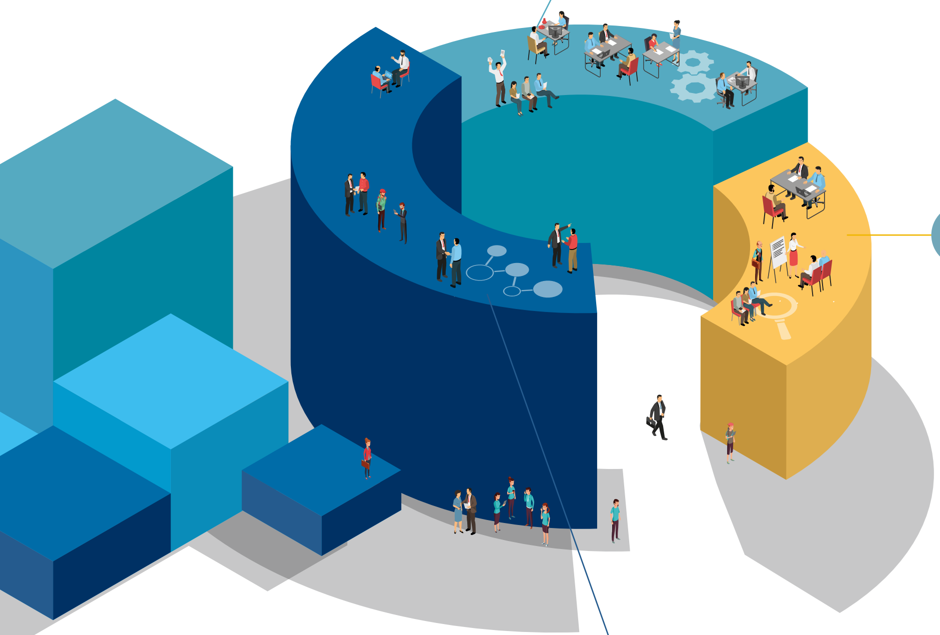
Barloworld
Leading brands

Sustainable growth through transformation

Interim results

For the six months ended 31 March 2021

One Barloworld



1

Our purpose

To inspire a world of difference, enabling growth and progress in society.

2

Our vision

To delight our customers and maximise shareholder value.

3

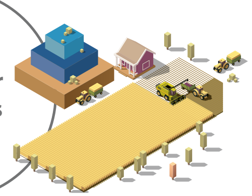
Our sustainability commitment

To be a responsible corporate delivering products, services and solutions that generate sustainable outcomes.

Industrial Equipment and Services

Our Industrial Equipment and Services are used to offer earthmoving equipment, industrial services and power systems which enable a large array of mining, construction and power solutions for our customers through deep relationships built on trust.

Consumer Industries

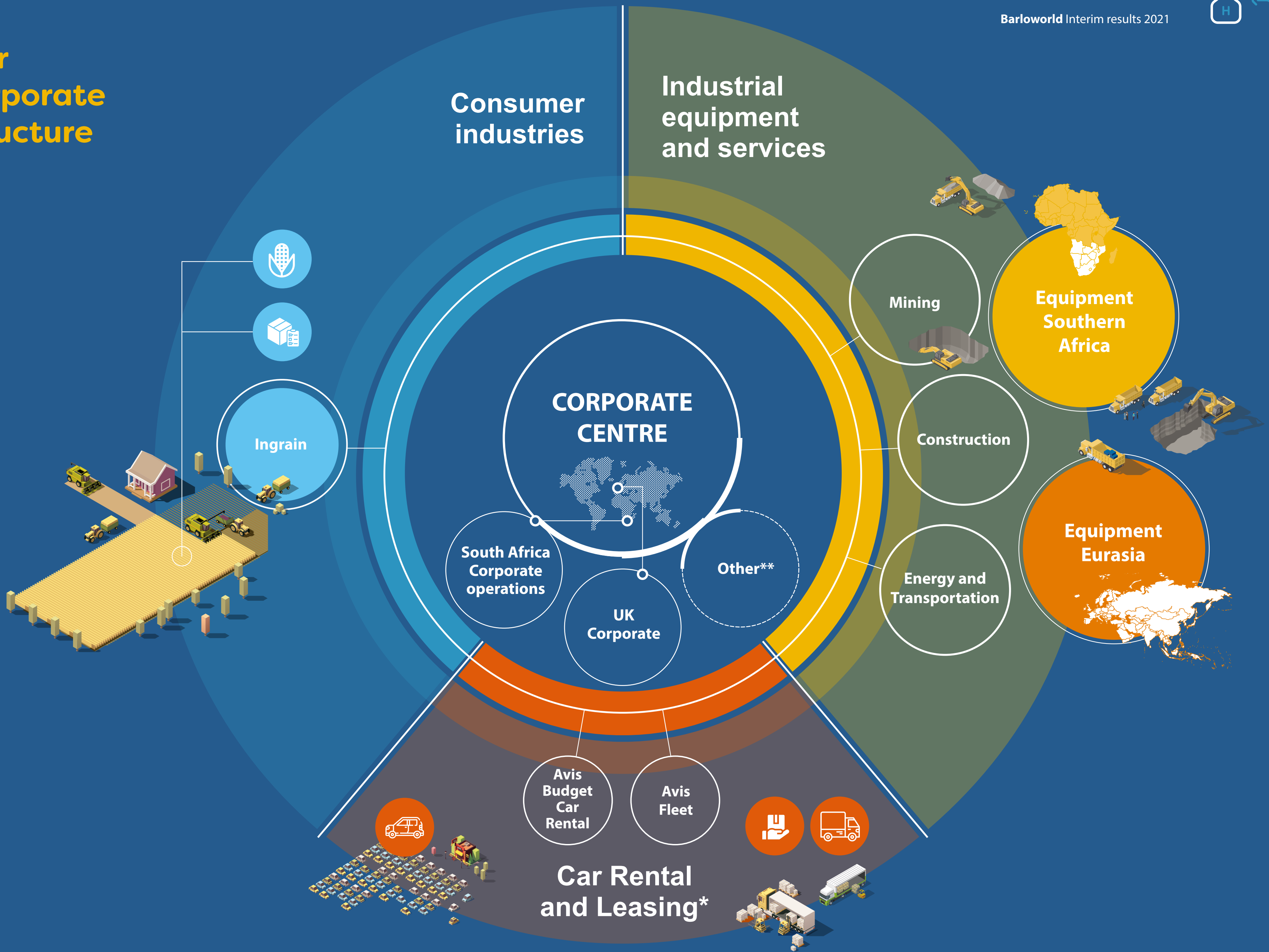


Through our Consumer Industries business, we provide large business with the ingredients essential to the manufacturing of, among others, food and beverages, paper, pharmaceuticals, building materials and adhesives.

Car Rental and Leasing

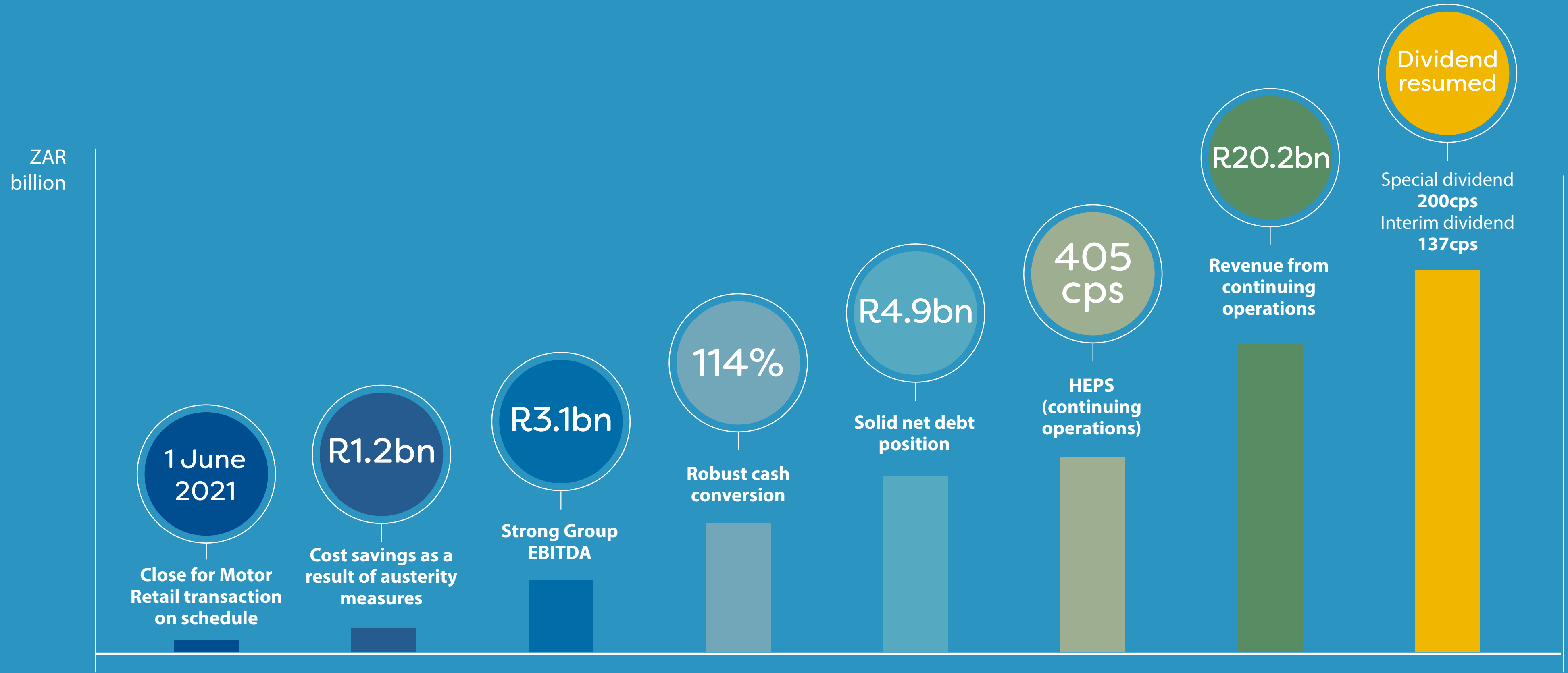
In a changing automotive world, our automotive businesses, our Car Rental and Leasing.

Our corporate structure



* Motor Retail and Logistics are discontinued operations from 1 February 2021, and the Group's 50% holding in NMI-DSM is held as an associate. ** Other includes Digital Disposal Solutions (including SMD), Khula Sizwe, Handling and Corporate office.

Key features of our performance



> The Group's performance during the period has been bolstered by executing on our strategy, the swift implementation of austerity measures aimed at cash preservation, maintaining a focused balance sheet management strategy and instilling focused working capital management, resulting in cash generation exceeding our expectations.

Group chief executive officer
Dominic Sewela

Group chief executive officer's review

AT A GLANCE

The decisive actions taken in 2020 are beginning to yield positive results

Maintained a strong balance sheet

R1.2 billion cost savings as a result of austerity measures

Focus on cash preservation in the businesses

Group revenue (including discontinued operations) was

R28.6bn

up 6.5%

Performance review

The decisive actions taken in 2020 are beginning to yield positive results as reflected in a strong performance for the first six months of our financial year ended 31 March 2021. The revenue from continuing operations for the period was R20.2 billion (1H20: R17.9 billion), up 13.0% from the prior period, which was largely unaffected by the COVID-19 pandemic. Group revenue was R28.6bn for the period, up 6.5% from the prior period. Our recent acquisitions delivered better than expected performance with Ingrain and Equipment Mongolia contributing R3.4 billion in revenue (17.0% of total revenue).

The operating profit from continuing operations increased by 44.0% to R1.94 billion, with Ingrain and Equipment Mongolia contributing R450 million (23.0% of total operating profit). The Group achieved R1.2 billion cost savings, owing to the swift implementation of austerity measures aimed at cash preservation. The effect of acquisitions and cost containment resulted in a 210 bps increase in the operating margin to 9.6%.

We maintained a strong balance sheet and instilled intensive working capital management, with free cash flow generation of R4.0 billion exceeding our expectations. Our Group net borrowings of R4.9 billion have increased by R2.3 billion as at 31 March 2021 from R2.6 billion at 30 September 2020. The increase was solely driven by the R5.3 billion Ingrain acquisition, which was partially paid down using cash from existing operations.

The Group headline earnings per share (HEPS) was 367 cents, 424% up on the prior period of 70 cents. Continuing operations HEPS is at 405cps. The Group normalised HEPS from continuing operations, excluding the impact of IFRS 16 and B-BBEE charges at 448.0 cents (1H20: 180.0 cents) was higher than the prior period owing to exceptional performance in the Equipment businesses and the contribution from our recent acquisitions.

An improved Group return on invested capital (ROIC) of 3.8% (1H20: 7.8%) was generated compared to the 1.0% achieved in the 2020 financial year. Attention is drawn to the fact that calculation of ROIC for six months necessitates the inclusion of our annualised performance, therefore the last half of the 2020 financial year is included, which will be eliminated in September 2021.

Resumption of dividend

The actions implemented across the Group, and the focus on cash preservation in the businesses, have resulted in a strong balance sheet with a robust cash position. With the pleasing performance of our acquisitions, Ingrain and Equipment Mongolia, together with resilient trading results from the Group's other businesses and our communicated outlook that our trading performance will remain resilient, has led to the decision to resume a dividend.

Our focus on the integration and value extraction from the recent acquisitions, which will precede programmatic "bolt-on" mergers and acquisitions (M&A) focused on Industrial Equipment and Services and Consumer Industries, and the release of capital likely from the disposals under way, has provided the board with the comfort necessary to take the decision at its May 2021 board meeting to resume the payment of dividends. In light of this decision, the Group will pay a total of 337cps made up of an ordinary dividend of 137cps and a special dividend of 200cps.

Progress against strategy

OUR AMBITION

Sustainably double the intrinsic value created every four years

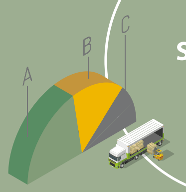
Deliver top quartile shareholder returns

Drive profitable growth

Instil a high-performance culture

Sustainable development

STRATEGIC LEVERS



A **Fix and optimise**
Existing business portfolio to get full potential

B **Active shareholder operating model**
A key strategic enabler

C **Acquisitive growth and portfolio changes**
In our existing growth verticals: Industrial Equipment and Services and Consumer Industries

Our strategy, based on a clear ambition and outcome to double the Group's intrinsic value every four years, means that we need to be forward-looking in how we approach our business. With this in mind we are actively pivoting our portfolio towards defensive, relatively asset light and cash generative industrial sectors, based on a business-to-business operating model.

To achieve this we have positioned the Group as an industrial processing, distribution and services company with two primary areas of focus: Industrial Equipment and Services and Consumer Industries (food and ingredient solutions). However, as we strengthen our position in these areas, our strategic focus will remain on:

A Fix and Optimise

We continued to deliver on our strategic lever of fixing and optimising our existing business portfolio to ensure we extract its full potential. In line with our focus on optimally deploying capital within the Group, we took the decision to exit our Motor Retail and Logistics businesses during the period under review. Going forward, our focus will remain on reviewing businesses with sub-optimal operating performance and on implementing the various disposal and corporate actions intended to simplify the Group's portfolio.

B Active shareholder operating model

The role of our Corporate Centre remains one of an active shareholder operating model. This is a key component of our "managing for value" model and centres on:

- setting strategy and driving transactions through a centralised M&A function
- the deployment of leadership and talent to the best suited opportunities within the Group
- monitoring, measuring and rewarding performance that contributes to the achievement of the Group's strategic priorities
- allocating organisational resources to support performance and delivery on strategy
- responsible corporate citizenship and ethical and effective leadership that ensures socio-economic and environmental outcomes that meet stakeholder expectations.

C Acquisitive growth and portfolio changes

We successfully executed two significant acquisitions in 2020, Equipment Mongolia and Ingrain. The integration of these acquisitions into the Group is progressing well and both businesses are delivering well ahead of initial expectations. Our short-term priorities are to complete these integrations and extract value. Both these businesses have already made a significant contribution to revenue and operating performance. Future acquisitive growth, in line with the identified strategic growth segments, will be considered once the Group has completed the remaining portfolio changes.

Our environmental, social and governance (ESG) performance

We apply the principle of materiality in assessing what information to include in our reporting. This is a Groupwide process which includes input from all our stakeholders. It allows us to focus our reporting by identifying those issues, opportunities and challenges that materially impact the Group's ability to be a sustainable business that consistently creates and protects value for its stakeholders and minimises any erosion of value. To ensure we address stakeholder concerns, we benchmark and report on our ESG performance.

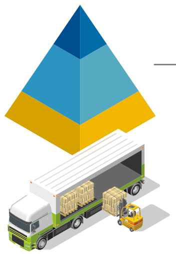
The Barloworld board, through its social, ethics and transformation committee, exercises oversight and provides guidance on our sustainability strategy and performance. Sustainability-related risks are incorporated into the Group's entrenched risk management processes and are overseen by the audit and risk committee.

Our environmental performance

The Group's focus in terms of the natural environment is the efficient use of non-renewable energy and switching to renewable energy sources where practicable to reduce our greenhouse gas emissions; achieving water use efficiencies; and implementing responsible waste management practices, including waste generation, recycling and disposal.

The integration of the Ingrain business (effective November 2020) has negatively impacted the Group's environmental footprint. The manufacturing nature of these operations is a change from traditional retail and distribution businesses within Barloworld and carries different energy, emissions and water efficiencies. A target-setting exercise has commenced across the Group, including Ingrain, with the aim of improving our environmental footprint over the target period to 2025. Efficiency opportunities include analysis of environmental data and benchmarking against similar industries.

On a comparative basis (continuing operations excluding Ingrain), the Group's non-renewable energy consumption of 179 481 GJ declined by 17.0%, its Scope 1 and 2 emissions of 22 102 tCO_2e decreased by 5.0% and its water withdrawal (municipal sources) of 153 ML decreased by 28.0% against 1H20. (For environmental data for continuing operations including Ingrain, please refer to the non-financial salient features in this booklet).



Scope 1 and 2 emissions decreased by
5.0%

our water consumption was down
28.0%

Our social performance

Barloworld's board and management is committed to transforming our society by driving economic inclusion, social cohesion and building resilient communities. We have enabled the inception of 17 new SMMEs from former employees impacted by the 2020 Section 189 process through Barloworld Siyakhula. The new SMMEs will contribute toward our supplier and enterprise development goals. Following the success of the Barloworld Mbewu programme, the Mbewu programme has been registered as a non-profit company geared towards supporting social entrepreneurship through its own governance structure.

enabled the inception of 17 new SMMEs

Our people

After considering various factors, including the lifting of some COVID-19 restrictions and the gradual resumption of economic activity in most of our operating regions, the Group reinstated salaries and recommenced pension fund contributions for all employees affected by the remuneration sacrifice plan effective December 2020. (The remuneration sacrifice plan had been in place since May 2020.)

We are in the process of harmonising and integrating our teams with the recently acquired Ingrain SA and Equipment Mongolia operations through various human capital strategy immersion sessions and processes. Initial results from our tailored integration programme, including the implementation of our Barloworld Business System, have been positive.

Health and safety

At Barloworld we actively promote health and safety with policies and practical programmes to assist our people, customers and other stakeholders safeguard themselves at all times. We monitor the work environment in all jurisdictions and ensure that we comply with the relevant health and safety regulations and guidelines, including COVID-19 regulations. All health and safety incidents are investigated through an in-depth root cause analysis that informs preventative measures. We continue monitoring the impact of COVID-19 on our employees. Our Group 's lost time injury frequency rate (LTIFR) for the period was 0.37 (1H:20 0.44).

Sadly, to date we have lost 22 of our employees to COVID-19 related complications. Counselling sessions have been provided to directly affected employees and their families through our "Geared for Living" employee wellness programme.

Our ongoing focus on safety across the Group is unrelenting and we continue to target zero harm. Tragically, there was one work-related fatality within the Logistics operations (classified as discontinued operation) as a result of a road collision. Barloworld extends its sincere condolences to the family, friends and colleagues of the deceased.

We will continue our vigilant approach towards ensuring the safety of all our employees by complying with legislation and implementing best practices in a safe working environment.

