supergroup

AUDITED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 JUNE 2021

CONTENTS

DIRECTORS' RESPONSIBILITIES AND APPROVAL

FOR THE YEAR ENDED 30 JUNE 2021

RESPONSIBILITIES

The Board is required by the Companies Act to maintain adequate accounting records and is responsible for the content and integrity of the Annual Financial Statements of Super Group and related financial information included in these Annual Financial Statements and published on the Group's website www.supergroup.co.za. It is its responsibility to ensure that the Annual Financial Statements fairly present the financial position of the Company and the Group at the end of the financial year and the results of their operations and cash flows for the year then ended, in conformity with IFRS and the requirements of the Companies Act. The External Auditor is engaged to express an independent opinion on the Annual Financial Statements.

The Annual Financial Statements have been audited by the independent accounting firm, KPMG Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and its committees. The directors believe that all representations made to the independent auditors during the audit were valid and appropriate.

The Annual Financial Statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet this responsibility, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group.

While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal controls provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year ending 30 June 2022 and, in the light of this review and the current financial position, they are satisfied that the Company and Group have or have access to adequate resources to continue in operational existence for the foreseeable future. The directors have satisfied themselves that the Company and its subsidiaries are in a sound financial position and that the Group has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The Annual Financial Statements of the Group and Company were approved by the directors on 30 September 2021 and were signed on their behalf by

Peter Mountford
Chief Executive Officer

Colin Brown
Chief Financial Officer and Debt Officer

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

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

a. the Annual Financial Statements fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
b. no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;
c. internal financial controls have been put in place to ensure that material information relating to the Group and its consolidated subsidiaries have been provided to effectively prepare the Annual Financial Statements of the Group; and
d. the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of King IV™ Report. Where we are not satisfied, we have disclosed to the Group Audit and Risk Committee and the Independent Auditor the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

Peter Mountford
Chief Executive Officer
30 September 2021

Colin Brown
Chief Financial Officer and Debt Officer

GROUP COMPANY SECRETARY CERTIFICATE

In terms of section 88(2)(e) of the Companies Act, I certify that, to the best of my knowledge and belief, Super Group has, in respect of the financial year ended 30 June 2021, lodged with CIPC all returns and notices required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.

John Mackay
Group Company Secretary
30 September 2021

GROUP AUDIT COMMITTEE REPORT

INTRODUCTION

The Group Audit Committee (the Committee) has pleasure in submitting this report, which has been approved by the Board and has been prepared incorporating the recommendations of King IV™.

In summary, this Committee assists the Board in its oversight responsibilities covering the:

- assessment of the internal and external audit processes to ensure that the processes are adequate and effective to mitigate the significant control risks for the Group;
- adequacy and functioning of the Group's internal controls;
- integrity of the financial reporting processes;
- Group's combined assurance model; and
- expertise of the CFO.

The Committee is elected by the shareholders in terms of section 94(2) of the Companies Act. The Group Risk Committee is a subcommittee of the Committee.

The Committee consists of a minimum of three independent Non-Executive Directors of the Board. It meets at least four times per annum as per its Charter. The Committee met four times during the year ended 30 June 2021.

The Committee has performed all the duties required.

COMPOSITION OF THE COMMITTEE

Chairperson	David Cathrall (Independent Non-Executive Director)
Members	Valentine Chitalu (Independent Non-Executive Director)
	Pitsi Mnisi (Independent Non-Executive Director) (Effective 1 October 2020)
Permanent invitees	Peter Mountford (Group CEO)
	Colin Brown (Group CFO and Debt Officer)
	David Read (Designated Audit Partner from KPMG Inc.)
	Nicola Bryce (Group Audit Manager from KPMG Inc.)
	Zack Sieberhagen (Group Financial Controller)
	Elton Biljon (Group Financial Manager)
	Reyaaz Mahmood (Head of Group Audit Services and Risk Manager)
	Clive Pincus (Group Tax Manager)
By invitation	Phillip Vallet (Non-executive Chairman)
Secretary	John Mackay

EXECUTION OF RESPONSIBILITIES DURING THE YEAR

The Committee is satisfied that, for the financial year ended 30 June 2021, it has performed all the functions required to be performed by an Audit Committee as set out in the Companies Act. The Committee's terms of reference are as follows:

External Audit

The Committee amongst other matters:

- Nominated the reappointment of KPMG Inc. as external auditor and Mr David Read as the individual designated auditor for the financial year ended 30 June 2021 and ensured that the appointment complied with all applicable legal and regulatory requirements for the appointment of an auditor. The appointment of KPMG Inc. as the external auditor for the year ended 30 June 2021 has been tabled as a resolution at the AGM held on 18 December 2020.
- Satisfied itself as to the qualifications and competence of KPMG Inc. and the designated audit engagement partner.
- Approved the proposed fees for the current year audit.
- Approved the external auditor for each material subsidiary company for re-appointment.
- Reviewed the audit effectiveness and evaluated the external auditor's internal quality control procedures.
- Obtained an annual confirmation from the external auditor that their independence was not impaired.
- Determined the terms of engagement and the fees to be paid to KPMG Inc. as disclosed in note 24.4 in the Annual Financial Statements.
- Approved a Non-Audit Services Policy which determines the nature and extent of any non-audit services which KPMG Inc. may provide to the Group.
- Pre-approved any proposed contract with KPMG Inc. for the provision of non-audit services to the Group. An annual approval is made for certain services that are requested by management. The services rendered against this approval are reviewed at each meeting of the Committee. All other services are specifically approved by the Committee when requested.
- Considered whether any reportable irregularities were identified and reported by the external auditor in terms of the Auditing Profession Act No 26 of 2005.

- Considered any reported control weaknesses, management's response for their improvement and assessed their impact on the general control environment.
- Considered the tenure of the external auditor and found it to be appropriate.
- Noted the requirement relating to mandatory audit firm rotation and that this will be implemented at the appropriate time.

The Committee is satisfied that KPMG Inc. is independent of the Group after taking the following factors into account:

- Representations made by KPMG Inc. to the Committee.
- The auditor does not, except as external auditor or in rendering of permitted and approved non-audit services, receive any remuneration or other benefits from the Group.
- The auditor's independence was not impaired by any consultancy, advisory or other work undertaken by the auditor.
- In terms of the requirements of the Companies Act, David Read replaced Dwight Thompson of KPMG Inc. as the designated audit partner for the year ended 30 June 2021.
- In terms of the rules issued by the IRBA, KPMG Inc. may remain as the auditors of the Group until April 2023.
- The Committee obtained and considered all information listed in the JSE Listings Requirements and JSE Debt Listings Requirements in its assessment of the suitability of KPMG Inc. for reappointment.
- The criteria specified for independence by IRBA and international regulatory bodies have been met.

The Committee approved, in consultation with management, the audit fee and engagement terms for the various external auditors for the 2021 financial year, as set out below:

Description of fees	R'000	% of total
Audit fees	30 454	63.1
Non-audit fees	17 263	35.8
Expenses	512	1.1
Total fees	**48 229**	**100.0**

The Committee, in addition:

- reviewed and approved the non-audit services fees for the year under review and ensured that the fees were within limit and in line with the non-audit service policy; and
- determined the nature and extent of allowable non-audit services and approved the contract terms for the provision of non-audit services.

Internal Audit

The Committee:

- Reviewed and approved the internal audit charter and annual audit plan and evaluated the independence, effectiveness and performance of the Internal Audit Department and its compliance with the charter.
- Considered the reports of the internal auditor on the Group's systems of internal control including financial controls, business risk management and maintenance of effective internal control systems.
- Received assurance that proper and adequate accounting records were maintained and that the systems safeguarded the assets against unauthorised use or disposal thereof.
- Reviewed significant issues raised by the internal audit processes and the adequacy of corrective action in response to significant internal audit findings.

ACTIVITIES UNDERTAKEN BY THE COMMITTEE DURING THE YEAR

Oversight of risk management

The Committee, as a result of its responsibility for internal controls, has ensured that all material risks have been identified and that the mitigation of these risks was effectively managed. The Committee has also satisfied itself that the level of unmitigated risks, both individually and in totality, are within the risk appetite of the Group, and that there is sufficient assurance provided to manage risks and the control environment through both internal and external assurance providers.

David Cathrall, Philip Vallet and Pitsi Mnisi are members of the Group Risk Committee, ensuring that the Committee is an integral component of the risk management process.

Internal financial controls

The Committee reviewed the plans and work outputs of the internal auditors and concluded that these were adequate to address all significant financial risks facing the business.

As noted above, the Committee also reviewed the reporting and monitoring of the adequacy and effectiveness of the internal controls and based on this concluded that there had been no material breakdowns in internal control, including financial controls, business risk management and the maintenance of effective material control systems throughout the year.

The Group CEO and CFO responsibilities report is on page 2 of the financial statements. In turn, the CEOs and CFOs of each of the underlying operations have also signed similar declarations.

Internal Audit

Super Group has an Internal Audit Department. The Head of Group Audit Services is Reyaaz Mahmood. He reports functionally to the chair of the Committee and administratively to the CFO. Annually the Committee approves the Internal Audit Plan and any variation thereof. The chairman of the Committee meets with the Head of Group Audit Services on a regular basis and the Head of Group Audit Services has unfettered access to all members of the Committee. The Committee considered and was satisfied with the independence and effectiveness of the Internal Audit function and monitored adherence to the annual Internal Audit Plan.

Financial reporting

The Committee ensures that the financial reporting to stakeholders is a fair representation the state of affairs of Super Group which includes the Consolidated Annual Financial Statements. The Committee confirms that Super Group has established appropriate financial reporting procedures and that those procedures are operating.

The Committee among other matters:

- Confirmed the appropriateness of the going concern assumption as the basis of preparation of the Annual Financial Statements.
- Examined and reviewed the Annual Financial Statements, as well as all other financial information including the continued effects of Covid-19 on the Group.
- Recommended to the Board that Annual Financial Statements be approved.
- Considered the appropriateness of the accounting policies adopted and changes thereto.
- Reviewed the external auditor's audit report and key audit matters included.
- Reviewed the representation letter relating to the Annual Financial Statements which was signed by management.
- Considered any problems identified and reviewed any significant legal and tax matters that could have a material impact on the Annual Financial Statements.
- Considered accounting treatments, significant unusual transactions, impairments and accounting judgements.

The Committee was not required to deal with any complaints relating to accounting practices or internal audit, nor to the content or audit of the Annual Financial Statements, nor internal financial controls and related matters.

Proactive monitoring

The Committee hereby confirms that the Group has considered the findings contained in the JSE's Proactive Monitoring Reports when preparing the Consolidated Annual Financial Statements for the year ended 30 June 2021.

KEY AUDIT MATTERS

The Committee has considered the key audit matters as outlined in the external auditor's report. These matters have been covered in the significant areas of judgement below:

In arriving at the figures disclosed in the Annual Financial Statements, there are many areas where judgement is required. These are outlined in note 40 – Critical accounting judgements, estimates and assumptions to the Annual Financial Statements. The Committee has considered the quantum of the assets and liabilities on the Consolidated Statement of Financial Position and other items that require significant judgement. The following items were considered:

- Impairment of assets:
  - Goodwill and Intangible assets;
  - Properties;
  - Right-of-use assets; and
  - Investments in subsidiaries held by the Company.
- Residual value of tangible assets;
- Revenue recognition;
- Fair value measurement of financial instruments;
- Net realisable value assessment of inventory;

GROUP AUDIT COMMITTEE REPORT continued

- Incremental borrowing rates on application of IFRS 16 – Leases; and
- Impact of the Covid-19 pandemic.

Key sources of estimation and uncertainty relate to:

- Future cash flows.
- Growth rates.
- Forward-looking information utilised in the expected credit loss model.

In making its assessment in each of the above areas, the Committee questioned senior management and examined the external auditor's report in arriving at their conclusions. The Committee reviewed the disclosures, considered the procedures undertaken by the senior management and were satisfied that sufficiently robust processes were followed with regards to the judgements relating to the above items.

CHIEF FINANCIAL OFFICER

The Committee is satisfied that Colin Brown has the appropriate expertise and experience to meet the responsibilities of his appointed position as CFO as required by the JSE.

The Committee is satisfied:

- with the expertise and experience of the Group Financial Manager, Elton Biljon; and
- that the resources within the finance function are adequate to provide the necessary support to the CFO.

In making these assessments, the Committee has obtained feedback from the external auditor.

SUBSIDIARY COMPANIES

Except for SG Fleet, which has its own Independent Audit Committee, each operating subsidiary company that has outside shareholders and/or is located offshore has an established Divisional Audit Committee comprised of members that are independent of divisional management, chaired by the Group CFO, which reports to the Committee. The Committee is notified of all Divisional Audit Committee meetings and committee members are entitled to attend. The Audit Committee Chairman attended all of the significant divisional audit committee meetings. Minutes of the meetings of the Divisional Audit Committees are made available to members of the Committee.

APPROVAL

Having achieved its objectives, the Committee has recommended the Consolidated and Summarised Annual Financial Statements for the year ended 30 June 2021 for approval to the Board. The Board has subsequently approved the reports, which will be open for discussion at the forthcoming AGM on 23 November 2021.

On behalf of the Group Audit Committee

David Cathrall
Group Audit Committee Chairman
30 September 2021

DIRECTORS' REPORT

The directors present their report which forms part of the Annual Financial Statements of the Company and of the Group for the year ended 30 June 2021.

NATURE OF BUSINESS

Super Group Limited (Registration number 1943/016107/06), the holding company of the Group, is a company listed on the Main Board of the JSE in the "Industrial Transportation" sector, incorporated and domiciled in the Republic of South Africa. Super Group is a broad-based supply chain management business, operating predominantly in South Africa, with operations across sub-Saharan Africa and businesses in Australia, Europe, New Zealand and the United Kingdom. Its principal operating activities include supply chain management, dealerships and fleet management activities.

FINANCIAL RESULTS

The results for the year are set out in the Financial Statements presented on pages 16 to 120. The Annual Financial Statements are published on the Group's website www.supergroup.co.za.

YEAR UNDER REVIEW

Despite ongoing macroeconomic challenges and tough trading conditions in a number of key markets and industry sectors, Super Group reported an outstanding set of results for the year ended 30 June 2021. Group revenue increased by 14.3% to R39.5 billion (June 2020: R34.6 billion). Operating profit increased by 44.0% to R2 273.0 million (June 2020: R1 578.0 million) with the operating profit margin increasing to a satisfactory 5.8% (June 2020: 4.6%).

Across the Group, businesses performed strongly to achieve this outcome, despite the continuing impact of the Covid-19 pandemic and related lockdowns in many of the economies in which the Group operates. The Group's South African, European and UK operations were most severely impacted by lockdown regulations and restricted trading conditions. The UK dealerships market was closed from 5 November 2020 until 12 April 2021, negatively impacting them for a second year in a row, particularly as March is historically their strongest sales' month.

The pandemic necessitated a thorough strategic review of all Super Group businesses and the rightsizing of operations to ensure that business models remain relevant to fluctuating levels of demand. The benefit of these initiatives manifested strongly in the European and South African supply chain businesses, with the SG Consumer and SG Convenience businesses delivering a particularly strong improvement in performance levels. Dealership operations in South Africa and the UK also demonstrated a significant recovery.

The proportion of Super Group's revenue and operating profit derived from its non-South African businesses was 51% (June 2020: 46%) and 51% (June 2020: 43%), respectively.

Total capital items amounted to a gain of R10.0 million compared to an expense of R879.2 million for the year ended 30 June 2020 which included impairments against the carrying values of certain goodwill, intangible assets and properties. As a result, earnings per share (EPS) grew to 284.0 cents per share (June 2020: loss of 52.1 cents) which included the capital impairments in the prior financial year. Headline earnings per share (HEPS) increased by 88.8% to 285.4 cents for the year ended 30 June 2021 (June 2020: 151.2 cents).

Net finance costs, excluding finance costs on Right-of-Use (ROU) lease liabilities, decreased by 16.6% to R338.4 million (June 2020: R405.8 million). Profit before tax increased to R1 774.4 million (June 2020: R117.6 million).

Super Group's net debt position, excluding IFRS 16's ROU lease liabilities, at 30 June 2021 was R2 315.8 million, a decrease of R826.2 million, resulting in the net debt to equity (gearing) ratio, excluding SG Fleet and ROU lease liabilities, decreasing to 16.8% at 30 June 2021 (30 June 2020: 24.1%). The Group met its debt covenants and has sufficient debt facilities to meet its current obligations.

The net asset value per share increased by 3.8% from R31.16 as at 30 June 2020 to R32.35 as at 30 June 2021. Total assets decreased marginally by 0.7% to R35.6 billion from R35.8 billion as at 30 June 2020. The Group's return on net operating assets (RNOA), excluding ROU net operating assets and after tax, increased to 9.2% from 6.1% as at 30 June 2020 with the Group's weighted average cost of capital (WACC) being 8.2% (June 2020: 9.4%).

Cash generated from operations increased by 11.2% for the year to R4 784.5 million (June 2020: R4 301.9 million). Working capital inflow of R352.9 million was recorded. Super Group spent R2.5 billion in net additions and acquisitions.

Super Group listed senior unsecured notes to the value of R500 million during the year under review, namely SPG010 for R213 million (3 years) and SPGC02 for R287 million (12 months), in terms of the Company's Domestic Medium-Term Note (DMTN) Programme.

DIRECTORS' REPORT continued

SIGNIFICANT EVENTS

Raising of unsecured debt notes

The JSE listed Super Group's senior unsecured notes, in terms of its DMTN Programme dated 29 April 2020 (as amended) as follows:

- SPGC02 was listed on 01 December 2020. The value of the SPGC02 issue was 287 million with interest of three-month Johannesburg Interbank Agreed Rate (Jibar) plus 112 basis points, coupon rate payable quarterly on 1 March, 1 June, 1 September and 1 December of each year. The maturity date of the issue is 01 December 2021.
- SPG010 was listed on 01 December 2020. The value of the SPG010 issue was R213 million with interest of three-month Jibar plus 173 basis points, coupon rate payable quarterly on 1 March, 1 June, 1 September and 1 December of each year. The maturity date of the issue is 01 December 2023.

Exchange rate movements

The Group operates in foreign countries which use currencies other than presentation currency. The main currencies used in the Group's foreign operations are Australian Dollar, US Dollar, Euro and the Pound Sterling. The fluctuation of the Rand against these currencies has had an effect on the Group's financial statements and has resulted in a foreign currency translation adjustment of R897 million decreasing total equity.

JSE DEBT LISTINGS REQUIREMENTS

Colin Brown was appointed as the Group Debt Officer effective 30 September 2020. The Board confirms that it is satisfied with the competence, qualifications and experience of the Group Debt Officer.

Refer to note 20.5 for details of the debt raised under the DMTN programme and the Group Audit Committee Report on pages 3 to 6 for confirmation of compliance with the applicable requirements. Refer to http://www.supergroup.co.za/investors/shareholder-centre for details on the implementation of King IV™.

SUBSEQUENT EVENTS

Protest actions mid-July 2021 in KwaZulu-Natal and Gauteng

The violent protests that occurred predominantly in KwaZulu-Natal and Gauteng over a couple of days in the middle of July 2021, had a severe financial impact on the Group's operations. As at the date of this report, we estimate that the loss in revenue amounts to approximately R97.5 million and in capital replacement expenses to approximately R45.7 million.

Acquisition by SG Fleet of LeasePlan ANZ

On 31 March 2021, Super Group announced that SG Fleet, via a wholly owned subsidiary, SG Fleet Management (Pty) Ltd, entered into an agreement to acquire 100% of LeasePlan ANZ. Super Group holds 100% of the shares in Bluefin, which in turn holds 60.13% of the shares in SG Fleet.

LeasePlan ANZ is a provider of fleet management and leasing services in Australia and New Zealand to corporate businesses and governments. LeasePlan ANZ also offers novated leasing services in Australia.

The purchase consideration for the LeasePlan ANZ Acquisition increased from AUD387.4 million (R4.1 billion) at announcement date, end of March 2021, to AUD402.3 million (R4.3 billion) at completion date, which comprises AUD129.3 million (R1.4 billion) non-cash scrip consideration and AUD273.0 million (R2.9 billion) in cash. SG Fleet will fund the cash component of the LeasePlan ANZ Acquisition purchase consideration with AUD175.0 million (R1.9 billion) of new debt and AUD86.3 million (R924.3 million) from the proceeds of the issue of 35.2 million new shares in SG Fleet at AUD2.45 per share ("Entitlement Offer") and existing cash of AUD11.7 million (R125.3 million). Super Group, through its subsidiary Bluefin, took up its entire pro rata share under the Entitlement Offer in April 2021, acquiring 21 188 171 shares at a price of AUD2.45 per share with a total value of AUD51.9 million (R555.8 million). The exchange rate used to calculate the Rand-amounts was the closing rate as at 30 June 2021 of R10.71 to AUD1.00. On 23 August 2021, SG Fleet announced that all conditions precedent to the LeasePlan ANZ Acquisition had been met and that it was completed on 1 September 2021. Bluefin's interest in SG Fleet diluted to 52.30%.

Deal costs in relation to the LeasePlan ANZ Acquisition of R103.1 million were expensed in the current year, with R59.7 million included within operating expenses and R43.4 million in finance costs.

Dividends

Refer to note 27.1 in the financial statements for dividends declared subsequent to 30 June 2021.

Other than the matters disclosed, the directors are not aware of other matters or circumstances arising subsequent to the reporting date up to the date of this Report, which will require disclosure in these results.

SHARE CAPITAL

The authorised and issued share capital is detailed in note 14 of the Annual Financial Statements.

DIRECTORS AND GROUP COMPANY SECRETARY

The names of the directors and Group Company Secretary who currently hold office are as follows:

Phillip Vallet: *Non-Executive Director and Chairman of the Company*	Phillip qualified as a lawyer in 1971. He was the senior partner and CEO of Fluxmans Attorneys until his retirement in February 2020. He continues to consult to Fluxmans on an executive basis. Phillip joined the Board in 1999. From April 2009 to 29 July 2009 he acted as interim CEO until the appointment of Peter Mountford to the position. He assumed the position as Non-executive Chairman of the Company effective 1 November 2009.
Valentine Chitalu: *Lead Independent Non-Executive Director (appointed Lead Independent Non-Executive Director effective 30 September 2020)*	Valentine is an entrepreneur in Zambia and Southern Africa, specialising in Private Equity and General Investments. In the early part of his career, he worked at KPMG London Office. Valentine was previously CEO at the Zambia Privatisation Agency where he was responsible for the divestiture of over 240 enterprises. He later worked for CDC Group Plc, both in London and Lusaka, and recently retired as a Non-Executive Director of the CDC Group Plc; a Fund-of-Funds Group based in London. Valentine holds several other board positions in Zambia, Australia and the United Kingdom. He is currently Chairman of MTN (Zambia) Limited and the Phatisa Group, a Pan African Private Equity Fund Manager. Valentine is a UK Qualified Accountant and holds a Master's Degree in Development Economics from Cambridge University in the United Kingdom. Valentine was appointed as Lead Independent Director effective 30 September 2020.
David Cathrall: *Independent Non-Executive Director*	A highly skilled and accomplished Board-level professional, David was a Senior Partner at EY until his retirement in 2018. Working extensively with large, listed corporates during his considerable tenure, and as a member of the EY Executive and Remuneration Committees, he is well placed to guide the Group on regulatory, compliance, governance and financial management policy. David holds a Bachelor of Commerce (B.Com) and Bachelor of Accountancy (B.Acc) from the University of the Witwatersrand and is a member of the South Africa Institute of Chartered Accountants (CA(SA)).
Pitsi Mnisi: *Independent Non-Executive Director (effective 1 October 2020)*	Pitsi Mnisi was appointed as an Independent Non-Executive Director with effect from 1 October 2020. She is a qualified Chartered Accountant (SA) with extensive experience across mining, investments, transportation, manufacturing and construction. She is founder and director of a wholly black owned and managed consulting and corporate finance advisory company, Lynshpin Cedar, as well as co-founder and a director of an investment holding business, Mcorp Investments, with interests across various sectors. Prior to this, Pitsi was Finance Manager on the Venetia Underground Project for De Beers. She has extensive experience in corporate governance matters having served on a number of Boards and Chaired a number of Finance and Audit Committees. She has also worked at Deloitte & Touché as a senior tax consultant, providing both employees and corporate tax compliance and advisory services to various corporates, and was seconded to the UK as an assistant manager in the audit department. Being ambitious and an entrepreneur, she left formal employment in December 2013 to form Lynshpin Cedar.
Simphiwe Mehlomakulu: *Independent Non-Executive Director (effective 1 October 2020)*	Simphiwe Mehlomakulu was appointed as an Independent Non-Executive Director with effect from 1 October 2020. Simphiwe is an entrepreneur and in September 2003, he, with his co-founders, formed the Reatile Group to invest in the Petroleum and Energy sectors of the Southern African economy. He was appointed Executive Chairman and has grown Reatile Group over a 17-year period. He started his career in 1993 at Sasol Limited where he spent time in the Sasol Technologies division, Sasol Phenolics division and Sasol Solvents division, the latter as Global Export Manager. He joined Old Mutual Limited in 2000 as General Manager: Strategy Effectiveness Broker. In 2002, Simphiwe joined PetroSA (Pty) Ltd as General Manager: Trading, Supply and Logistics and in 2003 was promoted to Managing Director PetroSA Europe. He served as Chairman of the Board of Governors, for the South African Petroleum Industry Association, in 2004.

DIRECTORS' REPORT continued

Peter Mountford: *Group CEO*	Appointed CEO in July 2009, Peter is responsible for the Group's strategic trajectory and the alignment of more than 13 000 people across 16 countries. With an enviable track record for navigating demanding and complex environments, his unwavering focus is on the delivery of superior shareholder value, and on the ongoing creation of sustainable competitive edge for both the Super Group business and its clients. Under his leadership, the business has grown into a formidable force in global supply chain and mobility solutions - testament to his commercial acumen and ability to anticipate and leverage changes in the technology, environmental, competitor and public policy space. A qualified Chartered Accountant with an MBA from Warwick University, Peter's expansive leadership experience includes the role of managing director of SAB Diversified Beverages (which included SAB's supply chain services and logistics interests). He was also CEO of the Consumer Logistics Division at Imperial Holdings Limited, and Managing Director of Super Group's Logistics and Transport Division. Peter is a long-serving director and the current Deputy Chairman of the Road Freight Association and a Master Category Winner of the EY World Entrepreneur Award for southern Africa.
Colin Brown: *Group CFO and Debt Officer*	Colin is a seasoned Financial Executive and Board director with proven success in driving organisational performance in listed and multinational environments. Appointed as CFO in 2010 and Debt Officer in 2020, he guides the development, implementation and administration of all accounting and finance functions across the group. Colin is also an active member of the Deal and Risk Committees and serves as Chairman of the IT Steering Committee and subsidiary Audit Committees (excluding SG Fleet). His broad financial and operational skillset spans strategic planning; investment prioritisation; due diligence; M&A; financial forecasting and modelling; risk assessment and mitigation; audit processes and financial reporting systems. Skilled at leveraging technologies that can accelerate productivity and provide competitive edge, Colin has extensive knowledge of IT systems designed to enhance the availability of crucial financial data. He has, for, example, designed several treasury and reporting systems that streamline reporting across multiple divisions and geographies. A qualified Chartered Accountant with an MBL from UNISA School of Business Leadership, Colin was previously CFO and Board member of Celcom Group Limited and served as Financial Director for EDS Africa Limited and Fujitsu Services South Africa.
John Mackay: *Group Company Secretary*	Previously serving as the Group Executive for Marketing and Business Development, John was appointed as Group Company Secretary in January 2020, a role in which he provides governance, compliance and procedural support to the CEO, CFO and Board. He likewise advises Super Group companies on diverse issues such as legislative developments, acquisitions, intellectual property, brand strategy and new business opportunities. John serves on the JSE's Issuer Advisory Board Council and is also responsible for investor relations, ESG and Group marketing. Representing the Group, John is a Director of South Africa Day, a non-profit organisation focused on community building. With over 25 years of director level experience, John's executive roles include that of Managing Director of Patleys (Pty) Ltd and Board member of Bidvest Foods, Africa. At a pivotal time for the South African pharmaceutical industry, he held the role of CEO of The Link Investment Trust, the franchisor for Link Pharmacies, and was a member of the Clicks Healthcare Executive Team.

There were no other Board changes to the date of publishing the financial statements.

Details of directors' remuneration, share appreciation rights and options appear on pages 100 to 103.

DIVIDENDS

The Board has resolved to declare a dividend of 47 cents per share (June 2020: Nil) for the current year. This translates to a dividend cover of 6.0 times. The table below is based on the shareholders analysis as at 30 June 2021.

	2021 R'000	2020 R'000
Dividend (No 12) of 47 cents per share declared past year-end (2020: Nil)	174 609	-
Dividends received on treasury shares held by a subsidiary (2020: Nil)	(5 245)	-
Total dividend at 47 cents per share (2020: Nil)	**169 364**	**-**

RESOLUTIONS

During the year, other than the resolutions passed at the Annual General Meeting on 18 December 2020, the shareholders of the Company passed no other resolutions. No special resolutions, the nature of which might be significant to members in the appreciation of the affairs of the Group, were passed by any subsidiary companies during the year covered by the Annual Financial Statements.

SUBSIDIARY COMPANIES

Details of the principal subsidiary companies appear on pages 119 and 120.

SHARE OPTION SCHEMES

Refer to note 39 of the Annual Financial Statements for information relating to option schemes, share-based payments and the B-BBEE Staff Empowerment Scheme.

LITIGATION STATEMENT

Super Group is not involved in any material legal or arbitration proceedings or legal actions, nor are the directors aware of any proceedings that are pending or threatened, that may have, or have had, in the 12-month period preceding the date of the Annual Financial Statements, a material adverse effect on the Group's financial position.

MATERIAL CHANGES

There have been no material changes in the financial or trading position of the Company and its subsidiaries between 30 June 2021 and the date of Annual Financial Statements other than those disclosed in subsequent events.

GOING CONCERN STATEMENT

The directors consider that the Group has adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the Group and Company financial statements. The directors have satisfied themselves that the Company and its subsidiaries are in a sound financial position and that the Group has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The Annual Financial Statements of the Group and Company were approved by the directors on 30 September 2021 and were signed on their behalf by

Peter Mountford
Chief Executive Officer

Colin Brown
Chief Financial Officer and Debt Officer

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SUPER GROUP LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of Super Group Limited (the group and company) set out on pages 16 to 120, which comprise the consolidated and separate statements of financial position as at 30 June 2021, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, operating segments and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Super Group Limited as at 30 June 2021, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. No key audit matters were identified in respect of our audit of the separate financial statements.

Valuation of goodwill

Refer to pages 23 and 30 relating to the accounting policy for goodwill and note 7 of the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit

Included in the consolidated financial statements is goodwill amounting to R7.5 billion being 21% of the total assets in the group.
 	
Goodwill acquired through business combinations has been attributed to individual cash-generating units. The carrying amount of goodwill is subject to annual impairment tests based on the value-in-use approach.
 	
Significant judgements, assumptions and estimates are applied by the directors in determining the recoverable amount used in the value-in-use approach to test each individual cash-generating unit for impairment. The recoverable amount is based on future cash flow forecasts, applying an appropriate discount rate and estimating revenue growth.
 	
Due to the significance of goodwill at year end and the significant judgements and inherent uncertainties involved in calculating the value-in-use for each individual cash-generating unit, the valuation of goodwill was considered a key audit matter.
	Our audit work included the following procedures:
	• We assessed the group's determination of their cash-generating units based on our understanding of the operations of the group.
	• We challenged the assumptions used in the group's impairment assessments by working with our internal valuation specialists and:
	  ◦ Evaluated the consistency and appropriateness of assumptions and methodologies used by the group, in particular those relating to revenue growth and the discount rate applied to the forecasted cash flows in the value-in-use calculation by comparing the group's assumptions with our own assessments in relation to key inputs into the discounted cash flow model.
	  ◦ We compared the sensitivity analysis performed by the directors to our own sensitivity analysis in relation to the key assumptions.
	• We assessed the appropriateness of the disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.

