the outstanding balances represent payments that consist of the principal outstanding amount and related interest amount if applicable. Collection is expected in one year or less and therefore classified as current assets.

RECOGNITION AND MEASUREMENT

Trade receivables and loans to related parties are recognised initially at the amount of consideration that is unconditional. The group has made use of the practical expedient where the group presumes that a receivable does not have a significant financing component as the expected term is less than one year. The group holds the trade receivables and related party loans with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less expected allowance.

The carrying amounts of the trade receivables and related party loans, are considered to approximate the fair value. Payment terms are agreed as part of the trading or loan agreement and any amounts outstanding beyond the terms are considered overdue.

IMPAIRMENT

The group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. As a practical expedient, the group uses a provision matrix based on the group's historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The historical default rates have been assessed, using a 24-month period. Forward-looking estimates include the economic outlook of the country in which the customer resides. Trade receivables are grouped based on shared risk characteristics and days past due. For loans to related parties, management applies the three-stage general impairment methodology model which requires the company to measure the expected credit loss at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs.

The group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortised cost. Forward looking estimates include the economic outlook of the country in which the customer resides. The group has identified GDP, food inflation and levels of consumer confidence in the countries in which it sells its goods and services to be the most relevant factors. The impairment methodology applied depends on whether there has been a significant increase in credit risk. A loss allowance is recognised at the first reporting date on which the receivable is recognised. After initial recognition, the loss allowance is adjusted, up or down, through profit or loss at each statement of financial position date as the forward-looking estimates change. Receivables are considered to be in default when the standard payment terms of between 30 and 90 days, have been exceeded with more than 60 days without any reason or subsequent arrangement to extend the payment terms. Sixty days past due is considered to be an appropriate indicator of default on the group's financial assets when considered against the group's customer base, the trading terms for which are predominantly 30 days. This is also informed by the group's extensive experience with its customer base. However, in certain cases, the group may also consider a financial asset to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full. Receivables are credit impaired if there is no reasonable expectation of recovering the contractual cash flows. Factors taken into consideration would include external market and economic outlook reports, observable trends and cyclicality. Credit-impaired receivables are written off. Subsequent recoveries of amounts previously written off are credited in the statement of comprehensive income.

DERECOGNITION

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership, or control of the financial asset, are transferred. Where the group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to pay.

9 TRADE AND OTHER RECEIVABLES continued

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Trade receivables	**1 744 272**	1 550 265	**–**	–
Loans to related parties (note 26)	**–**	–	**341 469**	161 270
Less: Loss allowance	**(14 169)**	(14 498)	**(72 451)**	(72 451)
Trade receivables	**1 730 103**	1 535 767	**269 018**	88 819
Deposits	**7 158**	16 444	**–**	–
Staff loans	**1 259**	1 128	**–**	–
Payables with debit balances	**42 320**	22 031	**–**	2
Right of return asset (note 25)	**1 509**	–	**–**	–
Interest receivable	**1 973**	–	**–**	–
Enterprise development loan	**2 400**	–	**–**	–
Other receivables	**13 731**	10 636	**–**	–
Trade and other receivables – financial assets	**1 800 453**	1 586 006	**269 018**	88 821
Vat receivable	**60 277**	109 740	**–**	–
Prepayments	**26 827**	16 748	**–**	–
Trade and other receivables – non-financial assets	**87 104**	126 488	**–**	–
Total trade and other receivables	**1 887 557**	1 712 494	**269 018**	88 821
Current portion	**1 887 557**	1 712 494	**–**	2
Non-current portion	**–**	–	**269 018**	88 819

Trade receivables are generally due for settlement between 30 and 90 days as per their credit terms and therefore are all classified as current. Trade receivables are measured at the undiscounted invoice price. As a practical expedient, the group presumes that a trade receivable does not have a significant financing component as the expected term is less than one year. Trade receivables outstanding for more than 60 days past the credit terms are considered to be in default. Unresolved claims included in 60+ days past the credit terms, are not seen as accounts in default. A specific loss is raised for amounts 120 days and over where no communication has been received from the debtor.

Trade and other receivables of R1.7 billion (2023: R1.5 billion) were fully performing.

Receivables of certain subsidiaries have been pledged as security for trade loans and overdraft facilities to the value of R332.1 million (2023: R475.3 million). See note 14.

9 TRADE AND OTHER RECEIVABLES continued

Loans to related parties

These loans are interest free and payable on demand. All strategies indicate that the company will fully recover the remaining outstanding loans, and therefore there is no impairment loss to recognise on the remaining outstanding balances.

Where the related parties have no liquid funds available to repay the loans and there is no realistic expectation of recovering the outstanding loans, or part thereof, an estimated credit loss will be raised for the unrecoverable portion of the loans to the related parties.

Deposits

Deposits consist mostly of deposits made to landlords for leased properties. These are repayable upon cancellation of the lease agreements.

Prepayments

Prepayments consist mostly of payments made on annual software licenses as well as annual insurance premiums.

The carrying amounts of the group's trade and other receivables are denominated in the following currencies:

	Group		Company	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**
South African Rand (ZAR)	**806 511**	732 177	**269 018**	88 821
Namibian Dollar (NAD)	**257 985**	247 982	**–**	–
Emalangeni (SZL)	**273 385**	282 254	**–**	–
Botswana Pula (BWP)	**462 114**	385 624	**–**	–
Other	**87 562**	64 457	**–**	–
	1 887 557	1 712 494	**269 018**	88 821

Included in "Other" in the current year are US Dollar, Euro, Lesotho Loti (LSL) and Zambia Kwacha (ZMW).

The Namibian Dollar (NAD), Lesotho Loti (LSL) and Emalangeni (SZL) are currently at ratios of one-to-one to the Rand.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The group does not hold any collateral as security.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on historical default rates over the expected life. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical default rates have been assessed, using a 24-month period. Forward-looking estimates include the economic outlook of the country in which the customer resides. The group has identified GDP, food inflation and levels of consumer confidence in the countries in which it sells its goods and services to be the most relevant factors.

9 TRADE AND OTHER RECEIVABLES continued

The loss allowance as at 31 December was determined as follows:

31 December 2024	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other countries R'000	Group eliminations R'000	Total R'000
Not past due							
Gross carrying amount	482 967	180 331	169 915	363 588	52 952	(20 217)	1 229 536
Expected loss rate	(0.1%)	(0.1%)	(1.3%)	(0.3%)	(0.0%)	–	(0.3%)
Expected loss allowance	(360)	(184)	(2 146)	(937)	(2)	–	(3 629)
0 – 30 days past due							
Gross carrying amount	277 923	46 046	33 035	66 583	11 832	(14 582)	420 837
Expected loss rate	(0.2%)	(0.5%)	(1.5%)	(1.8%)	(0.0%)	–	(0.6%)
Expected loss allowance	(568)	(211)	(483)	(1 173)	(1)	–	(2 436)
31 – 60 days past due							
Gross carrying amount	20 379	7 038	5 728	5 462	1 260	(2 942)	36 925
Expected loss rate	(0.5%)	(1.0%)	(3.0%)	(12.2%)	–	–	(2.7%)
Expected loss allowance	(92)	(67)	(172)	(664)	–	–	(995)
61 – 120 days past due							
Gross carrying amount	10 168	8 863	15 086	1 931	1 657	(1 197)	36 508
Specific loss allowance	(79)	(69)	–	–	(107)	–	(255)
	10 089	8 794	15 086	1 931	1 550	(1 197)	36 253
Expected loss rate	(8.8%)	(3.0%)	(9.0%)	(7.6%)	–	–	(7.3%)
Expected loss allowance	(891)	(263)	(1 359)	(147)	–	–	(2 660)
>120 days past due							
Gross carrying amount	5 601	11 022	1 058	2 275	1 189	(679)	20 466
Specific loss allowance	(41)	(76)	(888)	–	(189)	–	(1 194)
	5 560	10 946	170	2 275	1 000	(679)	19 272
Expected loss rate	(12.7%)	(4.8%)	(65.3%)	(72.7%)	(0.1%)	–	(15.6%)
Expected loss allowance	(708)	(526)	(111)	(1 654)	(1)	–	(3 000)
Total gross carrying amount	797 038	253 300	224 822	439 839	68 890	(39 617)	1 744 272
Total specific loss allowance	(120)	(145)	(888)	–	(296)	–	(1 449)
	796 918	253 155	223 934	439 839	68 594	(39 617)	1 742 823
Total expected loss rate	(0.3%)	(0.5%)	(1.9%)	(1.0%)	(0.0%)	–	(0.7%)
Total expected loss allowance	(2 619)	(1 251)	(4 271)	(4 575)	(4)	–	(12 720)
Total loss allowance	(2 739)	(1 396)	(5 159)	(4 575)	(300)	–	(14 169)