Talent management

We continue with our efforts to create a work environment that enables us to retain key talent and encourage performance. In this regard, we have implemented various leadership, talent growth and employee experience-focused initiatives to improve employee engagement. To proactively ascertain the effectiveness of these actions, we implemented our first Employee Engagement Pulse Survey in February 2021. The outcomes of the survey will inform our efforts towards achieving set engagement targets by 30 September 2021.

Governance

Our board of directors, committed to maintaining the highest standards of corporate governance, takes into account all the elements of the value creation process when steering and setting Barloworld's strategic direction.

Changes to our board and succession planning

Sango Ntsaluba, an independent non-executive director of the Barloworld board, retired at the annual general meeting on 11 February 2021. On behalf of the board, I wish to thank him for his invaluable contribution to our business since joining the board in 2008.

On 22 February 2021, the board advised shareholders of Neo Dongwana's intention to retire as non-executive director and chair of the board at the end of her nine-year tenure in May 2021. She will either leave her role as Barloworld director at the end of her term, or soon after the board has appointed her replacement. The process of appointing a chairman is under way.

The board also announced the appointment of Neo Mokhesi as lead independent director, effective 22 February 2021.

Dominic Sewela
Group chief executive officer

Outlook

Our outlook for 2021 remains positive as key markets recover, commodity prices improve, our customers increase capital expenditure, and government stimulus spending supports infrastructure projects.

Mining activity is expected to steadily improve on the back of buoyant commodity prices albeit with lower production, while construction activity is expected to remain at the same levels in the short term.

We expect COVID-19-related restrictions to continue impacting on our operations in the near term, with sporadic lockdowns expected to be implemented to support efforts to curb the spread of the virus.

Sales volumes in the consumer segment are expected to benefit from a reduction in economic restrictions that impacted the COVID-19 period. The good outlook for maize in South Africa for the current season is expected to continue to support margins going forward as local maize prices remain competitive.

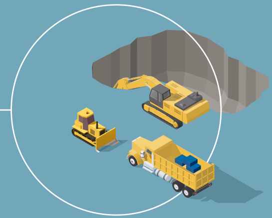
The used car market is expected to be strong on the back of the shortage of new cars and anticipated higher vehicle prices. We also foresee that providing quality services, and not just price, will continue to be a driving force in the Car Rental and Leasing business. While we await the resumption of new normal travel patterns, we will maintain our reduced fixed cost base to ensure an agile organisation in Car Rental and Avis Fleet. Our commitment to our customers will continue while we grow our market share and sustain a lower cost to serve.

Over the short to medium term, we will focus on aspects within our control, by executing on the completion of our corporate actions through the disposal of logistics and continuing to integrate our recent acquisitions.

We will continue our vigilant approach towards ensuring the safety of all our employees by complying with legislation, as well as implementing best practices in a safe working environment.

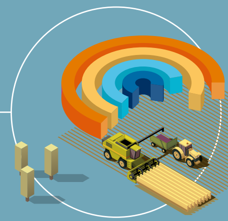
Uncertainty about the macroeconomic environment remains, and it is therefore still too early to provide any guidance. The Group will continue to provide regular updates to assist shareholders in assessing the Group's performance and financial position.

MINING ACTIVITY IS EXPECTED TO STEADILY IMPROVE

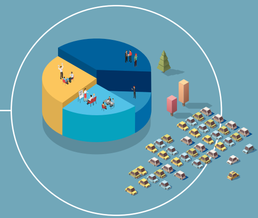


SALES VOLUMES BENEFIT

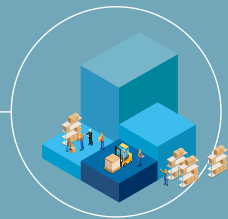
GOOD OUTLOOK FOR MAIZE



THE USED CAR MARKET IS EXPECTED TO BE STRONG



VIGILANT APPROACH TOWARDS ENSURING THE SAFETY OF ALL OUR EMPLOYEES



Group financial review

Accounting presentation changes

The income statement reported in March 2020 included Avis Fleet as a discontinued operation. This decision was reversed and the business has subsequently been reported as a continuing operation; the 31 March 2020 numbers have been restated for completeness and comparison. The Motor Retail and Logistics segments are now reported as discontinued operations and the comparatives have been restated to reflect this.

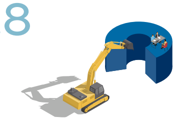
Operating segments now include Ingrain as a separate reporting segment. With the restructuring of the Motor Retail environment and the imminent sale thereof, an "other segment" has been included to incorporate Digital Disposal Solutions (including SMD) together with Corporate, Khula Sizwe and Handling are separately disclosed in prior periods. The different components under "Other segments" did not meet the quantitative thresholds of IFRS 8: Operating Segments for separate disclosure. The comparatives have been restated to reflect this.

Continuing operations

Revenue of R20.2 billion at 31 March 2021 was 13.0% higher than the prior period of R17.9 billion. This was driven by acquisitive growth which contributed R3.4 billion to revenue, while existing businesses traded at 5.9% below prior period levels.

- **Equipment southern Africa** revenue of R8.8 billion is down 1.8% from R8.9 billion during the period under review. This was on the back of continued restraints on construction activity and mining production quantities in our African territories, impacted by COVID-19. Mining activity was, however, better than expected.

R8.8 bn



- **Equipment Eurasia** grew revenue by 33.0% to R5.1 billion compared to the prior period boosted by the acquisition of the Mongolian business, growth in the gold sector and robust mining activity. Aftermarket activity in Russia was subdued in US dollar terms compared to the prior period, largely attributed to a depressed coal market and budget constraints from junior miners.

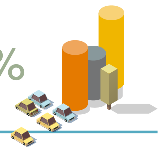
REVENUE GROWTH 33.0%

- **Ingrain** contributed R2.0 billion of revenue for the five months of trading to 31 March 2021 as it benefited from sustained strong demand from the coffee creamer sector and a recovery in alcoholic beverage sector sales.

R2.0 bn

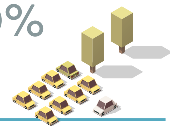
- **Car Rental** was down 17.3% compared to the prior period, due to the decline in international travel, however, used car sales remained strong.

DOWN 17.3%



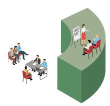
- **Leasing** revenue has declined 16.0% from the prior period mainly due to a slowing in operating activities from the private sector and a reduction of fleet from the public sector.

DOWN 16.0%



- **Other segments** trading was up 20.0% compared to the prior period, due to higher recovery ratios and an increase in salvage units as well as increased online trading revenue compared to the prior period.

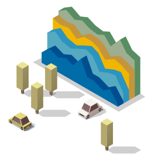
UP 20.0%



EBITDA of R3.15 billion was 18.3% up from R2.7 billion in the prior period. Depreciation has reduced in line with the reduced fleet size in the Car Rental and Leasing business. Amortisation increased as a result of R48 million recorded in Ingrain's results for the intangible asset recognised from the purchase price allocation (PPA) as part of the business combination accounting for the Ingrain acquisition. The PPA is an estimate until the take-on balances and intangible assets of the acquisition are finalised, which is anticipated to be before the end of the financial year.

UP 18.3%

Operating profit of R1.9 billion was up 44.0% on the prior period, positively impacted by the newly acquired Equipment Mongolia and Ingrain businesses and austerity measures taken in the prior period. The contribution of Ingrain has resulted in an impressive operating profit of R305 million for the five months of trading, which is ahead of forecasts at the time the transaction was concluded.



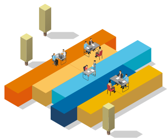
UP 44.0%

Losses from the fair value adjustments of financial instruments at R113 million included forward exchange contract cost and the impact of negative currency movements, of which the devaluation of the US Dollar against the British Sterling had a major impact.

Net finance costs of R434 million were in line with the prior period driven by the reduced debt levels in the businesses on the back of improved working capital management and lower interest rates in South Africa compared to the prior period. The above included the cost of funding of the Ingrain purchase price of R5.3 billion.

NET FINANCE COST R434m

ETR
37.7%



The effective tax rate (ETR) of 37.7% was only marginally impacted by the devaluation in local currencies against the US dollar functional currency. The prior period's ETR of 51.1% (negative) included significant movements in the IAS 12.41(Recognition of deferred taxes for the effect of exchange rate changes, paragraph 41) adjustment in 2020 and once-off costs of the Khula Sizwe transaction.

GAINS
R39m

Gains from non-operating and capital items of R39 million largely relate to the profit on the sale of land in Botswana.

LOWER
LOSSES
R55m

Losses in associates and joint ventures of R55 million were slightly lower than the prior period's R61 million. Bartrac, our joint venture in the Katanga province of the DRC, continued to generate losses at R104 million (1H20: R38 million) and included a once-off restructuring cost and impairment of non-operating capital items. NMI Durban South Motors Proprietary Limited (NMI-DSM) contributed an impressive R59 million (1H20: R20 million) in the first half of the year. Our share of the BHBW joint venture loss was R17 million (1H20: R39 million).

HEPS
UP
448c

Normalised HEPS from continuing operations, excluding the impact of IFRS 16 and B-BBEE IFRS 2 charges, was 448 cents and well up on the prior period of 180 cents. HEPS from continuing operations of 405 cents (1H20: 111 cents) was positively impacted by improved performance and inclusion of the results of the acquisitions made.

Cash flow

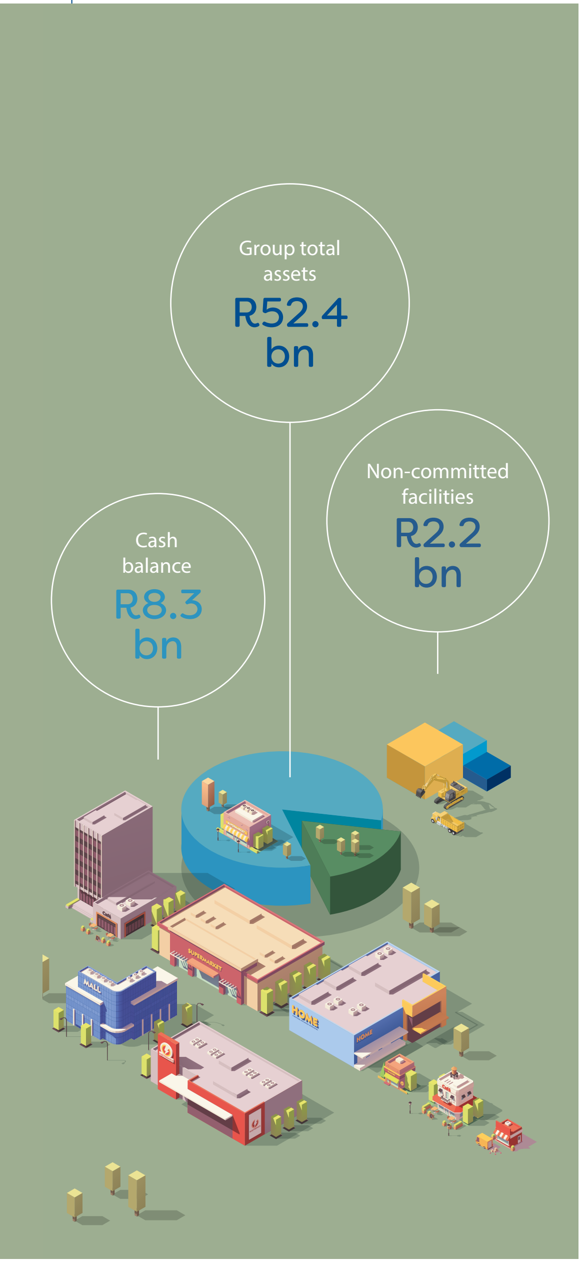
Net cash generated from operating activities before dividends to March 2021 of R3.7 billion inflow was R5.1 billion higher than the prior period at R1.3 billion (outflow). Operating cash flows were better than last year and working capital levels significantly improved due to the reduction in inventory balances and increase in payables.

Cash utilised in the acquisition of the Leasing and Rental Fleet was R1.3 billion (1H20: R1.1 billion) as we ramped up the fleet due to increasing demand.

Net cash utilised in investing activities of R5 billion includes the Ingrain acquisition of R5.3 billion, partly offset by the maturity of the investment in USD-linked Angolan bonds of R388 million (USD25.5 million).

Free cash flow generated of R4.0 billion for the period is an exceptional effort in tough trading conditions when compared to the prior period's outflow of R1.4 billion.

FREE CASH FLOW GENERATED
R4.0bn



Financial position, gearing and liquidity

Group total assets amounted to R52.4 billion (FY2020: R47.9 billion) and were impacted by the acquisition of Ingrain carrying a total asset base of R6 billion, together with increased cash levels and vehicle rental fleet, but partially offset by a reduction in working capital in the rest of the businesses. Assets held for sale of R5.8 billion (1H20: R218 million) include Motor Retail and Logistics.

At 31 March 2021 the UK pension scheme deficit reduced by R1.3 billion to R0.6 billion (GBP29.9 million) down from the R1.9 billion (GBP88.9 million) recognised at 30 September 2020, largely driven by annual recovery plan contributions in the period of GBP13.6 million and changes in the financial (GBP19.7 million) and demographic assumptions (GBP21.9million) used in the valuation of the liability.

The Group's balance sheet at 31 March 2021 remained strong. A robust cash balance of R8.3 billion was maintained with the net debt position after the Ingrain acquisition increasing to R5 billion from R2.6 billion.

The Group maintains committed facilities for both its local and offshore operations, which remained substantial at R22.7 billion, with non-committed facilities amounting to R2.2 billion.

The Group actively reviews and monitors all facilities on an ongoing basis and we remain confident of our good liquidity position.

Our South African short-term debt includes committed overnight short-term facilities, revolving credit facilities and R3.0 billion bridging finance on the Ingrain acquisition which expires in May 2021.

We expect to maintain our participation in this market to the extent that we are able to achieve funding rates that are competitive, with existing short-term funding lines and requirements, and available liquidity within this market.

Liquidity volumes have eased up within the debt capital markets post the outbreak of the COVID-19 pandemic when compared to the 2020 financial year. With the easing of lockdown restrictions in recent months, a number of investors found themselves with available cash to invest, which has allowed spreads to narrow, proving slightly favourable rates on bond issuances.

Within our R15 billion DMTN programme, a total of R6.4 billion is held in bonds and commercial papers. Barloworld successfully issued new bonds in February 2021 to the value of R1 billion through a public auction, and these bond notes were over-subscribed more than three times in the market, and refinanced part of the Ingrain acquisition bridging finance. The bond of R1 billion was finalised with a one-year term at 105 bps and a three-year term at 169 bps.

Syndication of the Ingrain bridging finance has been finalised and total allocation was at R3.1 billion with a combined portfolio of term loans of R1.1 billion over a three-year tenure, R1.1 billion over a four-year tenure and R866 million over a four-year term (+1) RCF period.

Group facilities (Rbn)	March 2021
Utilised	**13 272**
Unutilised	**11 561**
Total facilities	**24 833**
Unutilised - committed	**9 409**
Unutilised - uncommitted	**2 152**
Total unutilised facilities	**11 561**

Net debt at 31 March 2021 is up from 30 September 2020, mainly as a result of the acquisition of Ingrain. The Group's financial position remains well within our convenants.

Debt covenants	March 2021
EBITDA: Interest cover > 3.0 times	**6.9 times**
Net debt: EBITDA < 3.0 times	**0.9 times**

LOCAL AND OFFSHORE HEADROOM
R11.6 bn

HELD IN BONDS
R6.4 bn

Operational review

Industrial Equipment and Services

ACTIVITY IN SOUTH AFRICA WAS UP

1.2%

FROM THE PRIOR PERIOD

Rm	Revenue		Operating profit/(loss)		Invested capital	
	Six months ended		Six months ended		Six months ended	
	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**
Southern Africa	**8 759**	8 921	**893**	722	**8 193**	12 277
Eurasia	**5 087**	3 824	**559**	370	**4 041**	4 246
	13 846	12 745	**1 452**	1 092	**12 234**	16 523
Share of associate loss			**(99)**	(37)		

strong order book at

R2.5bn

Equipment southern Africa

Equipment southern Africa delivered a solid performance despite operating under restricted COVID-19 measures. Although commodity prices were stronger, mining production volumes for the period declined compared to the prior period, while the construction segment continued to be muted. Revenue was down 1.8% at R8.8 billion (1H20: R8.9 billion). Activity in South Africa was up 1.2% from the prior period, boosted by the strong increase in parts sales of 13.2%. However, this increase was offset by low machine sales and aftersales in the rest of Africa, particularly in Angola, Mozambique and Zambia. The translation of rest of Africa financial results, for operations using US dollars as a functional currency, resulted in a 0.3% improvement in Equipment southern Africa revenue. Gross margin was up 0.3 percentage points due to the improved aftersales contribution.

Trading profit for the period was up by 33.4% at R931 million (1H20: R698 million). This strong performance was mainly driven by a 22.1% decrease in expenses, following successful implementation of austerity measures during the prior financial year. EBITDA margin at 13.5% was up 204 bps from the prior period with EBITDA at R1 185 million (1H20: R1 024 million).

Operating profit after the effect of currency movement on cost of sales was up 23.8% at R893 million (1H20: R722 million). Overall, the operating margin for the period increased to 10.2%, up 201 bps from the prior period. Losses on financial instruments were 62.4% lower than the prior period, at a charge of R47 million. This significant reduction was as a result of the appreciation of the metical in Mozambique, fairly stable kwanza in Angola and the positive effect of the hedge on foreign creditors in South Africa. This culminated in a 42.0% increase in EBIT to R846 million (1H20: R596 million).

Our focus on balance sheet management contributed to a 42.2% reduction in net interest for the period to R91 million. A gain on non-operating capital items of R31 million for the period was realised, compared to a loss of R782 million in the prior period. The loss in the prior period was mainly due to the impairment of goodwill and intangible assets. The effective tax rate for the period was 28.0% (1H20: 42.8%. The appreciation of the currency in Mozambique and a stable currency in Angola resulted in the release of the IAS 12.41 deferred tax charge.

The Bartrac joint venture remains under pressure. This resulted in a total share of associate loss of R99 million (1H20: loss of R37 million). In response to low activity levels, management initiated a restructuring programme to right-size the business and reduce costs. Included in the share of loss are a once-off restructuring cost and impairment of non-operating capital items.
Initiatives to optimise invested capital continued to deliver positive results, with invested capital at R8.2 billion (1H20: R12.3 billion) and a very strong free cash generation of R1 billion (1H20: R738 million). Overall, ROIC was 6.5% (1H20: 8.6%), while in September 2020 it was 3.8%. The reduced ROIC is due to a rolling 12-months net operating profit after tax (NOPAT) to March, which included a very low NOPAT in the second half of the previous financial year, driven by low activity during the COVID-19 lockdown and restructuring costs.

The total Equipment firm order book remains strong at the end of March at R2.5 billion (1H20: R2.4 billion). Looking forward to September 2021, ROIC is expected to improve.

Mining activity is expected to steadily improve on the back of buoyant commodity prices while construction activity is expected to remain at the same levels in the short term. Our focus in this environment is to safeguard our employees, support our customers and sustain a lower cost to serve while growing market share and services.

Equipment Eurasia

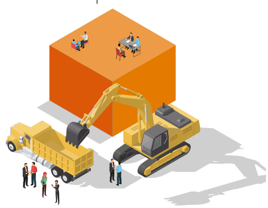
The Eurasian business sells, services, and rents mainly Caterpillar equipment and engines in Russia and Mongolia. Our markets include mining, construction, forestry, rental, and power systems, with mining dominating the revenue portfolio in both countries.

REVENUE AT
USD331m
WAS UP
31.0%

Equipment Eurasia exceeded expectations for the six-month period to March 2021 with strong results, largely due to the continuation of robust mining activity and growth in the gold sector in particular. Encouraging signs of recovery in the coal sector in Russia were manifested in improved activity during March 2021.

Revenue at R5.1 billion (USD331 million) was up 31.0% on the prior period in dollar terms, with Russia contributing 73.0% of total revenue. In rand terms, total Eurasia revenue was up 33.0% from the prior period. This was driven mainly by the acquisition of the Mongolian business, as revenue in Russia was slightly down with some prime product revenue in the underground coal segment not repeated in 2021. Although gold is driving revenue contribution (44.0%) at this stage, it is pleasing to see that the diversified commodity mix in both countries supports the underlying revenue figures. The gold segment contributed significantly to revenue in both countries, with Coal revenue in Mongolia adding significantly to the top line. Copper also contributed strong numbers to the top line.

