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2021

BELL EQUIPMENT LIMITED

NOTICE OF ANNUAL GENERAL MEETING AND OTHER SUPPLEMENTARY INFORMATION

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AVAILABILITY OF BELL EQUIPMENT'S INTEGRATED ANNUAL REPORT SUITE

This AGM book containing the notice of annual general meeting ("AGM") is provided to all registered holders of Bell Equipment Limited ("Bell Equipment") or ("the company") ordinary shares (as at the relevant record date) and contains the summarised consolidated financial statements for the year ended 31 December 2020, together with the related information relevant to this AGM.

The integrated annual report for the year ended 31 December 2020 is available on the Bell Equipment website www.bellir.co.za. The 2020 integrated annual report suite of documents includes the audited annual financial statements, the integrated annual report, this AGM book and the King IV application register. These reports can be viewed, downloaded and printed from www.bellir.co.za.

Any shareholder wishing to obtain hard copies of the integrated annual report and the audited annual financial statements for the year ended 31 December 2020 may contact the group company secretary on diana.mcilrath@bellequipment.com.

Notice of annual general meeting

BELL EQUIPMENT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1968/013656/06)
ISIN Code: ZAE000028304
Share code: BEL
("Bell Equipment" or "the company")

Notice is hereby given to shareholders that the 53rd annual general meeting (the "AGM") of shareholders of Bell Equipment Limited will be accessible only through electronic communication, as permitted by the JSE Listings Requirements and the provisions of the Companies Act 2008 (Act No 71 of 2008) (the "Companies Act") and the company's Memorandum of Incorporation ("MOI"). Bell Equipment is permitted in terms of the Companies Act to hold a shareholders' meeting (which would include an annual general meeting) entirely by electronic communication if its MOI does not prevent this (which the MOI does not). Full details concerning how the meeting will be held through electronic communication can be found at the bottom of this notice.

The AGM will be held on Friday, 18 June 2021 at 11:00 to: (i) deal with such business as may lawfully be dealt with at the AGM; and (ii) consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act, as read with the JSE Listings Requirements. For the avoidance of doubt the passing of any of the resolutions below is not intended to supersede similar resolutions passed previously by the shareholders, unless that is either clearly provided in the resolution or is a necessary implication of the passing of the resolution contemplated in this notice.

All terms defined in the glossary to be found on page 66 of the integrated annual report ("IAR") available online at www.bellir.co.za bear the same meaning in this notice.

The company does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or broker including, without limitation, any failures on the part of the CSDP or broker to notify any shareholder holding shares in dematerialised form of the AGM convened in terms of this notice.

RECORD DATES
In terms of section 59(1)(a) and (b) of the Companies Act and the JSE Listings Requirements, the board of directors of the company (the "board") has set the record dates for:

- determining which shareholders are entitled to receive notice of the AGM (being the date on which a shareholder must be registered in the company's securities register in order to receive notice of the AGM), as Friday, 23 April 2021;
- the last day to trade in order to be eligible to attend, participate and vote at the AGM, as Tuesday, 8 June 2021;
- determining which shareholders are entitled to attend, participate in and vote at the AGM (being the date on which a shareholder must be registered in the company's securities register), as Friday, 11 June 2021.

As the AGM will cater for electronic participation only, it will not be desirable nor practical for voting to take place by way of a show of hands. Accordingly, the chairman has already determined that all voting will be by way of poll through the facility provided by the electronic online facilities.

CONSIDERATION OF THE FINANCIAL STATEMENTS AND REPORTS

The audited annual financial statements of the company for the financial year ended 31 December 2020, including the directors' report, the independent auditor's report, the social, ethics and transformation committee's report and the audit committee's report, will be presented to shareholders as required in terms of section 30(3)(d) of the Companies Act and are available on the company's website at www.bellir.co.za. Participants are reminded to obtain their own copies on www.bellir.co.za so as to be able to follow any discussion. The remuneration committee's report, the social, ethics and transformation committee's report and the summarised consolidated financial statements for the year ended 31 December 2020 are included in this AGM book of which this notice of AGM forms part, having been circulated to shareholders and are available on the company's website at www.bellir.co.za.

ORDINARY BUSINESS

1. ORDINARY RESOLUTION 1: ELECTION OF EXECUTIVE ALTERNATE DIRECTOR

Resolved that A Goordeen is elected as an executive alternate director to L Goosen.

Reason and Effect
Although the company has since 2017 reflected Mr Goordeen as an executive alternate director, Mr Goordeen was not put up for election by shareholders. However, in terms of clause 5.1.4 of the MOI, the appointment of all directors must be subject to shareholder approval at any general meeting or annual general meeting. Accordingly Mr Goordeen is being considered for election as an executive alternate director. The board recommends that shareholders elect Mr Goordeen as an executive alternate director.

Brief particulars of Mr Goordeen's qualifications and experience are as follows:
Mr Goordeen (41), BCompt (Hons) (UNISA), CA(SA) has been with Bell since 2006 and has held senior positions within the Bell group in the areas of strategy, corporate finance, commercial activities, business development, risk management and IT. He is currently the chief strategy officer.

Notice of annual general meeting *continued*

2. ORDINARY RESOLUTION 2: RE-ELECTION OF DIRECTORS RETIRING BY ROTATION

2.1 Resolved that R Naidu, be and is hereby re-elected as a director of the company;
2.2 Resolved that M Ramathe be and is hereby re-elected as a director of the company; and
2.3 Resolved that A Bell, be and is hereby re-elected as a director of the company.

Reason and Effect
In accordance with clause 5.1.10 of the MOI, one-third of the non executive directors are required to retire from office at each AGM and may offer themselves for re-election. Messrs R Naidu and A Bell and Ms M Ramathe retire by rotation at the AGM in accordance with clause 5.1.10 of the MOI and have offered themselves for re-election.

Brief particulars of the qualifications and experience of the abovementioned directors are available on page 10 of this AGM book.

The non-conflicted members of the board, having received a positive recommendation as to each director from the nominations committee, are satisfied with the performance of each of the directors standing for re-election and that they will continue to make an effective and valuable contribution to the company and the board.

The non-conflicted members of the board accordingly recommend to shareholders that they should vote in favour of the re-election of each of the directors referred to in ordinary resolution number 2.

3. ORDINARY RESOLUTION 3: ELECTION OF THE MEMBERS OF THE AUDIT COMMITTEE

3.1 Resolved that D Lawrance an independent non-executive director of the company is elected as a member of the audit committee until the conclusion of the AGM to be held in 2022;
3.2 Resolved that subject to his re election as a director, R Naidu an independent non-executive director of the company is elected as a member of the audit committee until the conclusion of the AGM to be held in 2022;
3.3 Resolved that subject to her re election as a director, M Ramathe an independent non-executive director of the company is elected as a member of the audit committee until the conclusion of the AGM to be held in 2022;
3.4 Resolved that J Barton an independent non-executive director of the company is elected as a member of the audit committee until the conclusion of the AGM to be held in 2022.

Reason and Effect
In terms of Section 94(2) of the Companies Act, each audit committee member must be elected by shareholders each year at the annual general meeting. King IV and the JSE Listings Requirements likewise require shareholders of a public company to elect each member of the audit committee at an annual general meeting.

In terms of Regulation 42 of the Companies Regulations 2011, promulgated pursuant to the Companies Act, at least one-third of the members of the company's audit committee at any particular time must have academic qualifications, or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. The board is satisfied that each of the proposed members is duly qualified and with sufficient experience, as is evident from the brief biographies of each member, as contained on page 10 of this AGM book and that if all the above individuals are elected, the audit committee will comply with all relevant requirements and be able to perform its duties in terms of the Companies Act and the JSE Listings Requirements.

4. ORDINARY RESOLUTION 4: APPOINTMENT OF AUDITORS

Resolved that Deloitte & Touche, upon the recommendation of the audit committee, are appointed as the independent registered auditors of the company until the conclusion of the next AGM, and that Mr Andrew Kilpatrick be noted as the individual JSE accredited designated auditor until the conclusion of the next AGM.

Reason and Effect
Section 90(1) of the Companies Act and the JSE Listings Requirements stipulate that the company must, each year at its annual general meeting, appoint an auditor meeting the requirements of Section 90(2) of the Companies Act.

Deloitte & Touche have expressed their willingness to continue in office and this resolution proposes the appointment of Deloitte & Touche as the company's auditor until the next AGM.

The audit committee has satisfied itself that the proposed auditor, Deloitte & Touche, is independent of the company in accordance with Section 90 and 94 of the Companies Act. The audit committee has recommended the appointment of Deloitte & Touche as the independent registered auditor of the company until the next AGM. The audit committee has confirmed that Mr Andrew Kilpatrick is suitable for appointment as the designated auditor.

5. ORDINARY RESOLUTION 5: PLACEMENT OF CERTAIN OF THE AUTHORISED BUT UNISSUED SHARES UNDER THE CONTROL OF THE DIRECTORS

Resolved that the directors be authorised to allot and issue, or grant options over, a maximum number of 4 781 469 (four million seven hundred and eighty one thousand four hundred and sixty nine) ordinary shares (over and above any ordinary shares already approved to be allotted and issued by the company in terms of any share plan or incentive scheme for the benefit of employees), representing 5 percent of the number of ordinary shares in issue as at the date of this notice upon such terms and conditions and at such times as they may determine and deem fit in their discretion, subject to the provisions of the Companies Act, the JSE Listings Requirements and the MOI, provided that this authority shall not extend beyond the AGM to be held in 2022 or 15 (fifteen) months from 18 June 2021, whichever date is earlier.

Reason and Effect

The reason for and effect of this ordinary resolution number 5 is to obtain the necessary approval from shareholders to allow the company to allot and issue, or grant options over, a limited number of shares in the authorised but unissued capital, namely a maximum of 4 781 469 (four million seven hundred and eighty one thousand four hundred and sixty nine) ordinary shares. This number has been determined as 5 percent of the number of ordinary shares in issue as at the date of the notice of the AGM (for which purposes any ordinary shares already approved to be allotted and issued by the company in terms of any share plan or incentive scheme for the benefit of employees shall be excluded), subject to the provisions of the Companies Act, the JSE Listings Requirements and the MOI. The authority, if obtained from the shareholders, will not extend beyond the AGM to be held in 2022 or 15 (fifteen) months from 18 June 2021, whichever date is earlier.

6. NON-BINDING ADVISORY VOTE ON THE COMPANY'S REMUNERATION POLICY

Resolved through a non-binding advisory vote, that the company's remuneration policy as set out in the remuneration committee report contained on page 39 of this AGM book be and is hereby endorsed.

Reason and Effect

The JSE Listings Requirements require a company to table its remuneration policy for a non-binding advisory vote by shareholders at its annual general meeting. This vote enables shareholders to endorse the remuneration policy adopted for executive directors, prescribed officers and employees. The Bell Equipment remuneration policy is contained on page 41 to 45 of this AGM book.

The advisory vote is of a non-binding nature only and therefore failure to pass this resolution will not have any legal consequences. However, the board will take cognisance of the outcome of the vote when considering the company's remuneration policy. In the event that shareholders exercising 25 percent or more of the voting rights exercise their vote against the non-binding resolution, the company will engage with those dissenting shareholders in order to ascertain the reasons for their objection, and to respond appropriately to legitimate and reasonable objections and concerns.

7. NON-BINDING ADVISORY VOTE ON THE COMPANY'S REMUNERATION IMPLEMENTATION REPORT

Resolved through a non-binding advisory vote, that the company's implementation report in regard to its remuneration policy, as set out in the remuneration committee report contained on page 46 of this AGM book be and is hereby endorsed.

Reason and effect

The JSE Listings Requirements requires a company to table its remuneration implementation report for a non-binding advisory vote by shareholders at its annual general meeting. This vote enables shareholders to endorse the remuneration implementation report for executive directors, prescribed officers and employees. The Bell Equipment remuneration implementation report is contained on pages 46 to 53 of this AGM book.

The advisory vote is of a non-binding nature only and therefore failure to pass this resolution will not have any legal consequences. However, the board will take cognisance of the outcome of the vote when considering the implementation of the company's remuneration policy. In the event that shareholders exercising 25 percent or more of the voting rights exercise their vote against the non-binding resolution, the company will engage with those dissenting shareholders in order to ascertain the reasons for their objection, and to respond appropriately to legitimate and reasonable objections and concerns.

Notice of annual general meeting *continued*

SPECIAL BUSINESS

As special business, to consider, and if deemed fit, to pass, with or without modification, the following special resolutions:

8. SPECIAL RESOLUTION 1: GENERAL AUTHORITY FOR THE PROVISION OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 44 OF THE COMPANIES ACT

Resolved that to the extent required by Section 44 of the Companies Act and as a general authority, the board may, subject to compliance with the provisions of the MOI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide on such terms as the board shall consider appropriate in its discretion, and without the necessity if the board considers it appropriate to charge interest at any time and from time to time, any direct or indirect financial assistance to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the company or any of its subsidiaries, and/or to any member of such subsidiary or related or inter-related company or entity for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company or entity, or for the purchase of any securities of the company or a related or inter-related company or entity, subject to the terms and conditions of Section 44 of the Companies Act, at any time for a period commencing on the date of passing of this resolution and ending at the next AGM.

Reason and effect

The reason for and effect of this special resolution number 1 is to obtain the necessary approvals from shareholders to allow the company to provide financial assistance to the company's present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the company or any of its subsidiaries and/or to any member of such subsidiary or related or inter-related company or entity for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company or entity as contemplated in Section 44 of the Companies Act.

9. SPECIAL RESOLUTION 2: GENERAL AUTHORITY FOR THE PROVISION OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT

Resolved that to the extent required by Section 45 of the Companies Act and as a general authority, the board may, subject to compliance with the provisions of the MOI, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide on such terms as the board shall consider appropriate in the circumstances and without the necessity if the board considers it appropriate to charge interest at any time and from time to time any direct or indirect financial assistance to any one or more related or inter-related companies or corporations of the company but not to a director and/or a prescribed officer of the company or a director of any related and/or inter-related companies for a period commencing on the date of passing of this resolution and ending at the next AGM.

Reason and effect

The reason for and effect of this special resolution number 2 is to obtain the necessary approvals from shareholders to allow the company to provide financial assistance to the company's related and/or inter-related companies or corporations in accordance with the provisions of Section 45 of the Companies Act, as and when required in the normal course of its business. This special resolution does not authorise the provision of financial assistance to a director and/or a prescribed officer of the company or of any related and/or inter-related companies.

10. SPECIAL RESOLUTIONS 3.1 TO 3.18: BASIS OF REMUNERATION PAYABLE TO NON-EXECUTIVE DIRECTORS FROM 1 JANUARY 2022

Resolved, as separate special resolutions, that the directors' fees plus VAT that may be attributable to the fees, payable to the non-executive directors of the company, from 1 January 2022, be approved as follows:

Special resolution number		Rand (excl VAT)
	Retainer fees to be paid annually	
3.1	Non-executive chairman	404 770
3.2	Lead independent non-executive director	311 430
3.3	Non-executive directors	218 090
	Fees per meeting payable to the chairman of the board and the chairmen of board committees	
3.4	Board	36 880
3.5	Audit committee	22 170
3.6	Risk and sustainability committee	22 170
3.7	Nominations committee	17 420
3.8	Remuneration committee	17 420
3.9	Social, ethics and transformation committee	21 860
3.10	**Fees to be paid to lead independent non-executive director per board meeting**	36 640
	Fees to be paid to non-executive directors, including the chairman of the board and the chairmen of board committees, per meeting	
3.11	Board	36 380
3.12	Audit committee	29 120
3.13	Risk and sustainability committee	22 170
3.14	Nominations committee	14 890
3.15	Remuneration committee	14 890
3.16	Social, ethics and transformation committee	21 860
3.17	Bell Equipment audit services committee	14 500
3.18	Ad hoc committees	14 890

The proposed fees for 2022 set out above are exclusive of VAT.