Revenue recognition

Refer to pages 35 to 36 relating to the accounting policy for revenue recognition and notes 23 and 40 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
Particular focus was in respect of revenue in the Fleet Solutions segment where the periodic payments received from customers by the group for maintenance services are deferred and recognised as revenue when the associated maintenance costs for the leased assets have been incurred or can be measured using the percentage of completion method. Due to the significance of the revenue amount and the significant risk associated particularly with revenue recognition in relation to the maintenance services due to the timing of revenue recognition and deferral of revenue, revenue recognition was considered to be a key audit matter.	Our audit work included the following procedures: • We considered the appropriateness of the group's revenue recognition accounting policies and assessed compliance with the policies in accordance with IFRS 15 *Revenue from Contracts with Customers.* • We tested the design, implementation and operating effectiveness of internal controls implemented by management over the recording of revenue, in particular those controls implemented when it is probable that the economic benefit will flow to the group. • We performed predictive analytical procedures on the various revenue streams and compared our expectation to the actual revenue recorded and followed up on any exceptions. • We vouched a sample of revenue transactions to supporting documentation to ensure existence and accuracy of revenue recorded. • For a sample of sales transactions selected around year end, we inspected source documents to assess whether the transactions were recorded in the correct period. • We assessed the accuracy of the group's estimates of percentage of completion of the maintenance of leased assets by comparing historical estimates of the percentage of completion ratio of the maintenance of leased assets against the actual ratio used in the current year. • We evaluated the group's calculation of deferred maintenance income by using the estimate of the percentage of completion ratio of maintenance costs. • We assessed the appropriateness of the disclosures made in the financial statements in accordance with the applicable financial reporting framework.

Determination of residual values and useful lives of rental and transport fleet

Refer to pages 24 and 25 relating to the accounting policies for property, plant and equipment and full maintenance lease vehicles and notes 2, 5 and 40 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
The residual values of full maintenance lease vehicles and rental and transport fleet are considered to be a significant area of judgement in the determination of depreciation included in profit or loss. The estimation of the useful lives is based on historic performance as well as expectation about future use and therefore requires a degree of judgement to be applied by management. Residual values are determined taking into account generally accepted industry-based market forecasts adjusted where necessary to take into account factors specific to the asset. Where deemed necessary, actuaries are used in determining the residual values for full maintenance lease vehicles. The valuation model projects each active vehicle on a monthly basis based on an average monthly mileage for each vehicle. Assumptions in these models include future projected interest rates and market value data published in the relevant countries where the vehicles are leased. Due to the level of judgement required in determining the residual values, the determination of residual values of rental and transport fleet and full maintenance lease vehicles was considered a key audit matter.	Our audit work included the following procedures: • We challenged the group's determination of residual values by evaluating the consistency and appropriateness of key assumptions and methodologies used by the group by comparing the market conditions, environmental factors and macroeconomic factors underpinning the group's determination of the residual risk provision against our understanding of the business, industry and economy; • We assessed the group's ability to accurately value assets at the end of the lease term by comparing the historical residual value of a sample of vehicles to the actual sale proceeds received from previous disposals from comparable vehicle classes; • We assessed the appropriateness of the disclosures made in the financial statements in accordance with the applicable financial reporting framework.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Super Group Limited Integrated Report 2021" and in the document titled "Super Group Limited Annual Financial Statements for the year ended 30 June 2021", which includes the Directors' Report, the Group Audit Committee Report and the Group Company Secretary Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that KPMG Inc. has been the auditor of Super Group Limited for 31 years.

KPMG Inc.
Registered Auditor

Per DS Read
Chartered Accountant (SA)
Registered Auditor
Director

KPMG Crescent
85 Empire Road
Parktown
Johannesburg

30 September 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2021

	Note	30 June 2021 R'000	30 June 2020 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	2	7 011 784	6 755 863
ROU assets	3	2 115 944	2 320 846
Investment property	4	164 200	168 900
Full maintenance lease assets	5	2 656 140	1 885 830
Intangible assets	6	1 180 029	1 522 699
Goodwill	7	7 502 029	8 262 969
Investments and other non-current assets	8	367 976	439 357
Deferred tax assets	9	79 166	70 557
		21 077 268	21 427 021
Current assets			
Inventories	10	3 166 371	4 842 928
Trade receivables	11	3 781 512	3 415 653
Sundry receivables	11	1 478 376	1 530 946
Income tax receivable		–	43 785
Cash and cash equivalents	12	6 131 281	4 628 285
		14 557 540	14 461 597
Total assets		35 634 808	35 888 618
EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of Super Group	13	11 657 148	11 211 634
Non-controlling interests	16	2 099 658	1 814 619
Total equity		13 756 806	13 026 253
Non-current liabilities			
Fund reserves	17	863 097	825 083
Non-controlling interest put option and other liabilities	18	292 072	342 270
Full maintenance lease borrowings	5	1 276 721	709 940
ROU lease liabilities	19	2 149 716	2 423 245
Interest-bearing borrowings	20	5 418 139	5 603 187
Provisions	21	102 031	85 409
Deferred tax liabilities	9	477 671	586 971
		10 579 447	10 576 105
Current liabilities			
Full maintenance lease borrowings	5	476 223	580 563
ROU lease liabilities	19	458 179	457 519
Interest-bearing borrowings	20	1 276 047	876 679
Trade and other payables	22	8 573 654	9 982 223
Income tax payable		11 030	–
Provisions	21	503 422	389 276
		11 298 555	12 286 260
Total equity and liabilities		35 634 808	35 888 618

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
Revenue	23	39 517 568	34 578 298
Operating expenditure – excluding capital items and impairment of receivables	24	(35 304 548)	(31 004 779)
Operating expenditure – impairment of receivables	24	(74 899)	(203 612)
EBITDA		4 138 121	3 369 907
Depreciation on right-of-use (ROU) assets	24	(474 718)	(464 462)
Other depreciation and amortisation (excluding amortisation of PPA intangibles)	24	(1 179 872)	(1 117 238)
EBITA		2 483 531	1 788 207
Amortisation of PPA intangibles	24	(210 577)	(210 186)
Operating profit		2 272 954	1 578 021
Net capital items	27	9 972	(879 157)
Finance costs – ROU lease liabilities	25	(170 179)	(175 469)
Finance costs – other	25	(511 287)	(632 521)
Interest received and profit/(loss) from equity-accounted investees	25	172 894	226 676
Profit before income tax		1 774 354	117 550
Income tax expense	26	(505 691)	(278 647)
Profit/(loss) for the year		1 268 663	(161 097)
Profit/(loss) for the year attributable to:			
Non-controlling interests (NCI)		246 295	27 034
Equity holders of Super Group		1 022 368	(188 131)
		1 268 663	(161 097)
Other comprehensive income (OCI)			
Items which will be reclassified to profit or loss:		(870 110)	1 249 715
Translation adjustment		(896 641)	1 256 490
Effective portion of hedge		37 901	(9 678)
Tax effect of effective portion of hedge		(11 370)	2 903
Items which will not be reclassified to profit or loss:		3 742	7 677
Revaluation of land and buildings		5 176	9 393
Tax effect of revaluation of land and buildings		(1 434)	(1 716)
Other comprehensive income for the year (net of tax)		(866 368)	1 257 392
Total comprehensive income for the year		402 295	1 096 295
Total comprehensive income for the year attributable to:			
Non-controlling interests		87 727	293 918
Equity holders of Super Group		314 568	802 377
		402 295	1 096 295
Basic earnings/(loss) per share (cents)	27	284.0	(52.1)
Diluted earnings/(loss) per share (cents)	27	283.9	(52.1)

ADDITIONAL COMPREHENSIVE INCOME INFORMATION

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Year ended 30 June 2021 cents	Year ended 30 June 2020 cents
Headline earnings per share	27	285.4	151.2
Diluted headline earnings per share	27	285.3	151.2

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
Cash flows from operating activities			
Cash generated from operations	28	4 784 508	4 301 880
Finance costs paid		(678 253)	(805 557)
Interest received		171 602	234 698
Income tax paid	30	(536 469)	(508 673)
Dividends paid to non-controlling interests	29	(159 414)	(205 385)
Net cash generated from operating activities		3 581 974	3 016 963
Cash flows from investing activities			
Additions to property, plant and equipment	2	(1 549 246)	(1 121 297)
Additions to full maintenance lease assets	5	(1 825 080)	(1 063 340)
Additions to intangible assets	6	(61 933)	(80 468)
Proceeds on disposal of property, plant and equipment		446 475	242 240
Proceeds on disposal of full maintenance lease assets		487 155	460 252
Proceeds on disposal of intangible assets		–	4 698
Long term receivable loan granted		(2 737)	(4 870)
Long term receivable loan repaid		23 591	22 299
Net acquisition of businesses (net of cash acquired)	31.1	–	(735 028)
Investment acquired		(46 063)	(15 669)
Investment disposed		6 793	–
Dividends received from equity-accounted investee		12 318	5 811
Net cash outflow from investing activities		(2 508 727)	(2 285 372)
Cash flows from financing activities			
Cash outflow on share movements		–	(63 605)
Additional investments in existing subsidiaries	31.3, 31.4	(12 395)	(71 542)
Cash inflow from subsidiary rights issue	31.2	374 547	–
Interest-bearing borrowings raised	32	1 693 475	1 813 922
External shareholders loans repaid	32	–	(10 814)
ROU lease liabilities repaid	32	(509 962)	(446 149)
Full maintenance lease borrowings raised	32	1 350 520	827 455
Interest-bearing borrowings repaid	32	(1 290 586)	(1 566 177)
Full maintenance lease borrowings repaid	32	(820 414)	(514 369)
Net cash inflow/(outflow) from financing activities		785 185	(31 279)
Net increase in cash and cash equivalents		1 858 432	700 312
Cash and cash equivalents at beginning of the year		4 628 285	3 577 172
Effect of foreign exchange on cash and cash equivalents		(355 436)	350 801
Cash and cash equivalents at end of the year	12	6 131 281	4 628 285

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Stated capital R'000	Other reserves R'000	Retained earnings R'000	Share buyback reserve R'000	Total R'000	Non-controlling interests R'000	Total equity R'000
Balance at 30 June 2019	3 753 641	1 059 641	6 348 712	(153 278)	11 008 716	1 604 302	12 613 018
Adjustment on initial application of IFRS 16, net of tax	–	–	(175 143)	–	(175 143)	(8 754)	(183 897)
Restated balance as at 1 July 2019	3 753 641	1 059 641	6 173 569	(153 278)	10 833 573	1 595 548	12 429 121
Other comprehensive income	–	990 508	–	–	990 508	266 884	1 257 392
Translation adjustment	–	986 913	–	–	986 913	269 577	1 256 490
Effective portion of hedge	–	(5 831)	–	–	(5 831)	(3 847)	(9 678)
Tax effect of effective portion of hedge	–	1 749	–	–	1 749	1 154	2 903
Revaluation of land and buildings	–	9 393	–	–	9 393	–	9 393
Tax effect of revaluation of land and buildings	–	(1 716)	–	–	(1 716)	–	(1 716)
(Loss)/profit for the year	–	–	(188 131)	–	(188 131)	27 034	(161 097)
Total comprehensive income for the year	–	990 508	(188 131)	–	802 377	293 918	1 096 295
Transaction with shareholders recognised directly in equity							
Realisation of revaluation reserve through depreciation	–	(110)	110	–	–	–	–
Share-based payment reserve movement	–	–	(30 122)	–	(30 122)	(1 796)	(31 918)
Share options exercised – SG Fleet	–	–	(4 570)	–	(4 570)	(3 249)	(7 819)
B-BBEE good leaver options exercised[1]	–	–	(246)	–	(246)	–	(246)
Movement in treasury shares	–	–	–	(63 605)	(63 605)	–	(63 605)
Dividends paid to NCI	–	–	–	–	–	(205 385)	(205 385)
Deferred tax recorded directly in equity on movement in options	–	–	5 605	–	5 605	6	5 611
NCI put option movement	–	–	(287 800)	–	(287 800)	–	(287 800)
Transactions with equity partners (Brands) – increase in shareholdings	–	–	(5 351)	–	(5 351)	5 351	–
Transactions with equity partners (Rentrak) – increase in shareholdings	–	–	(3 020)	–	(3 020)	(3 276)	(6 296)
Transactions with equity partners (Lieben) – increase in shareholdings	–	–	(5 688)	–	(5 688)	(7 414)	(13 102)
Transactions with equity partners (SG Fleet) – increase in shareholdings	–	–	(32 466)	–	(32 466)	(27 641)	(60 107)
Transactions with equity partners (SG Fleet) – decrease in shareholdings	–	–	2 947	–	2 947	5 016	7 963
NCI recognised in respect of subsidiary acquired	–	–	–	–	–	163 541	163 541

[1] *A good leaver is an employee who participated in the Broad-Based Black Economic Empowerment Scheme whose employment was terminated due to their death, retirement, retrenchment or sale of the subsidiary or business which employed the participant.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

FOR THE YEAR ENDED 30 JUNE 2021

	Stated capital R'000	Other reserves R'000	Retained earnings R'000	Share buyback reserve R'000	Total R'000	Non-controlling interests R'000	Total equity R'000
Balance at 30 June 2020 – Audited	3 753 641	2 050 039	5 624 837	(216 883)	11 211 634	1 814 619	13 026 253
Other comprehensive income	–	(707 800)	–	–	(707 800)	(158 568)	(866 368)
Translation adjustment	–	(727 643)	–	–	(727 643)	(168 998)	(896 641)
Effective portion of hedge	–	23 001	–	–	23 001	14 900	37 901
Tax effect of effective portion of hedge	–	(6 900)	–	–	(6 900)	(4 470)	(11 370)
Revaluation of land and buildings	–	5 176	–	–	5 176	–	5 176
Tax effect of revaluation of land and buildings	–	(1 434)	–	–	(1 434)	–	(1 434)
Profit for the year	–	–	1 022 368	–	1 022 368	246 295	1 268 663
Total comprehensive income for the year	–	(707 800)	1 022 368	–	314 568	87 727	402 295
Transaction with shareholders recognised directly in equity							
Movement in treasury shares	–	–	–	14 541	14 541	–	14 541
Realisation of revaluation reserve through depreciation	–	(159)	159	–	–	–	–
Share-based payment reserve movement	–	–	43 196	–	43 196	10 614	53 810
Share options exercised – South Africa	–	–	(14 614)	–	(14 614)	–	(14 614)
B-BBEE good leaver options exercised[1]	–	–	(90)	–	(90)	–	(90)
NCI put option movement	–	–	43 000	–	43 000	–	43 000
Dividends paid to NCI	–	–	–	–	–	(159 414)	(159 414)
Deferred tax recorded directly in equity on movement in options	–	–	28 551	–	28 551	(997)	27 554
Transactions with equity partners (SG Fleet) – maintain existing shareholding[2]	–	–	(7 113)	–	(7 113)	381 660	374 547
Transactions with equity partners (Ader) – increase in shareholding[2]	–	–	(1 093)	–	(1 093)	(11 302)	(12 395)
Transactions with equity partners (In Time) – increase in shareholding[2]	–	–	24 568	–	24 568	(24 568)	–
Other – Zultrans	–	–	–	–	–	1 319	1 319
Balance at 30 June 2021	3 753 641	1 342 080	6 763 769	(202 342)	11 657 148	2 099 658	13 756 806

[1] *A good leaver is an employee who participated in the Broad-Based Black Economic Empowerment Scheme whose employment was terminated due to their death, retirement, retrenchment or sale of the subsidiary or business which employed the participant.*

[2] *Refer to business combinations note 31.*

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

1.1 Nature of business

Super Group Limited (Registration number 1943/016107/06), the holding Company (the Company) of the Group, is a company listed on the Main Board of the JSE Limited in the 'Industrial Transportation' sector and is incorporated and domiciled in the Republic of South Africa.

Super Group's registered address is 27 Impala Road, Chislehurston, Sandton, 2196. Super Group is a broad-based supply chain management and mobility business, headquartered in South Africa, with operations across Africa and businesses in Australia, New Zealand, the United Kingdom and Europe. Its principal operating activities include supply chain management, dealerships and fleet management activities.

1.2 Material changes

There have been no material changes in the financial or trading position of the Company and its subsidiaries (the Group) between 30 June 2021 and the date of the approval of these financial statements.

1.3 Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been applied consistently by Group. The accounting policies are relevant to both the Group (consolidated financial statements) and Company (separate financial statements).

Basis of measurement

The financial statements of the Group and Company have been prepared on the historical cost basis, except for:

- land and buildings measured using the revaluation model;
- investment property measured using the fair value model;
- financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss; and
- financial assets and financial liabilities designated as hedging instruments measured at fair value through profit or loss or in other comprehensive income.

The financial statements are prepared on the going concern basis.

The financial statements are presented in Rand and all values are rounded to the nearest thousand (R'000), except when otherwise indicated.

Statement of compliance

Basis of preparation

The financial statements are prepared in compliance with the framework concepts and the measurement and recognition requirements of IFRS and interpretations of those standards as adopted by the International Accounting Standards Board and the requirements of the Companies Act, the South African Institute of Chartered Accountants' Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council.

The financial statements of the Group and Company were approved by the directors on 30 September 2021 and were signed on their behalf by P Mountford and C Brown.

Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, judgements and assumptions that affect reported amounts. It also requires management to exercise its judgement in the process of applying the accounting policies.

Actual results may vary from these estimates. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 40. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future periods affected. At reporting date the following standards and interpretations were in issue but not yet effective:

Effective for the financial year commencing 1 July 2021:

- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39, IFRS 7and IFRS 16);
- COVID-19-Related Rent Concessions (Amendments to IFRS 16)

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Statement of compliance continued

Use of estimates and judgements continued

Effective for the financial year commencing 1 July 2022:

- Onerous Contracts: Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Effective for the financial year commencing 1 July 2023:

- IFRS 17 Insurance Contracts
- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Amendments to IFRS 17
- Definition of Accounting Estimates (Amendments to IAS 8)
- Disclosure initiative: accounting policies (IAS 1 and IFRS Practice Statement 2 amendment)

Effective at the option of the entity (effective date has been deferred indefinitely)

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

All Standards and Interpretations will be adopted at their effective date except for the Standards and Interpretations in IFRS 17 that are not applicable to the Group.

The Board's initial view on the other standards not yet effective is that the impact is not expected to be material.

Basis of consolidation

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested for impairment annually. Any gain on a bargain purchase is recognised in profit or loss immediately.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Investments in subsidiary companies are stated at cost less accumulated impairment losses in the Company's separate financial statements.

Non-controlling interest at the acquisition date is determined as the non-controlling shareholders' proportionate share of the fair value of the net assets of subsidiaries acquired. Goodwill is excluded when allocating the non-controlling shareholders' proportionate share of the fair value of assets and liabilities acquired. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes these interests to have a deficit balance.

Changes in holdings while control is retained are accounted for as equity transactions. Any premium or discount on purchase or sale is recognised directly in equity. No adjustment is made to goodwill.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

1. ACCOUNTING POLICIES continued

1.3 **Principal accounting policies** continued

Basis of consolidation continued

Associates

An associate is an entity over which the Group has the ability to exercise significant influence, but not control, through participation in the financial and operating policy decisions of the investee, generally accompanying a shareholding embodying between 20% and 50% of the voting rights.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of the arrangement.

Equity-accounted investees (associates and joint ventures)

The Group's share of post-acquisition recognised profits or losses of equity-accounted investees is incorporated in the financial statements, using the equity method of accounting (initially recognised at cost), from the effective dates that significant influence was obtained until the effective dates that significant influence ceased, except when classified as held-for-sale where equity accounting ceases and the investment is measured at the lower of its carrying value and fair value less costs to sell.

Adjustments are made on consolidation to bring the equity-accounted investees financial statements in line with the Group's accounting policies. Accumulated profits and movements in reserves are determined from the most recent financial statements of the equity-accounted investees and available information to the latest reporting date available.

Where the Group's share of losses of an equity-accounted investee exceeds its interest in the investment, the investment is carried at nil. Additional losses are only recognised to the extent that the Group has incurred legal or constructive obligations in respect of advances and commitments made to the equity-accounted investment.

Equity-accounted investees are carried in the statement of financial position at cost adjusted by cumulative post-acquisition changes in the Group's share of the net assets of the equity-accounted investees, less any impairment in the value of individual investments. If impaired, the carrying value of the Group's share of the underlying assets of associates is written down to its estimated recoverable amount in accordance with the accounting policy on impairment.

The Group's investment in equity-accounted investees includes goodwill (net of any accumulated impairment losses) identified on acquisition.

Transactions eliminated on consolidation

Inter-company transactions, balances and unrealised gains and losses between Group entities are eliminated on consolidation.

In respect of joint ventures and associates, unrealised gains or losses are eliminated to the extent of the Group's interest in these entities. To the extent that an unrealised loss on a transaction provides evidence of impairment, that loss is recognised in profit or loss.

Goodwill

Goodwill on acquisition is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The acquisition method of accounting is used to account for the acquisition of businesses.

The consideration transferred is measured as the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the acquisition date irrespective of the extent of any non-controlling interest. Any excess of the consideration transferred over the at acquisition date fair values of the identifiable net assets acquired is recognised as goodwill. If the consideration transferred is less than the fair value at acquisition date of the Group's share of the net assets of the business acquired (i.e. discount on acquisition), the difference is recognised directly in profit or loss.

At acquisition date fair values of the identifiable assets and liabilities are determined by reference to market values of those or similar items, where available, or by discounting expected future cash flows to present values using a market-related discount rate. Goodwill on acquisitions of equity-accounted investees is included in the carrying value of the investment. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash- generating units (CGUs) for the purpose of impairment testing.

Goodwill arising on a business combination is allocated among the Group's CGUs that are expected to benefit from synergies as a result of the business combination. This allocation is based on management's assessment of the synergies gained and is not dependent on the location of the acquired assets.

Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated, are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Basis of consolidation continued

Transaction costs

Costs related to acquisitions, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed in profit or loss as incurred.

Property, plant and equipment

Property, plant and equipment, excluding land, buildings and leasehold improvements, are stated at cost less accumulated depreciation and any accumulated impairment losses. Land, buildings and leasehold improvements are measured at fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Land is not depreciated. Cost includes expenditure that is directly attributable to the acquisition of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance expenditures are charged to profit or loss during the financial year in which they are incurred.

The depreciable amount of the asset is recognised in the profit or loss on a straight-line basis. The current estimated useful lives are as follows:

- Buildings – twenty to fifty years;
- Leasehold improvements – five to six years;
- Rental and transport fleet – four to ten years;
- Computer equipment – three to five years.
- Furniture and workshop fittings – three to ten years; and
- Motor vehicles and other assets – four to seven years.

Depreciation of an asset commences when it is available for use and is in the location and condition necessary for it to be capable of operating in the manner intended by management. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Fair value of land and buildings is determined by reference to market-based evidence. This is the price that would be received to sell an asset in an orderly transaction between willing market participants at measurement date.

Any revaluation surplus is recognised in other comprehensive income and presented as a revaluation reserve included in other reserves. Any revaluation deficit directly offsetting a previous surplus in the same asset is directly offset against the surplus in the revaluation reserve. Additionally, accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any remaining revaluation reserve relating to the particular asset being sold is transferred to distributable reserves. The revaluation surplus is transferred to retained earnings annually, based on the remaining useful life of the asset.

Revaluations are performed every year ensuring that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Independent valuations are performed at a minimum, every three years or more often if deemed necessary. Where an item of property, plant and equipment comprises major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use.

Gains or losses on the disposal of property, plant and equipment are included in profit or loss and are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss in excess of the revaluation reserve in respect of the relevant item of property, plant and equipment is recognised in profit or loss.

1. ACCOUNTING POLICIES continued

1.3 **Principal accounting policies** continued

Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of an investment property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

Full maintenance lease vehicles portfolio

Items of moveable assets which are leased to customers, but where the Group retains substantially all the risks and rewards of ownership, are accounted for as full maintenance lease vehicles which are normal hire purchase type assets rather than leased assets.

Full maintenance lease vehicles are stated at historical cost less accumulated depreciation and accumulated impairment losses. The cost of full maintenance lease vehicles includes the purchase cost including non-refundable purchase taxes and other expenditure that is directly attributable to the acquisition of the assets to bring the assets held-for-use in the lease asset portfolio to working condition for the intended use.

Incremental initial direct costs incurred specifically to earn revenues from a full maintenance lease (lease originating costs) are added to the carrying amount of the leased asset. Work in progress comprises vehicles and accessories where the construction or modification process is not yet complete and where the asset has not been delivered to the customer or is not ready for its intended use in the lease vehicles portfolio.

The depreciable amount of the vehicles is recognised in the profit or loss on a straight-line basis. The current estimated useful lives are four to seven years.

The vehicles' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Work in progress is not depreciated until the asset is available for use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the profit or loss.

Full maintenance lease (FML) borrowings

These borrowings relate to liabilities from financial institutions which are recognised initially at fair value less any attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective-interest basis.

Lease classification

Various criteria are used to determine lease classification. There are three main decision criteria used. These are:

- Whether the lease term is for the major part of the economic life of the asset;
- Whether the present value of minimum lease payments amounts to at least substantially all of the fair value of the asset at the inception of the lease; and
- Whether the Group carries the residual value risk exposure of the asset.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date as to whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Group as lessor

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. The transaction is accounted for as a sale of an asset.

The selling price is recorded at the present value of the minimum lease payments receivable with a corresponding finance lease receivable recorded on the statement of financial position.

Lease payments received are allocated between capital repayments and interest income using the effective interest method to achieve a constant rate of interest on the remaining balance of the lease receivable.

Operating leases

Payments received under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Group as lessee

As a lessee, the Group leases many assets including property, plant and equipment. The Group recognises right-of-use assets and lease liabilities for most of these leases. 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 on the basis of its relative stand-alone price. However, for leases of property the Group has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

Right-of-use assets are measured at cost which includes an amount equal to the lease liability, adjusted by lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. The Group applied this approach to all leases.

All leases are recognized on the statement of financial position except for low-value leases (including certain IT equipment) or short-term leases, where the Group has elected not to recognize right-of-use assets and lease liabilities. The Group recognizes these lease payments as an expense on a straight line basis over the lease term.

Right-of-use assets are subsequently depreciated using the straight line method from the commencement date to the end of the lease term. In addition, right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset leased. The lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments;
- Variable lease payments;
- Payments expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise.

The lease liabilities are measured at amortised cost using the effective interest method. A lease liability is remeasured when the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised fixed lease payment. When a lease liability is remeasured in this way, a corresponding adjustment is made to the carrying value of the right- of-use asset, or is recorded in profit or loss if the carrying value of the right-of-use asset has been reduced to zero.

Intangible assets

Internally generated

No value is attributed to internally generated trademarks or similar rights and assets. Costs incurred on these items are charged to profit or loss in the year in which they are incurred.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Intangible assets continued

Acquired both separately and as part of a business combination

Intangible assets acquired separately are measured initially at cost and those acquired through a business combination at the acquisition date fair value. Cost includes the fair value of the consideration given to acquire the asset. Intangible assets are carried at cost (or fair value at acquisition) less any accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Intangible assets are amortised unless they have an indefinite useful life.

Amortisation is recognised in profit or loss on a straight-line basis over the current expected useful life of the intangible asset.

An intangible asset has an indefinite useful life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. Indefinite useful life intangible assets are tested for impairment annually. The impairment is tested using an "umbrella" trade name and calculated using the Relief from Royalty valuation method by applying 100% of the net sales and an applied royalty rate of revenues. The cash flows are forecasted over a 10-year period with a terminal value discounting them at the applicable rate to the cash-generated unit.

The amortisation method and amortisation period for intangible assets with a finite useful life is reviewed annually at reporting date. The current estimated useful lives are as follows:

- Software and licences – three to nine years;
- Trade name – vary depending on trade name expected life;
- Customer relations – vary depending on assessment of relationship; and
- Customer contracts and other – vary depending on length of customer contract and other assets.

Software and licences

Purchased software, licences and the direct costs associated with the customisation and installation thereof are capitalised. Expenditure on internally developed software is capitalised if it meets the criteria for capitalising development expenditure and will probably generate economic benefits exceeding costs beyond one year. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Expenditure incurred to restore or maintain the originally assessed future economic benefits of existing software systems is recognised in profit or loss.

Trade names, customer contracts and relations

Expenditure on purchases of trade names, customer contracts and relations through a business combination is capitalised if they meet the definition of an intangible asset.

Provisions

A provision is recognised when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in discounted provisions as a result of the passage of time is recognised as a finance cost in profit or loss.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the obligations under the contract. Where the contractual residual value for motor vehicles exceeds the anticipated proceeds from the contract at reporting date, an onerous contract provision for residual risk is recognised. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected cost of continuing with the contract.

Warranty provisions relate to after-sales costs in respect of warranties given on sale of certain vehicles. The provision has been estimated based on historical warranty data associated with similar products and services.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 **Principal accounting policies** continued

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in acquiring and transporting the inventory to its present location and condition.

Cost is determined as follows:

- New, used and demonstration vehicles – actual unit cost on a first-in-first-out basis for homogeneous vehicles.
- Consumables and other inventory – weighted average cost.
- Parts, accessories and automotive components – actual unit cost on a first-in-first-out basis.
- Retail and other inventory – actual unit cost on a first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion, selling expenses.

Non-current assets held-for-sale

Non-current assets are designated as held-for-sale when its carrying amount will be recovered primarily through a sale transaction rather than from continuing use. The classification of a non-current asset or disposal group occurs when it is available for immediate sale in its present condition and the sale is highly probable. A sale is considered highly probable if management is committed to a plan to sell the non-current asset or disposal group, is marketed at a price reasonable to its fair value and the disposal will be completed within one year from classification.

Immediately before classification as held-for-sale, the assets are measured in accordance with the Group's accounting policies and applicable IFRS. On initial classification as asset held-for-sale, non-current assets are recognised at the lower of carrying amount and fair value less cost to sell and recorded in current assets.

Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss, except to the extent that it relates to a business combination, items recognised directly in equity or other comprehensive income.

Current tax

The current tax charge is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustments to tax payable in respect of prior years. In situations when there is doubt regarding the tax treatment of a transaction, the amount is recognised based on the best estimate of the amount of tax payable. The effect of the uncertainty shall be reflected in the related profits (tax loss), tax bases, unused tax losses or tax rates.

Deferred tax

Deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts used for tax purposes. No deferred tax is provided on temporary differences relating to:

- the initial recognition of goodwill;
- the initial recognition (other than in a business combination) of an asset or liability to the extent that neither accounting nor taxable profit is affected on acquisition; and
- temporary differences relating to interests in subsidiaries and equity-accounted investees to the extent it is probable these will not reverse in the foreseeable future.

The amount of deferred tax is determined using tax rates enacted or substantively enacted in the relevant jurisdictions at reporting date that are expected to apply when the asset is realised or liability settled. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income tax levied by the same tax authority on the same taxable entity. Deferred tax assets and liabilities are not offset between different entities and jurisdictions. A deferred tax asset is recognised for all deductible temporary differences, including unused tax losses, to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the expected recovery or settlement of the carrying amount of the underlying assets and liabilities. Deferred tax liabilities have not been provided on undistributed earnings of foreign subsidiaries and associates where those earnings are not expected to be distributed.

The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Value added tax (VAT)

The net amount of VAT recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of financial position.

Dividend withholding tax

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends declared on or after 1 April 2012.

The Company withholds dividends tax on behalf of its shareholders at a rate of 20% on dividends declared. Amounts withheld are not recognised as part of the Company's tax charge, but rather as part of the dividend paid recognised directly in equity.

Where withholding tax is withheld on dividends received, the dividend is recognised as the gross amount with the related withholding tax recognised as part of the tax expense unless it is otherwise reimbursable in which case it is recognised as an asset.

Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Rand, rounded to the nearest thousand, which is the Company's functional and Company's and Group's presentation currency.

Transactions and balances

Transactions in foreign currencies are accounted for at rates of exchange ruling on the date of the transactions. Gains and losses arising from the settlement of such transactions are recognised in profit or loss. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date.

Unrealised translation differences on such monetary assets and liabilities are recognised in profit or loss in the year in which they occur. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign operations

The results and financial position of all the Group entities that have a functional currency different from the Group presentation currency are translated into the presentation currency.

Assets and liabilities of foreign operations are translated at rates of exchange ruling at the reporting date. Income and expenditure of foreign operations are translated at the rate of exchange at the transaction date or the average rate of exchange for the reporting period. Gains or losses arising on the translation of foreign operations are recognised in other comprehensive income and presented as foreign currency translation reserves in equity. Where the operation is not a wholly owned subsidiary, the relevant proportionate share of the translation difference is allocated to non-controlling interests.

On consolidation, exchange differences arising from the translation of a monetary item that forms part of a reporting entity's net investment in foreign operations, including the borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and presented as a foreign currency translation reserve in equity.

When a foreign operation is sold or partly sold resulting in a loss of control, the share of the related cumulative gains and losses, including taxes, previously recognised in the foreign currency translation reserve is reclassified to profit or loss on disposal as part of the gain or loss on disposal.