Russia
contributing
73.0%
of total
revenue



The aftermarket contribution for the first half of the financial year remained healthy at 44.0% of total revenue for the Eurasian business. In Russia, aftermarket revenue was slightly down by 3.2% compared to the same period in 2020, largely due to the downturn in the coal sector and reduced spend by customers on parts and services. Year-on-year growth was 36.0%, with potential further upside once the coal sector starts to recover. If one were to include Mongolia aftermarket revenue for the comparable period in 2020, the consolidated revenue mix from aftermarket would have been 47.0%.

Both businesses are still relatively young in their development cycle. We anticipate some fluctuation in the aftermarket contribution to total revenue year on year, influenced by the timing of major new greenfield opportunities ahead. The expectation is that this contribution range will fluctuate depending on the revenue cycle.

Operating profit at USD37 million was up 50.0% in dollar terms compared to 2020, driven by the acquisition of Mongolia, with Russia contributing 74.0% to total operating profit. In rand terms, total Eurasia operating profit was up 51.0% from the prior period at R559 million. Performance of both regions exceeded expectations and operating profit in Russia also surpassed the prior period.

Cost-saving measures implemented at the back end of the 2020 financial year were a major contributor, resulting in a good operating margin for the business at 11.0% compared to 9.6% for the Russian business alone in 2020. Our Mongolian business generated a solid 10.4% operating margin.

EBITDA was USD45.6 million and EBITDA as a percentage of net revenue was 13.8% in 2021, compared to USD30.0 million and 11.9%, respectively, in 2020 (prior period figures Russia alone).

The Eurasian operations generated positive cash flow through profitable results and sound working capital management. Strong EBITDA to free cash flow conversion resulted in free cash flow of USD116 million in the six-month period, higher than the USD3 million generated in the same period in 2020, which significantly strengthened our financial position.

The ROIC in dollar terms of 14.3% for the Eurasian business continues to be well above the Group threshold of 13.0%, with Russia showing an improvement on the prior period. ROIC for the Russian business was 18.3%, with Mongolia generating 7.8%. (Russia prior period 15.8%.)

The total firm order book at the end of March 2021 was USD177.3 million (2020: USD61.7 million), with further firm orders to the value of USD42 million secured after 31 March 2021. The book is driven by Gold 63.0%, Coal 12.0% and Diamonds 8.0%. (83.0% of the firm order book relates to Russia.)

Our outlook for 2021 remains positive as key markets recover, commodity prices improve, our customers increase capital expenditure, and government stimulus spending supports infrastructure projects.

Consumer industries

The acquisition of Ingrain positions Barloworld for growth in the industrial and food ingredient markets, which are focused on business-to-business customers. The business is a strong pillar in Consumer Industries. The transaction closed on 31 October 2020 and the reported results are therefore for the five months to 31 March 2021.

Rm	Revenue	Operating profit	Invested capital
	Five months ended	Five months ended	Five months ended
	31 Mar **2021**	31 Mar **2021**	31 Mar **2021**
Southern Africa	**1 879**	**298**	**5 087**
Australia	**77**	**7**	**25**
	1 956	**305**	**5 112**

Ingrain

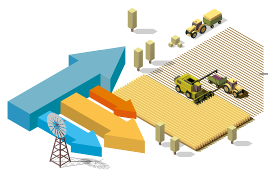
Ingrain's operating profit for the five months ended 31 March 2021 increased to R305 million (pro forma comparative period March 2020: R226 million) benefiting from an improved sales mix, operating margins and a recovery in sales volumes. Strong cash generation of R424 million on the back of improved operating results and decreased working capital requirements was realised.

Sales volumes in the domestic market increased by 3.5% over the comparative period, supported by increased demand in the coffee creamer, paper converting, canning and prepared foods sectors. Volumes in the alcoholic beverage sector reflected growth of 2.9% over the prior period, with the sector's ability for demand to recover quickly following a lockdown being offset by further restrictions on sales during the period. Export sales volumes were 5.8% ahead of the prior period. Volumes during March 2021 were impacted by industrial action which curtailed production during the period.

An ongoing focus on increasing sales of powdered glucose, modified starches and other value-added products has seen improvements in the sales mix of the operation. Margins for the period were supported by the large maize crop harvested in South Africa in June 2020, which saw local maize prices trading closer to international prices (2020: 15.3 million tonnes; 2019: 11.3 million tonnes), improved co-product realisations and higher international agricultural commodity prices.

An uncertain macroeconomic outlook continues to prevail, with the possibility of a third wave of COVID-19 infections and further associated lockdowns. Ingrain's diverse customer base is expected to provide support to sales in the domestic market. Sales volumes for the remainder of the financial year are expected to benefit from reduced restrictions on economic activity that impacted the early part of the prior period, and further increases in sales of powdered glucose and modified starches as the benefits of initial investments in capacity, which were commissioned in the latter part of 2020, are realised.

The current high international agricultural commodity prices have encouraged an increase in domestic maize plantings which, combined with favourable weather conditions during the summer rainfall period, has seen latest estimates indicating an increase of 5.2% in the maize crop for the current season to 16.1 million tonnes. This has resulted in local maize prices trading closer to international prices, which will continue to support margins going forward.



5.2%
increase in current season maize crop

Car Rental and Leasing

We reassessed our options and during the prior period management and the board took a decision to integrate the Car Rental and Avis Fleet businesses in an effort to unlock synergies and value. This operating model is centred on the ever-evolving needs and requirements of customers, and presents an opportunity to offer integrated end-to-end mobility solutions to customers while creating further efficiencies through the consolidation of common processes.

Fleet utilisation at average **77.0%** (1.6 bps above prior period)

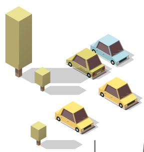
Leasing operating margin up **2.6%**

	Revenue		Operating profit		Invested capital	
	Six months ended		Six months ended		Six months ended	
Rm	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**
Car Rental	**2 612**	3 160	**114**	194	**2 370**	3 900
Avis Fleet	**1 402**	1 669	**264**	270	**3 041**	3 706
Car Rental and Leasing	**4 014**	4 829	**378**	464	**5 411**	7 607

Car Rental

The Car Rental business traded at 83.0% of 1H20, despite severely subdued international and local leisure and corporate travel. Pre-COVID-19 the business relied heavily on on-airport business, which contributed 60% of billed days, however, with the closure of airports and restricted travel this reduced significantly. Management reacted swiftly, focusing on repositioning the business towards off-airport business by expanding into mobility subscription offerings, which yielded positive results. The combination of the operating model agility to de-fleet, strategic disposal channel selection and the bullish used vehicle market, positively impacted revenues. The business at a top line traded at 83.0% of 1H20, despite severely subdued international travel. Fleet utilisation at an average 77.0% is 1.6 bps above that of the prior period as management continues to closely manage vehicles out of service, and respond to changes in demand and customer segment mix.

Strict cost-containment measures such as resizing the fleet, branch rationalisation, restructurings and other austerity measures taken since the second half of 2020 benefited the company's performance in 1H21, with the business achieving a 38.0% decline in operating expenses and the Car Rental business generating strong cash from operations. Management continues to focus on decreasing damage expenses resulting from the change in segment mix and maintaining the lower cost base.



focusing on repositioning the business towards **off-airport business**

Leasing

The Leasing business continued to be resilient despite the ongoing market challenges experienced as a result of the COVID-19 pandemic and performed ahead of expectations. Revenue is down by 17.0% as a result of natural attrition in public sector contracts and the reduction of operating activities from the private sector. Notwithstanding the decline in revenue, the operating results were positively impacted by the business restructuring, cost containment, enhanced used vehicle contributions, as well as improved practices around managing the maintenance fund, resulting in an operating profit of 2.2% below 1H20. Used vehicle margins benefited from the integration with Car Rental, leveraging infrastructure and systems coupled with a buoyant used vehicle market.

The business has seen an overall superior operating margin of 18.8% (1H20: 16.2%). Despite large contract lead outs, the business continues to respond to both private and public sector tenders. Management's focus on diversifying the portfolio and capabilities into medium and heavy commercial fleets is yielding good results.

Going forward, we will continue to maintain a disciplined focus on sustaining our reduced fixed cost base to ensure we maintain our agility, generating cash and growing our commercial leasing business.

We will also continue to develop and deploy the new generation fleet management system, integrate systems and digitise processes.

Other segments

Other segments, which includes the Digital Disposal Solutions business, was up 20.0% compared to the prior period mainly due to higher recovery ratios in SMD and increased online trading revenue.

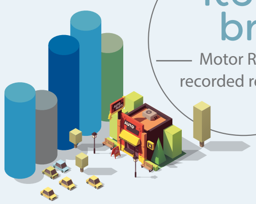
The other segments operating losses were R200 million compared to a loss of R213 million in the prior period. The losses are mixed with improved profits in the SMD business of R61 million (March 2020: R44 million) and rental income earned by Khula Sizwe of R133 million (March 2020: R42 million) (as the bulk of the properties have now transferred) offset by elimination of discontinued operations, internal right-of-use asset depreciation, elimination of the Khula Sizwe property rental and once-off acquisition costs of Ingrain carried in Corporate. Share of associate profits include NMI-DSM which generated an impressive R59 million during the period, mainly offset by losses of R17 million in BHBW although profitable results have started to realise towards the end of the period under review. The increase in invested capital is as a result of the R5 billion cash held in South Africa and in the UK Corporate operations.

	Revenue		Operating (loss)/profit		Invested capital	
	Six months ended		Six months ended		Six months ended	
R million	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**	Reviewed 31 Mar **2021**	Unreviewed Restated 31 Mar **2020**
Southern Africa	**393**	326	**(138)**	(159)	**1 269**	52
Europe			**(62)**	(54)	**(587)**	(926)
	393	326	**(200)**	(213)	**682**	(874)
Share of associate profit/(loss)			**43**	(25)		

Discontinued operations

During the period under review the board approved the sale of the Group's wholly owned Motor Retail business to NMI-DSM, in which Barloworld holds a 50% interest. All substantive conditions have now been met, including the Competition Tribunal approval.

The board also approved a formal disposal process to exit the Logistics business after receiving several expressions of interest. The process is expected to close by the end of the current calendar year.



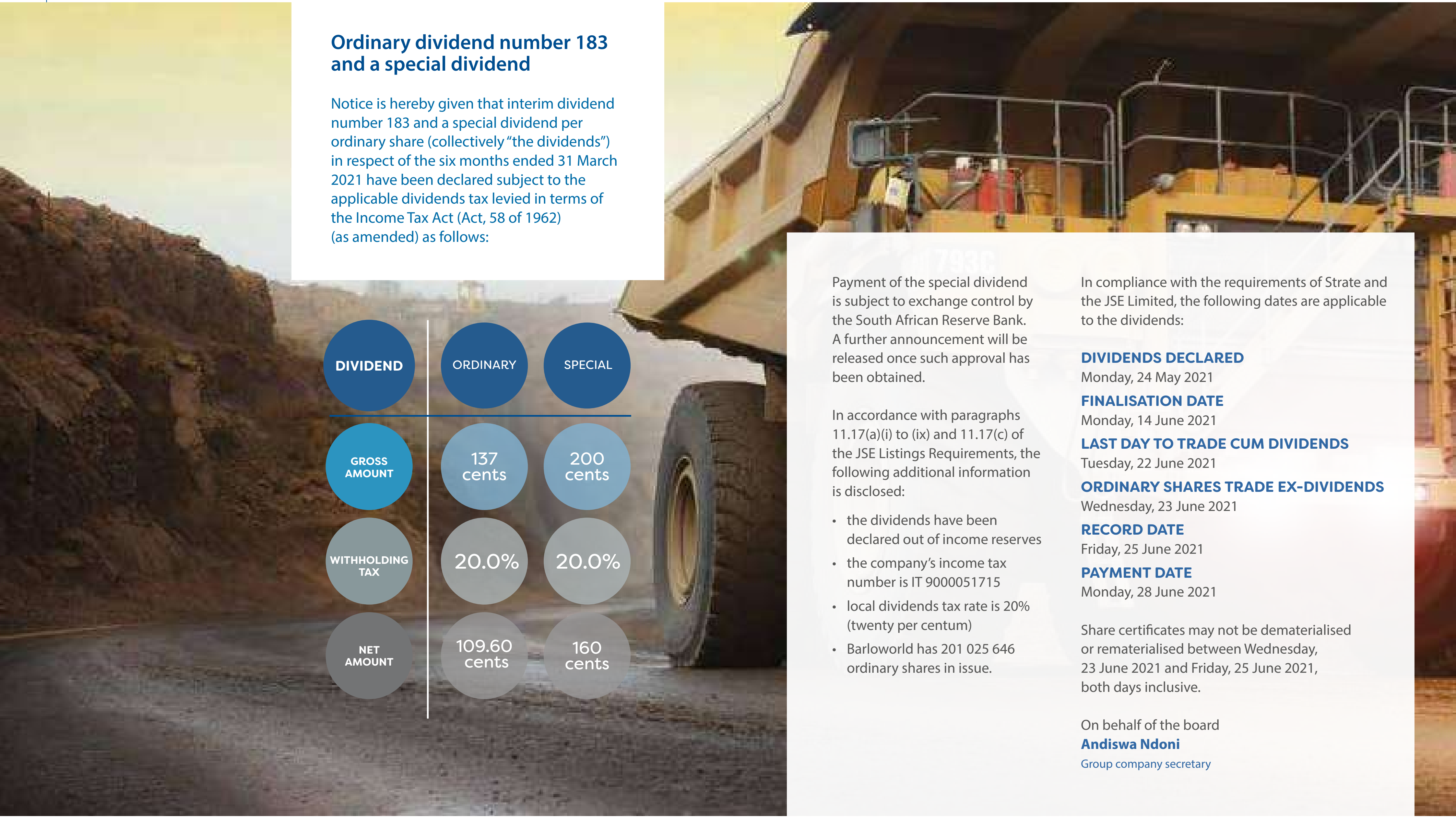
R6.7 bn
Motor Retail recorded revenue

Motor Retail

Motor Retail recorded revenue of R6.7 billion (1H20: R 6.9billion) and operating profit of R148 million (before IFRS 5 and Group adjustments) (1H20: R54 million). Revenue was 2.9% lower than the prior period, mainly due to a decline across all major revenue drivers. Compared to 1H20, the new vehicle dealer market contracted by 3.8% and represented brands by 6.0%. Despite lower activity levels, the business improved operating profit levels significantly compared to the prior period due to a reduced cost base and improved gross profit margins. The results further benefited from a significant reduction in provision for the expected credit losses as well as the re-evaluation of the net realisable value of used vehicle stock as a result of the market recovering post the COVID-19 pandemic. The operating margin improved from 0.9% to 2.2%.

Logistics

The Logistics business recorded a decrease in revenue to R1.7 billion (1H20: R2.1 billion) as a result of subdued trading due to the impact of the COVID-19 pandemic on the South African market demand for logistics services, coupled with customer contracts not being renewed. Consequently, the Logistics business recorded an operating loss (before IFRS 5 and Group adjustments) of R91million (1H20: R30 million) for the period. Included in the operating loss are once-off costs in preparation for the sale of the full Logistics Group and further restructuring costs. The increased once-off costs, contract losses and depressed market activity which led to lower volumes, offset the targeted savings achieved from the restructuring process in 2H20. The industry is also still impacted by community and civil unrest, albeit to a lesser extent than 2H20.



Ordinary dividend number 183 and a special dividend

Notice is hereby given that interim dividend number 183 and a special dividend per ordinary share (collectively "the dividends") in respect of the six months ended 31 March 2021 have been declared subject to the applicable dividends tax levied in terms of the Income Tax Act (Act, 58 of 1962) (as amended) as follows:

DIVIDEND	ORDINARY	SPECIAL
GROSS AMOUNT	137 cents	200 cents
WITHHOLDING TAX	20.0%	20.0%
NET AMOUNT	109.60 cents	160 cents

Payment of the special dividend is subject to exchange control by the South African Reserve Bank. A further announcement will be released once such approval has been obtained.

In accordance with paragraphs 11.17(a)(i) to (ix) and 11.17(c) of the JSE Listings Requirements, the following additional information is disclosed:

- the dividends have been declared out of income reserves
- the company's income tax number is IT 9000051715
- local dividends tax rate is 20% (twenty per centum)
- Barloworld has 201 025 646 ordinary shares in issue.

In compliance with the requirements of Strate and the JSE Limited, the following dates are applicable to the dividends:

DIVIDENDS DECLARED
Monday, 24 May 2021

FINALISATION DATE
Monday, 14 June 2021

LAST DAY TO TRADE CUM DIVIDENDS
Tuesday, 22 June 2021

ORDINARY SHARES TRADE EX-DIVIDENDS
Wednesday, 23 June 2021

RECORD DATE
Friday, 25 June 2021

PAYMENT DATE
Monday, 28 June 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 23 June 2021 and Friday, 25 June 2021, both days inclusive.

On behalf of the board
Andiswa Ndoni
Group company secretary

Independent auditors' review report on the condensed consolidated interim financial statements

To the Shareholders of Barloworld Limited

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Barloworld Limited as at 31 March 2021, as set out on pages 20 to 65, which comprise the condensed consolidated statement of financial position as at 31 March 2021 and the related condensed consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council 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 interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410, Review of Interim Financial 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 interim 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 interim 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 and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Barloworld Limited for the six months ended 31 March 2021 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Other matter – Prior periods unaudited/unreviewed

The interim financial statements of Barloworld Limited for the six months ended 31 March 2020 were neither audited nor reviewed. The Group statement of profit or loss, Group statement of comprehensive, Group statement of changes in equity, Group statement of cash flows for the six months ended 31 March 2020 and the Group statement of financial position as at 31 March 2020 are therefore marked as unreviewed. The corresponding figures for 30 September 2020 were previously audited and an unmodified audit opinion was expressed on 30 November 2020.

EY
Building a better working world

Ernst & Young Inc.

Ernst & Young Inc.
Director: Sifiso Sithebe
Registered Auditor
Chartered Accountant (SA)

24 May 2021

SNG Grant Thornton
An instinct for growth

SizweNtsalubaGobodo Grant Thornton Inc.

SizweNtsalubaGobodo Grant Thornton Inc.
Director: Collins Mashishi
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Financial statements

Condensed consolidated income statement

for the six months ended 31 March 2021

R million	Notes	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited Restated** 30 September 2020
CONTINUING OPERATIONS				
Revenue	3	**20 209**	17 900	33 909
Operating profit before items listed below		**3 189**	2 812	4 711
Impairment losses on financial assets and contract assets		**(45)**	(153)	(245)
Depreciation		**(1 051)**	(1 166)	(2 241)
Amortisation of intangible assets		**(113)**	(41)	(87)
Operating profit before B-BBEE transaction charge	4	**1 981**	1 452	2 138
B-BBEE transaction charge		**(46)**	(108)	(180)
Operating profit	4	**1 935**	1 344	1 958
Fair value adjustments on financial instruments		**(113)**	(88)	(334)
Finance costs		**(491)**	(513)	(971)
Income from investments		**57**	81	138
Profit before non-operating and capital items		**1 388**	824	789
Non-operating and capital items comprising of:				
Reversal of impairment/(Impairment) of investments		**8**	(317)	(194)
Impairment of goodwill			(688)	(687)
Impairment of indefinite life intangible assets			(708)	(708)
Impairment of property, plant and equipment, intangibles and other assets			(9)	(210)
Other non-operating and capital items	5	**31**	(20)	37
Profit/(loss) before taxation		**1 427**	(918)	(973)
Taxation	6	**(540)**	(469)	(1 068)
Profit/(loss) after taxation		**887**	(1 387)	(2 041)
Loss from associates and joint ventures		**(55)**	(61)	(43)
Net profit/(loss) from continuing operations for the period		**832**	(1 448)	(2 084)

R million	Notes	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited Restated** 30 September 2020
DISCONTINUED OPERATION				
Loss from discontinued operation	13/22	**(98)**	(88)	(415)
Net profit/(loss) for the period		**734**	(1 536)	(2 499)
Net profit/(loss) attributable to:				
Owners of Barloworld Limited		**736**	(1 520)	(2 476)
Non-controlling interests in subsidiaries		**(2)**	(16)	(23)
		734	(1 536)	(2 499)
Earnings/(loss) per share (cents)				
- basic		**371.4**	(729.7)	(1 236.0)
- diluted		**370.3**	(729.7)	(1 236.0)
Earnings/(loss) per share from continuing operations (cents)				
- basic		**420.7**	(687.3)	(1 028.8)
- diluted		**419.6**	(687.3)	(1 028.8)
Loss per share from discontinued operation (cents)				
- basic		**(49.3)**	(42.4)	(207.2)
- diluted		**(49.3)**	(42.4)	(207.2)

* The restatement is due to Avis Fleet no longer being classified as discontinued and Motor Retail and Logistics now being a discontinued operation. (Refer to note 22).

