



**CONSOLIDATED  
INTERIM  
FINANCIAL  
STATEMENTS**

FOR THE PERIOD ENDED 30 SEPTEMBER 2024



**BusinessPartners**  
The Entrepreneur's Financier

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## Our purpose



**Business Partners Limited**  
company registration  
number: 1981/000918/06

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**For 43 years,** Business Partners Limited has been the Entrepreneur's Financier, offering small and medium enterprises (SMEs) tailor-made financing solutions, mentorship, technical assistance, and affordable business premises.

### Our mission

Our mission is to invest capital, skill and knowledge into viable entrepreneurial enterprises in South Africa, and markets in Africa where we have a presence.

### Our vision

Our vision is to be the premier business partner for SMEs, supporting growth and development, facilitating entrepreneurial wealth formation and stimulating job creation.

### Our goal

Our goal is to be an internationally respected, successful and profitable business partner for SMEs.

## OVERVIEW OF RESULTS

### Business Activities

Business Partners Limited is a specialist financial services company providing risk finance, technical assistance and mentorship to small and medium enterprises (SMEs) in South Africa.

The Group provides investment, management and support services to Business Partners International Africa LLC, an investment company in which Business Partners Limited and international development finance institutions are shareholders. This investment company provides access to finance for SMEs in Kenya, Rwanda, Uganda, Malawi and Namibia.

The Group's investment property portfolio is located across South Africa and consists of industrial and retail premises primarily serving the business accommodation needs of SMEs.

The Group's revenues comprise interest, rental income and capital returns from its investment portfolios, in addition to fees earned for services rendered.

### Market conditions

Global growth is expected to moderate but is expected to improve as Central Banks ease their restrictive monetary policies in response to inflation moving closer to target ranges. The recent economic stimulus announced by China boosted commodity prices and despite the ongoing tensions in the Middle East, the price of oil remained stable in USD dollar terms.

The South African economic outlook has improved as electricity supply stabilised, inflation abated, and the transport and logistical sectors are recovering. The prime interest rate decreased by 50 bps compared to a year ago as inflation eased. The formation of a Government of National Unity, after peaceful elections, improved market sentiment with government bond yields falling to 3-year lows.

The SME sector has not demonstrated significant signs of recovery as the overhang of the historical negative trading conditions remains evident in sticky and elevated credit risk. Improved confidence, lower interest rates and lower inflation are however expected to improve SMEs' investment appetite and growth ambitions.

### Financial Overview

Total revenue increased by 4,8 percent to R360,1 million for the 6-month period ended 30 September 2024 ("reporting period") from R343,8 million in the 6-month period ended 30 September 2023 ("prior reporting period"). The increase is mainly attributed to improved investment income and gains and income from associated companies. The increase in net interest income of 2,8 percent compared to the prior reporting period is largely attributed to the marginal increase in the average prime interest rate over the same period.

Credit risk remained at elevated levels throughout the reporting period despite progress made in resolving distressed investments. Clients not meeting their repayment obligations decreased from 37,2 percent of the total portfolio at the end of March 2024 to 35,1 percent at the end of September 2024. Net credit losses increased to R27,2 million in the reporting period from R9,6 million in the prior reporting period.

The strategic priority of improving operational capacity and capability continued during the reporting period contributing to staff and operational costs increasing by 7,9 percent to R164,5 million (prior reporting period: R151,5 million).

Profit for the period decreased by 7,8 percent from R135,2 million in the prior period to R124,6 million.

The Group's income generating assets increased marginally over the reporting period. Net borrowings increased by R129,3 million or 17,6 percent over the reporting period. Debt as a percentage of equity decreased from 28,7 percent at the end of the prior period to 24,2 percent at the end of the reporting period.

### Operational Results

A very satisfactory increase in investment activity was recorded over the reporting period. The number of investments disbursed increased from 90 (R318,8 million) in the prior period by 26,7% to 114 (R465,8 million) in the reporting period.

The impact focus in our investment activity of addressing inequality and transformation delivered pleasing and improved results - investments approved to black entrepreneurs increased to 63,4 percent and investments approved to female entrepreneurs increased to 34,7 percent from 60,1 percent and 32,6 percent respectively in the prior period.