Reason and effect

These special resolutions are required in order to comply with the requirements of the Companies Act. In this respect, Section 65(11)(h) provides that a special resolution is required to authorise the basis for compensation to directors of a profit company, as required by Section 66(9). Section 66(9) provides that remuneration may be paid to its directors for their services as directors only in accordance with a special resolution approved by the shareholders within the previous 2 (two) years.

Section 66(9) applies only to the remuneration paid to directors for their services as such. Unlike the non-executive directors of the company, the executive directors do not receive any fees/remuneration for their services as directors. Their remuneration is for their services as employees of the company.

It is the intention that the basis of determining the remuneration payable to directors for their services as such is determined in advance for the then forthcoming period that commences at the beginning of the next succeeding January.

The effect of these special resolutions, if passed, will be the authorisation of the abovementioned fees.

Notice of annual general meeting *continued*

11. SPECIAL RESOLUTION 4: GENERAL AUTHORITY TO REPURCHASE SHARES

Resolved that the board be authorised, by way of a general authority, to approve the purchase of its own ordinary shares by the company, or to approve the purchase of the ordinary shares in the company by any subsidiary of the company, subject to the applicable requirements of the MOI, the Companies Act, and subject further to the restriction that the repurchase or purchase, as the case may be, by the company and/or any of its subsidiaries of shares in the company under this authority will not, considered alone or together with other transactions in an integrated series of transactions, in aggregate exceed 5 percent of the ordinary shares of the company in issue at the time this authority is granted and provided that, as required in terms of the JSE Listings Requirements:

- the general repurchase of ordinary shares in the aggregate in any one financial year may not exceed 20% (twenty percent) of the company's issued ordinary share capital as at the beginning of the financial year;
- the general repurchase of shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- authorisation thereto is given in the company's MOI;
- this general authority shall only be valid until the company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of the passing of this special resolution;
- general repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the shares for the 5 (five) business days immediately preceding the date on which the transaction is effected;
- at any point in time, a company may only appoint one agent to effect any repurchases on the company's behalf;
- a resolution has been passed by the board confirming that the board has authorised the general repurchase, that the company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the group, or in the case of a purchase by a subsidiary, a resolution of the board of such subsidiary confirming that such board has authorised the general repurchase, that such subsidiary passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the group;
- any such general repurchases are subject to exchange control regulations and approval at that point in time;
- the company or its subsidiaries may not repurchase shares during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE in writing prior to the commencement of the prohibited period;
- when the company has cumulatively repurchased 3 percent of the initial number of the relevant class of shares, and for each 3 percent in aggregate of the initial number of that class acquired thereafter, an announcement will be made.

  The board will not effect a general repurchase of shares as contemplated above unless, in addition to complying with the requirements of the Companies Act, the following conditions as contemplated by the JSE Listings Requirements are met:

- the company and the group will be able to repay its debts in the ordinary course of business for a period of 12 months following the date of the general repurchase;
- the company and the group's assets will be in excess of the liabilities of the company and the group for a period of 12 months after the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- the share capital and reserves of the company and the group will be adequate for ordinary business purposes for a period of 12 months after the date of the general repurchase; and
- the working capital of the company and the group will be adequate for ordinary business purposes for a period of 12 months following the date of the repurchase.

Reason and effect
The reason and effect for this special resolution number 4 is to authorise the company by way of a general authority to acquire the company's issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the company, subject to the limitations set out above. At the present time, the directors have no specific intention regarding the use of this authority which will only be used if the circumstances are appropriate. Any decision by the directors to use the general authority to acquire shares of the company will be taken with regard to prevailing market conditions and in accordance with the requirements to be considered by the board as set out above. This special resolution would also authorise the board acting on behalf of the company as the shareholder in its subsidiaries to pass the necessary shareholders' resolution to authorise the subsidiaries in question to purchase shares issued by the company.

Statement of board's intention
The directors of the company have no specific intention to effect any buy-backs under the provisions of special resolution number 4 but will, however, continually review the company's position, having regard to the prevailing circumstances and market conditions, in considering whether to effect any buy-backs under the provisions of special resolution number 4.

Other disclosures in terms of Section 11.26 of the JSE Listings Requirements
The JSE Listings Requirements require certain disclosures for purposes of the general authority to repurchase the company's shares as contemplated by special resolution 4, some of which appear elsewhere in the IAR available on the company's website at www.bellir.co.za:

Major shareholders of the company	page 38 of this AGM book
Share capital of the company	page 22 of this AGM book

Directors' responsibility statement
The directors, whose names are given on pages 10 to 11 of this AGM book, collectively and individually accept full responsibility for the accuracy of the information pertaining to the special resolution number 4 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution and additional disclosure in terms of Section 11.26 of the JSE Listings Requirements pertaining thereto contain all information required by the JSE Listings Requirements.

No material changes
Other than the facts and developments reported on in the IAR, there have been no material changes in the financial or trading position of the company and its subsidiaries since the date of signature of the audit report and the date of this notice.

12. OTHER BUSINESS

To transact such other business as may be transacted at an annual general meeting.

INFORMATION SCHEDULE

QUORUM
The quorum requirement for the ordinary and special resolutions set out above is sufficient persons being present to exercise, in aggregate, at least 25 percent of all voting rights that are entitled to be exercised on the resolutions, provided that at least three shareholders of the company are present whether by electronic communication or otherwise, at the AGM.

ELECTRONIC PARTICIPATION (SPEAKING AND VOTING) ("PARTICIPATION")
General
The AGM will only be accessible through electronic communication. To this end, the company has retained the services of The Meeting Specialists Proprietary Limited ("TMS") to remotely host the AGM on an interactive electronic platform in order to enable remote participation by shareholders. Shareholders or their proxies who wish to participate in the AGM, can only do so via electronic communication ("Participants"). Participants will be able, once verified and furnished with a unique link by TMS, to access the AGM and as a result hear the full proceedings, be able to speak (the sequence in which Participants speak being determined by the chairman of the AGM in a fair manner), and to vote on each resolution proposed.

Participants must deliver the Electronic Participation and Verification Application Form forming part of this AGM book ("the Form") duly completed plus the relevant documentation referred to in the Form to TMS via email to proxy@tmsmeetings.co.za or contact them on +27 11 520 7950/1/2 as soon as possible, but in any event no later than 11:00 (SA time) on Thursday, 17 June 2021.

If shareholders wish to participate in the AGM, they should instruct their CSDP or broker to issue them with the necessary letter of representation to participate in the AGM, in the manner stipulated in their custody agreement. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker, to accommodate such requests.

Notice of annual general meeting *continued*

Each Participant, who has delivered the Form duly completed together with the relevant documentation referred to in that Form, will be verified by TMS (in correspondence with the company and, in particular, the transfer secretaries, JSE Investor Services Proprietary Limited (previously named Link Market Services S A Proprietary Limited) ("JIS")) to validate each such Participant's entitlement to participate in and/or vote at the AGM, before providing it with the necessary means to access the AGM and/or the associated voting platform.

JIS will also act as the scrutineer to vet all proxy forms submitted and to advise the chairman of the AGM as to any proxies to reject. If any of the documents referred to in the Form are not delivered to TMS, or if the Form has not been duly completed, then it will not be possible for TMS to complete the verification and accordingly the Participant in question will not be furnished with the unique link to participate at the AGM, unless and until the Form is duly completed and the requisite documentation has been delivered. TMS will contact any shareholder if the Form which is delivered is not properly completed or the requisite documentation has not been delivered with the Form.

Participants, once verified, will be contacted by TMS between Monday, 14 June 2021and Thursday, 17 June 2021via the email/ cell number provided on the Form, with a unique link to allow it/him/her to participate in the AGM. Once the Participant has received the unique link, the onus to safeguard this information rests with the Participant. The Participant is not permitted to make this unique link available to anyone else. Only the Participant as verified is permitted to use the unique link.

Aside from the costs incurred by the company as a result of retaining the services of TMS including making the interactive platform available, Participants will be liable for their own charges in relation to electronic participation at the AGM. Any such charges will not be for the account of the JSE, Bell Equipment, JIS and/or TMS.

None of the JSE, Bell Equipment, JIS or TMS can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any shareholder from participating in and/or voting at the AGM.

Participants are strongly encouraged to have a stable internet connection with sufficient bandwidth capabilities to participate in the AGM. Participants are strongly encouraged to submit their proxies beforehand, even if they intend to attend the AGM, to ensure that their votes are counted in the event of any delays or disruptions to the Participant's network connectivity and/or loss of network connectivity by such Participant during any part of the AGM.

Verification
In accordance with section 63(1) of the Companies Act, before any person may attend or participate in any meeting (including the AGM), that person must present reasonably satisfactory identification. Without limiting the generality hereof, the company will accept a valid South African identity document, a valid driver's licence or a valid passport which reflects the name of the shareholder as it appears on the register, as satisfactory identification. In the case of a proxy, the company will accept a valid South African identity document, a valid driver's licence or a valid passport which reflects the name of the proxy as it appears on the form of proxy, as satisfactory identification.

Participation at the AGM

1. **Dematerialised Shareholders**

   If a shareholder which holds its/his/her shares in dematerialised form other than on an own name basis ("Dematerialised Shareholder"), wishes itself/himself/herself to participate in the AGM in person it/he/she should instruct it/his/her CSDP or broker to issue it/him/her with the necessary letter of representation, in the manner stipulated in its/his/her respective custody agreement. That letter of representation must then be furnished by the Dematerialised Shareholder as a part of the verification process referred to above.

   Alternatively if a Dematerialised Shareholder does not wish to participate personally at the AGM but has not been contacted by its/his/her CSDP or broker to ascertain how the Dematerialised Shareholder wishes to cast its/his/her votes at the AGM, the Dematerialised Shareholder should contact its/his/her CSDP or broker to give its/his/her voting instructions. If a Dematerialised Shareholder's CSDP or broker does not obtain voting instructions from the Dematerialised Shareholder, it will be obliged to vote in accordance with the provisions contained in the custody agreement.

   Dematerialised Shareholders must not complete the form of proxy.

2. **Certificated Shareholders and Own Name Shareholders**
Once verified, a shareholder which holds its/his/her shares in certificated form ("Certificated Shareholder") or who is a shareholder which holds its/his/her shares in dematerialised form on an own name basis ("Own Name Shareholder") may participate in person by electronic communication at the AGM.

Alternatively, a Certificated Shareholder or an Own Name Shareholder which is unable to attend the AGM by electronic communication is encouraged to appoint a proxy to represent it/him/her at the AGM by completing the attached Form of Proxy in accordance with the instructions contained in the Form of Proxy and returning it to TMS, by email to proxy@tmsmeetings.co.za. It is requested that Forms of Proxy be received by no later than 11:00 on 17 June 2021 but they can be presented at any time before the commencement of the AGM by contacting TMS via email or contact number as set out previously. Until presented, the proxy will not be permitted to participate in the AGM (including voting).

3. **Joint Holders**
If there are joint Certificated Shareholders or Own Name Shareholders or Dematerialised Shareholders of any particular shares, any one of such persons may vote at the AGM in respect of such shares as if that person is solely entitled thereto, but if more than one of such joint holders are present or represented at the AGM, the person whose name appears first in the company's register in respect of such shares or its/his/her proxy, as the case may be, shall alone be entitled to vote in respect of such shares.

VOTING PERCENTAGES REQUIRED TO PASS A RESOLUTION
The percentage of voting rights that will be required for the adoption of each special resolution is the support of at least 75 percent of the voting rights exercised on the resolution. The percentage of voting rights that will be required for the adoption of each ordinary resolution is the support of more than 50 percent of the voting rights exercised on the resolution.

SHARES HELD BY SHARE TRUST OR SCHEME
Equity shares in Bell Equipment held (i) by a subsidiary and/or (ii) by a trust, through a scheme and/or other entity, where the equity shares in the company are controlled by the company from a voting perspective, will not have their votes taken into account for purposes of any JSE-regulated resolutions.

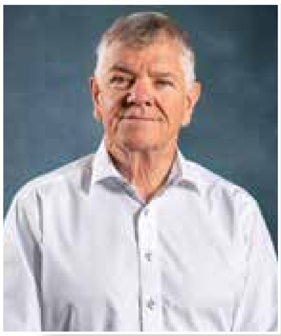
By order of the board

D McIlrath
Company Secretary

23 April 2021

Registered office
13–19 Carbonode Cell Road
Alton
Richards Bay
3900

Board of directors



Gary Bell (68)

Non-executive chairman

Mech Eng Diploma (Natal Technikon)

Appointed to the board: 1977

Risk and sustainability committee member;
Social, ethics and transformation committee member;
Nominations committee member;
Remuneration committee member.

With an engineering and manufacturing background, Gary has over forty years' experience in and knowledge of the mining and construction machinery industry both regionally and internationally.

He currently sits on the board of Trade and Investment KwaZulu-Natal.

John Barton (73)

Lead independent non-executive director

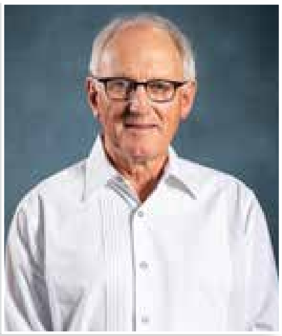
FCMA, GCMA, AMP (Harvard)

Appointed to the board: 2009

Chairman of the nominations committee;
Audit committee member;
Risk and sustainability committee member;
Remuneration committee member.

John worked for the Anglo American group and subsidiary company Mondi where he was the chief executive and deputy chairman until 2007. He is a past president of the Durban Chamber of Commerce and Industry and was the co-chairman of the KZN Growth Coalition.

John was the chairman of Foskor (Pty) Ltd and CBL Ltd.



Leon Goosen (48)

Group chief executive

BAcc (Stellenbosch), BCompt (Hons), CTA (UOFS), CA (SA)

Appointed as an employee: 2007

Risk and sustainability committee member.

Prior to joining Bell, Leon was a partner at Deloitte & Touche in South Africa and Namibia. He held the position of executive director of Bell from January 2009 and was the chief operations officer from December 2014, contributing considerably to the strategic direction of the group, until he was appointed as chief executive on 1 June 2018.

Karen van Haght (54)

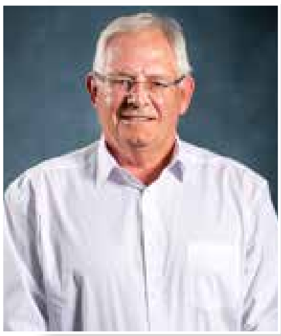
Group finance director

BCompt (Hons) (UNISA), CA (SA)

Appointed as an employee: 2000

Risk and sustainability committee member;
Social, ethics and transformation committee member.

Karen was a senior audit manager at Deloitte & Touche prior to joining Bell as the group financial controller in 2000. She has held the position of group finance director since 2006.



Derek Lawrance (74)

Independent non-executive director

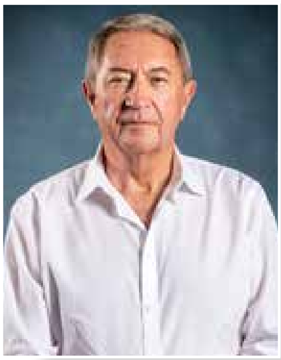
BCom (Economics) (Wits), CA (SA)

Appointed to the board: 2016

Chairman of the audit committee;
Chairman of the remuneration committee;
Risk and sustainability committee member.

Derek has held numerous senior executive positions in both listed and unlisted South African companies, operating in multidisciplinary environments with both local and foreign partners and shareholders.

He is currently an independent director of:
* The Amber House, Milkwood and Thekwini RF Funds Ltd, which together comprise all the note and bond holding companies of SA Homeloans Ltd;
* Expand a Sign International Pty Ltd.



Hennie van der Merwe (73)

Independent non-executive director

BA (Law) LLB (Stellenbosch), LLM (Tax) (Wits)

Appointed to the board: 2016

Chairman of the risk and sustainability committee;
Nominations committee member.

