BELL EQUIPMENT LIMITED

CONSOLIDATED AUDITED ANNUAL FINANCIAL STATEMENTS
31 December 2024

BELL EQUIPMENT LIMITED
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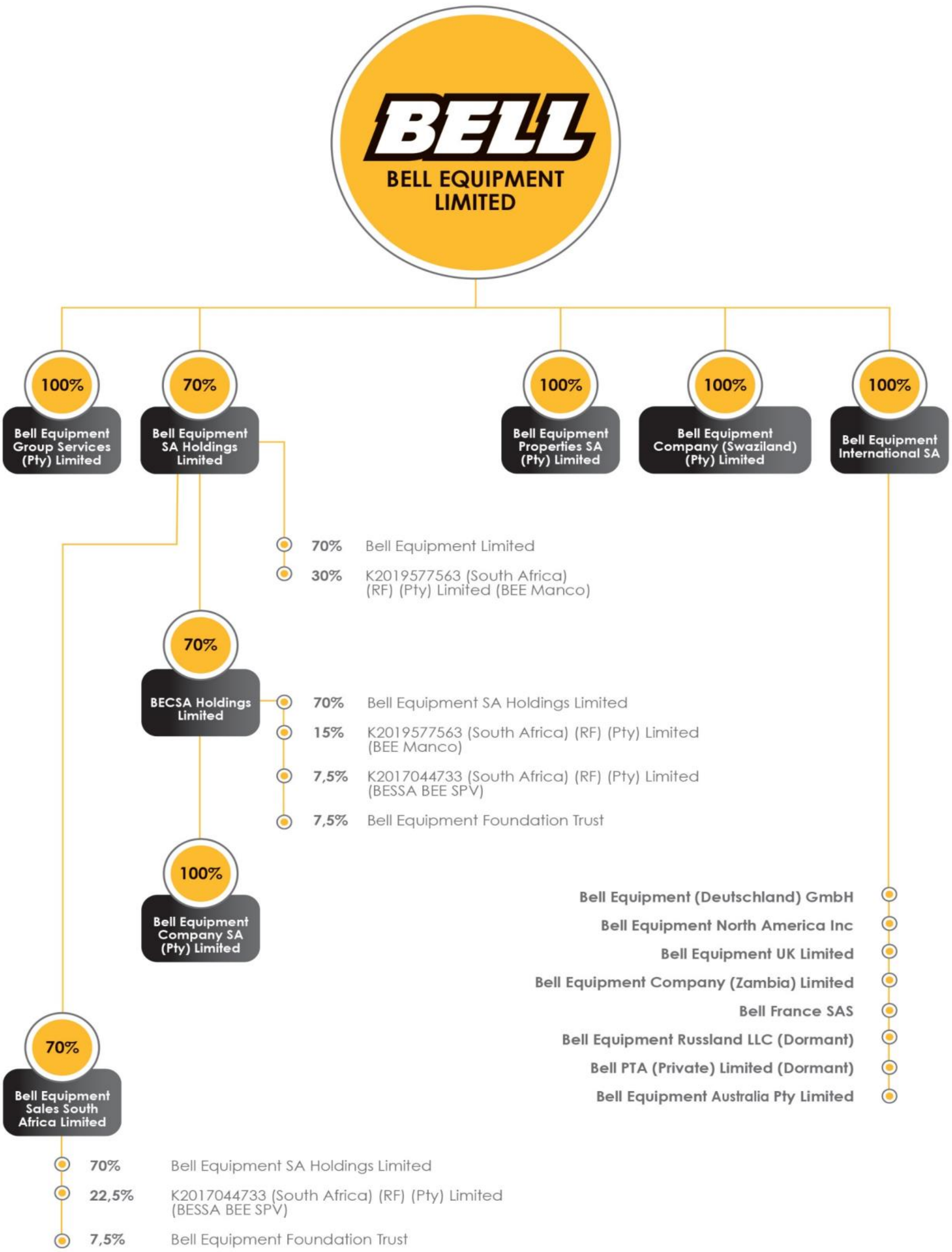
Global corporate structure



BELL EQUIPMENT LIMITED
RESPONSIBILITY FOR FINANCIAL STATEMENTS
31 December 2024

Declaration in terms of the Companies Act, 71 of 2008 (as amended) (Companies Act)

The preparation of the annual financial statements for the year ended 31 December 2024, which appear on pages 6 to 12 and 22 to 100, has been supervised by the group finance director of Bell Equipment Limited, Mrs KJ van Haght.

KJ van Haght CA(SA)
Group CFO
28 March 2025

Approval of the annual financial statements
for the year ended 31 December 2024

The directors of Bell Equipment Limited are responsible for the integrity of the annual financial statements of the group and that the other information in these statements is fairly presented.

In order to fulfil this responsibility, the group maintains internal accounting and administrative control systems and procedures designed to provide assurance that assets are safeguarded and that transactions are executed and recorded in accordance with the group's policies and procedures.

The annual financial statements have been prepared in accordance with IFRS® Accounting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and in accordance with the requirements of the Companies Act of South Africa, and have been examined by independent auditors in conformity with International Standards on Auditing.

The directors of Bell Equipment Limited are of the opinion that the group has adequate resources to continue in operation for the foreseeable future. The consolidated financial statements have therefore been prepared on a going concern basis.

The annual financial statements of the group which appear on pages 6 to 12 and 22 to 100 were approved by the directors on 28 March 2025 and are signed on their behalf by:

Gary Bell
Non-executive chairman
28 March 2025

Ashley Bell
Chief executive

Declaration by Chief Executive (CEO) and Chief Financial Officer (CFO)
for the year ended 31 December 2024

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

a. the annual financial statements set out on pages 22 to 100, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
b. to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
c. internal financial controls have been put in place to ensure that material information relating to Bell Equipment Limited and its consolidated subsidiaries have been provided to effectively prepare the financial statements;
d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
e. where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies.
f. we are not aware of any fraud that involves directors.

Ashley Bell
Group CEO
28 March 2025

Karen van Haght
Group CFO

Certification by Group Company Secretary
for the year ended 31 December 2024

I certify that the company has, in respect of the financial year reported on, lodged with the Companies and Intellectual Property Commission (CIPC) all returns and notices required of a public company and that all such returns and notices are, to the best of my knowledge and belief, true, correct and up to date.

D McIlrath
Company secretary
28 March 2025

The directors submit the annual financial statements for the group (Bell Equipment Limited and its subsidiaries) for the year ended 31 December 2024.

NATURE OF BUSINESS

Bell Equipment designs and manufactures a wide range of products. This includes a complete range of Bell forestry and agriculture products. It is recognised as a global ADT specialist with the largest and most advanced range in the world.

Through strategic partnerships with global manufacturers such as JCB, Finlay and Kobelco, Bell complements its own product range in South Africa where it is a full range materials handling distributor and an equipment supplier of choice.

With machines operating in over 80 countries worldwide, the group values its global support network, which supplies equipment, ancillary products and after sales services. This network is, in turn, supported by a robust OEM structure to ensure efficient lines of communication between end users of the product and the group globally.

FINANCIAL RESULTS

The results of the group are fully disclosed in the accompanying financial statements and notes thereon, the finance director’s report and in the joint chairman and chief executive’s report which will appear in the integrated annual report when distributed.

The comprehensive annual financial statements of the group have been approved by the board.

SUBSIDIARY COMPANIES

The names of the company’s main subsidiaries and financial information relating thereto appear in note 41 to the annual financial statements.

STATED CAPITAL

The company’s authorised share capital remains at 100 000 000 ordinary shares of no par value. The stated capital account as at 31 December 2024 comprised 95 629 385 (December 2023: 95 629 385) ordinary shares of no par value, with 32 233 treasury shares in the name of the subsidiary, Bell Equipment Group Services Proprietary Limited.

DIVIDENDS

The directors have resolved to declare a final gross cash dividend of 160 cents per share for the 2024 financial year (2023: nil cents).

The final dividend number 19 is 160 cents per share. The net final dividend is 128 cents per share for ordinary shareholders who are subject to the 20% dividend withholding tax.

Dividend declared	Friday, 28 March 2025
Last day to trade cum dividend	Monday, 14 April 2025
Shares trade ex dividend	Tuesday, 15 April 2025
Record date	Thursday, 17 April 2025
Payment date	Tuesday, 22 April 2025

The directors concluded that the group would be both solvent and liquid subsequent to such dividend distributions.

PROPERTY, PLANT AND EQUIPMENT

The group’s accounting policy in respect of property, plant and equipment is recorded in note 7 to the annual financial statements.

SHARE-BASED PAYMENT SCHEMES WITH EMPLOYEES

Information relating to the incentive scheme is set out in note 33 to the annual financial statements.

DIRECTORS AND COMPANY SECRETARY

The names of the directors in office at the date of this report are:

Independent non-executive directors

Hennie van der Merwe (lead independent non-executive director)
Derek Lawrance
Rajendran Naidu
Mamokete Ramathe
Ushadevi Maharaj
Markus Geyer

Non-executive director

Gary Bell (chairman)

Executive directors

Ashley Bell (chief executive)
Karen van Haght (chief financial officer)
Avishkar Goordeen (alternative executive director to Ashley Bell)

Rajendran Naidu, Mamokete Ramathe and Markus Geyer retire by rotation at the forthcoming AGM but, being eligible, offered themselves for re-election and their re-election is recommended by the board.

The group company secretary is Diana McIlrath. Her particulars and business address appear on page 104 of the annual financial statements.

Further details of the directors and group executive committee (GEC) of the Bell Equipment group at the date of this report will appear in the leadership report of the integrated annual report when distributed.

DIRECTORS' INTEREST IN SHARES

As at the end of the year under review the directors' shareholdings were as follows:

	Number of shares held			
	Direct beneficial		Associates	
	2024	**2023**	**2024**	**2023**
GW Bell	-	253 600	23 701	109 660
AJ Bell	30	2 598	-	-
U Maharaj	-	608	-	283
L Goosen*	-	31 300	-	-

** L Goosen resigned as CEO and director with effect from 31 December 2023.*

There has been no change in the shareholding of directors between the end of the financial year and the date of this report.

The remuneration paid to directors of the company during the period under review is set out in note 42 to the annual financial statements.

MAJOR SHAREHOLDER

The major shareholder in Bell Equipment Limited as at 31 December 2024 was:

	2024	**2023**
I A Bell & Company Proprietary Limited	70.10%	70.10%

GW Bell and AJ Bell are directors of I A Bell & Company Proprietary Limited and GW Bell holds a 24% shareholding in I A Bell & Company Proprietary Limited.

INTERNAL CONTROL

The board is accountable for the system of internal controls for the group. The output of the risk management process, in conjunction with the work of the assurance providers, indicates to the directors that the controls in place, including financial controls, are adequate and effective.

Furthermore, no material losses, exposures, financial misstatements or compliance breaches have been reported to the directors for the financial year.

The directors recognise that, at any point in time, there are areas for improvement in internal controls and new areas of risk exposure, which may require management attention. As such, there is a continual focus on ensuring that the control environment within each business area is understood and maintained at the required level and that process and control improvements are implemented where necessary.

LITIGATION STATEMENT

The directors are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or had in the previous 12 months, a material effect on the group's financial position.

GOING CONCERN STATEMENT

At the time of approving these annual financial statements, the board of directors is of the opinion that, after making enquiries, it has a reasonable expectation that the group has sufficient resources to maintain its operational existence for the foreseeable future and therefore believes that the going concern assumption is appropriate.

SUBSEQUENT EVENTS

Shareholders are referred to note 40 to the annual financial statements.

No other facts or circumstances material to the appreciation of this report have occurred between 31 December 2024 and the date of this report.

CONCLUSION

The company is in compliance with the provisions of the Companies Act, specifically in relation to its incorporation and it is operating in conformity with its Memorandum of Incorporation (MOI).

Signed on behalf of the board

Gary Bell
Non-executive chairman
28 March 2025

Ashley Bell
Chief executive

The audit committee ('the committee') is pleased to present its report for the financial year ended 31 December 2024. The committee carried out its statutory responsibilities in terms of section 94(7) of the Companies Act and the report is in compliance with the provisions of the Companies Act, the JSE Listings Requirements and King IV.

The committee conducted its work in accordance with its board approved charter that is in line with the Companies Act. The charter is reviewed annually and updated, where required.

COMPOSITION
The committee is constituted as a statutory committee and the members are elected at the AGM. It has an independent role with accountability to both the board and shareholders.

In terms of the Companies Act, at the AGM of the company, shareholders are required to elect the committee members. Four independent non-executive directors of Bell Equipment Limited were elected by shareholders at the 2024 AGM to serve until the next AGM in June 2025.

The committee was chaired by independent non-executive director Derek Lawrance, and comprised the chairman and three other independent non-executive directors, Mamokete Ramathe, Rajendran Naidu and Ushadevi Maharaj.

The chairman of the board, the chief executive and group finance director have a standing invitation to attend the meetings of the committee. The chairman of the board is however not a member of the committee. The group company secretary is the secretary of the committee.

The board is satisfied that for the 2024 year:
• the committee, acting as a collective, was adequately skilled to perform its role having regard to the size and circumstances of the company. The collective skills of the committee include an understanding of financial and sustainability reporting, internal financial controls, the internal audit function, the external audit process, corporate law, risk management, information technology (IT) governance as it relates to integrated reporting, and the governance processes of the company;
• individual members of the committee held appropriate financial and related qualifications, skills and financial expertise to discharge their responsibilities; and
• individual members of the committee were not involved in the day-to-day management of the company.

The following directors, whose profiles including their qualifications will appear in the integrated annual report when distributed, have been nominated to the committee, subject to shareholders election at the AGM to be held on Tuesday, 3 June 2025:
• Derek Lawrance
• Mamokete Ramathe
• Rajendran Naidu
• Ushadevi Maharaj

The board is satisfied that the proposed elections to the committee of the four independent non-executive directors set out above will meet the requirements of the Companies Act and is therefore recommending their election for the ensuing year.

FREQUENCY AND ATTENDANCE OF MEETINGS
During the year under review, three meetings were held. Meetings are scheduled to coincide with the key dates in the group's financial reporting and audit cycle.

Attendance by members was as follows:

AUDIT COMMITTEE	25 March 2024	4 September 2024	13 November 2024
Derek Lawrance (chairman)	✔	✔	✔
Mamokete Ramathe	✔	✔	✔
Rajendran Naidu	✔	✔	✔
Ushadevi Maharaj	✔	✔	✔

OBJECTIVE AND SCOPE
The committee's main objective is to assist the board in fulfilling its oversight responsibilities, in particular with regard to evaluation of the adequacy and efficiency of accounting policies, internal controls and financial and corporate reporting processes. In addition, the committee assesses the effectiveness of the internal auditors and the independence and effectiveness of the external auditor.

COMBINED ASSURANCE

The committee is of the view that the arrangements in place for combined assurance are adequate and the model was applied to provide a coordinated approach to all assurance activities; and in particular ensuring that the combined assurance received is appropriate to address all the significant risks facing the group. The committee has monitored the relationship between the external assurance providers and the group.

Further information on the combined assurance process is provided in the corporate governance report under risk management which will appear in the corporate governance report in the integrated annual report when distributed.

The committee has considered the contents of the financial statements, the group's accounting practices, the internal financial controls of the group and the finance function of the group in general and found all of these to be in order.

EXTERNAL AUDIT

PricewaterhouseCoopers Inc. ("PWC") was nominated by the audit committee and approved by the board for appointment by shareholders as the new external auditor of Bell Equipment and its subsidiaries for the financial year commencing on 1 January 2024, with Mr. Pieter Vermeulen as the designated engagement partner. At the company's AGM on 31 May 2024, PWC was elected as the company's external auditor for the financial year commencing on 1 January 2024.

The committee assessed the suitability of the external auditor, and the designated engagement partner, as contemplated in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements. The assessment took into account the letter and the report received from PWC providing the information required in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements.

The committee gave due consideration to the independence of the external auditor, and the external auditor's independence was not prejudiced by any consultancy, advisory or other work undertaken. Audit and other services' fees are disclosed in note 28 to the annual financial statements.

The committee has applied its mind to the key audit areas and considered the key audit matter identified by the external auditor as follows:
• Market capitalisation considerations relative to the recorded net asset value of the group – impairment of property, plant and equipment, right-of-use assets and intangible assets.

The committee is satisfied that this has been adequately addressed and disclosed.

The committee reviewed and approved the proposed audit fee for the 2024 financial year. The committee is satisfied that the external auditor does not, except as external auditor or in rendering permitted non audit services, receive any remuneration or other benefits from the company. The fee is considered appropriate for the work that could reasonably have been foreseen at that time.

The group's policy is to use its external auditors for non audit services where the use of other consultants would not make sound commercial sense and where the external auditor's independence will not be compromised, and where good corporate governance is not compromised by the engagement. There is a formal procedure that governs the pre approval process when the external auditor is considered for the provision of non audit services, and the allocation of such work is reviewed by the committee.

The external auditor has unrestricted access to the chairman of the committee. Meetings were held during the reporting period with the external auditor where management was not present, and no matters of concern were raised.

The committee received and reviewed reports from the external auditor concerning the effectiveness of the internal control environment, systems and processes and detailing the auditor's concerns arising out of the audit together with appropriate responses from management.

INTERNAL AUDIT

The committee oversaw the activities of the internal audit function, undertaken by Ernst & Young as the appointed internal auditor, and considered the effectiveness of internal audit, approved the internal audit charter and the annual internal audit plan, and monitored adherence to the plan. The committee has satisfied itself that the internal auditor reports functionally to the audit committee.

The internal auditor performed the role of considering and reporting to the committee on the effectiveness of the internal financial controls for financial reporting and risk management in support of the attestation by the group chief executive officer (CEO) and chief financial officer (CFO) required in terms of the provisions of the JSE Listings Requirements paragraph 3.84(k). The internal auditor tested and monitored the financial controls throughout the group in line with the JSE Listings Requirements. The statement by the group CEO and CFO in terms of JSE Listings Requirements paragraph 3.84(k) is set out on page 5.

The committee reviewed the reports of internal audit detailing findings arising out of its audits and responses from management. The committee received and reviewed reports from internal audit concerning the effectiveness of the internal control environment, systems and processes.

INTERNAL FINANCIAL CONTROL

The committee is responsible for reviewing the effectiveness of systems for internal control, financial reporting and financial risk management, and for considering the major findings of any internal investigations into control weaknesses, fraud or misconduct and management's response thereto.

The CEO and CFO have reviewed the controls for financial reporting for the 2024 financial year and have presented their findings to the committee. During the current financial year, management evaluated relevant internal controls which address risk areas relating to financial reporting in group operations.

The CEO and CFO's evaluation of controls included:
- the identification and classification of risks;
- the identification of controls, including effective internal financial reporting controls, in a formalised internal controls framework which has been implemented throughout the group;
- the implementation of an internal controls self assessment tool and controls self assessments by managers;
- testing the design and determining the implementation of controls addressing high and low risk areas;
- utilising internal audit to test the operating effectiveness of controls addressing high risk areas; and
- obtaining control declarations from managers of group operations on the operating effectiveness of controls on an annual basis.

The committee is of the view, based on the representations made by internal audit, the CEO and the CFO that the group's internal controls were adequate and effective during the period under review and can be relied upon as a reasonable basis for the preparation of appropriate annual financial statements. The committee has discussed and documented the basis for its conclusion, and this included discussions with management, the external auditor and the internal auditor.

ACCOUNTING STANDARDS

The committee has considered all new standards, interpretations and amendments to standards in issue that still need to be adopted but are likely to affect the financial reporting in future years. The full impact of new standards which are effective for annual periods beginning on or after 1 January 2027 has not yet been assessed and assessments are planned for 2025. The committee is satisfied that amendments to standards are not expected to have a material impact on the financial statements of the group and company.

EXPERTISE AND EXPERIENCE OF THE GROUP FINANCE DIRECTOR AND FINANCE FUNCTION

The committee has reviewed and has satisfied itself that the chief finance officer, Karen van Haght, has the appropriate skills, expertise and experience and confirms her suitability for serving as group finance director in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements. The committee further considers that the expertise, resources and experience of the finance function are appropriate based on the nature, complexity and size of the group's operations.

BELL EQUIPMENT LIMITED
AUDIT COMMITTEE REPORT (continued)
for the year ended 31 December 2024

GOING CONCERN, ANNUAL FINANCIAL STATEMENTS AND INTEGRATED ANNUAL REPORT

The committee considered the Bell Equipment Limited consolidated and company financial statements for the year ended 31 December 2024.

The committee considered the report of the JSE's Financial Reporting Investigations Panel on its findings arising from the Panel's monitoring of the financial reports published by JSE listed companies and has taken appropriate action to apply the findings.

The committee has considered those items within the financial statements which required significant judgement as reflected in note 4 to the consolidated annual financial statements.

The committee reviewed management's assessment of the going concern status of the group at year end and for the foreseeable future. The committee concurred with management's assessment that the group is a going concern and recommended the assumption of the going concern basis to the board.

In the committee's opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of the company and its subsidiaries as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS and the requirements of the Companies Act.

The committee fulfils an oversight role in respect of the preparation of Bell Equipment's integrated annual report. In conjunction with other board committees, the committee considered the non financial information disclosed in the integrated annual report. The committee is committed to ensuring the incorporation of the principles of King IV in the preparation of this year's integrated annual report.

The committee recommends the group's 2024 audited annual financial statements (of which this report forms part) and the 2024 integrated annual report, to the board for approval.

The chairman of the committee attends the annual general meeting and is available to answer any questions in relation to matters pertaining to the responsibilities of the committee.

CONCLUSION

The committee is satisfied that it has conducted its affairs and discharged its legal and other responsibilities as outlined in its charter, the Companies Act, JSE Listings Requirements and King IV and the board concurred with this assessment.

Derek Lawrance
Chairman
Audit committee
28 March 2025

Independent auditor's report

To the shareholders of Bell Equipment Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Bell Equipment Limited (the Group) and its subsidiaries (together the Group) as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Bell Equipment Limited's consolidated financial statements set out on pages 22 to 100 comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

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

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

Independence

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

Our audit approach

Overview

Final materiality

R87,700,000, which represents 0.75% of consolidated revenue.

Group audit scope

We determined the nature and extent of the audit procedures across the components within the group considering the size and/or risk profile of the components which resulted in 7 individual components that were subject to full scope audits and 4 components subject to an audit of one or more financial statement line items.

Key audit matters

Impairment assessment of property, plant and equipment, right of use assets and intangible assets

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

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Final materiality

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

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

	Consolidated financial statements
Final materiality	R87,700,000
How we determined it	0.75% of consolidated revenue.
Rationale for the materiality benchmark applied	We chose consolidated revenue as the benchmark because in our view, it is the benchmark against which the performance of the Group is most commonly measured by users. We chose 0.75% which is consistent with quantitative materiality thresholds used for profit-orientated companies in this sector.

Group audit scope

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

Our audit scoping was based on the Group's consolidation processes, our understanding of the Group and environment, group-wide controls and assessing the risks of material misstatement at a group level.

The identification of components was a key step in developing our group audit strategy and group audit plan. The identification of components impacts how we organized our response to the assessed risks of material misstatement of the consolidated financial statements, including where audit work may be performed.

A total 23 components have been identified, which was based on identifying a single reporting entity with the Group's financial reporting structure and consolidation schedule. Each individual component represents a separate reporting entity across various countries. In considering the basis for selecting components to perform further audit procedures, we assessed whether components were significant due to risk or size, non-significant or inconsequential on the basis of significant and/or elevated risks of group financial statements and relative financial significance of the individual components. In assessing the risk of material misstatement of the consolidated financial statements and to ensure we had adequate quantitative coverage over the significant accounts in the consolidated financial statements, 7 individual components were subject to full scope audits and 4 components subject to an audit of one or more financial statement line items.

Further specific audit procedures over central functions, the group consolidation and areas of significant judgement, including impairment testing over property, plant and equipment, right of use assets and intangible assets, were directly led by the group audit team.

Where work was performed by component auditors, we determined the level of involvement that was required in the audit work of those reporting units to be able to conclude whether sufficient appropriate audit evidence had been obtained as the basis of our opinion on the consolidated financial statements.

We issued formal written instructions to all component auditors setting out the audit work to be performed by each of them and maintained regular communication with the component auditors throughout the audit. These interactions included attending component clearance meetings and holding regular conference calls, and reviewing and assessing matters reported. The group engagement team also reviewed audit working papers of component teams to evaluate the sufficiency of audit evidence obtained and fully understand the matters arising from the component audits and conclusions reached.

Key audit matters

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

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key audit matter	***How our audit addressed the key audit matter***
Impairment assessment of property, plant and equipment, right of use assets and intangible assets Refer to the following accounting policies and notes to the consolidated financial statements for disclosures as it relates to this key audit matter: • Note 4 Significant accounting judgements and significant accounting estimates. • Note 4.3 IAS 36 Impairment of Assets and going concern.	With the assistance of our PwC valuations experts, we performed the following audit procedures over management's impairment assessment of the OEM CGU: • We obtained an understanding of the approach applied by management in, determining the relevant CGUs and in performing their impairment assessment for each of the relevant CGUs, and assessed this against the applicable requirements of IAS 36 and market practice. We found the valuation methodologies applied by management to be in accordance with IAS 36 requirements.

Key audit matter	*How our audit addressed the key audit matter*
• Note 5 Impairment considerations and impact on the financial results for the year ended 31 December 2024. • Note 7 Property, plant and equipment. • Note 8 Right of use assets. • Note 9 Intangible assets. A significant portion of the Group's total assets relate to Property, plant and equipment with a carrying value of R1,04 billion, Right-of-use assets of R342 million and Intangible assets with a carrying value of R320 million. International Accounting Standard (IAS) 36 – Impairment of assets ("IAS 36") requires an impairment test to be performed annually on the relevant cash generating units ("CGUs") or groups of cash generating units ("CGUs") when there are indicators that these may be impaired. As described within Note 5, as at 31 December 2024 the market capitalisation and net asset value of the group were R3,9 billion (2023: R2,2 billion) and R5,7 billion (2023: R5,3 billion) respectively. Management have identified this is an indicator of possible impairment of the group's business in terms of IAS 36. Judgement is applied by the directors to firstly, determine the relevant CGUs within the group, estimation and assumptions applied in determining the recoverable amount of the CGUs.	• We tested the mathematical accuracy of management's valuation model by recalculating the fair value less costs to sell, and we noted no material exceptions. • We independently recalculated the weighted average cost of capital discount rate taking into account independently obtained data such as the cost of debt, risk-free rate, market risk premium, capital structure as well as the beta of comparable companies. Where differences were noted between the respective discount rates, we obtained an understanding of the reasons and incorporated our independently calculated discount rate as part of our sensitivity analysis testing to assess the impact of the differences noted in the discount rate on the valuation results. There is deemed to be sufficient headroom and no impairment of the OEM CGU was noted. • The terminal growth rate as used by management was compared to the long-term inflation rate obtained from independent sources. Management's terminal growth rate used was deemed reasonable and within the range based on independent sources utilised. • We assessed the reasonableness of management's budgeting process by comparing the budgeted figures for FY24 to the actual results for FY24 and performed a reasonableness of the FY24 actual results to the FY25 budgeted cash flows. We evaluated and corroborated any significant differences noted. We found management's budgeting process to be reasonable.

