

**CONDENSED  
RESULTS  
2024**

***Hudaco***

# Highlights

Year ended 30 November 2024		
Turnover <b>R8.4 billion</b>	↓	<b>6%</b>
Operating profit <b>R1 billion</b>	↓	<b>6%</b>
Cash generated from operations <b>R1.5 billion</b>	↑	<b>71%</b>
Comparable earnings per share <sup>^</sup> <b>2 012 cents</b>	↓	<b>6%</b>
Headline earnings per share <b>2 012 cents</b>	↓	<b>6%</b>
Final dividend <b>700 cents</b>	→	

<sup>^</sup> Non-IFRS measure

Hudaco Industries is a South African group specialising in the importation and distribution of a broad range of high-quality, branded automotive, industrial and electronic consumable products, mainly in the southern African region.

Its businesses fall into the following categories:

## Consumer-related products

Supplied to markets with a bias towards consumer spending and generally sold to installers

- Automotive aftermarket products
- Power tools and fasteners
- Data networking equipment
- Batteries and sustainable energy products
- Security and communication equipment
- Gas and outdoor products

## Engineering consumables

Products generally used in the maintenance of machines and sold mainly to mining and manufacturing customers

- Bearings, belting and power transmission
- Diesel engines and spares
- Electrical power transmission
- Filtration
- Fire detection, containment and suppression
- Hydraulics and pneumatics
- Specialised steel
- Thermoplastic pipes, fittings and equipment

Hudaco sources branded products, mainly on an exclusive basis, directly from leading international manufacturers and to a lesser extent from local manufacturers. Hudaco seeks out niche areas in markets where customers need, and are prepared to pay for, the value Hudaco adds to the products it distributes.

The value added includes product specification, technical advice, application and installation training and troubleshooting, combined with ready availability at a fair price. The group has a network of specialised branches and independent distributors throughout southern Africa to ensure product availability to its customers.

Hudaco's black employees are its BEE partners and have a 15% equity interest in all Hudaco businesses, except for DD Power, in which Deutz AG has a 30% share.

## 2024 Overview

We were very pleased that our financial year ended with a strong last quarter, showing some encouraging signs of improvement in activity and demand. This after a long period of inertia in the economy, first leading up to the general election in May, then while the country waited anxiously to see how the electoral impasse would be resolved and finally for a government of national unity (GNU) to get off the ground. While our comparable earnings per share were 15% down at mid-year, we were able to claw back much of the deficit in the second half to end only 6% behind for the full year. For the five months from the formation of the GNU to the end of the financial year, through strong management of gross profit margin, tight control of expenses and the reduction of inventory, operating profit increased by 0.2%, and headline and comparable earnings per share were up by 3.5% on the equivalent period in the prior year.

Although markets appeared to receive the GNU favourably and its announcement undeniably generated positive sentiment, concerns about economic growth, a struggling labour market, and the need for reforms persisted. Also, the absence of load shedding has relieved businesses and consumers of a significant burden, yet we did not notice any meaningful change in business activity. Our ports remained a major obstacle, so we (like so many others) are carrying more goods in transit (GIT) inventory because of it, and this is compounded by disruptions in international shipping routes, our GIT days have increased accordingly.

Annual turnover ended down 5.8% at R8.4 billion, with operating profit down 6.0% at R1.007 billion. The group operating profit margin was maintained at 12.0% thanks to an excellent 1.7% increase in gross margin percentage and tight control of expenses, which are down 1.7% on a like-for-like basis, with acquisitions excluded.

Eternity Technologies, our traction battery business, was acquired in 2017 and initially performed well. However, after disappointing results in the last three years and some structural changes in its market, we concluded that it would take longer than we had previously believed to get its performance to the level it should be and that, accordingly, its goodwill had been impaired to the extent of R77 million but there had been a reduction of R59 million in the original purchase price so the net loss was only R18 million.

Headline and comparable earnings per share decreased by 6.3%. Return on equity was 15.4% overall and 17.4% if the impairment of Eternity's goodwill is excluded. The cash-generative nature of Hudaco's businesses was evident, with cash generated from operations an excellent R1.5 billion.