The vacancies in the investment property portfolio improved from 8,9 percent at the end of the prior period to 6,0 percent at the end of the reporting period.

### Prospects

The global economy is expected to continue to grow although at a modest pace. The outlook for inflation is balanced with further easing expected. Some downside risk to growth is presented by geopolitical risks and protectionist sentiment impacting international trade.

Locally, expectations of improved business conditions in the short-term have increased confidence in the growth of the South African economy. Factors such as increased stability in energy supply and the ongoing improvement in the performance of port and rail operations contributed to economic growth forecasts projected at 1,1 percent in 2024, rising to 1,8 percent in 2025. The growth outlook is underpinned by stronger household spending and increased fixed investment.

Prospects for SMEs are expected to be more favourable compared to those prevailing over the reporting period.

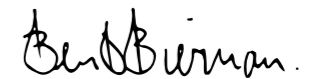
Investment activity during the latter half of the year is anticipated to exceed the levels achieved to date whilst credit risk is likely to improve. The outlook for Business Partners Limited's profitability remains positive and results are expected to match those achieved in the previous year, provided no major systemic shocks are encountered.

### On behalf of the Board of Directors



N Martin  
Chairperson

14 November 2024



BD Bierman  
Managing  
Director

*The Condensed Consolidated Interim Financial Statements have been prepared by the Chief Financial Officer, R Dolphin.*

Directors: Directors: N Martin (Chairperson), BD Bierman\* (Managing Director), KT Bonakele, CW Ceasar, R Dolphin\*, O Kotze, J Lang\*, M Lubbe, NS Mbatha, F Meisenholl, D Moshapalo, SST Ngcobo, HE Tshivhase, NJ Williams.  
\*Executive. Honorary Patron: JP Rupert. Company Secretary: CM Gerbrands  
Registration number: 1981/000918/06 ISO 9001 certified

## Consolidated interim statement of financial position

	Notes	Unaudited results for the period ended 30 September		Audited 31 March
		2024	2023	2024
		R000	R000	R000
<b>Assets</b>				
Cash and cash equivalents		196 426	406 193	256 735
Accounts receivable		54 616	49 836	58 369
Loans and receivables	5	2 936 861	2 775 926	2 878 967
Other investments	6	121 665	119 849	121 609
Assets held for resale		22 588	29 850	28 439
Investments in associates		130 822	99 371	127 461
Investment properties	7	1 912 465	1 899 703	1 811 437
Property and equipment and right-of-use asset		116 773	112 229	115 873
Deferred tax asset		145 078	124 138	140 506
Defined benefit pension fund surplus		187 049	153 888	172 568
<b>Total assets</b>		<b>5 824 343</b>	<b>5 770 983</b>	<b>5 711 964</b>
<b>Equity and liabilities</b>				
<b>Capital and reserves attributable to equity holders of parent</b>				
Share capital	8	173 001	173 001	173 001
Fair value and other reserves		106	10 429	171
Retained earnings		4 196 047	3 986 602	4 125 056
<b>Non-controlling shareholders' interest</b>		<b>18 613</b>	<b>15 506</b>	<b>18 613</b>
<b>Total equity</b>		<b>4 387 767</b>	<b>4 185 538</b>	<b>4 316 841</b>
<b>Liabilities</b>				
Accounts payable		109 778	121 289	122 392
Provisions		32 719	33 203	58 234
Dividend payable		1 693	1 302	1 270
Lease liability		6 079	5 563	5 755
Current tax liability		595	4 431	507
Borrowings	9	1 062 368	1 199 350	993 423
Deferred tax liability		223 344	220 307	213 542
<b>Total liabilities</b>		<b>1 436 576</b>	<b>1 585 445</b>	<b>1 395 123</b>
<b>Total equity and liabilities</b>		<b>5 824 343</b>	<b>5 770 983</b>	<b>5 711 964</b>