When the Group disposes of any part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant portion of the cumulative foreign currency translation reserve is reallocated to non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Impairment of assets

Non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recovered. If any such indication exists then the asset's or cash-generating unit's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

A cash-generating unit is the smallest identifiable asset group that generates cash flows which are largely independent from other assets and groups.

Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or group of cash-generating units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost of disposal.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of assets is impaired.

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are assessed for impairment using a forward-looking ECL model. This requires considerable judgement about how changes in economic factors affect ECLs, which is determined on a probability-weighted basis. The impairment model applies to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets.

Under IFRS 9, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

A default event can be identified as non-compliance with agreed credit terms. Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component. The Group has also chosen to apply this policy for trade receivables, trade finance debtors, agency debtors and contract assets with a significant financing component.

The estimated ECLs in respect of trade and sundry receivables were calculated based on actual credit loss experience over previous years. Actual credit loss experience was adjusted by entity-specific scalar factors and macroeconomic information, such as the lack of economic stimuli in South Africa and the WLTP process in the European automotive market, was taken into account by the various divisions across the group, but none of these were material enough to make an adjustment to the estimated ECLs to reflect differences between economic conditions during the period over which the historical data was collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables, including the impact of Covid-19.

A significant increase in credit risk can be identified by late or defaulted payments experienced, or corporate actions such as an entity going into business rescue. Low credit risk is identified by historical compliance with obligations and external credit ratings.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Impairment of assets continued

Financial assets continued

The cash and cash equivalents are held with banks and financial institution counterparties. The estimated impairment on cash and cash equivalents was calculated based on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. The reversal of impairment losses for financial assets measured at amortised cost is recognised in profit or loss.

Financial assets are written off only when all reasonable attempts at recovery have been taken and failed. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. The recovery of previously written off financial assets is recognised in profit or loss.

Non-controlling interest put options

Non-controlling interest put options are put options over non-controlling interests accounted for using the present access method. Written put options in respect of which the Group does not have an unconditional right to avoid the delivery of cash, are recognised as financial liabilities. Under this method, the non-controlling interest is not derecognised when the financial liability in respect of the put option is recognised, as the non-controlling interest still has present access to the economic benefits associated with the underlying ownership interest. Non-controlling interest put options are initially recognised at the present value of expected future cash flows and subsequently remeasured at the present value of expected future cash flows with any changes in value (accretion and interest) through equity.

Group share-based payment transactions

Transactions in which the Company grants rights to its own equity instruments directly to the employees of its subsidiaries are classified as equity settled in the Company's separate financial statements. The Company recognises the equity-settled share-based payment in equity and recognises a corresponding increase in its investment in the subsidiary.

Where rights to the parent's (or ultimate parent) equity instruments are granted by that parent directly to the employees of the subsidiary, the subsidiary classifies the transaction as equity settled where it has no obligation to settle the share-based payment transaction. The subsidiary recognises the services acquired with the share-based payment as an expense and recognises a corresponding increase in equity as a capital contribution from its parent for those services acquired.

Broad-based black economic empowerment scheme

The Group operates a broad-based black economic empowerment equity-settled share-based compensation plan. The fair value of the services received in exchange for the grant of the options is recognised as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by reference to the financial risk pricing and valuation methodologies. A corresponding adjustment is made to equity over the remaining vesting period. The estimate of the level of vesting is reviewed at least annually, with any impact on the cumulative charge being recognised immediately. The scheme commenced on 2 October 2012 and has a life of 10 years. Vesting of individual options under the scheme could occur on the 10th anniversary of the scheme or upon employment termination due to death, retrenchment, retirement, or the employee no longer forming part of Super Group Holdings Proprietary Limited as a result of the business being disposed of.

New participants joining the scheme are treated as new grants in terms of the scheme. In terms of this scheme, participants receive annual dividends. These dividend payments are recognised as employee benefit costs in profit or loss.

Group share scheme recharge arrangements

A recharge arrangement exists whereby the cost to the scheme of acquiring shares issued in accordance with certain share schemes granted by the parent company are funded by way of contributions from the subsidiary employer company in respect of participants who are their employees. The recharge arrangement is accounted for separately from the underlying equity-settled share-based payment on initial recognition. The parent company recognises a corresponding recharge asset at fair value and a corresponding adjustment to the carrying amount of its investment in the subsidiary. The subsidiary company recognises a recharge liability at fair value, determined using generally accepted valuation techniques, and a corresponding adjustment against equity for the capital contribution recognised in respect of the share-based payment.

Subsequent to initial recognition the recharge arrangement is remeasured at fair value (as an adjustment to the net capital contribution) by the parent and subsidiary companies respectively at each subsequent reporting date until settlement date to the extent vested. The amount of the recharge in excess of the capital contribution, recognised by the parent company as an increase in the investment in subsidiary, is recognised as an adjustment to the net capital contribution through a reduction in its net investment in the subsidiary. Where the recharge amount recognised is greater than the initial capital contribution recognised by the subsidiary company in respect of the share-based payment, the excess is recognised as a net capital distribution to the parent in equity.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 **Principal accounting policies** continued

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, short-term money market instruments and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are measured at amortised cost. Foreign cash balances are translated using the exchange rate at the reporting date.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Financial instruments

Non-derivative financial instruments comprise investment in equity and debt securities, trade and sundry receivables, cash and cash equivalents, loans and borrowings and trade and other payables. Non-derivative financial instruments are recognised initially at fair value.

Classification and subsequent measurement

Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date that they originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Trade payables are recognised at the date of when the obligation arises and measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Financial assets

All purchases and sales of financial assets are recognised on the trade date, being the date that the Group commits to purchase or sell the asset.

The Group classifies its financial assets into the following categories:

- Measured at fair value through profit or loss; or
- At amortised cost.

The classification is dependent on the purpose for which the financial asset is acquired. Management determines the classification of its financial assets on initial recognition.

The amount recognised on initial recognition in respect of financial assets not subsequently measured at fair value through profit or loss includes transaction costs associated with the financial asset (such as advisors' and agents' fees, commissions, duties and levies by regulatory agencies).

Financial assets measured at fair value through profit or loss

Financial assets are classified as measured at fair value through profit or loss, if acquired principally for the purpose of selling in the short term, they form part of a portfolio with a pattern of short-term profit making for equity and non-equity financial assets.

Derivatives are also categorised as financial assets at fair value through profit or loss unless they are designated as hedges.

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

After initial recognition, financial assets, which are classified as measured at fair value through profit or loss are measured at fair value. Gains or losses on financial assets measured at fair value through profit or loss are recognised in profit or loss.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Financial instruments continued

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are included in current assets, except for receivables with maturities greater than 12 months after the reporting date. These are classified as non-current assets. Current loans and receivables are included in trade and sundry receivables in the statement of financial position. Trade receivables, which generally have 30 to 90-day terms, are recognised and carried at amortised cost less impairment losses (generally being the original invoice amount less an allowance for any uncollectable amounts), using the effective interest method. An allowance for impairment is made based on the ECL model. Bad debts are written off when identified.

The assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, dividends and impairment are recognised in profit or loss.

Other receivables are stated at amortised cost less impairment losses using the effective interest method.

Derivative financial instruments (assets and liabilities)

The Group uses derivative financial instruments such as foreign currency contracts (FECs), cross-currency swaps and interest rate swaps to hedge its risks associated with selected foreign currency and interest-rate fluctuations. Such derivative financial instruments are recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value at each reporting date. Transaction costs are recognised in profit or loss as incurred. Gains and losses arising from changes in fair value are included in profit or loss in the year in which the change arises.

Where a derivative is designated as a cash flow hedge, the effective part of the gains or losses from remeasuring the hedging instruments to fair value is initially recognised in other comprehensive income and presented in the hedging reserve in equity. The ineffective part of any gain or loss is immediately recognised in profit or loss.

Offset

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to cash flows expire or there is a transfer of the rights to receive contractual cash flows in a transaction in which substantially all the risks and rewards are transferred. A financial liability is derecognised when it is legally extinguished. Gains and losses are recognised in profit or loss when assets or liabilities are derecognised or impaired.

Employee benefits

Short-term employee benefits

Remuneration paid to employees for services rendered is recognised in profit or loss as the services are provided including the company contribution on behalf of the employee in respect of the respective medical aid schemes. An accrual is made for accumulated leave.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under a short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-retirement benefits

The Group operates a number of defined contribution plans under which it pays fixed contributions into separate retirement funds. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior years. The fund assets are held in separate trustee administered funds. The plans are generally funded by payments from employees and the relevant group companies, taking into account recommendations of independent qualified actuaries. Contributions to defined contribution plans are recognised in profit or loss in the year to which they relate.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Employee benefits continued

Equity compensation benefits

Certain senior employees (including directors) of the Group receive remuneration in the form of share-based payment transactions whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The Group has an employee share incentive scheme for the granting of non-transferable options to executives and senior employees. Shares in the Group held by the employee share incentive scheme are treated as treasury shares and presented in the statement of financial position as a deduction from equity.

The Group operates an equity-settled share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense over the vesting period.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the directors of the Group at that date, based on the best available estimate of the number of equity instruments, will ultimately vest.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Treasury shares

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's shareholders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs is included in equity.

Net debt

Net debt is calculated as interest-bearing borrowings including full maintenance lease borrowings, excluding ROU lease liabilities less cash and cash equivalents.

Total net gearing

Total net gearing is calculated as net debt divided by total equity.

Operating segments

The Group determines and presents operating segments based on the information that is internally provided to the executive team. An operating segment is a component of the Group that:

- engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components;
- whose operating results are regularly reviewed by the executive team; and
- for which financial information is available.

This approach is based on the manner in which segments are organised, operated and managed as well as management's assessment that the risks and rates of return are affected predominantly by differences in the sale of products and services rendered taking into consideration the geographical location of their activities.

Each segment represents a strategic business unit that offers different products and serves different markets.

The principal segments of the Group have been identified by the nature of operation into the seven major areas of Supply Chain Africa, Supply Chain Europe, Fleet Africa, SG Fleet, Dealerships SA, Dealerships UK and Services.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties, however Group admin fees, finance charges, IT charges and property rentals are based on recovery of costs.

Segment assets include all operating assets used by a segment and consist principally of property, plant and equipment, goodwill and financial assets. Segment liabilities include all operating liabilities and consist principally of financial liabilities and long-term borrowings. These assets and liabilities are all directly attributable to the segments.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Revenue from contract with customers

Revenue is recognised net of indirect taxes, rebates and trade discounts and represents the fair value of amounts receivable in respect of the sale of products and services rendered. Where group companies act as agents and are remunerated on a commission or fee basis, only the commission and fee income, not the value of business handled, are recognised as revenue.

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and is based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group provides a single comprehensive model for revenue recognition based on the satisfaction of performance obligations and additional disclosures in respect of revenue. The Group applies the five-step process to identify revenue, namely:

- identify the contract(s) with the customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to each of the performance obligations in the contract; and
- recognise the revenue when the entity satisfies the performance obligations.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as a contract liability.

Where two or more performance obligations exist for a contract, a relative stand-alone selling price is allocated to each obligation. Where the contract provides for an end-to-end solution, the contract is considered as an integrated set of obligations and accounted for as a single obligation.

Payments by customers are typically made within 30 – 60 days of revenue being recognised. Where payments are deferred for a period beyond 12 months after revenue being recognised, a significant financing component is included in the contract. Revenue is recognised at the present value of the consideration receivable over the contract period with the balance of the consideration being recognised as finance income over time.

The main sources of revenue and how they are recognised is as follows:

Revenue from Supply Chain Services

Short-haul transportation

The Group provides warehousing and logistics services for various goods where the items are transported to a predetermined location. There is a single obligation which is an integrated set of activities. The obligation is satisfied at the point in time when the goods are offloaded. This service is performed in a short period of time.

Long-haul transportation

The Group provides logistics services for various goods where the items are transported to a predetermined location. This service is performed over a longer period of time. The obligation is satisfied at the point in time when the goods are offloaded.

Leasing of specialised software and commercial vehicles

The Group acts as a lessor of customised supply chain technology, including consulting services, and commercial vehicles. The obligation is performed over time from the date of installation/delivery until the end of the contract and the customer is no longer in possession of the item. Revenue is recognised on a straight-line basis over the lease term.

Sale of goods

The Group warehouses and sells goods to top-end and forecourt customers. Revenue is recognised when the goods are delivered and accepted by customers at their premises. Certain contracts permit the customer to return an item. Revenue is recognised to the extent that it is highly probable that a material reversal in the amount of cumulative revenue recognised will not occur. The amount of revenue is adjusted for expected returns based on historical data. A corresponding refund liability is recognised in payables. The Group sells diesel to customers.

NOTES TO THE FINANCIAL STATEMENTS continued

1. ACCOUNTING POLICIES continued

1.3 **Principal accounting policies** continued

Revenue from contract with customers continued

Revenue from Supply Chain Services continued

Time-critical delivery and courier services

The Group performs time critical delivery and courier services in Europe. Due to the nature of the business the collection and delivery of the customer products are performed in a short period of time. Revenue is recognised at the point in time when offloading the goods.

Revenue from Dealerships

Sale of vehicles and parts

The Group sells passenger and commercial vehicles including parts to customers. Revenue is recognised at the point in time when the goods are delivered or accepted by the customer.

Servicing of vehicles

The Group enters into contract to provide servicing on vehicles. Revenue is recognised at the point in time when the vehicle is ready for collection. Due to the nature of this business a typical service is completed the same day.

Revenue from full maintenance leases

The Group provides full maintenance lease contracts for passenger and commercial vehicles. Revenues comprise the various service components as included in the contract billings such as rental charges, maintenance, interest and fuel management fees.

Revenue is accounted as follows:

Management and maintenance income

Fleet management income and management fees are recognised over time on a straight-line basis over the term of the lease, due to the continuous service received by customers over the term of lease. Maintenance income is recognised for each performance obligation at the point in time when the service is provided and obligation fulfilled. Maintenance costs are expensed as and when incurred.

Additional products and services

Revenue from the sale of additional products and services is recognised when it is received or when the right to receive payment is established and the performance obligation has been satisfied. Specifically, upfront establishment fees levied to customer to establish the contract for the services to be provided for the term of the contract, are recognised over the term of the contract.

Revenue related to the waiver of the lessee's wear and tear obligations is recognised at the point in time, being at the end of the lease term.

Funding commissions

Introductory commissions earned are recognised in profit or loss in full at a point in time, being in the month in which the finance is introduced to the relevant financier. Trailing commissions earned for the collection and distribution of ongoing customer rentals to the financier are recognised over time.

End of lease income

Income earned after the expiry of the lease is recognised when it is received or when the performance obligation, being the sale of vehicle, transferring the risk and reward to the end buyer, has been satisfied and the right to receive payment is established. The gross selling price of the vehicle is recognised as end of lease income and the value of the vehicle at the end of the lease period payable to the financier, is recognised as end of lease cost of sale.

Rental income

Rental income from operating leases is recognised in profit or loss over time, on a straight-line basis over the lease term.

Other income

Other income is recognised when it is received or when the right to receive payment is established

The deferred maintenance revenue fund for selected customer contracts is actuarially valued annually by determining spending patterns and applying this to forecast funding requirements and discounting to determine the present value of the deferred income. Independent valuations are obtained when necessary.

Surpluses or deficits resulting from the actuarial valuation are recognised in profit or loss.

1. ACCOUNTING POLICIES continued

1.3 Principal accounting policies continued

Capital items

Capital items are income and expenses included in profit and loss which are excluded in arriving at headline earnings in accordance with the South African Institute of Chartered Accountants' (SAICA) Circular 4/2018.

Operating profit

Operating profit comprises profit before net finance costs, income from equity-accounted investees, capital items and tax.

EBITA

EBITA is earnings before interest, tax, amortisation of PPA intangibles and capital items.

EBITDA

EBITDA is earnings before interest, tax, depreciation, amortisation and capital items.

Net interest

Net interest is calculated as finance costs after deducting interest received excluding ROU liability finance costs.

Interest cover

Interest cover is calculated as EBITDA divided by net interest.

Net operating assets

Net operating assets is total assets excluding ROU assets, cash and cash equivalents, deferred tax assets, equity-accounted investees, interest-bearing receivables less total liabilities excluding bank overdrafts, interest-bearing borrowings, FML borrowings, ROU lease liabilities, deferred tax liabilities and income tax payable.

PPA

PPA is Purchase Price Allocation arising on a business acquisition.

Fair value hierarchy

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

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

NOTES TO THE FINANCIAL STATEMENTS continued

2. PROPERTY, PLANT AND EQUIPMENT

	Land, buildings and leasehold improvements R'000	Rental and transport fleet R'000	Computer equipment R'000	Furniture and workshop equipment R'000	Motor vehicles and other assets R'000	Total R'000
30 June 2021						
Cost or valuation	3 159 459	3 479 651	428 292	1 132 541	1 066 181	9 266 124
Accumulated depreciation and impairment losses	(227 703)	(905 365)	(331 385)	(482 034)	(307 853)	(2 254 340)
Carrying amount at end of year	2 931 756	2 574 286	96 907	650 507	758 328	7 011 784
Movement summary						
Balance at beginning of year	2 956 418	2 382 902	81 136	541 314	794 093	6 755 863
Additions	115 852	849 306	69 930	227 763	286 395	1 549 246
Expand	68 800	383 639	57 992	178 510	137 055	825 996
Maintain	47 052	465 667	11 938	49 253	149 340	723 250
Transfers	36 846	45 802	35	53 117	(135 800)	–
Transfer to assets held for sale (Refer note 11)	(20 000)	–	–	–	–	(20 000)
Transfer from ROU assets (Refer note 3)	–	–	–	–	40 746	40 746
Disposals	(2 773)	(288 498)	(881)	(21 629)	(108 407)	(422 188)
Revaluation of land and buildings	5 176	–	–	–	–	5 176
Impairment (Refer note 27)	(5 221)	154	–	–	–	(5 067)
Current year depreciation (Refer note 24)	(32 654)	(321 239)	(48 283)	(144 687)	(112 044)	(658 907)
Translation adjustment	(121 888)	(94 141)	(5 030)	(5 371)	(6 655)	(233 085)
Balance at end of year	2 931 756	2 574 286	96 907	650 507	758 328	7 011 784

Transfer from ROU assets

During the year, it was identified that capitalised leased assets of R40 746 000 had previously been included in right-of-use assets and reallocated to property, plant and equipment in the current year.

Measurement of fair value

In June 2021 valuations were performed on various of the Group's land, buildings and leasehold improvements by independent valuers. The valuers are external, independent property valuers having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. A revaluation surplus of R5 176 000 (2020: surplus of R9 393 000) was recorded in the current year. Annual revaluations on Super Park are required by the funders of this property. It is the Group's policy to perform independent valuations on all properties every three years or more frequently, if deemed appropriate, to ensure that the fair value of revalued assets do not differ materially from their carrying values. The next revaluation of all South African properties will be performed in June 2022.

2. PROPERTY, PLANT AND EQUIPMENT continued

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of the Group's land and buildings, as well as significant inputs used:

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The Income Capitalised Approach has been used to determine the fair value of the property. This comparative approach considers income and expense data relating to the property being valued and estimates value through a capitalisation process. Capitalisation relates income (usually a net income figure) and a defined value type by converting an income amount into a value estimate. This process may consider direct relationships (known as capitalisation rates), yield or discount rates (reflecting measures of return on investment). This is categorised as a level 3 fair value.		The estimated fair value would increase/(decrease) if:
	Occupancy rate between 97% and 99% (2020: between 97% and 99%).	Occupancy rate was higher/(lower);
	There were no rent-free periods included in the valuation.	The rent-free periods were (increased);
	Yields between 9% and 10.8% (2020: between 10.25% and 10.75%) have been used.	The yield was lower/(higher);
	Rental growth of 0.5% (2020: between 6.5% and 9%) has been used.	Rental growth was higher/(lower).

Impairment losses recognised in respect of property, plant and equipment in the current year amounted to R5 067 000 (2020: R12 634 000). These losses were attributable to the deterioration in the value of land and buildings. The recoverable amount of the relevant assets has been determined on the basis of their fair value less costs to sell. These assets were used in the Group's Dealerships segment (Refer note 27).

Certain assets are pledged as security for borrowings of the Group (Refer note 20).

Capital commitments

Capital commitments of R1 301 437 000 (2020: R1 569 249 000) (Refer note 33) include all projects for which specific board approval has been obtained. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the disclosure.

NOTES TO THE FINANCIAL STATEMENTS continued

2. PROPERTY, PLANT AND EQUIPMENT continued

	Land, buildings and leasehold improvements R'000	Rental and transport fleet R'000	Computer equipment R'000	Furniture and workshop equipment R'000	Motor vehicles and other assets R'000	Total R'000
30 June 2020						
Cost or valuation	3 159 174	3 343 464	389 006	979 222	1 063 840	8 934 706
Accumulated depreciation and impairment losses	(202 756)	(960 562)	(307 870)	(437 908)	(269 747)	(2 178 843)
Carrying amount at end of year	2 956 418	2 382 902	81 136	541 314	794 093	6 755 863
Movement summary						
Balance at beginning of year	2 809 354	2 099 068	77 747	450 917	640 169	6 077 255
Additions	78 750	587 321	43 432	151 879	259 915	1 121 297
Expand	43 146	347 405	32 394	123 209	230 788	776 942
Maintain	35 604	239 916	11 038	28 670	29 127	344 355
Acquisition of businesses (Refer note 31.1)	312	291 503	2 729	32 594	19 612	346 750
Transfers	(849)	(95 746)	60	8 025	88 510	–
Transfer to assets held for sale (Refer note 11)	(74 567)	–	–	–	–	(74 567)
Transfer to ROU assets (Refer note 3)	(160)	(56 093)	–	–	(95 618)	(151 871)
Disposals	(20 787)	(157 234)	(937)	(6 085)	(28 621)	(213 664)
Revaluation of land and buildings	9 393	–	–	–	–	9 393
Impairment (Refer note 27)	(12 634)	–	–	–	–	(12 634)
Current year depreciation (Refer note 24)	(37 564)	(373 814)	(47 669)	(117 028)	(96 858)	(672 933)
Translation adjustment	205 170	87 897	5 774	21 012	6 984	326 837
Balance at end of year	2 956 418	2 382 902	81 136	541 314	794 093	6 755 863

3. ROU ASSETS

	Land, buildings and leasehold improvements R'000	Fleet and vehicles R'000	Other ROU assets R'000	Total R'000
30 June 2021				
Cost or valuation	2 506 348	415 097	73 421	2 994 866
Accumulated depreciation and impairment losses	(656 223)	(198 082)	(24 617)	(878 922)
Carrying amount at end of year	1 850 125	217 015	48 804	2 115 944
Movement summary				
Balance at beginning of year	2 093 330	193 894	33 622	2 320 846
Additions	375 060	148 787	38 054	561 901
Expand	240 300	139 962	24 240	404 502
Maintain	134 760	8 825	13 814	157 399
Disposals	6 276	(136)	(7 369)	(1 229)
ROU cancelled	(89 842)	(3 506)	–	(93 348)
Transfer to property, plant and equipment (Refer note 2)	–	(40 746)	–	(40 746)
Translation adjustment	(146 900)	(9 548)	(314)	(156 762)
Current year depreciation (Refer note 24)	(387 799)	(71 730)	(15 189)	(474 718)
Balance at end of year	1 850 125	217 015	48 804	2 115 944

Transfer to property, plant and equipment

During the year, it was identified that capitalised leased assets of R40 746 000 had previously been included in right-of-use assets and reallocated to property, plant and equipment in the current year.

	Land, buildings and leasehold improvements R'000	Fleet and vehicles R'000	Other ROU assets R'000	Total R'000
30 June 2020				
Cost or valuation	2 493 595	360 736	51 362	2 905 693
Accumulated depreciation and impairment losses	(400 265)	(166 842)	(17 740)	(584 847)
Carrying amount at end of year	2 093 330	193 894	33 622	2 320 846
Movement summary				
Balance at beginning of year	–	–	–	–
Additions	1 948 436	107 331	49 598	2 105 365
Expand	93 772	25 402	18 755	137 929
Maintain	1 854 664	81 929	30 843	1 967 436
Acquisition of businesses (Refer note 31.1)	438 464	1 243	1 570	441 277
Disposals	–	(1 591)	–	(1 591)
ROU Cancelled	(88 724)	(1 188)	–	(89 912)
Transfer from property, plant and equipment (Refer note 2)	160	151 711	–	151 871
Translation adjustment	169 716	8 237	345	178 298
Current year depreciation (Refer note 24)	(374 722)	(71 849)	(17 891)	(464 462)
Balance at end of year	2 093 330	193 894	33 622	2 320 846

All right-of-use assets are encumbered as security for respective lease obligations. The liquidity of the lease obligations and details about encumbered assets is presented in note 38.

Most lease contracts are for fixed periods but in some contract there are options to renew. When it is probable that the option to renew will be exercised the lease term will include the option to renew.

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
4. INVESTMENT PROPERTY		
Valuation	164 200	168 900
Movement summary		
Balance at beginning of year	168 900	164 200
Fair value adjustment recognised in profit or loss (Refer note 27)	(4 700)	4 700
Balance at end of year	164 200	168 900

The investment property comprises a commercial property occupied by a third party. The lease contains an initial non-cancellable period of 10 years expiring in August 2023. The subsequent renewal option available to the lessee is five years. The fair value of this property was decreased by R4 700 000 (2020: increased by R4 700 000).

Rental income and associated direct operating expenses from investment property, included in profit or loss, amounted to R16 915 989 (2020: R15 662 953) and nil (2020: nil) respectively. Operating leases in this regard are signed on a triple net lease basis, which implies that the tenant is responsible for insurance, maintenance and utility expenses of the property.

There are no variable lease payments on the lease.

	30 June 2021 R'000	30 June 2020 R'000
Rental receivable commitments		
– Less than one year	18 269	16 916
– Between one and five years	23 061	41 330
	41 330	58 246

Measurement of fair value

The fair value of the investment property was determined by external, independent property valuers, The Valuation Firm. The valuer has appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The independent valuers assess the fair value of the investment property on an annual basis.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The Income Capitalised Approach has been used to determine the fair value of the property. This comparative approach considers income and expense data relating to the property being valued and estimates value through a capitalisation process. Capitalisation relates income (usually a net income figure) and a defined value type by converting an income amount into a value estimate. This process may consider direct relationships (known as capitalisation rates), yield or discount rates (reflecting measures of return on investment).		The estimated fair value would increase/(decrease) if:
	Through rental rate of R65.00/m^2 (2020: R71.42/m^2)	Rental rate were higher/(lower);
	Expenditure ratio of 3% (2020: 3%)	The expenditure ratio were decreased/(increased);
	Actual vacancy factor of 2% (2020: 2%)	The vacancy factor were lower/(higher);
	Capitalisation rate of 10.00% (2020: 10.00%) applied.	Capitalisation rate was lower/(higher).

	30 June 2021 R'000	30 June 2020 R'000

5. FULL MAINTENANCE LEASE ASSETS AND RELATED BORROWINGS

5.1 Full maintenance lease assets

	30 June 2021 R'000	30 June 2020 R'000
Full maintenance lease vehicles	2 656 140	1 885 830
Full maintenance lease vehicles		
Cost	3 235 268	2 434 623
Accumulated depreciation and impairment losses	(579 128)	(548 793)
Carrying amount at end of year	2 656 140	1 885 830
Movement summary		
Balance at beginning of year	1 885 830	1 551 641
Additions	1 825 080	1 063 340
Expand	840 774	611 587
Maintain	984 306	451 753
Disposals	(487 155)	(460 252)
Current year depreciation (Refer note 24)	(452 247)	(389 631)
Reallocation to operating leases	(23 679)	–
Translation adjustment	(91 689)	120 732
Balance at end of year	2 656 140	1 885 830
Analysis of balance at end of year:		
Completed vehicles	2 542 673	1 766 031
Work in progress	113 467	119 799
	2 656 140	1 885 830
Currency analysis		
Rand	1 614 492	1 092 294
Australian dollar	107 948	58 966
Pound Sterling	776 782	563 032
US dollar and other	156 918	171 538
	2 656 140	1 885 830

Capital commitments of R1 549 912 000 (2020: R1 340 598 000) includes all projects for which specific board approval has been obtained (Refer note 33).

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
5. FULL MAINTENANCE LEASE ASSETS AND RELATED BORROWINGS continued		
5.2 Full maintenance lease borrowings		
Loan facility for the funding of vehicles exclusively utilised for full maintenance leases		
The facility bears interest at between 210 and 185 basis points below prime (2020: 210 basis points below prime). Repayments occur monthly in arrears. Termination date is October 2026. The borrowings are secured by assets with a carrying amount of R380 693 000 (2020: R74 667 000)	596 211	97 887
The facility bears interest at 175 basis points below prime (2020: 175 basis points below prime). Repayments occur monthly in arrears. Termination date is May 2026. The borrowings are secured by assets with a carrying amount of R344 702 0000 (2020: R387 924 000).	425 917	472 103
The facility represents the present value of the future residual value liabilities discounted at a rate of 11.5% (2020: discounted at a rate of 12%) and is non-interest bearing. Termination date is March 2025. The borrowings are secured by assets with a carrying value of R33 299 000 (2020: R25 684 000).	34 435	27 650
Loan facilities for the funding of vehicles in the SG Fleet management business		
The facilities bear interest at fixed rates of 337 basis points, a weighted fixed rate of 302 basis points and a fixed rate of 651 basis points linked to the London Interbank Offered Rate (LIBOR) and the Australian Bank Bill Swap Rate (AUD-BBR-BBSW) (2020: fixed rates of 369 basis points, a weighted fixed rate of 283 basis points and a floating rate of 280 basis points linked to the London Interbank Offered Rate (LIBOR) and the Australian Bank Bill Swap Rate (AUD-BBR-BBSW). Monthly repayments are over the period of the individual full maintenance contracts of the related vehicles and are settled on a transactional basis. The average periods of the contracts are between 36 and 45 months. The facility is secured over operating and finance lease assets, hire purchase receivables and restricted cash with carrying amount of R1 008 351 000 (2020: R767 844 000).	696 381	692 863
Total full maintenance lease borrowings	1 752 944	1 290 503
Short-term portion reflected under current liabilities	(476 223)	(580 563)
Long-term portion reflected under non-current liabilities	1 276 721	709 940
Maturity profile		
Year one	476 223	580 563
Year two to five	1 276 721	709 940
	1 752 944	1 290 503
Currency analysis – full maintenance lease borrowings		
Rand	1 022 124	569 990
Australian Dollar	8 569	4 267
Pound Sterling	623 330	581 449
US Dollar and other	98 921	134 797
	1 752 944	1 290 503

Full maintenance lease borrowings relate to funding raised to finance revenue generating assets in the leasing businesses. These assets are directly on-leased to customers by way of full maintenance operating and finance leases in terms of medium-term contractual arrangements. The full maintenance liabilities are matched to customer contract terms. The cash generated by the operations is utilised to repay the obligations. Interest rate risk is passed on to customers as contracts are linked to either South African prime overdraft, Kenyan CBR, AUD-BBR-BBSW or LIBOR rates.

6. INTANGIBLE ASSETS

	Software R'000	Trade names R'000	Customer relations R'000	Customer contracts and other R'000	Total R'000
30 June 2021					
Cost	479 800	432 361	713 770	1 124 547	2 750 478
Accumulated amortisation and impairment losses	(228 291)	(147 400)	(595 344)	(599 414)	(1 570 449)
Carrying amount at end of year	251 509	284 961	118 426	525 133	1 180 029
Movement summary					
Balance at beginning of year	301 048	319 743	244 764	657 144	1 522 699
Additions	61 933	–	–	–	61 933
Expand	22 816	–	–	–	22 816
Maintain	39 117	–	–	–	39 117
Acquisition of businesses (Refer note 31.1)	–	7 011	2 151	–	9 162
Current year amortisation (Refer note 24)	(75 967)	(1 917)	(108 043)	(93 368)	(279 295)
Reclassification to profit and loss	(11 191)	–	–	–	(11 191)
Impairment through profit or loss (Refer note 27)	–	(1 330)	(2 021)	–	(3 351)
Translation adjustment	(24 314)	(38 546)	(18 425)	(38 643)	(119 928)
Balance at end of year	251 509	284 961	118 426	525 133	1 180 029
Analysis of balance at end of year					
Purchased	251 509	284 961	118 426	525 133	1 180 029
Intangible assets with indefinite useful life	–	236 659	–	–	236 659
Intangible assets with definite useful life	251 509	48 302	118 426	525 133	943 370
	251 509	284 961	118 426	525 133	1 180 029

The balance of the trade names, customer relations and contracts relates to past business acquisitions in the Supply Chain Africa, Supply Chain Europe, SG Fleet and Dealerships UK operating segments.

