INVICTA HOLDINGS LIMITED

AUDITED ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH

2025

Innovative solutions that empower industries, for a **sustainable future**

Invicta
HOLDINGS LIMITED

Approval of the consolidated financial statements

To the shareholders of Invicta Holdings Limited

The directors of Invicta Holdings Limited ("Invicta" or "the Company") or, together with subsidiaries, associates and joint ventures ("the Group") are responsible for the preparation of the audited annual consolidated financial statements and related financial information that fairly presents the results of the Group for the period 1 April 2024 to 31 March 2025 ("the Report").

The Report set out herein has been prepared under the supervision of Ms. Nazlee Rajmohamed CA(SA), the Group financial director, in accordance with the International Financial Reporting Standards ("IFRS") Accounting Standards as issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee ("IFRIC") interpretations, the Companies Act No. 71 of 2008 ("Companies Act (2008)"), the JSE Listings Requirements ("Listings Requirements"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and financial pronouncements as issued by the Financial Reporting Standards Council. These are based on appropriate accounting policies, consistently applied, which are supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for carrying out an independent examination of the Report in accordance with International Standards on Auditing and in compliance with the Companies Act (2008) and reporting their findings thereon. The Independent Auditors' Report is set out on pages 9 to 12 of the Report.

In order for the directors to discharge their responsibilities, management has developed and continues to maintain a system of internal control aimed at reducing the risk of error or loss in a cost-effective manner. The external and internal auditors have unrestricted access to all records, property and personnel as well as to the Audit and Risk Committee. The Audit and Risk Committee, together with the internal auditors, play an oversight role in matters relating to financial and internal control, accounting policies, reporting and disclosures.

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

(a) The audited annual consolidated financial statements set out on pages 13 to 91, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;

(b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the audited annual consolidated financial statements false or misleading;

(c) 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;

(d) The internal financial controls are adequate and effective and can be relied upon in compiling the audited annual consolidated financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

(e) Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and

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

The directors have reviewed the Group and Company's financial budgets for the year to 31 March 2026 and consider it appropriate that the Group and Company audited annual financial statements continue to be prepared on the going concern basis. Refer to note 47 and the directors' report for further details.

The Report for the period ended 31 March 2025, was approved by the board on 25 June 2025 for publication on 30 June 2025 and is signed on its behalf by:

N. Rajmohamed
Director
Johannesburg
25 June 2025

S. Joffe
Director
Johannesburg
25 June 2025

Certification by the Group company secretary

In accordance with the provisions of section 88(2) of the Companies Act (2008), I certify that, to the best of my knowledge and belief, the Company has filed for the reporting period ended 31 March 2025, all such returns and notices as are required of a public company in terms of the said Act, and that all such returns and notices appear to be true, correct and up to date.

S.L Lekena
Group company secretary
Johannesburg
25 June 2025

Audit and Risk Committee report

for the year ended 31 March 2025

Background

The Audit and Risk Committee "ARC" is guided by a charter and amendments thereto are approved by the Board. The charter incorporates the specific responsibilities outlined in the Companies Act (2008) and the JSE Listings Requirements. Audit committees of the major operating divisions meet on a quarterly basis and report back to the Invicta ARC through the Group Directors who chair the divisional audit committees.

The purpose of the ARC is:

- To ensure the overall adequacy and efficiency of the internal control systems and information systems.
- To ensure that the Group has appropriate financial reporting procedures and that those procedures are operating in all entities included in the consolidated Group IFRS Accounting Standards financial statements, in compliance with all applicable legal requirements, corporate governance, and accounting standards.
- To provide a forum for communication between the Board, executive management, and the internal and external auditors.
- To review and confirm the independence, objectivity, and effectiveness of the external auditors, and to review and approve the engagement of the external auditors for non-audit work.
- To introduce such measures as in the ARC's opinion may serve to enhance the reliability, integrity and objectivity of financial information, statements, and affairs of the Group.
- To review and monitor the objectivity and effectiveness of the internal audit function.
- To review and recommend to the Board the consolidated financial statements, press announcements and integrated annual report.
- To execute on responsibilities in terms of the Listings Requirements and monitor Group compliance.

Membership

The ARC members were re-appointed at the Annual General Meeting "AGM" of the Company on 12 September 2024.

The members during the 2025 financial year were Rashid Wally (Chairman), Mpho Makwana, Frank Davidson and Iaan van Heerden.

The ARC members were independent of executive management during the year under review. The Group CEO, Group Financial Director and Commercial Director attend the meeting by invitation. Shareholders will be requested to approve the appointment and/or reappointment of the members of the ARC at the AGM scheduled for 18 September 2025.

Attendance at meetings by ARC members during the reporting period was as follows:

	Scheduled meetings
Rashid Wally (Chairman)	5/5
Mpho Makwana	5/5
Frank Davidson	5/5
Iaan van Heerden	5/5

Representatives of the internal audit function (outsourced) and external audit function are invited to attend meetings and to report to the ARC.

Compliance

The organisation operates in complex compliance environments such as South Africa, other Southern African countries, Europe, Asia and North America. The Board has delegated responsibility to facilitate compliance throughout the Company and the Group to the ARC.

In this regard the ARC:

- Monitors compliance with applicable laws, including the JSE proactive monitoring requirements and, considers adherence to relevant non-binding rules, codes, and standards.
- Monitors the establishment and maintenance of a compliance framework that is appropriate to the laws, rules, codes and standards that are applicable to the relevant territory.
- Monitors the establishment and maintenance of a legal compliance policy.
- Monitors the establishment and maintenance of a compliance manual is established and implemented.
- Identifies, assesses, advises, monitors and reports on the regulatory compliance risk of the Company and the Group, which contributes to the overall risk management framework of the Company and the Group.
- Ensures that compliance monitoring and reporting is undertaken in a manner that is appropriate for the Company and the Group.
- Ensures that a compliance culture is encouraged through leadership, appropriate structures, education and training, communication, and the measurement of key performance indicators.
- Reviews and approves all decision letters and explanations provided to any regulator, including IRBA and the JSE.

Information, Communication and Technology

Invicta's Information, Communication and Technology ("ICT") Committee is established to assist the ARC and Board in respect of the following aspects:

- Appraise major information, communication, and technology ("ICT") related projects and technology architecture decisions.
- Ensure that the Group's ICT programs effectively support the Group's business objectives and strategies.
- Monitor the overall performance of the Group's senior information technology ("IT") management teams.
- Advises the Audit and Risk Committee and Board on strategic or material ICT-related matters.
- Monitors the identification and assessment of cyber risks to prevent the occurrence of successful cyber related attacks.

The ICT Committee consists of the Group Financial Director and the divisional IT managers, who meet quarterly. Regular reports are provided to the ARC on projects and IT management activities.

Internal audit

The internal audit and risk management function is outsourced to BDO. At present the Group does not have a Chief Audit Executive; the interaction with BDO is managed by the Group Financial Director. The adequacy and effectiveness of the key financial reporting controls operating over the reporting period were tested and it was determined that the controls provided a sound Internal Control Framework. The controls were either determined to be adequate and effective or were covered by compensating controls that mitigated the risk of a material misstatement.

BDO maintained the risk database, held workshops, and provide guidance on the evolution of the combined assurance model.

The ARC is satisfied with the arrangements for internal audit and have approved the risk-based internal audit plan. Further, the Committee is reasonably satisfied with the effectiveness of the design and implementation of the internal financial controls. There were no significant failures reported during the period under review.

External audit

Ernst & Young Inc. ("audit firm") were reappointed independent external auditor. Mr. Derek Engelbrecht, who is a registered independent auditor, is the designated partner for the audit of the 2025 reporting period.

The ARC has satisfied itself that the auditor of the Company and the Group is independent as defined by the Companies Act (2008) and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditor that internal governance processes within Ernst & Young support and demonstrate both their independence and quality of work.

The ARC, in consultation with executive management, agreed to the engagement letter, audit scope and audit plan for the 2025 reporting period. The budgeted fee was considered appropriate for the work that could reasonably have been foreseen at that time. The final fee will be agreed on completion of the audit.

There is a formal procedure that governs the level of non-audit services that may be undertaken by the audit firm without ARC approval. The ARC reviews the level of non-audit fees bi-annually. Meetings may be held with the auditor where management is not present.

The ARC has considered and satisfied itself of the appropriateness of the audit firm and partner in respect of the external auditor as required by the JSE Listings Requirements and is satisfied with the quality and effectiveness of the external audit.

Key audit matters

The ARC has assessed the key audit matters included in the external auditors' report and has concluded after considering submissions from management that these matters have been appropriately addressed.

Consolidated financial statements

The ARC fulfilled its mandate and recommended the consolidated financial statements for approval to the Board. The Board subsequently approved the consolidated financial statements, which will be open for discussion at the forthcoming AGM.

Group Financial Director and financial reporting procedures

As required by the JSE Listings Requirements, the ARC confirms that the Group and Company's Financial Director, Ms. Nazlee Rajmohamed CA(SA), has the necessary expertise and experience to carry out her duties. The ARC is satisfied with the effectiveness of Ms. Nazlee Rajmohamed and the overall finance function. The ARC is further satisfied that appropriate financial reporting procedures have been established throughout the Company and the Group, and that these procedures are operating effectively.

Risk management

Responsibility for managing Group risk ultimately lies with the Board. The Board manages risk through the ARC and Executive Committee (supported by the boards of subsidiary companies, executive committees, and management at operational level) which assist the Board in discharging its responsibility for the governance of risk by identifying, monitoring, and managing risks on an ongoing basis.

The Invicta Enterprise Risk Management Policy and Framework provides the basis for the implementation of a consistent, efficient, and economical approach to identify, evaluate and respond to key risks that may impact the Company and the Group. This specifically includes the following considerations:

- The risk profile and management of strategic and operational risk within the Company and the Group.
- The risk profile and risk management of major projects and acquisitions.
- The impact of environmental, economic, geopolitical, and social factors.
- The adequacy of self-insurance and external insurance programs.
- The risk profile and management of information technology.

The key risk areas listed were rated as likely and were assessed to have a high or significant residual risk rating. Details may be found in the Integrated Annual Report:

- Political and labour instability
- De-industrialisation of South Africa
- Global and local supply chain disruptions
- Execution of acquisition strategy
- Working capital management
- Information Technology
- South Africa’s electricity and water supply and stability
- Reputational damage
- Geo-political developments and trade dynamics
- Loss of technical and key management skills

Rashid Wally
Chairman of the Audit Committee
25 June 2025

Directors' report

for the year ended 31 March 2025

Invicta Holdings Limited

The directors have pleasure in presenting their report, which forms part of the consolidated financial statements of the Group, for the period ended 31 March 2025.

Nature of business

The Invicta Group consists of five operational segments, namely: 1. Replacement Parts for Industrial Equipment ("RPI"); 2. Replacement Parts for Auto and Agri ("RPA"); 3. Capital Equipment and Related Services ("CE"); 4. Replacement Parts for Earthmoving Equipment ("RPE"); and 5. Kian Ann Group.

The various segments of the Group are described below.

Invicta South Africa Holdings Proprietary Limited ("Invicta SA")

Invicta SA is the operational holding company of all the South African operations of the Invicta Group with 25% of its ordinary shares under the control of B-BBEE parties.

20% of Invicta SA's ordinary shares are held by Theramanzi Investments Proprietary Limited ("Theramanzi"), a wholly owned subsidiary of the Humulani Empowerment Trust ("HET"). The HET was established by Invicta in 2011 to promote the broad-based socio and economic advancement of black women, black broad-based groups and black designated groups in areas surrounding the operations of the Invicta Group. The disbursements made by the HET will be in the areas of education in projects that are considered to create sustainable community improvements. The HET is structured in the form of a broad-based trust, with empowerment status. In terms of IFRS 10, HET and Theramanzi, its wholly owned subsidiary, are consolidated into the Group results.

5% of Invicta SA's ordinary shares are held by the Humulani Employee Investment Trust ("Employee Trust") which has a wholly owned subsidiary, Africa Maintenance Equipment South Africa Proprietary Limited an investment holding company for the Africa Maintenance Equipment ("AME") companies. The beneficiaries of the Employee Trust are the historically disadvantaged South African employees of the Group, who do not participate in any other share incentive scheme of the Group. In terms of IFRS 10 *Consolidated Financial Statements*, the Employee Trust and Africa Maintenance Equipment South Africa Proprietary Limited are consolidated, and the AME entities are equity accounted into the Group's results.

Replacement Parts for Industrial Equipment (RPI)

This segment is the leading wholesale and retail distributor in Africa of engineering consumable products, technical services and 360-degree solutions. It has a global network consisting of 117 branches and an additional 95 vendor managed inventory consignment sites.

Activities include the international and local sourcing of leading brands, the distribution of premium engineering components and consumables, the provision of technical support, value-added assembly, and the bespoke manufacturing of components into customised systems and solutions for end-user customers.

The following products and services are provided:

- Technical services including on-site installation, maintenance work, breakdown repair, condition monitoring, failure analysis, design engineering and manufacturing. It supplies both imported and local product ranges:
  - Engineering consumables including bearings, seals and gaskets, power transmission, light and heavy materials handling, fasteners, geared and electric drives and motors;
  - Fluid technology products and solutions including hydraulic, pneumatic, valves, pumps, filtration, hose, fittings, and lubrication;
- Supply of tools and equipment, cutting, welding, lifting, personal protective equipment, locks and machine tools;
- Supply of imported and local vibrator motors, tensioning, and suspension systems;
- Supply of vibrating equipment and material handling solutions;
- Manufacture and supply of heavy-duty belting components and imported conveyor belting to industry.

Replacement Parts for Auto and Agri (RPA)

This segment supplies imported and locally sourced automotive and agricultural after-market replacement parts and kits in South Africa, the United Kingdom, Poland and Ukraine.

Capital Equipment and Related Services (CE)

This segment holds a leading position in the wholesale and retail distribution of earthmoving and materials-handling equipment and the supply and distribution in Southern Africa of Original Equipment Manufacturer ("OEM") branded parts and components.

The following product ranges are supplied:

- TCM materials-handling equipment and related spare parts;
- Moffett forklifts, Combilift forklifts, other material-handling brands, as well as the supply of related spare parts;
- Develon heavy earthmoving machinery, Everdigm hammers and Tonly off road dump trucks for construction and mining applications, and related spare parts;
- Hyundai earthmoving machinery and Soosan Hammers, and related spare parts.

Replacement Parts for Earthmoving Equipment (RPE)

This segment includes Nationwide Bearings Company Limited (NWB) acquired in the current financial year (refer to **Acquisitions**). The underlying businesses hold a leading position in the supply of the following after-market spare parts:

- ESP supplies after-market replacement spare parts, ground engaging tools, and undercarriage parts for earthmoving equipment in South Africa; and
- NWB based in the United Kingdom, supplies consumable parts to the earthmoving and agricultural machinery after markets and includes product offerings such as bearings, belts, bushes and seals with its own proprietary in-house developed brand.

Effective 1 April 2024, the segment disposed of its 100% investment in KMP Holdings Limited to the Kian Ann Group which included KMP Holdings Limited's investments in its subsidiaries and a joint venture in KMP Far East Pte. Ltd (KMPFE) (refer to **Disposals)**.

Kian Ann Group (KAG)

KAG is one of the largest independent distributors of heavy machinery parts and diesel engine components in Asia. The parts distributed are used for excavators, bulldozers, wheel loaders, motor graders, trucks, trailers, power generation sets and marine engines.

- Kunshan Kensetsu Buhin Co. Ltd and Jiangsu Kensetsu Buhin Co. Ltd are wholly owned subsidiaries which manufacture rollers for undercarriage of the heavy machinery and are based in China;
- European truck and bus parts are distributed through its subsidiary Kian Chue Hwa Pte Ltd;
- KAG provides parts support for major brands such as Caterpillar, Komatsu, Cummins, Hitachi, Kobelco, Sumitomo, Mercedes Benz, Volvo, Scania, Man, BPW, Hyundai and Doosan, who are major OEMs as well as an extensive range of Aftermarket Parts dealers;
- KMP Holdings Limited and its related subsidiaries including a joint venture in KMPFE, previously reported by the Group in the RPE: Earthmoving segment (refer above and to **Disposals)** were acquired effective 1 April 2024 and subsequently the remaining 50% shareholding in KMPFE during the current financial year (KMP). KMP is an independent wholesale supplier of aftermarket heavy-duty diesel engine parts for industrial and agricultural machinery operating in the UK, USA and Asia; and
- KAG has expanded regionally and globally over time, through subsidiary and related companies in China, Malaysia, Thailand, India, United States of America, Canada, and the United Kingdom.

Compliance with accounting standards

The Group's audited annual consolidated financial statements comply with International Financial Reporting Standards ("IFRS") Accounting Standards, the Companies Act No. 71 of 2008, the JSE Listings Requirements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Pronouncements as issued by the Financial Reporting Standards Council.

Group results

	2025 R'000	**2024 R'000**
Revenue	**8,111,903**	7,648,557
Operating profit before net finance income on financing transactions and foreign exchange movements	**765,431**	630,962
Profit for the year from continuing operations	**785,864**	552,135

Revenue grew by 6% year-on-year, and the gross profit margin improved to 32.6%, compared to 32.3% in the prior year. Selling administration and distribution costs grew by 2% or R42.9 million partly reflecting good cost containment. As KMP Holdings Limited was sold into our KAG joint venture, it has been excluded from the above numbers and is disclosed as a discontinued operation in the prior year and included in equity accounted earnings from joint ventures in the current year. The operating profit before net finance income from financing transactions and foreign exchange movements improved by R134 million. Profit for the year from continuing operations increased by 42% to R786 million. This includes a R199 million profit on the disposal of the Singapore property and R23 million profit on derecognition of the right of use leases which are include in equity accounted earnings from joint ventures.

Going concern

Refer to note 47 for an assessment of the applicability of the going concern principle as a basis for the preparation of the audited annual consolidated financial statements.

Events after the reporting date

Refer to note 48 for a detailed description of the events after reporting date.

Acquisitions

Effective 1 April 2024, the Group acquired a 100% shareholding interest in NWB for a purchase consideration of GBP12.4 million (R294 million). NWB is a company based in the United Kingdom and supplies consumable parts to the earth moving and agricultural machinery aftermarkets. The product offering includes bearings, belts, bushes and seals with its own proprietary, in-house developed brand, NWB. The NWB branded products are developed internally and manufactured via a network of outsourced partners across the world. NWB is consolidated from 1 April 2024 and reported in the RPE operating segment.

Disposals

The Group disposed of its 100% shareholding in KMP Holdings Limited, effective 1 April 2024 to the KAG in which the Group holds a 48.81% interest, for a consideration of GBP12.6 million (R293 million). The Group recognised a profit on disposal of R20.5 million. KMP Holdings Limited formed part of the RPE operating segment and has been deconsolidated from the effective date of disposal and subsequently included in the equity accounted earnings from investment in joint ventures from the KAG.

Effective 1 August 2024, the Group disposed of its 51% shareholdings in Abrasive Flow Solutions (Pty) Ltd for a consideration of R7 million. The Group recognised a loss on disposal of R3.2 million. Abrasive Flow Solutions (Pty) Ltd formed part of the RPI operating segment and has been deconsolidated from the effective date of disposal.

On 29 April 2024, the Group disposed of the Kosmosdal property which was classified as held for sale at 31 March 2024 for a purchase consideration equivalent to the carrying value at 31 March 2024 of R9 million. During the financial year, an investment property located in Camperdown was classified to assets held for sale. The sale of Camperdown was concluded during March for a purchase consideration of R65.9 million and a profit on disposal of R21.1 million recognised. The Group furthermore disposed of its Elandsfontein investment property for a purchase consideration of R3.3 million and recognised a loss on disposal of R0.6 million.

Management philosophy

Each division is self-contained and has its own executive team which is supported by a complete finance and administration infrastructure. The Invicta Group CEO and Invicta executives are actively involved in the executive committees of all operating segments, with executive directors of the Group actively controlling and participating on the Boards of subsidiaries. Invicta aims to add value by providing expertise and guidance to subsidiary management teams, and by pooling the best practices and resources within the Group.

Ordinary share capital

The total ordinary shares in issue at the reporting date is 91,920,783 (2024: 96,842,425) of which the Group holds nil (2024: nil) ordinary shares as treasury shares (note 20).

Unissued ordinary share capital

The unissued ordinary shares are the subject of a general authority granted to the directors in terms of the Companies Act (2008) and the JSE Listings Requirements. In terms of the Company's memorandum of incorporation ("MOI") this general authority remains valid only until the next AGM, to be held on 18 September 2025. Members will be requested at the meeting to consider an ordinary resolution placing the said ordinary shares under the control of the directors until the 2026 AGM.

Repurchase of ordinary shares

The directors consider it appropriate to secure a general authority for the Group to repurchase ordinary shares on the open market through the JSE to provide the Group with maximum flexibility regarding the repurchase of its own shares.

Treasury shares are eliminated on consolidation and are thus treated as cancelled from a financial reporting perspective.

The Company's MOI allows the Group to purchase its own shares if shareholders have, by way of special resolution, given the Group a general authority to effect such purchase or a specific authority to effect a specific purchase of its own shares, subject to the requirements of the Companies Act (2008) and the JSE Listings Requirements.

Preference share capital

On 8 July 2024, the Group redeemed all of its issued preference shares, totaling 6,857,757 shares for R102.50 per share i.e. R703 million (note 22). The redemption was funded by cash reserves and borrowing facilities.

Dematerialising of shares (STRATE)

Shareholders are requested to note that trades are cleared and settled through the Strate system; consequently, the Company's share certificates may no longer be delivered for trading. Dematerialisation of the Company's share certificates is now a prerequisite when dealing in its shares.

Directors' report (continued)

for the year ended 31 March 2025

Auditors

Ernst & Young Inc.("EY") was appointed as auditors of the Company and its major subsidiaries for the year ended 2025. Shareholders will be requested to reappoint EY as auditors of Invicta and the Group, at the Annual General Meeting ("AGM"), and to confirm that Mr. Derek Engelbrecht will be the designated audit partner for the 2026 reporting period.

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited, acts as sponsor to the Company in terms of the JSE Listings Requirements.

Transfer secretaries

Computershare Investor Services (Pty) Ltd serves as the registrar and transfer secretaries of the Company.

Subsidiaries, associates and joint ventures

Details of the Company's interests in its material subsidiaries, associates and joint ventures are set out in the attached audited annual consolidated financial statements in notes 12, 13 and 14 on pages 44 to 50 of the Report.

Directors

Details of the directors and Group Company Secretary during the reporting period and at the date of the audited annual consolidated financial statements are reflected in the integrated report.

Directors' contracts

A loan has been previously given to a director of a subsidiary and the terms of the loan were market related. The loan has been settled in full during the current financial year. No other contracts have been entered into between the Company or the Group and the Group directors, or directors of material Group companies, during the reporting period under review.

Directors' interest in shares of the Company

The total direct and indirect interest declared by the directors in the issued ordinary share capital of the Company at 31 March 2025 was 59% (2024: 56%).
The total direct and indirect interest declared by the directors in the preference share capital of the Company at 31 March 2025 was nil (2024: 34%).
The details of the directors' shareholding are reflected in note 42 on page 82.

Directors' fees

Directors' payments for services as directors and other emoluments for the past reporting period are set out in note 41 on pages 79 to 81 of the Report. Members will be requested to consider a special resolution approving the remuneration of each non-executive director for the 2026 reporting period as required by the Companies Act (2008) and ordinary resolutions to endorse the remuneration policy and the remuneration implementation report at the AGM.

Dividends

Ordinary share dividends

A cash dividend of 115 cents per ordinary share (2024: 105 cents per share) will be paid on 25 August 2025 to shareholders registered on 22 August 2025.

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa.

Preference share dividends

It was the Group's policy to make two dividend payments each year, an interim in December and a final in June/July.

A final cash dividend of 771.02 cents per preference share relating to the prior financial year, was paid on 8 July 2024 to shareholders registered on 5 July 2024.

Following the redemption of the preference shares, no interim cash dividend was declared and paid in the current financial year (2024: 537.27 cents per share).

Notice of annual general meeting

Notice to shareholders detailing all necessary resolutions relating to the Company affairs is set out in the Notice of AGM.

Signed on behalf of the board of directors

Dr Christo Wiese
Chairman
Cape Town
25 June 2025

Steven Joffe
Chief executive officer
Johannesburg
25 June 2025

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Independent Auditor's Report

To the Shareholders of Invicta Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of *Invicta Holdings Limited* and its subsidiaries ('the group') set out on pages 15 to 91, which comprise of the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the group and 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 of the group and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule) we report:

Final Materiality

The ISAs recognise that:

- Misstatements, including omissions, are material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken based on the financial statements.
- Judgments about materiality are made considering surrounding circumstances and are affected by the size or nature of a misstatement, or a combination of both.
- Judgments about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgment. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

We determined final materiality for the Group to be R56 304 000, which is 5% of Earning Before Interest and Tax (EBIT). We have identified EBIT as the most appropriate basis as we typically believe that profit companies are evaluated by users on their ability to generate earnings.

Our review of information provided to users by the entity confirms our view

Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements.

We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the Group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component. We involved component auditors in this risk assessment process.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing overall analytical procedures at Group level.

Of the 16 components selected, we identified:

- 7 components ("full scope components") which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.
- 9 components ("specific scope components") where our procedures were more focussed or limited to specific accounts which we considered had the potential for the greatest impact on the significant accounts in the financial statements given the specific risks identified.

At Group level we also tested the consolidation.

Key Audit Matters

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

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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

The key audit matter applies to the audit of the consolidated financial statements.

Key audit mater description	How the matter was addressed in the audit
Inventory valuation - provisioning	
The Inventory balance as at 31 March 2025 is R 2,971 million (2024: R3,016 million). As described in note 16 to the consolidated financial statements, the cost of finished goods and goods in transit, for both equipment and parts, is the landed cost of the goods plus the costs incurred to bring it to a selling location and is calculated using the weighted average method. In order to calculate the costs incurred to bring the inventory to a selling location, management performs various calculations to adjust the IT system weighted average cost. Managements policy also includes an estimation process with regard to the upliftment percentages Inventory valuation is considered a key audit matter due to the adoption of a new computer based automated calculation technique for the calculation of the inventory valuation adjustments which necessitated extended audit procedures to ensure that management's valuation policy is being accurately applied by the computer based automated technique calculation.	We performed the following procedures: • Tested the design and implementation of controls around the significant accounting estimates in determining the obsolescence provision and uplift cost reversal. • Evaluated managements policy for inventory costing to assess compliance with IAS 2 – Inventories. • Evaluated and assessed management's estimate of the uplift percentage set in the policy. • Tested the design and implementation of controls relating to the calculation of the inventory costing adjustments including provision and reversals in accordance with IAS 2. • Evaluated the reasonableness of the calculations applied by management through comparison with prior years for consistency and our knowledge of industry practice. • Recalculated and reperformed the obsolescence provision to ensure arithmetical accuracy of management's computations in accordance with their policy. • Assessed the appropriateness and completeness of the related disclosures in the consolidated financial statements against the requirements of IAS 2 – Inventories.
Key Observations Based on the procedures performed over the *Inventory valuation - Provisioning*, we did not identify any significant matters requiring further consideration in concluding on our procedures.	

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the 91-page document titled "2025 Audited Annual Consolidated Financial Statements for the year ended 31 March" which includes the Certification by the Group Company Secretary, Audit and Risk Committee report, and the Directors' Report as required by the Companies Act of South Africa and the Approval of the consolidated financial statements and Shareholder Information; and in the 31-page document titled "2025 Invicta Holdings Limited Audited Annual Financial Statements for the year ended 31 March", which includes the Certification by the Company Secretary, Audit and Risk Committee report and the Directors' Report, as required by the Companies Act of South Africa, and the Directors responsibilities and approval, which we obtained prior to the date of this report, and the "2025 Integrated Report for the year ended 31 March" which is expected to be made available to us after that date. The other information does not include the annual consolidated financial statements and our auditor's reports thereon.

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

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

Responsibilities of the Directors for the Consolidated Financial Statements

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

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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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditors of *Invicta Holdings Limited* for 7 years.