Key audit matter	*How our audit addressed the key audit matter*
Management performed their annual impairment assessment on the original equipment manufacturer ("OEM") CGU and based their assessment on the fair value less costs to sell model in assessing the recoverable amount of this CGU. The OEM CGU comprises the manufacturing, assembly, logistics and dealer sales operation in the South Africa segment and the manufacturing, assembly, logistics and dealer sales operation in the European segment. The cash flows were projected over a seven-year period, with a projected terminal year, based on financial budgets and forecasts approved by management with the key assumptions noted to relate to financial forecasts, cash flow projections, terminal growth rates and discount rates. The financial forecasts and cash flow projections were approved by the board of directors. The methodologies and judgement applied by the Group in determining the recoverable amount is disclosed in Note 5 to the consolidated financial statements. Management's impairment testing performed over the OEM CGU noted that the carrying value was lower than the recoverable amount, resulting in no impairment charge recognised on the relevant Property, Plant and Equipment, Right of Use Assets and Intangible Assets. The impairment assessment of the Property, Plant and Equipment, Right of Use Assets and Intangible Assets within the OEM CGU is considered to be a matter of most significance to our current year audit of the consolidated financial statements due to:	• We tested management's cash flow forecasts by comparing the key inputs to the approved budgets and assessed the inputs into the cash flow forecasts, including assumptions relating to revenue growth rates, focussing on sales volumes and prices, gross profit margins, working capital, operating profits; comparing these to the historical actual average growth rates and gross profit margins for the current and prior financial years. The rates used by management were found to be in accordance with approved budgets, within an acceptable range and found to be reasonable. • We performed sensitivity analyses on the inputs and assumptions used by management in their valuation model relating to the revenue growth rates, discount rate and terminal growth rate to evaluate the impact of changes in these inputs on the fair value less costs to sell for both disclosure and measurement purposes. We did not note any aspect requiring further consideration. • We calculated the fair value less costs to sell using the independently determined discount rates and terminal growth rates applied to management's forecasts and compared this independently calculated fair value less costs to sell to that calculated by management and noted no material differences. • We agreed the information disclosed in the financial statements relating to the valuation method used, and the percentages for the key assumptions used in the current and prior year to the work performed as noted above and the prior year audited financial statements. • We compared the fair value less costs to sell to the carrying value of the OEM CGU and noted no impairment required.

Key audit matter	*How our audit addressed the key audit matter*
• the significant judgement applied by management with regard to determining the key assumptions and future cash flows that are included in the impairment calculation; and • the magnitude of these financial statement line items in relation to the consolidated financial statements for the year ended 31 December 2024.	

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Bell Equipment Limited Consolidated Audited Annual Financial Statements 31 December 2024" and the document titled "Bell Equipment Limited Audited Annual Financial Statements 31 December 2024", which include(s) the Directors' Report, the Audit committee report and the Certification by Group Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Bell Equipment Limited Integrated Annual Report 2024", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

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

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

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

Responsibilities of the Directors for the consolidated financial statements

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

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

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

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

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

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

supervision and review of the audit work performed for 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Bell Equipment Limited for one year(s).

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: PdP Vermeulen
Registered Auditor
Johannesburg, South Africa
28 March 2025

BELL EQUIPMENT LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

	Notes	2024 R000	2023 R000
ASSETS			
Non-current assets		2 038 327	2 025 089
Property, plant and equipment	7	1 040 657	1 006 083
Right-of-use assets	8	342 081	414 557
Intangible assets	9	320 943	279 430
Investments	10	23 943	35 731
Interest-bearing receivables and contract assets	11	27 581	15 067
Deferred taxation	12	283 122	274 221
Current assets		7 053 783	8 509 494
Inventory	13	5 076 477	5 726 561
Trade and other receivables	14	1 339 633	1 989 385
Interest-bearing receivables and contract assets	11	186 733	179 042
Prepayments and other assets	15	132 477	318 923
Current taxation assets		35 094	43 797
Cash and bank balances	16	283 369	251 786
TOTAL ASSETS		9 092 110	10 534 583
EQUITY AND LIABILITIES			
Capital and reserves		5 676 940	5 285 016
Stated capital	17	235 541	235 541
Non-distributable reserves	18	1 146 183	1 222 677
Retained earnings		4 192 403	3 753 260
Attributable to owners of Bell Equipment Limited		5 574 127	5 211 478
Non-controlling interest	19	102 813	73 538
Non-current liabilities		969 032	1 030 692
Interest-bearing liabilities	20	151 435	157 466
Lease liabilities	21	358 781	433 451
Contract liabilities	22	189 709	226 526
Repurchase obligations and refund liabilities	23	27 061	-
Provisions	24	101 599	92 852
Share-based payments and other liabilities	25	65 233	38 824
Deferred taxation	12	75 214	81 573
Current liabilities		2 446 138	4 218 875
Trade and other payables	26	1 046 553	1 903 599
Interest-bearing liabilities	20	250 851	637 909
Lease liabilities	21	93 429	76 403
Contract liabilities	22	276 038	281 446
Repurchase obligations and refund liabilities	23	37 944	34 287
Provisions	24	217 584	206 114
Share-based payments and other liabilities	25	47 717	24 301
Current taxation liabilities		53 116	62 793
Bank overdrafts and overnight call loans	38.2	422 906	992 023
TOTAL EQUITY AND LIABILITIES		9 092 110	10 534 583

BELL EQUIPMENT LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 December 2024

	Notes	2024 R000	2023 R000
Revenue	27	11 696 666	13 513 560
Cost of sales		(9 229 079)	(10 812 025)
Gross profit		2 467 587	2 701 535
Other operating income		311 114	339 514
Distribution costs		(959 402)	(971 116)
Administration expenses		(148 514)	(151 046)
Factory and group services operating expenses		(916 388)	(725 176)
Profit from operating activities	28	754 397	1 193 711
Net interest expense		(82 140)	(113 563)
Interest expense	29	(185 050)	(196 768)
Interest income	30	102 910	83 205
Profit before taxation		672 257	1 080 148
Taxation	31	(201 193)	(286 582)
Profit for the year		471 064	793 566
Profit for the year attributable to:			
- Owners of Bell Equipment Limited		440 435	763 606
- Non-controlling interest		30 629	29 960
		Cents	**Cents**
Earnings per share			
Basic	32.1	461	799
Diluted	32.2	414	744

BELL EQUIPMENT LIMITED
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Notes	2024 R000	2023 R000
Profit for the year		471 064	793 566
Other comprehensive (loss) income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising during the year		(69 187)	249 246
Exchange differences on translating foreign operations	18	(71 105)	249 246
Reclassification to profit or loss of foreign currency translation reserve	18	1 918	-
Items that may not be reclassified subsequently to profit or loss:		(6 962)	(34 603)
Net fair value loss on investments designated as at fair value through other comprehensive income *	18	(6 962)	(34 603)
Other comprehensive (loss) income for the year, net of taxation		(76 149)	214 643
Total comprehensive income for the year		394 915	1 008 209
Total comprehensive income for the year attributable to:			
- Owners of Bell Equipment Limited		364 286	978 249
- Non-controlling interest		30 629	29 960

* There were no corresponding tax implications on fair value loss on investments designated as at fair value through other comprehensive income.

BELL EQUIPMENT LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

	Attributable to owners of Bell Equipment Limited					
	Stated capital R000	Non-distributable reserves * R000	Retained earnings R000	Total R000	Non-controlling interest R000	Total capital and reserves R000
Balance at 31 December 2022	235 541	1 008 484	3 076 317	4 320 342	44 866	4 365 208
Total comprehensive income attributable to owners of Bell Equipment Limited	-	214 643	763 606	978 249	-	978 249
Total comprehensive income attributable to non-controlling interest	-	-	-	-	29 960	29 960
Decrease in BBBEE share-based payment reserve	-	(450)	-	(450)	-	(450)
Dividends paid	-	-	(86 663)	(86 663)	(1 288)	(87 951)
Balance at 31 December 2023	235 541	1 222 677	3 753 260	5 211 478	73 538	5 285 016
Total comprehensive (loss) income attributable to owners of Bell Equipment Limited	-	(76 149)	440 435	364 286	-	364 286
Total comprehensive income attributable to non-controlling interest	-	-	-	-	30 629	30 629
Transfer between reserves relating to disposal of investments classified as at fair value through other comprehensive income	-	(345)	345	-	-	-
Dividends paid	-	-	(1 637)	(1 637)	(1 354)	(2 991)
Balance at 31 December 2024	235 541	1 146 183	4 192 403	5 574 127	102 813	5 676 940

* Refer to note 18 for details on the movements in the non-distributable reserves.

BELL EQUIPMENT LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2024

	Notes	2024 R000	Restated * 2023 R000
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	A	2 235 386	671 969
Interest paid	B	(191 261)	(214 079)
Interest received	C	98 215	123 955
Taxation paid	D	(216 202)	(330 487)
Net cash generated from operating activities		1 926 138	251 358
CASH FLOW UTILISED IN INVESTING ACTIVITIES			
Purchase of additional property, plant and equipment and intangible assets		(180 313)	(212 311)
Proceeds on disposal of property, plant and equipment		15 692	4 481
Proceeds on disposal of listed investments		4 177	-
Net cash utilised in investing activities		(160 444)	(207 830)
CASH FLOW UTILISED IN FINANCING ACTIVITIES			
Interest-bearing liabilities raised	E	290 684	966 599
Interest-bearing liabilities repaid	E	(1 365 327)	(1 294 464)
Overnight call loans - drawdowns *	F	3 978 760	3 781 909
Overnight call loans - repaid *	F	(4 121 128)	(3 848 528)
Lease liabilities repaid		(87 360)	(65 186)
Dividends paid		(2 991)	(87 951)
Net cash utilised in financing activities		(1 307 362)	(547 621)
Net increase (decrease) in cash for the year		458 332	(504 093)
Net bank overdrafts at beginning of the year		(486 307)	17 786
Net bank overdrafts at end of the year **	G	(27 975)	(486 307)
		-	-

* These overnight call loans did not meet the definition of cash and cash equivalents. Refer to restatements of prior periods in note 44.

** Refer to note 16 for restricted cash and bank balances.

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2024

		Notes	2024 R000	2023 R000
A	**Cash generated from operations**			
	Profit from operating activities		754 397	1 193 711
	Adjustments for non-cash items:			
	Amortisation of intangible assets	9	34 952	35 992
	Depreciation of property, plant and equipment	7	87 232	115 056
	Depreciation of right-of-use assets	8	100 396	85 274
	Impairment loss recognised on intangible assets	9	5 112	-
	Net (surplus) loss on disposal of property, plant and equipment and right-of-use assets		(2 413)	155
	Decrease in allowance for expected credit losses		(12 514)	(5 338)
	Amounts written off as credit impaired	28	12 970	1 257
	Reclassification to profit or loss of foreign currency translation reserve	18	1 918	-
	Increase in provision for inventory write-downs, including write-downs to equipment on short-term rentals		10 841	35 935
	Increase in provisions		15 299	68 942
	Net loss (gain) arising on financial assets and financial liabilities at fair value through profit or loss		40 749	(8 850)
	Unrealised exchange differences on foreign subsidiaries		25 776	7 677
	Unrealised exchange differences on trade and other receivables and payables		(25 517)	(11 700)
	Net non-cash movements in contract liabilities		-	(22 827)
	Net non-cash movements in repurchase obligations and refund liabilities		(1 430)	(6 996)
	Cash generated from operations before working capital changes		1 047 768	1 488 288
	Decrease (increase) in inventory		549 925	(769 350)
	Decrease (increase) in trade and other receivables		635 644	(650 808)
	Decrease (increase) in prepayments		165 450	(76 246)
	Increase in share-based payment liability *	25	29 973	32 442
	(Decrease) increase in trade and other payables		(174 906)	519 067
	(Increase) decrease in interest-bearing receivables		(31 254)	93 892
	(Decrease) increase in contract liabilities		(37 326)	50 632
	Increase in repurchase obligations and refund liabilities		32 087	-
	Decrease (increase) in contract assets	11	18 025	(15 948)
	Total cash generated from operations		2 235 386	671 969

* In the current year the comparative increase of R41,4 million in share-based payment liability was re-allocated from cash generated from operations before working capital changes to cash generated from operations after working capital changes.

		Notes	2024 R000	2023 R000
B	**Interest paid**			
	Interest accrued at beginning of the year		1 166	17 491
	Add: interest expense	29	185 050	196 768
	Less: interest charged to profit or loss relating to lease liabilities	29	(49 593)	(47 820)
	Less: interest charged to profit or loss relating to interest-bearing liabilities		(62 835)	(82 665)
	Add: interest repaid on lease liabilities		47 192	45 472
	Add: interest repaid on interest-bearing liabilities		71 800	85 999
	Less: interest accrued at end of the year		(1 519)	(1 166)
	Total interest paid		191 261	214 079
C	**Interest received**			
	Interest accrued at beginning of the year		3 466	5 322
	Add: interest income	30	102 910	83 205
	Less: deferred finance income from contract liabilities recognised in profit or loss	22.4	(52 372)	(41 199)
	Add: deferred finance income from contracts sold	22.4	47 724	80 093
	Less: interest accrued at end of the year		(3 513)	(3 466)
	Total interest received		98 215	123 955
D	**Taxation paid**			
	Net taxation owing at beginning of the year		(18 996)	(11 495)
	Taxation charge for the year:			
	South African normal taxation	31	(164 891)	(269 076)
	Foreign taxation	31	(49 955)	(62 542)
	Withholding taxation	31	(1 439)	(904)
	Other corporate taxation	31	(644)	(791)
	Translation differences		1 701	(4 675)
	Net taxation owing at end of the year		18 022	18 996
	Total taxation paid		(216 202)	(330 487)

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2024

		Notes	2024 R000	Restated * 2023 R000
E	**Interest-bearing liabilities**			
	Total interest-bearing liabilities at beginning of the year		795 375	845 123
	Translation differences		(7 865)	22 757
	Supply chain finance liability raised		675 206	258 694
	Loans raised to fund the purchase of property, plant and equipment		23 178	-
	Interest-bearing liabilities raised		290 684	966 599
	Interest-bearing liabilities repaid		(1 365 327)	(1 294 464)
	Interest raised		62 835	82 665
	Interest repaid		(71 800)	(85 999)
	Total interest-bearing liabilities at end of the year	20	402 286	795 375
F	**Overnight call loans**			
	Total overnight call loans at beginning of the year		253 930	320 549
	Overnight call loans - drawdowns		3 978 760	3 781 909
	Overnight call loans - repaid		(4 121 128)	(3 848 528)
	Total overnight call loans at end of the year	G	111 562	253 930
G	**Net bank overdrafts**			
	Bank overdrafts and overnight call loans	38.2	(422 906)	(992 023)
	Overnight call loans *	F	111 562	253 930
	Bank overdrafts		(311 344)	(738 093)
	Cash and bank balances	16	283 369	251 786
	Net bank overdrafts at end of the year		(27 975)	(486 307)

* Refer to restatements of prior periods in note 44.

H **Classification of interest, taxation and dividends**

The group considers cash flows from interest paid, interest income and taxation paid as part of operating activities as these transactions are included in the determination of profit or loss.

Cash flows from dividends paid are transactions with shareholders and are considered to be a cost of obtaining financial resources and therefore are classified as part of financing activities.

1 GENERAL INFORMATION

Bell Equipment Limited (the company) is a public company incorporated and domiciled in South Africa. The addresses of its registered office and principal place of business are disclosed on page 104 of this report. The principal activities of the company and its subsidiaries (the group) are described in the directors' report under the heading nature of business.

2 ACCOUNTING FRAMEWORK

2.1 Statement of compliance

The consolidated annual financial statements (hereinafter referred to as financial statements) have been prepared in accordance with IFRS® Accounting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC® Interpretations), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRPs), the JSE Limited Listings Requirements and in accordance with the requirements of the Companies Act in South Africa.

Basis of accounting

The financial statements have been prepared on the historical cost basis, except for the revaluation of properties and certain financial instruments which are measured at fair value. The material accounting policies adopted are set out below and in the related notes to the financial statements. The accounting policies are consistent with those applied to the previous year, except as reflected in note 3.1.

2 ACCOUNTING FRAMEWORK (continued)

2.2 Material accounting policies

2.2.1 Foreign currency translation

Functional and presentation currency

The financial statements are presented in South African Rand, which is the company's functional and presentation currency, rounded to the nearest thousand.

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').

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary balances denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary balances carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary balances that are measured in terms of historical cost in a foreign currency are not retranslated at initial recognition, and are not retranslated subsequently. Forward foreign exchange contracts are separately valued at equivalent forward rates ruling at the reporting date.

Gains and losses arising on translation of foreign currency transactions are dealt with in profit or loss. Gains and losses arising on inventory purchases are classified as cost of sales.

Foreign subsidiary translation

The results and financial position of all group entities that have a functional currency different from South African Rand, the company's presentation currency, are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position are translated at the exchange rates prevailing at the end of the reporting period;
- foreign reserves on the statement of financial position are translated at the exchange rates prevailing at the end of the reporting period;
- income and expenses for each statement of profit or loss are translated at average exchange rates for the period; and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in equity in the group's foreign currency translation reserve.

Such translation differences are reclassified to profit or loss through other comprehensive income in the period in which the foreign operation is discontinued or disposed of.

3 ADOPTION OF NEW AND AMENDED INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS

In the current year the group has adopted all of the amended standards issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2024.

3.1 New and amended standards adopted

During the current year, no new standards have been adopted but the group adopted certain amended standards which had no significant impact on the group's financial statements.

3.2 Standards and amendments in issue not yet adopted

At the date of authorisation of these financial statements, the following new and amended standards relevant to the group were in issue but not yet effective.

	Effective date for annual periods beginning on or after:
New	
IFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027

IFRS 18 replaces IAS 1 and introduces a defined structure for the statement of profit or loss, including subtotals, requiring entities to classify income and expenses into defined categories. The full impact of IFRS 18 has not yet been assessed and an assessment of the requirements of this standard is planned for the succeeding financial period. Management does not intend to early adopt this standard.

Amended	
IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability	1 January 2025
IFRS 7 - Financial Instruments Disclosures: Amendments to the classification and measurement of financial instruments	1 January 2026
IFRS 7 - Financial Instruments Disclosures: Annual improvements to IFRS Accounting Standards (gain or loss on derecognition)	1 January 2026
IFRS 9 - Financial Instruments: Amendments to the classification and measurement of financial instruments	1 January 2026
IFRS 9 - Financial Instruments: Annual improvements to IFRS Accounting Standards	1 January 2026
IFRS 10 - Consolidated Financial Statements: Annual improvements to IFRS Accounting Standards (determination of a ‘de facto agent’)	1 January 2026
IAS 7 - Statement of Cash Flows: Annual improvements to IFRS Accounting Standards (cost method)	1 January 2026

The amended accounting standards are not anticipated to have a significant impact on the group's financial statements in future periods when these are adopted.

4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND SIGNIFICANT ACCOUNTING ESTIMATES

4.1 Judgements and estimates made by management in applying accounting policies

Preparing financial statements in accordance with IFRS requires estimates and assumptions that affect reported amounts and related disclosures. Certain accounting policies have been identified as involving particularly complex or subjective judgements or assessments. These are described below:

Revenue recognition

a) Judgements in determining the timing of satisfaction of performance obligations
- performance obligations satisfied at a point in time (refer to notes 27.1, 27.2 and 27.3)
- performance obligations satisfied over time (refer to notes 27.4 and 27.5)
- performance obligations with regards to bill and hold arrangements (refer to note 27.1.1)

b) Judgements in determining whether the group is a principal or an agent
- performance obligations with regards to transport services (refer to note 27.3.2)

c) Judgements and estimates in determining the transaction price and the amounts allocated to performance obligations
- credit risk undertakings (affecting revenue recognition) (refer to notes 27.1.4 and 34.2.1)
- effects of the time value of money relating to deferred service contract revenue, extended warranty contracts and instalment sale agreements (refer to notes 22, 27.1.5, 27.3.1 and 27.4)
- trade-ins (refer to note 27.1.3)
- allocation of the transaction price (refer to note 27.1.1)

d) Judgements with regard to classification of a lease as either a finance lease or an operating lease
- finance leases (refer to notes 11 and 27.5)

Standard warranties

a) Judgements and estimates in determining the group's obligation to end customers with regards to warranties on manufactured equipment provided by the group (refer to note 24.1)
b) Judgements and estimates in determining the group's obligation to end customers with regards to supplier warranties provided by third party equipment suppliers and third party component suppliers (refer to note 24.2)
c) Judgements in determining when the group's reimbursement right from third party component suppliers is established (refer to note 24)

Financial assets

a) Judgements and estimates in determining the impairments of financial assets (refer to note 14)
b) Judgements and estimates in determining the fair value of the unlisted equity investment (refer to note 10)

Revaluation of property, plant and equipment

a) Judgements in selecting an appropriate valuation technique (refer to note 7)
b) Judgements in selecting the assumptions in determining the fair value of property, plant and equipment (refer to note 7)

Intangible assets

a) Judgements and estimates in determining time spent by engineering department that qualifies for capitalisation (refer to note 9)
b) Judgements and estimates in determining the useful lives (refer to note 9)
c) Judgements in determining when the recognition criteria have been met to recognise an intangible asset (refer to note 9)
d) Judgements and estimates in determining the impairments of intangible assets (refer to note 9)

Leases - the group as a lessee

a) Judgements in determining the lease term (refer to note 21)
b) Judgements in determining an incremental borrowing rate (refer to note 21)

Cash-settled employee share-based payments

a) Judgements and estimates around the future achievement of the HEPS and ROIC performance conditions and inputs into the fair valuation model (refer to note 33.1)

Supply chain finance arrangements

a) Judgements with regard to classification of supply chain finance arrangements (refer to notes 20.3 and 38.2.1.3)
b) Judgements in determining whether direct settlements from the financial institution to the supplier are non-cash increases in financing activities and non-cash decreases in operating activities. As these transactions do not require the use of the group's cash and cash equivalents, the directors consider these to be non-cash transactions and on that basis they have been excluded from the statement of cash flows (refer to note E in the consolidated statement of cash flows).

4.2 Dilutive impact on earnings per share and headline earnings per share of the potential ordinary shares relating to the shareholding of BEE parties in BECSA and BESSA (refer to notes 32.2 and 32.4)

a) Judgements in determining whether the BEE parties will be settled in cash, shares in another group entity or shares in the company. The directors concluded that the current intention is to settle the parties in shares in the company.
b) Judgements and assumptions regarding expected future cash flows, factors such as expected future market conditions, discount rates and terminal growth rates in respect of valuations performed on BECSA and BESSA. Refer to note 4.3 below and to note 5 in respect of key inputs into the valuation of BECSA. In respect of BESSA, the key valuation inputs were as follows:
- forecast sales volumes
- discount rate of 15.3% (2023: 16,2%)
- terminal growth rate of 4,5% (2023: 4,5%)

4.3 IAS 36 Impairment of Assets and going concern

The judgements made by management in respect of the impairment of assets are described below:
a) Judgements in identifying the group’s cash generating units (refer to note 5)
b) Judgements in determining the discount rates (refer to note 5)
c) Judgements in determining the terminal growth rates (refer to note 5)
d) Judgements and estimates in determining the future cash flows (refer to note 5)

The determination of forecasts and expected future cash flows requires management to exercise judgement and make assumptions relating to factors such as expected future market conditions. Refer to note 5.

5 IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

In terms of *IAS 36 Impairment of Assets* the group is required to perform tests for impairment of assets based on the expected future cash flows pertaining to these assets whenever there is an indication that these assets may be impaired.

At 31 December 2024 the market capitalisation and net asset value of the group were R3,9 billion (2023: R2,2 billion) and R5,7 billion (2023: R5,3 billion) respectively. This is an indicator of possible impairment of the group's business in terms of IAS 36.

Management has identified two types of CGU's and has adopted the following approach in order to assess the relevant CGU for impairment:
- OEM CGU: The Richards Bay manufacturing component (BECSA), the Germany manufacturing and assembly component (Kindel), the Germany logistics centre component (Alsfeld), BEGS including the GLC component and Bell Equipment North America Inc. component (BENA), constitute this main CGU. Management has calculated a fair value for this CGU using a discounted cash flow model which is compared to the relevant net assets within the CGU in order to determine whether there is any need for impairment of OEM assets. A discounted cash flow valuation was performed for each of the components and the sum of the fair values of the components was compared with the carrying amount of the assets recorded in the financial statements for the OEM CGU. The OEM CGU comprises the manufacturing, assembly, logistics and dealer sales operation in South Africa segment and the manufacturing, assembly, logistics and dealer sales operation in Europe segment. Refer to note 5.1 below.
- Dealer CGU's: There are a number of CGU's relating to the owned direct sales operations, such as BESSA. Management performed a qualitative risk assessment of the profitability and any potential exposure of assets within the relevant CGU to impairment under IAS 36. No impairment losses were identified from this review.

Further consideration was given to the possible impairment of specific asset categories on the statement of financial position as set out in note 5.2. below.

5.1 Impairment considerations of the OEM CGU

The following was considered in the valuation of the OEM CGU, based on discounted cash flow methodology:
- discounted cash flow valuation principles were applied in assessing the expected future cash flows pertaining to each of the operations comprising the OEM CGU. A fair value less costs to sell measurement assessment was performed. This has been classified as a Level 3 fair value measurement.
- the key assumptions used in the valuations related to financial forecasts, cash flow projections, terminal growth rates and discount rates as listed below. The financial forecasts and cash flow projections were approved by the board of directors. Specialists were engaged to determine appropriate discount rates and terminal growth rates, to review the appropriateness of the valuation methodology applied and the accuracy of implementation thereof by management.

Key inputs into the valuations performed were as follows:
- the sales volumes forecast by market was a key input to the financial forecasts.
- pre-tax discount rates and terminal growth rates of the operations as described below:

	2024			2023		
	Weighted Average Cost of Capital		Terminal growth rate	Weighted Average Cost of Capital		Terminal growth rate
	Low	High		Low	High	
Operations comprising the OEM CGU	%	%	%	%	%	%
Manufacturing operations						
- BECSA	20.73	22.63	4.50	23.43	25.82	4.50
- Kindel	11.77	12.91	2.00	11.25	12.40	2.00
Logistics operations						
- Alsfeld	11.94	13.00	2.00	10.97	12.07	2.00
- BENA	13.89	14.93	2.00	16.39	17.51	2.00
OEM						
- BEGS	22.38	24.01	4.50	28.33	30.21	4.50

In respect of the discount rates, key inputs into the cost of equity and after tax cost of debt were:

	2024				2023			
	Nominal risk free rate * %	Market risk premium %	Beta co-efficient	Company specific risk premium ** (range)	Nominal risk free rate %	Market risk premium %	Beta co-efficient	Company specific risk premium ** (range)
Manufacturing operations								
- BECSA	10.32	6.00	1.06	5% - 15%	10.58	6.50	1.11	5% - 15%
- Kindel	2.60	6.50	1.05	5% - 15%	2.26	6.50	1.10	0% - 10%
Logistics operations								
- Alsfeld	2.60	6.50	1.05	10% - 20%	2.26	6.50	1.10	0% - 10%
- BENA	4.86	5.00	1.07	25% - 35%	4.20	6.00	1.12	40% - 50%
OEM								
- BEGS	10.32	6.00	1.06	25% - 35%	10.58	6.50	1.11	45% - 55%

* Based on the yield of the R2035 South African Government bond as at year-end for BECSA and BEGS.
Based on the average yield on the 30-year Germany Government bond as at year-end for Kindel and Alsfeld.
Based on the yield on the US 20 year treasury bonds as at year-end for BENA.
** Taking into consideration the business models and risks of the business.

	2024	2023
Small stock premium applied (i)	0.00%	0.00%
Cost of debt - credit spread added to respective risk free rates (ii)	2.00%	2.00%
Capital structure - based on comparator companies	80% equity 20% debt	80% equity 20% debt
Tax rates	Prevailing corporate tax rates in respective jurisdictions	Prevailing corporate tax rates in respective jurisdictions

(i) Considerations were the diversification of the group which operates across a number of jurisdictions with a diversified customer base, the substantial market share in South Africa, the governance in place being a listed entity, and the level of gearing.
(ii) Taking into account the actual cost of external borrowings as well as what market comparators could achieve in relation to the prime lending rates in the respective markets if the assumed capital structure was applied.

5 IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)

5.1 Impairment considerations of the OEM CGU (continued)

Terminal growth rates were benchmarked against respective long-term inflation rates that are inherent in the applied risk free rates. Inflation and other macroeconomic data was obtained from independent analyst reports.