After practicing as a commercial and corporate attorney for twelve years, Hennie held senior executive positions and directorships in large stock exchange listed corporate entities in the banking, commercial and industrial sectors, both in South Africa and abroad.
He currently serves in the following listed board positions:

- Chief executive and executive director of Trencor Ltd, although he will be retiring from the board during 2021;
- Non-executive director of Textainer Group Holdings Ltd, listed on the New York Stock Exchange;
- Non-executive director and chairman of the board of Master Drilling Group Ltd.

Rajendran Naidu (48)

Independent non-executive director

BCom (Cape Town), CA (SA)

Appointed to the board: 2017

Audit committee member;
Social, ethics and transformation committee member;
Nominations committee member.

Rajendran was a partner at Deloitte in the financial institutions team and corporate finance practices.
He was previously a group general manager at Sasol Limited responsible for corporate finance, investor relations and shareholder value management. At that time he was also chairman of the audit committee of Sasol Petroleum International and served on the board of trustees for Sasol's Group Enterprise Development Trust and worked closely with global investment banks and global consulting firms. Rajendran currently manages Pritor Capital which provides strategic and corporate development advisory and investment services.

Mamokete Ramathe (41)

Independent non-executive director

BCom (Wits), BCom Hons (UNISA), Masters (Development finance) (Stellenbosch), Masters (Leading innovation and change) (York St John, UK)

Appointed to the board: 2017

Chairman of the social, ethics and transformation committee;
Audit committee member.

Mamokete is the Founder and CEO of Mamor Capital, an investment company focusing on the ICT sector.
Prior to this role she was the executive head of mergers and acquisitions at Vodacom Group, where she was responsible for evaluating and executing mergers and acquisitions transactions and other relevant corporate actions in line with the group's strategy. She is a seasoned investment executive with more than 18 years' experience in financial services; spanning corporate finance advisory, private equity, mezzanine finance, infrastructure finance and mergers and acquisitions.
She serves on the board of OUTsurance Holdings as an independent non-executive director, and a member of the board investment committee.

Ashley Bell (38)

Non - executive director

BCom (Marketing) (UNISA)

Appointed to the board: 2015

Risk and sustainability committee member;
Social, ethics and transformation committee member.

Ashley has eleven years engineering and marketing experience in co-founding an OEM servicing the forestry and agricultural sectors.

Summarised consolidated statement of financial position

as at 31 December 2020

	31 December 2020 R'000	Restated* 31 December 2019 R'000	Restated* 1 January 2019 R'000
ASSETS			
Non-current assets	**1 845 721**	1 654 162	1 360 709
Property, plant and equipment	**935 152**	910 296	885 966
Right-of-use assets **	**287 395**	173 281	-
Intangible assets	**277 787**	294 725	237 964
Investments	**33 615**	25 790	23 584
Interest-bearing receivables	**90 584**	80 220	69 226
Deferred taxation	**221 188**	169 850	143 969
Current assets	**4 794 218**	5 373 717	5 168 794
Inventory	**3 595 163**	4 125 460	3 867 470
Trade and other receivables	**884 146**	894 671	868 519
Current portion of interest-bearing receivables	**118 784**	151 928	209 781
Contract assets	**28 276**	28 035	22 839
Prepayments	**22 774**	29 550	31 636
Other financial assets	**10 231**	6 759	6 757
Current taxation assets	**52 093**	46 151	13 347
Cash and bank balances	**82 751**	91 163	148 445
TOTAL ASSETS	**6 639 939**	7 027 879	6 529 503
EQUITY AND LIABILITIES			
Capital and reserves	**3 503 778**	3 386 813	3 329 098
Stated capital (note 7)	**235 541**	232 499	232 499
Non-distributable reserves	**891 355**	727 261	679 411
Retained earnings	**2 360 316**	2 417 620	2 393 218
Attributable to owners of Bell Equipment Limited	**3 487 212**	3 377 380	3 305 128
Non-controlling interest	**16 566**	9 433	23 970
Non-current liabilities	**759 326**	594 319	632 284
Interest-bearing liabilities	**204 319**	260 399	385 044
Lease liabilities **	**282 543**	110 139	-
Contract liabilities (note 15)	**125 828**	113 329	118 897
Refund liabilities (note 16)	**54 308**	-	-
Provisions	**29 646**	29 451	59 513
Deferred taxation	**62 682**	81 001	68 830
Current liabilities	**2 376 835**	3 046 747	2 568 121
Trade and other payables	**933 054**	988 413	1 095 060
Current portion of interest-bearing liabilities	**547 376**	1 013 305	750 381
Current portion of lease liabilities **	**49 673**	100 757	-
Current portion of contract liabilities (note 15) ***	**209 562**	159 911	171 317
Current portion of refund liabilities (note 16) ***	**27 400**	16 785	11 387
Current portion of provisions	**110 786**	93 043	88 439
Other financial liabilities	**14 476**	2 347	10 648
Current taxation liabilities	**3 116**	6 063	23 194
Bank overdrafts and borrowings on call	**481 392**	666 123	417 695
TOTAL EQUITY AND LIABILITIES	**6 639 939**	7 027 879	6 529 503

* Refer to restatements of prior periods in note 13.

** The increase in right-of-use assets and lease liabilities includes the extension of the lease of the group's customer service centre and logistics centre premises in Jet Park, Johannesburg for a further 12 year period for an amount of R158,3 million.

*** Refer to reclassifications of prior periods in note 14.

Summarised consolidated statement of profit or loss

for the year ended 31 December 2020

	2020 R'000	Restated* 2019 R'000
Revenue (note 2)	**6 690 277**	7 823 169
Cost of sales	**(5 456 345)**	(6 375 387)
Gross profit	**1 233 932**	1 447 782
Other operating income	**112 679**	188 995
Distribution costs	**(744 930)**	(792 747)
Administration expenses	**(89 815)**	(113 361)
Factory operating expenses **	**(476 248)**	(512 186)
Profit from operating activities (note 3)	**35 618**	218 483
Interest expense (note 4)	**(154 168)**	(166 157)
Interest income (note 5)	**51 025**	54 198
(Loss) profit before taxation	**(67 525)**	106 524
Taxation credit (expense)	**10 366**	(54 261)
(Loss) profit for the year	**(57 159)**	52 263
(Loss) profit for the year attributable to:		
- Owners of Bell Equipment Limited	**(64 292)**	66 800
- Non-controlling interest	**7 133**	(14 537)
(Loss) earnings per share (basic)(cents) (note 6)	**(67)**	70
(Loss) earnings per share (diluted)(cents) (note 6)	**(65)**	70

* Refer to restatements of prior periods in note 13.

** Included in factory operating expenses are costs in respect of both the factory and group services operations.

Summarised consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2020

	2020 R'000	Restated* 2019 R'000
(Loss) profit for the year	**(57 159)**	52 263
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit or loss:	**163 025**	(49 230)
Exchange differences arising during the year	**163 025**	(49 230)
Exchange differences on translating foreign operations	**163 025**	(50 472)
Reclassification to profit or loss of foreign currency translation reserve relating to discontinued operations	**-**	1 242
Items that may not be reclassified subsequently to profit or loss:	**4 457**	16 302
(Loss) surplus arising on revaluation of properties	**(120)**	15 536
Taxation relating to revaluation of properties	**-**	(4 229)
Fair value gain on investments designated as at fair value through other comprehensive income **	**4 577**	4 995
Other comprehensive income (loss) for the year, net of taxation	**167 482**	(32 928)
Total comprehensive income for the year	**110 323**	19 335
Total comprehensive income attributable to:		
- Owners of Bell Equipment Limited	**103 190**	33 872
- Non-controlling interest	**7 133**	(14 537)

* Refer to restatements of prior periods in note 13.

** There were no corresponding tax implications on fair value gain on investments designated as at fair value through other comprehensive income.

Summarised consolidated statement of cash flows

for the year ended 31 December 2020

	2020 R'000	Restated* 2019 R'000
Cash generated from operations before working capital changes	**410 308**	616 212
Cash generated from (utilised in) working capital	**585 929**	(659 472)
Cash generated from (utilised in) operations	**996 237**	(43 260)
Interest paid	**(170 686)**	(152 469)
Interest received	**60 772**	57 708
Taxation paid	**(67 691)**	(122 851)
Net cash generated from (utilised in) operating activities	**818 632**	(260 872)
Purchase of property, plant and equipment and intangible assets	**(84 551)**	(182 025)
Proceeds on disposal of property, plant and equipment and intangible assets	**7 875**	34 330
Additions to right-of-use assets	**(6 152)**	-
Purchase of listed investments	**-**	(667)
Proceeds on disposal of listed investments	**-**	2 415
Net cash utilised in investing activities	**(82 828)**	(145 947)
Interest-bearing liabilities raised	**649 562**	1 271 977
Interest-bearing liabilities repaid	**(1 155 564)**	(1 049 096)
Lease liabilities repaid	**(56 525)**	(78 737)
Proceeds from share options exercised	**3 042**	-
Dividends paid	**-**	(43 035)
Net cash (utilised in) generated from financing activities	**(559 485)**	**101 109**
Net increase (decrease) in cash for the year	**176 319**	(305 710)
Net bank overdrafts and borrowings on call at beginning of the year	**(574 960)**	(269 250)
Net bank overdrafts and borrowings on call at end of the year	**(398 641)**	(574 960)
Comprising:		
Cash and bank balances	**82 751**	91 163
Bank overdrafts and borrowings on call	**(481 392)**	(666 123)
Net bank overdrafts and borrowings on call at end of the year	**(398 641)**	(574 960)

* Refer to restatements of prior periods in note 13.

Summarised consolidated statement of changes in equity

for the year ended 31 December 2020

	Attributable to owners of Bell Equipment Limited					
	Stated capital R'000	Non-distributable reserves R'000	Retained earnings R'000	Total R'000	Non-controlling interest R'000	Total capital and reserves R'000
Balance at 1 January 2019 - audited	232 499	679 411	2 440 926	3 352 836	18 673	3 371 509
Effect of errors relating to prior periods *	-	-	(47 708)	(47 708)	5 297	(42 411)
Balance at 1 January 2019 (restated) *	232 499	679 411	2 393 218	3 305 128	23 970	3 329 098
Total comprehensive (loss) income attributable to owners of Bell Equipment Limited (restated) *	-	(32 928)	66 800	33 872	-	33 872
Total comprehensive loss attributable to non-controlling interest	-	-	-	-	(14 537)	(14 537)
Transfer between reserves relating to disposal of investments classified as at fair value through other comprehensive income	-	(418)	418	-	-	-
Decrease in statutory reserves of foreign subsidiaries	-	(219)	219	-	-	-
Decrease in equity-settled employee benefits reserve	-	(901)	-	(901)	-	(901)
Share-based payment relating to BBBEE ownership transaction	-	82 316	-	82 316	-	82 316
Dividends paid	-	-	(43 035)	(43 035)	-	(43 035)
Balance at 31 December 2019 (restated) *	**232 499**	**727 261**	**2 417 620**	**3 377 380**	**9 433**	**3 386 813**
Total comprehensive income (loss) attributable to owners of Bell Equipment Limited	**-**	**167 482**	**(64 292)**	**103 190**	**-**	**103 190**
Total comprehensive income attributable to non-controlling interest	**-**	**-**	**-**	**-**	**7 133**	**7 133**
Increase in statutory reserves of foreign subsidiaries	**-**	**550**	**(550)**	**-**	**-**	**-**
Decrease in equity-settled employee benefits reserve	**-**	**(7 538)**	**7 538**	**-**	**-**	**-**
BBBEE shareholders' loans	**-**	**3 600**	**-**	**3 600**	**-**	**3 600**
Share options exercised	**3 042**	**-**	**-**	**3 042**	**-**	**3 042**
Balance at 31 December 2020	**235 541**	**891 355**	**2 360 316**	**3 487 212**	**16 566**	**3 503 778**

* Refer to restatements of prior periods in note 13.

Significant notes to the summarised consolidated financial results

for the year ended 31 December 2020

1. BASIS OF PREPARATION

The recognition and measurement criteria applied in the preparation of these summarised consolidated financial statements are in terms of International Financial Reporting Standards (IFRS). The same accounting policies and methods of computation are followed in the summarised consolidated financial statements as compared with the most recent annual consolidated financial statements. The presentations and disclosures in these summarised consolidated financial statements are in terms of *IAS 34 Interim Financial Reporting*.

The group has adopted all of the amended accounting standards relevant to its operations and effective for annual reporting periods beginning 1 January 2020. The adoption of these amended standards has not had any significant impact on the amounts reported in the summarised consolidated financial statements or the disclosures herein.

The summarised consolidated financial statements are prepared in accordance with the requirements of the JSE Limited's Listings Requirements for summarised reports and the requirements of the Companies Act in South Africa. The summarised consolidated financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS. The Listings Requirements require summarised reports to be prepared in accordance with and containing the information required by *IAS 34 Interim Financial Reporting*, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council. The preparation of this summarised report was supervised by the Group Finance Director, KJ van Haght CA(SA).

The summarised consolidated financial statements are the responsibility of the directors. The directors take full responsibility for the preparation of the summarised consolidated financial statements.

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

2. REVENUE

The group derives its revenue from the sale of equipment and aftermarket products, which includes the sale of parts, service income, extended warranty and rental income.

This disaggregation is consistent with the external revenue information that is disclosed for each reportable segment (refer to note 9) and the information that is provided to the group's chief operating decision maker on a regular basis.

Disaggregation of revenue

	Manufacturing, Assembly, Logistics and Dealer Sales Operations		Direct Sales Operations		
	South Africa R'000	Europe R'000	South Africa R'000	Rest of Africa R'000	Total Revenue R'000
December 2020					
Revenue					
Sale of equipment *	**628 943**	**1 992 531**	**1 930 571**	**133 433**	**4 685 478**
Sale of parts	**335 756**	**245 576**	**715 520**	**162 230**	**1 459 082**
Service income	**41 463**	**73 161**	**179 977**	**23 713**	**318 314**
Extended warranty	**66 730**	**1 415**	**-**	**-**	**68 145**
Rental income	**-**	**8 649**	**148 835**	**1 774**	**159 258**
Total revenue	**1 072 892**	**2 321 332**	**2 974 903**	**321 150**	**6 690 277**
December 2019					
Revenue					
Sale of equipment	996 473	2 474 189	2 012 386	186 549	5 669 597
Sale of parts	310 449	275 779	766 435	167 427	1 520 090
Service income	52 207	86 619	205 948	26 947	371 721
Extended warranty	82 437	677	-	-	83 114
Rental income	-	8 968	168 303	1 376	178 647
Total revenue	1 441 566	2 846 232	3 153 072	382 299	7 823 169

The transfer of goods and services occurs over time and at a point in time as reflected below.

	2020 R'000	2019 R'000
Timing of revenue recognition		
At a point in time		
Sale of equipment	**4 685 478**	5 669 597
Sale of parts	**1 459 082**	1 520 090
Service income	**318 314**	371 721
Total	**6 462 874**	7 561 408
Over time		
Extended warranty	**68 145**	83 114
Rental income	**159 258**	178 647
Total	**227 403**	261 761
Total revenue	**6 690 277**	7 823 169

* Sale of equipment in manufacturing, assembly, logistics and dealer sales operations in Europe has been reduced by an amount of R81,7 million (2019: Rnil) relating to the expected loss on sales transactions concluded with residual value guarantees.

Included in revenue for the year is an amount of R82,6 million relating to a bill and hold arrangement for the sale of equipment to a particular customer. Control of the equipment has passed to the customer and management's assessment is that the likelihood of revenue reversals in future periods is remote.

The group had remaining and unsatisfied performance obligations at year end in terms of extended warranty contracts, service contracts, and in terms of certain equipment sales contracts where the consideration was received in advance from customers. These obligations are reflected as contract liabilities in the statement of financial position.

3. PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities is arrived at after taking into account:

	2020 R'000	Restated* 2019 R'000
Income		
Currency exchange gains (i)	**198 676**	145 646
The Automotive Production Development Programme - production incentives	**62 630**	117 171
Net surplus on disposal of property, plant and equipment and intangible assets	**4 314**	1 544
Expenditure		
Amortisation of intangible assets	**32 914**	27 644
Amounts written off as credit impaired	**31 732**	22 675
Decrease in allowance for expected credit losses on trade and other receivables	**(29 465)**	(10 490)
Auditors' remuneration - audit and other services	**15 295**	12 651
BBBEE share-based payment charges (ii)	**-**	82 317
Consulting fees (iii)	**25 476**	35 275
Currency exchange losses (i)	**245 379**	133 033
Depreciation of property, plant and equipment	**140 834**	133 893
Depreciation of right-of-use assets	**69 561**	74 853
Impairment loss recognised on revaluation of buildings **	**31 873**	1 085
Impairment loss recognised on plant and equipment **	**1 067**	-
Impairment loss recognised on intangible assets **	**23 254**	-
Increase in contract provision - warranty (iv) ***	**957**	24 313
Lease expenses (v)	**17 304**	18 467
Research expenses (excluding staff costs)	**34 808**	34 433
Staff costs (including directors' remuneration and severance pay) (vi)	**1 298 249**	1 435 694

(i) Net currency exchange losses arose mainly on foreign currency denominated inventory purchases and trade and other payables as a result of the Rand weakening against the Euro and the USD in the current year.

(ii) In the prior year an IFRS 2 share-based payment charge was recognised as part of the BBBEE ownership transaction.

(iii) Consulting fees includes services relating to the BBBEE ownership transaction concluded in 2019, foreign currency risk management, taxation advisory and the outsourcing of the internal audit function.

(iv) The increase in the warranty provision in 2019 related to specific warranty campaigns.

(v) Included in lease expenses are amounts for short-term leases and leases of low value assets.

(vi) Staff costs decreased by 9,6% mainly due to a reduction in contract labour at the manufacturing facilities and group-wide salary reductions of 20% for staff members and 25% for the executive directors for the period May to July 2020.

* Refer to restatements of prior periods in note 13.

** Refer to the impairment considerations in note 17.

*** Provision for standard warranty costs has been restated. Refer to restatements of prior periods in note 13.

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

4. INTEREST EXPENSE

	2020 R'000	2019 R'000
Interest expense consists of the following:		
Interest expense on bank overdrafts and loans	**35 096**	41 364
Interest expense on collateralised borrowings	**16 921**	25 877
Interest expense on lease liabilities	**36 490**	21 748
Interest expense on Industrial Development Corporation (IDC) of South Africa working capital facility	**58 179**	61 594
Other interest expenses *	**7 482**	15 574
Total interest expense	**154 168**	166 157

* Includes interest expenses relating to extended credit terms granted to the group for goods purchased in the normal course of business.

5. INTEREST INCOME

	2020 R'000	2019 R'000
Interest income consists of the following:		
Interest income from service contracts	**5 716**	5 602
Interest income from extended warranty contracts	**18 534**	18 167
Interest income from finance lease receivables	**2 980**	3 121
Interest income from instalment sale agreements	**14 136**	18 122
Interest income from financial institutions	**2 243**	4 519
Other interest income *	**7 416**	4 667
Total interest income	**51 025**	54 198

* Includes interest income received from customers on extended credit terms provided.

6. (LOSS) EARNINGS AND NET ASSET VALUE PER SHARE

		2020	Restated* 2019
Basic (loss) earnings per share is arrived at as follows:			
(Loss) profit attributable to owners of Bell Equipment Limited	(R'000)	**(64 292)**	66 800
Weighted average number of shares in issue	(000)	**95 629**	95 629
(Loss) earnings per share (basic)	**(cents)**	**(67)**	70
Diluted (loss) earnings per share is arrived at as follows:			
(Loss) profit attributable to owners of Bell Equipment Limited	(R'000)	**(64 292)**	66 800
Fully converted weighted average number of shares	(000)	**98 604**	95 629
(Loss) earnings per share (diluted)	**(cents)**	**(65)**	70

The group has potential ordinary shares relating to the unexercised options in the group's equity-settled employee share option plan. There was no dilutive impact from these options in the current year as the market price was below the option price. In addition, the group has potential ordinary shares relating to the shareholding of BBBEE parties in certain group entities. These BBBEE parties are required to sell their shares to the group at the end of the lock-in period in exchange for cash, shares in the company or in another group entity or in a combination of cash and shares, at the company's discretion. The number of shares has been adjusted for the effect of the dilutive potential shares relating to these options.

		2020	Restated* 2019
Headline (loss) earnings per share is arrived at as follows:			
(Loss) profit attributable to owners of Bell Equipment Limited	(R'000)	**(64 292)**	66 800
Net surplus on disposal of property, plant and equipment and intangible assets	(R'000)	**(4 314)**	(1 544)
Taxation effect of net surplus on disposal of property, plant and equipment and intangible assets	(R'000)	**1 207**	389
Impairment loss recognised on intangible assets	(R'000)	**23 254**	-
Taxation effect of impairment loss on intangible assets	(R'000)	**(6 511)**	-
Impairment loss recognised on revaluation of buildings	(R'000)	**31 873**	1 085
Taxation effect of impairment loss recognised on revaluation of buildings	(R'000)	**(11 156)**	(380)
Impairment loss recognised on plant and equipment	(R'000)	**1 067**	-
Taxation effect of impairment loss recognised on plant and equipment	(R'000)	**(299)**	-
Reclassification to profit or loss of foreign currency translation reserve relating to discontinued operations	(R'000)	**-**	1 242
Headline (loss) earnings	(R'000)	**(29 171)**	67 592
Weighted average number of shares in issue	(000)	**95 629**	95 629
Headline (loss) earnings per share (basic)	**(cents)**	**(31)**	71
Diluted headline (loss) earnings per share is arrived at as follows:			
Headline (loss) earnings calculated above	(R'000)	**(29 171)**	67 592
Fully converted weighted average number of shares	(000)	**98 604**	95 629
Headline (loss) earnings per share (diluted)	**(cents)**	**(30)**	71

Headline earnings is calculated in accordance with *Circular 1/2019 Headline Earnings* issued by the South African Institute of Chartered Accountants.

		2020	Restated* 2019
Net asset value per share is arrived at as follows:			
Total capital and reserves	(R'000)	**3 503 778**	3 386 813
Number of shares in issue	(000)	**95 629**	95 629
Net asset value per share	**(cents)**	**3 664**	3 542

* Refer to restatements of prior periods in note 13.

Significant notes to the summarised consolidated financial results continued

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7. STATED CAPITAL

	2020 R'000	2019 R'000
Authorised		
100 000 000 (2019: 100 000 000) ordinary shares of no par value		
Issued		
95 629 385 (2019: 95 629 385) ordinary shares of no par value	**235 541**	232 499

8. CAPITAL EXPENDITURE COMMITMENTS

	2020 R'000	2019 R'000
Contracted	**8 262**	13 148
Authorised, but not contracted	**103 835**	60 830
Total capital expenditure commitments	**112 097**	73 978

This capital expenditure is to be financed from internal resources.

9. CONDENSED SEGMENTAL ANALYSIS

Information regarding the group's reportable segments is presented below in a manner consistent with information reported to the group's chief operating decision maker for purposes of resource allocation and assessment of segment performance.

The group conducts two main business operations:
Manufacturing, assembly, logistics and dealer sales operations
- OEM operations comprising manufacturing, assembly and sales of equipment and aftermarket products to independent dealers for their distribution to market.

Direct Sales operations
- owned distribution operations for direct sales of own manufactured products, other third party partner products and the supply of aftermarket support and products to market.

The accounting policies of the reportable segments are the same as the group's accounting policies.

Each reportable segment, except for the other operations and inter-segmental eliminations segment, derives its revenue from the sale of equipment and aftermarket products.

	External Revenue R'000	Inter-segment Revenue R'000	Total Revenue R'000	Operating (loss) profit R'000	Assets R'000	Liabilities R'000
December 2020						
Manufacturing, assembly, logistics and dealer sales operations						
South Africa	**1 072 892**	**3 169 922**	**4 242 814**	**(64 778)**	**4 159 869**	**3 357 809**
Europe	**2 321 332**	**249 894**	**2 571 226**	**(73 982)**	**1 988 767**	**1 440 074**
Direct Sales operations						
South Africa	**2 974 903**	**19 498**	**2 994 401**	**125 664**	**1 748 995**	**1 661 754**
Rest of Africa	**321 150**	**2 606**	**323 756**	**(17 791)**	**228 416**	**223 118**
Other operations and inter-segmental eliminations *	**-**	**(3 441 920)**	**(3 441 920)**	**66 505**	**(1 486 108)**	**(3 546 594)**
Total	**6 690 277**	**-**	**6 690 277**	**35 618**	**6 639 939**	**3 136 161**
December 2019 **						
Manufacturing, assembly, logistics and dealer sales operations						
South Africa	1 441 566	4 097 807	5 539 373	101 690	4 437 017	2 594 587
Europe	2 846 232	205 008	3 051 240	72 657	1 928 295	1 435 877
Direct Sales operations						
South Africa	3 153 072	13 806	3 166 878	22 835	2 013 156	1 928 992
Rest of Africa	382 299	4 630	386 929	48 476	295 059	272 524
Other operations and inter-segmental eliminations *	-	(4 321 251)	(4 321 251)	(27 175)	(1 645 648)	(2 590 914)
Total	7 823 169	-	7 823 169	218 483	7 027 879	3 641 066

Information about major customers
Included in the manufacturing, assembly, logistics and dealer sales operations segment, in South Africa and Europe, are sales to a distributor in the United States of America which represent more than 10% of the group's external revenue. No other single customer contributed 10% or more to the group's revenue in either 2020 or 2019.

* Inter-segmental eliminations above relate to the following:
- i) Revenue - the elimination of intra-group sales transactions, mainly sales from the manufacturing, assembly, logistics and dealer sales operations to other group operations.
- ii) Operating (loss) profit - the elimination of profit or loss on intra-group transactions, mainly sales transactions from the manufacturing, assembly, logistics and dealer sales operations to the other group operations, where the inventory has not yet been on-sold to a third party at period end.
- iii) Assets and liabilities - the intra-group transactions result in intra-group receivables and payables balances and furthermore intra-group loans are in place between certain group operations. These are eliminated on consolidation.

** The segment information has been adjusted for restatements as disclosed in note 13.

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

10. CONTINGENT ASSETS AND LIABILITIES

10.1 Contingent assets

10.1.1 Reimbursement right relating to standard warranty in respect of manufactured goods

As part of the standard conditions of sale, the group provides a standard warranty on manufactured equipment sold to the customer. In terms of the warranty policy the group undertakes to make good any defects for an average period of 12 months. At the time of the sale, the group raises a provision for the estimated expenditure required to settle the group's obligation based on past experience of the timing and value of this cost, which in certain circumstances extends beyond the 12 month period contained in the group's standard warranty policy. The group also raises a provision for warranty campaigns, at the time that a decision is made to launch a warranty campaign, based on the number of machines to be included in the campaign and the estimated expenditure required to be spent on each machine to rectify the particular defect.

The group has the right to recover certain warranty costs incurred on manufactured equipment from the group's component suppliers. The group recognises the reimbursement asset only when it is virtually certain that reimbursement will be received from the component supplier. In the group's judgement, the group's right to reimbursement is assessed as virtually certain when the group receives a valid warranty claim against the standard warranty policy from a customer and this is recognised as a financial asset under trade and other receivables. The amount included under trade and other receivables as at 31 December 2020 amounts to R8,5 million (2019: R5,2 million). Prior to the receipt of claims from customers, no reimbursement asset is recognised on the statement of financial position and the group only has a contingent asset which has been disclosed below:

	2020 R'000	Restated* 2019 R'000
Reimbursement right from component suppliers in respect of standard warranties where virtual certainty has not yet been established	**25 280**	22 290

* This contingent asset relates to the restatement of prior periods reflected in note 13.

10.2 Contingent liabilities

10.2.1 Third party warranties and indemnities

	2020 R'000	2019 R'000
Warranties and indemnities limited to USD3 million have been provided relating to the sale of assets of the DRC operation in 2018.	**44 057**	42 023

11. RELATED PARTY TRANSACTIONS

Information regarding significant transactions with related parties is presented below.
Transactions are carried out on an arms length basis.

	2020 R'000	2019 R'000
Shareholders		
John Deere Construction and Forestry Company		
- sales	**15 536**	20 075
- purchases	**334 575**	507 721
- amounts owing to as part of trade and other payables	**89 402**	68 899
- amounts owing by as part of trade and other receivables	**4 921**	3 834

12. FINANCIAL INSTRUMENTS

Categories of financial instruments included in the condensed consolidated statement of financial position:

Financial assets
- financial assets at fair value through profit or loss;
- financial assets at amortised cost; and
- financial assets at fair value through other comprehensive income.

Classification is determined by both the group's business model as well as the contractual cash flow characteristics of the asset.

Financial assets carried on the statement of financial position include cash and bank balances, investments, interest-bearing receivables, trade and other receivables and forward foreign exchange contracts.

Financial liabilities
- financial liabilities at fair value through profit or loss; and
- financial liabilities at amortised cost.

Financial liabilities as disclosed in the statement of financial position include interest-bearing liabilities, trade and other payables, refund liabilities, bank overdrafts and borrowings on call and forward foreign exchange contracts.

Fair value of financial instruments
Financial assets at amortised cost
Trade and other receivables and cash and bank balances are measured at amortised cost. The directors consider that the carrying amount of trade and other receivables and cash and bank balances approximates their fair value due to the short-term nature of these instruments. The directors consider that the carrying amount of interest-bearing receivables approximates their fair value owing to the market related interest rates charged on these agreements.

Financial liabilities at amortised cost
Trade and other payables, refund liabilities and bank overdrafts and borrowings on call are measured at amortised cost. The directors consider that the carrying amount of trade and other payables and bank overdrafts and borrowings on call approximates their fair value due to the short-term nature of these instruments. The directors consider that the carrying amount of interest-bearing liabilities approximates their fair value owing to the market related interest rates on these instruments. The directors consider that the carrying amount of refund liabilities approximates their fair value based on the assessment of expected market values to be realised on machines and the related discount rate utilised to determine the present value of the liability.

Financial assets and liabilities at fair value through profit or loss
Financial assets and liabilities carried at fair value through profit or loss include forward foreign exchange contracts presented in the statement of financial position as other financial assets or liabilities. The group measures forward foreign exchange contracts at fair value on a recurring basis based on the market approach, using inputs other than quoted prices (Level 2). The fair value of these contracts is based on observable forward exchange rates at year-end from an independent provider of financial market data.

The details, including the inputs, of these contracts held at 31 December 2020 are listed below:

	Foreign amount 000	Rate R	Market value in Rands R'000	Fair value gain (loss) R'000
2020				
Import contracts				
British Pound	**497**	**20,42**	**10 012**	**(147)**
Euro	**6 735**	**18,27**	**122 021**	**(1 009)**
Japanese Yen	**414 505**	**6,52**	**59 391**	**(4 160)**
United States Dollar	**5 208**	**15,90**	**76 742**	**(6 089)**
Export contracts				
Euro	**4 482**	**18,97**	**81 182**	**3 842**
United States Dollar	**3 044**	**15,53**	**44 840**	**2 427**
2019				
Import contracts				
Japanese Yen	322 531	7,29	41 926	(2 288)
Export contracts				
Euro	3 344	16,58	52 919	2 532
United States Dollar	360	14,89	5 070	298

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

12. FINANCIAL INSTRUMENTS continued

Investments at fair value through other comprehensive income

Investments carried at fair value through other comprehensive income include listed and unlisted equity instruments. These investments are measured at fair value on a recurring basis. The fair value of listed investments is based on quoted market prices (Level 1).

For its unlisted investment (Level 3), the group used the market approach to estimate the fair value of its investment as the group does not have access to future forecast information with regards to the investment entity. The unlisted entity operates within the dealer and distribution network of the heavy equipment industry.