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Ernst & Young Incorporated
Director: Derek Engelbrecht
Registered Auditor
Chartered Accountants (SA)
27 June 2025

Consolidated statement of financial position

as at 31 March 2025

	Notes	31 March 2025 R'000	31 March 2024 R'000
Assets			
Non-current assets			
Property, plant and equipment	4	**1,086,486**	1,139,236
Investment property	5	**74,383**	121,859
Right-of-use assets	6.1	**209,179**	225,288
Goodwill	7	**60,651**	71,745
Other intangible assets	8	**47,421**	49,528
Net investment in finance leases	9.1	**201,466**	102,181
Loans and other receivables	10	**119,189**	72,176
Investments in associates	13	**17,394**	22,051
Investments in joint ventures	14	**1,852,285**	1,879,525
Deferred taxation	15.1	**188,901**	198,298
Total non-current assets		**3,857,355**	3,881,887
Current assets			
Inventories	16	**2,971,427**	3,015,869
Trade and other receivables	17	**1,342,769**	1,254,792
Net investment in finance leases	9.1	**182,109**	111,494
Loans and other receivables	10	**16,538**	25,395
Derivatives	11.1	**1,359**	329
Current taxation		**12,545**	16,110
Cash and cash equivalents	18	**799,800**	998,684
Total current assets		**5,326,547**	5,422,673
Assets classified as held for sale	19	**22,414**	9,000
Total assets		**9,206,316**	9,313,560
Equity and liabilities			
Equity			
Stated capital - ordinary shares	20	**2,211,386**	2,331,578
Preference shares	22	**–**	685,776
Other reserves	23	**63,860**	63,678
Foreign currency translation reserve		**252,376**	356,553
Retained earnings		**2,839,384**	2,249,733
Equity attributable to owners of the parent		**5,367,006**	5,687,318
Non-controlling interests		**84,810**	82,742
Shareholders' equity		**5,451,816**	5,770,060
Liabilities			
Non-current liabilities			
Borrowings	24	**978,489**	1,105,486
Right-of-use lease liabilities	6.2	**181,615**	190,427
Finance lease liabilities	9.2	**177,292**	93,952
Deferred taxation	15.1	**40,295**	39,044
Employee benefit bonus incentives	26	**15,004**	24,168
Total non-current liabilities		**1,392,695**	1,453,077
Current liabilities			
Trade and other payables	25	**1,609,915**	1,428,201
Derivatives	11.2	**146**	523
Employee benefit bonus incentives	26	**202,647**	192,672
Current taxation		**48,794**	27,034
Borrowings	24	**159,129**	106,821
Right-of-use lease liabilities	6.2	**70,938**	80,905
Finance lease liabilities	9.2	**171,601**	81,738
Profit share liability	27	**78,935**	78,497
Bank overdrafts	18	**19,700**	94,032
Total current liabilities		**2,361,805**	2,090,423
Total liabilities		**3,754,500**	3,543,500
Total equity and liabilities		**9,206,316**	9,313,560

Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 March 2025

	Notes	31 March 2025 R'000	Represented* 2024 R'000
Continuing operations			
Revenue	28	**8,111,903**	7,648,557
Cost of sales		**(5,465,930)**	(5,179,562)
Gross profit		**2,645,973**	2,468,995
Expected credit losses recognised on trade receivables	17	**(5,229)**	(5,627)
Selling, administration and distribution costs		**(1,875,313)**	(1,832,406)
Operating profit before net finance income on financing transactions and foreign exchange movements	29	**765,431**	630,962
Finance income from financing transactions	9.3	**35,264**	20,911
Finance cost on financing transactions	9.3	**(23,426)**	(12,025)
Foreign exchange gains	30	**145,667**	163,025
Foreign exchange losses and costs	30	**(161,770)**	(129,980)
Operating profit		**761,166**	672,893
Equity accounted (losses)/earnings from investment in associates	13	**(191)**	5,702
Equity accounted earnings from investment in joint ventures	14	**365,098**	166,707
Finance income	31	**47,366**	48,007
Finance costs	32	**(177,097)**	(165,018)
Profit before taxation		**996,342**	728,291
Taxation expense	15.2	**(210,478)**	(176,156)
Profit for the year from continuing operations		**785,864**	552,135
Discontinued operations			
Profit for the year from discontinued operations	33	**–**	31,982
Profit for the year		**785,864**	584,117
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of taxation):			
Exchange differences on translation of foreign operations		**(75,164)**	142,118
Exchange differences recognised on disposal of KMP Holdings Limited	40	**(39,725)**	–
Other comprehensive (loss)/income		**(114,889)**	142,118
Total comprehensive income for the year		**670,975**	726,235
Profit attributable to:			
Owners of the parent - ordinary shares (continuing)		**745,328**	448,551
Owners of the parent - ordinary shares (discontinued operations)		**–**	31,982
Non-controlling interests		**16,850**	17,069
Owners of the parent - preference shares		**23,686**	86,515
Profit for the year		**785,864**	584,117
Total comprehensive income attributable to:			
Owners of the parent - ordinary shares (continuing)		**625,421**	559,566
Owners of the parent - ordinary shares (discontinued operations)	33	**–**	59,511
Non-controlling interests		**21,868**	20,643
Owners of the parent - preference shares		**23,686**	86,515
Total comprehensive income for the year		**670,975**	726,235
Basic and diluted earnings per share:			
Basic earnings per share from continuing operations (cents)	34	**773**	459
Basic earnings per share (cents)	34	**773**	492
Diluted earnings per share from continuing operations (cents)	34	**771**	459
Diluted earnings per share (cents)	34	**771**	492

*Represented refer to note 33.

Consolidated statement of changes in equity

for the year ended 31 March 2025

	Stated capital - ordinary shares	Treasury shares	Preference shares	Other reserves*	31 March Foreign currency translation reserve	Retained earnings	Attributable to equity shareholders	Non-controlling interests	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 31 March 2023	2,403,858	(30,874)	712,500	(27,002)	218,009	1,977,802	5,254,293	84,842	5,339,135
Total comprehensive income for the year	–	–	–	–	138,544	567,048	705,592	20,643	726,235
Profit for the period	–	–	–	–	–	567,048	567,048	17,069	584,117
Other comprehensive income for the period	–	–	–	–	138,544	–	138,544	3,574	142,118
Transactions with owners of the Company									
Contributions and distributions									
Ordinary shares purchased	–	(55,404)	–	–	–	(5,237)	(60,641)	–	(60,641)
Ordinary shares cancelled	(72,280)	74,447	–	–	–	(2,167)	–	–	–
Preference shares purchased	–	(26,724)	–	–	–	(568)	(27,292)	–	(27,292)
Preference shares cancelled	–	26,724	(26,724)	–	–	–	–	–	–
Ordinary dividends declared	–	–	–	–	–	(105,517)	(105,517)	(22,610)	(128,127)
Preference dividends declared	–	–	–	–	–	(86,515)	(86,515)	–	(86,515)
Equity-settled share-based payments exercised		11,831		(18,006)	–	–	(6,175)	–	(6,175)
Equity-settled share-based payments issued	–	–	–	17,666	–	–	17,666	–	17,666
Equity-settled share-based payments cancelled	–	–	–	(4,159)	–	4,159	–	–	–
Transfer between reserves	–	–	–	95,179	–	(96,056)	(877)	877	–
Changes in ownership interests									
Liquidation of subsidiary	–	–	–	–	–	(3,216)	(3,216)	(5,261)	(8,477)
Non-controlling interest arising on acquisition of subsidiary	–	–	–	–	–	–	–	4,251	4,251
Balance at 31 March 2024	2,331,578	–	685,776	63,678	356,553	2,249,733	5,687,318	82,742	5,770,060

*Consists of a common control reserve, share-based payment reserve and other statutory reserves (note 23).

Consolidated statement of changes in equity

for the year ended 31 March 2025

	Stated capital - ordinary shares	Treasury shares	Preference shares	Other reserves*	31 March Foreign currency translation reserve	Retained earnings	Attributable to equity shareholders	Non-controlling interests	Total
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 31 March 2024	2,331,578	–	685,776	63,678	356,553	2,249,733	5,687,318	82,742	5,770,060
Total comprehensive income for the year	–	–	–	–	(119,907)	769,014	649,107	21,868	670,975
Profit for the period	–	–	–	–	–	769,014	769,014	16,850	785,864
Other comprehensive (loss)/income for the period	–	–	–	–	(119,907)	–	(119,907)	5,018	(114,889)
Transactions with owners of the Company									
Contributions and distributions									
Ordinary shares purchased	–	(123,359)	–	–	–	(36,290)	(159,649)	–	(159,649)
Ordinary shares cancelled	(120,192)	120,192	–	–	–	–	–	–	–
Preference shares redeemed	–	–	(685,776)	–	–	(17,144)	(702,920)	–	(702,920)
Ordinary dividends declared	–	–	–	–	–	(107,362)	(107,362)	(7,860)	(115,222)
Preference dividends declared	–	–	–	–	–	(23,686)	(23,686)	–	(23,686)
Equity-settled share-based payments exercised	–	3,167	–	(11,072)	–	5,698	(2,207)	–	(2,207)
Equity-settled share-based payments issued	–	–	–	14,069	–	–	14,069	–	14,069
Equity-settled share-based payments cancelled	–	–	–	(2,815)	–	2,815	–	–	–
Transfer between reserves	–	–	–	–	15,730	(3,394)	12,336	(12,336)	–
Changes in ownership interests									
Disposal of subsidiaries	–	–	–	–	–	–	–	396	396
Balance at 31 March 2025	2,211,386	–	–	63,860	252,376	2,839,384	5,367,006	84,810	5,451,816
Notes	20	20	22	23					

*Consists of a common control reserve, share-based payment reserve and other statutory reserves (note 23).

Consolidated statement of cash flows

for the year ended 31 March 2025

	Notes	31 March 2025 R'000	31 March 2024 R'000
Cash flows from operating activities			
Cash generated from operations	35	**724,800**	817,862
Finance costs paid		**(173,426)**	(172,105)
Finance cost on financing transactions paid		**(23,426)**	(12,025)
Dividends paid to Group shareholders	36	**(165,978)**	(182,150)
Dividends paid to non-controlling interests		**(1,208)**	(22,610)
Taxation paid	37	**(175,494)**	(153,661)
Finance income received		**46,441**	46,864
Finance income from financing transactions received		**35,264**	20,910
Net cash inflow from operating activities		**266,973**	343,085
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment		**13,031**	69,319
Proceeds on disposal of investment property		**76,969**	–
Additions to property, plant and equipment		**(93,961)**	(93,612)
Additions to other intangible assets		**(11,257)**	(3,988)
Proceeds on disposal of other intangible assets		**55**	34
Acquisition of subsidiaries	39	**(190,329)**	(64,041)
Acquisition of joint venture	14	**–**	(28,750)
Proceeds on disposal of subsidiaries (net of cash and cash equivalents disposed)	40	**351,120**	6,824
Proceeds on disposal of associate		**–**	38
Dividends received from associates	13	**4,566**	7,234
Dividends received from joint ventures	14	**311,088**	102,910
Funds lent in relation to loans and other receivables		**(25,384)**	(2,834)
Payments received from loans and other receivables		**35,573**	71,112
Net cash inflow from investing activities		**471,471**	64,246
Cash flows from financing activities			
Funding received in respect of borrowings	38	**778,100**	549,084
Principal repayment of borrowings	38	**(838,719)**	(754,586)
Funding received in respect of finance lease liabilities	38	**344,212**	215,481
Principal repayment of finance lease liabilities	38	**(171,009)**	(88,121)
Principal repayment of right-of-use lease liabilities	6.2	**(75,636)**	(94,157)
Payment of profit share liability	27	**(10,762)**	(6,784)
Ordinary shares repurchased	20	**(156,481)**	(60,641)
Ordinary shares purchased - share-based payments exercised	20	**(3,167)**	–
Preference shares redeemed	22	**(702,920)**	–
Preference shares repurchased	22	**–**	(27,293)
Derivative financial assets proceeds		**–**	8,655
Net cash outflow from financing activities		**(836,382)**	(258,362)
Net (decrease)/increase in cash and cash equivalents		**(97,938)**	148,969
Cash and cash equivalents at the beginning of the year		**904,652**	730,324
Effect of foreign exchange rate movement on cash balance		**(26,614)**	25,359
Cash and cash equivalents at the end of the year		**780,100**	904,652
Cash and cash equivalents			
Bank and cash balances	18	**799,800**	998,684
Bank overdrafts	18	**(19,700)**	(94,032)
Total		**780,100**	904,652

Notes to the audited annual consolidated financial statements

for the year ended 31 March 2025

Corporate information

Invicta Holdings Limited (the "Company"), registration number 1966/002182/06, is a company incorporated and domiciled in South Africa. The registered address of the Company is 3 Droste Crescent, Droste Park Extension 7, Jeppestown, Johannesburg, 2001. The Company's shares are publicly traded on the Johannesburg Securities Exchange and the A2X. The audited annual consolidated financial statements of the Company for the year ended 31 March 2025 comprise the Company, its subsidiaries, associates and joint ventures (together referred to as the "Group"). The Company is the ultimate parent company of the Group.

The Group's principal activities include the wholesale and distribution of engineering consumable goods, earthmoving and material-handling equipment, the supply and distribution of branded parts and equipment as well as the provision of technical services through its operating segments.

The audited annual consolidated financial statements were authorised for issue by the directors on 25 June 2025.

1. Accounting framework

The Group applies all applicable International Financial Reporting Standards (IFRS) Accounting Standards to prepare the audited annual consolidated financial statements. Consequently, all IFRS Accounting Standards that were effective as of 31 March 2025 and are relevant to the Group's operations have been applied.

The material accounting policies applied in preparing these audited annual consolidated financial statements are set out in each of the respective notes. Material accounting policies that are general in nature and that are applicable to more than one specific note have been disclosed under general material accounting policies in note 2.

In preparation of these audited annual consolidated financial statements, the Group has assessed materiality for each item on the statement of comprehensive income and statement of financial position. In assessing the materiality of the Group, quantitative and qualitative factors were considered.

New and amended standards and interpretations:

The accounting policies applied are consistent with those adopted and disclosed in the audited annual consolidated financial statements for the year ended 31 March 2024, unless otherwise stated. The Group has adopted the following amendments which became effective for the current financial year:

Standards and amendments	Effective date	Impact
Amendments to IFRS 16 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024	No material impact
Amendments to IAS 1 *Presentation of Financial Statements:* Classification of Liabilities as Current or Non-current	1 January 2024	No material impact
Amendments to IAS 1 *Presentation of Financial Statements:* Non-current Liabilities with Covenants	1 January 2024	No material impact
Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments Disclosures:* Supplier Finance	1 January 2024	No material impact

Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's audited annual consolidated financial statements, are disclosed on page 19. The Group intends to adopt these amendments, if applicable, when they become effective.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

1. Accounting framework (continued)

Standards issued but not yet effective (continued)

Standards and amendments	Effective date	Possible impact
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	Annual periods beginning on or after 1 January 2025	Unlikely there will be a material impact
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Classification and Measurement of Financial Instruments	Annual periods beginning on or after 1 January 2026	Unlikely there will be a material impact
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*: Power Purchase Agreements	Annual periods beginning on or after 1 January 2026	Unlikely there will be a material impact
Annual improvements to IFRS Accounting Standards – *Volume 11*	Annual periods beginning on or after 1 January 2026	Unlikely there will be a material impact
IFRS 18 *Presentation and Disclosure in Financial Statements*	Annual periods beginning on or after 1 January 2027	On adoption, the standard will impact the presentation and disclosure of the financial statements. In particular, the consolidated statement of profit or loss and other comprehensive income line items will be represented into operating, investing, financing, income taxes and discontinued operations categories with mandatory specified totals and subtotals including operating profit or loss, profit or loss before financing and income taxes and profit or loss. The standard will be applied retrospectively in line with the transition requirements of the standard
Amendments to IAS 33 *Earnings Per Share*: Disclosure of additional Earnings per share	Annual periods beginning on or after 1 January 2027	Unlikely there will be a material impact
Amendments to IAS 7 *Statement of Cash Flows*: Operating subtotal starting point for the statement of cash flows using the indirect method	Annual periods beginning on or after 1 January 2027	The starting point for the consolidated statement of cash flows will be the operating profit line item as determined in accordance with the requirements of IFRS 18 *Presentation and Disclosure in Financial Statements*
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	Annual periods beginning on or after 1 January 2027	No impact to consolidated annual financial statements
Amendments to IFRS 10: *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date of this amendment has been deferred indefinitely until further notice	Unlikely there will be a material impact

2. General material accounting policies

2.1. Basis of preparation and statement of compliance

The audited annual consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRIC), the Companies Act No. 71 of 2008, the JSE Listings Requirements (JSE) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council.

The audited annual consolidated financial statements are presented in Rand, which is also the functional currency of the Group, rounded to its nearest thousand (R'000) unless otherwise indicated.

The audited annual consolidated financial statements were compiled under the supervision of Ms. N Rajmohamed, the Financial Director.

2. General material accounting policies (continued)

2.1. Basis of preparation and statement of compliance (continued)

The audited annual consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair value and the employee benefit bonus incentive measured using the projected unit credit method. These accounting policies are consistent with those of the comparative financial year unless otherwise stated.

Fair value measurement and valuation processes

The Group measures certain financial instruments at fair value at each reporting date (note 11 derivatives and note 27 profit share liability). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the audited annual consolidated financial statements are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the Group can access at the measurement date.
- Level 2 – inputs are inputs, other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised on a recurring basis, the Group determines whether transfers have occurred between the levels in the hierarchy by reassessing the categorisation at the end of each reporting period. There have been no transfers between levels in the current financial year (2024: no transfers). Information about the valuation techniques and inputs used in determining the fair value is disclosed in note 43 financial instruments measured at fair value.

2.2. Basis of consolidation

The audited annual consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power over the investee to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities when 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, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2. General material accounting policies (continued)

2.2. Basis of consolidation (continued)

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts 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 owners of the Company.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount 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 in respect of that entity are accounted for as if the Group had directly disposed of the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The profit or loss realised on disposal or termination of an entity is calculated after taking into account the carrying amount of any related goodwill.

2.3. Associates and joint ventures

Associates and joint ventures are accounted for using the equity method.

An associate is an entity over which the Group exercises significant influence but does not control or jointly control the financial and operating policies of the investee.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for liabilities. Joint control is a contractually agreed sharing of control of an arrangement that requires unanimous consent by the contractual parties on decisions about the relevant activities.

In applying the equity method, the investment in the associate or joint venture is measured at cost, which includes transaction costs, with the Group's share of post-acquisition earnings recognised in profit or loss and other comprehensive income in accordance with the Group's accounting policies and is presented separately in the statement of profit or loss and other comprehensive income. The Group's share of the investee's reserves is recognised in the statement of changes in equity per the relevant reserve category.

At initial recognition, the principles for business combinations are applied and any resulting notional goodwill arising on the acquisition is included in the carrying amount of the investment. Any gain on bargain purchase is included as income in the Group's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Associates or joint ventures are equity accounted from acquisition date and cease to be equity accounted when significant influence or joint control ceases.

Dividend income from associates or joint ventures reduces the carrying value of the investment. If the associates or joint ventures are loss-making, the carrying value is reduced until it is carried at Rnil.

When additional investments are made while maintaining significant influence or joint control, the cost of the additional investment is added to the carrying value of the investee. Notional goodwill that arises from this additional acquisition is added to the carrying value of the investee. When the ownership interest in an investee is reduced without affecting the classification as an associate or joint venture, the Group reclassifies to profit or loss the proportionate gain or loss that had previously been recognised in other comprehensive income relating to the reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets and liabilities.

2. General material accounting policies (continued)

2.4. Foreign currency

Each entity in the Group determines its own functional currency and transactions included in the financial statements of each entity are measured using the functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent to initial recognition, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognised in profit or loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. The profit or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the profit or loss on change in fair value of the item (i.e., translation differences on items whose fair value profit or loss is recognised in other comprehensive income, or, profit or loss, are also recognised in other comprehensive income or profit or loss, respectively).

Foreign currency translations

For the purposes of presenting the audited annual consolidated financial statements, the presentation currency is the South African Rand. On consolidation, the assets and liabilities of foreign operations, with a functional currency other than the Rand, including goodwill and fair value adjustments arising on acquisition, are translated from local currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated from local currency at the exchange rates at the dates of the transactions.

All resulting foreign currency exchange differences are recognised in other comprehensive income (OCI) and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interests (NCI).

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

2.5. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument, and these are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL") are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at FVTPL are recognised immediately in profit or loss.

If the fair value of the financial asset or financial liability at initial recognition differs from the transaction price, the Group recognises the difference as a gain or loss, in profit or loss if, that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e., level 1 input) or based on a valuation technique that uses data only from observable markets. In all other cases, the difference is deferred at initial recognition and subsequently, that deferred difference is recognised as a gain or loss only to the extent that it arises from a change in a factor (such as time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value depending on the classification of the financial asset. Financial assets at amortised cost include loan receivables (note 10), trade and other receivables (note 17) and cash and cash equivalents (note 18) as the business model is to collect payment of principal and interest.

Financial assets at fair value through profit or loss include forward exchange contracts (note 11.1).

The Group currently does not recognise any financial assets through other comprehensive income.

2. General material accounting policies (continued)

2.5. Financial instruments (continued)

Subsequent measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate method or at fair value through profit or loss.

Financial liabilities at amortised cost include interest-bearing borrowings (note 24), trade and other payables (note 25), lease liabilities (note 9.2) and bank overdrafts (note 18).

Financial liabilities classified as at fair value through profit or loss include derivative forward exchange contracts (note 11.2) and the profit share liability (note 27).

Financial asset write-offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof (note 17 and note 43).

Credit impaired financial assets

A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset has occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the debtor.
- A breach of contract, such as a default or past due event.
- Concessions granted to a debtor that would not otherwise have been considered.
- Bankruptcy or financial reorganisation of a debtor.

Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains all the risks and rewards of ownership substantially and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains all the risks and rewards of ownership of a transferred financial asset substantially, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

The Group derecognises a financial liability when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it, as an extinguishment of the original financial liability and recognises a new financial liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. Any costs or fees incurred are recognised as part of the profit or loss on extinguishment. If the modification is not substantial, the difference between the carrying amount of the liability before the modification and the present value of the cash flows after the modification are recognised in profit or loss as the modification profit or loss within other profits and losses and any costs or fees incurred adjust the carrying amount of the financial liability and are amortised over the remaining term of the modified liability.

Amortised cost and effective interest rate method

Interest income is recognised in profit or loss and presented in the finance income line item. Interest expense is recognised in profit or loss and presented in the finance cost line item.

2.6. Change in accounting policy

During the current financial year there have been no material changes to accounting policies made by management as a result of new and amended IFRS Accounting Standards which are applicable in the current financial year.

3. Operating segments

Accounting policy

The determination of operating segments is based on components of the Group that engage in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Each operating segment's operating results excluding foreign exchange, and finance income and costs which, are managed centrally, is reviewed regularly by the Group's Executive Committee to make decisions about resources to be allocated to the segment and assess its performance. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. Business operations considered to be immaterial to the Group (less than 10% of revenues, profit or loss and assets and liabilities), are aggregated within the reportable segments identified, as described below, based on the economic characteristics of the products and services offered.

All segments are operating within South-Africa, Asia, North America and some parts of Africa and Europe.

Transactions between segments follow the Group's accounting policies and are at arm's length.

During the current financial year, the Group renamed its reportable operating segments as indicated in the table below.

The Group has the following reportable operational segments:

Reportable segments	Operations
Replacement Parts for Industrial Equipment (RPI), *previously Replacement parts, Services, & Solutions: Industrial (RPI: Industrial)*	Wholesaler and retail distributor of engineering consumable products, technical services and 360 degree solutions operating in Africa and Asia.
Replacement Parts for Auto and Agri (RPA), *previously Replacement parts, Services & Solutions: Auto-agri (RPA: Auto-agri)*	Supplier of imported and local automotive and agricultural after-market replacement parts and kits in South Africa and Europe.
Capital Equipment and Related Services (CE), *previously Capital equipment (CE: Capital equipment)*	Wholesale and retail distributor of earthmoving and materials-handling equipment and the supply and distribution of OEM branded parts and components operating in South Africa.
Replacement Parts for Earthmoving Equipment (RPE), *previously Replacement parts, Services & Solutions: Earthmoving equipment (RPE: Earthmoving)*	Suppliers of after-market replacement spare parts and consumable parts for earthmoving equipment, agricultural machinery, ground engaging tools and undercarriage parts, operating in South Africa and the United Kingdom.
Kian Ann Group (Joint Venture)	Manufacture, distributor and supplier of heavy machinery parts and diesel engine components for industrial and agricultural machinery operating in Asia, Europe, America and Canada.
Corporate Group	Comprises MacNeil Plastics, consolidated Trusts and their associate investments and Group support services including financing, investment, and property operating in South Africa.

3.1 Segment revenue

The following is an analysis of the Group's revenue and results from operations by reportable segments:

	31 March			
	Sale of goods*	Rendering of services	Rental income	Total
2025	**R'000**	**R'000**	**R'000**	**R'000**
RPI	**4,987,190**	**11,122**	**–**	**4,998,312**
RPA	**812,927**	**–**	**–**	**812,927**
CE	**1,180,752**	**63,459**	**80,737**	**1,324,948**
RPE	**567,449**	**–**	**–**	**567,449**
Corporate Group	**430,922**	**–**	**19,155**	**450,077**
Inter-segment elimination	**(41,810)**	**–**	**–**	**(41,810)**
Total	**7,937,430**	**74,581**	**99,892**	**8,111,903**
2024				
RPI	4,855,369	9,956	–	4,865,325
RPA	737,853	578	–	738,431
CE	1,053,859	74,564	63,677	1,192,100
RPE**	459,542	–	–	459,542
Corporate Group	378,582	–	21,573	400,155
Inter-segment elimination	(6,996)	–	–	(6,996)
Total continuing operations	7,478,209	85,098	85,250	7,648,557
Discontinued operations**	630,420	–	–	630,420
Total	8,108,629	85,098	85,250	8,278,977

*For the sale of goods by product refer to note 28.
**Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

3. Operating segments (continued)

3.2 Profit or loss	31 March Operating profit/(loss) before interest on financing transactions and foreign exchange		Finance income from financing transactions*		Finance costs on financing transactions*		Foreign exchange gains*		Foreign exchange losses and costs*		Operating profit*	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000
RPI	**415,989**	352,272	**–**	–	**–**	–	**100,163**	129,572	**(107,210)**	(118,898)	**408,942**	362,946
RPA	**92,740**	93,635	**–**	–	**–**	(1)	**5,034**	6,247	**(6,662)**	(8,404)	**91,112**	91,477
CE	**110,160**	109,601	**35,264**	20,911	**(23,426)**	(12,024)	**37,277**	7,774	**(44,385)**	(1,864)	**114,890**	124,398
RPE**	**131,716**	94,838	**–**	–	**–**	–	**1,649**	514	**(520)**	(208)	**132,845**	95,144
Corporate Group	**14,826**	(19,384)	**–**	–	**–**	–	**1,544**	18,918	**(2,993)**	(606)	**13,377**	(1,072)
Total continuing operations	**765,431**	630,962	**35,264**	20,911	**(23,426)**	(12,025)	**145,667**	163,025	**(161,770)**	(129,980)	**761,166**	672,893
Discontinued operations	**–**	49,545	**–**	–	**–**	–	**–**	7,503	**–**	(9,692)	**–**	47,356
Total	**765,431**	680,507	**35,264**	20,911	**(23,426)**	(12,025)	**145,667**	170,528	**(161,770)**	(139,672)	**761,166**	720,249

Profit or loss (continued)	31 March Operating profit/(loss)*		Equity accounted earnings/(loss) of associates and joint venture		Finance income*		Finance costs*		Profit before taxation		Taxation expense*	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000	**2025 R'000**	2024 R'000
RPI	**408,942**	362,946	**–**	–	**22,465**	19,538	**(150,077)**	(158,036)	**281,330**	224,448	**(89,084)**	(68,837)
RPA	**91,112**	91,477	**–**	–	**4,417**	1,852	**(11,148)**	(8,636)	**84,381**	84,693	**(22,124)**	(20,308)
CE	**114,890**	124,398	**–**	–	**5,856**	8,794	**(17,724)**	(11,356)	**103,022**	121,836	**(29,600)**	(35,824)
RPE**	**132,845**	95,144	**–**	–	**4,197**	2,667	**(2,136)**	(1,336)	**134,906**	96,475	**(35,671)**	(26,169)
Kian Ann Group***	**–**	–	**365,098**	166,707	**–**	–	**–**	–	**365,098**	166,707	**–**	–
Corporate Group****	**13,377**	(1,072)	**(191)**	5,702	**10,431**	15,156	**3,988**	14,346	**27,605**	34,132	**(33,999)**	(25,018)
Total continuing operations	**761,166**	672,893	**364,907**	172,409	**47,366**	48,007	**(177,097)**	(165,018)	**996,342**	728,291	**(210,478)**	(176,156)
Discontinued operations	**–**	47,356	**–**	5,387	**–**	–	**–**	(12,094)	**–**	40,649	**–**	(8,667)
Total	**761,166**	720,249	**364,907**	177,796	**47,366**	48,007	**(177,097)**	(177,112)	**996,342**	768,940	**(210,478)**	(184,823)

*These line items by operating segment have been presented for the first time as at 31 March 2025 to improve disclosures. The comparatives as at 31 March 2024 have accordingly been presented on a comparable basis.

