

	2018 R'000	2017 R'000
<b>11. STAFF REMUNERATION</b> <i>(continued)</i>		
<b>11.3 Post-retirement obligations</b> <i>(continued)</i>		
<i>Sensitivity analysis (continued)</i>		
<i>Key actuarial assumptions</i>		
Discount rate (%)	1,5	1,5
Inflation rate (%)	1,5	1,5
Salary increase rate (%)	2,55	2,55
Date of valuation	<b>June 30 2018</b>	June 30 2017
<b>12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION</b>		
<b>12.1 Capital and reserves attributable to shareholders of the company</b>		
<i>Stated capital</i>		
Issued stated capital	<b>5 428 016</b>	5 428 016
Treasury shares held by subsidiary	<b>(601 908)</b>	(795 187)
Balance at beginning of the year	<b>(795 187)</b>	(949 731)
Shares disposed of in terms of share incentive scheme	<b>193 279</b>	154 544
<i>Reserves</i>		
Foreign currency translation reserve	<b>5 497 156</b>	4 318 272
Hedging reserve	<b>(450)</b>	1 338
Equity-settled share-based payment reserve	<b>325 383</b>	20 914
Retained earnings	<b>15 896 255</b>	14 574 861
<i>Total capital reserves comprise</i>		
Amounts attributable to shareholders of the company	<b>26 544 452</b>	23 548 214
Amounts attributable to non-controlling interests	<b>244 452</b>	123 306
	<b>26 788 904</b>	23 671 520

**Stated capital**

No par value ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new no par value ordinary shares are deducted against the stated capital account.

**Treasury shares**

Shares in the company, held by its subsidiary, are classified as the group's shareholders' interest as treasury shares. These shares are treated as a deduction from the issued and weighted average number of shares. The fair value of the treasury shares is presented as a deduction from total equity.

**Foreign currency translation reserve**

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations.

**Equity-settled share-based payment reserve**

The equity-settled share-based payment reserve includes the fair value of the share appreciation right awards granted and conditional share awards made to executive directors and staff, which have been recognised over the vesting period at fair value with a corresponding expense recognised in the statement of profit or loss.

# Notes to the consolidated financial statements

for the year ended June 30

	2018 Number of shares ( <sup>'000</sup> )	2017 Number of shares ( <sup>'000</sup> )
<b>12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION</b> <i>(continued)</i>		
<b>12.1 Capital and reserves attributable to shareholders of the company</b> <i>(continued)</i>		
<i>Stated capital</i>		
<i>Authorised</i>		
540 000 000 ordinary shares of no par value (2017: 540 000 000 ordinary shares of no par value)		
<i>Issued</i>		
335 404 212 ordinary shares of no par value (2017: 335 404 212 ordinary shares of no par value)	<b>335 404</b>	335 404
Less: Treasury shares held by subsidiary	<b>(2 291)</b>	(2 968)
Balance at beginning of the year	<b>(2 968)</b>	(3 566)
Shares disposed in terms of share incentive scheme	<b>677</b>	598
	<b>333 113</b>	332 436

16 750 000 unissued no par value ordinary shares are under the control of the directors until the next annual general meeting.

	2018 R' <sup>000</sup>	2017 R' <sup>000</sup>
<b>12.2 Dividends paid</b>		
2017 final dividend paid of 250,0 cents per share (2016 final dividend paid: – 241,0 cents per share)	<b>(838 511)</b>	(808 324)
2018 interim dividend paid of 280,0 cents per share (2017 interim dividend paid: – 250,0 cents per share)	<b>(939 132)</b>	(838 511)
Amounts paid per the consolidated statement of cash flows	<b>(1 777 643)</b>	(1 646 835)

## 12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION *(continued)*

### 12.3 Group composition

A list of the group's significant subsidiaries, their country of incorporation and principal place of business, the group's percentage shareholding and an indication of their nature of business is included below:

