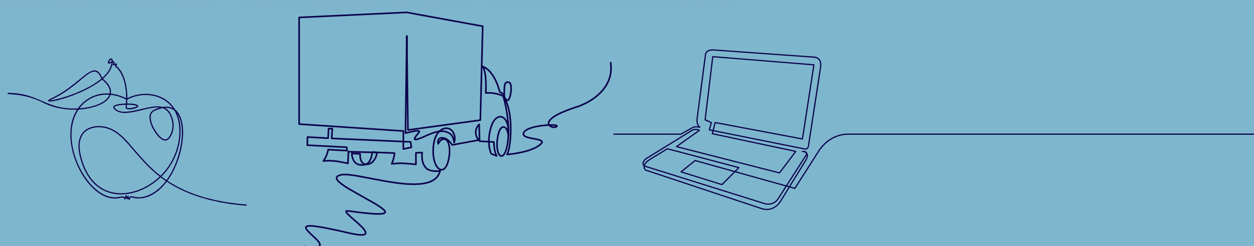
Bidcorp

Annual financial statements

2022



Food | Service | Technology

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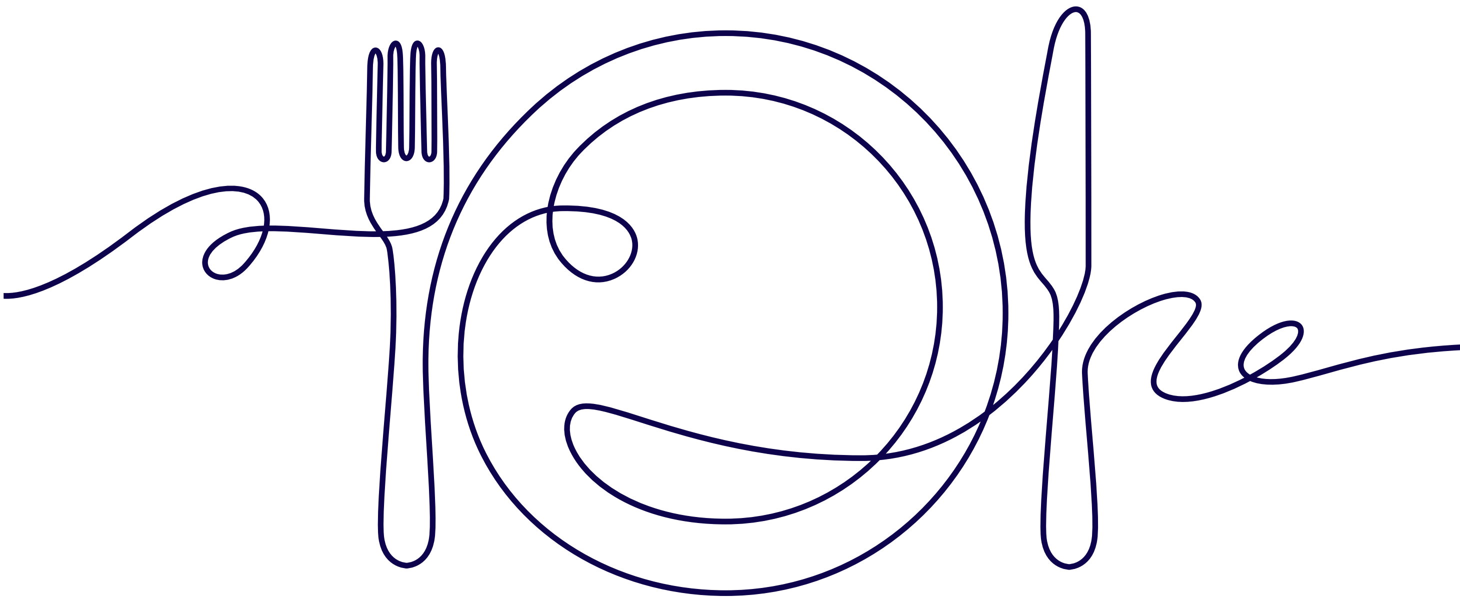


Directors' responsibility for the financial statements

To the shareholders of Bid Corporation Limited

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

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

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management.

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

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

The consolidated and separate financial statements for the year ended June 30 2022, were approved by the board of directors and are signed by:

Stephen Koseff
Authorised director
Non-executive chairman

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 23 2022

Preparer of financial statements

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

Bid Corporation Limited Consolidated annual financial statements 2022

Chief executive officer and chief financial officer's internal financial control responsibility statement

In line with paragraph 3.84(k) of the JSE Limited (JSE) Listings Requirements, the chief executive officer (CEO) and chief financial officer (CFO) hereby confirm that:

- the annual financial statements set out on pages 24 to 101, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls, and have taken the necessary remedial action; and
- we are not aware of any fraud involving directors.

Bernard Larry Berson
Authorised director
Chief executive officer

David Edward Cleasby
Authorised director
Chief financial officer

August 23 2022

Declaration by company secretary

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

Ashley Kim Biggs
Company secretary

August 23 2022

Directors' report

The directors have pleasure in presenting their report for the year ended June 30 2022.

Nature of business

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

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

Despite our appetite for acquisitions, we remain disciplined in our approach. Bidcorp's entrepreneurial and decentralised business model, depth and experience of management teams and strength of the group's culture has set up the group for sustained growth in the future.

Financial reporting

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

The financial statements as set out in this report have been prepared by management in accordance with IFRS and the Companies Act and are based on appropriate accounting policies supported by reasonable and prudent judgements and estimates. For the year ended June 30 2022, the Turkish lira is considered to be hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows and statement of financial position for our Turkish subsidiaries have been expressed in terms of the Turkish lira at the reporting date (June 30 2022). Refer note 13 for details.

The directors are of the opinion that the financial statements fairly present the financial position of the group and of the company as at June 30 2022 and the results of their operations and cash flows for the year then ended.

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

Stated capital

The company's authorised stated capital is 540 000 000 no par value ordinary shares. There were no issues of no par value ordinary shares during the year and as at June 30 2022 the total issued ordinary no par value shares was 335 404 212.

Results of operations

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

Acquisitions and disposals

During the year no new country acquisitions have been consummated, however, ten bolt-on acquisitions were concluded. These bolt-on acquisitions included:
- Salad World, a sauce manufacturer based in Melbourne, Australia (effective July 2021).
- Shantou Longjia Food Company Limited, a business trading and distributing dairy products and imported food products in Shantou, China (effective August 2021).
- Total Repack Limited, a specialist dry ingredients repacker in Christchurch, New Zealand (effective September 2021).
- Foster Fast Food, a wholesaler specialised in fast food concepts located in Mechelen (between Antwerp and Brussels), Belgium (effective September 2021).
- Spice World Kuruman, a distributor of spice, natural casings and butchery equipment in the Northern Cape province of South Africa (effective September 2021).
- Vinhais, a broadline wholesaler and dairy specialist based in São Paulo, Brazil (effective October 2021).
- Insupan Limited, an ambient wholesaler based in La Serena, Chile (effective December 2021).
- Central Foods, a broadline wholesaler and meat specialist based in São Paulo, Brazil (effective January 2022).
- Bayview Seafoods, a manufacturing business that crumbs and batters a range of frozen proteins and vegetables based in Taree New South Wales, Australia (effective February 2022).
- Zegro-Centrum B.V., a focused regional HoReCa broadline food wholesaler near Rotterdam, Netherlands (effective March 2022).

During the year, these bolt-on acquisitions contributed R1,5 billion to revenue and R26,2 million to trading profit.

Cárnicas Sáenz S.L. in Spain (Cárnicas (Spain)) was disposed on January 19 2022, up to disposal, Cárnicas contributed R56,8 million to revenue but had a trading loss of R12,6 million. A loss of R115,8 million was recognised on the disposal. The Hamburg branch in Germany was disposed on June 26 2022, up to disposal, Hamburg contributed R148,6 million to revenue but had a trading loss of R12,9 million. A loss of R116,4 million was recognised on the disposal.

Liquidity

A significant refinancing exercise was undertaken through February and March 2022 to rollover and refinance maturing term debt. The United States Private Placement market was accessed for €225 million and bank debt of €75 million was rolled. This has enabled a significant portion of the group debt to be terms out for differing maturity dates of three, five and seven years at an average fixed interest rate of 1,74%. This has reduced the liquidity and interest rate risks in the current market. The group and its subsidiaries have at June 30 2022, including uncommitted facilities and cash and cash equivalents, R19,3 billion (£977 million) of headroom available.

2021 prior period error

Further to the fraud that was uncovered in the Miumi division of our Angliss Greater China business in June 2021, significant additional forensic work has been concluded and no further issues have come to light which affect the group’s treatment of the fraud losses for the year ended June 30 2021.

Criminal and civil proceedings have begun against the perpetrators and other third parties and we remain confident of future recoveries, none of which is accounted for at June 30 2022.

Subsequent events

There have been no material events subsequent to June 30 2022.

Directorate and attendance

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

Director	Date of appointment	September 28 2021	November 18 2021	February 22 2021	May 19 2022	August 1 2022	August 23 2022
Chairman							
S Koseff	August 16 2017	^	^	^	^	^	^
Independent non-executive directors							
PC Baloyi	March 10 2016	^	^	^	^	^	^
T Abdool-Samad	September 16 2019	^	^	^	^	^	^
B Joffe	August 17 1995	^	^	^	A	A	^
KR Moloko	July 5 2021	^	^	^	^	^	^
NG Payne	March 10 2016	^	^	^	^	^	^
CJ Rosenberg	September 16 2019	^	^	^	^	^	^
H Wiseman	March 10 2016	^	^	^	^	^	^
Executive directors							
BL Berson	March 10 2016	^	^	^	^	^	^
DE Cleasby	September 12 2007	^	A	^	^	^	^

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

Dividends

The directors declared an interim gross cash dividend of 300 cents (240 cents net of dividend withholding tax, where applicable) per ordinary share. The dividend was declared from income reserves.

In line with the group dividend policy, the directors declared a final gross cash dividend of 400 cents (320 cents net of dividend withholding tax, where applicable) per ordinary share for the year ended June 30 2022 to those members registered on the record date, being Friday, September 23 2022. The dividend has been declared from income reserves. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

Declaration date	Wednesday, August 24 2022
Last day to trade cum dividend	Tuesday, September 20 2022
First day to trade ex dividend	Wednesday, September 21 2022
Record date	Friday, September 23 2022
Payment date	Monday, September 26 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, September 21 2022 and Friday, September 23 2022, both days inclusive.

Directors' shareholdings

Beneficial

The individual beneficial interests declared by directors in the company's stated capital at June 30 2022 held directly or indirectly were:

	2022 Number of shares		2021 Number of shares	
	Direct	**Indirect**	Direct	Indirect
Director				
BL Berson	**8**	**336 398**	8	286 348
DE Cleasby	**160 000**	**–**	160 104	–
S Koseff	**1 168**	**–**	1 168	–
Total	**161 176**	**336 398**	161 280	286 348

Non-beneficial

In addition to the aforementioned holdings:

- B Joffe is a discretionary beneficiary of a trust holding 361 278 (2021: 361 278) shares.
- DE Cleasby is a potential beneficiary of a family trust holding 1 050 (2021: 1 050) shares.
- DE Cleasby is a trustee of The Bidvest Group Limited retirement funds which holds 745 518 (2021: 777 072) shares.

There has been no change in the directors' interest between June 30 2022 and the issue date of the group annual financial statements.

Directors' remuneration

The remuneration paid to executive directors while in office of the company during the year ended June 30 2022 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	**Other benefits and costs R'000**	**Retirement/ medical benefits R'000**	**Cash incentives R'000**	**Total emoluments R'000**
Director					
BL Berson	**18 096**	**281**	**276**	**30 380**	**49 033**
DE Cleasby	**6 781**	**189**	**445**	**11 744**	**19 159**
Total	**24 877**	**470**	**721**	**42 124**	**68 192**

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

Summary of director's long-term incentives

	2022					
	SBP expense R'000	**Benefit arising from exercise of CSP awards R'000**	**Gross benefit R'000**	**Previous SBP expense R'000**	**Actual LTI benefit R'000**	2021 R'000
Director						
BL Berson	**29 908**	**16 110**	**46 018**	**(13 490)**	**32 528**	19 347
DE Cleasby	**13 906**	**5 594**	**19 500**	**(5 236)**	**14 264**	9 564
Total	**43 814**	**21 704**	**65 518**	**(18 726)**	**46 792**	28 911

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

For comparative purposes the remuneration paid to the executive directors while in office of the company during the year ended June 30 2021 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	18 620	299	287	–	19 206
DE Cleasby	6 586	191	438	–	7 215
Total	25 206	490	725	–	26 421

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

	2022			
	Director fees R'000	**Other services R'000**	**Total R'000**	2021 R'000
Non-executive director				
T Abdool-Samad	**910**	**–**	**910**	800
PC Baloyi	**1 176**	**–**	**1 176**	1 050
B Joffe	**844**	**–**	**844**	655
S Koseff	**3 754**	**–**	**3 754**	3 575
KR Moloko[1]	**695**	**–**	**695**	–
CJ Rosenberg	**1 362**	**–**	**1 362**	1 260
NG Payne	**1 510**	**–**	**1 510**	1 505
H Wiseman[2]	**1 618**	**590**	**2 208**	2 080
Total	**11 869**	**590**	**12 459**	10 925

[1] *Mrs KR Moloko was appointed to the board as an independent non-executive director on July 5 2021.*
[2] *H Wiseman provided services by chairing the quarterly Bidcorp divisional audit and risk committee meetings.*

Prescribed officers

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

Directors' service contracts

BL Berson and DE Cleasby

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

No other directors have fixed term contracts.

Directors' and officer's disclosure of interest in contracts

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

Secretary

In compliance with paragraph 3.84(i) and (j) of the JSE Listings Requirements, the board evaluated Ms AK Biggs, in her role as representative of the appointed juristic company secretary Bidcorp Corporate Services (Pty) Ltd, and is satisfied that she is competent, suitably qualified and experienced. Furthermore, since Ms Biggs is not a director, nor is she related to or connected to any of the directors, thereby negating a potential conflict of interest, it was agreed that Ms Biggs maintains an arm's-length relationship with the board.

The business and postal address of the company secretary, which is also the registered address of the company, is 2nd Floor, North Wing, 90 Rivonia Road, Sandton, 2196 and PostNet Suite 136, Private Bag X9976, Sandton, 2146, respectively.

Audit and risk committee report

This is the report of the Bidcorp audit and risk committee (committee) appointed for the financial year ended June 30 2022, in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter which is aligned with the aforementioned legislation, regulations, and principles, and is annually reviewed and adopted, mostly recently approved at the board meeting held on August 23 2022. The charter is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

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

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

Membership

The committee, as per its charter, must be comprised of a minimum of three (3) independent non-executive directors.

The composition of the committee was reviewed and Mrs KR Moloko was appointed as a member effective November 1 2022.

The appointment of committee members for the financial year ended June 30 2022 was approved by shareholders' resolution at the annual general meeting held on November 25 2021.

The committee members comprise Mrs H Wiseman (chairman), Mesdames T Abdool-Samad and KR Moloko, and Messrs PC Baloyi and NG Payne, which is in line with charter requirements.

The shareholders will be requested to approve the appointment of the chairman and members to the committee for the 2023 financial year at the annual general meeting scheduled for Thursday, November 17 2022.

The committee consists solely of independent non-executive directors, who are all financially literate. The board considers the membership of the committee adequate and the members are sufficiently qualified to perform the duties in line with the charter and Companies Act requirements. The committee and its chairman are assessed annually. A brief profile of each of the members can be viewed on the board of directors' CVs included on the company's website.

The committee's work is supported by five divisional audit and risk committees (DARCs). These DARCs play a vital role in the risk and assurance oversight of the five reporting segments being Australasia, United Kingdom, Europe, Emerging Markets, and Corporate. Findings from these five DARCs are reported to the committee on a quarterly basis (bi-annually for Corporate). The DARCs are chaired by Mrs H Wiseman who also chairs the committee. Each business within the group presents at the respective geographically defined quarterly DARC, which are also attended by Corporate and internal audit representatives, as well as the external auditors. All committee members are invited to attend all of the DARC and other related meetings.

Purpose

The purpose of the committee is to:

- assist the board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control and reporting processes, and the preparation of accurate reporting and financial statements in compliance with the applicable legal requirements and accounting standards;
- oversee the suitability, appointment, independence and performance of the external auditor and their objectivity and professional scepticism in conducting a robust audit;
- oversee the activities of, and to ensure coordination between, the activities of internal and external audit;
- provide a forum for discussing financial, enterprise-wide, market, regulatory, safety and other risks and control issues, and to monitor controls designed to minimise these risks;
- review the Bidcorp annual integrated report, in conjunction with the social and ethics committee, including the consolidated and separate financial statements, the interim report and any other public reports or announcements containing financial information;
- receive and deal with any complaints concerning internal audit, the accounting practices or the content and audit of the annual financial statements and related matters; and
- annually review the committee's charter and output in order to report on the effectiveness of the committee to the board.

Attendance

The committee met on five occasions during the period under review, with key members of management attending these meeting by invitation.

	September 27 2021	November 11 2021	February 17 2022	May 12 2022	August 18 2022
Director					
H Wiseman (chairman)	^	^	^	^	^
T Abdool-Samad	^	^	^	^	^
PC Baloyi	^	^	^	^	^
KR Moloko	–	A	^	^	^
NG Payne	^	^	^	^	^

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

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

Duties carried out

The committee has successfully performed its duties during the financial year under review. In the fulfilment of these duties, the major areas of focus were reviewing accounting for property sale and leaseback transactions and the valuation of put option liabilities; assessing the carrying value of property, goodwill, intangibles, and investments; assessing the recoverability of trade receivables, valuation of inventory, customer, and supplier rebates, as well as other matters requiring significant judgement.

The committee spent considerable time monitoring investigations and reviewing evidence uncovered following reporting of the fraud uncovered in the Miumi division of Angliss Greater China in late June 2021.

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

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

Financial statements

The committee:
- confirmed, based on management's review, that the consolidated and separate Bidcorp company financial statements were prepared on the going-concern basis;
- examined the consolidated and separate financial statements and other financial information made public, prior to their approval by the board;
- considered accounting treatments, significant or unusual transactions and accounting judgements;
- considered the appropriateness of accounting policies and any changes made thereto;
- considered the appropriateness of recognition of government grants in respect of staff job retention schemes in various geographies;
- considered any legal and tax matters that could materially affect the financial statements; and
- met separately with management, external audit, and internal audit, and satisfied themselves that no material control weakness exists.

External audit

The committee:
- recommended the appointment of PricewaterhouseCoopers Inc. (PwC) as the Bidcorp external auditors and Mr E Gerryts as the independent and accredited auditor respectively to the shareholders for appointment for the financial year ended June 30 2022, of the group and company, and ensured that the appointments comply with legal and regulatory requirements for the appointment of an audit firm and auditor;
- approved the external audit engagement letter, the audit plan, and the budgeted audit fees payable to the external auditors;
- determined the nature and extent of all non-audit services provided by the independent auditors and pre-approved all non-audit services undertaken;
- obtained assurances from the independent auditors that adequate accounting records were being maintained;
- confirmed that no reportable irregularities had been identified or reported by the independent auditors under the Auditing Profession Act; and
- recommended that PwC be re-appointed as the Bidcorp external auditors for a fifth year of tenure for the year ended June 30 2023 at the 2022 annual general meeting. It is noted that Mr E Gerryts is the current individual register auditor being the designated auditor.

Independence of external auditors, PwC

The committee:
- reviewed representations made by PwC to the committee;
- confirmed that the auditors did not, except as external auditors or in rendering permitted non-audit services, receive any remuneration or other benefit from the group;
- confirmed the auditors' independence was not impaired by any consultancy, advisory or other work undertaken; and
- considered the criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies and found no cause for concern or doubt of the independence of the external auditors, PwC.

Internal control and internal audit

The committee:
- reviewed the annual internal audit plans and evaluated the independence, effectiveness, and performance of the internal audit function. Ongoing COVID lockdowns around the world meant that most of the divisional internal audit teams were required to adjust their plans and approaches to the internal audit work on a continuous basis to take account of emerging risks and travel restrictions eg conducting remote audits, use of data analytics, and other tools. Changes were overseen by the DARCs and communicated to the committee. The committee was satisfied with the overall adequacy of internal audit coverage during the year;
- considered the reports of the internal auditors on the group's systems of internal controls including financial controls, business risk management, and maintenance of an effective internal control systems;
- received assurances that proper accounting records were maintained and that the systems safeguarded the group's assets against unauthorised use or disposal;
- reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response thereto;

- reviewed incidences of fraud where they have arisen including investigating causes, assessing weaknesses in internal controls, monitoring, and assessing the effectiveness of remedial actions;
- assessed the adequacy of the performance of the internal audit function and found it satisfactory;
- reviewed and considered the approach adopted by executive management to assess the state of the financial control environment, obtaining a body of evidence to support their signed positive attestation to the JSE confirming the robustness of the financial control environment; and
- concluded the opinion recommended to the board at year end that there were no material breakdowns in internal control.

Risk management

The committee:

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

Regulatory compliance

The committee obtained confirmation from management that they have identified and addressed the significant in-country legislative and regulatory requirements and that they ensure that all information and/or data is secured and protected.

Combined assurance

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

Chief financial officer (CFO)

The committee:

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

Consolidated and separate financial statements

The committee reviewed the consolidated and separate annual financial statements of Bidcorp for the year ended June 30 2022, and the committee is of the view that, in all material respects, they comply with the relevant provisions of the Companies Act and IFRS, and fairly present the financial position at that date and the results of its operations and cash flows for the year then ended.

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

The committee is satisfied with the conduct, quality and independence of PwC in carrying out its external audit of the Bidcorp annual financial statements for the year ended June 30 2022.

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

Key audit matter – goodwill impairment assessment

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

The committee considered the R25,6 million impairment charge in respect of Guzman Gastronomia SL (Spain) arising as a result of the exit from the Food4 businesses. The committee was satisfied this goodwill impairment was appropriately recognised and that no further impairments were required.

During the year, goodwill related to Cárnicas Sáez, S.L. (Spain) and Hamburg (Germany) were impaired of as part of these business disposals. These goodwill disposals were R96,3 million and R70,6 million respectively which were included as part of the loss recognised on the disposal of these businesses.

Key focus area – DAC Italy new shareholders agreement

During 2014, the group and the non-controlling shareholders entered into the first shareholders agreement for the shareholding in Distribizione Alimentari Convivenze SPA (DAC). A put option was recognised under that agreement which has subsequently expired and was derecognised in the 2020 AFS. As a result of the initial put option expiring on December 2 2019, Bidfood Italia srl entered into a new shareholders agreement in order to recognise a new put option. In February 2022, an amendment to the new shareholders agreement was signed with the minority shareholders of DAC which included an option for the minority shareholders to put their 40% interest to the group on or about June 30 2026. The minority shareholders have agreed not to directly or indirectly sell, transfer or otherwise dispose of their stake in DAC for 5 (five) years (refer note 10.5 in the consolidated AFS for further details).

The committee considered and was satisfied with the evidence to support the conclusion that the group controls DAC. The committee was satisfied with the evidence to support the derecognition of the minority interest in DAC on the basis that the substantial risks and rewards of ownership of the non-controlling interests had transferred to the group (refer note 10.5 in the consolidated AFS).

Key focus area – property sale and leaseback transactions

During the year, the group entered into a property sale and leaseback transaction in the Netherlands, generating net proceeds after commission and legal expenses of R385 million, and a capital loss on disposal of R6,8 million (this capital loss recognised is post impairment of the RoU asset as Zegro is expected to be loss-making during integration into Schiedam). The property has been leased back for 2 years, and a lease liability of R44,7 million was recognised in respect of this transaction. The committee considered the determination of the fair value of the sales proceeds and the lease rental, the appropriateness of accounting for capital profit on disposal, the recognition of the lease liability, and the calculation of the right-of-use asset in respect of the retained lessee rights. The committee was satisfied with the accounting treatment of the property sale and leaseback transaction and related disclosures in the consolidated financial statements.

Key focus area – impact of fraud in the Miumi division of Angliss Greater China

In late June 2021, our internal surveillance and control processes uncovered a significant and sophisticated fraud that was being perpetuated in the Miumi division of the Angliss Greater China business. The fraud was carried out by the 10% minority shareholder in Miumi, who was also the general manager of that business, acting in collusion with a number of employees within Miumi and certain third-party service providers.

Ernst & Young (China) Limited (EY) was appointed in early July 2021 to conduct an external forensic investigation and subsequent supplementary investigations into this fraud in addition to the internal investigations being performed by management and internal audit. These investigations were concluded and the matter was handed over to the authorities for further investigation and action where necessary.