**The operating profit/(loss) before interest on financing transactions and foreign exchange movements and profit before taxation for the financial year ending 31 March 2024 has been represented, to exclude KMP Holdings Limited, which is presented as a discontinued operation (note 33).

***The equity accounted earnings of the joint venture and profit before taxation includes a profit of R199 million on the disposal of property, plant and equipment, a R23 million gain on the derecognition of right-of-use assets and liabilities and a R3 million gain from the bargain purchase of KMP Far East Pte. Ltd (2024: includes a profit of R31 million on the disposal of an investment). All amounts presented are post applicable taxation.

****Finance income includes inter-segment eliminations of R5 million (2024: R3 million) and finance costs include inter-segment eliminations of R96 million (2024: R99 million).

For the purposes of monitoring segment performance, impairments and/or impairment reversals on property, plant and equipment, investment property, goodwill, and other intangible assets when applicable, are presented in the applicable operating segment where the return on those assets are realised.

3. Operating segments (continued)

3.3 Other segment information	Cost of sales** 2025 R'000	Cost of sales** 2024 R'000	Short-term employee benefit expense** 2025 R'000	Short-term employee benefit expense** 2024 R'000	Depreciation and amortisation 2025 R'000	Depreciation and amortisation 2024 R'000	Impairments 2025 R'000	Impairments 2024 R'000	Expected credit (losses)/gains 2025 R'000	Expected credit (losses)/gains 2024 R'000	Non-current asset additions* 2025 R'000	Non-current asset additions* 2024 R'000
	31 March											
RPI	**(3,357,924)**	(3,308,443)	**(771,456)**	(739,450)	**(130,887)**	(136,517)	**(4,421)**	(20,476)	**(6,739)**	(3,434)	**65,899**	118,243
RPA	**(495,210)**	(440,909)	**(141,342)**	(128,043)	**(16,199)**	(14,662)	**–**	(8)	**(26)**	1,288	**8,807**	11,902
CE	**(1,012,519)**	(877,666)	**(103,239)**	(101,338)	**(48,270)**	(42,076)	**–**	–	**2,228**	205	**66,300**	29,461
RPE***	**(303,193)**	(262,992)	**(73,229)**	(56,199)	**(16,216)**	(7,377)	**–**	–	**829**	(820)	**1,833**	7,152
Corporate Group	**(297,084)**	(289,552)	**(71,428)**	(62,061)	**13,527**	10,342	**(600)**	(1,500)	**(1,521)**	(2,866)	**20,799**	7,815
Total continuing operations	**(5,465,930)**	(5,179,562)	**(1,160,694)**	(1,087,091)	**(198,045)**	(190,290)	**(5,021)**	(21,984)	**(5,229)**	(5,627)	**163,638**	174,573
Discontinued operations***	**–**	(363,878)	**–**	(127,001)	**–**	(27,042)	**–**	–	**–**	(252)	**–**	–
Total	**(5,465,930)**	(5,543,440)	**(1,160,694)**	(1,214,092)	**(198,045)**	(217,332)	**(5,021)**	(21,984)	**(5,229)**	(5,879)	**163,638**	174,573

*Includes additions to property, plant and equipment and other intangible assets.
**These line items by operating segment have been presented for the first time as at 31 March 2025 to improve disclosures. The comparatives as at 31 March 2024 have accordingly been presented on a comparable basis.
***The depreciation and amortisation for financial year 31 March 2024, has been represented to exclude KMP Holdings Limited, which is presented as a discontinued operation (note 33).

Asset impairments

In the current financial period, RPI recognised an impairment on a property located in Ghana which was subsequently classified as assets held for sale (note 19). The impairment was recognised based on an expression of interest received for the property and decreased the carrying value of the property to the estimated recoverable amount of R18.3 million. In the prior financial year, RPI recognised an impairment of R20.5 million related to a prototype and copy of the prototype which were being developed for future sale. The development of the first prototype to original design and specification was reassessed in the prior financial year and further development halted based on a cost benefit analysis which was impaired in full. The copy of the prototype which was carried at fair value less costs to sell of R14 million, was disposed during the current financial year.

The RPA segment recognised an impairment on property, plant and equipment of R8 thousand in the prior financial year related to damaged assets.

In the current financial year, the Corporate Group segment recognised a R0.6 million impairment on a property located in Krugersdorp which was subsequently classified to assets held for sale (note 19). The impairment was recognised based on an expression of interest received for the property and decreased the carrying value of the property to the estimated recoverable amount of R4.0 million. In the prior financial year, the Corporate Group segment recognised impairments of R1.5 million of which, R1.3 million related to investment property impaired to the lower of cost or estimated fair value less costs to sell (note 5) and R0.2 million related to properties classified as held for sale (note 19) measured at the lower of the carrying amount or fair value less costs to sell.

Customers

The Group has not reported segment information by customer as no customer contributes more than 4% of the Group's total revenue.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

3. Operating segments (continued)

	31 March			
	Segment assets		Segment liabilities	
	2025	2024	**2025**	2024
3.4 Segment assets and liabilities	**R'000**	R'000	**R'000**	R'000
RPI*	**3,834,566**	3,682,832	**1,562,090**	1,400,447
RPA	**721,866**	689,089	**205,161**	175,505
CE	**1,466,920**	1,137,244	**1,004,112**	668,356
RPE**	**493,657**	838,673	**109,913**	310,160
Kian Ann Group	**1,852,285**	1,843,863	**–**	–
Corporate Group***	**814,608**	1,112,859	**873,224**	989,032
Total continuing operations	**9,183,902**	9,304,560	**3,754,500**	3,543,500
Assets classified as held for sale	**22,414**	9,000	**–**	–
Total assets and liabilities	**9,206,316**	9,313,560	**3,754,500**	3,543,500

*The segment assets of RPI include an investment in associate of Rnil million (2024: Rnil million).

**The segment assets of RPE include an investment in joint venture of Rnil million (2024: R35.7 million).

***The Corporate Group assets include investments in associates of R17.4 million (2024: R22.1 million).

Goodwill, financial assets, deferred and current taxation assets and liabilities and investments in associates, are presented in the operating segment assets and liabilities where the return on the asset will be realised and obligation settled.

3.5 Geographical information

Revenue and non-current assets by geographical area is presented in the table below. The "Rest of Africa" aggregates operations in Mauritius, Ghana, Botswana, Namibia, Swaziland, Zambia, Democratic Republic of Congo, Mozambique, and Tanzania while, "Europe" aggregates operations in the United Kingdom, Spain, Ukraine, and Poland.

	31 March			
	Revenue		Non-current assets*	
	2025	2024	**2025**	2024
	R'000	R'000	**R'000**	R'000
South Africa**	**6,561,564**	6,207,017	**1,154,581**	1,185,807
Rest of Africa	**913,578**	998,346	**80,477**	75,259
Europe**,***	**632,716**	443,194	**233,353**	283,973
United States of America***	**–**	–	**–**	52,819
Asia**	**4,045**	–	**9,709**	9,798
Total continuing operations	**8,111,903**	7,648,557		
Europe discontinued operations***	**–**	476,153		
United States of America discontinued	**–**	154,267		
Total	**8,111,903**	8,278,977		

*Includes property, plant and equipment, investment property, right-of-use assets, goodwill, and other intangible assets.

**Europe includes goodwill of R47.8 million (2024: R59 million), Asia includes goodwill of R9.4 million (2024: R10 million), Rest of Africa includes goodwill of R0.4 million (2024: R0.4 million) and South Africa includes goodwill of R3 million (2024: R3 million).

***The revenue in the table above, for the financial year 31 March 2024 has been represented, to exclude KMP Holdings Limited, which is presented as a discontinued operation (note 33).

4. Property, plant and equipment

Accounting policy

Property, plant and equipment (excluding capital work-in-progress ("WIP") and land) are initially measured at cost which includes capitalised borrowing costs where applicable and thereafter stated at cost less accumulated depreciation and any accumulated impairment losses. Borrowing costs are capitalised as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably. All other borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets and is recognised in profit or loss.

Capital WIP which comprises of items of property, plant and equipment either under construction or being assembled at the reporting date which are not yet ready for their intended use is initially measured at cost and thereafter stated at cost less any accumulated impairment losses. When the relevant item of property, plant and equipment is completed and ready for its intended use it is transferred to the appropriate class of property, plant and equipment.

Land is initially measured at cost and thereafter is stated at cost less accumulated impairment losses. Land and capital work-in-progress are not depreciated.

All repair and maintenance costs are recognised in profit or loss as incurred.

The profit or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income in profit or loss. Property, plant and equipment is derecognised when disposed or when no future economic benefits are expected to flow from the continued use of the assets.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost can reliably be measured.

At the end of each reporting period, the Group reviews the carrying value of property, plant and equipment to determine whether there is an indication of impairment or a reversal of an impairment loss previously recognised. If there is an indication of impairment or, a reversal of an impairment previously recognised, the recoverable amount is estimated to determine the extent of the impairment loss or reversal. An impairment reversal is recognised only when the indications that gave rise to the impairment no longer exist. The recoverable amount is the higher of its fair value less costs to sell, and its value-in-use. An impairment loss and reversal of a previous impairment is recognised in profit or loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

4. Property, plant and equipment (continued)

	Land and buildings R'000	Plant and equipment R'000	Leasehold improvements R'000	Motor vehicles R'000	Furniture, fittings & office equipment R'000	Capital work-in-progress R'000	Computer equipment R'000	Operating lease assets* R'000	Total R'000
Carrying amount at 31 March 2023	555,604	104,725	22,780	134,162	48,137	45,888	19,054	93,492	1,023,842
Additions**	–	41,877	9,386	82,482	6,587	1,811	10,286	18,156	170,585
Acquisition of subsidiary	65,736	186	440	7,945	2,987	–	1,577	–	78,871
Impairment recognised	–	(2)	–	–	–	–	(6)	–	(8)
Depreciation***	(5,391)	(22,228)	(11,736)	(28,684)	(13,015)	–	(10,100)	(18,410)	(109,564)
Disposals	(682)	(266)	(58)	(3,457)	(28)	–	(205)	(9,608)	(14,304)
Reclassification between classes	(1,407)	(2)	2,899	–	(659)	(15)	(816)	–	–
Reclassification to other intangible assets	–	–	–	–	–	(19,241)	(3)	–	(19,244)
Reclassification to investment property	(5,603)	–	–	–	(19)	(1,769)	–	–	(7,391)
Reclassification to right of use assets	–	–	(1,381)	–	–	–	–	–	(1,381)
Foreign currency translation	11,682	1,242	1,019	504	638	2,534	211	–	17,830
Carrying amount at 31 March 2024	**619,939**	**125,532**	**23,349**	**192,952**	**44,628**	**29,208**	**19,998**	**83,630**	**1,139,236**
Additions**	**226**	**26,832**	**5,384**	**41,479**	**6,607**	**680**	**10,179**	**60,922**	**152,309**
Acquisition of subsidiary	**–**	**87**	**–**	**–**	**196**	**–**	**–**	**–**	**283**
Disposal of subsidiaries (note 40)	**(45,150)**	**(12,134)**	**(6,618)**	**–**	**(1,396)**	**–**	**(1,710)**	**–**	**(67,008)**
Impairment recognised	**(5,021)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(5,021)**
Depreciation***	**(5,274)**	**(17,749)**	**(5,453)**	**(33,341)**	**(10,757)**	**–**	**(10,477)**	**(22,548)**	**(105,599)**
Disposals	**(38)**	**(7)**	**–**	**(1,687)**	**(506)**	**–**	**(722)**	**(1,027)**	**(3,987)**
Reclassification between classes	**21,659**	**–**	**1,035**	**–**	**–**	**(22,942)**	**248**	**–**	**–**
Reclassification to other intangible assets	**–**	**–**	**–**	**–**	**–**	**(112)**	**1,204**	**–**	**1,092**
Classified as assets held for sale	**(22,273)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(22,273)**
Foreign currency translation	**(1,233)**	**13**	**(196)**	**(338)**	**97**	**(849)**	**(40)**	**–**	**(2,546)**
Carrying amount at 31 March 2025	**562,835**	**122,574**	**17,501**	**199,065**	**38,869**	**5,985**	**18,680**	**120,977**	**1,086,486**
2024									
Cost	663,334	315,630	82,758	299,091	183,605	29,208	96,493	172,578	1,842,697
Accumulated depreciation and impairment	(43,395)	(190,098)	(59,409)	(106,139)	(138,977)	–	(76,495)	(88,948)	(703,461)
Total	619,939	125,532	23,349	192,952	44,628	29,208	19,998	83,630	1,139,236
2025									
Cost	**609,786**	**318,027**	**58,043**	**326,975**	**174,317**	**5,985**	**78,295**	**227,176**	**1,798,604**
Accumulated depreciation and impairment	**(46,951)**	**(195,453)**	**(40,542)**	**(127,910)**	**(135,448)**	**–**	**(59,615)**	**(106,199)**	**(712,118)**
Total	**562,835**	**122,574**	**17,501**	**199,065**	**38,869**	**5,985**	**18,680**	**120,977**	**1,086,486**

*Operating lease assets include forklift and machinery rental assets.

**Additions include non-cash additions amounting to R58.3 million (2024: R79.9 million).

***The depreciation charge relating to plant and equipment and rental assets disclosed in cost of sales amounts to R32.2 million (2024: R27.8 million).

4. Property, plant and equipment (continued)

Details of the land and buildings and encumbrances

A register containing details of land and buildings is available for inspection during business hours at the registered office of the Company by members or their duly authorised agents.

The Group has encumbered land and buildings having a carrying value of R433 million (2024: R447 million) to secure mortgage bonds detailed in note 24.

Key accounting judgements, estimates and assumptions

Impairment

Management determines the recoverable amount by performing a value-in-use and fair value less cost of disposal calculation. These calculations require the use of judgement, estimates and assumptions.

The fair value less costs of disposal calculation are based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the forecasts and budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets being tested.

When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Residual values

The estimation of residual values of assets is based on what the Group would receive currently for the asset if the asset were already of the age and in the condition expected at the end of its useful life.

Depreciation

The useful lives of property, plant and equipment are based on management's estimation. On an annual basis management considers the impact of changes in technology, customer service requirements, availability of capital funding and required return on assets and equity to determine the optimum useful life expectation of each individual item of property, plant and equipment.

The estimated useful lives of property, plant and equipment for the current period are as follows:

Land	–
Freehold buildings	20 years
Plant and equipment	5 to 10 years
Leasehold improvements	Over the term of the lease
Motor vehicles	4 to 5 years
Furniture, fittings an office equipment	3 to 10 years
Computer equipment	3 years
Operating lease assets	4 years

The residual values are considered negligible for all assets other than buildings.

5. Investment property

Accounting policy

Investment property is initially recognised at cost and transaction costs are included in the initial measurement.

After initial recognition, the Group applies the cost model to all investment property and investment property is subsequently carried at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write off the cost of items of investment property less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period of the retirement or disposal.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

5. Investment property (continued)

Accounting policy (continued)

At the end of each reporting period, the Group reviews the carrying value of investment property to determine whether there is an indication of impairment. If there is an indication of impairment, the recoverable amount is estimated to determine the extent of the impairment loss. The recoverable amount is the higher of its fair value, less costs to sell, and its value-in-use. An impairment loss is recognised in profit or loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

	31 March	
	2025 R'000	2024 R'000
Balance at the beginning of the year	**121,859**	115,768
Reclassification from property, plant and equipment	**–**	7,391
Impairment	**–**	(1,300)
Disposal	**(3,700)**	–
Classified as assets held for sale	**(43,776)**	–
Balance at the end of the year	**74,383**	121,859
Comprising:		
Cost	**90,742**	139,947
Accumulated depreciation and impairment	**(16,359)**	(18,088)
Total	**74,383**	121,859

The residual values are estimated to approximate cost and as a result the depreciation is negligible.

During the current financial year, the Elandsfontein property was disposed for a purchase consideration of R3.3 million and a net loss of R0.6 million (including selling costs incurred of R0.2 million) was recognised in net profit for the year. The Camperdown property which had a carrying value of R43.8 million was transferred to assets classified as held for sale during the current financial year and was subsequently disposed in March of the current financial year (note 19).

The investment property comprises of four properties located in Isando, Kroonstad, Standerton and Benrose. Valuations are performed at year end with a fair value (using level 3) estimated at R138.6 million (2024: R182.2 million, excluding Elandsfontein and Camperdown R125.4 million). The valuations have been performed internally and are not based on that of an independent valuer who holds a recognised and relevant professional qualification.

The estimated fair value has been determined by annualising the rental income of each property and applying a capitalisation rate based on the property location for prime industrial park buildings as published by Rode & Associates. The key inputs to the valuations were as follows:

	31 March	
Key inputs	**2025**	2024
Estimated rental value per month:		
Range (R'000)	**64 - 912**	60 - 862
Weighted average (R'000)*	**297**	282
Capitalisation rate:		
Range (%)*	**10.2 - 10.8**	10.7 - 11.1
Weighted average (%)*	**10.5%**	11.0%

*The weighted average for the estimated rental value per month, the capitalisation rate range % and the capitalisation weighted average % at 31 March 2024 has been restated to exclude Elandsfontein which was disposed during the financial year and Camperdown which was transferred to assets classified as held for sale during the current financial year and subsequently disposed to present comparatives which are directly comparable relating to the four properties included in investment properties as at 31 March 2025.

Rental on investment properties including Camperdown classified as held for sale (note 19) of R22.1 million (2024: R21.5 million) was recognised and included in revenue (note 28).

The direct operating expenses, including repairs and maintenance, from investment property (including Camperdown) that generated rental income amounted to R7.8 million (2024: R7.2 million).

5. Investment property (continued)

Key accounting judgements, estimates and assumptions

Impairment

Management determines the recoverable amount by performing a value-in-use and fair value less cost of disposal calculation. These calculations require the use of judgement, estimates and assumptions.

The fair value less costs of disposal calculation are based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the forecasts and budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets being tested.

When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Depreciation

Depreciation is calculated to write off the cost of investment property less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. The estimated useful lives of investment property for the current period are as follows:

Investment property	20 years

The residual values are estimated to approximate cost and as a result the depreciation thereof is negligible.

6. Right-of-use leases

The Group primarily leases property, equipment, and motor vehicles on right-of use leases. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Accounting policy

The Group assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group recognises a right-of-use asset and a corresponding right-of-use lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases and leases of low-value assets, at the date at which the leased asset is available for use. Short-term leases have a term of 12 months or less and low-value assets comprise assets with a value of less than R70 000. For short-term and low value leases the Group applies the permitted exceptions under IFRS 16 *Leases*. The Group recognises the lease payments for short-term and low-value leases as an operating expense in profit or loss on a straight-line basis over the lease term (note 29).

Right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial amount of the right-of-use lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use assets are depreciated over the shorter of the lease term of the underlying asset on a straight-line basis or the asset's useful life. Depreciation starts at the commencement date of the lease.

The Group applies IAS 36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss. The Group tests for impairment of the right-of-use assets on an annual basis or when there are indicators of impairment.

6. Right-of-use leases (continued)

The terms for property leases range from 1 to 6 years and the terms for motor vehicles and equipment range from 1 to 6 years. On expiry or exit of the lease arrangement, the right-of-use asset's cost and accumulated depreciation are derecognised to the profit or loss as no future economic benefits are expected to flow to the Group.

Right-of-use lease liability

The right-of-use lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate. The right-of-use lease liability is subsequently measured at amortised cost. Lease payments included in the measurement of the right-of-use lease liability comprise the following:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- Penalties for early termination of a lease if the lease term reflects the exercise of an option to terminate the lease.

Each lease payment is allocated between the right-of-use lease liability and the finance cost. The finance cost is recognised in profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the right-of-use lease liability for each period. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when: there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate and a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the right-of-use lease liability is remeasured by discounting the revised payments using a revised discount rate.

6.1 Right-of-use assets

	Land and buildings	Motor Vehicles	Equipment	Total
	R'000	R'000	R'000	R'000
Carrying amount at 31 March 2023	233,329	8,535	7,125	248,989
Right-of-use asset recognised*	53,580	296	716	54,592
Acquisition of subsidiaries	438	–	–	438
Lease modification**	6,400	977	–	7,377
Depreciation	(78,886)	(7,846)	(2,498)	(89,230)
Right-of-use asset derecognised	(4,690)	–	–	(4,690)
Category transfer	(395)	395	–	–
Transfer from property, plant and equipment	1,381	–	–	1,381
Foreign currency translation	5,532	899	–	6,431
Carrying amount at 31 March 2024	**216,689**	**3,256**	**5,343**	**225,288**
Right-of-use asset recognised*	**106,551**	**–**	**5,668**	**112,219**
Lease modification**	**(15)**	**39**	**–**	**24**
Depreciation	**(69,961)**	**(2,291)**	**(2,955)**	**(75,207)**
Disposal of subsidiary	**(48,119)**	**–**	**–**	**(48,119)**
Right-of-use asset derecognised	**(4,746)**	**(83)**	**–**	**(4,829)**
Foreign currency translation	**(197)**	**–**	**–**	**(197)**
Carrying amount at 31 March 2025	**200,202**	**921**	**8,056**	**209,179**
2024				
Cost	528,977	41,627	14,155	584,759
Accumulated depreciation	(312,288)	(38,371)	(8,812)	(359,471)
Total	216,689	3,256	5,343	225,288
2025				
Cost	**531,998**	**41,667**	**19,821**	**593,486**
Accumulated depreciation	**(331,796)**	**(40,746)**	**(11,765)**	**(384,307)**
Total	**200,202**	**921**	**8,056**	**209,179**

*Includes new and renewal leases.
**Relates to a change in the lease terms extending the use of the leased asset.

There were no leases with residual value guarantees or leases not yet commenced to which the Group is committed.

6. Right-of-use leases (continued)

6.2 Right-of-use lease liabilities

	31 March 2025 R'000	31 March 2024 R'000
Carrying amount at the beginning of the year	**271,331**	303,759
Right-of-use lease liability recognised*	**112,219**	54,591
Interest accrued	**26,725**	27,008
Lease modification**	**24**	7,377
Payments of capital	**(75,636)**	(94,157)
Payments of interest	**(23,035)**	(23,801)
Acquisition of subsidiaries	**–**	416
Disposal of subsidiaries	**(50,146)**	–
Right-of-use lease liability derecognised	**(7,013)**	(6,296)
Foreign currency translation	**(1,916)**	2,435
Total right-of-use lease liabilities	**252,553**	271,332
***Less:* Current portion of right-of-use lease liabilities**	**(70,938)**	(80,905)
Non-current right-of-use lease liabilities	**181,615**	190,427
Gross carrying amount of right-of-use lease liabilities is as follows:		
Due within one year	**79,268**	89,612
Due in the second to fifth years inclusive	**197,730**	213,571
Due in more than five years	**28,437**	22,004
	305,435	325,187
Unearned interest costs	**(52,882)**	(53,855)
Total	**252,553**	271,332
Net carrying amount of right-of-use lease liability is as follows:		
Due within one year	**70,938**	80,905
Due in the second to fifth years inclusive	**156,571**	170,940
Due in more than five years	**25,044**	19,487
Total	**252,553**	271,332

*Includes new and renewal leases.

**Relates to a change in the lease terms extending the use of the leased asset.

Key accounting judgements, estimates and assumptions

Extension and termination options on right-of-use leases

Consideration of whether extension options should be included in determining the lease term is a significant area of judgement. The Group has considered such extension and termination options within a lease where it is reasonably certain to exercise such extension and termination options. In determining the lease term, the Group considers all facts and circumstances that create economic incentive to exercise an extension option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and is within the control of the Group.

Incremental borrowing rate

The determination of the incremental borrowing rate applied to lease transactions is a significant area of judgement and management estimation. In determining the incremental borrowing rate, the Group makes use of recent third-party financing received as a starting point or obtains interest rates from various external financing sources. Adjustments are made to the cost of borrowing for recent third-party financing received to reflect changes in financing conditions since third-party financing was received including adjustments for entity-specific risk within the Group. Interest rates obtained from various external financing sources are adjusted to reflect the type of asset leased, along with terms of the lease in a similar economic environment and with similar security.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

7. Goodwill

Accounting policy

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising on the acquisition of a business is measured on initial recognition at cost and is subsequently measured at cost less any accumulated impairment losses.

For impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU's (or groups of CGUs)) that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the CGU may be impaired. An impairment exists when the carrying value of the CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a discounted cash flow (DCF) model. Impairment losses recognised in the comparative financial year were based on the value in use of the relevant cash-generating units.

If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata, based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill is not amortised.

	31 March	
	2025	2024
	R'000	R'000
Reconciliation of carrying amount		
Balance at the beginning of the year	**71,745**	48,316
Acquisition of subsidiaries (note 39)	**34,863**	19,307
Disposal of subsidiaries (note 40)	**(49,071)**	–
Foreign currency translation	**3,114**	4,122
Balance at the end of the year	**60,651**	71,745
Comprising:		
Cost	**717,615**	772,836
Accumulated impairment	**(656,964)**	(701,091)
Total	**60,651**	71,745
The carrying amount of goodwill was allocated to cash-generating units ("CGUs"), within the operating segments, as follows:		
RPI	**12,836**	13,118
Zhejiang Beienji Industrial Products Co. Ltd	**9,445**	9,727
Individually non-significant CGUs	**3,391**	3,391
RPA	**9,488**	9,557
Imexpart Limited	**9,488**	9,557
RPE	**38,327**	49,070
KMP Holdings Limited (note 40)	**–**	49,070
Nationwide Bearing Company Limited	**38,327**	–
Total	**60,651**	71,745

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

7. Goodwill (continued)

The inputs and assumptions used to calculate the recoverable amounts for the CGUs (grouped based on segments) at the reporting date are as follows:

	31 March				
Segment	**Pre-tax discount rate**	**Terminal value growth rate**	**Year 1 annual growth rate**	**Year 2 annual growth rate**	**Year 3 -5 annual growth rate**
2025					
RPI*	**9.1%-16.4%**	**1.3% - 3.0%**	**(1.43%) - 15.00%**	**5.7% - 6.5%**	**4.0%-5.7%**
RPA	**9.1%**	**0.5%**	**11.3%**	**3.0%**	**3.0%**
RPE	**14.7%**	**0.5%**	**6.2%**	**1.9%**	**1.9%**
2024					
RPI*	16.5% - 17.7%	3.0%	(1.73%) - 3.95%	5.2% - 6.2%	5.2%-6.2%
RPA	10.6%	2.0%	21%	3.0%	3.0%
RPE	10.6%	0.5%	12.2%	4.0%	2.0%

*The weighted average annual growth rates are: Year 1 - 8.4% (2024: 1.1%), Year 2 - 6.0% (2024: 5.7%), Year 3 to 5 - 5.1% (2024: 5.7%). The increase in the Year 1 growth rate in the current financial year compared to the prior financial year is due to the inclusion of Zhejiang Beienji Industrial Products Co. Ltd in the current financial year. The Group obtained control of Zhejiang Beienji Industrial Products Co. Ltd in February of the prior financial year.

The headroom in the Group's operating segments with goodwill after all the impairments have been taken into account at the reporting date was as follows:

	31 March		
	Value in use	**Carrying value**	**Headroom**
Description	**R'000**	**R'000**	**R'000**
2025			
Based on documented assumptions:			
RPI	**347,919**	**12,836**	**335,083**
RPA	**39,838**	**9,488**	**30,350**
RPE	**165,225**	**38,327**	**126,898**
Growth rate reduced by 1%			
RPI	**330,456**	**12,836**	**317,620**
RPA	**33,350**	**9,488**	**23,862**
RPE	**157,223**	**38,327**	**118,896**
1% increase in WACC			
RPI	**309,767**	**12,836**	**296,931**
RPA	**20,225**	**9,488**	**10,737**
RPE	**147,866**	**38,327**	**109,539**
2024			
Based on documented assumptions:			
RPI	323,556	13,118	310,438
RPA	21,678	9,557	12,121
RPE	145,435	49,070	96,365
Growth rate reduced by 1%			
RPI	307,943	13,118	294,825
RPA	15,632	9,557	6,075
RPE	123,538	49,070	74,468
1% increase in WACC			
RPI	300,318	13,118	287,200
RPA	8,502	9,557	(1,055)
RPE	95,784	49,070	46,714

7. Goodwill (continued)

Key accounting judgements, estimates and assumptions

Impairment testing

The Group calculates the value-in-use by estimating the future cash flows from the CGU and applying a suitable discount rate in order to arrive at the present value of such future cash flows.

