DAIMLER TRUCK SOUTHERN AFRICA LTD

Daimler Truck Southern Africa Ltd
Registration number 2018/300147/06
Consolidated Financial Statements
For the year ended 31 December 2024

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General Information

Directors	Initial and surname	Designation	Appointments/resignations
	M Dietz	Executive	Contract expired 01 April 2024
	M Gerber	Executive	Appointed 01 April 2024
	P Kendzorra	Executive	
	H Schick (Chairperson)		
	J Distl	Non-executive	
	N Medupe	Non-executive	
	BT Nkambule	Non-executive	
	TB Sefolo	Non-executive	
	A Walluschek van Wallfeld	Non-executive	

Registered office

Highway Business Park
1 Park Ave
Rooihuiskraal
Centurion
0154

Holding company Daimler Truck AG incorporated in Germany

Ultimate holding company Daimler Truck Holding AG incorporated in Germany

Debt sponsor The Standard Bank of South Africa Limited

General Information

Abbreviations used in the consolidated financial statements

ARR	Alternative risk-free rate
CIPC	Companies and Intellectual Property Commission
Companies Act of South Africa	Companies Act, No. 71 of 2008 (South Africa)
Consolidated Financial Statements	Consolidated Financial Statements of DTSA and its subsidiaries
DAG	Daimler AG
DMTN	Domestic Medium Term Note
DTAG	Daimler Truck AG
DTFS	Daimler Truck Financial Services South Africa Proprietary Limited
DTHAG	Daimler Truck Holding AG
DTSA	Daimler Truck Southern Africa Limited
EAD	Exposure at default
EBIT	Earning Before Interest and Taxes
ECL	Expected Credit Loss
Group	Collectively DTSA and its subsidiaries
Group companies	Individual companies within the global Daimler group structure
IAS	International Accounting Standards
IBNR	Incurred But Not Reported
IBOR	Interbank Offered Rate
IFRS® Accounting Standards	IFRS® Accounting Standards as issued by the International Accounting Standards Board
Income Tax Act	Income Tax Act No. 58 of 1962
JIBAR	Johannesburg Interbank Agreed Rate
JSE	Johannesburg Stock Exchange
King IV	The King Code on Corporate Governance
LGD	Loss given default
MBFS	Mercedes-Benz Financial Services South Africa Proprietary Limited
MBSA	Mercedes-Benz South Africa Limited
OCI	Other Comprehensive Income
OEM	Original Equipment Manufacturer
PD	Probability of default
PSI	Portfolio Specific Impairment
SARB	South African Reserve Bank
SICR	Significant increase in credit risk
SMH	Sandown Motor Holdings Proprietary Limited
ZARONIA	South African Rand Overnight Index Average Rate

Preparation of Consolidated Financial Statements

The consolidated financial statements for the period ended 31 December 2024 have been prepared under the supervision of Mr P Kendzorra, Chief Financial Officer.

The consolidated financial statements have been audited in compliance with Section 30 of the Companies Act of South Africa.

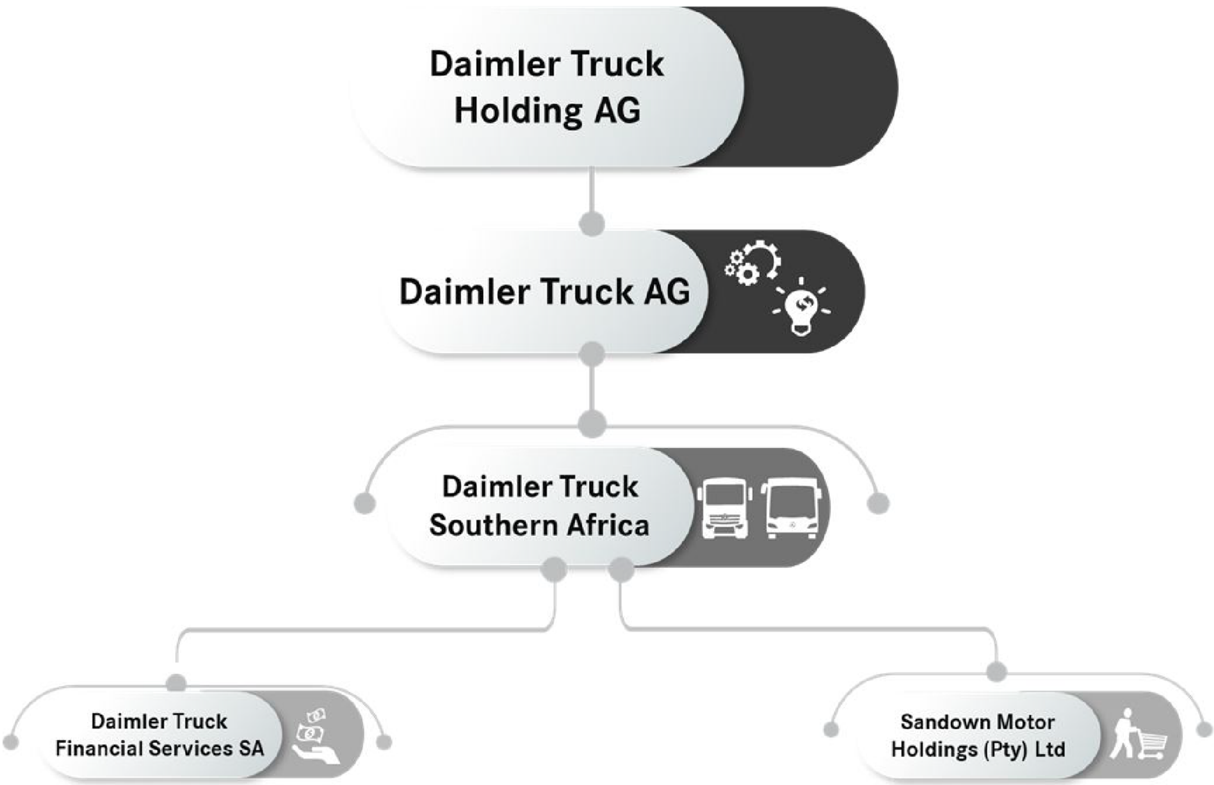
These consolidated financial statements were published on 17 April 2025.

Company Secretary's Certification

In terms of Section 88(2)(e) of the Companies Act of South Africa, as amended, I certify that, to the best of my knowledge and belief, Daimler Truck Southern Africa Limited has, in respect of the financial year ended 31 December 2024, lodged with the CIPC all returns and notices as are required of a public company in terms of the Companies Act of South Africa and that all returns are true, correct and up to date.

S Bishop
Company Secretary
17 April 2025

Simplified Group Organogram



Reporting entity	Daimler Truck Southern Africa Limited is the holding company of the Daimler Truck Southern Africa group
Domicile	The Republic of South Africa

The principal place of business and country of incorporation for all DTSA group entities is South Africa.

Audit Committee Report

This report is provided by the audit committee and the board of directors appointed in respect of the 2024 financial year of Daimler Truck Southern Africa Limited.

The audit committee was nominated by the board of directors and appointed by the shareholder.

The audit committee met four times in the financial year ended 31 December 2024. The external auditor attended these meetings as an invitee and presented the formal reports, as required by the audit committee. All of the members of the audit committee are independent, non-executive directors, with permanent guests from the internal finance and control functions.

The audit committee and the board of directors complied with all of its responsibilities as set out in the Companies Act of South Africa, King IV and the governing charter of the audit committee and the board of directors is satisfied that the audit committee has complied with all of the aforementioned responsibilities for the financial year ended 31 December 2024. The audit committee provided, among others, independent oversight on the effectiveness of the company's assurance functions and services with particular focus on external assurance service providers, internal audit and controls and the finance function in general. Where it refers to the audit committee it will include the board of directors who also considered matters as contained in this report.

The committee has, in relation to the annual financial statements:

- assisted the board in overseeing the quality and integrity of the group's integrated reporting process, including the financial statements and sustainability reporting, and announcements in respect of the financial results, thereby enhancing the credibility of financial reporting and providing a channel for communication between the board, the internal and external auditors and management;
- ensured that an effective control environment in the group is maintained by supporting the board of directors in the discharge of its duties relating to the safeguarding of assets, the operation of adequate systems and controls, risk management and the integrity of financial statements and reporting; and
- provided the Chief Financial Officer, external auditor and internal audit with unrestricted access to the audit committee and its chairperson, as is required, in relation to any matter falling within the remit of the audit committee.

1. Members of the Audit Committee

The members of the audit committee include:

Name	**Qualification**
N Medupe	Chartered Accountant (SA)
BT Nkambule	Masters of Business Administration
TB Sefolo	Masters of Business Administration and Chartered Accountant (SA)

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act of South Africa and Regulation 42 of the Companies Regulation, 2011.

2. Internal controls and risk management

The audit committee is satisfied with the design and implementation of internal controls, as supported and confirmed by the management of DTSA. The design, implementation and execution of internal controls are monitored in order to ensure that any weaknesses are addressed to mitigate material loss, fraud or errors.

The audit committee received reports on DTSA's digital transformation, as well as the impact of cyber security risks on information technology performance in order to support strategic execution.

The audit committee and the board of directors considered the reports from the information technology department which could have an impact on the control environment at DTSA. It is satisfied that management action plans are in place in relation to information technology controls.

The audit committee considered the reports from the DTHAG corporate internal audit function and is satisfied with management action plans in response thereto. The audit committee is satisfied with the effectiveness of the internal control environment, the internal audit and the arrangements in place.

The board has assigned oversight of the risk management function to the audit and risk committee. The committee satisfied itself that the processes and procedures followed in terms of identifying, managing and reporting on risks are adequate.

Audit Committee Report

3. External auditor

The audit committee considered and assessed the suitability of KPMG and Mr Mohammed Hassan, as per the requirements of the JSE, with regard to their current appointment. The audit committee is satisfied that the appointment of the external auditor, Mr Mohammed Hassan, complies with the legislative and regulatory requirements and the audit committee is satisfied with his independence. He will be nominated to be re-appointed as the group external auditor for the financial year ending December 2025.

Adequate policies and controls are in place to address the provision of non-audit services by the external auditor to ensure compliance with legislation and other corporate governance guidelines or regulations. The audit committee considered the audit quality controls based on the Independent Regulatory Board for Auditors reports, as well as the relevant JSE requirements.

The audit committee, in consultation with executive management, agreed to the terms of the engagement. The audit committee approved and reviewed the fees proposed by the external auditor, taking into consideration such factors as the timing of the audit, the extent of the work required and the scope. It further, on an ongoing basis, reviewed the scope, independence and impartiality of the external auditor. KPMG has been the independent auditors of DTSA for five years. Mr Mohammed Hassan has been involved in the audit and signing of the consolidated and separate financial statements from 2024. Therefore, the mandatory designated audit partner rotation will be required in four years i.e. for the 2028 financial year.

There were no reportable irregularities identified or reported by the external auditor to the audit committee.

The audit committee is satisfied with the quality and services of the external auditor.

4. Compliance with legal and regulatory requirements

The audit committee is satisfied that, to the best of its knowledge, all regulatory and legislative requirements with regard to its function, duties and obligations has been complied with.

5. Key audit matters

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act of South Africa by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

The audit committee noted and considered the key audit matters set out in the report of the independent auditor included in these consolidated annual financial statements. The audit committee is satisfied with the appropriateness of the key audit matters reported on by the independent auditor.

6. Consolidated Financial Statements

The pro-active monitoring, which was completed by the JSE was considered. The result of such monitoring was presented to the audit committee, which satisfied itself that the findings and focus areas were adequately addressed in the consolidated annual financial statements for the year ended 31 December 2024 and that all of the debt listing requirements were complied with.

The audit committee ensured that the finance function has evaluated the accounting disclosures in line with the latest accounting developments.

A clear focus was placed on financial reporting risks posed by geopolitical, macro-economic conditions, including supply chain disruptions, inflation, interest rates and market volatility.

The audit committee is satisfied that, to the best of its knowledge, the consolidated annual financial statements for the financial year ended 31 December 2024 fairly reflect the financial position and results of the group.

There were no significant matters considered in the consolidated annual financial statements for the financial year ending 31 December 2024.

7. Accounting practices

The audit committee is satisfied that the consolidated annual financial statements have been prepared in accordance with relevant accounting practices, the Daimler Truck Southern Africa Limited group accounting policies, and are fully compliant with IFRS® Accounting Standards.

The audit committee is satisfied that the company has appropriate financial reporting procedures and that these procedures are operating and being monitored.

8. Effectiveness of finance function

The audit committee is satisfied with the qualifications, effectiveness and performance of the Chief Financial Officer and the finance function in general.

Audit Committee Report

9. Director education and development

The audit committee received an update on accounting developments relating to climate-related disclosures.

Key focus areas for 2025 include:
- emerging tax risks
- impact of cyber security risks and use of artificial intelligence in the finance and internal control environment.
- manage talent challenges in the finance and internal audit as a result of global war for talent.

On behalf of the audit committee:

N Medupe
Chairperson: Audit committee
17 April 2025

Directors' Report

The directors are pleased to present their report, which forms part of the consolidated financial statements of the group for the year ended 31 December 2024.

1. Nature of business

The group holds a manufacturing and distribution agreement from DTAG for the importation, assembly and distribution of Mercedes-Benz, Freightliner, FUSO and Western Star commercial vehicles for South Africa, Botswana, Lesotho and Swaziland. The group has a general distribution agreement to sell commercial vehicles to Malawi, Mozambique, Zimbabwe and Zambia through approved general distributors in the respective countries.

DTSA was incorporated on 17 May 2018.

Effective 12 April 2022, Daimler Trucks and Buses Southern Africa Proprietary Limited registered as a public company under the name Daimler Truck Southern Africa Limited.

The group's business can be best described as follows:

1.1 Financial services and fleet management operations

These operations provide financing and fleet management solutions to external customers and companies of the group.

1.2 Wholesale and retail vehicle operations

These operations market and sell vehicles in the product portfolio, primarily through the authorised dealer network.

1.3 Assembly and component export operations

These operations, situated in East London, assemble knocked-down kits for commercial vehicle products.

2. Financial results for year under review

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated financial statements.

	2024 R '000	2023 R '000	Difference year on year R '000	Change year on year %
Income measures				
Vehicles and related services	11 659 759	12 577 578	(917 819)	(7.30)
Financial services	2 087 104	1 849 516	237 588	12.85
Profitability measures				
Gross profit	946 257	937 696	8 561	0.91
Operating profit	1 994 172	1 717 288	276 884	16.12
Profit for the year	326 417	409 961	(83 544)	(20.38)
Financial position measures				
Total assets	26 405 850	22 981 214	3 424 636	14.90
Total liabilities	22 838 951	19 573 556	3 265 395	16.68
Total equity	3 566 899	3 407 658	159 241	4.67

3. Dividends

The local dividends tax rate is 15%. The company has .

The board approved the payment of a dividend of R 168 202 000 (2023:R nil).

4. Availability of DTSA separate annual financial statements

The DTSA separate annual financial statements have been prepared and signed on 17 April 2025.

The DTSA separate annual financial statement have been prepared in accordance with the requirements of the Companies Act of South Africa and the company's independent auditors, KPMG Inc., have expressed an unmodified audit opinion.

5. Corporate governance

The directors have adopted the principles as provided for in King IV for the financial year 2024. The principle summary King IV report is published on the website of DTSA (https://dtsa.daimlertruck.com/investor-relations/investor-king-iv).

Directors' Report

5. Corporate governance (continued)

The board is satisfied that there is an appropriate mix of knowledge, skills, experience, diversity and independence.

Mr S Bishop is the company secretary of Daimler Truck Southern Africa Limited. The board is satisfied with the competence, qualifications and experience of the company secretary. The board has access to the company secretary and such arrangements are effective.

Mr John Delano Keller was appointed as the group debt officer on 1 July 2024. The board confirms that it is satisfied with the competence, qualifications and experience of the group debt officer.

The board has a policy in place for the management of conflict of interests, which is the Integrity Code of the group. This Integrity Code is available on the website of DTSA. Board members submit, at least annually, their respective declarations concerning personal interests and is required at each meeting to indicate whether a conflict of interest may arise with a matter to be discussed. The board can confirm that there are no material and enduring personal conflicts of interest noted from any member.

Refer to note 26 of the consolidated financial statements for additional information on corporate bonds and the group audit committee report on pages 5 - 7 for confirmation of compliance with the applicable requirements.

6. Directorate

The following directors were in office at the date of this report:

Directors	Designation
M Gerber**	Executive
P Kendzorra	Executive
H Schick (Chairperson)	Non-executive
J Distl	Non-executive
N Medupe***	Non-executive
BT Nkambule*	Non-executive
TB Sefolo***	Non-executive
A Walluschek van Wallfeld	Non-executive

* Member of the audit committee

** Member of the social and ethics committee

*** Member of the audit committee and social and ethics committee

Active directors' curriculum vitae's are published on the website of DTSA (https://dtsa.daimlertruck.com/leadership).

Attendance register for directors' meetings is available on the King IV report.

7. Holding company

The group's holding company is Daimler Truck AG which holds 100% (2023: 100%) of the issued share capital's equity. Daimler Truck AG is incorporated in Germany.

8. Going concern

The consolidated financial statements for the year ended 31 December 2024 have been prepared on a going concern basis, which assumes that the group will be able to meet its obligations for the foreseeable future. The group has recognised a net profit after tax of R 288 million (2023: R 326 million) for the year ended 31 December 2024 and as at that date the group had a capital ratio of 13.49% (2023: 14.83%).

Management has performed forecasts for the ensuing 12 months and these forecasts reflect positive trading and positive financial performance. The expectation is that the group will be profitable. Management anticipates that any additional borrowing cost repayments required will be met out of operating cash flows or from alternative forms of capital funding.

Management believes that the group will be able to meet all its obligations for the 2025 period. Management further believes that proceeds received from operating and financing activities during 2025 will be sufficient to meet the repayment requirements.

Further, the group has the full support of the holding company, DTAG, for its operations. To this extent, DTAG and DTHAG have issued an unconditional and irrevocable guarantee with regards to the notes issued under the DMTN Programme.

Directors' Report

9. Events after the reporting period

Bonds and bank loans

Subsequent to year end, a 1-year bond of R 0.5 billion matured on 10 March 2025.

At the date of finalisation of the consolidated financial statements, except for the matters noted above, there were no other material events that occurred subsequent to the reporting date that required adjustments to the amounts recognised in the consolidated financial statements.

Approval of consolidated financial statements

These consolidated financial statements, which have been prepared on the going concern basis, were approved by the board on 17 April 2025, and are signed on its behalf by:

M Gerber Chief Executive Officer	P Kendzorra Chief Financial Officer

KPMG Inc
KPMG Crescent
85 Empire Road, Parktown, 2193,
Private Bag 9, Parkview, 2122, South Africa
Telephone +27 (0)11 647 7111
Fax +27 (0)11 647 8000
Docex 472 Johannesburg
Web http://www.kpmg.co.za

Independent Auditor's Report

To the shareholder of Daimler Truck Southern Africa Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Daimler Truck Southern Africa Limited and its subsidiaries (the Group) set out on pages 22 to 76, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Daimler Truck Southern Africa Limited and its subsidiaries as at 31 December 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting 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 financial statements* section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements 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.

KPMG

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the consolidated financial statements as a whole.

Based on our professional judgement, we determined materiality for the consolidated financial statements as a whole as follows:

Overall materiality	R138 million which represents 1% of total revenue.
Rationale for benchmark applied	We selected total revenue as the most appropriate benchmark because, in our view, it is the metric which best reflects the nature of the Group and focus of the users of the consolidated financial statements on which returns are generated for the benefit of its shareholder. We selected 1% based on our professional judgement after consideration of qualitative factors that impact the Group.