The committee monitored the internal and EY investigations into the nature of the fraud and reviewed the detailed findings. The committee interrogated the evidence collated and was satisfied that the fraud had been contained to the Miumi division and had not impacted the remainder of the Angliss Greater China operations; and had assessed and was satisfied with the reasonableness of management's estimates of the apportionment of the prior period error.

The committee regularly liaised with the external auditors, PwC, who, as part of their audit work, reviewed and challenged the issues identified, as well as the containment, quantification, and disclosure of the fraud in the 2021 annual financial statements and restatement of the prior year comparatives.

The committee has continued to monitor actions being taken by management to improve the Angliss Greater China control environment.

Management has reviewed all key controls across the Angliss Greater China businesses and have concluded that the controls over key processes are effective. The control weaknesses identified in the Miumi division and remediation plans put in place to prevent a future recurrence are being closely monitored and supervised by the committee.

The committee was satisfied with the conclusion of the Miumi fraud investigations and that appropriate actions have been taken against the perpetrators in line with Bidcorp's Fraud Policy.

Recognising the decentralised nature of Bidcorp's operations and the benefits thereof, through the quarterly DARC process, the committee regularly assesses the risk of fraud and receives reports of smaller frauds that occur from time to time. The committee continued to oversee the group-wide fraud risk assessment during F2022 and received regular updates regarding progress of the Miumi fraud investigations, police reporting, and avenues for recovery of losses incurred.

The committee performed a comprehensive debrief review into the various factors that failed to prevent and detect the Miumi fraud over the six-year period that it was perpetrated. The scope of the review included failings in management and governance oversight, internal control failures and their remediation; a review of the internal audit function, and a review of the conduct of prior year external audits. Based on the findings, the committee made the following recommendations to management and the board:

- additional internal audit resources to be appointed in Hong Kong and China (in progress);
- management to reinforce and provide further guidance on related party transactions disclosure requirements in Hong Kong and China (completed);
- management to strengthen oversight and controls in the China environment (in progress);
- management to review the delegated authority levels within Greater China (completed);
- management to increase monitoring over inter-company funds flows between subsidiaries below the country reporting level (completed);
- management to extend the functionality of Bidcorp's central consolidation platform to perform additional data analytical reviews to identify areas of concern sooner (in progress).

Substantial progress has been made in addressing the recommendations. At 31 December 2021, a review was performed of the Angliss Hong Kong entities including the Miumi business addressing the identified high-risk accounts, processes and controls. There were no significant findings nor matters of concern to note. The Angliss mainland China entities were subject to the independent annual external audit for the year ended 31 December 2021. The results of these audits reported no significant items of concern to be raised, nor any material control findings on completion of these audits. A new Angliss Greater China CFO was appointed in the year and measures to strengthen oversight and controls in the Greater China region are well advanced. Ongoing strict COVID lockdown and travel restrictions by the Chinese Government have hampered the ability to recruit and successfully onboard additional internal audit resources in China and this is receiving urgent attention. This challenge has been partly overcome by conducting remote audits of financial controls in selected China businesses.

Conclusion

Following the review by the committee for the year ended June 30 2022, the committee is of the view that, in all material respects, it has complied with the relevant requirements.

Having achieved its objectives for the financial year, the committee recommended the consolidated and separate financial statements for the year ended June 30 2022 for approval to the board.

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

Helen Wiseman
Chairman

August 23 2022

Acquisitions committee report

This is the report of the acquisitions committee (committee) appointed for the financial year ended June 30 2022 in compliance with principles of good governance and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 23 2022. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

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

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

The board considers the membership of the committee adequate, and the members are appropriately experienced to perform the duties in line with the charter requirements.

Purpose

The primary purpose of the acquisitions committee is to:

- review any significant acquisitions or disposals as determined by the group-delegated levels of authority for an in-principle decision as to whether the transactions should be investigated and pursued;
- recommend to the board planned acquisitions or disposals that have been evaluated and determined to be in the best interest of the company and to the future growth of the group; and
- inform the board of acquisitions or disposals that were not recommended for consideration.

Attendance

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

	August 23 2021	June 15 2022	August 22 2022
Members			
PC Baloyi (chairman)	^	^	^
BL Berson	^	^	^
DE Cleasby	^	^	^
B Joffe	^	^	^
NG Payne	^	^	^
CJ Rosenberg	^	^	^

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

Duties carried out

The committee met twice over the period under review to consider potential targets as identified by management; however, no targets presented met the materiality levels requiring the committee's review and approval, as defined by the group delegated levels of authority.

Matters considered by the committee over the period included, but was not limited to:

- considering acquisition opportunities in New Zealand, the UK and Europe.

Cash spent on acquisitions for the year ended June 30 2022 amounted to R818,1 million (F2021: R86,7 million), which included ten bolt-on acquisitions. Full details of the acquisitions are set out in note 8.1 of the annual financial statements.

During the year there was a sale and leaseback property transaction, which resulted in cash receipts of approximately R385 million. This property sale arose from the purchase of the Zegro business in the Netherlands.

Conclusion

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

Signed on behalf of the acquisitions committee by:

Paul Baloyi
Chairman

August 23 2022

Nominations committee report

This is the report of the Bidcorp nominations committee (committee) appointed for the financial year ended June 30 2022 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 23 2022. The charter is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

This committee was first constituted by the board on June 1 2016. The committee was appointed by the board and in line with its charter requires a minimum of three (3) members, the majority of whom are independent non-executive directors. The composition of the committee was reviewed and Mr PC Baloyi was appointed as a member effective from November 1 2021.

The committee members for the reporting period comprised Messrs S Koseff (chairman), NG Payne (LID), P C Baloyi and B Joffe; meeting all charter requirements. The board is satisfied that the membership of the committee have sufficient qualifications and experience to fulfil their duties.

Purpose

The key responsibilities and role of the committee include, but are not limited to:
- establishment of a process for the appointment of directors to the board;
- identification of suitable candidates for appointment to the board;
- developing an induction programme for new directors;
- ongoing training, development and updates of changing requirements in legislation and board roles necessary for the directors to satisfactorily perform their roles;
- evaluation of the independence non-executive directors;
- perform evaluations of the directors;
- review and reconstitution (where necessary) of the board committees;
- ensuring succession plans for the board and executives are developed and implemented; and
- recommendation to shareholders those directors retiring by rotation, as well as recommendation of those directors proposed for annual reappointment to the audit and risk committee.

Attendance

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

	August 23 2021	August 22 2022
Members		
S Koseff (chairman)	^	^
PC Baloyi[1]	–	^
B Joffe	^	^
NG Payne	^	^

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

[1] *PC Baloyi was appointed to the committee on November 1 2021.*

Duties carried out

The committee met once over the period under review, as well as held informal communications between members to discuss various matters under review. The significant topics considered by the committee over this period included:
- board and executive succession planning;
- review and assessment of the board's composition, ensuring the requirements of the board diversity policy, as adopted, are complied with;
- review of directors' independence;
- review of the composition of the board committees and recommend changes when required;
- overseeing an independent board performance assessment in November 2021;
- overseeing a committee self-evaluation in August 2022;
- review and recommendation of those directors eligible for rotational re-election, and those to be appointed as members of the audit and risk committee, as presented to the 2022 annual general meeting for shareholder consideration and approval; and
- continuing focus and progression of a succession plan for roles within the board, the group chief executive and chief financial officer, as well as other senior management roles within the group.

Conclusion

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

Signed on behalf of the nominations committee by:

Stephen Koseff
Chairman

August 23 2022

Remuneration committee report

This is the report of the Bidcorp remuneration committee (committee) appointed for the financial year ended June 30 2022 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee has a board-approved charter that is annually reviewed and adopted, most recently approved at the board meeting held on August 23 2022. This charter is compliant with the requirements of the Companies Act and is in line with the recommendations as set out in King IV. Copies are available either from the company secretary on request or can be downloaded from the group website.

Membership

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

The committee is chaired by the lead independent non-executive director, Mr NG Payne. The committee membership has not changed during the current reporting period, and comprises Messrs NG Payne (chairman), PC Baloyi and CJ Rosenberg. The chief executive officer and other executive management are invited to attend meetings, but do not participate in the voting process of decisions of the committee. These invitees recuse themselves from any discussion regarding executive performance appraisals, remuneration and incentivisation discussions.

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

The board considers the membership of the committee adequate and the members are appropriately qualified and experienced to perform the duties in line with charter requirements.

Purpose

The key responsibilities and role of the committee include, but are not limited to the:
- consideration and approval of fair and responsible remuneration of the executives and group-wide senior management;
- determination of the necessary performance criteria and assessment thereof of the group executives in their respective roles;
- consideration and recommendation of the quantum and allocation of the long-term incentive awards to executives and group-wide senior management;
- review and recommendation of the non-executive directors' annual fees, as recommended to the shareholders for approval at the annual general meeting; and
- review and approval of the annual remuneration report, ensuring complete and transparent disclosure of remuneration costs and awards, as well as the remuneration policy, in compliance with legal and regulatory requirements.

Attendance

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

	August 23 2021	October 25 2021	May 3 2022	June 9 2022	August 22 2022
Members					
NG Payne (chairman)	^	^	^	^	^
PC Baloyi	^	^	^	^	^
CJ Rosenberg	^	^	^	^	^

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

Duties carried out

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

The significant matters considered specifically by the committee included, but were not limited to, the:
- defining and assessing the performance of the chief executive officer and chief financial officer against the criteria as determined;
- considering the allocation of short- and long-term incentives to the executives and group-wide senior management on the basis of the current year's performance;
- review and approval of the CSP awards granted to senior group-wide management, in compliance with the Bidcorp Incentive Scheme;
- review of CSP rules;
- review and recommendation of the annual non-executive directors' fees to be presented to shareholders for approval at the AGM; and
- finalisation and approval of the annual remuneration report (including the remuneration policy) presented to the shareholders at the annual general meeting.

Conclusion

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

Having achieved its objectives for the period under review, the committee sets out the required remuneration disclosures as part of the directors' report, as included in the 2022 annual financial statements, and in the 2022 remuneration report.

Signed on behalf of the remuneration committee by:

Nigel Payne
Chairman

August 23 2022

Social and Ethics committee report

This is the report of the Bidcorp social and ethics committee (committee) appointed for the financial year ended June 30 2022 in compliance with the Companies Act and in terms of the JSE Listings Requirements.

The committee operates in terms of an annually reviewed and adopted board-approved charter, most recently approved at the board meeting held on August 23 2022. The charter complies with the statutory requirements as set out in the Companies Act and is in line with the recommendations as set out in King IV. A copy of the charter is available either on request from the company secretary or can be downloaded from the company website.

Membership

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

The composition of the committee was reviewed and Mrs KR Moloko was appointed as a member effective from November 1 2021. The committee members for the reporting period comprised Mrs T Abdool-Samad (chairman), Mr NG Payne (LID) and Mesdames KR Moloko and H Wiseman, as well as Mr BL Berson (CEO), thus meeting charter and statutory requirements.

The board considers the membership of the committee adequate and the members are appropriately experienced to perform the duties in line with charter and Companies Act requirements.

Purpose

Responsibilities of this committee are in line with the legislated requirements. The key areas of responsibility are listed below:
- monitoring and reporting of the COVID pandemic impact on global operations;
- ensuring a high standard in health and safety protocols across the group;
- confirming fair, transparent and positive labour practices are in place, ensuring a positive and constructive employment environment is available for all;
- establishing a zero-tolerance standard for group-wide ethics and code of conduct compliance;
- positive and engaging stakeholder relations group-wide;
- ensuring responsible corporate citizenship is demonstrated in each operating jurisdiction;
- strict adherence and compliance with the relevant regulatory, statutory, and legislative requirements in all jurisdictions;
- in line with B-BBEE reporting guidance, monitoring and reporting of social and economic development, empowerment and transformation developments, in line with the South African legislated requirements; and
- ongoing progress and improvements are monitored and measured in the areas of climate change and the residual impact on the operational environment, in line with globally accepted reporting and measurement standards, eg GRI, SASB, and TCFD.

Attendance

Those members in office during the period under review and the committee meetings attended by each of the members are as follows:

	August 24 2021	November 18 2021	February 18 2022	May 13 2022	August 19 2022
Members					
T Abdool-Samad (chairman)[2]	^	^	^	^	^
BL Berson	^	^	^	^	^
KR Moloko[1]	–	^	^	^	^
NG Payne	^	^	^	^	^
H Wiseman	^	^	^	^	^

^ *Attended in person, by video conference or teleconference.*
[1] *KR Moloko was appointed to the committee effective November 1 2021.*
[2] *T Abdool-Samad appointed as chairman, replacing NG Payne as chairman, who remained a member of this committee, effective November 1 2021.*

Duties carried out

We reiterate our commitment to maintaining the highest standards in health and safety protocols for all members of the global Bidcorp team. Group-wide health and safety awareness programmes are ongoing, focused on the reinforcement of all internal safety policies, training programmes, and additional warning mechanisms to ensure the highest standards of safety are in place for our staff.

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

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

During the year two separate fatal road accidents were reported in Europe, tragically resulting in the loss of a Bidfood driver and his assistant in the Czech Republic, and one contract driver in Belgium. Whether full-time employees or not, the group acknowledges their responsibility to ensure a safe working environment is provided for all stakeholders. The board and management were deeply saddened on receiving notification of these fatalities. Condolences and support was provided to the family and colleagues of the deceased.

The committee monitors the group's initiatives to promote diversity and advance the objectives of non-discrimination. The Bidcorp code of ethics and the quarterly signed management representation letters submitted through the divisional audit and risk committee meetings are reviewed and updated as required through internal assurance governance processes.

Changes in climate change and sustainability reporting requirements are being monitored. Mandatory reporting requirements in the UK for large private companies is an area of focus with additional topics requiring disclosure being considered and learnings will be shared across the group. Attention is also being placed on ensuring that climate change risks are incorporated into the board strategy.

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

Conclusion

The committee notes that there were no items identified by management nor reported directly to the committee by third parties, that would indicate any reportable non-compliances, in terms of the Companies Act requirements. Following the review by the committee for the year ended June 30 2022, the committee is of the opinion that, in all material respects, it has achieved its objectives for the financial year.

For more information and detail on the progress and outcomes noted by the committee over the period under review, please refer the 2022 annual integrated report.

Signed on behalf of the social and ethics committee by:

Tasneem Abdool-Samad
Chairman

August 23 2022

Board of directors

Stephen Koseff
Chairman

Nigel Payne
Lead independent non-executive director

Helen Wiseman
Independent non-executive director

Paul Baloyi
Independent non-executive director

Brian Joffe
Independent non-executive director

Tasneem Abdool-Samad
Independent non-executive director

Clifford Rosenberg
Independent non-executive director

Keneilwe Moloko
Independent non-executive director

Executive directors

Bernard Berson
Chief executive officer

David Cleasby
Chief financial officer

Bernard Larry Berson*

Chief executive officer

Qualifications: BCom and BAcc
Age: 57
Appointed: March 10 2016
Board committee: Acquisitions committee, social and ethics committee
Experience and expertise:
Since 1996, Bernard has been involved in all aspects of the development of Bidcorp's foodservice business in Australia, New Zealand and Asia and in 2010 assumed responsibility for Bidcorp's global foodservice businesses, including its operations in the UK and Europe.

Over the past 27 years Bernard has been involved in all material acquisitions and directing the strategic focus of the businesses. Bernard was appointed as chief executive officer of Bid Corporation Limited on April 14 2016.

David Edward Cleasby

Chief financial officer

Qualifications: CA(SA)
Age: 60
Appointed: September 12 2007
Board committee: Acquisitions committee
Experience and expertise:
David was financial director of Rennies Terminals when Bidvest acquired Rennies group in 1998. In 2001, he joined the Bidvest corporate office where he was involved in both group corporate finance and investor relations.

David was appointed as Bidvest financial director on July 9 2007. David managed Bidvest's interests in the investments made by the group over the years. David was appointed as chief financial officer of Bidcorp on April 14 2016.

Stephen Koseff

Chairman – Independent non-executive director

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

Age: 71

Appointed: August 16 2017

Board committee: Nominations committee (chairman)

Experience and expertise:

Stephen is the former chief executive officer of the Investec Group. Dual listed on the London Stock Exchange and the Johannesburg Stock Exchange. Stephen was with Investec for 39 years in various capacities and CEO from 1996 to 2018.

In 2017, Stephen was awarded an Honorary Doctor of Commerce Degree by the University of the Witwatersrand. He is a former non-executive director of the South African Banking Association, a former board member of Business Leadership South Africa, former non-executive director and chairman of the South African Banking Association, a former director of the JSE Limited, a former member of the Financial Markets Advisory Board, and former chairman of the Independent Bankers Association.

Stephen currently serves as a non-executive director of Investec Ltd and Investec Plc. Stephen is chairman of Bid Corporation Ltd, Bud Group (Pty) Ltd, IEP Group (Pty) Ltd, and co-chair of Youth Employment Service (YES).

Brian Joffe

Independent non-executive director

Qualifications: CA(SA)

Age: 75

Appointed: August 17 1995

Board committees: Acquisitions committee, nominations committee

Experience and expertise:

The founder of the Bidvest Group Limited and Bid Corporation Limited, Brian has over 50 years' commercial experience, both locally and internationally. Among his achievements, Brian has been recognised by Sunday Times as SA's businessman of the year, won the South African chapter of the Ernst & Young Entrepreneur Award and represented South Africa at the World Entrepreneur Awards. Profiled as one of South Africa's Greatest Entrepreneurs by MME Media in association with Gordon Institute of Business Science, Brian has been named by Wits Business School Journal as one of SA's top 25 business leaders with significant impact on South African business.

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

Paul Cambo Baloyi

Independent non-executive director

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

Age: 66

Appointed: March 10 2016

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

Experience and expertise:

Paul is the managing director of CAP Leverage Proprietary Limited. He is a former chief executive officer and managing director of the Development Bank of Southern Africa. Paul also served as chief executive officer and managing director of DBSA Development Fund.

Paul has spent 30 years in the financial services sector, with both Standard Bank and the Nedbank group. His last position at Nedbank was as managing director of Nedbank Africa.

Paul has been an independent non-executive director on many boards locally and internationally, including African financial institutions. Paul is chairman of Momentum Metropolitan Holdings Limited. Other board include CAP Leverage Proprietary Limited and Peermont Global Holdings II Limited. He was a council member of the Institute of Bankers and also served as chairman of the Ned Medical Aid.

Helen Wiseman*

Independent non-executive director

Qualifications: BSc (Hons) (University of Manchester), CA, GAICD, IDP-C INSEAD

Age: 56

Appointed: March 10 2016

Board committee: Audit and risk committee (chairman), social and ethics committee

Experience and expertise:

A non-executive director, Helen has extensive international business experience across a range of sectors including food, pharmaceutical, manufacturing, distribution, mining, energy, and financial services. Prior to embarking on her non-executive career, Helen was a partner at KPMG Australia.

Helen chaired Bidvest's International foodservice business divisional audit committees from 2011 to 2016.

Helen has held various board and audit committee roles, including her current non-executive director and audit and risk committee chairman roles for Bid Corporation Limited.

Helen is chairman of Elixinol Wellness Limited, as well as a director of the Australian Indigenous Mentoring Experience Corporation (AIME) and INSEAD International Directors Network.

Nigel George Payne

Lead Independent non-executive director

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

Age: 62

Appointed: March 10 2016

Board committee: Remuneration committee (chairman), social and ethics committee, acquisitions committee, audit and risk committee, nominations committee

Experience and expertise:

Nigel is a professional non-executive director, with no executive responsibilities. Nigel is the chairman of the board of the Mr Price Group Limited. Nigel is the chairman of the board at Strate (Pty) Ltd and chairman of the Vukile Property Fund.

Clifford Johann Rosenberg*

Independent non-executive director

Qualifications: BBusSci (Hons) (UCT), MScM (Hons) (Boston University)

Age: 58

Appointed: September 16 2019

Board committee: Acquisitions committee, remuneration committee

Experience:

Clifford has over 20 years of experience in the digital space as an entrepreneur and as an executive, with specific experience in technology and innovation. Clifford is a non-executive director of ASX-listed Nearmap Limited, Technology One Limited, and A2B Limited. His previous executive roles include managing director of LinkedIn (for southeast Asia, Australia, and New Zealand), appointed in 2009 until 2017. Clifford was the managing director of Yahoo! Australia and New Zealand (from 2003 to 2006) and was formerly the founder and managing director of iTouch Australia and New Zealand, one of the largest mobile content and application providers in Australia.

Tasneem Abdool-Samad

Independent non-executive director

Qualifications: CA(SA)

Age: 48

Appointed: September 16 2019

Board committee: Social and ethics committee (chairman), audit and risk committee

Experience and expertise:

Tasneem was a partner at Deloitte and served on the Deloitte Board. In 2014 Tasneem was appointed to the board of Reunert Limited as non-executive director. Tasneem serves on the board of Absa Group Limited, Absa Financial Services Ltd, and Absa Bank Limited as non-executive director.

Keneilwe Rachel Moloko

Independent non-executive director

Qualifications: NDip (Building Survey), BSc (QS), BCom, PGDA, CA(SA)

Age: 52

Appointed: July 5 2021

Board committee: Social and ethics committee, audit and risk committee

Experience and expertise:

Keneilwe started her career as a quantity surveyor and then qualified as a chartered accountant after nearly a decade in the construction industry.

Keneilwe serves as an independent non-executive director on the Brimstone Investment Corporation Limited board.

* *Australian*

Independent auditor's report

To the shareholders of Bid Corporation Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Bid Corporation Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Bid Corporation Limited's consolidated and separate financial statements set out on pages 24 to 101 comprise:

- the consolidated and separate statements of financial position as at 30 June 2022;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the separate statement of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

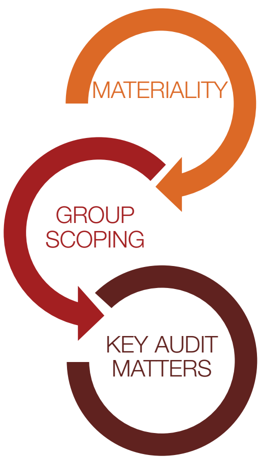
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview



Overall group materiality
- 5% of adjusted profit before taxation. Profit before tax was adjusted for the loss on disposal of business and the impairment of goodwill.

Group audit scope
- Full scope audits were performed over all financially significant components
- Specified audit procedures were performed on certain account balances and transactions of two non-significant components to obtain sufficient appropriate audit evidence to express an opinion on the consolidated financial statements as a whole.

Key audit matters
- Goodwill Impairment Assessment

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

Materiality

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

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

Overall group materiality	R337.8 million
How we determined it	5% of profit before tax. The 2022 profit before tax was adjusted for the loss on disposal of business (refer to note 8.2) and the impairment of goodwill (refer to note 8.3).
Rationale for the materiality benchmark applied	We chose profit before tax as an appropriate benchmark because Bid Corporation Limited is a trading entity that is profit orientated, as such the focus of investors will be on profit (EPS and HEPS). The 2022 financial year benchmark considers profit before tax for one year as opposed to the five year average used in the prior year considering that profit before tax has recovered from the impact of Covid-19 with an upward trend. We chose 5% as the rule of thumb as it is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

How we tailored our group audit scope

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

The group has five principal reportable operating segments that align with its organisational design; Australasia, United Kingdom, Europe, Emerging Markets and Corporate.

The Group's financial statements are a consolidation of fifty-four reporting components, which make up the Group's five operating segments. Of these reporting components, we selected thirteen components for full scope audits due to their financial significance. The materiality applied in performing these audits was limited to an appropriate allocation of the Bid Corporation Limited consolidated materiality. Of the fifty-four components, thirteen were subject to a full scope audit and the remaining forty-one were subject to analytical review procedures, two of which were also subject to specified procedures.

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

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

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

Key audit matters

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

The key audit matters below relate to the consolidated financial statements. We have determined that there are no key audit matters to report with respect to the separate financial statements.