The recoverable amount of the OEM CGU was determined as R5,2 billion (2023: R7,1 billion), compared with the carrying amount of the sum of the operations comprising the OEM CGU of R2,7 billion (2023: R2,8 billion).

No impairment losses relating to the operations comprising the OEM CGU were identified from this review.

5.2 Impairment considerations of specific asset categories

Further consideration was given to the impairment of specific asset categories on the statement of financial position as set out below.

5.2.1 ***Inventory***

The group conducted its detailed annual assessment of the valuation of inventory at 31 December 2024. As part of its assessment to determine if inventories were impaired, management categorised inventory by type (new equipment, used equipment and parts by product), ageing and market into which the inventory is expected to be sold.

All inventory is valued at the lower of cost and net realisable value. At 31 December 2024, an amount of R486,6 million (2023: R406,1 million) included in inventory was carried at net realisable value. Included in cost of sales in the current year is an amount of R72,7 million (2023: R94,5 million) in respect of write-downs of inventory.

5.2.2 ***Trade and interest-bearing receivables***

The balances owed by customers to the group are reviewed on an ongoing basis, with specific emphasis on protecting the value of the group's security, comprising mainly the financed equipment. There has been no change to this approach during the current year. Management considered the likely impact of the current economic and market conditions on the expected loss rates for receivables. Management has concluded that no change on a portfolio basis is required. Steps and considerations taken by management as part of the forward-looking assessment of expected credit losses included the following:

- the market prices being realised and expected to be realised for capital equipment in the South African and international markets.
- the robustness of the group's processes to inspect, service and maintain equipment held as security for outstanding receivables.
- the status and prospects of the revenue generating contracts on which the financed equipment is being used by the customers with significant outstanding balances and the industries in which those customers are operating.
- the history of cash conversion on customer accounts, including parts accounts.

5.2.3 ***Property, plant and equipment***

There has been no change in the group's plans to use its assets to support revenue generating activities. The group's freehold land and buildings were revalued during 2022 as part of the three-year revaluation cycle. There has been no material change in the information and assumptions used since the previous valuations of land and buildings. No impairment of property, plant and equipment was considered necessary.

5 IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)

5.2 Impairment considerations of specific asset categories (continued)

5.2.4 ***Intangible assets***

A review was conducted of capitalised engineering development costs and projects to the value of R5,1 million (December 2023: Rnil) were discontinued and impaired in the current period.

5.3 Impairment considerations of Russian operation

Due to the ongoing Russia-Ukraine conflict and sanctions imposed, the assets relating to the group's operation in Russia were tested for impairment. Access to the cash and bank balances in this operation is restricted at present (refer to note 16). There are no other significant assets in this operation.
No impairment losses were identified from this review.

5.4 Directors' assessment of going concern and monitoring of facility levels

As part of the assessment of the appropriateness of adopting the going concern basis in preparing the consolidated annual financial statements for the year ended 31 December 2024, the directors considered the group's cash flow forecast for the next twelve months. This forecast is based on expected demand for the next 12 months. The cash flow forecast reflects that the group expects to operate within facility levels and generate sufficient cash flows to settle its obligations when due. Management constantly monitors the facility levels in relation to the group's cash flow forecast. The group's lenders continue to support the business.

The group's net debt at 31 December 2024 has decreased since 2023 to approximately R0,5 billion (2023: R1,5 billion).

The directors consider it appropriate that the year-end financial statements are prepared on a going concern basis.

6 OPERATING SEGMENTS

Accounting policy

The operating segments of the group by geographical area have been identified on the basis of internal reports about components of the group that are regularly reviewed by the group's chief executive in order to allocate resources to the segments and to assess their performance.

The group conducts two main business operations:

Manufacturing, assembly, logistics and dealer sales operations

- OEM operations comprising manufacturing, assembly and sales of equipment and aftermarket products to independent dealers for their distribution to market.

Direct Sales operations

- owned distribution operations for direct sales of own manufactured products, other third party products and the supply of aftermarket support and products to market.

The Manufacturing, assembly, logistics and dealer sales operations comprise operations in South Africa and Europe:

- South Africa includes the group’s main OEM and manufacturing operations in Richards Bay and the group’s global parts logistics centre in Johannesburg. The main function of these operations is to manufacture and distribute product (refer to note 27 for the major revenue sources) to the rest of the group and to independent dealers in North America, Africa, South America and Australasia.
- Europe includes dealer support operations in the United Kingdom, France and Germany as well as an assembly and manufacturing plant and a parts logistics centre in Germany which distribute product to independent dealers in North America, Europe and Asia.

The Direct Sales operations comprise operations in South Africa and Rest of Africa:

- South Africa includes a number of customer service centres in South Africa and Eswatini.
- Rest of Africa includes customer service centres in Zambia and Zimbabwe. The customer service centre in Zimbabwe ceased trading during 2024.

Other operations include the results of the group’s holding companies, property investment company and BBBEE companies and trust.

The accounting policies of the reportable segments are the same as the group's accounting policies except for goods in transit between the Richards Bay and Germany manufacturing plants which is included as revenue in the Manufacturing, assembly, logistics and dealer sales South Africa segment at the time the goods are shipped at Richards Bay rather than in accordance with the contractual shipping terms.

Each reportable segment, except for the other operations and inter-segmental eliminations segment, derives its revenue mainly from the sale of equipment and aftermarket products.

6 **OPERATING SEGMENTS (continued)**

	Manufacturing, assembly, logistics and dealer sales operations		Direct Sales operations			
	SOUTH AFRICA	EUROPE	SOUTH AFRICA	REST OF AFRICA	OTHER OPERATIONS AND INTER-SEGMENTAL ELIMINATIONS *	CONSOLIDATED
2024	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Revenue **						
External revenue	2 587 577	3 868 976	4 466 418	773 695	-	11 696 666
Inter-segment revenue	5 823 809	365 584	17 953	-	(6 207 346)	-
Total revenue	8 411 386	4 234 560	4 484 371	773 695	(6 207 346)	11 696 666
Cost of sales	(7 033 205)	(3 826 607)	(3 767 739)	(668 777)	6 067 249	(9 229 079)
Gross profit	1 378 181	407 953	716 632	104 918	(140 097)	2 467 587
Profit (loss) from operating activities	477 157	159 448	247 772	12 051	(142 031)	754 397
Interest expense	(141 316)	(44 145)	(78 084)	(3 452)	81 947	(185 050)
Interest income	96 113	15 685	25 146	209	(34 243)	102 910
Taxation	(115 003)	(37 322)	(59 147)	(16 363)	26 642	(201 193)
Profit (loss) for the year	316 951	93 666	135 687	(7 555)	(67 685)	471 064
Segment assets	5 677 583	2 691 171	2 039 728	333 407	(1 649 779)	9 092 110
Segment liabilities	4 381 303	1 002 364	1 583 411	69 938	(3 621 846)	3 415 170
Other information						
Additions to property, plant and equipment and intangible assets	174 625	21 288	4 015	7 198	(3 635)	203 491
Additions and modifications to right-of-use assets	16 159	(8 343)	26 571	-	-	34 387
Depreciation of property, plant and equipment and right-of-use assets and amortisation of intangibles	(118 832)	(56 252)	(47 274)	(6 890)	6 668	(222 580)
Other material items of income and expense:						
- Currency exchange gains	200 161	109 555	-	3 482	23 004	336 202
- Currency exchange losses	(190 977)	(115 507)	-	(13 610)	(16 292)	(336 386)
- Staff costs (including directors' remuneration)	(1 175 192)	(462 537)	(342 649)	(49 847)	(6 910)	(2 037 135)
- (Increase) decrease in contract provision - warranty	(17 795)	24 468	38 931	(298)	(60 605)	(15 299)
- Warranty expenditure - standard and extended warranties	(266 826)	(12 308)	(28 277)	(5 383)	5 037	(307 757)
- Decrease (increase) in provision for inventory write-downs (including write-downs to equipment on short-term rentals)	198	(4 607)	(9 879)	3 210	237	(10 841)
- APDP - production incentives	211 324	-	-	-	-	211 324
- Impairment loss recognised on intangible assets	(5 112)	-	-	-	-	(5 112)

Information about major customers

Included in the manufacturing, assembly, logistics and dealer sales operations segment in Europe are sales of R2,4 billion (2023: R3,8 billion) to a distributor in the United States of America which represent more than 10% of the group's external revenue. No other single customer contributed 10% or more to the group’s revenue in either 2024 or 2023.

* Inter-segmental eliminations above relate to the following:

i) Revenue - the elimination of intra-group sales transactions, mainly sales from the manufacturing, assembly, logistics and dealer sales operations to other group operations.

ii) Operating profit - the elimination of profit or loss on intra-group transactions, mainly sales transactions from the manufacturing, assembly, logistics and dealer sales operations to the other group operations, where the inventory has not yet been on-sold to a third party at period end.

iii) Assets and liabilities - the intra-group transactions result in intra-group receivables and payables balances and furthermore intra-group loans are in place between certain group operations. These are eliminated on consolidation.

** The group's revenue from major products and services is disclosed in note 27.

6 **OPERATING SEGMENTS (continued)**

2023	Manufacturing, assembly, logistics and dealer sales operations SOUTH AFRICA R000	Manufacturing, assembly, logistics and dealer sales operations EUROPE R000	Direct Sales operations SOUTH AFRICA R000	Direct Sales operations REST OF AFRICA R000	OTHER OPERATIONS AND INTER-SEGMENTAL ELIMINATIONS * R000	CONSOLIDATED R000
**Revenue ** **						
External revenue	2 575 143	5 663 734	4 385 942	888 741	-	13 513 560
Inter-segment revenue	6 109 345	512 328	23 024	166	(6 644 863)	-
Total revenue	8 684 488	6 176 062	4 408 966	888 907	(6 644 863)	13 513 560
Cost of sales	(7 360 998)	(5 486 882)	(3 712 540)	(745 996)	6 494 391	(10 812 025)
Gross profit	1 323 490	689 180	696 426	142 911	(150 472)	2 701 535
Profit (loss) from operating activities	833 988	158 280	220 396	113 775	(132 728)	1 193 711
Interest expense	(177 495)	(38 223)	(78 117)	(2 355)	99 422	(196 768)
Interest income	68 851	5 841	51 316	76	(42 879)	83 205
Taxation	(189 966)	(45 718)	(60 172)	(27 512)	36 786	(286 582)
Profit (loss) for the year	535 378	80 180	133 423	83 984	(39 399)	793 566
Segment assets	6 809 847	3 551 137	1 677 347	330 002	(1 833 750)	10 534 583
Segment liabilities	5 335 416	1 776 828	1 350 701	64 598	(3 277 976)	5 249 567
Other information						
Additions to property, plant and equipment and intangible assets	147 571	31 625	3 789	10 030	19 296	212 311
Additions and modifications to right-of-use assets	53 451	9 801	52 955	-	-	116 207
Depreciation of property, plant and equipment and right-of-use assets and amortisation of intangibles	(139 689)	(52 674)	(46 276)	(1 614)	3 931	(236 322)
Other material items of income and expense:						
- Currency exchange gains ***	310 805	79 216	-	6 168	18 011	414 200
- Currency exchange losses ***	(358 519)	(101 107)	-	(16 936)	(14 581)	(491 143)
- Staff costs (including directors' remuneration)	(1 236 469)	(471 567)	(345 575)	(50 181)	(1 053)	(2 104 845)
- (Increase) decrease in contract provision - warranty	(66 825)	55 378	(1 639)	(1 767)	(54 089)	(68 942)
- Warranty expenditure - standard and extended warranties	(197 286)	(10 197)	(31 310)	(2 819)	2 687	(238 925)
- (Increase) decrease in provision for inventory write-downs (including write-downs to equipment on short-term rentals)	(204)	1 162	(21 831)	(14 430)	(632)	(35 935)
- APDP - production incentives	239 036	-	-	-	-	239 036

* Inter-segmental eliminations above relate to the following:
i) Revenue - the elimination of intra-group sales transactions, mainly sales from the manufacturing, assembly, logistics and dealer sales operations to other group operations.
ii) Operating profit - the elimination of profit or loss on intra-group transactions, mainly sales transactions from the manufacturing, assembly, logistics and dealer sales operations to the other group operations, where the inventory has not yet been on-sold to a third party at period end.
iii) Assets and liabilities - the intra-group transactions result in intra-group receivables and payables balances and furthermore intra-group loans are in place between certain group operations. These are eliminated on consolidation.

** The group's revenue from major products and services is disclosed in note 27.

*** In the current year the comparative net foreign currency gains (losses) were disaggregated between currency exchange gains and currency exchange losses.

7 PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets, where appropriate.

Freehold land is not depreciated and is stated at revalued amounts with subsequent additions at cost, less any subsequent accumulated impairment losses. Freehold buildings are stated at revalued amounts, with subsequent additions at cost less subsequent accumulated depreciation and any subsequent accumulated impairment losses. Other assets and its subsequent additions are stated at cost less accumulated depreciation and any accumulated impairment losses.

Revaluations of freehold land and buildings are undertaken every three years or when there is an indication of impairment, whichever comes first and are classified as Level 3 fair value measurements under IFRS 13. The group engages independent qualified valuers to perform the valuations. Inputs into the valuation model are based on market data to the extent it is available and can cause material fluctuations in the fair value of the relevant properties. Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or disposal of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. Depreciation on revalued buildings is recognised in profit or loss.

Depreciation of assets commences when the asset is available for use and is expensed in the statement of profit or loss. The depreciable values of leasehold buildings are depreciated over the shorter of their expected useful lives and the period of the lease. Depreciation on other assets is provided on a straight-line basis over the anticipated useful lives of the assets, taking residual values into account. Depreciation ceases on an asset only when the asset is derecognised or when it is classified as held for sale.

Rental assets are stated at cost less accumulated depreciation and impairment losses. Manufactured and third party equipment is classified as rental assets under property, plant and equipment when they are held for rental to others and these rentals are expected to exceed 12 months. Equipment that is held for sale but is incidentally rented out under short-term rentals until a buyer is found, is classified as inventory. Rental assets are depreciated based on the hours utilised while on rental. Depreciation on rental assets is classified as cost of sales.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising 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 profit or loss.

The annual rates of depreciation currently used are:

Freehold buildings	1% to 3,33%
Leasehold buildings	5% to 20%
Plant and equipment	4% to 33%
Rental assets - manufactured and third party equipment	20% to 30%
Vehicles	10% to 25%
Aircraft	10% to 12,5%

Useful lives and residual values are reviewed annually, with the effect of any change in accounting estimate accounted for on a prospective basis. In assessing the useful lives of the assets and residual values, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as market conditions, the remaining life of the asset and projected disposal values. In assessing useful lives and residual values, assumptions are made concerning the future and these may cause a significant adjustment to the carrying amounts of the assets within the next financial year.

Impairment of property, plant and equipment

At the end of the reporting period, the group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Refer to the impairment considerations in note 5.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Assumptions are made in projecting disposal values and in determining estimated future cash flows. Estimation uncertainties may cause a material adjustment to the carrying amounts of the assets within the next financial year.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease through other comprehensive income.

7 **PROPERTY, PLANT AND EQUIPMENT (continued)**

	Cost / valuation 2024 R000	Accumulated depreciation and impairments 2024 R000	Net book value 2024 R000	Cost / valuation 2023 R000	Accumulated depreciation and impairments 2023 R000	Net book value 2023 R000
Freehold land and buildings	741 945	116 169	625 776	758 214	90 828	667 386
Leasehold buildings *	14 821	5 380	9 441	12 603	4 285	8 318
Plant and equipment	982 781	631 127	351 654	906 487	606 930	299 557
Rental assets - manufactured and third party equipment	34 510	2 351	32 159	4 755	403	4 352
Vehicles and aircraft	55 611	33 984	21 627	70 312	43 842	26 470
Total	1 829 668	789 011	1 040 657	1 752 371	746 288	1 006 083

	Freehold land and buildings R000	Leasehold buildings * R000	Plant and equipment R000	Rental assets - manufactured and third party equipment R000	Vehicles and aircraft R000	Total R000
Movement in property, plant and equipment						
2024						
Net book value at beginning of the year	667 386	8 318	299 557	4 352	26 470	1 006 083
Additions	792	2 194	111 046	-	7 882	121 914
Disposals	-	-	(7 260)	-	(5 932)	(13 192)
Depreciation	(28 142)	(1 086)	(49 083)	(1 942)	(6 979)	(87 232)
Transfers **	-	-	-	29 755	-	29 755
Translation differences	(14 260)	15	(2 606)	(6)	186	(16 671)
Net book value at end of the year	625 776	9 441	351 654	32 159	21 627	1 040 657
2023						
Net book value at beginning of the year	624 777	7 625	253 708	43 347	15 023	944 480
Additions	27 427	1 452	115 733	-	12 502	157 114
Disposals	-	-	(4 118)	-	(28)	(4 146)
Depreciation	(30 714)	(981)	(72 074)	(9 198)	(2 089)	(115 056)
Transfers **	-	-	-	(29 797)	-	(29 797)
Translation differences	45 896	222	6 308	-	1 062	53 488
Net book value at end of the year	667 386	8 318	299 557	4 352	26 470	1 006 083

* Leasehold buildings relate to improvements not refunded or reimbursed by the landlord or improvements which are not part of the lease contract.

** Transfers of rental assets to the amount of R29,8 million (2023: R29,8 million) relate to equipment held for rental reclassified between inventory and rental assets in property, plant and equipment.

Certain property, plant and equipment is encumbered as indicated in note 20.1.

	2024	2023
7 PROPERTY, PLANT AND EQUIPMENT (continued)	**R000**	**R000**
Freehold land and buildings at valuation/cost comprise:		
South Africa	286 877	286 948
Richards Bay		
Lot 1892 Alton Industrial Township	27 200	27 200
Lot 1894 Alton Industrial Township	59 100	59 100
Lot 10024 Alton Industrial Township	160 108	160 179
Middelburg		
Portion 45 Lot 11063, Extension 33	40 469	40 469
Germany	368 537	385 721
Oberste-Elpersweide 4, Alsfeld	99 668	103 705
Industriestraße 8, Hörselberg-Hainich, 99820	268 869	282 016
Zambia		
Plots 4095 and 4096, Chingola Road, Kitwe	79 173	77 826
France		
35 Avenue du Berry, 23800, Dun le Palestel	7 358	7 719
Total freehold land and buildings at cost/valuation	741 945	758 214

South Africa

The group's freehold land and buildings in Richards Bay and Middelburg were valued in 2022 by the Mills Fitchet group, independent qualified valuers, on the fair value in continuation of existing use basis. Additions subsequent to the last valuation are at cost.

	2024	2023
Reconciliation of carrying amount - Richards Bay	**R000**	**R000**
Net book value at beginning of the year	216 266	217 095
Additions at cost	-	16 512
Depreciation	(14 878)	(17 341)
Net book value at end of the year	201 388	216 266

	2024	2023
Reconciliation of carrying amount - Middelburg	**R000**	**R000**
Net book value at beginning of the year	39 478	40 187
Depreciation	(508)	(709)
Net book value at end of the year	38 970	39 478

Germany

The group's freehold land and buildings in Alsfeld and Hörselberg-Hainich (Kindel) were valued in 2022 by ValEx Deutschland GmbH, independent qualified valuers. Additions subsequent to the last valuation are at cost.

	2024	2023
Reconciliation of carrying amount - Germany *	**R000**	**R000**
Net book value at beginning of the year	328 014	292 288
Translation differences	(15 177)	38 361
Additions at cost	792	8 130
Depreciation	(10 872)	(10 765)
Net book value at end of the year	302 757	328 014

* The group did not adjust the carrying amounts of the freehold land and buildings in Germany when valued in 2022 as these carrying amounts approximated the fair values as determined by the valuator.

7 **PROPERTY, PLANT AND EQUIPMENT (continued)**

Zambia

The group's freehold land and buildings in Zambia were valued in 2022 by Mak Associates Consulting Limited, independent qualified valuers.

	2024	2023
Reconciliation of carrying amount - Zambia	**R000**	**R000**
Net book value at beginning of the year	76 050	71 176
Translation differences	1 268	6 646
Depreciation	(1 759)	(1 772)
Net book value at end of the year	75 559	76 050

	2024	2023
	R000	**R000**
The comparable amounts under the historical cost convention for the freehold land and buildings were:		
Historical carrying amount	482 699	512 982

8 RIGHT-OF-USE ASSETS

Accounting policy

The group as lessee

At inception of a contract, the group assesses whether a contract is or contains a lease.

The group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is the lessee. The right-of-use asset is initially measured at the initial amount of the lease liability adjusted for any lease prepayments made at or before the commencement date. Refer to note 21 for the group's accounting policy on lease liabilities.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the group by the end of the lease term. In that case the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The group applies *IAS 36 Impairment of Assets* to determine whether a right-of-use asset is impaired (refer to note 5) and accounts for any identified impairment loss as described in note 7.

Short-term leases and leases of low value assets

The group does not recognise a right-of-use asset and a corresponding lease liability for short-term leases and leases of low value assets, but recognises the lease payments as operating expenses on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The group leases various land and buildings, plant and equipment and vehicles. Lease contracts typically extend for fixed periods of one to 10 years but may have further extension options.

	Cost 2024 R000	Accumulated depreciation 2024 R000	Net book value 2024 R000	Cost 2023 R000	Accumulated depreciation 2023 R000	Net book value 2023 R000
Land and buildings	559 563	288 478	271 085	569 391	224 489	344 902
Plant and equipment	25 134	15 172	9 962	21 346	12 557	8 789
Vehicles	115 318	54 284	61 034	90 698	29 832	60 866
Total	700 015	357 934	342 081	681 435	266 878	414 557

Movement in right-of-use assets	Land and buildings R000	Plant and equipment R000	Vehicles R000	Total R000
2024				
Net book value at beginning of the year	344 902	8 789	60 866	414 557
Additions	10 038	7 764	31 455	49 257
Modifications	(14 925)	55	-	(14 870)
Disposals	(533)	(1 882)	(264)	(2 679)
Depreciation	(65 053)	(4 621)	(30 722)	(100 396)
Translation differences	(3 344)	(143)	(301)	(3 788)
Net book value at end of the year	271 085	9 962	61 034	342 081
2023				
Net book value at beginning of the year	334 857	4 801	28 244	367 902
Additions *	48 126	6 325	49 520	103 971
Modifications	12 182	-	54	12 236
Disposals	-	(75)	(1 124)	(1 199)
Depreciation	(63 373)	(2 766)	(19 135)	(85 274)
Translation differences	13 110	504	3 307	16 921
Net book value at end of the year	344 902	8 789	60 866	414 557

* Additions in the prior year include a 5 year property lease for commercial space relating to the group’s sales and logistics operation in South Carolina, USA (BENA), for an amount of R41,6 million. Refer to note 21.

Amounts recognised in profit and loss during the reporting period:

	2024 R000	2023 R000
Depreciation expense on right-of-use assets	100 396	85 274
Interest expense on lease liabilities	49 593	47 820
Expenses relating to short-term leases and leases of low value assets	38 444	47 259

9 INTANGIBLE ASSETS

Accounting policy

Intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives and is recognised in profit or loss under factory operating expenses. The estimated useful lives and amortisation methods are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired separately

Intangible assets acquired separately relate to capitalised software. The annual rates of amortisation currently used are 10% to 20%.

Intangible assets generated from internal projects - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Where an intangible asset arises from the development phase of an internal project, management together with the various teams, largely being the engineering and marketing teams, assess whether the project meets the criteria for capitalisation. A project is only recognised as an asset if all of the following criteria listed in the project charter have been demonstrated:

- the technical feasibility of completing the project so that the product being developed will be available for use or sale;
- the intention to complete the project and use or sell the product being developed;
- the ability to use or sell the product being developed;
- how the project will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the product being developed; and
- the ability to measure reliably the expenditure attributable to the project during the development phase.

In the group's judgement the above criteria are generally considered to be met when the teams commence the building of the prototype of the product being developed. The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the project first meets the recognition criteria listed above. Where no intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

The expenditure incurred on an internal project comprises of an allocation of the relevant engineering staff salary costs together with any material required for purpose of such development. In determining the engineering salary cost incurred, an estimate is made of the time spent by the engineering department on each of the internal projects and an allocation between these is made. This estimate of time is reviewed at regular intervals during the development phase and an adjustment made where necessary. This requires judgement.

An assessment is made once the development phase has ended, and thereafter annually, of the estimated useful life of each internal project capitalised. The assessment is based on past projects together with any information on future market trends. This requires judgement. The estimated useful lives currently vary from 5 to 10 years.

Derecognition of intangible assets

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

Impairment of intangible assets

Intangible assets are subject to the same impairment testing and impairment accounting principles as those described in the accounting policy for property, plant and equipment (refer to note 7). Refer to the impairment considerations in note 5.

Where intangible assets are not yet available for use, impairment testing is done annually and whenever there is an indication that the asset may be impaired.

9 **INTANGIBLE ASSETS (continued)**

	Cost 2024 R000	Accumulated amortisation and impairments 2024 R000	Net book value 2024 R000	Cost 2023 R000	Accumulated amortisation and impairments 2023 R000	Net book value 2023 R000
Capitalised software	129 599	71 334	58 265	103 536	62 714	40 822
Capitalised engineering development expenditure - completed *	389 769	288 078	101 691	388 836	267 825	121 011
Capitalised engineering development expenditure - in progress *	166 612	5 625	160 987	117 597	-	117 597
Total	685 980	365 037	320 943	609 969	330 539	279 430

Movement in intangible assets	Capitalised software R000	Capitalised engineering development expenditure - completed * R000	Capitalised engineering development expenditure - in progress * R000	Total R000
2024				
Net book value at beginning of the year	40 822	121 011	117 597	279 430
Additions	26 053	2 580	52 944	81 577
Impairment loss	-	-	(5 112)	(5 112)
Amortisation	(8 610)	(25 829)	(513)	(34 952)
Transfers	-	3 929	(3 929)	-
Net book value at end of the year	58 265	101 691	160 987	320 943
2023				
Net book value at beginning of the year	35 092	147 787	77 346	260 225
Additions	12 935	2 011	40 251	55 197
Amortisation	(7 205)	(28 787)	-	(35 992)
Net book value at end of the year	40 822	121 011	117 597	279 430

Refer to note 5.2.4 for impairment considerations of intangible assets.

* In the current year, capitalised engineering development expenditure was disaggregated between completed assets and assets still in progress.

10 INVESTMENTS

Accounting policy

Investments are classified as at fair value through other comprehensive income and comprise of listed and unlisted equity instruments which are not held for trading. The group has elected to designate the investments below as at fair value through other comprehensive income as these are strategic investments and the group considers this classification to be more relevant.

Upon initial recognition, the investments are measured at fair value plus transaction costs. Subsequent to initial recognition, any gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the reserve for fair value gains and losses on equity investments. Upon disposal of the equity investment, any related balance within the reserve for fair value gains and losses on equity investments is not reclassified to profit or loss, but transferred to retained earnings.

Dividends are recognised in profit or loss when the group's right to receive the dividends is established.

	2024 R000	2023 R000
Financial assets at fair value through other comprehensive income		
Listed equity investments not held for trading *		
Opening balance	3 168	4 755
Disposals at fair value	(4 177)	-
Translation difference	755	439
Fair value gain (loss)	753	(2 026)
Closing balance	499	3 168
Unlisted equity investment not held for trading **		
Opening balance	32 563	58 180
Translation difference	(1 404)	6 959
Fair value loss	(7 715)	(32 576)
Closing balance	23 444	32 563
Total investments	23 943	35 731

* The listed investments are investments in companies which are listed on the Zimbabwean Stock Exchange. They have no fixed maturity. These investments have been fair valued using the quoted closing market prices at 31 December 2024.