## Consolidated interim statement of comprehensive income

	Notes	Unaudited results for the period ended 30 September		Audited 31 March
		2024	2023	2024
		R000	R000	R000
Net interest income	10	196 646	191 303	379 320
Interest income		247 641	254 201	498 203
Interest expense		(50 995)	(62 898)	(118 883)
Fee revenue		1 279	359	3 887
Income from associated companies		16 321	11 348	38 029
Investment income and gains	11	65 855	58 393	132 443
Net property revenue	12	69 214	72 346	163 628
Property revenue	12.1	160 342	155 892	340 077
Property expenses	12.2	(91 128)	(83 546)	(176 449)
Management and service fee income		9 661	9 052	19 128
Other income		1 153	981	3 023
<b>Total income</b>		<b>360 129</b>	<b>343 782</b>	<b>739 458</b>
Net credit losses incurred	13	(27 171)	(9 573)	(51 325)
Staff costs	14	(117 845)	(106 488)	(223 979)
Other operating expenses		(46 665)	(45 004)	(101 295)
<b>Profit before taxation</b>		<b>168 448</b>	<b>182 717</b>	<b>362 859</b>
Income tax expense		(43 826)	(47 507)	(85 877)
<b>Profit for the period</b>		<b>124 622</b>	<b>135 210</b>	<b>276 982</b>
<b>Other comprehensive income after tax:</b>				
Fair value adjustment on financial assets held at fair value through other comprehensive income		45	(5)	(25 993)
Gross amount		57	(7)	(33 154)
Tax effect		(12)	2	7 161
Foreign currency translation reserve movement		(110)	123	15 853
Gross amount		(110)	123	20 153
Tax effect		-	-	(4 300)
<b>Other comprehensive (loss) / income for the period</b>		<b>(65)</b>	<b>118</b>	<b>(10 140)</b>
<b>Total comprehensive income</b>		<b>124 557</b>	<b>135 328</b>	<b>266 842</b>
<b>Profit attributable to:</b>				
Equity holders of Business Partners Limited		124 622	135 210	273 665
Non-controlling interests		-	-	3 317
		<b>124 622</b>	<b>135 210</b>	<b>276 982</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of Business Partners Limited		124 557	135 328	263 525
Non-controlling interests		-	-	3 317
		<b>124 557</b>	<b>135 328</b>	<b>266 842</b>

## Consolidated interim statement of changes in equity

	Notes	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				Total
		Share capital	Fair value and other reserves	Retained earnings	Non-controlling interest	
		R000	R000	R000	R000	
<b>Balance at 1 April 2023</b>		173 001	10 311	3 899 904	15 506	4 098 722
Total comprehensive income for the period			118	135 138	-	135 256
Profit for the period				135 210	-	135 210
Other comprehensive income / (loss) for the period			118	(72)		46
Dividend	17.4			(48 440)		(48 440)
<b>Balance at 30 September 2023</b>		<b>173 001</b>	<b>10 429</b>	<b>3 986 602</b>	<b>15 506</b>	<b>4 185 538</b>
<b>Balance at 1 April 2024</b>		173 001	171	4 125 056	18 613	4 316 841
Total comprehensive income for the period			(65)	124 622	-	124 557
Profit for the period				124 622	-	124 622
Other comprehensive loss for the period			(65)		-	(65)
Dividend	17.4			(53 631)		(53 631)
<b>Balance at 30 September 2024</b>		<b>173 001</b>	<b>106</b>	<b>4 196 047</b>	<b>18 613</b>	<b>4 387 767</b>