	Principal place of business	Nature of business	Effective holdings %	
			2018	2017
<b>Subsidiaries</b>				
Aktaes Efe Dağıtım ve Pazarlama A.Ş.	Turkey	1	<b>55</b>	–
Aktaes Holdings AS	Turkey	1	<b>85</b>	51
Al Diyafa Company for Catering Services LLC	Saudi Arabia	1	<b>53</b>	49
Angliss Beijing Food Service Limited	China	1	<b>70</b>	70
Angliss Guangzhou Food Service Co Limited	China	1	<b>90</b>	90
Angliss Hong Kong Foodservice Limited	Hong Kong	1	<b>100</b>	100
Angliss International Investment Limited	Hong Kong	1	<b>100</b>	100
Angliss Macau Food Service Limited	Macau	1	<b>100</b>	100
Angliss Shanghai Food Service Limited	China	1	<b>97</b>	97
Angliss Shenzhen Food Service Limited	China	1	<b>99</b>	99
Angliss Singapore Pte Limited	Singapore	1	<b>100</b>	100
Applied Logic Systems Limited	New Zealand	1	<b>100</b>	100
Bestfood N.V.	Belgium	1	<b>100</b>	100
BFS Botany Pty Limited	Australia	1	<b>100</b>	100
BFS Byron Bay Limited	Australia	1	<b>100</b>	100
BFS Group Limited (trading as 3663)	England	1	<b>100</b>	100
BFS Port Macquarie Pty Limited	Australia	1	<b>100</b>	100
Bidcorp (UK) Limited	England	1	<b>100</b>	100
Bidcorp Finance Limited	Isle of Man	1	<b>100</b>	100
Bidcorp Food Africa Pty Limited	South Africa	1	<b>100</b>	100
Bidcorp Food Property Pty Limited	South Africa	1	<b>100</b>	100
Bidcorp Foodservice International Limited	Isle of Man	2	<b>100</b>	100
Bidcorp Foodservice (Europe) Limited	England	1	<b>100</b>	100
Bidcorp International Limited	Isle of Man	2	<b>100</b>	100
Bidcorp Properties International Limited	Isle of Man	2	<b>100</b>	100
Bidfood (NSW) Pty Limited	Australia	1	<b>100</b>	100
Bidfood (Victoria) Pty Limited	Australia	1	<b>100</b>	100
Bidfood (WA) Pty Limited	Australia	1	<b>100</b>	100
Bidfood Australia Limited	Australia	1	<b>100</b>	100
Bidfood Belgium NV	Belgium	1	<b>100</b>	100
Bidfood Czech Republic s.r.o.	Czech Republic	1	<b>94</b>	94
Bidfood De Clerq NV	Belgium	1	<b>100</b>	100
Bidfood Horeca Langens NV	Belgium	1	<b>100</b>	100

# Notes to the consolidated financial statements

for the year ended June 30

## 12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION *(continued)*

### 12.3 Group composition *(continued)*

	Principal place of business	Nature of business	Effective holdings %	
			2018	2017
<b>Subsidiaries <i>(continued)</i></b>				
Bidfood Iberia S.L.	Spain	1	90	90
Bidfood Limited	Botswana	1	100	100
Bidfood Limited	New Zealand	1	100	100
Bidfood Pty Limited	South Africa	1	100	100
Bidfood SA	Belgium	1	100	100
Bidfresh Pty Limited	South Africa	1	70	–
Bidvest Chile S.A.	Chile	1	90	90
Bidvest China Limited	China	1	100	100
Bidfood Deli XL B.V.	Netherlands	1	100	100
Bidfood Farutex sp. z.o.o.	Poland	1	91	91
Bidfood Malaysia Sdn. Bhd.	Malaysia	1	85	–
Bidvest SA	Chile	1	100	100
BTW Investments Pty Limited	South Africa	2	100	100
Burleigh Marr Distributions Pty Limited	Australia	1	100	100
Campbell Brothers Limited	England	1	100	100
Cárnicas Saenz, S.L.	Spain	1	68	–
Cater Plus Pty Limited	Australia	1	100	100
Caterfood Holdings Limited	England	1	100	88
Cimandis Limited	Jersey	1	100	100
Clayton Cold Store Pty Limited	Australia	1	100	100
Cold Seas Pty Limited	Australia	1	100	100
Crown Food Group Pty Ltd	South Africa	1	100	100
D&D S.p.A.*	Italy	1	42	–
Distribuidora E Importadora Irmaos Avelino Ltda	Brazil	1	60	60
Distribuzione Alimentari Convivenze S.p.A.	Italy	1	60	60
Food & Wine Sp.z o.o	Poland	1	91	91
Frustock Foodservice, S.A.	Portugal	1	72	–
Goldline Distributors Pty Limited	Australia	1	100	–
Guzmán Gastronomía S.L.	Spain	1	90	90
Henson Foods Limited	England	1	100	100
Him Kee Food Distribution Co. Limited	Hong Kong	1	100	100
Horeca Trade LLC	United Arab Emirates	1	100	100
Jilin Bidcorp Food Service Limited	China	1	60	–
John Lewis Foodservice Pty Limited	Australia	1	100	100
Linson Global Seafood Trading Limited	Hong Kong	1	70	–