** The restatement is due to discontinued operation of Motor Retail and Logistics (Refer to note 22).

Condensed consolidated statement of financial position

for the six months ended 31 March 2021

R million	Notes	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
ASSETS				
Non-current assets		**21 294**	19 678	20 470
Property, plant and equipment		**11 639**	12 385	12 239
Right-of-use assets	7	**656**	1 787	1 611
Goodwill	8	**3 801**	1 051	1 352
Intangible assets	9	**2 502**	902	1 632
Investment in associates and joint ventures	10	**1 791**	2 100	2 148
Finance lease receivables		**130**	155	187
Long-term financial assets	11	**181**	398	287
Deferred taxation assets		**594**	900	1 014
Current assets		**25 238**	27 673	27 379
Vehicle rental fleet		**2 627**	3 306	1 889
Inventories		**7 223**	9 296	10 170
Trade and other receivables		**6 583**	9 428	7 916
Contract assets		**564**	949	514
Taxation		**127**	45	147
Cash and cash equivalents	12	**8 114**	4 649	6 743
Assets classified as held-for-sale	13	**5 826**	218	29
Total assets		**52 358**	47 569	47 878

R million	Notes	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital and premium		**(1 121)**	(1 121)	(1 121)
Other reserves		**4 691**	6 490	5 856
Retained income		**16 307**	15 915	14 769
Interest of shareholders of Barloworld Limited		**19 877**	21 284	19 504
Non-controlling interest		**243**	253	246
Interest of all shareholders		**20 120**	21 537	19 750
Non-current liabilities		**9 862**	9 990	11 251
Interest-bearing loans		**6 677**	5 018	5 897
Deferred taxation liabilities		**1 109**	735	806
Lease liabilities	14	**847**	2 101	1 977
Provisions		**110**	126	129
Contract liabilities		**432**	405	436
Other non-current liabilities		**687**	1 605	2 006
Current liabilities		**17 919**	15 958	16 877
Trade and other payables		**9 172**	9 123	11 096
Lease liabilities	14	**97**	277	351
Contract liabilities		**1 650**	1 186	1 272
Provisions		**670**	525	622
Taxation		**135**	100	38
Amounts due to bankers and short-term loans		**6 195**	4 747	3 498
Liabilities directly associated with assets classified as held-for-sale	13	**4 457**	84	
Total equity and liabilities		**52 358**	47 569	47 878

* The restatement in 2020 is due to Avis fleet no longer being classified as a discontinued operation, the restatement of an error on the inventory, trade and other payables, other non-current liabilities and contract liabilities as well as the foreign currency translation on the investment in Bartrac (Refer to note 22).

Condensed consolidated statement of other comprehensive income

for the six months ended 31 March 2021

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
Profit/(loss) for the period	**734**	(1 536)	(2 499)
Items that may be reclassified subsequently to profit or loss:	**(1 146)**	1 903	1 190
Exchange (loss)/gain on translation of foreign operations^	**(1 126)**	1 868	1 244
Translation reserves realised on the liquidation and disposal of foreign joint ventures and subsidiaries		(41)	(41)
(Loss)/gain on cash flow hedges	**(22)**	110	(24)
Deferred taxation on cash flow hedges	**2**	(34)	11
Items that will not be reclassified to profit or loss:	**790**	95	(139)
Actuarial gain/(loss) on post-retirement benefit obligations	**976**	118	(172)
Taxation effect on net actuarial gains or losses	**(186)**	(23)	33
Other comprehensive (loss)/income for the year, net of taxation	**(356)**	1 998	1 051
Total comprehensive income/(loss) for the period	**378**	462	(1 448)
Total comprehensive income attributable to:			
Owners of Barloworld Limited	**380**	478	(1 425)
Non-controlling interests in subsidiaries	**(2)**	(16)	(23)
	378	462	(1 448)

* Refer to note 22.

^ As a result of the restatement of the exchange gain on translation of foreign operations previously disclosed as R1 646 million has now been restated as R1 868 million. Refer to note 22 regarding the foreign currency translation reserve restatement.

REVENUE UP

13%

OPERATING PROFIT UP

44%

Ingrain and Mongolia acquisitions contributing

R3.4 billion

to revenue

Operating margin increased

210 basis points to 9.6%

Condensed consolidated statement of changes in equity

for the six months ended 31 March 2021

R million	Share capital and premium	Restated* Other reserves	Retained income	Attributable to Barloworld Limited shareholders	Non-controlling interest	Interest of all shareholders
Balance at 1 October 2019 (audited)	441	4 523	18 659	23 623	272	23 895
Cumulative adjustments for adoption of new standards			(281)	(281)		(281)
Adjusted opening balance for IFRS 16	441	4 523	18 378	23 342	272	23 614
Total comprehensive income for the period		1 903	(1 427)	476	(16)	460
Share buy back	(1 562)			(1 562)		(1 562)
Khula Sizwe B-BBEE IFRS 2 charges		119		119		119
Equity settled IFRS 2 charges		30		30		30
Share scheme receipts		(104)		(104)		(104)
Other reserve movements		1	6	7	1	8
Disposal of subsidiary		18	73	91		91
Dividends			(1 114)	(1 114)	(4)	(1 118)
Balance at 31 March 2020 (unreviewed)	**(1 121)**	**6 490**	**15 915**	**21 284**	**253**	**21 537**
Total comprehensive income for the period		(713)	(1 189)	(1 902)	(7)	(1 909)
Other reserve movements		(15)	(13)	(29)	(1)	(29)
Khula Sizwe B-BBEE IFRS 2 charges		104		104		104
Equity settled IFRS 2 charges		30		30		30
Share scheme payments		16		16		16
Acquisition of subsidiary					8	8
Disposal of subsidiaries		(2)	2			
Transfer of reserves		(54)	54			
Other changes in non-controlling interest					2	2
Dividends					(9)	(9)
Balance at 30 September 2020 (audited)	**(1 121)**	**5 856**	**14 769**	**19 504**	**246**	**19 750**
Total comprehensive income for the period		**(1 146)**	**1 526**	**380**	**(2)**	**378**
Khula Sizwe B-BBEE IFRS 2 charges		**44**		**44**		**44**
Equity settled IFRS 2 charges		**60**		**60**		**60**
Share scheme receipts		**(135)**		**(135)**		**(135)**
Other reserve movements		**12**		**12**	**(1)**	**11**
Acquisition of subsidiary			**12**	**12**		**12**
Balance at 31 March 2021 (reviewed)	**(1 121)**	**4 691**	**16 307**	**19 877**	**243**	**20 120**

* Refer to note 22 regarding the foreign currency translation reserve restatement.

Condensed consolidated statement of cash flows

for the six months ended 31 March 2021

R million	Notes	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
CASH FLOW FROM OPERATING ACTIVITIES				
Operating cash flows before movements in working capital		**3 595**	3 035	5 210
Movement in working capital		**2 454**	(2 371)	670
Cash generated from operations before investment in rental fleets and leasing receivables		**6 049**	664	5 880
Inflow of investment in leasing receivables		**35**	38	65
Fleet leasing and equipment rental fleet		**(285)**	(474)	(673)
Additions		**(1 336)**	(1 320)	(2 347)
Proceeds on disposal		**1 051**	846	1 674
Vehicles rental fleet		**(1 032)**	(600)	524
Additions		**(2 061)**	(2 127)	(2 192)
Proceeds on disposal		**1 029**	1 527	2 716
Cash generated from operations		**4 767**	(372)	5 796
Finance costs		**(581)**	(663)	(1 274)
Dividends received from investments, associates and joint ventures		**155**	13	20
Interest received		**66**	89	155
Realised fair value adjustments on financial instruments		**(263)**	(117)	(223)
Taxation paid		**(414)**	(276)	(933)
Cash inflow/(outflow) from operations		**3 730**	(1 326)	3 541
Dividends paid (including non-controlling interest)			(1 118)	(1 127)
Net cash retained from/(applied to) operating activities		**3 730**	(2 444)	2 413
Net cash used in investing activities		**(5 040)**	(116)	(2 966)
Acquisition of subsidiaries and intangibles	15	**(5 282)**	(120)	(2 766)
Investments realised		**388**	165	367
Proceeds on disposal of subsidiaries	16		14	14
Acquisition of intangible assets		**(71)**		(84)
Acquisition of property, plant and equipment		**(213)**	(241)	(536)

R million		Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
Proceeds on disposal of property, plant and equipment		**138**	66	39
Net cash outflow before financing activities		**(1 310)**	(2 560)	(552)
Net cash retained/(used) in financing activities		**3 246**	(695)	(765)
Shares repurchased for equity settled share-based payment		**(134)**	(104)	(87)
Share buy back			(1 562)	(1 562)
Repayments of lease liabilities		**(231)**	(176)	(343)
Proceeds from long-term borrowings #		**2 475**	1 720	2 760
Repayment of long-term borrowings		**(947)**	(877)	(1 978)
Proceeds on short-term borrowings ^		**4 986**		
Repayment on short-term borrowings ^		**(2 000)**		
Movement in short-term interest-bearing liabilities		**(903)**	304	444
Net increase/(decrease) in cash and cash equivalents		**1 936**	(3 255)	(1 318)
Cash and cash equivalents at beginning of period		**6 743**	7 226	7 274
Cash and cash equivalents held-for-sale at beginning period			77	29
Effect of foreign exchange rate movement on cash balance		**(341)**	643	443
Effect of foreign exchange rate movement on USD denominated cash		**(1)**	(41)	(187)
Cash balance held in Escrow				502
Effect of cash balances held-for-sale		**(223)**	(1)	
Cash and cash equivalents at end of period		**8 114**	4 649	6 743

* Refer to note 22.

Barloworld successfully issued new bonds in February 2021 to the value of R1 billion through a public auction.

^ The proceeds on the short-term borrowings relate specifically to the funding of the acquisition of Ingrain of which R2 000 million was repaid by 31 March 2021.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

1. Basis of preparation

The condensed consolidated interim financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim reports, and the requirements of the Companies Act applicable to interim financial statements.

The JSE Listings Requirements require interim reports to be prepared in accordance with IAS 34 Interim Financial Reporting and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies applied in the preparation of the condensed consolidated interim financial statements are derived in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the annual financial statements for the year ended 30 September 2020.

The condensed consolidated interim financial statements are presented in South African Rand, which is Barloworld Limited's functional and presentation currency. The condensed consolidated interim financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board.

The condensed consolidated interim financial statements appearing in this announcement are the responsibility of the directors. The directors take full responsibility for the preparation of the condensed consolidated interim financial statements. The 2021 condensed consolidated interim financial statements have been reviewed by the Company's external auditors. The March 2020 comparative numbers have not been reviewed or audited by the Company's external auditors due to the challenges that the outbreak of COVID-19 placed on the business.

This interim report was prepared under the supervision of NV Lila CA(SA) (Group Finance Director).

CONSIDERATION OF THE IMPACT OF COVID 19

Whilst trading conditions remain affected by COVID-19, Barloworld's businesses have adjusted to the new operating conditions. The Group's focus during the first half of the 2021 financial year has been on running the business efficiently, ensuring the smooth integration of acquisitions, and executing on the sale of Barloworld Motor Retail operations announced in January 2021. Despite operating under restricted COVID-19 safety measures, mining activity was resilient on the back of strong commodity prices while the construction sector remains subdued. The car rental business continues to be impacted by local and international lockdowns constraining both domestic and international travel from Individuals, corporates and government. In the Ingrain business higher international agricultural commodity prices, the large maize crop harvested in South Africa in 2020 and improved co-product realisations have been supportive of margins during the period. The expectation of a second successive large domestic crop and the improved regional crop forecasts are expected to result in more competitive local maize prices that will continue to support margins going forward.

Groupwide cash generation and preservation initiatives have lead to increased cash levels despite the increase in borrowings as a result of the Ingrain purchase. The balance sheet remained strong over the period.

GOING CONCERN

The directors consider that the Group entities and company have adequate resources to continue operating for the foreseeable future and that it is therefore appropriate to continue preparing the consolidated and separate financial statements on a going concern basis. The directors have satisfied themselves that the Group entities and company are in a sound financial position and that they have access to sufficient borrowing facilities to meet foreseeable cash requirements.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

2. Reconciliation of net profit to headline earnings

R million	Six months ended Reviewed 31 March **2021**	Six months ended Unreviewed Restated* 31 March **2020**	Year ended Audited Restated* 30 September **2020**
Net profit/(loss) attributable to Barloworld Limited shareholders	**736**	(1 520)	(2 476)
Adjusted for the following:			
(Profit)/loss on disposal of subsidiaries and investments		(9)	6
Profit on disposal of plant, property, equipment and other assets excluding rental assets	**(32)**	(9)	(13)
Capital gain tax on profit on disposal of property	**6**	65	99
Tax charge/(benefit) on profit of disposal of property, plant and equipment and intangible assets			2
Impairment of goodwill	**16**	696	702
Tax benefit of impairment of goodwill		(10)	(3)
Impairment of plant and equipment and intangibles and other assets		45	303
Tax benefit of impairment on plant and equipment, right-of-use assets, intangibles and other assets		(3)	(14)
Non-controlling interest in remeasurements related to impairment of property, plant and equipment	**9**		(2)
Impairment of indefinite life of intangible assets		708	708
Tax benefit of impairment of indefinite life of intangible assets		(134)	(48)
Impairment of property, plant and equipment - associate and joint venture share			8
Tax impact of impairment of property, plant and equipment - associate and joint venture share			(2)
Impairment of investments in associates and joint ventures		317	194
Reversal on impairment of investment	**(8)**		
Headline earnings	**728**	147	(537)

R million	Six months ended Reviewed 31 March **2021**	Six months ended Unreviewed Restated* 31 March **2020**	Year ended Audited Restated* 30 September **2020**
CONTINUING OPERATIONS			
Profit/(loss) from continuing operations	**832**	(1 449)	(2 085)
Non-controlling shareholders' interest in net profit from continuing operations	**(5)**	15	14
Profit/(loss) from continuing operations attributable to Barloworld Limited shareholders	**827**	(1 432)	(2 071)
Adjusted for the following:			
Loss/(profit) on disposal of subsidiaries and investments		29	(18)
Profit on disposal of plant, property, equipment and other assets excluding rental assets	**(31)**	(8)	(19)
Capital gain tax on profit on disposal of property	**6**	65	99
Tax charge/(benefit) on profit of disposal of property, plant and equipment and intangible assets			3
Impairment of goodwill		687	687
Tax benefit of impairment of goodwill		(10)	(3)
Impairment of indefinite life of intangible assets		708	708
Tax benefit of impairment of indefinite life of intangible assets		(134)	(48)
Impairment of plant and equipment and intangibles and other assets		9	210
Tax impact of Impairment of plant and equipment and intangibles and other assets			(6)
Non-controlling interest in remeasurements related to impairment of property, plant and equipment	**9**		(2)
Reversal on impairment of investment	**(8)**		
Impairment of investments in associates and joint ventures		317	194
Impairment of property, plant and equipment - associate and joint venture share			8
Tax benefit of impairment on property, plant and equipment - associate and joint venture share			(2)
Net remeasurements excluded from headline earnings from continuing operations	**(24)**	1 664	1 811
Headline earnings/(loss) from continuing operations	**803**	231	(260)

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

2. Reconciliation of net profit to headline earnings continued

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited Restated* 30 September 2020
DISCONTINUED OPERATION			
Loss from discontinued operations	**(98)**	(88)	(415)
Non-controlling shareholders interest in net profit from discontinued operations	**7**	1	9
Loss from discontinued operations attributable to Barloworld Limited shareholders	**(91)**	(87)	(406)
Adjusted for the following:			
Profit on disposal of subsidiaries and investments		(38)	24
Profit on disposal of plant, property, equipment and other assets excluding rental assets	**(1)**	(1)	6
Tax impact on profit on disposal of plant, property, equipment and other assets excluding rental assets			(1)
Impairment of goodwill	**16**	9	15
Impairment of plant and equipment and intangibles and other assets		36	93
Tax impact of Impairment of plant and equipment and intangibles and other assets		(4)	(8)
Net remeasurements excluded from headline earnings from discontinued operations	**15**	2	129
Headline loss from discontinued operation	**(75)**	(85)	(278)
Weighted average number of ordinary shares			
in issue during the period (000)			
- basic	**198 277**	208 268	200 330
- diluted	**198 771**	208 873	200 725
Headline earnings per share (cents)			
- basic	**367.1**	69.9	(268.0)
- diluted	**366.2**	69.7	(268.0)
Headline (loss)/earnings per share from continuing operations (cents)			
- basic	**405.1**	110.9	(130.0)
- diluted	**404.1**	110.6	(130.0)
Headline loss per share from discontinued operation (cents)			
- basic	**(37.9)**	(41.0)	(138.5)
- diluted	**(37.9)**	(41.0)	(138.5)

* Refer to note 22. Avis Fleet is no longer disclosed as discontinued operation. Motor Retail and Logisticss is reflected as a discontinued operation for all periods.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

3. Revenue disaggregation

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited Restated* 30 September 2020
Revenue by nature			
Sale of goods	**15 156**	12 211	23 681
Equipment (new and used)	**5 951**	5 455	10 979
Vehicles (new and used)	**2 148**	2 253	4 261
Parts (new and used)	**5 101**	4 503	8 441
Starch and glucose - local markets	**1 360**		
Starch and glucose - export markets	**211**		
Co-products	**386**		
Rendering of services	**4 172**	4 732	8 451
Parts revenue earned over time as services, maintenance and repairs under contracts are performed	**715**	382	1 189
Service	**2 055**	2 279	4 118
- Workshop and in-field service	**1 488**	1 637	2 958
- Aftersales	**14**	56	
- Fitment and repairs	**553**	587	1 159
Rental (outside the scope of IFRS 16)	**1 245**	1 924	2 837
Commissions	**158**	146	307
Total continuing operations	**19 328**	16 943	32 132
Revenue recognised in terms of IFRS 16: Leases			
Fixed leasing income	**788**	881	1 586
Variable leasing income**	**94**	76	192
Total leasing income	**882**	957	1 778

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited Restated* 30 September 2020
Total continuing operations	**20 209**	17 900	33 909
Discontinued operations (Note 13)			
Sale of goods	**6 054**	6 201	10 853
Vehicles (new and used)	**5 499**	5 362	9 323
Parts (new and used)	**555**	839	1 530
Rendering of services	**2 377**	2 785	4 920
Parts revenue earned over time as services, maintenance and repairs under contracts are performed	**27**	28	49
Service	**436**	484	951
- Workshop and in-field service	**378**	425	846
- Aftersales	**58**	59	106
Commissions	**185**	187	330
Freight forwarding	**37**	51	117
Supply chain support solutions	**530**	755	1 164
Transportation	**1 161**	1 280	2 309
Total discontinued operations	**8 431**	8 986	15 773
Total Group	**28 640**	26 886	49 684

* Refer to note 22.

** Variable leasing income earned mainly relates to excess kilometres and additional maintenance costs invoiced.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

4. Operating profit

R million	Six months ended Reviewed 31 March **2021**	Unreviewed Restated* 31 March **2020**	Year ended Audited Restated* 30 September **2020**
Included in operating profit are:			
Cost of sales (including allocation of depreciation)	**14 813**	12 886	25 370
Income includes the following:			
Income from sub-leasing right-of-use assets	**(1)**		(1)
Expenses includes the following:			
Staff costs	**2 574**	2 987	5 440
B-BBEE charge	**46**	109	180
Amortisation of intangible assets acquired in terms of IFRS 3 business combinations	**67**	4	11
Expenses relating to short-term leases	**14**	8	16
Expense relating to leases of low value assets	**115**	241	329

* Refer to note 22.