In estimating the fair value, the group used an average price to book ratio of 2,23 (December 2019: 1,99) applied to the estimated net asset value of the entity as at 31 December 2020. The price to book ratio of 2,23 (December 2019: 1,99) represents an average of observable price to book ratios of a number of entities within the heavy equipment industry. The price to book ratios were obtained from a reputable market database. For a 10% increase in the price to book ratio, there would have been a 10% increase in the fair value of the investment. The fair value gain of R4,0 million (December 2019: R6,9 million) was accounted for in other comprehensive income.

A reconciliation of this investment is presented below:

	2020 R'000	2019 R'000
Opening balance	**22 598**	16 661
Translation difference	**3 158**	(919)
Fair value gains recognised in other comprehensive income	**3 998**	6 856
Closing balance	**29 754**	22 598

Valuation techniques and fair value hierarchy

There was no change in the valuation techniques used for forward foreign exchange contracts (Level 2) and listed (Level 1) and unlisted investments (Level 3).

For all fair value measurements disclosed above, there were no transfers between levels of the fair value hierarchy during the year.

13. PRIOR PERIOD RESTATEMENTS

In the current year the group corrected the following errors:

1. **Provision for standard warranty costs recognised on gross basis**
   A standard warranty is provided by the group to customers as a standard condition of sale on manufactured machines. The provision for standard warranty costs for machines manufactured by the group was previously recognised on a net basis, based on the group's best estimate of the expenditure required to settle the group's obligation net of expected recoveries from third party component suppliers. This has been corrected in the current year to recognise the group's obligations to customers on manufactured machines on a gross basis, without a reduction in the provision for the amounts expected to be recovered from third party component suppliers. A receivable is recognised for the recovery of warranty costs from these component suppliers only when there is virtual certainty that reimbursement will be received. In the group's judgement, virtual certainty exists at the point in time when a valid claim against the group's warranty policy is received from a customer.

2. **Provision for standard warranty costs on manufactured machines beyond 12 months**
   The calculation of the standard warranty provision has been corrected in the current year to recognise that although the group's standard warranty policy on manufactured machines is generally for a period of 12 months after the sale of manufactured machines, past experience reflects that certain customer warranty claims are settled by the group beyond this period and that there is therefore a constructive obligation, in certain circumstances, beyond 12 months after the sale of machines. The corrected standard warranty provision represents the present value of the group's best estimate of the future expenditure required to settle the group's standard warranty obligation on machines sold based on past experience of the value and timing of these costs. Previously, the standard warranty provision was based on the 12 month period in the standard warranty policy and conditions of sale.

3. **Warranty repair work in progress**
   Warranty repair work in progress that was recognised as inventory by subsidiaries at the end of the reporting period, in respect of warranty claims received from customers, was previously recognised as inventory in the consolidated statement of financial position and was not adjusted on consolidation. This has been corrected in the current year and the warranty repair work in progress at year end at subsidiaries has been adjusted on consolidation to reallocate this to the standard warranty provision or to warranty expenses, as applicable.

4. **Non-controlling interest**
   The non-controlling interest (NCI) has been corrected in the current year for the following:
   - the impact of a measurement error on initial recognition (R11,2 million increase in NCI).
   - the impact of the correction of errors relating to the standard warranty provision on the relevant group operation (R5,9 million decrease in NCI).

5. **Contract assets**
   Recoverable service and repair work in progress on customer machines of R28,0 million at 31 December 2019 (2018: R22,8 million) was recognised as contract assets in the current year. This was previously incorrectly classified as inventory.

6. **Interest-bearing receivables in statement of cash flows**
   Net cash inflows of R11,6 million for the year ended 31 December 2019 from interest-bearing receivables, relating to the WesBank cash collateral, were included as part of operating activities in the consolidated statement of cash flows. Previously these cash flows were incorrectly classified as investing activities.

Prior periods have been restated accordingly.

Significant notes to the summarised consolidated financial results continued

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13. PRIOR PERIOD RESTATEMENTS continued

The restatement adjustments relating to the correction of the above errors are as follows:

13.1 The following items within the condensed consolidated statement of financial position were impacted by the correction of the prior period errors and reclassifications:

as at 31 December 2019	As previously reported R'000	Correction of errors R'000	Reclassifications (note 14) R'000	**Restated R'000**
ASSETS				
Non-current assets	1 634 289	19 873	-	**1 654 162**
Deferred taxation	149 977	19 873	-	**169 850**
Current assets	5 397 683	(23 966)	-	**5 373 717**
Inventory	4 177 461	(52 001)	-	**4 125 460**
Contract assets	-	28 035	-	**28 035**
TOTAL ASSETS	7 031 972	(4 093)	-	**7 027 879**
EQUITY AND LIABILITIES				
Capital and reserves	3 437 916	(51 103)	-	**3 386 813**
Retained earnings	2 474 020	(56 400)	-	**2 417 620**
Attributable to owners of Bell Equipment Limited	3 433 780	(56 400)	-	**3 377 380**
Non-controlling interest	4 136	5 297	-	**9 433**
Non-current liabilities	566 864	27 455	-	**594 319**
Provisions	1 996	27 455	-	**29 451**
Current liabilities	3 027 192	19 555	-	**3 046 747**
Trade and other payables	1 034 349	-	(45 936)	**988 413**
Current portion of contract liabilities	130 760	-	29 151	**159 911**
Current portion of refund liabilities	-	-	16 785	**16 785**
Current portion of provisions	73 488	19 555	-	**93 043**
TOTAL EQUITY AND LIABILITIES	7 031 972	(4 093)	-	**7 027 879**
as at 1 January 2019				
ASSETS				
Non-current assets	1 344 560	16 149	-	**1 360 709**
Deferred taxation	127 820	16 149	-	**143 969**
Current assets	5 183 673	(14 879)	-	**5 168 794**
Inventory	3 905 188	(37 718)	-	**3 867 470**
Contract assets	-	22 839	-	**22 839**
TOTAL ASSETS	6 528 233	1 270	-	**6 529 503**
EQUITY AND LIABILITIES				
Capital and reserves	3 371 509	(42 411)	-	**3 329 098**
Retained earnings	2 440 926	(47 708)	-	**2 393 218**
Attributable to owners of Bell Equipment Limited	3 352 836	(47 708)	-	**3 305 128**
Non-controlling interest	18 673	5 297	-	**23 970**
Non-current liabilities	606 095	26 189	-	**632 284**
Provisions	33 324	26 189	-	**59 513**
Current liabilities	2 550 629	17 492	-	**2 568 121**
Trade and other payables	1 142 521	-	(47 461)	**1 095 060**
Current portion of contract liabilities	135 243	-	36 074	**171 317**
Current portion of refund liabilities	-	-	11 387	**11 387**
Current portion of provisions	70 947	17 492	-	**88 439**
TOTAL EQUITY AND LIABILITIES	6 528 233	1 270	-	**6 529 503**

13. PRIOR PERIOD RESTATEMENTS continued

13.2 The condensed consolidated statement of profit or loss was impacted by the correction of the prior period errors:

December 2019	As previously reported R'000	Correction of errors R'000	**Restated R'000**
Revenue	7 823 169	-	**7 823 169**
Cost of sales	(6 363 309)	(12 078)	**(6 375 387)**
Gross profit	1 459 860	(12 078)	**1 447 782**
Other operating income	188 995	-	**188 995**
Distribution costs	(792 747)	-	**(792 747)**
Administration expenses	(113 361)	-	**(113 361)**
Factory operating expenses	(512 186)	-	**(512 186)**
Profit from operating activities	230 561	(12 078)	**218 483**
Interest expense	(166 157)	-	**(166 157)**
Interest income	54 198	-	**54 198**
Profit before taxation	118 602	(12 078)	**106 524**
Taxation expense	(57 647)	3 386	**(54 261)**
Profit for the year	60 955	(8 692)	**52 263**

13.3 The condensed consolidated statement of cash flows was impacted by the correction of the prior period errors and reclassifications:

December 2019	As previously reported R'000	Correction of errors R'000	Reclassifications (note 14) R'000	**Restated R'000**
Cash operating profit before working capital changes	618 958	(1 221)	(1 525)	**616 212**
Cash utilised in working capital	(673 815)	12 818	1 525	**(659 472)**
Total cash generated from (utilised in) operations	(54 857)	11 597	-	**(43 260)**
Net cash utilised in investing activities	(134 350)	(11 597)	-	**(145 947)**
Within which the following were impacted:				
Interest-bearing receivables repaid	25 035	(25 035)	-	**-**
Interest-bearing receivables advanced	(13 438)	13 438	-	**-**

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

13. PRIOR PERIOD RESTATEMENTS continued

13.4 The segmental analysis was impacted by the correction of the prior period errors:

Operating profit (loss)	As previously reported R'000	Correction of errors R'000	**Restated R'000**
December 2019			
Manufacturing, assembly, logistics and dealer sales operations			
South Africa	112 547	(10 857)	**101 690**
Europe	82 799	(10 142)	**72 657**
Direct Sales operations			
South Africa	27 217	(4 382)	**22 835**
Rest of Africa	48 633	(157)	**48 476**
Other operations and inter-segmental eliminations	(40 635)	13 460	**(27 175)**
Total	230 561	(12 078)	**218 483**

Segment assets	As previously reported R'000	Correction of errors R'000	**Restated R'000**
December 2019			
Manufacturing, assembly, logistics and dealer sales operations			
South Africa	4 418 725	18 292	**4 437 017**
Europe	1 910 843	17 452	**1 928 295**
Direct Sales operations			
South Africa	2 002 923	10 233	**2 013 156**
Rest of Africa	294 794	265	**295 059**
Other operations and inter-segmental eliminations	(1 595 313)	(50 335)	**(1 645 648)**
Total	7 031 972	(4 093)	**7 027 879**

Segment liabilities	As previously reported R'000	Correction of errors R'000	**Restated R'000**
December 2019			
Manufacturing, assembly, logistics and dealer sales operations			
South Africa	2 529 257	65 330	**2 594 587**
Europe	1 377 144	58 733	**1 435 877**
Direct Sales operations			
South Africa	1 892 444	36 548	**1 928 992**
Rest of Africa	271 637	887	**272 524**
Other operations and inter-segmental eliminations	(2 476 426)	(114 488)	**(2 590 914)**
Total	3 594 056	47 010	**3 641 066**

13. PRIOR PERIOD RESTATEMENTS continued

13.5 The earnings per share and headline earnings per share were impacted by the correction of the prior period errors:

December 2019		As previously reported	Correction of errors	Restated
Earnings per share (basic)				
Profit attributable to owners of Bell Equipment Limited	(R'000)	75 492	(8 692)	**66 800**
Weighted average number of shares in issue	(000)	95 629	95 629	**95 629**
Earnings per share (basic)	**(cents)**	79	(9)	**70**
Earnings per share (diluted)				
Profit attributable to owners of Bell Equipment Limited	(R'000)	75 492	(8 692)	**66 800**
Fully converted weighted average number of shares	(000)	95 629	95 629	**95 629**
Earnings per share (diluted)	**(cents)**	79	(9)	**70**
Headline earnings per share (basic)				
Profit attributable to owners of Bell Equipment Limited	(R'000)	75 492	(8 692)	**66 800**
Net surplus on disposal of property, plant and equipment and intangible assets	(R'000)	(1 544)	-	**(1 544)**
Taxation effect of net surplus on disposal of property, plant and equipment and intangible assets	(R'000)	389	-	**389**
Impairment loss recognised on revaluation of buildings	(R'000)	1 085	-	**1 085**
Taxation effect of impairment loss recognised on revaluation of buildings	(R'000)	(380)	-	**(380)**
Reclassification to profit or loss of foreign currency translation reserve relating to discontinued operations	(R'000)	1 242	-	**1 242**
Headline earnings	(R'000)	76 284	(8 692)	**67 592**
Weighted average number of shares in issue	(000)	95 629	95 629	**95 629**
Headline earnings per share (basic)	**(cents)**	80	(9)	**71**
Headline earnings per share (diluted)				
Headline earnings	(R'000)	76 284	(8 692)	**67 592**
Fully converted weighted average number of shares	(000)	95 629	95 629	**95 629**
Headline earnings per share (diluted)	**(cents)**	80	(9)	**71**

13.6 The net asset value per share was impacted by the correction of the prior period errors:

December 2019		As previously reported	Correction of errors	Restated
Net asset value per share				
Total capital and reserves	(R'000)	3 437 916	(51 103)	**3 386 813**
Number of shares in issue	(000)	95 629	95 629	**95 629**
Net asset value per share	**(cents)**	3 595	(53)	**3 542**

Significant notes to the summarised consolidated financial results continued

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14. PRIOR PERIOD RECLASSIFICATIONS

In the current year the group made reclassifications relating to the following. Prior period amounts were also reclassified.

14.1 Contract liabilities

In the current year the group reviewed its presentation of advance receipts from customers. As a result of this review, in the current year advance receipts of R29,2 million at 31 December 2019 (2018: R36,1 million) from customers on sales contracts were reclassified to contract liabilities to provide comparability. The advance receipts from customers reflect the group's obligation to transfer goods or services to customers which is the nature of a contract liability. Previously this was classified as trade and other payables. The reclassification had no impact on the group's statement of profit or loss and other comprehensive income and statement of changes in equity.

14.2 Refund liabilities

In certain instances, customers have the right to return parts that are not required within a specified period. In the current year the group reviewed its presentation of the liabilities in respect of the right to return parts. As a result of this review, in the current year these liabilities in respect of right to return parts of R16,8 million at 31 December 2019 (2018: R11,4 million) were reclassified to refund liabilities to provide comparability. These liabilities represent the group's obligation to refund the customers where parts are returned which is the nature of a refund liability. This was previously classified as trade and other payables. The reclassification had no impact on the group's statement of profit or loss and other comprehensive income and statement of changes in equity.

The reclassifications have been disclosed in note 13.

15. CONTRACT LIABILITIES

	2020 R'000	Restated* 2019 R'000
Contract liabilities consist of the following:		
Advance receipts from customers *	**52 041**	29 151
Deferred warranty income	**141 539**	138 762
Deferred service contract income	**81 701**	64 404
Deferred finance income liability	**60 109**	40 923
	335 390	273 240
Less: current portion	**(209 562)**	(159 911)
Long-term portion	**125 828**	113 329

* Refer to reclassifications of prior periods in note 13 and note 14.

16. REFUND LIABILITIES

16.1 Refund liabilities relating to residual value risk - De Lage Landen International

In terms of an agreement between the group and a financial institution, De Lage Landen International, lease agreements with booked residual values have been offered by the financial institution to the group's customers in certain countries. The group has provided residual value guarantees to the financial institution in the form of a residual value risk pool. An amount of R72,4 million was included in refund liabilities at year end relating to the expected loss on sales transactions concluded with these residual value guarantees. This provision is carried at amortised cost and the charge has been debited to revenue. Management has exercised judgement in assessing the market values expected to be realised on the return of the machines at the end of the lease periods and the provision represents the difference between these expected market values and the residual values guaranteed to the financial institution.

16.2 Transactions with credit risk undertakings

16.2.1 WesBank - credit risk

The group has assisted customers with the financing of equipment purchased through a financing venture with WesBank, a division of FirstRand Bank Limited.

In respect of the different categories of financing provided by WesBank, the group carries certain credit risks. For Bell-backed transactions, on which the group is liable for all the credit risk, 25% cash collateral on the capital and arrears balance on the portfolio is required to be invested with WesBank. On initial recognition of revenue, an assessment of the transaction price is performed and revenue is recognised to the extent that it is highly probable that reversal of revenue will not occur in future periods. The security that the group and WesBank has in the financed equipment is taken into consideration in this assessment. A refund liability to WesBank is recognised for the portion of the transaction price not recognised in revenue. Based on the group's history of Bell-backed sales transactions, the rate of customer default is low and in the group's judgement the likelihood of reversal of revenue is insignificant.