## Consolidated interim statement of cash flows

	Notes	Unaudited results for the period ended 30 September		Audited
		2024	2023	2024
		R000	R000	R000
<b>Cash flow from operating activities</b>				
Profit before taxation		168 448	182 717	362 859
Non-cash adjustments	17.1	(39 428)	(42 606)	(95 635)
Dividends received		(6)	(9)	(10)
Net interest income		(196 646)	(191 303)	(379 320)
Net interest received in cash	17.2	123 448	131 419	260 116
Other movements in assets and liabilities		(28 525)	(13 654)	5 358
		27 291	66 564	153 368
Net inflow / (outflow) on borrowed funds		69 270	98 090	(82 484)
Net (outflow) / inflow on loans and receivables		(31 215)	213 391	85 070
<b>Cash generated from operating activities before tax</b>		<b>65 346</b>	<b>378 045</b>	<b>155 954</b>
Taxation paid	17.3	(35 878)	(42 566)	(100 996)
<b>Net cash flow generated from operating activities</b>		<b>29 468</b>	<b>335 479</b>	<b>54 958</b>
<b>Cash flow from investing activities</b>				
Capital investment in:				
• Investment properties		(74 384)	(33 244)	(41 899)
• Property and equipment		(1 961)	(1 005)	(4 646)
• Other investments		-	(15 001)	(30 001)
Proceeds from sale of:				
• Investment properties		10 500	-	123 100
• Assets held for resale		-	-	2 367
• Property and equipment		38	81	142
• Investments in associates		18 693	28 720	50 342
Interest from balances in bank		7 459	11 586	23 549
Dividends received from investments in associates		3 709	1 602	1 603
<b>Net cash flow (utilised in) / generated from investing activities</b>		<b>(35 946)</b>	<b>(7 261)</b>	<b>124 557</b>
<b>Cash flow from financing activities</b>				
Dividends paid	17.4	(53 208)	(49 089)	(49 121)
Payment of principal portion of lease liabilities		(623)	(503)	(1 226)
<b>Net cash flow utilised in financing activities</b>		<b>(53 831)</b>	<b>(49 592)</b>	<b>(50 347)</b>
Movement in cash and cash equivalents		(60 309)	278 626	129 168
Cash and cash equivalents at beginning of period		256 735	127 567	127 567
<b>Cash and cash equivalents at end of period</b>		<b>196 426</b>	<b>406 193</b>	<b>256 735</b>

# NOTES

TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## Notes to the Consolidated interim financial statements

### 1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 September 2024 were prepared in accordance with IAS 34, 'Interim financial reporting', and the Companies Act 71 of South Africa.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern, refer to note 20.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2024, which were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting policies applied are consistent with those of the previous financial year.

### 2. Estimates

In preparing the condensed consolidated interim financial statements, estimates and assumptions are made that could materially affect the reported amounts of assets, liabilities, income and expenses within the next financial year. Estimates and judgements are continually evaluated and are based on factors such as historical experience and current best estimates of future events.

### 3. Financial risk management

The Group's activities expose it to a variety of financial risks such as credit risk, liquidity risk and market risk (which includes interest rate risk and foreign currency risk). There have been no material changes in the risk management systems nor in any risk management policies since year-end.

### 4. Assets and liabilities held at fair value

The Group uses the following fair value measurement hierarchy to measure the assets and liabilities disclosed on the statement of financial position:

- Level 1: Quoted prices in active market for identical assets or liabilities
- Level 2: Inputs other than quoted prices included with level 1 that are observable
- Level 3: Inputs for the asset or liability that are not based on observable market data

The table below presents the Group's assets and liabilities that are measured at fair value:

	As at 30 September 2024 R000	As at 30 September 2023 R000	As at 31 March 2024 R000	Hierarchy of Valuation Technique
Investment properties	1 912 465	1 899 703	1 811 437	Level 3
Listed securities	411	373	355	Level 1
Unlisted shares	121 254	119 476	121 254	Level 3
Investment accounts at fair value	81 202	267 326	87 143	Level 1
	<b>2 115 332</b>	<b>2 286 878</b>	<b>2 020 189</b>	

#### Measurement of assets at Level 3

The fair value of level 3 assets is determined using valuation techniques which incorporate assumptions based on unobservable inputs and are subject to management judgement. Although the Group believes that its estimates of fair values are appropriate, changing one or more of these assumptions to reasonably possible alternative values could impact the fair value of the assets.

A reconciliation of the opening balances to closing balances for all movements on investments at fair value through other comprehensive income is set out in note 6.

The reconciliation of the opening balances to closing balances for all movements on investment properties is set out in note 7.

The fair value hierarchies remain unchanged from 31 March 2024.