** The unlisted equity investment represents a 10% interest in the equity of an entity registered in the United States of America. The entity operates within the dealer and distribution network of the heavy equipment industry. The group does not have access to future forecast information with regards to this entity and has used the market approach to estimate the fair value of its investment.

An EBITDA multiple of 8.60 (2023: 7.40) was used to estimate the fair value of the entity. Information about the other unobservable inputs applied in the method is as follows:

	Measurement date	
	31 December 2024	**31 December 2023**
Control premium	20.0%	20.0%
Marketability discount	15.3%	15.3%
Minority discount	16.9%	16.9%

The EBITDA multiple of 8.60 represents an average of observable EBITDA multiples of a number of listed entities within the heavy equipment industry. The EBITDA multiples were obtained from a reputable market database. The fair value measurement has been classified as a Level 3 measurement. A 10% decrease or increase in the EBITDA multiple, would have a R6,6 million (2023: R8,5 million) decrease or increase impact on the fair value of the investment. The fair value loss of R7,7 million (2023: fair value loss of R32,6 million) was accounted for in other comprehensive income. There were no significant inter-relationships between unobservable inputs that materially affect the fair value of the investment.

11 INTEREST-BEARING RECEIVABLES AND CONTRACT ASSETS

Accounting policy

Interest-bearing receivables

Recognition

Interest-bearing receivables are classified as financial assets at amortised cost. Interest-bearing receivables are recognised at amortised cost using the effective interest rate method, less allowance for expected credit losses. Cash flows from interest-bearing receivables are solely payments of principal and interest and the group's objective is to collect the contractual cash flows that arise from these assets.

Impairment

The group elected to apply the simplified approach in assessing the recoverability of interest-bearing receivables. Under the simplified approach the expected credit loss allowance is measured at an amount equal to lifetime expected credit losses. The group measures the allowance for expected credit losses for interest-bearing receivables on the same basis as described in the accounting policy for trade and other receivables under the heading 'Impairment - trade receivables' (refer to note 14).

The expected credit loss rates for the group's instalment sale agreements are detailed below:

	South Africa
- equipment	< 1%

Derecognition

The group derecognises interest-bearing receivables when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received (refer below and note 20.2). Management has applied judgement and concluded that collateralised borrowings are infrequent and therefore does not impact the current business model.

Contract assets

Service and repair work in progress

Service and repair work in progress relates to revenue contracts with customers where the group has promised to service or repair a customer's machine and the group has not yet satisfied its performance obligation in terms of the contract. Job cards are maintained to keep track of labour, parts and other costs incurred by the group on a particular job and these costs are recognised as contract assets. Upon completion of the job, revenue is recognised at a point in time (refer to note 27.3.1) and the related contract asset is expensed to cost of sales.

Impairment - service and repair work in progress

At the end of the reporting period, the group reviews the carrying amounts of its service and repair work in progress for recoverability. An impairment loss is recognised in cost of sales to the extent that the carrying amount of the contract asset exceeds the amount of consideration the group expects to receive from the customer less any costs the group expects to incur in order to fulfil its performance obligation to the customer.

	2024 R000	2023 R000
Interest-bearing receivables		
Instalment sale agreements (i)	114 685	130 834
Finance lease receivables (ii)	47 366	-
Other interest-bearing assets (iii)	14 338	7 377
Total interest-bearing receivables	176 389	138 211
Contract assets		
Other contract assets (iv)	380	2 011
Service and repair work in progress (v)	37 545	53 887
Total contract assets	37 925	55 898
Total interest-bearing receivables and contract assets	214 314	194 109
Less: current portion	(186 733)	(179 042)
Total long-term portion of interest-bearing receivables and contract assets	27 581	15 067

11 **INTEREST-BEARING RECEIVABLES AND CONTRACT ASSETS (continued)**

(i) Instalment sale agreements

Receivables from instalment sale agreements for the amount of R114,7 million (2023: R130,8 million) relate to equipment sold to customers under a credit arrangement where the contract provides a significant financing benefit to the customer. Refer to the group's accounting policy in note 27.1.5 for revenue recognition from instalment sale agreements. The amounts are repayable in instalments by:

	Average interest rate per annum	2024 R000	2023 R000
2024	12.9%	-	123 368
2025	11.8%	101 274	7 466
2026	11.4%	13 411	-
Total		114 685	130 834
Less: current portion		(101 274)	(123 368)
Long-term portion		13 411	7 466

The following details an analysis of these instalment sale receivables:

2024	Less than one year R000	One to two years R000	Total R000
Gross investment	104 948	13 486	118 434
Less: unearned finance income	(3 674)	(75)	(3 749)
Present value of minimum payments	101 274	13 411	114 685
2023			
Gross investment	130 920	7 683	138 603
Less: unearned finance income	(7 552)	(217)	(7 769)
Present value of minimum payments	123 368	7 466	130 834

The average credit period on the above instalment sale receivable balances is 3 to 24 months. The instalment sale agreements are secured by the financed equipment.

Certain instalment sale receivables were discounted to a financial institution with recourse to the group (refer to notes 20.2 and 38.5).

(ii) Finance lease receivables

Finance lease receivables for the amount of R47,4 million (2023: Rnil) relate to equipment sold to customers as part of a lease arrangement.
Refer to note 27.5 for the group's accounting policy on revenue recognition from lease agreements. The amounts are repayable in instalments by:

	Average interest rate per annum	2024 R000	2023 R000
2025	15.0%	17 973	-
2026	15.5%	29 393	-
Total		47 366	-
Less: current portion		(45 783)	-
Long-term portion		1 583	-

The following details an analysis of these finance lease receivables:

2024	Less than one year R000	One to two years R000	Total R000
Gross investment	52 387	1 763	54 150
Less: unearned finance income	(6 604)	(180)	(6 784)
Present value of minimum payments	45 783	1 583	47 366

The average credit period on the above finance lease receivable balances is 6 to 13 months.

		2024	2023
11	**INTEREST-BEARING RECEIVABLES AND CONTRACT ASSETS (continued)**	**R000**	**R000**
	(iii) Other interest-bearing assets		
	BBBEE shareholders loans	1 771	3 671
	BBBEE initiative loans	8 797	-
	Other interest-bearing assets	3 770	3 706
		14 338	7 377
	Less: current portion	(1 760)	-
	Long-term portion	12 578	7 377

Refer to the BBBEE ownership transaction described in note 19.2 and transactions and balances with related parties reflected in note 39.

Other interest-bearing assets relates to cash-backed bonds of R3,8 million (2023: R3,7 million) in respect of which the cash is restricted. Refer to note 34.2.2.

	2024	2023
(iv) Other contract assets	380	2 011
Less: current portion	(371)	(1 787)
Long-term portion	9	224
(v) Service and repair work in progress		
Service and repair work in progress	37 545	53 887
Less: current portion	(37 545)	(53 887)
Long-term portion	-	-

Impairment losses recognised on contract assets relating to service and repair work in progress in the current period amounted to R2,4 million (2023: R2,5 million).

12 DEFERRED TAXATION

Accounting policy

Deferred taxation is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding taxation bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred taxation assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred taxation assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxation is calculated at the taxation rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred taxation is charged or credited to profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred taxation is also recognised in other comprehensive income or directly in equity.

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

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to set off deferred taxation assets against deferred taxation liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current taxation assets and liabilities on a net basis.

The deferred taxation analysed by major category of temporary difference and the reconciliation of the movement in the deferred taxation balance is as follows:	Deferred taxation assets in group companies at beginning of the year R000	Deferred taxation liabilities in group companies at beginning of the year R000	Translation differences R000	Recognised in profit or loss for the year R000	Deferred taxation assets in group companies at end of the year R000	Deferred taxation liabilities in group companies at end of the year R000
2024						
Accruals	33 068	9 957	(59)	540	37 630	5 876
Capitalised engineering development expenditure	(64 456)	-	-	(6 496)	(70 952)	-
Contract liabilities	112 467	13 990	(32)	862	118 558	8 729
Discounted instalment sale agreements	8 956	-	-	(8 956)	-	-
Excess taxation allowances over depreciation charge	(16 672)	(16 878)	(91)	3 423	(9 509)	(20 709)
Finance lease receivables	-	-	-	(12 789)	(12 789)	-
Production incentives	-	(37 393)	-	11 845	-	(25 548)
Leases liabilities	111 441	27 723	(1 487)	(3 878)	104 666	29 133
Other allowances, including allowances for future expenditure on contracts	(17 889)	-	-	2 527	(15 362)	-
Other provisions	3 653	-	(1)	(2 143)	1 509	-
Prepayments	(3 290)	(2 159)	(2)	(278)	(3 896)	(1 833)
Allowance for expected credit losses	5 312	6 630	26	(4 302)	2 757	4 909
Provision for inventory obsolescence	10 771	3 396	83	1 025	15 275	-
Contract provision - warranty	75 720	(178)	33	5 818	83 012	(1 619)
Revaluation of properties	909	(70 176)	(134)	668	(7 437)	(61 296)
Refund liabilities	1 543	-	(25)	(166)	1 352	-
Right-of-use assets	(84 904)	(10 027)	1 308	882	(76 075)	(16 666)
Taxable losses	3 095	-	(3)	(2 564)	-	528
Unrealised foreign currency gains and losses	(71)	(6 458)	133	9 648	(30)	3 282
Unrealised profit in inventory	94 568	-	(225)	20 070	114 413	-
Totals	274 221	(81 573)	(476)	15 736	283 122	(75 214)

12 **DEFERRED TAXATION (continued)**

The deferred taxation analysed by major category of temporary difference and the reconciliation of the movement in the deferred taxation balance is as follows:	**Deferred taxation assets in group companies at beginning of the year R000**	**Deferred taxation liabilities in group companies at beginning of the year R000**	**Translation differences R000**	**Recognised in profit or loss for the year R000**	**Deferred taxation assets in group companies at end of the year R000**	**Deferred taxation liabilities in group companies at end of the year R000**
2023						
Accruals	25 540	6 583	142	10 760	33 068	9 957
Capitalised engineering development expenditure	(59 775)	-	-	(4 681)	(64 456)	-
Contract liabilities	87 427	10 154	18	28 858	112 467	13 990
Discounted instalment sale agreements	26 789	-	-	(17 833)	8 956	-
Excess taxation allowances over depreciation charge	(16 847)	(17 254)	49	502	(16 672)	(16 878)
Production incentives	(2 684)	(22 667)	-	(12 042)	-	(37 393)
Leases liabilities *	69 945	27 772	729	40 718	111 441	27 723
Other allowances, including allowances for future expenditure on contracts	(18 300)	(210)	-	621	(17 889)	-
Other provisions	2 636	-	8	1 009	3 653	-
Prepayments	(2 398)	(1 218)	-	(1 833)	(3 290)	(2 159)
Allowance for expected credit losses	9 324	2 824	222	(428)	5 312	6 630
Provision for inventory obsolescence	12 339	-	420	1 408	10 771	3 396
Contract provision - warranty	46 366	11 397	680	17 099	75 720	(178)
Revaluation of properties	(9 948)	(61 296)	(1 069)	3 046	909	(70 176)
Refund liabilities	10 268	-	66	(8 791)	1 543	-
Right-of-use assets *	(48 430)	(23 158)	(552)	(22 791)	(84 904)	(10 027)
Taxable losses	5 421	-	44	(2 370)	3 095	-
Unrealised foreign currency gains and losses	13 558	(3 557)	1 297	(17 827)	(71)	(6 458)
Unrealised profit in inventory	63 189	-	73	31 306	94 568	-
Totals	214 420	(70 630)	2 127	46 731	274 221	(81 573)

Further information on the group's estimated taxation losses is set out in note 31.

* In the current year the categories for lease liabilities and right-of-use assets were separately presented.

13 INVENTORY

Accounting policy

Inventory is stated at the lower of cost and net realisable value. Cost is generally determined on the following bases:

Merchandise spares, components and raw materials are valued on the weighted average cost basis. Finished goods purchased from third parties, manufactured finished goods, work-in-progress and components used in the manufacturing process are stated on a standard cost basis which approximates actual. Finished goods, work-in-progress and manufactured components include the cost of direct materials, and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Redundant and slow-moving inventory is identified and written down with regard to their estimated economic or realisable values. The determination of recoverable value of the inventory requires management to exercise considerable judgement and takes into account current market conditions, expected selling prices and model changes.

The group accounting policy for equipment that is rented out under short-term rentals classified as inventory is included in note 7.

	2024 R000	2023 R000
Finished goods		
- manufactured	1 220 190	774 379
- third party	674 390	682 743
- used	201 448	316 878
Merchandise spares, components and raw materials	2 191 079	3 226 289
Work-in-progress	789 370	726 272
Total inventory	5 076 477	5 726 561

Total inventory expensed, included in cost of sales, amounts to R8 522,6 million (2023: R10 042,4 million).

Inventory includes machines on short-term rental with a carrying value of R67,2 million (2023: R39,4 million).
The group recognised R7,4 million (2023: R21,4 million) in cost of sales in respect of write-downs of machines on short-term rentals.

Inventory of R597,5 million (2023: R468,8 million) was pledged to financial institutions as collateral to secure an overdraft facility. Refer to note 38.2.1.2.

Refer to note 5.2.1 for impairment considerations of inventory.

14 TRADE AND OTHER RECEIVABLES

Accounting policy

Recognition

Trade and other receivables are non-derivative financial assets with fixed or determinable payments. Trade and other receivables are recognised at amortised cost, less allowance for expected credit losses. The group's business objective is to collect contractual cash flows from trade and other receivables. Cash flows that arise from trade and other receivables are solely payments of principal and interest. Trade and other receivables are classified as financial assets at amortised cost.

Impairment - trade receivables

In assessing the recoverability of trade receivable balances, the simplified approach was applied to the specific and general allowances as described below, as there is no significant financing component in the revenue transactions associated with these balances. Under the simplified approach the expected credit loss allowance is measured at an amount equal to lifetime expected credit losses. The impact of the time value of money on the allowance for expected credit losses was considered to be insignificant as the majority of trade receivable balances are current. Refer to note 38.3 for further analysis of the group's trade receivable balances.

The assessment of the allowance for expected credit losses on customer balances is dependent on estimates and assumptions regarding past dues, repossession rates and the recovery rate on underlying equipment. Assumptions are also made concerning the future, as described below, and these may cause a material adjustment to the carrying amounts of the assets within the next financial year. The group measures the allowance for expected credit losses as follows:

a) Specific allowance

The group reviews each customer balance to assess it for a specific allowance. In instances where customers have exceeded approved credit terms, where the customer is in default with no specific arrangement to rectify the position by entering into a repayment plan with the group, where the terms of a repayment plan have not been complied with and where there are other indicators that the customer is unlikely to pay, such as where a customer has gone into business rescue, the group assesses the financial condition of the customer and the value of the underlying securities.

In considering the customer's ability to pay, the group considers the customer's ability to use the asset to generate revenue and cash. Industry factors that could potentially impact the customer's ability to generate revenue and cash are also factored in. The following specific factors, inputs, assumptions, macroeconomic and forward-looking information were used to assess the recoverability of trade receivables:

- anticipated future revenue generating contracts
- anticipated funding arrangements the customer has with financial institutions or government
- the market sector the customer operates the equipment in
- the customer's experience on similar contracts
- the customer's cash flow projections. In considering the customer's cash flow projections, an analysis of the assumptions and values used by the customer in determining the cash flows is done. Industry factors that could potentially affect the customer's anticipated future cash flows are also considered
- other macroeconomic factors such as unemployment rates, potential labour strikes, political and community unrests with regards to the mining or construction sites where the equipment is used
- in respect of customers operating in the mining industry, the group considered commodity prices, the stability of mining operations and the consistency of production volumes at the mine site at which the customer operates
- security provided by the customer including personal guarantees and cessions of other unencumbered moveable assets owned by the customer
- past payment history

In determining the allowance for expected credit losses, the group also considered estimations of the value of any security, in the form of the financed equipment, the estimated costs of preparing the equipment for re-sale and the group's ability to repossess the equipment.

14 **TRADE AND OTHER RECEIVABLES (continued)**

Accounting policy (continued)

Impairment - trade receivables (continued)

b) General allowance

For receivable balances where no specific allowance was raised, a collective assessment is made. Expected credit losses are calculated by fragmenting trade receivables into shared risk characteristics such as geographical area (by country), collateral type and transaction type (equipment versus parts and services), taking into account forward-looking information and applying a historical loss ratio to the outstanding balance per fragment at each period end. Determining the categories used in fragmentation that reflect the risks of default and loss, requires judgement.

Actual historical losses, which take any collateral into account, are tracked per fragment and the loss ratio is calculated as a percentage of fragmented revenue over a rolling 24 month period and is used to forecast future losses. Where significant, adjustments are made for current and forecast conditions such as unemployment rates and commodity prices.

The expected credit loss rates for the group's trade receivables are detailed below:

	South Africa	Europe	Rest of Africa
- equipment	< 1%	< 1%	< 1%
- parts and services	< 1%	< 1%	< 1%

There has been no change in the approach or techniques used by the group during the current reporting period in assessing the allowance for expected credit losses.

The group writes off any amounts where the likelihood of recovery is remote and where legal means of recovery has failed. Amounts written off by the group during the reporting period in this regard are disclosed in note 28.

The carrying amount of trade receivables is reduced by the allowance for expected credit losses. Subsequent recoveries of amounts previously provided for are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Impairment - production incentives receivable

The group participates in The Automotive Production Development Programme (APDP) in South Africa and earns government incentives in the form of production rebates on qualifying manufactured components which are sold as part of a completed product. The production rebates are in the form of duty credits which can be used to offset South African import duties. The group sells the production rebate certificates earned under the programme to third parties.

The receivable below represents the production rebate certificates the group has earned through qualifying production of components and which the group intends to sell to third parties. APDP claims are submitted quarterly in arrears, the payment terms to the third party for the sale of the certificates are 30 days on average and an invoice is considered past due if it remains unpaid after expiry of the payment terms.

The group assesses the impairment of the asset as follows:
- the group determines if there is a significant increase in credit risk since initial recognition. An indicator that the credit risk has increased significantly is when there are excess certificates available in the market and delays are experienced in finding buyers. Where credit risk has increased significantly since initial recognition the group assesses the asset for lifetime expected credit losses.
- in assessing the expected credit loss of the asset, the group takes into account forward looking factors such as future support from government for local manufacturing, the outlook on market demand for new vehicle sales in South Africa, the level of imports by motor vehicle manufacturers and potential changes to APDP legislation.
- where there is no significant increase in credit risk since initial recognition and the market demand for production rebate certificates is high, the group considers the probability of expected credit losses to be low and no impairment is made.

Derecognition

The group applies the same accounting policy and derecognition principles as described in note 11 under interest-bearing receivables, to trade and other receivables.

		2024 R000	2023 R000
Amounts receivable from the sale of goods and services		1 155 358	1 644 933
Allowance for expected credit losses (refer note 38.3)		(35 206)	(40 815)
		1 120 152	1 604 118
Sundry debtors		52 089	73 364
APDP - production incentives receivable *		94 623	138 494
Financial assets carried at amortised cost **	38	1 266 864	1 815 976
Reimbursement assets		13 716	24 893
Value added taxation receivable		59 053	148 516
Total trade and other receivables **		1 339 633	1 989 385

* The total allowance for expected credit losses was assessed to be insignificant. No amounts were past due and there has not been a significant increase in credit risk since initial recognition.
** In the current year, the disclosure of trade and other receivables was refined by separately presenting the financial assets carried at amortised cost and assets which do not meet the definition of a financial instrument.

Trade receivables of R189,7 million (2023: R605,1 million) were pledged to financial institutions as collateral to secure an overdraft facility. Refer to note 38.2.1.2.

Further information regarding the group's credit risk management is set out in note 38.3.

15 PREPAYMENTS AND OTHER ASSETS

Accounting policy

Prepayments

Prepayments include advance payments made by the group for goods or services being received and are carried at cost less any accumulated impairment losses. Prepayments are classified as current because they relate to the purchase of inventories and other goods and services and are expected to be realised within 12 months of the reporting date.

	2024 R000	2023 R000
Prepayments		
Prepayments - inventory	72 924	236 094
Prepayments - other	52 725	55 104
Financial assets carried at fair value through profit or loss		
Forward foreign exchange contracts (Level 2) *	6 828	27 725
Total prepayments and other assets	132 477	318 923

* Further details on the group's exposure to currency risk is disclosed in note 38.4.1.

16 CASH AND BANK BALANCES

Accounting policy

Cash and cash equivalents include deposits held on call with banks and cash on hand. Cash and cash equivalents are initially stated at fair value, and subsequently carried at amortised cost which is deemed to be the fair value. The group's objective is to collect contractual cash flows relating to cash and bank balances. Any cash flows from cash and bank balances are solely payments of principal and interest.

Consolidated statement of cash flows

When bank overdrafts are repayable on demand, form an integral part of the group's cash management and often fluctuate from being positive to overdrawn, they are included as a component of cash and cash equivalents.

	2024 R000	2023 R000
Cash on hand and cash bank balances *	283 369	251 786

* The group's cash and bank balances include an amount of R67,2 million (2023: R66,4 million) which forms part of the group's operation in Russia and which is not accessible by the group outside Russia due to sanctions. The amount is banked at Sberbank of Russia for which no credit rating is available.

		2024 R000	2023 R000
17	**STATED CAPITAL**		
	Authorised		
	100 000 000 (2023: 100 000 000) ordinary shares of no par value		
	Issued and fully paid		
	95 629 385 (2023: 95 629 385) ordinary shares of no par value	235 541	235 541

Five percent of the number of unissued ordinary shares at year end is under the control and authority of the directors until the next annual general meeting of shareholders.

18 NON-DISTRIBUTABLE RESERVES

	Net surplus arising from revaluation of freehold land and buildings (a) R000	Statutory reserves of foreign subsidiaries (b) R000	Reserve for fair value gains (losses) on equity investments (c) R000	Foreign currency translation reserve of foreign subsidiaries (d) R000	BBBEE share-based payment reserve (e) R000	Total R000
Balance at 31 December 2022	177 123	18 900	53 430	670 916	88 115	1 008 484
Other comprehensive income	712	2 496	6 483	239 555	-	249 246
- exchange differences on translating foreign operations	712	2 496	6 483	239 555	-	249 246
Decrease in BBBEE share-based payment reserve	-	-	-	-	(450)	(450)
Net fair value loss through other comprehensive income	-	-	(34 603)	-	-	(34 603)
Balance at 31 December 2023	177 835	21 396	25 310	910 471	87 665	1 222 677
Other comprehensive loss	(285)	(1 002)	(1 452)	(66 448)	-	(69 187)
- exchange differences on translating foreign operations	(285)	(1 002)	(1 452)	(68 366)	-	(71 105)
- reclassification to profit or loss of foreign currency translation reserve	-	-	-	1 918	-	1 918
Net fair value loss through other comprehensive income	-	-	(6 962)	-	-	(6 962)
Transfer between reserves relating to disposal of investments classified as at fair value through other comprehensive income	-	-	(345)	-	-	(345)
Balance at 31 December 2024	177 550	20 394	16 551	844 023	87 665	1 146 183

(a) This reserve is in respect of gains and losses that arise from the revaluations of freehold land and buildings which have not previously been recognised in profit or loss as described in the group's accounting policy for property, plant and equipment (refer to note 7). Upon disposal of a revalued property, the related net revaluation surplus in this reserve is not reclassified to profit or loss but is transferred directly to retained earnings.

(b) Certain foreign subsidiaries are required in terms of local legislation to set aside a portion of their retained earnings in a non-distributable reserve. This has been presented as statutory reserves above.

(c) The balance in this reserve relates to gains and losses that arise from changes in the fair value of investments designated as at fair value through other comprehensive income. Refer to note 10. Upon disposal of the investment, the related balance in the reserve is not reclassified to profit or loss but is transferred directly to retained earnings.

(d) Exchange differences that arise as a result of translating the results and financial position of group entities that have a functional currency different from the presentation currency, are accumulated in this reserve. Refer to the group's accounting policy as described in note 2.2.1. Upon the disposal or discontinuation of the foreign operation, the relevant amounts are reclassified to profit or loss through other comprehensive income.

(e) The group has entered into BBBEE ownership transactions for BESSA and BECSA as described in note 19. The reserve represents the BBBEE shareholders' loans issued and the fair value of the share-based payment charges recognised in respect of these transactions as required by *IFRS 2 Share-based Payments.*

		2024 R000	2023 R000
19	**NON-CONTROLLING INTEREST**		
	Non-controlling interest at end of the year	102 813	73 538

The non-controlling interest comprised the 22,5% interest of the BESSA BEE SPV in BESSA and relates to the BBBEE ownership transaction concluded in 2017 as described in note 19.1. Summarised financial information about BESSA is disclosed in note 41.2.

19.1 BBBEE ownership transaction concluded in 2017 - BESSA

The BESSA BEE SPV and a broad based trust controlled by the group, acquired 22,5% and 7,5% respectively of the issued share capital of BESSA during 2017.

19.1.1 The BESSA BEE SPV

The BESSA BEE SPV is 100% owned by the selected BBBEE partner through a company named Sibi Capital Proprietary Limited (Sibi). Sibi, whose ultimate shareholders are Sindisiwe Mabaso-Koyana and Bharti Harie, is 100% black women owned.

There is a lock-in period of 10 years during which the BESSA BEE SPV is precluded from carrying out certain activities without the prior written consent of the company. The BESSA BEE SPV may not during the lock-in period effect any transaction that will affect its shareholding in BESSA or its BBBEE credentials through Sibi. Sibi is required to remain a black women owned entity and to maintain its BBBEE status at all times whilst a shareholder of the BESSA BEE SPV.

At the end of the 10 year period, the BESSA BEE SPV may sell its shares subject to pre-emptive rights in favour of the company. If the company does not elect to acquire such shares, the BESSA BEE SPV may transfer such shares to eligible third parties who have an equal or greater BBBEE status. The company also has a call option to acquire the BBBEE shareholders' shares in BESSA if:
- the BBBEE legislation is amended with a retrospective adverse effect for the group;
- BESSA loses its BBBEE status as a 30% black women owned entity;
- an offer is made by a third party to acquire at least 30% of the shares in the company held by a single shareholder and its related parties.

The amount payable for the shares shall be the designated value as per the agreement less a 10% discount.

The group has control over the BESSA BEE SPV in terms of its relevant activities and the results of the BESSA BEE SPV have therefore been consolidated (refer to note 41).

19.1.2 The broad based trust

The broad based trust is known as the Bell Equipment Foundation (BEF) and the beneficiaries of the trust are black women. The objectives of the trust are to acquire and hold investments and use trust income to support black women in South African communities by financially assisting them with their education or their businesses. The group has control over the trust in terms of its relevant activities and trustees and the results of the trust have therefore been consolidated (refer to note 41).

19 **NON-CONTROLLING INTEREST (continued)**

19.2 **BBBEE ownership transaction concluded in 2019 - BECSA and BESSA**

During 2019 another BBBEE transaction was concluded in terms of which the group’s manufacturing subsidiary, BECSA, and the group's sales and aftermarket support operation in South Africa, BESSA, both became 51% black people owned companies with effect from 1 January 2020.

The BEE shareholders in this BEE transaction are the following:
- key black executives in the group; and
- the existing BESSA BEE shareholders, BESSA BEE SPV (refer to note 19.1.1), as well as BEF the beneficiaries of which are black women (refer to note 19.1.2).

No non-controlling interest was recognised in respect of the BBBEE ownership transaction concluded in 2019 due to the fact that the BBBEE parties are required to sell their shareholding to the company at the end of the 10 year lock-in period in exchange for cash, shares in the company or another group entity or a combination of shares and cash, at the company's discretion. The BBBEE parties were effectively granted an option to acquire Bell shares and as such no non-controlling interest was recognised.