Subsequent to initial recognition, where customers are in arrears with WesBank and there is a shortfall between the estimated realisation values of the equipment and the balances due by the customers to WesBank, an assessment of any additional security is done on an individual contract basis, an expected credit loss assessment is done on the cash collateral and a refund liability is recognised to the extent of the group's liability towards WesBank. A corresponding right of recovery asset is recognised for the value of the equipment held as security where the group anticipates repossession of the machine. In assessing the group's credit risk exposure to these transactions, the group also uses an expected default rate based on historical trends and forward looking information to measure expected credit losses on a portfolio basis. The inputs and indicators taken into account when measuring the expected credit losses are the same as for trade receivables.

Bell-backed

The group is liable for all credit risk and therefore the full balance due to WesBank by default customers with regard to Bell-backed deals.

	2020 R'000	2019 R'000
At period end the group's credit risk exposure to WesBank under Bell-backed deals, for which the group carries all the credit risk, totalled	**165 612**	222 332
In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liabilities	**262 802**	272 851
	(97 190)	(50 519)
Less: allowance for expected credit losses against cash collateral	**(4 319)**	(2 046)
Net credit risk relating to WesBank Bell-backed transactions	**-**	-

In the current year a number of customers on the Bell-backed portfolio applied for and were granted payment moratoriums for a three-month period as a result of the impact of COVID-19 on their businesses. In almost all cases, customers resumed normal repayments during the second half of 2020.

All customer balances in the portfolio were assessed on the basis described above and an additional allowance for expected credit losses of R2,3 million was made against the cash collateral at the end of the reporting period. Based on the insignificant historical loss rate on Bell-backed transactions, market conditions, market prices which are expected to be realised for the equipment held as security, in respect of which the exchange rate and the weak South African Rand is a significant factor, management concluded that the risk of expected credit losses on a portfolio basis was reduced to an insignificant amount.

Significant notes to the summarised consolidated financial results continued

for the year ended 31 December 2020

17. IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

IAS 36 Impairment of Assets

In terms of *IAS 36 Impairment of Assets* the group is required to perform tests for impairment of assets based on the expected future cash flows pertaining to these assets whenever there is an indication that these assets may be impaired.

At 31 December 2020 the market capitalisation and net asset value of the group were R0,6 billion and R3,5 billion respectively. This is an indicator of possible impairment in terms of IAS 36. In addition, the impact of COVID-19 is also an indicator of possible impairment.

Consequently, the following steps were followed to assess assets for impairment:
1. The identification of the group's cash generating units was reviewed and confirmed.
2. Discounted cash flow valuation principles were applied in assessing the expected future cash flows pertaining to assets in the main cash generating unit of the group, which encompasses the manufacturing, logistics and dealer sales operations.
3. The key assumptions used in the valuations performed on the operations comprising the main cash generating unit were financial forecasts, cash flow projections, terminal growth rates and discount rates. The financial forecasts and cash flow projections were approved by the board of directors. Specialists were engaged to determine appropriate discount rates and terminal growth rates, to review the appropriateness of the valuation methodology applied and the accuracy of implementation thereof by management.
4. The assets in each of the remaining group operations were assessed for indicators of impairment.

Key inputs into the valuations performed on the operations comprising the main cash generating unit of the group were as follows:
- financial forecasts, the key input to which is the sales volumes forecast by market.
- discount rates and terminal growth rates of the operations as described below:

	Weighted Average Cost of Capital		Terminal
	Low %	High %	growth rate %
Manufacturing operations			
- BECSA	13,5	14,8	4,5
- Kindel	5,8	6,3	2,0
Logistics operations			
- Alsfeld	6,0	6,6	2,0
- Bell Equipment North America Inc. (BENA)	8,0	8,7	2,0
OEM			
- BEGS	15,4	16,7	4,5

In respect of the discount rates, key inputs into the cost of equity and after tax cost of debt were:
- Small stock premium – considerations were the diversification of the group that operates across a number of jurisdictions with a diversified customer base, the substantial market share in South Africa, the governance in place being a listed entity, and the level of gearing. A small stock premium of 0% was applied and model sensitivity was tested at a premium of 1%.
- Risk free rate – nominal risk free rates were applied as follows:
  - BECSA and BEGS – 8,73% based on the yield of the R2030 South African Government bond as at year end;
  - Kindel and Alsfeld – 0,19% based on the average yield on various long term Euro denominated German Government bonds at year end;
  - BENA - 1,45% based on the yield on the US 20 year treasury bonds at year end.
- Market risk premium – a market risk premium of 6,5% was used for all entities. The US and European market risk premiums were increased by 50 basis points to compensate for the unusually low risk free rates in these markets.
- Beta co-efficient for BECSA and BEGS of 1,08, for BENA of 1,09 and for Kindel and Alsfeld of 1,07 were used.
- Company specific risk premiums, taking into consideration the business models and risks of the businesses, of in the range of minus 5% to 5% for BECSA and Kindel, in the range of 10% to 20% for BEGS and BENA and in the range of 0% to 10% for Alsfeld, were applied.
- Cost of debt - a credit spread of 2%, taking into account the actual cost of external borrowings as well as market comparators, was added to the respective risk free rates.
- A capital structure of 80% equity and 20% debt was assumed.
- The prevailing corporate tax rates in the respective jurisdictions were used.

Terminal growth rates were benchmarked against respective long-term inflation rates that are inherent in the applied risk free rates. Inflation and other macroeconomic data was obtained from independent analyst reports.

The recoverable amount of the cash generating unit was determined as R2,2 billion.

No impairment losses relating to specific cash generating units were identified from this review.

Further considerations given to impairment of assets are set out below.

17.1 Inventory

The group conducted a detailed assessment of the valuation of inventory at 31 December 2020. All inventory is valued at the lower of cost and net realisable value. Included in cost of sales in the current year is an amount of R111,0 million (2019: R77,9 million) in respect of write-downs of inventory.

17. IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020 continued

IAS 36 Impairment of Assets continued

17.1 Inventory continued

The following steps and considerations were taken by management as part of its assessment to determine if inventories were impaired:

- inventory was categorised by type (new equipment, used equipment and parts by product), ageing and market into which the inventory is expected to be sold.
- the impact on net realisable value of inventory as a result of lower than expected sales and reduced movement in certain categories of inventory.
- the impact of exchange rates on net realisable values of certain categories of equipment in certain markets.

17.2 Trade and interest-bearing receivables

The balances owed by customers to the group are reviewed on an ongoing basis, with specific emphasis on protecting the value of the group's security, comprising mainly the financed equipment. The group measures the allowance for expected credit losses by assessing each customer balance for a specific allowance for expected credit losses and, for balances where no specific allowance was raised, a general allowance for expected credit losses is calculated based on a collective assessment. There has been no change to this approach during the current period. Management considered the likely impact of the current weak economic and market conditions on the expected loss rates for receivables and concluded that no significant increase in the provision on a portfolio basis is required. Steps and considerations taken by management as part of the forward-looking assessment to determine if the expected credit losses were negatively affected by current conditions included the following:

- The market prices being realised and expected to be realised for capital equipment in the South African market.
- The impact of the weaker Rand on the selling prices of capital equipment in South Africa.
- The robustness of the group's processes to inspect, service and maintain equipment held as security for outstanding receivables.
- The status and prospects of the revenue generating contracts on which the financed equipment is being used by the customers with significant outstanding balances and the industries in which those customers are operating.
- The status of cash conversion on customer accounts, including parts accounts.

At 31 December 2020, an amount of approximately R66,6 million reflected in interest-bearing receivables was outstanding from a single customer in South Africa. The balance was renegotiated and the repayment terms have been extended during the year and no allowance for expected credit loss was raised against this receivable as management assessed that there is sufficient value in the financed machines to cover the outstanding debt.

17.3 Property, plant and equipment

In the current year the group recognised an impairment loss of R31,9 million (2019: R1,2 million) on the revaluation of land and buildings in Kitwe, Zambia. This relates to a recently constructed customer service centre in Zambia and the impairment is the result of the current market and economic conditions in that country. The book value of the property was adjusted. A loss of R31,9 million (2019: R1,2 million) was recognised on the buildings and charged to profit or loss as there was no revaluation reserve in respect of this. A loss of R0,1 million (2019: R0,1 million) was recognised on the freehold land and was debited to the revaluation reserve through other comprehensive income. The impairment loss is included in the Rest of Africa segment.

All of the group's businesses are operational and management does not anticipate that the effects of the pandemic and generally weak conditions will have a lasting impact on the productivity of property, plant and equipment. Sales and production volumes are expected to return to normal trading levels in the medium term and the group's longer-term plans and forecasts remain largely unchanged. The group plans to use its assets to support revenue generating activities and no significant lasting impact on the planned productivity of these assets is envisaged. No further impairment of these assets was therefore considered necessary.

17.4 Intangible assets

As a result of cost containment measures and the decision to focus on fewer, key development projects, a review was conducted of capitalised engineering development costs and projects to the value of R23,3 million (2019: Rnil) were discontinued and impaired. The impairment was recognised in the statement of profit or loss. The impairment loss is included in the South African manufacturing and logistics segment.

17.5 Directors' assessment of going concern

As part of the assessment of the appropriateness of adopting the going concern basis in preparing the consolidated annual financial statements for the year ended 31 December 2020, the directors considered the group's cash flow forecasts for the next twelve months. These forecasts are based on expected demand for the next 12 months. The cash flow forecast reflects that the group expects to operate within facility levels and to generate sufficient cash flows to settle its obligations when due.

The group's net debt at 31 December 2020 has improved since 2019 to approximately R1,2 billion (31 December 2019: R1,8 billion). Subsequent to year end the IDC working capital facility reduced from R750 million to R550 million. This facility reduction has been taken into consideration in the cash flow forecasts referred to above. The group's lenders continue to support the business.

The directors consider it appropriate that the year-end financial statements are prepared on a going concern basis.

The board will continue to monitor the impact of the pandemic and the resulting weak economic and market conditions on the group's operations and its financial position. The focus will remain on cash preservation and working capital management.

Significant notes to the summarised financial results continued

for the year ended 31 December 2020

18. DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

The information in respect of directors' and prescribed officers' remuneration is included in the Remuneration Committee Report on page 49.

The details of the number of unexercised share options and phantom share awards held by directors and prescribed officers at the end of the year is included in the Remuneration Committee Report on pages 50 to 52.

19. POST FINANCIAL POSITION EVENTS

19.1 Change in South African corporate tax rate

On 24 February 2021 the Finance Minister announced a reduction in the South African corporate tax rate on companies from 28% to 27% effective for years of assessment commencing on or after 1 April 2022. Management has calculated an impact of approximately R5,3 million for the group and concluded that it is not significant.

19.2 Finalisation of John Deere arrangement, JCB construction equipment distribution agreement and non-binding expression of interest by IA Bell & Company

From March 2021 Bell transitioned to a non-exclusive John Deere dealer arrangement to allow John Deere to engage with and start appointing additional dealers. The group will continue to distribute John Deere products until January 2023 and will provide aftermarket, technical and product support to customers for a further 10 years thereafter.

Post the financial year end, the group has been appointed as the distributor for the full range of JCB construction products in South Africa effective 1 May 2021. This change presents an exciting and important opportunity to reinvigorate the product lines affected by the changes in relationship with John Deere, as well as additional products, and will enable the group to be better positioned as a full line distributor in this important market. JCB is the world's third largest construction equipment brand by volume and has a rich history in South Africa spanning more than 40 years.

In addition to changes to the group's strategic partnership with John Deere, in early November 2020 the company was notified by IA Bell & Company, a 38,7% shareholder in the company, that it had entered into a formal binding agreement to acquire John Deere's 31,37% shareholding in the company, conditional on the fulfilment of certain conditions precedent.

On 9 March 2021, the company received notification of a non-binding expression of interest from IA Bell & Company in respect of a possible transaction to acquire the entire issued ordinary share capital of Bell Equipment Limited not already held by or to be acquired by IA Bell & Company if the John Deere transaction outlined above is implemented, by way of a scheme of arrangement in terms of section 114 of the Companies Act, subject to the fulfilment of certain conditions precedent, and further subject to the John Deere transaction becoming unconditional and being implemented.

In regard to these two possible transactions shareholders are referred to the company's relevant announcements published on SENS.

Shareholders will be informed if and when the company receives a binding firm intention offer from IA Bell & Company to acquire the entire issued ordinary share capital of the company, and the company will continue to comply with the JSE Listings Requirements and will comply with the Takeover Regulation Panel requirements, to the extent applicable, in this regard.

No other fact or circumstance material to the appreciation of these summarised consolidated financial statements has occurred between 31 December 2020 and the date of this report.

20. INDEPENDENT AUDITOR'S REPORT

Deloitte & Touche the group's independent auditor, has audited the consolidated annual financial statements of Bell Equipment Limited and its subsidiaries (the group) from which the summarised consolidated results contained in this report have been derived, and has expressed an unmodified audit opinion (including key audit matters) on the consolidated annual financial statements. The summarised consolidated financial results comprise the summarised consolidated statement of financial position at 31 December 2020, the summarised consolidated statement of profit and loss, the summarised consolidated statement of profit or loss and other comprehensive income, the summarised consolidated statement of cash flows, the summarised consolidated statement of changes in equity, for the year then ended and selected explanatory notes. A copy of the auditor's report is available for inspection at the group's registered office and on the company's website at www.bellir.co.za. The auditor's report does not necessarily report on all of the information contained in the summarised consolidated annual results. Shareholders are therefore advised to obtain a copy of the auditor's report together with the accompanying financial information from the group's registered office or from the company's website at www.bellir.co.za.

Shareholder analysis

Register date: 31 December 2020
Issued share capital: 95 629 385

	Number of shareholdings	%	Number of shares	%
SHAREHOLDER SPREAD				
1 - 1,000 shares	1 008	65,63	187 426	0,20
1,001 - 10,000 shares	354	23,05	1 358 431	1,42
10,001 - 100,000 shares	132	8,59	4 418 156	4,62
100,001 - 1,000,000 shares	34	2,21	11 910 265	12,45
1,000,001 shares and over	8	0,52	77 755 107	81,31
Totals	**1 536**	**100,00**	**95 629 385**	**100,00**
DISTRIBUTION OF SHAREHOLDERS				
Banks/Brokers	27	1,76	7 142 168	7,47
Close Corporations	15	0,98	3 136 858	3,28
Endowment Funds	6	0,39	35 078	0,04
Individuals	1 327	86,39	4 507 951	4,71
Insurance Companies	8	0,52	1 859 653	1,95
Investment Company	1	0,06	20 000	0,02
Medical Schemes	1	0,06	70 000	0,07
Mutual Funds	23	1,50	9 142 311	9,56
Other Corporations	5	0,33	50 935	0,05
Bell Equipment Share Scheme	1	0,06	32 233	0,03
Private Companies	29	1,89	37 339 073	39,05
Public Companies	2	0,13	30 000 001	31,37
Retirement Funds	37	2,41	1 915 870	2,00
Trusts	54	3,52	377 254	0,40
Totals	**1 536**	**100,00**	**95 629 385**	**100,00**
PUBLIC/NON-PUBLIC SHAREHOLDERS				
Non - Public Shareholders	**9**	**0,52**	**67 361 564**	**70,44**
Directors of the Company	4	0,26	287 238	0,30
Associates of the Company	2	0,13	2 000	0,01
Bell Equipment Share Scheme	1	0,07	32 233	0,03
Strategic Holders of more than 10%	2	0,13	67 040 093	70,10
Public Shareholders	**1 527**	**99,48**	**28 267 821**	**29,56**
Totals	**1 536**	**100,00**	**95 629 385**	**100,00**
RESIDENT/NON-RESIDENT				
Resident	1 491	97,07	58 977 395	61,67
Non-resident	45	2,93	36 651 990	38,33
Totals	**1 536**	**100,00**	**95 629 385**	**100,00**
TOP 10 BENEFICIAL SHAREHOLDERS				
I A Bell And Company (Pty) Ltd			37 040 093	38,73
John Deere			30 000 000	31,37
Ninety One			3 654 733	3,82
Allan Gray			3 167 648	3,31
Sanlam			3 031 515	3,17
Clark, IAJ			3 025 000	3,16
Pershing			1 950 503	2,04
UBS (Custodian)			1 021 622	1,07
Alexander Forbes Investments			790 348	0,83
Gilmour, S			696 111	0,73
Totals			**84 377 573**	**88,23**
TOP 10 INSTITUTIONAL SHAREHOLDERS				
Allan Gray Asset Management			5 858 427	6,13
Investec Asset Management			3 994 801	4,18
Sanlam Investment Management			3 031 515	3,17
Pershing Llc			1 950 503	2,04
UBS (Custodian)			1 021 622	1,07
HSBC Trinkaus & Burkhardt AG (Custodian)			682 300	0,71
Lombard Odier & Cie			614 946	0,64
Clearstream Banking SA Luxembourg			526 378	0,55
Citibank (Custodian)			452 550	0,47
State Street Bank & Trust Co (Custodian)			409 397	0,43
Totals			**18 542 439**	**19,39**