**Unaudited results  
for the period ended  
30 September**

**Audited  
31 March**

**2024**      **2023**      **2024**  
**R000**      **R000**      **R000**

### 5. Loans and receivables

Gross loans and receivables	3 366 057	3 161 004	3 302 739
Less: Allowance for expected credit losses	<b>(429 196)</b>	(385 078)	(423 772)
• Stage 1	<b>(26 105)</b>	(21 114)	(21 323)
• Stage 2	<b>(49 123)</b>	(24 423)	(44 426)
• Stage 3	<b>(353 968)</b>	(339 541)	(358 023)
<b>Carrying value of loans and receivables</b>	<b>2 936 861</b>	2 775 926	2 878 967
Long-term portion	<b>2 427 380</b>	2 319 661	2 383 549
Short-term portion	<b>509 481</b>	456 265	495 418
	<b>2 936 861</b>	2 775 926	2 878 967

### Allowance for expected credit losses ("ECL")

The loss allowance is measured on the following basis:

- Stage 1 which are 12 Month ECLs: these quantify ECLs that result from possible default events within 12 months after the reporting date and
- Stage 2 and 3 which are Lifetime ECL: these quantify ECLs that result from all possible default events over the expected life of a financial instrument

The loss allowance recognised for the period is impacted by a variety of factors which include:

- Transfers between Stage 1 and Stages 2 or 3 due to the financial instruments experiencing significant increases (or decreases) of credit risk
- Additional allowances for new financial instruments recognised during the period
- Changes in probability of default ("PDs"), exposure at the time of default "EADs" and loss given default "LGDs" in the period, arising from changes in historical experience
- Present value discount unwinding within ECL due to the passage of time, as ECL is measured on a present value basis and
- Financial assets derecognised during the period

The table below analyses the changes in the gross carrying amount:

	Stage 1 12-month ECL R000	Stage 2 Lifetime ECL R000	Stage 3 Lifetime ECL R000	Total R000
Gross carrying amount as at 1 April 2024	1 415 088	498 013	1 389 638	3 302 739
Existing loans transfer between stages	<b>(87 115)</b>	11	87 104	-
Transfer (to)/from stage 1	-	100 700	<b>(13 585)</b>	87 115
Transfer (to)/from stage 2	<b>(100 700)</b>	-	100 689	<b>(11)</b>
Transfer (to)/from stage 3	13 585	<b>(100 689)</b>	-	<b>(87 104)</b>
Movement on existing loans	71 480	14 286	<b>(26 356)</b>	59 410
New loan agreements originated	117 917	10 041	<b>(32)</b>	127 926
Settled	<b>(14 012)</b>	<b>(12 922)</b>	<b>(63 654)</b>	<b>(90 588)</b>
Written off	-	-	<b>(33 430)</b>	<b>(33 430)</b>
Gross carrying amount as at 30 September 2024	<b>1 503 358</b>	<b>509 429</b>	<b>1 353 270</b>	<b>3 366 057</b>
Gross carrying amount as at 1 April 2023	1 655 703	554 353	1 127 354	3 337 410
Existing loans transfer between stages	<b>(340 097)</b>	(59 075)	399 172	-
Transfer (to)/from stage 1	-	158 973	181 124	340 097
Transfer (to)/from stage 2	<b>(158 973)</b>	-	218 048	59 075
Transfer (to)/from stage 3	<b>(181 124)</b>	<b>(218 048)</b>	-	<b>(399 172)</b>
Movement on existing loans	<b>(32 664)</b>	(8 578)	<b>(43 805)</b>	<b>(85 047)</b>
New loan agreements originated	300 699	57 352	1 316	359 367
Settled	<b>(168 553)</b>	<b>(46 039)</b>	<b>(79 487)</b>	<b>(294 079)</b>
Written off	-	-	<b>(14 912)</b>	<b>(14 912)</b>
Gross carrying amount as at 31 March 2024	1 415 088	498 013	1 389 638	3 302 739



	Unaudited results for the period ended 30 September		Audited 31 March
	2024 R000	2023 R000	2024 R000

## 6. Other investments

Fair value through profit and loss financial assets	30 001	-	30 001
Fair value through other comprehensive income financial assets	91 664	119 849	91 608
Carrying value of other investments	121 665	119 849	121 609

The above investments at fair value through profit and loss comprise unlisted shares. The above investments at fair value through other comprehensive income comprise listed and unlisted shares. The fair value of listed shares is determined with reference to quoted prices on the relevant securities exchange. The fair value of unlisted shares is determined with reference to recognised valuation techniques performed by suitably qualified personnel. The directors review and approve the valuation techniques annually.