The indefinite useful life intangible asset relates to the inTime, Ader and Cargo Works trade names. The inTime, Ader and Cargo Works trade names have been used in the European and South African marketplace respectively for over 20 years and will continue to be used into the foreseeable future. The trade names were tested for impairment at year end as an “umbrella” trade name and used the Relief from Royalty valuation method by applying 97% of net sales and an applied royalty rate of 0.6%, 2.2% and 2.0% of revenues for inTime, Ader and Cargo Works respectively.

NOTES TO THE FINANCIAL STATEMENTS continued

6. INTANGIBLE ASSETS continued

	Software R'000	Trade names R'000	Customer relations R'000	Customer contracts and other R'000	Total R'000
30 June 2020					
Cost	538 226	474 567	798 724	1 193 903	3 005 420
Accumulated amortisation and impairment losses	(237 178)	(154 824)	(553 960)	(536 759)	(1 482 721)
Carrying amount at end of year	301 048	319 743	244 764	657 144	1 522 699
Movement summary					
Balance at beginning of year	234 930	280 900	240 211	393 694	1 149 735
Additions	80 468	–	–	–	80 468
Expand	31 499	–	–	–	31 499
Maintain	48 969	–	–	–	48 969
Acquisition of businesses	4 901	15 609	63 555	289 000	373 065
Current year amortisation (Refer note 24)	(60 656)	(2 172)	(103 347)	(98 685)	(264 860)
Disposal	(4 698)	–	–	–	(4 698)
Impairment through profit or loss (Refer note 27)	–	(31 011)	–	–	(31 011)
Translation adjustment	46 103	56 417	44 345	73 135	220 000
Balance at end of year	301 048	319 743	244 764	657 144	1 522 699
Analysis of balance at end of year					
Purchased	301 048	319 743	244 764	657 144	1 522 699
Intangible assets with indefinite useful life	–	270 708	–	–	270 708
Intangible assets with definite useful life	301 048	49 035	244 764	657 144	1 251 991
	301 048	319 743	244 764	657 144	1 522 699

	30 June 2021 R'000	30 June 2020 R'000

7. GOODWILL

	30 June 2021 R'000	30 June 2020 R'000
Cost	8 584 469	9 340 204
Accumulated impairment losses	(1 082 440)	(1 077 235)
Carrying amount at end of year	7 502 029	8 262 969
Movement summary		
Balance at beginning of year	8 262 969	7 305 094
Acquisition of businesses (Refer note 31.1)	(5 278)	555 240
Impairment (Refer note 27)	(5 205)	(851 756)
Translation adjustment	(750 457)	1 254 391
Balance at end of year	7 502 029	8 262 969
Segmental goodwill per cash-generating unit		
Supply Chain	2 474 653	2 736 560
South Africa	827 770	838 694
African Logistics	64 898	78 429
Europe	1 581 985	1 819 437
Fleet Solutions	3 790 433	4 212 670
Fleet Africa	87 822	87 822
SG Fleet	3 702 611	4 124 848
Dealerships	1 236 943	1 313 739
Dealerships SA	365 964	365 964
Dealerships UK	870 979	947 775
	7 502 029	8 262 969

Goodwill acquired through business combinations has been attributed to individual cash-generating units (CGU). The carrying amount of goodwill is subject to annual impairment tests using forecasts of future cash flows and the value-in-use method. Impairments of R5 205 000 (2020: R851 756 000 in the Supply Chain Africa, Supply Chain Europe and Dealerships South Africa segments) were recognised in the Supply Chain Africa segment in the current year. Write down of other assets' carrying values in the relevant cash generating unit were not required. These calculations use projected earnings based on historic operating results.

A sensitivity analysis was performed on all key assumptions included in the impairment test and no additional impairments were required.

The most significant portion of the Group's goodwill, R3 702 611 000 (2020: R4 124 848 000), relates to operations in SG Fleet.

NOTES TO THE FINANCIAL STATEMENTS continued

7. GOODWILL continued

Impairment testing for cash generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The impairment tests are based on a value-in-use approach.

Values-in-use are determined by discounting the forecast future cash flows generated from the continuing use of the business and were based on the following key assumptions:

Supply Chain – South Africa

- Cash flows were projected based on actual operating results, a five year forecast of revenue growth between 2.8% and 6.0% and a terminal value growth rate between 3.8% and 6.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- Overheads were forecast based on current levels adjusted for inflationary increases.
- A pre-tax discount rate of 13.3% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the South African CGU's.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.
- The Group, based on projected operating results impaired goodwill relating to Supply Chain Africa of R5 205 000.

Supply Chain – African Logistics

- Cash flows were projected based on actual operating results, a five year forecast of revenue growth of 4.0% and a terminal value growth rate of 4.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- Overheads were forecast based on current levels adjusted for inflationary increases.
- A pre-tax discount rate of 13.3% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the South African CGUs.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.

Supply Chain – Europe

- Cash flows were projected based on actual operating results, a five year forecast of revenue growth between 2.0% and 11.5% and a terminal value growth rate between 1.0% and 2.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- A pre-tax discount rate between 4.9% and 5.1% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the CGU.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.
- Overheads were forecast based on current levels adjusted for once off expenditure.

Fleet Solutions – Fleet Africa

- Cash flows were projected based on actual operating results, a five year forecast with a revenue growth rate of 5.0% and a terminal value growth rate of 5.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- A pre-tax discount rate of 13.3% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the South African CGUs.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.

7. GOODWILL continued

Fleet Solutions – SG Fleet

- Cash flows were projected based on actual operating results and the four-year business plan. Cash flow beyond Year 5 was projected at a growth rate of 0% for both the Australian and United Kingdom CGUs.
- Revenue growth was projected at 6.2% per annum for the Australian CGU and 5.9% per annum for the United Kingdom CGU.
- Direct costs were forecast based on the margins historically achieved by the business.
- Overheads were forecast based on current levels adjusted for inflationary increases.
- The pre-tax discount rate of 8.2% was applied in the Australian CGU and 6.2% for the United Kingdom CGU, in determining the recoverable amount.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.

Dealerships – Dealerships SA

- Cash flows were projected based on actual operating results, a five year forecast of revenue growth of 3.0% and a terminal value growth rate of 3.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- Overheads were forecast based on the margins historically achieved by the business adjusted for once off expenditure required.
- A pre-tax discount rate of 13.3% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the South African CGUs.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.

Dealerships – Dealerships UK

- Cash flows were projected based on actual operating results, a five year forecast of revenue growth of 1.0% and a terminal value growth rate of 2.0%.
- Direct costs were forecast based on the margins historically achieved by the business.
- Overheads were forecast based on current levels adjusted for once off expenditure.
- A pre-tax discount rate of 6.3% and 6.5% was applied in determining the recoverable amount. The discount rate reflects the specific risks related to the CGU.
- The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal data sources.

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
8. INVESTMENTS AND OTHER NON-CURRENT ASSETS		
Equity-accounted investees	17 442	21 018
Other non-current assets	350 534	418 339
	367 976	439 357
Equity-accounted investees		
Moditouch Proprietary Limited	17 442	20 850
Other	–	168
	17 442	21 018
Other non-current assets		
Proceeds receivable on sale of 15% of SG Coal Shares	105 000	105 000
Loans receivable	11 213	35 606
Investments	64 440	41 158
Sub-lease receivable (IFRS 16)	169 881	236 575
	350 534	418 339
Balance at beginning of year	418 339	157 472
Investments acquired	46 063	15 669
Investments disposed	(6 793)	–
Sub-lease and loans receivables repaid	(23 591)	(22 299)
Receivable loans granted	2 737	4 870
Impairment	(20 480)	–
Repayment of SG Agility loan	(22 396)	
Sub-lease receivable recognised	–	102 356
Acquisition of businesses (Refer to note 31.1)	–	113 109
Translation adjustment	(43 345)	47 162
Balance at end of year	350 534	418 339
Repayment of SG Agility loan		
The repayment nets off with cash received on the sale of SG Agility.		
Currency analysis		
Rand	167 410	177 820
Australian dollar	28 120	20 852
Euro	172 419	240 151
US Dollar and other	27	534
	367 976	439 357

	30 June 2021 R'000	30 June 2020 R'000

9. DEFERRED TAX (ASSETS)/LIABILITIES

	30 June 2021 R'000	30 June 2020 R'000
Movement summary		
Balance at beginning of year	516 414	517 532
– Deferred tax liabilities	586 971	530 741
– Deferred tax assets	(70 557)	(13 209)
Current year profit or loss charge	(91 992)	(109 290)
Revaluation of land and buildings	1 434	1 716
Acquisition of businesses (Refer note 31.1)	2 565	156 441
IFRS16 adjustment	–	(60 779)
Deferred tax recorded directly in equity on movement in options	(27 554)	(5 611)
Deferred tax raised on effective portion of hedge through equity	11 370	(2 903)
Translation adjustment	(13 732)	19 308
Balance at end of year	398 505	516 414
– Deferred tax liabilities	477 671	586 971
– Deferred tax assets	(79 166)	(70 557)
Analysis of balance at end of year by type of temporary difference		
Accelerated depreciation	680 329	739 834
Tax losses	(16 204)	(74 980)
Revaluation of land and buildings and investment property fair value adjustment	110 087	105 538
Provisions and fund reserves	(300 241)	(240 906)
Working capital items	(43 328)	(14 384)
Unexercised options	(33 433)	–
Other	1 295	1 312
	398 505	516 414

Deferred tax assets have been recognised only to the extent that the amount of unused tax losses relating to the Group's operations can be carried forward indefinitely and there is evidence that it is probable that sufficient taxable profits will be available in the future to utilise tax losses carried forward.

The Group has not recognised a deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's foreign subsidiaries and equity-accounted investees as the Group has determined that undistributed profits of foreign subsidiaries and equity-accounted investees will not be distributed in the foreseeable future.

	30 June 2021 R'000	30 June 2020 R'000
Deferred tax assets not recognised		
The unrecorded deferred tax assets	138 413	137 836
– Tax losses	37 381	36 804
– Capital gains tax (CGT) and other	101 032	101 032

	30 June 2021 R'000	30 June 2020 R'000
10. INVENTORIES		
New vehicles	1 261 682	2 886 381
Used and demo vehicles	1 497 795	1 442 763
Retail inventory – SG Convenience and SG Consumer	96 550	142 425
Consumables	89 515	148 116
Parts, accessories and automotive components	80 836	84 080
Other inventory	139 993	139 163
	3 166 371	4 842 928
Inventory expensed during the year included in cost of sales	16 901 041	15 165 629
Inventory carried at net realisable value		
Inventory carried at net realisable value included above	2 257 725	1 662 296
(Reversal)Write down of inventory to net realisable value recognised as an expense	(12 903)	4 947
Reserved inventories		
Ownership of certain inventory is reserved by the suppliers until such time as the related payables have been settled.		
Carrying value of reserved inventory	817 327	950 749
Carrying value of other secured inventory	905 294	2 353 879

Reserved inventory is inventory that secures an interest-free floorplan liability.

Secured inventory is inventory that secures an interest-bearing floorplan liability.

Floorplan liabilities are reflected as trade payables in note 22.

	30 June 2021 R'000	30 June 2020 R'000
11. TRADE AND SUNDRY RECEIVABLES		
Trade receivables	3 781 512	3 415 653
Sundry receivables	1 478 376	1 530 946
Prepayments	226 561	248 168
VAT receivables	39 512	17 822
Deposits	31 075	25 300
Lease straight-line debtors	14 036	14 326
FEC assets	1 978	5 667
Agency debtors	898 150	877 072
Trade finance debtors	39 684	55 782
Short-term portion of finance lease receivables	16 128	–
Deferred contingent purchase consideration	60 000	60 000
Assets held-for-sale (Refer note 2)	20 000	74 567
Other receivables	131 252	152 242
	5 259 888	4 946 599

Trade receivables are reported after an impairment allowance of R381 330 000 (2020: R308 607 000).

The asset held-for-sale relates to land and buildings that were held for sale in the Dealerships SA segment.

Certain businesses act as agents on behalf of their customers. Being an agent, the businesses do not take title of the goods and have no responsibility in respect of goods sold. Revenue is recognised based on the fee received for services rendered. The agency debtor balance includes the net receivable outstanding in respect of services rendered and inventory in the warehouses and in transit.

	30 June 2021 R'000	30 June 2020 R'000

11. TRADE AND SUNDRY RECEIVABLES continued

Currency analysis		
Rand	3 443 842	3 234 449
Australian Dollar	614 251	577 956
Pound Sterling	383 513	358 208
Euro	616 068	550 071
US Dollar and other	202 214	225 915
	5 259 888	4 946 599

Refer to note 38 for disclosure relating to the Group's interest rate, foreign exchange and credit risk.

	30 June 2021 R'000	30 June 2020 R'000

12. CASH AND CASH EQUIVALENTS

Cash on hand and in banks, earning interest at floating rates based on daily bank deposit rates	6 131 281	4 628 285
Analysis of cash on hand balances by class		
Cash held as collateral	–	93 292
Secured deposits	307 525	336 830
Unrestricted cash including SG Fleet	5 823 756	4 198 163
	6 131 281	4 628 285
Currency analysis		
Rand	2 518 145	2 156 580
Australian dollar	2 315 771	1 161 513
Pound Sterling	502 302	535 385
Euro	404 992	408 049
US dollar and other	390 071	366 758
	6 131 281	4 628 285

Other cash

Secured deposits represent cash held by SG Fleet as required under certain funding and insurance arrangements between the Group, the financiers under its lease portfolio facilities and its insurance providers.

Debt listing requirements

Refer to pages 7 to 11 in the Directors' Report for additional disclosure on the Corporate Governance Debt Listing Requirements.

Bank guarantees

Guarantees of R24 655 000 (2020: R20 823 000) have been issued by financial institutions on behalf of the Group and are unsecured.

NOTES TO THE FINANCIAL STATEMENTS continued

12. CASH AND CASH EQUIVALENTS continued

Bank funding facilities

The borrowing powers of the Group are unlimited but are restricted by the covenants relating to the facilities provided by its financiers.

The Group has a general banking facility totalling R80 000 000 (2020: R95 000 000) of which R23 641 853 (2020: R37 426 000) has been utilised.

The Group has a revolving credit facility of R500 000 000 (2020: R500 000 000) for five years. This revolving credit facility is secured by a bond over the Super Park Property (refer note 2). The facility is unused at year end.

The Group has a revolving credit facility of R550 000 000 (2020: R400 000 000) that expires on 365 days' notice from the financier. This revolving credit facility is unsecured and R300 000 000 (2020: R Nil) was utilised at year end.

The Group also has a revolving credit facility of R500 000 000 that expires on 11 December 2021. This revolving credit facility is unsecured and not utilised at year end.

Ader received a COVID19 liquidity relief package of €1 835 200 (2020: €2 000 000) which is 70% guaranteed by the Spanish government. This relief package expires April 2023 and had a 12 month payment holiday and is fully utilised at year end. The first monthly repayment was made in May 2021.

There are two financial covenants in place for the banking facilities:

- A net interest cover ratio of 2.7 times must be maintained for the Group (excluding SG Fleet and the effects of IFRS16).
- A net debt to EBITDA ratio of less than 2.5 times must be maintained for the Group (excluding SG Fleet and the effects of IFRS16).

Refer to note 38.4 for the calculation of the covenants.

	30 June 2021 R'000	30 June 2020 R'000
Total banking facilities excluding the SG Fleet facilities	12 259 850	12 330 155
Utilised	(6 116 308)	(7 357 225)
Unutilised	6 143 542	4 972 930
SG Fleet banking facilities	3 887 579	2 500 100
Utilised	(2 061 322)	(2 191 546)
Unutilised	1 826 257	308 554

Refer to note 38 for disclosure relating to the Group's liquidity, interest rate, foreign exchange and credit risk.

13. CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF SUPER GROUP

	30 June 2021 R'000	30 June 2020 R'000
Stated capital (Refer note 14)	3 753 641	3 753 641
Retained earnings	6 763 769	5 624 837
Share buyback reserve	(202 342)	(216 883)
Other reserves (Refer note 15)	1 342 080	2 050 039
	11 657 148	11 211 634

	30 June 2021 R'000	30 June 2020 R'000

14. STATED CAPITAL

Authorised

The Group has 700 000 000 (2020: 700 000 000) authorised ordinary shares with no par value (2020: no par value) and 54 857 377 (2020: 54 857 377) authorised redeemable preference shares with no par value (2020: no par value).

Issued

	30 June 2021 R'000	30 June 2020 R'000
371 507 794 (2020: 371 507 794) ordinary shares of no par value (2020: no par value)	3 753 641	3 753 641

Rights and restrictions related to share capital

All shares rank equally with regard to the Company's residual assets. Unissued preference shares do not participate.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group as treasury shares, all rights are suspended until those shares are reissued.

	Number of ordinary shares	Number of treasury shares
Movement summary of issued shares		
Balance at 30 June 2019	371 507 794	8 959 300
Ordinary share balance	371 507 794	–
Share balance held by subsidiaries	–	289 949
Share balance held by share option scheme	–	8 669 351
Shares repurchased	–	2 784 636
Balance at 30 June 2020	371 507 794	11 743 936
Ordinary share balance	371 507 794	–
Share balance held by subsidiaries	–	289 949
Share balance held by share option scheme	–	11 453 987
Share options exercised and other treasury shares movement	–	(585 000)
Balance at 30 June 2021	371 507 794	11 158 936
Ordinary share balance	371 507 794	–
Share balance held by subsidiaries	–	289 949
Share balance held by share option scheme	–	10 868 987

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
15. OTHER RESERVES		
Translation reserve	389 408	1 117 051
General reserve	556 036	556 036
Revaluation reserve	392 283	388 700
Capital redemption reserve fund	5 486	5 486
Hedging reserve	(1 133)	(17 234)
	1 342 080	2 050 039
Movement summary		
15.1 Translation reserve		
Balance at beginning of year	1 117 051	130 138
Translation adjustment	(727 643)	986 913
Balance at end of year	389 408	1 117 051

The translation reserve comprises all foreign exchange differences arising from the translation of entities reporting in currencies other than the presentation currency of the Group.

	30 June 2021 R'000	30 June 2020 R'000
15.2 General reserve		
The general reserve comprises capital profits on the disposal of investments in prior years.	556 036	556 036
15.3 Revaluation reserve		
Balance at beginning of year	388 700	381 133
Depreciation of buildings (net of tax)	(159)	(110)
Revaluation of land and buildings (net of tax)	3 742	7 677
Balance at end of year	392 283	388 700

The revaluation reserve relates primarily to revaluation surpluses on the revaluation of land and buildings to their fair values.

	30 June 2021 R'000	30 June 2020 R'000
15.4 Capital redemption reserve fund		
The capital redemption reserve fund is the excess equity resulting from the conversion and redemption of the 'A' ordinary shares.	5 486	5 486
15.5 Hedging reserve		
Balance at beginning of year	(17 234)	(13 152)
Effective portion of hedge (net of tax)	16 101	(4 082)
Balance at end of year	(1 133)	(17 234)

The hedging reserve relates to fair valuing the effective portion of cash flow hedges in SG Fleet.

16. NON-CONTROLLING INTERESTS

The following table summarises the reported information relating to each of the Group's subsidiaries that have a material NCI.

	SG Fleet R'000	inTime R'000	SG Coal R'000	Lieben Logistics R'000	Other individually immaterial subsidiaries R'000	Intergroup eliminations and reallocations R'000	Total R'000
30 June 2021							
Non-current assets	5 607 181	2 900 210	824 365	644 532	252 376	–	10 228 664
Current assets	3 393 837	1 018 081	1 173 273	249 344	263 329	(121 609)	5 976 255
Non-current liabilities	(2 890 650)	(2 709 136)	(299 912)	(375 455)	(53 047)	1 868 240	(4 459 960)
Current liabilities	(2 061 344)	(834 710)	(572 533)	(144 578)	(153 403)	305 009	(3 461 559)
Net assets	4 049 024	374 445	1 125 193	373 843	309 255	2 051 640	8 283 400
Revenue[1]	5 522 698	3 497 770	4 334 151	807 255	725 338	(472 150)	14 415 062
Profit	489 739	(5 954)	208 283	73 720	8 256		774 044
OCI[2]	40 696	–	–	–	–		40 696
Total comprehensive income	530 435	(5 954)	208 283	73 720	8 256	–	814 740
Cash flows from operating activities	1 325 037	232 439	112 796	53 420	91 051	(112 622)	1 702 121
Cash flows from investing activities	(628 074)	(42 293)	(112 556)	(145 298)	(49 394)	–	(977 615)
Cash flows from financing activities	675 652	(137 365)	(74 719)	129 448	(21 193)	(202 806)	369 017
Net change in cash and cash equivalents	1 372 615	52 781	(74 479)	37 570	20 464	(315 428)	1 093 523
NCI percentage (%)	39.9%	20.0%	15.0%	32.6%			
Carrying amount of NCI	1 614 346	103 230	168 779	132 109	81 194		2 099 658
Profit allocated to NCI	195 259	3 179	31 242	22 425	(5 810)		246 295
OCI allocated to NCI[2]	(135 195)	(23 373)	–		–		(158 568)
Dividend paid to NCI	(128 396)	–	(10 001)	(21 017)	–		(159 414)

[1] *Revenue per SG Fleet's published results is lower due to the different accounting treatment in respect of certain finance income.*

[2] *The difference between OCI in SG Fleet and inTime of R40 696 000 and Rnil respectively and the OCI allocated to the NCI of SG Fleet and inTime of (R135 195 000) and (R23 373 000) respectively is due to the foreign currency translation reserve movement which arose due to the presentation currency of the Group being different to SG Fleet and inTime.*

SG Fleet has a target dividend yield of 60% to 70% of profit after tax.

The principal place of business and incorporation for all NCI excluding SG Fleet and inTime is South Africa. SG Fleet's place of business and incorporation is Australia, inTime's place of business is the Eurozone and incorporation is Germany.

During the year the Group purchased an additional 5% in inTime for €1.

NOTES TO THE FINANCIAL STATEMENTS continued

16. NON-CONTROLLING INTERESTS continued

	SG Fleet R'000	inTime R'000	SG Coal R'000	Lieben Logistics R'000	Other individually immaterial subsidiaries R'000	Intergroup eliminations and reallocations R'000	Total R'000
30 June 2020							
Non-current assets	5 968 289	3 472 383	811 476	586 259	270 539	(9 798)	11 099 148
Current assets	2 291 918	959 010	1 137 203	171 656	226 764	(92 102)	4 694 449
Non-current liabilities	(2 925 905)	(3 205 090)	(328 382)	(264 405)	(90 839)	2 139 388	(4 675 233)
Current liabilities	(2 085 909)	(771 605)	(630 706)	(132 180)	(93 372)	346 027	(3 367 745)
Net assets	3 248 393	454 698	989 591	361 330	313 092	2 383 515	7 750 619
Revenue[1]	4 714 146	2 844 185	4 808 279	789 758	724 892	(498 391)	13 382 869
Profit	383 458	(767 105)	161 251	71 933	30 801		(119 662)
OCI[2]	(11 294)	–	–	–	–		(11 294)
Total comprehensive income	372 164	(767 105)	161 251	71 933	30 801	–	(130 956)
Cash flows from operating activities	820 010	181 830	294 141	123 337	32 752	(249 947)	1 202 123
Cash flows from investing activities	(325 866)	(223 569)	(133 422)	(67 484)	(55 391)	–	(805 732)
Cash flows from financing activities	(377 035)	(9 559)	(82 124)	(52 212)	15 308	(188 148)	(693 770)
Net change in cash and cash equivalents	117 109	(51 298)	78 595	3 641	(7 331)	(438 095)	(297 379)
NCI percentage (%)	39.9%	25.0%	15.0%	32.6%			
Carrying amount of NCI	1 295 134	153 074	148 439	130 701	87 271		1 814 619
Profit allocated to NCI	155 155	(187 067)	24 188	27 354	7 404		27 034
OCI allocated to NCI[2]	221 871	45 013	–		–		266 884
Dividend paid to NCI	(185 333)	–	(12 150)	(1 207)	(6 695)		(205 385)

[1] Revenue per SG Fleet's published results is lower due to the different accounting treatment in respect of certain finance income.

[2] The difference between OCI in SG Fleet and inTime of R11 294 000 and Rnil respectively and the OCI allocated to the NCI of SG Fleet and inTime of (R221 871 000 000) and (R45 013 000) respectively is due to the foreign currency translation reserve movement which arose due to the presentation currency of the Group being different to SG Fleet and inTime.

SG Fleet has a target dividend yield of 60% to 70% of profit after tax.

The principal place of business and incorporation for all NCI excluding SG Fleet and inTime is South Africa. SG Fleet's place of business and incorporation is Australia, inTime's place of business is the Eurozone and incorporation is Germany.

During the year the Group purchased an additional shares and exercised the right to the dividend reinvestment plan in SG Fleet increasing the Group's shareholding to 61.1% and purchased an additional 2.4% in Lieben in H2.

	30 June 2021 R'000	30 June 2020 R'000
17. FUND RESERVES		
Balance at beginning of year	825 083	457 499
Movement in fund reserves	125 304	248 390
Translation adjustment	(87 290)	119 194
Balance at end of year	863 097	825 083

Fund reserves principally relate to amounts received in advance in respect of insurance and maintenance for full maintenance lease vehicles, to be recognised in profit or loss over the period of the maintenance service of the underlying vehicles. The current portion of the fund reserves is included in trade and other payables.

	30 June 2021 R'000	30 June 2020 R'000

18. NON-CONTROLLING INTEREST PUT OPTIONS AND OTHER LIABILITIES

The Group entered into business combinations which included clauses whereby the non-controlling interest equity holders are able to put 100% of their shareholding to the Group for a limited time period at the expiry date of the respective options.

	30 June 2021 R'000	30 June 2020 R'000
18.1 Non-controlling interest put options	285 431	328 431
Lieben Logistics and GLS		
This put option is calculated as the fair value determined by using the average audited profit after tax for the two years preceding the put option exercise date at a price earnings multiple of 8.1. The put option can be exercised from 30 June 2023.		
In arriving at the option value at 30 June 2021, an average PAT of R120 933 000 and a pre-tax discount rate of 9.5% was used. This is a level 3 fair value valuation.	285 431	328 431
18.2 Non-current portion of deferred income		
The Group recognises deferred income on servicing contracts that it has entered into. Income from these contracts is recognised over time on a straight-line basis. Payments received from the client to the extent that the income cannot be recognised is therefore deferred until the obligation has been performed.	6 641	13 839
Long-term non-controlling interest put options and other liabilities	292 072	342 270
Currency analysis		
Rand	285 431	328 431
Australian Dollar	6 641	13 839
	292 072	342 270

The following table shows a reconciliation from the opening to closing balances of level 3 financial instruments carried at fair value:

	30 June 2021 R'000	30 June 2020 R'000
Put option liabilities		
Balance at the beginning of the year	328 431	36 852
Movement of NCI liability in statement of changes in equity:	(43 000)	291 579
Acquisition–Lieben Logistics and GLS	–	298 778
Fair value adjustment	(43 000)	(10 978)
Foreign currency translation	–	3 779
Balance at the end of the year	285 431	328 431

Sensitivity analysis:

Put options

The significant assumption included in the fair value measurement of the put option liabilities relates to the projected earnings that is not observable in the market. The following table shows how the fair value of the liabilities would change if the earnings assumption was increased by 100bps:

	Fair value R'000	Increase in liability R'000
Lieben Logistics and GLS	286 823	1 392

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
19. ROU LEASE LIABILITIES		
Short-term ROU lease liabilities	458 179	457 519
Long-term ROU lease liabilities	2 149 716	2 423 245
	2 607 895	2 880 764
Maturity analysis		
Year one	458 179	457 519
Year two	371 117	385 484
Year three to five	819 216	835 184
After five years	959 383	1 202 577
	2 607 895	2 880 764
Currency analysis		
Rand	1 128 786	1 035 005
Australian Dollar	54 553	90 230
Pound Sterling	536 093	697 193
Euro	879 611	1 048 628
US Dollar and other	8 852	9 708
	2 607 895	2 880 764
Payments in respect of leases		
Lease payments from low value items and short term rentals (Refer note 24.4)	88 321	93 980
Lease payments from ROU liabilities (including finance cost)	680 141	621 618
	768 462	715 598

Refer to note 38 for disclosure relating to the Group's liquidity, interest rate and foreign exchange risk.

Finance costs on ROU lease liabilities amount to R170 179 000 (2020: R175 469 000) (Refer note 25).

	30 June 2021 R'000	30 June 2020 R'000
20. INTEREST-BEARING BORROWINGS		
20.1 Secured asset-based borrowings	1 373 260	1 418 465
Asset-based borrowings bearing interest at rates fluctuating between 195 basis points below and 110 basis points above prime (2020:220 basis points below and 110 basis points above prime) and repayable in monthly instalments, including interest, over periods up to 60 months. The liabilities are secured by vehicles with a carrying value of R510 321 000 (2020: R579 686 000).	350 716	454 584
Asset-based borrowings bearing interest at between 120 basis points below prime and 125 basis points below prime (2020: 125 basis points below prime) and repayable in monthly instalments, including interest, over periods up to 60 months. The liabilities are secured by plant, equipment and vehicles with a carrying value of R689 503 000 (2020: R710 778 000).	344 594	427 537
Asset-based borrowings bearing interest at between 175 basis points below prime and 115 basis points above prime (2020: 115 basis points below prime and prime) and repayable in monthly instalments, including interest, over periods up to 60 months. The liabilities are secured by plant, equipment and vehicles with a carrying value of R365 380 000 (2020: R371 877 000).	159 319	150 856
Asset-based borrowings and finance lease obligations bearing interest at between 150 basis points below prime and 75 basis points below prime (2020: between 115 and 50 basis points below prime) and repayable in monthly instalments. The liabilities are secured by vehicles and equipment with a carrying value of R97 488 000 (2020: R50 376 000).	213 008	198 805
Asset-based borrowings and finance lease obligations bearing interest at 175 basis points below prime (2020: between 175 basis points below prime and 210 basis points above prime) and repayable in monthly instalments. The liabilities are secured by vehicles and equipment with a carrying value of R262 858 000 (2020: R187 499 000).	305 623	186 683
20.2 Secured property borrowings	783 195	867 001
Property borrowings bearing interest at three-month JIBAR plus 175 basis points (2020:≈three-month JIBAR plus 175 basis points) is secured by land, buildings and investment property with a carrying value of R915 792 000 (2020: R919 311 000) and are repayable in full on 26 February 2025.	500 474	500 270
Property borrowing bearing interest at three-month LIBOR plus 215 basis points (2020: three-month LIBOR plus 175 basis points) is secured by land, buildings and property with a carrying value of R799 960 000 (2020: R878 365 000) and are repayable in quarterly payments with the final bullet payment due in August 2024.	282 721	366 731
20.3 Acquisition borrowings	–	145 803
The credit facility bore interest at three-month LIBOR plus 300 basis points (2020: three-month LIBOR plus 300 basis points) and was repaid in January 2021. The facility was secured by shares in Allen Ford UK and holding company guarantees.	–	145 803

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
20. INTEREST-BEARING BORROWINGS continued		
20.4 SG Fleet interest bearing corporate borrowings	1 346 571	1 498 941
The SG Fleet borrowings relate to business acquisition funding and bears interest at a fixed rate of 379 basis points (2020: 379 basis points).	855 766	958 091
The SG Fleet borrowings relate to business acquisition funding and bears interest at a floating rate of 174 basis points linked to the Bank Bill Swap Bid Rate (BBSY) (2020:207 basis points linked to the Bank Bill Swap Bid).	214 133	239 521
The SG Fleet borrowings relate to business acquisition funding and bears interest at a fixed rate of 282 basis points (2020: 282 basis points).	216 768	242 467
The SG Fleet borrowings relate to business acquisition funding and bears interest at a floating rate of 174 basis points linked to LIBOR (2020: 221 basis points linked to LIBOR).	59 904	58 862
The liabilities are repayable in full on maturity being 14 December 2022. The borrowings are secured by a guarantees and indemnities as well as the assets of SG Fleet.		
20.5 Corporate bond	2 860 009	2 510 670
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 200 basis points (2020: three-month JIBAR plus 200 basis points). Interest is payable quarterly. This liability matures on 27 September 2023.	450 036	449 894
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 175 basis points (2020: three-month JIBAR plus 175 basis points). Interest is payable quarterly. This liability matures on 15 March 2024.	300 617	300 616
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 145 basis points (2020: three-month JIBAR plus 145 basis points). Interest is payable quarterly. This liability matures on 18 June 2022.	375 568	375 472
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 165 basis points (2020: three-month JIBAR plus 165 basis points). Interest is payable quarterly. This liability matures on 18 June 2024.	625 812	625 738
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 139 basis points (2020: three-month JIBAR plus 139 basis points). Interest is payable quarterly. This liability matures on 15 October 2022.	252 559	252 969
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 158 basis points (2020: three-month JIBAR plus 158 basis points). Interest is payable quarterly. This liability matures on 15 October 2024.	353 638	354 261
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 173 basis points. Interest is payable quarterly. This liability matures on 1 December 2023.	213 770	–
The listed Corporate bond was unsecured and bore interest at three-month JIBAR plus 95 basis points. Interest was payable quarterly. This liability matured on 15 October 2020.	–	151 720
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 112 basis points. Interest is payable quarterly. This liability matures on 1 December 2021.	288 009	–

20. INTEREST-BEARING BORROWINGS continued

20.6 Revolving credit facility and other

	30 June 2021 R'000	30 June 2020 R'000
20.6 Revolving credit facility and other	331 151	38 986
The unsecured Coronavirus liquidity facility bears interest at 1.25% and is guaranteed up to 70% by the Spanish government. The facility is payable in full in April 2023.	31 104	38 986
The revolving credit facility is unsecured and bears interest at three-month JIBAR plus 185 basis points (2020: three-month JIBAR plus 205 basis points). Interest is payable quarterly. This facility is available and expires on 365 days' notice from the lender.	300 047	–
Total interest-bearing borrowings	6 694 186	6 479 866
Short-term portion reflected under current liabilities	(1 276 047)	(876 679)
Long-term portion reflected under non-current liabilities	5 418 139	5 603 187
Secured asset-based borrowings	842 811	812 241
Secured property borrowings	726 592	805 815
Acquisition borrowings	–	97 204
SG Fleet borrowings	1 346 508	1 498 941
Corporate bond	2 188 000	2 350 000
Revolving credit facility and other	314 228	38 986
Repayment terms		
Year one (short-term interest-bearing borrowings)	1 276 047	876 679
Year two	2 365 940	1 055 090
Year three to five	3 047 818	4 548 097
Longer than five years	4 381	
	6 694 186	6 479 866
Currency analysis		
Rand	5 033 790	4 429 405
Australian Dollar	1 069 899	1 197 612
Pound Sterling	559 393	813 863
Euro	31 104	38 986
	6 694 186	6 479 866

Refer to note 38 for disclosure relating to the Group's liquidity, interest rate and foreign exchange.