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment assessment **Refer to notes 3 and 8.3 to the consolidated financial statements.** International Accounting Standard (IAS) 36: Impairment of Assets requires goodwill to be tested annually for impairment, or more frequently if impairment indicators are identified. As at year end, the Group had recognised goodwill amounting to R15.8 billion. Management tested goodwill for impairment within all cash generating units (CGUs), and apart from one CGU which had an impairment of R25.6 million, concluded that there were no other impairments relating to any of the identified CGUs as all the recoverable amounts exceeded the carrying amounts as per management's assumptions. The recoverable amount was based on the fair value less cost of disposal method for all CGUs. In determining the fair value less costs of disposal of the CGUs, management applied judgement in determining the following key assumptions: • Discount rates; • Terminal growth rates; • Revenue growth rates; and • Trading margins. We considered the goodwill impairment assessments to be a matter of most significance to our current year audit due to the following: • The level of judgement applied by management in performing the impairment assessments, including determining the key assumptions; • The sensitivity of the impairment assessments to certain key assumptions and the possible risk of material misstatement, as limited movement in these assumptions could potentially result in an impairment for the German CGU (R249.2 million); and • The magnitude of the consolidated goodwill balance.	We obtained an understanding of the process and procedures applied by management during their impairment assessment of goodwill. Our audit procedures included, among others, testing of the principles and integrity of management's fair value less costs of disposal calculations. We evaluated management's calculation by: • Challenging and testing the reasonability of the key assumptions used by management in the calculations, which included discount rates, terminal growth rates, revenue growth rates and trading margins. We compared these key assumptions to industry benchmarks, historical performance and future market forecasts. Whilst we noted that our independently determined assumptions varied from those used by management, the impact had an immaterial impact on the impairment assessment. • We compared the process followed by management in determining cash flow forecasts to past practice and found the process to be consistent. • We considered the historical accuracy of forecasts by comparing the 2021 and 2022 actual results to the forecasts for those years. Where variances were noted, we followed up with management and assessed the reasonability of the variances, and noted that these do not impact the accuracy of forecasts based on available information at the time they were made. • We made use of our valuation expertise to test the appropriateness and reasonability of the discount rate through independent recalculation, based on inputs obtained which are comparable to other companies in the same industry and of similar size. Whilst we noted that our independently determined discount rates differed to those applied by management, this had an immaterial impact on the impairment assessment. • We compared the terminal growth rates used by management to economic and industry forecasts and found most of the long term growth rates applied by management to be conservative. This had no impact on the impairment assessment. • We tested the mathematical accuracy of management's impairment assessment and no material differences were noted. • We evaluated the valuation methodology applied by management and found the methodology applied by management to be consistent with industry practice. • We independently performed sensitivity calculations on the impairment assessments in order to determine the degree by which certain key assumptions (discount rate, revenue growth rate, terminal growth rate and trading margins) needed to change in order to trigger an impairment. We discussed these with management and considered the likelihood of such changes occurring. Whilst our independently determined key assumptions were different from those applied by management, the impact of these differences was found to be immaterial to the impairment assessment.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Bidcorp Annual Financial Statements 2022", which includes the Directors' Report, the Audit and Risk Committee's Report and the Declaration by Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "Bidcorp Annual Integrated Report 2022", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

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

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: E J Gerryts
Registered Auditor
4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157, Johannesburg, South Africa

23 August 2022

Consolidated statement of profit or loss

for the year ended June 30

	Note	2022 R'000	2021 R'000
Revenue	4.1	**147 138 311**	114 803 442
Cost of revenue		**(111 495 826)**	(87 296 234)
Gross profit		**35 642 485**	27 507 208
Operating expenses	4.2	**(28 051 710)**	(22 719 556)
Sales and distribution costs		**(22 591 984)**	(17 857 422)
Administration costs		**(5 171 680)**	(4 235 843)
Impairment of trade receivables		**(129 096)**	(231 646)
Other costs		**(158 950)**	(394 645)
Trading profit		**7 590 775**	4 787 652
Share-based payment expense	11.1	**(161 258)**	(107 452)
Acquisition costs	8.1	**(16 320)**	(6 151)
Capital items	4.2	**(333 150)**	242 750
Operating profit		**7 080 047**	4 916 799
Net finance costs		**(689 754)**	(693 400)
Finance income	10.2	**58 244**	51 383
Finance charges	10.2	**(747 998)**	(744 783)
Share of profit of associates and jointly controlled entities		**39 718**	29 904
Monetary gain arising from hyperinflation in Turkey	13	**69 215**	–
Profit before taxation		**6 499 226**	4 253 303
Taxation	5.1	**(1 584 987)**	(1 134 694)
Profit for the year		**4 914 239**	3 118 609
Attributable to			
Shareholders of the company		**4 824 720**	3 088 860
Non-controlling interests		**89 519**	29 749
		4 914 239	3 118 609
Basic earnings per share (cents)	6.1	**1 444,3**	924,6
Diluted basic earnings per share (cents)	6.2	**1 440,3**	923,2
Headline earnings per share (cents)	6.3	**1 538,3**	868,4
Diluted headline earnings per share (cents)	6.3	**1 534,1**	867,1
Dividends per share (cents)		**700,0**	400,0

Consolidated statement of other comprehensive income

for the year ended June 30

	2022 R'000	2021 R'000
Profit for the year	**4 914 239**	3 118 609
Other comprehensive income net of taxation	**903 551**	(2 298 355)
Items that may be classified subsequently to profit or loss	**910 468**	(2 333 289)
Movement in foreign currency translation reserve including hyperinflation effects	**909 270**	(2 334 345)
Movement in fair value of cash flow hedges	**1 198**	1 056
Fair value gain	**1 577**	1 393
Deferred taxation charge	**(379)**	(337)
Items that will not be reclassified subsequently to profit or loss		
Defined benefit obligations	**(6 917)**	34 934
Remeasurement of defined benefit obligations	**(6 555)**	36 067
Deferred taxation charge	**(362)**	(1 133)
Total comprehensive income for the year	**5 817 790**	820 254
Attributable to		
Shareholders of the company	**5 782 651**	827 877
Non-controlling interest	**35 139**	(7 623)
	5 817 790	820 254

Consolidated statement of cash flows

for the year ended June 30

	Note	2022 R'000	2021 R'000
Cash flows from operating activities		**3 483 490**	5 823 001
Cash generated by operations	4.4	**7 956 711**	7 660 187
Finance income received	10.2	**53 479**	48 018
Finance charges paid	10.2	**(653 099)**	(654 585)
Taxation paid	5.3	**(1 525 772)**	(1 230 619)
Dividends paid	12.2	**(2 347 829)**	–
Cash effects from investment activities		**(3 429 210)**	(307 870)
Additions to property, plant and equipment	7.1	**(2 930 155)**	(1 831 140)
Additions to intangible assets	7.2	**(152 597)**	(138 286)
Proceeds on disposal of property, plant and equipment		**593 842**	1 895 733
Proceeds on disposal of intangible assets		**–**	819
Acquisition of businesses and subsidiaries	8.1	**(818 114)**	(86 669)
Proceeds on disposal of businesses	8.2	**3 440**	–
Investment in jointly controlled entity	9.3	**–**	(14 968)
Investment in and advances to associates		**(17 670)**	(4 314)
Investments acquired		**(66 142)**	(19 540)
Proceeds on disposal of investments		**30 835**	32 986
Payments made to puttable non-controlling interests	10.5	**(49 476)**	(82 606)
Payments made to vendors for acquisition[1]		**(23 173)**	(59 885)
Cash effects from financing activities		**(819 874)**	(3 761 408)
Borrowings raised	10.3	**7 943 760**	4 473 408
Borrowings repaid	10.3	**(7 736 449)**	(7 274 843)
Right-of-use lease liability payments (including lease incentives)		**(862 451)**	(820 362)
Payments to non-controlling interests		**(26 559)**	(25 535)
Treasury shares purchased	12.1	**(138 175)**	(114 076)
Movement in cash and cash equivalents		**(765 594)**	1 753 723
Cash and cash equivalents at beginning of year		**8 120 639**	7 024 426
Effects of exchange rate fluctuations on cash and cash equivalents		**255 095**	(657 510)
Hyperinflation effect on cash and cash equivalents	13	**(211 890)**	–
Cash and cash equivalents at end of year		**7 398 250**	8 120 639

[1] *Payments made to vendors for acquisition were in line with their at acquisition date fair values.*

Consolidated statement of financial position

at June 30

	Note	2022 R'000	2021 R'000
ASSETS			
Non-current assets		**40 493 131**	37 513 404
Property, plant and equipment	7.1	**17 298 876**	15 505 841
Intangible assets	7.2	**694 435**	649 722
Right-of-use lease assets	7.3	**4 501 704**	3 924 117
Goodwill	8.3	**15 755 681**	15 292 841
Deferred taxation assets	5.2	**1 394 294**	1 381 263
Interest in associates	9.1	**178 703**	151 652
Investments and loans	9.2	**130 353**	92 928
Investment in jointly controlled entities	9.3	**516 916**	493 011
Defined benefit pension assets	11.3	**22 169**	22 029
Current assets		**39 074 357**	31 696 619
Inventories	7.4	**13 757 645**	10 145 738
Trade and other receivables	7.5	**17 918 462**	13 430 242
Cash and cash equivalents		**7 398 250**	8 120 639
Total assets		**79 567 488**	69 210 023
EQUITY AND LIABILITIES			
Capital and reserves		**31 103 472**	28 088 174
Capital and reserves attributable to shareholders of the company	12.1	**30 843 156**	27 855 302
Non-controlling interests		**260 316**	232 872
Non-current liabilities		**16 726 268**	11 512 934
Deferred taxation liabilities	5.2	**758 336**	751 678
Long-term borrowings	10.3	**5 978 502**	1 479 252
Long-term right-of-use lease liabilities	10.4	**5 129 946**	4 597 519
Long-term puttable non-controlling interest liabilities	10.5	**4 006 503**	3 983 808
Long-term vendors for acquisition		**115 477**	23 779
Post-retirement obligations	11.3	**32 543**	25 985
Long-term provisions	7.7	**704 961**	650 913
Current liabilities		**31 737 748**	29 608 915
Trade and other payables	7.6	**26 653 020**	20 729 001
Short-term provisions	7.7	**287 719**	303 978
Short-term puttable non-controlling interest liabilities	10.5	**266 658**	74 753
Short-term vendors for acquisition		**49 128**	175 395
Taxation	5.3	**396 843**	286 537
Short-term right-of-use lease liabilities	10.4	**947 331**	894 376
Short-term borrowings	10.3	**3 137 049**	7 144 875
Total equity and liabilities		**79 567 488**	69 210 023
Net asset value per share (cents)		**9 196**	8 305
Net tangible asset value per share (cents)		**4 291**	3 552

Consolidated statement of changes in equity

for the year ended June 30

	2022 R'000	2021 R'000
Equity attributable to shareholders of the company	**30 843 156**	27 855 302
Stated capital	**5 428 016**	5 428 016
Treasury shares	**(284 653)**	(272 679)
Balance at beginning of the year	**(272 679)**	(247 824)
Shares disposed of in terms of share incentive plans	**126 201**	89 221
Shares purchased during the year	**(138 175)**	(114 076)
Foreign currency translation reserve	**7 793 336**	7 206 888
Balance at beginning of the year	**7 206 888**	9 485 974
Opening reserve adjustment for hyperinflation effects	**(320 329)**	–
Arising during the year including hyperinflation effects	**906 762**	(2 296 973)
Realisation of reserve on foreign subsidiaries	**15**	17 887
Hedging reserve	**1 198**	–
Balance at beginning of the year	**–**	(1 056)
Fair value gain arising during the year	**1 577**	1 393
Deferred taxation recognised directly in reserve	**(379)**	(337)
Equity-settled share-based payment reserve	**615 554**	346 364
Balance at beginning of year	**346 364**	290 007
Arising during the year	**165 560**	124 139
Deferred tax recognised directly in reserve	**3 697**	29 188
Utilisation during the year	**(126 201)**	(89 221)
Transfer from (to) retained earnings	**226 134**	(7 749)
Retained earnings	**17 289 705**	15 146 713
Balance at beginning of the year	**15 146 713**	12 020 620
Attributable profit	**4 824 720**	3 088 860
Remeasurement of defined benefit obligations during the year	**(6 917)**	34 934
Recognition of puttable non-controlling interest liabilities	**(86 138)**	–
Remeasurement of puttable non-controlling interest	**(2 038)**	12 082
Dividends paid	**(2 347 829)**	–
(Deficit) surplus as a result of an exchange with non-controlling interest	**(12 657)**	355
Transfer from foreign currency translation reserve	**(15)**	(17 887)
Transfer (to) from equity-settled share-based payment reserve	**(226 134)**	7 749
Equity attributable to non-controlling interests of the company	**260 316**	232 872
Balance at beginning of the year	**232 872**	266 030
Total comprehensive income	**35 139**	(7 623)
Attributable profit	**89 519**	29 749
Opening reserve adjustment for hyperinflation effects	**(56 888)**	–
Movement in foreign currency translation reserve	**2 508**	(37 372)
Dividends paid	**(28 239)**	(29 673)
Changes in shareholding	**214 654**	4 138
Transfer to puttable non-controlling interest liability (refer note 10.5)	**(194 110)**	–
Total equity	**31 103 472**	28 088 174

Notes to the consolidated financial statements

for the year ended June 30

1. BASIS OF PREPARATION

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC), and comply with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the South African Companies Act, No 71 of 2008 as amended (Companies Act). The group and the company have adopted all new accounting pronouncements and interpretations that became effective in the current reporting period.

The preparation of the consolidated and separate financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

Judgements made in the application of IFRS that have had an effect on the financial statements and estimates with a risk of adjustment in the next year are set out in note 3.1. The consolidated financial statements as at and for the year ended June 30 2022 comprise the company, its subsidiaries and equity accounted investees (together referred to as the "group" or "consolidated" and separately "separate" or "company").

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

A number of new pronouncements and/or interpretations were effective from July 1 2021. These had no material effect on the group's or company's financial statements.

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

For years' ending June 30 2022, the Turkish lira is considered to be hyperinflationary. Accordingly, the statement of profit or loss, statement of cash flows, statement of financial position, and statement of changes in equity for our Turkish subsidiaries using the Turkish lira as their functional currency have been expressed in terms of the Turkish lira at the reporting date (June 30 2022). Refer note 13 for the impact of hyperinflationary accounting on the group's statement of profit or loss, statement of cash flows and statement of financial position.

The consolidated and separate financial statements were approved by the board of directors on August 23 2022.

2. BASIS OF CONSOLIDATION

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

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

The group and company 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.

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

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

2. BASIS OF CONSOLIDATION (continued)

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

2.1 Business combinations

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

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

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

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

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

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

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

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

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

2.2 Foreign operations

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

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

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

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

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

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

2. BASIS OF CONSOLIDATION (continued)

2.3 Hyperinflation

As the presentation currency of the group or the company is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the general price level.

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognised in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount. On initial application of hyperinflation prior period gains and losses are recognised directly in equity (shown as part of the foreign currency translation reserve).

Gains or losses on the net monetary position are recognised in profit or loss.

All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

Refer note 13 for disclosure on hyperinflation accounting.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES

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

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

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

Property, plant and equipment (refer note 7.1)

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

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

Property, plant and equipment are depreciated over their useful lives, taking into account applicable residual values. The group's judgement for useful life of a freehold property is that it is expected that the useful life of a freehold property is less than its economic life. The estimated remaining useful life of the freehold property is based on the group's knowledge, experience with similar freehold properties and considerations regarding the size of property and expected future business growth, age of property and equipment (freezers/chillers), location and proximity to customers. The measurement of freehold property residual values, at the expected date of disposal, is based on management's judgement that each freehold property will be sold by the end of its useful life and considers current market values and rental growth of the expected useful life when determining the residual value of a freehold property. For freehold properties (with a carrying amount of R8,1 billion) where determined residual values are higher than carrying values, market indicators are that these freehold properties could realise more than their respective carrying values if disposed of, therefore no depreciation is being charged.

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

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

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

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

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

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

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES (continued)

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

Deferred taxation (refer note 5.2)

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

Inventories (refer note 7.4)

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

Revenue (agent versus principal) (refer note 4.1)

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

Trade receivables (refer note 7.5)

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

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

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

Puttable non-controlling interest liabilities (refer note 10.5)

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

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

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

The total remeasurement changes of the puttable NCI liabilities during the year was R2,0 million (debit) (2021: R12,1 million (credit)). Refer to the statement of changes of equity and note 10.5 for the remeasurement of the puttable NCI liabilities.

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

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FAIR VALUES (continued)

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

Share-based payments (refer note 11.1)

Share appreciation right

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

Conditional share plan (refer note 11.1)

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

Turkey hyperinflation accounting (refer note 13)

It has been determined by the International Monetary Fund World Economic Outlook Report that subsidiaries of the group with the functional currency of the Turkish lira should apply *Financial Reporting in Hyperinflationary Economies* (IAS 29) for reporting dates ended June 30 2022.

Hyperinflationary accounting requires transactions and balances of each reporting period to be presented in terms of the measuring unit current at the end of the reporting period in order to account for the effect of loss of purchasing power during the period. The group has applied the Turkish Consumer Price Index (as determined by TURKSTAT) as the general price index to restate amounts as it provides an official observable indication of the change in the price of goods and services. From July 1 2020, the cumulative Consumer Price Index (CPI) at June 30 2022 is 76,5 (2021: 16,3) which has been used to restate amounts. CPI provides an official observable indication of the change in the price of goods and services.

		2022 R'000	2021 R'000
4.	**OPERATING PERFORMANCE**		
4.1	**Revenue**		
	Sale of goods – frozen	**53 156 263**	41 869 896
	Sale of goods – chilled	**40 318 102**	31 625 186
	Sale of goods – ambient	**46 140 256**	34 334 272
	Sale of goods – non-food	**7 241 749**	6 731 945
	Rendering of services and commissions earned	**281 941**	242 143
		147 138 311	114 803 442
	Revenue percentage by market segmentation		
	Independent	**57%**	56%
	Chain	**31%**	31%
	Logistics	**5%**	6%
	Retail and other	**7%**	7%
	Revenue percentage by customer type		
	Hotels, restaurants and cafés [1]	**41%**	35%
	Quick service restaurants	**14%**	16%
	Retail, wholesalers and other distributors	**14%**	15%
	Caterers, butcheries and canteens	**13%**	14%
	Healthcare and aged care	**9%**	10%
	Education	**5%**	5%
	Travel (airlines and cruise liners)	**2%**	2%
	Government related customers	**2%**	3%
	Analysis of revenue per country by percentage		
	United Kingdom	**26%**	22%
	Australia	**15%**	18%
	Netherlands	**9%**	7%
	New Zealand	**8%**	11%
	People's Republic of China and Hong Kong	**6%**	7%
	Italy	**6%**	6%
	Czech Republic	**6%**	6%
	Belgium	**5%**	5%
	South Africa	**5%**	5%
	Other	**14%**	13%

[1] *The growth in the revenue percentage for the customer type of hotels, restaurants and cafés is a result of the groups' strategic focus on "smaller independent customers" and a swift recovery in demand from the European and United Kingdom hospitality segments.*

Composition of revenue

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

4. OPERATING PERFORMANCE (continued)

4.1 Revenue (continued)

Customer segmentation

Independent

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

Chain

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

Logistics

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

Retail

Retail customers predominately include independent retailers and wholesalers.

Revenue recognition

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

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

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

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

IFRS 15 *Revenue from Contracts with Customers*

Due to the group's revenue being earned through the sale of goods relating to frozen, ambient, chilled and other non-food-related products there are no significant multiple-element revenue arrangements with customers. The largest customer contract is Subway in the United Kingdom, which accounts for 2,4% of the group's 2022 revenue (2021: 2,7%).

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

	Note	2022 R'000	2021 R'000
4. OPERATING PERFORMANCE (continued)			
4.2 Operating profit			
Determined after charging (crediting)			
Auditors' remuneration		**75 580**	77 748
Group auditor audit fees and related expenses		**62 582**	60 941
Group auditor related tax, consulting, other related expenses		**3 445**	9 953
Other audit firm fees and related expenses		**9 553**	6 854
Depreciation of property, plant and equipment	7.1	**1 348 486**	1 394 679
Freehold properties		**29 781**	23 334
Leasehold improvements		**104 495**	107 105
Plant and equipment		**453 198**	460 700
Office equipment, furniture and fittings		**181 489**	188 755
Vehicles		**579 523**	614 785
Impairment of property, plant and equipment	7.1	**99 094**	360 938
Freehold properties		**12 383**	185 524
Leasehold improvements		**12 857**	2 009
Plant and equipment		**51 539**	83 391
Office equipment, furniture and fittings		**20 267**	55 536
Vehicles		**2 048**	34 478
Amortisation of intangible assets	7.2	**112 415**	28 145
Patents, trademarks, and tradenames		**7 854**	8 094
Computer software		**104 561**	20 051
Right-of-use leased asset depreciation	7.3	**844 545**	826 954
Leasehold properties		**638 582**	627 259
Vehicles		**194 792**	184 733
Equipment and other		**11 171**	14 962
Directors' emoluments			
Executive directors	11.2	**68 192**	26 421
Basic remuneration		**24 877**	25 206
Retirement and medical benefits		**721**	725
Other benefits		**470**	490
Cash incentives		**42 124**	–
Non-executive directors' emoluments	11.2	**12 459**	11 269
Directors' fees		**11 869**	10 684
Other services		**590**	585
Employer contributions to		**1 998 560**	1 803 317
Defined contribution pension funds		**509 874**	456 528
Provident funds		**23 439**	23 183
Retirement funds		**103 145**	110 359
Social securities		**1 308 932**	1 144 959
Medical aids		**53 170**	68 288
Defined benefit pension plans related expenses		**13 755**	15 297
Share-based payment expense	11.1	**161 258**	107 452
Bidvest Incentive Scheme (BIS)		**(2 286)**	114
Bid Corporation Limited Share Appreciation Rights Plan (SARs)		**30 018**	44 878
Bidcorp Conditional Share Plan (CSP)		**137 828**	79 147
Nowaco Management Scheme		**(4 302)**	(16 687)

		Note	2022 R'000	2021 R'000
4.	**OPERATING PERFORMANCE** (continued)			
4.2	**Operating profit** (continued)			
	Staff costs excluding directors' emoluments, employer contributions		**15 364 060**	11 721 942
	Gross staff costs excluding directors' emoluments, employer contributions		**15 515 436**	12 921 723
	Government grants recognised in the consolidated statement of profit or loss		**(151 376)**	(1 199 781)
	The group received government grants in respect of staff job retention schemes in various geographies. The group accounts for government grants in profit or loss in the year the staff costs are incurred and are presented in the consolidated statement of profit or loss net of the related staff cost.			
	Foreign exchange losses (gains) on hedging activities		**5 201**	29 302
	Forward exchange contracts		**7 752**	26 634
	Foreign bank accounts		**(2 551)**	2 668
	Foreign exchange (gains) losses on transactions		**(7 141)**	(8 841)
	Realised		**9 686**	(10 357)
	Unrealised		**(16 827)**	1 516
	Transport costs		**3 880 334**	2 943 933
	Fuel		**1 014 020**	688 056
	Vehicle running and transport costs (repairs, road tax, etc.)		**1 560 753**	1 290 989
	Freight out		**1 305 561**	964 888
	Accommodation and premise costs		**2 240 016**	1 783 665
	Electricity, gas and water (utilities)		**854 832**	568 517
	Repairs and maintenance		**527 443**	455 415
	Health and safety costs		**235 556**	227 014
	Packaging and pallets		**236 238**	158 792
	Other accommodation and premise costs		**385 947**	373 927
	Office and communication costs		**732 320**	615 972
	Insurance costs		**428 858**	393 600
	Marketing and commercial costs		**374 264**	295 571
	IFRS 16-related lease expenses recognised in the consolidated statement of profit or loss		**242 085**	178 754
	Expenses relating to short-term leases (leases shorter than 12 months)		**171 657**	140 379
	Expenses relating to leases of low-value assets that are not shown above as short-term leases		**62 713**	18 551
	Expense relating to variable lease payments not included in lease liabilities		**7 715**	19 824
	Impairment of trade receivables		**129 096**	231 646
	Impairment of assets[1]		**162 143**	587 530
	Property, plant and equipment	7.1	**99 094**	360 938
	Intangible assets	7.2	**37 448**	226 592
	Goodwill	8.3	**25 601**	–
	Net capital profit[1]		**171 007**	(830 280)
	Profit on disposal of property, plant and equipment		**(56 513)**	(794 835)
	Insurance proceeds in relation to impaired property, plant and equipment		**(4 692)**	(32 309)
	Loss on disposal of interests in Cárnicas (Spain) and Hamburg (Germany)	8.2	**232 212**	–
	Gain from bargain purchase		**–**	(3 136)
			333 150	(242 750)

[1] *Items above included as capital items on consolidated statement of profit or loss.*

4. OPERATING PERFORMANCE (continued)

4.3 Segmental operational performance

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

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

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

	2022 R'000	2021 R'000
Segmental revenue		
Australasia	33 343 369	33 010 216
United Kingdom	37 818 927	24 955 373
Europe	50 077 127	35 706 221
Emerging Markets	25 898 888	21 131 632
	147 138 311	114 803 442