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.

We performed risk assessment procedures to determine which of the Group’s components are likely to include risks of material misstatements to the consolidated financial statements and which further audit procedures to perform at these components to address those risks. Our judgement included assessing the size of the components, nature of assets, liabilities and transactions within the components as well as specific risks.

In total, we identified 3 components at which further audit procedures were performed on the entire financial information of the component, either because audit evidence needed to be obtained on all or a significant proportion of the component's financial information, or that component represents a pervasive risk of material misstatement to the consolidated financial statements.

Accordingly, we performed audit procedures on 3 components, of which we involved component auditors in performing the audit work on 2 of those components.

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.

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

<table>
<tr><td colspan="2">Revenue Recognition - sale of vehicles, service parts and maintenance, service and extended warranty contracts
Refer to accounting policy note 3.4.1 and note 4 Revenue and income from financial services.</td></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group recognises revenue through various streams including the sale of vehicles, service parts, as well as maintenance, service and extended warranty contracts to customers.

Whilst the sale of vehicles and service parts is recognised when control of goods are transferred to customers, the maintenance, service and extended warranty revenue is recognised as contract liabilities and released to revenue upon the performance of the maintenance and service obligations.

Recognition of revenue involves judgment made by management, including whether contracts contain multiple elements and performance obligations which should be accounted for separately in accordance with</td><td>Our audit procedures performed included the following:

▪ We evaluated the control environment around the initiation and processing of sales transactions to understand the generation of revenue into its separately identifiable elements by testing the design and implementation of the controls.

▪ We inspected a sample of vehicle and service parts sales to underlying source documents such as invoices and bank statements, to ensure that revenue was appropriately recognised when the performance obligations were satisfied.</td></tr>
</table>

Revenue Recognition - sale of vehicles, service parts and maintenance, service and extended warranty contracts Refer to accounting policy note 3.4.1 and note 4 Revenue and income from financial services.	
Key audit matter	How the matter was addressed in our audit
IFRS 15, *Revenue from contracts with customers* (IFRS 15). Recognition of the Group's revenue is complex due to the volume of transactions and the various revenue streams. This resulted in significant audit effort and as a result revenue recognition from the sale of vehicles, service parts, as well as maintenance, service and extended warranty contracts is considered a key audit matter.	▪ We evaluated the reasonableness of revenue recognised associated with maintenance, service and extended warranty contracts to assess whether the revenue from these services was recognised in terms of the stage of completion method. This was performed for a sample of contracts by recalculating the recognised revenue. ▪ We assessed the appropriateness of the disclosures in the separate financial statements in accordance with IFRS 15. Based on the procedures performed above in respect of Revenue recognition relating to sale of vehicles, service parts, as well as maintenance, service and extended warranty contracts, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Contract Liabilities – Maintenance, service and extended warranty contracts Refer to accounting policy note 3.4.1 and note 25 Contract liabilities	
Key audit matter	How the matter was addressed in our audit
The maintenance, service and extended warranty contracts require the application of complex and subjective judgements over the timing of recognition and the estimation of the valuation of the contract liabilities. Assumptions that affect the Group's estimate include: ▪ distribution costs; ▪ discount rate; ▪ inflation rate; ▪ scrapping ratio; ▪ parts sales;	▪ Our audit procedures performed included the following: ▪ We obtained an understanding of the generation of revenue into its separately identifiable elements, and the apportionment from the sales transaction of the contract liability element. This was done through testing of the design and implementation of controls.

<table>
<tr><td colspan="2">Contract Liabilities – Maintenance, service and extended warranty contracts
Refer to accounting policy note 3.4.1 and note 25 Contract liabilities</td></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>

labour, parts and repair factors; and
profit margin on parts.

The Group is exposed to the risk that contract liabilities in respect of maintenance, service and extended warranties are incorrectly calculated due to the complexity of the assumptions applied in the calculations involved. Accordingly, this is considered a key audit matter.
</td><td>

We obtained an understanding of the valuation of the maintenance, service and extended warranty contracts liability calculation. This was done through testing of design and implementation of controls.
With the assistance of our own internal valuation specialist, we:
Evaluated, based on the data provided from the Daimler Truck AG Group’s provisioning tool, whether the maintenance, service and extended warranty contract liability recognised was reasonable by recalculating the contract liability, using an independent model and comparing our results to those calculated by the Group.
Evaluated whether the methodology applied in determining the adequacy of the maintenance, service and extended warranty contract liability is aligned with IFRS 15.

Challenged managements' key estimates and assumptions in relation to the contract liability recognised, through our own expectations based on our knowledge of the Group and experience of the industry in which it operates.
We evaluated the accuracy and completeness of the data used to determine the contract liability by selecting a sample and recalculating the future income as well as the future cost.
We evaluated the appropriateness of the disclosures in the consolidated financial statements, in accordance with IFRS 15

</td></tr>
</table>

Contract Liabilities – Maintenance, service and extended warranty contracts Refer to accounting policy note 3.4.1 and note 25 Contract liabilities	
Key audit matter	How the matter was addressed in our audit
	and IAS 37, Provisions, Contingent Liabilities and Contingent Assets (IAS 37). ▪ Based on the procedures performed above in respect of contract liabilities relating to maintenance, service and extended warranties, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Expected credit losses (ECL) on loans and advances to customers Refer to accounting policy note 3.4.1 and note 14 - Loans and advances to customers.	
Key audit matter	How the matter was addressed in our audit
As at 31 December 2024, the loans and advances to customers constituted 66,5% of the total assets of the Group. The Group's ECL model includes significant judgements and estimates in respect of: ▪ The probability of a loan or advance becoming past due and subsequently defaulting (probability of default (PD)) ▪ The expected exposure in the event of default (exposure at default (EAD)) which is the expected amount outstanding at the point of default; and ▪ The loss given default (LGD) which is the expected loss that will be realised at default after taking into account recoveries through collateral and guarantees. ▪ The group policy and application over trigger-events indicating a significant increase in credit risk (SICR) since initial recognition.	Our audit procedures performed included the following: ▪ We obtained an understanding of management's data, methodologies and assumptions used in the ECL model and how these were calibrated to use historical information to estimate ECL, including the controls relating to the governance over the ECL models where relevant. ▪ We independently reperformed and recalculated ECL estimates or benchmarked the model calculations for material portfolios, on the assumptions as per the model documentation, and independently reperformed the PD, EAD and LGD parameters, to test the assumptions and appropriateness of the judgement applied in the ECL calculations. ▪ We assessed the appropriateness of the Significant increase in credit risk ("SICR") methodologies and tested the resultant stage allocations. We also tested the performance of the SICR approach by considering historic evidence of accounts

Expected credit losses (ECL) on loans and advances to customers Refer to accounting policy note 3.4.1 and note 14 - Loans and advances to customers.	
Key audit matter	How the matter was addressed in our audit
Accordingly due to the significance of the loans and advances to customers balance in the consolidated financial statements and the level of estimation uncertainty and judgement applied in determining the adequacy of the ECL, this is considered to be a key audit matter.	moving into arrears and the forward-looking view of default risk. ▪ We tested the completeness and accuracy of data inputs into the models by agreeing a sample of data inputs back to information sourced by management from internal systems and external data providers. ▪ For all impacted portfolios, we considered historical post write-off recoveries to evaluate the reasonableness of the write-off definition and to determine whether the current write-off point is still the point at which there was no reasonable expectation of significant further recovery as per the requirements of IFRS 9. ▪ For a sample of customers in default, our procedures incorporated scenarios in assessing the reasonability of the estimate of the recoverable amount and timing of expected future cash flows used in measuring ECL. Where collateral had a material impact on the ECL calculation, we tested the Group's legal right to the collateral by inspecting facility agreements, as well as assessing the reasonability of the valuation of the collateral by evaluating key assumptions against available market and internal information. ▪ We evaluated the appropriateness of the disclosures in the consolidated financial statements in accordance with IFRS 9, *Financial Instruments* (IFRS 9). Based on the procedures performed above in respect of the ECL on loans and advances to customers, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Expected credit losses (ECL) on loans and advances to customers Refer to accounting policy note 3.4.1 and note 14 - Loans and advances to customers.	
Key audit matter	How the matter was addressed in our audit

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Daimler Truck Southern Africa Limited Audited Consolidated Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, the Audit Committee Report and the Company Secretary's Certification as required by the Companies Act of South Africa. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and 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

Audit Tenure

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 Daimler Truck Southern Africa Limited for 5 years.

Disclosure of Fee-related Matters

In terms of the EAR Rule, we disclose the following fee-related matters:

Categories of services	**Amount**
Financial statement audits	R 7 505 076
Other services	R 254 400

KPMG Inc.

Per Mohammed Hassan
Chartered Accountant (SA)
Registered Auditor
Director
17 April 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2024 R '000	2023 R '000
Income from sale of vehicles and related services			
Revenue	4	11 659 759	12 577 578
Cost of goods sold	5	(10 713 502)	(11 639 882)
		946 257	**937 696**
Income from financial and other services			
Interest received applying the effective interest method	4	1 810 487	1 556 074
Legal loss recoveries	4	56 978	112 422
Non-interest revenue	4	840 821	782 884
Non-interest expenditure	4	(621 182)	(601 864)
		2 087 104	**1 849 516**
Net income before other income and expenses		**3 033 361**	**2 787 212**
Other income	6	98 893	92 967
Movement in credit loss allowance		(305 626)	(330 484)
Operating expenses		(700 153)	(710 914)
Selling expenses		(132 303)	(121 493)
Operating profit	7	**1 994 172**	**1 717 288**
Finance income	8	23 045	13 910
Finance costs	9	(1 602 485)	(1 269 330)
Profit before taxation		**414 732**	**461 868**
Taxation	10	(88 315)	(51 907)
Profit for the year		**326 417**	**409 961**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Re-measurements on net defined benefit liability/asset		1 405	(970)
Deferred taxation on re-measurements of retirement benefit assets and liabilities		(379)	(2 427)
Total items that will not be reclassified to profit or loss		**1 026**	**(3 397)**
Other comprehensive income for the year, net of taxation		**1 026**	**(3 397)**
Total comprehensive income for the year		**327 443**	**406 564**

Consolidated Statement of Financial Position as at 31 December 2024

	Note	2024 R '000	2023 R '000
Assets			
Cash and cash equivalents	11	129 841	342 125
Trade and other receivables	12	546 332	781 180
Inventories	13	5 426 082	3 878 719
Current tax receivable	10	180 608	181 251
Loans and advances to customers	14	17 579 486	15 330 275
Deferred initial direct costs	15	18 017	18 884
Receivables from group companies	16	70 179	78 347
Property, plant and equipment	17	319 190	279 824
Right-of-use assets	17	47 968	76 572
Assets leased under operating leases	17	1 053 369	1 063 572
Intangible assets and goodwill	18	145 690	151 413
Deferred tax	20	889 088	799 052
Total Assets		**26 405 850**	**22 981 214**
Liabilities			
Trade and other payables	21	1 112 534	999 828
Payables to group companies	22	429 834	770 376
Lease liabilities	23	48 575	85 781
Provisions	24	119 198	102 547
Contract liabilities	25	2 192 491	1 821 282
Interest-bearing borrowings	26	18 835 213	15 700 983
Retirement benefit obligation	19	101 106	92 759
Total Liabilities		**22 838 951**	**19 573 556**
Equity			
Share capital	27	2 001 891	2 001 891
Reserves	28	337 715	336 689
Retained income		1 227 293	1 069 078
Total Equity		**3 566 899**	**3 407 658**
Total Equity and Liabilities		**26 405 850**	**22 981 214**

Consolidated Statement of Changes in Equity

	Share capital R '000	Actuarial reserve R '000	Other reserves R '000	Retained income R '000	Total equity R '000
Balance at 01 January 2023	**2 001 891**	**5 219**	**334 867**	**659 117**	**3 001 094**
Profit for the year	-	-	-	409 961	409 961
Other comprehensive income	-	(3 397)	-	-	(3 397)
Total comprehensive income for the year	**-**	**(3 397)**	**-**	**409 961**	**406 564**
Deferred tax: unwinding reserves on acquired portfolio	-	-	64 735	-	64 735
Income tax: unwinding reserves on acquired portfolio	-	-	(64 735)	-	(64 735)
Balance at 31 December 2023	**2 001 891**	**1 822**	**334 867**	**1 069 078**	**3 407 658**
Balance at 01 January 2024	**2 001 891**	**1 822**	**334 867**	**1 069 078**	**3 407 658**
Profit for the year	-	-	-	326 417	326 417
Other comprehensive income	-	1 026	-	-	1 026
Total comprehensive income for the year	**-**	**1 026**	**-**	**326 417**	**327 443**
Deferred tax: unwinding reserves on acquired portfolio	-	-	(797)	-	(797)
Income tax: unwinding reserves on acquired portfolio	-	-	797	-	797
Dividends	-	-	-	(168 202)	(168 202)
Balance at 31 December 2024	**2 001 891**	**2 848**	**334 867**	**1 227 293**	**3 566 899**
Note	27	28	28		

The acquisition of the portfolio transferred on 1 December 2021 resulted in a common control reserve of R 461.844 million. As the group falls within the scope of money lender as defined by the Income Tax Act, deferred tax of R 126.977 million was raised on the portfolio and other assets acquired. Consequently, any taxes (income tax and deferred tax) resulting from the unwinding of this reserve will be recognised through equity.

Consolidated Statement of Cash Flows

	Note	2024 R '000	2023 Re-presented* R '000
Cash flows from operating activities			
Cash flows from trading activities**	29	2 562 893	2 003 936
Working capital movements	29	(3 905 942)	(3 172 076)
		(1 343 049)	**(1 168 140)**
Other cash flows			
Interest received		22 998	685
Finance costs		(1 565 363)	(1 214 476)
Taxation paid	30	(177 290)	(429 124)
Contributions paid to retirement plan	19.1	(3 408)	(3 109)
Post-retirement medical aid benefits paid	19.2	(3 951)	(3 024)
Net cash outflow from operating activities		**(3 070 063)**	**(2 817 188)**
Cash flows from investing activities			
Additions to property, plant and equipment	17	(62 315)	(40 659)
Proceeds from disposal of property, plant and equipment		1 829	-
Additions to intangible assets	18	(72)	-
Investment in subsidiary		-	1 335
Net cash outflow from investing activities		**(60 558)**	**(39 324)**
Cash flows from financing activities			
Interest-bearing borrowings raised*	26	4 500 230	5 498 553
Interest-bearing borrowings repaid	26	(3 158 000)	(3 118 000)
Payment of lease liability capital	23	(44 931)	(36 364)
Change in short-term financing liabilities*	26	1 792 000	695 000
Dividends paid		(168 202)	-
Net cash inflow from financing activities		**2 921 097**	**3 039 189**
(Decrease)/increase in cash and cash equivalents for the year		**(209 524)**	**182 677**
Cash and cash equivalents at the beginning of the year		342 125	160 084
Unrealised forex losses on cash and cash equivalents		(2 760)	(636)
Total cash and cash equivalents at the end of the year	11	**129 841**	**342 125**

* In previous years, the net proceeds from short-term borrowings with maturities less than three months were presented as part of "Interest-bearing borrowings raised" together with the gross proceeds of long-term borrowings. In 2024, the net proceeds from such short-term borrowings have been presented separately from the gross proceeds of long-term borrowings. As a result, the 2023 figures in the Statement of Cash Flows have been re-presented to reflect the change in presentation. This re-presentation had no effect on the total cash flows from financing activities of the prior year.

** As part of cash flows from trading activities, interest income amounting to R 1.810 billion (2023: R 1.556 billion) was received from financial services trading activities.

Notes to the Consolidated Financial Statements

1. Corporate information

Reporting entity	DTSA
Reporting period	Financial year ended 31 December 2024
Domicile	The Republic of South Africa
Authorised by the board of directors	17 April 2025

2. Preparation of the consolidated financial statements

These accounting policies, and those included in the notes, represent a summary of the material accounting policy elections of the group.

2.1 Statement of compliance

These consolidated annual financial statements for the year ended 31 December 2024 have been prepared in accordance with:
- the requirements of IFRS® Accounting Standards, the Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee (collectively "JSE Listing Requirements"); and
- the Companies Act of South Africa.

2.2 Basis of preparation

These consolidated financial statements have been prepared in accordance with the requirements of IFRS® Accounting Standards.

These consolidated financial statements can be obtained from the company secretary at the company's registered address. Separate financial statements for the company are also prepared and can be obtained at the company's registered address.

2.3 Functional and presentation currency

The functional currency of DTSA and the presentation currency of the group is Rand.

2.4 Rounding policy

All amounts in the consolidated annual financial statements are presented in Rand thousand ("R '000").

The group has a policy of rounding in increments of R 500. Amounts less than R 500 will therefore round to R nil and are presented as a dash.

2.5 Foreign currency translation

Procedures followed to translate to presentation currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

At the end of the reporting period:
- monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date;
- non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains or losses are recognised in profit or loss.

Notes to the Consolidated Financial Statements

3. Summary of material accounting policies

3.1 Group accounting

Group structure

Ultimate holding company:	Daimler Truck Holding AG
Holding company:	Daimler Truck AG
Subsidiaries:	Daimler Truck Financial Services Proprietary Limited 100% (2023: 100%)
	Sandown Motor Holdings Proprietary Limited 100% (2023: 100%)

Consolidation

Subsidiaries are entities controlled by the group. Control is achieved when the group is exposed, 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 group also considers the following facts and circumstances in assessing whether it has power over an entity:
- rights arising from contractual arrangements; and
- the group's voting rights and potential voting rights.

The group reassesses whether or not it controls an entity if facts and circumstances indicate changes to the elements of control.

Subsidiaries - recognition and measurement

Business combinations are accounted for using the acquisition method. When the group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the group's accounting policies as well as the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Subsidiaries are consolidated from the date of acquisition, which is the date on which the group obtains control of the subsidiary and continue to be consolidated until the date that control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Business combinations under common control

For business combinations, involving entities under common control of the group, the group has accounted for the difference between the book value of the transferred assets, as a result of unbundling, and the fair value of the consideration transferred as an adjustment to equity.

Goodwill

Goodwill arises from business combinations and is initially measured at cost. Subsequently, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is tested annually for impairment with any impairment recognised in other operating expenses within profit or loss.

Intercompany transactions

All intergroup balances, transactions, income and expenses are eliminated in full in the consolidated financial statements.

3.2 Retained income

Retained earnings comprises of accumulated profits or losses less dividends to equity holders.

3.3. Write-off

The gross carrying amount of a financial asset is written off when the group has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

The group makes an assessment with respect to the timing and amount of the write-off based on whether there is a reasonable expectation of recovery. The group expects no significant recovery from the amounts written off. However, financial assets that are written off could still be subject to enforcement activities.

Based on its experience, there have been no customer recoveries of previous write-offs.

Notes to the Consolidated Financial Statements

3. Summary of material accounting policies (continued)

3.4 Accounting estimates, judgements and assumptions

In preparing these consolidated financial statements, management has made estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, income and expenses. These estimates, judgements and assumptions are guided by the application of IFRS® Accounting Standards while also taking into account the knowledge and experience of management.

Management believes that the estimates, judgements and assumptions made are appropriate considering the facts and circumstances available. However, the actual results may differ in line with subsequent changes to the underlying facts and circumstances.

Estimates, judgements and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. All estimates, judgements and assumptions are consistent with prior year, except where otherwise indicated.

3.4.1 Significant accounting estimates, judgements and assumptions

The following estimates, judgements and assumptions made in applying the accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements are:

Revenue from service plans and extended warranty contracts with customers

Refer to note 4.4.

