# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

## 21. NET FINANCE COSTS

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 |
| **FINANCE INCOME** | **(31 277)** | (21 745) | **(324)** | (275) |
| Cash and cash equivalents | **(21 580)** | (10 941) | **(324)** | (275) |
| Other* | **(9 697)** | (10 804) | **–** | – |
| Insurance finance income | **(6 731)** | (4 092) | **–** | – |
| Total finance income | **(38 008)** | (25 837) | **(324)** | (275) |
| **FINANCE COSTS** | **77 045** | 77 229 | **6 064** | 2 113 |
| Other** | **7 969** | 13 102 | **–** | – |
| Inter-company loans | **–** | – | **6 064** | 2 113 |
| Borrowings | **69 076** | 64 127 | **–** | – |
| Net finance costs | **39 037** | 51 392 | **5 740** | 1 838 |

* *Finance income – Other relates to interest charged in relation to loans granted.*

** *Finance costs – Other relates to Cash Management Solution (**CMS**) interest and SARS interest.*

## 22. INCOME TAX EXPENSE

### 22.1 Current taxation

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 |
| **CURRENT TAXATION** | **146 295** | 157 071 | **22** | 54 |
| Current year | **143 253** | 158 317 | **60** | 61 |
| Prior year | **1 443** | (2 884) | **(38)** | (7) |
| Foreign withholding tax – current | **1 484** | 1 638 | **–** | – |
| Securities transfer tax | **115** | – | **–** | – |
| **DEFERRED TAXATION** | **(13 566)** | (25 417) | **–** | – |
| Current year | **(766)** | (22 833) | **–** | – |
| Prior year | **(12 819)** | (2 622) | **–** | – |
| Income tax on remeasurement of post-employment benefit obligations | **19** | 38 | **–** | – |
| | **132 729** | 131 654 | **22** | 54 |

# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

## 22. INCOME TAX EXPENSE/(CREDIT) CONTINUED

### 22.2 Reconciliation of the tax rate

| | Group | | Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| South African normal tax rate | 27.00% | 27.00% | 27.00% | 27.00% |
| **ADJUSTED FOR:** | | | | |
| **DISALLOWABLE EXPENSES** | 40.04% | 7.14% | 34.17% | 15.31% |
| Donations not subject to Section 18A | 0.10% | 0.01% | 0.00% | 0.00% |
| Share transaction cost | 0.12% | 0.06% | 0.62% | 0.34% |
| Dual nature expenses | 3.87% | 1.32% | 19.32% | 7.41% |
| Non-allowable legal fees | (0.93%) | 0.11% | 0.00% | 0.00% |
| Non-allowable consulting fees | 2.45% | 1.36% | 10.15% | 7.29% |
| Loss on sale of assets | 0.00% | 0.09% | 0.00% | 0.00% |
| Impairment of investments | 1.91% | 0.00% | 0.00% | 0.00% |
| Impairment of property and equipment | 0.00% | 1.58% | 0.00% | 0.00% |
| Impairment of loans | 1.85% | 1.61% | 0.00% | 0.00% |
| Write off of intangible assets | 30.11% | 0.34% | 0.00% | 0.00% |
| Actuarial gain | 0.01% | (0.48%) | 0.00% | 0.00% |
| Depreciation on buildings | (0.45%) | 0.05% | 0.00% | 0.00% |
| Share based payments | 0.03% | 0.06% | 0.08% | 0.27% |
| Penalties and interest | 1.76% | 0.02% | 4.00% | 0.00% |
| Non trading expenses | (0.79%) | 0.82% | 0.00% | 0.00% |
| Recoupment of allowance – de-grouping | 0.00% | 0.19% | 0.00% | 0.00% |
| **NON-TAXABLE INCOME** | 1.57% | (1.60%) | 0.00% | (0.99%) |
| Share of profits from associates and joint ventures | 1.18% | (0.89%) | 0.00% | 0.00% |
| Fair value gain on investments | (0.23%) | (0.47%) | 0.00% | 0.00% |
| Financial guarantee | (0.06%) | (0.07%) | 0.00% | 0.00% |
| Employment Tax Incentive | (0.03%) | (0.01%) | 0.00% | 0.00% |
| Other Non-taxable income | 0.71% | (0.16%) | 0.00% | (0.99%) |
| **EXEMPT INCOME** | 0.21% | (0.01%) | (61.03%) | (41.23%) |
| Dividends received | 0.21% | (0.01%) | (61.03%) | (41.23%) |
| **OTHER DEDUCTIBLE EXPENSES** | (1.69%) | (1.01%) | 0.00% | 0.00% |
| Learnership allowance | (1.69%) | (1.01%) | 0.00% | 0.00% |
| Rate differences | 0.51% | (0.50%) | 0.00% | 0.00% |
| Prior year adjustment | 0.00% | 0.00% | 0.00% | 0.00% |
| – current tax | 0.70% | (0.68%) | (0.09%) | (0.01%) |
| – deferred tax | (6.19%) | (0.61%) | 0.00% | 0.00% |
| Capital gain/loss | (0.02%) | 0.19% | 0.00% | 0.00% |
| Withholding tax | 0.72% | 0.38% | 0.00% | 0.00% |
| Unutilised capital (losses)/gains | (0.18%) | 0.00% | 0.00% | 0.00% |
| Securities transfer tax | 0.06% | 0.00% | 0.00% | 0.00% |
| Unrecognised assessed loss | 1.43% | 0.56% | 0.00% | 0.00% |
| **EFFECTIVE TAX RATE** | 64.16% | 30.86% | 0.05% | 0.08% |