	Total R'000	Australasia R'000	United Kingdom R'000	Europe R'000	Emerging Markets R'000
2022					
Segmental revenue by category and market					
Sale of goods – frozen	53 156 263	13 018 358	13 301 249	17 387 447	9 449 209
Sale of goods – chilled	40 318 102	8 478 928	8 817 564	16 536 637	6 484 973
Sale of good – ambient	46 140 256	10 053 444	13 582 117	13 515 036	8 989 659
Sale of goods – non-food	7 241 749	1 792 639	2 112 676	2 364 587	971 847
Rendering of services and commissions	281 941	–	5 321	273 420	3 200
	147 138 311	33 343 369	37 818 927	50 077 127	25 898 888
Independent	57%	66%	44%	62%	54%
Chain	31%	13%	56%	23%	34%
Logistics	5%	12%	0%	7%	0%
Retail and other	7%	9%	0%	8%	12%
Hotels, restaurants and cafés	41%	35%	37%	48%	39%
Quick service restaurants	14%	16%	17%	14%	7%
Caterers, butcheries and canteens	14%	8%	10%	16%	23%
Retail, wholesalers and other distributors	13%	16%	4%	12%	25%
Healthcare and aged care	9%	13%	11%	7%	3%
Education	5%	2%	15%	2%	2%
Travel (airlines and cruise liners)	2%	8%	1%	0%	0%
Government-related customers	2%	2%	5%	1%	1%

4. OPERATING PERFORMANCE (continued)

4.3 Segmental operational performance (continued)

	Total R'000	Australasia R'000	United Kingdom R'000	Europe R'000	Emerging Markets R'000
Segmental revenue by category and market (continued)					
2021					
Sale of goods – frozen	41 869 896	12 990 025	8 597 528	12 838 801	7 443 542
Sale of goods – chilled	31 625 186	8 512 804	5 506 039	11 615 690	5 990 653
Sale of good – ambient	34 334 272	9 613 882	8 573 716	9 277 605	6 869 069
Sale of goods – non food	6 731 945	1 893 505	2 271 160	1 741 822	825 458
Rendering of services and commissions	242 143	–	6 930	232 303	2 910
	114 803 442	33 010 216	24 955 373	35 706 221	21 131 632
Independent	56%	65%	40%	59%	54%
Chain	31%	15%	60%	24%	35%
Logistics	6%	12%	0%	8%	0%
Retail and other	7%	8%	0%	9%	11%
Hotels, restaurants and cafés	35%	37%	22%	41%	35%
Quick service restaurants	16%	16%	25%	16%	5%
Caterers, butcheries and canteens	14%	7%	11%	15%	24%
Retail, wholesalers and other distributors	15%	14%	3%	16%	31%
Healthcare and aged care	10%	13%	15%	9%	4%
Education	5%	2%	15%	2%	1%
Travel (airlines and cruise liners)	2%	8%	1%	0%	0%
Government related customers	3%	3%	8%	1%	0%

	2022 R'000	2021 R'000
4. OPERATING PERFORMANCE (continued)		
4.3 Segmental operational performance (continued)		
Segmental trading profit		
Trading division	**7 687 487**	4 893 592
Australasia	**2 330 923**	2 489 692
United Kingdom	**1 533 213**	394 303
Europe	**2 382 215**	1 086 046
Emerging Markets	**1 441 136**	923 551
Corporate	**(96 712)**	(105 940)
	7 590 775	4 787 652
Segmental trading EBITDAR[1]		
Trading division	**9 984 826**	7 138 104
Australasia	**2 712 121**	2 916 090
United Kingdom	**2 192 252**	1 085 874
Europe	**3 165 051**	1 796 228
Emerging Markets	**1 915 402**	1 339 912
Corporate	**(88 604)**	(100 674)
	9 896 222	7 037 430
Segmental employee benefits and remuneration		
Trading division	**17 283 882**	13 478 208
Australasia	**3 844 712**	3 427 740
United Kingdom	**5 019 533**	3 649 323
Europe	**5 976 235**	4 406 744
Emerging Markets	**2 443 402**	1 994 401
Corporate	**117 935**	106 395
	17 401 817	13 584 603
Share-based payment expense	**161 258**	107 452
	17 563 075	13 692 055

	Number of employees	Number of employees
Segmental number of employees		
Trading division	**24 910**	22 491
Australasia	**4 478**	4 213
United Kingdom	**5 916**	5 753
Europe	**7 803**	6 605
Emerging Markets	**6 713**	5 920
Corporate	**68**	61
	24 978	22 552

[1] *Segmental trading EBITDAR includes the effect of IFRS 16.*

		2022 R'000	2021 R'000
4.	**OPERATING PERFORMANCE** (continued)		
4.4	**Cash generated by operations**		
	Reconciliation of operating profit to cash generated from operations		
	Operating profit	**7 080 047**	4 916 799
	Adjustments for:		
	Costs incurred in respect of acquisitions *(refer note 8.1)*	**16 320**	6 151
	Dividends received from jointly controlled entity *(refer note 9.1 and 9.3)*	**20 051**	40 000
	Nowaco share incentive scheme *(refer note 11.1)*	**(16 430)**	(16 699)
	Adjustment for depreciation and amortisation *(refer note 7.1 and 7.2)*	**1 460 901**	1 422 824
	Adjustment for RoU lease asset depreciation *(refer note 7.3)*	**844 545**	826 954
	Adjustment for non-cash items	**534 777**	(168 154)
	Non-cash movement in the trade receivables impairment allowance	**29 109**	274 263
	Impairment of goodwill *(refer note 8.3)*	**25 601**	–
	Non-cash movement in the provision for stock obsolescence	**(5 770)**	(39 652)
	Non-cash movement in provisions	**24 026**	(162 562)
	Charge to profit or loss for share-based payments *(refer note 11.1)*	**161 258**	107 452
	Profit on disposal of plant, property and equipment	**(72 415)**	(862 524)
	Impairment of plant, property and equipment (*refer note 7.1)*	**99 094**	360 938
	Impairment of intangible assets *(refer note 7.2)*	**37 448**	226 592
	Non-cash movements related to lease cancellations for RoU lease assets and RoU lease liabilities	**(40 307)**	(2 646)
	Loss on disposal of businesses *(refer note 8.2)*	**232 212**	–
	Other non-cash items movements	**44 521**	(70 015)
	Working capital changes	**(1 983 500)**	632 312
	Increase in inventories	**(3 160 548)**	(1 273 893)
	Increase in trade and other receivables	**(4 156 745)**	(3 315 197)
	Increase in trade and other payables and provisions	**5 333 793**	5 221 402
	Cash generated by operations	**7 956 711**	7 660 187

	2022 R'000	2021 R'000
5. TAXATION		
5.1 Income taxation		
Current taxation	**1 580 501**	1 300 687
Current year	**1 598 876**	1 317 313
Prior years' over provision	**(18 375)**	(16 626)
Deferred taxation	**(29 207)**	(175 769)
Current year	**(8 996)**	(311 987)
Prior years' (over) under provision	**(18 627)**	111 290
Change in rate of taxation	**(1 584)**	24 928
Foreign withholding taxation	**33 693**	9 776
Total taxation per consolidated statement of profit or loss	**1 584 987**	1 134 694
Comprising		
South African taxation	**188 746**	131 735
Foreign taxation	**1 396 241**	1 002 959
	1 584 987	1 134 694

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

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

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

	2022 %	2021 %
The reconciliation of the effective taxation rate with the South African company taxation rate is:		
Taxation for the year as a percentage of profit before taxation	**24,4**	26,7
Associates	**0,1**	0,2
Effective rate excluding associate income	**24,5**	26,9
Dividend and exempt income	**2,1**	4,5
Foreign taxation rate differential	**2,8**	(1,0)
Non deductible expenses	**(2,6)**	(3,4)
Deferred taxation assets not previously raised	**0,6**	1,9
Exempt portion of capital gains	**–**	1,9
Changes in prior years' estimation	**0,6**	(2,2)
Change in rate of taxation	**–**	(0,6)
Rate of South African company taxation (%)	**28,0**	28,0

The South African company taxation rate changed from 28% to 27% for the reporting periods ending on or after March 31 2023. For June 30 2022, the taxation change has no impact on current taxation assets or liabilities but measurement (change in rate) adjustments for deferred taxation assets and liabilities have been accounted for the year ended June 30 2022. Non-deductible expenses comprise impairments of property, plant and equipment (refer note 7.1), intangible assets (refer note 7.2), goodwill (refer note 8.1), loss on disposal of Cárnicas and Hamburg (refer note 8.2), and other non-deductible expenses individually insignificant across the group.

		2022 R'000	2021 R'000
5.	**TAXATION** (continued)		
5.2	**Deferred taxation**		
	Deferred taxation assets	**1 394 294**	1 381 263
	Deferred taxation liabilities	**(758 336)**	(751 678)
	Net deferred taxation asset	**635 958**	629 585
	Movement in net deferred taxation assets and liabilities		
	Balance at beginning of year	**629 585**	516 155
	Deferred taxation charge	**29 207**	175 769
	Items recognised directly in equity and other comprehensive income	**2 956**	27 718
	On acquisition of businesses	**(9 653)**	6 689
	On disposal of businesses	**(44 776)**	–
	Exchange rate adjustments, including the effect of hyperinflation	**28 639**	(96 746)
	Balance at end of year	**635 958**	629 585
	Analysis of deferred taxation balances		
	Differential between carrying values and taxation values of property, plant and equipment	**(783 508)**	(595 718)
	Differential between carrying values and taxation values of intangible assets	**(40 366)**	(26 631)
	Estimated taxation losses	**233 561**	175 094
	Staff-related allowances and liabilities	**397 370**	330 256
	Differential between right-of-use lease assets and liabilities	**352 506**	328 350
	Inventories	**47 716**	44 049
	Investments	**(104 514)**	(127 437)
	Trade and other receivables	**185 893**	177 655
	Trade, other payables and provisions	**347 300**	323 967
		635 958	629 585

Deferred taxation has been provided at rates ranging between 15% – 34% (2021: 15% – 35%). The variance in rates arises as a result of the differing taxation and Capital Gains Taxation rates present in the various countries in which the group operates.

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

	2022 R'000	2021 R'000
Estimated taxation losses available for offset against future taxable income	**1 647 022**	1 452 645
Utilised in the computation of deferred taxation	**(233 561)**	(175 094)
Not accounted for in deferred taxation	**1 413 461**	1 277 551

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

The significant taxation losses not accounted for as deferred taxation assets relates to the Guzmán Gastronomía S.L. group (Spain). At June 30 2022, the estimated taxation losses for Guzmán Gastronomía S.L. was €66,3 million (R1,1 billion) (2021: €62,9 million (R1,1 billion)).

Miumi International Food Company Limited has incurred losses of HK$379 million (R787 million) (2021: HK$379 million (R698 million)). At June 30 2022, these losses have not been included in the above reconciliation as it is uncertain that a tax deduction will be obtained against future taxable income.

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

5. TAXATION (continued)

5.2 Deferred taxation (continued)

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

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

	2022 R'000	2021 R'000
5.3 Taxation paid		
Amounts payable at beginning of year	**(286 537)**	(246 077)
Current taxation charge including foreign withholding taxation	**(1 614 194)**	(1 310 463)
Businesses acquired	**(1 495)**	(1 076)
Exchange rate adjustments, including the effect of hyperinflation	**(20 389)**	40 460
Amounts payable at end of year	**396 843**	286 537
Amounts paid	**(1 525 772)**	(1 230 619)

6. BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE

6.1 Earnings per share

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

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

	2022	2021
Profit attributable to shareholders of the company (R'000)	**4 824 720**	3 088 860
Weighted average number of shares in issue ('000)	**334 062**	334 058
Basic earnings per share (cents)	**1 444,3**	924,6

6.2 Diluted earnings per share

The diluted basic earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares.

	2022	2021
Dilutive earnings* (R'000)	**4 824 720**	3 088 860
Weighted average number of shares in issue ('000)	**334 062**	334 058
Potential dilutive impact of outstanding share and conditional awards ('000)	**908**	506
Number of outstanding staff share awards	**2 186**	3 181
Number of share awards deemed to be issued at fair value	**(2 008)**	(3 094)
Contingent issuable shares in terms of conditional share plan to be issued not at fair value	**730**	419
Dilutive weighted average number of shares ('000)	**334 970**	334 564
Diluted basic earnings per share (cents)	**1 440,3**	923,2
Dilution (%)	**0,3**	0,2

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

		2022 R'000	2021 R'000
6.	**BASIC, DILUTED AND HEADLINE EARNINGS PER SHARE** (continued)		
6.3	**Headline earnings per share**		
	Profit attributable to shareholders of the company	**4 824 720**	3 088 860
	Impairments	**141 475**	473 005
	Property, plant and equipment	**99 094**	360 938
	Intangible assets	**37 448**	226 592
	Goodwill	**25 601**	–
	Taxation relief	**(20 668)**	(114 525)
	Capital profit on disposal of property, plant and equipment	**(56 218)**	(631 681)
	Property, plant and equipment	**(56 513)**	(794 835)
	Taxation charge	**295**	163 154
	Insurance proceeds in relation to an impairment of property, plant and equipment	**(3 378)**	(26 170)
	Insurance proceeds	**(4 692)**	(32 309)
	Taxation charge	**1 314**	6 139
	Gain from bargain purchase	**–**	(3 136)
	Loss on disposal of interests in Cárnicas (Spain) and Hamburg (Germany)	**232 212**	–
	Headline earnings	**5 138 811**	2 900 878
	Headline earnings per share (cents)	**1 538,3**	868,4
	Diluted headline earnings per share (cents)	**1 534,1**	867,1
	Dilution (%)	**0,3**	0,1

	2022 R'000	2021 R'000
7. NET OPERATING ASSETS		
7.1 Property, plant and equipment		
Freehold land and buildings	**10 291 617**	9 384 240
Cost	**11 433 949**	10 515 485
Accumulated depreciation and impairments	**(1 142 332)**	(1 131 245)
Leasehold improvements	**660 092**	649 569
Cost	**1 716 631**	1 587 524
Accumulated depreciation and impairments	**(1 056 539)**	(937 955)
Plant and equipment	**2 470 682**	2 265 313
Cost	**7 001 328**	6 290 450
Accumulated depreciation and impairments	**(4 530 646)**	(4 025 137)
Office equipment, furniture and fittings	**690 534**	614 535
Cost	**2 252 257**	2 062 885
Accumulated depreciation and impairments	**(1 561 723)**	(1 448 350)
Vehicles	**2 198 187**	2 181 357
Cost	**5 922 392**	5 437 770
Accumulated depreciation and impairments	**(3 724 205)**	(3 256 413)
Capital work-in-progress	**987 764**	410 827
	17 298 876	15 505 841

Property, plant and equipment with an estimated carrying value of R942 million (2021: R1 011 million) were pledged as security for borrowings of R600 million (2021: R690 million) (refer note 10.3).

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

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

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

Depreciation is provided for on the straight-line basis over the estimated useful lives of the property, plant and equipment to anticipated residual values. The estimated market value of the group's freehold property at June 30 2022 is R14,5 billion (2021: R13,1 billion).

Estimate useful lives are:

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

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

Capital work-in-progress includes the cost of materials and direct labour, any other costs directly attributable to bringing the item of property, plant and equipment to a working condition for its intended use. Land and assets under construction are not depreciated.

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

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

		2022 R'000	2021 R'000
7.	**NET OPERATING ASSETS** (continued)		
7.1	**Property, plant and equipment** (continued)		
	Movement in property, plant and equipment		
	Carrying value at beginning of year	**15 505 841**	17 618 435
	Capital expenditure	**2 930 155**	1 831 140
	Freehold land and buildings	**405 882**	399 281
	Leasehold improvements	**100 136**	12 792
	Plant and equipment	**395 732**	180 294
	Office equipment, furniture and fittings	**163 900**	99 268
	Vehicles	**387 416**	258 291
	Capital work-in-progress	**1 477 089**	881 214
	Acquisition of businesses	**458 192**	40 393
	Freehold land and buildings	**413 666**	23 550
	Leasehold improvements	**–**	12
	Plant and equipment	**25 326**	5 781
	Office equipment, furniture and fittings	**3 316**	1 605
	Vehicles	**12 122**	9 445
	Capital work-in-progress	**3 762**	–
	Disposals	**(471 360)**	(605 675)
	Freehold land and buildings	**(399 913)**	(499 492)
	Leasehold improvements	**(10 231)**	(6 244)
	Plant and equipment	**(11 583)**	(66 497)
	Office equipment, furniture and fittings	**(8 220)**	(5 756)
	Vehicles	**(24 457)**	(21 630)
	Capital work-in-progress	**(16 956)**	(6 056)
	Net transfers	**–**	–
	Freehold land and buildings	**374 451**	698 397
	Leasehold improvements	**28 086**	20 766
	Plant and equipment	**247 611**	178 613
	Office equipment, furniture and fittings	**62 267**	86 742
	Vehicles	**183 717**	262 140
	Capital work-in-progress	**(896 132)**	(1 246 658)
	Exchange rate adjustments, including the effect of hyperinflation	**323 628**	(1 622 835)
	Freehold land and buildings	**155 455**	(919 241)
	Leasehold improvements	**9 884**	(64 477)
	Plant and equipment	**53 020**	(246 874)
	Office equipment, furniture and fittings	**56 492**	(89 934)
	Vehicles	**39 603**	(236 942)
	Capital work-in-progress	**9 174**	(65 367)
	Depreciation (refer note 4.2)	**(1 348 486)**	(1 394 679)
	Impairment losses (refer note 4.2)	**(99 094)**	(360 938)
	Carrying value at end of year	**17 298 876**	15 505 841

	2022 R'000	2021 R'000
7. NET OPERATING ASSETS (continued)		
7.1 Property, plant and equipment (continued)		
Segmental capital expenditure[1]		
Bidfood	**2 929 278**	1 830 871
Australasia	**915 886**	577 347
United Kingdom	**504 295**	479 351
Europe	**965 614**	543 697
Emerging Markets	**543 483**	230 476
Corporate	**877**	269
Total	**2 930 155**	1 831 140
Segmental depreciation		
Trading division		
Bidfood	**1 347 729**	1 392 421
Australasia	**266 299**	283 983
United Kingdom	**410 956**	421 915
Europe	**472 839**	503 781
Emerging Markets	**197 635**	182 742
Corporate	**757**	2 258
Total	**1 348 486**	1 394 679
Segmental impairments		
Trading division		
Bidfood		
Australasia	**29 541**	93 375
United Kingdom	**18 103**	14 345
Europe	**46 757**	185 582
Emerging Markets	**4 693**	67 636
	99 094	360 938

[1] *During the year, expansionary capital expenditure accounted for R1,6 billion mainly related to infrastructure capex (through upgrades to (or new) distribution centres including the fit out of plant and equipment). Operational (replacement) capex of R1,3 billion is in line with the depreciation but capital expenditure related to the vehicle fleet continues to be a challenge given the long lead times (between 9 to 18 months) in the current macro-economic environment.*

In Australasia, impairments were recognised as a result of damages caused by the floods to the Lismore distribution centre. In Europe, impairments were recognised for property, plant and equipment assets held by Cárnicas (Spain) and Hamburg (Germany) and were recognised before the sale of these two businesses.

	2022 R'000	2021 R'000
7. NET OPERATING ASSETS (continued)		
7.2 Intangible assets		
Patents, trademarks and tradenames	**303 617**	266 706
Cost	**373 208**	813 259
Accumulated amortisation and impairments	**(69 591)**	(546 553)
Computer software	**357 401**	305 017
Cost	**1 864 993**	1 656 170
Accumulated amortisation and impairments	**(1 507 592)**	(1 351 153)
Capital work-in-progress	**33 417**	77 999
	694 435	649 722
Movement in intangible assets		
Carrying value at beginning of year	**649 722**	838 223
Additions	**152 597**	138 286
Patents, trademarks and tradenames	**765**	114
Computer software	**197 525**	119 271
Capital work-in-progress	**(45 693)**	18 901
Expenditure	**53 493**	51 223
Transfers to other categories	**(99 186)**	(32 322)
Acquisition of businesses	**40 363**	917
Patents, trademarks and tradenames	**39 806**	917
Computer software	**557**	–
Disposals		
Computer software	**(7 524)**	(820)
Exchange rate adjustments, including the effect of hyperinflation	**9 140**	(72 147)
Patents, trademarks and tradenames	**4 194**	(26 490)
Computer software	**3 835**	(39 669)
Capital work-in-progress	**1 111**	(5 988)
Amortisation (refer note 4.2)	**(112 415)**	(28 145)
Impairment losses (refer note 4.2)	**(37 448)**	(226 592)
Carrying value at end of year	**694 435**	649 722
Segmental amortisation		
Bidfood	**106 919**	27 009
Australasia	**9 512**	15 517
United Kingdom	**44 688**	4 733
Europe	**44 129**	–
Emerging Markets	**8 590**	6 759
Corporate	**5 496**	1 136
Total	**112 415**	28 145
Segmental impairment		
Australasia	**–**	55 498
United Kingdom	**37 116**	23 239
Europe	**332**	147 855
Total	**37 448**	226 592

7. NET OPERATING ASSETS (continued)

7.2 Intangible assets (continued)

Intangible asset impairments in the United Kingdom relates to end-of-life intangible assets; namely, the AX finance system which was replaced by Microsoft D365, and parts of the warehouse management system.

Included in patents, trademarks, tradenames and other intangibles are separately identifiable intangible assets that were recognised on acquisition of Punjab Kitchen and Foster Fast Food. The separately identifiable intangible assets recognised on the Punjab Kitchen acquisition relate to exclusive "SimplyPuree" and "The Punjab Kitchen" brand names. The carrying value of these brand names at June 30 2022 was R207,7 million (2021: R207,8 million).

Separately identifiable intangible assets recognised on the Foster Fast Food acquisition relate to the exclusive "Foster" tradename and French-based customer relationship of Inter Resto. The Foster tradename has a carrying value of R36,4 million at June 30 2022.

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

The estimated useful lives are:

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

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

All patents, tradenames, trademarks and other intangibles that have an indefinite life are assessed at the reporting date with the below criteria when considering if the intangible asset has an indefinite life:
- The intangible assets can be managed effectively by another management team and are therefore not linked to the tenure of current management.
- Management does not intend to change the intangible asset's identity or discontinue the product line.
- The group's ongoing investment ensures that the indefinite life intangible assets remain up to date and relevant to the customer.

The directors evaluated the impairment of indefinite life intangible assets at the reporting date and concluded that no impairment loss was recognised as the recoverable amount exceeded the carrying amount of the related cash-generating unit (refer note 8.3).

		2022 R'000	2021 R'000
7.3	**Right-of-use lease assets (RoU lease assets)**		
	Leasehold properties	4 033 558	3 516 056
	Cost	6 391 676	4 890 176
	Accumulated depreciation	(2 358 118)	(1 374 120)
	Vehicles	447 639	377 380
	Cost	879 069	686 400
	Accumulated depreciation	(431 430)	(309 020)
	Equipment and other	20 507	30 681
	Cost	48 573	57 855
	Accumulated depreciation	(28 066)	(27 174)
		4 501 704	3 924 117

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

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

7. NET OPERATING ASSETS (continued)

7.3 Right-of-use lease assets (RoU lease assets) (continued)

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

	2022 R'000	2021 R'000
Movement in RoU lease assets		
Carrying value at beginning of year	3 924 117	4 934 213
New leases entered into including lease incentives[1]	1 143 606	357 076
Leasehold properties	1 021 911	308 078
Vehicles	116 861	45 258
Equipment and other	4 834	3 740
Lease modifications and remeasurements	210 597	55 759
Leasehold properties	84 603	44 917
Vehicles	124 752	10 842
Equipment and other	1 242	–
Cancelled leases	(40 118)	(69 472)
Leasehold properties	(37 461)	(55 182)
Vehicles	–	(9 484)
Equipment and other	(2 657)	(4 806)
Group transfers	–	–
Leasehold properties	(13 171)	–
Vehicles	16 257	–
Equipment and other	(3 086)	–
Disposal of business	(56 623)	–
Leasehold properties	(53 942)	–
Vehicles	(2 647)	–
Equipment and other	(34)	–
Acquisition of business		
Equipment and other	–	528
Depreciation	(844 545)	(826 954)
Exchange rate adjustments, including the effect of hyperinflation	164 670	(527 033)
Leasehold properties	154 144	(472 366)
Vehicles	9 828	(51 479)
Equipment and other	698	(3 188)
	4 501 704	3 924 117
Segmental RoU depreciation		
Bidfood	842 691	825 082
Australasia	105 387	126 898
United Kingdom	203 395	227 971
Europe	265 868	243 353
Emerging Markets	268 041	226 860
Corporate	1 854	1 872
	844 545	826 954

[1] *These lease incentives represent cash received immediately from the lessor in the form of upfront cash payments or reimbursement costs (ie for moving costs). These lease incentives (R18,0 million) reduce the RoU lease asset recognised for a particular lease arrangement.*

		2022 R'000	2021 R'000
7.	**NET OPERATING ASSETS** (continued)		
7.4	**Inventories**		
	Raw materials	**632 122**	391 942
	Work-in-progress	**21 490**	21 538
	Finished goods	**13 021 517**	9 668 452
	Roll cages	**82 516**	63 806
		13 757 645	10 145 738
	Value of inventory expensed to the consolidated statement of profit or loss	**118 058 434**	93 964 938
	Provision for stock obsolescence included for finished goods	**326 531**	338 486
	Total value of finished goods on hand at June 30 written down to net realisable value	**480 335**	438 954
	Provision for stock obsolescence credited to the consolidated statement of profit or loss	**(25 087)**	(72 619)

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

		2022 R'000	2021 R'000
7.5	**Trade and other receivables**		
	Trade receivables	**17 127 254**	13 210 683
	Impairment allowances	**(995 623)**	(1 296 189)
	Net trade receivables	**16 131 631**	11 914 494
	Forward exchange contracts asset	**7 937**	4 993
	Prepayments	**909 921**	750 393
	Deposits	**179 142**	144 750
	Value added taxation receivable	**216 865**	209 117
	Signing and listing fees	**104 658**	149 547
	Rebates due from suppliers	**185 451**	97 431
	Other receivables	**182 857**	159 517
		17 918 462	13 430 242

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

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

The group does not have any significant contract assets.