The final dividend has been left unchanged at 700 cents, giving a total dividend for 2024 of 1 025 cps, the same as in 2023. Comparable earnings cover the total dividend 1.96 times, which is marginally outside our long-term dividend policy range of paying between 40% and 50% of comparable earnings but is comfortably justified by the strong cash generation.

## Financial position

Net bank borrowings at year-end were R589 million, down R424 million over the year from R1.013 billion in 2023. Importantly, operating profits covered interest payments 9 times, which compares favourably with our internal benchmark of at least five times. We have significant additional bank borrowing facilities, so there is capacity for good acquisitions and the recently announced acquisition of Isotec, subject to the fulfilment of significant conditions precedent, will not put the balance sheet under strain. Inventories at year-end of R2.46 billion have been reduced by R232 million over the year, with much of the reduction coming from good progress in the alternative energy businesses, which were heavily overstocked last year.

## Consumer-related products

The consumer-related products segment consists of 12 businesses. In 2024, it contributed 46% of Hudaco's sales and 43% of operating profit. Last year, this segment contributed 50% of group sales and 50% of operating profit.

Segment sales were down 12.3% at R3.9 billion, whilst the segment's operating profit decreased 19.9% to R474 million. Consumer spending was under pressure again this year, primarily due to concerns surrounding the elections and their potential outcomes, which contributed to the rising unemployment rate and a weakened economy. In this segment, the wholesale and retail, and security sectors declined in 2024, which negatively affected our businesses supplying products and services to these sectors, other than Automotive Aftermarket and Rutherford. Volume sales declined and gross margins were maintained. We are delighted that we managed to clear a lot of the overstocked energy products. The operating profit margin was 12.2%, down from 13.4%.

## Engineering consumables

The 19 engineering consumables businesses contributed 54% of group sales and 57% of operating profit. In 2023, this segment contributed 50% of group sales and 50% of operating profit.

The segment's turnover increased by 0.6% to R4.5 billion and operating profit by 7.6% to R625 million. This was mainly due to the acquisitions, which added R284 million in turnover and R73 million in operating profit. Brigit Fire and Plasti-Weld have been included in these results for the full year. In contrast, last year Brigit Fire was included for only three months, and Plasti-Weld not at all. Both of these businesses have integrated seamlessly into Hudaco. In this segment, the agriculture, platinum mining, and manufacturing sectors declined in 2024, and the declines affected our businesses supplying products and services to these sectors. We had good performances from our businesses supplying diesel engines, hydraulics and gear pumps, filtration, modular belting and thermoplastic pipes, fittings and equipment. The operating profit margin increased from 12.9% to 13.9%.

## Strategic focus

If we consider our stated long term strategic focus: "Distributing strong international branded products requiring added value, including instant availability and technical input. Our philosophy of carefully managing the relationship between turnover, margins, inventories and costs means that businesses currently serving low- or no-growth markets generally remain very cash-generative. We continue to pay generous dividends and invest the balance in our higher-growth businesses and accretive acquisitions that diversify and strengthen our overall offering. We also continue to look for new markets and grow our businesses' reach geographically, where appropriate." It would be fair to say that we delivered on all accounts in another difficult year.

## Prospects

Even though we are operating in volatile times, with significant potential risks arising from both international and local politics, we believe that Hudaco is well placed for a successful 2025. We remain optimistic that the improvement seen since October 2024 will continue, and there is a reasonable prospect that interest rates will decline further, which augurs well for a recovery in our consumer-related product businesses. Progress at the ports and reduced load-shedding must have a positive effect on economic activity and losses incurred at Bosworth, Deltec and Eternity should not be repeated. The Brigit Fire and Plasti-Weld acquisitions have been very successful and should enhance value further this year. We are excited about the Isotec acquisition, which would be Hudaco's largest to date and meets our strategic objective of making larger acquisitions that can "move the needle". If all conditions precedent are met (of which a satisfactory due diligence and Competition Commission approval are the most significant), it is likely to be included in our 2025 results for eight months, and another excellent business will be added to our diversified portfolio.

We enter the new year with cautious optimism, as we believe there are great prospects for SA Inc if the right policies are chosen. It is trite that the policies of the past 30 years have not worked for the economy or the people of South Africa. We encourage the GNU to grasp the opportunity in front of it and to focus on growth policies.