19.2.1 **Structure of BEE shareholding**

A BEE management company (BEE Manco) was incorporated, the shareholders of which are BEE employees at management level of the group, being Avishkar Goordeen, Dominic Chinnappen, Sheetal Maharaj, Niraj Andhee and Bruce Ndlela * (the Managers) as well as BEF, the broad based trust. The group has control over BEE Manco in terms of its relevant activities and the results of BEE Manco have therefore been consolidated (refer to note 41).

Effective 51% black ownership in BECSA

BESSA BEE SPV, BEF and BEE Manco collectively hold 30% of the issued ordinary shares of BECSA Holdings, resulting in an effective 30% shareholding in BECSA. In addition, BEE Manco has an effective 21% shareholding in BECSA through its 30% shareholding in BHL.

Effective 51% black ownership in BESSA

BEE Manco has an effective 21% shareholding in BESSA through its 30% shareholding in BHL. In addition, BESSA BEE SPV and BEF collectively hold 30% of the issued ordinary shares in BESSA from the 2017 BEE transaction.

* Bruce Ndlela resigned subsequent to year-end effective 31 January 2025.

20 INTEREST-BEARING LIABILITIES

Accounting policy

Interest-bearing liabilities are measured at amortised cost, using the effective interest rate method. Interest expenses are recognised in profit or loss.

Derecognition

The group derecognises interest-bearing liabilities when the group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

20.1 Mortgage loans and other term loans

Mortgage loans and other term loans relating to the purchase of certain freehold land and buildings, plant and equipment and vehicles are detailed below.

Secured	**Average variable / fixed rate of interest per annum**	**2024 R000**	**2023 R000**
Long-term mortgage loans and other term loans from financial institutions repayable in instalments by:			
August 2024 *	1.7%	-	6 577
April 2027 (i)	11.8%	6 450	-
May 2027 (i)	11.3%	1 555	2 086
August 2027 (i)	11.3%	3 510	4 579
September 2031 (ii) *	1.7%	26 347	31 735
November 2032 (iii) *	1.8%	29 835	35 253
August 2033 (iv) *	1.7%	81 360	94 498
November 2033 (v) *	5.6%	13 388	-
		162 445	174 728
Less: current portion		(21 545)	(25 368)
Long-term portion		140 900	149 360

* Fixed rate of interest.

The following properties, plant and equipment and vehicles at net book value are encumbered as security for the secured borrowings above:
(i) plant and equipment and vehicles in South Africa R13,0 million (2023: R35,4 million)
(ii) freehold land and buildings in Alsfeld, Germany R78,3 million (2023: R84,9 million)
(iii) freehold land and buildings in Kindel, Germany R63,8 million (2023: R69,1 million)
(iv) buildings in Kindel, Germany R152,1 million (2023: R165,4 million)
(v) solar system in Kindel, Germany R14,1 million (2023: Rnil)

20.2 Collateralised borrowings

Accounting policy

Discounted instalment sale agreements

Discounted instalment sale agreements represent amounts payable to financial institutions where certain instalment sale agreements have been discounted with recourse to the group. Refer to note 11.

Collateralised borrowings - secured	**Average variable rate of interest per annum**	**2024 R000**	**2023 R000**
Discounted instalment sale agreements	10.2%	48 176	38 498
Less: current portion		(37 641)	(30 392)
Long-term portion		10 535	8 106

The following terms and conditions generally apply to the collateralised borrowings above:
- the interest rate charged by the financial institution approximates the interest rate implicit in the underlying agreement with the customer
- the repayment period is usually matched with the period in the underlying contract with the customer

20 **INTEREST-BEARING LIABILITIES (continued)**

20.3 **Trade loans**

Trade loans comprise the following:

	Average variable rate of interest per annum	2024 R000	2023 R000
Unsecured			
Industrial Development Corporation (IDC) of South Africa *	12.2%	-	304 098
ABSA Bank of South Africa (supply chain finance) *	11.6%	191 665	263 281
Secured			
Loans relating to secured inventory	14.8%	-	14 770
		191 665	582 149
Less: current portion		(191 665)	(582 149)
Long-term portion		-	-
Total current portion of interest-bearing liabilities		250 851	637 909
Total long-term portion of interest-bearing liabilities		151 435	157 466

* Refer to note 38.2.1 for further information on the IDC and ABSA trade loans.

The directors have unlimited borrowing powers in terms of the Memorandum of Incorporation of the company.

21 LEASE LIABILITIES

Accounting policy

The group as lessee

Lease liabilities relate to lease arrangements in which the group is the lessee. Refer to note 8 for the corresponding right-of-use assets in respect of these liabilities. The group leases various land and buildings, warehouses, plant and equipment and vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes.

The lease liability is initially measured at the present value of the lease payments due to the lessor over the lease term, that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the group uses its incremental borrowing rate. The group generally uses its incremental borrowing rate as discount rate.

Subsequent to initial measurement, the lease liability is reduced to reflect lease payments made.

Lease payments

Lease payments included in the measurement of the lease liability comprise of fixed payments and variable lease payments based on an index or rate. Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease term

The lease term included in the measurement of the lease liability is the non-cancellable period of the lease and any option to extend the lease or purchase the asset and any option to terminate the lease. This requires judgement. In determining the lease term, the group considers all facts and circumstances that create an economic incentive to exercise an extension option. Renewal options are only included in the lease term if the group has an enforceable right to renew the contract, the renewal period and renewal lease payments are stipulated in the contract and the group has the intention to exercise the option. At the lease commencement date, the group applies judgement in assessing whether it is reasonably likely that the group will exercise the option. Factors considered include how far in the future an option occurs, the group’s planning cycle and past history of not renewing leases.

Leases that are short-term in nature or leases where the assets are of low value are accounted for as lease expenses in profit or loss on a straight-line basis. The group applies judgement in determining what comprises a low value lease taking into consideration the cost price of the underlying assets and materiality.

Incremental borrowing rate

The incremental borrowing rate is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. In determining the incremental borrowing rate, the group considers the terms and conditions of the lease and applies judgement. The incremental borrowing rate is determined by using a benchmark rate, which is a readily observable rate influenced by the economic environment and lease term, adjusted for a credit spread which is based on publicly available spreads which takes into account the level of indebtedness and profitability of the lessee based on secure borrowings. The benchmark rate, using the Damodaran approach, is the risk-free rate.

21 **LEASE LIABILITIES (continued)**

	2024 R000	2023 R000
Lease liabilities at beginning of the year	509 854	439 227
Translation differences	(4 460)	17 966
New lease contracts entered into *	49 237	103 971
Lease modifications	(14 870)	12 236
Lease contracts ended	(2 592)	(708)
Interest expense on lease liabilities	49 593	47 820
Lease liabilities repaid - principal	(87 360)	(65 186)
Lease liabilities repaid - interest	(47 192)	(45 472)
Lease liabilities at end of the year	452 210	509 854
Less: current portion	(93 429)	(76 403)
Long-term portion	358 781	433 451

* New lease contracts entered into in the prior year include a 5 year property lease for commercial space relating to the group's sales and logistics operation in South Carolina, USA (BENA), for an amount of R41,6 million. Refer to note 8.

The breakdown of lease payments (including interest repaid) is as follows:

Fixed lease payments	124 135	102 543
Variable lease payments	10 417	8 115
Total	134 552	110 658

Total cash outflows for leases amount to R173,0 million (2023: R157,9 million) for the year.

Below sets out the undiscounted contractual maturities of lease liabilities:

Less than 1 year	131 322	116 692
Between 1 and 2 years	118 481	113 121
Between 2 and 3 years	90 025	106 513
Between 3 and 4 years	78 572	87 324
Between 4 and 5 years	65 302	87 950
Over 5 years	116 066	194 514
Total contractual cash flows	599 768	706 114
Less: unaccrued interest	(147 558)	(196 260)
Lease liabilities at end of the year	452 210	509 854
Analysed as follows:		
Non-current	358 781	433 451
Current	93 429	76 403
	452 210	509 854

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

22 CONTRACT LIABILITIES

Accounting policy

Contract liabilities arise out of revenue contracts with customers. The group accounting policy for revenue and contract liabilities is included in notes 27.1.2, 27.3.1 and 27.4.

		2024 R000	2023 R000
22.1	**Advance receipts from customers**		
	Balance at beginning of the year	93 011	123 302
	Translation difference	(268)	3 119
	Amounts received in advance for delivery of finished goods	224 742	387 010
	Revenue recognised during the year	(238 972)	(420 420)
	Amounts repaid to customers	(2 321)	-
		76 192	93 011
	Less: current portion	(76 192)	(93 011)
	Long-term portion	-	-

Advance receipts from customers are contracts for periods of one year or less. An amount of R93,0 million (2023: R123,3 million) included in the opening balance was recognised as revenue in the current period.

		2024 R000	2023 R000
22.2	**Deferred warranty income**		
	Balance at beginning of the year	238 941	172 498
	Extended warranty contracts sold during the year	114 048	175 523
	Revenue recognised during the year	(130 250)	(109 080)
		222 739	238 941
	Less: current portion	(108 106)	(98 758)
	Long-term portion	114 633	140 183

Deferred warranty income relates to extended warranty contracts sold. The extended warranty contract periods commence after expiry of the standard warranty period provided for in the standard conditions of sale of equipment and the liability is in respect of this extended period. Revenue on the long-term portion is expected to be recognised over a period of two to five years. An amount of R89,7 million (2023: R74,8 million) included in the opening balance was recognised as revenue in the current period.

		2024 R000	2023 R000
22.3	**Deferred service contract revenue**		
	Balance at beginning of the year	61 626	64 689
	Translation difference	17	2 165
	Service contracts sold during the year	72 854	70 821
	Costs in excess of contract value	1 814	2 479
	Expired / forfeited during the year	(6 616)	(5 913)
	Utilised during the year	(72 625)	(72 615)
		57 070	61 626
	Less: current portion	(38 973)	(41 451)
	Long-term portion	18 097	20 175

Deferred service contract income relates to service contracts sold where the proceeds were received upfront.
The deferred service contract revenue is recognised when the services have been rendered.
Revenue on the long-term portion is expected to be recognised over a period of two to four years.

		2024 R000	2023 R000
22	**CONTRACT LIABILITIES (continued)**		
22.4	**Deferred finance income liability**		
	Balance at beginning of the year	114 394	75 564
	Translation difference	-	(64)
	Deferred finance income from:		
	- extended warranty contracts sold	39 787	67 230
	- service contracts sold	7 937	12 863
	Less: deferred finance income recognised in interest income		
	- extended warranty contracts	(44 393)	(35 419)
	- service contracts	(7 979)	(5 780)
		109 746	114 394
	Less: current portion	(52 767)	(48 226)
	Long-term portion	56 979	66 168

The deferred finance income liability relates to the finance component on extended warranty contracts and service contracts sold (notes 22.2 and 22.3) with contract terms exceeding 12 months. The average discount rate was 11,0% (2023: 11,0%).

	2024 R000	2023 R000
Total current portion of contract liabilities	276 038	281 446
Total long-term portion of contract liabilities	189 709	226 526

		2024 R000	2023 R000
23	**REPURCHASE OBLIGATIONS AND REFUND LIABILITIES**		
23.1	**Repurchase obligations and deferred leasing income**		
	Repurchase obligations	16 321	-
	Deferred leasing income	15 766	-
	Total repurchase obligations and deferred leasing income	32 087	-
	Less: current portion	(5 026)	-
	Long-term portion	27 061	-

Repurchase obligations are in respect of rental assets with a net book value of R29,8 million (2023: Rnil) reflected in note 7 and relate to transactions combined with buy-back agreements where the revenue was not recognised upfront as the probability of return of the equipment by the customer has been assessed as not remote. The repurchase obligation is the present value of the buy-back obligation. The full amount of the purchase price is received upfront from the customer and a deferred leasing income liability is recognised for the difference between the proceeds received and the present value of the buy-back obligation.

		2024 R000	2023 R000
23.2	**Refund liabilities relating to right-to-return parts**		
	Right-to-return liability	32 918	33 361
	Less: current portion	(32 918)	(33 361)
	Long-term portion	-	-
23.3	**Refund liabilities relating to residual value risk**	-	926
	Total current portion of repurchase obligations and refund liabilities	37 944	34 287
	Total long-term portion of repurchase obligations and refund liabilities	27 061	-

24 PROVISIONS

Accounting policy

Contract provision - standard warranty

The contract provision for standard warranty includes provisions for manufactured equipment and third party equipment and represents the discounted value of the directors' best estimate of the expenditure required to settle the group's obligations. Assumptions made regarding the timing and value of future warranty costs may have a significant risk of causing a material adjustment to the carrying amount of the provision within the next financial year.

24.1 *Manufactured equipment*

As part of the standard conditions of sale, the group provides a standard warranty on manufactured equipment sold to the customer. In terms of the warranty policy the group undertakes to make good any defects for an average period of 12 months. At the time of the sale, the group raises a provision for the estimated expenditure required to settle the group’s obligation based on past experience of the timing and value of this cost, which in certain circumstances extends beyond the 12 month period contained in the group’s standard warranty policy. The group also raises a provision for warranty campaigns, at the time that a decision is made to launch a warranty campaign, based on the number of machines to be included in the campaign and the estimated expenditure required to be spent on each machine to rectify the particular defect.

The group has the right to recover certain warranty costs incurred on manufactured equipment from the group’s component suppliers. The group recognises the reimbursement asset only when it is virtually certain that reimbursement will be received from the component supplier. In the group’s judgement, the group’s right to reimbursement is assessed as virtually certain when the group receives a valid warranty claim against the standard warranty policy from a customer. The reimbursement asset is recognised as a financial asset under trade and other receivables. The amount included under trade and other receivables as at 31 December 2024 amounts to R13,7 million (2023: R24,9 million) as disclosed in note 14. Prior to the receipt of claims from customers, no reimbursement asset is recognised on the statement of financial position and the group only has a contingent asset which has been disclosed in note 34.1.1.

Based on the group's judgement, the obligation for warranty costs on manufactured equipment remains with the group and as a result, the provision for standard warranty costs on manufactured equipment has been recognised on a gross basis, without a reduction in the provision for the amounts expected to be recovered from third-party component suppliers as described above.

24.2 *Third-party equipment*

Third-party equipment sold to customers includes a standard warranty from third-party suppliers and in terms of the agreements with these suppliers, the group is obligated to carry out warranty campaigns from time to time and perform warranty repairs and warranty services for customers on behalf of the suppliers. Warranty costs incurred on third-party equipment is submitted to third-party suppliers for reimbursement. A portion of these costs is sometimes rejected by the suppliers and this rejected portion is carried by the group.

Significant judgement is applied in assessing the group's obligation in terms of these warranty claims. Based on an assessment of the legal arrangements the group has with third-party equipment suppliers, the group concludes that it only acts as an agent on behalf of certain suppliers but in some cases it acts as principal.

Contract provision - standard warranty	**R000**
Balance at 31 December 2022	220 736
Increase during the year	237 879
Utilised during the year	(162 826)
Translation differences	3 177
Balance at 31 December 2023	298 966
Less: current portion	(206 114)
Long-term provision at 31 December 2023	92 852
Balance at 31 December 2023	298 966
Increase during the year	249 591
Utilised during the year	(229 941)
Translation differences	567
Balance at 31 December 2024	319 183
Less: current portion	(217 584)
Long-term provision at 31 December 2024	101 599

25 SHARE-BASED PAYMENTS AND OTHER LIABILITIES

Accounting policy

Cash-settled employee share-based payments

Refer to note 33.1 for the accounting treatment of the cash-settled share-based payment liability.

	Notes	2024 R000	2023 R000
Cash-settled employee share-based payments			
Balance at beginning of the year		60 673	28 231
Increase during the year *		51 801	41 403
Payments made during the year		(21 828)	(8 961)
Cash-settled employee share-based payments at end of the year	33.1.2	90 646	60 673
Financial liabilities carried at fair value through profit or loss			
Forward foreign exchange contracts (Level 2) **		22 304	2 452
Total share-based payments and other liabilities		112 950	63 125
Less: current portion		(47 717)	(24 301)
Long-term portion		65 233	38 824

* Increase mainly due to the share price increase during the year.

** Further details on the group's exposure to currency risk is disclosed in note 38.4.1.

26 TRADE AND OTHER PAYABLES

Accounting policy

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are classified as financial liabilities at amortised cost. Trade and other payables are initially measure at fair value and subsequently measured at amortised cost. Trade and other payables are derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

		2024 R000	2023 R000
Trade creditors		813 060	1 620 285
Credit balances in trade and other receivables		36 010	31 220
Other payables		18 353	27 971
Financial liabilities carried at amortised cost *	38	867 423	1 679 476
Audit fees		12 135	13 099
Leave pay and other payroll accruals		116 237	156 593
Other accruals **		24 138	22 408
Value added taxation payable		26 620	32 023
Total trade and other payables *		1 046 553	1 903 599

* In the current year, the disclosure of trade and other payables was refined by separately presenting the financial liabilities carried at amortised cost and liabilities which do not meet the definition of a financial instrument.

** Includes accruals for additional costs on finished goods incurred in the normal course of business.

27 **REVENUE**

Accounting policy

The group recognises revenue in a way that depicts the transfer of goods and services promised to customers in an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods and services. The group recognises revenue when it has satisfied its performance obligation in terms of the contract with the customer and when it transfers control of the product or service to the customer. Payment terms with customers range between 14 and 180 days.

The total transaction price, excluding sales taxation and net of any customer rebates, trade discounts and other similar allowances, are proportionately allocated to each performance obligation (good or service) promised in the contract, based on the stand-alone price of each good or service. Other than instalment sale agreements, finance leases, extended warranties and long-term service contracts, the transaction price was not adjusted for the effects of the time value of money in transactions where the period between delivery of the promised goods or services and the payment from the customer is one year or less.

The group recognises revenue from the following major sources:
- sale of equipment (manufactured, third party, used), including standard warranties
- sale of parts
- service contracts and transport revenue
- extended warranty
- rental revenue

27.1 **Sale of equipment (manufactured, third party, used), including standard warranties**

27.1.1 ***Sale of equipment***

Upon delivery of a machine, judgements are made in assessing whether control of the machine has transferred to the customer. In assessing this, the group considers whether it has obtained the right to receive payment, the customer's acceptance of the asset, whether physical possession of the machine has transferred to the customer, whether significant risks and rewards of ownership have transferred to the customer taking into account shipping terms and the customer's ability to direct the use of the asset or obtain benefits from it.

In bill-and-hold arrangements the group has invoiced the customer for the promised machines, but physical possession has been retained by the group. The group applies judgement in assessing whether control of the machine has passed to the customer. In its assessment, the group considers the reason for the arrangement. These arrangements are usually a request from the customer and arise where delivery of the machine is not practical, or the customer's site where the equipment is going to be used is not ready. The group also considers if significant risks and rewards of ownership have passed to the customer and assesses whether it has retained the ability to direct the use of the equipment to another customer, if the equipment is ready for physical transfer and if the customer has accepted the asset. Revenue is recognised where the group concludes that the reason for the arrangement is substantive and that the customer has assumed control. Management is satisfied that all the criteria for the recognition of bill-and-hold arrangements have been met during the year.

In certain instances the group enters into sales contracts where a combination of finished goods and services are promised to the customer such as manufactured and third party equipment together with extended warranties and/or service contracts. The group also often agrees to arrange shipment of the equipment and recovers these freight costs from the customer. In these instances the group applies judgement and uses approved price listings to allocate the total transaction price proportionately to each performance obligation (good or service) promised in the contract, based on the stand-alone price of each good or service.

Standard warranties on the equipment are not separately sold by the group in its ordinary course of business and are not separately priced. The group accounts for these in accordance with *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* . Refer to note 24.

27.1.2 ***Advance payments from customers for finished goods***

Payments received from customers in advance of the transfer of control of the finished goods to the customer are recognised as contract liabilities until control has transferred and the revenue is recognised. Refer to note 22.1.

27.1.3 ***Transactions with trade-ins***

Where the group agrees to trade in used equipment from a customer as part of the consideration receivable for the sale of new equipment, the difference between the fair value of the used equipment traded in and the agreed upon price of such trade-in, is accounted for as an adjustment to revenue. The group uses judgement in determining the fair value of the used equipment and consideration is given to the age and condition of the equipment and residual values achieved in the market for similar products.

27 **REVENUE (continued)**

Accounting policy (continued)

27.1 **Sale of equipment (manufactured, third party, used), including standard warranties (continued)**

27.1.4 ***Transactions with credit risk undertakings***

Where the group has provided a credit backing to customers for their financing of equipment purchases, revenue is recognised if control over the goods has passed to the customer and the group has satisfied its performance obligation in terms of its contract with the customer.

On initial recognition of revenue, an assessment of the transaction price is performed and revenue is recognised to the extent that it is highly probable that a reversal of revenue will not occur in future periods due to customer default. The security that the group and the financial institution have in the financed equipment is taken into consideration in this assessment. A refund liability to the financial institution is recognised for the portion of the transaction price not recognised in revenue. Based on the group's history of these transactions, the rate of customer default is low and in the group's judgement the likelihood of reversal of revenue is considered to be insignificant.

Subsequent to initial recognition, where customers are in arrears with the financial institution and there is a shortfall between the estimated realisation values of the equipment and the balances due by the customers to the financial institution, an assessment of any additional security is done on an individual contract basis and a refund liability is recognised to the extent of the group's liability towards the financial institution with a debit to revenue. A corresponding right of recovery asset is recognised for the value of the equipment held as security where repossession of the machine is anticipated.

In assessing the group's credit risk exposure and the likelihood of reversal of revenue relating to these transactions, the group also uses an expected default rate based on historical trends and forward-looking information to measure expected credit losses on a portfolio basis. The group uses the same inputs and factors and considers the same forward-looking and macroeconomic information as described in the group's accounting policy for impairment of trade receivables (refer to note 14) when measuring the expected credit losses.

27.1.5 ***Instalment sale agreements***

Where goods are sold and the contract provides a significant financing benefit to the customer, the group adjusts the transaction price for the financing component. The interest rates used to adjust the transaction price are customer specific and based on market related lending rates. The rates range between 8,0% and 14,3%. Revenue is recognised when control over the goods is transferred to the customer. A receivable is recognised on the statement of financial position at an amount that depicts the group's net investment in the contract (refer to note 11).

27.2 **Sale of parts**

Control is generally considered to be transferred where the group has obtained the right to receive payment, physical possession of the parts has transferred to the customer, significant risks and rewards of ownership has transferred to the customer and the customer has accepted the parts.

27.3 **Service contracts and transport revenue**

27.3.1 ***Service contracts***

Service contract revenue arises from transactions with customers where the group is obligated to service a customer's equipment over the contract period, at specified service intervals or as and when required by the customer. Each service period is by nature short-term and in the group's judgement upon completion of the service the customer receives the benefits of the service provided. It is also at this point that the group's right to receive payment is established and on this basis revenue is recognised at the service intervals over the contract period.

Where the group services a customer's equipment, job cards are maintained for each service keeping track of labour, parts and other costs incurred by the group on a particular job. Contract assets relating to service work-in-progress is presented in note 11.

The group often supplies the service parts as part of the agreement. In these instances, the total transaction price is proportionately allocated to each performance obligation in the contract, using stand-alone prices for each.

Where service contracts are sold to customers and the proceeds are received upfront, a contract liability is recognised in the statement of financial position. Refer to note 22.3. Where the service contract term is more than 12 months, the transaction price is adjusted for the effects of the time value of money where this is significant. This requires judgement. The contract is discounted using a discount rate based on the specific group operation's average borrowing rate which is considered an appropriate basis. The discount rate used approximates 11,0% (2023: 11,0%). The contract liability is recognised at inception based on the discounted amount. Revenue is recognised each time a service has been rendered, based on the expected gross margin. In estimating the expected gross margin, assumptions are made on the total expected costs to be incurred under the contract, using historical data where available. The remaining contract balance is periodically reviewed and revenue is recognised where the customer has forfeited services based on management's assessment. This requires judgement. A customer may elect to enter into a new contract to extend the service period after the expiry of the initial service term.

27 **REVENUE (continued)**

27.3 **Service contracts and transport revenue (continued)**

27.3.2 ***Transport services***

In many instances where machines and parts are sold to customers, the group agrees to deliver the goods to the customer at an agreed price. The group has discretion to accept or reject a request for transport services and to set pricing. Where the group accepts a request for transport services it assumes the responsibility to fulfil such promise to its customer. The group uses another party to deliver the goods and has the ability to direct that party to provide the service to the customer on the group's behalf. Based on this, in the group's judgement, the group considers that it acts as a principal in these transactions and therefore revenue from transport services is recorded on a gross basis with the related costs in cost of sales.

27.4 **Sale of extended warranties**

Extended warranty contracts are separately priced and sold by the group to customers. These contracts are accounted for as separate performance obligations and the total transaction price is allocated proportionately based on stand-alone prices where the sale of these contracts is combined with the sale of finished goods and/or other services. The consideration on these contracts is received upfront. The transaction price is adjusted for the effects of the time value of money using an appropriate discount rate where the contract terms are greater than 12 months and where the financing component is material. This requires judgement. The discount rate used in these transactions approximates 11,0% (2023: 11,0%) and is based on the specific group operation's average borrowing rate which is considered an appropriate basis. A deferred income liability is recognised at inception based on the discounted amount. Refer to note 22.2. The group recognises the revenue on these contracts on a straight-line basis over the term of the contract as this, in the group's judgement, depicts the customer's right to access this service.

27.5 **Rental revenue**

The group as lessor

Where the group enters into a lease arrangement, the group uses the guidance in *IFRS 16 Leases* with regard to classification of a lease as either a finance lease or an operating lease. This requires judgement. The group considers if significant risks and rewards of ownership have transferred to the buyer and significant assumptions are made in assessing this.

In assessing the transfer of risks and rewards associated with ownership, the group considers the probability of return of the equipment by the customer. Consideration is given to the terms of the agreement and other relevant factors that will impact returns such as customer behaviour, product type, past practice and history of returns, current and anticipated market conditions and whether the present value of the minimum lease payments amounts to substantially all of the fair value of the equipment. Where the group concludes that significant risks and rewards of ownership have transferred to the buyer, the lease is classified as a finance lease and the sale of goods is recognised as revenue. Where the lease is classified as an operating lease, rental revenue is recognised. Operating leases are not actively marketed as they are not the group's core business of selling equipment. Operating leases may be short-term or long-term. Rental revenue from operating leases is recognised over time based on the hours utilised on the machine as this, in the group's judgement, depicts the transfer of benefits to the customer.

Rental revenue from short-term rentals where the equipment is held in inventory, relate to rental agreements entered into from time to time with existing customers for various reasons, mainly the following:
- where the customer has an immediate need for equipment whilst waiting for their sales order to be fulfilled and for their new machine to be delivered by the group or for financing to be approved by a financial institution;
- where a customer's equipment is being repaired and the customer requires temporary equipment to continue operating;
- to initiate equipment sales in difficult market conditions or when a customer wants to test equipment first before purchasing equipment.

In respect of rental revenue from long-term rentals, the equipment is held as rental assets in property, plant and equipment. These rental agreements generally include an option to purchase the equipment and they are entered into with customers for a period exceeding 12 months. The main reasons for these long-term rentals are:
- as a financing solution provided by the group;
- as a customer financing preference.

The transfer of risks and rewards associated with ownership of these rental assets has not been satisfied.

Refer to note 36 for the disclosure of operating lease arrangements.

27 **REVENUE (continued)**

Disaggregation of revenue

The group derives its revenue from the sale of equipment and aftermarket products, which includes the sale of parts, service contracts and transport revenue, extended warranty and rental revenue.

This is consistent with the external revenue information that is disclosed for each reportable segment under IFRS 8 (refer to note 6) and the information that is provided to the group's chief operating decision maker on a regular basis.