### Fair value through other comprehensive income financial assets

#### The movement is as follows:

Fair value – beginning of period	91 608	104 855	104 855
Capital investment	-	15 001	-
Fair value movement in other comprehensive income	56	(7)	(13 247)
Fair value – end of period	91 664	119 849	91 608

#### The fair value consists of the following:

Listed securities	411	373	355
Unlisted securities	91 253	119 476	91 253
	91 664	119 849	91 608

	Industrial Sector R000	Retail Sector R000	Office Sector R000	Total R000
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## 7. Investment properties

Fair value – as at 1 April 2024	1 329 356	464 526	17 555	1 811 437
Acquisitions	61 690	-	-	61 690
Improvements	2 578	10 116	-	12 694
Disposals	(10 500)	-	-	(10 500)
Fair value adjustment	21 422	14 673	1 049	37 144
Fair value – 30 September 2024	1 404 546	489 315	18 604	1 912 465

Fair value – as at 1 April 2023	1 355 547	464 775	18 032	1 838 354
Acquisitions	28 437	-	-	28 437
Improvements	8 598	4 508	356	13 462
Disposals	(112 770)	-	-	(112 770)
Fair value adjustment	49 544	(4 757)	(833)	43 954
Fair value – 31 March 2024	1 329 356	464 526	17 555	1 811 437

### Basis for Valuation

An internal valuation was performed to determine changes in the fair value of the investment property portfolio for the interim financial period by using the discounted cash flow methodology.

This methodology determines the net present value (fair value) of future cashflows discounted by an appropriate rate. The discount rate applied references an appropriate capitalisation rate – as sourced from Rode's Report – which is then adjusted for specific property risks.

The gross rental cashflows are determined by considering current rentals market rentals and operating recoveries for a period of between 5 and 10 years. The net rental cashflows are determined after deducting a vacancy factor property expenses and capital expenditure for each period. The valuation parameters are reviewed and approved by an internal valuation panel.

On an annual basis in consultation with members of the audit committee a number of properties are selected to be valued by external valuers. The appropriateness of the fair value adjustment is confirmed by comparing the internal valuation to the valuations completed by the external valuers.

The fair value adjustment of investment property portfolio amounts to R37,1 million for the interim financial period (2023: R28,1 million).

Unaudited results for the period ended 30 September		Audited 31 March
2024	2023	2024
R000	R000	R000

## 7. Investment properties (continued)

### Geographical distribution

#### Province

Eastern Cape	236 254	225 069	234 617
Free State	11 968	20 955	11 629
Gauteng	707 616	715 067	629 243
KwaZulu-Natal	377 418	385 122	370 265
Limpopo	97 960	48 884	48 892
Mpumalanga	8 024	54 635	54 762
North West	32 315	36 219	35 192
Northern Cape	6 976	6 784	6 617
Western Cape	433 934	406 968	420 220
	<b>1 912 465</b>	<b>1 899 703</b>	<b>1 811 437</b>

Industrial Sector	Retail Sector	Office Sector	Total
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### Portfolio summary

#### As at 30 September 2024

Number of properties	85	15	3	103
GLA m <sup>2</sup>	266 277	33 616	4 782	304 675
Vacancy m <sup>2</sup>	12 714	4 650	505	17 869
Vacancy %	4.8	13.8	10.6	5.9
Value R000	1 404 546	489 315	18 604	1 912 465
Value R000/ m <sup>2</sup>	5.3	14.6	3.9	6.3

#### As at 31 March 2024

Number of properties	88	15	3	106
GLA m <sup>2</sup>	274 450	33 912	4 782	313 144
Vacancy m <sup>2</sup>	17 307	5 579	569	23 455
Vacancy %	6.3	16.5	11.9	7.5
Value R000	1 329 356	464 526	17 555	1 811 437
Value R000/ m <sup>2</sup>	4.8	13.7	3.7	5.8

Unaudited results for the period ended 30 September		Audited 31 March
2024	2023	2024
R000	R000	R000