To calculate value-in-use, the discount rate is based on current observable market data including interest rates, equity risk premiums, debt to capital ratios and income taxation rates for similar assets in similar regions that reflect the time value of money and the risks specific to the CGU. Estimated inputs for cashflows relating to the revenue and expense forecasts require a significant amount of estimation as to the future performance of CGU's. Growth rates are based on objective assessments of external observable inflation data and long-term market forecast of growth rates.

The Group based its cash flow calculations on the five-year budget and forecast information. The long-term average growth rates were used to extrapolate cash flows from year 2 to year 5. The pre-tax discount rates used reflect specific risks relating to the relevant cash-generating units whilst maximising the use of market observable data. Other assumptions included in cash flow projections are closely linked to entity-specific key performance indicators i.e., product supply and margin pressures.

The inputs and assumptions used to calculate the recoverable amounts for the CGUs is disclosed above.

8. Other intangible assets

Accounting policy

Other Intangible assets acquired separately:

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets. The estimated useful lives and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Subsequent expenditure incurred to maintain other intangible assets are recognised in profit or loss as incurred.

Internally generated other intangible assets:

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is recognised in profit or loss in the period in which the expenditure is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised when all the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure the expenditure attributable to the intangible asset reliably during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Internally generated other intangibles assets includes computer software development costs and a gasifier developed in prior financial years which was reported in “customer relationships and other”. The gasifier was transferred to inventory in the current financial year at its carrying value of R14 million and subsequently sold.

Other intangible assets with finite lives are assessed for impairment whenever events or changes in circumstances suggest that the carrying amount may not be recoverable. In these instances, management determines the recoverable amount by performing a value-in-use and fair value less cost of disposal calculation. Impairment losses are recognised in profit or loss.

Profits or losses arising from the derecognition of other intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

8. Other intangible assets (continued)

	31 March					
	Computer software	Reacquired agency rights	Distribution agreements	Trademarks, brands and non-compete agreements	Customer relationships and other	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Carrying amount at 31 March 2023	22,633	6,734	87	76	18,933	48,463
Additions*	2,469	1,519	–	–	–	3,988
Transfer from property, plant and equipment capital work-in-progress	3	–	–	–	34,536	34,539
Impairment	–	–	–	–	(20,476)	(20,476)
Amortisation**	(12,728)	(1,882)	(58)	(37)	(3,833)	(18,538)
Disposals	(34)	–	–	–	–	(34)
Foreign currency translation	10	–	–	1	1,575	1,586
Carrying amount at 31 March 2024	**12,353**	**6,371**	**29**	**40**	**30,735**	**49,528**
Additions*	**6,928**	**4,401**	**–**	**–**	**–**	**11,329**
Acquisition of subsidiary	**7**	**–**	**–**	**5,681**	**29,838**	**35,526**
Disposal of subsidiaries	**–**	**–**	**–**	**–**	**(16,081)**	**(16,081)**
Amortisation**	**(7,895)**	**(1,886)**	**(29)**	**(1,137)**	**(6,292)**	**(17,239)**
Transfer to property, plant and equipment	**(1,092)**	**–**	**–**	**–**	**–**	**(1,092)**
Gasifier transferred to inventory	**–**	**–**	**–**	**–**	**(14,060)**	**(14,060)**
Disposals	**(55)**	**–**	**–**	**–**	**–**	**(55)**
Foreign currency translation	**(2)**	**–**	**–**	**(69)**	**(364)**	**(435)**
Carrying amount at 31 March 2025	**10,244**	**8,886**	**–**	**4,515**	**23,776**	**47,421**
2024						
Cost	115,870	27,727	11,617	457	111,485	267,156
Accumulated amortisation	(103,517)	(21,356)	(11,588)	(417)	(80,750)	(217,628)
Total	12,353	6,371	29	40	30,735	49,528
2025						
Cost	**97,672**	**32,128**	**11,617**	**6,097**	**82,874**	**230,388**
Accumulated amortisation	**(87,428)**	**(23,242)**	**(11,617)**	**(1,582)**	**(59,098)**	**(182,967)**
Total	**10,244**	**8,886**	**–**	**4,515**	**23,776**	**47,421**

*Additions include non-cash additions amounting to R71 thousand (2024: Rnil).

**Recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in selling, administration, and distribution costs (note 29).

8. Other intangible assets (continued)

Key accounting judgements, estimates and assumptions

Impairment

Value-in-use and fair value less cost of disposal calculations require the use of estimates and assumptions.

The fair value less costs of disposal calculation are based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the forecasts and budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets being tested.

When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Amortisation

The estimated useful lives for the current and comparative financial year are as follows:

Computer software	3 to 5 years
Re-acquired agency rights	Remaining contractual term
Distribution agreements	5 to 7 years
Trademarks, brand names, non-compete agreements	5 to 7 years
Customer relationships	5 to 7 years

Business combination determination identification of other intangible assets and fair value

Other intangible assets acquired through a business combination at the date of acquisition are identified and valued by management based on the purchase agreement. The fair values determined are based on future cash flows, applicable to each category of other intangible assets identified, discounted at an appropriate discount rate.

9. Finance leases

The Group finances certain capital equipment transactions on finance leases from the bank for the purpose of leasing to customers at market-related interest rates, recognised as a net investment in finance leases, matched by a finance lease liability. A proportion of these lease transactions are discounted with the Group's external banking partners. The financed asset consequently serves as security for these lease transactions. The terms of these leases entered range from 5 to 42 months. The interest rate implicit in the lease is fixed at the contract date, for the entire lease term, with the effective interest rate contract prime-linked.

Accounting policy

Group as lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

Amounts due from leases when the Group acts as lessor are recognised as receivables being the net investment in finance leases as presented in the consolidated statement of financial position. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

If an arrangement contains a lease and non-lease components, then the Group applies IFRS 15 *Revenue from Contracts with Customers*, to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 *Financial Instruments* to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "Other revenue".

9. Finance leases (continued)

9.1 Net investment in finance leases

	31 March 2025 R'000	31 March 2024 R'000
Gross investment in finance leases are classified as follows:		
Due within one year	**222,124**	132,676
Due within one to two years*	**134,005**	74,959
Due within two to three years*	**82,506**	21,291
Due within three to four years*	**9,495**	15,476
Due within four to five years	**2,024**	7,026
Total gross investment in finance lease	**450,154**	251,428
Unearned finance income	**(66,579)**	(37,753)
Net investment in finance lease	**383,575**	213,675
Net investment in finance leases are classified as follows:		
Current	**182,109**	111,494
Non-current	**201,466**	102,181
Net investment in finance lease	**383,575**	213,675

*The comparatives were previously grouped in due within two to three years inclusive and due within four to five years inclusive in the prior year audited consolidated financial statements. To provide more useful information, the lease payments receivable has been disaggregated as presented above and the comparatives have been restated and presented on the same basis.

9.2 Finance lease liabilities

	2025	2024
Gross carrying amount of the finance lease liabilities is as follows:		
Due within one year	**198,181**	96,937
Due in the second to fifth years inclusive	**193,292**	102,817
	391,473	199,754
Unearned interest on finance lease liabilities	**(42,580)**	(24,064)
Total	**348,893**	175,690
Net carrying amount of the finance lease liabilities is as follows:		
Due within one year	**171,601**	81,738
Due in the second to fifth years inclusive	**177,292**	93,952
Total	**348,893**	175,690

The finance lease liabilities bear interest at a variable interest rate of between 9.75% and 10.90% and these liabilities are repayable over a period varying from 5 to 42 months.

Refer to note 38 for a reconciliation of the movement in the finance lease liabilities.

9.3 Finance income and finance costs on financing transactions

	2025	2024
Finance income from financing transactions		
Finance income on finance lease assets	**35,264**	20,911
Finance costs on financing transactions		
Finance costs on finance lease liabilities	**(23,426)**	(12,025)

10. Loans and other receivables

Accounting policy

Initial recognition and subsequent measurement

Refer to note 2.5 Financial instruments.

Impairment

The Group recognises a loss allowance for expected credit losses (ECL) applying the general approach and measures the ECL at an amount equal to lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

10. Loans and other receivables (continued)	31 March 2025 R'000	31 March 2024 R'000
Loan and other receivables	**135,727**	97,571
Loan receivable from business partners	**–**	15,948
Loan receivables from associates and joint ventures	**71,348**	56,625
Loan receivables from shareholders of associates	**988**	1,015
Dividend receivable from KMP Holdings Limited	**43,011**	–
Loan receivables from profit share partners	**17,329**	11,762
Loan receivable from Samrand - disposal proceeds	**–**	9,397
Other receivable in relation to lease smoothing asset	**3,051**	2,824
Loan and other receivables after expected credit losses	**135,727**	97,571
Current loan and other receivables	**(16,538)**	(25,395)
Non-current loan and other receivables	**119,189**	72,176
Carrying amount of loan and other receivables are as follows:		
Within one year	**16,538**	25,395
In second to fifth year inclusive	**119,189**	72,176
Total	**135,727**	97,571
Unearned finance income	**12,548**	603
Gross carrying amount of loan and other receivables are as follows:		
Within one year	**16,538**	25,998
In second to fifth year inclusive	**131,737**	72,176
Total	**148,275**	98,174

Key accounting judgements, estimates and assumptions

Measurement of expected credit loss allowance

The Group uses judgement in the assessment of the ECL for loan and other receivables, based on the Group's past history with and specific knowledge of each debtor. In determining a probability of default, credit quality, market conditions and any available forward-looking estimates are considered.

No ECL allowance has been raised on loan receivables from associates and joint ventures, shareholders of associates, dividends receivable from KMP Holdings Limited and loan receivables from profit share partners as the risk of default on these loans is considered to be low and the ECL is immaterial. Security has been provided on the loans receivable from associates, loan receivable from shareholders of associates and profit share partners.

Dividend receivable from KMP Holdings Limited

KMP Holdings Limited declared a dividend of £2.3 million which was owing to its parent company at 31 March 2024. On the disposal of KMP Holdings Limited (note 40), the dividend was expected to be settled by 31 March 2025. The Group and the KAG have mutually agreed that settlement of the dividend is deferred until no later than 31 March 2030. As a result of the deferred settlement arrangement, the Group has recognised a modification loss of R12.2 million in the current financial year (note 29).

11. Derivatives

Accounting policy

Refer to note 2.5.

Forward exchange contracts

The Group uses forward exchange contracts to reduce its foreign currency exposure arising from imports. These contracts are marked-to-market and measured at fair value through profit or loss. The fair value is determined as the difference between the contract price of the forward exchange contracts entered by the Group and the price of the market traded forward exchange contracts with similar maturity profiles at the reporting date.

11.1 Derivative financial assets	31 March 2025 R'000	31 March 2024 R'000
Forward exchange contract assets	**1,359**	329
Total	**1,359**	329

11.2 Derivative financial liabilities	31 March 2025 R'000	31 March 2024 R'000
Forward exchange contract liabilities	**146**	523
Total	**146**	523

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

12. Investment in subsidiaries

Accounting policy

Refer to note 2.2 Basis of consolidation.

Details of the Group's subsidiaries at 31 March 2025 are as follows:

Name of subsidiary	Principal activity	Place of operation	31 March Effective holding of ownership interest and voting power held	
			2025	2024
Direct holdings				
Invicta Offshore Holdings	Investment holding company	Mauritius	**100%**	100%
Invicta Africa (Pty) Ltd	Investment holding company	South Africa	**100%**	100%
Invicta South Africa Holdings (Pty) Ltd	Investment holding company	South Africa	**100%**	100%
Invicta Treasury Holdings (Pty) Ltd	Treasury company	South Africa	**100%**	100%
October Winds Trading 48 (Pty) Ltd	Investment holding company	South Africa	**100%**	100%
Invicta Properties (Pty) Ltd	Property holding company	South Africa	**100%**	100%
Indirect holdings				
Abrasive Flow Solutions (Pty) Ltd*	Trading company	South Africa	**0%**	51%
Africa Maintenance Equipment Polokwane (Pty) Ltd	Trading company	South Africa	**100%**	100%
Africa Maintenance Equipment Sedibeng (Pty) Ltd	Trading company	South Africa	**100%**	100%
Bearing Man (Botswana) (Pty) Ltd	Trading company	Botswana	**100%**	100%
Bearing Man (Maputo) (Pty) Ltd	Trading company	Mozambique	**66%**	66%
Bearing Man (Namibia) (Pty) Ltd	Trading company	Namibia	**100%**	100%
Bearing Man (Swaziland) (Pty) Ltd	Trading company	Swaziland	**100%**	100%
Bearing Man Group Ltd	Trading company	Zambia	**83%**	83%
Bearing Man Group Tanzania Ltd	Trading company	Tanzania	**80%**	80%
Belt Brokers (Pty) Ltd formerly Arc Eng Since 1934 (Pty)	Trading company	South Africa	**100%**	100%
BMG Congo SARL	Trading company	Democratic Republic of Congo	**70%**	70%
Bearing Man Group (Pty) Ltd	Trading company	South Africa	**100%**	100%
BMG Dar Es Salaam	Dormant	Tanzania	**99.99%**	99.99%
BMG Ghana Ltd formerly BMG West Africa Ltd	Trading company	Ghana	**70%**	70%
BMG Ghana Properties (Mauritius)	Property holding company	Mauritius	**100%**	100%
BMG Properties Ltd	Property holding company	Ghana	**100%**	100%
BMG Offshore Holdings	Investment holding company	Mauritius	**100%**	100%
Compact Computer Solutions (Pty) Ltd	Trading company	South Africa	**100%**	100%
Criterion Equipment (Pty) Ltd	Trading company	South Africa	**100%**	100%
Disa Equipment (Pty) Ltd	Trading company	South Africa	**100%**	100%
Driveshaft Parts Ltd	Trading company	United Kingdom	**100%**	100%
Driveshaft Parts S.L.	Dormant	Spain	**100%**	100%
Equipment Spare Parts (Africa) (Pty) Ltd	Trading company	South Africa	**100%**	100%
Engineering Solutions Group Exports (Pty) Ltd	Trading company	South Africa	**100%**	100%
ESG EUROPE Spółka z ograniczoną odpowiedzialnością	Property holding company	Poland	**100%**	100%
UPG Poland Spółka z ograniczoną odpowiedzialnością	Trading company	Poland	**100%**	100%
Euro Driveshafts Ltd	Investment holding company	United Kingdom	**100%**	100%
Euro Driveshafts - Ukraine LLC	Trading company	Ukraine	**100%**	100%
General Electrical Mechanical Tool & Engineering (Pty)	Dormant	South Africa	**100%**	100%
Hansen Transmissions South Africa (Pty) Ltd	Dormant	South Africa	**100%**	100%
High Power Equipment Africa (Pty) Ltd	Trading company	South Africa	**100%**	100%
Humulani Marketing (Pty) Ltd	Investment holding company	South Africa	**100%**	100%
Hyflo Namibia (Pty) Ltd	Dormant	Namibia	**100%**	100%
Hyflo Southern Africa (Pty) Ltd	Trading company	South Africa	**100%**	100%

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

12. Investment in subsidiaries (continued)

Name of subsidiary	Principal activity	Place of operation	31 March Effective holding of ownership interest and voting power held 2025	2024
Indirect holdings (continued)				
Imexpart Limited	Trading company	United Kingdom	**100%**	100%
Industri Tools & Equipment (Pty) Ltd	Trading company	South Africa	**100%**	100%
Invicta Asian Holdings (Pte) Ltd	Investment holding company	Singapore	**100%**	100%
Invicta Cape Town (Pty) Ltd	Property holding company	South Africa	**60%**	60%
Invicta Global Holdings Limited (formerly a PLC)	Investment holding company	United Kingdom	**100%**	100%
Invicta International Investments Limited**	In liquidation	United Kingdom	**100%**	100%
KMP Holdings Limited*	Investment holding company	United Kingdom	**0%**	100%
KMP Products Europe Limited*	Trading company	United Kingdom	**0%**	100%
KMP USA LLC*	Trading company	United States	**0%**	100%
MacNeil Plastics (Pty) Ltd	Trading company	South Africa	**60%**	60%
Nationwide Bearing Company Limited***	Trading company	United Kingdom	**100%**	0%
MRO Produtos Industriais Lda	Trading company	Mozambique	**99%**	99%
Northmec Equipment Zambia Ltd	Dormant	Zambia	**100%**	100%
Nova Vida Lda	Dormant	Mozambique	**99%**	99%
Oscillating Systems Technology Africa (Pty) Ltd	Trading company	South Africa	**100%**	100%
Propshaft Rebuilders (Pty) Ltd	Dormant	South Africa	**100%**	100%
Salestalk 452 (Pty) Ltd**	Deregistered	South Africa	**0%**	50%
Screen Doctor (Pty) Ltd	Trading company	South Africa	**100%**	100%
Shamrock Handling Concepts (Pty) Ltd	Trading company	South Africa	**100%**	100%
Trendy Property Investments (Pty) Ltd	Property holding company	South Africa	**100%**	100%
UPG Spain SL****	Trading company	Spain	**100%**	0%
Universal Parts Group (Pty) Ltd	Trading company	South Africa	**100%**	100%
Zhejiang Beienji Industrial Products Co. Ltd ("BMG China")	Trading company	China	**91.74%**	91.74%
Entities controlled in terms of IFRS 10				
Africa Maintenance Equipment South Africa (Pty) Ltd	Investment holding company	South Africa		
Theramanzi Investments (Pty) Ltd	Investment holding company	South Africa		
Humulani Employee Investment Trust	Trust	South Africa		
Humulani Empowerment Trust	Trust	South Africa		

*The companies were disposed during the current financial year (note 40).

**The companies were either in liquidation at 31 March 2025 or were deregistered during the current financial year.

***The company was acquired during the current financial year (note 39).

****Newly registered company during the current financial year which commenced trading in November 2024 and forms part of the RPA operating segment.

A register containing details of the other direct and indirect subsidiaries is available for inspection during business hours at the registered office of the Company by members or their duly authorised agents.

Funding within the Group is managed centrally and is supported as appropriate by cross guarantees from Group companies.

Key accounting judgements, estimates and assumptions

Entities controlled in terms of IFRS 10 Consolidated Financial Statements

Africa Maintenance Equipment South Africa Proprietary Limited is an investment holding company owned 100%, by the Humulani Employee Investment Trust which, owns 5% of the issued ordinary share capital of Invicta South Africa (Pty) Ltd. The Humulani Empowerment Trust owns 100% of Theramanzi Investments (Pty) Ltd, which owns 20% of the issued ordinary share capital of Invicta South Africa (Pty) Ltd. The Group has assessed in terms of IFRS 10 *Consolidated Financial Statements* that the Group controls these entities, and they are therefore consolidated. The Group has the ability to direct the relevant activities of the trusts through their establishment and drafting of the trust deeds which sets out the decision-making powers relevant to the trusts which are pre-determined in the trust deeds. As a result, the Group has exercised power to direct the relevant activities of the trusts. The Group obtains variable returns through access to future resources or future contracts from maintaining the Group's B-BBEE credentials and the beneficiaries of the trusts are employees of the Group which, exposes the Group to variable returns through their employment services and therefore, the Group has exposure from its involvement with these entities and can use its power over the trusts to affect the amount of returns.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

13. Investment in associates

Accounting policy

Refer to note 2.3 Associates and joint ventures.

Name of associate (unlisted)	Principal activity	Place of operation	Functional currency	Reporting date	31 March Ownership interest held	
					2025	2024
Africa Maintenance Equipment eMalahleni (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**29%**	29%
Africa Maintenance Equipment Kathu (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Lephalale (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Mogale (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**29%**	29%
Africa Maintenance Equipment Rustenburg (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Thabazimbi (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Sekhukhune (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Amajuba (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Matjhabeng (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**39%**	39%
Africa Maintenance Equipment Umhlathuze (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**39%**	39%
Makona Hardware and Industrial (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**49%**	49%
Africa Maintenance Equipment Madibeng (Pty) Ltd	Distributor of engineering consumables	South Africa	ZAR	March	**29%**	29%

13. Investments in associates (continued)

Summarised financial information of the Group's associates as set out below:

	31 March			
2025	**Africa Maintenance Equipment Kathu R'000**	**African Maintenance Equipment eMalahleni R'000**	**Insignificant associates R'000**	**Total R'000**
Non-current assets	6,775	26,884	64,390	98,049
Other current assets	14,102	25,839	60,404	100,345
Cash and cash equivalents	6,453	2,529	16,922	25,904
Non-current liabilities	(3,281)	(22,240)	(47,229)	(72,750)
Other current liabilities	(425)	(559)	(3,568)	(4,552)
Trade and other payables	(20,926)	(46,848)	(54,587)	(122,361)
Net assets/(liabilities)	2,698	(14,395)	36,332	24,635
Revenue	97,236	167,933	433,176	698,345
Finance income	8	212	2,091	2,311
Finance costs	(418)	(2,961)	(4,597)	(7,976)
Depreciation and amortisation	(2,015)	(2,260)	(8,770)	(13,045)
Taxation credit/(expense)	2,963	2,217	(3,202)	1,978
(Loss)/profit for the year	(8,011)	(5,994)	8,693	(5,312)
Group's share of (loss)/profit of associates*	(5,099)	–	4,908	(191)
Reconciliation of carrying value:				
Balance as at 31 March 2024	6,420	–	15,631	22,051
Share of (losses)/profit of associates, net of taxation*	(5,099)	–	4,908	(191)
Dividends declared by associates	–	–	(4,566)	(4,566)
Transfer from other receivables	–	–	100	100
Carrying value at 31 March 2025	1,321	–	16,073	17,394

*This equals the share of equity accounted earnings from investment in associates per the statement of profit or loss. The Group's share of losses in associates not recognised amount to R1.7 million (eMalahleni) and R0.6 million (Matjhabeng). The cumulative losses not recognised amount to R4.2 million (eMalahleni) and R0.6 million (Matjhabeng).

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

13. Investments in associates (continued)

	31 March				
	BMG China	Africa Maintenance Equipment Kathu	Africa Maintenance Equipment eMalahleni	Insignificant associates	Total
2024	R'000	R'000	R'000	R'000	R'000
Non-current assets	–	8,175	28,232	65,257	101,664
Other current assets	–	16,383	32,303	66,591	115,277
Cash and cash equivalents	–	2,693	6,040	18,826	27,559
Non-current liabilities	–	(5,000)	(24,383)	(52,128)	(81,511)
Other current liabilities	–	(378)	(711)	(4,032)	(5,121)
Trade and other payables	–	(11,405)	(50,307)	(57,370)	(119,082)
Net assets/(liabilities)	–	10,468	(8,826)	37,144	38,786
Revenue	122,569	124,343	181,950	474,376	903,238
Finance income	37	25	-	2,455	2,517
Finance costs	(833)	(467)	(441)	(1,817)	(3,558)
Depreciation and amortisation	(20)	(1,772)	(2,271)	(8,157)	(12,220)
Taxation expense	(40)	(561)	211	(5,933)	(6,323)
(Loss)/profit for the year	(2,865)	1,518	(518)	16,554	14,689
Group's share of (loss)/profit of associates*,**	(1,146)	744	(550)	6,654	5,702
Reconciliation of carrying amount:					
Balance as at 31 March 2023	45,272	7,336	550	14,589	67,747
Share of (losses)/profits of associates, net of taxation*,**	(1,146)	744	(550)	6,654	5,702
Dividends declared by associates	–	(1,660)	–	(5,574)	(7,234)
Disposal of associates	–	–	–	(38)	(38)
Remeasurement to fair value	(678)	–	–	–	(678)
Change in ownership of associate to subsidiary (note 39)	(47,215)	–	–	–	(47,215)
Foreign currency translation	3,767	–	–	–	3,767
Carrying value at 31 March 2024	–	6,420	–	15,631	22,051

*This equals the share of equity accounted earnings from investment in associates per the statement of profit or loss. The Group's share of losses in associates not recognised amount to R0.1 million (eMalahleni). The cumulative losses not recognised amount to R2.4 million (eMalahleni) and R0.1 million (Matjhabeng).

**Includes remuneration to Ernst & Young, the Group auditor of R479 thousand for audit fees.

Key accounting judgements, estimates and assumptions

Assessment of Control

Africa Maintenance Equipment eMalahleni (Pty) Ltd ("eMalahleni"), Africa Maintenance Equipment Kathu (Pty) Ltd ("Kathu"), Africa Maintenance Equipment Lephalale (Pty) Ltd ("Lephalale"), Africa Maintenance Equipment Mogale (Pty) Ltd ("Mogale"), Africa Maintenance Equipment Rustenburg (Pty) Ltd ("Rustenburg"), Africa Maintenance Equipment Thabazimbi (Pty) Ltd ("Thabazimbi"), Africa Maintenance Equipment Sekhukhune (Pty) Ltd ("Sekhukhune"), Africa Maintenance Equipment Amajuba (Pty) Ltd ("Amajuba"), Africa Maintenance Equipment Matjhabeng (Pty) Ltd ("Matjhabeng"), Africa Maintenance Equipment Umhlathuze (Pty) Ltd ("Umhlathuze"), Makona Hardware and Industrial (Pty) Ltd ("Makona") and Africa Maintenance Equipment Madibeng (Pty) Ltd ("Madibeng") are collectively known as the "AMEs".

In terms of a control assessment in terms of IFRS 10 *Consolidated Financial Statements*, the Group concluded it does not have power over the AMEs and therefore the AMEs are not controlled or consolidated by the Group. The assessment considered the following which included contractual arrangements in place:

- No Group entity has majority voting rights directly or indirectly in the AMEs that will result in control of the AMEs.
- Supply contracts of the AME are negotiated directly with customers by the AMEs.
- Selling prices are determined by the AMEs.
- Shareholder appointments of directors in terms of the shareholder agreements.
- Decisions over the relevant activities of the AMEs require 75% approval, which exceeds the Group's interest in each AME.
- The Group is not required to provide support services, however, where applicable, the AMEs have chosen to use the Group for specific support services for which the Group charges a fee in terms of the agreement.

The investments in these AMEs have therefore been recognised as interests in associates and are equity accounted in the Group's results.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

14. Investment in joint ventures

Accounting policy

Refer to note 2.3 Associates and joint ventures.

Name of joint venture (unlisted)	Principal activity	Place of operation	Functional currency	Reporting date	31 March Ownership interest held 2025	2024
KMP Far East Pte. Ltd	Distributor of aftermarket parts for diesel engines for industrial and agricultural machinery	Singapore	SGD	March	**0%**	50%
GivEnergy South Africa (Pty) Ltd	Importer of residential and commercial energy storage solutions	South Africa	ZAR	March	**50%**	0%
Kian Ann Engineering Pte Ltd and its subsidiaries (KAG)	Distributor of heavy machinery parts and diesel engine components	Singapore	SGD	March	**48.81**	48.81%

Acquisition and disposals of joint ventures

During the current financial year, the Group entered a joint arrangement with GivEnergy Pte. Ltd in a start-up entity, GivEnergy South Africa (Pty) Ltd (GivEnergy SA) which imports residential and commercial energy storage solutions which are on-sold to approved distributors of GivEnergy South Africa (Pty) Ltd. In the prior financial year, the Group acquired 50% of the ordinary share capital in KMP Far East Pte. Ltd (KMPFE), via KMP Holdings Limited for a consideration of SGD 2.2 million effective 1 April 2023. In the current financial year, effective 1 April 2024, the Group disposed of its 100% investment in KMP Holdings Limited (note 40). As a result, the Group has ceased equity accounting KMPFE, effective 1 April 2024.