NOTES TO THE FINANCIAL STATEMENTS continued

	Employee-related provisions R'000	Warranty and residual value provisions R'000	Dilapidation provisions R'000	Other provisions R'000	Total 30 June 2021 R'000	Total 30 June 2020 R'000
21. PROVISIONS						
Movement summary						
Balance at beginning of year	104 609	154 423	82 185	133 468	474 685	418 410
Increase in and additional provisions	258 478	20 242	1 054	204 819	484 593	378 774
Provisions utilised/payments made	(133 743)	(7 166)	(3 955)	(168 945)	(313 809)	(398 820)
Acquisitions of businesses (Refer note 31.1)	–	–	–	–	–	10 760
Translation adjustment	(5 566)	(13 893)	(6 288)	(14 269)	(40 016)	65 561
Balance at end of year	223 778	153 606	72 996	155 073	605 453	474 685
Current	223 778	70 484	72 996	136 164	503 422	389 276
Non-current	–	83 122	–	18 909	102 031	85 409
Total provisions	223 778	153 606	72 996	155 073	605 453	474 685

Employee-related provisions relate to bonuses. The bonus provisions are estimated based on the expected payment which will be made in respect of the services provided in the current financial year.

Warranty provisions relate to after sales costs in respect of warranties given on sale of certain vehicles. The provision has been estimated based on historical warranty data associated with similar products and services. The residual value provision is the shortfall between the carrying and the settlement value of the vehicle at the termination date of the lease. Residual values are determined taking into account generally accepted industry-based market forecasts adjusted, where necessary, to take into account factors specific to the asset. Assumptions in these models include future projected interest rates and market value data published in the relevant countries.

The Group has entered into leases that contain clauses under which the Group has to make good any dilapidations or other damage which occurs to the property during the course of the lease or restore a property to a specified condition. The dilapidation provision is estimated based on the expected payment which will be made to ensure this clause is adhered to.

Other provisions include provisions such as long service awards earned in terms of legislation in some foreign jurisdictions, pending legal and employee claims, onerous lease and audit fee provisions. These provisions are calculated based on the expected future outflow of funds from the Group.

22. TRADE AND OTHER PAYABLES

	30 June 2021 R'000	30 June 2020 R'000
Trade payables	6 251 086	7 748 959
Leave pay accruals	154 231	124 496
Other accruals	1 428 304	1 306 433
Outstanding cheques	31 012	17 505
Deferred income	261 993	294 262
Value added tax payables	246 138	115 245
Interest rate swaps	67 787	219 213
FEC liabilities	7 036	420
Sundry payables	126 067	155 690
	8 573 654	9 982 223
Currency analysis		
Rand	3 986 445	3 915 179
Australian Dollar	1 390 514	1 341 327
Pound Sterling	2 355 242	3 934 939
Euro	693 171	672 493
US Dollar and other	148 282	118 285
	8 573 654	9 982 223

Refer to note 10 for inventory held as security (reserved inventory).

Refer to note 38 for disclosure relating to the Group's liquidity, interest rate and foreign exchange risk.

	30 June 2021 R'000	30 June 2020 R'000
23. REVENUE		
Supply Chain Africa	11 042 240	11 585 254
Short haul transportation – Principal	5 303 774	5 266 519
Short haul transportation – Agent	1 103 769	976 297
Leasing of specialised software and commercial vehicles	235 284	227 708
Long haul transportation	1 610 411	1 471 077
Sale of goods	2 536 597	3 332 712
Other	252 405	310 941
Supply Chain Europe	3 497 770	2 844 185
Time critical delivery and courier services	3 471 906	2 825 425
Other	25 864	18 760
Dealerships	18 516 941	14 618 687
Sale of vehicles and parts – Principal	17 202 403	13 399 357
Sale of vehicles – Agent	208 715	248 207
Servicing of vehicles	1 105 823	971 123
Fleet Solutions	6 455 477	5 522 888
Management and maintenance income	1 080 128	1 060 622
Additional products and services	1 406 260	1 104 096
Funding commission	414 140	413 486
End of lease income	2 698 471	2 229 010
Rental income	855 090	701 891
Other	1 388	13 783
Services	5 140	7 284
Other	5 140	7 284
	39 517 568	34 578 298
Turnover	52 414 314	45 156 087
Costs incurred on behalf of customers or as an agent	(12 896 746)	(10 577 789)
	39 517 568	34 578 298

Refer to the operating segments on page 104 for the geographical split of revenue.

	30 June 2021 R'000	30 June 2020 R'000

24. OPERATING PROFIT

Operating profit is arrived at after taking into account the following:

24.1 Depreciation and amortisation

	30 June 2021 R'000	30 June 2020 R'000
Depreciation of property, plant and equipment	658 907	672 933
– Buildings and leasehold improvements	32 654	37 564
– Rental and transport fleet	321 239	373 814
– Computer equipment	48 283	47 669
– Furniture and workshop equipment	144 687	117 028
– Motor vehicles and other assets	112 044	96 858
Amortisation of intangible assets	279 295	264 860
– Software	75 967	60 656
– Trade names	1 917	2 172
– Customer relations	108 043	103 347
– Customer contracts and other	93 368	98 685
Depreciation of ROU assets	474 718	464 462
– Land, buildings and leasehold improvements	387 799	374 722
– Fleet and vehicles	71 730	71 849
– Other ROU assets	15 189	17 891
Depreciation of full maintenance lease assets	452 247	389 631
	1 865 167	1 791 886
Amortisation of PPA intangibles included in amortisation of intangible assets	210 577	210 186
– Software	8 129	7 779
– Trade names	1 917	2 172
– Customer relations	108 043	103 347
– Customer contracts and other	92 488	96 888
Depreciation of ROU assets	474 718	464 462
Other depreciation and amortisation (excluding amortisation of PPA intangibles)	1 179 872	1 117 238

24.2 Impairment of receivables

	30 June 2021 R'000	30 June 2020 R'000
Bad debts written off (no previous ECL raised)	10 132	5 552
Impairment raised against doubtful trade debtors	64 767	198 060
	74 899	203 612

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
24. OPERATING PROFIT continued		
24.3 Cost of sales	28 371 138	24 777 998
24.4 Operating expenditure – excluding capital items, cost of sales and impairment of receivables		
Auditors' remuneration	48 229	34 627
– Audit fees	30 454	31 405
– Expenses	512	466
– Other services	17 263	2 756
Operating leases	88 321	93 980
– Buildings	26 973	20 253
– Plant and equipment	63 407	70 003
– Motor vehicles and other assets	89	3 503
– Lease straight-lining (income)/expense	(2 148)	221
Translation gains	(72 806)	(85 806)
Translation losses	133 373	89 399
Share-based payment expense/(reversed) (Refer note 39)	53 810	(31 918)
Employee benefit costs excluding directors' emoluments and employer contributions	4 325 861	3 849 196
Employer contributions to	248 245	241 530
– Defined contribution funds	182 173	172 578
– Medical aid funds	66 072	68 952
Directors' emoluments (Refer note 41)		
Executive directors' emoluments	18 314	21 905
– Basic remuneration	11 453	9 483
– Performance bonus	5 556	9 992
– Employer contributions to defined contribution funds	700	700
– Other benefits	605	1 730
Non-executive directors' emoluments	3 665	4 303
– Chairman's fees	780	768
– Directors' fees	2 885	3 535
Other operating expenses	2 086 398	2 009 565
	6 933 410	6 226 781
Operating expenditure – excluding capital items and impairment of receivables	35 304 548	31 004 779

	30 June 2021 R'000	30 June 2020 R'000
25. FINANCE COST, INTEREST RECEIVED AND PROFIT/(LOSS) FROM EQUITY-ACCOUNTED INVESTEE		
25.1 Finance costs	(681 466)	(807 990)
– Full maintenance lease borrowings	(104 401)	(59 190)
– SG Fleet borrowings	(60 017)	(54 037)
– Property borrowings	(33 238)	(44 515)
– Instalment sale agreements	(85 566)	(135 668)
– Floorplan creditors	(68 887)	(108 594)
– Long term loans	(14 613)	(22 887)
– ROU lease liabilities	(170 179)	(175 469)
– Corporate bond	(141 191)	(192 123)
– Bank accounts	(2 299)	(10 691)
– Other	(1 075)	(4 816)
25.2 Interest received	171 602	234 537
– Bank accounts	85 921	108 790
– SG Fleet interest received	5 738	13 361
– Finance lease and long-term receivables	7 999	8 361
– Interest rate swaps	55 925	83 485
– Trade finance and other debtors	3 957	5 918
– Other	12 062	14 622
25.3 Profit/(loss) from equity-accounted investees	1 292	(7 861)
	(508 572)	(581 314)

	30 June 2021 R'000	30 June 2020 R'000
26. INCOME TAX EXPENSE		
Income tax comprises:		
South African normal taxation		
– Current tax	261 290	166 617
– Prior year current tax	(1 406)	8 845
– Deferred tax	19 338	3 429
– Prior year deferred tax	5 581	(8 982)
Foreign taxation		
– Current tax	351 308	213 057
– Prior year current tax	(13 509)	(582)
– Deferred tax	(121 717)	(78 472)
– Prior year deferred tax	4 806	(25 265)
	505 691	278 647

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 %	30 June 2020 %
26. INCOME TAX EXPENSE continued		
Reconciliation of rate of income tax:		
The reconciliation of the rate of income tax is based on profit before income tax.		
Standard rate of income tax	28.0	28.0
Adjusted for:		
Prior year over provisions	(0.2)	(22.1)
Dividend and exempt income	(0.2)	(8.0)
Loss from equity accounted investees	–	1.8
CFC allocation	0.1	1.4
Goodwill impairment	0.1	212.2
Revaluation of investments	(0.1)	(1.1)
Depreciation on non-qualifying assets	0.2	4.5
Interest and penalties paid to revenue authorities	–	0.2
Non-deductible entertainment, legal, professional and consulting fees	0.3	4.7
Finance costs not deductible	0.1	21.9
SG Fleet share based payment non-deductible expense	0.5	(1.1)
Foreign tax rate differential	1.0	(3.9)
Unrecognised temporary difference	2.2	(4.6)
CGT differential and other	(3.5)	3.1
Effective income tax rate	28.5	237.0

	30 June 2021 R'000	30 June 2020 R'000
Tax losses available for set off against future taxable income utilised in the deferred tax computation	90 692	265 047
Tax losses not utilised in deferred tax computation	179 737	167 101
Total tax losses	270 429	432 148

27.1 DIVIDEND PER ORDINARY SHARE

A final gross dividend of 47 cents (2020: Nil cents) per share has been declared out of income reserves, subsequent to 30 June 2021, in respect of the ordinary shares of no par value for the year ended 30 June 2021.

A dividend withholding tax of 20% or 9.4 cents per share will be applicable, resulting in a net dividend of 37.6 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement.

	30 June 2021 R'000	30 June 2020 R'000

27.2 Earnings per share

Basic earnings per share is derived by dividing profit or loss attributable to the equity holders of Super Group Limited for the year by the weighted average number of shares in issue after taking treasury shares into account. Appropriate adjustments are made in calculating diluted and headline earnings per share.

No adjustments were made to reported earnings attributable to shareholders in the computation of diluted earnings per share.

Headline earnings are determined as follows:

	30 June 2021 R'000	30 June 2020 R'000
Profit/(loss) attributable to equity holders of Super Group Limited	1 022 368	(188 131)
Capital items before tax and non-controlling interest	(9 972)	879 157
Impairment of property, plant and equipment	5 067	12 634
Impairment of intangible assets	3 351	31 011
Impairment of goodwill	5 205	851 756
Impairment of investment and goodwill on equity-accounted investee	470	17 032
Profit on disposal of property, plant and equipment, and other	(44 765)	(28 576)
Loss on sale of equity-accounted investee	16 000	–
Fair value adjustment to investment property	4 700	(4 700)
Tax effect of capital items	9 815	(3 658)
Impairment of property, plant and equipment	(1 108)	(2 147)
Impairment of intangible assets	(938)	(9 243)
Profit on sale of property, plant and equipment, and other	12 914	6 679
Fair value adjustment to investment property	(1 053)	1 053
Non-controlling interest effect of capital items	5 177	(140 805)
Impairment of intangible assets	(603)	(205)
Impairment of goodwill	–	(142 275)
Profit on sale of property, plant and equipment, and other	5 780	1 675
Headline earnings for the year	1 027 388	546 563

	30 June 2021 Number of shares '000	30 June 2020 Number of shares '000
Weighted average number of ordinary shares in issue	359 996	361 373
Dilutionary share options	116	–
Diluted weighted average number of ordinary shares	360 112	361 373

	30 June 2021 Cents	30 June 2020 Cents
Earnings per share		
Basic	284.0	(52.1)
Diluted	283.9	(52.1)
Headline earnings per share		
Basic	285.4	151.2
Diluted	285.3	151.2

NOTES TO THE FINANCIAL STATEMENTS continued

	30 June 2021 R'000	30 June 2020 R'000
28. CASH GENERATED FROM OPERATIONS		
Reconciliation of profit before income tax to cash generated from operations:		
Profit before income tax	1 774 354	117 550
Interest received	(171 602)	(234 537)
Share of (profit)/loss of equity-accounted investees	(1 292)	7 861
Finance costs	681 466	807 990
Adjustments for:		
Depreciation and amortisation	1 865 167	1 791 886
Impairment of intangible assets, full maintenance lease vehicles, property, plant and equipment, investments and goodwill	14 093	912 433
Fair value adjustments to investment property	4 700	(4 700)
Profit on disposal of property, plant and equipment, and other	(44 765)	(28 576)
Loss on sale of equity-accounted investee	16 000	–
Movement in provisions	170 784	(20 046)
Bad debts written off	10 132	5 482
Unrealised foreign exchange losses/(gains)	7 548	(38 965)
Net increase in trade receivables and inventory provision	43 483	200 865
Share-based payment expense/(reversal)	53 810	(31 918)
Other	7 773	(38 061)
Operating cash flow	4 431 651	3 447 264
Working capital changes	352 857	854 616
(Increase)/decrease in trade and other receivables	(508 721)	1 297 548
Decrease in inventories	1 451 372	199 803
Decrease in trade and other payables	(715 089)	(891 115)
Increase in fund reserves	125 295	248 380
	4 784 508	4 301 880
29. DIVIDENDS PAID TO NON-CONTROLLING INTERESTS		
Dividends declared and paid to non-controlling interests in subsidiaries	(159 414)	(205 385)
30. INCOME TAX PAID		
Balance owing at beginning of year	43 785	(46 321)
Charge for the current year	(597 683)	(387 937)
Acquisition of businesses (Refer note 31.1)	–	(26 208)
Translation adjustment	6 399	(4 422)
Balance owing at end of year	11 030	(43 785)
	(536 469)	(508 673)

31. BUSINESS COMBINATIONS

31.1 Net cost on acquisition of businesses

	30 June 2021 R'000	30 June 2020 R'000
Fair value of assets acquired and liabilities assumed at date of acquisition		
Assets		
Property, plant and equipment	–	(346 750)
ROU assets	–	(441 277)
Intangible assets	(9 162)	(373 065)
Goodwill	5 278	(555 240)
Inventories	–	(30 858)
Non-current receivables	–	(113 109)
Trade and other receivables	–	(220 880)
Income tax receivable	–	(80)
Cash and cash equivalents	–	(81 694)
	(3 884)	(2 162 953)
Liabilities		
ROU lease liabilities	–	578 008
Other interest-bearing borrowings	–	266 481
Shareholders' loan	–	10 814
Deferred tax liabilities	2 565	156 441
Trade and other payables	–	133 898
Income tax payable	–	26 288
Provisions	–	10 760
Overdraft	–	7 965
	2 565	1 190 655
Fair value of net assets acquired	(1 319)	(972 298)
Less: Non-controlling interest	1 319	163 541
Purchase price	–	(808 757)
Cash acquired	–	73 729
Cash outflow	–	(735 028)

The purchase price allocation exercise in respect of Zultrans, which was acquired in the prior year, was finalised in the current financial year.

	SG Fleet R'000	30 June 2021 Total R'000	30 June 2020 Total R'000
31. BUSINESS COMBINATIONS continued			
31.2 Net costs on maintaining existing shareholding in subsidiaries			
Non-controlling interest	(381 660)	(381 660)	–
Effect of transactions between equity partners on equity	7 113	7 113	–
Cash inflow	(374 547)	(374 547)	–

SG Fleet had a rights issue during the year. The Group followed its rights, subscribing to 21.2 million shares, thereby retaining its 60.13% shareholding.

	Ader R'000	inTime R'000	30 June 2021 Total R'000	30 June 2020 Total R'000
31.3 Net costs on increase in existing shareholding in subsidiaries				
Non-controlling interest	11 302	24 568	35 870	(32 980)
Effect of transactions between equity partners on equity	1 093	(24 568)	(23 475)	(46 525)
Cash outflow	12 395	–	12 395	(79 505)

The Group acquired an additional 5% in inTime in June 2021 for €1. The shareholding at year end is 80%.

During the year, an additional 5.3% of the shares in Ader were purchased for €636 744.

	30 June 2021 R'000	30 June 2020 SG Fleet R'000
31.4 Net proceeds on decrease in existing shareholding in subsidiaries		
Non-controlling interest	–	5 016
Effect of transactions between equity partners on equity	–	2 947
Cash inflow	–	7 963

32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Interest-bearing borrowings total R'000	ROU Borrowings R'000	FML Total R'000	Total R'000
30 June 2021				
Balance at beginning of year	6 479 866	2 880 764	1 290 503	10 651 133
Debt raised	1 693 475	–	1 350 520	3 043 995
Interest accrued	1 219	5 438	(57)	6 600
ROU raised	–	530 626	–	530 626
ROU cancelled	–	(104 307)	–	(104 307)
Debt repaid	(1 290 586)	(509 962)	(820 414)	(2 620 962)
Translation adjustment	(189 788)	(194 664)	(67 608)	(452 060)
Balance at end of year	6 694 186	2 607 895	1 752 944	11 055 025

	Interest-bearing borrowings total R'000	ROU Borrowings R'000	FML Total R'000	Shareholders loan R'000	Total R'000
30 June 2020					
Balance at beginning of year	5 741 842	–	877 661	–	6 619 503
Transfer	(134 295)	134 295	–	–	–
Debt raised	1 813 922	–	827 455	–	2 641 377
Interest accrued	2 174	259	–	–	2 433
ROU raised	–	2 420 299	–	–	2 420 299
ROU cancelled	–	(34 399)	–	–	(34 399)
Debt repaid	(1 566 177)	(446 149)	(514 369)	(10 814)	(2 537 509)
Acquisition of businesses (Refer note 31.1)	266 481	578 008	–	10 814	855 303
Translation adjustment	355 919	228 451	99 756	–	684 126
Balance at end of year	6 479 866	2 880 764	1 290 503	–	10 651 133

	30 June 2021 R'000	30 June 2020 R'000
33. CAPITAL EXPENDITURE COMMITMENTS AND RENTAL COMMITMENTS		
33.1 Capital expenditure commitments		
Full maintenance lease assets		
Contracted	675 515	519 928
Authorised by directors but not yet contracted	874 397	820 670
Total authorised by directors	1 549 912	1 340 598
Property, plant and equipment		
Land, buildings and leasehold improvements		
Contracted	179 120	–
Authorised by directors but not yet contracted	147 757	312 079
Other assets		
Contracted	161 706	124 687
Authorised by directors but not yet contracted	812 854	1 132 483
Total authorised by directors	1 301 437	1 569 249

This capital expenditure will be financed by proceeds on disposal of related assets, funds generated by the businesses and borrowing facilities available to the Group.

	30 June 2021 R'000	30 June 2020 R'000
33.2 Operating rental commitments		
Property	16 075	6 483
– less than one year	10 401	6 483
– between one and five years	5 674	–
Rental and transport fleet	968	900
– less than one year	968	900
Other	13 526	22 184
– less than one year	1 719	5 991
– between one and five years	11 807	16 184
– thereafter	–	9
Total rental commitments	30 569	29 567
– less than one year	13 088	13 374
– between one and five years	17 481	16 184
– thereafter	–	9

Refer to notes 3 and 19 for disclosure relating to ROU assets and ROU lease liabilities.

34. GOING CONCERN

The directors consider that the Group has adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the Group and Company financial statements. The directors have satisfied themselves that the Company and its subsidiaries are in a sound financial position and that the Group has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

35. SUBSEQUENT EVENTS

Protest actions mid-July 2021 in KwaZulu-Natal and Gauteng

The violent protests that occurred predominantly in KwaZulu-Natal and Gauteng over a couple of days in the middle of July 2021 had a severe financial impact on the Group's operations. The estimated loss in revenue amounts to approximately R97.5 million and in capital replacement expenses to approximately R45.7 million. The financial impact of the civil unrest was minimal due to the insurance policies in place.

Acquisition by SG Fleet of LeasePlan

On 31 March, Super Group announced on SENS that SG Fleet, via a wholly owned subsidiary, SG Fleet Management (Pty) Ltd, entered into an agreement with LeasePlan Corporation N.V. to acquire 100% of the ordinary shares in issue of LeasePlan Australia Ltd. and LeasePlan New Zealand Ltd. (together LeasePlan ANZ). Super Group holds 100% of the shares in Bluefin Investments Ltd. (Bluefin), which in turn holds 60.13% of the shares in SG Fleet.

LeasePlan ANZ is a provider of fleet management and leasing services in Australia and New Zealand to corporate businesses and governments. LeasePlan ANZ also offers novated leasing services in Australia.

The purchase consideration for the LeasePlan ANZ Acquisition increased from AUD387.4 million (R4.1 billion) at announcement date, end of March 2021, to AUD402.3 million (R4.3 billion) at completion date, which comprises AUD129.3 million (R1.4 billion) non-cash scrip consideration and AUD273.0 million (R2.9 billion) in cash. SG Fleet will fund the cash component of the LeasePlan ANZ Acquisition purchase consideration with AUD175.0 million (R1.9 billion) of new debt and AUD86.3 million (R924.3 million) from the proceeds of the issue of 35.2 million new shares in SG Fleet at AUD2.45 per share ("Entitlement Offer") and existing cash of AUD11.7 million (R125.3 million). Super Group, through its subsidiary Bluefin, took up its entire pro rata share under the Entitlement Offer in April 2021, acquiring 21 188 171 shares at a price of AUD2.45 per share with a total value of AUD51.9 million (R555.8 million). The exchange rate used to calculate the Rand-amounts was the closing rate as at 30 June 2021 of R10.71 to AUD1.00. On 23 August 2021, SG Fleet announced that all conditions precedent to the LeasePlan ANZ Acquisition had been met and that it was completed on 1 September 2021. Bluefin's interest in SG Fleet diluted to 52.30%.

Deal costs in relation to the LeasePlan ANZ Acquisition of R103.1 million were expensed in the current year, with R59.7 million included within operating expenses and R43.4 million in finance costs

Dividends

Refer to note 27.1 for dividends declared subsequent to 30 June 2021.

Other than the matters disclosed, the directors are not aware of other matters or circumstances arising subsequent to the reporting date up to the date of this Report, which will require disclosure in these results.

NOTES TO THE FINANCIAL STATEMENTS continued

36. RELATED PARTIES

Identity of related parties

The Group has related party relationships with retirement benefit funds, equity-accounted investees and its key management personnel.

"Key management personnel" has been defined as the executive and non-executive directors (Refer note 41). The definition of related parties includes the close members of family of key management personnel and any other entity over which key management exercises control, significant influence or joint control. Close members of family are those family members who may be expected to influence or be influenced by that individual in their dealings with the Group. They may include the individual's domestic partner and children, the children of the individual's domestic partner, and dependents of the individual or the individual's domestic partner.

Transactions with equity-accounted investees

Rental paid to equity-accounted investees during the 2021 year amounted to R13 373 512 (2020: R12 269 277).

Transactions with key management personnel

Interest in share capital of Super Group Limited

Directors of the company control 0.1% (2020: 0.01%) of the voting shares of the company. Further details of the directors' interests in the shares of the company are disclosed in note 41 and in the Analysis of shareholders' and bondholders' report on pages 121 to 123.

Directors' remuneration

Disclosure of directors' emoluments are included in note 41.

Share options and incentive grants

Directors participate in the Group's share option and incentive programmes. Detailed disclosure is provided in note 41.

Loans to/(from) directors

There are no loans to or from directors.

Interest in contracts

The Group utilises Fluxmans Attorneys, a director-related entity, to assist with corporate law advisor services in respect of various transactions and several other corporate and labour matters. These transactions are performed at an arm's length basis.

With the exception of Fluxmans Attorneys no directors have material interests in any transaction with the company or its subsidiaries (Refer note 41).

Other transactions with key management personnel

Super Group Limited and its subsidiaries have directly or indirectly entered into a limited number of immaterial transactions with key management during the year. These transactions are entered into in the normal course of business under terms and conditions that are no more favourable than those arranged with third parties.

These transactions include:

- provision of legal services by director-related entity; and
- purchase of goods and services from Group subsidiaries.

The Group, in the ordinary course of business, entered into various sales and purchase transactions with related parties.

The Group encourages its employees and key management to purchase goods and services from Group companies (refer to pages 119 to 120 for the list of subsidiaries). These transactions are generally conducted on terms no more favourable than those entered into with third parties on an arm's length basis although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed and no impairments were recognised in relation to any transactions with key management personnel during the year nor have they resulted in any non-performing debts at year-end. Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at Group level.

Shareholders

The company's shares are widely held, mostly by public shareholders. An analysis of major shareholders is provided on pages 121 to 122 of the Annual Financial Statements.

37. RETIREMENT BENEFITS

All eligible employees are members of defined contribution schemes administered by the Group or are members of funds within the various industries in which they are employed. Contributions are paid by the members and the Group. The assets of these schemes are held in administered trust funds separated from the Group's assets. Scheme assets primarily consist of listed shares and property unit trusts and fixed income securities. South African funds are governed by the Pension Funds Act of 1956 and all other funds are governed by the respective legislation of the country concerned.

The benefits provided are determined by accumulated contributions and returns on investments. The benefits offered vary according to the legal, fiscal and economic conditions of each fund. Where required, trustees are appointed by the Group companies and representatives of the employees. The trustees monitor investment performance and portfolio characteristics on a regular basis to ensure fund managers are meeting expectations with respect to their investment approach. No fund holds a significant number of shares in Super Group Limited.

The Group has no exposure to any post-retirement benefit obligations.

	30 June 2021 R'000	30 June 2020 R'000
Contributions to defined contribution funds (Refer note 24.4)	182 873	173 278

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

38.1 Introduction

Super Group has risk management and central treasury functions that manage the financial risks relating to the Group's operations. The risk management function takes responsibility for the identification, measurement and monitoring of risk. The central treasury provides services to the businesses, co-ordinates access to domestic and international foreign markets and manages the financial risks relating to the Group's operations. The Group's credit, liquidity, foreign currency and interest rate risks are continually monitored. In order to manage these risks, the Group has developed a risk management process to facilitate management of risk. The Risk Committee meets regularly to review and, if appropriate, approve the implementation of optimal strategies for the effective management of risks. Senior management also meet on a regular basis to analyse currency and interest rate exposures and re-evaluate treasury strategies against revised economic forecasts.

38.2 Risk profile

In the course of the Group's business operations it is exposed to credit, liquidity, and market risk which includes foreign currency and interest rate risk. The risk management policy of the Group relating to each of these risks is discussed under the respective headings. Where appropriate, derivative financial instruments are used as a means of reducing exposure to fluctuations in foreign exchange rates and interest rates. Whilst these financial instruments are subject to the risk of market rates changing subsequent to acquisition, such changes are generally expected to be offset by opposite effects on the items being hedged. The Group finances its operations through a mixture of retained profits, bank overdrafts, bank revolving credit borrowings, interest-bearing and full maintenance lease borrowings. Long-term financing is arranged centrally by the Group treasury division.

38.3 Capital management

The Board's policy is to maintain healthy capital ratios so as to maintain investor, creditor and market confidence and to sustain future development of the business on a capital-efficient basis. The Board monitors its capital structure, determining the appropriate debt-to-equity ratio in light of changing economic conditions. The Group invests in growth opportunities, both organic and acquisitive, that complement its strategy applying hurdle rate methodology utilising the weighted average cost of capital (WACC). The board recognises debt as an important component of its capital structure in support of its leveraged business models. The optimal mix of debt and equity is determined in order to minimise the overall cost of capital and maximise shareholder value.

From time to time the Group purchases its own shares on the market. The timing of these purchases depends on market prices and conditions. As at the date of this report, the Group did not have a defined share buyback plan. The transactions are approved by the Board.

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.4 Capital structure and ratios

	30 June 2021 R'000	30 June 2020 R'000
Salient features		
Total equity	13 756 806	13 026 253
SG Fleet borrowings	1 346 571	1 498 941
Full maintenance lease borrowings	1 752 944	1 290 503
Secured asset-based borrowings	1 373 260	1 418 465
Secured property borrowings	783 195	867 001
Corporate bond	2 860 009	2 510 670
Acquisition borrowings – Allen Ford and EAG	–	145 803
Revolving credit facility and other	331 151	38 986
Cash and cash equivalents	(6 131 281)	(4 628 285)
Net debt	2 315 849	3 142 084
EBITDA	4 138 121	3 369 907
Total net gearing (%) (Net debt/Total equity)	16.8	24.1
Net interest cover (EBITDA/Net interest) (times)	12.2	8.5
Net debt to EBITDA cover (times)	0.56	0.93
Net debt to EBITDA excluding SG Fleet and IFRS16 (times)[1]	1.16	1.26
Net interest cover ratio excluding SG Fleet and IFRS16 (times)[2]	11.1	5.8

[1] *Net debt to EBITDA is defined as net debt divided by EBITDA. In accordance with certain borrowing facilities, the Group has to maintain a ratio less than 2.5 times.*

[2] *Net interest cover is EBITDA divided by net interest paid measured after annualising the effects of business acquisitions during the year. A minimum of 2.7 times cover has to be met in terms of the certain borrowing facilities.*

38.5 Credit risk

Credit risk relates to potential exposure in respect of cash and cash equivalents, other non-current assets, FEC assets, finance lease receivables, trade receivables, other receivables and derivative instruments. Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Where appropriate, the Group obtains collateral or credit insurance on outstanding debts to mitigate risk.