Contract liabilities are not financial instruments as they are settled by the delivery or receipt of goods or services.

Assumptions that affect the group's estimate for maintenance and service obligations include:
- distribution cost;
- discount rate;
- inflation rate;
- scrapping ratio;
- part sales;
- labour, parts and repair factors; and
- profit margin on parts.

Assets leased under operating leases

Lease classification

DTFS, in arrangement with DTSA, leases trucks to external customers. The factors that have been taken into consideration in determining the classification as operating leases are:
- ownership of the underlying trucks is retained by the DTSA during, and in most cases, at the end of the lease term;
- there is no bargain purchase option offered to the customer;
- the lease term is shorter than the majority of the economic life of the asset;
- at the inception of the lease, the present value of the minimum lease payments does not amount to at least substantially all of the fair value of the underlying motor vehicle; and
- the leased assets are not specialised in nature.

Management has assessed that the significant risks and rewards incidental to ownership of the underlying trucks in these lease arrangements have not transferred to the customer. Additionally, the residual value of the trucks is guaranteed by DTSA.

Residual values

The group regularly reviews the factors applied in determining the values of its leased vehicles. In particular, it is necessary to estimate the residual values of the trucks at the end of their leases, which constitutes a substantial part of the expected future cash flows from the trucks.

On a quarterly basis, management updates the residual values to be granted for future lease contracts. These values are based on calculations which use a combination of internal data and externally sourced market data. A Residual Value Steering Committee meets and approves the revised residual values each quarter. This committee has fixed terms of reference and its members comprise a group of persons with suitable qualifications and experience.

The residual values determined serve as a key input into the depreciation charge of the leased vehicles. Once a lease is entered into, the residual value is guaranteed. To account for changes in market conditions the vehicle is depreciated to the lower of its residual value guaranteed or net realisable value as determined by management.

3. Summary of material accounting policies (continued)

Depreciation

Depreciation rates applied to manufactured lease assets are consistent with the lease terms and ranges from approximately 3 months to 5 years.

Economic life

The lease term is understood to mean the period between the sale with residual value guarantee and the earliest date on which the residual value guarantee can be redeemed under the terms of the contract, being the non-cancellable period of the lease. If this period is less than 75% of the economic life of the asset, it is assumed that substantially all the risks and rewards incidental to ownership of the asset have remained with the group.

Present value of future minimum lease payments

The total minimum lease payments are considered to be the difference between the group's sales proceeds and the guaranteed residual value; in other words, the present value of the residual value guarantee must be greater than 10% of the original selling price to cause the present value of minimum lease payments to be less than 90% of the fair value.

In this case, it is assumed that substantially all the risks and rewards incidental to ownership of the asset have remained with the group. The determination of present value is based on a market related interest rate for similar leases.

Refer to note 17.

Allowance for impairment of loans and advances to customers

The group regularly estimates the risk of default on advances to customers. Many factors are taken into consideration in this context, including historical loss experience, the size and composition of certain portfolios, current economic events and conditions and the estimated fair values and adequacy of collaterals. Changes in economic conditions can lead to changes in our customers' creditworthiness and to changes in used vehicle prices, which would have a direct effect on the market values of the vehicles assigned as collateral. Changes to the estimation and assessment of these factors influence the allowance for credit losses with a resulting impact on the group's profit or loss.

Scoring systems are applied for the assessment of the default risk of retail and small business customers. Corporate customers are evaluated using internal rating instruments. Both evaluation processes use external credit bureau data, if available. The scoring and rating results as well as the availability of security and other risk mitigation instruments, such as advance payments, guarantees and, to a lower extent, residual debt insurances, are essential elements for credit decisions.

Loans and finance lease receivables related to retail or small business customers are grouped into homogeneous pools and collectively assessed for impairment. Impairments are required for example if there are adverse changes in the payment status of the borrowers included in the pool, adverse changes in expected loss frequency and severity, and adverse changes in economic conditions.

Significant loans and leases to corporate customers are tested individually for impairment. An individual loan or lease is considered impaired when there is objective evidence that the group will be unable to collect all amounts due as specified by the contractual terms. Examples of objective evidence that loans or lease receivables may be impaired include the following factors: significant financial difficulty of the borrower, a rising probability that the borrower will become bankrupt, delinquency in their installment payments, and restructured or renegotiated contracts to avoid immediate default.

In determining the amount of the impairment the group considers the following:
- the PD, which is a measure of the expectation of how likely the customer is to default;
- the EAD, which is the expected amount outstanding at the point of default; and
- the LGD, which is the expected loss that will be realised at default after taking into account recoveries through collateral and guarantees.

3.4.2 Key sources of estimation uncertainty

These judgements and estimates may not individually have a significant effect on the amounts recognised in the consolidated financial statements. However, the input factors considered are in certain instances complimentary in such a way that the estimates and judgements may, at times, result in an additive effect. This effect would thus become significant to amounts recognised across the statement of financial position or profit or loss as a whole. Furthermore the amounts recognised in the consolidated financial statements to which these judgements and estimates relate are considered material to management.

Property, plant and equipment

Useful lives

Land is not depreciated as it is deemed to have an indefinite useful life.

3. Summary of material accounting policies (continued)

The useful life of an asset is the period in which the group expects to utilise the benefits embodied in the assets, and not necessarily the assets' economic life. Useful lives of assets are reviewed annually.

The group uses the following indicators to determine useful life:
- expected usage of assets;
- expected physical wear and tear; and
- technical and commercial obsolescence.

The estimated useful lives assigned to the categories of property, plant and equipment are as follows:

Item	**Average useful life (years)**
Buildings	25
Plant and equipment	4 – 12
Other factory equipment and furniture	3 – 10
Motor vehicles	3 – 4
Assets leased under operating leases	3 months – 5 years
Right-of-use assets	over the term of the lease

Residual values

An estimate is made of the amount the group would expect to receive currently for the asset if the asset were already of the age and condition expected at the end of its useful life, which is considered to be its residual value. Residual values are reviewed annually with the exception of assets leased under operating leases as addressed in 3.4.1.

Impairment

Management assesses changes in interest rates, currency exchange rates as well as the state of affairs in the motor manufacturing sector as indicators that impairment testing may need to be performed.

Provisions

Guaranteed residual value provision

The group is exposed to the risk that leased trucks are returned at a value less than the residual value guaranteed to customers under the terms of each respective lease agreement. Accordingly, a provision is raised to the extent that the carrying values of leased trucks are impaired through residual values not being fully recoverable.

Uncertainties that affect the provision amount include:
- return-rates of leased motor vehicles;
- penetration rates;
- lease duration; and
- market conditions.

Furthermore, the group periodically reviews its exposure to the underwritten portfolio to changes in market conditions since inception of the agreements and ensures satisfactory coverage of the trucks and buses' projected valuations to underwritten values. Where risks are identified the group develops strategies to manage the risk position of the particular assets and further ensures provision is made for such potential loss.

Warranty provision

The provision is measured on the basis of past warranty expenses. The provision amount represents total warranty credits and costs required to investigate and settle warranty claims. The amount of the provision for warranty arrangements is determined based on the amount expected to be required to settle the warranty claims. Possible recall or buyback campaigns are excluded from this provision, as these are fully reimbursed by DTHAG.

Contract liabilities

Dealer incentive provision

The group pays incentives to each franchised dealer who sells franchised trucks and buses.

The incentives are earned by the dealer based on their quarterly performance as well as for other incentive programmes that may be run. The provision for dealer incentives represents the amount to be paid over for the final quarter of the financial year. Estimates are made of the amount to be paid based on forecasted achievement of the incentive targets.

3. Summary of material accounting policies (continued)

The incentives are paid to the dealers in cash before the end of the following quarter.

Employee benefits

Defined benefit schemes

The following actuarial assumptions are applied in determining the present value of the defined benefit obligation as well as the fair value of the plan assets:

	2024	2023
Discount rates used		
Pre-retirement discount rate	11.05 %	13.16 %
Inflation rates used		
General inflation rate	5.72 %	7.61 %
Salary inflation rate	5.72 %	7.61 %
Average age of members in-service (in years)	56	55
Average age of pensioners in-service (in years)	n/a	n/a

Post-retirement medical aid benefit

The following actuarial assumptions are applied in determining the present value of the post-retirement medical aid benefit:

	2024	2023
Discount rate	11.76 %	13.59 %
Health care cost inflation	8.35 %	9.87 %
Real discount rate	3.15 %	3.39 %
Consumer price inflation	6.35 %	7.87 %
Mortality		
Pre-expected retirement age	SA 1985 - 90 light	
Post-retirement age	PA(90) - 2	

4. Revenue and income from financial services

4.1 Revenue allocation

	2024 R '000	2023 R '000
Revenue from sale of vehicles and related services		
Vehicles and spare parts	10 610 277	11 698 959
Rendering of services	1 049 482	878 619
	11 659 759	**12 577 578**
Income from financial and other services		
Interest received applying the effective interest rate method		
Instalment sales	972 415	798 310
Finance leases	523 240	464 313
Wholesale finance income	314 832	293 451
	1 810 487	**1 556 074**
Legal loss recoveries		
Legal loss recoveries	56 978	112 422

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

4. Revenue and income from financial services (continued)

	2024 R '000	2023 R '000
Non-interest revenue		
Remarketing revenue	463 411	428 604
Operating lease income	317 133	299 674
Acceptance and initiation fee	60 277	54 606
	840 821	**782 884**
Non-interest expenditure		
Remarketing cost of sales	(397 912)	(433 329)
Depreciation - operating leases	(198 680)	(139 906)
Legal loss	(21 138)	(22 549)
Dealer commission	(3 452)	(6 080)
	(621 182)	**(601 864)**

4.2 Disaggregation of revenue

The group disaggregates revenue as follows:

	2024 R '000	2023 R '000
Sale of goods		
Vehicles	8 209 676	9 650 939
Parts	2 366 024	2 022 448
Component exports	28 360	24 371
FleetBoard telematics hardware	6 217	1 201
	10 610 277	**11 698 959**
Rendering of services		
Financial services		
Interest received	1 810 487	1 556 074
Non-interest revenue	840 821	782 884
Legal loss recovery	56 978	112 422
	2 708 286	**2 451 380**
Other services		
Maintenance and service contracts	865 146	696 916
Extended warranty	92 399	74 830
Vehicle testing	42 802	30 669
Diagnostic equipment income	28 820	23 616
Dealer training	10 693	6 594
Finance and insurance income	4 928	7 743
Recharges and cost recoveries	2 239	10 443
FleetBoard telematics: service and tracking fees	1 281	15 903
Used vehicles on-the-road, delivery and surplus charges	1 174	11 905
	1 049 482	**878 619**
Total revenue	**14 368 045**	**15 028 958**

4.3 Timing of revenue recognition

	2024 R '000	2023 R '000
At a point in time		
Vehicles	8 209 676	9 650 939
Parts	2 366 024	2 022 448
Remarketing	523 688	428 604
Acceptance and initiation fee	-	54 606
Component exports	28 360	24 371
FleetBoard telematics: hardware	6 217	1 201
Finance and insurance income	4 928	7 743
Recharges and cost recoveries	2 239	10 443
Used vehicles on-the-road, delivery and surplus charges	1 174	11 905
	11 142 306	**12 212 260**

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000
4. Revenue and income from financial services (continued)		
Over time		
Interest received	1 810 487	1 556 074
Maintenance and service contracts	865 146	696 916
Operating lease instalments	317 133	299 674
Extended warranty	92 399	74 830
Recoveries	56 978	112 422
Vehicle testing	42 802	30 669
Diagnostic equipment income	28 820	23 616
Dealer training	10 693	6 594
FleetBoard telematics: service and tracking fees	1 281	15 903
	3 225 739	**2 816 698**
Total revenue from contracts with customers	**14 368 045**	**15 028 958**

4.4 Income from contracts with customers

4.4.1 Revenue from sale and leasing of vehicles and other related services

This income comprises revenue and leasehold income generated on the sale (new and used) or lease of vehicles and the sale of related spare parts, as well as vehicle services and other related income.

Wholesale revenue comprises fees and interest charged to dealers in respect of wholesale or bulk vehicle financing provided to them in terms of their individual Floorplan agreements.

Recognition and measurement

Sale of vehicles, service parts and other related products:

The group recognises revenue when it satisfies a performance obligation by transferring goods or services to a customer.

DTSA makes use of a number of sales promotion programs dependent on various market conditions during the year as well as the respective product life cycles and product-related factors (such as amounts of discounts offered by competitors, excess industry production capacity, the intensity of market competition and consumer demand for the products). These programs comprise special discounts to dealers and customers, as well as residual value enhancements.

DTSA recognises sales minus an allowance for incentive and sales promotion programs, and a refund liability presented within contract liabilities in the statement of financial position. The allowance and liability are measured at the amount expected to be refunded or credited to dealers and customers, estimated based on the programs’ terms, market conditions and historical experience.

Revenue is recognised as performance obligations are met, either over time or at a point in time.

The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

Rendering of services:

Rendering of services is recognised over time, most appropriate to the type of service:
- servicing fees included in the price of products sold are recognised by reference to the proportion of the cost to the total cost of providing the servicing for the product sold, taking into account historical trends in the number of services actually provided on past goods sold;
- time and material contracts are recognised at the contractual rates as labour hours are delivered and direct expenses are incurred; and
- the group offers extended, separately priced warranties for certain products. Revenue from these contracts are deferred and recognised over the contract period in proportion to the costs expected to be incurred based on historical information.

Lease of vehicles:

Lease income from operating leases is recognised in income on a straight-line basis from the commencement date over the lease term.

Bill-and-hold arrangement:

In a bill-and-hold arrangement, DTSA bills a customer for a product but retains physical possession of the product until a later date. A customer may obtain control of a product even though that product remains in DTSA's possession. In this case, the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from the product even though the customer has decided not to exercise its right to take physical possession of that product.

Notes to the Consolidated Financial Statements

4. Revenue and income from financial services (continued)

Consequently, DTSA does not control the product. Instead, DTSA provides custodial services to the customer over the customer's asset.

Revenue is recognised upon transfer of control of the goods to the customer.

4.4.2 Income from financial services

Interest received

Interest received consists of interest earned on finance leases, installment sale agreements and wholesale funding provided to customers and dealers of DTSA products.

Interest received is recognised on the time proportion basis, using the effective interest method.

Interest received is measured at the interest rate that exactly discounts the estimated future cash receipts through the expected life of the underlying financial instrument.

Where the financial instrument has been impaired interest income continues to be recognised on the impaired value based on the original effective interest rate.

Non-interest revenue

Revenue generated by the financial services business which is non-interest in nature and includes:
- income from the leasing business;
- sales revenue from the sale of vehicles at the end of lease contract (remarketing revenue); and
- fees and commissions earned from related financial services activities.

Non-interest revenue is recognised on:
- the straight-line basis over the period of the lease;
- vehicles sales as noted above; and
- fees and commissions on a time proportion basis over the contract term.

Non-interest revenue is measured:
- on the straight-line basis over the period of the lease;
- for vehicles sales as noted above; and
- at the consideration specified in the contract with the customer.

Non-interest expenditure

These expenses are related and incremental to the non-interest revenue generated and include, among others:
- fees paid to dealers;
- depreciation and impairment charges on the operating lease assets;
- expenses related to fleet management; and
- the residual value of the vehicle at the date of sale.

4.4.3 Other income

Other income is recognised when the right to receive reimbursement has been established.

Other income is measured at the fair value of the consideration received/receivable.

4.4.4 Dealer incentive commission

The group pays motor dealerships trading in relevant group products commissions for engaging in financial services activities through the group's financing business. These commissions are initially capitalised within loans and advances to customers and subsequently expensed to profit or loss on a straight-line basis over the term of the related financial contract. Where contracts are terminated early any remaining balance is immediately expensed to profit or loss.

	2024 R '000	2023 R '000
5. Cost of goods sold		
Sale of goods	10 713 502	11 639 882

	2024 R '000	2023 R '000

5. Cost of goods sold (continued)

Cost of goods sold includes the following:
- carrying amount of inventories sold;
- costs incurred in relation to the rendering of services included in revenue;
- depreciation on plant, equipment and manufacturing facilities and operating leased assets;
- overheads incurred as part of the production activities;
- raw materials utilised in production;
- inventories utilised in the manufacture and sale of vehicles, parts and components; and
- write down of inventories to net realisable value and any loss of inventory or reversals of previous write-downs or losses in the period the write-down, loss or reversal occurs.

6. Other income

	2024 R '000	2023 R '000
Income from cost recoveries	73 879	48 802
Foreign exchange gains - realised	14 630	16 261
Acceptance and initiation fee	3 915	5 816
Administration fees	9 091	20 754
Foreign exchange (losses)/gains - unrealised	(2 622)	1 334
	98 893	**92 967**

Other income is recognised when the right to receive the income has been established.

Other income is measured at the fair value of the consideration received or receivable.

7. Operating profit

Operating profit for the year includes:

	2024 R '000	2023 R '000
Staff costs		
Cost of goods sold	318 348	274 443
Operating expenses	387 502	351 993
Selling expenses	29 930	39 735
Total staff costs	**735 780**	**666 171**

Employee benefits

Short-term employee benefits

Short-term employee benefits includes salaries, wages and costs of temporary employees, paid vacation leave, sick leave, bonuses and non-monetary benefits such as medical care. It is recognised as an expense and included in staff costs as services are rendered.

A liability is recognised for the amount expected to be paid as a result of past service provided.

Long–term service benefits

The group's net obligation in respect of long–term service benefits, other than pension plans, is the amount of future benefits that employees have earned in return for their services in the current and prior periods.

The obligation is calculated using the projected unit credit method, is discounted to its present value and the fair value of any related assets is deducted. The discount rate used is based upon the rate for high quality corporate bonds at the valuation date. Re-measurements are recognised in profit or loss in the period when they arise.

Refer to note 24 for details of staff related provisions.

	2024 R '000	2023 R '000
Depreciation recognised through		
Cost of goods sold	238 979	227 265
Operating expenses	35 463	35 002
Total depreciation	**274 442**	**262 267**

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

7. Operating profit (continued)

Expenses/(income)		
Royalty expenses	186 961	149 337
Write-down of stock	172 995	3 839
Defined contribution plan (included in staff costs)	35 846	30 903
Foreign exchange movements - unrealised	5 627	6 968
Foreign exchange movements - realised	5 382	(699)
Audit fees	7 278	6 507
Consulting and professional fees	380	1 781

8. Finance income

Interest earned on		
Group companies	11 685	6 492
Tax authorities	5 723	-
Bank deposits, cash and other	5 637	7 418
Total interest income	**23 045**	**13 910**

Finance income consists of interest earned on loans granted to fellow subsidiaries, bank deposits and tax authorities.

Interest received is accrued on a time basis, by reference to the principal amount outstanding using the effective interest method. The effective interest method applies the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

9. Finance costs

Interest expense on/to		
Bonds	1 151 651	867 285
Bank and other cash	419 045	377 114
Group companies	14 319	7 696
Retirement benefit obligations	11 253	9 472
Non-group lease liabilities	6 125	7 763
Late payment of tax	92	-
Total finance costs	**1 602 485**	**1 269 330**

Finance costs comprise the interest expense incurred on bonds issued, borrowings from group companies and financial institutions, defined benefit liabilities and non-group lease liabilities.

Interest expense is accrued on a time basis, by reference to the principal amount outstanding using the effective interest method. The effective interest method applies the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount.