## 8. Share capital

### Authorised

400 000 000 ordinary shares of R1 each	400 000	400 000	400 000
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### Issued

173 000 594 (2023: 173 000 594) ordinary shares of R1 each	173 001	173 001	173 001
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## 9. Borrowings

### Non-current

Interest-bearing long-term loans	577 567	757 099	610 600
Interest-free long-term loans	57 877	21 188	52 578
	<b>635 444</b>	<b>778 287</b>	<b>663 178</b>

### Current

Short-term portion of long-term loans	426 924	421 063	330 245
	<b>426 924</b>	<b>421 063</b>	<b>330 245</b>
	<b>1 062 368</b>	<b>1 199 350</b>	<b>993 423</b>

The nature and terms of the interest-bearing long-term loans are as follows:

- Loans secured by bonds amounting to R692 million over properties. The loans' repayment terms are 5 and 10 years respectively
- Two loans are secured by a cession amounting to R2,9 billion of loans and receivables. The repayment terms are between 5 and 6 years

### Total borrowings reconciliation

Opening balance	993 423	1 101 911	1 101 911
Interest	50 995	60 759	118 883
Repayments	(185 335)	(164 584)	(404 451)
Drawdowns	203 610	201 915	203 084
Other movements	(325)	(651)	(26 004)
Total borrowings	<b>1 062 368</b>	<b>1 199 350</b>	<b>993 423</b>

	Unaudited results for the period ended 30 September		Audited 31 March
	2024	2023	2024
	R000	R000	R000

## 10. Net interest income

Interest income	247 641	254 201	498 203
• Interest on loans and receivables	194 492	169 829	373 178
• Royalty fees	45 690	72 786	101 476
• Interest on surplus funds	7 459	11 586	23 549
Interest expense	(50 995)	(62 898)	(118 883)
• Interest-bearing borrowings	(50 995)	(62 898)	(118 883)
Net interest income	196 646	191 303	379 320

## 11. Investment income and gains

Investment income	15 152	25 854	65 423
• Surplus on realisation of unlisted financial assets	15 146	25 845	46 056
• Surplus on realisation of investment properties	-	-	19 357
• Dividend income	6	9	10
Investment gains	50 703	32 539	67 020
• Fair value movement investment properties and assets held for resale	37 144	28 105	44 038
• Defined benefit pension fund surplus gain *	14 482	3 805	22 484
• Net foreign exchange rate differences	(923)	629	498
	65 855	58 393	132 443

\* As there is no further obligation towards the beneficiaries of the Fund, the remaining surplus in the Pension Fund is for the benefit of the employer and is recognised in full as an asset on the statement of financial position. The net movement in the value of the defined benefit pension fund surplus is recorded as part of investment income and gains.

	Unaudited results for the period ended 30 September		Audited 31 March
	2024	2023	2024
	R000	R000	R000

## 12. Net property revenue

12.1 Property revenue			
Contracted rental income	98 130	98 193	220 993
Recoveries	60 659	56 163	115 942
Electricity	24 080	21 861	45 324
Assessment rates	14 477	14 008	28 558
Security	8 105	7 538	15 287
Other costs	13 997	12 756	26 773
Non-contractual revenue	1 553	1 536	3 142
Penalty interest	615	726	1 416
Lease administration fee	861	808	1 493
Commission earned	77	2	233
	160 342	155 892	340 077
12.2 Property expenses			
Property expenses	(73 576)	(68 609)	(149 632)
Property maintenance	(14 888)	(10 634)	(22 944)
Expected credit losses (incurred) / released	(537)	86	12 487
Bad debts	(2 127)	(4 389)	(16 360)
	(91 128)	(83 546)	(176 449)
Net property revenue	69 214	72 346	163 628

## 13. Net credit losses incurred / (released)

Loans and receivables written off	33 430	6 427	14 912
Legal expenses incurred on recovery	535	1 807	3 043
Expected credit losses incurred / (released)	5 424	13 432	52 126
• Stage 1	4 782	(706)	(497)
• Stage 2	4 697	(2 392)	17 611
• Stage 3 (includes suspended interest )	(4 055)	16 530	35 012
Recovery of loans and receivables written off	(12 218)	(12 093)	(18 756)
	27 171	9 573	51 325