Counterparties to financial instruments consist of a large number of high credit-rated financial institutions. The Group does not expect any counterparties to fail to meet their obligations, given their high credit ratings. The Group has no significant concentration of credit risk with any single counterparty or group of counterparties. Counterparty credit limits are in place which are reviewed and approved by the respective subsidiary boards. Trade accounts receivable consist of a large number of customers spread across diverse industries and geographical areas. Adequate allowance for credit losses has been made. No single customer represents more than 10% of the Group's total revenue for the years ended or total trade receivables at 30 June 2021 and 30 June 2020.

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.5 Credit risk continued

	30 June 2021 R'000	30 June 2020 R'000
The maximum exposure to credit risk at the reporting date was:		
Other non-current assets	350 534	418 339
Trade receivables – net of allowance for credit losses	3 781 512	3 415 653
Sundry receivables (excluding prepayments, lease straight-line debtors, finance lease receivables, assets held-for-sale and VAT receivables)	1 162 139	1 176 063
Short-term portion of finance lease receivable	16 128	–
Cash and cash equivalents	6 131 281	4 628 285
	11 441 594	9 638 340
The credit risk in respect of the non-current assets, finance lease receivable and cash and cash equivalents is not material.		
The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:		
South Africa	2 579 473	2 289 649
Australia	541 456	496 802
United Kingdom	335 383	319 360
Europe	588 531	495 010
Africa and other	117 999	82 130
	4 162 842	3 682 951
Gross debtors by trade debtor type		
Wholesale and retail debtors	481 221	453 471
End-user trade debtors	1 006 943	1 018 321
Contract debtors	2 674 678	2 211 159
	4 162 842	3 682 951
Impairment allowance of trade receivables and sundry receivables		
The movement in the impairment allowance for trade and sundry receivables was as follows:		
Opening balance	308 607	128 118
Movement in impairment allowance	74 934	177 350
Translation adjustment	(2 211)	3 139
Balance at end of year	381 330	308 607
Allocated to:		
Trade receivables	379 106	267 298
Agency debtors	392	39
Trade finance debtors	1 832	41 270

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.5 Credit risk continued

30 June 2021

The following table provides information about the credit risk exposure and expected credit losses (ECLs) for trade receivables, agency debtors and trade finance debtors:

	Trade receivables				
	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance R'000	Weighted average loss rate R'000
0 – 30 days	2 522 850	2 054 268	468 582	18 235	0.72%
31 – 60 days	718 816	270 391	448 425	14 881	2.07%
61 – 90 days	318 317	121 109	197 208	16 221	5.10%
91 – 120 days	112 415	37 486	74 929	12 191	10.84%
>120 days	490 444	6 552	483 892	317 578	64.75%
	4 162 842	2 489 806	1 673 036	379 106	

The increase in the loss allowance for the debtors >120 days is due to credit risk rating amendments and defaults experienced.

	Agency debtors				
	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance R'000	Weighted average loss rate R'000
0 – 30 days	897 870	895 818	2 052	192	0.02%
31 – 60 days	280	–	280	200	71.43%
	898 150	895 818	2 332	392	

	Trade finance debtors				
	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance R'000	Weighted average loss rate R'000
0 – 30 days	5 838	5 838	–	–	0.00%
31 – 60 days	9 309	9 309	–	–	0.00%
61 – 90 days	10 032	10 032	–	–	0.00%
91 – 120 days	7 252	7 252	–	–	0.00%
>120 days	9 085	3 601	5 484	1 832	20.17%
	41 516	36 032	5 484	1 832	

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.5 **Credit risk** continued

30 June 2020

The following tables provides information about the credit risk exposure and expected credit losses (ECLs) for trade receivables, agency debtors and trade finance debtors:

Trade receivables

	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance R'000	Weighted average loss rate R'000
0 – 30 days	2 286 298	2 112 414	173 884	9 943	0.43%
31 – 60 days	535 788	240 638	295 150	7 580	1.41%
61 – 90 days	166 903	55 752	111 151	9 878	5.92%
91 – 120 days	184 997	49 420	135 577	40 933	22.13%
>120 days	508 965	84 802	424 163	198 964	39.09%
	3 682 951	2 543 026	1 139 925	267 298	

Agency debtors

	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance[2] R'000	Weighted average loss rate R'000
0 – 30 days	877 111	873 768	3 343	39	0.00%

[2] *The expected credit loss of R765 000 has been included in the impairment allowance of trade receivables.*

Trade finance debtors

	Gross carrying amount R'000	Not past due R'000	Past due R'000	Loss allowance R'000	Weighted average loss rate R'000
0 – 30 days	20 872	16 881	3 991	3 991	19.12%
31 – 60 days	12 079	10 678	1 401	1 325	10.97%
61 – 90 days	24 066	20 470	3 596	2 765	11.49%
91 – 120 days	15 920	1 780	14 140	12 726	79.94%
>120 days	24 115	–	24 115	20 463	84.86%
	97 052	49 809	47 243	41 270	

The Group uses an allowance matrix to measure the ECLs of trade receivables, agency debtors and trade finance debtors. Loss rates are based on actual credit losses over prior years. These rates take into account current conditions and the Group's view of expected economic conditions.

The Group did not hold collateral for any credit risk exposures.

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.6 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. To manage this risk, Group companies manage their working capital, capital expenditure and cash flow and annually assess the financial viability of customers. In order to mitigate any liquidity risk that may arise, adequate unutilised banking facilities and reserve borrowing capacity is maintained per Group policy. The Group continually monitors forecast and actual cash flows and actively matches maturity profiles of financial assets and liabilities through various committees within the Group. Cash requirements are continuously forecasted and any shortfalls identified are managed through the Group's treasury policy. Covenant requirements are regularly reviewed and reported to the respective stakeholders. If probable future breaches of covenants are identified, corrective actions are put in place.

The following disclosure is based on the contractual maturities of the specific financial liabilities, including estimated interest payments[1] and excluding the impact of netting agreements:

	Carrying amount R'000	Within six months R'000	Six to twelve months R'000	One to two years R'000	Two to five years R'000	After five years R'000	Total contractual cash flows R'000
30 June 2021							
Non-derivative financial liabilities							
Secured asset-based borrowings	1 373 260	326 403	264 617	503 414	334 958	31 850	1 461 242
Secured property borrowings	783 195	43 819	43 444	86 063	725 675	–	899 001
SG Fleet interest bearing corporate borrowings	1 346 571	21 349	21 349	1 366 927	–	–	1 409 625
Corporate bond	2 860 009	362 928	443 364	361 778	2 023 542	–	3 191 612
Revolving credit facility and other	331 151	16 975	16 838	330 931	–	–	364 744
Full maintenance lease borrowings – South Africa	1 056 563	151 058	262 417	356 600	639 854	30 962	1 440 891
Full maintenance lease borrowings – SG Fleet	696 381	92 505	95 803	205 835	322 045	–	716 188
ROU liabilities	2 607 895	288 295	246 862	438 158	888 515	1 040 121	2 901 951
Trade and other payables[2]	7 990 700	7 755 245	302 130	–	–	–	8 057 375
	19 045 725	9 058 577	1 696 824	3 649 706	4 934 589	1 102 933	20 442 629
Derivative financial liabilities							
NCI put option	285 431	–	–	–	353 156		353 156
FEC liabilities	7 036	7 036	–	–	–	–	7 036
Interest rate swaps	67 787	67 787	–	–	–	–	67 787
	360 254	74 823	–	–	353 156	–	427 979

[1] *Estimated interest payments are based on the assumption that current interest rates remain unchanged.*

[2] *Trade and other payables excludes FECs, VAT payables, deferred income, interest rate swaps and amounts payable to South African Revenue Services for customs and excise responsibilities.*

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.6 Liquidity risk continued

	Carrying amount R'000	Within six months R'000	Six to twelve months R'000	One to two years R'000	Two to five years R'000	After five years R'000	Total contractual cash flows R'000
30 June 2020							
Non-derivative financial liabilities							
Secured asset-based borrowings	1 418 465	393 586	322 144	472 652	340 819	8 564	1 537 765
Secured property borrowings	867 001	48 200	47 556	185 015	745 382	–	1 026 153
SG Fleet interest bearing corporate borrowings	1 498 941	24 263	24 263	48 527	1 535 078	–	1 632 131
Corporate bond	2 510 670	209 403	65 306	506 090	2 162 259	–	2 943 058
Revolving credit facility and other	38 986	292	3 450	19 747	16 452	–	39 941
Full maintenance lease borrowings – Fleet Africa	597 640	125 776	151 372	176 568	210 597	–	664 313
Full maintenance lease borrowings – SG Fleet	692 863	167 557	162 299	133 952	249 940	–	713 748
Acquisition borrowings	145 803	26 834	26 359	51 445	49 694	–	154 332
ROU liabilities	2 880 764	333 530	261 067	494 287	1 037 470	1 482 689	3 609 043
Trade and other payables[2]	9 353 083	7 874 192	1 507 292	–	–	–	9 381 484
	20 004 216	9 203 633	2 571 108	2 088 283	6 347 691	1 491 253	21 701 968
Derivative financial liabilities							
NCI put option	328 431	–	–	–	446 688	–	446 688
FEC liabilities	420	420	–	–	–	–	420
Interest rate swaps	219 213	219 213	–	–	–	–	219 213
	548 064	219 633	–	–	446 688	–	666 321

[1] *Estimated interest payments are based on the assumption that current interest rates remain unchanged.*
[2] *Trade and other payables excludes FEC's, VAT payables, deferred income, interest rate swaps and amounts payable to South African Revenue Services for customs and excise responsibilities.*

Trade and other payables form an integral part of the day-to-day working capital structure. The maturity profile depicts the expected cash outflows excluding any increase in trade and other payables as a result of normal activity. Cash flows and timing thereof related to foreign exchange contracts cannot be determined and full repayment has been shown in the earliest cash flow period.

The capital structure of the Group includes the non-derivative financial liabilities excluding trade and other payables listed above. The maturity profile reflected excludes the normal renewal or raising of borrowings. These cash outflows also exclude the effects of cash inflows on disposal of the underlying non-financial assets.

38.7 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and equity prices will affect profit and loss and the value of the holding of the financial instrument.

38.7.1 Foreign currency risk

Exchange rates to South African rand	30 June 2021 Average rate	30 June 2021 Closing rate	30 June 2020 Average rate	30 June 2020 Closing rate
Australian Dollar	11.47	10.71	10.44	11.98
Euro	18.35	16.95	17.33	19.49
Pound Sterling	20.70	19.76	19.72	21.51
US Dollar	15.36	14.29	15.67	17.36

NOTES TO THE FINANCIAL STATEMENTS continued

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.7 Market risk continued

38.7.1 Foreign currency risk continued

Foreign currency risk exposure

Financial instruments analysed in rand equivalent of foreign currency:

	Rand R'000	Australian dollar R'000	Pound Sterling R'000	Euro R'000	US dollar and other R'000	Total R'000
30 June 2021						
Financial assets						
Other non-current financial assets	149 968	28 120	–	172 419	27	350 534
Trade and other receivables[1]	3 316 433	539 550	329 413	603 593	154 662	4 943 651
Cash and cash equivalents	2 518 145	2 315 771	502 302	404 992	390 071	6 131 281
Financial liabilities						
Interest-bearing borrowings	5 033 790	1 069 899	559 393	31 104	–	6 694 186
ROU lease liabilities	1 128 786	54 553	536 093	879 611	8 852	2 607 895
Full maintenance lease borrowings	1 022 124	8 569	623 330	–	98 921	1 752 944
Non-controlling interest put options	285 431	–	–	–	–	285 431
Trade and other payables[2]	3 942 550	1 243 953	2 109 054	631 527	138 439	8 065 523

	Rand R'000	Australian dollar R'000	Pound Sterling R'000	Euro R'000	US dollar and other R'000	Total R'000
30 June 2020						
Financial assets						
Other non-current financial assets	156 802	20 852	–	240 151	534	418 339
Trade and other receivables[1]	3 043 389	492 144	319 360	565 691	171 132	4 591 716
Cash and cash equivalents	2 156 580	1 161 513	535 385	408 049	366 758	4 628 285
Financial liabilities						
Interest-bearing borrowings	4 429 405	1 197 612	813 863	38 986	–	6 479 866
ROU lease liabilities	1 035 005	90 230	697 193	1 048 628	9 708	2 880 764
Full maintenance lease borrowings	569 990	4 267	581 449	–	134 797	1 290 503
Non-controlling interest put options	328 431	–	–	–	–	328 431
Trade and other payables[2]	3 846 907	1 154 456	3 812 193	674 887	84 273	9 572 716

[1] *Trade and other receivables exclude prepayments, straight-line lease debtors, VAT receivables and finance lease receivables.*

[2] *Trade and other payables exclude VAT payables and deferred income.*

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.7 Market risk continued

38.7.1 Foreign currency risk continued

Sensitivity analysis

A 10% strengthening in the South African rand against the following currencies at year-end would have (decreased)/increased equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.

	Equity[3]	Profit/(loss) before tax
30 June 2021		
Australian Dollar	(177 038)	(53 853)
Pound Sterling	(165 524)	(23 268)
Euro	(129 747)	(3 269)
US Dollar and other	(38 287)	2 166
30 June 2020		
Australian Dollar	(110 054)	(49 773)
Pound Sterling	(148 840)	(1 805)
Euro	(158 559)	68 571
US Dollar and other	(90 333)	(5 386)

[3] *Equity attributable to equity holders of the Group.*

A 10% weakening in the South African rand will have an equal and opposite effect on equity and profit or loss.

Foreign currency risk management

The Group is head quartered in South Africa, with offshore operations in Africa (including Mauritius, Zimbabwe, Zambia, Kenya, Malawi and Mozambique), Europe (mainly United Kingdom and the Eurozone), Australia and New Zealand.

The Group seeks to mitigate foreign currency exposures by borrowing, where cost effective, in the same currencies as the currencies of the main operating units. In addition, the Group enters into cross currency interest rate swaps where loans are made between entities in different countries. In terms of Group policy, foreign loan liabilities are not covered using forward exchange contracts as these are covered by a natural hedge against the underlying assets.

The currency risk of the Group arises due to the fact that the Group operates and has input costs and sales in different countries.

The Group enters into various types of FECs in managing its foreign exchange risk resulting from cash flows from anticipated business activities and financing arrangements denominated in foreign currencies.

Transaction risk is calculated in each foreign currency and includes currency-denominated assets and liabilities (foreign currency creditors and debtors) and certain items not recognised in the statement of financial position such as firm and probable purchase and sales commitments. Trade-related purchase exposures are managed through the use of natural hedges arising from foreign/export revenue as well as FECs. The impact of these currency risk transactions is shown as translation gains/(losses) in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS continued

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.7 Market risk continued

38.7.2 Interest rate risk

Exposure to interest rate risk on debt and investments is monitored by management. The Group borrows principally in Rand, Pound Sterling and Australian Dollars at both fixed and floating rates of interest. The fixing or capping of interest rates on debt to achieve improved predictability of cash flows is considered and implemented on a case-by-case basis. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. With respect to the Group's full maintenance lease liabilities, the Group generally enters into back-to-back agreements with creditworthy customers. Consequently, the interest rate risk on these liabilities is largely mitigated.

	30 June 2021 R'000	30 June 2020 R'000
At reporting date the interest rate profile of the Group's interest-bearing financial instruments was:		
Fixed rate instruments		
Financial assets	105 000	105 000
Financial liabilities	(2 036 041)	(2 216 047)
	(1 931 041)	(2 111 047)
Non-interest bearing instruments		
Financial assets	224 305	243 209
Financial liabilities	(2 657 118)	(2 649 423)
	(2 432 813)	(2 406 214)
Variable rate instruments		
Financial assets	6 416 499	4 997 406
Financial liabilities	(11 026 862)	(9 365 809)
	(4 610 363)	(4 368 403)
Variable rate instruments bearing interest when overdue		
Financial assets	4 679 662	4 292 725
Financial liabilities	(3 685 958)	(3 440 238)
	993 704	852 487

Sensitivity analysis:

A 100 basis point increase in the interest rate will have the following increase/(decrease) effect on profit or loss and/or equity.

The analysis assumes that all other variables, in particular currency, remain constant. The analysis is performed as follows:

	30 June 2021 R'000	30 June 2020 R'000
Fixed rate instruments		
Profit before tax effect 100 basis point increase	–	–
Equity effect 100 basis point increase	–	–
Non-interest bearing instruments		
Profit before tax effect 100 basis point increase	–	–
Equity effect 100 basis point increase	–	–
Variable rate instruments		
Loss before tax effect 100 basis point increase	(44 894)	(37 187)
Equity effect 100 basis point increase	(32 324)	(26 775)
Variable rate instruments bearing interest when overdue		
Loss before tax effect 100 basis point increase	9 231	(514)
Equity effect 100 basis point increase	6 646	(370)

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.7 Market risk continued

38.7.2 Interest rate risk continued

Interest rate swaps

SG Fleet

The Group has entered into interest rate swap contracts with notional/principal value as at 30 June 2021 of AUD106,696,000 (2020: AUD109,059,000). The interest rate swap contract hedges the Group's risk against an increase in variable interest rate. The contract is over a three year period maturing in December 2022. Weighted average fixed rate is 1.91% (2020: 1.93%).

Super Group Limited

The Company had the following cross currency interest swaps at the reporting date:

SWAP 1 – GBP3,000,000 interest payable at 3 month LIBOR plus 113 bps and interest receivable at 3 month JIBAR plus 100 bps. Interest payments occur quarterly and matures on 28 June 2022.

SWAP 3 – EUR41,000,000 interest payable at 3 month EURIBOR plus 145 bps and interest receivable at 3 month JIBAR plus 170 bps. 50% capital amortisation payment semi-annually in September and March and matures on 25 June 2024.

SWAP 4 – EUR11,200,000 interest payable at 3 month EURIBOR plus 162 bps and interest receivable at 3 month JIBAR plus 170 bps. 50% capital amortisation payment semi-annually in September and March and matures on 25 June 2024.

SWAP 5 – GBP5,300,000 interest payable at 3 month LIBOR plus 114 bps and interest receivable at 3 month JIBAR plus 166 bps. Quarterly capital amortisation payments and matures on 30 January 2024.

SWAP 6 – USD40,000,000 interest payable at 3 month LIBOR plus 100 bps and interest receivable at 3 month JIBAR plus 140 bps. Equal capital amortisation payments semi-annually in September and March and matures on 17 March 2025.

The following table indicates the amounts outstanding and the fair value of each swap.

	Amount owing 30 June 2021 R'000	Amount receivable 30 June 2021 R'000	Fair value 30 June 2021 R'000
SWAP 1	59 247	53 997	5 501
SWAP 3	555 362	518 769	33 881
SWAP 4	151 831	142 553	8 306
SWAP 5	95 984	100 664	(5 457)
SWAP 6	569 981	585 631	(23 420)
	1 432 405	1 401 614	18 811

38.8 Derivative instruments

The derivatives used by the Group are mainly over-the-counter instruments, particularly FECs, option contracts, cross currency swaps and interest rate swaps. The Group deals only with financial institutions of high credit standing. The instruments are employed according to uniform guidelines and are subject to strict internal controls. Their use is confined to the hedging of the operating business and of the related investments and financing transactions.

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.9 Fair value of financial instruments

The Group's financial instruments consist mainly of cash and cash equivalents, trade receivables, other receivables, investments, trade payables, other payables, borrowings and derivative instruments. Financial instruments held-to-maturity in the normal course of business are recorded at amortised cost using the effective interest rate or redemption amounts as appropriate. The recorded amount is described below as the carrying amount, otherwise known as book value. 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. Fair values are obtained from quoted market prices, discounted cash flow models and option pricing models as appropriate.

	30 June 2021 Carrying value R'000	30 June 2021 Fair value R'000
Financial assets at fair value through profit and loss		
FEC assets	1 978	1 978
Interest rate swaps	28 877	28 877
Financial assets at amortised cost		
Other non-current assets (Refer note 8)	350 534	350 534
Trade receivables – net of allowance for credit losses	3 781 512	3 781 512
Sundry receivables (excluding prepayments, lease straight-line debtors, finance lease receivables, assets held-for-sale and VAT receivables)	1 162 139	1 162 139
Short-term portion of finance lease receivable	16 128	16 128
Cash and cash equivalents	6 131 281	6 131 281
	11 472 449	11 472 449
Financial liabilities		
At amortised cost		
Non-derivative financial liabilities		
Secured asset-based borrowings	1 373 260	1 373 260
Secured property borrowings	783 195	783 195
SG Fleet interest bearing corporate borrowings	1 346 571	1 346 571
Corporate bond	2 860 009	2 860 009
Revolving credit facility and other	331 151	331 151
Full maintenance lease borrowings – South Africa	1 056 563	1 056 563
Full maintenance lease borrowings – SG Fleet	696 381	696 381
ROU lease liabilities	2 607 895	2 607 895
Trade and other payables	7 990 700	7 990 700
Derivative financial liabilities		
Fair value through equity		
NCI put option	285 431	285 431
Interest rate swaps	20 099	20 099
Fair value through profit and loss		
FEC liabilities	7 036	7 036
Interest rate swaps	47 688	47 688
	19 405 979	19 405 979

In the prior year, carrying value approximated fair value.

38. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

38.9 **Fair value of financial instruments** continued

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

(i) **Cash and cash equivalents, investments and other non-current assets**

Cash and cash equivalents

The carrying amount of cash and other financial assets approximates fair value due to the relatively short-term maturity of these financial instruments and application of market related interest rates.

Investments

The fair value of debt securities is determined using a discounted cash flow method. The fair value of unlisted equity investment is determined using a combination of discounted cash flow, net asset value and price earnings method. These investments are carried at their original cost less impairments in the statement of financial position. The fair values of publicly traded instruments are estimated based on quoted market prices for those or similar investments where there are no quoted market prices available.

Long-term receivables

The fair value of long-term receivables approximates the carrying value as market-related rates of interest are charged on these outstanding amounts.

Other

For all other instruments for which there are no quoted market prices, a reasonable estimate of fair value has been calculated based on the expected cash flows or the underlying net asset base for each instrument.

(ii) **Short-term borrowings**

The carrying amount approximates fair value because of the short yield to maturity of those instruments and application of market related interest rates.

(iii) **Long-term borrowings**

The fair value of the long-term borrowings is based on the quoted market price for the same or similar borrowings or on the current rates available for borrowings with the same maturity profile and effective interest rate with similar cash flows. The fair value of non-current borrowings and other payables with variable interest rates approximates their carrying amounts.

(iv) **Derivatives**

The fair value of derivatives is based upon mark-to-market valuations.

Foreign currency contracts

Market comparison technique: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. The FEC valuations are categorised as a level 2 fair value.

Interest rate swaps

The fair value of interest rate swap contracts are estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. The interest rate swap contracts valuations are categorised as a level 2 fair value.

Cross currency swaps

Foreign currency liabilities are measured at fair value through profit and loss using available market currency rates. The cross currency swap contract valuations are categorised as a level 2 fair value.

NOTES TO THE FINANCIAL STATEMENTS continued

39. SHARE-BASED PAYMENTS

Equity-settled share option schemes

The Group currently has four share incentive schemes namely Share Appreciation Right Scheme (SARS), Deferred Shares Plan (DSP), the Broad-Based Black Economic Empowerment (B-BBEE) Scheme and the SG Fleet Share Option Plan.

Share Appreciation Right Scheme (SARS)

The underlying principle of the schemes is to provide direct linkage between the interests of the shareholders and the efforts of the executives or managers. The Share Appreciation Right Scheme 2005 incorporates performance target requirements which must be met before the exercise of the share option is permitted. The performance targets are set by the Remuneration Committee and may be varied from time to time.

Selected employees receive annual grants of SARS, which are rights to receive shares equal to the value of the difference between the exercise price and grant price less the applicable income tax payable on the difference. The performance condition imposed for all awards is that headline earnings per share must increase by 2% per annum above inflation over a three-year performance period. Certain awards have additional divisional profit before tax targets as performance conditions.

The following assumptions have been used in the Black Scholes model:

Expected option life (calculated by reference to specific allocation)	2.16 – 2.82 years
Risk-free interest rate (determined by reference to vesting date)	3.5% – 6.56%
Share volatility (determined by reference to vesting date)	24.26% – 42.13%
Dividend yield	–

	SARS options 30 June 2021	SARS options 30 June 2020
Movement in number of options		
Balance at beginning of year	17 410 000	17 801 289
Options granted	12 220 000	9 190 000
Options forfeited	(8 485 000)	(9 581 289)
Balance at end of year	21 145 000	17 410 000
Vesting year of option granted		
Already vested	–	2 555 000
Within year one	8 945 000	5 680 000
Within year two	12 200 000	9 175 000
	21 145 000	17 410 000
Exercise price of options		
R19.98	12 000 000	–
R27.97	200 000	–
R27.58	8 945 000	9 175 000
R32.76	–	400 000
R35.37	–	5 280 000
R40.20	–	2 555 000
	21 145 000	17 410 000

39. SHARE-BASED PAYMENTS continued

Equity-settled share option schemes continued

	30 June 2021 Rand	30 June 2020 Rand
Weighted average share price of options exercised	–	–
Weighted average exercise price of options forfeited	36.45	36.20

	30 June 2021 R'000	30 June 2020 R'000
Share based payment expense/(reversal) (SARS only)	18 835	(28 385)

Deferred Shares Plan (DSP)

The underlying principle of the scheme is to align Executive Directors and management with shareholders' interests and retain key strategic and industry critical employees. The vesting of the Award will be subject to the employees continued employment with the Company from the Award Date until the applicable Vesting Date.

The Award shall vest in equal tranches over a period of 5 years from the award date. The Deferred Shares shall be held on behalf of the employee by an Escrow Agent and will be released at the respective Vesting Dates. The employee will be the beneficial owner of the Deferred Shares from the Award Date and shall be entitled to:

(i) receive ordinary dividends declared and paid in the ordinary course of business of the Company in respect of your Deferred Shares; and
(ii) exercise voting rights in respect of your Deferred Shares.

The Award Price of each Deferred Share constituting the award is calculated at the closing share price of the date of the award. The calculation of the cost of the award is the number of shares granted multiplied by the number of share which is allocated over the vesting period. No amount is payable by the employee in order to receive the Award.

The deferred shares are valued using the market price.

	DSP awards 30 June 2021	DSP awards 30 June 2020
Movement in number of options		
Balance at beginning of year	–	–
Options granted (exercise price R19.98)	605 000	–
Balance at end of year	605 000	–
Vesting year of option granted		
Within year one	121 000	–
Within year two	121 000	–
Within year three	121 000	–
Within year four	121 000	–
Within year five	121 000	–
	605 000	–

	30 June 2021 R'000	30 June 2020 R'000
Share based payment expense (DSPs only)	4 240	–

39. SHARE-BASED PAYMENTS continued

Broad-Based Black Economic Empowerment (B-BBEE) Scheme

The Group implemented a B-BBEE scheme on 1 October 2012. An initial allocation of participation rights was made in relation to the B-BBEE scheme in South Africa. In implementing the scheme the Group has disposed of 20.04% interest in Super Group Holdings Proprietary Limited (SGH) to SG Tsogo (RF) Proprietary Limited (SGTS) in return for the issue of SGTS shares to the Group. On 1 October 2012 SGTS had issued additional shares to the SG Tsogo Empowerment Trust (the Trust) which resulted in the Trust holding 51.0% (2019: 51.0%) of the total issued share capital of SGTS. The Group holds 49.0% (2020: 49.0%) of the total issued share capital of SGTS. SGTS meets the definition of a black owned company in terms of the B-BBEE Act and codes. SGTS holds 20.04% of the shareholding in SGH through means of B Class ordinary shares issued by SGH. The B Class shares have the same rights and privileges as those attached to the ordinary shares issued by SGH, but for the fact that the B Class shares are entitled to a discretionary preferential dividend annually. At the end of the vesting period a determined number of SGTS shares will be repurchased by SGTS at R0.0001 per share. The remaining SGTS shares will be distributed by the trustees of the Trust to the employees in terms of their vesting rights. Subsequently, the remaining shares will be exchanged by the employees for Group shares.

The shares are valued using a Black-Scholes model, assuming a life of 10 years. In performing the valuation, the cost of the distribution stream attached to the scheme is added to the option costs, as a traditional share option does not receive distributions. Staff retention rates are a key assumption and have been modelled based on historical experience.

The participants of the scheme are full time black employees of the SGH group (excluding certain subsidiaries). The employees are not required to pay any consideration to the Trust for the allocation. The number of shares that vest to an employee is determined with reference to length of service with the SGH Group and the points allocated to him, which will increase as the years of service in the SGH Group increases.

The weighted average share price during the year to June 2021 was R25.52 (2020:R23.01)

The following assumptions have been used:

Expected option life (calculated by reference to specific allocation)	10 years
Share volatility (determined by reference to vesting date)	23.3%
Dividend yield	3.0%
Risk-free interest rate	7.8%
Number of participants on share scheme	3 738

	30 June 2021 R'000	30 June 2020 R'000
Share-based payment expense (B-BBEE scheme only)	4 800	875

39. SHARE-BASED PAYMENTS continued

SG Fleet Share Option Plan

Share option plan

In the 2014 financial year a share option scheme was established in SG Fleet to incentivise key management and personnel of the SG Fleet operations. The share option scheme is subject to a service condition and a performance condition. The performance condition is based on the compound annual growth rate of SG Fleet's earnings per share. The Black-Scholes valuation model inputs used to determine the fair value at the grant date, are as follows:

The details are as follows:

Expected option life (calculated by reference to specific allocation)	4.8 to 5.81 years
Expected volatility	35.0% – 49.0%
Dividend yield	4.6% – 7.0%
Risk-free interest rate	0.11% – 3.13%
Number of options outstanding at year end	6 020 631

	30 June 2021	30 June 2020
Balance at beginning of year	2 099 752	1 735 598
Options granted	5 059 651	960 980
Options exercised	(1 138 772)	(596 826)
Balance at end of year	6 020 631	2 099 752
Vesting year of option granted		
Within year one	–	1 138 772
Within year two	2 784 931	–
Within year three	3 235 700	960 980
	6 020 631	2 099 752
Exercise price of options		
AUD 1.68	5 059 651	–
AUD 3.66	–	1 138 772
AUD 2.35	960 980	960 980
	6 020 631	2 099 752

NOTES TO THE FINANCIAL STATEMENTS continued

39. SHARE-BASED PAYMENTS continued

SG Fleet Share Option Plan continued

Performance options

During the prior years SG Fleet granted performance rights to certain employees, these rights are subject to a service and performance condition. The performance condition is based on compound annual growth rate of SG Fleet's earnings per share. Rights do not carry a right to receive any dividends. If rights vest and are exercised to receive shares, these shares will be eligible to receive dividends.

The details are as follows:

Expected option life	1.81 – 2.81 years
Share price at grant date	AUD 1.69 – AUD 2.73
Exercise price	AUD 0.00
Dividend yield	5.1% – 6.7%

Vesting date	Performance options	Fair value at grant date AUD
18 August 2020	590 916	AUD 2.73
1 July 2020	147 888	AUD 1.69
21 August 2022	1 130 194	AUD 1.69
Total unvested performance rights – 30 June 2021	1 868 998	

None of the performance rights outstanding as at 30 June 2021 are vested and exercisable. The weighted average remaining contractual life of performance rights outstanding at 30 June 2021 was 33 months (2020: 29 months).

	30 June 2021 R'000	30 June 2020 R'000
Share-based payment expense/(reversal) (SG Fleet)	25 935	(4 408)

40. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND KEY ASSUMPTIONS

The directors and the Audit Committee have considered the Group's critical accounting policies, key sources of uncertainty and areas where critical accounting judgments were required in applying the Group's accounting policies.

Critical accounting policies

The Audit Committee is satisfied that the critical accounting policies are appropriate to the Group.

Key sources of uncertainty and critical accounting judgments in applying the group's accounting policies

Estimates, judgments and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates. The Group makes estimates, judgments and assumptions concerning the future. Those that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of assets

The Group tests whether assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations or fair value less cost to sell.

Inventories

Impairment provisions or write-downs to net realisable value are raised against inventory when it is considered that the amount realisable from such inventory's sale is less than its carrying amount. In determining whether a particular item of inventory could be considered to be overvalued, the following factors are taken into consideration:

- saleability
- sub-standard quality and damage; and
- historical and forecast sales

Trade receivables

Management identifies impairment of trade receivables on an on-going basis. Impairment adjustments are raised against trade receivables when their collectability is considered to be doubtful based on objective evidence that a loss event has occurred. Management believes that the impairment write-off is conservative and there are no significant trade receivables that are doubtful and have not been impaired. In determining whether a particular receivable could be doubtful, the following factors are taken into consideration:

- age;
- sector;
- customer current financial status; and
- disputes with the customer.