Summarised financial information of the Group's joint ventures as set out below:

	31 March KAG	GivEnergy South Africa	Total	KAG	KMPFE	Total
	2025 R'000	2025 R'000	2025 R'000	2024 R'000	2024 R'000	2024 R'000
Non-current assets	**1,671,465**	**1,368**	**1,672,833**	1,811,594	248	1,811,842
Other current assets	**2,446,427**	**17,395**	**2,463,822**	1,979,286	67,160	2,046,446
Cash and cash equivalents	**1,100,405**	**53**	**1,100,458**	1,026,704	10,113	1,036,817
Non-current liabilities	**(361,590)**	**(6,000)**	**(367,590)**	(326,098)	–	(326,098)
Other current liabilities	**(404,657)**	**–**	**(404,657)**	(339,908)	(4,411)	(344,319)
Trade and other payables	**(811,442)**	**(16,228)**	**(827,670)**	(528,420)	(3,704)	(532,124)
Net assets/(liabilities)	**3,640,608**	**(3,412)**	**3,637,196**	3,623,158	69,406	3,692,564
Revenue	**3,917,735**	**2,145**	**3,919,880**	3,458,864	78,983	3,537,847
Finance income	**23,069**	**150**	**23,219**	16,974	–	16,974
Finance costs	**(17,538)**	**(472)**	**(18,010)**	(13,433)	(62)	(13,495)
Depreciation and amortisation	**(110,314)**	**(11)**	**(110,325)**	(89,547)	(165)	(89,712)
Taxation expense	**(107,604)**	**–**	**(107,604)**	(75,083)	(2,628)	(77,711)
Profit/(loss) for the year	**747,999**	**(3,412)**	**744,587**	341,542	10,765	352,307
Group's share of profit in joint ventures*	**365,098**	**–**	**365,098**	166,707	5,387	166,707
Reconciliation of carrying amount:						
Balance at the beginning of the year	**1,843,863**	**–**	**1,879,525**	1,687,437	–	1,687,437
Acquisition of joint ventures	**–**	**–**	**–**	–	28,750	28,750
Disposal of KMPFE	**–**	**–**	**(35,662)**	–	–	–
Share of profit of joint venture, net of taxation**,***	**365,098**	**–**	**365,098**	166,707	5,387	172,094
Dividends declared by joint venture	**(311,088)**	**–**	**(311,088)**	(101,877)	(1,033)	(102,910)
Foreign currency translation	**(45,588)**	**–**	**(45,588)**	91,596	2,558	94,154
Balance at the end of the year	**1,852,285**	**–**	**1,852,285**	1,843,863	35,662	1,879,525

*The 31 March 2024 "Total" has been represented to exclude KMPFE due to the disposal of KMP Holdings Limited (note 40), presented as a discontinued operation (note 33).

**The Group's share of GivEnergy South Africa (Pty) Ltd's losses not recognised in the current financial year and cumulatively amount to R1.7 million.

***Includes remuneration to Ernst & Young, the Group auditor of R4.4 million (2024: R4.2 million) for audit fees and R0.6 million for non-audit services.

The difference between the Group's proportionate share in the net asset value of Kian Ann Engineering Pte Ltd and its carrying value is a result of notional goodwill.

14. Investment in joint ventures (continued)

Key accounting judgements, estimates and assumptions

Assessment of control - KAG

Based on a control assessment performed in accordance with IFRS 11 *Joint Arrangements,* the following was determined*:*

- The Group participates in the policy making processes including the appointment and remuneration of key management, the approval of the Kian Ann Group's business plan and the approval of the annual budget; and
- No single party to the arrangement has control over the relevant activities based on the split of shareholding and directorships arrangements per the shareholder agreement.

The Group concluded that it met the conditions required for joint control in accordance with IFRS 11 *Joint Arrangements,* as decisions about the relevant activities require the unanimous consent of the parties sharing control. Therefore, the KAG is accounted for as an investment in joint venture applying the equity method.

15. Taxation

Income taxes

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and are therefore accounted for as interest and penalties under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and uncertain tax treatments under IFRIC 23 *Uncertainty Over Income Tax Treatments*.

Accounting policy

Current taxation

Current taxation assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current taxation relating to items recognised directly in other comprehensive income or equity is also recognised in other comprehensive or equity.

The income taxation expense represents the sum of the current taxation and deferred taxation.

Deferred taxation

Deferred taxation is recognised using the liability method on temporary differences at the reporting date between the tax base of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation assets are recognised to the extent that it is probable that sufficient taxable profits will be available against which deductible temporary differences, carry forward of unused taxation credits and unused taxation losses can be utilised. Such deferred taxation assets and liabilities are not recognised if the temporary differences arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the taxable profit or loss nor the accounting profit or loss and those deferred taxation liabilities in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised, or the liability will be settled, based on enacted or substantively enacted rates at the reporting date.

Deferred taxation assets and liabilities are offset when they arise from the same tax reporting entity and relate to the same authority and when there exists a legal right to offset.

The carrying amount of deferred taxation assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred taxation assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred taxation asset to be recovered.

Deferred taxation is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

15. Taxation (continued)

15.1 Deferred taxation

	31 March 2025 R'000	31 March 2024 R'000
Balance at the beginning of the year	**159,254**	168,822
Acquisition of subsidiaries	**(4,341)**	(4,279)
Disposal of subsidiaries	**4,962**	–
Charge from the statement of comprehensive income - standard tax rate	**(10,777)**	(5,522)
Foreign currency translation	**(492)**	233
Balance at the end of the year	**148,606**	159,254
Comprising:		
Capital allowances	**(43,230)**	(43,288)
Tax losses available for set off against future taxable income	**39,716**	52,556
Trade and other payables	**111,538**	107,708
Right of use leases*	**15,154**	11,548
Net investment in finance leases	**16,671**	18,151
Other temporary differences**	**8,757**	12,578
Total	**148,606**	159,254
Presented as:		
Deferred taxation asset	**188,901**	198,298
Deferred taxation liability	**(40,295)**	(39,044)
Total	**148,606**	159,254

*Includes a deferred taxation asset from right-of-use lease liabilities of R31.4 million (2024: R26.6 million) and a deferred taxation liability from right-of-use assets of R16.2 million (2024: R15.1 million).

**Other temporary differences comprise foreign currency adjustments and advance payments received.

15.2 Taxation expense

	31 March 2025 R'000	31 March 2024* R'000
Current taxation		
– current year	**115,210**	95,864
Deferred taxation		
– current year	**10,777**	5,810
Withholding tax	**5,226**	10,157
Share transfer tax	**2,156**	271
Current taxation in foreign jurisdictions	**77,109**	64,054
Taxation expense for continuing operations	**210,478**	176,156

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

15. Taxation (continued)

15.2 Taxation expense (continued)

	31 March	
	2025	2024*
Reconciliation of effective tax rate	**%**	%
Tax rate using the Group's domestic tax rate	**27.0**	27.0
Profit on disposal of subsidiary	**(0.5)**	–
Share in profit of associates and joint ventures	**(9.9)**	(6.4)
Tax effect of exempt/non-taxable income:	**–**	
Employee tax incentive	**(0.1)**	(0.1)
Profit share liability revaluation	**–**	(0.1)
Other permanent differences and exempt income**	**1.5**	(0.4)
Taxation effect of non-deductible expenses:	**–**	
Profit share liability revaluation	**0.1**	
Modification loss on dividend receivable from KMP Holdings Limited	**0.3**	–
Consulting, legal and secretarial fees	**0.1**	0.3
Amortisation of agency rights	**–**	0.1
Penalties and interest	**0.8**	0.1
Expenditure apportioned due to exempt income	**0.2**	0.8
Foreign taxation:	**–**	
Effect of tax rates in foreign jurisdictions	**0.1**	0.4
Capital gains tax differential	**(0.3)**	0.3
Learnership allowances	**(0.3)**	(0.5)
Taxation adjustments	**0.5**	0.3
Dividend withholding tax	**0.4**	0.9
Share transfer tax	**0.2**	–
Tax losses where no deferred taxation asset has been recognised	**1.2**	1.7
Tax losses utilised where no deferred taxation asset previously recognised	**(0.2)**	(0.2)
Effective tax rate	**21.1**	24.2

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

**Other permanent differences and exempt income comprise foreign statutory disallowed expenses and exempt income and value-added taxation disallowed.

Key accounting judgements, estimates and assumptions

Deferred taxation assets

Management judgement is required to determine the amount of deferred taxation assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

In evaluating the Group’s ability to recover deferred taxation assets in the jurisdiction from which they arise, all available evidence is considered, including projected future taxable income and results of the operations.

In projecting future taxable income, historical results are adjusted for the results of discontinued operations where applicable and incorporate assumptions about the amount of future operating income, adjusted for items that do not have taxation consequences. The assumptions about future taxable income requires the use of significant judgement and are consistent with the plans and estimates the Group is using to manage the underlying businesses. The assumptions take into account historical performance of the Group as well as future expected growth.

The estimates of the future taxable income used for determining the recognition of deferred taxation assets are based on forecast cash flows from operations, assumptions regarding economic growth, inflation rates and the application of existing tax laws. Judgement is applied with regard to the timing of the utilisation of the deferred taxation assets. Estimated tax losses within the Group amount to R309.5 million (2024: R261.1 million). A deferred taxation asset of R39.7 million (2024: R52.6 million) has been recognised with respect to these tax losses. The directors are of the opinion that based on the cash forecasts, the entities will make sufficient taxable profits to utilise the tax losses in the foreseeable future. The unrecognised taxation losses amount to R162.4 million (2024: R66.4 million) at the end of the financial year.

16. Inventories

Accounting policy

Inventories are valued at the lower of cost and net realisable value. The cost of finished goods and goods in transit, for both equipment and parts, is the landed cost of the goods plus the costs incurred to bring it to a selling location and is calculated using the

16. Inventories (continued)

weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion (where applicable) and costs necessary to make the sale.
The Group policy has been applied by the operating segments as follows:

- Raw materials are valued at average cost.
- The cost of finished goods and goods in transit, for both equipment and parts, is the landed cost of the goods plus the costs incurred to bring it to a selling location, calculated using the weighted average method.
- Work in progress is valued at actual cost including direct material costs, labour costs and manufacturing overheads.

Write-downs to net realisable value and inventory losses are recognised in profit or loss in the reporting period in which the write-down or losses occur. Inventories are physically verified at least once a year through the performance of inventory counts and shortages identified are written off immediately.

	31 March	
	2025 R'000	2024 R'000
Raw materials	**33,268**	34,853
Finished goods	**3,217,486**	3,207,494
- Capital equipment	**363,068**	316,411
- Spares and accessories	**775,957**	886,710
- Engineering consumables and tools	**1,703,130**	1,625,464
- Conveyor belt and related components	**309,870**	310,437
- Other inventory including plastic pipe ware and components	**65,461**	68,472
Work in progress	**52,675**	39,615
Goods in transit	**88,277**	167,796
Right of return assets	**2,126**	1,348
Write-down of finished goods to net realisable value	**(422,405)**	(435,237)
Total	**2,971,427**	3,015,869
The cost of inventories recognised as cost of sales in respect of write-downs of inventory to net realisable value from continuing operations*	**35,989**	19,923
The cost of inventories recognised as cost of sales in respect of reversals of inventory to net realisable value from continuing operations*,**	**(28,976)**	(49,331)
The cost of inventories recognised as cost of sales in respect of reversals of inventory to net realisable value from discontinued operations**	**–**	(3,543)
Inventory recognised as cost of sales in profit or loss - continuing operations**	**5,288,552**	4,968,246
Inventory recognised as cost of sales in profit or loss - discontinued operations**	**–**	380,776

*R13.3 million has been reclassified in the comparatives from costs of inventories recognised as cost of sales in respect of write-downs of inventory to net realisable value from continuing operations to the cost of inventories recognised as cost of sales in respect of reversals of inventory to net realisable value from continuing operations due to a classification error at 31 March 2024.
**31 March 2024 has been represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

Key accounting judgements, estimates and assumptions

Write-down of inventory to net realisable value

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value.

Obsolete, redundant and slow-moving items are identified on a regular basis and are written down to their estimated net realisable values. Inventory is aged according to the expected inventory sell-through rate and applied to the shelf life. Items that have exceeded the average shelf life are provided for in full. The amount of the write-down is recognised as an expense in profit or loss in the year in which it occurs. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write down is reversed, so that the new carrying amount is the lower of the cost and the revised net realisable value. The reversal is recognised in profit or loss. The reversals recognised are due to improved turnover indicators and ageing profile of inventory.

For CE and RPE

- New and used equipment inventory is aged annually, based on the receipt date of the items on hand. All new capital equipment inventory is fully provided for over a period of 6 years, with no provision taken over the first two years, and provision raised over the next 4 years. All second-hand equipment inventory is fully provided for within 5 years of the receipt date.
- Parts are aged annually, based on the quantity of the various product categories on hand, relative to their life expectancy and relevant turnover indicators.

For RPI and RPA

- Parts are aged annually, based on the quantity of the various product categories on hand, relative to their life expectancy and relevant turnover indicators. Items that have not moved in 3 years are provided for in full.

17. Trade and other receivables

Accounting policy

Initial recognition and subsequent measurement

Refer to note 2.5 Financial instruments.

Impairment and write-off

The Group recognises a loss allowance for expected credit losses (ECLs) applying the simplified approach and measures the loss allowance at an amount equal to the lifetime ECLs. As there is no significant financing component to trade and other receivables, the Group uses a specific identification and provision matrix when measuring ECL. The simplified approach is forward-looking and takes into account historical credit loss experience, time value of money and future economic factors including, inflation, interest and exchange rates, state infrastructure spend, expected GDP growth and extended payment terms granted. Losses are recognised in the statement of profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income in profit or loss. Approximately 10.3% (2024: 12.7%) of the gross carrying amount of the trade receivables are insured. All trade receivables which are not insured are provided in the ECL determination.

Receivables other than trade receivables are assessed individually based on their specific credit profile and business performance. Expected credit losses have not been identified in relation to these receivables.

When a trade or other receivable is uncollectible, it is written off and recognised in profit or loss**.** For individual customers, the gross carrying amount is written off when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of the write-off based on whether there is a reasonable expectation of recovery. Amounts that are written off are subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

	31 March	
	2025 R'000	2024 R'000
Trade receivables	**1,167,142**	1,080,392
Loss allowance on trade receivables	**(73,148)**	(78,320)
Trade creditors with debit balances*	**82,636**	61,738
Prepaid expenses**	**40,268**	51,707
Receivables from associates	**44,438**	44,878
Value added taxation	**42,601**	59,149
Other receivables*,***	**38,832**	35,248
Total	**1,342,769**	1,254,792

*Trade creditors with debit balances was previously included in other receivables at 31 March 2024. For improved disclosure, trade creditors with debit balances are now disclosed separately and R62 million has been reclassified from other receivables and the comparatives are presented on a comparable basis.

**Included in prepaid expenses is software license renewals, marketing, import clearing duties on inventory and other prepaid expenses.

***Included in other receivables are rebates receivable, sundry debtors and miscellaneous receivables.

The directors consider that the carrying value of trade and other receivables approximates fair value at the reporting date.

Movement in loss allowance

Balance at the beginning of the year	**78,320**	71,165
Acquisition of subsidiary	**–**	54
Derecognition on disposal of subsidiaries	**(6,406)**	–
Net remeasurement of loss allowance - continuing operations	**5,229**	5,627
Net remeasurement of loss allowance - discontinued operations	**–**	252
Foreign currency translation	**(3,995)**	1,222
Balance at the end of the year	**73,148**	78,320

17. Trade and other receivables (continued)

	31 March		
	Weighted average expected credit loss rate	Gross carrying amount ^	Expected credit loss
Expected credit loss assessment for trade receivables	**%**	**R'000**	**R'000**
2025			
Less than 30 days	**2%**	**637,367**	**13,573**
31 to 60 days	**7%**	**268,939**	**19,107**
61 to 90 days	**8%**	**57,327**	**4,870**
91 to 120 days	**25%**	**22,304**	**5,549**
More than 120 days	**43%**	**48,568**	**20,974**
Debtors handed over to legal	**72%**	**12,636**	**9,075**
Closing balance	**7%**	**1,047,141**	**73,148**
2024			
Less than 30 days	2%	551,290	9,522
31 to 60 days	8%	234,105	19,128
61 to 90 days	13%	39,598	5,327
91 to 120 days	17%	28,407	4,871
More than 120 days	34%	74,769	25,315
Debtors handed over to legal	95%	14,828	14,157
Closing balance	8%	942,997	78,320

^ *This amount differs from total trade receivables as insured receivables are excluded from the table above.*

Set out above is the information about the credit risk exposure on the Group's trade receivables using an assessment matrix.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed. No one customer represents more than 10% (2024: 14%) of the total balance of trade receivables.

Key accounting judgements, estimates and assumptions

Measurement of expected credit loss allowance

The Group considered changes in risk and the fact that no material write-offs have been made on other receivables in the past and raised no expected credit loss on these financial assets as the ECL was immaterial.

To measure the ECLs for trade receivables, the trade receivables are grouped based on shared credit risk characteristics, coverage by letters of credit and other forms of credit insurance, and the days past due. The probability of a customer defaulting and the realised loss with defaulted accounts has been determined using historical data.

The ECL is determined for all trade receivables which are not insured. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors when affecting the ability of customers to settle the amount receivable.

Historical estimated losses are calculated as the average losses using historical data. The estimated loss value is adjusted to be forward-looking by considering the Group's credit control measures and collection policies. When measuring ECLs the Group uses reasonable and supportable forward-looking information based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Group has considered quantitative forward-looking information such as the core inflation rate, economic growth (GDP), state infrastructure spend, interest and exchange rates and extended payment terms granted. The forward-looking adjusted loss rate is applied to each receivables terms' bucket based on the unpaid balance by the total estimated loss rate. The expected loss rate is applied to the outstanding buckets to derive the allowance for ECLs. A qualitative assessment of the impact of forward-looking information has been performed and found to be immaterial.

The weighted average expected loss rates in the current financial year for the 91 to 120 days and more than 120 days has increased compared to the prior financial year as specific debtors within the matrix have been fully impaired.

18. Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of change in value. Cash and cash equivalents comprises cash on hand, bank balances and bank overdrafts.

Accounting policy

Refer to note 2.5 Financial instruments.

	31 March	
	2025	2024
	R'000	R'000
Bank and cash balances	**799,800**	998,684
Bank overdrafts	**(19,700)**	(94,032)
Cash and cash equivalents in the statement of cash flows	**780,100**	904,652

	31 March			
	Bank	Trading	Bank	Trading
	2025		2024	
Banking and trading facilities	**R'000**	**R'000**	R'000	R'000
Gross facility balances	**94,539**	**4,110,320**	280,015	3,886,754
Facilities utilised	**(19,700)**	**(2,028,037)**	(94,032)	(1,897,842)
Facilities available	**74,839**	**2,082,283**	185,983	1,988,912

Banking facilities include overdrafts and overnight loans. Trade facilities include letters of credit, vehicle and asset financing, trade financing commitments, forward exchange contract commitments and non-recourse facilities. These facilities may be cancelled by notice from the relevant facility provider and are secured by cross-sureties and/or cross-guarantees from Group companies. The directors are of the view that there are adequate facilities in place to operate for the next 12 months.

19. Assets held for sale

Accounting policy

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal groups) held for sale (distribution to owners) are measured at the lower of their carrying amount and fair value less cost to sell (distribute).

A non-current asset is not depreciated (or amortised) while it is classified as held for sale (distribution to owners), or while it is part of a disposal group classified as such.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale (distribution to owners) are recognised in profit or loss.

19. Assets held for sale (continued)

Property, plant and equipment classified as held for sale

During the current financial year, the Group classified a property located in Krugersdorp with an estimated recoverable amount of R4 million and a property located in Ghana with a an estimated recoverable amount of R18.3 million from property, plant and equipment (a combined carrying value of R22.3 million (note 4) to assets classified as held for sale. The recoverable amounts of the properties is the fair value less costs to sell (level 3). The Krugersdorp property forms part of the Corporate Group operating segment whilst, the Ghana property forms part of the RPI operating segment. Both properties are available for immediate sale, with a buyer identified for the Ghana property as at 31 March 2025. The Group is actively marketing the Krugersdorp property and the sale of both properties is considered highly probable by management and the sale of the properties is expected to be completed within 12 months.

During the 2023 financial year, the Group classified the Samrand property with a carrying value of R9 million as held for sale and reclassified the property as investment property on reclassification to held for sale. The property was sold during the current financial year for a purchase consideration equivalent to the carrying value of R9 million. The property was reported in the Corporate Group operating segment.

Investment properties classified as held for sale

During the current financial year, the Group classified a property located in Camperdown with a carrying value of R43.8 million from investment properties (note 5) to assets held for sale. The property formed part of a Corporate Group operating segment and was subsequently sold in March of the current financial year. The purchase consideration received was R65.9 million and the Group recognised a net profit of R21.1 million in profit for the year. A further consideration of R7.9 million is receivable, which is contingent on the successful rezoning of the property to light industrial.

The value of the assets classified as held for sale as at 31 March is as follows:

	31 March			
	Properties	Total	Properties	Total
	2025		2024	
	R'000	**R'000**	R'000	R'000
Assets:				
Property, plant and equipment	**22,414**	**22,414**	–	–
Investment property	**–**	**–**	9,000	9,000
Assets classified as held for sale	**22,414**	**22,414**	9,000	9,000

20. Stated capital - ordinary shares

Accounting policy

Stated capital - ordinary share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12 *Income Taxes*.

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity and is recognised in the treasury shares reserve. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in the share premium.

Share repurchases and cancellations

During the current financial year, the Group purchased 5,021,237 ordinary shares (2024: 2,294,672) on the open market for R160 million (2024: R61 million). During the current financial year, the Group cancelled 4,921,642 ordinary shares (2024: 3,002,164 ordinary shares comprising, 2,239,672 of the ordinary shares repurchased and 762,492 ordinary treasury shares held). A total of 99,595 ordinary shares (2024: 424,476) were issued during the current financial year to executive directors, of which, 44,595 ordinary shares (2024: 369,476) were in terms of the long-term bonus and share incentive rights scheme and 55,000 ordinary shares (2024: 55,000) were issued to the Group CEO in terms of a 100,000 bonus share award granted to the CEO on 1 April 2024 (2024: 3 April 2023).

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

20. Stated capital - ordinary shares (continued)

	31 March	
Authorised and issued ordinary share capital	**2025 R'000**	2024 R'000
Authorised		
2025: 285 000 000 (2024: 285 000 000) ordinary shares with no par value		
Issued and fully paid		
91 920 783 (2024: 96 842 425) ordinary shares with no par value	**2,211,386**	2,331,578
Unissued shares		
193 079 217 (2024: 188 157 575) Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
Treasury shares		
Nil (2024: nil) ordinary shares with no par value	**–**	–
Reconciliation of movements		
Stated capital - ordinary no par value shares		
Balance at the beginning of the year	**2,331,578**	2,403,858
Ordinary no par value shares cancelled	**(120,192)**	(72,280)
Balance at the end of the year	**2,211,386**	2,331,578
Treasury shares		
Balance at the beginning of the year	**–**	(30,874)
Ordinary shares purchased	**(123,359)**	(55,404)
Ordinary no par value shares disposed to directors - share based payments exercised/settled	**3,167**	11,831
Ordinary shares cancelled	**120,192**	74,447
Preference shares purchased	**–**	(26,724)
Preference shares cancelled	**–**	26,724
Balance at the end of the year	**–**	–
Reconciliation of movements in issued shares (number of issued shares)		
Stated capital - ordinary no par value shares		
Balance at the beginning of the year	**96,842,425**	99,844,589
Ordinary no par value shares cancelled	**(4,921,642)**	(3,002,164)
Balance at the end of the year	**91,920,783**	96,842,425
Treasury shares		
Balance at the beginning of the year	**–**	1,131,968
Ordinary no par value shares purchased	**5,021,237**	2,294,672
Ordinary no par value shares disposed to directors - share based payments exercised/settled	**(99,595)**	(424,476)
Ordinary no par value shares cancelled	**(4,921,642)**	(3,002,164)
Balance at the end of the year	**–**	–

21. Ordinary dividends

	31 March	
	2025 R'000	2024 R000
A dividend of 105 cents per share was declared and paid during the current year (2024: 100 cents)	**101,685**	99,845
Dividends received on treasury shares held	**–**	(1,133)
Dividends distributed by The Humulani Employee Investment Trust	**5,677**	6,805
Total ordinary dividends paid	**107,362**	105,517

Refer to note 48 with respect to ordinary dividends declared after the reporting period.

22. Preference shares

Accounting policy

Non-redeemable preference shares are classified as equity because they do not contain any obligations to deliver cash or other financial assets and do not require settlement in a variable number of the Group's equity instruments.

Cumulative dividends thereon are recognised as equity distributions on approval by the Company's directors. The preference shares do not have any voting rights.

Share redemption

During the current financial year, the Group redeemed all of its issued R100 preference shares in issue, totalling 6,857,757 shares, for a redemption amount of R102.50 per share (R703 million).

Share repurchases and cancellations
During the prior financial year, the Group purchased 267,243 preference shares on the open market for R27 million which were subsequently cancelled.

	31 March	
	2025	2024
	R'000	R'000
Authorised		
Nil (2024: 18 000 000) cumulative, non-participating preference shares with a par value of R100 each		
Issued and fully paid		
Nil (2024: 6 857 757) cumulative, non-participating preference shares of R100 each	–	685,776
Reconciliation of movements		
Preference shares		
Balance at the beginning of the year	**685,776**	712,500
Shares redeemed	**(685,776)**	–
Shares repurchased and cancelled during the year	–	(26,724)
Balance at the end of the year	–	685,776
Reconciliation of movements in issued shares (number of issued shares)		
Preference shares		
Balance at the beginning of the year	**6,857,757**	7,125,000
Shares redeemed	**(6,857,757)**	–
Shares repurchased and cancelled during the year	–	(267,243)
Balance at the end of the year	–	6,857,757

The Group declared and paid a final preference dividend of 771.02 cents per share in the current financial year, and an interim preference dividend of 537.27 cents per share in the prior financial year.

23. Other reserves

Long-term bonus and share incentive right scheme

The Group enters equity-settled share-based payments awards with executive directors who are beneficiaries of the long-term bonus and share incentive right scheme ("LBSIR scheme").

Full share grants awarded is determined based on the difference between the grant price and the five-day volume weighted average market price on the exercise date and may be settled by way of a purchase of shares in the market, use of treasury shares or issue of new shares.

23. Other reserves (continued)

All Tranches issued under the LBSIR scheme are equity settled with Tranches 18 to 21 including performance targets. The performance target vesting conditions applicable to Tranches 18 to 21 include 75% based on growth in headline earnings per share at a rate of CPI plus 2% per annum, over a three-year period (cumulative), from a base of continuing sustainable headline earnings per share and, 25% based on the achievement of a sustainable 12% return on ordinary shareholders' equity, over the three-year period. In all instances, the recipient must be in the employment of the Group at vesting.

At settlement the net settlement arrangement is designed to meet the Group's obligation under tax laws and regulations to withhold a certain amount to meet the employee's tax obligation associated with the share-based payment. This amount is then transferred, normally in cash, to the tax authorities on the employee's behalf. The employees in each instance will pay tax on vesting at the maximum marginal rate.

To fulfil this obligation, the terms of the LBSIR scheme may permit or require the entity to withhold the number of equity instruments that are equal to the monetary value of the employee's tax obligation from the total number of equity instruments that otherwise would have been issued to the employee upon exercise (or vesting) of the share-based payment ('net share settlement feature'). Where transactions meet the criteria, they are not divided into two components but are classified in their entirety as equity-settled share-based payment transactions if they would have been so classified in the absence of the net share settlement feature. Refer to note 41 for additional details of share-based payments.

Additional information – diluted EPS & HEPS

The effect of all full share grants issued under the share-based payment plans are taken into account when calculating diluted earnings and diluted headline earnings per share, unless they are anti-dilutive (note 34).

Accounting policy

Share based payments

Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market-based vesting conditions) of the equity instruments issued at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed in profit or loss on a straight-line basis over the vesting period with a corresponding increase in share-based payment reserve included in equity, based on the Group's estimate of equity instruments that will eventually vest and adjusted for the effect of non-market-based vesting conditions. The cumulative expense is recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

If new shares are issued to equity-settle full share grants, the proceeds received net of any directly attributable transaction costs are credited to stated capital (nominal value).

	31 March	
	2025	2024
	R'000	R'000
Common control reserve	**(45,715)**	(45,715)
This relates to the buy-out of minority interests in various entities.		
Share based payment reserve	**13,625**	13,443
This relates to the executive director long-term share incentive schemes.		
Other statutory reserves	**95,950**	95,950
This relates to historic reserves recognised on past acquisitions by the Group.		
Total	**63,860**	63,678

23. Other reserves (continued)

Reconciliation of other reserves	31 March 2025 R'000	2024 R'000
Balance at the beginning of the year	**63,678**	(27,002)
Share based payment reserve		
Equity-settled share-based payments expense	**14,069**	17,666
Equity-settled share-based payments cancelled	**(2,815)**	(4,159)
Equity-settled share-based payments exercised	**(11,072)**	(18,006)
Other statutory reserves		
Transfer between reserves*	**–**	95,179
Balance at the end of the year	**63,860**	63,678

*During the prior financial year, the Euro Driveshafts branch in Poland was incorporated as a legal entity, UPG Poland Spółka z ograniczoną odpowiedzialnością (note 12). In terms of Polish regulations, all reserves pre-incorporation of the entity are non-distributable. As a result, R95 million was transferred from retained earnings to non-distributable reserves in the prior financial year.