## Appreciation

It is only through the dedication, commitment and experience of the staff and management teams that the group has been able to deliver so consistently through the stagnant economy of the past 15 years. There is excellence amongst our staff at all levels within the group, and their contribution is valued and appreciated. We also extend our appreciation to our loyal suppliers, customers, and other stakeholders for the vital roles they play in our mutual success.

We thank our experienced board members for their valuable guidance and direction. Interaction between non-executive and executive directors has always been constructive, effective and in the company's best interest.

## Declaration of final dividend no 75

Final dividend number 75 of 700 cents per share (2023: 700 cents per share) is declared payable on Monday, 3 March 2025 to ordinary shareholders recorded in the register at the close of business on Friday, 28 February 2025.

The timetable for the payment of the dividend is as follows:

Last day to trade <i>cum</i> dividend	Tuesday, 25 February 2025
Trading <i>ex</i> dividend commences	Wednesday, 26 February 2025
Record date	Friday, 28 February 2025
Payment date	Monday, 3 March 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 26 February 2025 and Friday, 28 February 2025, both days inclusive. The certificated register will be closed for this period.

In terms of the Listings Requirements of the JSE Limited (JSE) regarding Dividend Tax the following additional information is disclosed:

- The dividend has been declared from income reserves;
- The dividend withholding tax rate is 20%;
- The net local dividend amount is 560 cents per share for shareholders liable to pay the Dividend Tax and 700 cents per share for shareholders exempt from the Dividend Tax;
- Hudaco Industries Limited has 30 895 980 shares in issue (which includes 2 507 828 treasury shares); and
- Hudaco Industries Limited's income tax reference number is 9400/159/71/2.

## Results presentation

Hudaco will be presenting its results for the year ended 30 November 2024 via webinar and in person in Johannesburg at 11:00 on Thursday, 6 February 2025. Should you wish to participate, kindly contact Megan Cameron-Gunn at [megan@hudaco.co.za](mailto:megan@hudaco.co.za). The slides which form part of the presentation will be available on the company's website from Thursday, 6 February 2025.

## Auditor's review

The group condensed financial statements for the year ended 30 November 2024 have been reviewed by Deloitte & Touche, who have expressed an unmodified review conclusion which appears on page 13.

Any forward-looking statements or indicators of future financial performance included in this announcement have not been reviewed or reported on by the group's external auditors.



**SJ Connelly**

*Chairman*

5 February 2025



**GR Dunford**

*Chief executive*

Sponsor

**Nedbank Corporate and Investment Banking, a division of Nedbank Limited**

These results are available on the internet: [www.hudaco.co.za](http://www.hudaco.co.za)

# Group condensed statement of financial position

at 30 November 2024

R million	2024 <sup>#</sup>	2023*
<b>Assets</b>		
<b>Non-current assets</b>	<b>2 169</b>	2 229
Right-of-use assets	361	406
Property, plant and equipment	377	363
Intangible assets	146	132
Goodwill	1 226	1 285
Deferred taxation	59	43
<b>Current assets</b>	<b>4 059</b>	4 428
Inventories	2 461	2 693
Trade and other receivables	1 329	1 490
Bank deposits and balances	269	245
<b>Total assets</b>	<b>6 228</b>	6 657
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>3 611</b>	3 481
Equity holders of the parent	3 409	3 285
Non-controlling interest	202	196
<b>Non-current liabilities</b>	<b>1 108</b>	1 602
Amounts due to bankers	750	1 150
Amounts due to vendors of businesses acquired		83
Lease liabilities	307	361
Deferred taxation	51	8
<b>Current liabilities</b>	<b>1 509</b>	1 574
Trade and other payables	1 175	1 279
Bank overdraft	108	108
Amounts due to vendors of businesses acquired	86	53
Lease liabilities	121	109
Taxation	19	25
<b>Total equity and liabilities</b>	<b>6 228</b>	6 657