9 TRADE AND OTHER RECEIVABLES continued

31 December 2023	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other countries R'000	Group eliminations R'000	Total R'000
Not past due							
Gross carrying amount	456 781	242 818	128 608	238 273	41 804	(5 824)	1 102 460
Expected loss rate	(0.1%)	(0.1%)	(1.1%)	(0.2%)	(0.0%)	–	(0.2%)
Expected loss allowance	(312)	(251)	(1 416)	(524)	(15)	–	(2 518)
0 – 30 days past due							
Gross carrying amount	227 846	8 751	35 640	82 562	9 460	(209)	364 050
Expected loss rate	(0.2%)	(1.6%)	(2.7%)	(1.1%)	(0.5%)	–	(0.7%)
Expected loss allowance	(519)	(142)	(951)	(875)	(49)	–	(2 536)
31 – 60 days past due							
Gross carrying amount	19 583	7 115	9 612	10 939	3 016	(402)	49 863
Expected loss rate	(0.4%)	(1.1%)	(3.7%)	(6.0%)	(0.2%)	–	(2.4%)
Expected loss allowance	(77)	(75)	(359)	(654)	(7)	–	(1 172)
61 – 120 days past due							
Gross carrying amount	13 904	246	4 267	1 630	867	–	20 914
Specific loss allowance	(166)	–	(1 005)	–	(17)	–	(1 188)
	13 738	246	3 262	1 630	850	–	19 726
Expected loss rate	(15.7%)	(6.5%)	(16.3%)	(7.0%)	(1.4%)	–	(14.4%)
Expected loss allowance	(2 157)	(16)	(533)	(114)	(12)	–	(2 832)
>120 days past due							
Gross carrying amount	2 668	215	4 137	5 391	567	–	12 978
Specific loss allowance	(252)	(174)	(1 140)	–	(134)	–	(1 700)
	2 416	41	2 997	5 391	433	–	11 278
Expected loss rate	(25.2%)	(224.4%)	(42.6%)	(9.8%)	(9.9%)	–	(22.6%)
Expected loss allowance	(610)	(92)	(1 276)	(531)	(43)	–	(2 552)
Total gross carrying amount	720 782	259 145	182 264	338 795	55 714	(6 435)	1 550 265
Total specific loss allowance	(418)	(174)	(2 145)	–	(151)	–	(2 888)
	720 364	258 971	180 119	338 795	55 563	(6 435)	1 547 377
Total expected loss rate	(0.5%)	(0.2%)	(2.5%)	(0.8%)	(0.2%)	–	(0.8%)
Total expected loss allowance	(3 675)	(576)	(4 535)	(2 698)	(126)	–	(11 610)
Total loss allowance	(4 093)	(750)	(6 680)	(2 698)	(277)	–	(14 498)

9 TRADE AND OTHER RECEIVABLES continued

The operations in Botswana, Eswatini, and Namibia have revised their expected loss rates for balances more than 60 days past due, reflecting a reduction compared to the previous year. This adjustment is based on an improved expectation of collections, supported by the experience of the prior year. Conversely, the South African operations have increased their expected credit loss rates for balances more than 120 days past due, in response to lower-than-expected collections observed in the previous year.

The closing loss allowance for trade receivables as at 31 December reconciles to the opening loss allowance as follows:

	Group		Company	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**
Opening loss allowance as at 1 January	**14 498**	10 942	**72 451**	36 501
Increase in loss allowance recognised in statement of comprehensive income during the year	**3 756**	2 119	**–**	35 950
Release of loss allowance recognised in statement of comprehensive income during the year	**(1 997)**	(5 712)	**–**	–
Receivables written off during the year as uncollectible	**(2 335)**	(9 887)	**–**	–
Business combinations	**364**	16 865	**–**	–
Other movements including foreign exchange translation differences	**(117)**	171	**–**	–
At 31 December	**14 169**	14 498	**72 451**	72 451

The expected credit loss for other classes of assets within trade and other receivables are not considered to be material.

10 CASH AND CASH EQUIVALENTS

AP Cash and cash equivalents include cash on hand and other deposits held at call with banks. Bank overdrafts are included within borrowings in current liabilities.

	Group		Company	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**
Cash at bank and in hand	**608 191**	627 406	**135 436**	138 262
Short-term bank deposits	**559 752**	434 576	**–**	–
	1 167 943	1 061 982	**135 436**	138 262

The cash and cash equivalents disclosed above and in the statement of cash flows include R4.5 million (2023: R4.2 million) which are held by Pamstad (Pty) Ltd and CAS Marketing (Pty) Ltd. These deposits are held as guarantees against supplier credit accounts.

The carrying amounts of the group's cash and cash equivalents are denominated in the following currencies:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Rand (ZAR)	**795 688**	845 805	**135 425**	138 251
Namibian Dollar (NAD)	**49 109**	43 290	**–**	–
Emalangeni (SZL)	**230 998**	67 463	**–**	–
Botswana Pula (BWP)	**71 029**	81 392	**11**	11
Other (incl.US Dollar, Zambia Kwacha, Lesotho Loti)	**21 119**	24 032	**–**	–
	1 167 943	1 061 982	**135 436**	138 262

Short-term bank deposits include amounts that are readily available for operational purposes.

The group, through CA Sales & Distribution (Pty) Ltd, has a guarantee in favour of British American Tobacco (Botswana) for R67.2 million with ABSA Bank Botswana Limited.

11 ASSETS AVAILABLE FOR SALE

AP Assets classified as available for sale include assets that do not currently align with the group's long-term strategies. The disposal of these assets is most likely expected to occur within the next 12 months and, therefore, have been classified as available for sale. Assets that are classified as available for sale are not depreciated.

	Group	
	2024 R'000	2023 R'000
Reconciliation of assets available for sale:		
Opening net book value	**16 269**	–
Reclassified from property, plant and equipment	**–**	247
Reclassified from investment properties	**–**	15 478
Fair value gain	**–**	544
Disposal of assets available for sale	**(16 269)**	–
Closing net book value	**–**	16 269

Assets classified as available for sale included investment properties and equipment, included in the Namibia segment. These assets did not align with the group's long-term strategy. There were no businesses classified as available for sale. These properties were disposed of in January 2024 for a proceed of R 17 million. The payment was received in the prior year and reported in trade and other payables as a payment received in advance (note 16) as the legal transfer of the assets was not finalised at the 2023 year-end.

12 STATED CAPITAL

AP Stated capital consists solely of ordinary share capital. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

	2024 Number	2023 Number
Authorised shares		
Ordinary shares with no par value	**2 000 000 000**	2 000 000 000

Movements in ordinary shares	2024 Number of shares	2023 Number of shares	2024 R'000	2023 R'000
Balance at the beginning of the year	**475 380 961**	473 337 178	**955 797**	949 342
Shares issued as part of a business combination transaction	**1 524 971**	510 904	**22 432**	3 822
Share buy back	**–**	(100 025)	**–**	(706)
Share options exercised	**2 011 549**	1 632 904	**2 432**	3 339
Balance at the end of the year (fully paid)	**478 917 481**	475 380 961	**980 661**	955 797

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of shares and amounts paid on the shares held.

Options were exercised in April 2024. R10.2 million relating to the employee tax was debited to the share-based payment reserve.

1 524 971 shares were issued on 4 November 2024 to shareholders of an associate company in exchange for a 100% shareholding (see note 25).

Substantial shareholders above 5%

Pursuant to the provisions of section 56 of the South African Companies Act, the following shareholders held directly and indirectly equal to or in excess of 5% of the issued share capital as at 31 December 2024:

	Total shareholding	%
Botswana Insurance Fund Management	**71 085 222**	**15**
Coronation Fund Managers	**46 799 946**	**10**
Botswana Public Officers Pensions Fund (BPOPF)	**45 357 877**	**9**
Export Marketing Investments (Pty) Ltd	**42 200 690**	**9**
Total	**205 443 735**	**43**

Notes to the **consolidated and separate financial statements** continued

12 STATED CAPITAL continued

The shareholding of directors in the ordinary issued share capital of CA Sales Holdings Ltd as at 31 December was as follows:

	2024		2023	
	Number	%	Number	%
Direct shareholding				
Executive directors				
DS Lewis	**3 081 032**	**0.64**	2 845 689	0.60
FJ Reichert	**468 954**	**0.10**	164 047	0.03
Non-Executive directors				
JA Holtzhausen	**759 233**	**0.16**	759 233	0.16
Indirect shareholding				
Executive directors				
DS Lewis	**11 208 100**	**2.34**	11 248 100	2.37
Non-Executive directors				
FW Britz	**1 229 382**	**0.26**	1 229 382	0.26
E Masilela	**110 250**	**0.02**	110 250	0.02
L Cronje	**9 950**	**0.00**	9 950	0.00
JA Holtzhausen	**627 092**	**0.13**	627 092	0.13
Total	**17 493 993**	**3.65**	16 993 743	3.58

12 STATED CAPITAL continued

Share-based payments

AP CA Sales Holdings Limited operates equity-settled share-based payment schemes under which the share options were granted to selected executive management of the group's subsidiaries and holding company. The fair value of the executive services received in exchange for the grant of the share options, less the amount paid by the executive, is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the grant date fair value of the share options granted. Vesting conditions are included in assumptions about the number of share options that are expected to become exercisable. At each reporting date, the entity revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, and a corresponding adjustment to equity over the remaining vesting period. If the group cancels or settles a grant of equity instruments during the vesting period, the group accounts for the cancellation or settlement of the grant and recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. The share-based payment costs are recognised in the statement of comprehensive income and a share-based payment reserve is recognised as part of equity and represents the fair value at grant date of the shares/share options that will be delivered on vesting. The grant date fair value will not be subsequently remeasured.

The share option schemes were approved by shareholders at the preceding annual general meetings. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. In terms of the aforementioned scheme, share options are allocated to participants on the grant date at fair value. The settlement of the purchase consideration payable by the executive in terms of the shares granted occurs when options are exercised. The options are equity settled and have no performance conditions. The benefit to the employees is the growth potential in the value of the shares to which the options relate.