Property, plant and equipment and full maintenance vehicles

The residual values of property, plant and equipment are considered significant, for certain classes of property, plant and equipment (e.g. motor vehicles) and full maintenance lease vehicles. The estimation of the useful lives is based on historic performance as well as expectation about future use and therefore requires a degree of judgment to be applied by management. The depreciation rates represent management's current best estimate of the useful lives of the assets. Residual values are determined taking into account generally accepted industry-based market forecasts adjusted where necessary to take into account factors specific to the asset. Where deemed necessary, actuaries are used in determining the residual values for full maintenance lease vehicles. The valuation model projects each active vehicle on a monthly basis based on an average monthly mileage for each vehicle. Assumptions in these models include future projected interest rates and market value data published in the relevant countries.

Investment properties

Investment properties are independently valued on an annual basis. The following factors are taken into account when applying the revaluation model:

- rental rate;
- expenditure ratio;
- vacancy rate; and
- capitalisation rate.

NOTES TO THE FINANCIAL STATEMENTS continued

40. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND KEY ASSUMPTIONS continued

Intangible assets with indefinite life

The group assesses whether an intangible purchased as part of a business combination has an indefinite useful life. The following considerations are taking into account:

- whether the Group intends to maintain the intangible;
- whether the Group has the ability to maintain the intangible;
- the level of future expenditure required to maintain the intangible;
- the stability of the industry in which the intangible operates;

Goodwill valuation

The recoverable amount of these assets is reviewed in terms of the accounting policies in note 1.When assessing the recoverable amount, the following factors are taken into consideration:

- projected cash flows;
- terminal value; and
- discount rates.

Deferred tax assets

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

Revenue recognition

The percentage of completion method is utilised to recognise revenue on long-term contracts. Management exercises judgment in calculating the deferred revenue reserve which is based on the anticipated cost of providing the services over the life of the contract to the total expected revenue arising from the contracts.

The Group acts as principal or agent in its activities earning revenues. When acting as agent, revenues are recognised based on the services rendered rather than the value invoiced to the recipient of the goods. This is the case when the Group does not take title of the goods delivered and has no responsibility in respect of the goods sold. Through these trading activities, the Group facilitates its customers' purchases and sales and earns a fee for this service.

Income tax

The Group operates in numerous tax jurisdictions and is subject to tax legislation that is open to interpretation. This requires a degree of judgment to be applied by management in determining income tax.

The accrual for potential income tax exposures are the best estimates of the tax amount expected to be paid. The best estimate amount is included as part of the income tax expense charge in the Statement of Comprehensive Income and the liability to the tax authorities. The Group reassesses its best estimates on an on-going basis based on new information that may impact these estimates. The tax amount is calculated based on a probability of the individual tax exposures present. There were no material uncertainties identified over the income tax treatment within the different tax jurisdictions of the Group.

Non-controlling interest put options

The fair value of the put options over non-controlling interest in a subsidiary company is determined by using a discounted future cash flow analysis.

The Group uses its judgment to select a variety of methods and assumptions made are based on market and Group specific conditions existing at each reporting period.

40. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND KEY ASSUMPTIONS continued

COVID-19

The effect of the current economic conditions as a result of Covid-19 was taken into consideration in the following judgements and assumptions:

- Goodwill impairment tests
  - Additional risk premium in calculating the discount rate; and
  - Forecasted cash flows in the value in use model.
- IFRS 9
  - When considering the expected credit losses (ECL), the actual credit losses experienced were adjusted by the possible future impact of Covid-19.
- Going concern
  - Impact of Covid-19 on reported results including cash generated from operations, current Statement of Financial Position, gearing ratios;
  - Potential additional corporate bonds issued in terms of the DMTN programme;
  - Forecast results including cash generated from operations;
  - Current and forecast bank covenants; and
  - Committed banking facilities.
- IFRS 2
  - The achievement of the performance conditions imposed on all awards.

Valuation and useful lives of separately identifiable intangible assets

Intangible assets acquired in a business combination are required to be recognised separately from goodwill and amortised over their useful life if they are subject to contractual or legal rights or are separately transferable and their value can be reliably estimated.

In order to determine the fair value of the separately identifiable intangible assets on a business combination, management use their best knowledge to make estimates when utilising the Group's valuation methodologies. The valuation methodologies require input based on assumptions about the future and use discounted cash flows and free cash flow forecasts.

For significant acquisitions management considers the advice of third party independent valuers in identifying and calculating the valuation of any intangible assets arising on acquisition.

Share based payments

The Group considers at each grant date the following factors in determining whether the share grant should be accounted for as a cash or equity settled instrument:

- Whether the Group has an obligation to settle in cash or in equity instruments;
- If there is no obligation, is there a choice of the method of settlement;
- If there is a choice of the type of settlement, does the choice lie with the Group or the employee;
- Previous methods of settlement of similar share grants would also be considered.

Deferred contingent consideration

The group recognised contingent consideration which resulted from business combinations at fair value at acquisition date. At acquisition date, the contingent consideration meets the definition of a financial asset/liability and is subsequently re-measured at each reporting date. Management exercises judgement in the determination of the discount rate and the probability of performance targets being met.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Leases

Certain leases contain lease renewal options at the option of the lessee which are taken into account when measuring the ROU lease liability and ROU asset. Management judgement is required in whether these renewal options will be exercised.

The incremental borrowing rate used in the ROU lease liability calculation and ROU asset calculation is based on prevailing market rates and adjusted for conditions specific to the entity. Management exercises judgement in determining the incremental borrowing rate.

41. DIRECTORS' REMUNERATION

Policy on directors' remuneration

The directors are appointed to the Board to bring to the Group the skills and experience appropriate to its needs. The guaranteed remuneration is based on the median of the market, with discretion to pay a premium (typically 10% to 20%) to the median for the attraction and retention of the directors.

Executive directors' remuneration

The Remuneration Committee (Remco) aims to align the directors' total remuneration with shareholders' interest by ensuring that a significant portion of their package is linked to the achievement of performance targets.

Executive directors' salaries comprise a cash salary which is reviewed annually by Remco. Salaries are compared to pay levels of other South African companies to ensure sustainable performance and market competitiveness. The individual salaries of directors are reviewed annually in light of their own performance, experience, responsibility and Group performance. The company makes contributions to defined contribution plans on behalf of the executive directors on the basis of a percentage of cash salary. Death and disability cover provided to executive directors reflects best practice amongst comparable employers in South Africa. Other benefits include car and travel benefits and cover on the Group's medical healthcare scheme. These elements comprise the fixed remuneration component.

The following tables show a breakdown of the annual remuneration (excluding equity awards) of directors for the years ended 30 June 2021 and 30 June 2020.

Year ended 30 June 2021	**Basic remuneration[1] R**	**Subsidiary director's Fees[1] R**	**Retirement contributions R**	**Other material benefits[2] R**	**Total excluding performance R**	**Performance bonus[3] R**	**Total taxable R**
P Mountford	6 496 732	1 347 500	350 000	463 268	8 657 500	3 578 660	12 236 160
C Brown	3 608 489	–	350 000	141 511	4 100 000	1 977 660[4]	6 077 660
Total	10 105 221	1 347 500	700 000	604 779	12 757 500	5 556 320	18 313 820

[1] *Remuneration comprises gross salary and subsidiary directors' fees.*
[2] *Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.*
[3] *Performance bonuses reflect the amounts awarded and paid for the 30 June 2020 financial performance*
[4] *Includes deferred element of FY2019 performance bonus amounting to R276 160.*

Year ended 30 June 2020	Basic remuneration[1] R	Subsidiary director's Fees[1] R	Retirement contributions R	Other material benefits[2] R	Total excluding performance R	Performance bonus[3] R	Total taxable R
P Mountford	5 994 775	1 149 878	350 000	445 224	7 939 878	7 345 878	15 285 756
C Brown	3 487 803	–	350 000	135 530	3 973 333	2 646 000[4]	6 619 333
Total	9 482 578	1 149 878	700 000	580 755	11 913 211	9 991 878	21 905 089

[1] *Basic remuneration comprises gross salary and subsidiary directors' fees.*
[2] *Other material benefits include entitlement to fuel, cover on the Group's medical healthcare and disability scheme, funeral benefits and travel allowances. These benefits are granted on similar terms to other senior executives.*
[3] *Performance bonuses reflect the amounts awarded and paid for the 30 June 2019 financial performance*
[4] *Excludes deferred element of FY2019 performance bonus amounting to R276 160.*

41. DIRECTORS' REMUNERATION continued

Non-executive directors' fees

Non-executive directors generally receive fixed fees for service on the Board and Board committees. Non-executive directors do not receive short-term incentives nor do they participate in any long-term incentive schemes. The fees paid to non-executive directors were approved by Remco, the Board and shareholders at the Annual General Meeting.

	Fixed directors' fees including allowances R	Meeting attendance fees R	Year ended 30 June 2021 (excl VAT) R	Year ended 30 June 2020 (excl VAT) R
P Vallet[1]	780 000	285 000	1 065 000	1 142 500
M Cassim[2]	175 000	70 000	245 000	601 667
D Cathrall	420 000	370 000	790 000	711 667
V Chitalu	420 000	240 000	660 000	636 667
P Mnisi[3]	315 000	195 000	510 000	–
S Mehlomakulu[3]	315 000	80 000	395 000	–
O Mabandla[4]	–	–	–	511 667
J Newbury[5]	–	–	–	311 667
D Rose[5]	–	–	–	386 667
Total	2 425 000	1 240 000	3 665 000	4 302 500

[1] *F2020: Billed by Fluxmans Inc. P Vallet's full-time employer until retirement in February 2020.*
[2] *M Cassim resigned effective 30 November 2020.*
[3] *P Mnisi and S Mehlomakulu were appointed effective 1 October 2020.*
[4] *O Mabandla resigned effective 8 July 2020.*
[5] *J Newbury and D Rose both retired effective 30 November 2019.*

Directors' service contracts

Peter Mountford, the CEO, has a written letter of appointment which endures indefinitely and is subject to termination on three months' notice. Colin Brown, the CFO, has a written letter of appointment which endures indefinitely and is subject to termination on two months' notice. Both executives have change of control clauses included in their letters of appointment. The contractual relationship between the company and its executive directors is controlled through Remco which comprises non-executive directors only.

These contracts are formulated in a manner which is consistent with the provisions of the Basic Conditions of Employment Act.

Directors' share option and incentive scheme grants

Directors participate in the Group's share option and incentive schemes, which are designed to recognise the contributions of senior staff to the growth in the value of the Group's equity and to retain key employees. Within the limits imposed by the company's shareholders, options are allocated to the directors and senior staff in proportion to their contribution to the business as reflected by their seniority and the company's performance. The options, which are allocated at a price determined by Remco, in terms of a resolution and the applicable JSE Listings Requirements, vest after stipulated periods and are exercisable after a three-year period in terms of the scheme rules.

Share option allocations are considered at least annually and are recommended by Remco and approved by the Board. The underlying principle of these schemes is to provide direct linkage between the interests of shareholders and the efforts of executives or managers.

Targets are linked where applicable to the Group's medium-term business plan, over rolling three-year performance periods. The SARS incorporates performance target requirements which must be met before the exercise of the share grants is permitted. Certain executive directors have an interest in the various share incentive schemes of the Group. The performance targets are set by Remco and may be varied from time to time.

NOTES TO THE FINANCIAL STATEMENTS continued

41. DIRECTORS' REMUNERATION continued

Directors' share option and incentive scheme grants continued

Analysis of directors' share option entitlements as at 30 June 2021

Executive Directors' Options	**Allocation date**	**Strike price R**	**Balance at 01/07/2020**	**Awarded**	**Exercised**	**Forfeited[1]**	**Balance at 30/06/2021**	**Share based payment expenses R'000**
Peter Mountford	28/08/2018	35.37	1 200 000	–	–	(1 200 000)	–	
	30/08/2019	27.58	2 700 000	–	–	–	2 700 000	
	28/09/2020	19.98	–	2 000 000	–	–	2 000 000	
Total			3 900 000	2 000 000	–	(1 200 000)	4 700 000	4 355
Colin Brown	28/08/2018	35.37	650 000	–	–	(650 000)	–	
	30/08/2019	27.58	1 000 000	–	–	–	1 000 000	
	28/09/2020	19.98	–	800 000	–	–	800 000	
Total			1 650 000	800 000	–	(650 000)	1 800 000	1 865
Total directors' options			5 550 000	2 800 000		(1 850 000)	6 500 000	6 220

[1] *Forfeited options have time lapsed or not met the HEPS growth requirement for vesting.*

[2] *The targeted increase in HEPS for the award of the 2018 share options was 20.5%, which was not achieved due to the impact of the Covid–19 lockdowns in the years ended June 2020 and June 2021.*

Analysis of directors' share option entitlements as at 30 June 2020

Executive directors' options	Allocation date	Strike price R	Balance at 01/07/2019	Awarded	Exercised	Expired[1]	Forfeited[2]	Balance at 30/06/2020	Share based payment expenses (reversal) R'000
Peter Mountford	26/08/2015	31.85	1 071 370	–	–	(1 071 370)		–	
	31/08/2016	40.20	850 000	–	–	(850 000)		–	
	30/08/2017	38.64	1 200 000	–	–	–	(1 200 000)	–	
	28/08/2018	35.37	1 200 000	–	–	–		1 200 000	
	30/08/2019	27.58	–	2 700 000	–	–	–	2 700 000	
Total			4 321 370	2 700 000	–	(1 921 370)	(1 200 000)	3 900 000	(7 810)
Colin Brown	26/08/2015	31.85	749 959			(749 959)		–	
	31/08/2016	40.20	500 000	–	–	(500 000)		–	
	30/08/2017	38.64	650 000	–	–	–	(650 000)	–	
	28/08/2018	35.37	650 000	–	–	–	–	650 000	
	30/08/2019	27.58	–	1 000 000	–	–	–	1 000 000	
Total			2 549 959	1 000 000	–	(1 249 959)	(650 000)	1 650 000	(4 230)
Total directors' options			6 871 329	3 700 000		(3 171 329)	(1 850 000)	5 550 000	(12 040)

[1] *Expired options have time lapsed or been surrendered prior to expiry date.*

[2] *Forfeited options have not met the HEPS requirement for vesting.*

41. DIRECTORS' REMUNERATION continued

DEFERRED SHARE PLAN (DSP)

Analysis of directors' Deferred Share Plan (DSP) awards as at 30 June 2021

Executive Director	Allocation date	Purchase price[1] R's	Shares awarded	Shares vested[2]	Shares not vested 30/06/2021	Total award value[3] R's	DSP vested Gains[3] 2021 R's	2020 R's
Peter Mountford	29/09/2020	19.98	205 000	–	205 000	4 095 757	–	–
Colin Brown	29/09/2020	19.98	100 000	–	100 000	1 997 930	–	–
Total			305 000	–	305 000	6 093 687	–	–

[1] *In line with the 2020 DSP, the award of shares on 29 September 2020, was based on the 5-day volume weighted average price of R19.98 per ordinary share.*
[2] *The DSP shares awarded vest over the five year period to 29 September 2025 with a vesting release of 20% per annum over that period.*
[3] *DSP share scheme awards are indicated at gross values before the deduction of normal income taxation at a current rate of 45%.*

Directors' share option benefits as at 30 June

	2021 Share option gains after tax R'000	2020 Share option gains after tax R'000
Executive directors		
P Mountford	–	–
C Brown	–	–
Total	–	–

Interests of directors in the share capital of Super Group

The aggregate beneficial holdings of the directors of the Company and their immediate families in the issued ordinary shares of the Company are detailed below.

	Numbers of Shares held 30 June 2021				Numbers of Shares held 30 June 2020			
Beneficial	**Direct**	**Indirect[2]**	**DSP[3]**	**Total**	Direct	Indirect	DSP	Total
P Mountford[1]	70 000	–	205 000	275 000	53 000	–	–	53 000
C Brown	–	–	100 000	100 000	–	–	–	–
Total	70 000	–	305 000	375 000	53 000	–	–	53 000

[1] *On 20 October 2020, Peter Mountford purchased 17 000 shares at an average weighted price of R18.79 per share.*
[2] *There are no associate interests or non-beneficial shareholdings for the above directors.*
[3] *On 6 September 2021, Peter Mountford and Colin Brown were awarded 275 000 shares and 120 000 shares, respectively at the 5-day volume weighted average price of R31.05 per share in terms of the DSP.*

Interest of directors in contracts

The directors have certified that they were not materially invested or held a material interest in any transaction of material significance and which significantly affected the business of the Group, with the Company or any of its subsidiaries. Accordingly, no conflict of interest with regard to directors' interests in contracts exists. There have been no material changes in the aforegoing between 30 June 2021 and the date of these financial statements.

OPERATING SEGMENTS

	Super Group		Supply Chain Africa		Supply Chain Europe	
	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000
Revenue	39 517 568	34 578 298	11 042 240	11 585 254	3 497 770	2 844 185
South Africa	19 410 290	18 824 518				
United Kingdom	11 546 607	8 726 410				
Australia	4 106 628	3 587 161				
Europe	3 497 770	2 844 194				
Africa and other	956 273	596 015				
Depreciation – ROU assets	(474 718)	(464 462)	(155 517)	(145 394)	(128 106)	(123 496)
Other depreciation and amortisation (excluding amortisation of PPA intangibles)	(1 179 872)	(1 117 238)	(546 189)	(570 508)	(30 543)	(26 142)
Net operating expenditure – excluding capital items	(35 379 447)	(31 208 391)	(9 584 916)	(10 129 913)	(3 143 650)	(2 675 392)
EBITA	2 483 531	1 788 207	755 618	739 439	195 471	19 155
Amortisation of PPA intangibles	(210 577)	(210 186)	(32 911)	(43 047)	(104 985)	(100 020)
Operating profit	2 272 954	1 578 021	722 707	696 392	90 486	(80 865)
Net capital items	9 972	(879 157)	3 332	(110 854)	13 297	(602 497)
Finance costs – ROU lease liabilities	(170 179)	(175 469)	(48 216)	(50 298)	(54 090)	(56 288)
Other net finance costs	(338 393)	(405 845)	(70 320)	(138 257)	(25 976)	(31 587)
Profit before tax	1 774 354	117 550	607 503	396 983	23 717	(771 237)
Net capex	2 502 629	1 557 915	867 129	769 284	51 559	43 612
South Africa	1 646 813	1 065 414				
United Kingdom	498 129	219 156				
Australia	140 097	58 970				
Europe	51 559	43 612				
Africa and other	166 031	170 763				

	Fleet Africa		SG Fleet		Dealerships SA		Dealerships UK		Services & intercompany eliminations	
	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000	**Year ended 30 June 2021 R'000**	Year ended 30 June 2020 R'000
	932 779	808 742	**5 522 698**	4 714 146	**8 234 250**	6 894 260	**10 282 691**	7 724 427	**5 140**	7 284
	–	–	**(58 158)**	(56 196)	**(59 842)**	(65 449)	**(67 586)**	(67 721)	**(5 509)**	(6 206)
	(266 420)	(228 073)	**(252 655)**	(219 544)	**(21 029)**	(20 814)	**(34 139)**	(30 958)	**(28 897)**	(21 199)
	(495 646)	(437 257)	**(4 362 073)**	(3 797 956)	**(7 881 034)**	(6 661 422)	**(9 983 136)**	(7 569 596)	**71 008**	63 145
	170 713	143 412	**849 812**	640 450	**272 345**	146 575	**197 830**	56 152	**41 742**	43 024
	–	–	**(66 470)**	(61 202)	**–**	–	**(6 211)**	(5 917)	**–**	–
	170 713	143 412	**783 342**	579 248	**272 345**	146 575	**191 619**	50 235	**41 742**	43 024
	–	–	**–**	(734)	**73**	(183 810)	**(1 559)**	14 062	**(5 171)**	4 676
	–	–	**(5 696)**	(5 949)	**(42 460)**	(41 983)	**(16 437)**	(16 818)	**(3 280)**	(4 133)
	(14 161)	(2 301)	**(123 313)**	(66 119)	**(38 141)**	(67 853)	**(54 048)**	(95 242)	**(12 434)**	(4 486)
	156 552	141 111	**654 333**	506 446	**191 817**	(147 071)	**119 575**	(47 763)	**20 857**	39 081
	827 373	359 851	**596 745**	301 762	**60 681**	61 014	**63 563**	(12 165)	**35 579**	34 557

OPERATING SEGMENTS continued

	Super Group		Supply Chain Africa		Supply Chain Europe	
	As at 30 June 2021 R'000	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000
ASSETS						
Non-current assets						
Property, plant and equipment	**7 011 784**	6 755 863	**3 940 387**	3 669 523	**105 763**	98 554
ROU assets	**2 115 944**	2 320 846	**575 693**	457 148	**658 993**	754 953
Investment property	**164 200**	168 900	**–**	–	**–**	–
Full maintenance lease assets	**2 656 140**	1 885 830	**–**	–	**–**	–
Intangible assets	**1 180 029**	1 522 699	**293 829**	317 883	**362 017**	530 625
Goodwill	**7 502 029**	8 262 969	**892 668**	917 123	**1 581 985**	1 819 437
Investments and other non-current assets	**367 976**	439 357	**36 321**	42 697	**172 419**	240 151
Current assets		–				
Inventories	**3 166 371**	4 842 928	**318 580**	418 490	**2 340**	5 064
Trade receivables	**3 781 512**	3 415 653	**2 001 303**	1 679 952	**571 257**	487 520
Sundry receivables	**1 478 376**	1 530 946	**1 113 697**	1 068 352	**44 809**	58 815
Intercompany trade receivables	**–**	–	**6 377**	9 259	**–**	–
SEGMENT ASSETS	**29 424 361**	31 145 991	**9 178 855**	8 580 427	**3 499 583**	3 995 119
South Africa	**14 496 303**	13 458 766				
United Kingdom	**5 343 229**	7 052 962				
Australia	**5 003 919**	5 526 930				
Europe	**3 499 583**	3 995 120				
Africa and other	**1 081 327**	1 112 213				
LIABILITIES						
Non-current liabilities						
Fund reserves	**863 097**	825 083	**–**	–	**–**	–
Non-controlling interest put options and other liabilities	**292 072**	342 270	**285 431**	328 431	**–**	–
ROU lease liabilities	**2 149 716**	2 423 245	**469 691**	383 784	**759 335**	912 369
Long-term borrowings	**6 694 860**	6 313 127	**842 811**	812 175	**14 227**	38 986
Long-term provisions	**102 031**	85 409	**–**	–	**4 776**	4 980
Current liabilities		–				
ROU lease borrowings	**458 179**	457 519	**181 454**	145 656	**120 276**	136 259
Short-term borrowings	**1 752 270**	1 457 242	**530 448**	606 289	**16 878**	–
Trade and other payables and provisions	**9 077 076**	10 371 499	**2 292 396**	2 104 638	**686 095**	623 600
Intercompany trade payables	**–**	–	**32 057**	23 316	**–**	–
SEGMENT LIABILITIES	**21 389 301**	22 275 394	**4 634 288**	4 404 289	**1 601 587**	1 716 194
South Africa	**11 809 538**	10 554 987				
United Kingdom	**4 222 355**	6 157 426				
Australia	**3 438 156**	3 536 782				
Europe	**1 601 587**	1 716 194				
Africa and other	**317 665**	310 005				
Net operating assets (Including ROU assets)	**18 949 838**	19 336 587	**6 812 670**	6 410 892	**2 636 293**	3 126 387

Fleet Africa		SG Fleet		Dealerships SA		Dealerships UK		Services & intercompany eliminations	
As at 30 June 2021 R'000	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000	**As at 30 June 2021 R'000**	As at 30 June 2020 R'000
3 568	1 921	**58 513**	37 980	**929 628**	915 186	**1 119 885**	1 189 684	**854 040**	843 015
–	–	**92 963**	145 060	**312 950**	338 440	**462 419**	609 881	**12 926**	15 364
–	–	**–**	–	**–**	–	**–**	–	**164 200**	168 900
1 647 790	1 117 980	**1 008 350**	767 850	**–**	–	**–**	–	**–**	–
–	–	**461 736**	602 993	**–**	40	**36 067**	45 699	**26 380**	25 459
87 822	87 822	**3 702 611**	4 124 848	**365 964**	365 964	**870 979**	947 775	**–**	–
–	–	**28 120**	20 852	**–**	–	**–**	–	**131 116**	135 657
–	–	**114 773**	195 821	**1 204 111**	1 112 552	**1 526 567**	3 111 001	**–**	–
210 575	240 449	**709 317**	655 642	**117 694**	174 978	**186 805**	189 319	**(15 439)**	(12 207)
21 951	25 949	**95 259**	109 736	**31 018**	95 152	**34 931**	15 687	**136 711**	157 255
99	258	**–**	–	**1 345**	2 602	**–**	–	**(7 821)**	(12 119)
1 971 805	1 474 379	**6 271 642**	6 660 782	**2 962 710**	3 004 914	**4 237 653**	6 109 046	**1 302 113**	1 321 324
74 169	63 778	**788 928**	761 305	**–**	–	**–**	–	**–**	–
–	–	**6 641**	13 839	**–**	–	**–**	–	**–**	–
–	–	**59 216**	92 639	**401 633**	420 869	**440 933**	582 331	**18 908**	31 253
764 094	338 554	**1 859 136**	1 870 392	**–**	–	**228 426**	404 853	**2 986 166**	2 848 167
–	–	**97 255**	80 429	**–**	–	**–**	–	**–**	–
–	–	**38 078**	51 281	**45 956**	45 357	**57 384**	68 057	**15 031**	10 909
292 466	259 082	**183 820**	321 412	**–**	–	**54 295**	107 685	**674 363**	162 774
111 629	124 731	**1 789 103**	1 708 532	**1 816 250**	1 696 535	**2 177 922**	3 799 167	**203 681**	314 296
46 126	27 041	**–**	–	**50**	520	**–**	–	**(78 233)**	(50 877)
1 288 484	813 186	**4 822 177**	4 899 829	**2 263 889**	2 163 281	**2 958 960**	4 962 093	**3 819 916**	3 316 522
1 724 435	1 258 954	**3 589 146**	4 096 680	**1 146 411**	1 307 862	**2 059 733**	2 309 879	**981 150**	825 933

SEPARATE STATEMENT OF FINANCIAL POSITION – SUPER GROUP LIMITED

AS AT 30 JUNE 2021

	Note	30 June 2021 R'000	30 June 2020 R'000
ASSETS			
Non–current assets			
Investment in subsidiaries	1	4 196 620	4 232 010
Amounts owing by subsidiaries	1	4 520 353	2 484 966
Long term receivables	2	8 675	8 675
Deferred tax asset	3	17 990	1 043
		8 743 638	6 726 694
Current assets			
Amounts owing by subsidiaries	1	813 711	1 507 584
Trade and other receivables	4	32 031	2 269
Income tax receivable		1 190	2 618
Cash and cash equivalents		145 746	471 114
		992 678	1 983 585
Total assets		9 736 316	8 710 279
EQUITY AND LIABILITIES			
Capital and reserves attributable to the equity holders of Super Group Limited	5	6 060 062	6 015 314
Non–current liabilities			
Interest-bearing borrowings	6	2 188 000	2 350 000
Amounts owing to subsidiaries	1	510 000	–
		2 698 000	2 350 000
Current liabilities			
Short-term portion of interest–bearing borrowings	6	672 009	160 670
Amounts owing to subsidiaries	1	222 312	–
Trade and other payables	7	71 643	180 254
Provisions	8	12 290	4 041
		978 254	344 965
Total equity and liabilities		9 736 316	8 710 279

SEPARATE STATEMENT OF COMPREHENSIVE INCOME – SUPER GROUP LIMITED

FOR THE YEAR ENDED 30 JUNE 2021

	Note	30 June 2021 R'000	30 June 2020 R'000
Corporate management and guarantees fees from subsidiaries		54 412	47 268
Dividends received from subsidiaries		–	55 587
Net operating expenditure	9	(74 218)	(32 298)
Finance costs	10	(141 191)	(192 599)
Investment income	10	190 633	209 519
Profit before income tax		29 636	87 477
Income tax expense	11	(9 197)	(11 812)
Profit for the year		20 439	75 665
Total comprehensive income		20 439	75 665

SEPARATE STATEMENT OF CASH FLOWS – SUPER GROUP LIMITED

FOR THE YEAR ENDED 30 JUNE 2021

	Note	30 June 2021 R'000	30 June 2020 R'000
Cash flows from operating activities			
Cash generated by operations	12	7 766	57 848
Investment income		185 442	209 519
Finance costs paid		(141 191)	(192 729)
Income tax paid	13	(13 578)	(10 182)
Net cash inflow from operating activities		38 439	64 456
Cash flows from investing activities			
Additional investment in an existing subsidiary		(60 437)	(24 019)
Amounts advanced to subsidiaries		(1 385 021)	(125 932)
Amounts received from subsidiaries		732 312	–
Net cash outflow from investing activities		(713 146)	(149 951)
Cash flows from financing activities			
Corporate bond raised		500 000	750 000
Corporate bond repaid		(150 661)	(199 011)
Net cash inflow from financing activities		349 339	550 989
Net (decrease)/increase in cash and cash equivalents		(325 368)	465 494
Cash and cash equivalents at beginning of year		471 114	5 620
Cash and cash equivalents at end of year		145 746	471 114

SEPARATE STATEMENT OF CHANGES IN EQUITY – SUPER GROUP LIMITED

FOR THE YEAR ENDED 30 JUNE 2021

	Stated share capital R'000	Retained earnings R'000	General reserve R'000	Capital redemption reserve fund[2] R'000	Total equity R'000
Balance at 30 June 2019	3 753 641	1 926 823	278 519	5 486	5 964 469
Total comprehensive income					
Profit for the year	–	75 665	–	–	75 665
Transactions with shareholders recognised directly in equity					
Share-based payment reserve movement[1]	–	(27 510)	–	–	(27 510)
Options exercised	–	(151)	–	–	(151)
Movement on deferred tax on unexercised options	–	2 841	–	–	2 841
Balance at 30 June 2020	3 753 641	1 977 668	278 519	5 486	6 015 314
Total comprehensive income					
Profit for the year	–	20 439	–	–	20 439
Transactions with shareholders recognised directly in equity					
Share-based payment reserve movement[1]	–	27 875	–	–	27 875
Options exercised		(14 704)			(14 704)
Movement on deferred tax on unexercised options	–	11 138	–	–	11 138
Balance at 30 June 2021	3 753 641	2 022 416	278 519	5 486	6 060 062

[1] *Included in the share-based payment reserve movement is an amount of R21 655 000 (2020: negative R15 470 000) which was capitalised to investment in subsidiaries.*

[2] *The capital redemption reserve fund is the excess equity resulting from the conversion and redemption of the "A" ordinary shares.*

1. INVESTMENT IN AND AMOUNTS OWING BY AND TO SUBSIDIARIES

	Investment in subsidiaries R'000	Amounts owing by subsidiaries (interest free) R'000	Amounts owing by subsidiaries (interest bearing) R'000	Amounts owing to subsidiaries (interest free) R'000	Amounts owing to subsidiaries (interest bearing) R'000
30 June 2021					
Cost	4 196 620	590 651	4 743 413	222 312	510 000
30 June 2020					
Cost	4 232 010	1 254 664	2 737 886	–	–

The amounts owing by subsidiaries (interest bearing) are unsecured:

- R2 401 184 000 bears interest at prime less 100 basis points and is repayable after 12 months.
- R571 744 000 bears interest at three-month Libor plus 105 basis points and is repayable on 15 March 2025.
- R906 724 000 bears interest at three-month JIBAR plus 139 basis points, three-month JIBAR plus 145 basis points, three-month JIBAR plus 158 basis points, three-month JIBAR plus 175 basis points, three-month JIBAR plus 200 basis points (2020: R1 757 180 000 bears interest at prime less 100 basis points, three-month JIBAR plus 95 basis points, three-month JIBAR plus 139 basis points, three-month JIBAR plus 145 basis points, three-month JIBAR plus 158 basis points, three-month JIBAR plus 175 basis points, three-month JIBAR plus 200 basis points) and is repayable after 12 months.
- R708 209 000 bears interest at 300 basis points (2020: R916 243 000 bears interest at three-month Euribor plus 300 basis points and three-month Libor plus 192 basis points) and is repayable on 24 June 2024.
- R155 552 000 bears interest at three-month Libor plus 150 basis points and three-month Libor plus 192 basis points (2020: R64 463 000 bears interest at three-month Libor plus 150 basis points and three-month Libor plus 192 basis points) and is repayable on 25 January 2024, with EUR3 million repayable on 27 June 2022.

The amounts owing to subsidiaries (interest bearing) are unsecured and bears interest at prime less 100 basis points.