<sup>#</sup> Reviewed \* Audited

# Group condensed statement of comprehensive income

for the year ended 30 November 2024

R million	2024 <sup>*</sup>	% change	2023 <sup>*</sup>
<b>Turnover</b>	<b>8 379</b>	(5.8)	8 897
– Operations in the group for at least 24 months at 30 November 2024	<b>8 042</b>	(9.1)	8 843
– Operations acquired after December 2022	<b>337</b>		54
Cost of sales	<b>(5 216)</b>		(5 694)
<b>Gross profit</b>	<b>3 163</b>	(1.2)	3 203
Increase in expected credit losses	<b>(8)</b>		(20)
Operating expenses	<b>(2 148)</b>	1.7	(2 112)
<b>Operating profit before fair value adjustments</b>	<b>1 007</b>	(6.0)	1 071
– Operations in the group for at least 24 months at 30 November 2024	<b>922</b>	(13.0)	1 059
– Operations acquired after December 2022	<b>85</b>		12
Impairment of goodwill	<b>(77)</b>		
Loss on disposal of business			(3)
Fair value adjustments	<b>(12)</b>		(4)
<b>Profit before interest</b>	<b>918</b>	(13.8)	1 064
Interest on lease liabilities	<b>(38)</b>		(38)
Finance costs	<b>(115)</b>		(112)
<b>Profit before taxation</b>	<b>765</b>	(16.4)	914
Taxation	<b>(219)</b>		(245)
<b>Profit for the year</b>	<b>546</b>	(18.4)	669
<b>Other comprehensive income that will subsequently be reclassified to profit or loss</b>	<b>9</b>		34
Profit on fair value of cash flow hedges	<b>15</b>		38
Tax effect of the above	<b>1</b>		(4)
Exchange loss on translation of foreign operations	<b>(7)</b>		
<b>Total comprehensive income for the year</b>	<b>555</b>	(21.1)	703
Profit attributable to:			
– Equity holders of the parent	<b>506</b>	(17.2)	611
– Non-controlling shareholders	<b>40</b>		58
	<b>546</b>	(18.4)	669
Total comprehensive income attributable to:			
– Equity holders of the parent	<b>513</b>	(20.3)	644
– Non-controlling shareholders	<b>42</b>		59
	<b>555</b>	(21.1)	703
<b>Basic earnings per share (cents)</b>	<b>1 782</b>	(16.8)	2 142
<b>Diluted basic earnings per share (cents)</b>	<b>1 744</b>	(15.6)	2 067
<b>Additional metrics<sup>5</sup></b>			
<b>Earnings per share (cents)</b>			
– Headline and comparable <sup>^</sup>	<b>2 012</b>	(6.3)	2 148
<b>Diluted earnings per share (cents)</b>			
– Headline and comparable <sup>^</sup>	<b>1 969</b>	(5.0)	2 073
<b>Calculation of headline and comparable<sup>^</sup> earnings</b>			
Profit attributable to equity holders of the parent	<b>506</b>	(17.2)	611
<i>Adjusted for:</i>			
Impairment of goodwill	<b>77</b>		
Non-controlling interest	<b>(12)</b>		
Loss on disposal of business			3
Profit on disposal of plant, equipment and intangible assets			(1)
<b>Headline and comparable<sup>^</sup> earnings</b>	<b>571</b>	(6.8)	613
<b>Dividends</b>			
– Per share (cents)	<b>1 025</b>		1 025
– Amount (Rm)	<b>291</b>		291
<b>Weighted average shares in issue</b>			
– Total (000)	<b>28 388</b>		28 519
– Diluted (000)	<b>28 996</b>		29 549

<sup>\*</sup> Reviewed <sup>\*</sup> Audited <sup>5</sup> Not part of group condensed statement of comprehensive income <sup>^</sup> Non-IFRS measure