10. Taxation

Major components of the tax expense

Current		
Charge for the current year	246 509	261 744
(Over)/under provision from the previous year*	(68 576)	1 977
	177 933	**263 721**
Deferred		
Originating and reversing temporary differences	(159 014)	(218 146)
Under provision from the previous year*	69 396	633
	(89 618)	**(217 513)**
	88 315	**46 208**

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

10. Taxation (continued)

* Subsequent to publication of the annual financial statements for the financial year ended 31 December 2023, DTSA elected to utilise the S24C tax allowance. This gave rise to the (over)/under provision from the previous year disclosed.

Reconciliation of the tax rate

	2024	2023
Applicable tax rate	27.00 %	27.00 %
Adjusted for:		
Deferred tax credit loss realisation	(5.74)%	(18.52)%
Fines and penalties	0.01 %	- %
Income received in advance	(0.19)%	0.23 %
Capital gains tax	- %	0.11 %
(Over)/under provision from the previous year - current taxation	(16.30)%	0.52 %
Under provision from the previous year - deferred taxation	16.74 %	1.90 %
Other	(0.23)%	- %
Effective taxation rate	**21.29 %**	**11.24 %**

Taxation receivable of R 180.6 million (2023: R 181.3 million) is recognised at the reporting date based on the group's assessment of taxable income, the taxation payable and the provisional tax payments made towards the tax authorities during the financial year.

Taxes

The taxation expense consists of current taxation and deferred taxation.

Current taxation

The current taxation charge is calculated as the expected tax payable on the taxable income for the reporting period using the tax rates and tax laws that are enacted or substantively enacted at the reporting date.

Taxation is recorded in profit or loss, unless the underlying transaction was accounted for in other comprehensive income or equity in which case it is recorded in other comprehensive income or equity.

Deferred taxation

Deferred taxation is provided for temporary differences at the reporting date between the carrying amounts of assets or liabilities and their respective tax bases. The measurement of deferred taxation reflects the tax consequences that would follow from the expected recovery or settlement of the carrying amount of the group’s assets and liabilities.

Deferred taxation is calculated at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

The group recognises deferred tax assets only when it is probable that, in the foreseeable future, taxable income will be available against which the deferred tax asset can be utilised. The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient future taxable income will be available to allow part or all of the deferred tax asset to be utilised.

The group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxation relates to income taxes levied by the same taxation authority on the same taxable entity.

Deferred taxation is recorded in profit or loss, unless the underlying transaction was accounted for in other comprehensive income or equity in which case it is recorded in other comprehensive income or equity.

11. Cash and cash equivalents

Cash and cash equivalents comprise bank notes, money at call and short notice and balances with commercial banks. All balances included in cash and cash equivalents have a maturity date of less than three months from the date of acquisition. Money on short notice constitutes amounts withdrawable in 24 hours or less.

These instruments are considered financial assets carried at amortised cost.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

11. Cash and cash equivalents (continued)

Cash and cash equivalents consist of:

	2024 R '000	2023 R '000
Cash on hand	200	200
Held locally	37 482	86 314
Held with Daimler Truck AG*	92 159	255 611
	129 841	**342 125**

* Funds held with Daimler Truck AG can be remitted to South Africa upon request. The settlement terms are T+2 (transaction date plus two business days).

12. Trade and other receivables

	2024 R '000	2023 R '000
Financial instruments		
Trade receivables, net of allowance for impairment	502 346	681 662
Other receivables	24 164	41 529
Trade receivables at amortised cost	**526 510**	**723 191**
Non-financial instruments		
VAT	-	41 038
Other non-financial assets	19 822	16 951
Total trade and other receivables	**546 332**	**781 180**

Categorisation of trade and other receivables

	2024 R '000	2023 R '000
At amortised cost	526 510	723 191
Non-financial instruments	19 822	57 989
	546 332	**781 180**

Loss allowance

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the company only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The group utilises a similar approach for the assessment of ECLs for other receivables than that used for trade receivables.

A loss allowance is recognised for all trade receivables and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The group measures the loss allowance for trade receivables by applying the simplified approach. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix.

The "At risk" portion of trade receivables refers to the portion of trade receivables that are considered to have a higher likelihood of default or non-payment. The outstanding debt was classified into different risk categories and from this the group identified the relevant portion of the debt considered to be "at risk" of non-recoverability.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

12. Trade and other receivables (continued)

Movement in allowance for impairment of doubtful receivables

The movement in the loss allowance for trade receivables are as follows:

	2024 R '000	2023 R '000
Opening balance	74 840	61 290
Additional allowance raised	25 898	22 707
Unused amounts reversed	(8 442)	(4 020)
Amounts utilised	(769)	(2 891)
Amounts written off	(1 753)	(2 246)
Closing balance	**89 774**	**74 840**

Trade receivables to the extent of R 1.8 million (2023: R 2.2 million) have been written off and are not subject to enforcement activity.

Credit risk rating - 2024	Gross carrying amount R '000	At risk R '000	Weighted average loss rate	Loss allowance R '000
Minimal risk	315 528	48 321	2.1 %	5 587
Low risk	56 039	28 508	18.6 %	9 060
Medium risk	36 770	25 497	32.2 %	10 298
High risk	183 783	82 416	40.6 %	64 829
	592 120	**184 742**		**89 774**

2023	Gross carrying amount R '000	At risk R '000	Weighted average loss rate	Loss allowance R '000
Minimal risk	356 065	31 092	1.0 %	3 139
Low risk	165 595	20 797	4.3 %	6 241
Medium risk	36 268	15 616	18.9 %	5 965
High risk	198 574	80 398	34.5 %	59 495
	756 502	**147 903**		**74 840**

Financial assets at amortised cost

Financial assets recognised in the statement of financial position include cash and cash equivalents, trade and other receivables and receivables from group companies, comprising short-term receivables from customers and group companies from normal trading activities.

All financial assets are initially measured at fair value including transaction costs, except for those classified fair value through profit or loss in which case the transaction costs are expensed upfront in profit or loss, usually as part of other operating expenses. Any upfront income earned on financial instruments is recognised as deferred income, depending on the underlying nature of the income.

Financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Financial assets - Business model management

The group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. This information includes:

- stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate portfolio, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the group's management;
- risk that affects the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- frequency, volume and timing of sales of financial assets in prior periods, reason for such sales and expectations for future sales activity.

Notes to the Consolidated Financial Statements

12. Trade and other receivables (continued)

Transfers of financial assets to third parties in transactions that do not qualify for the derecognition are not considered for this purpose, consistent with the group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, the "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative cost), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal, interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet the condition. In making this assessment, the group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayments and extension features; and
- terms that limit the company's claim to cash flows from specified assets.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Transfers and derecognition

Financial instruments are derecognised when the contractual rights or obligations expire or are extinguished, are discharged or cancelled for example an outright sale or settlement. For financial assets this includes assets transferred that meet the derecognition criteria.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts. This is due to the short-term nature of the instruments.

13. Inventories

	2024 R '000	2023 R '000
Raw materials	41 958	48 457
Work in progress	878 777	408 730
Finished goods	4 862 067	3 605 258
	5 782 802	**4 062 445**
Inventories (write-downs)	(356 720)	(183 726)
	5 426 082	**3 878 719**
Inventories expensed during the year	9 236 642	11 362 501
Write-down of stock	172 995	12 773

Inventories are measured at the lower of cost or net realisable value on a first in first out basis. Capitalised manufacturing costs include an allocated portion of production overheads which are directly attributable to the cost of manufacturing such inventory. The allocation is determined based on the normal production capacity.

Obsolete, redundant and slow moving inventories are identified on a regular basis and are written down to their net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

The commercial vehicle industry experienced a significant market decline in 2024, driven by weakened demand and economic uncertainties. This downturn led to a surplus of used vehicle inventory, necessitating a write-down of R 155.6 billion (2023: R nil) to reflect the reduced market value of these assets.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

14. Loans and advances to customers

	2024 R '000	2023 R '000
Instalment sale receivables	8 730 837	8 193 995
Finance lease receivables	4 876 662	4 455 515
Wholesale vehicle financing receivables	4 629 577	3 316 523
Retail portfolio	34 436	31 183
Other receivables	6 034	1 680
Gross loans and advances to customers	**18 277 546**	**15 998 896**
Impairment losses	(698 060)	(668 621)
	17 579 486	**15 330 275**

The increase in the carrying amount of R 536.8 million in finance leases and R 421.1 million in instalment sale receivables relate to a significant growth in business, which consequentially resulted in an increase in the portfolio.

The above loan portfolio has not been pledged as security for any liabilities or contingent liabilities.

Maturity profile for instalment sale and finance lease receivables

	2024			2023		
Instalment sale receivables	**Gross investment R '000**	**Unearned finance income R '000**	**Net advances R '000**	**Gross investment R '000**	**Unearned finance income R '000**	**Net advances R '000**
1 year	3 447 474	(676 418)	2 771 056	3 591 830	(674 676)	2 917 154
1 - 2 years	2 746 535	(443 422)	2 303 113	2 834 716	(551 062)	2 283 654
2 - 3 years	2 038 914	(254 105)	1 784 809	2 046 739	(398 493)	1 648 246
3 - 4 years	1 272 501	(116 571)	1 155 930	1 149 661	(227 083)	922 578
4 - 5 years	554 185	(39 228)	514 957	418 578	(84 263)	334 315
5+ years	215 010	(14 038)	200 972	108 148	(20 100)	88 048
	10 274 619	**(1 543 782)**	**8 730 837**	**10 149 672**	**(1 955 677)**	**8 193 995**

	2024			2023		
Finance lease receivables	**Gross investment R '000**	**Unearned finance income R '000**	**Net advances R '000**	**Gross investment R '000**	**Unearned finance income R '000**	**Net advances R '000**
1 year	1 859 394	(671 532)	1 187 862	1 996 537	(353 400)	1 643 137
1 - 2 years	2 041 979	(462 136)	1 579 843	1 567 354	(288 731)	1 278 623
2 - 3 years	1 415 708	(236 726)	1 178 982	1 037 768	(203 519)	834 249
3 - 4 years	808 707	(80 730)	727 977	607 826	(109 444)	498 382
4 - 5 years	215 803	(15 755)	200 048	203 954	(38 811)	165 143
5+ years	1 973	(23)	1 950	45 799	(9 818)	35 981
	6 343 564	**(1 466 902)**	**4 876 662**	**5 459 238**	**(1 003 723)**	**4 455 515**

14. Loans and advances to customers (continued)

Summary of loss allowance

At 31 December 2024, loans and advances to customers of R 698 million were impaired and provided for.

Classification	Stage 1	Stage 2	Stage 3	
2024	**12-month ECL R '000**	**Lifetime ECL not credit impaired R '000**	**Lifetime ECL credit impaired R '000**	**Total R '000**
Instalment sale agreements	72 205	9 816	311 523	393 544
Finance leases	50 348	13 358	235 047	298 753
Wholesale vehicle financing - corporate dealers	5 763	-	-	5 763
	128 316	**23 174**	**546 570**	**698 060**

2023	Stage 1	Stage 2	Stage 3	
	12-month ECL R '000	**Lifetime ECL not credit impaired R '000**	**Lifetime ECL credit impaired R '000**	**Total R '000**
Instalment sale agreements	63 981	22 980	336 862	423 823
Finance leases	46 390	8 877	186 440	241 707
Wholesale vehicle financing - corporate dealers	3 091	-	-	3 091
	113 462	**31 857**	**523 302**	**668 621**

The comparative wholesale vehicle financing ECL allowance has been allocated to the stage in which it was classified.

Loss allowance per category **2024**	**Finance lease R '000**	**Instalment sale agreements R '000**	**Wholesale R '000**	**Total R '000**
Corporate financing	287 041	360 119	5 763	652 923
Retail small business	11 783	33 354	-	45 137
	298 824	**393 473**	**5 763**	**698 060**

2023	**Finance lease R '000**	**Instalment sale agreements R '000**	**Wholesale R '000**	**Total R '000**
Corporate financing	208 370	325 497	3 091	536 958
Retail small business	31 865	96 644	-	128 509
Retail portfolio financing	1 472	1 682	-	3 154
	241 707	**423 823**	**3 091**	**668 621**

Credit risk rating **2024**	**Gross carrying amount R '000**	**Net carrying amount R '000**	**Weighted average loss rate**	**Loss allowance R '000**
Class A: Risk grade 1&2 - Good	6 724 800	6 660 849	1.0 %	63 951
Class B: Risk grade 3&4 - Fair	8 969 859	8 785 761	2.1 %	184 098
Class C: Risk grade 5&6 - Medium	1 662 949	1 506 083	9.4 %	156 866
Class D: Risk grad 7&8 - Risky	912 446	619 301	32.1 %	293 145
	18 270 054	**17 571 994**		**698 060**

14. Loans and advances to customers (continued)

2023	Gross carrying amount R '000	Net carrying amount R '000	Weighted average loss rate	Loss allowance R '000
Class A: Risk grade 1&2 - Good	3 666 152	3 623 185	1.2 %	42 967
Class B: Risk grade 3&4 - Fair	10 375 384	10 180 818	1.9 %	194 566
Class C: Risk grade 5&6 - Medium	1 237 468	1 181 003	4.6 %	56 465
Class D: Risk grad 7&8 - Risky	873 692	499 069	42.9 %	374 623
	16 152 696	**15 484 075**		**668 621**

The exposure of each customer is allocated a credit risk grade by DTFS. The risk grade is determined by an internal scoring system that is based on data that is deemed predictive of potential loss. This data includes, but is not limited to external ratings, financial statements, management accounts, projections, available public information and documented discussions and write ups.

The ECL is calculated on each credit risk grade based on the delinquency status and actual credit losses experienced, using a set of parameters managed centrally by head office. These parameters are adjusted twice yearly, once for future expectations ("FE") and once for LGD based on the most up to date internal and external information available for the South African region.

The ECL on the retail portfolio and other receivables is not material.

The comparative credit risk grading has been enhanced to include the wholesale portfolio.

	2024 R '000	2023 R '000
Movement in allowance for impairment losses on loans and advances to customers		
Opening balance	668 621	453 915
Net remeasurement of loss allowance	181 841	300 711
Amounts written off as uncollectable	(152 402)	(86 005)
Closing balance	**698 060**	**668 621**
Ageing of loss allowance on loans and advances to customers		
Not past due	414 025	363 830
Past due 1 - 30 days	13 781	42 983
Past due 31 - 365 days	270 254	261 808
	698 060	**668 621**

Impairment of loans and advances to customers

The increase in ECL is due to the growth in the loans and advances portfolio. The growth in the portfolio resulted in a corresponding growth in the ECL. The target provision coverage of 3.9% to 4.2%, which is based on the current portfolio performance and delinquencies, was maintained.

The adequacy of impairments of advances is assessed through the ongoing review of the quality of credit exposures. For amortised cost advances, impairments are recognised through the use of the allowance account method and an impairment charge in the consolidated statement of profit or loss and other comprehensive income.

Specific impairments

Created for non-performing loans where there is objective evidence that an incurred loss event will have an adverse impact on the estimated future cash flows from the advance.

Potential recoveries from guarantees and collateral are incorporated into the calculation of impairment figures.

Portfolio impairments

Created with reference to performing advances. The impairment provision on the performing portfolio is split into two parts:

- an IBNR provision i.e. the portion of the performing portfolio where an incurred impairment event is inherent in a portfolio of performing advances but has not specifically been identified; and
- the PSI which reflects the decrease in estimated future cash flows for the sub-segment of the performing portfolio where there is objective evidence of impairment.

14. Loans and advances to customers (continued)

The following table sets out the group policy on the ageing of advances (i.e. when an advance is considered past due or non-performing):

Description	Type of advance	Group policy on past due/impaired
Past due advances	Retail loans	Individually impaired if three or more instalments are due or unpaid or if there is evidence before this event that the customer is unlikely to repay the obligations fully.
Non-performing loans	Wholesale advances to motor vehicle dealerships	Analysed on a case-by-case basis taking into account breaches of key loan conditions, excesses and similar risk indicators.
Renegotiated advances	Past due advances which have been re-negotiated i.e. due to deterioration in the counterparty's financial condition, the group granted a concession where the original terms and conditions of the facility were amended and the counterparty is within the new terms of the advance.	Separately classified as neither past due nor impaired assets and remain classified as such until the terms of the re-negotiated contract expire.
	Excludes advances extended or renewed as part of the ordinary course of business for similar terms and conditions as the original.	Non-performing advances cannot be reclassified as re-negotiated but current unless the arrears balance has been repaid. Re-negotiated advances are considered as part of the collective evaluation of impairment where advances are grouped on the basis of similar credit risk characteristics. The adherence to the new terms and conditions is closely monitored.

Write-offs

When an advance is uncollectable, it is written off against the related allowance account. Such advances are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are disclosed separately as "recoveries" in profit or loss.

Amounts written off as uncollectable, amounting to R 152 million (2023: R 86 million), are subject to a continuing legal debt collection process.

	2024 R '000	2023 R '000
15. Deferred initial direct costs		
Opening balance	18 884	17 518
Costs capitalised on contract activations	17 678	13 534
Disposals on contract terminations	(6 819)	(1 440)
Amortisation	(11 726)	(10 728)
	18 017	**18 884**
Less: Current portion	(5 281)	(8 394)
Non-current portion	**12 736**	**10 490**
Deferred initial direct costs have been capitalised as a result of the activation of lease contracts as follows		
Receivables from financial services	16 863	17 822
Rental and operating assets	1 154	1 062
	18 017	**18 884**

Initial direct costs include dealer commissions directly incurred in arranging financing transactions. These costs are capitalised and charged to income over the term of the instalment sale or lease contract.

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	2024 R '000	2023 R '000

16. Receivables from group companies

Trade receivables

	2024 R '000	2023 R '000
Daimler Truck AG	50 522	29 166
Mitsubishi Fuso Truck and Bus Corporation	5 477	33 515
Daimler India Commercial Vehicles Private Limited	392	-
Daimler Trucks Korea Limited	1 108	-
EvoBus GmbH	49	-
Daimler Truck Financial Services Germany	1 145	325
Daimler Trucks North America LLC	147	4 552
Warranty recoveries from Daimler Truck AG	11 339	10 789
	70 179	**78 347**

Receivables from group companies are repayable 30 days from statement. No interest is charged on overdue accounts.

Exposure to credit risk

Intercompany trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

Management has assessed and concluded that the provision for ECL allowance is immaterial due to intercompany debt arrangements and the level of oversight provided by the holding company on intercompany transactions and balances.

Financial assets at amortised cost are initially measured at fair value including transaction costs, except for those classified as fair value through profit or loss, in which case the transaction costs are expensed upfront in profit or loss, usually as part of other operating expenses. Any upfront income earned on financial instruments is recognised as deferred income, depending on the underlying nature of the income.

Subsequently receivables are measured at amortised cost using the effective interest method, less any impairment losses.

The carrying value of receivables from group companies approximates the fair value, due to market related interest rates applied.