Executive Share Option Schemes	Executive share option scheme – 2020	Executive share option scheme – 2021	Executive share option scheme – 2022	Executive share option scheme – 2023	Executive share option scheme – 2024
The equity-settled share-based payment charge recognised in the statement of comprehensive income (R'000)	834	570	1 118	3 243	2 610
The equity-settled share-based payment charge (prior year) (R'000)	1 624	980	1 408	2 523	–
This charge, net of the related tax effect, was debited to the statement of comprehensive income and credited to other reserves (refer note 13).					
Date granted	12 March 2020	13 March 2021	15 March 2022	24 March 2023	25 March 2024
Number granted	7 090 200	3 639 000	7 793 800	4 862 500	2 859 900
Contractual life	5 years	5 years	5 years	5 years	5 years
Number vested	4 887 075	1 787 900	1 927 525	–	–
Number forfeited	579 325	63 200	83 700	–	–
Number available to vest	1 623 800	1 787 900	5 782 575	4 862 500	2 859 900
Vesting conditions	25% per year from year 2				
Fair value of each share option granted	R6.70	R6.22	R6.33	R8.98	R15.24
The fair values were calculated by applying the Black-Scholes option pricing model					
Option pricing model input:					
Share price at grant date	R5.12	R5.07	R4.74	R6.76	R11.29
Exercise price	R5.12	R5.07	R4.74	R6.76	R11.29
Expected volatility	42.83%	41.97%	47.39%	32.71%	35.87%
Expected dividend yield	1.86%	2.03%	2.48%	2.13%	1.74%
Contractual life	5 years	5 years	5 years	5 years	5 years
Risk free interest rate	6.14%	4.45%	7.21%	12.80%	12.65%

12 STATED CAPITAL continued

Share-based payments continued

To allow for the effects of early exercise, it was assumed that the executives would exercise the options after vesting date when the share price was the same as the exercise price. Volatility was calculated using the share average volatility of similar businesses listed on the JSE.

Scheme 2019 fully vested in May 2024.The current year share-based payment charge relating to scheme 2019 was R0.03 million.

Below is the reconciliation of the share options for the five schemes relating to the executive directors of the company:

		Number of share options as at 31 December 2023	Number of share options awarded during the year	Number of share options exercised during the year	Strike price per share R	Exercise price per share R	Date granted	Number of share options as at 31 December 2024
D Lewis	Scheme 2019	15 930	–	15 930	5.11	11.50	14 March 2019	–
	Scheme 2020	863 550	–	431 775	5.12	11.50	12 March 2020	**431 775**
	Scheme 2021	853 875	–	284 625	5.07	11.50	13 March 2021	**569 250**
	Scheme 2022	1 375 800	–	343 950	4.74	11.50	15 March 2022	**1 031 850**
	Scheme 2023	961 200	–	–	6.76		24 March 2023	**961 200**
	Scheme 2024	–	630 100	–	11.29		25 March 2024	**630 100**
		4 070 355	630 100	1 076 280				**3 624 175**
F Reichert	Scheme 2019	119 439	–	119 439	5.11	11.50	14 March 2019	–
	Scheme 2020	265 600	–	132 800	5.12	11.50	12 March 2020	**132 800**
	Scheme 2021	183 675	–	61 225	5.07	11.50	13 March 2021	**122 450**
	Scheme 2022	1 407 700	–	351 925	4.74	11.50	15 March 2022	**1 055 775**
	Scheme 2023	398 600	–	–	6.76		24 March 2023	**398 600**
	Scheme 2024	–	398 600	–	11.29		25 March 2024	**398 600**
		2 375 014	398 600	665 389				**2 108 225**
Total		**6 445 369**	**1 028 700**	**1 741 669**				**5 732 400**

There are no vested share options which have not been exercised.

13 OTHER RESERVES

AP The share-based payment reserve is used to recognise the grant date fair value of options issued to employees, but not exercised. The group transfers amounts from the share-based payment reserve upon the exercise or lapse of options to retained earnings. Forfeited options are also transferred from this reserve to retained earnings in the year that options are forfeited.

Exchange differences arising on the translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve within equity. The cumulative amount is reclassified to comprehensive income when the net investment is disposed of.

The following table shows a breakdown of the other reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table:

	Group			Company	
2024	**Foreign currency translation R'000**	**Share-based payment R'000**	**Total R'000**	**Share-based payment R'000**	**Total R'000**
Opening carrying value	**33 781**	**13 772**	**47 553**	**13 772**	**13 772**
Currency translation adjustments	**(38 453)**	**–**	**(38 453)**	**–**	**–**
Foreign currency translation reclassified to comprehensive income	**(649)**	**–**	**(649)**	**–**	**–**
Share-based payment cost of share options exercised	**–**	**(10 242)**	**(10 242)**	**(10 242)**	**(10 242)**
Share-based payment cost – 2019 scheme	**–**	**26**	**26**	**26**	**26**
Share-based payment cost – 2020 scheme	**–**	**834**	**834**	**834**	**834**
Share-based payment cost – 2021 scheme	**–**	**570**	**570**	**570**	**570**
Share-based payment cost – 2022 scheme	**–**	**1 118**	**1 118**	**1 118**	**1 118**
Share-based payment cost – 2023 scheme	**–**	**3 243**	**3 243**	**3 243**	**3 243**
Share-based payment cost – 2024 scheme	**–**	**2 610**	**2 610**	**2 610**	**2 610**
Closing carrying value	**(5 321)**	**11 931**	**6 610**	**11 931**	**11 931**
2023					
Opening carrying value	8 784	14 653	23 437	14 653	14 653
Currency translation adjustments	24 771	–	24 771	–	–
Foreign currency translation reclassified to comprehensive income	226	–	226	–	–
Share based payment cost of share options exercised	–	(3 791)	(3 791)	(3 791)	(3 791)
Share-based payment cost – 2018 scheme	–	228	228	228	228
Share-based payment cost – 2019 scheme	–	158	158	158	158
Share-based payment cost – 2020 scheme	–	1 624	1 624	1 624	1 624
Share-based payment cost – 2021 scheme	–	980	980	980	980
Share-based payment cost – 2022 scheme	–	1 408	1 408	1 408	1 408
Share-based payment cost – 2023 scheme	–	2 523	2 523	2 523	2 523
Transfer remaining cost of share options exercised	–	(4 011)	(4 011)	(4 011)	(4 011)
Closing carrying value	33 781	13 772	47 553	13 772	13 772

14 BORROWINGS

AP BORROWINGS (EXCLUDING LEASES)

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, using the effective-interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings, using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

LEASES

The group leases various offices, warehouses, equipment and vehicles. Rental agreements are typically entered into for fixed periods of three to ten years but may have extension options. The group is not a lessor. At inception of a contract, the group assesses whether a contract is, or contains a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Contracts may contain both lease and non-lease components. With regards to vehicles and office equipment, the non-lease components, identified in the contracts, are expensed. For leases of offices and warehouses for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments. Lease payments to be made under reasonably certain extension options, are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Extension and termination options are included in a number of property and equipment leases across the group. Most extension options in equipment and vehicle leases have not been included in the lease liability because the group could replace the assets without significant cost or business disruption. To determine the incremental borrowing rate, the group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. When there are lease re-assessments, lease modifications or revised in-substance fixed lease payments, the lease liability is re-assessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The group companies are intermediate lessors in incidental situations where an insignificant portion of the office space is subleased to third parties. Subleases are classified as operating leases. The intermediate lessor recognises the lease income from operating leases on a straight-line basis over the lease term. The respective leased asset is included in the statement of financial position based on its nature.

	Group	
	2024 R'000	**2023 R'000**
Non-current		
Unsecured loans	–	263
Secured loans	**94 125**	132 063
Lease liabilities	**232 296**	178 255
Total non-current borrowings	**326 421**	310 581
Current		
Bank overdrafts	**332 124**	475 257
Unsecured loans	**227**	11 307
Secured loans	**36 837**	38 630
Lease liabilities	**47 764**	41 642
Total current borrowings	**416 952**	566 836
Total borrowings	**743 373**	877 417

14 BORROWINGS continued

	Group 2024 R'000	Group 2023 R'000
The carrying amounts of the group's borrowings are denominated in the following currencies:		
South African Rand (ZAR)	**61 512**	58 979
Namibian Dollar (NAD)	**122 720**	195 461
Emalangeni (SZL)	**6 831**	8 129
Botswanan Pula (BWP)	**527 260**	584 571
Other (incl. Lesotho Loti (LSL) and United States Dollar (USD))	**25 050**	30 277
	743 373	877 417
The secured loans are secured as follows:		
Loan secured by mortgage bond over fixed property	**130 962**	170 693
Total secured revolving trade loan facilities	**64 000**	50 000
Loans secured by cessions of inventories and trade receivables	**–**	–
Undrawn facilities	**64 000**	50 000
Total unsecured revolving trade loan facilities	**–**	12 080
Unsecure loans	**(227)**	(11 307)
Undrawn facilities	**–**	773
Total bank overdraft facilities	**825 676**	579 259
Bank overdrafts are secured by cessions of inventories and trade receivables	**(332 124)**	(475 257)
Undrawn facilities	**493 552**	104 002

The principal covenant limits of the mortgage bond are net debt to EBITDA of no more than 2.5 times, interest cover of no less than 3 times and a debt service cover ratio of no less than 1.35 times. Compliance with the debt covenants is formally tested annually and have not been breached. The group has complied with these covenants throughout the reporting period. As at 31 December 2024, the interest cover was 13.7 times (2023: 15.7 times), the ratio of net debt to EBITDA was positive as the relevant operation was in a net cash position in 2024 (2023: 0.3 times) and the debt service cover ratio was also positive as the relevant operation was in a short-term net cash position in 2024 as well as 2023.

CA Sales Holdings Ltd has provided a suretyship in favour of First National Bank of Namibia for the overdraft facility extended to Wutow Trading (Pty) Ltd, in the amount of R48 million. This suretyship guarantees the repayment of any outstanding balance due under the overdraft facility, limited to the value of the suretyship, should Wutow Trading default on its obligations. As of the reporting date, Wutow Trading has drawn down R11.4 million of the overdraft facility.