# Group condensed statement of cash flows

for the year ended 30 November 2024

R million	2024 <sup>#</sup>	2023*
<b>Cash flow from operating activities</b>		
Operating profit before fair value adjustments	1 007	1 071
<i>Adjusted for non-cash items:</i>		
– Equity-settled share-based payments	45	49
– Depreciation and profit on disposal of plant and equipment	57	52
– Depreciation and profit on right-of-use assets	115	111
– Amortisation and loss on scrapping of intangible assets	17	11
Decrease (increase) in working capital	298	(392)
<b>Cash generated from operations</b>	<b>1 539</b>	902
Taxation paid	(205)	(260)
<b>Net cash from operating activities</b>	<b>1 334</b>	642
<b>Cash flow from investing activities</b>		
Additions to property, plant and equipment	(79)	(105)
Additions to intangible assets	(4)	(8)
Proceeds from disposal of property, plant and equipment	7	9
Acquisition of businesses	(42)	(147)
Payments to vendors of businesses acquired	(70)	(24)
<b>Net cash utilised in investing activities</b>	<b>(188)</b>	(275)
<b>Cash flow from financing activities</b>		
Advances from non-current amounts due to bankers		400
Repayment of non-current amounts due to bankers	(400)	
Share-based payments settled	(125)	(101)
Repurchase of shares		(112)
Repayment of lease liabilities (rent paid)	(150)	(144)
– Capital	(112)	(106)
– Interest	(38)	(38)
Finance costs paid	(115)	(112)
Dividends paid	(324)	(290)
<b>Net cash utilised in financing activities</b>	<b>(1 114)</b>	(359)
Increase in net bank balances	32	8
Foreign exchange translation loss	(8)	
<b>Net bank balances at beginning of the year</b>	<b>137</b>	129
<b>Net bank balances at end of the year</b>	<b>161</b>	137

<sup>#</sup> Reviewed \* Audited

# Group condensed statement of changes in equity

for the year ended 30 November 2024

R million	Share capital and premium	Non-distributable reserves	Retained income	Equity holders of the parent	Non-controlling interest	Equity
<b>Balance at 1 December 2022</b>	3	158	2 954	3 115	158	3 273
Repurchase of shares			(112)	(112)		(112)
Transfer to cost of inventory		(22)		(22)	(1)	(23)
Comprehensive income for the year		33	611	644	59	703
Movement in equity compensation reserve		(3)	(48)	(51)		(51)
Dividends			(270)	(270)	(20)	(290)
<b>Balance at 30 November 2023</b>	3	166	3 135	3 304	196	3 500
<i>Less: Shares held by subsidiary company</i>			(19)	(19)		(19)
<b>Net balance at 30 November 2023*</b>	3	166	3 116	3 285	196	3 481
<b>Balance at 1 December 2023</b>	<b>3</b>	<b>166</b>	<b>3 135</b>	<b>3 304</b>	<b>196</b>	<b>3 500</b>
Transfer to cost of inventory		(17)		(17)	(3)	(20)
Comprehensive income for the year		7	506	513	42	555
Movement in equity compensation reserve		(13)	(68)	(81)		(81)
Dividends			(291)	(291)	(33)	(324)
<b>Balance at 30 November 2024</b>	<b>3</b>	<b>143</b>	<b>3 282</b>	<b>3 428</b>	<b>202</b>	<b>3 630</b>
<i>Less: Shares held by subsidiary company</i>			(19)	(19)		(19)
<b>Net balance at 30 November 2024#</b>	<b>3</b>	<b>143</b>	<b>3 263</b>	<b>3 409</b>	<b>202</b>	<b>3 611</b>

\* Audited # Reviewed

# Supplementary information

## Basis of preparation

The condensed consolidated financial statements contained in this report are prepared in accordance with the requirements of the JSE Listings Requirements for condensed reports, and the requirements of the Companies Act of South Africa. The JSE Listings Requirements require condensed reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS Accounting Standards) and containing the information required by IAS 34: Interim Financial Reporting, as well as the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements, as issued by Financial Reporting Standards Council. The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS Accounting Standards. New and revised accounting standards became effective during the year, but their implementation had no significant impact on the results of either the current or prior financial year. The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. In preparing these group condensed financial statements, the significant judgements made by management in applying the group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated annual financial statements for the year ended 30 November 2023. The condensed consolidated financial statements have been prepared on the going concern and historical cost bases, except where otherwise indicated. The presentation currency is the South African Rand, rounded to the nearest million, except where otherwise indicated.

These results have been compiled under the supervision of the financial director, CV Amoils, CA (SA). The directors of Hudaco take full responsibility for the preparation of this report.