5. Other non-operating and capital items

R million	Six months ended Reviewed 31 March **2021**	Unreviewed Restated* 31 March **2020**	Year ended Audited 30 September **2020**
Profit on disposal of subsidiary		(28)	18
Profit on disposal of property, plant, equipment, intangibles and other assets	**31**	8	19
Gross non-operating and capital items from continuing operations	**31**	(20)	37

* Refer to note 22.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

6. Taxation

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
Taxation per income statement	**(540)**	(469)	(1 068)
Prior year taxation	**35**	(27)	(35)
Taxation on impairment of indefinite life intangible assets, impairment of property, plant and equipment and other non-operating and capital items	**(5)**	78	(46)
Attributable to a change in the rate of income tax		40	(7)
Taxation on profit before prior year taxation, non-operating and capital items and rate change	**(570)**	(560)	(981)
South Africa normal taxation rate	**28.0**	28.0	28.0
Foreign rate differential	**1.2**	(8.5)	(9.0)
Reduction in rate of taxation	**(9.0)**	31.6	19.2
Exempt income and special allowances@	**(1.5)**	27.1	16.8
Taxation losses of prior periods		0.6	0.9
Non-operating and capital items taxation	**(0.6)**		
IAS12.41 adjustment^	**(2.1)**		
Tax losses of prior periods not recognised in deferred tax now utilised	**(3.2)**		
Rate change adjustment		3.9	1.5
Under/overprovision of tax in respect of prior year	**(1.6)**		
Increase in rate of taxation	**17.5**	(102.2)	(147.9)
Disallowable charges**	**9.2**	(45.4)	(40.7)
Non-operating and capital items taxation		(31.3)	(59.3)
Tax losses not recognised in deferred tax	**4.3**		
Prior year taxation		(6.5)	(3.6)
IAS12.41 adjustment^		(12.8)	(10.4)
Withholding tax	**4.0**	(3.4)	(17.8)
Current year losses not utilised		(2.8)	(16.1)
Taxation as a percentage of profit before taxation	**37.7**	(51.1)	(109.6)
Taxation (excluding prior year taxation and non-operating and capital items taxation) as a percentage of profit before taxation (excluding non-operating and capital items)***	**41.0%**	63.2%	123.8%

@ Exempt income and special allowances largely comprise learnerships, dividends, investment income taxed at lower rates and other capital income/gains.

^ This amount represents a recognition in deferred tax of the effect of the movement of the exchange rate on the USD equivalent of the local currency tax base of non-monetary assets (i.e. inventories and fixed assets) and the reversals of deferred tax previously raised when the related items of inventory of fixed assets are sold. It applies to the Group's companies in Zambia, Angola, Mozambique, Malawi, Mongolia and Russia where the functional currency and tax reporting currency is not the same.

* Refer to note 22.

** Disallowable charges relate largely to capital expenses and other such expenses not incurred in the production of income including professional fees, donations, entertainment, depreciation, amortization and provisions and other IFRS adjustments not allowed for tax purposes.

*** The effective tax rate is above the statutory rate of 28% largely because of non-deductible legal and consulting fees, assessed losses in certain entities not recognized in deferred tax and significant withholding tax as a result of dividends declared and to be declared in future. The effective tax rate was reduced as a result of tax losses previously not recognized in deferred tax being utilized and a partial release of the deferred tax liability raised in terms of IAS12.41 in light of the appreciation of local currencies against the US$ in Mozambique, Zambia, Angola, Russia and Mongolia, an overall reduction in fixed assets and inventory in the operations located in these countries and the decrease in 2020 of the Angola corporate tax rate from 30% to 25%.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

7. Right-of-use assets

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
COST			
At 1 October	**2 093**		
Adoption on 1 October 2019 upon transition to IFRS 16 Standard		1 759	1 759
Subsidiaries acquired	**20**		
Subsidiaries disposed		(1)	(1)
Additions	**127**	216	286
Lease retirements	**(7)**		(45)
Reclassifications	**(4)**	23	62
Translation differences	**(27)**	48	31
At 31 March/30 September	**2 202**	2 046	2 093
ACCUMULATED AMORTISATION AND IMPAIRMENT			
At 1 October	**482**		
Adoption on 1 October 2019 upon transition to IFRS 16 Standard		27	27
Depreciation	**151**	203	402
Subsidiaries disposed			(1)
Reclassifications		2	13
Lease retirements	**(2)**		(3)
Impairment		2	38
Translation differences	**(9)**	10	6
At 31 March/30 September	**622**	244	482
Less: Classified as investment property part of property, plant and equipment^	**(22)**		
Less: Classified as held-for-sale	**(902)**	(15)	
Balance reflected as Right-of-use assets	**656**	1 787	1 611

* Refer to note 22.

^ The property reclassified as investment property is subject to a sub-lease agreement and therefore disclosed as an investment property and included in property, plant and equipment.

8. Goodwill

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
COST			
At 1 October	**2 241**	1 957	1 957
Subsidiaries acquired**	**2 692**	1	328
Disposal of subsidiary			(70)
Translation differences	**(71)**	50	26
At 31 March/30 September	**4 862**	2 008	2 241
ACCUMULATED IMPAIRMENT LOSSES			
At 1 October	**889**	258	258
Disposal of subsidiary			(70)
Impairment	**16**	696	702
Translation differences	**(5)**	3	(1)
At 31 March/30 September	**900**	957	889
CARRYING AMOUNT	**3 962**	1 051	1 352
Classified as held-for-sale	**(161)**		
BALANCE PER STATEMENT OF FINANCIAL POSITION	**3 801**	1 051	1 352

* Refer to note 22.

** This arose from the acquisition of Ingrain refer note 15.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

8. Goodwill continued

Goodwill is allocated for impairment testing purposes to the following cash generating units:

Significant cash-generating units (CGUs)	Geographical Location	Reportable segment to which the CGUs belong	Carrying amount of Goodwill 31 March **2021** Rm	31 March **2020** Rm	30 September **2020** Rm
Avis Rent a Car southern Africa	South Africa	Car Rental	**176**	172	176
Avis Fleet Services southern Africa	South Africa	Avis Fleet	**282**	282	282
Equipment Russia	Russia	Equipment Russia	**213**	257	240
Equipment Mongolia	Mongolia	Equipment Mongolia	**286**		324
Ingrain	South Africa	Ingrain	**2 692**		
Other^	Various	Various	**315**	340	330
CARRYING AMOUNT			**3 962**	1 051	1 352
Classified as held-for-sale*			**(161)**		
BALANCE PER STATEMENT OF FINANCIAL POSITION			**3 801**	1 051	1 352

* Motor Retail and Logistics division has been classified as held-for-sale refer note 13.

^ The aggregate of the remaining immaterial goodwill balances consists of 11 cash generating units in 2021 which includes CGU's that have been classified as held-for-sale, (March 2020: 12, Sep 2020: 10).

Goodwill is allocated to the appropriate CGUs based on which CGU is expected to benefit from the synergies arising in a business combination. In assessing whether there is any indication that goodwill may be impaired, external and internal sources of information are considered at each reporting period. In addition, the carrying amount of goodwill is subject to an annual impairment test.

Impairment of goodwill arises when the recoverable amount of the CGU, including goodwill, is less than the carrying value. The recoverable amount is determined as the greater of the fair value less costs to sell or the value in use.

Estimation of recoverable amounts were conducted for those CGU's with indications of impairment as at 31 March 2021 which resulted in the below mentioned impairment of goodwill in the Global Solutions CGU:

Impairments recognised in the six months to 31 March 2021	Geographical Location	Reportable segment to which the CGUs belong	31 March **2021** Rm
Global Solutions (FM & S)	South Africa	Logistics	**16**@
Total			**16**

@ Global Solutions
Reduction in volumes from main customers and loss of customers' accounts negatively impacted the cash flows of this CGU.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

8. Goodwill continued

The key assumptions used in the recoverable amount calculations for the CGU's that displayed indicators of impairment are as follows:

At each impairment testing interval a discounted cash flow valuation model is applied using a five-year strategic plan as approved by the board. The financial plans are the quantification of strategies derived from the use of a common strategic planning process followed across the Group adjusted for the estimated impact of COVID-19 on the various businesses in the medium term and the expected prolonged recovery from this global crisis which has impacted long term growth rates across our businesses. The process ensures that significant risks and sensitivities are appropriately considered and factored into strategic plans.

The discount rate applied to the five year forecast period has been outlined for each cash generating unit in the table below. Discount rates applied to cash flow projections are based on a country or region-specific discount rate, dependent upon the location of cash-generating operations.

The pre-tax nominal discount rates applied are as follows:

	Geographical Location	Currency	31 March 2021	31 March 2020^	30 September 2020
Significant cash-generating units (CGUs)					
Avis Rent a Car southern Africa**	South Africa	ZAR	Note 1	14.3%	25.3%
Avis Fleet Services southern Africa	South Africa	ZAR	Note 1	23.1% to 23.5%	23.3%
Equipment Russia	Russia	USD	Note 1	15.7%	13.3%
BZAMM	Rest of Africa	USD	Note 1	18.3%	18.3%
Mongolia	Mongolia	USD	Note 1		
Ingrain	South Africa	ZAR	Note 1		
Other	Various	Various	Note 2	16.0% to 21.7%	14.6% to 28%

** September 2020 discount rate based on Cost of Equity whilst March 2020 discount rate based on WACC due to refinements in the RAC valuation models.

^ Due to the global pandemic of COVID-19 all Goodwill was tested for impairment at 31 March 2020, however this is not a change in accounting policy and Goodwill will continue to be tested on an annual basis or where impairment indicators are present.

Long term growth rates applied to extrapolate cash flows are as follows:

	Geographical Location	Currency	31 March 2021	31 March 2020^	30 September 2020
Significant cash-generating units (CGUs)					
Avis Rent a Car southern Africa	South Africa	ZAR	Note 1	4.6%	4.7%
Avis Fleet Services southern Africa	South Africa	ZAR	Note 1	4.6%	4.7%
Equipment Russia	Russia	USD	Note 1	1.8%	1.9%
BZAMM	Rest of Africa	USD	Note 1	1.8%	1.8%
Mongolia	Mongolia	USD	Note 1		
Ingrain	South Africa	ZAR	Note 1		
Other^	Various	Various	Note 2	4.6%	4.7%

^ Due to the global pandemic of COVID-19 all Goodwill was tested for impairment at 31 March 2020, however this is not a change in accounting policy and Goodwill will continue to be tested on an annual basis or where impairment indicators are present.

Note 1: Not applicable. Recoverable amount not calculated as CGU did not display any indication of impairment

Note 2: Pre-tax nominal discount rate used for Logistics CGUs = 18% and terminal growth rate = 4.7%. All other immaterial goodwill not tested for impairment due to the fact that the CGU's did not display any indications of impairment.

As at 31 March 2021, management have performed sufficient sensitivity analysis to conclude that a reasonably possible change in key assumptions would not cause the carrying amount of the Group's individual cash-generating units to exceed their recoverable amount.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

9. Intangible assets

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
COST			
At 1 October	**3 723**	2 920	2 920
Subsidiaries acquired	**1 111**		782
Other additions	**69**	31	83
Subsidiaries disposed		(4)	(8)
Other disposals	**(124)**	(22)	(143)
Other reclassification			3
Translation differences	**(201)**	163	86
At 31 March/30 September	**4 578**	3 089	3 723
ACCUMULATED AMORTISATION AND IMPAIRMENT			
At 1 October	**2 091**	1 360	1 360
Charge for the year	**119**	65	136
Other additions	**3**		
Subsidiaries disposed		(4)	(5)
Other disposals	**(114)**	(22)	(137)
Impairment		728	735
Translation differences	**(86)**	59	4
At 31 March/30 September	**2 013**	2 187	2 091
CARRYING AMOUNT			
At 31 March/30 September	**2 565**	902	1 632
LESS AMOUNTS CLASSIFIED AS HELD-FOR-SALE	**(63)**		
TOTAL PER STATEMENT OF FINANCIAL POSITION	**2 502**	902	1 632

* Refer to note 22.

SIGNIFICANT INTANGIBLE ASSETS

The Group did not acquire intangible assets with indefinite useful lives during the current period (2020: Nil).

A detailed breakdown of the carrying value of intangible assets with an indefinite life has been shown below.

Significant cash-generating units (CGUs)	Category/ Class of Intangible assets	Geo-graphical Location	Reportable segment to which the CGUs belong	Six months ended Reviewed 31 March 2021 Rm	Six months ended Unreviewed Restated* 31 March 2020 Rm	Year ended Audited 30 September 2020 Rm
Equipment Russia	Supplier Relationship	Russia	Equipment	**190**	229	214
Equipment South Africa	Supplier Relationship	South Africa	Equipment	**277**	277	277
Other	Supplier Relationship	Various	Various	**20**	21	21
Total Indefinite life intangible assets				**487**	527	512

* Refer to note 22.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

9. Intangible assets continued

The Equipment South Africa and Russia indefinite life intangible assets classified as Supplier Relationship are in relation to a dealer agreement. The indefinite useful life is supported by Barloworld's long standing relationship with Caterpillar Incorporated, (CAT) as the exclusive CAT mining equipment dealer in South Africa and parts of Russia.

The key assumptions used in the recoverable amount calculation for the CGU's shown above are as follows:

A discounted cash flow valuation model is applied using a five-year strategic plan as approved by management. The financial plans are the quantification of strategies derived from the use of a common strategic planning process followed across the Group adjusted for the estimated impact of COVID-19 on the various businesses in the medium term and the expected prolonged recovery from this global crisis which has impacted long term growth rates across our businesses. The process ensures that significant risks and sensitivities are appropriately considered and factored into strategic plans.

The discount rate applied to the five year forecast period has been outlined for each cash generating unit in the table below. Discount rates applied to cash flow projections are based on a country or region-specific discount rate, dependent upon the location of cash-generating segment operations.

The pre-tax nominal discount rates applied are as follows:

	Geographical Location	Currency	31 March **2021**	31 March **2020**	30 September **2020**
Significant cash-generating units (CGUs)					
Equipment Russia	Russia	USD	**Note 1**	15.7%	13.3%
Equipment South Africa	South Africa	ZAR		20.8%	17.7%
BZAMM	Rest of Africa	USD		18.3%	18.3%
Other	South Africa	ZAR		16.3%	15.8%

Note 1: Not applicable. Recoverable amount not calculated as CGU did not display any indication of impairment

Long term growth rates applied to extrapolate cash flows are as follows:

	Geographical Location	Currency	31 March **2021**	31 March **2020**	30 September **2020**
Significant cash-generating units (CGUs)					
Equipment Russia	Russia	USD	**Note 1**	1.8%	1.9%
Equipment South Africa	South Africa	ZAR		4.6%	4.7%
BZAMM	Rest of Africa	USD		1.8%	1.8%
Other	South Africa	ZAR		4.6%	4.7%

Note 1: Not applicable. Recoverable amount not calculated as CGU did not display any indication of impairment.

In assessing whether there is any indication that intangible assets may be impaired, external and internal sources of information are considered at each reporting period. In addition, the carrying amount of indefinite life intangible assets is subject to an annual impairment test. There were no indications that any of the intangible assets were impaired as at 31 March 2021.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

10. Investment in associates and joint ventures

R million	(Loss)/Income from associates and joint venture			Carrying value of the investment		
	Six months ended		Year ended	Six months ended		Year ended
	Reviewed 31 March 2021	Unreviewed Restated* 31 March 2020	Audited 30 September 2020	Reviewed 31 March 2021	Unreviewed Restated* 31 March 2020	Audited 30 September 2020
Joint ventures	**(118)**	(75)	(95)	**1 047**	1 527	1 403
Bartrac Equipment Limited	**(104)**	(38)	(41)	**1 007**	1 450	1 350
BHBW South Africa (Pty) Limited	**(17)**	(39)	(58)	**28**	64	45
Other	**3**	2	4	**12**	13	8
Associates	**60**	13	47	**784**	573	745
NMI Durban South Motors (Pty) Ltd	**59**	20	55	**703**	509	666
Other	**1**	(7)	(8)	**81**	64	79
Total per income statement/statement of financial position	**(58)**	(62)	(48)	**1 831**	2 100	2 148
Discontinued operations/amount classified as held-for-sale**	**3**	1	5	**(40)**		
Total Group	**(55)**	(61)	(43)	**1 791**	2 100	2 148

* Refer to note 22.

** The Motor Retail business currently disclosed as held-for-sale is in the processs of being sold to NMI Durban South Motors (Pty) Ltd. Post the sale the Motor Retail profits will be included in the NMI Durban South Motors (Pty) Ltd share of associate profits. Refer to note 23 and 13.

In assessing whether there is any indication that any investment may be impaired, objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the net investment are considered at each reporting period. In addition, the carrying amount of investment is subject to an annual impairment test.

Impairment of investments arises when the recoverable amount of the Investment is less than the carrying value. The recoverable amount is determined as the greater of the fair value less costs to sell or the value in use. For the purposes of assessing the above Investments for impairment, the recoverable amount was based on the fair value less costs to sell method.

CASH CONVERSION
114%

ETR
37.7%
VS
NEGATIVE
51.1%

Statement of financial position remains strong at
R52.4 billion

Group Net debt of
R4.9 billion
in spite of Ingrain acquisition of
R5.3 billion

Free cash flow generation before acquisition of
R4 billion

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

10. Investment in associates and joint ventures continued

The following key assumptions have been used in determining the fair value less costs to sell for Bartrac. All other investments did not indicate any possible impairment or loss event:

	Bartrac Equipment Limited
Pre-tax nominal discount rate	13.5%
Terminal growth rate	1.9%

Impairments recognised in the six months to 31 March 2021	Geographical Location	Reportable segment	31 March **2021**	31 March **2020**	30 September **2020**
BHBW South Africa (Pty) Limited	South Africa	Other Segments		187	187
BHBW Zambia Limited	Zambia	Other Segments			7
NMI Durban South Motors (Pty) Ltd	South Africa	Other Segments		124	
Barloworld Maponya (Pty) Ltd	South Africa	Other Segments			16
Other	South Africa	Equipment		6	
Total				317	210

As at 31 March 2021, management have performed sufficient sensitivity analysis to conclude that a reasonably possible change in key assumptions would not cause the carrying amount of the Group's individual cash-generating units to exceed their recoverable amount (fair value less costs to sell)

11. Long-term financial assets

R million	Six months ended Reviewed 31 March **2021**	Unreviewed Restated* 31 March **2020**	Year ended Audited 30 September **2020**
Listed investments at fair value	**2**	2	2
Unlisted investments at fair value	**61**	71	78
Other long term financial assets		212	102
Unlisted debt instruments**	**121**	113	105
Total Group	**184**	398	287
Amount classified as held-for-sale	**(3)**		
	181	398	287

* Refer to note 22.

** The Group remains invested in dollar linked Angolan government bonds however the remaining portion of $6.3m will mature in November 2021, therefore not included in long term financial assets. On maturity the bonds will be settled in Kwanza. At March 2020, the Group's investment was $44.8 million of which long term was $6.3 million. At September 2020, the Group's investment was $32 million of which long term was $6 million.

12. Cash and cash equivalents

R million	Six months ended Reviewed 31 March **2021**	Unreviewed Restated* 31 March **2020**	Year ended Audited 30 September **2020**
Cash balances not available for use due to reserving and foreign exchange restrictions	**46**	**222**	**911**
In previous periods this included Angolan Kwanza cash on hand (March 2020: US$12.4 million, (R222 million)), (Sep 2020: US$19.5 million, R364 million) which was not easily accessible. Furthermore September 2020 included R502 million held in escrow in respect of trade payables owed by Wagner Asia Equipment LLC which was paid during the current financial year.			