14 BORROWINGS continued

Reconciliation of net book value of lease liabilities:	Group 2024 R'000	Group 2023 R'000
Opening net book value	**219 897**	194 375
Exchange differences	**103**	444
New leases	**111 768**	71 393
Business combinations	**894**	2 879
Termination of lease agreements	**(4 319)**	(1 832)
Capital repayments	**(48 608)**	(52 429)
Finance cost accrued	**24 435**	17 509
Finance cost paid	**(24 435)**	(17 509)
Lease modifications	**325**	5 067
Closing net book value	**280 060**	219 897

The lease liabilities increased as operations acquired additional warehouse facilities in Botswana and South Africa. The carrying amount of total borrowings is a reasonable approximation of the fair value.
Cost relating to short-term and low-value leases, included in expenses is R25.3 million (2023: R25.8 million) and R0.7 million (2023: R2.6 million) respectively, as per note 19 (ii).

Interest on lease liabilities for the year amounted to R24.4 million (2023: R17.5 million) as per note 21.

The effective interest rates per annum at the reporting date were as follows:	Group 2024	Group 2023
Lease liabilities	**6.5% - 13.8%**	6.5% - 11.5%
Secured loans	**6.3%**	6.3%
Overdrafts	**4.5% - 11.5%**	4.7% - 11.8%

Refer to note 2.1(ii) for interest rate risk exposure.

14 BORROWINGS continued

The present value lease liabilities may be analysed as follows:

	Group	
	2024	**2023**
Gross lease liabilities – minimum lease payments	**R'000**	**R'000**
Not later than one year	**69 331**	59 865
Later than one year not later than two years	**65 194**	53 159
Later than two years not later than five years	**145 974**	104 117
Later than five years not later than ten years	**82 247**	64 830
	362 746	281 971
Less: future finance charges on lease liabilities	**(82 686)**	(62 074)
Present value of lease liabilities	**280 060**	219 897
The present value of lease liabilities is as follows:		
Not later than one year	**47 764**	41 642
Later than one year not later than two years	**48 769**	39 197
Later than two years not later than five years	**111 045**	80 740
Later than five years not later than ten years	**72 482**	58 318
	280 060	219 897

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default. Details of right-of-use assets are disclosed in note 3.

In the instances where the extension options, offered in the agreements, were not taken, the potential future cash flow exposure, were those extension options to be taken, is R25.8 million (2023: R17.8 million).

The lease agreements do not contain purchase options. There are no restrictions imposed by the lease arrangements such as those concerning dividends, additional debt and further leasing. Leased assets may not be used as security for borrowing purposes.

15 DEFERRED INCOME TAX

AP Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred tax asset is raised on the recognition of a lease liability and a deferred tax liability is raised on the recognition of a right-of-use asset. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

	Asset 2024 R'000	Liability 2024 R'000	Asset 2023 R'000	Liability 2023 R'000
The balance comprises temporary differences attributable to:				
Tax losses	**4 106**	**–**	3 996	–
Provisions	**36 047**	**–**	35 854	–
Lease liabilities	**80 588**	**–**	64 296	–
Other liabilities	**1 350**	**–**	631	–
Property, plant and equipment	**–**	**(25 367)**	–	(26 793)
Intangible assets	**–**	**(11 603)**	–	(2 278)
Prepayments	**–**	**(191)**	–	(270)
Unrealised profits	**–**	**(8 829)**	–	(1 176)
Right-of-use assets	**–**	**(72 003)**	–	(59 302)
Total deferred tax assets/(liabilities)	**122 091**	**(117 993)**	104 777	(89 819)
Set-off of deferred tax liabilities pursuant to set-off provisions	**(77 386)**	**77 386**	(64 692)	64 692
Net deferred tax assets/(liabilities)	**44 705**	**(40 607)**	40 085	(25 127)

Deferred income taxes are calculated on all temporary differences under the liability method using the principal tax rate of the country of incorporation as applied.

Notes to the **consolidated and separate financial statements** continued

15 DEFERRED INCOME TAX continued

The gross movement on the net deferred income tax assets is as follows:

Group	Property, plant and equipment R'000	Provisions R'000	Tax losses R'000	Right-of-use assets R'000	Lease liabilities R'000	Intangibles assets and other differences R'000	Total R'000
2024							
At 1 January	**(26 793)**	**35 854**	**3 996**	**(59 302)**	**64 296**	**(3 093)**	**14 958**
Business combinations	**93**	**–**	**42**	**(294)**	**220**	**(10 893)**	**(10 832)**
Charged to statement of comprehensive income	**1 085**	**228**	**283**	**(12 637)**	**16 349**	**(5 272)**	**36**
Other movements (incl. foreign currency translation differences)	**248**	**(35)**	**(215)**	**230**	**(277)**	**(15)**	**(64)**
At 31 December	**(25 367)**	**36 047**	**4 106**	**(72 003)**	**80 588**	**(19 273)**	**4 098**
2023							
At 1 January	(14 442)	35 239	6 552	(51 222)	54 631	918	31 676
Business combinations	(10 792)	–	–	–	–	(2 429)	(13 221)
Charged to statement of comprehensive income	(1 215)	507	(1 945)	(8 624)	10 223	(1 155)	(2 209)
Other movements (incl. foreign currency translation differences)	(344)	108	(611)	544	(558)	(427)	(1 288)
At 31 December	(26 793)	35 854	3 996	(59 302)	64 296	(3 093)	14 958

The group did not recognise deferred income tax assets of R35.8 million (2023: R61.6 million) in respect of losses amounting to R119.3 million (2023: R157.9 million) that can be carried forward against future taxable income.

Unrecognised temporary differences	2024 R'000	2023 R'000
Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:		
Foreign currency translation	**(5 321)**	33 781
Undistributed earnings	**1 852 424**	1 916 201
	1 847 103	1 949 982
Unrecognised deferred tax liabilities relating to the above temporary differences	**498 718**	526 495

Temporary differences of R5.3 million (2023: R33.8 million) have arisen as a result of the translation of the financial statements of the group's subsidiaries outside South Africa. However, a deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiaries, and no such disposal is expected in the foreseeable future.

The subsidiaries of the group have undistributed earnings of R1.9 billion (2023: R1.9 billion) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as CA Sales Holdings Ltd is able to control the timing of distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

16 TRADE AND OTHER PAYABLES

AP Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective-interest method.

DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The condition is met when the liability is settled by paying the creditor, or when the debtor is released from primary responsibility for the liability either by process of law or by the creditor.

	Group		Company	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**
Trade payables	**1 088 064**	986 957	**18**	20
Refund liabilities from contracts with suppliers	**15 788**	12 184	**–**	–
Deferred payments	**5**	23	**–**	–
Employee benefits	**20 756**	25 699	**–**	–
Payroll related accruals	**46 937**	46 691	**–**	–
Supplier related accruals	**139 357**	111 515	**–**	–
Other accrued expenses	**58 482**	66 167	**1 052**	1 052
Payments received in advance	**–**	17 000	**–**	–
Amounts due to related parties (note 26)	**–**	1 089	**–**	–
Contingent consideration	**–**	6 000	**–**	–
Trade and other payables – financial liabilities	**1 369 389**	1 273 325	**1 070**	1 072
Dividends payable	**51**	29	**51**	29
VAT payable	**48 826**	40 612	**–**	–
Trade and other payables – non-financial liabilities	**48 877**	40 641	**51**	29
Total trade and other payables	**1 418 266**	1 313 966	**1 121**	1 101
Current portion	**1 418 266**	1 313 966	**1 121**	1 101
The carrying amounts of the group's trade and other payables are denominated in the following currencies:				
Rand (ZAR)	**594 852**	474 261	**1 105**	1 081
Namibian Dollar (NAD)	**201 477**	183 967	**–**	–
Emalangeni (SZL)	**138 917**	161 267	**–**	–
Botswana Pula (BWP)	**464 654**	479 113	**16**	20
Other (incl.US Dollar, Euro, Lesotho Loti, Zambia Kwacha)	**18 366**	15 358	**–**	–
	1 418 266	1 313 966	**1 121**	1 101

17 EMPLOYEE BENEFITS AND OTHER PROVISIONS

AP

ANNUAL LEAVE
The leave obligations cover the group's liability for annual leave. Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated annual leave as a result of services rendered by employees up to the reporting date. The current portion of this liability includes all of the provided annual leave. The leave obligation reduces when employees take leave, which occurs throughout the year and is paid out if and when employees resign.

PROFIT-SHARING AND BONUS PLANS
The group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the company's shareholders, after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. The pay-out of bonuses depend on the achievement of certain criteria by the group and the individuals. These criteria are only calculated after the year end. Bonuses are paid after finalisation of the group results, which occurs usually four months after year end.

SEVERANCE BENEFITS
For employees who are employed in Botswana, Eswatini and Lesotho, the group has implemented the requirements of the countries' labour acts relating to severance benefit schemes. The benefits are paid out when employees' services are terminated. For employees who are non-citizens, the group pays gratuity in accordance with the respective contracts of employment.