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

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group's largest exposure to a single customer group, across multiple geographies is R284 million (2021: R114 million). The group had 372 358 individual trade debtors at June 30 2022 (2021: 321 653). The total number of debtors per reporting division was obtained and the average net revenue per trade debtor was calculated for each reporting division. Based on the average net revenue per trade debtor in comparison to the group's total net revenue for the year, there was no significant concentration of credit risk to any single trade debtor. The concentration of credit risk is therefore limited due to the customer base being large and independent.

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

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

	2022 R'000	2021 R'000
Hotels, restaurants and cafés	**7 105 864**	4 711 247
Retail, wholesalers and other distributors	**2 013 391**	1 821 068
Quick service restaurants	**1 905 398**	1 857 787
Caterers, butcheries and canteens	**3 446 767**	3 094 087
Healthcare and aged care	**1 239 356**	1 080 271
Education	**987 541**	239 804
Travel (airlines and cruise liners)	**180 978**	223 957
Government-related customers	**247 959**	182 462
	17 127 254	13 210 683

The increase in the hotels, restaurants and cafés is a result of the strong recovery in demand of this customer type and a planned focus on the "smaller" independent customers has grown this customer type. As at June 30 2022, 86,0% of the hotels, restaurants and cafés trade receivables are aged less than 30 days which is an improvement against 2021 of 81,5%, showing even though there has been increased economic activity, the trade debtor collections have improved through 2022 in this customer type.

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

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

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

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

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

7. **NET OPERATING ASSETS** (continued)

7.5 **Trade and other receivables** (continued)

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

	2022			2021		
	Gross debtor R'000	Loss rate %	Expected credit loss R'000	Gross debtor R'000	Loss rate %	Expected credit loss R'000
Not past due	**13 779 764**	**1,4**	**191 363**	10 249 828	3,0	307 691
Hotels, restaurants and cafés	**5 329 611**	**2,3**	**123 904**	3 415 771	3,5	120 792
Retail, wholesalers and other distributors	**1 521 341**	**1,2**	**18 085**	1 270 159	3,4	43 697
Quick service restaurants	**1 721 317**	**0,7**	**11 354**	1 564 672	2,4	37 506
Caterers, butcheries and canteens	**2 864 385**	**0,9**	**26 551**	2 453 651	2,4	57 934
Healthcare and aged care	**1 078 226**	**0,5**	**4 987**	973 929	2,6	25 454
Education	**924 410**	**0,4**	**4 048**	225 059	2,9	6 605
Travel (airlines and cruise liners)	**155 674**	**1,3**	**1 969**	206 149	4,7	9 643
Government-related customers	**184 800**	**0,3**	**465**	140 438	4,3	6 060
Past due 0 – 30 days	**1 631 775**	**4,6**	**75 358**	1 129 220	7,8	88 514
Hotels, restaurants and cafés	**779 804**	**4,6**	**35 766**	422 771	8,5	35 867
Retail, wholesalers and other distributors	**263 793**	**4,9**	**12 903**	190 523	11,4	21 789
Quick service restaurants	**114 449**	**4,8**	**5 520**	121 185	5,2	6 317
Caterers, butcheries and canteens	**318 985**	**2,6**	**8 416**	308 023	6,8	20 963
Healthcare and aged care	**84 784**	**7,6**	**6 460**	60 021	2,9	1 753
Education	**28 242**	**3,3**	**940**	8 964	3,8	340
Travel (airlines and cruise liners)	**13 251**	**35,5**	**4 701**	5 140	14,8	759
Government-related customers	**28 467**	**2,3**	**652**	12 593	5,8	726
Past due 31 – 180 days	**873 627**	**19,0**	**165 727**	586 119	23,9	139 817
Hotels, restaurants and cafés	**453 724**	**22,7**	**102 883**	184 244	29,3	54 062
Retail, wholesalers and other distributors	**118 811**	**16,9**	**20 031**	64 379	30,5	19 616
Quick service restaurants	**48 365**	**16,5**	**7 998**	150 563	14,8	22 344
Caterers, butcheries and canteens	**152 518**	**11,9**	**18 121**	149 962	23,7	35 590
Healthcare and aged care	**50 615**	**20,2**	**10 213**	19 285	18,4	3 556
Education	**24 697**	**12,0**	**2 957**	3 019	35,4	1 068
Travel (airlines and cruise liners)	**5 702**	**49,8**	**2 841**	4 781	22,2	1 063
Government-related customers	**19 195**	**3,6**	**683**	9 886	25,5	2 518
181 + days	**842 088**	**66,9**	**563 175**	1 245 516	61,0	760 167
Hotels, restaurants and cafés	**542 725**	**75,2**	**407 909**	688 461	49,9	343 198
Retail, wholesalers and other distributors	**109 446**	**61,5**	**67 307**	296 007	94,3	279 009
Quick service restaurants	**21 267**	**67,0**	**14 257**	21 367	71,0	15 169
Caterers, butcheries and canteens	**110 879**	**45,4**	**50 354**	182 451	52,3	95 337
Healthcare and aged care	**25 731**	**42,1**	**10 823**	27 036	44,4	12 005
Education	**10 192**	**27,9**	**2 848**	2 762	89,9	2 482
Travel (airlines and cruise liners)	**6 351**	**94,3**	**5 988**	7 887	82,1	6 474
Government-related customers	**15 497**	**23,8**	**3 689**	19 545	33,2	6 493
	17 127 254	**5,8**	**995 623**	13 210 683	9,8	1 296 189

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

Ageing of trade receivables per segment at June 30

	2022				2021			
	Loss rate %	Gross trade receivables R'000	Expected credit loss R'000	Net trade receivables R'000	Loss rate %	Gross trade receivables R'000	Impairment allowance R'000	Net trade receivables R'000
Not past due	1,4	13 779 764	(191 363)	13 588 401	3,0	10 249 828	(307 691)	9 942 137
Australasia	1,7	2 544 304	(44 434)	2 499 870	5,2	2 080 464	(107 647)	1 972 817
United Kingdom	0,9	3 800 450	(32 763)	3 767 687	1,1	2 718 679	(28 598)	2 690 081
Europe	1,5	4 820 639	(70 868)	4 749 771	3,8	3 418 137	(129 040)	3 289 097
Emerging Markets	1,7	2 614 371	(43 298)	2 571 073	2,1	2 032 548	(42 406)	1 990 142
Past due 0 – 30 days	4,6	1 631 775	(75 358)	1 556 417	7,8	1 129 220	(88 514)	1 040 706
Australasia	32,7	111 208	(36 378)	74 830	12,6	68 114	(8 573)	59 541
United Kingdom	2,4	226 930	(5 380)	221 550	1,6	210 466	(3 375)	207 091
Europe	1,8	764 779	(13 946)	750 833	12,2	463 240	(56 646)	406 594
Emerging Markets	3,7	528 858	(19 654)	509 204	5,1	387 400	(19 920)	367 480
31 – 180 days	19,0	873 627	(165 727)	707 900	23,9	586 119	(139 817)	446 302
Australasia	51,8	37 681	(19 532)	18 149	37,6	11 473	(4 318)	7 155
United Kingdom	15,0	247 737	(37 136)	210 601	22,4	91 200	(20 462)	70 738
Europe	16,5	339 056	(55 911)	283 145	23,5	284 692	(67 015)	217 677
Emerging Markets	21,3	249 153	(53 148)	196 005	24,2	198 754	(48 022)	150 732
181 + days	66,9	842 088	(563 175)	278 913	61,0	1 245 516	(760 167)	485 349
Australasia	92,2	13 369	(12 322)	1 047	95,7	13 233	(12 660)	573
United Kingdom	40,3	208 683	(84 104)	124 579	55,0	278 040	(152 993)	125 047
Europe	76,6	466 812	(357 741)	109 071	44,6	592 764	(264 380)	328 384
Emerging Markets	71,1	153 224	(109 008)	44 216	91,3	361 479	(330 134)	31 345
	5,8	17 127 254	(995 623)	16 131 631	9,8	13 210 683	(1 296 189)	11 914 494

The ECL percentage for trade receivables increased from 4,5% in 2019 to 11,5% in 2020 due to the onset of COVID in early 2020. In 2021, the ECL percentage reduced to 9,8% given better than expected collections and improvements in forward looking information arising from the effectiveness of global vaccine programmes. During the year, the ECL provision reduced further to 5,8% due to increased economic activity in most parts of the world and better than expected collections and improvements in forward looking information.

Debtor collections have improved through 2022 and is evidenced by the fact that 90,0% of trade debtors are aged 30 days or less (2021: 86,1%). The Europe ECL % for over 181 + day trade debtors has increased from 44,6% to 76,6% and on a total basis Europe has the highest 2022 ECL for all segments of 7,8% which reflects the economic and social uncertainty caused from the Russia-Ukrainian conflict. The 2022 overall ECL of 5,8% remains elevated compared to 2019 (pre-COVID ECL) of 4,5% as we operate in times of economic uncertainty (Russia-Ukrainian war and rampant global inflation) and possible changes to the macro-economic environment (ie Greater China government-imposed restrictions and possible recessions).

In summary, the calculated ECL for the year ended June 30 2022 has been conservatively calculated on a country-by-country basis based on evidence available at the time of finalising the Bidcorp group annual financial statements.

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

7. NET OPERATING ASSETS (continued)

7.5 Trade and other receivables (continued)

	2022 R'000	2021 R'000
Movement in the impairment allowance in respect of trade receivables		
Balance at July 1	**1 296 189**	1 335 860
Allowances raised during the year	**218 501**	506 552
Australasia	**16 719**	17 706
United Kingdom	**20 816**	56 936
Europe	**108 207**	178 123
Emerging Markets	**72 759**	253 787
Bad debts written off during the year	**(365 921)**	(174 491)
Australasia	**(10 195)**	(2 601)
United Kingdom	**(25 886)**	(73 686)
Europe	**(78 336)**	(60 776)
Emerging Markets[1]	**(251 504)**	(37 428)
Acquisition of businesses	**21 523**	13 055
Australasia	**–**	1 316
Europe	**18 919**	10 481
Emerging Markets	**2 604**	1 258
Disposal of businesses		
Europe	**(9 261)**	–
Allowances reversed during the year	**(189 393)**	(232 289)
Australasia	**(30 109)**	(29 426)
United Kingdom	**(42 043)**	–
Europe	**(61 018)**	(160 748)
Emerging Markets	**(56 223)**	(42 115)
Exchange rate adjustments, including the effect of hyperinflation	**23 985**	(152 498)
Balance at June 30	**995 623**	1 296 189

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

[1] *During the year, fully provided Miumi trade debtors were written off as there is no reasonable expectation of recovery of the outstanding trade receivable balances.*

	2022		2021	
	Fair value of collateral held R'000	**Trade receivables net of impairment allowance R'000**	Fair value of collateral held R'000	Trade receivables net of impairment allowance R'000
Collateral held on past due amounts				
Cover by credit insurance				
Australasia	**17 031**	**17 031**	20 735	20 735
United Kingdom	**45 456**	**45 456**	57 657	57 657
Europe	**313 192**	**272 788**	209 312	209 149
Emerging Markets	**78 269**	**85 229**	70 806	68 638
Total	**453 948**	**420 504**	358 510	356 179

The majority of the collateral held (R421 million (2021: R353 million)) relates to credit insurance held with reputable credit insurance companies in respect of trade receivable balances. In certain instances, the group's operations reserve the right to collect inventory sold when the outstanding debt is not settled by the customer. The collateral detailed above is in addition to these aforementioned measures taken to reduce credit risk in respect of trade receivables.

	2022 R'000	2021 R'000
7. NET OPERATING ASSETS (continued)		
7.6 Trade and other payables		
Trade payables	**21 418 848**	16 276 633
Forward exchange contracts liability	**12 441**	3 792
Salary and wage related creditors	**2 846 497**	2 361 985
Value added taxation liability	**324 722**	353 918
Nowaco cash-settled incentive scheme	**265 469**	286 094
Outstanding cheques	**322 128**	285 664
Other payables and accrued expenses	**1 462 915**	1 160 915
	26 653 020	20 729 001
Trade payables by segment		
Trade payables		
Bidfood	**21 381 221**	16 244 241
Australasia	**4 496 901**	3 684 449
United Kingdom	**5 684 649**	4 371 444
Europe	**8 349 663**	5 930 268
Emerging markets	**2 850 008**	2 258 080
Corporate	**37 627**	32 392
	21 418 848	16 276 633

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

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

The group has contract liabilities disclosed in other payables and accrued expenses in the form of deferred income which arises from consideration received in advance of the satisfaction of performance obligations. The deferred income at June 30 2022 was R1,1 million (2021: R4,9 million).

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

	2022 R'000	2021 R'000
7.7 Provisions		
Long-term portion	**704 961**	650 913
Short-term portion	**287 719**	303 978
	992 680	954 891

	Onerous contracts R'000	Dismantling and site restoration R'000	Customer loyalty programme R'000	Restructuring provisions R'000	Other R'000	Total R'000
Balance at July 1 2020	87 138	335 352	115 379	467 517	240 485	1 245 871
Created	1 997	118 916	36 127	9 970	75 881	242 891
Utilised	(9 316)	(27 810)	(19 384)	(327 106)	(51 638)	(435 254)
On acquisition of business	–	–	–	–	5 186	5 186
Exchange rate adjustments	(7 472)	(35 371)	(12 558)	(24 087)	(29 240)	(108 728)
Effect of discounting	–	4 925	–	–	–	4 925
Balance at June 30 2021	72 347	396 012	119 564	126 294	240 674	954 891

7. NET OPERATING ASSETS (continued)

7.7 Provisions (continued)

	Onerous contracts R'000	Dismantling and site restoration R'000	Customer loyalty programme R'000	Restructuring provisions R'000	Other R'000	Total R'000
Balance at June 30 2021	72 347	396 012	119 564	126 294	240 674	954 891
Created	**28 050**	**14 315**	**29 275**	**41 468**	**30 690**	**143 798**
Utilised	**(4 587)**	**(13 445)**	**(27 590)**	**(41 650)**	**(42 979)**	**(130 251)**
On acquisition of business	**1 446**	**–**	**–**	**–**	**–**	**1 446**
On disposal of business	**–**	**–**	**–**	**–**	**(11 864)**	**(11 864)**
Exchange rate adjustments	**323**	**9 608**	**5 504**	**268**	**5 529**	**21 232**
Effect of discounting	**–**	**13 428**	**–**	**–**	**–**	**13 428**
Balance at June 30 2022	**97 579**	**419 918**	**126 753**	**126 380**	**222 050**	**992 680**

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

Onerous contracts

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

Dismantling and site restoration

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

Customer loyalty programme

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

Restructuring provisions

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

Other

Consists of provision for various other individually insignificant provisions.

7. NET OPERATING ASSETS (continued)

7.8 Segmental assets and liabilities

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

	2022 R'000	2021 R'000
Segmental operating assets		
Trading division		
Bidfood	**49 465 636**	39 334 283
Australasia	**11 572 988**	9 600 126
United Kingdom	**11 367 187**	9 253 204
Europe	**16 534 113**	12 936 910
Emerging Markets	**9 991 348**	7 544 043
Corporate	**334 135**	490 188
	49 799 771	39 824 471
Segmental operating liabilities		
Segmental operating liabilities includes trade and other payables and provisions.		
Trading division		
Bidfood	**27 222 048**	21 281 405
Australasia	**6 083 268**	5 068 921
United Kingdom	**6 637 004**	5 333 367
Europe	**10 310 657**	7 571 364
Emerging Markets	**4 191 119**	3 307 753
Corporate	**423 652**	402 484
	27 645 700	21 683 889

		2022 R'000	2021 R'000
8.	**ACQUISITIONS, DISPOSALS AND GOODWILL**		
8.1	**Acquisitions**		
	Property, plant and equipment	**(458 192)**	(40 393)
	Intangible assets	**(558)**	–
	RoU leased assets	**–**	(528)
	Deferred taxation	**9 653**	(6 689)
	Investments and loans	**(6 448)**	(1 117)
	Inventories	**(127 402)**	(39 189)
	Trade and other receivables	**(119 270)**	(85 332)
	Cash and cash equivalents	**(24 717)**	(13 064)
	Defined pension fund obligations	**–**	9 247
	Borrowings	**59 088**	28 242
	RoU lease liabilities	**–**	528
	Trade and other payables and provisions	**197 159**	55 363
	Taxation	**1 495**	1 076
	Total identifiable net assets at fair value	**(469 192)**	(91 856)
	Separately identifiable intangible assets	**(39 805)**	(917)
	Gain from bargain purchase	**–**	3 136
	Derecognition of previously held investment in associate	**–**	26 346
	Non-controlling interest	**5 860**	–
	Goodwill	**(416 030)**	(68 657)
	Total value of acquisitions	**(919 167)**	(131 948)
	Cash and cash equivalents acquired	**24 717**	13 064
	Vendors for acquisition recognised	**92 656**	38 366
	Costs incurred in respect of acquisitions	**(16 320)**	(6 151)
	Net amounts paid	**(818 114)**	(86 669)

During the year no new country acquisitions have been consummated, however, ten bolt-on acquisitions were concluded. These bolt-on acquisitions included:

- Salad World, a sauce manufacturer based in Melbourne, Australia (effective July 2021).
- Shantou Longjia Food Company Limited, a business trading and distributing dairy products and imported food products in Shantou, China (effective August 2021).
- Total Repack Limited, a specialist dry ingredients repacker in Christchurch, New Zealand (effective September 2021).
- Foster Fast Food, a wholesaler specialised in fast food concepts located in Mechelen (between Antwerp and Brussels), Belgium (effective September 2021).
- Spice World Kuruman, a distributor of spice, natural casings and butchery equipment in the Northern Cape province of South Africa (effective September 2021).
- Vinhais, a broadline wholesaler and dairy specialist based in São Paulo, Brazil (effective October 2021).
- Insupan Limited, an ambient wholesaler based in La Serena, Chile (effective December 2021).
- Central Foods, a broadline wholesaler and meat specialist based in São Paulo, Brazil (effective January 2022).
- Bayview Seafoods, a manufacturing business that crumbs and batters a range of frozen proteins and vegetables based in Taree, New South Wales, Australia (effective February 2022).
- Zegro-Centrum B.V., a focused regional HoReCa broadline food wholesaler near Rotterdam, Netherlands (effective March 2022).

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.1 Acquisitions (continued)

Goodwill arose on the acquisitions as the anticipated value of future cash flows that were taken into account in determining the purchase consideration exceeded the net assets or net liabilities acquired at fair value. The acquisitions have enabled the group to expand its range of products and services and, as a consequence, has broadened the group's base in the marketplace. In addition, through these acquisitions the group has acquired managements skill and expertise as a platform from which to further consolidate its position in the foodservice market. There were no significant contingent liabilities identified in the businesses acquired.

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

	Zegro-Centrum B.V. R'000	Foster Fast Food BV R'000	Other acquisitions R'000	Total R'000
Property, plant and equipment	(352 048)	(55 519)	(50 625)	(458 192)
Intangible assets	(295)	(192)	(71)	(558)
Deferred taxation	–	11 629	(1 976)	9 653
Investments and advances	(6 448)	–	–	(6 448)
Inventories	(60 398)	(14 819)	(52 185)	(127 402)
Trade and other receivables	(76 459)	(13 816)	(28 995)	(119 270)
Cash and cash equivalents	(14 606)	(12 062)	1 951	(24 717)
Borrowings	30 171	11 939	16 978	59 088
Trade and other payables and provisions	97 649	19 175	80 335	197 159
Taxation	–	1 060	435	1 495
Total identifiable net assets at fair value	(382 434)	(52 605)	(34 153)	(469 192)
Separately identified intangible assets	–	(39 805)	–	(39 805)
Non-controlling interest	–	–	5 860	5 860
Goodwill	(134 148)	(9 951)	(271 931)	(416 030)
Total value of acquisition(s)	(516 582)	(102 361)	(300 224)	(919 167)
Cash and cash equivalents acquired	14 606	12 062	(1 951)	24 717
Vendors for acquisition recognised	–	–	92 656	92 656
Costs incurred in respect of acquisitions	(2 740)	(3 556)	(10 024)	(16 320)
Net amounts paid	(504 716)	(93 855)	(219 543)	(818 114)
Contribution to results for the year				
Revenue	327 228	238 129	948 008	1 513 365
Trading (loss) profit	(9 876)	16 602	19 508	26 234
Contribution to results for the year if the acquisitions had been effective July 1 2021				
Revenue	963 401	282 849	1 261 884	2 508 134
Trading profit	0	18 857	25 321	44 178

Zegro-Centrum B.V. (Zegro)

Zegro is exposed to the highly competitive foodservice distribution market in the south west of the Netherlands. There are a large number of local and regional distributors who often align themselves with other smaller distributors through purchasing cooperatives and marketing groups. Zegro has approximately 3 000 customers that it trades with on a day-to-day basis, with no customer trading relationships above 5% of revenue.

Bidcorp's judgement is not to value customer/supplier contracts or relationships that are individually insignificant as these are considered day-to-day trading relationships. Cost of switching for customers or suppliers are very low as are the barriers to entry into the foodservice distribution industry. Most purchasing decisions in the foodservice distribution industry are based on the quality and price of the product. Therefore, no separately identifiable intangibles have been recognised on the Zegro acquisition. Instead, the group has acquired managements skill and expertise as a platform from which to further consolidate its position in the south west Netherlands foodservice market and retain its day-to-day trading relationships and improving the purchasing power of the group.

Foster Fast Food BV (Foster)

Separately identified intangible assets recognised on the Forster acquisition are as follows:
- Foster tradename (R36,4 million); and
- Inter-Resto customer relationship (R3,4 million) which at acquisition accounted for 17% of Foster's revenue.

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.1 Acquisitions (continued)

The purchase price allocations for the bolt-on acquisitions are provisional and may be retrospectively adjusted if the group obtains new information about facts and circumstances that existed at the acquisition date relating to these entities.

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

	2022 R'000	2021 R'000
8.2 Disposal of businesses		
Proceeds on disposal of interests in Cárnicas (Spain) and Hamburg (Germany):		
RoU assets	**56 623**	–
Goodwill disposed	**166 906**	–
Deferred taxation	**44 776**	–
Investments and loans	**958**	–
Inventories	**6 155**	–
Trade and other receivables	**41 794**	–
Borrowings	**(11 864)**	–
Trade and other payables	**(3 257)**	–
RoU lease liabilities	**(62 068)**	–
Vendors for acquisition	**(4 505)**	–
Taxation	**134**	–
Total identifiable net assets at carrying value	**235 652**	–
Loss on disposal of interests in Cárnicas (Spain) and Hamburg (Germany)	**(232 212)**	–
Net proceeds	**3 440**	–

Cárnicas (Spain) was disposed on January 19 2022, up to disposal, Cárnicas contributed R56,8 million to revenue but had a trading loss of R12,6 million. A loss of R115,8 million was recognised on the disposal. Hamburg (Germany) was disposed on June 26 2022, up to disposal, Hamburg contributed R148,6 million to revenue but had a trading loss of R12,9 million. A loss of R116,4 million was recognised on the disposal.

	2022 R'000	2021 R'000
8.3 Goodwill		
Carrying value at beginning of year	**15 292 841**	16 676 574
Acquisition of businesses	**416 030**	68 657
Disposal of business	**(166 906)**	–
Impairment of goodwill	**(25 601)**	–
Exchange rate adjustments	**239 317**	(1 452 390)
Carrying value at end of year	**15 755 681**	15 292 841
The carrying value of goodwill allocated to cash-generating units grouped in segments as follows:		
Australasia	**3 268 020**	3 139 844
United Kingdom	**3 215 054**	3 214 909
Europe	**7 708 706**	7 667 569
Emerging Markets	**1 563 901**	1 270 519
	15 755 681	15 292 841

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.3 Goodwill (continued)

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

Disposal of businesses

During the year, goodwill related to Cárnicas Sáez, S.L. (Spain) and Hamburg (Germany) were disposed of as part of these business disposals. These goodwill disposals were R96,3 million and R70,6 million respectively.