## 12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION *(continued)*

### 12.3 Group composition *(continued)*

	Principal place of business	Nature of business	Effective holdings %	
			2018	2017
<b>Subsidiaries <i>(continued)</i></b>				
Mariusso Comércio De Alimentos E Representação Ltda*	Brazil	1	48	48
Oliver Kay Limited	England	1	100	100
Pastry Global Foodservice Limited	Hong Kong	1	100	100
PCL Transport 24/7 Limited	England	1	100	100
Pier 7 Holding GmbH	Germany	1	70	–
Quartiglia Food Service S.p.A.*	Italy	1	36	36
R Noone & Son Limited	England	1	80	80
Seafood Holdings Limited	England	1	100	100
South Lincs Food Service Limited	England	1	100	100
Tekoo SPOL SRO	Czech Republic	1	100	100
The London Fine Meat Company Limited	England	1	100	100
UAB Bidfood Lietuva	Lithuania	1	100	100
United Imports & Exports Co. Pty Limited	Australia	1	100	100
Van de Mheen Foodservices B.V.	Netherlands	1	100	–
Wyn Lee Holdings Limited	England	1	100	100
Wynne-Williams (Flint) Limited	England	1	100	100
* These subsidiaries are effectively more than 50% held by Bid Corporation Limited.				
<b>Associates</b>				
ATL Seafood Holding BV	Netherlands	1	50	50
ATL Seafood Ijmuiden BV	Netherlands	1	30	30
COAR S.p.A.	Italy	1	50	50
Griffith Crown Foods Pty Limited	South Africa	1	49	–
Farm Fresh Holding BV	Netherlands	1	20	20
Maxxam BV	Netherlands	1	17	17
Maxxam CV	Netherlands	1	17	17
Van Gelder Ridderkerk BV	Netherlands	1	20	20
<b>Jointly controlled entity</b>				
Chipkins Puratos Pty Limited	South Africa	1	50	50

*Nature of business*

1. Catering supplies, food and allied products

2. Group services, investments and property holding

# Notes to the consolidated financial statements

for the year ended June 30

## 12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION *(continued)*

### 12.4 Related parties

#### *Identification of related parties*

The group has a related-party relationship with its subsidiaries and associates. Key management personnel has been defined as the executive and non-executive directors of the company. The definition of key management includes the close members of family of key management personnel and any other entity over which key management exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the group. They may include the individual's domestic partner and children, the children of the individual's domestic partner, and dependants of the individual or the individual's domestic partner.

#### *Transactions with key management personnel*

Directors' remuneration in total, paid by a subsidiary, is included in note 4.2. Details pertaining to executive and non-executive directors' compensation are set out in note 11.2.