PROVISIONS
Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

Movements in each class of provision during the financial year are set out below:

Group	**Severance benefit**	**Bonuses**	**Leave pay**	**Total**
2024	**R'000**	**R'000**	**R'000**	**R'000**
Opening balance	**27 518**	**109 631**	**35 720**	**172 869**
Charged to statement of comprehensive income	**12 126**	**108 728**	**11 295**	**132 149**
Utilised during the year	**(14 768)**	**(95 748)**	**(8 922)**	**(119 438)**
Business combinations	**–**	**916**	**707**	**1 623**
Foreign currency translation	**(666)**	**(490)**	**(255)**	**(1 411)**
Closing balance	**24 210**	**123 037**	**38 545**	**185 792**
2023				
Opening balance	23 686	119 092	30 584	173 362
Charged to statement of comprehensive income	10 610	77 240	5 784	93 634
Utilised during the year	(7 643)	(87 083)	(6 097)	(100 823)
Business combinations	–	–	5 226	5 226
Foreign currency translation	865	382	223	1 470
Closing balance	27 518	109 631	35 720	172 869

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

AP The group derives revenue from selling and distributing fast-moving consumer goods as well as delivering services such as retail execution and advisory, retail support, transport, technology and data solutions, and training. Revenue is recognised to depict the transfer of goods or services to customers at an amount that the group expects to be entitled to in exchange for those goods or services, to the extent that it is highly probable that there will be no significant reversal. Revenue is recognised when performance obligations are satisfied upon transferring control of the goods and services. Revenue is recognised at a point in time for the delivery of goods and training services. A customer obtains control when he signs the proof of delivery document. Revenue from providing services is recognised in the accounting period in which the services are rendered and is recognised over time when transport, retail execution and advisory and retail support services are delivered. These performance obligations are satisfied over time, as the performance obligations are being fulfilled. A customer obtains control over the services, as performance milestones, depicted in the service delivery contract, are achieved. The transaction price on the sale of goods might include an element of consideration that is variable on the outcome of future events in the form of settlement discounts. It is considered to be variable consideration because there is uncertainty as to whether the customer will pay the invoice within the discount period. The terms of settlement discounts are stipulated in the trade agreements with customers. The expected settlement value is based on experience with similar customers with similar transactions and doesn't require significant estimation. The group includes some or all of an amount of variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not incur when the uncertainty associated with the variable consideration is subsequently resolved. The group uses the practical expedient to disregard the time value of money as the period between transfer of the goods or services and payment is less than one year.

Disaggregation of revenue from contracts with customers

The group's reportable segments are operating segments that are differentiated by the country of operation. For services provided over time, the obligations are always fulfilled by month end with monthly settlements and no contract assets or liabilities at month end. The table below shows the segment revenue information as well as the basis on which revenue is recognised:

2024	Botswana R'000	Eswatini R'000	Namibia R'000	South Africa R'000	Other Countries R'000	Total R'000
Selling and distribution of products	**6 163 042**	**1 771 133**	**2 247 295**	**1 026**	**318 215**	**10 500 711**
Retail execution and advisory	**1 191**	**24 455**	**11 782**	**1 695 196**	**16 078**	**1 748 702**
Transport	**63 485**	**68 654**	**2 812**	**101 577**	**–**	**236 528**
Retail support and training	**4 068**	**1 967**	**–**	**15 065**	**5 926**	**27 026**
Technology and data solutions	**–**	**–**	**–**	**4 139**	**2 871**	**7 010**
Total revenue	**6 231 786**	**1 866 209**	**2 261 889**	**1 817 003**	**343 090**	**12 519 977**
Intersegmental revenue	**–**	**–**	**–**	**(650)**	**–**	**(650)**
Revenue from external customers	**6 231 786**	**1 866 209**	**2 261 889**	**1 816 353**	**343 090**	**12 519 327**
Timing of revenue recognition						
At a point in time	**6 164 380**	**1 771 133**	**2 247 295**	**1 026**	**318 214**	**10 502 048**
Over time	**67 406**	**95 076**	**14 594**	**1 815 977**	**24 876**	**2 017 929**
Total revenue	**6 231 786**	**1 866 209**	**2 261 889**	**1 817 003**	**343 090**	**12 519 977**
Intersegmental revenue	**–**	**–**	**–**	**(650)**	**–**	**(650)**
Revenue from external customers	**6 231 786**	**1 866 209**	**2 261 889**	**1 816 353**	**343 090**	**12 519 327**
2023						
Selling and distribution of products	5 642 332	1 589 471	2 115 865	1 540	239 330	9 588 538
Retail execution and advisory	1 217	30 768	–	1 421 432	19 317	1 472 734
Transport	59 151	70 576	8 964	93 062	–	231 753
Retail support and training	4 732	–	–	16 108	8 159	28 999
Revenue from external customers	5 707 432	1 690 815	2 124 829	1 532 142	266 806	11 322 024
Timing of revenue recognition						
At a point in time	5 644 582	1 589 471	2 115 865	1 540	239 026	9 590 484
Over time	62 850	101 344	8 964	1 530 602	27 780	1 731 540
Revenue from external customers	5 707 432	1 690 815	2 124 829	1 532 142	266 806	11 322 024

There were no costs incurred to obtain contracts. Obligations for returns and refunds related to contracts with customers are disclosed under note 16.

19 OPERATING INCOME AND EXPENSES

AP FOREIGN EXCHANGE GAINS AND LOSSES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Net foreign exchange gains are presented within “Other operating income” and net foreign exchange losses are presented within “Other operating expenses”.

LEASE EXPENSES

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office equipment or furniture.

(i) Other operating income

		Group		Company	
		2024	**2023**	**2024**	**2023**
The following items have been credited/charged in arriving at the operating profit:	**Note**	**R’000**	**R’000**	**R’000**	**R’000**
Fair value gain on step-up acquisition	25	**15 070**	149	**–**	–
Fair value gain on assets available for sale		**–**	544	**–**	–
Gain on bargain purchase		**–**	123 572	**–**	–
Profit on disposal of investment		**2 004**	–	**–**	–
Profit on sale of property, plant and equipment		**4 135**	7 026	**–**	–
Profit on termination of lease agreement		**1 058**	87	**–**	–
Foreign exchange gains		**10 367**	–	**–**	–
Rental income		**2 834**	994	**–**	–
Botswana training levy refund		**10 481**	13 106	**–**	–
Bad debts recovered		**703**	234	**–**	–
Sundry income		**2 236**	2 142	**–**	–
		48 888	147 854	**–**	–

Notes to the **consolidated and separate financial statements** continued

19 OPERATING PROFIT continued

(ii) Other operating expenses

Expense by nature	Note	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Amortisation of intangible assets	5	**6 706**	4 065	**–**	–
Audit of the group's annual consolidated and separate financial statements – Deloitte Network		**9 038**	8 568	**–**	–
Auditor's remuneration – non Deloitte Network		**1 621**	2 162	**–**	–
Other non-audit services – non Deloitte Network		**124**	92	**–**	–
Bank charges		**5 987**	7 553	**15**	19
Conferences and subscriptions		**10 173**	9 698	**–**	–
Depreciation	3	**106 621**	95 722	**–**	–
Directors remuneration	27	**18 030**	17 964	**–**	–
Donations and enterprise development		**6 547**	4 560	**–**	–
Employee benefit expenses	20	**495 443**	454 328	**2 772**	2 278
Fair value loss on contingent consideration	16	**298**	6 000	**–**	–
Foreign exchange losses		**–**	34 310	**109**	72
Forklift expenses		**5 237**	5 250	**–**	–
Information technology cost		**54 223**	47 534	**–**	–
Insurance		**24 656**	22 701	**–**	–
Loss on sale of property, plant and equipment		**433**	1 650	**–**	–
Loss on termination of lease agreement		**–**	160	**–**	–
Loss on write off of non-recoverable VAT receivable		**12 968**	–	**–**	–
Marketing and advertising		**4 771**	4 362	**–**	–
Short term leases		**25 283**	25 753	**–**	–
Low-value leases		**723**	2 567	**–**	–
Office expenses and staff uniforms		**15 497**	5 793	**–**	–
Pallet hire		**15 843**	12 951	**–**	–
Professional fees		**43 935**	38 429	**1 464**	1 336
Repairs and maintenance		**17 391**	14 266	**–**	–
Security, fumigation and sanitation		**11 947**	12 054	**–**	–
Staff training		**14 710**	19 933	**–**	–
Stationary, printing and office expenses		**9 233**	9 372	**–**	–
Stock write off and provisions for write off		**13 865**	1 307	**–**	–
Settlement fee on acquisition of customer contracts		**3 041**	–	**–**	–
Telephone and communication		**8 576**	7 874	**–**	–
Third party transport expenses		**65 409**	81 540	**–**	–
Travel and entertainment		**24 193**	21 527	**–**	–
Vehicle expenses – fuel and maintenance		**145 566**	126 638	**–**	–
Water and electricity		**22 370**	18 521	**–**	–
Write off of debt		**13**	178	**–**	–
Other expenses		**13 533**	14 285	**135**	70
		1 214 004	1 139 667	**4 495**	3 775

20 EMPLOYEE BENEFIT EXPENSES

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Wages and salaries, including restructuring costs and other termination benefits:				
Salaries, wages and allowances	**487 042**	447 407	**–**	–
Share-based payment expenses	**8 401**	6 921	**2 772**	2 278
	495 443	454 328	**2 772**	2 278
Salaries, wages and allowances included in cost of sales	**1 265 219**	1 078 991	**–**	–
	1 760 662	1 533 319	**2 772**	2 278

21 FINANCE INCOME AND COSTS

AP Finance income is recognised using the effective-interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Finance income on impaired loans and receivables is recognised using the original effective interest rate.