	2024 <sup>^</sup>	2023 <sup>^</sup>
Average net operating assets (NOA) (Rm)	5 013	4 724
Operating profit margin (%)	12.0	12.0
Average NOA turn (times)	1.7	1.9
Return on average NOA (%)	20.1	22.7
Average net tangible operating assets (NTOA) (Rm)	3 239	3 154
PBITA margin (%)	12.2	12.1
Average NTOA turn (times)	2.6	2.8
Return on average NTOA (%)	31.4	34.0
Net asset value per share (cents)	12 012	11 571
Return on average equity (%)	15.4	19.9

<sup>^</sup> Unaudited

	2024 <sup>#</sup>	2023 <sup>*</sup>
<b>Turnover comprises (Rm)</b>		
<i>Revenue from contracts with customers</i>		
Sales of products	8 110	8 673
Rendering of services	269	224
	8 379	8 897
<i>Timing of revenue recognition</i>		
Goods and services transferred at a point in time	8 288	8 732
Goods and services transferred over time <sup>(1)</sup>	91	165
	8 379	8 897
<i>Geographical disaggregation</i>		
Goods and services sold in South Africa	7 581	8 054
Goods and services sold outside South Africa	798	843
	8 379	8 897

(1) The remaining transaction price allocated to unsatisfied performance obligations will be satisfied within one year.

<sup>#</sup> Reviewed \* Audited

**Operating profit has been determined after taking into account the following charges (Rm)**

– Depreciation of property, plant and equipment	<b>57</b>	54
– Depreciation of right-of-use assets	<b>120</b>	112
– Amortisation of intangible assets	<b>17</b>	10

**Capital expenditure (Rm)**

– Incurred during the period	<b>83</b>	118
– Authorised but not yet contracted for	<b>90</b>	122
– Already contracted for	<b>12</b>	

<sup>#</sup> Reviewed \* Audited

## Fair value disclosure

All financial instruments are carried at amounts that approximate their fair value. The fair value of foreign exchange contracts is directly derived from prices in active markets for similar liabilities, which means it is classified as a level 2 fair value measurement. The carrying amount of forward exchange contracts at 30 November 2024 is a liability of R2.2 million (2023: R3.0 million asset).

## Acquisition of business

On 1 December 2023, the group acquired the operations of Plasti-Weld. The final consideration will be determined in February 2025 with a maximum of R56 million, which includes an initial payment of R43 million made in December 2023.

Amounts recognised on acquisition include plant and equipment of R1 million, inventories of R10 million, trade and other receivables of R4 million, bank balance of R1 million, trade and other payables of R3 million, deferred tax liabilities of R7 million, intangible assets of R26 million and goodwill of R18 million. These values approximate the fair values as determined under IFRS 3.

The factors making up the goodwill include: significant potential market synergies through accessing the branch network and customer base of Hudaco's Astore Keymak business; leveraging the Astore Keymak infrastructure to achieve cost reductions; a skilled workforce with product knowledge; and technical expertise that does not qualify for separate recognition as an intangible asset.

## Events after reporting date

Hudaco has entered into an agreement with a group of companies trading as Isotec, to acquire the group as a going concern. A sale of business agreement was signed, subject to various suspensive conditions, including approval from the Competition Commission, which is expected around 1 March 2025. Isotec manufactures and distributes thermal and electrical insulation materials primarily used in the manufacture and repair of transformers and electrical motors for the manufacturing, mining, repair, railway, generation and switchgear segments.

The business will be acquired on an earnout and the financial consideration is dependent on the average profit for the three years after the effective date, with a maximum consideration of R709 million.

Hudaco constantly seeks out opportunities to expand operations and Isotec is being acquired to increase the revenue earning capacity of the group.