17. Property, plant and equipment, assets leased under operating leases and right-of-use assets

	2024			2023		
	Cost R '000	Accumulated depreciation and impairment R '000	Carrying amount R '000	Cost R '000	Accumulated depreciation and impairment R '000	Carrying amount R '000
Land and buildings	220 382	(11 951)	208 431	184 246	(5 935)	178 311
Plant and machinery	48 424	(18 411)	30 013	49 813	(26 475)	23 338
Other equipment, factory and office equipment	89 015	(40 201)	48 814	75 782	(38 236)	37 546
Motor vehicles	14 577	(7 583)	6 994	16 948	(7 837)	9 111
Assets under construction	24 938	-	24 938	31 518	-	31 518
Property, plant and equipment	**397 336**	**(78 146)**	**319 190**	**358 307**	**(78 483)**	**279 824**
Rental and operating leases	1 051 221	(307 125)	744 096	1 157 866	(325 035)	832 831
Manufacturing leases	331 408	(22 135)	309 273	270 840	(40 099)	230 741
Assets leased under operating leases	**1 382 629**	**(329 260)**	**1 053 369**	**1 428 706**	**(365 134)**	**1 063 572**
Right-of-use assets (refer note 17.1)	**220 806**	**(172 838)**	**47 968**	**206 696**	**(130 124)**	**76 572**

17. Property, plant and equipment, assets leased under operating leases and right-of-use assets (continued)

Reconciliation of property, plant and equipment, assets leased under operating leases and right-of-use assets - 2024

	Opening balance R '000	Additions R '000	Disposal/ scrapping R '000	Transfers R '000	Deprecia-tion R '000	Impairment (loss)/ reversal R '000	Re-measure-ments R '000	Closing balance R '000
Land and buildings	178 311	13 131	-	23 005	(6 016)	-	-	208 431
Plant and machinery	23 338	10 610	(1)	-	(3 934)	-	-	30 013
Other equipment, factory and office equipment	37 546	16 891	-	2 435	(8 058)	-	-	48 814
Motor vehicles	9 111	2 823	(1 828)	-	(3 112)	-	-	6 994
Assets under construction	31 518	18 860	-	(25 440)	-	-	-	24 938
Property, plant and equipment	**279 824**	**62 315**	**(1 829)**	**-**	**(21 120)**	**-**	**-**	**319 190**
Rental and operating leases	832 831	311 150	(150 539)	-	(166 398)	(82 948)	-	744 096
Manufacturing leases	230 741	421 338	(309 665)	-	(38 586)	5 445	-	309 273
Assets leased under operating leases	**1 063 572**	**732 488**	**(460 204)**	**-**	**(204 984)**	**(77 503)**	**-**	**1 053 369**
Right-of-use assets (refer note 17.1)	**76 572**	**14 223**	**-**	**-**	**(42 543)**	**-**	**(284)**	**47 968**

Reconciliation of property, plant and equipment, assets leased under operating leases and right-of-use assets - 2023

	Opening balance R '000	Addi-tions R '000	Disposal or scrap-ping R '000	Transfers R '000	Depre-ciation R '000	Impair-ment (loss)/ reversal R '000	Re-measure-ments R '000	Closing balance R '000
Land and buildings	123 253	7 753	-	50 986	(3 681)	-	-	178 311
Plant and machinery	13 656	4 492	-	8 496	(3 306)	-	-	23 338
Other equipment, factory and office equipment	25 361	14 516	(9)	3 828	(6 150)	-	-	37 546
Motor vehicles	15 179	1 206	(2 914)	-	(4 360)	-	-	9 111
Assets under construction	82 138	12 690	-	(63 310)	-	-	-	31 518
Property, plant and equipment	**259 587**	**40 657**	**(2 923)**	**-**	**(17 497)**	**-**	**-**	**279 824**
Rental and operating leases	768 542	291 883	(42 256)	-	(139 906)	(45 432)	-	832 831
Manufacturing leases	155 881	358 702	(233 074)	-	(53 896)	3 128	-	230 741
Assets leased under operating leases	**924 423**	**650 585**	**(275 330)**	**-**	**(193 802)**	**(42 304)**	**-**	**1 063 572**
Right-of-use assets (refer note 17.1)	**77 433**	**44 778**	**-**	**-**	**(45 639)**	**-**	**-**	**76 572**

Land and buildings comprise Erf 455, Kirkney Extension 11, Pretoria, Gauteng.

	2024 R '000	2023 R '000
Maturity profile of operating leases due		
1 year	284 190	495 335
1 - 2 years	645 594	95 028
2 - 3 years	71 927	158 394
3 - 4 years	3 488	198 850
4 - 5 years	131 314	167 030
	1 136 513	**1 114 637**

17. Property, plant and equipment, assets leased under operating leases and right-of-use assets (continued)

Property, plant and equipment categories and measurement

<table>
<tr><th>Categories</th><th>Initial measurement</th><th>Subsequent measurement</th><th>Depreciation method</th><th>Impairment</th></tr>
<tr><td>Land</td><td rowspan="3">Property, plant and equipment is initially recognised at cost.</td><td>Cost less accumulated impairment losses.</td><td>Not depreciated.</td><td rowspan="3">Assets are tested for impairment, when there is an indication that it may be impaired, by determining the recoverable amount of the assets either individually or at the cash generating unit level. Impairments are included within other operating expenses in profit or loss.</td></tr>
<tr><td>Buildings
Plant and equipment
Other equipment, factory and office equipment
Assets leased under operating leases</td><td>Cost less accumulated depreciation and accumulated impairment losses.</td><td>Depreciation on straight-line method over the estimated useful life to the residual values.</td></tr>
<tr><td>Assets under construction</td><td>Cost less accumulated impairment losses.</td><td>Not depreciated.</td></tr>
</table>

The assets’ depreciation method, residual value and useful life are reviewed annually at each reporting date and adjusted if appropriate.

Assets leased under operating leases

Assets held under operating leases are recognised, at inception, as a separate category of property and equipment and depreciated over their contract term to the lower of their residual value or net realisable value.

The net realisable value is calculated based on the anticipated market value at the end of the contract and is revised on a monthly basis.

The residual value guaranteed is based on the value stipulated in the contract, as well as the vehicle condition having to meet the requirements as set out in the contract. The group is not at risk for impairment considerations based on the condition of the vehicle and thus only market risk is taken into account when considering the impairment of the leased assets.

Rental and operating assets are operating lease contracts with customers, where DTFS is the lessor and administers these assets on behalf of DTSA. Operating leases concluded by DTFS where DTSA, as the manufacturer of the vehicles, guarantees the residual value of the underlying vehicle, are classified as manufacturing leases.

Recoverable amount

The group regularly reviews the factors determining the values of its leased vehicles. In particular it is necessary to estimate the residual values of vehicles at the end of their leases, which constitute a substantial part of the expected future cash flows from leased assets. In this context, assumptions are made regarding major influencing factors, such as the expected number of model changes.

Those assumptions are determined either by:
- qualified estimates, which are based, as far as publicly available, on external data with consideration of internally available additional information such as historical experience of price developments and recent sales prices; or
- publications provided by expert third parties.

The residual values thus determined serve as a basis for depreciation considerations. Changes in residual values lead either to prospective adjustments of the depreciation or, in the case of a significant decline in expected residual values, to an impairment. If depreciation is prospectively adjusted, change in estimates of residual values do not have a direct effect, but are equally distributed over the remaining periods of the lease contract.

Impairment of assets leased under operating leases

As at 31 December 2024 an impairment of R 77.5 million (2023: R 42.3 million) was raised on assets leased under operating leases.

Notes to the Consolidated Financial Statements

17. Property, plant and equipment, assets leased under operating leases and right-of-use assets (continued)

The impairment loss is due to the group expecting to realise less than the estimated residual values of these vehicles, on termination date, than anticipated in prior years. There were no material reversals of impairment.

Refer to note 32 for the reportable segments of the impaired assets.

After initial recognition, the leased asset is tested for impairment according to IAS 36, whereas due and overdue lease rentals are reviewed for impairment according to IFRS 9.

From an economical point of view, the credit risk associated with a contract does not depend on the type of leasing or financing; therefore the DAG group implemented one common model, the DTAG IBIS model, to calculate allowances for all its contracts applying the principles of IFRS 9. The IFRS 9 impairment model includes the requirements of IAS 36 with certain adjustments.

Factors that could lead to potential impairment includes, but are not limited to:
- default of rental payments;
- lower market value of the vehicle; or
- losses from remarketing in the event of a hostile termination etc.

Below is a summary of the assumptions and estimates used in calculating impairment.

Future cash flows

The present value of all contracts, as a series of discounted cash flows, is considered based on statistical and historical information PD, LGD as well as future expectations ("FE"). The total exposure of the operating lease contracts consists of the future instalments, including the expected residual value and the lease rentals presented as trade receivables.

Discount rate

The contractual interest rate for discounting the future cash flows is applied, in line with IAS 36, for the usage of a current market risk free rate adjusted by risks specific to the asset.

The interest rate of the lease contract reflects accurately the risk adjusted interest specific to the contract, which is also in accordance with the overall approach on a group level.

Trigger event

The impairment calculation of the portfolio is performed for all contracts within all three stages until the vehicle is repossessed. Since there is no trigger observable for stage one, the ECL related to stage one will be reversed at group level in line with IAS 36.

Triggering events could result from overdue customers payments, losses from remarketing in the case of hostile terminations etc.

17.1 Right-of-use assets

2024	**Opening balance R '000**	**Additions R '000**	**Remeasures R '000**	**Depreciation R '000**	**Closing balance R '000**
Land and buildings	37 570	1 604	(284)	(26 866)	12 024
Vehicles	39 002	12 619	-	(15 677)	35 944
	76 572	**14 223**	**(284)**	**(42 543)**	**47 968**

2023	**Opening balance R '000**	**Additions R '000**	**Depreciation R '000**	**Closing balance R '000**
Land and buildings	47 854	34 619	(44 903)	37 570
Vehicles	29 579	10 159	(736)	39 002
	77 433	**44 778**	**(45 639)**	**76 572**

IFRS 16 applies a single lessee accounting model, requiring lessees to recognise assets for the right-to-use as well as leasing liabilities for the outstanding lease payments.

Notes to the Consolidated Financial Statements

17. Property, plant and equipment, assets leased under operating leases and right-of-use assets (continued)

According to IFRS 16, a lessee may elect, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, not to recognise a right-of-use asset and a lease liability. The group applies both recognition exemptions. The lease payments associated with those leases are recognised as an expense on either a straight-line basis over the lease term or another systematic basis. The related expense is not considered material.

Right-of-use assets are measured at cost less any accumulated depreciation and if necessary any accumulated impairment losses. The cost of a right-of-use asset comprises the present value of the outstanding lease payments, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the group also applies the practical expedient that the payments for non-lease components are generally recognised as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Depreciation of the right-of-use assets is recognised within functional costs.

DTSA leases land and buildings from MBSA, including space for its plant.

18. Intangible assets and goodwill

	2024			2023		
	Cost R '000	**Accumulated amortisation R '000**	**Carrying amount R '000**	**Cost R '000**	**Accumulated amortisation R '000**	**Carrying amount R '000**
Software	45 050	(14 799)	30 251	40 178	(5 164)	35 014
Goodwill	112 079	-	112 079	112 079	-	112 079
Customer base	4 800	(1 440)	3 360	4 800	(480)	4 320
Total	**161 929**	**(16 239)**	**145 690**	**157 057**	**(5 644)**	**151 413**

Reconciliation of intangible assets and goodwill - 2024

	Opening balance R '000	**Additions R '000**	**Amortisation R '000**	**Closing balance R '000**
Software	35 014	71	(4 834)	30 251
Goodwill	112 079	-	-	112 079
Customer base	4 320	-	(960)	3 360
	151 413	**71**	**(5 794)**	**145 690**

Reconciliation of intangible assets and goodwill - 2023

	Opening balance R '000	**Transfers R '000**	**Re-measurements R '000**	**Amortisation R '000**	**Closing balance R '000**
Software	39 863	-	-	(4 849)	35 014
Goodwill	122 320	(12 200)	1 959	-	112 079
Customer base	-	4 800	-	(480)	4 320
Other intangible assets	-	7 400	-	(7 400)	-
	162 183	**-**	**1 959**	**(12 729)**	**151 413**

During 2023 the SMH purchase price allocation was completed, resulting in the separate recognition of other intangible assets of R 12.2 million. Goodwill was remeasured by the resultant R 3.2 million deferred taxation and a R 1.3 million refund by MBSA.

Intangible assets and goodwill are measured at cost less any accumulated amortisation and any impairment losses.

The amortisation of intangible assets is included in "operating expenses" in the consolidated statement of profit or loss and other comprehensive income.

Notes to the Consolidated Financial Statements

18. Intangible assets and goodwill (continued)

Computer software

Purchased software and the direct costs associated with the customisation and installation thereof are capitalised. These costs are amortised on a straight-line basis over their estimated useful lives of 10 years from the date they are available for use. Amortisation is based on the cost of the asset less its residual value. The amortisation methods, residual values and estimated remaining useful lives are reviewed at least annually.

Goodwill

Goodwill arose solely from the acquisition of SMH.

Goodwill is not subject to amortisation and the impairment is reviewed and assessed annually at the reporting date.

For 2024, the basis on which the recoverable amount has been determined is fair value less cost of disposal estimated using the discounted cashflow. The key assumptions used in calculating the discounted cashflow includes a terminal growth rate of 2.2% (2023: 2.2%) and the discount rate of 16.5% (2023: 16.5%), this is based on Level 3 fair value. The period on which the discounted cash flow is based, is up to 2029.

Customer base

The customer base was recognised as an intangible assets upon acquisition of SMH. These costs are amortised on a straight-line basis over their estimated useful lives of 5 years from the date of acquisition.

	Note	2024 R '000	2023 R '000
19. Retirement benefit plan assets and obligations			
Net retirement defined benefit plan obligation	19.1	(594)	-
Post-retirement medical aid benefit obligation	19.2	(100 512)	(92 759)
		(101 106)	**(92 759)**

19.1 Net retirement defined benefit plan asset

	2024 R '000	2023 R '000
Present value of obligation	(148 313)	(113 804)
Fair value of plan assets	147 719	113 804
Net defined benefit obligation	**(594)**	**-**

The policy of the group is to provide retirement benefits for its employees. All employees were either members of the Mercedes-Benz Pension Fund or the Mercedes-Benz Retirement Fund, which are defined benefit schemes, or of the Mercedes-Benz Provident Fund which is a defined contribution scheme. These schemes are governed by the Pension Funds Act.

The group ceased to be a participating employer to the Mercedes-Benz South Africa Pension Fund on 1 December 2021. Group employees joined the FundsAtWork Umbrella Pension Fund and did not accrue further defined benefit liabilities after 1 December 2021. Members' benefits were transferred from the Mercedes-Benz South Africa Pension Fund following the finalisation of the Section 14 process in 2023.

The post-retirement obligation and the annual cost of those benefits, were determined by independent actuaries. The policy for determining the contribution to be paid by the entities is based on an actuarial calculation as per the legal requirements.

The overall expected rate of return on assets is determined based on the market expectations prevailing on that date, applicable to the period over which the obligation is to be settled.

The actuarial reserve comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling.

Notes to the Consolidated Financial Statements

19. Retirement benefit plan assets and obligations (continued)

Reconciliation of movement in defined benefit schemes

The following table reconciles the movement for the plan assets and the present value of the obligation and its components:

	Movement in plan assets		Movement in present value of obligation	
	2024 R '000	**2023 R '000**	**2024 R '000**	**2023 R '000**
Opening balance	113 804	72 533	(113 804)	(72 533)
	-	**-**	**-**	**-**
Included in OCI				
Actuarial losses				
Financial assumptions	-	-	(594)	-
	-	**-**	**(594)**	**-**
Other				
Benefits paid	-	(3 743)	-	3 743
Contributions received	3 408	3 109	(3 408)	(3 109)
Employee contributions	2 857	1 308	(2 857)	(1 308)
Change in plan assets and obligations	27 650	9 099	(27 650)	(9 099)
Participation of DTFS employees	-	31 498	-	(31 498)
	33 915	**41 271**	**(33 915)**	**(41 271)**
Closing balance	**147 719**	**113 804**	**(148 313)**	**(113 804)**

	2024 R '000	**2023 R '000**
Impact on future cash flows		
The expected contributions to the plan for the next annual reporting period (2025) are:		
Employer contribution	2 183	3 109
Fair value of plan assets comprises		
Bonds	27 080	24 068
Equities	103 318	74 551
Property	8 869	6 208
Non-exchange traded instruments	238	454
Alternative investments	105	117
Derivatives net of cash	-	-
Cash and cash equivalents	8 109	8 406
	147 719	**113 804**

Bonds and equities have quoted prices in active markets. Refer to note 3.4.2 for the actuarial assumptions applied in determining the present value of the fair value of planned assets.

19.2 Continuation of the post-retirement medical aid benefit obligation

Present value of portfolio obligation	100 512	92 759

Portfolio

The group has funded its obligations to provide certain continued post-retirement medical aid benefits to its pensioners via the group's medical aid fund. The entitlement of these benefits is dependent upon the employee remaining in service until retirement age, completing a minimum service period and is subject to periodic review. The group funds the estimated liability over the working life of the eligible employees.

The post-retirement medical aid obligation and the annual cost of those benefits were determined by the independent actuaries of the fund. The assumptions used are consistent with those adopted by the actuaries in determining pension costs and in addition, include long-term estimates of the increase in medical costs and appropriate discount rates. The level of claims is based on the group's experiences.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

19. Retirement benefit plan assets and obligations (continued)

Reconciliation of movement in present value of post retirement medical aid obligation

The following table shows a reconciliation from the opening balance to the closing balance for the obligation and its components:

	2024 R '000	2023 R '000
Opening balance	92 759	84 000
Included in profit or loss		
Current service cost	1 652	1 341
Interest cost	11 253	9 472
	12 905	**10 813**
Included in OCI		
Financial assumptions	1 928	2 617
Subsidy policy	(7 736)	(5 060)
Economic assumptions	1 323	(913)
Experience adjustments	2 486	4 326
	(1 999)	**970**
Other		
Benefits paid	(3 153)	(3 024)
Closing balance	**100 512**	**92 759**

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the obligation by the percentages shown below:

2024	Change applied to assumption	Resulting change in past service contractual liability		Resulting change in service cost and interest cost	
		%	R '000	%	R '000
Health care cost inflation	1.00 %	13.17 %	11 181	14.29 %	1 747
	(1.00)%	(10.96)%	(9 305)	(11.80)%	(1 443)
Mortality	+1 year	(10.51)%	(8 927)	(11.12)%	(1 360)
	-1 year	12.65 %	10 738	13.48 %	1 649
Resignation	1.00 %	(3.02)%	(2 568)	(3.69)%	(451)
	(1.00)%	3.38 %	2 867	4.13 %	505

2023	Change applied to assumption	Resulting change in past service contractual liability		Resulting change in service cost and interest cost	
		%	R '000	%	R '000
Health care cost inflation	1.00 %	13.00 %	10 353	14.20 %	1 829
	(1.00)%	(10.90)%	(8 625)	(11.70)%	(1 512)
Mortality	+1 year	(10.50)%	(8 304)	(11.00)%	1 424
	-1 year	12.60 %	9 999	13.40 %	1 726
Resignation	1.00 %	(3.20)%	(2 503)	(3.90)%	(500)
	(1.00)%	3.50 %	2 808	4.40 %	563

Refer to note 3.4.2 for the actuarial assumptions applied in determining the present value of the defined benefit obligation.

	2024 R '000	2023 R '000

19. Retirement benefit plan assets and obligations (continued)

Impact on future cash flows

The expected benefit payments for the next annual reporting period are:		
Benefit payments	3 221	3 153

19.3 Post-employment benefits

Defined contribution plans

The defined contribution plan refers to the Momentum Provident Fund. Obligations for contributions to defined contribution pension plans are recognised as an expense in staff costs in profit or loss as incurred in the periods during which services are rendered by employees.

Defined benefit plans

The defined benefit plans refer to the Momentum Funds at Work, Mercedes-Benz Pension Fund, the Mercedes-Benz Retirement Fund and the Post Employment Medical Aid Benefit Fund Portfolio.

Defined benefit obligation

The liabilities and assets of these funds are reflected as a net asset or liability in the statement of financial position i.e. the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. Where the value is a net asset, the amount recognised is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The discount rate used is the rate of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the related pension liability.