13. Discontinued operation and assets classified as held-for-sale

In January 2021 Barloworld announced that the Motor Retail business will be sold to NMI DSM effective 1 June 2021 and in February 2021 the board took a firm decision to dispose of the Logistics business. Motor Retail and Logistics represents significant lines of business and has therefore been disclosed as discontinued operations at 31 March 2021, with the comparative March 2020 and September 2020 restated for the income statement and cash flow information only. The statement of financial position is not restated in terms of IFRS 5 non-current asset held-for-sale and discontinued operations. Further details regarding this decision are disclosed in note 23.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

13. Discontinued operation and assets classified as held-for-sale continued

Results from discontinued operation are as follows:

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
Revenue	**8 431**	8 986	15 773
Operating profit before items listed below	**345**	317	410
Impairment gains/(losses) on financial assets and contract assets	**2**	(22)	(47)
Depreciation	**(135)**	(209)	(420)
Amortisation of intangible assets	**(6)**	(24)	(48)
Operating profit/(loss) before B-BBEE transaction charge	**205**	62	(105)
B-BBEE transaction charge	**(18)**	(24)	(56)
Operating profit/(loss)	**187**	38	(161)
Fair value adjustments on financial instruments	**(13)**	(2)	(6)
Finance costs excluding finance charges on Group debt	**(115)**	(150)	(302)
Income from investments	**8**	8	18
Profit (loss) before non-operating and capital items	**67**	(106)	(451)
Non-operating and capital items comprising of:			
Impairment of goodwill	**(16)**	(9)	(15)
Impairment of property, plant and equipment, intangibles and other assets		(36)	(93)
Non-operating and capital items	**1**	39	(30)
Profit (loss) before taxation	**52**	(112)	(589)
Taxation	**(147)**	25	179
Net loss after taxation	**(95)**	(87)	(410)
Loss from associates	**(3)**	(1)	(5)
Loss from discontinued operations per income statement	**(98)**	(88)	(415)
Loss on discontinued operations to the owners of Barloworld Limited after non-controlling interest	**(91)**	(87)	(406)

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
The cash flows from the discontinued operations are as follows:			
Cash flows from operating activities	**109**	(53)	172
Cash flows from investing activities	**(24)**	630	311
Cash flows from financing activities	**(170)**	(614)	(392)
The major classes of assets and liabilities comprising the disposal Group and other assets classified as held-for-sale were as follows:			
Property, plant and equipment	**1 059**	128	29
Right-of-use assets	**846**	16	
Goodwill	**161**		
Investments	**40**		
Long-term financial assets	**6**		
Long term finance lease receivables	**50**		
Deferred tax asset	**81**	1	
Intangible assets	**63**	2	
Inventories	**1 658**	18	
Trade and other receivables	**1 638**	52	
Cash balances	**224**	1	
Assets classified as held-for-sale	**5 826**	218	29
Interest-bearing short and long-term loans	**(400)**		
Lease liabilities	**(1 290)**	(28)	
Trade and other payables - short and long-term	**(2 725)**	(56)	
Deferred tax liability	**54**		
Provisions	**(68)**		
Tax provision	**(29)**		
Total liabilities associated with assets classified as held-for-sale	**(4 458)**	(84)	
Net assets classified as held-for-sale	**1 368**	134	29

* Refer to note 22.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

13. Discontinued operation and assets classified as held-for-sale continued

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
Per business segment:			
Equipment (note 1)		18	29
Automotive (note 2)	**479**		
Logistics (note 3)	**889**	23	
Corporate office (note 4)		93	
Total Group	**1 368**	134	29

* Refer to note 22.

Note 1: This refers to properties within the Equipment division that were in the process of being sold.

Note 2: This represents the assets and liabilities of the Motor Retail business classified as held-for-sale and a discontinued operation.

Note 3: This represents the assets and liabilities of the Logistics business classified as held-for-sale and a discontinued operation. March 2020 represented the SmartMatta business that was sold in August 2020.

Note 4: The assets held-for-sale within the Corporate division related to the Barlow Park property owned by Barloworld Limited. This decision was revised.

14. Lease liabilities

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
At 1 October	**2 327**		
Adoption on 1 October 2019 upon transition to IFRS 16 Standard		2 302	2 302
Liability arising on new leases entered into during the year	**93**	240	295
Liability arising on acquisition of new subsidiary	**23**		
Reclassifications			67
Repayments of lease obligation (cash flow excluding interest component)	**(234)**	(177)	(342)
Liability adjustments upon entering into modifications of lease terms during the year	**31**		(10)
Translation differences	**(6)**	40	16
Total lease liabilities	**2 234**	2 405	2 328
Less: Payable within one year included in current liabilities	**(97)**	(277)	(351)
Less: Classified as held-for-sale	**(1 290)**	(27)	
Long term portion of lease liabilities	**847**	2 101	1 977

* Restated note 22.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

15. Acquisition of business

15.1 Ingrain

Barloworld Limited ("Barloworld") entered into a Sale and Purchase Agreement ("SPA") with Tongaat Hullet Limited on 28 February 2020 to acquire 100% ownership interest in Tongaat Hullet Starch ("Ingrain"). The transaction was completed on 31 October 2020, being the transaction effective date. This purchase was done through Barloworld's wholly owned subsidiary, KLL Group (Proprietary) Limited, which holds the shares in Ingrain.

Ingrain is Africa's largest producer of starch, glucose and related products, and produces a wide range of high quality products for customers across Africa and around the World using maize as raw material.

Barloworld acquired Ingrain, being a different business to its existing business portfolio, to balance out the seasonality of its existing business to deliver a consistent return to shareholder.

Assets acquired and liabilities assumed on 31 October 2020.

R million	
Non-current assets	**2 214**
Carrying amount of property plant and equipment[3]	**717**
Fair value of land and buildings[4]	**366**
Carrying amounts of right-of-use assets	**20**
Carrying amount of other intangible assets	**40**
Fair value of intangible assets[5]	**1 071**
Current assets	**1 608**
Carrying amount of trade and other receivables	**780**
Derivative financial instruments	**16**
Carrying amount of inventory	**788**
Cash	**24**
Total assets	**3 822**
Non-current liabilities	**328**
Carrying amount of provisions	**12**
Carrying amount of right-of-use liability	**17**
Deferred tax	**299**
Current liabilities	**880**
Carrying amount of trade and other payables	**874**
Carrying amount of right-of-use liability	**6**
Total liabilities	**1 208**
Net asset	**2 614**

R million	
[3]Property plant and equipment is made up as follows:	
Transport and vehicles	**1**
Plant and machinery	**627**
Office equipment	**1**
Other fixed assets	**36**
Capital work in progress	**52**
	717
[4]Land and buildings comprises of the following properties hosting the Mills:	
Bellville Mill	**88**
Germiston Mill	**72**
Kliprivier Mill	**64**
Meyerton Mill	**142**
	366

[5]Intangible assets

Intangible asset comprise of Customer relationships that arose from non-contractual customer relationships, which represent loyal customers that will continue their relationship after the acquisition by a market participant. This is the only intangible asset, which meets the IFRS recognition criteria.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

15. Acquisition of business continued

15.1 Ingrain continued

R million	
Excess of consideration transferred over net asset acquired	
Consideration transferred	**5 306**
Less: Fair value of identifiable assets and liabilities	**(2 614)**
[6]Goodwill	**2 692**
[7]Net cash flows on acquisition	
Initial cash consideration	**4 986**
Top-up payment	**274**
Final purchase consideration	**5 260**
Derivative and bank accounts reimbursement	**46**
[8]Consideration paid in cash	**5 306**
Less: cash and cash equivalents acquired	**(24)**
	5 282

[6] Goodwill represents synergies/improvements whereby Barloworld expects that through product development and specialisation (into modified starches) it will be able to create immediate margin uplift and optimise the product mix, whilst the ability to leverage Barloworld's core competencies in distribution within its existing businesses will create additional value. Goodwill is accounted for in terms of the Group policy where it will be tested for impairment annually with impairment losses recognised in profit or loss but excluded from headline earnings. Goodwill is not tax deductible.

[7] The acquisition was funded by external debt.

[8] The purchase consideration of R5 306 million includes the contingent payment of R450 million together with a top-up and reimbursement payment of R320 million adjusted for the stock valuation movements and cash refunds. The R450 million contingent payment relates to cash held in escrow for 12 months for any claims not covered by warranty and indemnity insurance cover.

PURCHASE PRICE ALLOCATION PROGRESS

The Group has until 30 October 2021 per the IFRS 3 measurement period to finalise the accounting for the acquisition of the business. Due to the specialised nature of Ingrain's operations, being the only wet miller in Southern Africa, there is limited valuation expertise in dealing with assets such as Ingrain's. The company's engineers are undertaking these valuations with reference to International Valuation Standards. The above delays are therefore impacting the finalisation of the property, plant and equipment valuation and therefore the allocation of the purchase price allocation will be deferred until year end.

The following items have been deferred:

- Land, Buildings , Property, plant and equipment determination of fair values and related adjustments
- Impact of the determined fair values on the non contractual customer relationships and finalization of the amount to be recognized
- Depreciation and amortisation impact of the above
- Useful lives and residual values for Land, buildings, property, plant and equipment
- Any adjustments on goodwill as a result of the above
- Deferred tax impact of the above
- Finalisation of the useful life for the intangible asset

Based on the above the fair values of the land and buildings and customer relationship intangible assets have remained the same as the reported amounts in the 30 September 2020 financial statements while the Goodwill has changed as a result of the carrying value of the assets/liabilities purchased.

The total cost of the acquisition of Ingrain over the last three years was R71 million. The costs were included in operating expenses March 2021 R18 million and prior years R53 million.

R million	
Impact of acquisition on the results of the Group post acquisition 31 October 2020	
Revenue	**1 956**
Operating profit	**305**
Impact of acquisition on the results of the Group, had the acquisition taken place on 1 October 2020	
Revenue	**2 404**
Operating profit	**388**

15.2 Barloworld Mongolia Limited acquisition update

The contingent consideration was R151.1 million ($9 million) at 30 September 2020. As at 31 March 2021 R67 million was paid with R 84 million remaining.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

16. Proceeds on disposal of subsidiaries

R million	Six months ended Reviewed 31 March **2021**	Six months ended Unreviewed 31 March **2020**	Year ended Audited 30 September **2020**
Inventories disposed			15
Receivables disposed		25	62
Payables, taxation and deferred taxation balances disposed		(21)	(74)
Borrowings net of cash		26	10
Property, plant and equipment, non-current assets, goodwill and intangibles			18
Net assets disposed		30	31
Minority interest			
Profit on disposal		(32)	(32)
Less: non-cash translation reserves realised on disposal of foreign subsidiary		41	41
Net cash proceeds on disposal of subsidiaries		39	40
Bank Balances and cash in subsidiaries disposed		(25)	(26)
Cash proceeds on disposal of subsidiaries		14	14

Effective 1 October 2019 Barloworld sold the Logistics Dubai business for $2.328 million (R39 million). The funds were received on 18 February 2020.

17. Commitments

R million	Six months ended Reviewed 31 March **2021**	Six months ended Unreviewed 31 March **2020**	Year ended Audited 30 September **2020**
Capital expenditure commitments to be incurred			
Contracted - Property, plant and equipment	**156**	107	94
Contracted - Vehicle Rental Fleet	**383**	178	702
Contracted - Intangible assets	**10**	58	56
Approved but not yet contracted	**111**	37	65
Total continuing operations	**660**	380	917
Classified as held-for-sale	**(4)**		
Total Group	**656**	380	917

Capital expenditure will be financed by funds generated by the business, existing cash resources and borrowing facilities available to the Group.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

18. Dividends declared

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed 31 March 2020	Year ended Audited 30 September 2020
Ordinary shares			
Final dividend No 182 paid on 13 January 2020: 297 cents per share		614	631
Special dividend paid on 13 January 2020: 228 cents per share		500	483
Paid to Barloworld Limited shareholders		1 114	1 114
Paid to non-controlling interest		4	13
		1 118	1 127

19. Contingent liabilities

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed 31 March 2020	Year ended Audited 30 September 2020
Performance guarantees given to customers, other guarantees and claims	**160**	135	110
Buy-back and repurchase commitments not reflected on the statement of financial position	**55**	102	85

Due to a change in characteristics certain guarantees relating to contractual obligations have been removed from contingent liabilities for March 2020 and is now recognised as financial liabilities for which maturity analysis have been presented in liquidity risk section (refer to note 21 Financial Instruments).

20. Related party transactions

There has been no significant changes in related party relationships and the nature of related party transactions since the previous year.

Other than in the normal course of business, there have been no other significant transactions during the year with associate companies, joint ventures and other related parties.

Refer to note 23 for significant post balance sheet related party transaction.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments

R million	Six months ended Reviewed 31 March 2021	Six months ended Unreviewed Restated* 31 March 2020	Year ended Audited 30 September 2020
ASSETS			
Long-term finance lease receivables	**181**	155	187
Long-term financial assets	**162**	385	278
Trade and other receivables	**7 684**	8 714	6 238
Cash and cash equivalents	**8 337**	4 650	6 743
Classified as Held-for-sale	**(1 915)**		
Total assets	**14 449**	13 904	13 446
LIABILITIES			
Interest-bearing non-current liabilities	**6 797**	5 018	5 897
Lease liabilities non-current	**1 913**	2 101	1 977
Other non-current liabilities	**510**	420	525
Lease liabilities current	**282**	277	351
Trade and other payables	**10 936**	7 986	10 077
Amounts due to bankers and short-term loans	**6 475**	4 747	3 498
Classified as Held-for-sale	**(4 416)**		
Total liabilities	**22 497**	20 549	22 325

* Refer to note 22.

All financial instruments are carried at fair value or amounts that approximate fair value, except for the non-current portion of fixed rate receivables, payables and interest-bearing borrowings, which are carried at amortised cost. The carrying amounts for investments, cash, cash equivalents as well as the current portion of receivables, payables and interest-bearing borrowings approximate fair value due to the short-term nature of these instruments. The fair values have been determined using available market information and discounted cash flows.

For all of the above mentioned financial asset categories the carrying value approximates the fair value with the exception of the Angolan Bonds included within Trade and Other Receivables where the fair value as at 31 March 2021 differs from the carrying value by R10 million (31 Mar 2020: R23 million, 30 Sep 2020: R22 million). Note that the Angolan Bonds are measured at amortised cost however had they been measured at fair value they would represent a level 2 financial instruments valued in line with comparable hedging instruments.

For all of the above mentioned financial liability categories the carrying value approximates the fair value with the exception of non-current interest bearing liabilities where the fair value as at 31 March 2021 exceeds the carrying value by R58 million (31 Mar 2020: R40 million, 30 Sep 2020: R95 million).

FAIR VALUE MEASUREMENTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets. The markets from which these quoted prices are obtained are the bonds market, the stock exchange as well other similar markets.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The valuation techniques used in deriving level 2 fair values are consistent with valuing comparable hedging instruments (foreign exchange contracts and interest rate swaps). The primary input into these valuations are foreign exchange rates and prevailing interest rates which are derived from external sources of information.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The valuation techniques used in deriving level 3 fair values are based on recent comparable transactions as well as the net asset value approach of the investment that is being valued. This information is based on unobservable market data, and adjusted for based on management's experience and knowledge of the investment.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments continued

	31 March **2021**			
	Level 1	Level 2	Level 3	**Total**
Financial assets at fair value through profit or loss				
Long term financial assets			**61**	**61**
Trade and other receivables		**8**		**8**
Total		**8**	**61**	**69**
Financial liabilities at fair value through profit or loss				
Other non-current liabilities			**79**	**79**
Trade and other payables		**1**		**1**
Financial liabilities at FVOCI				
Amounts due to bankers and short term loans		**64**		**64**
Total		**65**	**79**	**144**

	31 March **2020**			
	Level 1	Level 2	Level 3	**Total**
Financial assets at fair value through profit or loss				
Long term financial assets			70	70
Trade and other receivables		189		189
Financial assets at FVOCI				
Trade and other receivables		329		329
Total		518	70	588
Financial liabilities at fair value through profit or loss				
Trade and other payables		31		31
Financial liabilities at FVOCI				
Amounts due to bankers and short term loans		6		6
Total		37		37

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments continued

	30 September **2020**			
	Level 1	Level 2	Level 3	**Total**
Financial assets at fair value through profit or loss				
Long term financial assets	2		78	80
Trade and other receivables		15		15
Financial assets at FVOCI				
Trade and other receivables				
Total	2	15	78	95
Financial liabilities at fair value through profit or loss				
Other non-current liabilities		84		84
Trade and other payables		9	84	93
Financial liabilities at FVOCI				
Trade and other payables		151		151
Amounts due to bankers and short term loans				
Total		244	84	328

RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS

	Fair Value through profit and loss:			
	Unlisted shares Note 1	Investment in cell captives Note 2	Earn-out liability Note 3	**Total**
Balance as at 1 Oct 2020	**16**	**62**	**(84)**	**(6)**
Total gains recognised in profit and loss		**(17)**		**(17)**
Translation movement			**5**	**5**
Balance 31 March 2021	**16**	**45**	**(79)**	**(18)**
Balance 30 September 2019	5	59		64
Total gains recognised in profit and loss	10	(4)		6
Balance 31 March 2020	15	55		70
Balance as at 1 Oct 2019	5	57		62
Acquired			(84)	(84)
Total gains recognised in profit and loss	11	5		16
Balance 30 September 2020	16	62	(84)	(6)

Note 1: Unlisted shares are measured at fair value based on the latest net asset value of the company. Sensitivity to inputs is considered immaterial for further disclosure. There are no material significant unobservable inputs for the valuation.

Note 2: The valuation techniques used in deriving fair value of investments in cell captures are based on Net asset value approach of the underlying cell captives. Sensitivity to inputs is considered immaterial for further disclosure. There are no material significant unobservable inputs for the valuation.

Note 3: This relates to the earn-out liability as a result of the Mongolia acquisition. This is a liability for an amount to potentially be paid to the sellers in the future (4 years from acquisition) should revenues and profits of Mongolia exceed certain thresholds as per the sales agreement. Sensitivity to inputs is considered immaterial for further disclosure. There are no material significant unobservable inputs for the valuation.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments continued

Market risk management

i) Currency risk

Trade commitments

Currency risk arises because the Group enters into financial transactions denominated in a currency other than the functional currency of the Group. The Group's currency exposure management policy for the southern African operations is to hedge substantially all material foreign currency trade commitments which customers have or will not be accepting the currency risk. In respect of offshore operations, where there is a traditionally stable relationship between the functional and transacting currencies, the need to take foreign exchange cover is at the discretion of the divisional board. Each division manages its own trade exposure within the overall framework of the Group policy. In this regard the Group has entered into certain forward exchange contracts which do not relate to specific items appearing in the statement of financial position, but were entered into to cover foreign commitments not yet due or proceeds not yet received. The risk of having to close out these contracts is considered to be low.

Net currency exposure and sensitivity analysis

The following table represents the extent to which the Group has monetary assets and liabilities in currencies other than the Group companies' functional currency. The information is shown inclusive of the impact of forward contracts and options in place to hedge the foreign currency exposures. There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Based on the net exposure below it is estimated that a simultaneous 10% change in all foreign currency exchange rates against divisional functional currency will impact the fair value of the net monetary assets/liabilities of the Group to the following extent:

	March		September
R million	Reviewed **2021**	Unreviewed **2020**	Audited **2020**
Foreign currency sensitivity analysis			
Impact of a 10% change in all foreign currency exchange rates	**313**	336	58
- impact on profit or loss	**293**	260	45
- impact other comprehensive income	**20**	76	13

ii) Interest rate risk

Interest rate risk arises when the absolute level of interest rates the Group is exposed to fluctuates. The Group manages the exposure to interest rate risk by maintaining a balance between fixed and floating rate borrowings. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are structured according to expected movements in interest rates. There has been no change in the current year to this approach.

	March		September
R million	Reviewed **2021**	Unreviewed **2020**	Audited **2020**
Interest rate sensitivity analysis			
Impact of a 1% increase in South African interest rates			
- charge to profit or loss	**98**	53	97
Impact of a 1% increase in foreign interest rates			
- charge to profit or loss	**4**	12	13

Credit risk management

Credit risk arises from the risk that a counterparty may default or not meet its obligations timeously as contracted. Credit risk is managed on a Group-wide basis. Potential areas of credit risk relate primarily to trade receivables and cash on deposit. Trade receivables consist mainly of a large and widespread customer base. Where considered appropriate, use is made of credit guarantee insurance. The granting of credit is controlled by a thorough application process based factors specific and unique to each operating division which includes creditworthiness checks using the reputable ITC institutions, the credit quality of the customer, its financial position, upfront deposits received etc. Group companies monitor the financial position of their customers on an on-going basis. It is Group policy to deposit cash with major banks and financial institutions with strong credit ratings.

