Independent auditor's report

To the Shareholders of The Bidvest Group Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Bidvest Group Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

What we have audited

The Bidvest Group Limited's consolidated financial statements set out on pages 18 to 99 comprise:

- the consolidated statement of financial position as at 30 June 2023;
- the consolidated income statement for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

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

Independence

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

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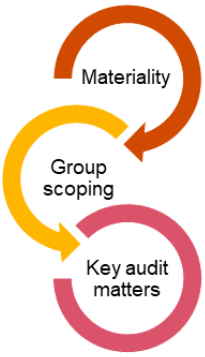
the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Our audit approach

Overview

<table>
<tr><td rowspan="3">
</td><td>Overall group materiality
Overall group materiality: R435 million, which represents 5% of consolidated profit before taxation from continuing operations.</td></tr>
<tr><td>Group audit scope
We performed full scope audits on 30 components.
The group engagement team performed analytical review procedures on components not included in the group audit scope.</td></tr>
<tr><td>Key audit matters
Impairment assessment of indefinite useful life intangible assets and goodwill; and
The identification and valuation of intangible assets arising from the B.I.C Services business combination.</td></tr>
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As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

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

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

Overall group materiality	*R435 million*
How we determined it	*5% of consolidated profit before taxation.*
Rationale for the materiality benchmark applied	*We chose consolidated profit before taxation as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.*

How we tailored our group audit scope

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

Every component that contributed significantly to the consolidated revenue, consolidated profit before taxation, consolidated total assets or consolidated total liabilities of the Group was subject to a full scope audit. We performed full scope audits over 30 components based on their financial significance and to obtain coverage across the Group. We performed analytical review procedures over all other components which were not included in the group scoping to confirm our risk assessment.

Detailed group audit instructions were communicated to all components in scope for group reporting. These components were audited by component audit teams, who reported the results of procedures performed to the group engagement team. We had various interactions with our component audit teams in which we discussed and evaluated recent developments, the scope of audits, audit risks, materiality and audit approaches and also reviewed selected component working papers. We discussed the reports of the component teams, the findings of their procedures and other matters which could be of relevance for the consolidated financial statements.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of indefinite useful life intangible assets and goodwill Refer to notes 9.4 and 9.5 in the consolidated financial statements. As at 30 June 2023, the Group's consolidated statement of financial position included goodwill with a closing carrying value of R17,4 billion, and indefinite life intangible assets with a closing carrying value of R9,6 billion. Assets that are not subject to amortisation, such as goodwill and indefinite life intangible assets, are required to be assessed for impairment annually, or more frequently if there is an indicator of impairment in accordance with International Accounting Standard 36: Impairment of assets ("IAS 36"). Management performed an annual impairment assessment for goodwill and indefinite useful life intangible assets. The recoverable amount, as determined for the purpose of the impairment calculation, is calculated as the higher of the fair value less costs of disposal and their value-in-use. The Group's impairment assessment of the indefinite useful life intangible assets and goodwill is considered to be a matter of most significance to the current year audit due to: • the judgements and estimates made by management with regards to projected annualised earnings, given the current economic environment; and • the judgments and estimates made by management in determining the values which have been assigned to the key assumptions used in the value in-use	Making use of our valuation expertise, we assessed the valuation methodology applied by management against generally accepted valuation methods and IAS 36, noting no exceptions. We independently calculated the discount rate, considering independently obtained data such as the cost of debt, after taking into account the contribution of lease discount rates in accordance with IFRS 16 to the cost of debt, the risk-free rate, market risk premiums, debt/equity ratios as well as the beta of comparable companies. Using independent assumptions, we tested for the possible impairment of goodwill and intangible assets by performing calculations based on value in use and/or fair value less costs of disposal. With regards to goodwill, the testing was performed at the operating segment level given this is the level at which management monitors the goodwill. With regards to indefinite-lived intangible assets, we performed the testing at the cash-generating unit ("CGU") level. Specific procedures included: • Agreeing cash flow forecasts to approved budgets. • Assessing the reliability of the forecasts by comparing current year actual results with the prior year budgeted results. • Comparing the growth projections applied by management to historically achieved growth rates. • Comparing the terminal growth rates used by management to long-term

calculation i.e., the discount rate, revenue growth rate and the terminal growth rate underpinning the future cash flow forecasts.	consensus inflation rates obtained from independent sources. Based on our assessment, no material impairments were required. We performed sensitivity analyses on the key assumptions included in management's fair value less costs of disposal and value in-use calculations and assessed the disclosures included in notes 9.4 and 9.5 against the relevant IFRS disclosure requirements. No material disclosure deficiencies were noted.
The identification and valuation of intangible assets arising from the B.I.C Services business combination Refer to note 9.2 in the consolidated financial statements. During the 2023 financial year, the Group acquired 100% of B.I.C Services Pty Limited with an effective date of 7 July 2022. This resulted in a business combination in terms of International Financial Reporting Standard 3: Business Combinations ("IFRS 3"). In accordance with the accounting requirements of IFRS 3, a Purchase Price Allocation ("PPA") was finalised during the 2023 financial year. Management utilised the services of an expert to determine the valuation of the identifiable assets acquired, and the liabilities assumed in accordance with IFRS 3, separately from goodwill. This resulted in the Group recognising a R212 million indefinite lived intangible asset in the form of the B.I.C brand, a R390 million finite lived intangible asset in the form of customer relationships and R1 369 million of goodwill.	We assessed whether the effective date of the acquisition is in compliance with IFRS 3 per inspection of the salient terms and conditions of the purchase agreement and noted no concerns. Utilising our valuation expertise, we performed an independent assessment of the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date, specifically relating to the valuation and identification of intangible assets and the resultant goodwill recognised. Our independent assessment was compared to management's assessment after performing the following procedures: • Assessing the competence, capabilities and objectivity of management's experts by evaluating their qualifications, experience and independence. • Using our knowledge of the industry and businesses acquired, we assessed the completeness of the intangible assets identified by management. • Comparing the valuation techniques

	and assumptions used against industry norms. • Assessing management's judgement that there is no foreseeable limit to the period over which identified indefinite lived intangibles will generate cash flows, by considering the nature of each intangible asset. We also assessed the useful life assigned to the definite life intangible assets by comparing these to industry norms. • Comparing the discount rate utilised in the valuation by recalculating the rate using our internal calculation methodologies by our valuation experts to the rate calculated by management. • Assessing whether the goodwill and intangible assets recognised as a result of the PPA were appropriate in accordance with the requirements of IFRS 3 by considering information available related to the industry and the reasonableness of the ratio of goodwill versus intangible asset balances recognised for similar business combinations. • We assessed the disclosures included in note 9.2 against the relevant IFRS disclosure requirements. Based on our procedures performed, we did not identify any material differences between management's assessment and our independent assessment and did not note any material disclosure deficiencies.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "The Bidvest Group Limited Audited Consolidated Annual Financial Statements for the year ended 30 June 2023" and "The Bidvest Group Limited Audited

Annual Financial Statements for the year ended 30 June 2023", which includes the Directors' Report, the Audit Committee Report and the Declaration by company secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the other sections of the document titled "The Bidvest Group Limited Integrated Report for the year ended 30 June 2023", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

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

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: C West
Registered Auditor
Johannesburg, South Africa
1 September 2023