	MANUFACTURING, ASSEMBLY, LOGISTICS AND DEALER SALES OPERATIONS		DIRECT SALES OPERATIONS		
	South Africa	**Europe**	**South Africa**	**Rest of Africa**	**Total Revenue**
	R000	**R000**	**R000**	**R000**	**R000**
2024					
Revenue					
Sale of equipment	1 668 155	3 519 378	3 024 936	523 187	8 735 656
Sale of parts	649 349	293 683	1 134 151	233 350	2 310 533
Service contracts and transport revenue	127 636	53 632	281 513	17 158	479 939
Extended warranty	142 437	-	-	-	142 437
Rental revenue	-	2 283	25 818	-	28 101
Total revenue	2 587 577	3 868 976	4 466 418	773 695	11 696 666
2023					
Revenue					
Sale of equipment	1 656 041	5 324 830	2 921 037	634 374	10 536 282
Sale of parts	654 451	282 672	1 123 711	227 826	2 288 660
Service contracts and transport revenue	149 574	52 095	291 912	26 541	520 122
Extended warranty	115 077	-	-	-	115 077
Rental revenue	-	4 137	49 282	-	53 419
Total revenue	2 575 143	5 663 734	4 385 942	888 741	13 513 560

The transfer of goods and services occurs over time and at a point in time as reflected below.

	2024	**2023**
	R000	**R000**
Timing of revenue recognition from contracts with customers		
At a point in time		
Sale of equipment	8 735 656	10 536 282
Sale of parts	2 310 533	2 288 660
Total	11 046 189	12 824 942
Over time		
Service contracts and transport revenue *	479 939	520 122
Extended warranty	142 437	115 077
Total	622 376	635 199
Revenue from lease arrangements		
Rental revenue **	28 101	53 419
Total revenue	11 696 666	13 513 560

Included in revenue for the year is an amount of R104,9 million (2023: R125,7 million) relating to bill and hold arrangements for the sale of equipment to certain customers. Control of the equipment has passed to these customers and management’s assessment is that the likelihood of revenue reversal in future periods is remote.

The group had remaining and unsatisfied performance obligations at year end in terms of extended warranty contracts, service contracts, and in terms of certain equipment sales contracts where the consideration was received in advance from customers. These obligations are reflected as contract liabilities in the statement of financial position. Refer to note 22.

Related party sales are disclosed in note 39.

* In the current year the classification of the timing of revenue recognition of service contracts and transport revenue was restated from at a point in time to over time.
** In the current year rental revenue was restated from revenue from contracts with customers to revenue from lease arrangements.

		Notes	2024 R000	2023 R000
28	**PROFIT FROM OPERATING ACTIVITIES**			
	Profit from operating activities is arrived at after taking into account:			
	Income			
	Currency exchange gains		336 202	414 200
	APDP - production incentives (i)	43	211 324	239 036
	Net surplus on disposal of property, plant and equipment		2 500	336
	Expenditure			
	Amortisation of intangible assets	9	34 952	35 992
	Amounts written off as credit impaired		12 970	1 257
	Decrease in allowance for expected credit losses		(12 514)	(5 338)
	Auditors' remuneration - fees paid to PwC for audit services		15 760	-
	Auditors' remuneration - fees paid to PwC for non-audit services		1 097	-
	Auditors' remuneration - fees paid to other auditors for audit services		2 391	19 042
	Auditors' remuneration - fees paid to other auditors for non-audit services		146	1 403
	Cash-settled employee share awards		51 801	41 403
	Consulting fees		46 653	42 076
	Currency exchange losses		336 386	491 143
	Depreciation of property, plant and equipment (ii)	7	87 232	115 056
	Depreciation of right-of-use assets	8	100 396	85 274
	Directors' remuneration			
	Paid by company:			
	- non-executive directors' fees	42	6 834	6 595
	Paid by subsidiaries:			
	- executive directors - salaries	42	11 741	11 391
	- benefits	42	7 954	12 511
	Impairment loss recognised on intangible assets	9	5 112	-
	Increase in contract provision - warranty		15 299	68 942
	Lease expenses	8	38 444	47 259
	Research expenses (excluding staff costs)		51 112	37 598
	Staff costs		1 958 805	2 032 945

(i) Income from production incentives decreased by 11,6% (2023: increased by 65,6%) due to a decrease in production volumes in the current period.

(ii) Total depreciation expense above, expressed by the nature of this expense, includes depreciation included in cost of sales and in distribution costs, administration expenses and factory operating expenses in the consolidated statement of profit or loss.

		2024	2023
		R000	R000
29	**INTEREST EXPENSE**		
	Interest expense incurred on the following:		
	Bank overdrafts and loans	75 166	79 167
	Lease liabilities	49 593	47 820
	Industrial Development Corporation (IDC) of South Africa working capital facility	20 992	62 725
	ABSA Bank of South Africa - supply chain finance	32 659	4 587
	Other *	6 640	2 469
	Total interest expense	185 050	196 768

* Includes interest expenses relating to extended credit terms granted to the group for goods purchased in the normal course of business.

		2024	2023
		R000	R000
30	**INTEREST INCOME**		
	Interest income earned on the following:		
	Service contracts	7 979	5 780
	Extended warranty contracts	44 393	35 419
	Instalment sale agreements and finance leases	12 483	19 938
	Other *	38 055	22 068
	Total interest income	102 910	83 205

* Includes interest income received from financial institutions and from customers on credit terms provided.

31 TAXATION

Accounting policy

The taxation expense represents the sum of the taxation currently payable and deferred taxation.

Current taxation

The current taxation is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability / asset for current taxation is calculated using taxation rates that have been enacted or substantively enacted by the end of the reporting period.

Current taxation is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current taxation is also recognised in other comprehensive income or directly in equity.

Deferred taxation

Refer to note 12 for the group's accounting policy on deferred taxation.

	2024 R000	2023 R000
Taxation recognised in profit or loss		
South African normal taxation		
Current taxation		
- current year	160 153	269 215
- prior year	4 738	(139)
Deferred taxation		
- current year	(20 638)	(48 941)
- prior year	293	559
Withholding taxation	1 439	697
Other corporate taxation	89	125
Foreign taxation		
Current taxation		
- current year	49 387	62 791
- prior year	568	(249)
Deferred taxation		
- current year	2 341	(23 476)
- prior year	2 268	25 127
Withholding taxation	-	207
Other corporate taxation, including wealth taxation	555	666
Total taxation recognised in profit or loss	201 193	286 582

	2024 %	2023 %
Reconciliation of rate of taxation		
Standard rate of taxation	27	27
Adjustment for:		
Disallowable bad debt write offs, legal and consulting fees	1	1
Special allowances for taxation *	(1)	(1)
Prior year taxation, mainly BENA (USA) and BECSA	1	2
Impact of different taxation rates of subsidiaries operating in other jurisdictions, mainly Germany, Zambia and Zimbabwe	2	(2)
Effective rate of taxation	30	27

* Relates to special allowances for research and development and learnerships.

The group's estimated taxation losses amount to R294,9 million (2023: R286,3 million). Taxation losses of R26,4 (2023: R4,3 million) included in this amount will expire as follows:

	2024 R000	2023 R000
Less than one year	26 394	-
Six years	-	4 292
Total	26 394	4 292

Other losses may be carried forward indefinitely. Certain prior year losses were utilised in the current year.

A deferred taxation asset of R0,5 million (2023: R3,1 million) was recognised in respect of taxation losses in the current year. Refer to note 12. Taxation losses which do not expire and for which no deferred taxation asset was recognised, amounted to R268,5 million (2023: R273,9 million).

OECD Pillar Two (Global Minimum Tax)

In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), and various governments around the world have issued, or are in the process of issuing legislation on this framework. The Pillar Two rules apply to multinational enterprises (MNEs) that have a consolidated revenue of €750 million (approximately R15 billion) in at least two of the last four years. The Pillar Two rules will ensure that MNEs may be liable for a minimum effective corporate tax rate of 15% on their income in each jurisdiction where they operate.

South Africa published the Global Minimum Tax Act, Act 2024 (Pillar Two legislation) in the official Government Gazette, volume 714 in December 2024, in which Pillar Two legislation was enacted. The Pillar Two legislation applies retrospectively from 1 January 2024 for years of assessment commencing on or after that date.

Management has assessed the potential impact of the Pillar Two legislation on the group and concluded that it does not meet the revenue threshold for applicability.

		Notes	2024	2023
32	**EARNINGS PER SHARE AND NET ASSET VALUE PER SHARE**			
32.1	**Earnings per share (basic)**			
	Profit attributable to owners of Bell Equipment Limited (R'000)		440 435	763 606
	Weighted average number of shares in issue ('000)		95 629	95 629
	Earnings per share (basic) (cents)		461	799
32.2	**Earnings per share (diluted)**			
	Profit attributable to owners of Bell Equipment Limited (R'000)		440 435	763 606
	Fully converted weighted average number of shares ('000)		106 488	102 639
	Earnings per share (diluted) (cents)		414	744

The group has potential ordinary shares relating to the shareholding of BEE parties in certain group entities. These BEE parties are required to sell their shares to the group at the end of the lock-in period in exchange for cash, shares in the company or in another group entity or for a combination of cash and shares, at the company’s discretion. The number of shares has been adjusted for the effect of the dilutive potential shares relating to these options. Refer to note 4.2 for the judgements and estimates made by management in determining this dilutive impact.

		Notes	2024	2023
32.3	**Headline earnings per share (basic)**			
	Profit attributable to owners of Bell Equipment Limited (R'000)		440 435	763 606
	Net surplus on disposal of property, plant and equipment (R'000)	28	(2 500)	(336)
	Taxation effect of net surplus on disposal of property, plant and equipment (R'000)		664	81
	Impairment loss recognised on intangible assets (R'000)	9	5 112	-
	Taxation effect of impairment loss on intangible assets (R'000)		(1 380)	-
	Reclassification to profit or loss of foreign currency translation reserve (R'000)	18	1 918	-
	Headline earnings (R'000)		444 249	763 351
	Weighted average number of shares in issue ('000)		95 629	95 629
	Headline earnings per share (basic) (cents)		465	798
32.4	**Headline earnings per share (diluted)**			
	Headline earnings as calculated in 32.3 above (R'000)		444 249	763 351
	Fully converted weighted average number of shares per 32.2 above ('000)		106 488	102 639
	Headline earnings per share (diluted) (cents)		417	744

Headline earnings is calculated in accordance with *Circular 1/2023 Headline Earnings* issued by the South African Institute of Chartered Accountants.

		Notes	2024	2023
32.5	**Net asset value per share**			
	Total capital and reserves (R'000)		5 676 940	5 285 016
	Number of shares in issue ('000)	17	95 629	95 629
	Net asset value per share (cents)		5 936	5 527

33 SHARE-BASED PAYMENT ARRANGEMENTS WITH EMPLOYEES

33.1 Cash-settled employee share award plan

Accounting Policy

The group recognises a liability for cash-settled share-based payments at fair value. The fair value of the liability is determined using an option pricing model and the liability is remeasured at each reporting date and at the date of settlement with any changes reflected in the group's statement of profit or loss. Services received from employees are recognised by the group as they are rendered.

The estimation of the fair value of the cash-settled share-based payments includes the effect of market and non-market conditions. Vesting conditions, other than market conditions, are taken into account in the measurement of the liability by adjusting the number of awards that are expected to vest. This estimate is revised at each reporting date when the liability is remeasured until the vesting date.

The phantom share incentive scheme was implemented in 2018 and makes provision for long-term incentivisation of key executives of the Bell group in the structure of a share appreciation rights scheme. The object and purpose of the scheme is to grant forfeitable phantom share awards to key executives of the Bell group to enable them to benefit if the company's share price improves and if the applicable performance criteria are achieved, so as to retain and motivate employees and increase the profitability of the company.

The number of awards granted to executives was determined with reference to market norms for long-term incentive schemes and a multiple of the annual salary packages of the participants.

Each award comprises of three equal tranches. The three tranches vest as follows:
- in respect of tranche 1, on the first trading day after expiry of a period of three years after the award date;
- in respect of tranche 2, on the first trading day after expiry of a period of four years after the award date;
- in respect of tranche 3, on the first trading day after expiry of a period of five years after the award date.

The awards held by participants comprise a mixture of zero-strike and strike based awards. HEPS and ROIC performance conditions are applicable to the zero-strike awards.
The HEPS performance conditions are as follows:
- in respect of awards granted in 2020 and 2021, the annual compounded HEPS growth rate over the three, four and five year periods ending on the last day of the financial year-end of the Bell group prior to the vesting date, must meet or exceed SA inflation plus 5%.
- in respect of awards granted in 2022 and 2023, the annual compounded HEPS growth rate over the three, four and five year periods ending on the last day of the financial year-end of the Bell group prior to the vesting date, must meet or exceed SA inflation plus 3%.
- in respect of awards granted in 2024, the performance scorecard reflected below applies:

Performance condition		**Weighting %**		**Targets**		
			Vesting %	**50%**	**75%**	**100%**
Type	**Metric**			**Threshold**	**On Target**	**Stretch**
Financial	HEPS	50%		CPI +1%	CPI +2%	CPI +3%
Financial	ROIC	50%		WACC	WACC +1%	WACC +2%
Total share units		100%				

The ROIC performance conditions are as follows:
- in respect of awards granted in 2020 and 2021, the annual ROIC hurdle is based on operational returns in excess of the cost of capital plus a margin.
- in respect of awards granted in 2022 and 2023, a minimum ROIC hurdle of 15% applies and the payout is based on a sliding scale of the rolling three year average ROIC as follows:

Rolling three year average ROIC	*Payout*
< 15%	0%
≥ 15% < 16%	78%
≥ 16% < 17%	89%
≥ 17% < 18%	100%
≥ 18% < 19%	111%
≥ 19% < 20%	122%

- in respect of awards granted in 2024, the performance scorecard reflected above applies.

Employees will acquire the cash equivalent of the difference between the strike price and the market value of shares upon realisation of their awards, subject to the performance conditions specified.

Awards are forfeited in certain circumstances, including on a participant ceasing to be an employee, for reasons other than incapacity, death or retirement at the pensionable age in terms of the rules of the pension and/or provident fund, when all the awards held by the participant, whether or not they have vested, will be deemed to have vested upon termination of employment and shall be settled within three months or in the case of death, within 12 months thereafter.

The total benefit paid to employees in respect of the scheme in any financial year shall not exceed 6% of the NPAT as reflected in the audited results of the Bell group, except in certain circumstances relating to mergers, takeovers and corporate action.

In the event of a change in control of the company which results in the retrenchment or other no fault termination, or a material adverse change in the conditions of employment of the participant then the vesting period in respect of any unvested phantom share units held by that participant will be advanced in accordance with the rules of the scheme.

Awards are subject to the group's malus and clawback policy.

33 SHARE-BASED PAYMENT ARRANGEMENTS WITH EMPLOYEES (continued)

33.1 Cash-settled employee share award plan (continued)

33.1.1 Share awards granted

The following awards were in existence during the reporting period:

	Phantom share units								
Grant date	**With a strike price**	**With a strike price of zero**	**Total**	**Vesting January 2025**	**Vesting January 2026**	**Vesting January 2027**	**Vesting January 2028**	**Vesting January 2029**	**Strike price of units with a strike price**
1 January 2020	191 330	107 662	298 992	298 992	-	-	-	-	R 8.88
1 January 2021	382 665	215 334	597 999	299 000	298 999	-	-	-	R 6.52
1 January 2022	760 000	428 000	1 188 000	396 000	396 000	396 000	-	-	R 12.43
1 January 2023	2 646 000	1 764 000	4 410 000	-	1 470 000	1 470 000	1 470 000	-	R 14.88
1 January 2024	1 387 000	778 000	2 165 000	-	-	721 667	721 667	721 666	R 41.75
Total share units	5 366 995	3 292 996	8 659 991	993 992	2 164 999	2 587 667	2 191 667	721 666	

These 8 659 991 (2023: 8 492 999) share awards were held by executive directors and prescribed officers as disclosed in note 42.

33.1.2 Fair value of share awards granted

The fair value of the phantom share awards was measured at the end of the year using the Black-Scholes pricing model.

A liability of R90,6 million (2023: R60,7 million) was raised for this cash-settled employee share award plan. Refer to note 25.

	Measurement date	
Inputs into the model	**31 December 2024**	**31 December 2023**
Spot price of the option	R 38.66	R 23.00
Dividend yield	2.4%	3.9%
Expected volatility of the share price	43.7% - 78.0%	35.1%
Risk-free interest rate	7.3% - 7.7%	7.8% - 8.1%
HEPS	465	798
ROIC	8.5%	12.8%

33.1.3 Movement in share awards granted

The following reconciles the share awards outstanding at the beginning and end of the year:

	2024		2023	
	Number of awards	**Weighted average strike price R**	**Number of awards**	**Weighted average strike price R**
Balance at beginning of the year	8 492 999	7.81	5 806 999	6.60
Vested during the year	(1 379 009)	5.99	(1 379 000)	7.49
Granted during the year	2 165 000	26.75	5 650 000	8.93
Forfeited during the year	(618 999)	8.11	(1 585 000)	7.67
Balance at end of the year	8 659 991	12.81	8 492 999	7.81

The share awards outstanding at the end of the year under the cash-settled employee share award plan had a weighted average remaining contractual life of 2,9 years (2023: 3,1 years).

Phantom share awards of R21,8 million (2023: R9,0 million) were settled during the year.

34 CONTINGENT ASSETS AND LIABILITIES

Accounting policy

Contingent assets are not recognised as assets because they are possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not fully within the control of the group.

The contingent asset in note 34.1.1 below relates to the group's reimbursement right from third-party component suppliers in respect of standard warranties on manufactured goods. The amount below has not been recognised as an asset as the circumstances do not support a conclusion that recovery is virtually certain. This represents the group's best estimate of expected recoveries from component suppliers. Refer to the group's accounting policy on contract provisions for standard warranty in note 24.1.

Contingent liabilities are not recognised as liabilities because they are either possible obligations and the group's present obligation that could lead to an outflow of resources has yet to be confirmed or they are present obligations that do not meet the recognition criteria because it is not probable that an outflow of resources will be required to settle the obligation.

		2024 R000	2023 R000
34.1	**Contingent assets**		
34.1.1	**Reimbursement right relating to standard warranty in respect of manufactured goods**		
	Reimbursement right from component suppliers in respect of standard warranties where virtual certainty of recovery has not yet been established	69 420	69 280
34.2	**Contingent liabilities**		
34.2.1	**Credit risk undertakings with financial institutions**		
	During the year the group entered into credit risk arrangements with certain financial institutions with recourse to the group to facilitate the financing of equipment for certain of the group's customers. Refer to note 27.1.4 for the group's accounting policy relating to these transactions.		
	Transactions where the group carries all the credit risk (100%)		
	In terms of these arrangements the group is liable for the full balance due to the financial institution in the event of default by the customer. At year-end the group's credit risk exposure under these arrangements totalled	82 417	37 666
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	92 154	58 543
		(9 737)	(20 877)
	Less: refund liability recognised	-	-
	Net credit risk	-	-
	Transactions where the group carries a portion of the credit risk (first loss) (60%-90%)		
	In terms of these arrangements the group is liable for a portion of the balance due to the financial institution in the event of default by the customer. These are first loss undertakings and the group's exposure remains unchanged until the balance due to the financial institution is redeemed below the recourse amount, at which point the group's risk would equal the balance due until fully repaid. At year-end the group's credit risk exposure under these arrangements totalled	24 095	28 944
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	29 530	29 035
		(5 435)	(91)
	Less: refund liability recognised	-	-
	Net credit risk	-	-
	Transactions where the group carries a portion of the credit risk (20%)		
	In terms of this arrangement the group is liable for 20% of the balance due to the financial institution in the event of default by the customer. At year-end the group's credit risk exposure under this arrangement totalled	13 459	4 019
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	15 251	4 907
		(1 792)	(888)
	Less: refund liability recognised	-	-
	Net credit risk	-	-
	No refund liability was recognised on these transactions as the risk of expected credit losses was considered to be insignificant.		
34.2.2	**Cash-backed bonds**		
34.2.2.1	A cash-backed bond of USD150,000 (2023: USD150,000) in favour of the Environmental Protection Agency in the United States of America. The cash is restricted and the funds are repayable to the group during 2026.	2 828	2 780
34.2.2.2	A cash-backed bond of USD50,000 (2023: USD50,000) in favour of the Customs and Border Protection (CBP) in the United States of America. The cash is restricted and the funds are repayable to the group when no longer required by CBP.	943	927

35 CAPITAL EXPENDITURE COMMITMENTS

Capital expenditure commitments include commitments for the acquisition of property, plant and equipment and software.

	2024 R000	2023 R000
Contracted	9 543	27 452
Authorised, but not contracted - property, plant and equipment *	132 699	268 562
Authorised, but not contracted - intangible assets *	41 614	48 570
Total capital expenditure commitments	183 856	344 584

This capital expenditure is to be financed from internal resources.

* In the current year, the authorised, but not contracted capital expenditure commitments were split between property, plant and equipment and intangibles.

36 OPERATING LEASE ARRANGEMENTS

Operating leases, in which the group is the lessor, relate to leases of equipment reflected as rental assets in note 7 and inventory as reflected in note 13.

36.1 Operating lease receivables

The minimum undiscounted lease payments in non-cancellable operating lease receivables are set out below:

	2024 R000	2023 R000
Equipment		
Less than one year	9 401	1 040
Total operating lease receivables	9 401	1 040

37 RETIREMENT BENEFIT INFORMATION

Accounting policy

Payments to defined contribution retirement plans and state-managed retirement contribution schemes are charged as an expense when employees have rendered services in respect of which contributions are payable.

South African group employees in all scheduled occupations are required by legislation to join the Metal Industries Benefit Funds Administrators (MIBFA), a defined contribution plan. The MIBFA pension fund is governed by the Pension Funds Act and retirement benefits are determined based on the level of contributions for retirement by employees and investment returns. Employees carry the investment risk and the group has no commitment to meet any unfunded benefits.

Other South African employees are eligible, as a condition of their employment, to join the Old Mutual SuperFund Defined Benefit Provident Fund, which are externally managed defined contribution plans with multiple participating employers, including Bell Equipment Limited. These funds are governed by the Pension Funds Act and retirement and death benefits are determined with reference to the employees' contributions to the fund. These funds are actuarially valued but, by their nature, the group has no commitment to meet any unfunded benefits.

Certain of the foreign subsidiaries offer pension fund plans to their employees. These funds are externally managed defined contribution plans and are not actuarially valued. These companies have no commitment to meet any unfunded benefits.

The group's employer contributions to retirement funds were R114,1 million during the current year (2023: R121,3 million) and were charged to staff costs in profit or loss.

There is no obligation to meet any post retirement medical costs of employees.

38 FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised on the group's statement of financial position when the group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets carried on the statement of financial position are classified into the following categories:
- financial assets at fair value through profit or loss;
- financial assets at amortised cost; and
- financial assets at fair value through other comprehensive income.

Classification is determined by both the group's business model as well as the contractual cash flow characteristics of the asset. Financial assets carried on the statement of financial position include cash and bank balances, investments, interest-bearing receivables, trade and other receivables and other assets.
The group's business model for each category is disclosed in notes 10, 11, 14, 15 and 16.

Financial liabilities

Financial liabilities carried on the statement of financial position are classified into the following categories:
- financial liabilities at fair value through profit or loss; and
- financial liabilities at amortised cost.

Financial liabilities as disclosed in the statement of financial position include interest-bearing liabilities, trade and other payables, bank overdrafts and borrowings on call and other liabilities. Refer to notes 20, 25, 26 and 38.2.

Offsetting financial instruments

Financial assets and liabilities are offset where the group has a legal and enforceable right to set off the recognised amounts and it intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

38 **FINANCIAL INSTRUMENTS (continued)**

	Notes	2024 R000	2023 R000
Categories of financial instruments			
Financial assets			
Financial assets at amortised cost			
- Interest-bearing receivables	11	176 389	138 211
- Trade and other receivables (excluding accruals and value added taxation receivable)	14	1 266 864	1 815 976
- Cash and bank balances	16	283 369	251 786
Financial assets at fair value through other comprehensive income			
- Investments	10	23 943	35 731
Financial assets at fair value through profit or loss			
- Other assets (forward foreign exchange contracts)	15	6 828	27 725
Total financial assets		1 757 393	2 269 429
Financial liabilities			
Financial liabilities at amortised cost			
- Interest-bearing liabilities	20	402 286	795 375
- Trade and other payables (excluding accruals and value added taxation payable)	26	867 423	1 679 476
- Bank overdrafts and overnight call loans	38.2	422 906	992 023
Financial liabilities at fair value through profit or loss			
- Other liabilities (forward foreign exchange contracts)	25	22 304	2 452
Lease liabilities *	21	452 210	509 854
Total financial liabilities		2 167 129	3 979 180

* Management re-assessed the disclosure of financial liabilities and determined that lease liabilities were omitted from the financial liabilities disclosure in the prior year.

Fair value of financial instruments

Financial assets at amortised cost

Interest-bearing receivables, trade and other receivables and cash and bank balances are measured at amortised cost. The directors consider that the carrying amount of trade and other receivables, excluding the value added taxation receivable, and cash and bank balances approximates their fair value due to the short-term nature of these instruments. The carrying amount of interest-bearing receivables approximates their fair value owing to the market related interest rates charged on these agreements.

Financial liabilities at amortised cost

Interest-bearing liabilities, lease liabilities, trade and other payables and bank overdrafts and overnight call loans are measured at amortised cost. The directors consider that the carrying amount of trade and other payables, excluding the value added taxation payable, and bank overdrafts and overnight call loans approximates their fair value due to the short-term nature of these instruments. The carrying amount of interest-bearing liabilities approximates their fair value owing to the market related interest rates on these instruments.

Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities carried at fair value through profit or loss include forward foreign exchange contracts presented in the statement of financial position as other assets or liabilities. The group measures forward foreign exchange contracts at fair value on a recurring basis based on the market approach, using inputs other than quoted prices (Level 2). The fair value of these contracts is based on observable forward exchange rates at year-end from an independent provider of financial market data. There was no change in the valuation techniques for forward foreign exchange contracts (Level 2).

Investments at fair value through other comprehensive income

Investments carried at fair value through other comprehensive income include listed and unlisted equity instruments. These investments are measured at fair value on a recurring basis. The fair value of listed investments is based on quoted market prices (Level 1). For its unlisted investment (Level 3), the group used an average of observable EBITDA multiples of a number of entities within the industry which was applied to the EBITDA of the investment entity. Refer to note 10.

Valuation techniques and fair value hierarchy

There was no change in the valuation techniques used for the group's listed (Level 1) and unlisted investments (Level 3).

For all fair value measurements disclosed above, there were no transfers between levels of the fair value hierarchy during the year.

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management

The group's approach to risk management includes being able to identify, describe and analyse risks at all levels throughout the group, with mitigating actions being implemented at the appropriate point of activity. The very significant, high impact risk areas and the related mitigating action plans are monitored by the risk and sustainability committee and the board. The overall risk strategy remains unchanged with emphasis on sustainability and liquidity.

In the normal course of its operations, the group is exposed to capital, liquidity, credit and market risks (foreign currency risk, interest rate risk and equipment residual value risk). In order to manage these risks, the group may enter into transactions which make use of derivatives, including forward foreign exchange contracts. The group does not speculate in derivative instruments.

The group's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to operations of the group through internal reports which analyse exposures and the magnitude of risks.

38.1 **Capital risk management**

The group's overall strategy is to secure the long-term sustainability of the group and to generate cash. This is consistent with the prior year.

The capital structure of the group consists of debt, which includes short-term and long-term borrowings as disclosed in notes 20 and 38.2, cash and bank balances, all components of equity, comprising issued capital, reserves and non-controlling interest, as disclosed in notes 17 to 19, and retained earnings.

Gearing ratio

Management monitors the group borrowings with reference to a targeted maximum net debt-to-equity ratio of between 30% and 40%.