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Finance income				
Bank deposits	**80 452**	68 067	**1 635**	1 233
Local tax authority	**1 077**	1	**–**	–
	81 529	68 068	**1 635**	1 233
Finance costs				
Bank overdrafts	**15 190**	25 938	**–**	–
Secured loans	**9 133**	12 243	**–**	–
Lease liabilities	**24 435**	17 509	**–**	–
Other	**526**	841	**–**	–
	49 284	56 531	**–**	–
Net finance income	**(32 245)**	(11 537)	**(1 635)**	(1 233)

22 INCOME TAX

AP Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

	Group		Company	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Current tax				
Current tax on profits for the year	**171 533**	135 463	**434**	319
Adjustments for current tax of prior periods	**388**	1 302	**(8)**	–
Withholding tax	**22 074**	15 385	**17 500**	9 130
Securities transfer tax	**–**	2	**–**	2
Total current tax expense	**193 995**	152 152	**17 926**	9 451
Deferred income tax				
Current year movement	**1 472**	1 420	**–**	–
Adjustments for deferred tax of prior periods	**(1 508)**	789	**–**	–
Total deferred tax (benefit)/expense	**(36)**	2 209	**–**	–
Income tax expense	**193 959**	154 361	**17 926**	9 451
Numerical reconciliation of income tax expense to *prima facie* tax payable:				
Profit before income tax expense	**814 817**	758 849	**270 876**	145 735
Tax at the South African tax rate of 27%	**220 001**	204 889	**73 137**	39 348
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:				
Assessed tax losses	**(7 583)**	(8 852)	**–**	–
Capital gains tax rate differential	**523**	178	**–**	–
Interest expense disallowed under Section 41A of the Botswana Tax Act	**(408)**	(335)	**–**	–
Foreign tax rate differential *	**(14 551)**	(5 352)	**–**	–
Income from associated companies	**(7 004)**	(2 486)	**–**	–
Non-deductible charges[1]	**14 802**	11 225	**1 206**	10 712
Non-taxable income[2]	**(32 831)**	(62 657)	**(73 909)**	(49 741)
Tax adjustments of prior periods	**(1 120)**	2 091	**(8)**	–
Dividend withholding taxation	**20 404**	12 693	**17 500**	9 130
Withholding taxation	**1 670**	2 692	**–**	–
Other	**56**	275	**–**	2
Income tax expense	**193 959**	154 361	**17 926**	9 451

* The group operates in seven countries across Africa which have statutory corporate tax rates from between 22% to 31%.

22 INCOME TAX continued

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
1 Non-deductible charges include the tax impact of:				
Share based payment expenses	**1 341**	1 095	**749**	615
Dividends paid to the beneficiaries of the Employee Trust	**5 943**	5 263	**–**	–
Apportionment of expenses to non-taxable income	**424**	367	**420**	367
Impairment of intergroup loans	**–**	–	**–**	9 707
Fair value losses	**–**	1 620	**–**	–
Local tax authority penalties and interest	**4 055**	–	**–**	–
Donations	**65**	115	**37**	19
Legal and professional fees of capital nature	**1 329**	2 226	**–**	4
Capital expenditure disallowed under the Botswana Tax Act	**523**	290	**–**	–
Non-productive interest disallowed under the Lesotho Tax Act	**1 011**	–	**–**	–
Other non-deductible expenses	**111**	249	**–**	–
	14 802	11 225	**1 206**	10 712
2 Non-taxable income include the tax impact of:				
Learnership rebates	**(17 837)**	(10 663)	**–**	–
Employment tax incentive	**(9 747)**	(10 597)	**–**	–
Dividends received	**–**	–	**(73 909)**	(49 741)
Fair value gains	**(4 374)**	(214)	**–**	–
Gain on bargain purchase	**–**	(39 543)	**–**	–
Profit on sale of fixed assets	**(250)**	(934)	**–**	–
Capital gains	**–**	(478)	**–**	–
Gain on disposal of investment	**(441)**	–	**–**	–
Other non-taxable income	**(182)**	(228)	**–**	–
	(32 831)	(62 657)	**(73 909)**	(49 741)

23 EARNINGS PER SHARE

AP Basic earnings per share is expressed in cents and is based on the net profit attributable to the owners of the parent divided by the weighted average number of shares in issue during the year, excluding ordinary shares purchased by the company (treasury shares).

Headline earnings are earnings as determined by IAS 33, excluding "separately identifiable remeasurements" (as defined in SAICA Circular 01/2023), net of related tax (both current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings "included remeasurements" (as defined in SAICA Circular 01/2023).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares (incentive shares).

The group adopted earnings per share (EPS) and headline earnings per share (HEPS) as its trading statement requirement in accordance with the JSE Listings Requirements par 8.62 (b).

	Group	
	2024 cents	**2023 cents**
Basic earnings per share		
From continuing operations attributable to the owners of the parent	**126.89**	125.22
Diluted earnings per share		
From continuing operations attributable to the owners of the parent	**124.25**	122.90
Headline earnings per share		
Profit attributable to the owners of the parent, adjusted as required by SAICA Circular 01/2023	**122.71**	97.97
Diluted headline earnings per share		
Profit attributable to the owners of the parent, adjusted as required by SAICA Circular 01/2023	**120.16**	96.15

Reconciliation of earnings used in calculating earnings per share	**2024 R'000**	**2023 R'000**
Basic earnings per share		
Profit attributable to the owners of the parent used in calculating the basic earnings per share		
From continuing operations	**605 226**	594 150
Diluted earnings per share		
The company does not have any potentially dilutive transactions		
Profit attributable to the owners of the parent used in calculating the diluted earnings per share		
From continuing operations	**605 226**	594 150

23 EARNINGS PER SHARE continued

Headline earnings	Gross 2024 R'000	Gross 2023 R'000	Net 2024 R'000	Net 2023 R'000
Profit after taxation attributable to the owners of the parent			**605 226**	594 150
Adjustments as per SAICA Circular 01/2023:				
Net profit on sale of property, plant and equipment	**(3 702)**	(5 376)	**(2 847)**	(5 031)
Fair value gain on assets available for sale	**–**	(544)	**–**	(544)
Insurance proceeds for stolen computer equipment	**–**	(48)	**–**	(35)
Profit on disposal of investment	**(2 004)**	–	**(2 004)**	–
Fair value gain on step-up acquisition	**(15 070)**	(149)	**(15 070)**	(149)
Gain on bargain purchase	**–**	(123 572)	**–**	(123 572)
Headline earnings used in calculating headline earnings per share			**585 305**	464 819

The net amounts of the headline earnings adjustments are adjusted with the tax and non-controlling interest impact, where applicable.

Diluted headline earnings	2024	2023
The company does not have any potentially dilutive transactions		
Headline earnings used in calculating diluted headline earnings per share	585 305	464 819

Weighted average number of shares used as the denominator	2024 Number	2023 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and headline earnings per share	**476 976 156**	474 469 254
Adjustments for calculation of diluted earnings per share and diluted headline earnings per share:		
Share options	**10 129 843**	8 970 514
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share and diluted headline earnings per share	**487 105 999**	483 439 768

24 NOTES TO THE CASH FLOW STATEMENT

24.1 Cash generated from/(utilised) by operations

	Group		Company	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000
Profit before income tax	**814 817**	758 849	**270 876**	145 735
Adjustments for:				
Depreciation	**106 621**	95 722	**–**	–
Amortisation	**6 706**	4 065	**–**	–
Net profit on disposal of property, plant and equipment	**(3 702)**	(5 376)	**–**	–
Dividends received	**–**	–	**(273 736)**	(184 227)
Finance income	**(81 529)**	(68 068)	**(1 635)**	(1 233)
Finance costs	**49 284**	56 531	**–**	–
Fair value adjustments on contingent consideration	**298**	6 000	**–**	–
Fair value gain on step-up acquisition	**(15 070)**	(149)	**–**	–
Fair value gain on assets available for sale	**–**	(544)	**–**	–
Impairment losses/(gains) on financial assets	**1 759**	(3 593)	**–**	35 950
Gain on bargain purchase	**–**	(123 572)	**–**	–
Share of profit of investments accounted for using the equity method	**(28 333)**	(10 356)	**–**	–
Share-based payments	**8 401**	6 921	**2 772**	2 278
Net (profit)/loss on termination of lease agreements	**(1 058)**	73	**–**	–
Unrealised foreign exchange losses	**8 170**	10 552	**106**	–
Profit on disposal of investment	**(2 004)**	–	**–**	–
Other	**–**	289	**–**	–
Payment on share options exercised	**(10 242)**	(3 791)	**(10 242)**	(3 790)
	854 118	723 553	**(11 859)**	(5 287)
Changes in working capital				
Increase in inventories	**(34 306)**	(160 638)	**–**	–
(Increase)/decrease in trade and other receivables	**(180 677)**	(159 991)	**2**	(2)
Increase/(decrease) in trade and other payables	**125 252**	137 660	**(2)**	(96)
Increase/(decrease) in employee benefits and other provisions	**7 762**	(6 850)	**–**	–
	(81 969)	(189 819)	**–**	(98)
Cash generated from/(utilised) by operations	**772 149**	533 734	**(11 859)**	(5 385)

24 NOTES TO THE CASH FLOW STATEMENT continued

24.2 Proceeds from disposal of property, plant and equipment

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
In the statement of cash flows, proceeds from sale of property, plant and equipment comprise:				
Net book value	**3 015**	15 908	**–**	–
Net profit on disposal of property, plant and equipment	**3 702**	5 376	**–**	–
Proceeds	**6 717**	21 284	**–**	–

24.3 Non-cash investing and financing activities

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Acquisition of right-of-use assets through leases (notes 3 and 14)	**111 768**	71 393	**–**	–

24.4 Net cash/(debt) reconciliation

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Cash and cash equivalents	**1 167 943**	1 061 982	**135 436**	138 262
Bank overdrafts	**(332 124)**	(475 257)	**–**	–
Current borrowings	**(37 064)**	(49 937)	**–**	–
Non-current borrowings	**(94 125)**	(132 326)	**–**	–
Current leases	**(47 764)**	(41 642)	**–**	–
Non-current leases	**(232 296)**	(178 255)	**–**	–
Net cash	**424 570**	184 565	**135 436**	138 262