24. Borrowings

Accounting policy

Refer to note 2.5 Financial instruments.

Borrowings	Interest rate	Maturity	31 March 2025 R'000	2024 R'000
Secured borrowings				
Mortgage bonds*	Prime	120 months tenor	**138,522**	172,354
Standard Bank GBP revolving credit facility**	SONIA	31 December 2024	**–**	181,392
Nedbank revolving credit facility**,***	JIBAR plus 1.8%	31 March 2029	**390,050**	375,363
RMB revolving credit facility**,***	JIBAR plus 2.05%	31 March 2029	**379,382**	307,641
Asset financing loan**	Prime	48 to 60 months tenor	**121,790**	130,501
Unsecured borrowings				
Bank overdraft	Bank of England rate plus 1,75%		**8,415**	15,837
Working capital facility	Prime less 2%		**70,000**	–
Other borrowings	0% to 10%	On demand to April 2026	**29,459**	29,219
Total borrowings			**1,137,618**	1,212,307
***Less*: Current borrowings**			**(159,129)**	(106,821)
Non-current borrowings			**978,489**	1,105,486

*The mortgage bonds are secured by the related land and buildings (note 4).

**These loans and revolving credit facilities are secured by cross-sureties provided by Group companies. The Standard Bank GBP revolving credit facility was settled during the current financial year.

***During the prior financial year, these loans were modified to extend the maturity of the loans from February 2025 to March 2029. The terms of the loans were substantially modified and as a result the existing revolving credit facilities were derecognised (note 38) on modification and the modified revolving credit facilities were recognised as new loans. The modification had no impact on the consolidated statement of profit or loss and other comprehensive income. Total facility available on the Nedbank and RMB revolving credit facility is R500 million respectively at year end.

24. Borrowings (continued)

The SARB has designated ZARONIA as the successor rate to JIBAR which is expected to cease by the end of 2026. At this stage, JIBAR continues to be made available. Management continues to stay abreast of the changes and has assessed impacts on the revolving credit facilities. Where JIBAR is not available, the "Reference Bank Rate" will be applied.

	31 March	
	2025	2024
	R'000	R'000
Gross carrying amount of borrowings are		
Due within one year	**266,519**	202,386
Due in the second to fifth years inclusive	**1,187,531**	1,373,653
Due in more than five years	**54,459**	68,039
	1,508,509	1,644,078
Unearned finance costs	**(370,891)**	(431,771)
Total	**1,137,618**	1,212,307
Net carrying amount of borrowings are		
Due within one year	**159,129**	106,821
Due in the second to fifth years inclusive	**932,390**	1,050,086
Due in more than five years	**46,099**	55,400
Total	**1,137,618**	1,212,307

There is no limit on the Group's borrowings and guarantees in terms of the Company's memorandum of incorporation.
Refer to note 38 for a reconciliation of the movement in borrowings.
The fair value of borrowings approximates the carrying value at the reporting date.

25. Trade and other payables

Accounting policy

Refer to note 2.5 Financial instruments.

	31 March	
	2025	2024
	R'000	R'000
Trade payables	**1,319,034**	1,082,769
Sundry payables and accrued expenses*,**	**146,975**	187,330
Trade debtors with credit balances**	**32,186**	19,975
Value added taxation	**50,120**	44,514
Payables to associates	**3,182**	3,380
Refund liabilities	**5,301**	1,981
Dividends payable	**13,258**	41,536
Employee benefit accruals - leave pay accrual	**39,859**	46,716
Total	**1,609,915**	1,428,201

*Sundry payables and accrued expenses include accruals for transport, royalties, employee taxes, rebates and other accruals.

**Trade debtors with credit balances was previously included in sundry payables and accrued expenses at 31 March 2024. For improved disclosure, trade debtors with credit balances are now disclosed separately and R20 million has been reclassified from sundry payables and accrued expenses and the comparatives are presented on a comparable basis.

The directors are of the opinion that trade and other payables approximate fair value as at the reporting date.

The Groups payment terms typically range between 30 to 90 days. Payments to trade creditors out of our Mozambique operations have been delayed during the current financial year as a result of the unavailability of foreign exchange currency in Mozambique. The Group continues to meet its obligations with foreign trade creditors being settled as foreign currency becomes available in country. At 31 March 2025 the Group had +/- R28 million overdue but not older than 12 months.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

26. Employee benefit bonus incentives

Accounting policy

Short-term Employee benefit bonus incentives

A liability for bonus incentives is recognised when the Group has a legal or constructive obligation to pay the amount as a result of past services provided by employees and the obligation can be estimated reliably. The liability is calculated at undiscounted amounts based on current wage and salary rates. Employee benefit bonus incentives not expected to be settled wholly before twelve months after the year-end are recognised as long-term employee benefit bonus incentives.

Long-term Employee benefit bonus incentives

The Group recognises long-term employee-benefit bonus incentives when the Group has a legal or constructive obligation to pay the amount as a result of past services provided by employees and the obligation can be estimated reliably. The measurement of the liability uses a projected unit credit actuarial valuation to make a reliable estimate of the ultimate cost to the Group which considers any performance conditions, employee turnover, disability, retrenchment, mortality and longevity which is then discounted to the valuation date, to determine the present value of the liability and the related current service cost. The current service cost, interest and remeasurements of the liability are recognised in net profit or loss for the year.

	31 March	
	2025	2024
	R'000	R'000
Employee benefit bonus incentives - non-current	**15,004**	24,168
Employee benefit bonus incentives - current	**202,647**	192,672
Total employee benefit bonus incentives	**217,651**	216,840
Reconciliation of provisions:		
Employee benefit bonus incentives		
Balance at the beginning of the year	**216,840**	254,916
Recognised in profit or loss*	**173,017**	140,364
Utilised during the current year	**(168,585)**	(180,546)
Non-cash interest	**578**	1,041
Disposal of subsidiaries	**(4,182)**	–
Foreign currency translation	**(17)**	1,065
Balance at the end of the year	**217,651**	216,840

*Recognised in selling, administration and distribution costs on the Consolidated Statement of Profit or Loss and Other Comprehensive Income (note 29).

The Group revised its short- and long-term bonus incentive scheme, which became effective in the prior financial year. The scheme applies to select senior employees of specific entities within the Group and includes a short-term bonus, retention bonus and long-term performance bonus. The retention bonus and long-term performance bonus is designed to both retain key employees as well drive long-term sustainable growth for the Group.

The short-term bonus is determined annually based on set target criteria, namely profit before tax verse budget, return on net operating assets (RONOA) and revenue growth targets being achieved, which is weighted and applied to an employee's cost to company.

The retention bonus is awarded annually as a percentage of an employee's cost to company at grant date of the award however, settlement thereof is deferred three years from the grant date. This award is forfeited if an employee is not employed at the time of settlement.

The long-term performance bonus is awarded annually and is dependent on a specified company achieving specified long-term financial targets as may be determined each year. The bonus vests over a three-year period from grant date subject to specified vesting criteria being met calculated as a percentage of the employees cost to company at grant date. Settlement takes place after vesting subject to the financial and vesting performance conditions being met. This award is forfeited if an employee is not employed at the time of settlement.

Key accounting judgements, estimates and assumptions

Long-term employee benefit bonus incentives

In determining the present value of the old and revised retention bonus, assumptions are made in terms of employee turnover, disability, retrenchment, mortality and longevity. Mortality rates are based on the South African Life Tables 1984-86, disability rates applied are obtained from the Statistics South Africa study and range from 0.5% to 2% (2024: 0.5% to 2%) increasing with age, voluntary withdrawal decreases from 5% (2024: 5%) with age whilst involuntary withdrawal decreases from 0.5% (2024: 0.5%) with age. The retirement age is considered to be 65 (2024: 65). The discount rate applied was 8.093% (2024: 9.066%) based on prudential nominal yields on government bonds at the end of the reporting period.

26. Employee benefit bonus incentives (continued)

Key accounting judgements, estimates and assumptions (continued)

The long-term performance bonus present value makes assumptions with respect to Group specific financial performance conditions (profit before taxation and return on net operating assets), employee turnover, disability, retrenchment, mortality and longevity. Mortality rates are based on the South African Life Tables 1984-86, disability rates applied are obtained from the Statistics South Africa study and range from 0.5% to 2% (2024: 0.5% to 2%) increasing with age, voluntary withdrawal decreases from 5% (2024: 5%) with age whilst involuntary withdrawal decreases from 0.5% (2024: 0.5%) with age. The retirement age is considered to be 65 (2024: 65). The discount rate applied was 8.093% (2024: 9.066%) based on prudential nominal yields on government bonds at the end of the reporting period.

27. Profit share liability

The profit share liability relates to the Group's obligation to purchase notional shares from certain branch managers, in the event that the branch managers' employment with the Group is terminated for any reason whatsoever or wish to dispose of their notional shares. The liability recognised at fair value through profit or loss is determined as the amount equal to three times the average annual profit after taxation achieved by the branch in the 24 months prior to the date of the event, multiplied by the notional percentage shareholding.

Accounting policy

Refer to note 2.5 Financial instruments.

	31 March	
	2025 R'000	2024 R'000
Reconciliation of profit share liability		
Balance at the beginning of the year	**78,497**	77,779
Fair value adjustment recognised in profit or loss	**5,234**	3,557
Paid during the financial period	**(10,762)**	(6,784)
Other adjustments	**6,009**	3,861
Foreign currency translation	**(43)**	84
Balance at the end of the year	**78,935**	78,497

28. Revenue

The Group generates revenue primarily from the sale of goods which includes equipment, spare parts, engineering consumables and tools, and plastic pipe-ware and hardware and from the provision of services which includes the maintenance and servicing of capital equipment, and the installation of gearboxes and pressure pumps to its customers. Other sources of revenue include rental income from leasing investment property, forklifts and machinery equipment. The Group retains the rights to the underlying leased assets and usage in excess of specified limits is received through variable lease charges to the customer.

Accounting policy

Revenue from contracts with customers
Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts received on behalf of third parties. The Group recognises revenue when the performance obligations are met.

Sale of goods
Revenue from the sale of goods is recognised when the goods are delivered to the agreed point of delivery, i.e., the agreed destination where control over the goods is transferred to the customer.

Some contracts permit the customer to return a product. For these contracts, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data for specific goods. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The right to recover returned goods asset is measured at the former carrying amount of the inventory less any expected costs to recover goods. The refund liability is included in trade and other payables (note 25) and the right to recover returned goods is included in inventory (note 16). The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.

28. Revenue (continued)

Rendering of services

Revenue is recognised over time as the services are performed except for servicing or repairs of capital equipment which is recognised once the service or repair work has been completed, i.e., with revenue recognised at that point in time.

Revenue from a contract to provide services is recognised when the performance obligations have been met, this could be as the services are rendered over a period of time or upon completion of the services. The performance obligations are determined as follows:

- installation fees are recognised during the period of time that the installation occurs;
- rendering of equipment servicing or repairs is recognised once the service or repair has been completed;
- contract maintenance revenue is recognised over the term of the contract;
- servicing fees included in the price of products sold are recognised in reference to the proportion of the total cost of providing the servicing for the product sold; and
- revenue from time and material contracts is recognised at the contractual rates as labour hours and direct expenses are incurred and is recognised based on the stage of completion of the transaction, based on the proportion that costs incurred to date bear to the total costs of the project and cost-based input measure is in line with the performance obligations of IFRS 15 *Revenue from Contracts with Customers*.

The Group applies the practical expedient permitted in terms of IFRS 15 *Revenue from Contracts with Customers,* paragraph 121 and recognises revenue in the amount to which the Group has a right to invoice under service contracts.

Revenue from leases with customers

The Group, as lessor, enters operating leases with customers which includes the leasing of investment property (note 5), machinery equipment and forklifts (note 4). Rental income from operating leases is recognised in profit or loss on a straight-line basis over the lease term and is included in revenue below as other revenue.

	31 March	
	2025 **R'000**	2024* R'000
Type of products and service		
Revenue from contracts with customers		
Sale of goods	**7,937,430**	7,478,209
-Equipment and parts	**2,000,323**	1,852,208
-Engineering consumables and tools	**5,506,186**	5,247,418
-Plastic pipe ware and hardware	**430,921**	378,583
Rendering of services	**74,581**	85,098
Other revenue		
Rental income	**99,892**	85,250
Total revenue	**8,111,903**	7,648,557
Timing of revenue recognition		
Goods and services transferred at a point in time	**7,937,411**	7,488,743
Services transferred over time	**74,600**	74,564
Rental income	**99,892**	85,250
Total revenue	**8,111,903**	7,648,557

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

Refer to note 3 for disclosures of revenue by operating segment and geographic area.

29. Operating profit before net finance income on financing transactions and foreign exchange movements

Operating profit is the result generated from the Group's continuing revenue-producing activities (considered core operations), thus excluding finance income, finance costs (except for finance income and finance costs on financing transactions as they form part of operating profit), and taxes. Operating profit also excludes, as non-core, any profit earned from the Group's financial investments and share of profit from equity-accounted investments.

29. Operating profit before net finance income on financing transactions and foreign exchange movements (continued)

	31 March 2025 R'000	31 March 2024* R'000
Operating profit from continuing operations includes the following:		
Income		
Profit on disposal of property, plant and equipment	**4,978**	11,442
Profit on disposal of investment property classified as held for sale	**21,103**	–
Profit on disposal of subsidiaries	**20,486**	605
Profit on derecognition of right-of-use assets and right-of-use lease liabilities	**2,185**	1,606
Expenses		
Depreciation	**105,599**	101,737
– Buildings	**5,274**	5,391
– Plant and equipment	**17,749**	20,587
– Leasehold improvements	**5,453**	5,778
– Motor vehicles	**33,341**	28,684
– Furniture, fittings and office equipment	**10,757**	12,967
– Computer equipment	**10,477**	9,920
– Operating lease assets	**22,548**	18,410
Amortisation of other intangible assets	**17,239**	15,222
– Computer software	**7,895**	12,728
– Reacquired agency rights	**1,886**	1,882
– Distribution agreements	**29**	58
– Trademarks, brand names and non-compete agreements	**1,137**	37
– Contractual and non-contractual customer relationships	**6,292**	517
Depreciation of right-of-use assets	**75,207**	73,331
– Land and buildings	**69,961**	62,987
– Motor vehicles	**2,291**	7,846
– Equipment	**2,955**	2,498
Expenditure resulting from the lease of short-term assets	**6,457**	4,509
Expenditure resulting from the lease of low value assets	**994**	425
Expenditure resulting from the leases with variable lease payments	**4,216**	4,591
Impairment of property, plant and equipment	**5,021**	8
Impairment of property classified as held for sale	**–**	200
Impairment of investment property	**–**	1,300
Impairment of other intangible assets	**–**	20,476
Fair value adjustment on profit share liability**	**5,234**	3,557
Fair value adjustment - interest rate swaps**	**–**	3,311
Fair value adjustment - change in control of equity investment in BMG China**	**–**	678
Modification loss on dividend receivable from KMP Holdings Limited***	**12,190**	–
Loss on disposal of subsidiary	**3,173**	–
Loss on disposal of property, plant and equipment	**467**	3,259
Loss on disposal of investment property	**609**	–
Loss on termination of interest rate swaps	**–**	1,207
Auditors' remuneration****	**23,058**	23,666
– Current year	**23,058**	23,039
– Prior year	**–**	627
Employment benefit expense	**1,249,913**	1,175,779
– Short-term employee benefit expense	**1,160,694**	1,087,091
– Defined contribution plan expense	**74,679**	68,241
– Equity settled share-based payment expenses - equity settled	**14,069**	17,666
– Equity settled share-based payment expenses - options exercised	**471**	2,781

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).
**Reported in profit or loss of the RPI operating segment (note 3.2).
***Reported in profit or loss of the Corporate Group operating segment (note 3.2).
****Includes remuneration to Ernst & Young, the Group auditor, of R12.2 million (2024: R16.2 million) for audit fees and Rnil million (2024: Rnil million) relating to non-audit services.

29. Operating profit before net finance income on financing transactions and foreign exchange movements (continued)

The Group had total cash outflows from right-of-use lease liabilities of premises, motor vehicles and equipment amounting to R99 million (2024: R118 million).

The Group had total cash outflows from short-term, variable and low value leases of premises, motor vehicles and equipment amounting to R11.7 million (2024: R9.5 million) from operations.

30. Foreign exchange gains, losses and costs

	31 March 2025 R'000	2024* R'000
Foreign exchange gains		
Foreign exchange gains on trade assets and liabilities	**145,609**	159,436
Foreign exchange gains on foreign exchange contracts	**56**	3,562
Foreign exchange gains on borrowings	**2**	27
Total	**145,667**	163,025
Foreign exchange losses and costs		
Foreign exchange losses on trade assets and liabilities	**(155,984)**	(122,904)
Foreign exchange losses on foreign exchange contracts	**(145)**	(345)
Foreign exchange losses on borrowings	**(172)**	–
Foreign exchange contract costs	**(5,469)**	(6,731)
Total	**(161,770)**	(129,980)

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

31. Finance income

	2025	2024
Bank*	**34,942**	34,599
Derivatives - interest rate swaps	**–**	4,793
Loans, trade and other receivables*	**12,424**	8,615
Total	**47,366**	48,007

*Finance income is determined using the effective interest rate method.

32. Finance costs

	2025	2024
Bank overdrafts and loans	**15,279**	16,195
Borrowings	**126,239**	124,382
Trade and other payables	**8,854**	–
Right-of-use lease liabilities	**26,725**	24,441
Total	**177,097**	165,018

*Represented to exclude KMP Holdings Limited presented as a discontinued operation (note 33).

33. Discontinued operations

Accounting policy

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- Represents a separate major line of business or geographic area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations, or
- Is a subsidiary acquired exclusively with a view to resale

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

KMP Holdings Limited

The comparatives for 31 March 2024 have been represented to present KMP Holdings Limited as a discontinued operation, as it was considered to be a separate major geographical area of operation in the United Kingdom, with operations additionally in the United States of America. The company additionally had a 50% shareholding interest in KMPFE which was equity accounted by the Group in the prior financial year (note 14). KMP Holdings Limited was disposed effective 1 April 2024 (note 40) and was previously reported in the RPE operating segment. The segment reporting at note 3 for the RPE operating segment has accordingly been represented.

33. Discontinued operations (continued)

The tables below presents the analysis of the profit for the 31 March 2024 financial year and the net cash flows attributable to the operating, investing and financing activities:

2024	31 March Total R'000
Profit for the year from discontinued operations	
Revenue	630,420
Cost of sales	(363,878)
Gross profit	266,542
Expected credit losses recognised on trade receivables	(252)
Selling, administration and distribution costs	(216,745)
Operating profit before net finance income on financing transactions and foreign exchange movements	49,545
Foreign exchange gains	7,503
Foreign exchange losses and costs	(9,692)
Operating profit	47,356
Equity accounted earnings from investment in joint ventures	5,387
Finance costs	(12,094)
Profit before taxation	40,649
Taxation expense	(8,667)
Profit for the year from discontinued operations	31,982
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of taxation):	
Exchange differences on translation of foreign operations	27,529
Total comprehensive income for the year from discontinued operations	59,511

Cash flows from discontinued operations	
Net cash inflow from operating activities	30,032
Net cash outflow from investing activities	(30,183)
Net cash outflow from financing activities	(8,770)
Effect of foreign exchange rate movement on cash balance	(722)
Net cash outflow attributable to discontinued operations	(9,643)

34. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

Headline earnings per share is calculated by dividing the headline earnings, calculated in terms of Circular 1/2021 issued by the SAICA, by the weighted average number of ordinary shares in issue during the year.

The dilution of the basic and headline earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue during the year for the options granted which are "in the money" at the reporting date.

Pro-forma financial information

Included below is pro-forma financial information in terms of the JSE Listings Requirements and related reconciliations relating to the presentation of sustainable headline earnings per share and sustainable headline earnings measures. Sustainable headline earnings are used by management to assess the underlying sustainable performance of the Group and have been prepared for illustrative purposes only. It does not replace the measures determined in accordance with IFRS Accounting Standards as an indicator of the Group's performance, but rather, should be used in conjunction with the most directly comparable IFRS Accounting Standards measures. Due to its illustrative nature, pro-forma financial information may not fairly present the financial position, changes in equity, results of operations or cash flows.

The policy for calculating sustainable headline earnings, are in terms of the JSE Listings Requirements and the SAICA Guide on pro-forma Financial Information which has been applied on a consistent basis.

34. Earnings per share (continued)

Policy for calculating sustainable headline earnings

Sustainable headline earnings are headline earnings adjusted for specific non-trading items. The non-trading items adjusted in the calculation of sustainable headline earnings includes:

- Amortisation of other intangible assets reported in the equity accounted earnings from investment in joint ventures of the acquisition of Modesty Investment Group Pte Ltd (MIH) and Junshan Kensetsu Buhin Co. Ltd (KKB) acquired by the KAG on 1 August 2021 after adjusting for deferred taxation;
- Amortisation of other intangible assets reported in equity accounted earnings from investment in joint ventures on the acquisition of KMP Holdings Limited acquired by the KAG on 1 April 2024 and an additional 50% investment acquired in KMP Far East Pte. Ltd by KMP Holdings Limited, acquired on 1 November 2024 after adjusting for deferred taxation;
- Profit on derecognition of right-of-use assets and right-of-use lease liabilities included in equity accounted earnings from investment in joint ventures relating to the sale of a Singapore property;
- Relocation of distribution facilities from Singapore to China and retrenchment costs incurred following the disposal of the Singapore property detailed above which, are included in equity accounted earnings from investment in joint ventures after applicable taxation;
- Amortisation of other intangible assets reported in selling, administration and distribution costs relating to the acquisition of Nationwide Bearing Company Limited by the Group effective 1 April 2024 after deferred taxation;
- A modification loss reported in selling, administration and distribution costs relating to agreed extended terms of settlement on a dividend declared by KMP Holdings Limited which is owing to the Group which is expected to be settled by 31 March 2030; and
- the loss recognised in the prior financial year relating to the early termination of the interest rate swaps.

Sustainable headline earnings per share is calculated by dividing the sustainable headline earnings, calculated in terms of the sustainable headline earnings policy below, by the weighted average number of ordinary shares in issue during the year.

The dilution of the sustainable headline earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue during the year for the options granted which are "in the money" at the reporting date.

	31 March	
	2025	2024
	cents	cents
Basic earnings per share from continuing operations*	**773**	459
Basic earnings per share from discontinued operations*	**–**	33
Basic earnings per share	**773**	492
Diluted earnings per share from continuing operations*	**771**	459
Diluted earnings per share from discontinued operations*	**–**	33
Diluted earnings per share	**771**	492
Dividends per share	**105**	100
Headline earnings per share from continuing operations*	**534**	437
Headline earnings per share from discontinued operations*	**–**	33
Headline earnings per share	**534**	470
Diluted headline earnings per share from continuing operations*	**532**	437
Diluted headline earnings per share from discontinued operations*	**–**	33
Diluted headline earnings per share	**532**	470
Sustainable headline earnings per share from continuing operations*,**	**553**	453
Sustainable headline earnings per share from discontinued operations*,**	**–**	35
Sustainable headline earnings per share	**553**	488
Diluted sustainable headline earnings per share from continuing operations*,**	**551**	453
Diluted sustainable headline earnings per share from discontinued operations*,**	**–**	35
Diluted sustainable headline earnings per share	**551**	488

*Represented to present KMP Holdings Limited as a discontinued operation (note 33).
**Pro-forma financial information presented.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

34. Earnings per share (continued)

Ordinary shares (number of shares)	31 March 2025 '000	31 March 2024 '000
In issue	**91,921**	96,842
Weighted average	**96,388**	97,698
Diluted weighted average	**96,640**	97,698
Weighted average number of ordinary shares		
Issued shares (net of treasury shares) at the beginning of the year	**96,842**	98,713
Ordinary shares repurchased during the year	**(454)**	(1,015)
Balance at the end of the year	**96,388**	97,698
Diluted weighted average number of ordinary shares		
Weighted average number of ordinary shares for the year	**96,388**	97,698
Add: Dilutive effect of equity settled share-based payments	**252**	–
Balance at the end of the year	**96,640**	97,698

The share-based payment options (note 23 and 41) for tranches 19 and 20 are dilutive at 31 March 2025 and included in the dilutive effect of equity settled share-based payments in the table above. At 31 March 2024, tranches 18, 19 and 20 were non-dilutive, as the options were 'out of the money' and were excluded in the table above.

Headline earnings*	31 March 2025 R'000	31 March 2024 R'000
Profit from continuing operations attributable to owners of the parent	**745,328**	448,551
Adjusted for: Profit for the year from discontinued operations	**–**	31,982
Profit attributable to owners of the parent - ordinary shares	**745,328**	480,533
Continued operations:		
Profit from continuing operations attributable to owners of the parent - ordinary shares	**745,328**	448,551
Adjustments for:		
Profit on disposal of property, plant and equipment	**(4,978)**	(11,442)
Less: Taxation thereon	**1,334**	2,666
Less: Other shareholders interest thereon	**11**	2
Loss on disposal of property, plant and equipment	**467**	3,259
Less: Taxation thereon	**(124)**	(701)
Less: Other shareholders interest thereon	**(5)**	(59)
Profit on disposal of investment property classified as held for sale	**(21,103)**	–
Less: Taxation thereon	**7,125**	–
Loss on disposal of investment property	**609**	–
Profit on disposal of subsidiaries	**(20,486)**	(605)
Less: Taxation thereon	**–**	19
Loss on disposal of subsidiary	**3,173**	–
Impairment of other intangible assets	**–**	20,476
Less: Taxation thereon	**–**	(5,529)
Impairment of investment property	**–**	1,300
Less: Taxation thereon	**–**	(281)
Impairment of property, plant and equipment	**5,021**	8
Less: Taxation thereon	**(130)**	(2)
Impairment of property classified to held for sale	**–**	200
Less: Taxation thereon	**–**	(43)
Fair value loss - change in control of equity investment BMG China	**–**	678
Profit on disposal of investment included in equity-accounted earnings, post taxation	**–**	(31,458)
Gain from a bargain purchase for KMP Far East Pte. Ltd - included in equity-accounted	**(3,035)**	–
Profit on disposal of property, plant and equipment included in equity-accounted earnings, post taxation	**(198,867)**	–
Headline earnings from continuing operations*	**514,340**	427,039
Discontinued operations:		
Profit for the year from discontinued operations	**–**	31,982
Headline earnings from discontinued operations*	**–**	31,982
Headline earnings	**514,340**	459,021

*Represented to present KMP Holdings Limited as a discontinued operation (note 33).

34. Earnings per share (continued)

Sustainable headline earnings*,**	31 March 2025 R'000	2024 R'000
Continued operations:		
Headline earnings from continuing operations	**514,340**	427,039
Adjustments for:		
Amortisation of intangible assets in equity accounted earnings - acquisition of MIH and KKB by KAG, post taxation	**14,109**	14,425
Amortisation of intangible assets in equity accounted earnings - acquisition of KMP Group and KMP Far East by KAG, post taxation	**1,188**	–
Profit on derecognition of right-of-use assets and right-of-use lease liabilities in equity accounted earnings, due to the Singapore property disposal	**(23,325)**	–
Relocation and retrenchment costs in equity accounted earnings, due to the relocation to China and from the disposal of the Singapore property, post taxation	**8,922**	–
Amortisation of intangible assets - acquisition of Nationwide Bearings Company Limited	**6,875**	–
Less: Taxation thereon	**(1,719)**	–
Modification loss on dividend receivable from KMP Holdings Limited	**12,190**	–
Loss on early termination of interest rate swaps	**–**	1,207
Less: Taxation thereon	**–**	(326)
Sustainable headline earnings from continuing operations	**532,580**	442,345
Discontinued operations:		
Headline earnings from discontinued operations	**–**	31,982
Adjustments for:		
Amortisation of intangible assets - acquisition of KMP Holdings Limited	**–**	3,316
Less: Taxation thereon	**–**	(829)
Sustainable headline earnings from discontinued operations	**–**	34,469
Sustainable headline earnings	**532,580**	476,814

*Represented to present KMP Holdings Limited as a discontinued operation (note 33).
**Pro-forma financial information presented.