	2024 R000	**2023 R000**
The gearing ratio at year-end was as follows:		
Short-term and long-term borrowings	825 192	1 787 398
Cash and bank balances	(283 369)	(251 786)
Net debt	541 823	1 535 612
Total equity	5 676 940	5 285 016
Attributable to owners of Bell Equipment Limited	5 574 127	5 211 478
Non-controlling interest	102 813	73 538
Debt-to-equity ratio (excluding cash and bank balances) (%)	14.5	33.8
Net debt-to-equity ratio (including cash and bank balances) (%)	9.5	29.1

38.2 **Liquidity risk**

Cash generated from operations increased significantly from R672 million in 2023 to R2,2 billion in 2024 mainly due to a reduction in inventory and trade receivables, as a result of weaker market conditions and lower production and sales levels, and the collection of a substantial receivables balance which was outstanding at 31 December 2023.

The group manages liquidity risk by management of working capital and cash flows. Banking facilities are constantly monitored for adequacy. Other than the facilities described in 38.2.1.1 to 38.2.1.3, the banking facilities are repayable on demand.

The utilisation at 31 December 2024 is as follows:

	Facilities 2024 R000	**Utilisation 2024 R000**	**Facilities 2023 R000**	**Utilisation 2023 R000**
General banking facilities	1 470 273	422 906	1 502 929	992 023

Bank overdrafts and overnight call loans are unsecured and floating interest rates linked to benchmark rates are charged.

In terms of undertakings by the group in certain bank facility agreements, limits are in place for permitted security over group assets, the provision of guarantees or indemnities to any person and for the raising of additional borrowings. Transactions in excess of these limits require the consent of the banks concerned.

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.2 **Liquidity risk (continued)**

38.2.1 **Loan covenants**

38.2.1.1 The utilisation at 31 December 2024 on the Industrial Development Corporation of South Africa facility is as follows:

	Facility	Utilisation	Interest accrued	Facility	Utilisation	Interest accrued
	2024	**2024**	**2024**	**2023**	**2023**	**2023**
Industrial Development Corporation of South Africa (IDC)	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Trade finance and interest accrued	210 000	-	-	550 000	295 871	8 227

The IDC trade finance, which is held in BECSA, is unsecured and is a rolling credit facility, repayable six-monthly. Utilisation of the facility is restricted to the funding of working capital. The terminal drawdown date is 31 December 2025 and the facility is fully repayable within 6 months of the terminal drawdown date, unless a renewal of the facility is negotiated. The balance of the facility was nil at year end. This can be drawn again.

The following financial covenants, measured at a group level, apply and were met at year-end:
- Ratio of total shareholders' interests to total assets: minimum of 35% (a ratio of 61% was achieved at 31 December 2024)
- Debt service cover ratio: no less than 1,2 times (a ratio of 3,2 times was achieved at 31 December 2024)

In addition, BECSA may not:
- make any loans; and/or
- repay loans to or pay interest on loans from shareholders or related persons or make any payments whatsoever to such persons; and/or
- pay directors fees and directors salaries exceeding R55,3 million (2023: R53,0 million),

if:

the making of such payments would result in the ratio of shareholders' interest to total assets being reduced below 40% and the debt service cover ratio being less than 1,5 times.

BECSA's loan from the company of R88,0 million at year end shall remain constant and may not be repaid and BECSA may not enter into any new inter-company loans without the IDC's permission.

The group has classified the liability as part of interest-bearing liabilities as disclosed in note 20.3.

38.2.1.2 The utilisation at 31 December 2024 on the Commerzbank AG and Landesbank Baden-Württemberg combined bank facilities held in Germany is as follows:

	Maximum facilities	Utilisation	Maximum facilities	Utilisation
	2024	**2024**	**2023**	**2023**
Commerzbank AG (CoBa) and Landesbank Baden-Württemberg (LBBW)	**R000**	**R000**	**R000**	**R000**
Bank overdraft facilities	585 480	153 950	614 217	573 824

Utilisation of the above facility is restricted to the funding of current assets and is secured by certain inventory and trade receivables as disclosed in notes 13 and 14. Financing is limited to a maximum of €30,0 million and is available until 30 June 2025. The amount of credit available under the facility is determined periodically based on the value of current assets, in particular, inventory and trade receivables.

The following financial covenants, measured at Bell Equipment (Deutschland) GmbH, apply and were met at year-end:
- Ratio of equity to total assets: minimum of 35% (a ratio of 62% was achieved at 31 December 2024)
- Ratio of net debt to EBITDA: no more than 3,00 times (a ratio of 2,34 times was achieved at 31 December 2024)

The group has classified the liability as part of bank overdrafts and borrowings on call on the face of the consolidated statement of financial position.

38.2.1.3 The utilisation at 31 December 2024 on the ABSA supplier finance facility is as follows:

	Facility	Utilisation	Interest accrued	Facility	Utilisation	Interest accrued
	2024	**2024**	**2024**	**2023**	**2023**	**2023**
ABSA Bank of South Africa	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Supply chain finance and interest accrued	340 000	185 156	6 509	340 000	258 694	4 587

The supplier finance facility is unsecured and is a rolling credit facility. The group utilises the facility by presenting to ABSA selected supplier invoices which have become due for payment. These supplier invoices are settled by ABSA and the group is required to repay the loan in full together with interest thereon on maturity date, which is 150 days from draw down date. The amount above represents supplier invoices that have been settled by ABSA on invoice due date. The related trade payables have been derecognised as the group's liability is extinguished upon the suppliers' receipt of payment from ABSA.

The group has classified the liability as part of interest-bearing liabilities as disclosed in note 20.3 as in the group's judgement, the terms and conditions relating to the supply chain financing are substantially different to the terms and conditions usually provided to the group's suppliers. The amount is repayable as follows:

	2024	2023
	R000	**R000**
January 2025	82 290	-
February 2025 / February 2024	59 771	108 430
March 2025 / March 2024	49 604	76 763
April 2024	-	78 088
Total	191 665	263 281

The following financial covenants, measured at a group level, apply and were met at year-end:
- Ratio of EBITDA to net financing costs: no less than 5 times (a ratio of 11,9 times was achieved at 31 December 2024)
- Ratio of interest-bearing borrowings to EBITDA: no more than 2,5 times (a ratio of 0,6 times was achieved at 31 December 2024)

38.2.2 **Maturity analysis of financial liabilities**

The following details the group's remaining contractual maturities for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows and where applicable includes both interest and principal cash flows.

Non-derivative financial liabilities	**Notes**	**Less than one year**	**One to two years**	**Two to three years**	**Three to four years**	**Four to five years**	**More than five years**	**Total**
2024		**R000**	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Secured interest-bearing liabilities	20	25 553	25 190	22 229	19 038	19 006	63 874	174 890
Unsecured interest-bearing liabilities	20	194 010	-	-	-	-	-	194 010
Lease liabilities	21	131 322	118 481	90 025	78 572	65 302	116 066	599 768
Trade and other payables	26	867 423	-	-	-	-	-	867 423
Bank overdrafts and overnight call loans	38.2	422 906	-	-	-	-	-	422 906
Total		1 641 214	143 671	112 254	97 610	84 308	179 940	2 258 997
2023								
Secured interest-bearing liabilities	20	77 187	30 563	21 809	20 532	18 494	78 352	246 937
Unsecured interest-bearing liabilities	20	583 308	-	-	-	-	-	583 308
Lease liabilities	21	116 692	113 121	106 513	87 324	87 950	194 514	706 114
Trade and other payables	26	1 679 476	-	-	-	-	-	1 679 476
Bank overdrafts and overnight call loans	38.2	992 023	-	-	-	-	-	992 023
Total		3 448 686	143 684	128 322	107 856	106 444	272 866	4 207 858

The following outlines the group's maturity analysis for its derivative financial instruments which the group has entered into to cover foreign commitments not yet due (refer to note 38.4.1). The table has been drawn up based on the undiscounted gross cash inflows (exports) and outflows (imports) on the derivative instruments that settle on a gross basis.

Derivative financial instruments	**2024**	**2023**
Less than 1 year	**R000**	**R000**
Gross settled forward foreign exchange contracts - imports	(220 256)	(560 338)
Gross settled forward foreign exchange contracts - exports	498 983	618 727
Total	278 727	58 389

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.3 **Credit risk**

Credit risk consists mainly of trade receivables, interest-bearing receivables and contract assets, production incentive receivables, the credit risk exposures described in note 34.2.1 and short-term cash deposits. The group only deposits short-term cash with approved financial institutions.

The granting of credit to customers is controlled by processes based on the group credit policy, credit applications by customers, a credit approval hierarchy, customer account limits, the utilisation of attorneys for collection where necessary and the ongoing monitoring of economic, political and industry conditions in each market. Management undertake ongoing credit evaluations of the financial condition of their customers and steps are taken when an invoice is not paid by due date. Credit terms granted to customers range from 14 days to 180 days.

The group's credit risk is regularly monitored by a credit committee, consisting of certain directors and senior executives, which exercises oversight over the extension and management of credit by group companies and approves credit in excess of certain thresholds. The credit committee assesses credit risk by categorising and credit risk rating customer balances into fully performing receivables and past due receivables. Fully performing receivables are those customers that are within credit terms. Past due receivables are those customers in default and customer balances that have been risk graded as past due may indicate a significant change in credit risk. The credit committee applies the considerations described below and in the policy for expected credit losses in note 14 to exercise oversight over the management of these past due balances. In the case of customer default the value of the repossessed equipment may not cover the outstanding receivable amount. Interest is usually charged on overdue balances.

Trade receivables contain concentration risk in certain markets, particularly where the group sells to independent dealers who distribute the group's products. The group's credit committee actively monitors credit, collections and the economic, political and industry conditions in each market. In addition, credit enhancements such as deposits, personal guarantees, liens on other property owned by the customer may be required at the time of origination or when there are signs of impairment.

Where industry factors or the economic environment impacts the customer's ability to service their debt, the group may renegotiate debt arrangements with customers where the customer's default was due to temporary circumstances and where there has not been a long-term change in the financial condition of the customer. Interest is charged in refinancing arrangements. Renegotiation assists the group to minimise losses and write offs. Renegotiated assets are monitored closely for on-going performance, the condition of the financed equipment and for any change in the financial condition of the customer.

Significant overdue customer balances are handed over to attorneys for legal collection. A customer balance is considered credit-impaired and will be written off in full once legal means of recovery has failed and it is believed that the likelihood of recovery is remote. Indicators that the likelihood of recovery is remote includes, amongst others, the liquidation of a debtor. Except in limited circumstances, the group continues to engage in recovery activities even after write off in order to recover amounts due to the group.

An allowance has been made for expected credit losses from the sale of goods and services and this has been determined as described in note 14. With the exception of the credit risk disclosed in note 34.2.1, the carrying amount of financial assets recorded in the financial statements, which is net of the allowance for expected credit losses, represents the group's maximum exposure to credit risk. At 31 December 2024, the group does not consider there to be any material credit risk that has not been adequately provided for.

Credit risk concentration

The group has a concentration of credit risk in the North American distributor, in which the group holds a 10% equity interest as referred to in note 10, and in the customers of BESSA, the group's direct sales operation in South Africa. In assessing the recoverability of the receivable balances in the North American distributor and in the customers of BESSA, the group applied the policy for expected credit losses as described in note 14 and in particular considered the following factors that are relevant to these receivable balances:

- customers' payment history
- payment past due dates
- risks the customers are exposed to
- industries the customers operate in
- selling season in the market the customer is active in
- customers' access to funding lines
- review of customers' financial statements

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.3 **Credit risk (continued)**

Analysis of credit risk

An analysis of the group's credit risk and credit ratings of receivable balances as well as the credit risk concentration in BESSA's customers and the North American distributor are presented below:

	BESSA		GROUP (including BESSA)	
	2024	2023	2024	2023
Instalment sale agreements *	**R000**	**R000**	**R000**	**R000**
Fully performing receivables	51 781	66 884	99 956	66 884
Gross	51 781	66 884	99 956	66 884
Past due receivables	-	46 976	14 729	63 950
Gross	1 212	54 943	15 941	71 917
Less: allowance for expected credit losses	(1 212)	(7 967)	(1 212)	(7 967)
Balance at end of the period (note 11)	51 781	113 860	114 685	130 834

* Included in interest-bearing receivables and contract assets on the statement of financial position.

An allowance for expected credit losses was raised as reflected in the table above. The remainder of the instalment sale receivables balance is considered recoverable and there has not been a significant change in credit quality. Refer to the impairment considerations in note 5.2.2.

	BESSA		GROUP (including BESSA)	
	2024	2023	2024	2023
Finance leases *	**R000**	**R000**	**R000**	**R000**
Fully performing receivables	47 366	-	47 366	-
Gross	47 366	-	47 366	-
Less: allowance for expected credit losses	-	-	-	-
Past due receivables	-	-	-	-
Gross	3 738	3 549	3 738	3 549
Less: allowance for expected credit losses	(3 738)	(3 549)	(3 738)	(3 549)
Balance at end of the period (note 11)	47 366	-	47 366	-

* Included in interest-bearing receivables and contract assets on the statement of financial position.

	North American distributor **		BESSA		GROUP ****	
	2024	2023	2024	2023	2024	2023
Trade receivables ***	**R000**	**R000**	**R000**	**R000**	**R000**	**R000**
Fully performing receivables	34 797	437 394	156 411	166 203	839 558	1 239 180
Gross	34 797	437 394	156 411	166 203	839 638	1 239 339
Less: allowance for expected credit losses	-	-	-	-	(80)	(159)
Past due receivables	162 492	266 525	33 257	22 673	293 833	383 192
Gross	162 492	266 525	49 115	46 751	328 959	423 848
Less: allowance for expected credit losses	-	-	(15 858)	(24 078)	(35 126)	(40 656)
Balance at end of the period (note 14)	197 289	703 919	189 668	188 876	1 133 391	1 622 372

** The North American distributor is a long-standing customer with a history of full settlement. Based on the group’s credit risk assessment, the amount is considered to be recoverable and the allowance for expected credit losses has been assessed to be insignificant.
*** Included in trade and other receivables on the statement of financial position.
**** Including BESSA and North American distributor. In the prior year the past due trade receivable for the North American distributor was incorrectly classified as fully performing.

The credit terms on the above trade receivable balances range from 14 days to 180 days.

An allowance for expected credit losses was raised as reflected in the table above. The remainder of the trade receivables balance is considered recoverable and there has not been a significant change in credit quality. Refer to the impairment considerations in note 5.2.2.

	BESSA		GROUP (including BESSA)	
Movement in the allowance for expected credit losses on finance	**2024**	**2023**	**2024**	**2023**
leases, instalment sale agreements and trade receivables	**R000**	**R000**	**R000**	**R000**
Balance at beginning of the year	35 594	39 469	52 331	56 475
Translation differences	-	-	339	1 194
Net decrease in allowance for expected credit losses	(14 786)	(3 875)	(12 514)	(5 338)
Amounts considered credit-impaired and written off	(11 633)	(1 333)	(11 740)	(1 257)
Increase in allowance for expected credit losses, based on lifetime expected credit losses	3 946	6 425	6 658	4 739
Decrease in allowance due to cash flows from past due receivables	(7 099)	(8 967)	(7 353)	(8 931)
(Decrease) increase in allowance on fully performing receivables, based on lifetime expected credit losses	-	-	(79)	111
Balance at end of the year	20 808	35 594	40 156	52 331

The expected credit loss rates for the group's trade receivables are detailed in note 14.

Refer to note 34.2.1 for the group's credit risk exposure to financial institutions.

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.4 **Market risk**

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates, residual value risk, political and economic risk and technological risk. There has been no change to the group's exposure to market risks or the manner in which it manages and measures the risks.

38.4.1 **Currency risk**

The group applied the following foreign currency exchange rates to present the financial statements in South African Rand:

	Average rate		Closing rate	
	2024	**2023**	**2024**	**2023**
British Pound	23.45	23.06	23.58	23.54
Euro	19.82	20.03	19.52	20.47
Japanese Yen	0.12	0.13	0.12	0.13
United States Dollar	18.35	18.49	18.85	18.53

The group undertakes certain transactions denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The group follows a policy of matching import and export cash flows where possible. The majority of any remaining inward or outward trade exposure is covered forward. In this regard the group has entered into certain forward exchange contracts which do not relate to specific items appearing in the statement of financial position, but which were entered into to cover foreign commitments not yet due. The foreign subsidiaries do not hedge their intra-group purchases.

The details of contracts held at 31 December 2024 are listed below. These contracts will be utilised during the next six months. These contracts have been fair valued at the year-end as follows:

2024	**Foreign amount 000**	**Rate R**	**Contract value in Rands R000**	**Market value in Rands R000**	**Fair value gain (loss) R000**
Import contracts					
British Pound	3 700	22.95	84 929	87 811	2 882
Euro	1 400	19.56	27 379	27 522	143
Japanese Yen	889 952	8.24	107 948	108 231	283
Export contracts					
Euro	2 000	19.69	39 389	39 731	(342)
United States Dollar	25 150	18.27	459 594	478 036	(18 442)

2023	**Foreign amount 000**	**Rate R**	**Contract value in Rands R000**	**Market value in Rands R000**	**Fair value gain (loss) R000**
Import contracts					
British Pound	5 850	23.02	134 657	137 110	2 453
Euro	12 814	20.39	261 283	262 104	821
Japanese Yen	1 198 497	7.72	155 178	157 613	2 435
United States Dollar	500	18.44	9 220	9 197	(23)
Export contracts					
United States Dollar	32 500	19.04	618 727	599 156	19 571

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.4 **Market risk (continued)**

38.4.1 **Currency risk (continued)**

The carrying amounts in South African Rand of the group's foreign currency denominated monetary assets and monetary liabilities as per the statement of financial position are as follows:

	Euro	United States Dollar	British Pound	Other currencies
2024	**R000**	**R000**	**R000**	**R000**
Financial assets				
Financial assets at amortised cost				
- Interest-bearing receivables	-	18 499	-	-
- Trade and other receivables	292 979	536 227	26 879	1 049
- Cash and bank balances	182 269	63 326	21 980	785
Financial assets at fair value through other comprehensive income				
- Investments	-	23 943	-	-
Financial assets at fair value through profit or loss				
- Other assets (forward foreign exchange contracts)	742	1 392	3 802	892
Financial liabilities				
Financial liabilities at amortised cost				
- Interest-bearing liabilities	150 929	-	-	-
- Trade and other payables	218 789	76 223	165 257	192 466
- Bank overdrafts and borrowings on call	167 066	14 916	-	-
Financial liabilities at fair value through profit or loss				
- Other liabilities (forward foreign exchange contracts)	942	19 833	920	609
2023				
Financial assets				
Financial assets at amortised cost				
- Interest-bearing receivables	-	20 680	-	-
- Trade and other receivables	209 887	1 116 916	28 987	2 862
- Cash and bank balances	104 150	131 159	888	2 783
Financial assets at fair value through other comprehensive income				
- Investments	-	35 731	-	-
Financial assets at fair value through profit or loss				
- Other assets (forward foreign exchange contracts)	1 990	19 907	2 471	3 357
Financial liabilities				
Financial liabilities at amortised cost				
- Interest-bearing liabilities	322 371	30 807	-	77
- Trade and other payables	572 709	176 117	352 096	257 992
- Bank overdrafts and borrowings on call	664 743	6 287	-	-
Financial liabilities at fair value through profit or loss				
- Other liabilities (forward foreign exchange contracts)	1 170	359	2	921

The group is mainly exposed to the United States Dollar, the Euro and the British Pound.
The analysis below details the group's sensitivity to a 10% strengthening or weakening in the South African Rand against major currencies. The analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A 10% strengthening or weakening in the South African Rand represents management's assessment of the reasonably possible change in foreign exchange rates.

For a 10% weakening (2023: 10%) in the South African Rand against major currencies and if all other variables were held constant, the group's:
- profit before taxation for the year ended 31 December 2024 would have decreased by R17,0 million (2023: decrease in profit before taxation R78,4 million); and
- other equity at year-end would have increased by R26,4 million (2023: R14,3 million increase).

For a 10% strengthening (2023: 10%), there would have been an equal and opposite impact on the profit before taxation and other equity.

38 **FINANCIAL INSTRUMENTS (continued)**

Financial risk management (continued)

38.4 **Market risk (continued)**

38.4.2 **Interest rate risk**

The group is exposed to interest rate risk as entities in the group borrow funds at floating interest rates. Exposure to interest rate risk on borrowings and investments is monitored on a proactive basis. The group's interest rate profile of borrowings at 31 December 2024, is as follows:

2024	Net overdraft and overnight call loan balances	Trade finance	Long-term borrowings	Long-term borrowings	Total borrowings
Borrowings (R000)	139 537	191 665	150 930	59 691	541 823
Rate profile	Floating	Floating	Fixed	Floating	
% of total borrowings	26	35	28	11	
2023					
Borrowings (R000)	740 237	582 149	168 063	45 163	1 535 612
Rate profile	Floating	Floating	Fixed	Floating	
% of total borrowings	48	38	11	3	

The sensitivity analysis below has been determined based on the exposure to interest rates on borrowings at the end of the reporting period.

For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the period was outstanding for the whole year.
A 100 basis points increase or decrease is used and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the group's:
- profit before taxation for the year ended 31 December 2024 would have decreased by R3,9 million (2023: decrease in profit before taxation R13,7 million)
- profit after taxation and equity would have decreased for the year ended 31 December 2024 by R2,9 million (2023: decrease in profit after taxation and equity R10,0 million)

For a 100 basis points decrease, there would have been an equal and opposite impact on the profit before taxation and profit after taxation.

38.4.3 **Residual value risk**

Residual value risks are attributable to credit risk undertakings where the group has provided credit support to financial institutions to facilitate the financing of equipment for certain of the group's customers. Refer to note 34.2.1 for further information on these transactions.

Residual value risk is the risk that the equipment upon re-sale realises less than the balance due to the financial institution in the event of customer default.
The group manages residual value risk through ongoing assessments of the market values of the underlying equipment. Current and anticipated market conditions are assessed on an ongoing basis. Other conditions such as product development, environmental regulations and competitor actions are also considered in assessing the group's exposure to residual value risk. Furthermore, the group has service and maintenance agreements in place with the respective customers which enables the group to track the condition of the equipment.

38.5 **Transfers of financial assets**

38.5.1 **Transferred financial assets that are not derecognised**

The group discounted certain instalment sale receivables to financial institutions with full recourse to the group. The group carries all the credit risk associated with these assets and therefore these financial assets do not qualify for derecognition. A corresponding liability for the funds received from the financial institutions is recognised in interest-bearing liabilities as disclosed in note 20.2.

The carrying amounts of the transferred assets and associated liabilities of instalment sale agreements are presented below:

	Notes	2024 R000	2023 R000
Instalment sale receivables *	11	48 176	45 181
Collateralised borrowings *	20.2	(48 176)	(38 498)
Net position		-	6 683

* The amount in 2024 relates to a discounting arrangement with Loinette Company Leasing Limited, a related party of the group. Refer to note 39.

The group considers the carrying amount of the transferred assets and the related borrowings to approximate their fair values.

38.5.2 **Transferred financial assets that qualify for derecognition**

Certain instalment sale receivables were discounted to Loinette Company Leasing Limited without recourse to the group. No control over the asset has been retained by the group and the group carries no credit risk associated with these receivables. The assets have therefore been derecognised.

	2024 R000	2023 R000
Amount discounted	44 310	69 898
Loss on discounting	1 954	2 466
Legal expenses relating to discounting transaction	-	337

The group continues to collect the contractual cash flows from the customer but is obligated to pay Loinette Company Leasing Limited as soon as the funds are received.
At 31 December 2024, no amount was payable to Loinette Company Leasing Limited as a result of the group's continuing involvement.

Loinette Company Leasing Limited is a related party as disclosed in note 39.

39 RELATED PARTY TRANSACTIONS

Accounting Policy

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties have been defined as shareholders and key management personnel (directors and the group's executive committee) including close members of their families, and entities over which these individuals or their close family members have a controlling interest.

Related party transactions constitute the transfer of resources, services or obligations between the group and a party related to the group, regardless of whether a price is charged.

The group enters into various transactions with related parties. All transactions are carried out on an arms length basis on terms no more favourable than those entered into with third parties, with the exception of those transactions entered into with the BBBEE parties below.

Details of transactions between the group and related parties and balances at the year-end are detailed below:

	2024 R000	2023 R000
Shareholders and their directors		
GA Campbell *		
- salary	1 304	1 325
* GA Campbell is a director of I A Bell and Company (Pty) Ltd, which is the parent company of the group, and an employee of BESSA, a subsidiary of the group.		
Directors and group executive committee members who are BBBEE shareholders *		
A Goordeen		
- dividends paid	279	115
- interest received	183	179
- amounts owing by **	1 005	1 100
D Chinnappen		
- dividends paid	279	115
- interest received	79	179
- amounts owing by **	71	1 100

* Details of the BBBEE ownership transaction are included in note 19.2.
** The BBBEE shareholders' loan balances are included as part of interest-bearing receivables. Refer to note 11.

	2024 R000	2023 R000
Enterprises in which the parent company of the group has a controlling interest or significant influence		
Latin Equipment SA		
- sales	5 051	6 709
- amounts owing by	317	1 240
Latin Equipment Argentina		
- sales	2 761	-
- amounts owing by	1 178	-
Latin Equipment Chile		
- sales	2 748	-
Latin Equipment Norte		
- sales	8 100	-
Latin Equipment Uruguay SA		
- sales	538	104
Loinette Company Leasing Limited		
- instalment sale receivables discounted with recourse *	48 176	-
- instalment sale receivables discounted without recourse *	44 310	69 898
- loss on discounting arrangement *	1 954	2 466
- legal expenses *	-	337

* Refer to note 38.5.

Amounts outstanding are unsecured. Amounts will be settled in cash, except for the BBBEE shareholders' loans which will be settled by dividends.

Related party balances have been included as part of trade and other receivables in assessing recoverability and in the collective assessment of expected credit losses. No allowance for expected credit losses has been recognised in the current period (2023: Rnil) in respect of the amounts owed by related parties, because amounts are considered to be recoverable and no amounts have been written off as credit-impaired.

Compensation of key management personnel

The remuneration of directors and prescribed officers is reflected in note 42.

Close family members of key management personnel

The following close family members of key management personnel are employees of the group and earn market related salaries from the group:

CP Bell
QI Bell
KC Bell
ML Bell
MO Bell
M Badenhorst
JM Jones
M van Wyngaardt
R van Wyngaardt

40 SUBSEQUENT EVENTS

40.1 Dividend consideration

Notice is hereby given that the directors have declared a gross final cash dividend of 160 cents per ordinary share for the year ended 31 December 2024 payable to ordinary shareholders in accordance with the timetable below.

The net final dividend is 128 cents per share for ordinary shareholders who are subject to the 20 percent dividend withholding tax. The aggregate amount of the proposed dividend expected to be paid, but not recognised as a liability at year end, is R153 million.

The dividend has been declared from income reserves.

The company’s income tax reference number is 9022169206.

The issued share capital at the declaration date is 95 629 385 ordinary shares.

The salient dates for the dividend will be as follows:

Last day of trade to receive a dividend	Monday, 14 April 2025
Shares commence trading “ex” dividend	Tuesday, 15 April 2025
Record date	Thursday, 17 April 2025
Payment date	Tuesday, 22 April 2025

Share certificates may not be dematerialised or rematerialised between Tuesday, 15 April 2025, and Thursday, 17 April 2025, both days inclusive.

40.2 Change in Value Added Tax (VAT) Rate

On 12 March 2025, South Africa's Finance Minister delivered the annual budget speech, announcing a planned increase in the Value Added Tax (VAT) rate of 0.5% effective 1 May 2025, raising the rate from 15% to 15.5%. An additional 0.5% increase is planned for the 2026/2027 fiscal year, which, if implemented, will bring the VAT rate to 16% by 1 April 2026.

The proposed VAT increase is pending parliamentary approval. Management is monitoring the situation and will assess the potential impact of the VAT rate change on the group's operations once the legislative process is finalised.

No other fact or circumstance material to the appreciation of these financial statements has occurred between 31 December 2024 and the date of this report.