Plan assets

The plan assets are carried at fair value. Where the plan assets include qualifying insurance policies that exactly match the amount and timing of some or all of the benefits under the plan, the fair value is deemed to be the present value of the related obligation. If the qualifying insurance policy has a limit of indemnity the fair value of the insurance policy is limited to that amount.

Profit or loss

Included as part of staff costs:
- current and past service costs calculated using the projected unit credit method;
- gains or losses on curtailments and settlements that took place in the current period; and
- realised actuarial gains or losses on long term employee benefits.

Finance income and expenses are calculated by applying the discount rate at the beginning of the period to the net asset or liability.

Other comprehensive income

Actuarial gains or losses excluding interest on long term employee benefits are recognised in OCI. All other re-measurements in respect of the obligation and plan assets are included in OCI and never reclassified to profit or loss.

Actuarial reserve

The actuarial reserve in respect of the obligation and plan assets represents the effect of the changes in the actuarial assumptions and incorporates the differences between the actual experience and the assumed experience. The re-measurements in respect of the obligation and plan assets are included in other comprehensive income and never reclassified to profit or loss.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

20. Deferred tax

Reconciliation of movement in net deferred tax asset

	2024 R '000	2023 R '000
At beginning of year	799 052	528 225
Current period charge through profit or loss	159 014	218 146
Current period charge through OCI		
Retirement benefit asset and liabilities - current year	(379)	262
Retirement benefit asset and liabilities - prior year under provision	-	(2 690)
Prior period charge through profit or loss	(69 396)	(6 332)
Acquired portfolio	-	(3 294)
Impairment of acquired portfolio (recognised in equity)	797	64 735
Closing balance	**889 088**	**799 052**

Deferred tax asset

	2024 R '000	2023 R '000
Deferred revenue	561 571	532 328
Credit impairment provisions	135 756	105 992
Accruals	44 886	56 184
Stock provisions	84 836	42 280
Provisions	25 771	27 688
Retirement benefit assets	23 407	26 266
Allowance for impairment on trade receivables	12 557	10 249
Income received in advance	13 480	10 636
Finance leases	13 039	7 549
Lease liability	12 983	22 830
Inventories	1 286	-
Vehicles and equipment	238	387
	929 810	**842 389**

Deferred tax liability

	2024 R '000	2023 R '000
Right-of-use assets	(12 819)	(20 344)
Capital allowances	(14 362)	(7 874)
Vehicles and equipment	(8 064)	(5 594)
Operating lease portfolio	(201)	(3 858)
Post retirement - prepaid pension	(160)	(3 072)
Post retirement benefits - OCI	(2 379)	(1 411)
Intangible assets	(1 166)	(1 166)
Prepayments	(26)	(18)
SARS interest	(1 545)	-
	(40 722)	**(43 337)**
Total net deferred tax asset	**889 088**	**799 052**

21. Trade and other payables

	2024 R '000	2023 R '000
Financial instruments		
Trade payables	550 938	524 740
Other payables	179 663	168 982
Accruals	319 669	228 378
	1 050 270	**922 100**
Non-financial instruments		
VAT	11 967	32 581
Employee related liabilities	49 586	44 436
Other non-financial payables	711	711
	1 112 534	**999 828**

Notes to the Consolidated Financial Statements

21. Trade and other payables (continued)

Liabilities at amortised cost

Financial instruments recognised in the consolidated statement of financial position include trade and other payables to third parties, payables to group companies, bank overdrafts and interest-bearing borrowings (refer to note 26):

- the group classifies a financial instrument that it issues as a financial liability or an equity instrument in accordance with the substance of the contractual agreement. Instruments which have been written down and conversion features are classified based on the nature of the instrument and the definitions of debt and equity;
- compound instruments are those financial instruments that have components of both financial liabilities and equity such as preference shares. At initial recognition the instrument and the related transaction costs are split into their separate components in terms of the definitions and criteria of IAS 32 and are subsequently accounted for as a financial liability or equity; and
- funding liabilities, bank overdrafts and trade and other payables are measured at amortised cost, but may be measured at fair value through profit or loss if they are managed on a fair value basis or the fair value designation reduces or eliminates an accounting mismatch.

All financial liabilities are initially measured at fair value including transaction costs, except for those classified as fair value through profit or loss, in which case the transaction costs are expensed upfront in profit or loss, usually as part of other operating expenses. Any upfront income earned on financial instruments is recognised as deferred income, depending on the underlying nature of the income.

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Transfers and derecognition

Financial instruments are derecognised when the contractual rights or obligations expire or are extinguished, are discharged or cancelled for example an outright sale or settlement.

For financial liabilities this includes substantial modification to the terms and conditions of an existing financial liability. A substantial modification to the terms occurs where the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. Non-derivative financial liabilities including trade and other payables and interest-bearing borrowings are subsequently measured at amortised cost.

	2024 R '000	2023 R '000
22. Payables to group companies		
Daimler Truck AG	351 775	736 186
Mercedes-Benz do Brazil Ltda.	52 091	27 859
Daimler Truck North America LLC	1 046	6 070
Daimler India Commercial Vehicles Private Limited	1 425	261
Mitsubishi Fuso Truck and Bus Corporation	22 331	-
Daimler Truck and Bus Corporation	1 166	-
	429 834	**770 376**

Payables to group companies are repayable 30 days from statement. No interest is charged on overdue accounts.

23. Lease liabilities

	2024 R '000	2023 R '000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	30 189	53 946
One to five years	22 292	40 386
Total undiscounted lease liabilities at year-end	**52 481**	**94 332**
Lease liabilities included in the statement of financial position		
Non-current	18 690	39 652
Current	29 885	46 129
	48 575	**85 781**

23. Lease liabilities (continued)

At the end of the reporting period lease liabilities of:

- R 18.3 million (2023: R 40.4 million) are due to MBSA for the leasing of plant premises;
- R 11.6 million (2023: R 22.1 million was due for the parts warehouse logistics center.
- R 16.3 million (2023: R 19.9 million) is due to Zenith Car Rental Proprietary Limited, trading as AVIS, for long term company car rentals.
- In 2023: R 7.8 million was due to Bondev Properties for long term leasing of the call centre.

	2024 R '000	2023 R '000
Other disclosure		
Profit or loss: Interest on lease liability	6 214	7 763
Total cash outflow related to leases (including interest)	51 145	44 127

Leases

The group, as lessee, applied the practical expedients relating to short-term and low value leases at the date of initial application.

The interest due on the lease liability is a component of interest expense. The lease expenses of short-term and low-value asset leases, classified as operating leases, have been fully recognised within functional costs.

24. Provisions

Reconciliation of provisions - 2024

	Opening balance R '000	Additional provisions R '000	Amounts utilised R '000	Amounts reversed R '000	Closing balance R '000
Staff related	76 888	72 958	(62 552)	(696)	86 598
Onerous service and maintenance contracts	18 954	6 065	-	-	25 019
Warranty claims	4 700	9 874	(8 471)	-	6 103
Residual value	2 005	996	-	(1 523)	1 478
	102 547	**89 893**	**(71 023)**	**(2 219)**	**119 198**

Reconciliation of provisions - 2023

	Opening balance R '000	Additional provisions R '000	Amounts utilised R '000	Amounts reversed R '000	Closing balance R '000
Staff related	83 426	58 643	(61 572)	(3 609)	76 888
Onerous service and maintenance contracts	12 928	6 026	-	-	18 954
Warranty claims	6 315	8 062	(9 677)	-	4 700
Environmental rehabilitation	4 237	-	-	(4 237)	-
Residual value	2 567	3 972	-	(4 534)	2 005
	109 473	**76 703**	**(71 249)**	**(12 380)**	**102 547**

Onerous service and maintenance contracts

Where the group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. A service and maintenance contract is classified as onerous where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Staff related

The group raises provisions for employee performance and anniversary bonuses, as well as leave and severance pay.

Residual value

Management assumes that vehicle products classified as operating leases will be returned to DTSA at the end of the lease term. Similarly, there may be returns of vehicles products classified as finance leases.

Notes to the Consolidated Financial Statements

24. Provisions (continued)

Provision is raised for those operating and finance leases (assessed as probable to be returned) for any difference where the calculated net realisable value of those vehicles is less than the residual value guarantee given.

Assurance warranty claims

Daimler vehicle products are sold with the standard OEM warranty in place. The customer has access to the full benefit of the OEM warranty coverage from purchase date. The coverage ranges from 12-36 months depending on the vehicle product.

For DTSA there is a potential cost for old or slow-moving stock that has not yet or only recently been retailed. This arises as the OEM warranty automatically comes into effect after a specified period after production of the vehicle. This specified period ranges from 12-18 months depending on the vehicle product. For every month where a vehicle is not retailed after this specified period DTSA will cover that lost OEM warranty at its own cost. This ensures that the customer is never negatively impacted when purchasing the vehicle.

A provision is raised for this exposure that cannot be recovered by DTSA from the OEM and is measured on the basis of past warranty expense experience associated with the products, and is applied in the assessment of the future expected costs of vehicles under warranty.

	2024 R '000	2023 R '000
25. Contract liabilities		
Maintenance, service and extended warranty contracts	1 059 595	917 577
Rebates and discounts	838 233	615 658
FleetBoard	294 663	268 071
Residual value enhancements	-	4 543
Prepayments received for clients' vehicles not yet delivered	-	15 433
	2 192 491	**1 821 282**

Reconciliation of contract liabilities

2024	Maintenance, service and extended warranties R '000	FleetBoard R '000	Rebates and discounts R '000	Residual value enhancements R '000	Prepayments R '000	Total R '000
Opening balance	917 577	268 071	615 658	4 543	15 433	1 821 282
Additions	870 214	122 707	838 233	1 653	-	1 832 807
Utilisation	(728 196)	(96 115)	(615 658)	(6 196)	(15 433)	(1 461 598)
	1 059 595	**294 663**	**838 233**	**-**	**-**	**2 192 491**
2023						
Opening balance	740 877	198 483	513 579	13 116	-	1 466 055
Additions	738 201	124 740	631 699	-	15 433	1 510 073
Utilisation	(561 501)	(55 152)	(529 620)	(8 573)	-	(1 154 846)
	917 577	**268 071**	**615 658**	**4 543**	**15 433**	**1 821 282**

Split between current and non-current

2024	Maintenance, service and extended warranties R '000	FleetBoard R '000	Rebates and discounts R '000	Residual value enhancements R '000	Prepayments R '000	Total R '000
Non-current	695 769	210 222	-	-	-	905 991
Current	363 826	84 441	838 233	-	-	1 286 500
	1 059 595	**294 663**	**838 233**	**-**	**-**	**2 192 491**
2023						
Non-current	616 948	199 946	-	3 774	-	820 668
Current	300 629	68 125	615 658	769	15 433	1 000 614
	917 577	**268 071**	**615 658**	**4 543**	**15 433**	**1 821 282**

Notes to the Consolidated Financial Statements

25. Contract liabilities (continued)

The revenue from maintenance and service contracts is initially recognised as a contract liability and subsequently released into revenue upon the performance of a maintenance and service obligation; similarly, the revenue from extended warranties is initially recognised as a contract liability and subsequently released into revenue upon the performance of the warranty obligation.

Each maintenance and service contract is a separate contract with the customer and not a component of the sales price of the vehicle. The obligations are fulfilled within the lesser of the contract term – which may range between one to seven years – or the agreed mileage as determined per the contract agreement.

Extended warranty is a distinct performance obligation. Depending on the vehicle, it is sold either as a separate product offering or together with the vehicle. The obligation is fulfilled within the lesser of 650 000 kilometres or five years in the great majority of contracts.

FleetBoard is a distinct performance obligation. It is sold as a standard feature with the vehicle and initially recognised as a contract liability. It is subsequently released into revenue over a period of 5 years.

Dealer incentive rebate is a distinct performance obligation. It is recognised based on the sales performance of the dealer monthly, and subsequently released when the quarterly performance incentives are paid out to the dealer.

Discounts are recognised monthly based on the number of vehicles sold to dealers and are released when the dealer concludes a sale with a customer and the related claim is submitted and paid.

Residual value enhancement is recognised at inception of the contract and will be released at the end of the contract, which is within 4 years of inception.

Contract liabilities are not financial instruments as they are settled by the delivery or receipt of goods and services.

	2024 R '000	2023 R '000
26. Interest-bearing borrowings		
Held at amortised cost		
Bonds issued under DMTN Programme	13 219 213	11 876 983
Bank overnight and short-term facilities	5 616 000	3 824 000
	18 835 213	**15 700 983**
Details of movement		
Opening balance	15 700 983	12 625 430
Bank loans repaid	-	(2 000 000)
Bonds issued	4 500 000	5 500 000
Transaction costs capitalised	(2 615)	(3 958)
Transaction costs released to effective interest expense	2 845	2 511
Bonds matured and repaid	(3 158 000)	(1 118 000)
Net bank overnight facilities obtained	1 792 000	695 000
	18 835 213	**15 700 983**

Borrowings are classified as financial liabilities carried at amortised cost

The group classifies a financial instrument that it issues as a financial liability or an equity instrument in accordance with the substance of the contractual agreement. Instruments which have been written down and conversion features are classified based on the nature of the instrument and the definitions of debt and equity; compound instruments are those financial instruments that have components of both financial liabilities and equity such as preference shares. At initial recognition the instrument and the related transaction costs are split into their separate components in terms of the definitions and criteria of IAS 32 and are subsequently accounted for as a financial liability or equity.

Funding liabilities are generally measured at amortised cost but may be measured at fair value through profit or loss if they are managed on a fair value basis or the fair value designation reduces or eliminates an accounting mismatch.

Bonds are measured initially at fair value less transaction costs directly attributable to the issuance. Subsequently, bonds are held at amortised cost using the effective interest method.

For the presentation of the fair value of the borrowings, refer to note 35.

Notes to the Consolidated Financial Statements

26. Interest-bearing borrowings (continued)

Bonds

During the 2022 financial year DTSA established its DMTN Programme. Under this program the company has issued bonds, which are listed on the JSE. Bonds are issued periodically as funding requirements arise.

A total of R 4.5 billion (2023: R 5.5 billion) was issued during the financial year, the proceeds of which, along with available cash, was used to repay the bank loans and the bonds that matured, and for funding the DTFS business. DTSA has committed to providing, and will continue to provide, financial assistance to DTFS to ensure their financial obligations are met.

The following table lists the bonds issued:

2024	Listed	Issue amount R '000	Issue date	Settlement date	Reference rate 3M JIBAR	Applicable margin	All-in rate
DTF002	Yes	1 090 000	28/06/2022	30/06/2025	7.767%	109 bps	8.857%
DTF004	Yes	792 000	14/09/2022	15/09/2025	7.792%	109 bps	8.882%
DTF006	Yes	1 142 000	15/06/2023	15/06/2026	7.792%	103 bps	8.822%
DTF008	Yes	700 000	14/09/2023	14/09/2026	7.792%	97 bps	8.762%
DTF009	Yes	295 000	04/10/2024	06/10/2025	8.050%	59.5 bps	8.645%
DTF010	Yes	1 205 000	04/10/2024	04/10/2027	8.050%	85 bps	8.900%
DTP011	Yes	1 000 000	20/05/2024	20/05/2027	7.883%	87 bps	8.753%
DTP012	Yes	1 000 000	26/11/2024	26/11/2027	7.792%	83 bps	8.622%
DTP01U	No	1 000 000	12/08/2022	12/08/2025	7.958%	108 bps	9.038%
DTP02U	No	1 000 000	18/11/2022	18/11/2025	7.933%	108 bps	9.013%
DTP03U	No	500 000	21/11/2022	21/05/2026	7.875%	108 bps	8.955%
DTP05U	No	1 000 000	22/11/2022	22/05/2026	7.792%	113 bps	8.922%
DTP07U	No	500 000	03/08/2023	03/0/2026	8.017%	103 bps	9.047%
DTP08U	No	1 000 000	08/11/2023	09/11/2026	7.983%	90 bps	8.883%
DTP09U	No	500 000	08/03/2024	10/03/2025	7.792%	80 bps	8.592%
DTP10U	No	500 000	08/03/2024	08/03/2027	7.792%	100 bps	8.792%
Total bonds issued		**13 224 000**					
Transaction costs capitalised		(2 615)					
Transaction costs capitalised - prior period		(5 017)					
Transaction costs released to interest expense		2 845					
Carrying amount		**13 219 213**					

2023	Listed	Issue amount R '000	Issue date	Settlement date	Reference rate 3M JIBAR	Applicable margin	All-in rate
DTF002	Yes	1 090 000	28/06/2022	28/06/2025	8.400%	109 bps	9.490%
DTF004	Yes	792 000	14/09/2022	14/09/2025	8.392%	109 bps	9.482%
DTF005	Yes	358 000	15/06/2023	15/06/2024	8.392%	80 bps	9.192%
DTF006	Yes	1 142 000	15/06/2023	15/06/2026	8.392%	103 bps	9.422%
DTF007	Yes	300 000	14/09/2023	14/09/2024	8.392%	60 bps	8.992%
DTF008	Yes	700 000	04/08/2023	04/08/2024	8.392%	97 bps	9.362%
DTP008	No	500 000	04/08/2023	04/08/2024	8.358%	76 bps	9.118%
DTP01U	No	1 000 000	12/08/2022	12/08/2025	8.358%	108 bps	8.438%
DTP02U	No	1 000 000	18/11/2022	18/11/2025	8.367%	108 bps	9.447%
DTP03U	No	500 000	21/11/2022	21/05/2026	8.367%	108 bps	9.447%
DTP04U	No	1 000 000	22/11/2022	22/05/2026	8.367%	105 bps	9.417%
DTP05U	No	1 000 000	22/11/2022	22/05/2026	8.367%	113 bps	9.447%
DTP06U	No	1 000 000	28/02/2023	28/02/2024	8.367%	95 bps	9.317%
DTP07U	No	500 000	03/08/2023	03/08/2026	8.358%	103 bps	9.388%
DTP08U	No	1 000 000	08/11/2023	08/11/2026	8.358%	90 bps	9.258%
Total bonds issued		**11 882 000**					
Transaction costs capitalised		(3 958)					
Transaction costs released to interest expense		(3 570)					
Transaction costs released to interest expense		2 511					
Carrying amount		**11 876 983**					

Notes to the Consolidated Financial Statements

26. Interest-bearing borrowings (continued)

The DMTN Programme has an approved limit of R 20 billion (2023: R 15 billion), of which R 6.8 billion (2023: R 3.1 billion) was unutilised at year end.

The bond terms range between 1 to 3.5 years. The issuances are all floating rate notes and are issued at market related rates of interest, referenced off the 3-month JIBAR. The rate of interest on each bond is the percentage rate per annum, which is the aggregate of the applicable margin and JIBAR. The bonds issued under this programme have been unconditionally and irrevocably guaranteed by DTHAG and DTAG.

Bonds are measured initially at fair value less transaction costs directly attributable to the issuance. Subsequently, bonds are held at amortised cost using the effective interest method.

Bank overnight and short-term facilities

DTSA utilises overnight and other short-term facilities to fund the group's working capital requirements. These facilities are obtained from various banks, with interest rates varying between 8.43% and 8.55% (2023: 9.05% and 9.10%).

The payment obligations of DTSA are covered by an irrevocable guarantee issued by DTHAG and DTAG.