	Other assets	Liabilities from financing activities					Total
Group	Cash R'000	Overdraft R'000	Current leases R'000	Non-current leases R'000	Current loans R'000	Non-current loans R'000	R'000
Net cash/(debt) as at 1 January 2024	1 061 982	(475 257)	(41 642)	(178 255)	(49 937)	(132 326)	184 565
Cash flows	109 819	132 125	48 608	–	46 461	–	337 013
Finance cost accrual	–	(15 190)	(24 435)	–	(9 133)	–	(48 758)
Finance cost paid	–	15 190	24 435	–	9 133	–	48 758
Business combinations	9 872	–	–	(894)	–	(293)	8 685
Foreign exchange adjustments	(13 730)	11 008	313	(416)	886	4 020	2 081
Non-cash movements – new leases	–	–	–	(111 768)	–	–	(111 768)
Non-cash movements – termination of leases	–	–	603	3 716	–	–	4 319
Other non-cash movements	–	–	(15)	(310)	–	–	(325)
Transfers from non-current to current balances	–	–	(55 631)	55 631	(34 474)	34 474	–
Net cash/(debt) as at 31 December 2024	1 167 943	(332 124)	(47 764)	(232 296)	(37 064)	(94 125)	424 570

24 NOTES TO THE CASH FLOW STATEMENT continued

24.4 Net cash/(debt) reconciliation continued

	Other assets	Liabilities from financing activities					Total
	Cash	Overdraft	Current leases	Non-current leases	Current loans	Non-current loans	
Group	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Net cash/(debt) as at 1 January 2023	735 849	(284 712)	(39 776)	(154 599)	(38 035)	(168 226)	50 501
Cash flows	306 550	(181 757)	52 429	–	43 169	(11 307)	209 084
Finance cost accrual	–	(25 938)	(17 509)	–	(12 243)	–	(55 690)
Finance cost paid	–	25 938	17 509	–	12 243	–	55 690
Business combinations	5 571	–	(154)	(2 725)	–	–	2 692
Foreign exchange adjustments	14 012	(8 788)	672	(1 116)	(1 355)	(6 509)	(3 084)
Non-cash movements – new leases and bonds	–	–	–	(71 393)	–	–	(71 393)
Non-cash movements – termination of leases	–	–	682	1 150	–	–	1 832
Other non-cash movements	–	–	(4 220)	(847)	–	–	(5 067)
Transfers from non-current to current balances	–	–	(51 275)	51 275	(53 716)	53 716	–
Net cash/(debt) as at 31 December 2023	1 061 982	(475 257)	(41 642)	(178 255)	(49 937)	(132 326)	184 565

24.5 Taxation paid

	Group		Company	
	2024 R'000	**2023 R'000**	**2 024 R'000**	**2023 R'000**
Tax liability at the beginning of the year	**(20 167)**	(4 137)	**(15)**	(5)
Charge to profit and loss	**(193 959)**	(154 361)	**(17 926)**	(9 451)
Movement in deferred taxation	**(36)**	2 209	**–**	–
Business combinations	**561**	1 233	**–**	–
Foreign currency translation	**152**	56	**–**	–
Other adjustments	**–**	(41)	**–**	–
Net tax liability at the end of the year	**13 754**	20 165	**7**	15
Tax paid	**(199 695)**	(134 876)	**(17 934)**	(9 441)

25 BUSINESS COMBINATIONS

AP Subsidiaries are fully consolidated from the date on which control is transferred to the group (acquisition date) and are deconsolidated from the date that control ceases (disposal date). Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition method of accounting is used to account for business combinations by the group. A business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in the statement of comprehensive income. Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in the statement of comprehensive income or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Acquisition of subsidiaries

MAC MARKETING COMMUNICATIONS (MAURITIUS) LTD and MAC INVESTMENTS (PTY) LTD ("THE MACMOBILE GROUP")

On 5 May 2020, CA Sales Investments (Pty) Ltd and Pamstad (Pty) Ltd, wholly owned subsidiaries of CA Sales Holdings Ltd, acquired 46.7% and 46% of the share capital of Mac Investments (Pty) Ltd and Mac Marketing Communications (Mauritius) Ltd, for R3.4 million and R10.6 million, respectively. On 18 October 2024, the group acquired the remaining 53.3% of the issued shares in Mac Investments (Pty) Ltd and 54% of the issued shares in Mac Marketing Communications (Mauritius) Ltd, for a total purchase consideration of R37.7 million, settled in cash and shares. The group recognised a profit of R15.1 million as a result of measuring at fair value its 46.7% and 47% equity interest in the Macmobile Group, held before the business combination. The profit is included in other operating income in the group's statement of comprehensive income for the year ended 31 December 2024. The Macmobile Group provides information technology and data solutions to both the formal retail sector and merchants in the informal market (general trade), delivering market intelligence across the entire value chain of the fast-moving consumer goods sector. This is in line with the group's strategy to supply additional services to its clients. The transaction resulted in goodwill of R29.2 million and other intangible assets of R40.4 million.

Transaction costs relating to the acquisition, in the form of professional fees, amounted to R0.5 million. These costs have been expensed as per the accounting policy and are included in professional fees (note 19 (ii)).

The following table summarises the purchase consideration paid for the Macmobile Group and the fair value of assets acquired and liabilities assumed, at the acquisition date:

	2024 R'000
Cash paid	15 221
Consideration in the form of equity instruments	22 432
Fair value of equity interest held in the company before the business combination	32 783
Right of return asset (included in note 9 - Trade and other receivables)	(1 509)
Total purchase consideration	**68 927**

25 BUSINESS COMBINATIONS continued

	2024 R'000
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	**9 872**
Property, plant and equipment	**907**
Intangible assets	**40 391**
Deferred income tax assets	**355**
Trade and other receivables	**9 548**
Income tax receivable	**561**
Trade and other payables	**(9 530)**
Deferred tax liability	**(11 187)**
Borrowings	**(1 187)**
Total identifiable net assets	**39 730**
Goodwill	**29 197**
Net assets acquired	**68 927**
Cash flow on acquisition	
Purchase consideration – cash paid	**15 221**
Cash and cash equivalents acquired	**(9 872)**
Net cash outflow – investing activities	**5 349**

The assets and liabilities recognised are the final amounts. The fair value of acquired trade and other receivables is R9.5 million which equals the gross contractual amount and is expected to be fully collectable.

The goodwill arose as a result of the business value, derived from the net present value of expected future cash flows, exceeding the fair value of net assets acquired. Goodwill is not expected to be deductible for tax purposes. The intangible assets relate to the fair value of the customer list (R13.4 million) and in-house developed software (R27.0 million). The customer list will be amortised over a period of three years and the software over a period of four years. The value of amortisation included in the statement of comprehensive income, relating to these intangible assets, is R1.9 million.

As part of the business combination, a right of return asset exists in accordance with IFRS 3 *Business Combinations* . The right of return asset represents the group's right to recover a portion of the consideration paid to the major shareholder as per the terms of the sale agreement. The fair value of the right of return asset has been determined based on management's best estimate of the 31 December 2024 normalised profit after tax of the Macmobile Group as per the profit warranty clause in the sale agreement. The group monitors and adjusts the carrying amount of the right of return asset in accordance with changes in the expected level of return, and any such adjustments are reflected in the profit or loss.

The revenue included in the consolidated statement of comprehensive income contributed by the Macmobile Group since 1 November 2024, was R7.2 million with R0.9 million profit after tax.

Had the Macmobile Group been consolidated from 1 January 2024, the consolidated statement of comprehensive income of the group would have included pro-forma revenue of R34.4 million and profit after tax of R4.8 million.

26 RELATED PARTY TRANSACTIONS

Subsidiaries

Interests in subsidiaries are set out in note 6.

Associated companies

Interests in associates are set out in note 7.

Transactions and balances

During the financial year the company and its subsidiaries conducted the following transactions with associates, key management and parties exercising significant influence:

		Group		Company	
	Note	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Dividend income					
Pack 'n Stack Investment Holdings (Pty) Ltd		–	–	88 736	77 674
Logico Unlimited (Pty) Ltd		–	–	40 000	20 000
SMC Brands SA (Pty) Ltd		–	–	10 000	15 000
CA Sales & Distribution (Pty) Ltd		–	–	135 000	71 553
Other operating expenses - Information Technology cost	19 (ii)				
Mac Money Mobile Banking Solutions (Pty) Ltd		5 756	5 409	–	–
Amounts due from related parties					
Trade and other receivables - Loans to related parties	9				
CA Sales and Distribution (Pty) Ltd		–	–	6 701	8 827
CAS Marketing (Pty) Ltd		–	–	157 218	69 714
Wutow Trading (Pty) Ltd		–	–	76 188	76 187
CA Sales Investments (Pty) Ltd		–	–	97 664	2 737
Pamstad (Pty) Ltd		–	–	3 698	3 805
Loss allowance on the above receivables		–	–	(72 451)	(72 451)
Trade payables – Amounts due to related parties	16				
Mac Money Mobile Banking Solutions (Pty) Ltd		–	1 089	–	–
Key management compensation					
Salaries and other short-term employee benefits		18 030	17 964	–	–
Share options exercised		11 395	3 550	–	–

Detailed directors' remuneration disclosures are provided in note 27.

Related party transactions were made on terms equivalent to those that prevail in arm's-length transactions.

27 DIRECTORS' REMUNERATION

Executive directors	Salary (R'000)	Bonus (R'000)	Share options exercised (R'000)	Total (R'000)
2024				
D Lewis	**4 238**	**4 966**	**7 012**	**16 216**
F Reichert	**2 659**	**3 067**	**4 383**	**10 109**
Total	**6 897**	**8 033**	**11 395**	**26 325**
2023				
D Lewis	3 941	5 676	2 604	12 221
F Reichert	2 434	3 505	946	6 885
Total	6 375	9 181	3 550	19 106

See note 12 for share options granted to directors.