Due to the emergence of the COVID-19 pandemic and the uncertainties this crisis has created, particularly regarding the recoverability of trade receivables, management have made certain judgements and estimates when considering the potential impact of COVID-19. Specifically, we do expect a slow down in trade receivable payments and an increase in credit risk which has been reflected in the forward looking factors applied in management's assessment of the expected credit losses (ECL) on financial assets. However, at this time it is challenging to determine the full extent of the impact as COVID-19 as the impact of the crisis is still at an early stage and its impact will only become more apparent in the second half of the current financial year. Therefore, the expected credit losses presented are subject to this uncertainty and could differ from the actual impairments incurred in the future.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments continued

ii) Interest rate risk continued

Credit risk management continued

The following indicates the expected credit loss on trade receivables:

	Gross carrying amount Rm	Lifetime ECL Rm	Average ECL/ Impairment ratio (%)
Division			
Equipment	**4 021**	**(556)**	**13.8%**
Automotive	**1 988**	**(611)**	**30.7%**
Logistics	**919**	**(50)**	**5.4%**
Ingrain	**604**	**(6)**	**1.0%**
Other segments	**2**	**(1)**	**66.7%**
Classified as Held-for-sale	**(1 312)**	**64**	**4.9%**
Balance 31 March 2021	**6 222**	**(1 160)**	**18.6%**

	Gross carrying amount Rm	Lifetime ECL Rm	Average ECL/ Impairment ratio (%)
Division			
Equipment	4 485	(405)	9.0%
Automotive	1 890	(536)	28.4%
Logistics	953	(39)	4.1%
Other segments	192	(1)	0.5%
Balance 31 March 2020	7 520	(981)	13.0%

	Gross carrying amount Rm	Lifetime ECL Rm	Average ECL/ Impairment ratio (%)
Division			
Equipment	3 995	(382)	9.6%
Automotive	1 721	(595)	34.6%
Logistics	866	(49)	5.6%
Other segments	14	(1)	4.5%
Balance 30 September 2020	6 596	(1 027)	15.6%

	Maturity profile of financial guarantees contracts as at 31 March 2021		
	Total owing	Within one year	Two to five years
Risk share debtors	360	77	283
Financial guarantees on behalf of joint ventures and associates	296	296	

	Maturity profile of financial guarantees contracts as at 31 March 2020		
	Total owing	Within one year	Two to five years
Risk share debtors	522	36	486
Financial guarantees on behalf of joint ventures and associates	261	261	

	Maturity profile of financial guarantees contracts as at 30 September 2020		
	Total owing	Within one year	Two to five years
Risk share debtors	275	12	263
Financial guarantees on behalf of joint ventures and associates	679	679	

During 2018 the Barloworld Equipment division entered into a Risk Share Agreement with Caterpillar Financial Corporation Financeira, S.A. , E.F.C. - Sucursal em Portugal and Barloworld Equipment UK Limited. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2021 the maximum exposure of this guarantee was estimated to be R161 million (Mar 2020: R346 million, Sep 2020: R106 million) representing 25% of the capital balance outstanding.

During 2018 the Barloworld Equipment division entered into Risk Share Agreement with Caterpillar Financial Services South Africa (Pty) Ltd. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2021 the gross maximum exposure of this guarantee was estimated to be R150 million (30 March 2020: R141 million, 30 Sep 2020: R148 million) representing 25% of the capital balance outstanding.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

21. Financial instruments continued

ii) Interest rate risk continued
Credit risk management continued

During 2018 the Vostochnaya Technica Equipment division entered into a Risk Share Agreement with Caterpillar Financial LLC. The Risk Share Agreement only relates to certain agreed upon customer risk profiles and relates to exposure at default less any recoveries. As at 31 March 2021 the maximum exposure of this guarantee was estimated to be R48 million (Mar 2020: R36 million, Sep 2020: R54 million) representing 40% - 60% of the capital balance outstanding.

As these risk share agreements relate to a contractual payment in the event of default they are accounted for as financial instruments (Financial Guarantee contracts)

Barloworld also provides certain guarantees on behalf of NMI, Maponya, Bartrac and BHBW of which non-performance by these associates & joint ventures will result in contractual cashflows to be made by Barloworld which has been included in obove mentioned maturity analysis.

22. Re-presentations and restatement of prior year errors

1. Avis fleet re-presented to continuing operations

As at 31 March 2020 Avis Fleet was disclosed as held-for-sale and a discontinued operation on the basis of management's firm intention to dilute Barloworld's interest in Avis Fleet to a 50% shareholding. Management have subsequently reconsidered this decision and concluded that this initiative will be placed on hold. This position will be re-assessed at the appropriate time and in the context of the Group's strategy and optimal portfolio mix. Going forward Avis Fleet will be re-presented as part of continuing operations. The impact of the decision has resulted in the Statement of Profit or Loss and Other comprehensive Income and Statement of Financial Position being restated to include Avis Fleet as part of continuing operations per below:

2. Motor Retail disposal

Barloworld announced the disposal of 50% of Motor Retail to NMI-DSM with a planned effective date of 1 June 2021. As a result of the sale the trading results of the Retail business for March 2020 and September 2020 have been re-presented as discontinuing operations. Refer to note 13 discontinued operations and assets classified as held-for-sale.

3. Logistics

The board of Barloworld resolved that the Company is authorised to formally proceed with the sale of the Barloworld Logistics segment. A SENS announcement was issued on the 31st of March 2021 confirming that the Barloworld Logistics segment will be accounted for as a discontinued operation and therefore the trading results for March 2020 and September 2020 have been re-presented to reflect this. Refer to note 13 discontinued operations and assets classified as held-for-sale.

4. Inventories and Floor plan payables

Management omitted to raise inventory in transit, and the related floor plan facility, resulting in an understatement for the 2020 interim period, the 2019 financial year and 2018 financial year. The purchase agreement states that control of the inventory passes on delivery to the carrier or the dealer, whichever occurs first, whereas previously the inventory, and related floor plan liability, was recorded only on receipt by the dealer on the basis that this was how the agreement was understood.

The agreement has been in place since 2015, but as required by IFRS only those financial periods affected in the current set of financial statements are restated. Accordingly the 2019 Statement of Financial Position has been restated to take into account the impact, as has the interim Statement of Financial Position for March 2020. The 30 September 2018 Statement of Financial Position could not be restated as sufficient records were not available internally to do so. Furthermore, the third party carrier and the financier do not retain the information required for a period longer than 24 months, making it impractical to determine the inventory balance, nor the floor plan liability which should have been recorded at 30 September 2018.

These errors had no impact on profit or loss (on the basis that interest on the floor plan liability was recorded previously) nor any tax effect.

5. Classification of trade and other payables and non-current liabilities to contract liabilities

Management has reviewed the current presentation of the Deferred Income Maintenance Contracts in context to IFRS 15 adoption. The 2019 full year and 2020 March presentation was incorrect. This means there was an error in the presentation of these values for the 2019 and 2020 reporting. The correct treatment is to present the Deferred Income Maintenance Contracts as Contract Liability, split between non-current and current.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

22. Re-presentations and restatement of prior year errors continued

5. Classification of trade and other payables and non-current liabilities to contract liabilities

continued

The "insurance contract" note from the prior period has also been removed as all of these maintenance contracts are accounted for under IFRS 15 and have been accounted for as such since IFRS 15 was adopted by the entity. This note should have been removed in 2019, it however does not impact any balances and is purely disclosure that should have been removed.

6. Foreign currency revaluation of foreign investment

Management had taken a position to only account for the effect of exchange differences on the investment of Bartrac foreign Joint Venture at financial year end reporting period, on the basis that these movements are not material for the purpose of interim reporting. However , due to USD/ZAR currency volatility, particularly at 31 March 2020 post the country going into lock down as a result of COVID-19, the ZAR devalued considerably closing at a spot rate of R17.86. An error was made by not assessing the foreign currency impact for the 31 March 2020 results, as it has now been determined that the impact of the revaluation was material. Based on the above management have therefore decided to adopt the policy of revaluing all foreign investments at the closing rate for each reporting period and have decided to restate the 31 March 2020 comparatives for the prior period error.

CONDENSED CONSOLIDATED INCOME STATEMENT

R million	Six months ended – Reported	1. Fleet reclassifi-cation	1. Reversal of impairment^	2. Motor Retail	3. Logistics	Restated
	31 March **2020**					
CONTINUING OPERATIONS						
Revenue	25 217	1 669		(6 900)	(2 086)	17 900
Operating profit before items listed below	2 423	706		(139)	(179)	2 812
Impairment losses on financial assets and contract assets	(154)	(21)		15	7	(153)
Depreciation	(959)	(3)	(413)	46	163	(1 166)
Amortisation of intangible assets	(65)			1	23	(41)
Operating profit before B-BBEE transaction charge	1 245	682	(413)	(76)	14	1 452
B-BBEE transaction charge	(132)			10	14	(108)
Operating profit	1 113	682	(413)	(66)	28	1 344
Fair value adjustments on financial instruments	(84)	(6)		(1)	3	(88)
Finance costs	(640)	(23)		76	74	(513)
Income from investments	89			(1)	(8)	81
Profit before non-operating and capital items	478	652	(413)	8	97	824
Non-operating and capital items comprising of:						
Impairment of investments	(317)					(317)
Impairment of goodwill	(685)	(11)			9	(688)
Impairment of indefinite life intangible assets	(708)					(708)
Impairment of property, plant and equipment, intangibles and other assets	(45)	(413)	413		36	(9)

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

22. Re-presentations and restatement of prior year errors continued

CONDENSED CONSOLIDATED INCOME STATEMENT continued

R million	Six months ended – Reported	1. Fleet reclassification	1. Reversal of impairment^	2. Motor Retail	3. Logistics	Restated
	31 March **2020**					
Other non-operating and capital items	18				(38)	(20)
(Loss)/profit taxation	(1 259)	228		8	104	(918)
Taxation	(415)	(28)		(14)	(11)	(469)
Loss profit after taxation	(1 674)	200		(7)	93	(1 387)
Loss from associates and joint ventures	(63)	1		1		(61)
Net loss from continuing operations for the period	(1 737)	201		(5)	93	(1 448)
DISCONTINUED OPERATION						
Profit/(loss) from discontinued operation	201	(201)		5	(93)	(88)
Net loss for the period	(1 536)					(1 536)
Net loss attributable to:						
Owners of Barloworld Limited	(1 520)					(1 520)
Non-controlling interests in subsidiaries	(16)					(16)
	(1 536)					(1 536)

^ the impairment of property, plant and equipment will be reclassified and included as part of depreciation for the 6 months.

R million	Six months ended – Reported	1. Fleet reclassification	1. Reversal of impairment^	2. Motor Retail	3. Logistics	Restated
	30 September **2020**					
CONTINUING OPERATIONS						
Revenue	49 683			(11 988)	(3 785)	33 909
Operating profit before items listed below	5 122			(100)	(310)	4 711
Impairment losses on financial assets and contract assets	(292)			14	33	(245)
Depreciation	(2 661)			75	344	(2 241)
Amortisation of intangible assets	(136)			2	46	(87)
Operating profit before B-BBEE transaction charge	2 033			(9)	113	2 138
B-BBEE transaction charge	(236)			23	33	(180)
Operating profit	1 797			15	146	1 958
Fair value adjustments on financial instruments	(340)			2	3	(334)
Finance costs	(1 274)			151	152	(971)
Income from investments	155			(1)	(16)	138
Profit before non-operating and capital items	338			166	285	789
Non-operating and capital items comprising of:						
Impairment of investments	(194)					(194)
Impairment of goodwill	(702)				15	(687)
Impairment of indefinite life intangible assets	(708)					(708)
Impairment of property, plant and equipment, intangibles and other assets	(303)			8	85	(210)

^ the impairment of property, plant and equipment will be reclassified and included as part of depreciation for the 6 months.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

22. Re-presentations and restatement of prior year errors continued

CONDENSED CONSOLIDATED INCOME STATEMENT continued

R million	Six months ended – Reported	1. Fleet reclassification	1. Reversal of impairment^	2. Motor Retail	3. Logistics	Restated
	30 September **2020**					
Fair value gain on deconsolidation of subsidiary						
Other non-operating and capital items	7			(7)	36	37
Loss before taxation	(1 562)			168	421	(973)
Taxation	(889)			(81)	(98)	(1 068)
Loss after taxation	(2 451)			87	323	(2 041)
Loss from associates and joint ventures	(48)			5		(43)
Net loss from continuing operations for the period	(2 499)			92	323	2 084
DISCONTINUED OPERATION						
Loss from discontinued operation				(92)	(323)	(415)
Net loss for the period	(2 499)					(2 499)
Net loss attributable to:						
Owners of Barloworld Limited	(2 476)					(2 476)
Non-controlling interests in subsidiaries	(23)					(23)
	(2 499)					(2 499)

^ the impairment of property, plant and equipment will be reclassified and included as part of depreciation for the 6 months.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R million	Six months ended	1. Fleet reclassification	4. Inventories and Floor plan payables	5. Classification of trade and other payables and non-current liabilities to contract liabilities	6. Foreign currency revaluation of foreign investment	Six months ended – Adjusted Reported
	31 March **2020**					
ASSETS						
Non-current assets	14 996	4 460			222	19 678
Property, plant and equipment	8 415	3 970				12 385
Right-of-use assets	1 769	18				1 787
Goodwill	770	282				1 051
Intangible assets	863	39				902
Investment in associates and joint ventures	1 876	2			222	2 100
Finance lease receivables	11	144				155
Long-term financial assets	398					398
Deferred taxation assets	894	6				900
Current assets	26 525	928	220			27 673
Vehicle rental fleet	3 306					3 306
Inventories	8 925	151	220			9 296
Trade and other receivables	8 736	692				9 428
Contract assets	949					949
Taxation	31	15				45
Cash and cash equivalents	4 578	71				4 649
Assets classified as held-for-sale	5 606	(5 388)				218
Total assets	47 127		220		222	47 569
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital and premium	(1 121)					(1 121)
Other reserves	6 268				222	6 490
Retained income	15 915					15 915

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

22. Re-presentations and restatement of prior year errors continued

CONDENSED CONSOLIDATED INCOME STATEMENT continued

R million	Six months ended	1. Fleet reclassification	4. Inventories and Floor plan payables	5. Classification of trade and other payables and non-current liabilities to contract liabilities	6. Foreign currency revaluation of foreign investment	Six months ended – Adjusted Reported
	31 March **2020**					
Interest of shareholders of Barloworld Limited	21 062				222	21 284
Non-controlling interest	253					253
Interest of all shareholders	21 315				222	21 537
Non-current liabilities	9 300	690				9 990
Interest-bearing	5 018					5 018
Deferred taxation liabilities	516	219				735
Lease liabilities	2 073	28				2 101
Provisions	103	23				126
Contract liabilities				405		405
Other non-current liabilities	1 590	420		(405)		1 605
Current liabilities	14 214	1 523	220			15 957
Trade and other payables	8 333	852	220	(282)		9 123
Lease liabilities	272	5				277
Contract liabilities	894	10		282		1 186
Provisions	426	99				525
Taxation	71	29				100
Amounts due to bankers and short-term loans	4 218	529				4 747
Liabilities directly associated with assets classified as held-for-sale	2 298	(2 214)				84
Total equity and liabilities	47 127		220		222	47 569

23. Events after the reporting period

PROGRESS UPDATE ON THE MOTOR RETAIL DISPOSAL

A SENS announcement was published in January whereby Barloworld has entered into an agreement dated 21 January 2021 with NMI Durban South Motors (Pty) Ltd, to dispose of the Barloworld Group's Motor Retail business as a going concern to NMI-DSM for an estimated cash consideration of R947 264 000. NMI-DSM is an associate of the Barloworld Group in which Barloworld holds a 50% interest. Post the Proposed Disposal, Barloworld's entire Motor Retail interests will be housed within NMI-DSM and Barloworld will retain its 50% interest in NMI-DSM. The Proposed Disposal is subject to the fulfilment or waiver of a number of Conditions Precedent and so far these are progressing as planned and with the Competition Tribunal approval the sale is expected to take place as planned in June 2021.

LOGISTICS DISPOSAL

As per the SENS announcement on 31 March, the Board has approved a formal disposal process to exit the Logistics business after receiving several expressions of interest, effective 1 February 2021. The business is expected to be sold as a going concern and disposal process has commenced with a broad set of interested parties. Non-binding proposals from the interested parties to acquire the Logistics business is anticipated in May 2021. Following the receipt of the non-binding proposals, it is anticipated that a select set of parties shall be permitted to conduct a detailed due diligence of the Logistics business prior to the selection of a preferred bidder and the negotiation of appropriate transaction agreements to give effect to the proposed disposal of Logistics.

COVID-19

The impact of COVID-19 has been considered up to 31 March 2021. Subsequent to the interim reporting there have been no significant changes in the COVID-19 restrictions impacting our businesses and thus no subsequent events related to the COVID-19 crisis have occurred.

To the knowledge of the directors no further material events have occurred between the reporting date and the date of approval of these financial statements that would affect the ability of the users of the financial statements to make proper evaluations and decisions.

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary

	Continuing operations					
	Consolidated			Eliminations		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Operating and geographical segments**						
Revenue						
Southern Africa	**15 045**	14 076	26 369			
Europe						
Australia	**77**					
Eurasia	**5 087**	3 824	7 540			
	20 209	17 900	33 909			
Inter-segment revenue***				**(1 305)**	(1 371)	(3 065)
	20 209	17 900	33 909	**(1 305)**	(1 371)	(3 065)
EBITDA	**3 145**	2 659	4 466			
Depreciation	**(1 051)**	(1 166)	(2 241)			
Amortisation of intangibles	**(113)**	(41)	(87)			
Operating profit/(loss)	**1 981**	1 452	2 138			
Southern Africa	**1 477**	1 137	1 417			
Europe	**(62)**	(54)	(114)			
Australia	**7**					
Eurasia	**559**	370	834			
Operating profit before B-BBEE transaction charge	**1 981**	1 452	2 138			
B-BBEE transaction charge	**(46)**	(109)	(180)			
Fair value adjustments on financial instruments	**(113)**	(88)	(334)			
Total segment result	**1 822**	1 256	1 624			
By geographical region						
Southern Africa	**1 359**	904	1 006			
Europe	**(107)**	(18)	(284)			
Australia	**7**					
Eurasia	**563**	370	902			

	Continuing operations					
	Consolidated			Eliminations		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Total segment result	**1 822**	1 256	1 624			
Income from associates and joint ventures	**(55)**	(61)	(43)			
Finance costs	**(491)**	(513)	(971)			
Income from investments	**57**	81	138			
Non-operating and capital items	**39**	(1 742)	(1 763)			
Taxation	**(540)**	(469)	(1 068)			
Loss from discontinued operation	**(98)**	(88)	(415)			
Net profit	**734**	(1 537)	(2 499)			
Assets						
Property, plant and equipment	**11 639**	12 385	12 239			
Right-of-use assets	**656**	1 788	1 611			
Intangible assets	**2 502**	902	1 632			
Investment in associates and joint ventures	**1 791**	2 100	2 148			
Long-term finance lease receivables	**130**	156	187			
Long-term financial assets	**181**	398	287			
Vehicle rental fleet	**2 627**	3 306	1 889			
Inventories	**7 223**	9 296	10 170			
Trade and other receivables	**6 583**	9 428	7 916			
Contract assets	**564**	949	514			
Assets classified as held-for-sale	**5 826**	218	29			
Segment assets	**39 722**	40 922	38 623			

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations					
	Consolidated			Eliminations		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
By geographical region						
Southern Africa	**33 224**	35 294	30 752			
Europe	**118**	306	188			
Australia	**87**					
Eurasia	**6 293**	5 322	7 712			
Total segment assets	**39 722**	40 922	38 623			
Goodwill	**3 801**	1 051	1 352			
Taxation	**127**	45	147			
Deferred taxation assets	**594**	900	1 014			
Cash and cash equivalents	**8 114**	4 649	6 743			
Consolidated total assets	**52 358**	47 569	47 878			
Liabilities						
Long-term non-interest bearing including provisions	**797**	1 731	2 135			
Trade and other payables including provisions	**9 842**	9 648	11 718			
Lease liabilities	**944**	2 378	2 327			
Contract liabilities	**2 082**	1 590	1 708			
Liabilities directly associated with assets classified as held-for-sale	**4 457**	84				
Segment liabilities	**18 121**	15 431	17 888			
By geographical region						
Southern Africa	**14 672**	12 363	13 260			
Europe	**837**	1 744	2 152			
Australia	**61**					
Eurasia	**2 551**	1 324	2 476			
Segment liabilities	**18 121**	15 431	17 888			