# Group condensed segment information

for the year ended 30 November 2024

R million	Turnover		
	2024 <sup>#</sup>	% change	2023*
Consumer-related products	3 881	(12.3)	4 426
– Operations in the group for at least 24 months at 30 November 2024	3 881	(12.3)	4 426
Engineering consumables	4 513	0.6	4 488
– Operations in the group for at least 24 months at 30 November 2024	4 176	(5.8)	4 434
– Operations acquired after December 2022	337		54
<b>Total operating segments</b>	<b>8 394</b>	<b>(5.8)</b>	<b>8 914</b>
Head office, shared services and eliminations	(15)		(17)
<b>Total group</b>	<b>8 379</b>	<b>(5.8)</b>	<b>8 897</b>

R million	Operating profit before fair value adjustments		
	2024 <sup>#</sup>	% change	2023*
Consumer-related products	474	(19.9)	592
– Operations in the group for at least 24 months at 30 November 2024	474	(19.9)	592
Engineering consumables	625	7.6	581
– Operations in the group for at least 24 months at 30 November 2024	540	(5.0)	569
– Operations acquired after December 2022	85		12
<b>Total operating segments</b>	<b>1 099</b>	<b>(6.3)</b>	<b>1 173</b>
Head office, shared services and eliminations	(92)		(102)
<b>Total group</b>	<b>1 007</b>	<b>(6.0)</b>	<b>1 071</b>

R million	Profit before interest		
	2024 <sup>#</sup>	% change	2023*
Consumer-related products	397	(32.8)	591
– Operations in the group for at least 24 months at 30 November 2024	397	(32.8)	591
Engineering consumables	613	6.6	575
– Operations in the group for at least 24 months at 30 November 2024	528	(6.2)	563
– Operations acquired after December 2022	85		12
<b>Total operating segments</b>	<b>1 010</b>	<b>(13.4)</b>	<b>1 166</b>
Head office, shared services and eliminations	(92)		(102)
<b>Total group</b>	<b>918</b>	<b>(13.8)</b>	<b>1 064</b>

R million	Average net operating assets		
	2024 <sup>^</sup>	% change	2023 <sup>^</sup>
Consumer-related products	2 397	(1.2)	2 426
– Operations in the group for at least 24 months at 30 November 2024	2 397	(1.2)	2 426
Engineering consumables	2 580	11.4	2 315
– Operations in the group for at least 24 months at 30 November 2024	2 208	(1.9)	2 250
– Operations acquired after December 2022	372		65
<b>Total operating segments</b>	<b>4 977</b>	<b>5.0</b>	<b>4 741</b>
Head office, shared services and eliminations	36		(17)
<b>Total group</b>	<b>5 013</b>	<b>6.1</b>	<b>4 724</b>

<sup>#</sup> Reviewed <sup>\*</sup> Audited <sup>^</sup> Unaudited

## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE GROUP CONDENSED FINANCIAL STATEMENTS

### To the Shareholders of Hudaco Industries Limited

We have reviewed the group condensed financial statements of Hudaco Industries Limited, contained in the accompanying Condensed Report, which comprise the group condensed statement of financial position as at 30 November 2024 and the group condensed statements of comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

### Directors' Responsibility for the Group Condensed Financial Statements

The directors are responsible for the preparation and presentation of these group condensed financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed reports, as set out in the Basis of Preparation to the financial statements, 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 financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require group condensed financial statements contained in a condensed report to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the Independent Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to contain the information required by International Accounting Standard (IAS) 34, Interim Financial Reporting.

### Auditor's Responsibility

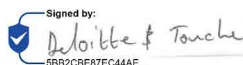
Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the group condensed financial statements of Hudaco Industries Limited for the year ended 30 November 2024 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the Basis of Preparation to the financial statements, and the requirements of the Companies Act of South Africa.

Signed by:  
  
5BB2CBE87EC44AE...

### Deloitte & Touche

Registered Auditor

Per: PWM van Zijl

Partner

5 February 2025

5 Magwa Crescent, Waterfall City, Waterfall, Johannesburg

# Consumer-related products



Distributor of light and heavy duty clutch kits, ignition leads and rotary shaftseals to the automotive aftermarket and hydraulic and pneumatic seals to the industrial and construction equipment market.



Distributor of alloy and steel wheels.



Distributor of a comprehensive range of quality fasteners, including blind rivets, self-drilling screws, hexagonal bolts, nuts and washers.



Distributor of CADAC cooking, heating and outdoor products.



Distributor of maintenance-free batteries for automotive, trucking, mining, stand-by, solar utility and electric vehicle applications and a provider of sustainable power and storage products and solutions, including solar inverters, PV panels, residential, commercial and industrial storage and balance of plant equipment.



Distributor of electronic security equipment, including intruder detection, access control, CCTV, fire detection, electric fencing and specialised products, as well as related consumables.