35. Reconciliation of profit before taxation to cash generated from operations

	Notes	31 March 2025 R'000	31 March 2024 R'000
Profit before taxation		**996,342**	768,940
From continuing operations		***996,342***	*728,291*
From discontinued operations	33	**–**	*40,649*
Adjusted for:			
Finance income from financing transactions	9.3	**(35,264)**	(20,911)
Finance cost on financing transactions	9.3	**23,426**	12,025
Finance income	31	**(47,366)**	(48,007)
Finance costs	32	**177,097**	177,112
Share of profits of associate	13	**191**	(5,702)
Share of profits of joint ventures	14	**(365,098)**	(172,094)
Fair value adjustment on profit share liability	27	**5,234**	3,557
Profit on disposal of property, plant and equipment	29	**(4,978)**	(11,442)
Profit on disposal of subsidiaries	40	**(20,486)**	(605)
Profit on disposal investment property classified as held for sale		**(21,103)**	–
Profit on derecognition of right-of-use asset and right-of-use lease liabilities		**(2,185)**	(2,179)
Loss on derecognition of right-of-use asset and right-of-use lease liabilities		**–**	573
Depreciation		**180,806**	198,794
Amortisation	8	**17,239**	18,538
Lease smoothing		**(491)**	(870)
Impairment of property classified as held for sale		**–**	200
Impairment of property, plant and equipment		**5,021**	8
Impairment of intangible assets	8	**–**	20,476
Impairment of investment property	5	**–**	1,300
Loss on disposal of subsidiary	40	**3,173**	–
Loss on disposal of property, plant and equipment		**467**	3,259
Loss on disposal of investment property		**609**	–
Share-based payment expenses - equity settled	29	**14,069**	17,666
Share-based payment expenses - options exercised	29	**471**	2,781
Loss on termination of interest rate swaps		**–**	1,207
Fair value loss - change in control of equity investment in BMG China	39	**–**	678
Modification loss on dividend receivable from KMP Holdings Limited	29	**12,190**	–
Revaluation of derivatives		**–**	3,311
Retirement obligation accrual		**168**	48
Other non-cash adjustments		**(14)**	(899)
Cash generated before movements in working capital		**939,518**	967,764
Working capital changes:		**(214,718)**	(149,902)
Increase in inventories		**(130,076)**	(98,864)
(Increase)/decrease in trade and other receivables		**(182,397)**	86,747
Increases in trade and other payables		**274,300**	37,778
Increase/(decrease) in employee benefit bonus incentives		**4,432**	(36,229)
Increase in net investment in finance leases*		**(180,977)**	(139,334)
Cash generated from operations		**724,800**	817,862

*The Group finances certain capital equipment transactions to customers at market related interest rates, resulting in the recognition of a net investment in finance leases (note 9.1). The financed asset consequently serves as security for the lease transactions. As a result, the cash flow implications of the net investment in finance leases are considered to be cash flows from operations.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

		31 March 2025 R'000	31 March 2024 R'000
36.	**Dividends paid to Group shareholders**		
	Amounts unpaid at the beginning of the year	**(41,536)**	(31,654)
	Ordinary dividends declared	**(107,362)**	(105,517)
	Preference dividends accrued	**(23,686)**	(86,515)
	Non-controlling interest dividends declared unpaid	**(6,652)**	–
	Amounts unpaid at the end of the year	**13,258**	41,536
	Total	**(165,978)**	(182,150)
37.	**Taxation paid**		
	Amounts unpaid at the beginning of the year	**(10,924)**	17,813
	Amounts unpaid at the beginning of the year classified as held for sale assets	**–**	14
	Acquisition of subsidiary	**(7,141)**	(2,582)
	Recognised in profit or loss	**(199,701)**	(179,301)
	Derecognised on disposal of subsidiary	**5,847**	107
	Foreign currency translation	**201**	(650)
	Interest (payable)/receivable	**(26)**	14
	Amounts unpaid at the end of the year	**36,249**	10,924
	Total	**(175,494)**	(153,661)

		Borrowings R'000	Finance lease liability R'000	Profit share liability R'000	Total R'000
38.	**Changes in liabilities arising from financing activities**				
	Carrying amount at 31 March 2023	1,315,310	48,875	77,779	1,441,964
	Funds raised	549,084	215,481	–	764,565
	Interest accrued	124,594	12,024	–	136,618
	Payments of capital	(754,586)	(88,121)	(6,784)	(849,491)
	Payments of interest	(123,836)	(12,025)	–	(135,861)
	Fair value adjustment	–	–	(1,798)	(1,798)
	Acquisition of subsidiaries	14,774	–	–	14,774
	Vehicle asset financing non-cash item	56,632	–	–	56,632
	Derecognition of long-term borrowings	(682,432)	–	–	(682,432)
	Recognition of long-term borrowings	682,432	–	–	682,432
	Other non-cash items	4,165	(602)	9,216	12,779
	Foreign currency translation	26,170	58	84	26,312
	Carrying amount at 31 March 2024	**1,212,307**	**175,690**	**78,497**	**1,466,494**
	Funds raised	**778,100**	**344,212**	**–**	**1,122,312**
	Interest accrued	**126,239**	**23,426**	**–**	**149,665**
	Payments of capital	**(838,719)**	**(171,009)**	**(10,762)**	**(1,020,490)**
	Payments of interest	**(126,836)**	**(23,426)**	**–**	**(150,262)**
	Fair value adjustment	**–**	**–**	**5,234**	**5,234**
	Disposal of subsidiaries	**(32,775)**	**–**	**–**	**(32,775)**
	Vehicle asset financing non-cash item	**35,679**	**–**	**–**	**35,679**
	Other non-cash items	**(10,302)**	**–**	**6,009**	**(4,293)**
	Foreign currency translation	**(6,075)**	**–**	**(43)**	**(6,118)**
	Carrying amount at 31 March 2025	**1,137,618**	**348,893**	**78,935**	**1,565,446**
	2024				
	Non- current	1,105,486	93,952	–	1,199,438
	Current	106,821	81,738	78,497	267,056
	Total	1,212,307	175,690	78,497	1,466,494
	2025				
	Non-current	**978,489**	**177,292**	**–**	**1,155,781**
	Current	**159,129**	**171,601**	**78,935**	**409,665**
	Total	**1,137,618**	**348,893**	**78,935**	**1,565,446**

39. Acquisition of subsidiaries

2025

Acquisition of Nationwide Bearing Company Limited (NWB)
Effective 1 April 2024, the Group acquired a 100% shareholding interest in Nationwide Bearing Company Limited for a purchase consideration of GBP12.4 million (R294 million). Nationwide Bearing Company Limited is a company based in the United Kingdom and supplies consumable parts to the earth moving and agricultural machinery aftermarkets. The product offering includes such items as bearings, belts, bushes and seals with its own proprietary, in-house developed brand, NWB. The NWB branded products are developed internally and manufactured via a network of outsourced partners across the world. The Group acquired control in Nationwide Bearing Company Limited which is consolidated from 1 April 2024 and reported in the RPE: Earthmoving operation segment.

The Group's strategic focus is to diversify into geographical areas in the industries and markets in which the Group has significant experience and strong management capabilities. Nationwide Bearing Company Limited is operating successfully in the British and European aftermarket parts distribution industry and its acquisition provides a platform for the Group to grow its global RPE business. The Group aims to realise synergies through existing procurement capabilities by sourcing inventory for Nationwide Bearing Company Limited's clients on a more cost-effective basis and providing access to a broader range of products. In addition, Nationwide Bearing Company Limited has product ranges which can be cross sold into the Group's existing operations.

The Group has finalised a purchase price allocation based on balances reported by Nationwide Bearing Company Limited at 31 March 2024.

Goodwill recognised
Based on the final purchase price allocation, the purchase price for Nationwide Bearings Company Limited exceeds the at acquisition fair value of the net assets acquired, resulting in goodwill recognised. The consideration paid includes amounts for expected synergies, revenue growth and future market developments and the goodwill arose from the expected benefit from economies of scale the Group expects to achieve.

Acquisition costs
Acquisition costs of £100 thousand (approximately R2 million) have been incurred and recognised in selling, administrative and distribution costs.

The fair value of the assets and liabilities acquired is as follows:

	31 March	
	NWB	**Total**
2025	**R'000**	**R'000**
Fair value of net assets acquired:		
Property, plant and equipment	283	283
Other intangible assets	35,526	35,526
Inventories	102,842	102,842
Trade and other receivables*	22,706	22,706
Cash and cash equivalents	107,116	107,116
Assets classified as held for sale	4,557	4,557
Deferred taxation liability	(4,341)	(4,341)
Trade and other payables	(2,418)	(2,418)
Current taxation	(7,141)	(7,141)
Fair value of net assets acquired	**259,130**	**259,130**
Cash purchase price	293,993	293,993
Fair value of net assets acquired	(259,130)	(259,130)
Goodwill	**34,863**	**34,863**
Cash purchase price	(293,993)	(293,993)
Cash and cash equivalents acquired	107,116	107,116
Cash outflow on acquisitions of subsidiaries	**(186,877)**	**(186,877)**

*The gross contractual amounts of trade and other receivables at the acquisition date are R23 million. The estimate of contractual cash flows expected not to be collected is R1 million.

39. Acquisition of subsidiaries (continued)	31 March NWB R'000	Total R'000
Profit after taxation since acquisition date included in the consolidated results for the year	**34,894**	**34,894**
Revenue since acquisition date included in the consolidated results for the year	**115,635**	**115,635**
Profit after taxation should the business combinations have been included for the entire year	**34,894**	**34,894**
Revenue should the business combinations have been included for the entire year	**115,635**	**115,635**

2024

Imexpart Limited ("Imex")

The Group acquired a 100% shareholding in Imex in the prior financial year, for a total consideration of £4.7 million. Imexpart Limited is based in the United Kingdom and distributes a wide variety of truck and bus parts for DAF, Mercedes, Volvo, MAN, Iveco, Renault, Scania, and Cummins engines and carries a full range of replacement parts including bumpers and step panels for trucks.

Part of the Invicta strategy is to diversify into new geographical areas in industries and markets which leverage the existing Invicta business. The acquisition provides opportunities to distribute RPA – Auto agri products and as such, the acquisition is included in this segment from the effective acquisition date

Goodwill recognised

The purchase price allocation was finalised in the 2025 financial year following the settlement of £150,000 (R3.6 million) which was owing to the seller at 31 March 2024. The final goodwill recognised was R9.3 million compared to the R9.4 million reported at 31 March 2024. The purchase price for the acquisition of Imex exceeds the at acquisition fair value of the net assets acquired, resulting in goodwill recognised. The consideration paid includes amounts for expected synergies, revenue growth and future market developments and the goodwill arose from the expected benefit from economies of scale the Group expects to achieve.

Acquisition costs

Acquisition costs of £120 thousand (approximately R3 million) for Imex were recognised in profit or loss and included in selling, administration, and distribution costs.

Zhejiang Beienji Industrial Products Co. Ltd ("BMG China")

BMG China previously a 40% owned associate of the Group (note 13), repurchased USD 3,525,000 of its USD 6,250,000 shares in issue during the prior financial year. Following the repurchase, the Group held 91.74% of the issued shares and the Group assessed, control was obtained in terms of IFRS 10 *Consolidated Financial Statements.* BMG China was consolidated with effect from 20 February 2024. The Group elected to measure the non-controlling interest recognised at the acquisition date at fair value.

Goodwill recognised

The goodwill recognised was calculated by deducting the acquisition date fair value amounts of the identifiable assets acquired and liabilities assumed from the acquisition date fair value of the Group's interest in BMG China and the fair value amount of the non-controlling interest in BMG China.

39. Acquisition of subsidiaries (continued)

The fair value of the assets and liabilities acquired is as follows:

2024	31 March Imex R'000	BMG China R'000	Total R'000
Fair value of net assets acquired:			
Property, plant and equipment	78,824	47	78,871
Right-of-use assets	383	55	438
Inventories	42,173	–	42,173
Trade and other receivables*	46,622	13,567	60,189
Cash and cash equivalents	999	44,165	45,164
Borrowings	(14,774)	–	(14,774)
Right-of-use lease liabilities	(416)	–	(416)
Deferred taxation liability	(4,278)	(1)	(4,279)
Trade and other payables	(43,706)	(16,133)	(59,839)
Current taxation liabilities	(2,485)	(97)	(2,582)
Fair value of net assets acquired	103,342	41,603	144,945
Cash purchase price	109,205	–	109,205
Remeasurement adjustment - final purchase price allocation	**3,452**	**–**	**3,452**
Non-controlling interest recognised	–	4,251	4,251
Fair value of investments in associate previously held	–	47,215	47,215
Fair value of net assets acquired	(103,342)	(41,603)	(144,945)
Goodwill based on final purchase allocation	**9,315**	**9,863**	**19,178**
Cash purchase price on acquisition	(109,205)	–	(109,205)
Cash and cash equivalents acquired	999	44,165	45,164
Cash (outflow)/inflow on acquisitions of subsidiaries - 2024	(108,206)	44,165	(64,041)
Cash outflow on acquisition of subsidiaries - 2025	**(3,452)**	**–**	**(3,452)**

*The gross contractual amounts of trade and other receivables at the acquisition date is R47 million and R14 million for Imex and BMG China respectively. The estimate of contractual cash flows expected not to be collected is negligible for both Imex and BMG China.

	31 March Imex R'000	BMG China R'000	Total R'000
Profit after taxation since acquisition date included in the consolidated results for the year	2,360	1,193	3,553
Revenue since acquisition date included in the consolidated results for the year*	184,481	–	184,481
(Loss)/profit after taxation should the business combinations have been included for the entire year	(5,709)	8,490	2,781
Revenue should the business combinations have been included for the entire year*	248,847	–	248,847

*No revenues are presented for BMG China as these are inter-group and eliminate on consolidation.

39. Acquisition of subsidiaries (continued)

Key accounting judgements, estimates and assumptions

Fair value of BMG China

The deemed acquisition of BMG China, a previously equity accounted investment (note 13) required the Group to determine the fair value of the equity accounted investment to re-measure the investments to fair value before the deemed acquisition of BMG China as a subsidiary of the Group. The fair value of the investment in the previously held associate was determined by using the discounted cash flow method and the Group recognised a fair value loss in net profit of R0.7 million which is presented within Selling, administration, and distribution costs on the consolidated statement of profit or loss and other comprehensive income. The Group elected to recognise the non-controlling interest at the acquisition date at fair value, being R4.3 million. The Group based its cash flow calculations on the actual 12-month financial information at 31 December 2023 and four-year forecasted information. The forecast average growth rates were used to extrapolate cash flows from year 2 to year 4 and the long-term average growth rate was used to calculate the terminal value. The post-tax discount rates used reflect specific risks relating to the associate whilst maximising the use of market observable data. The fair value measurement had an impact on the acquisition fair value loss of the investment as noted above.

	31 March			
2024	Post-tax discount rate	Terminal value growth rate	Year 2 -3 annual growth rate	Year 4 - 5 annual growth rate
Associate	%	%	%	%
BMG China	9.08%	2.5%	4.0% and 6.0%	6.0%

Sensitivity analysis

The fair value of the investment in the associate previously held is sensitive to the growth rates and weighted average cost of capital used. The effect of changes in these inputs will result in the valuations noted below:

	31 March			
2024	Fair value of associate previously held	Non-controlling interest	Fair value of net assets acquired	Goodwill
Description	R'000	R'000	R'000	R'000
Based on documented assumptions:				
BMG China	47,215	4,251	41,603	9,863
Growth rate increased by 0.5% of the original factor				
BMG China	47,870	4,310	41,603	10,577
Growth rate reduced by 0.5% of the original factor				
BMG China	46,652	4,200	41,603	9,249
1% increase in WACC				
BMG China	45,811	4,125	41,603	8,333
1% decrease in WACC				
BMG China	49,103	4,421	41,603	11,921

40. Disposal of businesses and subsidiaries

2025

Disposal of KMP Holdings Limited (KMP)

Effective 1 April 2024, the Group disposed of its 100% shareholding in KMP Holdings Limited to Kian Ann Engineering Pte. Ltd (KAG) in which the Group holds a 48.81% interest, for a consideration of GBP12.6 million (R293 million). KMP Holdings Limited formed part of RPE operating segment and has been deconsolidated from the effective date of disposal.

Disposal of Abrasive Flow Solutions (Pty) Ltd (AFS)

Effective 1 August 2024, the Group disposed of its 51% shareholdings in Abrasive Flow Solutions (Pty) Ltd for a consideration of R7 million. Abrasive Flow Solutions (Pty) Ltd formed part of the RPI operating segment and has been deconsolidated from the effective date of disposal.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

40. Disposal of businesses and subsidiaries (continued)

2024

Property disposals classified as held for sale

During the prior financial year, the Group disposed of property located at Airport City, Rustenburg and Bellville which were classified as held for sale at 31 March 2023. The carrying value of Airport City was R21.9 million and the Group received a purchase consideration of R22.8 million and incurred selling costs of R0.5 million and recognised a net gain of R0.4 million. The effective date of disposal was 19 June 2023.

The property located in Rustenburg had a carrying value of R6.0 million and was disposed effective 30 June 2023 for a purchase consideration of R5.8 million (VAT exclusive). The Group incurred selling costs of R0.4 million and recognised a net loss on disposal of R0.6 million.

The Bellville property was disposed effective 30 November 2023, for a purchase consideration of R24 million. The carrying value on disposal date was R18.9 million and the Group recognised a net gain on disposal of R5 million after selling costs incurred.

The gains and losses recognised on disposal of the above properties are presented in selling, administration, and distribution costs in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and included in profit or loss of the Corporate Group segment (note 3.2).

Disposal of Fidelio Properties Proprietary Limited classified as held for sale (Fidelio)

Effective 31 August 2023, the Group disposed of its 100% interest in Fidelio Properties Proprietary Limited for a purchase consideration of R7.2 million. The carrying value of the net assets disposed was R6.6 million and a net gain of R0.6 million was recognised and presented in selling, administration, and distribution costs in the consolidated statement of profit or loss and other comprehensive income and included in profit or loss of the Corporate Group segment (note 3.2).

The net assets disposed of, and the gain or loss recognised on the subsidiary disposals is as follows:

	31 March			
	AFS	KMP	Total	Fidelio/Total
	2025	2025	2025	2024
	R'000	R'000	R'000	R'000
Net assets disposed of:				
Property, plant and equipment	**123**	**66,885**	**67,008**	6,462
Right of use assets	**30**	**48,089**	**48,119**	–
Goodwill	**–**	**49,070**	**49,070**	–
Other intangible assets	**–**	**16,081**	**16,081**	–
Investment in joint venture	**–**	**35,662**	**35,662**	–
Loans and receivables	**–**	**–**	**–**	165
Deferred taxation asset	**701**	**1,099**	**1,800**	–
Inventories	**5,504**	**260,627**	**266,131**	–
Trade and other receivables	**2,176**	**66,123**	**68,299**	840
Current tax assets	**–**	**1,658**	**1,658**	–
Bank and cash	**804**	**22,383**	**23,187**	376
Borrowings	**–**	**(32,775)**	**(32,775)**	–
Right of use lease liabilities	**–**	**(50,146)**	**(50,146)**	–
Deferred taxation liability	**–**	**(6,762)**	**(6,762)**	(44)
Trade and other payables	**(1,114)**	**(54,606)**	**(55,720)**	(1,097)
Employee benefit bonus incentive	**(46)**	**(4,136)**	**(4,182)**	–
Current right of use lease liabilities	**(34)**	**–**	**(34)**	–
Current taxation	**(201)**	**(7,305)**	**(7,506)**	(107)
Bank overdraft	**–**	**(74,332)**	**(74,332)**	–
Net assets disposed of	**7,943**	**337,615**	**345,558**	6,595
Proceeds received	**7,000**	**292,975**	**299,975**	7,200
Foreign currency translation reserve reclassified to profit or loss	**–**	**39,725**	**39,725**	–
Non-controlling interest derecognised	**(396)**	**–**	**(396)**	–
Net assets disposed	**(7,943)**	**(337,615)**	**(345,558)**	(6,595)
(Loss)/profit on disposal of subsidiaries*	**(1,339)**	**(4,915)**	**(6,254)**	605
Loan receivable recognised on disposal	**–**	**33,091**	**33,091**	–
Trade and other payables and loan liability recognised on disposal	**(1,834)**	**(7,690)**	**(9,524)**	–
Net (loss)/gain on disposal of subsidiaries	**(3,173)**	**20,486**	**17,313**	605
Proceeds received	**7.000**	**292.975**	**299.975**	7.200
Cash and cash equivalents disposed	**(804)**	**51,949**	**51,145**	(376)
Total cash inflow on disposal	**6,196**	**344,924**	**351,120**	6,824

*Recognised in selling, administration and distribution costs on the Consolidated Statement of Profit or Loss and Other Comprehensive Income (note 29).

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

41. Directors' and prescribed officer emoluments

Fees and employment benefits

	31 March					
	Directors' fees	Audit and Remuneration committee fees	Salary and benefits	Retirement benefits	Performance related remuneration	Total
2025	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Executive directors*						
S. Joffe	–	–	7,543	572	6,509	14,624
C. Barnard	–	–	4,087	404	2,268	6,759
N. Rajmohamed	–	–	3,818	317	2,118	6,253
Prescribed officer*						
S. Lekena - appointed 15 April 2024	–	–	1,697	129	–	1,826
	–	–	17,145	1,422	10,895	29,462
Non-executive directors**						
C.H. Wiese	1,351	145	–	–	–	1,496
J.D. Wiese	600	–	–	–	–	600
L.R. Sherrell	377	–	–	–	–	377
R.A. Wally	534	757	–	–	–	1,291
M. Makwana	576	589	–	–	–	1,165
F. Davidson	464	221	–	–	–	685
I. van Heerden	494	366	–	–	–	860
	4,396	2,078	–	–	–	6,474
Total	4,396	2,078	17,145	1,422	10,895	35,936
2024						
Executive directors*						
S. Joffe	–	–	7,171	530	7,706	15,407
C. Barnard	–	–	3,900	382	2,668	6,950
A.M. Sinclair - resigned 31 July 2023	–	–	1,509	119	3,101	4,729
N. Rajmohamed	–	–	3,635	298	2,006	5,939
Prescribed officer*						
L. Mpumlwana - resigned 22 December 2023	–	–	1,891	129	656	2,676
	–	–	18,106	1,458	16,137	35,701
Non-executive directors**						
C.H. Wiese	1,280	138	–	–	–	1,418
J.D. Wiese	569	–	–	–	–	569
L.R. Sherrell	357	–	–	–	–	357
R.A. Wally	506	717	–	–	–	1,223
M. Makwana	546	558	–	–	–	1,104
F. Davidson	440	209	–	–	–	649
I. van Heerden	469	347	–	–	–	816
	4,167	1,969	–	–	–	6,136
Total	4,167	1,969	18,106	1,458	16,137	41,837

*The executive directors and prescribed officer emoluments are paid by a subsidiary of Invicta Holdings Limited.

**Fees paid to non-executive directors include value added taxation where applicable.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

41. Directors' and prescribed officer emoluments (continued)

Equity-settled share-based payments

2025	Outstanding rights beginning of year	Exercise price	Granted during the year	Lapsed and cancelled during the year	Rights exercised during the year	Share grant settled during the year	Outstanding rights end of year	Date granted/ adjusted	Option fair value - Black Scholes (Rands)
	31 March								
S. Joffe	**2,122,130**		**782,193**	**(154,020)**	**(462,062)**	**(100,000)**	**2,188,241**		
	616,082	**30.44**	**–**	**(154,020)**	**(462,062)**	**–**	**–**	**31 Jan 22**	**10.46**
	734,900	**26.50**	**–**	**–**		**–**	**734,900**	**23 Mar 23**	**10.23**
	771,148	**26.64**	**–**	**–**		**–**	**771,148**	**16 Feb 24**	**7.46**
	–	**31.77**	**682,193**	**–**	**–**	**–**	**682,193**	**17 Feb 25**	**6.47**
	–	**n/a**	**100,000**	**–**	**–**	**(100,000)**	**–**	**1 Apr 24**	**n/a**
C. Barnard	**758,935**		**236,179**	**(59,326)**	**(177,980)**	**–**	**757,808**		
	237,306	**30.44**	**–**	**(59,326)**	**(177,980)**	**–**	**–**	**31 Jan 22**	**10.46**
	254,653	**26.50**	**–**	**–**	**–**	**–**	**254,653**	**23 Mar 23**	**10.27**
	266,976	**26.64**	**–**	**–**	**–**	**–**	**266,976**	**16 Feb 24**	**7.50**
	–	**31.77**	**236,179**	**–**	**–**	**–**	**236,179**	**17 Feb 25**	**6.76**
N. Rajmohamed	**703,475**		**217,497**	**(55,829)**	**(167,486)**	**–**	**697,657**		
	223,315	**30.44**	**–**	**(55,829)**	**(167,486)**	**–**	**–**	**31 Jan 22**	**10.46**
	234,302	**26.50**	**–**	**–**	**–**	**–**	**234,302**	**23 Mar 23**	**10.27**
	245,858	**26.64**	**–**	**–**	**–**	**–**	**245,858**	**16 Feb 24**	**7.50**
	–	**31.77**	**217,497**	**–**	**–**	**–**	**217,497**	**17 Feb 25**	**6.76**
2024									
S. Joffe	2,335,982		871,148	–	(985,000)	(100,000)	2,122,130		
	985,000	17.93	–	–	(985,000)	–	–	17 Feb 21	7.60
	616,082	30.44	–	–	–	–	616,082	31 Jan 22	10.46
	734,900	26.50	–	–	–	–	734,900	23 Mar 23	10.23
	–	26.64	771,148	–	–	–	771,148	16 Feb 24	7.46
	–	n/a	100,000	–	–	(100,000)	–	03 Apr 23	n/a
C. Barnard	870,451		266,976	(35,492)	(343,000)	–	758,935		
	35,492	37.90	–	(35,492)	–	–	–	25 Jun 18	10.46
	343,000	17.93	–	–	(343,000)	–	–	17 Feb 21	7.60
	237,306	30.44	–	–	–	–	237,306	31 Jan 22	10.46
	254,653	26.50	–	–	–	–	254,653	23 Mar 23	10.27
	–	26.64	266,976	–	–	–	266,976	16 Feb 24	7.50
A.M. Sinclair	676,025		–	(308,025)	(368,000)	–	–		
	54,493	37.90	–	(54,493)	–	–	–	25 Jun 18	10.46
	368,000	17.93	–	–	(368,000)	–	–	17 Feb 21	7.60
	253,532	30.44	–	(253,532)	–	–	–	31 Jan 22	10.46
N. Rajmohamed	790,575		245,858	(18,958)	(314,000)	–	703,475		
	18,958	35.82	–	(18,958)	–	–	–	06 Jul 18	9.89
	314,000	17.93	–	–	(314,000)	–	–	17 Feb 21	7.60
	223,315	30.44	–	–	–	–	223,315	31 Jan 22	10.46
	234,302	26.50	–	–	–	–	234,302	23 Mar 23	10.27
	–	26.64	245,858	–	–	–	245,858	16 Feb 24	7.50
L. Mpumlwana	247,302		–	(247,302)	–	–	–		
	114,323	30.44	–	(114,323)	–	–	–	31 Jan 22	10.46
	132,979	26.50	–	(132,979)	–	–	–	23 Mar 23	10.27

There were 807,528 share options exercised by the directors in 2025 (2024: 2,010,000) and the Group settled a share grant of 100,000 (2024: 100,000) ordinary shares awarded to the CEO S. Joffe on 1 April 2024.

41. Directors' and prescribed officer emoluments (continued)

Equity-settled share-based payments (continued)

	31 March					
	Number of awards	Weighted average exercise price - Rand	Weighted average incentive rights cost (Black Scholes) Rand	Weighted average incentive rights cost (Black Scholes) Rand	Weighted average exercise price - Rand	Weighted average incentive rights cost (Black Scholes) Rand
			2025			2024
Outstanding at the beginning of the year	**3,771,386**	**27.67**	**9.36**	5,107,181	24.48	9.27
CEO bonus shares awarded during the year	**100,000**	**n/a**	**n/a**	100,000	n/a	n/a
CEO bonus shares settled during the year	**(100,000)**	**n/a**	**n/a**	(100,000)	n/a	n/a
Options awarded during the year	**1,135,869**	**31.77**	**6.59**	1,283,982	26.64	7.48
Lapsed and cancelled during the year	**(269,175)**	**30.44**	**10.46**	(609,777)	30.85	10.40
Exercised during the year	**(807,528)**	**30.44**	**10.46**	(2,010,000)	17.93	7.60
Outstanding at the end of the year*	**3,830,552**	**28.11**	**8.23**	3,771,386	27.67	9.36

	Tranche 18	Tranche 19	Tranche 20	Tranche 21	CEO bonus
Number of grants*	**1,789,499**	**1,356,834**	**1,283,982**	**1,135,869**	**100,000**
Cancelled	**(981,971)**	**(132,979)**	**–**	**–**	**–**
Exercised**	**(807,528)**	**–**	**–**	**–**	**–**
Settled***	**–**	**–**	**–**	**–**	**(100,000)**
Grant date	**26 Jan 22**	**23 Mar 23**	**16 Feb 24**	**17 Feb 25**	**01 Apr 24**
Grant price	**R 30,44**	**R 26,50**	**R 26,64**	**R 31,77**	**n/a**
Average remaining contractual term (months)	**–**	**12**	**23**	**35**	**–**
Option fair value - Black Scholes	**R 10,46**	**R 10,25**	**R 7.48**	**R 6.59**	**n/a**

*Includes 186,846 tranche 19 share options issued to key management personnel in the 2023 financial year.