	Unaudited results for the period ended 30 September		Audited 31 March
	2024	2023	2024
	R000	R000	R000

#### 14. Staff costs

Remuneration at cost to company	89 109	84 072	168 847
Bonuses and provisions	21 189	16 309	43 334
Indirect staff costs	7 547	6 107	11 798
	<b>117 845</b>	<b>106 488</b>	<b>223 979</b>

#### 15. Earnings per share

##### 15.1 Basic earnings per share

Basic earnings per share	124 622	135 210	273 665
Profit attributable to equity holders of Business Partners Limited	173 001	173 001	173 001
Basic earnings per share (cents)	72.0	78.2	158.2

##### 15.2 Headline earnings per share

###### Determination of headline earnings

Profit attributable to equity holders of Business Partners Limited			
Adjustments net of tax	124 622	135 210	273 665
• Capital profit on sale of equipment	(9)	9	(11)
• Profit on realisation of associates	(11 874)	(20 263)	(36 107)
• Profit on realisation of property investments	-	-	(15 176)
• Fair value adjustment of investment properties	(29 121)	(22 034)	(34 526)
<b>Headline earnings</b>	<b>83 618</b>	<b>92 922</b>	<b>187 845</b>
Headline earnings per share (cents)	48.3	53.7	108.6

#### 16. Dividend per share

A dividend of 31,0 cents per share (2023: A dividend of 28,0 cents per share) in respect of the 2024 financial year was declared on 4 June 2024. The dividend was paid on 23 August 2024 to shareholders registered in the Company's share register on 13 August 2024.

The dividend is subject to a dividend withholding tax of 20 percent. Tax payable is 6,2 cents per share, which results in a net dividend of 24,8 cents per share payable to shareholders who are not exempt from dividends withholding tax, or subject to a reduced rate.

Consistent with the prior year interim period, no interim dividend has been declared.

	Unaudited results for the period ended 30 September		Audited 31 March
	2024	2023	2024
	R000	R000	R000

#### 17. Cash flow information

##### 17.1 Non-cash adjustments

Income from associated companies	(16 321)	(11 348)	(38 029)
Surplus on sale of assets	(15 947)	(25 846)	(65 425)
Fair value adjustment of investment properties	(37 144)	(28 105)	(44 038)
Non cash income from consolidation of subsidiaries	-	-	(2 939)
Depreciation	2 878	2 337	6 246
Net credit losses (refer note 13)	38 854	19 859	67 038
• Loans and receivables written off	33 430	6 427	14 912
• Expected credit losses incurred	5 424	13 432	52 126
Credit losses - rent debtors	2 734	4 302	3 996
Movement in defined benefit pension fund surplus (refer note 11)	(14 482)	(3 805)	(22 484)
<b>Total</b>	<b>(39 428)</b>	<b>(42 606)</b>	<b>(95 635)</b>

##### 17.2 Adjustment for net interest received in cash

Interest income on loans and receivables received in cash	187 677	189 957	379 767
Interest expense paid in cash	(64 229)	(58 538)	(119 651)
<b>Total</b>	<b>123 448</b>	<b>131 419</b>	<b>260 116</b>

##### 17.3 Taxation paid

Taxation (liability) / asset - beginning of the year	(507)	945	945
Tax provision for the period	(43 826)	(47 507)	(85 877)
Deferred tax	5 218	(1 000)	(21 361)
Tax paid by associate companies	2 642	565	4 790
Taxation liability - end of the period	595	4 431	507
<b>Total</b>	<b>(35 878)</b>	<b>(42 566)</b>	<b>(100 996)</b>

##### 17.4 Dividends paid

Dividends payable - beginning of the year	(1 270)	(1 951)	(1 951)
Dividends declared	(53 631)	(48 440)	(48 440)
Dividends payable - end of the period	1 693	1 302	1 270
<b>Total</b>	<b>(53 208)</b>	<b>(49 089)</b>	<b>(49 121)</b>



## Business Partners Limited

Company Registration Number: 1981/000918/06



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East Rand (Boksburg)	(0)11 395 4150
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