BUSINESS COMBINATIONS

	Nature of business	Operating segment	Date acquired	Interest acquired (%)	**Purchase price R'000**
Subsidiaries and businesses acquired					
Lieben Logistics Proprietary Limited (Lieben)	Logistics	Supply Chain Africa	3 July 2019	65	498 777
GLS Supply Chain Equipment Proprietary Limited (GLS)	Logistics	Supply Chain Africa	3 July 2019	51	96 371
Trans-Logo-Tech Gmbh (TLT)	Logistics	Supply Chain Europe	5 July 2019	80	186 866
Zultrans Proprietary Limited (Zultrans)	Logistics	Supply Chain Africa	1 March 2020	80	26 743
Purchase price					808 757

Net cost on acquisition of businesses	Lieben R'000	GLS R'000	TLT R'000	Zultrans R'000	**Total R'000**
Fair value of assets acquired and liabilities assumed at date of acquisition					
Assets					
Property, plant and equipment	(295 754)	(31 566)	(3 798)	(15 632)	(346 750)
ROU assets	(59 176)	(2 935)	(379 166)	–	(441 277)
Intangible assets	(257 574)	(52 478)	(63 013)	–	(373 065)
Goodwill	(321 416)	(66 629)	(158 779)	(8 416)	(555 240)
Non-current receivables	–	–	(113 109)	–	(113 109)
Inventories	(9 047)	(19 551)	(2 260)	–	(30 858)
Trade and other receivables	(128 112)	(24 843)	(55 256)	(12 669)	(220 880)
Income tax receivable	–	–	–	(80)	(80)
Cash and cash equivalents	(72 254)	(480)	–	(8 960)	(81 694)
	(1 143 333)	(198 482)	(775 381)	(45 757)	(2 162 953)
Liabilities					
ROU lease liabilities	59 253	3 308	515 447	–	578 008
Interest-bearing borrowings	235 526	25 879	–	5 076	266 481
Shareholders' loan	–	10 814	–	–	10 814
Deferred tax liabilities	125 254	16 856	10 790	3 541	156 441
Trade and other payables	96 913	12 644	18 526	5 815	133 898
Income tax payable	12 478	2 480	11 330	–	26 288
Provisions	3 163	1 555	6 042	–	10 760
Overdraft	–	–	7 965	–	7 965
	532 587	73 536	570 100	14 432	1 190 655
Fair value of net assets acquired	(610 746)	(124 946)	(205 281)	(31 325)	(972 298)
Less: Non-controlling interest	111 969	28 575	18 415	4 582	163 541
Purchase price	(498 777)	(96 371)	(186 866)	(26 743)	(808 757)
Cash acquired	72 254	480	(7 965)	8 960	73 729
Cash outflow	(426 523)	(95 891)	(194 831)	(17 783)	(735 028)

The acquisition of Lieben, GLS and Zultrans will bolster the Supply Chain Africa division. The Group subscribed for shares in Lieben for R498.8 million of which R426.2 million was utilised to repay shareholders' loans. The Group performed a PPA exercise on Lieben and GLS whereby intangible assets acquired were separately valued. The valuation, using projected financial information, led to the recognition of customer contracts and relations of R256.9 million in Lieben and R52.3 million in GLS.

The acquisition of TLT will bolster the Supply Chain Europe division. The Group performed a PPA exercise on TLT whereby intangible assets acquired were separately valued. The valuation, using projected financial information, led to the recognition of customer contracts and relations of R63.0 million.

The non-controlling interests have been calculated using the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

Goodwill has been recognised on the acquisition of Lieben, GLS, TLT and Zultrans amounting to R321.4 million, R66.6 million, R158.8 million and R8.4 million respectively.

The goodwill is attributable mainly to the skills and technical talent of the workforce and synergies expected to be achieved from integrating the acquired businesses into the Group's various operations. None of the goodwill is expected to be deductible for tax purposes.

The values identified in relation to Zultrans are provisional as at 30 June 2020.

The acquisition related costs of R0.6 million in respect of these acquisitions are included in profit or loss in the consolidated statement of comprehensive income.

Impact of the acquisitions on the results of the Group	Lieben R'000	GLS R'000	TLT R'000	Zultrans R'000	**Total R'000**
From the dates of acquisition, the acquired business contributed:					
Revenue	796 559	164 908	188 566	21 919	1 171 952
Profit after tax and amortisation of PPA intangibles[1]	90 527	21 347	17 559	(1 613)	127 820
Attributable profit to equity holders of Super Group[1]	63 174	14 214	10 535	(1 290)	86 633

Impact of the acquisitions on the results of the Group – had they occurred on 1 July 2019	**Zultrans R'000**
From 1 July 2019 the businesses would have contributed:	
Revenue	64 040
Profit after tax and amortisation of PPA intangibles[1]	1 493
Attributable profit to equity holders of Super Group[1]	1 194

[1] *Excluding acquisition related costs.*

The difference on the impact of the results if Lieben, GLS and TLT were purchased on 1 July 2019 is immaterial.

Net costs on increase in existing shareholding in subsidiaries	Brands R'000	Rentrak R'000	Lieben R'000	SG Fleet R'000	**Total R'000**
Non-controlling interest	5 351	(3 276)	(7 414)	(27 641)	(32 980)
Effect of transactions between equity partners on equity	(5 351)	(3 020)	(5 688)	(32 466)	(46 525)
Cash outflow	–	(6 296)	(13 102)	(60 107)	(79 505)

During the period the Group purchased 2.6 million shares in SG Fleet. The Group's closing shareholding in SG Fleet was 60.13%.

The Group purchased the remaining 49.9% and 20% interests in Brands Ink and Rentrak respectively.

The Group purchased an additional 2.4% interest in Lieben in January 2020 for R13.1 million.

Net proceeds on decrease in existing shareholding in subsidiaries	**SG Fleet R'000**
Non-controlling interest	5 016
Effect of transactions between equity partners on equity	2 947
Cash inflow	7 963

During the year shares were issued in SG Fleet for the exercise of share options which diluted the Group's shareholding. The Group's closing shareholding in SG Fleet was 60.13%.