41 COMPOSITION OF THE GROUP

Accounting Policy

Basis of consolidation

The financial statements incorporate the financial position and results of the company and of its subsidiaries. The results of subsidiaries are included from the dates the company obtains control and ceases when the company loses control of the subsidiary. The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to the elements of control.

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

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

Except for K2017044733 (South Africa) (RF) Proprietary Limited (the BESSA BEE SPV) and K2019577563 (South Africa) (RF) Proprietary Limited (BEE Manco), the group's control is exercised directly by holding the majority of the voting rights of the ordinary shares in all its subsidiaries.

Control over K2017044733 (South Africa) (RF) Proprietary Limited (the BESSA BEE SPV)

The group established this entity with the sole purpose to acquire and maintain BBBEE credentials for Bell Equipment Sales South Africa Limited (BESSA). The activities of this entity are predetermined and designed in such a way that any amendment to the mandate in terms of the Memorandum of Incorporation requires the company's approval. Even though all the ordinary shares in the entity are held by external shareholders, the BESSA BEE SPV cannot effect any transaction that affects its shareholding in BESSA and its BBBEE credentials without the written consent from the company. As such, management concludes that the group has power over the BESSA BEE SPV and has the ability to direct and affect the variable returns from its involvement with the BESSA BEE SPV. The group controls the BESSA BEE SPV and the results have therefore been consolidated. The entity is also a shareholder in the 2019 BEE transaction described in note 19.2 of the financial statements.

Control over K2019577563 (South Africa) (RF) Proprietary Limited (BEE Manco)

The group established this entity with the sole purpose to acquire and maintain BBBEE credentials for BECSA and BESSA (see note 19.2). BEE Manco is subject to a 10 year lock-in period during which the entity will be unable to sell shares held in the group. The directors of BEE Manco have limited power to make decisions without the prior approval of the company. The company has power to direct the relevant activities of BEE Manco during the lock-in period. The company has the right to variable returns from its involvement with BEE Manco and has the ability to affect those returns through its power over BEE Manco. The company therefore controls BEE Manco. The results of the BEE Manco have therefore been consolidated by the company as part of its group financial statements.

Control over the broad based trust, Bell Equipment Foundation (BEF)

The trust was founded by the group in 2017 and the sole purpose of the trust is to hold shares in Bell group companies (see note 19.1.2) and to distribute dividends earned to participating beneficiaries. In terms of the trust deed, the group may at any time appoint or remove trustees. The group also directs the activities by determining the approved list of beneficiaries to whom distributions should be made by the trust in order to achieve the trust objectives. The decision making powers around the design and the purpose of the trust remains with the group. These activities allow the group to obtain variable returns from the BBBEE credentials in the trust. The group therefore controls the trust and the results have therefore been consolidated. The entity is also a shareholder in the 2019 BEE transaction described in note 19.2 of the financial statements.

Intra-group adjustments

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

41 **COMPOSITION OF THE GROUP (continued)**

41.1 **Information about the composition of the group**

The group structure is presented on page 2 of this report. Information about the composition of the group at year-end is as follows:

SUBSIDIARIES	Business type	Principal activity	Profit (loss) for the year before eliminations 2024 R000	Profit (loss) for the year before eliminations 2023 R000
Southern Africa				
BECSA Holdings Limited	H	H	163 289	141 207
Bell Equipment Company SA Proprietary Limited	O	M	109 464	110 202
Bell Equipment Group Services Proprietary Limited	O	G	195 996	409 106
Bell Equipment Sales South Africa Limited	O	S	136 129	133 157
Bell Equipment SA Holdings Limited	H	H	3 537	(2 186)
Bell Equipment Company (Swaziland) (Proprietary) Limited	O	S	(442)	266
K2017044733 (South Africa) (RF) Proprietary Limited	O	B	2 078	1 396
Bell Equipment Foundation	O	T	895	(8)
Bell Equipment Properties SA Proprietary Limited	O	P	23 770	17 843
K2019577563 (South Africa) (RF) Proprietary Limited	O	B	1 502	729
Other Africa				
Bell Equipment Zambia Limited	O	S	13 922	80 032
Bell PTA (Private) Limited	D	D	(21 945)	4 419
Europe				
Bell Equipment International SA	H	H	126	(17 548)
Bell International Finance Limited	D	D	-	1 842
Bell Euro Finance Limited	D	D	-	11 484
Bell France SAS	O	S	2 053	11 855
Bell Equipment UK Limited	O	S	34 451	(19 592)
Bell Equipment (Deutschland) GmbH	O	A	48 487	104 975
Bell Equipment Russland LLC	R	S	1 849	(11 395)
United States of America				
Bell Equipment North America Inc	O	S	13 591	6 920
Australasia				
Bell Equipment Australia Pty Ltd	O	S	4 319	2 471

A - Assembly and manufacturing plant, sales and logistics operation
B - BBBEE company
D - Dormant companies
G - Group services company
H - Holding companies
M - Manufacturing plant, sales and logistics operation
O - Operating companies
P - Property investment company
S - Sales operation
T - BBBEE Trust
R - Operations in Russia paused due to prolonged conflict between Russia and Ukraine

All the subsidiaries and the trust have a 31 December year end.

41 **COMPOSITION OF THE GROUP (continued)**

41.2 **Entities with a BBBEE ownership**

In 2017 and 2019, the group entered into BBBEE ownership transactions relating to Bell Equipment Sales South Africa Limited (BESSA). Details of the transactions are disclosed in notes 19.1 and 19.2. BESSA's principal place of business is South Africa.

	2024	**2023**
Summarised financial information about BESSA is presented below	**R000**	**R000**
and represents amounts before intra-group eliminations:		
Non-current assets	317 717	340 804
Current assets	1 708 651	1 322 629
Non-current liabilities	372 159	445 158
Current liabilities	1 201 859	896 039
Revenue	4 462 787	4 384 148
Profit for the year	136 129	133 157
Total comprehensive income for the year	136 129	133 157

In 2019 the group entered into a BBBEE ownership transaction relating to Bell Equipment Company SA Proprietary Limited (BECSA). Details of the transaction are disclosed in note 19.2. BECSA's principal place of business is South Africa.

	2024	**2023**
Summarised financial information about BECSA is presented below	**R000**	**R000**
and represents amounts before intra-group eliminations:		
Non-current assets	301 250	290 417
Current assets	3 417 365	4 505 154
Non-current liabilities	1 747 832	1 269 133
Current liabilities	1 870 933	3 341 177
Revenue	7 280 537	8 696 727
Profit for the year	109 464	110 202
Total comprehensive income for the year	109 464	110 202

41.3 **Significant restrictions**

Certain restrictions imposed by the banks and the IDC are reflected in note 38.2.

Except for the limitations of exchange control regulations, the availability of currency in the local markets in which certain group companies operate and restrictions on the accessing of cash and bank balances in Russia (refer to note 16), there are no other significant restrictions on cash transfers and capital distributions to and from group companies.

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION**

The remuneration of directors and key management is determined by the board having regard to the performance of individuals and market trends.

Paid to executive directors of the company by the company's subsidiary:

Executive directors	**Salary R000**	**Pension/ Provident fund R000**	**Incentive payment R000**	**Other benefits and allowances R000**	**2024 Total R000**	**2023 Total R000**
AJ Bell (appointed group chief executive officer with effect from 1 January 2024)	4 806	360	-	56	5 222	-
KJ van Haght	3 797	287	3 380	114	7 578	6 307
A Goordeen	3 138	241	3 363	153	6 895	6 191
L Goosen (resigned with effect from 31 December 2023)	-	-	-	-	-	11 404
Total	**11 741**	**888**	**6 743**	**323**	**19 695**	**23 902**

Paid to prescribed officers of the company's subsidiaries by the company's subsidiaries:

Prescribed officers						
JP Bell (appointed 1 April 2024)	1 916	144	48	26	2 134	-
DB Chinnappen	3 408	262	1 645	287	5 602	5 400
SR Jones	3 299	247	1 637	57	5 240	4 912
A Mayer (expatriate salary)	5 012	634	1 660	-	7 306	8 427
DE Morris (resigned 30 November 2024)	3 113	237	1 644	516	5 510	5 225
JJ van Wyngaardt	2 717	212	1 625	166	4 720	4 351
D McIlrath	2 300	172	1 607	44	4 123	3 507
JM Fleetwood	3 054	236	95	128	3 513	4 064
TM Du Pisanie	2 304	180	73	121	2 678	3 096
PW Badenhorst	2 523	194	73	193	2 983	3 196
Total	**29 646**	**2 518**	**10 107**	**1 538**	**43 809**	**42 178**

Other benefits and allowances comprise vehicle allowances, travel allowances and reimbursive allowances, annual leave encashments and the group's contributions to medical aid and life insurance.

Paid to non-executive directors of the company by the company:	**2024 Fees R000**	**2023 Fees R000**
Non-executive directors		
AJ Bell (appointed group chief executive officer with effect from 1 January 2024)	-	559
GW Bell	1 080	1 082
DH Lawrance	1 118	1 077
R Naidu	951	910
ME Ramathe	957	727
HR van der Merwe	1 414	1 278
U Maharaj	633	542
M Geyer	681	420
Total	**6 834**	**6 595**

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (continued)**

The following reconciles the number of phantom share awards held by directors and prescribed officers at the end of the year. Details of this cash-settled share award plan are disclosed in note 33.1.

		Number of awards										
Grant date 1 January	**Strike price**	**Balance at 31 December 2022**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2023**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2024**
AJ Bell (appointed group chief executive officer with effect from 1 January 2024)												
2024	41.75	-	-	-	-	-	-	176 000	-	-	-	176 000
	-	-	-	-	-	-	-	99 000	-	-	-	99 000
Total		**-**	**-**	**-**	**-**	**-**	**-**	**275 000**	**-**	**-**	**-**	**275 000**
KJ van Haght												
2018	13.53	44 000	-	(44 000)	-	-	-	-	-	-	-	-
	-	24 668	-	(24 668)	-	-	-	-	-	-	-	-
2019	12.68	88 000	-	(44 000)	-	-	44 000	-	(44 000)	-	-	-
	-	49 334	-	(24 666)	-	-	24 668	-	(24 668)	-	-	-
2020	8.88	132 000	-	(44 000)	-	-	88 000	-	(44 000)	-	-	44 000
	-	74 000	-	(12 333)	(12 333)	-	49 334	-	(12 334)	(12 334)	-	24 666
2021	6.52	132 000	-	-	-	-	132 000	-	(44 000)	-	-	88 000
	-	74 000	-	-	-	-	74 000	-	(24 668)	-	-	49 332
2022	12.43	132 000	-	-	-	-	132 000	-	-	-	-	132 000
	-	74 000	-	-	-	-	74 000	-	-	-	-	74 000
2023	14.88	-	303 000	-	-	-	303 000	-	-	-	-	303 000
	-	-	202 000	-	-	-	202 000	-	-	-	-	202 000
2024	41.75	-	-	-	-	-	-	141 000	-	-	-	141 000
	-	-	-	-	-	-	-	79 000	-	-	-	79 000
Total		**824 002**	**505 000**	**(193 667)**	**(12 333)**	**-**	**1 123 002**	**220 000**	**(193 670)**	**(12 334)**	**-**	**1 136 998**
A Goordeen												
2018	13.53	44 000	-	(44 000)	-	-	-	-	-	-	-	-
	-	24 668	-	(24 668)	-	-	-	-	-	-	-	-
2019	12.68	88 000	-	(44 000)	-	-	44 000	-	(44 000)	-	-	-
	-	49 334	-	(24 666)	-	-	24 668	-	(24 668)	-	-	-
2020	8.88	132 000	-	(44 000)	-	-	88 000	-	(44 000)	-	-	44 000
	-	74 000	-	(12 333)	(12 333)	-	49 334	-	(12 334)	(12 334)	-	24 666
2021	6.52	132 000	-	-	-	-	132 000	-	(44 000)	-	-	88 000
	-	74 000	-	-	-	-	74 000	-	(24 668)	-	-	49 332
2022	12.43	132 000	-	-	-	-	132 000	-	-	-	-	132 000
	-	74 000	-	-	-	-	74 000	-	-	-	-	74 000
2023	14.88	-	303 000	-	-	-	303 000	-	-	-	-	303 000
	-	-	202 000	-	-	-	202 000	-	-	-	-	202 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**824 002**	**505 000**	**(193 667)**	**(12 333)**	**-**	**1 123 002**	**167 000**	**(193 670)**	**(12 334)**	**-**	**1 083 998**

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (continued)**

		Number of awards										
Grant date 1 January	**Strike price**	**Balance at 31 December 2022**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2023**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2024**
L Goosen (resigned with effect from 31 December 2023)												
2018	13.53	82 338	-	(82 338)	-	-	-	-	-	-	-	-
	-	46 000	-	(46 000)	-	-	-	-	-	-	-	-
2019	12.68	164 669	-	(82 331)	-	-	82 338	-	(82 338)	-	-	-
	-	92 000	-	(46 000)	-	-	46 000	-	(46 000)	-	-	-
2020	8.88	247 000	-	(82 331)	-	(82 334)	82 335	-	(82 335)	-	-	-
	-	138 000	-	(23 000)	(23 000)	(46 000)	46 000	-	(23 000)	(23 000)	-	-
2021	6.52	247 000	-	-	-	(164 666)	82 334	-	(82 334)	-	-	-
	-	138 000	-	-	-	(92 000)	46 000	-	(46 000)	-	-	-
2022	12.43	247 000	-	-	-	(247 000)	-	-	-	-	-	-
	-	138 000	-	-	-	(138 000)	-	-	-	-	-	-
2023	14.88	-	489 000	-	-	(489 000)	-	-	-	-	-	-
	-	-	326 000	-	-	(326 000)	-	-	-	-	-	-
Total		**1 540 007**	**815 000**	**(362 000)**	**(23 000)**	**(1 585 000)**	**385 007**	**-**	**(362 007)**	**(23 000)**	**-**	**-**
DE Morris (resigned 30 November 2024)												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	(20 666)	-
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	(11 666)	-
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	(41 333)	-
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	(23 334)	-
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	(62 000)	-
	-	35 000	-	-	-	-	35 000	-	-	-	(35 000)	-
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	(255 000)	-
	-	-	170 000	-	-	-	170 000	-	-	-	(170 000)	-
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**-**	**(91 166)**	**(5 833)**	**(618 999)**	**-**

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (continued)**

		Number of awards										
Grant date 1 January	**Strike price**	**Balance at 31 December 2022**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2023**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2024**
DB Chinnappen												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	-	20 666
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	-	11 666
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	-	41 333
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	-	23 334
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**167 000**	**(91 166)**	**(5 833)**	**-**	**785 999**
SR Jones												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	-	20 666
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	-	11 666
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	-	41 333
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	-	23 334
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**167 000**	**(91 166)**	**(5 833)**	**-**	**785 999**

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (continued)**

		Number of awards										
Grant date 1 January	**Strike price**	**Balance at 31 December 2022**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2023**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2024**
D McIlrath												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	-	20 666
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	-	11 666
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	-	41 333
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	-	23 334
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**167 000**	**(91 166)**	**(5 833)**	**-**	**785 999**
A Mayer												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	-	20 666
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	-	11 666
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	-	41 333
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	-	23 334
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**167 000**	**(91 166)**	**(5 833)**	**-**	**785 999**

42 **DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION (continued)**

		Number of awards										
Grant date 1 January	**Strike price**	**Balance at 31 December 2022**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2023**	**Granted**	**Vested - settled**	**Vested - expired**	**Forfeited**	**Balance at 31 December 2024**
JJ van Wyngaardt												
2018	13.53	20 666	-	(20 666)	-	-	-	-	-	-	-	-
	-	11 666	-	(11 666)	-	-	-	-	-	-	-	-
2019	12.68	41 333	-	(20 667)	-	-	20 666	-	(20 666)	-	-	-
	-	23 333	-	(11 667)	-	-	11 666	-	(11 666)	-	-	-
2020	8.88	62 000	-	(20 667)	-	-	41 333	-	(20 667)	-	-	20 666
	-	35 000	-	(5 834)	(5 833)	-	23 333	-	(5 834)	(5 833)	-	11 666
2021	6.52	62 000	-	-	-	-	62 000	-	(20 667)	-	-	41 333
	-	35 000	-	-	-	-	35 000	-	(11 666)	-	-	23 334
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**387 998**	**425 000**	**(91 167)**	**(5 833)**	**-**	**715 998**	**167 000**	**(91 166)**	**(5 833)**	**-**	**785 999**
JM Fleetwood												
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**97 000**	**425 000**	**-**	**-**	**-**	**522 000**	**167 000**	**-**	**-**	**-**	**689 000**
TM Du Pisanie												
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**97 000**	**425 000**	**-**	**-**	**-**	**522 000**	**167 000**	**-**	**-**	**-**	**689 000**
PW Badenhorst												
2022	12.43	62 000	-	-	-	-	62 000	-	-	-	-	62 000
	-	35 000	-	-	-	-	35 000	-	-	-	-	35 000
2023	14.88	-	255 000	-	-	-	255 000	-	-	-	-	255 000
	-	-	170 000	-	-	-	170 000	-	-	-	-	170 000
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**97 000**	**425 000**	**-**	**-**	**-**	**522 000**	**167 000**	**-**	**-**	**-**	**689 000**
JP Bell (appointed 01 April 2024)												
2024	41.75	-	-	-	-	-	-	107 000	-	-	-	107 000
	-	-	-	-	-	-	-	60 000	-	-	-	60 000
Total		**-**	**-**	**-**	**-**	**-**	**-**	**167 000**	**-**	**-**	**-**	**167 000**
GRAND TOTAL		**5 806 999**	**5 650 000**	**(1 296 336)**	**(82 664)**	**(1 585 000)**	**8 492 999**	**2 165 000**	**(1 296 343)**	**(82 666)**	**(618 999)**	**8 659 991**

43 GOVERNMENT GRANTS

Accounting policy

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to the acquisition of property, plant and equipment are included in the carrying amount of the asset and released to profit or loss over the expected useful lives of the assets concerned as a reduced depreciation expense.

	2024	**2023**
	R000	**R000**
Profit from operating activities includes the following government grants:		
Included in other operating income:		
- The Automotive Production Development Programme (APDP) *	211 324	239 036
Included in factory and group services operating expenses as a reduction to the depreciation expense:		
- The Automotive Investment Scheme (AIS)	33 214	-

* This income relates to production rebate certificates the group received under the programme and which were sold to another party. Refer to notes 14 and 28.

44 PRIOR YEAR RESTATEMENTS

Financing activities in the consolidated statement of cash flows

In the current year it was identified that overnight call loans do not meet the definition of cash and cash equivalents. Cash flows on overnight call loans were therefore reclassified as financing activities on the consolidated statement of cash flows. The prior period has been restated accordingly, resulting in net repayments of R66,6 million on overnight call loans being reclassified from net decrease in cash for the year to cash utilised in financing activities in the prior year consolidated statement of cash flows. The balance on overnight call loans at 31 December 2023 was R253,9 million. This error was due to incorrect classification of certain of the group's overnight call loans.

The consolidated statement of cash flows was impacted by the correction of the prior period error. There was no impact on the consolidated statement of financial position and the consolidated statement of profit or loss.

The restatement adjustments relating to the correction of the above error are as follows:

FOR THE YEAR ENDED 31 DECEMBER 2023	As previously reported R000	Correction of errors R000	Restated R000
Net cash utilised in financing activities	(481 002)	(66 619)	(547 621)
Within which the following were impacted:			
Overnight call loans - drawdowns	-	3 781 909	3 781 909
Overnight call loans - repaid	-	(3 848 528)	(3 848 528)
Net decrease in cash for the year	(437 474)	(66 619)	(504 093)
Net bank overdrafts at beginning of the year	(302 763)	320 549	17 786
Net bank overdrafts at end of the year	(740 237)	253 930	(486 307)
Net bank overdrafts			
Bank overdrafts and overnight call loans	(992 023)	-	(992 023)
Overnight call loans	-	253 930	253 930
Bank overdrafts	(992 023)	253 930	(738 093)
Cash and bank balances	251 786	-	251 786
Net bank overdrafts at end of the year	(740 237)	253 930	(486 307)

BELL EQUIPMENT LIMITED

INFORMATION NOT COVERED BY THE INDEPENDENT AUDITOR'S REPORT
SHAREHOLDER ANALYSIS
31 December 2024

Register date: 27 December 2024
Issued Share Capital: 95 629 385
Treasury shares: 32 233

SHAREHOLDER SPREAD	No of Shareholdings	%	No of Shares	%
1 - 1,000 shares	5 488	91.77	292 999	0.31
1,001 - 10,000 shares	370	6.19	1 392 179	1.46
10,001 - 100,000 shares	94	1.57	2 792 769	2.92
100,001 - 1,000,000 shares	18	0.30	5 568 679	5.82
1,000,001 shares and over	10	0.17	85 582 759	89.49
Totals	**5 980**	**100.00**	**95 629 385**	**100.00**

DISTRIBUTION OF SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Banks/Brokers	28	0.47	10 092 180	10.55
Close Corporations	14	0.23	131 954	0.14
Endowment Funds	2	0.03	7 001	0.01
Individuals	5 790	96.83	4 627 528	4.84
Insurance Companies	11	0.18	386 860	0.40
Investment Companies	17	0.28	7 158 481	7.49
Mutual Funds	13	0.22	48 468	0.05
Other Corporations	47	0.79	71 999 613	75.29
Own Holdings	2	0.03	1 351	0.01
Private Companies	1	0.02	797 353	0.83
Retirement Funds	1	0.02	32 233	0.03
Trusts	54	0.90	346 363	0.36
Totals	**5 980**	**100.00**	**95 629 385**	**100.00**

PUBLIC / NON - PUBLIC SHAREHOLDERS	No of Shareholdings	%	No of Shares	%
Non - Public Shareholders	**8**	**0.13**	**67 100 257**	**70.17**
Directors & Associates of the Company	6	0.10	27 931	0.03
Bell Equipment Share Scheme	1	0.01	32 233	0.04
Strategic Holders of more than 10%	1	0.02	67 040 093	70.10
Public Shareholders	**5 972**	**99.87**	**28 529 128**	**29.83**
Totals	**5 980**	**100.00**	**95 629 385**	**100.00**

RESIDENT/NON RESIDENT	No of Shareholdings	%	No of Shares	%
Resident	5 910	98.83	92 804 999	97.05
Non-Resident	70	1.17	2 824 386	2.95
Totals	**5 980**	**100.00**	**95 629 385**	**100.00**

Top 10 Beneficial shareholders	No of Shares	%
I A Bell And Company (Pty) Ltd	67 040 093	70.10
Zenithar (Pty) Ltd	4 516 347	4.72
Peregrine	4 295 893	4.49
Zarclear Holdings	3 584 654	3.75
Absa	2 828 459	2.96
Sanlam	1 603 542	1.68
Pershing	1 283 977	1.34
Gilmour, S	1 115 025	1.17
Perspective Investment Management	971 369	1.02
Government Employees Pension Fund	797 353	0.83
Totals	**88 036 712**	**92.06**

Top 10 Institutional shareholders	No of Shares	%
Peregrine	4 295 893	4.49
Zarclear	3 584 654	3.75
Absa Capital	2 828 459	2.96
Sanlam Investment Management	2 400 895	2.51
Pershing Llc	1 283 977	1.34
Perspective Investment Management	971 369	1.01
Clearstream Banking SA Luxembourg	593 473	0.62
Morgan Stanley (Custodian)	486 007	0.51
Peresec Prime Brokers	416 036	0.44
Fairtree Capital	372 617	0.39
Totals	**17 233 380**	**18.02**

BELL EQUIPMENT LIMITED
INFORMATION NOT COVERED BY THE INDEPENDENT AUDITOR'S REPORT (continued)
SHAREHOLDER ANALYSIS (continued)
31 December 2024

Directors & Associates of the Company		Indirect	No of Shares	%
Bell, GW	Chairman	**23 701**	**0**	**0.02**
Bell, RL		23 400		
Bell, MJ		301		
Bell, AJ	CEO		**30**	**0.00**
Bell, AJ			30	0.00
Harie, B	Shareholder in subsidiary		**1 000**	**0.00**
Harie, B			1 000	0.00
Mabaso-Koyana, SN	Shareholder in subsidiary		**1 000**	**0.00**
Mabaso-Koyana, SN			1 000	0.00
Totals		**23 701**	**2 030**	**0.02**

Bell Equipment Share Scheme	No of Shares	%
Bell Equipment Group Services (Pty) Ltd	32 233	0.03
Totals	**32 233**	**0.03**

Strategic Holders of more than 10%	No of Shares	%
I A Bell And Company (Pty) Ltd	67 040 093	70.10
Totals	**67 040 093**	**70.10**

RESIDENT/NON-RESIDENT SPLIT	No of Shareholdings	%	No of Shares	%
South Africa	5 910	98.83	92 804 999	97.05
United States	8	0.13	1 613 888	1.69
Luxembourg	1	0.02	593 473	0.62
United Kingdom	5	0.08	496 888	0.52
France	1	0.02	30 500	0.03
Germany	3	0.05	24 311	0.03
Namibia	18	0.30	23 756	0.02
Switzerland	2	0.03	16 000	0.02
New Zealand	5	0.08	13 600	0.01
UAE	3	0.05	8 217	0.01
Mauritius	1	0.02	3 000	0.00
Zimbabwe	1	0.02	380	0.00
Botswana	1	0.02	270	0.00
Eswatini	10	0.16	57	0.00
Lesotho	9	0.15	43	0.00
Korea	1	0.02	2	0.00
Honduras	1	0.02	1	0.00
Totals	**5 980**	**100.00**	**95 629 385**	**100.00**

SHAREHOLDER DIARY

Financial year-end	31 December 2024
Integrated annual report	April 2025
Annual general meeting	June 2025
Interim results announcement	September 2025

GLOSSARY

31 December 2024

ADT	Articulated Dump Truck
AGM	Annual General Meeting
AIS	Automotive Investment Scheme
ALC	American Logistics Centre
APDP	Automotive Production and Development Programme
Bell Equipment or Bell or the group	Bell Equipment Limited and its subsidiaries
BEE or BBBEE	Black Economic Empowerment or Broad Based Black Economic Empowerment
BEE Manco	K2019577563 (South Africa) (RF) Proprietary Limited
BECSA	Bell Equipment Company SA Proprietary Limited
BECSA Holdings	BECSA Holdings Limited
BEF	Bell Equipment Foundation
BEGS	Bell Equipment Group Services Proprietary Limited
BENA	Bell Equipment North America Inc.
BESSA	Bell Equipment Sales South Africa Limited
BESSA BEE SPV	K2017044733 (South Africa) (RF) Proprietary Limited
BHL	Bell Equipment SA Holdings Limited
CEO	Chief Executive
CFO	Chief Financial Officer
CGU	Cash Generating Unit
Companies Act	Companies Act of South Africa No 71 of 2008 (as amended)
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ELC	European Logistics Centre
FD	Financial Director
GEC	Group Executive Committee
GLC	Global Logistics Centre
HEPS	Headline earnings per share
IDC	Industrial Development Corporation of South Africa Limited
IFRS	IFRS® Accounting Standards
IFRIC	International Financial Reporting Interpretations Committee
JSE	Johannesburg Stock Exchange Limited
King III	King Code of Governance Principles and the King Report on Governance
King IV	King IV Report on Corporate Governance in South Africa 2016
MOI	Memorandum of Incorporation
NPAT	Net Profit after Tax
OEM	Original Equipment Manufacturer
PwC	PricewaterhouseCoopers Inc.
ROIC	Return on Invested Capital
SAICA	South African Institute of Chartered Accountants
SENS	Stock Exchange News Service
Sibi	Sibi Capital Proprietary Limited

CORPORATE INFORMATION

31 December 2024

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Registration Number: 1968/013656/06

JSE SHARE CODE
BEL

ISIN CODE
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