The following table lists the overnight facilities utilised:

2024	Type of facility	Amount owing R '000	Total facility R '000	Maturity	Reference rate
Bank 1	Fixed 21 days	2 000 000	2 000 000	03/01/2025	8.430%
Bank 2	Overnight	722 000	1 000 000	n/a	8.500%
Bank 3	Fixed 1 month	600 000	600 000	21/01/2025	8.500%
Bank 3	Overnight	-	500 000	n/a	9.000%
Bank 4	Fixed 1 month	1 500 000	1 500 000	23/01/2025	8.550%
Bank 5	Overnight	794 000	1 000 000	n/a	8.500%
Bank 5	Overnight	-	1 000 000	n/a	8.650%
Total overnight facilities		**5 616 000**	**7 600 000**		

2023	Type of facility	Amount owing R '000	Total facility R '000	Maturity	Reference rate
Bank 1	Overnight	538 000	900 000	n/a	9.100%
Bank 1	Fixed 1 month	600 000	600 000	29/01/2024	9.050%
Bank 2	Overnight	193 000	1 000 000	n/a	9.100%
Bank 3	Fixed 32 days	600 000	600 000	18/01/2024	9.050%
Bank 4	Overnight	1 593 000	2 000 000	n/a	9.100%
Bank 5	Overnight	300 000	500 000	n/a	9.100%
Bank 5	Fixed 21 days	-	500 000	29/12/2023	9.000%
Total overnight facilities		**3 824 000**	**6 100 000**		

DTSA has an unutilised short-term financing facility of R 1.984 billion (2023: R 2.276 billion) at the end of the financial year. In April 2025 DTSA increased the credit facility by R500 million.

	2024 R '000	2023 R '000
27. Share capital		
Authorised		
1 047 380 Ordinary shares of no-par value		
Composition of issued share capital		
1 047 380 Ordinary shares of no-par value	2 001 891	2 001 891

Stated capital issued by DTSA is recorded at the proceeds received, net of issue costs. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the group.

		2024 R '000	2023 R '000

27. Share capital (continued)

During the year, the group declared and paid dividends amounting to R 168 million (2023: R nil). The dividend per share was 160.59 cents per share (2023: nil).

28. Reserves

	2024 R '000	2023 R '000
Actuarial reserve	2 848	1 822
Other reserves	334 867	334 867
	337 715	**336 689**

Other reserves

Other reserves are reserves beyond the mandatory reserve, which may be used for various needs of the group.

29. Cash used in operations

	Note	2024 R '000	2023 R '000
Profit before taxation		414 732	461 868
Adjustments for non-cash items			
Depreciation	17	268 647	256 939
Amortisation on intangible assets	18	5 794	12 729
Loss on disposal of equipment	17	-	2 923
Impairment of manufacturing leases		77 502	42 304
Losses/(gains) on unrealised foreign exchange	7	5 381	(699)
Impairment allowance		305 626	330 484
Retirement benefits: current service cost	19	5 060	4 450
Inventories written down during the year		172 995	12 773
Changes in operating leases			
Additions to operating lease assets	17	(732 488)	(650 585)
Disposal of operating lease assets	17	460 204	275 330
Interest received			
Interest income	8	(23 045)	(13 910)
Finance costs			
Interest expense	9	1 591 232	1 259 858
Retirement benefit obligations	9	11 253	9 472
		2 562 893	**2 003 936**
Changes in working capital			
Increase in inventories		(1 720 357)	(305 914)
Decrease/(increase) in trade and other receivables from third parties*		119 034	(93 482)
Decrease/(increase) in trade and other receivables from group companies*		8 179	(49 474)
Increase in trade and other payables to third parties*		80 616	190 699
Decrease in trade and other payables to group companies*		(343 200)	(88 971)
Increase in contract liabilities		371 210	355 227
Decrease in deferred income		-	(234)
Increase/(decrease) in provisions	24	16 652	(6 925)
Increase in loans and advances to customers		(2 438 943)	(3 171 635)
Decrease/(increase) in deferred initial direct cost		867	(1 367)
		(3 905 942)	**(3 172 076)**
		(1 343 049)	**(1 168 140)**

* In the past, the changes in working capital presented the net cash flow movement in trade and other receivables and trade and other payables net of receivables from group companies and payables to group companies respectively. In 2024 the disclosure was enhanced to split the trade and other receivables between those receivable from third parties and those receivable from group companies. Similarly trade and other payables were split between those payable to third parties and those payable to group companies.

The prior year figures were re-presented to align with the enhanced disclosure. The re-presentation had no effect on cash used in operations or the net cash outflow from operating activities.

Notes to the Consolidated Financial Statements

	2024 R '000	2023 R '000

30. Tax paid

	2024 R '000	2023 R '000
Balance at beginning of the year	181 251	80 583
Current tax recognised in profit or loss	(177 933)	(263 721)
Adjustment in respect of businesses acquired	-	(64 735)
Balance at end of the year	(180 608)	(181 251)
	(177 290)	**(429 124)**

31. Related parties

Relationships

Ultimate holding company	Daimler Truck Holding AG
Holding company	Daimler Truck AG

Various transactions are entered into between DTSA and companies within the global DTHAG group. The transactions listed below are conducted between DTSA, its holding company and ultimate holding company as well as fellow subsidiaries.

For further detail and related party balances refer to note - trade receivables from related parties, note - trade payables to related parties and note 23 - lease liabilities.

	Sales		Purchases	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Daimler Truck AG	49 553	38 360	818 006	910 888
Mitsubishi Fuso Truck and Bus Corporation	25 200	22 567	122 972	87 700
Daimler Trucks North America LLC	4 552	-	5 348	1 978
Daimler Trucks Korea Limited	1 108	-	-	-
Daimler India Commercial Vehicles Private Limited	341	-	116	889
Daimler AG	3	-	-	-
Mercedes-Benz do Brasil Ltda.	-	322	13 492	36 311
Daimler Truck and Bus Australia	-	-	1 166	-
EvoBus GmbH	-	-	3	-

	Other income received from group companies		Other expenses paid to group companies	
	2024 R '000	2023 R '000	2024 R '000	2023 R '000
Interest				
Daimler Truck AG	11 676	6 493	14 319	7 696
Atlantis Foundries Proprietary Limited	10	-	-	-
Administration and management fee				
Atlantis Foundries Proprietary Limited	336	-	-	-
Daimler Truck North America LLC	147	-	-	-
Daimler Truck AG	-	1 720	-	-
Daimler Truck Financial Services AG	-	-	100	-
Daimler AG	-	-	45	-
Mitsubishi Fuso Truck and Bus Corporation	-	-	-	1 597
Evobus GmbH	-	-	-	49
Operating income/(expense)				
Daimler Truck Financial Services AG	-	10 597	-	-
Daimler Truck AG	-	1 358	-	-
Daimler AG	-	-	4 125	-

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	2024 R '000	2023 R '000
31. Related parties (continued)		
Compensation to directors and other key management		
Short-term employee benefits	18 611	20 887
Post-employment benefits	522	334
	19 133	**21 221**

32. Segmental information

Basis for segmentation

The company is organised into two segments for operational and management purposes, being wholesale and retail vehicles and financial services. DTSA reports its primary business segment information on this basis.

The principal offering for each division is as follows:
- Wholesale and retail vehicles – commercial trucks and buses wholesale business including the retail business;
- Financial services – variety of leasing and specialised leasing products.

Information about reportable segments - 2024	**Wholesale and retail vehicles R '000**	**Financial services R '000**	**Total R '000**
Revenue from sale of vehicles and spare parts	10 610 277	-	10 610 277
Revenue from rendering of services	1 049 482	-	1 049 482
Interest revenue	-	1 810 487	1 810 487
Revenue from financial services	-	840 821	840 821
Legal loss recovery	-	56 978	56 978
Total income from sales and financing services	**11 659 759**	**2 708 286**	**14 368 045**
Segment profit (EBIT)	**366 049**	**1 628 123**	**1 994 172**
Finance income	11 359	11 686	23 045
Finance cost	(213 911)	(1 388 574)	(1 602 485)
Taxation	(47 282)	(41 033)	(88 315)
Profit for the year	**116 215**	**210 202**	**326 417**
Depreciation	(102 899)	(171 543)	(274 442)
Amortisation	(1 048)	(4 746)	(5 794)
Impairment losses on assets leased under operating leases	5 548	(82 937)	(77 389)
Impairment allowance	(14 184)	(291 442)	(305 626)
Inventories written down during the year	(172 995)	-	(172 995)
Segment staff cost	(630 496)	(105 284)	(735 780)
Wholesale and retail vehicle gross/Financial services net assets	25 373 373	1 032 477	26 405 850
Loans and advances to customers	(17 579 486)	17 579 486	-
Segment assets	**7 793 887**	**18 611 963**	**26 405 850**
Wholesale and retail vehicle gross/Financial services net liabilities	(22 571 982)	(266 969)	(22 838 951)
Interest bearing borrowings	18 835 213	(18 835 213)	-
Segment liabilities	**(3 736 769)**	**(19 102 182)**	**(22 838 951)**

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32. Segmental information (continued)

Information about reportable segments - 2023	Wholesale and retail vehicles R '000	Financial services R '000	Total R '000
Revenue from sale of vehicles and spare parts	11 698 959	-	11 698 959
Revenue from rendering of services	878 619	-	878 619
Interest revenue	-	1 556 074	1 556 074
Revenue from financial services	-	782 884	782 884
Legal loss recovery	-	112 422	112 422
Total income from sales and financing services	**12 577 578**	**2 451 380**	**15 028 958**
Segment profit (EBIT)	**334 883**	**1 382 405**	**1 717 288**
Finance income	9 682	4 228	13 910
Finance cost	(68 243)	(1 201 087)	(1 269 330)
Taxation	(91 080)	39 173	(51 907)
Profit for the year	**185 242**	**224 719**	**409 961**
Depreciation	(116 835)	(140 104)	(256 939)
Amortisation	(7 945)	(4 784)	(12 729)
Impairment allowance	(13 550)	(373 387)	(386 937)
Segment staff cost	(597 770)	(68 401)	(666 171)
Wholesale and retail vehicle gross/Financial services net assets	21 923 790	1 057 424	22 981 214
Loans and advances to customers	(15 330 275)	15 330 275	-
Segment assets*	**6 593 515**	**16 387 699**	**22 981 214**
Wholesale and retail vehicle gross/Financial services net liabilities	(19 242 779)	(330 777)	(19 573 556)
Interest bearing borrowings	15 700 983	(15 700 983)	-
Segment liabilities*	**(3 541 796)**	**(16 031 760)**	**(19 573 556)**

* The allocation of the segment assets and segment liabilities between the reportable segments were amended for the comparative amounts in the current year. There was no impact on any other quantitative or qualitative disclosure.

33. Directors' and prescribed officers' emoluments

Executive directors

2024

	Salaries R '000	Bonus related R '000	Other benefits R '000	Pension fund contributions R '000	Total R '000
M Dietz	1 342	2 381	3 015	-	6 738
P Kendzorra	4 037	1 015	2 794	261	8 107
M Gerber	1 539	175	406	261	2 381
	6 918	**3 571**	**6 215**	**522**	**17 226**

2023

	Salaries R '000	Bonus related R '000	Other benefits R '000	Pension fund contributions R '000	Total R '000
M Dietz	4 827	2 067	4 609	167	11 670
P Kendzorra	3 886	778	3 309	167	8 140
	8 713	**2 845**	**7 918**	**334**	**19 810**

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	2024 R '000	2023 R '000

33. Directors' and prescribed officers' emoluments (continued)

Non-executive directors - fees for services as directors

	2024 R '000	2023 R '000
N Medupe	690	575
BT Nkambule	505	374
TB Sefolo	542	462
H Schick	170	-
	1 907	**1 411**

In 2024 directors' fees for JP Burghardt and J Distl (2023: A Walluschek van Wallfeld, H Schick and JP Burghardt) amounted to R nil as they did not provide any services to DTSA.

34. Financial instruments and risk management

34.1 Categories and analysis of assets and liabilities

Assets - 2024

	Note	Financial assets at amortised cost R '000	Other assets R '000	Carrying value R '000	Current R '000	Non-current R '000
Cash and cash equivalents	11	129 841	-	129 841	129 841	-
Trade and other receivables	12	526 510	19 822	546 332	546 332	-
Inventories	13	-	5 426 082	5 426 082	5 426 082	-
Taxation receivable		-	180 608	180 608	180 608	-
Loans and advances to customers	14	17 579 486	-	17 579 486	7 930 904	9 648 582
Deferred initial direct costs	15	-	18 017	18 017	5 281	12 736
Receivables from group companies	16	58 840	11 339	70 179	70 179	-
Assets leased under operating leases	17	-	1 053 369	1 053 369	-	1 053 369
Property, plant and equipment	17	-	319 190	319 190	-	319 190
Right-of-use assets	17	-	47 968	47 968	-	47 968
Intangible assets and goodwill	18	-	145 690	145 690	-	145 690
Deferred taxation	20	-	889 088	889 088	-	889 088
		18 294 677	**8 111 173**	**26 405 850**	**14 289 227**	**12 116 623**

Assets - 2023

	Note	Financial assets at amortised cost R '000	Other assets R '000	Carrying value R '000	Current R '000	Non-current R '000
Cash and cash equivalents	11	342 125	-	342 125	342 125	-
Trade and receivables	12	723 191	57 989	781 180	781 180	-
Inventories	13	-	3 878 719	3 878 719	3 878 719	-
Taxation receivable		-	181 251	181 251	181 251	-
Loans and advances to customers	14	15 330 275	-	15 330 275	7 704 598	7 625 677
Deferred initial direct costs	15	-	18 884	18 884	8 394	10 490
Receivables from group companies	16	67 558	10 789	78 347	78 347	-
Assets leased under operating leases	17	-	1 063 572	1 063 572	-	1 063 572
Property, plant and equipment	17	-	279 824	279 824	-	279 824
Right-of-use assets	17	-	76 572	76 572	-	76 572
Intangible assets	18	-	151 413	151 413	-	151 413
Deferred taxation	20	-	799 052	799 052	-	799 052
		16 463 149	**6 518 065**	**22 981 214**	**12 974 614**	**10 006 600**

The fair value of assets not carried at their fair value approximates their carrying value.

34. Financial instruments and risk management (continued)

Liabilities - 2024

	Note	Financial liabilities at amortised cost R '000	Other liabilities R '000	Carrying value R '000	Current R '000	Non-current R '000
Trade and other payables	21	1 050 270	62 264	1 112 534	1 112 534	-
Payables to group companies	22	429 834	-	429 834	429 834	-
Lease liabilities	23	48 575	-	48 575	29 885	18 690
Provisions	24	-	119 198	119 198	33 701	85 497
Contract liabilities	25	-	2 192 491	2 192 491	1 286 500	905 991
Borrowings	26	18 835 213	-	18 835 213	10 291 966	8 543 247
Post-retirement medical aid benefit obligation	19.2	-	101 106	101 106	-	101 106
		20 363 892	**2 475 059**	**22 838 951**	**13 184 420**	**9 654 531**

Liabilities 2023

	Note	Financial liabilities at amortised cost R '000	Other liabilities R '000	Carrying value R '000	Current R '000	Non-current R '000
Trade and other payables	21	922 100	77 728	999 828	999 828	-
Payables to group companies	22	770 376	-	770 376	770 376	-
Lease liabilities	23	85 781	-	85 781	6 742	79 039
Provisions	24	-	102 547	102 547	85 464	17 083
Contract liabilities	25	-	1 821 282	1 821 282	1 000 614	820 668
Interest-bearing borrowings	26	15 700 983	-	15 700 983	6 981 416	8 719 567
Retirement benefit obligation	19.2	-	92 759	92 759	-	92 759
		17 479 240	**2 094 316**	**19 573 556**	**9 844 440**	**9 729 116**

Except for interest-bearing borrowings, the fair value of financial liabilities not carried at their fair value approximates their carrying amount.

34.2 Capital risk management

The primary objective of the group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The capital management approach is driven by its strategic and organisational requirements taking into account the regulatory and commercial environment in which it operates.

The group manages its structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year.

The capital ratio of the company at the reporting date was as follows:

	2024 R '000	2023 R '000
Total assets	26 405 850	22 981 214
Total equity	3 566 899	3 407 658
Capital ratio	13.51 %	14.83 %

34.3 Financial risk management

34.3.1 Overview

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

34. Financial instruments and risk management (continued)

The group has established internal guidelines for risk controlling procedures and for the use of financial instruments, including a clear segregation of duties with regard to financial activities, settlement, accounting and the related controls. The guidelines are designed to identify and analyse financial risks throughout the group, to set appropriate risk limits and controls and to monitor the risks by means of reliable and up-to-date administrative and information systems. The guidelines and systems are regularly reviewed and adjusted to changes in markets and products.

34.3.2 Credit risk

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt in accordance with the contractual terms. Credit risk encompasses both the direct risk of default and the risk of a deterioration of creditworthiness as well as concentration risks.

Default is the failure to make required repayments on a debt, in accordance with agreed upon time frames.

The maximum exposure to credit risk is presented in the table below:

		2024			2023		
	Note	Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost R '000	Gross carrying amount R '000	Credit loss allowance R '000	Amortised cost R '000
Loans and advances to customers	14	18 277 546	(698 060)	17 579 486	15 998 896	(668 621)	15 330 275
Cash and cash equivalents	11	129 841	-	129 841	342 125	-	342 125
Trade and other receivables*	12	616 284	(89 774)	526 510	798 031	(74 840)	723 191
Receivables from group companies	16	58 840	-	58 840	67 558	-	67 558
		19 082 511	**(787 834)**	**18 294 677**	**17 206 610**	**(743 461)**	**16 463 149**

* All items included in the credit loss allowance are based on the simplified approach, as prescribed by IFRS 9.

	2024 R '000	2023 R '000
Net trade receivables is composed as follows		
Gross trade receivables from third parties	592 120	756 502
Impairment	(89 774)	(74 840)
	502 346	**681 662**

Detail reconciliation of impairment of receivables from loans and advances to customers and trade receivables

2024	Stage 1	Stage 2	Stage 3	
	12-month ECL R '000	Lifetime ECL not credit impaired R '000	Lifetime ECL credit impaired R '000	Total R '000
Impairment as at 1 January	(151 580)	(47 239)	(544 642)	(743 461)
Additions	(86 770)	(12 760)	(193 561)	(293 091)
Change in remeasurement ((increase)/decrease of ECL)	66 735	33 113	(227 287)	(127 439)
Utilisation (write-off)	3 405	441	113 537	117 383
Derecognition	70 302	10 401	178 071	258 774
Transfer to/from stage 1	(91 148)	19 293	71 855	-
Transfer to/from stage 2	1 615	(46 856)	45 241	-
Transfer to/from stage 3	6 074	5 050	(11 124)	-
	(181 367)	**(38 557)**	**(567 910)**	**(787 834)**

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34. Financial instruments and risk management (continued)

2023	Stage 1	Stage 2	Stage 3	
	12-month ECL R '000	Lifetime ECL not credit impaired R '000	Lifetime ECL credit impaired R '000	Total R '000
Impairment as at 1 January	(105 100)	(58 417)	(356 798)	(520 315)
Additions	(91 214)	(19 030)	(192 977)	(303 221)
Change in remeasurement ((increase)/decrease of ECL)	11 141	(9 869)	(177 458)	(176 186)
Utilisation (write-off)	5 411	430	75 496	81 337
Derecognition	47 645	28 197	99 082	174 924
Transfer to/from stage 1	(25 024)	12 765	12 259	-
Transfer to/from stage 2	2 665	(3 563)	898	-
Transfer to/from stage 3	2 896	2 248	(5 144)	-
	(151 580)	**(47 239)**	**(544 642)**	**(743 461)**

Loans and advances to customers

Expected credit losses are measured as the probability-weighted sum of discounted period contributions. ECLs are mainly calculated with a statistical model using three major risk parameters: PD, LGD and EAD.