Impairment testing of goodwill

During the year, goodwill impairments of R25,6 million were recognised relating to Guzman Gastromania S.L. (Spain) (2021: no goodwill impairments were identified against goodwill), which had a recoverable amount of Rnil.

Fair value less costs of disposal calculations in respect to the potential impact of COVID as well as rapid inflation driven by the Russia-Ukrainian war on future cash flow projections have been considered given the evidence available at the time of finalising the Bidcorp group annual financial statements. Discount rates applied in the fair value less costs of disposal calculations were determined on a normalised basis.

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

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

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

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

The table illustrates the discount rate, average revenue growth rates, average trading margins and terminal growth rates that were used in the discounted cash flow valuations for the CGUs:

	Discount rate		Average revenue growth	
	2022 %	2021 %	**2022 %**	2021 %
Australia	**6,0**	6,0	**5,4**	2,8
New Zealand	**6,3**	6,3	**5,9**	4,1
United Kingdom	**6,0**	6,0	**4,0**	2,6
The Netherlands	**4,7**	4,5	**3,1**	5,8
Belgium	**5,8**	5,8	**2,4**	3,3
Czech Republic and Slovakia	**7,0**	6,5	**4,0**	4,7
Poland	**7,8**	7,0	**6,6**	5,8
Italy	**6,7**	6,7	**6,5**	9,3
Spain	**7,0**	7,0	**9,4**	8,8
Portugal	**7,0**	7,0	**8,1**	7,2
Baltics	**6,8**	6,8	**8,1**	3,0
Germany	**5,8**	5,3	**7,1**	6,6
Greater China	**7,8**	7,5	**5,4**	4,1
Singapore	**7,0**	7,0	**12,0**[1]	4,7
Brazil	**12,0**	12,0	**17,4**[2]	10,5
Chile	**10,3**	8,0	**13,5**	10,8
South Africa	**11,3**	12,0	**7,9**	4,1
Turkey	**22,0**[3]	18,5	**37,2**[3]	9,4
Middle East	**8,5**	10,0	**8,2**	4,9

8. ACQUISITIONS, DISPOSALS AND GOODWILL (continued)

8.3 Goodwill (continued)

	Average trading margins[4] 2022 %	2021 %	Terminal growth rate 2022 %	2021 %
Australia	**8,0**	7,4	**1,0**	1,0
New Zealand	**6,5**	6,5	**1,0**	1,0
United Kingdom	**4,4**	4,9	**1,0**	1,0
The Netherlands	**2,8**	1,9	**1,0**	1,0
Belgium	**3,4**	2,4	**1,0**	1,0
Czech Republic and Slovakia	**8,9**	8,4	**1,5**	1,5
Poland	**3,9**	3,5	**1,5**	1,5
Italy	**4,9**	4,8	**1,5**	1,5
Spain	**3,8**	4,0	**1,5**	1,5
Portugal	**6,6**	4,6	**1,5**	1,5
Baltics	**4,1**	3,3	**1,5**	1,5
Germany	**2,5**	1,5	**1,5**	1,5
Greater China	**3,7**	3,7	**1,5**	1,5
Singapore	**4,8**	3,3	**1,5**	1,5
Brazil	**5,4**	4,7	**2,5**	2,5
Chile	**4,5**	4,0	**2,0**	2,0
South Africa	**9,0**	8,7	**1,5**	1,5
Turkey	**4,8**	3,3	**2,5**	2,5
Middle East	**6,9**	5,0	**1,5**	1,5

[1] *Singapore (which includes Malaysia and Vietnam) are expected to grow through geographical expansion in Malaysia and Vietnam. These markets have sizeable populations with rising affluence. Singapore has ample warehouse capacity to grow the business through foodservice and light value-added manufacturing.*

[2] *Brazil expected to grow strongly through the DCF period through integration of the 2022 acquisitions of Vinhias and Central Foods (dairy and protein products) into their established business network of distribution in the São Paulo state of Brazil.*

[3] *Turkey's change in discount rate and average revenue growth rates is a result of the Turkish macro-economic environment and effects of hyperinflation on the business. Albeit, Turkey is expected to achieve sales volume and market share growth through new product lines and access to new customers and markets through new distribution centres.*

[4] *The 2022 average trading margins have normalised post the impacts of COVID in 2020 and 2021. These average trading margins should improve as each respective business matures over the DCF period.*

Sensitivity analyses

Discounted cash flow valuations are inherently uncertain and require a high degree of estimation and judgment and are subject to change based on future changes, industry and global economic and geo-political conditions, and the timing and success of the implementation of current strategic initiatives.

The potential impact of COVID, the Russia-Ukrainian war and possible long-term negative impacts of above normal inflation on estimated future cash flows is uncertain and will largely depend on the outcome of future events, which could result in further goodwill impairments going forward.

Ten percent sensitivity analyses of reasonably possible changes in the discount rates, average revenue growth rates and average trading margins was performed for each CGU. The sensitivity analyses showed that the Germany CGU calculated recoverable amount was sensitive to changes in these key assumptions. In the sensitivity analysis below positive numbers reflect headroom and negative numbers reflect expected impairments should the primary assumptions not be achieved by the Germany CGU (see disclosure below on sensitivity analyses).

	Goodwill attributable to CGU R'000	Net identifiable assets per CGU R'000	Calculated recoverable amount R'000	Headroom R'000
Germany	**249 167**	**360 103**	**646 315**	**37 045**

	10% reduction in average revenue R'000	10% reduction in terminal growth rate R'000	10% increase in discount rate R'000	10% decrease in average trading margins R'000
Germany	**(50 596)**	**14 778**	**(79 880)**	**(33 926)**

The fair value less costs to sell valuation method is considered a Level 3 type valuation in accordance with IFRS 13 *Fair Value Measurement*.

		2022 R'000	2021 R'000
9.	**INVESTMENTS**		
9.1	**Interest in associates**		
	Investments in unlisted associates at cost less impairments	**80 964**	73 884
	Balance at beginning of the year	**73 884**	111 192
	Increase in unlisted associate investment	**6 896**	–
	Change in shareholding in associate	**–**	(26 346)
	Transfer from share of post acquisition reserves of associates	**–**	322
	Exchange difference	**184**	(11 284)
	Attributable share of post-acquisition reserves of associates	**56 056**	47 021
	At beginning of year	**47 021**	47 431
	Share of earnings net of dividends	**9 028**	6 407
	Transfer to investments in unlisted associates	**–**	(322)
	Share of movement in exchange rate adjustments	**7**	(6 495)
	Advances to associates held at amortised cost	**41 683**	30 747
		178 703	151 652

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

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

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

Unsecured advances to associates bear interest at a rate of 1,7% to 3,0% (2021: 1,7% to 3,3%) and have no fixed terms of repayment.

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

Interest in associates represents 2,2% (2021: 1,9%) of revenue, 0,3% (2021: nil) of trading profit and 1,9% (2021: 1,3%) of total assets of the Bidcorp Group.

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

		2022 R'000	2021 R'000
9.2	**Investments and loans**		
	Unlisted investments held at fair value through other comprehensive income	**28 613**	27 281
	Unlisted loans held at fair value through other comprehensive income	**12 827**	5 692
	Unlisted loans held at amortised cost	**88 913**	59 955
		130 353	92 928

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

Significant unlisted investments held at fair value through other comprehensive income, is an investment in the SA SME Fund that invests directly in scalable small and medium enterprises with the best potential for growth and sustainable employment creation in the South African economy. No dividends were received in 2022 (2021: nil). During the year no impairments were recognised on unlisted investments (2021: nil).

Significant unlisted loans held at amortised cost relate to customer loans in the Netherlands and Belgium that have maturities between two and three years.

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

	2022 R'000	2021 R'000
9. INVESTMENTS (continued)		
9.3 Investments in jointly controlled entities		
Investments in jointly controlled entities	**512 919**	489 598
Balance at beginning of year	**489 598**	489 933
Additions to jointly controlled entity	**–**	14 968
Share of profit from jointly controlled entities	**30 690**	23 497
Exchange difference	**12 631**	1 200
Dividends received from jointly controlled entity	**(20 000)**	(40 000)
Advances to jointly controlled entity at amortised cost	**3 997**	3 413
Balance at end of year	**516 916**	493 011

Effective April 1 2017, Bidcorp Food Africa Proprietary Limited, a subsidiary of Bid Corporation Limited, signed agreements with Puratos Group NV (Puratos) whereby Puratos became an equal shareholder in Bidcorp Bakery Solutions Division (BBS, subsequently renamed Chipkins Puratos, CP). CP manufactures and supplies bakery ingredients to industrial bakers, the craft market and large retailers under the Chipkins and NCP brands in South Africa. The carrying value of the investment in CP at June 30 2022 is R451,4 million (2021: R432,0 million).

Effective April 1 2019, Bidcorp acquired 38% of the Blancaluna Grupo, a broadline foodservice wholesaler based in Argentina. An additional 8% interest was acquired during 2021 taking the total investment to 46%. As all strategic decisions require joint approval by a Bidcorp appointed director and a Blancaluna representative, Blancaluna has been classified in terms of IFRS 11 as a joint venture. The carrying value of the investment in the Blancaluna Grupo at June 30 2022 is R65,5 million (2021: R61,0 million).

Unsecured advances to associates bear interest at a rate of 5% and have no fixed terms of repayment.

Interests in the joint ventures are accounted for using the equity method of accounting. Joint ventures are initially recorded at fair value and thereafter are increased or decreased by Bidcorp's share of the profit or loss. Goodwill relating to jointly controlled entities are included in the initial carrying amount of the investment. There were no impairments recognised for any investments in jointly controlled entities (2021: nil).

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

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

Jointly controlled entities net revenue represent 1,4% (2021: 1,5%), trading profit of 1,6% (2021: 2,2%) and total assets of 0,8% (2021: 0,7%) of the continuing operations for the Bidcorp Group.

Accordingly, no summarised financial information has been supplied in these financial statements.

10. FINANCIAL RISK MANAGEMENT AND NET DEBT

10.1 Financial risk management

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

This note presents information about the group's exposure to each of the aforementioned risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. IFRS 7 requires certain disclosures by class of instrument which the group has determined as its segments.

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

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

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

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

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

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

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

10.1 Financial risk management (continued)

a) Credit risk

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

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

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the group's maximum exposure to credit risk after taking into account the value of any collateral obtained. The carrying values, net of impairment allowances and expected credit losses, amount to R16,1 billion (2021: R11,9 billion) for trade receivables (refer note 7.5 for credit risk disclosure), other receivables relating to deposits, signing and listing fees and other receivables amounting to R652 million (2021: R551 million), and R130 million (2021: R93 million) for investments and unlisted loans (refer note 9.2) and cash and cash equivalents of R7,4 billion (2021: R8,1 billion).

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

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

The group has a general credit policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In accordance with the decentralised structure, the operational management is responsible for implementation of credit policies to meet the above objective. This includes credit policies under which new customers are analysed for creditworthiness before the operation's standard payment and delivery terms and conditions are offered, determining whether collateral is required, and if so the type of collateral to be obtained, and setting of credit limits for individual customers based on their references and credit ratings. Many operations in the group have a policy of taking out credit insurance to cover a portion of their risk. Operational management are also held responsible for monitoring the operations' credit exposure. For cash and cash equivalents, the group places its cash, where possible, with major banking groups and high-quality institutions with high credit ratings in that country. The group's treasury policy is designed to limit exposure to any one institution and invests its excess cash in low-risk investment accounts. The counterparties that are used by the group are evaluated on a continuous basis. At June 30 2022 cash and cash equivalents was held with many major banking groups which are considered high quality financial institutions.

b) Liquidity risk

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

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

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

b) Liquidity risk (continued)

Contractual maturities of financial liabilities, including interest payments

	Carrying amount R'000	Undiscounted contractual cash flows Total R'000	6 months or less R'000	6 – 12 months R'000	1 – 2 years R'000	2 – 5 years R'000	More than 5 years R'000
2022							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	**296 622**	**307 938**	**16 265**	**21 597**	**42 474**	**89 607**	**137 995**
Loans secured by lien over certain property, plant and equipment	**303 390**	**333 452**	**74 101**	**68 332**	**85 698**	**105 080**	**241**
Unsecured loans	**8 515 539**	**9 043 155**	**2 221 600**	**1 013 405**	**196 382**	**3 776 293**	**1 835 475**
	9 115 551	**9 684 545**	**2 311 966**	**1 103 334**	**324 554**	**3 970 980**	**1 973 711**
RoU lease liabilities (refer note 10.4)	**6 077 277**	**7 924 171**	**629 038**	**629 038**	**1 132 514**	**2 084 585**	**3 448 997**
Puttable non-controlling liabilities (refer note 10.5)	**4 273 161**	**4 608 952**	**267 067**	**781**	**58 957**	**2 146 062**	**2 136 085**
Vendors for acquisition	**164 605**	**181 830**	**38 285**	**11 027**	**122 882**	**9 636**	**–**
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	**26 315 857**	**26 315 857**	**26 315 857**	**–**	**–**	**–**	**–**
2021							
Borrowings (refer note 10.3)							
Loans secured by mortgage bonds over fixed property	322 892	332 132	12 058	15 384	23 838	46 129	234 723
Loans secured by lien over certain property, plant and equipment	367 323	387 101	73 626	66 253	105 947	139 970	1 305
Unsecured loans	7 933 912	8 100 002	1 714 220	5 390 213	741 703	189 449	64 417
	8 624 127	8 819 235	1 799 904	5 471 850	871 488	375 548	300 445
RoU lease liabilities (refer note 10.4)	5 491 895	5 560 549	548 416	548 416	993 239	2 196 997	1 273 481
Puttable non-controlling liabilities (refer note 10.5)	4 058 561	4 306 043	67 391	7 363	135 272	4 096 017	–
Vendors for acquisition	199 174	201 792	148 783	27 059	10 499	15 451	–
Trade and other payables (refer note 7.6) excluding forward exchange contracts and value added taxation liability	20 371 291	20 371 291	20 371 291	–	–	–	–

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

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

b) Liquidity risk (continued)

	2022 R'000	2021 R'000
Undrawn facilities		
The group has the following undrawn facilities at its disposal to further reduce liquidity risk:		
Unsecured bank overdraft facility, reviewed annually and payable on 360 days notice	**2 219 955**	1 897 360
Utilised	**53 749**	63 663
Unutilised	**2 166 206**	1 833 697
Unsecured loan facility with various maturity dates through to 2028 and which may be extended by mutual agreement	**16 124 603**	11 877 680
Utilised	**7 594 688**	7 738 757
Unutilised	**8 529 915**	4 138 923
Secured loan facilities with various maturity dates through to 2032 and which may be extended by mutual agreement	**310 118**	397 887
Utilised	**310 118**	349 898
Unutilised	**–**	47 989
Other banking facilities	**1 440 255**	1 451 942
Utilised	**203 016**	129 597
Unutilised	**1 237 239**	1 322 345
Total utilised facilities	**8 161 571**	8 281 915
Total unutilised facilities	**11 933 360**	7 342 954
Total facilities	**20 094 931**	15 624 869

c) Market risk

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

d) Foreign currency risk

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

	Statement of comprehensive income (average)		Statement of financial position (spot)	
Currency conversion guide at June 30	**2022**	2021	**2022**	2021
Rand/sterling	**20,24**	20,72	**19,79**	19,79
Rand/euro	**17,14**	18,35	**17,02**	16,99
Rand/Australian dollar	**11,03**	11,49	**11,23**	10,74
Rand/New Zealand dollar	**10,35**	10,69	**10,15**	9,99
Rand/Hong Kong dollar	**1,95**	1,98	**2,08**	1,84
Rand/Singapore dollar	**11,18**	11,43	**11,71**	10,64
Rand/Czech koruna	**0,68**	0,70	**0,69**	0,67
Rand/Polish zloty	**3,72**	4,07	**3,63**	3,76
Rand/Brazilian real	**2,90**	2,85	**3,13**	2,88

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

d) Foreign currency risk (continued)

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

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

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

e) Interest rate risk

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

	2022 R'000	2021 R'000
At the reporting date the interest rate profile of the group's interest-bearing financial instruments was:		
Fixed rate instruments		
Financial liabilities		
Borrowings	**(6 506 021)**	(3 813 362)
Puttable non-controlling interest liabilities	**(4 273 161)**	(4 058 561)
Derivative instruments in designated hedge accounting relationships	**(12 441)**	(3 792)
Financial assets		
Derivative instruments in designated hedge accounting relationships	**7 937**	4 993
Variable rate instruments		
Financial assets		
Cash and cash equivalents	**7 398 250**	8 120 639
Financial liabilities		
Borrowings	**(2 609 530)**	(4 810 765)

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

10. **FINANCIAL RISK MANAGEMENT AND NET DEBT** (continued)

10.1 **Financial risk management** (continued)

e) **Interest rate risk** (continued)

Sensitivity analysis

Group borrowings have been categorised by geographical location and the percentage change used for each category has been selected based on what could reasonably be expected as a change in interest rates within that region based on historical movements in interest rates within that particular region.

This sensitivity analysis has been prepared using the average borrowings for the financial year as the actual borrowings at June 30 may not be representative of the average borrowings during the year. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analyses are performed on the same basis as for 2021. A decrease in interest rates would have an equal and opposite effect on profit after taxation as detailed below.

	2022		2021	
	Increase in interest rates %	**Decrease in profit after taxation R'000**	Increase in interest rates %	Decrease in profit after taxation R'000
Emerging Markets	**0,50**	**7 351**	0,50	8 307
United Kingdom and Europe	**0,25**	**3 134**	0,25	6 748
Australasia	**0,25**	**137**	0,25	498
		10 622		15 553

f) **Equity price risk**

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

g) **Fair values**

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

	2022		2021	
	Carrying amount R'000	**Fair value R'000**	Carrying amount R'000	Fair value R'000
Borrowings (refer note 10.3)				
Emerging Markets	**2 672 304**	**2 643 483**	1 980 131	1 980 111
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	**25 634**	**22 495**	9 066	9 066
Unsecured loans	**2 646 670**	**2 620 988**	1 971 065	1 971 045
United Kingdom and Europe	**6 360 206**	**6 360 206**	6 570 328	6 570 328
Loans secured by mortgage bonds over fixed property	**296 622**	**296 622**	322 892	322 892
Loans secured by lien over certain property, plant and equipment in terms of financial leases and suspensive sale agreements	**277 757**	**277 757**	358 258	358 258
Unsecured loans	**5 785 827**	**5 785 827**	5 889 178	5 889 178
Australasia				
Unsecured loans	**83 041**	**83 041**	73 668	73 668
	9 115 551	**9 086 730**	8 624 127	8 624 107
Unrecognised gain	**28 821**		20	

The methods used to estimate the fair values of financial instruments are discussed in note 3.1. The interest rates used to discount cash flows, in order to determine fair values, are based on market-related rates at June 30 2022 plus an adequate credit spread which ranges from 0,0% to 38,0% (2021: 0,0% to 27,4%).

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

g) Fair values (continued)

Fair value hierarchy

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

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

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

	Non-current assets (liabilities)			Current assets (liabilities)		
R'000s	Puttable non-controlling interests	Investments	Vendors for acquisition	Puttable non-controlling interests	Vendors for acquisition	Total
June 30 2022						
Financial assets measured at fair value	**–**	**28 613**	**–**	**–**	**–**	**28 613**
Financial liabilities measured at fair value	**(4 006 503)**	**–**	**(115 477)**	**(266 658)**	**(49 128)**	**(4 437 766)**
June 30 2021						
Financial assets measured at fair value	–	27 281	–	–	–	27 281
Financial liabilities measured at fair value	(3 983 808)	–	(23 779)	(74 753)	(175 395)	(4 257 735)

	Total	Level 1	Level 2	Level 3
June 30 2022				
Financial assets measured at fair value	**28 613**	**–**	**–**	**28 613**
Financial liabilities measured at fair value	**(4 437 766)**	**–**	**–**	**(4 437 766)**
June 30 2021				
Financial assets measured at fair value	27 281	–	–	27 281
Financial liabilities measured at fair value	(4 257 735)	–	–	(4 257 735)

Valuation techniques and significant unobservable inputs are as follows:

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

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The expected payments are determined by considering the possible scenarios of forecast EBITDAs, the amount to be paid under each scenario and the probability of each scenario. The valuation models consider the present value of expected payment, discounted using a risk-adjusted discount rate.	• Average revenue growth rates: 6,5% (2021: 16,0%[1]) • Average EBITDA margin: 7,0% (2021: 7,3%) • Contractual EBITDA multiple: 10,5x (2021: 10,5x) • Risk-adjusted discount rate 1,7% (2021: 1,7%)	The estimated fair value would increase (decrease) if: • the EBITDA were higher (lower); or • the risk-adjusted discount rate were lower (higher).

[1] *Average revenue growth rates for 2021 were distorted by the low revenue base as a result of the COVID pandemic.*

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.1 Financial risk management (continued)

g) Fair values (continued)

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

	Increase in assumption %	Increase (decrease) R'000	Decrease in assumption %	Increase (decrease) R'000
Revenue growth rates	10	80 487	10	(78 773)
Average EBITDA margin	10	427 031	10	(427 031)
Risk-adjusted discount rate	10	(38 621)	10	33 199

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

	2022 R'000	2021 R'000
10.2 Net finance costs		
Finance income	58 244	51 383
Interest income on bank balances	45 484	42 515
Interest income on advances	7 995	5 503
Interest imputed on post-retirement assets	4 765	3 365
Finance charges	(747 998)	(744 783)
Interest imputed on RoU lease liabilities (refer note 10.4)	(353 111)	(375 447)
Interest expense on bank borrowings	(277 330)	(243 852)
Unwinding of discount on puttable non-controlling interest liabilities (refer note 10.5)	(47 449)	(48 765)
Interest expense on provisions and tax liabilities	(36 185)	(35 359)
Interest expense on bank overdrafts	(23 676)	(30 064)
Interest expense on financed assets	(7 335)	(9 520)
Interest imputed on post-retirement obligations	(2 912)	(1 776)
	(689 754)	(693 400)

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

	2022 R'000	2021 R'000
Finance income received per the consolidated statement of cash flows		
Income per the statement of profit or loss	58 244	51 383
Interest imputed on post retirement obligations	(4 765)	(3 365)
Amounts received	53 479	48 018
Finance charges paid per the consolidated statement of cash flows		
Charge per the statement of profit or loss	(747 998)	(744 783)
Unwinding of discount on puttable non-controlling interest liabilities	47 449	48 765
Interest imputed on post retirement obligations and provisions	10 362	6 675
Amounts capitalised to borrowings	37 088	34 758
Amounts paid	(653 099)	(654 585)

	2022 R'000	2021 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)		
10.3 Borrowings		
Loans secured by mortgage bonds over fixed property (refer note 7.1)	**296 622**	322 892
Loans secured by lien over certain property, plant and equipment (refer note 7.1)	**303 390**	367 323
Unsecured borrowings	**8 515 539**	7 933 912
Borrowings	**9 115 551**	8 624 127
Less short-term portion of borrowings	**(3 137 049)**	(7 144 875)
Long-term portion of borrowings	**5 978 502**	1 479 252
Schedule of repayment of borrowings		
Within 1 year	**3 137 049**	7 144 875
1 year to 2 years	**320 419**	862 245
2 years to 3 years	**1 465 978**	172 947
3 years to 4 years	**97 503**	107 869
4 years to 5 years	**2 193 780**	132 333
Thereafter	**1 900 822**	203 858
	9 115 551	8 624 127

A significant refinancing exercise was undertaken through February and March 2022 to rollover and refinance maturing term debt. The United States Private Placement market was accessed for €225 million (R3,8 billion) and bank debt of €75 million (R1,3 billion) was rolled. This has enabled a significant portion of the group debt to be terms out for differing maturity dates of three, five and seven years at an average fixed interest rate of 1,74%. This has reduced the liquidity and interest rate risks in the current market.

Thereafter schedule of borrowings includes a €100 million (R1,7 billion) contractual repayment for the United States Private Placement market on or about March 10 2029.