The group encourages its employees to purchase food products from group companies. These transactions are generally conducted on terms similar to those with third parties, although in some cases nominal discounts are granted. Transactions with key management personnel are conducted on similar terms. No abnormal or non-commercial credit terms are allowed, and no impairments were recognised in relation to any transactions with key management personnel during the year, nor have they resulted in any non-performing debts at the year-end.

Similar policies are applied to key management personnel at subsidiary level who are not defined as key management personnel at the group level.

#### *Transactions with related parties*

	2018 R'000	2017 R'000
Outstanding advances due at year-end by associates (note 9.1)	100 758	101 098
Total value of revenue received from associates	33 440	11 462
Amounts due by associates included in trade receivables	6 145	804
Total value of inventory purchased from associates	1 238 949	911 657
Total value of services purchased from associates	15 995	661
Amounts due to associates included in trade payables	108 975	96 724
Total value of revenue received from jointly controlled entity	20 831	555
Property rental income from jointly controlled entity	11 759	2 526

Details of effective interest, investments and loans to associates are disclosed in note 9.1.

### 12.5 Commitments and capital management

The board of directors' policy is to maintain a strong capital base so as to sustain future development of the businesses so that it can continue to generate benefits to its shareholders.

Capital expenditure approved:

Contracted for	831 471	675 164
Not contracted for	1 015 846	873 494
	<b>1 847 317</b>	1 548 658
Capital expenditure split		
Property, plant and equipment	1 794 724	1 515 614
Computer software	52 593	33 044
	<b>1 847 317</b>	1 548 658

It is anticipated that capital expenditure will be financed out of existing cash resources.

## 12. EQUITY, DISTRIBUTIONS AND GROUP INFORMATION *(continued)*

### 12.6 Contingent liabilities

The group has outstanding legal and other claims arising out of its normal ongoing operating activities which have to be resolved. None of these claims are significant.

### 12.7 Subsequent events

There have been no material subsequent events from the reporting date.

### 12.8 Going concern

The directors have made an assessment of the group's ability to continue as a going concern and there is no reason to believe that the group will not be a going concern in the year ahead.

## 13. DISCONTINUED OPERATION

In December 2017, management committed to a plan to discontinue the UK Contract Distribution (CD) business segment which operates in the United Kingdom. By year-end, we were close to finalising our proposed exit from this non-core segment. Costs associated with this anticipated exit were substantially provided for and any further costs are unlikely to be significant. The CD business segment is a component of the group's business, the operations and cash flows of which can be clearly distinguished from the rest of the group. CD represents a separate major line of business or geographical area in the United Kingdom. The relevant requirements of IFRS 5 were met for this operation to be classified as a discontinued operation.

Post the year-end, the prospective purchaser of our CD business notified Bidcorp that for its own internal reasons, it has decided not to proceed with the transaction. The CD business remains a non-core activity in respect of Bidcorp's global foodservice operations. Accordingly, Bidcorp is currently considering alternative proposals which were suspended due to the advanced sale process.

The CD segment was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of profit or loss was restated to show the discontinued operation separately from continuing operations.

**The results of the discontinued operation included in the group's results for the year ended June 30 are detailed below:**

	2018 R'000	2017 R'000
<b>Revenue</b>	<b>18 254 268</b>	20 458 449
Cost of revenue	<b>(16 686 301)</b>	(18 622 873)
Gross profit	<b>1 567 967</b>	1 835 576
Operating expenses	<b>(2 194 450)</b>	(1 814 230)
<b>Trading (loss) profit</b>	<b>(626 483)</b>	21 346
Share-based payment expense	<b>(3 110)</b>	(3 456)
Impairment of property, plant and equipment	<b>(793)</b>	(21 366)
<b>Operating loss</b>	<b>(630 386)</b>	(3 476)
Net finance charges	<b>(5 226)</b>	(3 446)
Finance income	<b>5</b>	11
Finance charges	<b>(5 231)</b>	(3 457)
<b>Loss before taxation</b>	<b>(635 612)</b>	(6 922)
Taxation	<b>106 283</b>	(4 317)
<b>Loss for the year from discontinued operation</b>	<b>(529 329)</b>	(11 239)