The estimation of these risk parameters incorporates all available relevant information, not only historical and current loss data, but also reasonable and supportable forward-looking information reflected by future expectation factors.

A financial instrument is written off when there is no reasonable expectation of recovery, for example, at the end of insolvency proceedings or after a court decision of uncollectability.

For cash and cash equivalents and group receivables, the PD and LGD is not significant and therefore no credit loss has been raised.

Inputs, assumptions and techniques used for estimating impairment

Incorporation of forward-looking information

The group's credit risk and credit losses for financial assets are influenced by historical data and various macro-economic variables.

Key drivers for the wholesale portfolio are the Gross Domestic Product ("GDP"), interest rates and unemployment rates.

At 31 December 2024	GDP change %	Interest rate %	Unemployment rate %
5 year average	0.52 %	9.55 %	32.94 %
At 31 December 2023			
5 year average	0.49 %	8.97 %	26.54 %

Ageing profile of gross trade receivables at the reporting date

2024

	Gross maximum exposure R '000	Not past due R '000	0 - 30 days past due R '000	31 - 60 days past due R '000	61 - 90 days past due R '000	91 - 180 days past due R '000	More than 180 days past due R '000
Gross trade receivables	592 120	284 602	84 536	37 157	24 275	41 551	119 999
Allowance for impairment	(89 774)	(10 478)	(1 193)	(3 634)	(4 544)	(2 542)	(67 383)
	502 346	**274 124**	**83 343**	**33 523**	**19 731**	**39 009**	**52 616**

34. Financial instruments and risk management (continued)

2023

	Gross maximum exposure R '000	Not past due R '000	0 - 30 days past due R '000	31 - 60 days past due R '000	61 - 90 days past due R '000	91 - 180 days past due R '000	More than 180 days past due R '000
Gross trade receivables	765 502	365 065	165 595	36 268	35 108	30 397	133 069
Allowance for impairment	(74 840)	(3 345)	(1 992)	(3 836)	(1 684)	(1 878)	(62 105)
	690 662	**361 720**	**163 603**	**32 432**	**33 424**	**28 519**	**70 964**

Cash and cash equivalents

The group limits its exposure to credit risk by investing in liquid investments in financial institutions with a high credit rating, therefore management does not expect any counter party to fail to meet its obligations, therefore the ECL is immaterial. Cash balances are held with reputable financial institutions and DAG.

Trade and other receivables

Trade receivables are mostly receivables from sales activities of vehicles and spare parts, and services rendered with respect to maintenance contracts. The credit risk from trade receivables encompasses the default risk of customers, as well as other corporate and private customers. The group manages its credit risk from trade receivables using appropriate IT applications and databases on the basis of internal guidelines. In order to minimise credit risk, the group assesses the creditworthiness of the counterparties. The group establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

The maximum risk positions of financial assets which are generally subject to credit risk, are equal to their carrying amounts.

The credit quality of trade receivables that are neither past due nor impaired is monitored and managed by the group, and comprises primarily receivables of companies who have a trading history with the group, as well as low-risk rated companies.

Receivables from group companies

The group’s exposure to credit risk on trade receivables from group companies is managed within the Daimler group and according to Daimler policy and credit terms. Given the nature of these receivables and the level of oversight performed by the holding company on intercompany transactions and balances, management does not expect any material default from group companies.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on all financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans and receivables.

The group measures the loss allowance at an amount equal to lifetime expected credit losses ("lifetime ECL") when there has been a SICR since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses ("12 month ECL").

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that is possible within 12 months after the reporting date.

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a SICR since initial recognition, the group considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the group compares the risk of a default occurring as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, as well as consideration of various external sources of actual and forecast economic information.

34. Financial instruments and risk management (continued)

Irrespective of the outcome of the above assessment, the credit risk on a financial asset is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the group has reasonable and supportable information that demonstrates otherwise.

By contrast, if a financial asset is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the financial asset has not increased significantly since initial recognition.

The group regularly monitors the effectiveness of the criteria used to identify whether there has been a SICR and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the PD, LGD (i.e. the magnitude of the loss if there is a default) and the EAD.

The assessment of the PD and LGD is based on historical data adjusted by forward-looking information as described above. The EAD is the gross carrying amount of the financial asset at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and visa versa.

An impairment gain or loss is recognised for all financial assets in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is disclosed separately in the statement of profit or loss and other comprehensive income.

The Financial Stability Board had initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing IBOR's with ARR's to improve market efficiency and mitigate systemic risk across financial markets.

During 2022, the SARB had indicated their intention to move away from JIBAR and identified a potential successor in the ZARONIA. The new ZARONIA rate was published for observation during 2022 and has now entered the "adoption" phase of the SARB's planned timeline. June 2025 has been identified as the target date for moving to a "new JIBAR" contracts norm in the South African market.

Collateral held and other credit enhancements

The general creditworthiness of a corporate customer tends to be a relevant indicator of credit quality of a facility extended. However, collateral provides additional security.

The company take collateral by retaining legal ownership of the underlying vehicle as security over the financed asset. Generally the company updates the valuation of the collateral held against the facility loans on a monthly basis using industry indices, and considers the exposure on the financial asset. This method has been used consistently over the year and is considered a reliable method by the directors of the entity. However, a more formal valuation is performed when specific circumstances warrant it.

The table below sets out the carrying amount and the value of collateral held as surety to customers which is measured at fair value:

	2024		2023	
	Carrying amount R '000	Collateral R '000	Carrying amount R '000	Collateral R '000
Stage 1 and 2	12 474 795	12 474 795	11 901 225	11 901 225
Stage 3	492 320	492 320	97 882	97 882
	12 967 115	**12 967 115**	**11 999 107**	**11 999 107**

34. Financial instruments and risk management (continued)

34.3.3 Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets and projected cash flows from operations.

The group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing borrowings, trade payables and trade payables to related parties.

The group actively manages its liquidity risk to ensure it can meet its short-term obligations as they come due. In the event of a shortfall in short-term liquidity, the company utilises short-term financing financing, such as bank overnight facilities to bridge the gap. The bonds that will be maturing in 2025 will be refinanced in the same year. Refer to note 26 for the available unutilised financing facilities.

The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table. The cash flows are undiscounted contractual amounts.

2024

	Note	0-12 months R '000	1 to 5 years R '000	Greater than 5 years R '000	Total R '000	Carrying amount R '000
Non-derivative financial liabilities						
Trade and other payables	21	(1 050 270)	-	-	(1 050 270)	(1 050 270)
Payables to group companies	22	(429 834)	-	-	(429 834)	(429 834)
Interest-bearing borrowings	26	(10 551 017)	(10 066 045)	-	(20 617 062)	(18 835 213)
		(12 031 121)	**(10 066 045)**	**-**	**(22 097 166)**	**(20 315 317)**
Non-derivative financial assets						
Cash and cash equivalents	11	128 583	-	-	128 583	128 583
Trade and other receivables	12	526 510	-	-	526 510	526 510
Loans and advances to customers	14	10 203 349	10 820 751	-	21 024 100	17 579 486
Receivables from group companies	16	58 840	-	-	58 840	58 840
		10 917 282	**10 820 751**	**-**	**21 738 033**	**18 293 419**
		(1 113 839)	**754 706**	**-**	**(359 133)**	**(2 021 898)**

2023*

	Note	0-12 months R '000	1 to 5 years R '000	Greater than 5 years R '000	Total R '000	Carrying amount R '000
Non-derivative financial liabilities						
Trade and other payables	21	(922 100)	-	-	(922 100)	(922 100)
Payables to group companies	22	(770 376)	-	-	(770 376)	(770 376)
Interest-bearing borrowings	26	(7 141 812)	(10 499 729)	-	(17 641 541)	(15 700 983)
		(8 834 288)	**(10 499 729)**	**-**	**(19 334 017)**	**(17 393 459)**
Non-derivative financial assets						
Cash and cash equivalents	11	342 125	-	-	342 125	342 125
Trade and other receivables	12	723 191	-	-	723 191	723 191
Loans and advances to customers	14	7 704 598	7 625 677	-	15 330 275	15 330 275
Receivables from group companies	16	67 558	-	-	67 558	67 558
		8 837 472	**7 625 677**	**-**	**16 463 149**	**16 463 149**
		3 184	**(2 874 052)**	**-**	**(2 870 868)**	**(930 310)**

* The comparative figures have been restated to disclose undiscounted cash flows.

34. Financial instruments and risk management (continued)

34.3.4 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, residual values of vehicles and commodity prices will affect the group's income, cash flows or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The group manages market risks to minimise the impact of fluctuations in vehicle prices on its results.

Foreign currency risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate with changes in foreign exchange rates.

The nature of the group's business exposes cash flows and earnings to risks arising from fluctuations in exchange rates. These risks primarily relate to fluctuations between the Euro, the US Dollar ("USD") and the Japanese Yen ("JPY").

The group is exposed to foreign exchange rate risk between the date of order and the ultimate payment of the foreign invoices.

The group does not engage in specific foreign exchange risk management.

Foreign currency exposure at the end of the reporting period

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate at the reporting date:

	2024			2023		
	Euro R '000	USD R '000	JPY R '000	Euro R '000	USD R '000	JPY R '000
Cash and cash equivalents	43 174	9 341	6 053	165 384	636	34 563
Trade and other receivables	22 578	157	-	10 200	-	-
Trade and other payables	12 573	(43 034)	(43 271)	46 539	(34 711)	(34 951)
Net exposure	**78 325**	**(33 536)**	**(37 218)**	**222 123**	**(34 075)**	**(388)**
Relevant spot exchange rates	**19.62**	**18.89**	**0.12**	**20.35**	**18.41**	**0.13**

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in the above mentioned exchange rates, with all other variables held constant, of the profit after tax and equity:

	2024		2023	
Change of 10% in exchange rate	**Increase R '000**	**Decrease R '000**	**Increase R '000**	**Decrease R '000**
Impact on profit or loss and equity:				
Euro	5 718	(5 718)	16 215	(16 215)
USD	(2 448)	2 448	(2 487)	2 487
JPY	(2 717)	2 717	(28)	28

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate with changes in market interest rates.

The group's exposure to changes in interest rates relates primarily to the group's interest-bearing borrowings. The group's policy is aligned to Daimler's general policy to match funding in terms of maturities and interest rates whenever economically feasible.

Notes to the Consolidated Financial Statements

34. Financial instruments and risk management (continued)

Interest rate profile

The interest rate profile of interest-bearing financial instruments at the end of the reporting period, as reported to management, is:

	Note	Carrying amount	
		2024 R '000	2023 R '000
Variable rate instruments			
Assets			
Loans and advances to customers	14	17 579 486	15 330 275
Cash and cash equivalents	11	128 583	342 125
		17 708 069	**15 672 400**
Liabilities			
Interest-bearing borrowings	26	(18 835 213)	(15 700 983)
Net variable rate financial instruments		**(1 127 144)**	**(28 583)**
Fixed rate instruments			
Assets			
Trade and other receivables	12	526 510	723 191
Amounts receivables from group companies	16	58 840	67 558
		585 350	**790 749**
Liabilities			
Trade and other payables	21	(1 050 270)	(922 100)
Payables to group companies	22	(429 834)	(770 376)
		(1 480 104)	**(1 692 476)**
Net fixed rate financial instruments		**(894 754)**	**(901 727)**

Interest rate sensitivity analysis

The following table demonstrates the sensitivity of the variable rate instruments to a one percentile (1%) change in the interest rate, with all other variables held constant, of profit before taxation and equity:

	2024		2023	
Increase or decrease in rate	**Increase R '000**	**Decrease R '000**	**Increase R '000**	**Decrease R '000**
Impact on profit or loss:				
100 basis points movements	(11 271)	11 271	(286)	286

Residual value risk

The group is exposed to the risk of financed or leased assets being returned at values less than the residual value guaranteed under the terms of the respective agreements. These risks are managed by periodic reviews of the residual value risk. The decisions are taken by an inclusive committee and by reference to market conditions and comparative information.

Residual values on leased vehicles are estimated when the lease is entered into. Estimates involve a high level of subjectivity and judgement as the directors, through the Residual Value Steering Committee, are required to conclude on likely outcomes and probabilities based on quarterly forecasts and assumptions.

Further reviews are conducted of the exposure of the underwritten portfolio to changes in market conditions, since inception of the agreements. These ensure satisfactory coverage of assets' projected valuations to their underwritten values. Where risks are identified, strategies are developed to manage the risk position of the particular assets and provision is made for such potential loss. Where potential losses are identified, these are recognised as an adjustment to profitability at a contract level. Provision is made to the extent that the carrying values of leased assets are impaired through residual values not being fully recoverable.

Notes to the Consolidated Financial Statements

34. Financial instruments and risk management (continued)

Uncertainties that affect the group's estimate of the residual value of the leased assets include:

- return-rates of lease vehicles;
- penetration rates;
- lease duration; and
- market conditions.

The residual value risk provision is raised for the potential loss on the leased assets returned under a buy-back scheme.

35. Fair value information

Financial assets and liabilities not held at fair value	2024 Carrying value R '000	2024 Fair value R '000	2024 Fair value level	2023 Carrying value R '000	2023 Fair value R '000	2023 Fair value level
Interest-bearing borrowings	(18 835 213)	(18 975 886)	Level 2	(15 700 983)	(15 828 837)	Level 2

Category of financial asset or liability	Includes	Valuation techniques and significant inputs used
Interest-bearing borrowings	Bonds issued under DTSA DMTN Programme	The DMTN Programme is listed on the JSE. DTSA issues listed and unlisted tranches under the DMTN Programme. The bonds are held to term and are issued at market related rates of interest. Discounting based methodology is used for the valuation of the bond portfolio. Future cash flows are calculated using the projected forward JIBAR 3 month rates obtained from the JIBAR accrual zero rate curve. The projected cash flows are discounted using credit risk adjusted JSE rate curves.

Fair value hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all Inputs which have significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

36. Going concern

The consolidated financial statements for the year ended 31 December 2024 have been prepared on a going concern basis, which assumes that the group will be able to meet its obligations for the foreseeable future. The group has recognised a net profit after tax of R 326 million (2023: R 410 million) for the year ended 31 December 2024 and as at that date the group had a capital ratio of 13.49% (2023: 14.83%).

Management has performed forecasts for the ensuing 12 months and these forecasts reflect positive trading and positive financial performance. The expectation is that the group will be profitable. Management anticipates that any additional borrowing cost repayments required will be met out of operating cash flows or from alternative forms of capital funding.

Management believes that the group will be able to meet all its obligations for the 2025 period. Management further believes that proceeds received from operating and financing activities during 2025 will be sufficient to meet the repayment requirements.

Further, the group has the full support of the holding company, DTAG, for its operations. To this extent, DTAG and DTHAG have issued an unconditional and irrevocable guarantee with regards to the notes issued under the DMTN Programme.

37. Events after the reporting period

Bonds and bank loans

Subsequent to year end, a 1-year bond of R 0.5 billion matured on 10 March 2025.

At the date of finalisation of the consolidated financial statements, except for the matters noted above, there were no other material events that occurred subsequent to the reporting date that required adjustments to the amounts recognised in the consolidated financial statements.

Notes to the Consolidated Financial Statements

38. New accounting standards and IFRIC interpretations

38.1 Standards, amendments and interpretations to existing standards that are not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2025 or later periods.

Accounting standard	Effective date - on or after	Description of change	Description of impact
IFRS 19 *Subsidiaries without Public Accountability*	1 January 2027	**Disclosure for Subsidiaries without Public Accountability** IFRS 19 permits eligible subsidiaries to use IFRS® Accounting Standards with reduced disclosures. This will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.	Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS® Accounting Standards in their consolidated financial statements.
IFRS 18 *Presentation and Disclosure in Financial statements*	1 January 2027	**Presentation and Disclosure in Financial statements** The amendment introduces improvements to reporting of financial performance to provide investors a better basis for analysing and comparing companies: Improved comparability in the statement of profit or loss (income statement) through three categories for income and expenses — operating, investing and financing — improving the structure of the income statement, and — a requirement for new defined subtotals.	Enhanced transparency of management defined performance measures with a requirement to disclose explanations of those measures related to the income statement. Useful grouping of information in the financial statements through guidance on organising information and providing it in the primary financial statements or the notes, as well as a requirement to provide more transparency about operating expenses. IFRS 18 replaces IAS 1 Presentation of Financial Statements
IFRS 7 and IFRS 9 *Financial Instruments: Disclosures*	1 January 2026	**Classification and Measurement of Financial Instruments** Amendments to IFRS 7 introduce additional disclosure to enhance transparency for investors regarding investments in equity instruments designated at fair value through OCI and financial instruments with contingent features - tied to environmental, social and corporate governance ("ESG")-linked targets. Amendments to IFRS 9 address diversity in accounting practice by making the classification and measurement requirements more understandable and consistent by clarifying the: • classification of financial assets with ESG and similar features; and • date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a company to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.	The amendment does not have any material impact on the company's profitability, liquidity and capital resources and financial position.
IAS 21 *The Effects of Changes in Foreign Exchange Rates*	1 January 2025	**Lack of Exchangeability** The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.	The amendment does not have any material impact on the company's profitability, liquidity and capital resources and financial position.

Notes to the Consolidated Financial Statements

38.2 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Accounting standard	Description of change
IFRS 16 *Leases*	**Lease Liability in a Sale and Leaseback** The narrow- scope amendment requires a seller-lessee in a sale and leaseback transaction to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of a gain or loss relating to the right of use retained by the seller-lessee. The new requirement does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.
IAS 1 *Presentation of Financial Statements*	**Classification of Liabilities as Current or Non-current** Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. **Non-current liabilities with Covenants** The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

None of the above standards and interpretations, effective from 01 January 2024, had a material effect on the financial statements of the group.

Appendix 1 - Employment Equity Progress Report

Every designated employer is required in terms of Section 22 of the Employment Equity Act 55 of 1998 to publish a summary of their employment equity report in its annual report. The total number of employees within DTSA is 798. The table below provides the employment equity progress of DTSA for the total number of employees (including employees with disabilities) in each occupational level:

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	1	1	2	1	-	-	1	2	-	**10**
Senior management	5	1	6	5	2	-	1	1	1	-	**22**
Professionally qualified and experienced specialists and mid-management	8	1	3	7	3	1	2	-	-	-	**25**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	40	5	22	28	20	3	11	5	1	1	**136**
Semi-skilled and discretionary decision making	20	3	4	8	20	3	3	7	-	-	**68**
Unskilled and defined decision making	269	56	3	7	174	25	-	3	-	-	**537**
Total permanent	344	67	39	57	220	32	17	17	4	1	**798**
Temporary employees	-	-	-	-	-	-	-	-	-	-	**-**
Grand total	**344**	**67**	**39**	**57**	**220**	**32**	**17**	**17**	**4**	**1**	**798**

A - Africans C - Coloureds

I - Indians W - Whites

The table below provides the employment equity progress of the company for the total number of employees with disabilities in each occupational level:

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	-	-	-	-	-	-	-	-	-	-	**-**
Senior management	-	-	-	-	-	-	-	-	-	-	**-**
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-	-	**-**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1	-	-	1	-	-	-	-	-	-	**2**
Semi-skilled and discretionary decision making	1	-	1	-	3	-	-	-	-	-	**5**
Unskilled and defined decision making	6	-	-	1	1	-	-	-	-	-	**8**
Total permanent	8	-	1	2	4	-	-	-	-	-	**15**
Temporary employees	-	-	-	-	-	-	-	-	-	-	**-**
Grand total	**8**	**-**	**1**	**2**	**4**	**-**	**-**	**-**	**-**	**-**	**15**

A - Africans C - Coloureds

I - Indians W - Whites