	Continuing operations					
	Consolidated			Eliminations		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Interest-bearing liabilities (excluding held-for-sale amounts)	**12 871**	9 765	9 395			
Deferred taxation liabilities	**1 109**	735	806			
Taxation	**135**	100	38			
Consolidated total liabilities	**32 236**	26 031	28 126			
Invested capital						
Southern Africa	**23 810**	25 516	20 713			
Europe	**(587)**	(926)	(1 578)			
Australia	**25**					
Eurasia	**4 041**	4 246	5 594			
	27 289	28 837	24 729			

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations					
	Ingrain###			Equipment		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Operating and geographical segments**						
Revenue						
Southern Africa	**1 879**			**8 759**	8 921	17 590
Europe						
Australia	**77**					
Eurasia				**5 087**	3 824	7 540
	1 956			**13 846**	12 745	25 130
Inter-segment revenue***				**920**	901	1 943
	1 956			**14 766**	13 645	27 074
EBITDA	**399**			**1 893**	1 495	2 879
Depreciation	**(46)**			**(379)**	(364)	(764)
Amortisation of intangibles	**(48)**			**(50)**	(25)	(57)
Operating profit/(loss)	**305**			**1 464**	1 106	2 058
Southern Africa	**298**			**905**	736	1 224
Europe						
Australia	**7**					
Eurasia				**559**	370	834
Operating profit before B-BBEE transaction charge	**305**			**1 464**	1 106	2 058
B-BBEE transaction charge				**(11)**	(14)	(33)
Fair value adjustments on financial instruments	**1**			**(44)**	(125)	(141)
Total segment result	**306**			**1 409**	966	1 884
By geographical region						
Southern Africa	**299**			**846**	596	982
Europe						
Australia	**7**					
Eurasia				**563**	370	902
Total segment result	**306**			**1 409**	966	1 884

	Continuing operations					
	Ingrain###			Equipment		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Income from associates and joint ventures				**(99)**	(37)	(39)
Finance costs	**(67)**			**(189)**	(279)	(502)
Income from investments	**1**			**66**	102	175
Non-operating and capital items				**31**	(774)	(898)
Taxation	**(27)**			**(382)**	(299)	(769)
Loss from discontinued operation						
Net profit	**213**			**835**	(321)	(149)
Assets						
Property, plant and equipment	**1 055**			**4 421**	4 825	4 869
Right-of-use assets	**17**			**1 162**	1 263	1 244
Intangible assets	**1 063**			**1 279**	671	1 425
Investment in associates and joint ventures				**1 046**	1 479	1 387
Long-term finance lease receivables					2	
Long-term financial assets				**24**	128	113
Vehicle rental fleet						
Inventories	**555**			**6 184**	6 465	7 895
Trade and other receivables	**642**			**4 990**	6 351	5 643
Contract assets				**564**	872	466
Assets classified as held-for-sale					18	29
Segment assets	**3 332**			**19 668**	22 076	23 071

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations					
	Ingrain###			Equipment		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
By geographical region						
Southern Africa	**3 245**			**13 375**	16 753	15 359
Europe						
Australia	**87**					
Eurasia				**6 293**	5 322	7 712
Total segment assets	**3 332**			**19 668**	22 076	23 071
Goodwill	**2 692**			**499**	257	564
Taxation						
Deferred taxation assets						
Cash and cash equivalents						
Consolidated total assets						
Liabilities						
Long-term non-interest bearing including provisions				**96**	45	100
Trade and other payables including provisions	**638**			**6 238**	4 516	7 544
Lease liabilities	**21**			**1 307**	1 384	1 345
Contract liabilities				**1 342**	895	963
Liabilities directly associated with assets classified as held-for-sale						
Segment liabilities	**659**			**8 983**	6 840	9 952
By geographical region						
Southern Africa	**598**			**6 432**	5 516	7 476
Europe						
Australia	**61**					
Eurasia				**2 551**	1 324	2 476
Segment liabilities	**659**			**8 983**	6 840	9 952

	Continuing operations					
	Ingrain###			Equipment		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Interest-bearing liabilities (excluding held-for-sale amounts)						
Deferred taxation liabilities						
Taxation						
Consolidated total liabilities						
Invested capital						
Southern Africa	**5 087**			**8 193**	12 277	9 167
Europe						
Australia	**25**					
Eurasia				**4 041**	4 246	5 594
	5 112			**12 234**	16 523	14 761

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations					
	Automotive					
	Car rental Southern Africa			Leasing		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Operating and geographical segments**						
Revenue						
Southern Africa	**2 612**	3 160	5 123	**1 402**	1 669	3 046
Europe						
Australia						
Eurasia						
	2 612	3 160	5 123	**1 402**	1 669	3 046
Inter-segment revenue***	**1**	2	3	**47**	79	154
	2 613	3 162	5 126	**1 449**	1 748	3 200
EBITDA	**406**	644	636	**647**	685	1 280
Depreciation	**(287)**	(440)	(751)	**(382)**	(415)	(832)
Amortisation of intangibles	**(1)**	(1)	(1)			
Operating profit/(loss)	**118**	203	(116)	**265**	270	448
Southern Africa	**118**	203	(116)	**265**	270	448
Europe						
Australia						
Eurasia						
Operating profit before B-BBEE transaction charge	**118**	203	(116)	**265**	270	448
B-BBEE transaction charge	**(5)**	(9)	(26)	**(1)**	(0)	(4)
Fair value adjustments on financial instruments			(1)	**(2)**	(6)	(10)
Total segment result	**113**	194	(143)	**262**	264	434
By geographical region						
Southern Africa	**113**	193	(143)	**262**	264	434
Europe						
Australia						
Eurasia						
Total segment result	**113**	193	(143)	**262**	264	435

	Continuing operations					
	Automotive					
	Car rental Southern Africa			Leasing		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Income from associates and joint ventures				**1**	1	2
Finance costs	**(54)**	(157)	(257)	**(89)**	(153)	(273)
Income from investments		1	1	**3**		2
Non-operating and capital items		(616)	(654)	**0**	(11)	(16)
Taxation	**(16)**	(10)	141	**(44)**	(28)	(40)
Loss from discontinued operation						
Net profit	**44**	(588)	(913)	**133**	73	110
Assets						
Property, plant and equipment	**139**	203	137	**3 453**	4 010	3 675
Right-of-use assets	**330**	405	353	**9**	18	10
Intangible assets	**9**	10	9	**54**	39	54
Investment in associates and joint ventures				**4**	2	3
Long-term finance lease receivables				**130**	144	137
Long-term financial assets						
Vehicle rental fleet	**2 627**	3 306	1 889			
Inventories	**402**	510	438	**66**	151	90
Trade and other receivables	**429**	501	258	**695**	692	616
Contract assets						
Assets classified as held-for-sale						
Segment assets	**3 936**	4 935	3 084	**4 410**	5 056	4 585

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations					
	Automotive					
	Car rental Southern Africa			Leasing		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
By geographical region						
Southern Africa	**3 936**	4 935	3 084	**4 410**	5 056	4 585
Europe						
Australia						
Eurasia						
Total segment assets	**3 936**	4 935	3 084	**4 410**	5 056	4 585
Goodwill	**175**	175	176	**282**	282	282
Taxation						
Deferred taxation assets						
Cash and cash equivalents						
Consolidated total assets						
Liabilities						
Long-term non-interest bearing including provisions				**24**	38	23
Trade and other payables including provisions	**1 916**	1 233	642	**684**	671	700
Lease liabilities	**535**	593	552	**28**	33	30
Contract liabilities				**740**	696	744
Liabilities directly associated with assets classified as held-for-sale						
Segment liabilities	**2 450**	1 826	1 194	**1 475**	1 437	1 497
By geographical region						
Southern Africa	**2 450**	1 826	1 194	**1 475**	1 437	1 497
Europe						
Australia						
Eurasia						

	Continuing operations					
	Automotive					
	Car rental Southern Africa			Leasing		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Segment liabilities	**2 451**	1 826	1 194	**1 475**	1 438	1 497
Invested capital						
Southern Africa	**2 370**	3 900	2 803	**3 041**	3 706	3 191
Europe						
Australia						
Eurasia						
	2 370	3 900	2 803	**3 041**	3 706	3 191

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Continuing operations		
	Other segments		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Operating and geographical segments**			
Revenue			
Southern Africa	**392**	326	609
Europe			
Australia			
Eurasia			
	392	326	609
Inter-segment revenue***	**337**	389	964
	729	716	1 573
EBITDA	**(200)**	(165)	(330)
Depreciation	**43**	54	106
Amortisation of intangibles	**(14)**	(15)	(29)
Operating profit/(loss)	**(171)**	(126)	(253)
Southern Africa	**(109)**	(72)	(138)
Europe	**(62)**	(54)	(115)
Australia			
Eurasia			
Operating profit before B-BBEE transaction charge	**(171)**	(126)	(253)
B-BBEE transaction charge	**(29)**	(85)	(117)
Fair value adjustments on financial instruments	**(68)**	43	(182)
Total segment result	**(269)**	(168)	(552)
By geographical region			
Southern Africa	**(162)**	(150)	(268)
Europe	**(107)**	(18)	(284)
Australia			
Eurasia			
Total segment result	**(269)**	(168)	(552)

	Continuing operations		
	Other segments		
R million	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Income from associates and joint ventures	**43**	(25)	(6)
Finance costs	**(92)**	76	61
Income from investments	**(12)**	(22)	(40)
Non-operating and capital items	**8**	(341)	(194)
Taxation	**(71)**	(131)	(401)
Loss from discontinued operation	**166**	110	(5)
Net profit	**(392)**	(611)	(1 132)
Assets			
Property, plant and equipment	**2 572**	2 129	2 263
Right-of-use assets	**(861)**	(2 339)	(2 374)
Intangible assets	**97**	18	16
Investment in associates and joint ventures	**741**	76	54
Long-term finance lease receivables			
Long-term financial assets	**156**	142	101
Vehicle rental fleet			
Inventories	**17**	(31)	(4)
Trade and other receivables	**(173)**	333	(265)
Contract assets			
Assets classified as held-for-sale	**(1 170)**	93	
Segment assets	**1 380**	421	(209)

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

R million	Continuing operations		
	Other segments		
	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
By geographical region			
Southern Africa	**1 262**	115	(368)
Europe	**118**	306	188
Australia			
Eurasia			(29)
Total segment assets	**1 380**	421	(209)
Goodwill	**153**		
Taxation			
Deferred taxation assets			
Cash and cash equivalents			
Consolidated total assets			
Liabilities			
Long-term non-interest bearing including provisions	**676**	1 648	1 989
Trade and other payables including provisions	**366**	29	(274)
Lease liabilities	**(947)**	(2 647)	(2 671)
Contract liabilities			
Liabilities directly associated with assets classified as held-for-sale	**(2 105)**		
Segment liabilities	**(2 010)**	(970)	(956)
By geographical region			
Southern Africa	**(2 847)**	(2 714)	(3 108)
Europe	**837**	1 744	2 152
Australia			
Eurasia			
Segment liabilities	**(2 010)**	(970)	(956)

R million	Continuing operations		
	Other segments		
	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Invested capital			
Southern Africa	**1 202**	52	32
Europe	**(587)**	(926)	(1 578)
Australia			
Eurasia			
	615	(874)	(1 546)

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

	Discontinued operation					
	Motor Retail			Logistics		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Operating and geographical segments**						
Revenue						
Southern Africa	**6 700**	6 900	11 988	**1 731**	2 086	3 785
Europe						
Australia						
Eurasia						
	6 700	6 900	11 988	**1 731**	2 086	3 785
Inter-segment revenue***		1	1	**165**	175	328
	6 700	6 901	11 989	**1 896**	2 260	4 113
EBITDA	**254**	123	86	**92**	172	277
Depreciation	**(32)**	(46)	(75)	**(103)**	(163)	(344)
Amortisation of intangibles	**(1)**	(1)	(2)	**(5)**	(23)	(46)
Operating profit/(loss)	**221**	76	9	**(16)**	(14)	(113)
Southern Africa	**221**	76	9	**(16)**	(14)	(113)
Europe						
Australia						
Eurasia						
Operating profit before B-BBEE transaction charge	**221**	76	9	**(16)**	(14)	(113)
B-BBEE transaction charge	**(8)**	(10)	(23)	**(10)**	(14)	(33)
Fair value adjustments on financial instruments	**(2)**	1	(2)	**(11)**	(3)	(3)
Total segment result	**211**	67	(17)	**(38)**	(31)	(149)
By geographical region						
Southern Africa	**211**	67	(17)	**(38)**	(31)	(149)
Europe						
Australia						
Eurasia						
Total segment result	**211**	67	(17)	**(38)**	(31)	(149)

	Discontinued operation					
	Motor Retail			Logistics		
R million	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020***	Audited 30 Sep **2020***
Income from associates and joint ventures	**(2)**	(1)	(5)			
Finance costs	**(63)**	(76)	(151)	**(52)**	(74)	(152)
Income from investments		1	1	**8**	8	16
Non-operating and capital items			(1)	**(15)**	(7)	(136)
Taxation	**(21)**	14	81	**(126)**	11	98
Loss from discontinued operation						
Net profit	**125**	5	(92)	**(223)**	(93)	(323)
Assets						
Property, plant and equipment		506	515		712	780
Right-of-use assets		1 904	1 902		536	476
Intangible assets		100	87		64	41
Investment in associates and joint ventures		543	704			
Long-term finance lease receivables					10	50
Long-term financial assets		66	64		62	9
Vehicle rental fleet						
Inventories		2 173	1 713		27	38
Trade and other receivables		520	627		1 030	1 037
Contract assets					75	48
Assets classified as held-for-sale	**4 236**			**2 760**	106	
Segment assets	**4 236**	5 813	5 612	**2 760**	2 621	2 479

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

24. Segmental summary continued

R million	Discontinued operation					
	Motor Retail			Logistics		
	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
By geographical region						
Southern Africa	**4 236**	5 813	5 612	**2 760**	2 623	2 479
Europe						
Australia						
Eurasia						
Total segment assets	**4 236**	5 813	5 612	**2 760**	2 623	2 479
Goodwill	**153**	215	215		122	115
Taxation						
Deferred taxation assets						
Cash and cash equivalents						
Consolidated total assets						
Liabilities						
Long-term non-interest bearing including provisions			6			16
Trade and other payables including provisions		2 488	2 349		712	759
Lease liabilities		2 284	2 365		731	707
Contract liabilities						
Liabilities directly associated with assets classified as held-for-sale	**3 895**			**2 667**	82	
Segment liabilities	**3 895**	4 772	4 720	**2 667**	1 526	1 482
By geographical region						
Southern Africa	**3 895**	4 772	4 720	**2 667**	1 526	1 482
Europe						
Australia						
Eurasia						
Segment liabilities	**3 895**	4 772	4 720	**2 667**	1 526	1 482

R million	Discontinued operation					
	Motor Retail			Logistics		
	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*	Reviewed 31 Mar 2021	Unreviewed 31 Mar 2020*	Audited 30 Sep 2020*
Invested capital						
Southern Africa	**2 181**	3 573	3 604	**1 736**	2 008	1 916
Europe						
Australia						
Eurasia						
	2 181	3 573	3 604	**1 736**	2 008	1 916

* The consolidated total excludes discontinued operations for income statement items but includes it for the statement of financial position.

** The geographical segments are determined by the location of assets.

*** Inter segment revenue is priced at an arm's-length basis.

Effective 31 October 2020 the Group acquired Tongaat Hullet Starch ("Ingrain") which is seperately disclosed as a new segment for the Group.

Due to the restructure of the Automotive and Logistics businesses management have decided to review the segments and have included Handling, Automotive Trading (remainder), Corporate and Khula Sizwe into a combined segment reflected as Other segments. Comparative numbers have been restated to be in line with the current period information.

Salient features

for the six months ended 31 March 2021

	Six months ended		Year ended
	Reviewed 31 March **2021**	Unreviewed Restated* 31 March **2020**	Audited Restated* 30 September **2020**
Financial			
Normalised headline earnings per share from continuing operations – (cents)#	**448**	180	70
Headline earnings per share from continued operations – (cents)	**405**	111	(130)
Group Headline earnings per share – (cents)	**367**	70	(268)
Group Return on invested capital (ROIC) (%)**	**3.8%**	7.8%	1.0%
Group – Economic profit (R million)	**(3 147)**	(1 541)	(3 037)
Dividends per share (cents)		Nil	Nil
Operating margin from continued operations – including B-BBEE (%)*	**9.6**	7.5	5.8
Group rolling EBITDA/Interest paid (times) excl IFRS16	**6.9**	6.3	5.8
Group net debt/equity (%)	**35.6**	35.3	25.2
Group return on net operating assets (RONOA) (%)	**10.7%**	14.4%	9.0%
Group return on ordinary shareholders' funds (%)	**0.9%**	7.7%	(1.5%)
Net asset value per share (cents)	**10 025**	10 219	9 736
Number of ordinary shares in issue	**201 025 646**	201 025 646	201 025 646

R million	Six months ended 31 March **2021**	Six months ended 31 March **2020**	Year ended 30 September **2020**
Non-financial (Continuing operations∞)			
Non-renewable energy consumption (GJ)βα	**6 101 667**	215 002	378 188
Greenhouse gas emissions (tCO_2e)Δα	**428 633**	23 144	42 325
Water withdrawals (municipal sources) (ML)α	**1 092**	212	349
Total number of employeesα	**7 997**	8 889	8 027
Lost-time injury frequency rate (LTIFR)†α	**0.37**	0.44	0.38
Number of work-related fatalitiesα	**0**	0	0
dti^ B-BBEE rating (level)	**3**	3	3

\# Normalised headline earnings is adjusted for the B-BBEE charges and impact of IFRS 16 and the USD denominated cash in the UK in September 2020 only.

** Return on invested capital (ROIC) is calculated by a rolling 12 month net Group operating profit after tax over total equity, plus net debt and IFRS 16 lease liabilities.

* The restatement is due to classification of Motor Retail and Logistics as discontinued operations.

∞ For Group disclosures including discontinued operations, please see www.barloworld.com

α Included within ISAE 3000 Limited Assurance scope for the year ended 30 September 2020. One work-related fatality within Logistics (classified as discontinued operation) in 1H21.
Refer to limited assurance conclusion https://www.barloworld-reports.co.za/integrated-reports/ir-2020/assurance-report-for-selected-non-financial-indicators.php

β Excludes rental fleets

Δ Scope 1 and 2.

† Lost-time injuries multiplied by 200 000 divided by total hours worked.

^ Department of Trade and Industry (South Africa).

	Closing rate			Average rate		
	Six months ended		Year ended	Six months ended		Year ended
Exchange rates (Rand)	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020**	Audited 30 Sep **2020**	Reviewed 31 Mar **2021**	Unreviewed 31 Mar **2020**	Audited 30 Sep **2020**
United States Dollar	14.77	**17.86**	16.68	15.36	**15.10**	16.27
British Sterling	20.37	**22.15**	21.56	20.71	**19.50**	20.86

Notes to the condensed consolidated financial statements continued

for the six months ended 31 March 2021

25. Auditor's review

These condensed consolidated interim financial statements for the period ended 31 March 2021 have been reviewed by our joint auditors Ernst & Young Inc and SNG Grant Thornton Inc, who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the company's registered office. The auditors' report does not necessarily report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditors' engagement they should obtain a copy of that report together with the accompanying financial information from the issuer's registered office. Any forward-looking statements included in this announcement have not been reviewed or reported on by the auditors.

Corporate information

Barloworld Limited (Incorporated in the Republic of South Africa)
(Registration number: 1918/000095/06) (Income tax registration number: 9000/051/71/5)
(JSE share code: BAW) (JSE ISIN: ZAE000026639)
(Share code: BAWP)
(JSE ISIN: ZAE000026647)
(Bond issuer code: BIBAW) (Namibian Stock Exchange share code: BWL)
(Barloworld or the company or the Group)

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NP Dongwana (Chairman),
FNO Edozien^, HH Hickey,
MD Lynch-Bell*, NP Mnxasana,
NV Mokhesi, H Molotsi, P Schmid,
^Nigeria *UK

Executive
DM Sewela (Group chief executive),
N Lila (Group finance director)

Group company secretary
Andiswa Ndoni

Group Investor Relations
Nwabisa Piki

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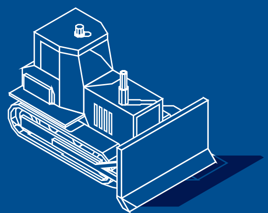

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