	2022 R'000	2021 R'000
Total borrowings comprise		
Foreign subsidiaries borrowings	**8 391 220**	7 933 878
South African subsidiary borrowings	**724 331**	690 249
	9 115 551	8 624 127

	%	%
Effective weighted average rate of interest on		
South African borrowings excluding overdrafts	**6,3**	5,0
Foreign borrowings excluding overdrafts	**3,1**	2,1

	R'000	R'000
Movement in borrowings		
Carrying value at beginning of year	**8 624 127**	12 610 993
Borrowings raised during the year	**7 943 760**	4 473 408
Borrowings repaid during the year	**(7 736 449)**	(7 274 843)
Interest capitalised during the year	**37 088**	34 758
On acquisition of business	**59 088**	28 242
Exchange rate adjustments	**187 937**	(1 248 431)
	9 115 551	8 624 127

	Currency	Nominal interest rate %	Financial year of maturity	2022 R'000	2021 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)					
10.3 Borrowings (continued)					
Terms and debt repayment schedule					
Borrowings of South African subsidiaries					
Unsecured loans	ZAR	6.3	2023	**724 331**	689 937
Borrowings of foreign subsidiaries				**8 391 220**	7 934 190
Loans secured by mortgage bonds over fixed property	EUR	0.8 – 4.8	2025 – 2032	**296 622**	322 892
Loans secured by lien over certain property, plant and equipment	EUR	0.3 – 3.3	2023 – 2028	**152 564**	233 343
	PLN	8.6	2023 – 2027	**123 139**	112 722
	GBP	1.8	2025	**2 053**	12 192
	BRL	7.5 – 20.8	2023 – 2025	**23 999**	6 845
	MYR	3.0 – 3.6	2024 – 2026	**1 634**	2 220
Unsecured loans	EUR	0.1 – 3.1	2023 – 2029	**5 609 265**	3 543 228
	GBP	0.0	2027	**45 273**	2 211 858
	HKD	1.5 – 5.1	2023	**1 341 743**	1 007 666
	CLP	10.6 – 13.0	2023 – 2024	**191 241**	141 562
	CZK	8.5	2023	**113 940**	110 311
	Other			**489 747**	229 351
Total interest-bearing borrowings				**9 115 551**	8 624 127

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

Capital management

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

The group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The principal covenant limits are net debt to EBITDA of no more than 2,5 times and interest cover of no less than 5 times (both excluding the impacts of IFRS 16). Compliance with the group's biannual debt covenants is monitored on a monthly basis and formally tested at December 31 and June 30. At June 30, the groups net debt to EBITDA is 0,2 times (2021: 0,1 times) and interest cover of 25,7 times (2021: 19,3 times).

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

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

		2022 R'000	2021 R'000
10.	**FINANCIAL RISK MANAGEMENT AND NET DEBT** (continued)		
10.4	**Right-of-use lease liabilities (RoU lease liabilities)**		
	Leasehold properties	**5 559 588**	5 026 531
	Vehicles	**491 152**	432 180
	Equipment and other	**26 537**	33 184
	Total RoU lease liabilities	**6 077 277**	5 491 895
	Short-term RoU lease liabilities	**(947 331)**	(894 376)
	Long-term RoU lease liabilities	**5 129 946**	4 597 519

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

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

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

The average lease term and number of leases of the group's lease portfolio (including renewal periods taken into account) is as follows:
- Leasehold property nine-year average lease term for 308 leases (2021: eight-year average lease term for 288 leases);
- Vehicles four-year average lease term for 1 292 leases; and (2021: three-year average lease term for 1 436 leases; and
- Equipment and other five-year average lease term for 62 leases (2021: five-year average lease term for 118 leases)

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

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

The IBR applied to leases per segment were as follows:

	2022	2021
Australasia	**5,0 – 6,9%**	5,0 – 6,0%
Emerging Markets[1]	**4,8 – 23,0%**	4,8 – 18,0%
Europe	**4,0 – 8,0%**	4,0 – 8,0%
United Kingdom	**5,0 – 6,0%**	5,0 – 6,0%

[1] *The upper end of the range for Emerging Markets relates to Turkey which is impacted by Turkish macro-economic environment and hyperinflation.*

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

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

	2022 R'000	2021 R'000
10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)		
10.4 Right-of-use lease liabilities (RoU lease liabilities) (continued)		
The movement in RoU lease liabilities is as follows:		
Carrying value at beginning of year	**5 491 895**	6 235 320
New leases entered into	**1 211 624**	784 610
Lease modifications and remeasurements	**210 597**	55 759
Finance charges	**353 111**	375 447
Cancelled leases	**(80 425)**	(74 607)
Lease payments	**(1 233 513)**	(1 195 809)
Acquisition of business	**–**	528
Disposal of businesses	**(62 068)**	–
Exchange rate adjustments, including the effect of hyperinflation	**186 056**	(689 353)
	6 077 277	5 491 895
The expenses relating to short-term and low-value commitments have been disclosed in note 4.2		
Total contractual undiscounted cash flows related to RoU lease liabilities		
Within one year	**1 258 075**	1 096 832
One to two years	**1 132 514**	993 239
Two to five years	**2 084 585**	2 196 997
After five years	**1 406 826**	1 273 481
Total contractual undiscounted cash flows related to RoU lease liabilities	**5 882 000**	5 560 549
Future cashflows included for renewal periods	**2 042 171**	1 515 717
Total undiscounted cash flows including renewal periods related to RoU lease liabilities	**7 924 171**	7 076 266
Effects of discounting	**(1 846 894)**	(1 584 371)
Carrying amount of RoU lease liability	**6 077 277**	5 491 895

10. FINANCIAL RISK MANAGEMENT AND NET DEBT (continued)

10.5 Puttable non-controlling interest liabilities

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

	2022 R'000	2021 R'000
Balance at beginning of the year	**4 058 561**	4 687 944
Arising on the granting of put options to non-controlling interests during the year	**194 110**	–
Payments made to non-controlling interest during the year	**(49 476)**	(82 606)
Remeasurement of put options during the year	**2 452**	(12 082)
Unwinding of present value discount recognised to the statement of profit or loss	**47 449**	48 765
Exchange rate adjustments	**20 065**	(583 460)
	4 273 161	4 058 561
Long-term portion	**4 006 503**	3 983 808
Short-term portion	**266 658**	74 753

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

Distrubuzione Alimentari Convivenze SPA (DAC)

In February 2022, an amendment to the shareholders agreement was signed with the minority shareholders of DAC which included an option for the minority shareholders to put their 40% interest to the group on or about June 30 2026. The minority shareholders have agreed not to directly or indirectly sell, transfer or otherwise dispose their stake in DAC for 5 (five) years. The group accounts for puttable NCI liabilities under the anticipated acquisition method whereby the put option is derecognised from NCI and accounted for as a financial liability. The puttable NCI liability is calculated as the present value of the contracted redemption value discounted from the expected redemption date to the reporting date.

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

The non-controlling shareholders have the option to put their 40% interest in DAC to the group, at 10.5 times EBITDA less net debt. The discount rate used for the DAC put option was 1,70% (2021: 1,70%). The fair value of this put option liability at June is R3,9 billion (2021: R3,8 billion).

Irmaos Avelino Brazil (Brazil)

The non-controlling shareholder has the option to put their 40% interest in Brazil to the group, at 7,04 times the average two years EBITDA less net debt. Contractually the put option has been disclosed as a current liability as it is currently exercisable but is unlikely to be exercised in the short term. The fair value of this put option liability at June 30 2022 is R117,1 million.

Simply Food Solutions Limited (formerly The Punjab Kitchen Limited) (Simply Food Solutions)

The non-controlling shareholders have the option to put their 10% interest in Simply Food Solutions to the group, at 10 times EBITDA less net debt. The discount rate used for the Simply Food Solutions put option was 2,0% (2021: 2,0%). The fair value of this put option liability at June is R81,3 million (2021: R79,7 million).

Quartiglia Food Service S.p.A. (Quartiglia)

The non-controlling shareholder has the option to put their 40% interest in Quartiglia to the group. The fair value of this put option liability at June is R59,6 million (2021: R59,5 million).

Bidfood SA (Chile)

The non-controlling shareholder has the option to put their 12% interest in Chile to the group, at 6,5 times EBITDA less net debt on or about September 1 2024. The fair value of this put option liability at June is R58,1 million (2020: R54,5 million).

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

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

11. STAFF REMUNERATION

11.1 Share-based payments

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

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

	2022 R'000	2021 R'000
Share-based payment expenses recognised:		
Equity-settled share-based payment schemes		
Bidvest Incentive Scheme (BIS)	**(2 286)**	114
Bid Corporation Limited Share Appreciation Rights Plan (SARs)	**30 018**	44 878
Bidcorp Conditional Share Plan (CSP)	**137 828**	79 147
Cash-settled share based payment scheme		
Nowaco Management Scheme	**(4 302)**	(16 687)
	161 258	107 452

The Bidvest Incentive Scheme (BIS)

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

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

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

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

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

	2022		2021	
	Number of awards	Average price R	Number of awards	Average price R
Beginning of the year	334 906	270,56	571 556	264,27
Lapsed	(15 500)	256,25	(6 875)	239,22
Exercised	(105 468)	265,77	(229 775)	255,86
End of the year	213 938	273,95	334 906	270,56
Share options outstanding at June 30 by year of grant are:				
2011	–	–	3 400	135,00
2012	–	–	7 500	134,56
2013	27 500	208,91	31 000	208,91
2014	24 875	237,54	37 375	237,54
2015	34 688	250,73	67 506	252,74
2016	126 875	301,54	188 125	301,54
	213 938	273,95	334 906	270,56

The options outstanding at June 30 2022 have an exercise price in the range of R208,91 to R301,54 (2021: R134,56 to R301,54) and a weighted average contractual life of 0,8 to 3,5 years (2021: 0,4 to 4,5 years). The fair value of services received in return for shares allotted is measured based on a modified Black-Scholes model. The contractual life of the option is used as an input into this model.

Bid Corporation Limited Share Appreciation Rights Plan (SARs)

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

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

	2022		2021	
	Number of awards	Average price R	Number of awards	Average price R
Beginning of the year	2 846 376	252,54	3 201 478	250,87
Granted	–	–	180 000	251,59
Exercised	(813 119)	250,13	(453 550)	238,04
Lapsed	(60 756)	257,16	(81 552)	249,33
End of the year	1 972 501	252,99	2 846 376	252,54
Share awards outstanding at June 30 by year of grant are:				
2016	237 250	238,04	404 376	238,04
2017	346 750	263,91	626 500	263,75
2018	549 501	241,91	781 000	242,21
2019	682 500	257,91	854 500	257,28
2021	156 500	268,92	180 000	268,40
	1 972 501	252,99	2 846 376	252,54

The awards outstanding at June 30 2022 have an exercise price in the range of R238,04 to R313,08 (2021: R238,04 to R313,08) and a weighted average contractual life of 1,0 to 5,9 years (2021: 2,0 to 6,9 years). The fair value of services received in return for shares allotted is measured based on a Black-Scholes model.

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

Bidcorp Conditional share plan

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

Executive directors' CSP awards

During the year, executive directors were granted 2021 CSP awards. Vesting of these awards are subject to three group performance conditions to vest and are measured over the performance period commencing from July 1 2021 to June 30 2024:

- 40% of the 2021 CSP award are subject to achievement of constant currency normalised Headline Earnings per Share (HEPS) targets;
- 30% of the 2021 CSP award are subject to the Return on Funds Employed (ROFE) condition; and
- 30% of the 2021 CSP award are subject to the Key Performance Indicators (KPI) condition.

These performance targets/conditions are disclosed in the 2021 Bidcorp Remuneration Report.

Once performance conditions have been met, the award will vest with 75% of the CSP award on September 1 2023 and 25% on September 1 2024, unless otherwise determined by the remuneration committee. These share awards do not carry voting rights attributable to ordinary shareholders.

The average discounted share price used in the calculation of the share-based payment charge on the 2021 CSP awards allotted during the year is R283,89 per share (2021: R221,05 per share). The assumptions used to determine the fair value of the conditional share awards was a distribution yield of 2,43% and risk-free interest rate (based on South African government bonds) of 7,24%.

The 2020 CSP awards were modified during the year to the same three performance categories as stated above for the 2021 CSP awards and are measured over the performance period commencing from July 1 2020 to June 30 2023. Once performance conditions have been met, the award will vest with 75% of the CSP award on September 1 2022 and 25% on September 1 2023, unless otherwise determined by the remuneration committee. These share awards do not carry voting rights attributable to ordinary shareholders.

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

	Balance at July 1 2021	CSP awarded	CSP exercised	CSP Forfeited	Closing balance June 30 2022
Director					
BL Berson	311 000	**150 000**	**(50 050)**	**–**	**410 950**
DE Cleasby	140 350	**70 000**	**(19 425)**	**–**	**190 925**
	451 350	**220 000**	**(69 475)**	**–**	**601 875**

Senior management

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

The fair value of services received in return for the conditional share awards has been determined by multiplying the number of conditional share awards expected to vest, by the share price at the date of the award, less discounted by anticipated future distribution flows. The exercise price for conditional share awards is nil. The average discounted share price used in the calculation of the share-based payment charge on the conditional share awards allotted during the year is R269,28 per share (2021: R265,47 per share). The assumptions used to determine the fair value of the conditional share awards was a distribution yield of 2,48% (2021: 2,26%) and risk-free interest rate (based on South African government bonds) of 7,66% (2021: 5,58%). A total of 24 800 senior management conditional share awards were forfeited during the year (2021: 85 000).

11. STAFF REMUNERATION (continued)

11.1 Share-based payments (continued)

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

	2022 R'000	2021 R'000
Beginning of the year	**1 611 625**	1 065 750
Awarded	**686 000**	642 250
Exercised	**(47 249)**	(11 375)
Forfeited	**(24 800)**	(85 000)
End of the year	**2 225 576**	1 611 625
Share awards outstanding at June 30 by year of grant are:		
2018	**11 376**	34 125
2019	**24 500**	49 000
2020	**882 250**	886 250
2021	**621 450**	642 250
2022	**686 000**	–
	2 225 576	1 611 625

Nowaco Management Scheme

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

In August 2019, Bidcorp elected to settle a Czech managers shares in cash and therefore changed the accounting treatment of the Nowaco Management Scheme from equity-settled to a cash-settled share based scheme. During the year, a payment of R16,4 million (2021: R16,7 million) was paid to a manager for 0,13% of Bidfood Czech Republic s.r.o.

The determined fair value of the Czech Management Scheme at June 30 2022 is £13,4 million (R265,5 million). The Nowaco Management Scheme share based payment liability has been separately disclosed in trade and other payables (note 7.6). The fair value was calculated using a EBITDA multiple of nine times and forecasted trading results for Bidfood Czech Republic. The Nowaco Management Scheme share based payment liability has been separately disclosed in trade and other payables (note 7.6).

The Czech managers have the rights to sell the Bidfood Czech Republic s.r.o shares back to Bidcorp on or about:
- Managers 1, 2 and 3 have the right to sell 1,53% of Bidfood Czech Republic s.r.o to Bidcorp on or about August 1 2022.
- Managers 4 and 5 have the right to sell 0,34% of Bidfood Czech Republic s.r.o to Bidcorp on or about August 1 2024.

In all instances, Bidcorp has the choice to settle the Czech managers either in cash or shares.

The Polish manager scheme remains an equity-settled share based scheme and is accounted for in the share-based payment reserve. The reserve value at June 30 2022 is estimated to be R175 million (£8,9 million).

11. STAFF REMUNERATION (continued)

11.2 Remuneration of directors

The remuneration paid to executive directors while in office of the company during the year ended June 30 2022 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	18 096	281	276	30 380	49 033
DE Cleasby	6 781	189	445	11 744	19 159
Total	24 877	470	721	42 124	68 192

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

Summary of directors' long-term incentives

	2022					
	Share-based payment expense R'000	Benefit arising from exercise of awards R'000	Gross benefit R'000	Previous share-based payment expense R'000	Actual long-term incentive benefit R'000	2021 R'000
Director						
BL Berson	29 908	16 110	46 018	(13 490)	32 528	19 347
DE Cleasby	13 906	5 594	19 500	(5 236)	14 264	9 564
Total	43 814	21 704	65 518	(18 726)	46 792	28 911

For comparative purposes the remuneration paid to the executive directors while in office of the company during the year ended June 30 2021 can be analysed as follows:

	Remuneration and benefits paid to directors				
	Basic remuneration R'000	Other benefits and costs R'000	Retirement/ medical benefits R'000	Cash incentives R'000	Total emoluments R'000
Director					
BL Berson	18 620	299	287	–	19 206
DE Cleasby	6 586	191	438	–	7 215
Total	25 206	490	725	–	26 421

11. STAFF REMUNERATION (continued)

11.2 Remuneration of directors (continued)

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

	2022 Director fees R'000	2022 Other services R'000	2022 Total R'000	2021 R'000
Non-executive director				
T Abdool-Samad	**910**	**–**	**910**	800
PC Baloyi	**1 176**	**–**	**1 176**	1 050
B Joffe	**844**	**–**	**844**	655
S Koseff	**3 754**	**–**	**3 754**	3 575
KR Moloko[1]	**695**	**–**	**695**	–
CJ Rosenberg	**1 362**	**–**	**1 362**	1 260
NG Payne	**1 510**	**–**	**1 510**	1 505
H Wiseman[2]	**1 618**	**590**	**2 208**	2 080
Total	**11 869**	**590**	**12 459**	10 925

[1] *Mrs KR Moloko was appointed to the board as an independent non-executive director on July 5 2021.*
[2] *H Wiseman provided services by chairing the quarterly Bidcorp Divisional Audit and Risk Committee meetings.*

Prescribed officers

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

11.3 Post-retirement obligations

	2022 R'000	2021 R'000
Post-retirement assets		
The Bidvest South Africa Pension Fund in South Africa	**(22 169)**	(22 029)
Post-retirement obligations	**32 543**	25 985
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	**23 464**	11 221
Unfunded defined benefit early retirement plan	**9 079**	14 764
	10 374	3 956

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

Defined benefit pension funds

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

11. STAFF REMUNERATION (continued)

11.3 Post-retirement obligations (continued)

Unfunded defined benefit retirement plans

Distrubuzione Alimentari Convivenze SPA (Italian subsidiary) provides a retirement plan for its employees. The total number of members as of June 30 was 284 (2021: 339).

	Discount rate (%)	Salary increase (%)
Key assumptions applied in the actuarial valuations:		
2022		
The Bidvest South Africa Pension Fund in South Africa	**11,8**	**8,3**
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	**2,9**	**3,3**
Unfunded defined benefit early retirement plan	**2,6**	**3,0**
2021		
The Bidvest South Africa Pension Fund in South Africa	9,8	6,8
Angliss Hong Kong Food Service Limited Retirement Benefit Plan	0,8	3,0
Unfunded defined benefit early retirement plan	0,8	2,0

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

	2022 R'000	2021 R'000
12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION		
12.1 Capital and reserves attributable to shareholders of the company		
Stated capital		
Issued stated capital	**5 428 016**	5 428 016
Treasury shares	**(284 653)**	(272 679)
Balance at beginning of the year	**(272 679)**	(247 824)
Shares disposed of in terms of share incentive plans	**126 201**	89 221
Shares purchased during the year	**(138 175)**	(114 076)
Reserves		
Foreign currency translation reserve including hyperinflation effects	**7 793 336**	7 206 888
Hedging reserve	**1 198**	–
Equity-settled share-based payment reserve	**615 554**	346 364
Retained earnings	**17 289 705**	15 146 713
Total capital reserves comprise		
Amounts attributable to shareholders of the company	**30 843 156**	27 855 302
Amounts attributable to non-controlling interests	**260 316**	232 872
	31 103 472	28 088 174

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.1 Capital and reserves attributable to shareholders of the company (continued)

Stated capital

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

Treasury shares

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

Foreign currency translation reserve

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

Equity-settled share-based payment reserve

The equity-settled share-based payment reserve includes the fair value of the share appreciation right awards granted and conditional share awards made to executive directors and senior management, which have been recognised over the vesting period at fair value with a corresponding expense recognised in the statement of profit or loss. The equity-settled share-based payment expense for the group during the year was R165,6 million (2021: R124,1 million). Our settlement practice of the share-based payment incentive plans has been through a subsidiary company (other than the employer company of the participant), which holds Bidcorp treasury shares (Bid Treasury Company).

In terms of an inter-group repayment arrangement, the employer company pays the purchase contribution to the Bid Treasury Company for the market value of the shares that were awarded to the participant exercising the award. The R126,2 million (2021: R89,2 million) utilisation during the year represents the market value of Bidcorp shares received by participants for share awards that were exercised during the year. The credit entry for the R126,2 million (2021: R89,2 million) is recorded under treasury shares representing the Bidcorp shares that were sold to satisfy the participant share awards that were exercised.

The transfer to retained earnings of R226,1 million (2021: R7,7 million) merely represents a transfer between equity reserves to true up the equity-settled share-based payment reserve to reflect the value of outstanding share awards at June 30 2022.

	2022 Number of shares ('000)	2021 Number of shares ('000)
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2020: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2020: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
Treasury shares held by Bidcorp Treasury Company	**(1 438)**	(1 332)
Balance at beginning of the year	**(1 332)**	(1 154)
Shares disposed in terms of share incentive plans	**394**	322
Shares purchased during the year	**(500)**	(500)
	333 966	334 072

The issued stated capital is fully paid up.

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

	2022 R'000	2021 R'000
12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)		
12.2 Dividends paid		
2021 final dividend paid of 400,0 cents per share (2021: no 2020 final dividend was declared)	**1 341 617**	–
2022 interim dividend paid of 300,0 cents per share (2021: no 2021 interim dividend was declared)	**1 006 212**	–
Amounts paid per the consolidated statement of cash flows	**2 347 829**	–

12.3 Group composition

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

	Principal place of business	Nature of business	Effective holdings % 2022	Effective holdings % 2021
Subsidiaries				
Al Diyafa Company for Catering Services LLC	Saudi Arabia	1	**53**	53
Angliss Beijing Food Service Limited	China	1	**70**	70
Angliss Guangzhou Food Service Co Limited	China	1	**90**	90
Angliss Hong Kong Foodservice Limited	Hong Kong	1	**100**	100
Angliss International Investment Limited	Hong Kong	1	**100**	100
Angliss Macau Food Service Limited	Macau	1	**100**	100
Angliss Shanghai Food Service Limited	China	1	**100**	100
Angliss Shenzen Food Service Limited	China	1	**100**	100
Angliss Singapore Pte Limited	Singapore	1	**100**	100
Applied Logic Systems Limited	New Zealand	1	**100**	100
BFS Botany Pty Limited	Australia	1	**100**	100
BFS Byron Bay Limited	Australia	1	**100**	100
BFS Group Limited	United Kingdom	1	**100**	100
BFS Port Macquarie Pty Limited	Australia	1	**100**	100
Bidcorp (UK) Limited	United Kingdom	1	**100**	100
Bidcorp Food Africa Pty Limited	South Africa	1	**100**	100
Bidcorp Food Property Pty Limited	South Africa	1	**100**	100
Bidcorp Foodservice International Limited	Isle of Man	2	**100**	100
Bidcorp Foodservice (Europe) Limited	United Kingdom	1	**100**	100
Bidcorp International Limited	Isle of Man	2	**100**	100
Bidcorp Properties International Limited	Isle of Man	2	**100**	100
Bidcorp Spain S.L.	Spain	1	**100**	100
Bidfood (NSW) Pty Limited	Australia	1	**100**	100
Bidfood (Victoria) Pty Limited	Australia	1	**100**	100
Bidfood (WA) Pty Limited	Australia	1	**100**	100
Bidfood Australia Limited	Australia	1	**100**	100
Bidfood Belgium BV	Belgium	1	**100**	100
Bidfood Czech Republic s.r.o.	Czech Republic	1	**98**	98
Bidfood De Clercq NV	Belgium	1	**100**	100
Bidfood Efe Dağıtım ve Pazarlama A.Ş[1]	Turkey	1	**55**	55
Bidfood Holdings AS	Turkey	1	**85**	85
Bidfood Horeca Service N.V.	Belgium	1	**100**	100
Bidfood Spain S.L.	Spain	1	**100**	90
Bidfood Limited	Botswana	1	**100**	100
Bidfood Limited	New Zealand	1	**100**	100