Shareholder analysis continued

		Indirect	Number of shares	%
BREAKDOWN OF NON-PUBLIC HOLDINGS				
Directors				
Bell, GW	Chairman	**25 000**	**253 600**	**0,27**
Associate		25 000		
Goosen, L	CEO		**4 040**	**0,00**
Bell, AJ	Non-executive director		**2 598**	**0,00**
Mayer, A	Subsidiary director		**2 000**	**0,00**
Totals			**262 238**	**0,27**
ASSOCIATES OF THE COMPANY				
Harie, B	Shareholder in subsidiary		**1 000**	**0,00**
Mabaso-Koyana, SN	Shareholder in subsidiary		**1 000**	**0,00**
Totals			**2 000**	**0,00**
BELL EQUIPMENT SHARE SCHEME				
Bell Equipment			32 233	0,03
Totals			**32 233**	**0,03**
STRATEGIC HOLDERS OF MORE THAN 10%				
I A Bell And Company (Pty) Ltd			37 040 093	38,73
John Deere			30 000 000	31,37
Totals			**67 040 093**	**70,10**

	Number of shareholdings	%	Number of shares	%
RESIDENT/NON-RESIDENT SPLIT				
South Africa	1 491	97,08	58 977 395	61,67
United States	9	0,59	32 832 750	34,33
United Kingdom	6	0,39	1 119 062	1,17
Switzerland	4	0,26	817 300	0,85
Germany	3	0,20	837 400	0,88
Luxembourg	2	0,13	536 378	0,56
Namibia	7	0,46	182 570	0,19
Swaziland	2	0,13	141 960	0,15
France	2	0,13	116 500	0,12
Netherlands	1	0,06	45 500	0,05
New Zealand	5	0,33	13 600	0,02
Mauritius	1	0,06	3 000	0,00
Australia	1	0,06	4 200	0,00
Zambia	1	0,06	1 500	0,00
Botswana	1	0,06	270	0,00
Totals	**1 536**	**100,00**	**95 629 385**	**100,00**

Shareholder diary

Financial year-end	31 December
Integrated annual report	April 2021
Annual general meeting	18 June 2021
Interim results announcement	September 2021

Remuneration committee report

The Bell Equipment Limited remuneration committee ("the committee") report for the year ended 31 December 2020 sets out matters pertaining to the group's remuneration policy, together with its implementation and governance protocols which are traversed across the following four sections:

SECTION 1: committee governance
SECTION 2: background statement
SECTION 3: 2020 remuneration policy
SECTION 4: 2020 implementation report

SECTION 1

Committee governance

The committee operates in accordance with a board approved mandate as contained in its terms of reference. However, the board is ultimately responsible for remuneration policy and will refer matters to shareholders for approval when required.

The committee has conducted its affairs in compliance with its terms of reference, which are reviewed annually, and has discharged its responsibilities in accordance therewith. The board accepted all the recommendations made by the committee during the year and the committee's terms of reference continue to be subject to the provisions of the Companies Act, the MOI and any other applicable law or regulatory provisions. In this regard, the committee has reviewed and implemented the King IV principles in the policy design, implementation and reporting contexts with specific reference to principle 14 addressing fair and transparent remuneration and it continues to consider and interpret the recommended practices in the context of King IV in a way that is appropriate for the group and the sector in which it operates.

The composition of the committee and the respective designations of its members are set out below.

Derek Lawrance
Chairman of the committee
Independent non-executive director

John Barton
Lead independent non-executive director

Gary Bell
Non-executive chairman of the board

Importantly the CEO attends meetings by invitation to ensure that the strategic imperatives of the business and its trading environment provide context to the many and varied considerations which this committee engages in. However he has no voting rights and is recused when his own remuneration is reviewed. In addition, other members of executive management may be invited to committee meetings from time to time when appropriate, but they too have no voting rights and are not present when their particular performance is evaluated and/or when their remuneration is discussed.

The company secretary serves in her capacity as secretary to this committee which convened on three occasions during the course of the year. The attendance details of members of the committee who participated thereat are set out in the corporate governance report on page 45 of the IAR.

The results of the 2019 self-evaluation performance review of the board and its various committees were reviewed by the committee and a further evaluation exercise will be undertaken again at the end of 2021.

The basis for remuneration of non-executive directors for the 2022 financial year was approved by the committee subject to approval by the shareholders at the AGM scheduled to take place in June 2021

Remuneration committee report continued

SECTION 2

Background statement

The report summarises the philosophy and principles of and approaches to remuneration at Bell and provides an overview of the remuneration of all group employees and discloses the executive and non-executive director remuneration underpinned by the alignment thereof with shareholder value creation. The structure and the content of the report also takes into account the corporate governance principles recommended in King IV in relation to the remuneration policy, disclosure requirements and the alignment with the JSE Listings Requirements.

The committee has been mandated to ensure that the group's remuneration policy remains fair, transparent and relevant in order to drive a growing and sustainable business. This requires that there is a meaningful consideration of the group's external and internal operating environments together with the competitive landscape in respect of levels of remuneration required to ensure that the right talent is attracted and retained at appropriate levels and/or positions.

This was achieved, inter alia, by making use of independent salary surveys, benchmarking exercises and professional advice from Deloitte Human Capital and Global Business Solutions in respect of the South African market and from Willis Towers Watson in respect of the group's European operations.

South African business operations and trading conditions continue to be characterised by strong headwinds. Policy uncertainty and prevailing levels of unemployment and inequality remain a significant challenge and business is being increasingly called on to fund and/or remedy these challenges.

It is against the backdrop of these and associated factors that the committee conducts its activities and will continue to review and make recommendations to the board and shareholders from time to time.

At the AGM to be held on 18 June 2021 Bell Equipment will put both its remuneration policy and remuneration implementation report to separate non-binding advisory shareholder votes (see resolution numbers 6 and 7 in the notice of annual general meeting on page 3) and the committee is confident of constructive engagement and a positive outcome in this regard. In accordance with King IV and in the event that either the remuneration policy or the implementation report (or both) receives 25% or more dissenting votes, the company will provide for:
- an invitation to dissenting shareholders to engage with Bell Equipment; and
- communicate the manner and timing of such engagement.

In support of this and in order to expedite the process of engagement, the company will:
- invite the dissenting shareholder(s) to provide written submissions in support of their vote against the remuneration policy and/or the implementation report;
- respond to and/or address the legitimate and reasonable objections received;
- facilitate appropriate engagements in support of this including meetings, conference calls and presentations as may be apporpriate and reasonable; and
- report back to the dissenting shareholders, including the publication of relevant information in the following year's IAR.

For ease of reference, the two previous AGMs rendered the following voting results pertaining to the company's remuneration policy and the remuneration implementation report:

AGM date	Resolution	Vote in favour
15 May 2019	Remuneration Policy	91,49%
15 May 2019	Implementation Report	95,06%
15 July 2020	Remuneration Policy	87,86%
15 July 2020	Implementation Report	96,40%

The committee will continue to provide stakeholders with clarity on how Bell Equipment's remuneration policy informs the actual pay and awards received by its executive directors, senior executives and prescribed officers as defined in the Companies Act.

SECTION 3

2020 Remuneration policy

Overview

This policy is applicable to all executive directors, prescribed officers and employees. Its purpose is to provide the philosophy, framework and approach in matters pertaining to employee remuneration and reward in order to ensure the attraction, motivation and retention of employees, as well as compliance with good corporate governance under appropriate statutes and regulations. The latter requires the alignment of shareholder interests with the remuneration policy as well as fair practices in this regard based on prevailing statute.

The remuneration of employees should direct employee behaviour in a manner which aligns such behaviour with the business strategy and objectives of the company. Put differently, remuneration and reward are viewed as sub-functions of how the business goals and governance standards will be achieved and maintained.

The design principles underpinning the remuneration policy take the following primary drivers into account:

- best practice in terms of market comparability;
- benchmarking based on peer group and competitor reviews;
- alignment with shareholder interests;
- mechanisms to ensure that executive remuneration is fair, transparent and responsible in the context of overall group remuneration;
- mechanisms for remuneration structures to be consistent with the group's long-term requirements;
- the need to attract and retain exceptional talent as well as support career and succession planning;
- the provisions of statute, including the Employment Equity Act;
- pay for performance based on defined ranges of financial metrics;
- alignment of performance to the overall business strategy of the company and linked to strategic business objectives; and
- best in practice and standardised employment contracts and policies in support of the above.

From a sustainability viewpoint the remuneration policy needs to be evaluated in the context of internal and external factors as well as the prevailing and future anticipated trading and operating conditions. Despite overall unemployment levels in South Africa being very high and ailing job growth in the manufacturing environment, the company understands its responsibility for maintaining a fully engaged workforce in order to secure the group's future and the committee understands the importance of effective communication, recognition and reward.

Notwithstanding depressed economic conditions, South African employers still face increasing challenges in retaining and attracting core and critical talent and measures have been put in place to balance sustainability from a talent point of view with the financial realities faced by the business. Indications are that the Employment Equity Act amendments will introduce sectoral targets for the representation of black women and persons with disabilities and it is anticipated that these will be implemented during 2021.

The group's remuneration policy seeks to position remuneration levels appropriately and competitively by providing a blended and weighted approach to the composition of pay packages which comprise both fixed and variable components linked to the primary strategic objectives of value creation and talent retention.

In recognition of the questions from shareholders and analysts regarding perceived shortcomings in the cash settled long term incentive scheme ("LTIS") that focused on headline earnings ("HEPS") as a performance condition and the lack of a balance sheet measure, the LTIS was aligned with best practice and the benefit accruing from the zero strike rate units is now dependent on both HEPS and Return on Invested Capital ("ROIC") performance conditions. Further details of the terms of the cash settled scheme are set out on pages 43 to 44.

Remuneration committee report continued

Elements of remuneration

The group operates a total cost to company ("CTC") philosophy whereby cash remuneration and certain guaranteed benefits form part of employees' fixed total CTC remuneration. Executive directors and senior management also participate in a short term incentive scheme (in the form of a performance bonus plan) and two long term incentive schemes. In addition there are a number of non financial incentives associated with working for Bell Equipment which encompass shared values on governance and social responsibility, and an inclusive culture which promotes a safe and sustainable working environment and personal development and career opportunities.

The detailed make up of total CTC is set out below.

Fixed remuneration:

CTC package (the reference point based on which all guaranteed benefits are funded) includes the following components:

- cash salary;
- travel allowance - for employees who are required to travel for business purposes;
- the company's contributions towards the medical scheme - membership of a medical scheme is compulsory for all scheduled and voluntary for all non scheduled employees; and
- the company's contributions towards retirement funding (the combined contributions range from 14,4% to 20,5% of pensionable emoluments) and the key features of the retirement fund are as follows:
  - life cover;
  - permanent disability cover;
  - temporary disability cover;
  - dread disease cover ;
  - spousal cover (voluntary);
  - additional life cover (voluntary).

Benchmarking

Pay ranges represent the levels of compensation paid in respect of similar positions in the market. The group aims at paying basic salaries between the lower quartile and median of the market for comparable positions, with the minimum and maximum of the range informed by the lower and upper market quartiles, utilising independent salary surveys.

Annual review process

The committee conducts an annual review of the individual total CTC packages for executives and if an increase is granted, approves an overall percentage increase for employees below the executive level. Increases are based on external factors such as the prevailing rate of inflation and market forces as well as on individual performance, skills, experience and effort.

The CEO, who generally attends committee meetings by invitation, can make submissions regarding proposed CTC remuneration package increases, with the exception of his own, during the said review meetings.

Fair and responsible remuneration across the group

Bell Equipment is committed to the principle of fair and responsible remuneration for the whole group. Investing in its people initiatives are considered and include:

- talent management;
- development opportunities for all employees;
- various training courses based on identified needs;
- retention and motivation of top quality and talented employees

The components in respect of guaranteed remuneration of the European, African, Australasian and US employees are different from their South African counterparts but remain market related and include a basic salary plus benefits, which benefits include medical insurance and a car allowance or a company vehicle.

Variable remuneration

STIS

The STIS noteworthy characteristics include that it:
- was approved by the board at the end of 2016, taking into account the trading conditions and challenges faced by the group at that time;
- incorporates a meaningful stretch to motivate and retain senior employees;
- is based on an incentive pool of 50% of the excess NPAT above the hurdle NPAT for the relevant financial year;
- provides that 70% of the incentive is based on audited Bell group NPAT exceeding the hurdle NPAT;
- provides that 30% of the incentive is based on the divisions within the group exceeding the hurdle NPAT;
- includes a working capital hurdle that must also be met for an incentive to be earned;
- applies to all permanent staff who do not already receive a guaranteed thirteenth cheque and who participate in the scheme in terms of the rules of the scheme;
- ensures incentive payments are proportionate to employees' CTC salary packages and limited to one month's salary;
- makes provision for a bonus for the group executive committee ("GEC") at the discretion of the board, provided that the executives have met their personal performance targets;
- ensures that the measures and rules implemented are reviewed annually and that changes are approved by the committee.

Cash settled LTIS

A cash settled LTIS which makes provision for long term incentivisation in the form of a notional share appreciation rights scheme was approved by the board and implemented in the 2018 financial year:
- the rules were amended in 2019 so as to incorporate both HEPS and ROIC performance indicators;
- the objective and purpose of the LTIS is to grant forfeitable phantom share awards to key executives to enable them to benefit from an increase in Bell Equipment's share price;
- the awards comprise a blend of zero-strike and strike-based awards, with the zero-strike portion subject to a 50% split between HEPS and ROIC performance conditions;
- in respect of the strike-based awards, qualifying employees will benefit from the cash equivalent of the growth in the share price between the strike price and the market price;
- in respect of the zero strike awards which are related to the HEPS and ROIC performance conditions, qualifying employees will benefit from the cash equivalent of the market value of the shares, without any strike price reduction.