**On the date of exercise of these options, the share price of 167,486 options exercised was R33.60 and R34.55 for 640,042 options exercised.

***The shares granted to the CEO were settled on 31 March 2025, at the five-day volume weighted average market price of R32.00 and the traded share price on settlement date was R32.00.

Valuation inputs:

Vesting period	**3 years**	**3 years**	**3 years**	**3 years**	**1 year**
Expected volatility (daily) (%)	**3,8**	**3,9**	**2.2**	**2.0**	**n/a**
Dividend yield (%)	**2,88**	**3,39**	**3.68**	**3.39**	**n/a**
Risk free rate (%)	**7,74**	**8,0**	**9.30**	**8.78**	**n/a**
Share price at grant date - Rand	**30,85**	**26,85**	**26.55**	**32.99**	**26.25**

The expected volatility is determined by considering the average historical share price movement over a period equal to the option vesting period.

Share based payment options awarded is determined based on the difference between the grant price and the five-day volume weighted average market price on the exercise date and may be settled by way of the purchase of shares in the market, use of treasury shares or issue of new shares. All Tranches are equity settled based on share appreciation and additionally includes performance targets. In all instances the recipient must be in the employment of the Group at vesting. The employees in each instance will pay tax on vesting at the maximum marginal rate.

There are no options exercisable at 31 March 2025.

Key accounting judgements, estimates and assumptions

Fair value of share-based payments at grant date

Fair value at grant date is measured by use of the Black-Scholes model. The expected life used in these models has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

42. Directors' interest in the shares of the Company

	31 March					
	Direct interest	Indirect interest	Associates	Direct interest	Indirect interest	Associates
	Number of shares held 2025			Number of shares held 2024		
Ordinary shares						
C. Barnard	–	**585,102**	**585,102**	–	574,621	574,621
S.B. Joffe	–	**4,843,277**	**4,873,277**	–	4,458,733	4,488,733
N. Rajmohamed	**64,449**			57,545	–	–
L.R. Sherrell	**30,801**	**6,162,723**	**6,162,723**	30,801	6,162,723	6,162,723
J.D. Wiese	–	**2,092,033**	**2,092,033**	–	2,092,033	2,092,033
C.H. Wiese	–	**42,687,730**	**42,687,730**	–	42,687,730	42,687,730
Preference						
C. Barnard	–	–	–	–	26,140	36,140
S.B. Joffe	–	–	–	–	36,123	36,123
J.D. Wiese	–	–	–	–	2,112,813	2,112,813
I. van Heerden*	–	–	–	33,000	–	–
C.H. Wiese	–	–	–	–	92,735	92,735

All directors' share transactions have been disclosed via a SENS announcement.

There have been no changes in directors' shareholding between 31 March 2025 and the date of this Report.

*I. van Heerden holds an indirect interest in Invicta Holdings through a participatory preference share in Titan Nominees held by Oryx Partners (Pty) Ltd, of which he is a director and shareholder.

43. Capital and financial risk management and financial instruments

The Group is exposed, directly and indirectly, to market risk, including, primarily, changes in interest rates and currency exchange rates and uses derivatives and other financial instruments in connection with its risk management activities. The Board of Directors carries the ultimate responsibility for the overseeing of the Group's risk management framework and is accountable for designing, implementing and monitoring the process of risk management and integrating it into the daily activities of the Group.

Capital risk management

Capital is managed to ensure that operations are able to continue as a going concern, whilst maximising return to stakeholders through an appropriate debt and equity structure. The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity. Capital risk is continuously reviewed by the board and risks are mitigated accordingly. The treasury function is administered at Group level where strategies for the funding of working capital requirements and capital expenditure projects are implemented, considering cash flow projections and expected movements in interest rates.

	31 March	
	2025	2024
	R'000	R'000
Total debt	**1,739,064**	1,659,329
Less: Cash and cash equivalents	**(780,100)**	(904,652)
Net debt	**958,964**	754,677
Total equity	**5,451,816**	5,770,060
Net debt to equity ratio	**18%**	13%

43. Capital and financial risk management and financial instruments (continued)

Categories for financial instruments

	31 March	
	2025	2024
	R'000	R'000
Financial assets		
Net investment in finance lease - in scope of IFRS 16 *Leases*	**383,575**	213,675
Loan and other receivables - amortised cost	**135,727**	97,571
Derivatives - forward exchange contracts - mandatory fair value through profit or loss	**1,359**	329
Trade and other receivables - amortised cost	**1,259,900**	1,143,936
Cash and cash equivalents - amortised cost	**799,800**	998,684
Financial liabilities		
Borrowings - amortised cost	**1,137,618**	1,212,307
Right-of-use liabilities - in scope of IFRS 16 *Leases*	**252,553**	271,332
Finance lease liabilities - amortised cost	**348,893**	175,690
Trade and other payables - amortised cost	**1,514,635**	1,334,990
Derivates - forward exchange contracts - mandatory fair value through profit or loss	**146**	523
Profit share liability - mandatory fair value through profit or loss	**78,935**	78,497
Bank overdrafts - amortised cost	**19,700**	94,032

Interest rate risk management

The Group is exposed to interest rate risk on its variable rate borrowings. The exposure to interest rate risk is managed through a closely monitored cash management system.

The impact of a change in the interest rate of 1% with all other variables held constant will have the following effect:

	31 March		
	Carrying amount at year end	Change in interest rate	Effect on profit before taxation*
		%	R'000
2025			
Variable interest rate borrowings	**1,137,618**	**1%**	**11,376**
2024			
Variable interest rate borrowings	1,212,307	1%	12,123

*Profit before taxation would increase for every 1% decrease in the interest rate and vice versa for an increase of 1% in the interest rate.

Interest rate risk management (continued)

	31 March	
	2025	2024
The applicable interest rates during the period were as follows:	**%**	%
Average		
Prime interest rate	11.49%	11.29%
Three-month JIBAR	7.99%	8.36%
Closing		
Prime interest rate	11.00%	11.75%
Three-month JIBAR	7.56%	8.35%

43. Capital and financial risk management and financial instruments (continued)

Credit risk management

Potential areas of credit risk consist of trade accounts receivable, loan receivables, net investment in finance leases and short-term cash investments. Trade accounts receivable consist of a widespread customer base. Group companies monitor the financial position of their customers on an ongoing basis. Where considered appropriate, use is made of credit guarantee insurance. The granting of credit is controlled by application and account limits. Allowance is made for expected credit losses and at the year-end management did not consider there to be any material credit risk exposure that was not already covered by credit guarantee or a loss allowance. A 12-month expected loss has been used for the expected credit loss assessment for net investment in finance leases, loans and other receivables and cash and cash equivalents. The amounts owing to the Group are not past due and the expected credit losses are immaterial as the credit risk and probability of default is considered to be low. It is Group policy to deposit short-term cash investments with only the major banks. The credit rating is BB- for cash and cash equivalents which are invested across the major South African banks.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- A breach of financial covenants by a debtor.
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that a default has occurred when a financial asset is more than 60 days past due based on historical experience of recoveries on similar assets unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Currency risk management

The majority of the Group’s monetary assets and liabilities are denominated in South African Rand. The monetary assets and liabilities of the entity that holds the investment in joint venture (Kian Ann Group) are denominated in Singapore Dollar. There are investment holding companies in Mauritius that are denominated in US dollar, together with the assets and liabilities of the RSS: Industrial segment's foreign entities which are denominated in various foreign currencies.

	31 March					
	ZAR	GBP	SGD	USD	Other	Total
2025	**R’000**	**R’000**	**R’000**	**R’000**	**R’000**	**R’000**
Foreign currency monetary assets and liabilities						
Total assets	**6,003,169**	**387,524**	**1,855,501**	**58,566**	**901,556**	**9,206,316**
Total liabilities	**(3,443,774)**	**(101,652)**	**(3,652)**	**(10,949)**	**(194,473)**	**(3,754,500)**
Total	**2,559,395**	**285,872**	**1,851,849**	**47,617**	**707,083**	**5,451,816**
2024						
Foreign currency monetary assets and liabilities						
Total assets	5,589,033	849,532	1,847,925	243,984	783,086	9,313,560
Total liabilities	(2,863,258)	(456,937)	(3,913)	(68,018)	(151,374)	(3,543,500)
Total	2,725,775	392,595	1,844,012	175,966	631,712	5,770,060

The companies denominated in USD and GBP include an investment holding company where investments have been eliminated to show the Group's true exposure to foreign currency.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

43. Capital and financial risk management and financial instruments (continued)

Currency risk management (continued)

The following table details the Group's sensitivity to a reasonable increase or decrease in South African Rand against the foreign currencies, at the reporting date, on the profit or loss before taxation of the Group's major foreign operation.

	31 March					
	Profit/(loss) before taxation					
	Value in foreign currency	Spot rate at year-end	Increase in foreign currency rate	Effect on profit before	Decrease in foreign currency rate	Effect on profit before
	000	to ZAR	%	R'000	%	R'000
2025						
USD	**3,073**	**18.41**	**10.00%**	**5,657**	**(10.00%)**	**(5,657)**
GBP	**1,683**	**23.81**	**10.00%**	**4,007**	**(10.00%)**	**(4,007)**
SGD	**26,639**	**13.70**	**10.00%**	**36,495**	**(10.00%)**	**(36,495)**
2024						
USD	1,279	18.96	10.00%	2,425	(10.00%)	(2,425)
GBP	1,936	23.99	10.00%	4,644	(10.00%)	(4,644)
SGD	11,966	14.06	10.00%	16,820	(10.00%)	(16,820)

The forward exchange contracts ("FECs") in place at the reporting period to cover current and future inventory purchases are as follows:

	31 March		
	Foreign currency	Average exchange rate	ZAR
	’000		R’000
2025			
US Dollar	**31,598**	**18.5718**	**586,833**
Euro	**5,224**	**19.7255**	**103,046**
Yen*	**186,188**	**8.0709**	**23,069**
British Pound	**140**	**23.2214**	**3,251**
2024			
US Dollar	16,266	18.8943	307,335
Euro	3,004	20.6391	62,000
Yen*	86,000	7.9073	10,876
British Pound	20	24.1000	482

*The contract price is quoted as ZAR to Yen, whereas all others are quoted foreign currency to ZAR.

The following table details the Group's sensitivity to a reasonable increase or decrease in ZAR against the relevant foreign currencies at the reporting date. The percentages used below represent management's assessment of the reasonably possible change in foreign exchange rates, based on historical volatilities of these currencies. The sensitivity analysis includes only outstanding FECs at the reporting date. The positive number below indicates an increase in profit where the ZAR strengthens by the percentages below against the relevant currency. For a weakening of the ZAR by the percentages below against the relevant currency, there would be a comparable impact on the profit, and the balances would be negative. The impact on the Group's equity is not provided as the FECs are not designated as hedging instruments in a cash flow hedge.

	31 March			
	Value in ZAR	Spot rate at reporting	Change in currency rate	Effect on profit before taxation
2025	R'000	ZAR	%	R'000
US Dollar	**586,833**	**18.41**	**(3%)**	**(17,605)**
Euro	**103,046**	**19.90**	**(3%)**	**(3,091)**
Yen	**23,069**	**8.13**	**2%**	**461**
British Pound	**3,251**	**23.81**	**(1%)**	**(33)**
2024				
US Dollar	307,335	18.96	7%	21,513
Euro	62,000	20.51	6%	3,720
Yen	10,876	7.97	8%	870
British Pound	482	23.99	9%	43

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

43 Capital and financial risk management and financial instruments (continued)

Financial instruments measured at fair value

An analysis of the financial instruments that are measured subsequent to initial recognition at fair value is represented in the tables below:

		31 March				
		Balance at reporting date	Valuation techniques and key inputs			
2025	**Note**	**R'000**		**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value						
Derivatives - forward exchange contracts	11.1	**1,359**	**–**	**1,359**	**–**	**–**
Financial liabilities at fair value						
Profit share liability	27	**78,935**	**–**	**–**	**–**	**78,935**
Derivatives - forward exchange contracts	11.2	**146**	**–**	**146**	**–**	**–**
2024						
Financial assets at fair value						
Derivatives - forward exchange contracts	11.1	329	1	329	–	–
Financial liabilities at fair value						
Profit share liability	27	78,497	2	–	–	78,497
Derivatives - forward exchange contracts	11.2	523	1	523	–	–

Valuation technique(s) and key inputs:

1.Expected settlement value.

2.Earnings multiple valuation based on three times the average annual profit before taxation over the past 24 months multiplied by the notional percentage holding. The weighted average earnings used in the valuation in the current financial year was R16.4 million (2024: R10.3 million).

The valuation of the profit share liability is based on historic earnings and contractually determined price earnings multiples; as such this valuation is not sensitive to a change in assumptions.

Movements in Level 3 financial assets and liabilities are as follows:

	31 March	
	Profit share liability	
	2025	2024
Financial assets/liability at fair value	**R'000**	R'000
Fair value at the beginning of the year	**78,497**	77,779
Fair value adjustment recognised in profit or loss	**5,234**	3,557
Other adjustment	**6,009**	3,861
Foreign currency translation	**(43)**	84
Payments	**(10,762)**	(6,784)
Fair value at the end of the year	**78,935**	78,497
Note	27	27

43. Capital and financial risk management and financial instruments (continued)

Liquidity risk management

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained (note 18).

Maturity analysis of financial liabilities including derivative financial liabilities:

	31 March						
	Carrying amount	Total	Months 1-3	Months 4-12	Year 2	Years 3-5	More than 5 years
2025	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Non-derivative financial liabilities:							
Borrowings	**1,137,618**	**1,508,509**	**111,807**	**154,712**	**154,932**	**1,032,599**	**54,459**
Right-of-use lease liabilities	**252,553**	**305,435**	**23,340**	**55,928**	**93,142**	**104,588**	**28,437**
Finance lease liabilities	**348,893**	**391,473**	**60,789**	**137,392**	**124,657**	**68,635**	**–**
Profit share liability	**78,935**	**78,935**	**–**	**78,935**	**–**	**–**	**–**
Bank overdrafts	**19,700**	**19,700**	**19,700**	**–**	**–**	**–**	**–**
Payables*	**1,514,635**	**1,514,635**	**1,446,269**	**68,366**	**–**	**–**	**–**
Derivative financial liabilities:							
Forward exchange contracts	**146**	**146**	**146**	**–**	**–**	**–**	**–**
Total	**3,352,480**	**3,818,833**	**1,662,051**	**495,333**	**372,731**	**1,205,822**	**82,896**
2024							
Non-derivative financial liabilities:							
Borrowings	1,212,307	1,644,078	41,309	161,077	166,760	1,206,893	68,039
Right-of-use lease liabilities	271,332	325,187	28,499	61,113	90,412	123,159	22,004
Finance lease liabilities	175,690	199,754	26,907	70,030	70,997	31,820	–
Profit share liability	78,497	78,497	–	78,497	–	–	–
Bank overdrafts	94,032	94,032	94,032	–	–	–	–
Payables*	1,334,990	1,334,990	1,230,950	104,040	–	–	–
Derivative financial liabilities:							
Forward exchange contracts	523	523	523	–	–	–	–
Total	3,167,371	3,677,061	1,422,220	474,757	328,169	1,361,872	90,043

*Payables include trade payables, sundry payables and accrued expenses, payables to associates and dividends payable.

44. Contingent liabilities

The banks have guaranteed R28.0 million (31 March 2024: R28.2 million) on behalf of the Group to creditors.

Notes to the audited annual consolidated financial statements (continued)

for the year ended 31 March 2025

45. Related party transactions

Relationships

Related parties in the case of the Group include any shareholder who is able to exert a significant influence on the operating policies of the Group. Directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Group are also considered to be related parties.

The fellow subsidiaries in the Group are identified in note 12 and the associates and joint ventures in notes 13 and 14, respectively. The Group directors are set out on pages 15 to 16 of the integrated report.

The following related party transactions exist
- Loans to/from subsidiaries, associates, joint
- Interest on the loans to/from subsidiaries,
- Intercompany debtors and creditors
- Leases
- Administration fees
- Commission
- Dividends
- Sales and cost of sales

Material related party balances and transactions:

	31 March	
	2025	2024
Remuneration of key management personnel	**R'000**	R'000
Salary and benefits*	**79,617**	82,491
Retirement benefits*	**4,010**	3,853
Total	**83,627**	86,344

*The comparatives presented have been restated from those disclosed at 31 March 2024 to include key management personnel in the CE and RPE operating segments which were omitted in error. Salary and benefits increased by R14.7 million and retirement benefits increased by R1.4 million.

Salary and benefits include basic, fringe benefits and performance related remuneration.

Retirement benefits comprise the company contributions to employee retirement funds.

Refer to note 41 for the details of the director's remuneration and note 29 for the share-based payment expense.

Loans, trade and other receivables and payables with associates and joint ventures:

	31 March			
	Loan receivables	Trade receivables	Other receivables	Payables
2025	**R'000**	**R'000**	**R'000**	**R'000**
Associates				
Africa Maintenance Kathu (Pty) Ltd	**–**	**14,006**	**4,551**	**–**
Africa Maintenance Lephalale (Pty) Ltd	**–**	**3,464**	**481**	**–**
Africa Maintenance Mogale (Pty) Ltd	**–**	**162**	**–**	**–**
Africa Maintenance eMalahleni (Pty) Ltd	**19,630**	**19,473**	**26,163**	**–**
Africa Maintenance Sekhukhune (Pty) Ltd	**4,440**	**–**	**3,443**	**620**
Africa Maintenance Amajuba (Pty) Ltd	**–**	**1,251**	**369**	**568**
Africa Maintenance Umhlathuze (Pty) Ltd	**–**	**12,237**	**1,918**	**1,918**
Africa Maintenance Matjhabeng (Pty) Ltd	**5,976**	**2,244**	**3,832**	**12**
Africa Maintenance Rustenburg (Pty) Ltd	**7,285**	**7,182**	**1,684**	**46**
Africa Maintenance Thabazimbi (Pty) Ltd	**6,954**	**1,691**	**846**	**–**
Africa Maintenance Madibeng (Pty) Ltd	**7,789**	**2,839**	**351**	**18**
Makona Hardware and Industrial Supplies (Pty) Ltd	**277**	**–**	**741**	**–**
Shareholders of associates	**988**	**–**	**–**	**–**
Joint ventures				
GivEnergy South Africa (Pty) Ltd	**18,997**	**–**	**59**	**–**
Total	**72,336**	**64,549**	**44,438**	**3,182**
Notes:	10	17	17	25

45. Related party transactions (continued)

Loans, trade and other receivables and payables with associates and joint ventures (continued)**:**

	31 March			
2024	Loan receivables R'000	Trade receivables R'000	Other receivables R'000	Payables R'000
Associates				
Africa Maintenance Kathu (Pty) Ltd	–	9,354	1,027	1
Africa Maintenance Lephalale (Pty) Ltd	413	2,688	469	–
Africa Maintenance Mogale (Pty) Ltd	2,029	1,801	288	–
Africa Maintenance eMalahleni (Pty) Ltd	19,630	21,215	27,699	145
Africa Maintenance Sekhukhune (Pty) Ltd	4,440	4,113	2,490	625
Africa Maintenance Amajuba (Pty) Ltd	–	1,225	188	714
Africa Maintenance Umhlathuze (Pty) Ltd	–	10,132	5,593	1,374
Africa Maintenance Matjhabeng (Pty) Ltd	5,992	2,452	3,435	10
Africa Maintenance Rustenburg (Pty) Ltd	7,305	5,782	1,844	478
Africa Maintenance Thabazimbi (Pty) Ltd	7,647	1,696	389	33
Africa Maintenance Madibeng (Pty) Ltd	8,904	3,479	118	–
Makona Hardware Industrial Supplies (Pty) Ltd	265	2,303	1,338	–
Shareholders of associates	1,015	–	–	–
Total	57,640	66,240	44,878	3,380
Notes:	10	17	17	25

Disposal of subsidiary

The Group disposed of its 100% investment in KMP Holdings Limited to the KAG (note 40).

Dividend receivable from a subsidiary of a joint

During the 2024 financial year, KMP Holdings Limited, which was a subsidiary of the Group as at 31 March 2024, declared a dividend of £2.3 million to its parent company, Invicta Global Holdings Limited which remained owing to the Group on the disposal of KMP Holdings Limited to the KAG. The dividend is expected to be settled by 31 March 2030 based on a mutual agreement between the Group and the KAG. The dividend receivable from KMP Holdings Limited is disclosed in note 10.

Shares purchased for issue to executive directors

In the current financial year, Invicta South Africa Holdings (Pty) Ltd purchased 99,595 ordinary no par value ordinary shares on the open market for R3.2 million (note 20) at an average share price of R31.81 of which, 44,595 ordinary no par value shares were issued to the executive directors in terms of the LBSIR scheme (note 23, 41 and 42) and 55,000 (2024: 55,000) ordinary no par value shares were issued to the CEO in terms of a share bonus grant of 100,000 (2024: 100,000) ordinary no par value shares which were settled after deducting employee taxes. In the prior financial year, Invicta South Africa Holdings (Pty) Ltd purchased 369,476 ordinary no par value shares for R8 million from Humulani Marketing (Pty) Ltd for issue to executive directors in terms of the LBSIR scheme (note 23, 41 and 42).

Loans to directors

As at 31 March 2024, a loan of R15.9 million was receivable by a director of a subsidiary which was advanced by the Group on market-related terms (note 10). In addition, the director was owed commission of R14.1 million by the Group, which was included in sundry payables (note 25) in the prior financial year. Both the loan receivable and the commission payable were fully settled during the current financial year.

	31 March 2025 R'000	31 March 2024 R'000
46. Commitments and minimum lease payments receivable - operating leases		
Commitments:		
Commitments in respect of unexpired rental agreements for office equipment:		
Within 1 year	**5,311**	3,002
Within 2 to 5 years inclusive	**3,440**	5,913
Total	**8,751**	8,915
Commitments for property, plant and equipment	**6,441**	5,442
Expenditure will be financed by existing cash facilities.		
Minimum lease payments receivable - operating leases:		
Within 1 year	**50,644**	54,728
Within 2 to 3 years	**21,598**	27,172
Within 3 to 4 years	**10,868**	22,717
Within 4 to 5 years	**8,208**	11,456
Over 5 years	**7,802**	9,559
Total	**99,120**	125,632

47. Going concern as a basis for the preparation of the Audited Annual Financial Statements

In preparing these audited annual consolidated financial statements, the directors have confirmed the Group's ability to continue as a going concern for the foreseeable future. The following factors were considered:

Financial performance

The Group has adequate resources with sufficient facilities and/or access to cash to meet future commitments and debt repayments as they fall due in the next 12 months and the Group is actively monitoring gearings levels. There is an approved budget for the following 12 months indicating sustained performance. The Group has taken adequate measures to ensure it can quickly adapt where possible to constraints on its operating activities such as natural disasters and shipping delays.

Liquidity and solvency

The Group is liquid and solvent.

Debt covenants

The Group's Nedbank revolving credit facility and RMB Revolving credit facility are repayable on 31 March 2029 and are presented as non-current borrowings (note 24). These loan facilities include covenants which are measured at the Invicta South Africa Holdings (Pty) Ltd group level. The covenants require that the Invicta South Africa Holdings (Pty) Ltd group, achieves a Net Debt to EBITDA Ratio of less than 3.0 and an Interest Cover Ratio greater than 3.5, at 30 September and 31 March of each year. The loans will be repayable on demand if the covenants are not met. The Group expects to meet these debt covenants in the next 12 months, and the Group has met the loan covenants which were applicable at 31 March 2025 as follows:

	Covenants	Requirement		Achieved
1	Net Debt to EBITDA Ratio	<	**3.0**	**2.48**
2	Interest Cover Ratio	>	**3.5**	**5,44**

The relevant contractual definitions are as follows:

- Net Debt to EBITDA Ratio: Net Debt divided by EBITDA.
  Net Debt is net of any Cash or Cash Equivalent Investments, excludes obligations to any other member of the Group and includes the capitalised value of finance leases.
  EBITDA means the consolidated operating profit before net finance income on financing transactions and foreign exchange movements, excluding results from discontinued operations, adding back depreciation and amortisation, and adjusting for the impact of foreign exchange. Non-recurring items are not included.
- Total Interest Cover Ratio is the EBITDA divided by Net Finance Charges.
  Finance Charges means finance payments in respect of Group borrowings less finance income.

48. Events after the reporting period

Ordinary dividends declared
The Board of directors has approved and declared a final ordinary dividend of 115 cents per share on 25 June 2025 which will be paid on 25 August 2025.

Purchase of ordinary no par value shares
Invicta Holdings Limited has purchased 3,130,629 ordinary no par value shares in the open market since 31 March 2025 for R97 million.

INVICTA HOLDINGS LIMITED

SHAREHOLDERS INFORMATION

FOR THE YEAR ENDED 31 MARCH

2025

Innovative solutions that empower industries, for a **sustainable future**

Invicta HOLDINGS LIMITED

Shareholder information

for the year ended 31 March 2025

Ordinary shareholder analysis

	31 March			
Shareholder Spread	**Number of Shareholdings**	**%**	**Number of Shares**	**%**
1 - 1 000 shares	1,297	61.61	366,661	0.40
1 001 - 10 000 shares	615	29.22	2,099,203	2.28
10 001 - 100 000 shares	133	6.32	4,111,871	4.47
100 001 - 1 000 000 shares	43	2.04	15,899,344	17.30
1 000 001 shares and over	17	0.81	69,443,704	75.55
Totals	**2,105**	**100.00**	**91,920,783**	**100.00**
Distribution of shareholders				
Assurance & Insurance Companies	2	0.10	14,193	0.02
Brokers & Nominees	12	0.57	1,744,749	1.90
Close Corporations	16	0.76	149,246	0.16
Collective Investment Schemes	31	1.47	10,976,725	11.94
Control Accounts and Unclaimed Shares	2	0.10	1,914	–
Lending & Collateral Accounts	2	0.10	965,568	1.05
Non-SA Custodians	15	0.71	6,046,127	6.58
NPO & Charity Funds	4	0.19	112,220	0.12
Organs of State & Public Entities	2	0.10	51,856	0.06
Pooled & Mutual Funds	13	0.62	1,190,297	1.29
Private Companies	98	4.65	52,976,134	57.63
Public Companies	1	0.05	16,799	0.02
Retail Individuals	1,762	83.70	7,477,786	8.13
Retirement Benefit Funds	19	0.90	4,279,421	4.66
Trusts & Investment Partnerships	126	5.98	5,917,748	6.44
Totals	**2,105**	**100.00**	**91,920,783**	**100.00**
Public / Non-public shareholders				
Non-public shareholders	**17**	**0.81**	**54,554,082**	**59.35**
Directors and Associates	17	0.81	54,554,082	59.35
Public shareholders	**2,088**	**99.19**	**37,366,701**	**40.65**
Totals	**2,105**	**100.00**	**91,920,783**	**100.00**
Top 10 Beneficial Shareholders				
Titan Share Dealers (Pty) Ltd			19,894,988	21.64
Titan Premier Investments (Pty) Ltd			18,281,335	19.89
Sade Holdings (Pty) Ltd			4,843,277	5.27
Dorsland Diamante (Pty) Ltd			4,502,606	4.90
Government Employees Pension Fund			3,535,584	3.85
Foord Asset Management			3,264,453	3.55
The Sherrell Family Trust			3,083,400	3.35
Lanmar Investments (Pty) Ltd			3,079,323	3.35
Sherrell Delma Jean Mrs			3,043,838	3.31
Citigroup (Custodian)			2,839,014	3.09
Totals			**66,367,818**	**72.20**

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HOLDINGS LIMITED