Distributor of batteries, high frequency chargers and related battery equipment to the traction battery market. It also designs, builds and manages battery bays for warehouses and distribution centres.



Distributor of professional mobile radio communication equipment and radio systems integrator.



Distributor of suspension and accessories to the 4X4 industry.



Distributor of wireless IP convergence solutions, including network infrastructure, switches and routers, Wi-Fi and hotspot, enterprise wireless, fixed wireless broadband, carrier class wireless, antennas and masts, voice over IP and IP surveillance products.



Distributor of automotive spares and accessories.



Distributor of integrated security and life safety solutions, including surveillance, access control, fire detection, public address and perimeter detection products.



Distributor of Makita power tools, Mercury marine engines and survey instrumentation.



Distributor of stand-by and solar batteries.

# Engineering consumables



Distributor of engineering steels, solid, round, square, hexagonal and hollow bar steel.



Distributor of specialised thermoplastic pipes, fittings and Keymak PVC hose.



Distributor of bearings, chains, seals, transmission and allied products. Distributor and repairer of geared and electric motors, industrial bevel helical transmissions and drive solutions.



Distributor of conveyor belting, industrial hose, fluid sealing and process control products.



Manufacturer of conveyor drive pulleys, forging and rollings.



Distributor of plastic and stainless steel slat chains and modular belting and conveyor components. Manufacturer of plastic engineering parts for machines used in food, bottling and mining industries.



Distributor of fire detection, fire containment protection and fire suppression products and solutions.



Distributor of DEUTZ diesel engines, DEUTZ spare parts, HJS exhaust gas aftertreatment systems and provider of service support.



Distributor of hydraulic pumps and motors to the mining, industrial, mobile, marine and forestry industries.



Manufacturer of hydraulic and pneumatic equipment.



Distributor of filtration solutions, customised exhaust systems, kits and accessories.



Manufacturer and assembler of hydraulic gear pumps.



Manufacturer and repairer of hydraulic cylinders and repairer of drivetrain components.



Manufacturer of ferrous and non-ferrous castings.



Distributor of plastic welding equipment and manufacturer of plastic welding rods.



Distributor of electric cabling, plugs, sockets, electric feeder systems and crane materials.



Distributor of special steels and of heat treatment to the tool making and general engineering industries.



Manufacturer of end caps on pressure vessels and single pressed weld caps and the pressing and flanging of small conical sections.



Distributor of electrical cable accessories.



Distributor of controllers, monitors and regulators of the speed of standard AC motors.



# Company information

## Hudaco Industries Limited

(Incorporated in the Republic of South Africa)  
(Registration number 1985/004617/06)  
JSE share code: HDC  
A2X share code: HDC  
ISIN code: ZAE000003273

## Registered and business address

1st Floor, Building 9  
Greenstone Hill Office Park  
Emerald Boulevard  
Greenstone Hill, Edenvale  
(Private Bag 13, Elandsfontein, 1406)  
Tel: +27 11 657 5000  
Email: [info@hudaco.co.za](mailto:info@hudaco.co.za)  
Website: [www.hudaco.co.za](http://www.hudaco.co.za)

## Secretary

Acorim Secretarial and Governance Services  
13th Floor, Illovo Point  
68 Melville Road  
Illovo  
Tel: +27 11 325 6363  
Email: [hudaco@acorim.co.za](mailto:hudaco@acorim.co.za)  
Website: [www.acorim.co.za](http://www.acorim.co.za)

## Transfer secretaries

Computershare Investor Services (Pty) Ltd  
Rosebank Towers, 15 Biermann Avenue  
Rosebank  
(PO Box 61051, Marshalltown, 2107)  
Tel: + 27 11 370 5000

## Auditors

Deloitte & Touche  
5 Magwa Crescent  
Waterfall City, Midrand

## Bankers

Absa Bank Ltd  
FirstRand Bank Ltd  
Nedbank Ltd  
The Standard Bank of South Africa Ltd

## Sponsor

Nedbank Corporate and Investment Banking,  
a division of Nedbank Limited  
135 Rivonia Road, Sandton  
(PO Box 1144, Johannesburg, 2000)