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

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

	Principal place of business	Nature of business	Effective holdings % 2022	2021
Subsidiaries (continued)				
Bidfood Pty Limited	South Africa	1	**100**	100
Bidfood SA	Belgium	1	**100**	100
Bidfood Chile S.A.[1]	Chile	1	**88**	88
Bidfood China Limited	China	1	**100**	100
Bidfood Malaysia Sdn. Bhd.[1]	Malaysia	1	**85**	85
Bid Foodservice Middle East-Jordan	Jordan	1	**42**	42
Bidfresh Limited	United Kingdom	1	**100**	100
BTW Investments Pty Limited	South Africa	2	**100**	100
Burleigh Marr Distributions Pty Limited	Australia	1	**100**	100
Campbell Brothers Limited	United Kingdom	1	**100**	100
Cater Plus Pty Limited	Australia	1	**100**	100
Caterfood Holdings Limited	United Kingdom	1	**100**	100
Cimandis Limited	Jersey	1	**100**	100
Clayton Cold Store Pty Limited	Australia	1	**100**	100
Cold Seas Pty Limited	Australia	1	**100**	100
Crown Food Group Pty Ltd	South Africa	1	**100**	100
Distribuidora E Importadora Irmaos Avelino Ltda[1]	Brazil	1	**60**	60
Distrubuzione Alimentari Convivenze SPA[1]	Italy	1	**60**	60
Elite Frozen Foods Limited	United Kingdom	1	**100**	100
Farutex Sp. z.o.o.	Poland	1	**91**	91
Fein Feinkost GmbH & Co. KG	Germany	1	**100**	100
Food & Wine Sp.z o.o	Poland	1	**91**	91
Foster Fast Food BVBA	Belgium	1	**100**	–
Frustock – Foodservice, S.A.	Portugal	1	**100**	72
Goldline Distributors Pty Limited	Australia	1	**100**	100
Guzman Gastromania S.L.	Spain	1	**100**	90
Him Kee Food Distribution Co. Limited	Hong Kong	1	**100**	100
Horeca Trade LLC	United Arab Emirates	1	**70**	70
Horeca Trading LLC	Oman	1	**70**	70
Horeca United Services Co. WLL	Bahrain	1	**46**	46
Igartza, S.L	Spain	1	**100**	90
Jilin Bidcorp Food Service Limited	China	1	**60**	60
John Lewis Foodservice Pty Limited	Australia	1	**100**	100
Linson Global Seafood Trading Limited	Hong Kong	1	**63**	63
Mariusso Comércio De Alimentos E Representação Ltda[1]	Brazil	1	**60**	60
Pastry Global Foodservice Limited	Hong Kong	1	**100**	100
Pier 7 Holding GmbH[1]	Germany	1	**90**	90
Simply Food Solutions Limited (formerly The Punjab Kitchen Limited)	United Kingdom	1	**90**	90
Quartiglia Food Service S.p.A[1]	Italy	1	**36**	36
Tekoo SPOL s.r.o	Czech Republic	1	**100**	100
UAB Bidfod Lietuva	Lithuania	1	**100**	100
United Imports & Exports Co. Pty Limited	Australia	1	**100**	100
Wet Fish Trading LLC	United Arab Emirates	1	**51**	51
Zegro Centrum Rotterdam B.V.	Netherlands	1	**100**	–

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

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

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.3 Group composition (continued)

	Principal place of business	Nature of business	Effective holdings % 2022	2021
Associates				
ATL Seafood Ijmuiden BV	Netherlands	1	**30**	30
ATL Vastgoed BV	Netherlands	1	**30**	30
Chovanecek S.R.O.	Czech Republic	1	**20**	–
Griffith Crown Foods Pty Limited	South Africa	1	**49**	49
Farm Fresh Real Estate BV	Netherlands	1	**25**	25
Meatstreet O.G. (formerly Farm Fresh Holding BV)	Netherlands	1	**25**	25
Maxxam BV	Netherlands	1	**17**	17
Maxxam CV	Netherlands	1	**17**	17
Van Gelder Ridderkerk BV	Netherlands	1	**20**	20
Vanilla Venture BV	Netherlands	1	**25**	25
Foodl BV	Netherlands	1	**33**	33
Jointly controlled entities				
Chipkins Puratos Pty Limited	South Africa	1	**50**	50
Distribuidora Blancaluna S.A.	Argentina	1	**46**	46

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

12.4 Related parties

Identification of related parties

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

Transactions with key management personnel

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

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

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

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.4 Related parties (continued)

Transactions with related parties

	2022 R'000	2021 R'000
Outstanding advances due at year end by associates (note 9.1)	**41 683**	30 747
Revenue received from associates	**99 886**	75 085
Amounts due by associates included in trade receivables[1]	**24 229**	21 443
Inventory purchased from associates	**1 395 492**	840 162
Purchases from associates	**699**	15
Amounts due to associates included in trade payables[1]	**107 855**	95 719
Revenue received from jointly controlled entity	**18 252**	21 734
Property rental income from jointly controlled entity	**16 403**	15 489
Purchases from jointly controlled entity	**9 685**	10 981
Amounts due by jointly controlled entity included in trade receivables[1]	**2 987**	8 493
Amounts due to jointly controlled entity included in trade payables[1]	**1 239**	2 489
Outstanding advances due at year end by joint-controlled entity (note 9.3)	**3 997**	3 413

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

[1] *Trading relationships with associates and jointly controlled entities are generally concluded on terms similar to those of third parties and there are no abnormal or non-commercial credit terms allowed. No impairments were associates or jointly controlled entities were recognised during the year (2021: nil).*

12.5 Commitments and capital management

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

	2022 R'000	2021 R'000
Capital expenditure approved:		
Contracted for	**1 901 240**	1 060 248
Not contracted for	**1 504 346**	1 316 229
	3 405 586	2 376 477
Capital expenditure split		
Property, plant and equipment	**3 339 081**	2 298 915
Computer software	**66 505**	77 562
	3 405 586	2 376 477

It is anticipated that capital expenditure will be financed out of existing cash resources.

Significant contracted capital expenditures relate to the following:
- Australia – infrastructure investment in two new buildings; facility improvements to five buildings; investment in solar power for these buildings with capacity of between 100 kWh to 200 kWh.
- Bidfood UK – infrastructure investment into two sites in Gateshead and Peterborough and expanding the vehicle fleet.
- Netherlands – infrastructure investment in a new Zierikzee building; freezer for Meppel; a warehouse management system and investment in electric trucks.
- South Africa – infrastructure investment in Johannesburg South (Elands Park).
- New Zealand – new Taupo distribution centre and investment in the vehicle fleet.

12.6 Contingent liabilities

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

12.7 Subsequent events

There have been no material events subsequent to June 30 2022.

12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION (continued)

12.8 Going concern

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

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

The group has access to liquid funds amounting to R7,4 billion with gross debt at year end of R9,1 billion, R3,1 billion of which is short term. At June 30 2022 the group had access to unutilised facilities of R11,9 billion (refer note 10.1).

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

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

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

13. HYPERINFLATION ACCOUNTING

The International Monetary Fund World Economic Outlook Report determined that subsidiaries of the group with the functional currency of the Turkish lira should apply *Financial Reporting in Hyperinflationary Economies* (IAS 29) for reporting dates ended June 30 2022. Accordingly, the statement of profit or loss, statement of cash flows, statement of financial position, and statement of changes in equity for our Turkish subsidiaries have been expressed in terms of the Turkish lira at the reporting date (June 30 2022).

Hyperinflationary accounting requires transactions and balances of each reporting period to be presented in terms of the measuring unit (Turkish lira (TRY)) at the end of the reporting period in order to account for the effect of loss of purchasing power during the year. The group has used the Turkish Consumer Price Index (as determined by TURKSTAT) as the general price index to restate amounts as it provides an official observable indication of the change in the price of goods and services for our Turkish subsidiaries.

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

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

The comparative amounts for the group financial statements have not been restated for changes in the price level as the presentation currency of the group, being the South African rand (ZAR), is that of a non-hyperinflationary economy. Any difference between the adjusted opening balances after applying IAS 29 and the balance previously recorded by the group are recognised in other comprehensive income as part of the foreign currency translation reserve.

The results and financial position of the Turkish operations have been translated at the official inter-bank closing exchange rate of TRY 0.98:ZAR 1 which is in line with the requirements of the provisions of IAS 21 *The Effects of Foreign Exchange Rates* (IAS 21) for the translation of hyperinflationary economies. The following general price indices and conversion factors were applied to consolidate our Turkish subsidiaries.

	General price index[1]	Conversion factor
Date		
June 30 2022	**78,6**	**1,0**
June 30 2021	17,5	4,5
June 30 2020	12,6	6,2

[1] *The general price index is measured from July 1 2019. These numbers reflect the year-on-year consumer price index changes at these respective reporting dates. The three-year cumulative inflation rate from July 1 2019 to June 30 2022 is 88,4%.*

13. HYPERINFLATION ACCOUNTING (continued)

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

	Average exchange rate	Closing exchange rate	Conversion factor (average)	Conversion factor (closing)
Financial period				
July 1 2020 to June 30 2021	1,99	1,64	1,4	4,5
July 1 2021 to June 30 2022	**0,98[2]**	**0,98**	**3,1**	**1,0**

[2] *Converted at the closing exchange rate due to the implementation of IAS 29.*

Reporting on the Turkish subsidiaries

The Turkish subsidiaries of the group with the functional currency of the Turkish lira have applied IAS 29 hyperinflation accounting for the 12 months ended June 30 2022. This has resulted in the group recording in the statement of profit and loss a net monetary gain of R81,9 million for the year ended June 30 2022. While the application of IAS 29 is meant to improve comparability of the group's results, the use of inflation and exchange rates differ from those experienced by the Turkish operations and reflected in the underlying transactions has, to some extent, distorted the comparability of the group's results. The impact of adjusting the group's results for the effects of hyperinflation is set out below:

Hyperinflation increase (decrease) to the statement of profit or loss

	2022 R'000
Revenue	**630 602**
Gross profit	**122 338**
Operating expenses	**(94 326)**
Trading profit	**28 012**
Finance charges	**(13 149)**
Net IAS 29 monetary gain	**69 215**
Headline earnings	**81 890**
Headline earnings per share (cents)	**24,5**

The group's comparative statement of profit or loss has not been restated for changes in the price level as the presentation currency of the group, being the South African rand, is a non-hyperinflationary economy.

Hyperinflation increase (decrease) to the statement of financial position

	2022 R'000
Non-current assets	**100 131**
Property, plant and equipment	**61 924**
Right-of-use lease assets	**31 875**
Other non-current assets	**6 332**
Current assets	**8 308**
Total assets	**108 439**
Capital and reserves	**108 439**
Non-current liabilities	**–**
Current liabilities	**–**
Total equity and liabilities	**108 439**

The hyperinflation increase to the statement of financial position is included in the other comprehensive income movement of the foreign currency translation reserve.

13. HYPERINFLATION ACCOUNTING (continued)

Hyperinflation effect on cash and cash equivalents

As a result of applying hyperinflation accounting for the Turkish subsidiaries of the group, all items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period. The resultant statement of cash flows is prepared to reflect cash flows during the year measured at the current purchasing power at the end of the reporting period and as such is not reflecting actual cash flows paid during the year ended June 30 2022.

While the statement of cash flows is adjusted to reflect current purchasing power, the cash and cash equivalents balance can only ever represent the actual cash flow (ie not indexed) at the point in time when the transactions occurred. As a result, an adjustment of R211,9 million was required to account for the loss of value between the hyperinflation-adjusted cash flows and the actual cash flows, as well as, to account for the loss of value in the opening cash and cash equivalent balances.

14. ACCOUNTING STANDARDS AND INTERPRETATIONS NOT EFFECTIVE AT JUNE 30 2022

The following new standards, interpretations and amendments to existing standards are not yet effective as at June 30 2022. It is expected that the group will adopt the pronouncements on their respective effective dates. The adoption of the new accounting standards and amendments is not expected to have a material impact on the group results, financial position or cash flows:

- IAS 1 *Presentation of financial statements* – classification of liabilities as current or non-current and disclosure of accounting policies (effective January 1 2023)
- IAS 8 *Accounting policies, changes in accounting estimates and errors* – definition of accounting estimates (effective January 1 2023)
- IAS 12 *Income taxes* – deferred tax related to assets and liabilities arising from a single transaction (effective January 1 2023)
- IFRS 3 *Business combinations* – referencing update (effective January 1 2022)
- Annual Improvements to IFRS Standards 2018–2020 – IAS 41, IFRS 9, IFRS 1 and IFRS 16 (effective January 1 2022)
- IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* – onerous contracts— cost of fulfilling a contract (effective January 1 2022)
- IAS 16 *Property, Plant and Equipment* – proceeds before intended use (effective January 1 2022)

Separate financial statements

Separate statement of comprehensive income

for the year ended June 30

	Note	2022 R'000	2021 R'000
Revenue	1	**2 495 042**	9 710
Guarantee fee income		**2 750**	2 750
Share-based payment expense	15	**(165 560)**	(124 139)
Shareholder-related costs		**(31 618)**	(33 102)
Operating expenses		**(890)**	(720)
Operating profit (loss)		**2 299 724**	(145 501)
Finance income	2	**3 562**	743
Profit (loss) before taxation		**2 303 286**	(144 758)
Taxation	3	**(691)**	774
Profit (loss) for the year attributable to shareholders		**2 302 595**	(143 984)
Other comprehensive income net of taxation		**–**	–
Total comprehensive income for the year		**2 302 595**	(143 984)

Separate statement of financial position

at June 30

	Note	2022 R'000	2021 R'000
ASSETS			
Non-current assets		**7 385 515**	7 385 615
Investment in subsidiaries	4	**7 385 515**	7 379 359
Amounts owing by subsidiaries		**–**	6 156
Deferred taxation	5	**–**	100
Current assets		**124 975**	4 055
Taxation receivable		**–**	711
Cash and cash equivalents		**124 975**	3 344
Total assets		**7 510 490**	7 389 670
EQUITY AND LIABILITIES			
Capital and reserves			
Capital and reserves	6	**7 508 235**	7 387 909
Current liabilities		**2 255**	1 761
Unclaimed dividends		**2 251**	1 761
Taxation payable		**4**	–
Total equity and liabilities		**7 510 490**	7 389 670

Separate statement of changes in equity

for the year ended June 30

	Note	2022 R'000	2021 R'000
Equity attributable to shareholders of the company	6	**7 508 235**	7 387 909
Stated capital	6	**5 428 016**	5 428 016
Retained earnings	6	**2 080 219**	1 959 893
Balance at beginning of the year		**1 959 893**	1 979 738
Attributable profit (loss)		**2 302 595**	(143 984)
Equity-movement on share-based payment expense		**165 560**	124 139
Dividends paid		**(2 347 829)**	–

Separate statement of cash flows

for the year ended June 30

	Note	2022 R'000	2021 R'000
Cash flows from operating activities		**121 631**	(21 036)
Cash utilised by operations	7	**(29 268)**	(31 097)
Finance income received		**3 558**	384
Taxation received (paid)	8	**128**	(33)
Dividends received		**2 495 042**	9 710
Dividends paid		**(2 347 829)**	–
Cash effects of financing activities		**–**	–
Loan advance from group subsidiary		**40 000**	–
Loan repayment to group subsidiary		**(40 000)**	–
Net movement in cash and cash equivalents		**121 631**	(21 036)
Cash and cash equivalents at beginning of year		**3 344**	24 380
Cash and cash equivalents at end of year		**124 975**	3 344

During the financial year, there were no cash flows from investing activities (2021: there were no cash flows from investing activities).

Notes to the separate financial statements

for the year ended June 30

		2022 R'000	2021 R'000
1.	**REVENUE**		
	Revenue includes dividends received from subsidiaries:		
	South African subsidiaries	**265 000**	–
	Foreign subsidiaries	**2 230 042**	9 710
		2 495 042	9 710
2.	**FINANCE INCOME**		
	Finance income		
	Interest income on bank balances	**3 558**	384
	Interest income on subsidiary loans	**–**	349
	Interest income from the South African Revenue Services	**4**	10
		3 562	743
3.	**TAXATION**		
	Current taxation	**591**	(674)
	Current year	**591**	–
	Prior years' over provision	**–**	(674)
	Deferred taxation	**100**	(100)
	Total taxation per separate statement of comprehensive income	**691**	(774)
	Comprising		
	South African taxation	**691**	(774)
	The reconciliation of the effective taxation rate with the South African company tax rate is:	**%**	%
	Taxation for the year as a percentage of profit (loss) before taxation	**0,1**	(0,5)
	Dividend income	**30,3**	1,9
	Prior year tax adjustment	**–**	0,5
	Non-deductible expenses[1]	**(2,4)**	(29,9)
	Rate of South African company taxation (%)	**28,0**	(28,0)

[1] The non-deductible expenses are Bidcorp group shareholder related costs that are treated as non-deductible expenses for taxation purposes.

		2022 %	2021 %	2022 R'000	2021 R'000
4.	**INVESTMENT IN SUBSIDIARIES**				
	Bidfood Limited[1]	**100**	100	**11**	11
	Bidcorp International Limited[2]	**100**	100	**1 254 897**	1 254 897
	Bidcorp Foodservice International Limited[2]	**100**	100	**1 440 209**	1 440 209
	Crown Food Ingredients Zambia Limited[3]	**60**	60	**9 808**	3 652
	Bidcorp Food Africa Proprietary Limited	**100**	100	**3 163 173**	3 163 173
	Bidcorp Food Property Proprietary Limited	**100**	100	**851 028**	851 028
	BTW Investments Proprietary Limited	**100**	100	**666 389**	666 389
				7 385 515	7 379 359

Country of incorporation if not South Africa:
[1] Botswana.
[2] Isle of Man.
[3] Zambia.

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

The loan to Crown Food Ingredients Zambia Limited was converted to equity on August 13 2021, as a result, no cash flow impact.

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

		2022 R'000	2021 R'000
5.	**DEFERRED TAXATION ASSET**		
	Balance at the beginning of the year	**100**	–
	Deferred tax raised due to taxation loss	**–**	100
	Utilisation of deferred taxation asset	**(100)**	–
	Balance at the end of the year	**–**	100
6.	**CAPITAL AND RESERVES**		
	Stated capital	**5 428 016**	5 428 016
	Reserves		
	Retained earnings	**2 080 219**	1 959 893
	Total capital and reserves comprise	**7 508 235**	7 387 909

	Number '000	Number '000
Stated capital		
Authorised		
540 000 000 ordinary shares of no par value (2021: 540 000 000 ordinary shares of no par value)		
Issued		
335 404 212 ordinary shares of no par value (2021: 335 404 212 ordinary shares of no par value)	**335 404**	335 404
16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.		

		2022 R'000	2021 R'000
7.	**CASH UTILISED BY OPERATIONS**		
	Operating profit (loss)	**2 299 724**	(145 501)
	Dividends received from subsidiaries	**(2 495 042)**	(9 710)
	Share-based payment expense	**165 560**	124 139
	Working capital changes		
	Increase (decrease) in unclaimed dividends	**490**	(25)
	Cash utilised by operations	**(29 268)**	(31 097)
8.	**TAXATION PAID**		
	Balance receivable at beginning of year	**711**	(6)
	Current taxation (charge) relief	**(591)**	674
	SARS interest earned	**4**	10
	Balance payable (receivable) at end of year	**4**	(711)
	Amounts received (paid)	**128**	(33)

9. SUBSEQUENT EVENTS

No material subsequent events have arisen since June 30 2022.

10. RELATED PARTIES

The subsidiaries and associates of the group are related parties of the company. The company loaned an amount to Crown Food Ingredients Zambia Limited (Crown Zambia). As from May 1 2021 the loan changed to a participative loan (interest charged when the company is profitable), interest when charged is charged at the South African prime lending rate. The loan to Crown Food Ingredients Zambia Limited was converted to equity on August 13 2021.

11. ACCOUNTING ESTIMATES AND JUDGEMENTS

CFC income (tax)

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

12. GOING CONCERN

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

13. FINANCIAL INSTRUMENTS

The credit risk on cash and cash equivalents is addressed by utilising financial institutions of good standing for investment and cash management purposes.

14. DIRECTORS' EMOLUMENTS

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

15. ACCOUNTING POLICIES

Share-based payments

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

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

16. SURETY OR GUARANTEES

The company has provided surety in respect of the The Standard Bank of South Africa Limited (Standard Bank) banking facilities for an amount limited to a maximum of R599 820 000. This banking facility provided by cash management account which includes BTW Investment (Pty) Ltd (Registration Number: 2015/071691/07), Bidfood (Pty) Ltd (Registration Number:1964/002063/07) and Bidcorp Food Africa (Pty) Limited (Registration number 2011/001799/07).

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

- As at June 30 2022, the Standard Bank cash management account has cash and cash equivalents of R205,0 million. Therefore, at June 30 2022 no obligation exists to Standard Bank.
- The trading operations performance through 2022 financial year and into July 2022 has been profitable and are generating positive cash flows.

Shareholders' information

for the year ended June 30

	Total shareholding	%
BENEFICIAL SHAREHOLDINGS		
Major shareholders holding 3% or more of the shares in issue		
Government Employees Pension Fund (PIC)	62 594 268	18,7
INVESTMENT MANAGEMENT SHAREHOLDINGS		
Fund managers holding 3% or more of the shares in issue		
Government Employees Pension Fund (PIC)	54 267 067	16,2
Ninety One Plc	23 651 615	7,1
J.P. Morgan Asset Management	23 208 458	6,9
Coronation Asset Management (Pty) Ltd	18 976 581	5,7
BlackRock Inc	12 920 535	3,9
The Vanguard Group Inc	12 745 545	3,8
BlackRock Inc	10 886 724	3,3
Genesis Investment Management LLP	10 266 231	3,1
	166 922 756	50,0
SHARES IN ISSUE		
Total number of shares in issue	335 404 212	
BTW Investments Proprietary Limited (treasury shares)	(1 428 379)	
	333 975 833	
BENEFICIAL SHAREHOLDER CATEGORIES		
Pension Funds	114 998 029	34,3
Unit Trusts	64 704 547	19,3
Mutual Fund	44 287 357	13,2
Sovereign Wealth	24 913 986	7,4
Private Investor	22 541 357	6,7
Insurance Companies	8 645 487	2,6
Trading Position	7 762 834	2,3
Exchange-Traded Fund	7 369 475	2,2
Custodians	5 688 347	1,7
Hedge Fund	5 465 682	1,6
Investment Trust	2 525 557	0,8
Corporate Holding	1 981 077	0,6
Charity	1 923 723	0,6
Black Economic Empowerment	1 537 455	0,5
Medical Aid Scheme	541 829	0,2
Local Authority	516 833	0,2
University	483 429	0,1
American Depository Receipts	273 502	0,1
ESG	242 701	0,1
Foreign Government	17 499	0,1
Delivery By Value (Collateral)	51 132	0,0
Managed Funds	31 455	0,0
Other	18 900 919	5,6
	335 404 212	100,0

	Total shareholding	%
GEOGRAPHICAL SPLIT OF BENEFICIAL SHAREHOLDERS		
Region		
South Africa	165 880 839	49,5
United States of America & Canada	77 523 372	23,1
United Kingdom	17 883 566	5,3
Europe	29 578 590	8,8
Rest of World[1]	44 537 845	13,3
	335 404 212	100,0

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

	Number of holders	% of total shareholders	Number of shares	% of issued capital
ANALYSIS OF SHAREHOLDING				
Shareholder spread				
1 – 1 000 shares	38 594	85,3	9 123 181	2,7
1 001 – 10 000 shares	5 349	11,8	14 329 527	4,3
10 001 – 100 000 shares	1 002	2,2	32 244 740	9,6
100 001 – 1 000 000 shares	247	0,6	70 199 956	20,9
1 000 001 shares and above	54	0,1	209 506 808	62,5
Total	45 246	100,0	335 404 212	100,0
Shareholder type				
Non-public shareholders	17	0,04	3 033 799	0,9
Directors	6	0,01	859 902	0,3
Bidvest Pension/Retirements Funds	10	0,02	745 518	0,2
BTW Investments Proprietary Limited	1	0,01	1 428 379	0,4
Public shareholders	45 229	99,96	332 370 413	99,1
Total	45 246	100,00	335 404 212	100,0

Shareholders' diary

Financial year end	June 30
Annual general meeting	November

Reports and accounts	
Interim report for the half year ending December 31	February
Announcement of annual results	August/September
Annual report	October

Distributions	**Declaration**	**Payment**
Interim distribution	February/March	March/April
Final distribution	August/September	September/October

Administration

BID CORPORATION LIMITED

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

DIRECTORS

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

* *Australian*

SECRETARY

Bidcorp Corporate Services (Pty) Limited

INDEPENDENT AUDITOR

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

LEGAL ADVISERS

Baker & McKenzie
Edward Nathan Sonnenbergs

TRANSFER SECRETARIES

JSE Investor Services (Pty) Limited
13th Floor, 19 Ameshoff Street, Braamfontein, 2001
PO Box 4844, Johannesburg, 2000

SPONSOR

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

BANKERS

Absa Bank Limited
ASB Bank Limited
Bank of China Limited
Barclays Bank Limited
BNP Paribas Fortis
Ceskoslovenská obchodni banka, a.s (CSOB)
Commonwealth Bank of Australia Limited
Fortis Bank Polska SA
Hang Seng Bank Limited
HSBC Bank plc
Internationale Nederlanden Groep (ING)
Nedbank Limited
The Royal Bank of Scotland Group Plc
The Standard Bank of South Africa Limited
Standard Chartered PLC
UBI Banca

REGISTERED OFFICE

2nd Floor North Wing, 90 Rivonia Road, Sandton
Johannesburg, 2196, South Africa
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Further information regarding our group can be found on the Bidcorp website: **www.bidcorpgroup.com**

Bidcorp

www.bidcorpgroup.com