The bonuses are those amounts which were paid during the financial year but were calculated based on the results of the prior year.

27 DIRECTORS' REMUNERATION continued

Non-executive directors	Board (R'000)	Audit and risk committee (R'000)	Remuneration and nominations committee (R'000)	Social and ethics committee (R'000)	Total (R'000)
2024					
FW Britz	**247**	**56**	**–**	**57**	**360**
LR Cronje	**247**	**57**	**–**	**–**	**304**
JA Holtzhausen	**469**	**–**	**103**	**56**	**628**
B Marole	**247**	**–**	**–**	**57**	**304**
E Masilela	**386**	**–**	**57**	**–**	**443**
JS Moakofi	**247**	**–**	**56**	**–**	**303**
B Mathews	**247**	**57**	**–**	**103**	**407**
B Patel	**248**	**103**	**–**	**–**	**351**
Total	**2 338**	**273**	**216**	**273**	**3 100**
2023					
FW Britz	207	38	–	40	285
LR Cronje	207	50	–	–	257
JA Holtzhausen	328	–	62	40	430
B Marole	208	12	–	40	260
E Masilela	275	12	40	–	327
JS Moakofi	208	–	40	–	248
B Mathews	207	50	–	63	320
B Patel	208	73	–	–	281
Total	1 848	235	142	183	2 408

28 SEGMENTAL REVIEW

AP The group's chief operating decision makers ("CODM"), consisting of the chief executive officer and the chief financial officer, examine the group's performance from a geographical perspective. The group's reportable segments are operating segments that are differentiated by the country of operation. These reportable segments comprise the structure used by the CODM to make key operating decisions and assess performance. The group evaluates the performance of its reportable segments based on revenue, earnings before interest and tax ("EBIT") as well as earnings before interest, tax, depreciation, amortisation and impairments ("adjusted EBITDA"). The financial information (including revenue, EBIT, adjusted EBITDA, total assets and total liabilities) of the group's reportable segments is reported to the CODM for purposes of making decisions about allocating resources to the segment and assessing its performance. The group accounts for intersegment sales and transactions as if the sales and transactions were entered into under the same terms and conditions as would have been entered into in a market-related transaction. The intersegment sales and transactions are included in the values per segment and eliminated on the intersegmental transactions line. The segments that individually do not meet the qualitative thresholds indicated in IFRS 8 *Operating Segments,* have been aggregated under the heading "other countries" and include operations in Lesotho, Mauritius, Zambia and Zimbabwe.

The segments derive their income from selling and distributing fast-moving consumer goods as well as services such as retail execution and advisory, retail support, transport, technology and data solutions, and training (see note 18).

	Revenue		EBIT		Adjusted EBITDA	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**	**2024 R'000**	**2023 R'000**
Botswana	**6 231 786**	5 707 433	**299 288**	269 466	**331 501**	294 392
Eswatini	**1 866 209**	1 690 815	**163 926**	145 353	**172 643**	159 834
Namibia	**2 261 889**	2 124 829	**44 440**	181 716	**66 655**	79 770
South Africa	**1 817 003**	1 532 141	**246 359**	150 271	**287 392**	183 381
Other countries	**343 090**	266 806	**28 559**	252	**37 708**	5 896
Intersegmental transactions	**(650)**	–	**–**	254	**–**	254
Total	**12 519 327**	11 322 024	**782 572**	747 312	**895 899**	723 527
Reconciliation from adjusted EBITDA to profit after tax:						
Adjusted EBITDA*					**895 899**	723 527
Depreciation and amortisation					**(113 327)**	(99 787)
Gain on bargain purchase (relating to the Namibia segment)					**–**	123 572
EBIT					**782 572**	747 312
Net finance income					**32 245**	11 537
Taxation					**(193 959)**	(154 361)
Profit after tax					**620 858**	604 488

Revenues of approximately R4.52 billion (2023: R2.7 billion) are derived from four external customers domiciled in Botswana and are attributed to the Botswana, Lesotho, Namibia and Zambia segments.

* Non-IFRS performance measure

Non-IFRS performance measures are measures that (i) are not defined by IFRS, (ii) are not uniformly defined or used by all entities, and (iii) may not be comparable with similar labeled measures and disclosures provided by other entities. The directors are responsible for compiling the non-IFRS performance measures.

28 SEGMENTAL REVIEW continued

	Cost of sales		Employee expenses		Vehicle expenses		Depreciation and amortisation	
	2024 R'000	**2023 R'000**	**2024 R'000**	**2023 R'000**	**2024 R'000**	**2023 R'000**	**2024 R'000**	**2023 R'000**
Botswana	**5 487 956**	5 032 885	**215 254**	195 876	**88 582**	71 696	**32 205**	24 929
Eswatini	**1 571 184**	1 420 835	**69 421**	64 446	**19 352**	15 626	**8 718**	14 480
Namibia	**1 963 534**	1 813 571	**90 131**	90 434	**7 139**	8 202	**22 217**	22 881
South Africa	**1 286 778**	1 101 262	**1 376 164**	1 175 508	**26 409**	27 766	**41 037**	33 108
Other countries	**289 411**	228 295	**9 692**	8 425	**4 084**	3 348	**9 150**	5 645
Intersegmental transactions	**(650)**	–	**–**	(1 370)	**–**	–	**–**	(1 256)
Total	**10 598 213**	9 596 848	**1 760 662**	1 533 319	**145 566**	126 638	**113 327**	99 787
			Note 20		**Note 19**		**Note 19**	

	Total assets		Non-current assets excluding deferred tax and financial assets		Total liabilities		Capital expenditure and intangibles acquired	
	2024 R'000	2023 R'000	**2024 R'000**	2023 R'000	**2024 R'000**	2023 R'000	**2024 R'000**	2023 R'000
Botswana	**2 682 222**	2 572 708	**697 973**	636 005	**1 405 262**	1 333 238	**122 397**	22 018
Eswatini	**791 444**	625 643	**128 158**	115 484	**359 954**	279 498	**22 300**	18 886
Namibia	**765 768**	793 207	**215 639**	204 966	**456 224**	523 131	**18 214**	132 198
South Africa	**1 597 312**	1 222 694	**435 688**	305 713	**397 006**	359 386	**100 813**	67 433
Other countries	**214 125**	197 089	**51 757**	58 627	**195 693**	183 203	**13 403**	30 954
Intersegmental balances	**(402 019)**	(258 779)	**–**	–	**(402 019)**	(258 779)	**–**	–
Total	**5 648 852**	5 152 562	**1 529 215**	1 320 795	**2 412 120**	2 419 677	**277 127**	271 489

Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset.

Notes to the **consolidated and separate financial statements** continued

29 CONTINGENT LIABILITIES

There were no contingencies and commitments which require adjustments to or disclosure in these financial statements.

30 CAPITAL COMMITMENTS

The group has capital expenditure commitments to the value of R4.9 million (2023: R9.6 million) that were authorised but not yet contracted or recognised as liabilities.

31 EVENTS AFTER BALANCE SHEET DATE

The significant events that occurred after the reporting date that require disclosure in the consolidated annual financial statements for the year ended 31 December 2024 are the following:

Business combinations

On 17 February 2025, Pamstad (Pty) Ltd, a wholly owned subsidiary of CA Sales Holdings Ltd, purchased 35% of the share capital of Trapin Holdings Ltd (“the Tradco Group”) for an estimated capped value of R135 million. The final payment will be determined upon the finalisation of the Tradco Group's audited results and the Rand value will also be dependent on the Kenyan Shilling/Rand exchange rate at the date of payment. The Tradco Group is a trade marketing and branding services business based in Kenya with further operations in Uganda. Its services include event management and logistics, data research and analysis, creative development, production and branding, trade merchandising and promotions, concept and strategy development, and consumer promotion and experiential marketing services. This is a geographical expansion for the CA&S Group.

Dividend declaration

A final dividend of 24.44 (2023: 19.56) cents (or BWP equivalent) per share in respect of the year ended 31 December 2024 was declared on Thursday, 27 March 2025, for payment to the ordinary shareholders of the company at the close of business on Tuesday, 29 April 2025. In line with the company's dividend policy, the dividend was maintained at 20% of the headline earnings. The number of issued shares at the declaration date is 478 917 481. The dividend has been declared from income reserves.

32 GOING CONCERN

The financial statements have been prepared on the basis of accounting policies applicable to a going concern.

The directors consider that the group entities and company have adequate resources to continue operating for the foreseeable future. The directors have satisfied themselves that the group entities and company are in a sound financial position and that they have access to sufficient cash and borrowing facilities to meet foreseeable cash requirements.

Corporate **information**

Company registration number
2011/143100/06

Country of incorporation
South Africa

Date of incorporation
7 December 2011

Tax residency
South Africa

Registered Office
1st Floor, Building C, Westend Office Park, 254 Hall Street, De Hoewes, Centurion, 0157, South Africa

Corporate Advisor and JSE Sponsor
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(PO Box 7403, Stellenbosch, 7599, South Africa)
and at
The Place, 1st Floor, 1 Sandton Drive, Sandhurst, Sandton, 2196, South Africa
(PO Box 650957, Benmore, 2010)

Company Secretary
Bernadien Naude CA(SA)
1st Floor, Building C, Westend Office Park, 254 Hall Street, De Hoewes, Centurion, 0157, South Africa
(PO Box 7403, Stellenbosch, 7599, South Africa)

BSE Sponsor
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Auditor and Reporting Accountants
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5 Magwa Crescent, Waterfall City, Waterfall, 2090, South Africa

Principal Banker
First National Bank Limited

Website
www.cas.group

Transfer Secretaries (BSE)
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Transfer Secretaries (JSE)
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group