	30 June 2021 R'000	30 June 2020 R'000
2. LONG TERM RECEIVABLES		
Loan to SG Tsogo Trust	8 675	8 675
	8 675	8 675

The loan to SG Tsogo Trust bears interest at 7.5% annually and has no fixed repayment date.

	30 June 2021 R'000	30 June 2020 R'000
3. DEFERRED TAX ASSET		
Balance at beginning of year	1 043	4 243
Current year profit or loss charge	5 809	(6 041)
Amount charged directly to equity	11 138	2 841
Balance at end of year	17 990	1 043
Analysis of closing balances at end of year		
Deferred tax resulting from share-based payment reserve	12 292	–
Working capital and provisions	5 698	1 043
	17 990	1 043

	30 June 2021 R'000	30 June 2020 R'000
4. TRADE AND OTHER RECEIVABLES		
Deposits	2 979	2 128
Interest rate swaps	28 877	–
Sundry receivables	175	141
	32 031	2 269

	30 June 2021 R'000	30 June 2020 R'000
5. CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF SUPER GROUP LIMITED		
Stated share capital	3 753 641	3 753 641
Retained earnings	2 022 416	1 977 668
General reserves	278 519	278 519
Capital redemption reserve fund (Refer to page 56)	5 486	5 486
	6 060 062	6 015 314
Ordinary share capital		
Authorised		
700 000 000 (2020: 700 000 000) ordinary shares with no par value		
54 857 377 (2020: 54 857 377) redeemable preference shares with no par value (2020: no par value)		
Issued		
371 507 794 (2020: 371 507 794) ordinary shares of no par value	3 753 641	3 753 641

Rights and restrictions related to share capital

All shares rank equally with regard to the Company's residual assets. Unissued preference shares do not participate.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company. In respect to the Company's shares that are held by the Group as treasury shares, all rights are suspended until those shares are reissued.

SEPARATE NOTES TO THE FINANCIAL STATEMENTS – SUPER GROUP LIMITED continued

FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021 R'000	30 June 2020 R'000
6. INTEREST-BEARING BORROWINGS		
Corporate Bond	2 860 009	2 510 670
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 200 basis points (2020: three-month JIBAR plus 200 basis points). Interest is payable quarterly. This liability matures on 27 September 2023.	450 036	449 894
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 175 basis points (2020: three-month JIBAR plus 175 basis points). Interest is payable quarterly. This liability matures on 15 March 2024.	300 617	300 616
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 145 basis points (2020: three-month JIBAR plus 145 basis points). Interest is payable quarterly. This liability matures on 18 June 2022.	375 568	375 472
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 165 basis points (2020: three-month JIBAR plus 165 basis points). Interest is payable quarterly. This liability matures on 18 June 2024.	625 812	625 738
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 139 basis points (2020: three-month JIBAR plus 139 basis points). Interest is payable quarterly. This liability matures on 15 October 2022.	252 559	252 969
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 158 basis points (2020: three-month JIBAR plus 158 basis points). Interest is payable quarterly. This liability matures on 15 October 2024.	353 638	354 261
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 173 basis points. Interest is payable quarterly. This liability matures on 1 December 2023.	213 770	–
The listed Corporate bond was unsecured and bore interest at three-month JIBAR plus 95 basis points. Interest was payable quarterly. This liability matured on 15 October 2020.	–	151 720
The listed Corporate bond is unsecured and bears interest at three-month JIBAR plus 112 basis points. Interest is payable quarterly. This liability matures on 1 December 2021.	288 009	–
	2 860 009	2 510 670
Short term portion reflected under current liabilities	(672 009)	(160 670)
	2 188 000	2 350 000
Repayment terms		
Year 1	672 009	160 670
Year 2 – 5	2 188 000	2 350 000
	2 860 009	2 510 670
Currency analysis		
Rand	2 860 009	2 510 670

	30 June 2021 R'000	30 June 2020 R'000

7. TRADE AND OTHER PAYABLES

	30 June 2021 R'000	30 June 2020 R'000
Trade payables	9	67
Accruals	20 790	7 302
VAT payable	2 223	617
Interest rate swap	47 688	170 287
Other payables	933	1 981
	71 643	180 254

8. PROVISIONS

	30 June 2021 R'000	30 June 2020 R'000
Employee-related provisions		
Balance at beginning of year	4 041	16 731
Increase in and additional provisions	13 805	13 762
Provision reversed	–	(15 900)
Payments against provisions	(5 556)	(10 552)
Balance at end of year	12 290	4 041

Employee-related provisions relate to bonuses. The bonus provision is estimated based on the expected payment which will be made in respect of the services provided in the current financial year.

9. NET OPERATING EXPENDITURE

	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
Net operating expenditure includes:		
Audit fees	(688)	(1 071)
Directors' emoluments[1]		
Executive directors' emoluments	(18 314)	(21 905)
– Basic remuneration	(11 453)	(9 483)
– Performance bonus	(5 556)	(9 992)
– Other benefits	(605)	(1 730)
– Employee contributions to defined contribution funds	(700)	(700)
Executive directors' fees paid by subsidiary	1 348	1 150
Non-executive directors – for services as directors	(3 665)	(4 303)
– Chairman's fees	(780)	(768)
– Directors' fees	(2 885)	(3 535)
Share-based payment (expense)/reversal	(6 220)	12 040

10. (FINANCE COSTS)/INVESTMENT INCOME

	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
Finance costs	(141 191)	(192 599)
– Corporate bond	(141 191)	(192 123)
– Interest rate swap	–	(130)
– Other	–	(346)
Investment income	190 633	209 519
– Interest received from subsidiaries	125 177	118 552
– Interest rate swaps	5 191	–
– Interest received from banks	60 265	90 967
	49 442	16 920

[1] *Refer to directors' remuneration report on pages 100 to 103 for further detail.*

SEPARATE NOTES TO THE FINANCIAL STATEMENTS – SUPER GROUP LIMITED continued

FOR THE YEAR ENDED 30 JUNE 2021

	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
11. INCOME TAX EXPENSE		
Income tax comprises:		
South African normal tax		
– Current tax	15 825	5 140
– Prior year current tax	(819)	631
– Deferred tax	(5 809)	6 041
	9 197	11 812
Reconciliation of income tax expense:		
The reconciliation of the rate of tax is based on profit before tax	%	%
Statutory tax rate	28.0	28.0
Non-deductible expenses – Legal and consulting fees	1.5	–
CFC calculation (additional tax payable locally for foreign profits)	4.3	1.9
Non taxable income – Dividends received	–	(17.8)
Capital nature income	–	0.7
Prior year (over)/under provision	(2.8)	0.7
Effective tax rate	31.0	13.5
12. CASH GENERATED BY OPERATIONS		
Reconciliation of profit before income tax to cash generated from operations:		
Profit before income tax	29 636	87 477
Finance costs	141 191	192 599
Investment income	(190 633)	(209 519)
Operating (loss)/profit	(19 806)	70 557
Adjustments for:		
Share-based payment expense/(reversal)	6 220	(12 040)
Increase/(decrease) in provisions	8 249	(12 690)
Operating cash (outflow)/inflow	(5 337)	45 827
Working capital changes	13 103	12 021
– (Increase)/decrease in trade and other receivables	(885)	9 134
– Increase in trade and other payables	13 988	2 887
	7 766	57 848
13. INCOME TAX PAID		
Balance at beginning of year	2 618	(1 793)
Current year profit or loss charge	(15 006)	(5 771)
Balance at end of year	(1 190)	(2 618)
	(13 578)	(10 182)

14. RELATED PARTIES

Subsidiary companies

Related party transactions occur between the Company and its subsidiaries. The Company has entered into borrowing transactions at 0% interest. These borrowings are seen as equity transactions with its subsidiaries. Refer to note 1 for borrowings with subsidiaries.

The Company received corporate management and guarantee fees of R54 412 000 (2020: R47 268 000) and interest income of R125 177 000 (2020: R118 552 000) from subsidiaries during the year under review.

Dividends of Rnil (2020: R4 277 000) were received from SG Tsogo Proprietary Limited and Rnil (2020: R51 310 000) were received from Bluefin Investments Limited.

Refer to pages 100 to 103 for directors' remuneration.

The Company has issued guarantees on behalf of subsidiary companies (Refer to note 15). Refer to pages 119 and 120 for detailed disclosure of investments in and amounts owing by and to subsidiaries.

15. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

The Company, by the nature of its activities, will be involved in litigation from time to time to protect its business interests. No significant legal matters were pending at year-end.

The Company has issued guarantees of R1 150 000 000 (2020: R670 000 000) to financial institutions in respect of the continuing payment obligations of its South African full maintenance lease borrowings.

The Company has issued limited guarantees to a total of R2 160 187 200 (2020: R2 263 806 000) to financial institutions in respect of vehicle floor plan financing.

The Company has issued guarantees amounting to R2 497 714 000 (2020: R1 982 714 000) to financial institutions in respect of asset-based borrowings.

The Company has issued a limited guarantee of R403 481 000 (2020: R449 600 000) to a financial institution in respect of its Mauritian subsidiaries and operations.

The Company has issued guarantees amounting to R1 050 000 000 (2020: R965 000 000) to financial institutions in respect of the revolving credit facilities.

The Company has issued guarantees of R1 000 000 000 (2020: R1 000 000 000) to a financial institution in respect of a property credit facility.

The Company has issued guarantees of R170 100 000 (2020: R255 100 000) to a financial institution in respect of a general banking facility.

The Company has issued guarantees and suretyships to various landlords for rental obligations related to properties including properties previously sold under sale and leaseback agreements.

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Risk profile

In the course of the Company's business operations it is exposed to liquidity, credit and market risk, which includes foreign currency and interest rate risk. The risk management policy of the Company relating to each of these risks is discussed under the headings below.

Credit risk

Credit risk relates to potential exposure on cash and cash equivalents and trade and other receivables including derivative instruments. Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. The carrying amount of financial assets represents the maximum credit exposure.

	Year ended 30 June 2021 R'000	Year ended 30 June 2020 R'000
Amounts owing by subsidiaries	**5 334 064**	3 992 550
Long term receivable	**8 675**	8 675
Trade and other receivables	**32 031**	2 269
Cash and cash equivalents	**145 746**	471 114
	5 520 516	4 474 608

The carrying amounts of the assets disclosed above approximates the fair value. Expected credit losses have been assessed and resulted in no provision being raised.

SEPARATE NOTES TO THE FINANCIAL STATEMENTS – SUPER GROUP LIMITED continued

FOR THE YEAR ENDED 30 JUNE 2021

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. To manage this risk, the Company manages its working capital, capital expenditure and cash flow and annually assesses the financial viability of customers. In order to mitigate any liquidity risk that may arise, adequate unutilised banking facilities and reserve borrowing capacity is maintained per Company policy. The Company continually monitors forecast and actual cash flows and actively matches maturity profiles of financial assets and liabilities (refer to pages 53 and 54 for additional information).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount R'000	Within 6 months R'000	6 – 12 months R'000	1 – 2 years R'000	2 – 5 years R'000	Total payments R'000
30 June 2021						
Non-derivative financial liabilities						
Financial liabilities at amortised cost						
Interest-bearing borrowings	2 860 009	362 928	443 364	361 778	2 023 542	3 191 612
Amounts owing to subsidiaries[5]	732 312	732 312	–	–	–	732 312
Trade and other payables (excluding VAT and Interest rate swaps)	21 732	21 732	–	–	–	21 732
	3 614 053	1 116 972	443 364	361 778	2 023 542	3 945 656
Derivative financial liabilities						
Interest rate swaps	47 688	47 688	–	–	–	47 688
30 June 2020						
Non-derivative financial liabilities						
Financial liabilities at amortised cost						
Interest-bearing borrowings	2 510 670	209 403	65 306	506 090	2 162 259	2 943 058
Trade and other payables (excluding VAT and Interest rate swaps)	9 350	9 350	–	–	–	9 350
	2 520 020	218 753	65 306	506 090	2 162 259	2 952 408
Derivative financial liabilities						
Interest rate swaps	170 287	170 287	–	–	–	170 287
	170 287	170 287	–	–	–	170 287

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

Interest rate risk

Exposure to interest rate risk on debt and investments is monitored by management. The Company borrows principally in rand at floating rates of interest. The fixing or capping of interest rates on debt to achieve improved predictability of cash flows is considered and implemented on a case-by-case basis. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates.

	31 June 2021 R'000	30 June 2020 R'000
At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:		
Fixed rate instruments at 0%		
Financial assets	593 805	1 256 933
Financial liabilities	(244 044)	(9 350)
	349 761	1 247 583
Fixed rate instruments at 7.5%		
Financial assets	8 675	8 675
Financial liabilities	–	–
	8 675	8 675
Variable rate instruments		
Financial assets	4 918 036	3 209 000
Financial liabilities	(3 417 697)	(2 680 957)
	1 500 339	528 043
A 100 basis points increase in interest rates at year end would have increased/(decreased) equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant.		
Equity	7 302	2 133
Profit or loss	7 302	2 133

SEPARATE NOTES TO THE FINANCIAL STATEMENTS – SUPER GROUP LIMITED continued

FOR THE YEAR ENDED 30 JUNE 2021

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS continued

Interest rate swaps

The Company had the following cross currency interest swaps at the reporting date:

SWAP 1 – GBP3,000,000 interest payable at 3 month LIBOR plus 113 bps and interest receivable at 3 month JIBAR plus 100 bps. Interest payments occur quarterly and matures on 28 June 2022.

SWAP 3 – EUR41,000,000 interest payable at 3 month EURIBOR plus 145 bps and interest receivable at 3 month JIBAR plus 170 bps. 50% capital amortisation payment semi-annually in September and March and matures on 25 June 2024.

SWAP 4 – EUR11,200,000 interest payable at 3 month EURIBOR plus 162 bps and interest receivable at 3 month JIBAR plus 170 bps. 50% capital amortisation payment semi-annually in September and March and matures on 25 June 2024.

SWAP 5 – GBP5,300,000 interest payable at 3 month LIBOR plus 114 bps and interest receivable at 3 month JIBAR plus 166 bps. Quarterly capital amortisation payments and matures on 30 January 2024.

SWAP 6 – USD40,000,000 interest payable at 3 month LIBOR plus 100 bps and interest receivable at 3 month JIBAR plus 140 bps. Equal capital amortisation payments semi-annually in September and March and matures on 17 March 2025.

The following table indicates the amounts outstanding and the fair value of each swap.

	Amount owing 30 June 2021 R'000	Amount receivable 30 June 2021 R'000	Fair value 30 June 2021 R'000
SWAP 1	59 247	53 997	5 501
SWAP 3	555 362	518 769	33 881
SWAP 4	151 831	142 553	8 306
SWAP 5	95 984	100 664	(5 457)
SWAP 6	569 981	585 631	(23 420)
	1 432 405	1 401 614	18 811

17. EVENTS SUBSEQUENT TO 30 JUNE 2021

Subsequent to 30 June 2021 a dividend of R0.47 was declared (Refer to page 8 on the Directors' report).

Other than the declaration of dividends, the directors are not aware of any matter or circumstance arising subsequent to the statement of financial position date up to the date of this report, which will require adjustment to or disclosure in these financial statements.

18. SIGNIFICANT SHAREHOLDERS

Distribution of shareholders that hold greater than 5% of the issued share capital as at 30 June 2021:

Distribution of Shareholders	Number of shareholders	% of total shareholding	Number of shares	% of issued capital
Collective Investment Schemes	256	4.54%	162 924 834	43.86%
Retirement Benefit Funds	273	4.84%	56 784 288	15.28%
Organs of State	11	0.20%	48 910 321	13.17%
Assurance Companies	43	0.76%	33 530 621	9.03%

INVESTMENT IN OPERATING SUBSIDIARIES AND EQUITY-ACCOUNTED INVESTEES

AT 30 JUNE 2021

Company	Super Group holding %		Issued[1] share capital	Shares 2021 R'000	Shares 2020 R'000	Amounts owing by subsidiaries 2021 R'000	Amounts owing by subsidiaries 2020 R'000
ABF Legend Logistics Proprietary Limited	100	***	R1 320 000				
Baleka Freight Proprietary Limited	51	***	R22 060 737				
Bluefin Investments Limited and its subsidiaries (Mauritius)*	100		$275 893 782	3 798 460	3 738 023	1 435 505	980 706
Brands Inc Group Proprietary Limited	100,0	***	R1 000				
Cargoworks Proprietary Limited	80	***	R9 999 933				
Digistics Proprietary Limited	100	***	R449			5 540	–
Fleet Africa Proprietary Limited	100	***	R1 000			6 819	6 819
Fleet Africa (Eastern Cape) Proprietary Limited	100	***	R1 000				
GLS Supply Chain Equipment Proprietary Limited	51	***	R100				
Great Wall Motors (SA) Proprietary Limited**	25,1	***	R100 000				
Lexshell 280 Investments Proprietary Limited	100	***	R100				
Lieben Logistics Proprietary Limited	67,4	***	R1 005 238 781				
MDS Collivery Proprietary Limited	90	***	R100				
MDS Outsourcing Proprietary Limited	90	***	R100				
MDS Vehicle Management Systems Proprietary Limited	90	***	R100				
MDS Visapak Proprietary Limited	90	***	R100				
Messenger and Delivery Services Technologies Proprietary Limited	90	***	R200 000				
Micor Freight Proprietary Limited	100	***	R50 000				
Moditouch Proprietary Limited**	50	***	R5 177 120				
Phola Coaches Proprietary Limited	75	***	R800				
Rentrak Proprietary Limited	100	***	R1 276 184				
SG Agility Proprietary Limited**	55	***	R19 677 778				
SG Bus Rentals Proprietary Limited	75	***	R800				
SG Coal Proprietary Limited	85	***	R300			6 648	–
SG Kgolo Proprietary Limited	79	***	R100				
SG Tsogo Proprietary Limited	49		R5 111	–#	–#		
Super Group Africa Proprietary Limited	100	***	R1 180 000 010			10 748	–
Super Group Holdings Proprietary Limited	80		R426 151 001	398 160	493 987	2 082 221	2 081 387
Super Group Trading Proprietary Limited	100	***	R1 521 110 200			1 786 583	923 638
Thengashep Ghana Proprietary Limited	51	***	R100				
Zultrans Proprietary Limited	80	***	R100				
				4 196 620	4 232 010	5 334 064	3 992 550

[1] *Issued share capital comprises ordinary and preference shares*
Less than R1 000
* *Bluefin Investments issued a further 3 862 000 shares during the year.*
** *Investment relates to an equity accounted investee.*
*** *Investment in subsidiaries and equity-accounted investees are indirectly held.*

INVESTMENT IN OPERATING SUBSIDIARIES AND EQUITY-ACCOUNTED INVESTEES continued

AT 30 JUNE 2021

	Super Group holding %
* Significant operating subsidiaries of Bluefin Investment Limited	
Allen Ford (UK) Limited (United Kingdom)	100
GDC Logistics Limited (Mauritius)	100
GDC Logistics Limited (Malawi)	100
GDC Logistics Limited (Zambia)	100
Interorg Limited (Mauritius)	100
Super Group Trading Limited (Mauritius)	100
SG International Holdings Limited (United Kingdom)	100
SG inTime Holdings GmbH (Europe)	80
Servicios Empre-saliares Ader, S.L. (Spain)	93.3
Trans-Logo-Tech (TLT) GmbH	80
SG Fleet Group Limited (Australia)	60.1
SG Fleet Holdings Proprietary Limited (Australia)	60.1
Super Group Australia Proprietary Limited (Australia)	60.1
SG Fleet Proprietary Limited (Australia)	60.1
Fleet Hire Holdings Limited	60.1
Motiva Group Limited	60.1

The group maintains a register of all subsidiaries, available for inspection at the registered office of Super Group Limited.

SHAREHOLDERS' ANALYSIS

Through analysis of the Strate registered holdings and Combined Share Register, and pursuant to the provisions of section 56 of the Companies Act, the following shareholder statistics have been prepared as at 30 June 2021. In terms of Section 56(3) (a) & (b) and Section 56(5) (a) (b) & (c) of the Companies Act, foreign disclosures have been incorporated into this analysis.

Analysis of Ordinary Shareholders as at 30 June 2021

Shareholder spread	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
1 – 1 000	3 329	59.05%	694 423	0.19%
1 001 – 10 000	1 438	25.51%	4 835 503	1.30%
10 001 – 100 000	552	9.79%	19 421 612	5.23%
100 001 – 1 000 000	257	4.56%	77 915 005	20.97%
Over 1 000 000	62	1.10%	268 641 251	72.31%
Total	5 638	100.00%	371 507 794	100.00%

Distribution of Shareholders	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
Assurance Companies	43	0.76%	33 530 621	9.03%
BEE Entities	1	0.02%	48 029	0.01%
Close Corporations	44	0.78%	157 585	0.04%
Collective Investment Schemes	256	4.54%	162 924 834	43.86%
Control Accounts	2	0.04%	45	0.00%
Custodians	25	0.44%	1 509 810	0.41%
Foundations & Charitable Funds	28	0.50%	1 945 329	0.52%
Hedge Funds	5	0.09%	11 212 836	3.02%
Insurance Companies	12	0.21%	3 811 190	1.03%
Investment Partnerships	22	0.39%	80 083	0.02%
Managed Funds	31	0.55%	7 783 096	2.10%
Medical Aid Funds	21	0.37%	2 772 087	0.75%
Organs of State	11	0.20%	48 910 321	13.17%
Private Companies	124	2.20%	4 534 620	1.22%
Public Companies	7	0.12%	1 172 940	0.32%
Public Entities	3	0.05%	355 012	0.10%
Retail Shareholders	4 409	78.20%	8 359 757	2.25%
Retirement Benefit Funds	273	4.84%	56 784 288	15.28%
Scrip Lending	7	0.12%	4 074 415	1.10%
Share Schemes	2	0.04%	10 868 987	2.93%
Sovereign Funds	6	0.11%	3 840 353	1.03%
Stockbrokers & Nominees	31	0.55%	2 952 631	0.79%
Trusts	271	4.81%	3 878 218	1.04%
Unclaimed Scrip	4	0.07%	707	0.00%
Total	5 638	100.00%	371 507 794	100.00%

SHAREHOLDERS' ANALYSIS continued

Shareholder Type	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
Non-Public Shareholders	9	0.16%	11 587 465	3.12%
Directors and associates of the company	5	0.09%	380 500	0.10%
Empowerment Holding	1	0.02%	48 029	0.01%
Own Holdings	1	0.02%	289 949	0.08%
Share Schemes	2	0.04%	10 868 987	2.93%
Public Shareholders	5 629	99.84%	359 920 329	96.88%
Total	5 638	100.00%	371 507 794	100.00%

Beneficial shareholders with a holding greater than 5% of the issued shares	Number of shares	% of issued capital
Old Mutual Group	56 850 836	15.30%
Allan Gray	51 349 168	13.82%
Government Employees Pension Fund	45 904 191	12.36%
PSG	18 604 137	5.01%
Total	172 708 332	46.49%

Total number of shareholdings	5 638
Total number of shares in issue	371 507 794

Non-Public Breakdown	Shares	Holding
Share schemes		
Super Group Share Incentive Scheme	10 868 987	2.93%
	10 868 987	2.93%
Empowerment holding		
SG Tsogo Empowerment Trust	48 029	0.01%
	48 029	0.01%
Own Holdings		
Super Group Trading (Pty) Ltd	289 949	0.08%
	289 949	0.08%
Directors		
Peter Mountford	275 000	0.07%
Colin Brown	100 000	0.03%
	375 000	0.10%

BONDHOLDERS' ANALYSIS

The bondholders as at 30 June 2021 were:

Bondholder spread	Number of Bondholders	% of Total Bondholders	Bonds held	% Held
10 000 – 1 000 000 Bonds	63	30.00%	37 809 348	1.33%
1 000 001 Bonds and over	147	70.00%	2 812 190 652	98.67%
Total	210	100.00%	2 850 000 000	100.00%

Distribution of Bondholders	Number of Bondholders	% of Total Bondholders	Bonds held	% Held
Assurance Companies	17	8.10%	339 864 576	11.93%
Collective Investment Schemes	82	39.05%	1 100 743 484	38.62%
Custodians	2	0.95%	10 000 000	0.35%
Foundations & Charitable Funds	6	2.86%	4 630 000	0.16%
Hedge Funds	2	0.95%	3 300 000	0.12%
Insurance Companies	14	6.67%	65 750 000	2.31%
Managed funds	14	6.67%	446 218 000	15.66%
Medical Aid Funds	10	4.76%	31 300 000	1.10%
Public Companies	7	3.33%	287 000 000	10.07%
Public Entities	1	0.48%	300 000	0.01%
Retirement Benefit Funds	47	22.38%	282 493 940	9.91%
Stockbrokers & Nominees	7	3.33%	276 400 000	9.70%
Trusts	1	0.48%	2 000 000	0.07%
Total	210	100.00%	2 850 000 000	100.00%

Bondholder type	Number of Bondholders	% of Total Bondholders	Bonds held	% Held
Non-Public Bondholders	0	0.00%	0	0.00%
Public Bondholders	210	100.00%	2 850 000 000	100.00%
Total	210	100.00%	2 850 000 000	100.00%

Beneficial Bondholdings (>5%)	Bonds held	% Held
MMI	943 720 000	33.11%
Rand Merchant Bank	333 400 000	11.70%
Ashburton Investments	200 500 000	7.04%
Nedbank Group	176 000 000	6.18%
Standard Bank	176 000 000	6.18%
Total	1 829 620 000	64.20%

Beneficial holding by region	Bonds held	% Held
South Africa	2 823 500 000	99.07%
United States	10 000 000	0.35%
Namibia	16 500 000	0.58%
Total	2 850 000 000	100.00%

Total number of Bondholdings	210
Total number of Bonds in issue	2 850 000 000

SHAREHOLDERS' DIARY

Notice of AGM posted to shareholders	8 October 2021
Annual Financial Statements published and available on website	25 October 2021
2021 Integrated Report published and available on website	25 October 2021
Annual General Meeting	23 November 2021
Interim results for the six months ending 31 December 2021	February 2022
Final results for the year ending 30 June 2022	August 2022

DIVIDEND DECLARATION NO. 12

Notice is hereby given that a gross dividend of 47 cents (2020: Nil cents) per share has been declared out of income reserves in respect of the ordinary shares of no par value for the year ended 30 June 2021.

A dividend withholding tax of 20% or 9.4 cents per share will be applicable, resulting in a net dividend of 37.6 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement. The issued share capital at the declaration date is 371 507 794 ordinary shares. The income tax number of the Company is 9050050716.

Dates of importance	2021
Last day to trade in order to participate in the dividend	Tuesday, 19 October
Shares trade ex-dividend	Wednesday, 20 October
Record date	Friday, 22 October
Payment date	Monday, 25 October

Share certificates may not be dematerialised or rematerialised between Wednesday, 20 October 2021 and Friday, 22 October 2021, both days inclusive.

ANNUAL GENERAL MEETING

Dates of importance	2021
Record date to receive the Notice of the AGM (Notice Record Date)	Friday, 1 October
Notice of AGM distributed to shareholders	Friday, 8 October
Last day to trade to be eligible to vote at the AGM	Tuesday, 9 November
Record date for voting purposes at the AGM (Voting Record Date)	Friday, 12 November
For administrative purposes, Forms of Proxy to be lodged by 09:00 on	Monday, 22 November
AGM to be held 09:00 on	Tuesday, 23 November
Results of the AGM released on the Stock Exchange News Service (SENS)	Tuesday, 23 November

DEFINITIONS

Abbreviation or term	Definition
Ader	Servicios Empresariale Ader S.A
AGM	Annual General Meeting
AUD	Australian Dollar
Basic EPS	Earnings for the year attributable to equity holders of Super Group divided by the weighted average number of ordinary shares in issue during the year
B-BBEE	Broad-Based Black Economic Empowerment
BBSY	The Bank Bill Swap Bid Rate
BEE	Black Economic Empowerment
BPS	Basis Points
Capital Items	Capital items are income and expenses included in profit and loss which are excluded in arriving at headline earnings in accordance with the South African Institute of Chartered Accountants' (SAICA) Circular 4/2018
Cargo Works	Cargo Works Proprietary Limited
CEO	Chief Executive Officer
CFC	Controlled Foreign Company
CFO	Chief Financial Officer
CIO	Chief Information Officer
CIPC	Companies and Intellectual Property Commission
Companies Act	Companies Act No. 71 of 2008, as amended
COVID-19	The coronavirus disease (COVID-19) is an infectious disease caused by a new strain of coronavirus
DMTN	Domestic Medium Term Notes
DSP	Deferred Shares Plan
EBIT	Earnings before interest and taxation
EBITA	Earnings before interest, taxation and amortisation of PPA intangibles
EBITDA	Earnings before interest, taxation, depreciation and amortisation of PPA intangibles
EPS	Earnings per share
EUR/€	Euro
Euribor	Euro Interbank Offered Rate
Exco	Executive Committee
FEC	Foreign Exchange Contract
FML	Full Maintenance Leasing
GLS	GLS Supply Chain Equipment (Pty) Ltd
GRC	Group Risk Committee
HEPS	Headline earnings divided by the weighted average number of ordinary shares in issue during the year
IAS	International Auditing Standards
IFRS	International Financial Reporting Standards
Interest cover	Interest cover is calculated as EBITDA divided by net interest
inTime	inTime Holdings GmbH and its subsidiaries
IRBA	Independent Regulatory Board of Auditors
IT	Information Technology
JIBAR	Johannesburg Interbank Agreed Rate

DEFINITIONS continued

Abbreviation or term	Definition
JSE	JSE Limited
King IV™	The King Code of Corporate Governance Principles and the King Report on Governance for South Africa 2016
KPI	Key Performance Indicators
Legend Logistics	Legend Logistics Proprietary Limited
LIBOR	The London Inter-bank Offered Rate
Lieben Logistics	Lieben Logistics Proprietary Limited
NAV	Net asset value
NCI	Non-controlling interests
Net debt	Net debt is calculated as interest-bearing borrowings including full maintenance lease borrowings, excluding ROU lease liabilities less cash and cash equivalents.
Net interest	Net interest is calculated as finance costs after deducting interest received, excluding ROU liability finance costs.
Net operating assets	Total assets excluding cash and cash equivalents, deferred tax assets, equity accounted investees and interest-bearing receivables less total liabilities excluding bank overdrafts, interest-bearing borrowings, FML borrowings, deferred tax liabilities, interest bearing payables and income tax payable
OCI	Other Comprehensive Income
Operating profit	Operating profit comprises profit before net finance costs, income from equity-accounted investees and tax
PAT	Profit after tax
Pound Sterling/ GBP/£	Great British Pound
PPA	Purchase Price Allocation
R	Rand, the South African currency
Remco	Remuneration Committee
Return on equity	Profit attributable to equity holders of Super Group as a percentage of average capital and reserves attributable to equity holders of Super Group
RNOA	Return on net operating assets, calculation being EBIT after tax as a percentage of average net operating assets
ROU	Right-of-use
SA	South Africa
SARS	Share Appreciation Rights Scheme
SG Coal	SG Coal Proprietary Limited
SG Fleet	SG Fleet Group Limited
Strate	Strate Limited
Super Group	Super Group Limited and its subsidiaries
Super Group Holdings	Super Group Holdings Proprietary Limited, the holding company for the Group's South African businesses
the Board	The Board of directors of Super Group
the Company	Super Group Limited
The Group	Super Group Limited and its subsidiaries
TLT	Trans-Logo-Tech GmbH
Trading Profit	Trading profit comprises operating profit before capital items
UK	United Kingdom
US	United States
VAT	Value-added Tax
WACC	Weighted Average Cost of Capital
WLTP	World-wide Harmonised Light Vehicle Test Procedure
Zultrans	Zultrans (Pty) Ltd

CORPORATE INFORMATION

Directors

Executive: P Mountford (CEO) and C Brown (CFO and Group Debt Officer)
Non-executive: P Vallet (Chairman of the Company), DI Cathrall*, V Chitalu*#, P Mnisi* and S Mehlomakulu*

**Independent #Zambian*

Company Secretary

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Group Debt Officer

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Investor Relations Executive

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Registered office

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Transfer secretaries

Computershare Investor Services Proprietary Limited
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Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
PO Box 61051, Marshalltown, 2107

Auditors

KPMG Inc.
(Registration number 1999/021543/21)
KPMG Crescent, 85 Empire Road, Parktown, 2193

Equity Sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive, Sandown, Sandton, 2196

Debt Sponsor

FirstRand Bank Limited, acting through Rand Merchant Bank
(Registration number 1929/001225/06)
1 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196

Investor Relations Consultant

Keyter Rech Investor Solutions CC
(Registration number 2008/156985/23)
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