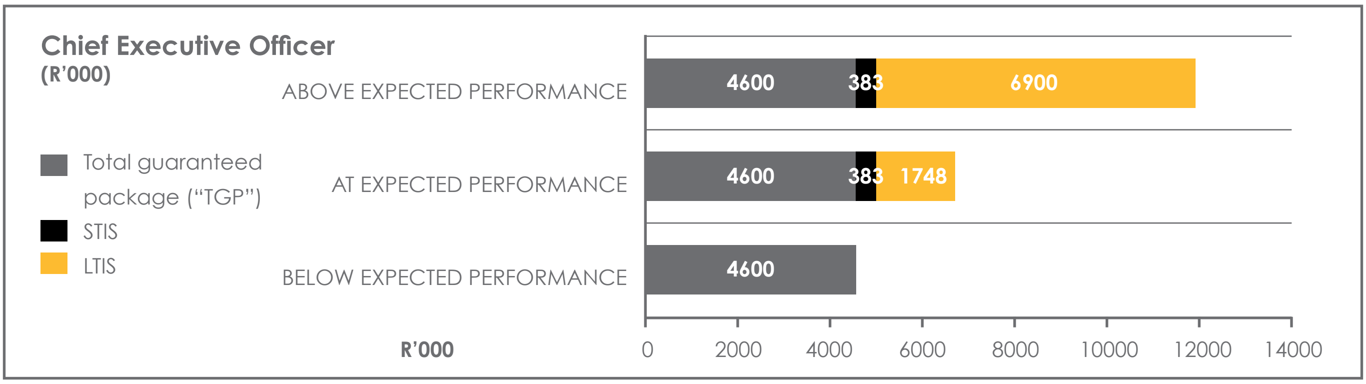
The HEPS and ROIC performance conditions are as follows:
- annual compounded HEPS growth rate of inflation plus 5%;
- annual ROIC performance hurdles which recognise the current financial performance of the group and reflect a required improvement in the financial performance over time of the following:

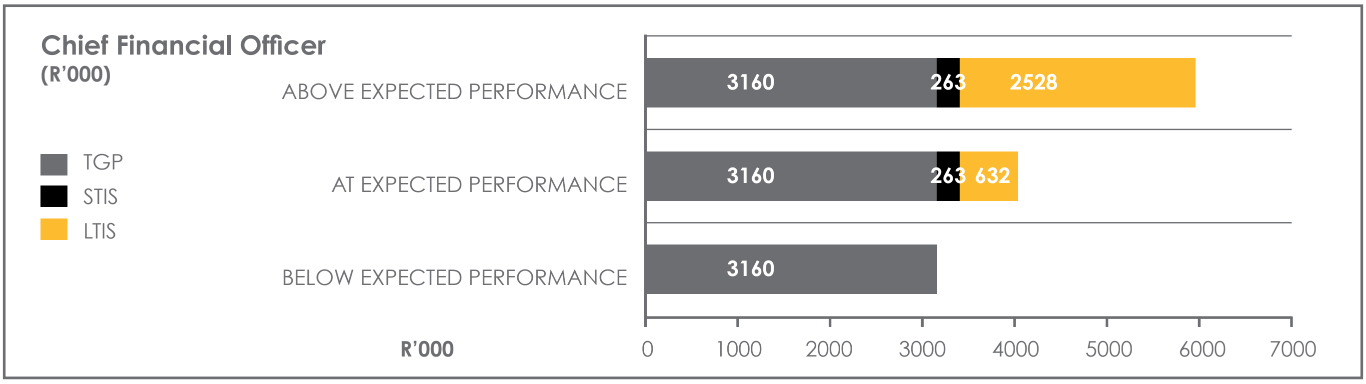
2020	6,5%
2021	6,4%
2022	9,2%
2023	10,9%
2024	12,5%
2025	12,9%
2026	13,4%
2027	14,1%
2028	16%

- the total benefit paid to all participating employees in any financial year shall not exceed 6% of the NPAT as reflected in the audited results of the group;
- a clawback provision applies if the audited results are subsequently restated and the NPAT is revised downwards.

The scenario graphs on the following page provide an overview of potential pay outcomes at below expected performance, at expected performance and at stretch performance levels:

Remuneration committee report continued





Equity settled LTIS

This was approved by the shareholders at the AGM in 2009 and thereafter management (with the necessary approval from the nominations and remuneration committees as well as the board) allocated share options to senior employees of the group with the following points to note:

- five million authorised unissued ordinary no par value shares were reserved for the scheme;
- the purpose of this scheme was to retain key employees and to attract new, skilled and competent employees and to act as an incentive to employees to promote the continued growth of Bell Equipment by giving them an opportunity to acquire shares therein and to drive long term value creation;
- options were granted at the option price which was the 30 (thirty) day volume weighted average of the closing market price of the ordinary share immediately preceding the option date;
- the last allocation was done in May 2012 and there is no intention to make any further awards under this scheme;
- the 2010 awards expired in 2020 and the 2011 and 2012 awards are out of the money and expire on 14 April 2021 and 14 May 2022 respectively.

Non-executive directors' remuneration

Group policy is to pay non-executive directors competitively and to recognise commitments made by them in terms of time invested in the business. Bell Equipment also pays for travelling expenses reasonably and properly incurred in order to attend meetings and to attend to the business of the company. Fees are benchmarked against a comparator peer group of JSE listed companies. There are no contractual arrangements that have been entered into in order to compensate non-executive directors for loss of office and they do not participate in any incentive schemes.

The committee reviews and approves the non-executive director fees annually and recommendations are made to the board who in turn propose fees for approval by the shareholders at the AGM.

A special resolution by the shareholders of Bell Equipment is required to approve the basis of remuneration payable to non-executive directors in order to comply with the requirements of the Companies Act.
The fees payable to non-executive directors for their services are based on an assessment of the responsibility placed on them arising from their obligations for regulatory oversight. The total fees proposed for non-executive directors for the 2022 calendar year represent an increase of 4% over the previous year.

The following table sets out the proposed non-executive director fees (VAT exclusive) for shareholder approval at the AGM in June 2021 for the period from 1 January 2022.

Special resolution number		Rand (excl VAT)
	Retainer fees to be paid annually	
3.1	Non-executive chairman	**404 770**
3.2	Lead independent non-executive director	**311 430**
3.3	Non-executive directors	**218 090**
	Fees per meeting payable to the chairman of the board and the chairmen of board committees	
3.4	Board	**36 880**
3.5	Audit committee	**22 170**
3.6	Risk and sustainability committee	**22 170**
3.7	Nominations committee	**17 420**
3.8	Remuneration committee	**17 420**
3.9	Social, ethics and transformation committee	**21 860**
3.10	**Fees to be paid to lead independent non-executive director per board meeting**	**36 640**
	Fees to be paid to non-executive directors, including the chairman of the board and the chairmen of the board committees, per meeting	
3.11	Board	**36 380**
3.12	Audit committee	**29 120**
3.13	Risk and sustainability committee	**22 170**
3.14	Nominations committee	**14 890**
3.15	Remuneration committee	**14 890**
3.16	Social, ethics and transformation committee	**21 860**
3.17	Bell audit services committee	**14 500**
3.18	Ad hoc committees	**14 890**

The focus areas of the committee for the financial year of 2021 shall include:

- overseeing the identified policy responses to both horizontal and vertical income differentials in terms of the amendments to the Employment Equity Act reporting requirements;
- monitoring the social partner engagements in respect of the proposed National Health Insurance ("NHI") system and the National Social Security Scheme and as these negotiations progress, making the necessary recommendations to the board and the shareholders, as required;
- monitoring and benchmarking total remuneration and practices and market trends;
- rewriting non-scheduled job profiles, and the compilation of new salary scales benchmarked to market;
- implementing MEIBC conditions of service for all new scheduled and TES employees as per SEIFSA main agreement;
- alignment of employee remuneration packages with the current business cycle and changing operating environment;
- effective management of potential flight risks of critical skill and top talented employees;
- the development and implementation of a comprehensive people strategy to complement Bell Equipment's overall ESG strategy:
  - during the year, the group engaged the services of two external consultants, Global Business Solutions and MOTTO Business Consulting, to assist it with the design and implementation of a detailed human resources development plan. Stage one of the plan, which encompassed both an attitudinal and an organisational and culture climate survey, together with the redesign of the group's key grading and salary structures, has now been completed. Stage two, which encompasses leadership and diversity programmes which are designed to enable and empower employees and management to achieve group sustainability through the achievement of well aligned individual objectives and goals, is planned to commence early in 2021.

Remuneration committee report continued

SECTION 4

2020 Implementation report

The implementation of the group's remuneration policy in 2020 is set out below. The committee believes that it has not deviated from the principles and design of the remuneration policy.

Annual salary increases for scheduled and non-scheduled employees

The COVID-19 pandemic necessitated the implementation of 20% short time for certain scheduled and non- scheduled employees for a period of three months together with a 25% salary reduction in pay for all members of the GEC for the corresponding period. In addition no salary or wage increases were granted during the year under review and non-executive directors agreed to a 30% reduction in their meeting fees for a period of six months.

STIS 2020

No STIS awards will be made for the 2020 financial year because the hurdle group NPAT and the working capital targets for 2020 were not achieved and in terms of the STIS rules there is no incentive pool payable for the year under review.

Cash settled LTIS 2020

In terms of the cash settled LTIS, phantom share awards were granted to key executives on 1 January 2018, 1 January 2019, 1 January 2020 and 1 January 2021. These awards vest from 2021 onwards and employees will be entitled to cash settlements after vesting if the share price appreciates and if the HEPS and ROIC performance conditions are met.

The information on pages 46 to 52 was extracted from the audited annual financial statements.

Share-based payment arrangements with employees

Equity-settled employee share option plan

This scheme was approved by the shareholders and the board in 2009 and share options were granted to senior employees on 15 February 2010, 15 April 2011 and 15 May 2012. Five million ordinary shares were reserved for this scheme. The option price was the thirty day volume weighted average of the closing market price of the share immediately preceding the grant date. The options are equity-settled, each year's allocation of options vests one third in each period after three years, five years and seven years respectively, after the date of grant and are forfeited on leaving the company. A retired or retrenched employee is entitled to exercise their options in full within twelve months after becoming a retired or retrenched employee. If not exercised within such period, the options lapse.

The maximum number of shares any employee may acquire in terms of this scheme may not exceed 200 000 shares. The options have a maximum contractual life of 10 years from the date of award.

Each employee share option converts into one ordinary share of Bell Equipment Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The board may from time to time, after giving due consideration to the purpose of the scheme, grant options to employees. The allocation is done according to a formula that recognises responsibility levels and is at the discretion of the chief executive and the board.

Share options granted

The following share-based payment arrangements were in existence during the reporting period:

Grant date	Tranches	Initial number of options granted	Expiry date	Exercise price	Fair value at grant date
15 Feb 2010 *	Tranche 1	993 333	14 Feb 2020	R 10,48	R 5,39
15 Feb 2010 *	Tranche 2	993 333	14 Feb 2020	R 10,48	R 5,83
15 Feb 2010 *	Tranche 3	993 334	14 Feb 2020	R 10,48	R 6,18
15 Apr 2011	Tranche 1	510 000	14 Apr 2021	R 13,06	R 7,12
15 Apr 2011	Tranche 2	510 000	14 Apr 2021	R 13,06	R 7,71
15 Apr 2011	Tranche 3	510 000	14 Apr 2021	R 13,06	R 8,17
15 May 2012	Tranche 1	316 666	14 May 2022	R 21,35	R 12,79
15 May 2012	Tranche 2	316 667	14 May 2022	R 21,35	R 13,18
15 May 2012	Tranche 3	316 667	14 May 2022	R 21,35	R 13,54

* Unexercised options from these tranches expired in February 2020. Refer to the reconciliation of outstanding options on page 47.

Share-based payment arrangements with employees continued

Equity-settled employee share option plan continued

Fair value of share options granted

The fair value of the share options was determined once-off at grant date and is expensed on a straight-line basis over the vesting period.

	Grant date 15 Feb 2010	Grant date 15 Apr 2011	Grant date 15 May 2012
The weighted average fair values of the equity-settled share options granted are:	R 5,80	R 7,67	R 13,17

Options were priced using a binomial option pricing model. Where relevant, the expected life used in the model was adjusted based on management's best estimate of exercise restrictions and behavioural considerations. At the time of valuation, the expected volatility was based on the historical share price volatility over 10 years. For options granted on 15 May 2012, it was assumed that executives and senior employees would exercise the options after vesting date when the share price is 3,3 times the exercise price. For options granted on 15 February 2010 and 15 April 2011, an exercise multiple of 2,2 times was assumed.

Inputs into the model	Grant date 15 Feb 2010	Grant date 15 Apr 2011	Grant date 15 May 2012
Grant date share price	R 10,30	R 13,10	R 21,90
Exercise price of the option	R 10,48	R 13,06	R 21,35
Expected volatility of the share price	41,59%	45,26%	41,60%
Contractual life of the option	10 yrs	10 yrs	10 yrs
Dividend yield	0,79%	0,67%	0,57%
Risk-free interest rate for the life of the option	8,88%	8,42%	7,79%

Shares reserved and movement in share options for the year

	2020	2019
Total number of shares reserved for equity-settled share options	**5 000 000**	5 000 000
Less: number of share options exercised	**(655 385)**	(655 385)
Less: number of share options granted and vested, but not exercised	**(1 047 000)**	(2 181 604)
Number of shares reserved, but share options not granted or expired	**3 297 615**	2 163 011

The following reconciles the share options outstanding at the beginning and end of the year:

	2020		2019	
	Number of options	Weighted average exercise price R	Number of options	Weighted average exercise price R
Balance at beginning of the year	**2 181 604**	**13,30**	2 357 272	13,28
Forfeited during the year	**(10 000)**	**21,35**	(139 500)	12,98
Expired during the year *	**(1 124 604)**	**10,48**	(36 168)	13,48
Balance at end of the year	**1 047 000**	**16,24**	2 181 604	13,30

* These are in respect of unexercised options which were granted in February 2010 and which expired in February 2020 in terms of the scheme rules.

The share options outstanding at the end of the year under equity-settled share-based payments had a weighted average remaining contractual life of 0,7 years (2019: 0,9 years). The exercise prices on options are presented on page 46.

At year-end the number of options that had vested and that were exercisable was 1 047 000 (2019: 2 181 604).

Remuneration committee report continued

Share-based payment arrangements with employees continued

Cash-settled employee share award plan

This phantom share incentive scheme was approved by the board of directors and implemented in 2018. The scheme makes provision for long-term incentivisation of key executives in the structure of a share appreciation rights scheme. The objective and purpose of the scheme is to grant forfeitable phantom share awards to key executives to enable them to benefit if the company's share price improves and if the specified Headline Earnings per Share (HEPS) and Return on Invested Capital (ROIC) performance conditions are achieved.

The awards comprise a mixture of zero-strike and strike based awards, with the zero-strike portion subject to a 50% split between HEPS and ROIC performance conditions. The number of awards to be granted to executives was determined with reference to market norms for long-term incentive schemes and a multiple of the salary packages of the participants and the company will grant these awards in four equal, annual tranches on 1 January each year, starting in 2018, provided the executive is in the employment of the group on that date annually. In respect of the portion of the incentive related to the market price of the share, employees will acquire the cash equivalent of the growth in the share price. In respect of the portion of the incentive related to the HEPS and ROIC performance conditions, employees will receive the cash equivalent of the market value of the shares without any reduction by the strike price. The HEPS performance condition is that the annual compounded HEPS growth rate over the three, four and five year periods ending on the last day of the financial year-end of the group prior to the vesting date, must meet or exceed the HEPS growth rate of inflation plus 5%. The ROIC performance condition is based on operational returns in excess of the cost of capital, plus a margin. The total benefit paid to employees in any financial year shall not exceed 6% of the NPAT as reflected in the audited results of the group.

One third of each annual award vests in years three, four and five after the award date and the awards are forfeited on a participant ceasing to be an employee, for reasons other than incapacity, death or retirement, when all the awards held by the participants, whether or not they have vested, will be deemed to have vested upon termination of employment and shall be settled within three months or in the case of death, within 12 months thereafter.

In the event of a change in control of the company which results in the retrenchment of or a material adverse change in the conditions of employment of the participant the full number of phantom share units determined will be deemed to be awarded and the vesting period in respect of this full award will be advanced in accordance with the rules of the scheme.

The strike price is the thirty day volume weighted average of the closing market share price immediately preceding the grant date of 1 January each year.

Share awards granted

The following share-based payment arrangements were in existence during the reporting period:

Grant date	Phantom share units with a strike price	Phantom share units with a strike price of zero	Phantom share units vesting January 2021	Phantom share units vesting January 2022	Phantom share units vesting January 2023	Phantom share units vesting January 2024	Phantom share units vesting January 2025	Exercise price
1 January 2018	1 007 000	566 000	524 000	524 000	525 000	-	-	R 13,53
1 January 2019	1 007 000	566 000	-	524 000	524 000	525 000	-	R 12,68
1 January 2020	1 007 000	566 000	-	-	524 000	524 000	525 000	R 8,88

No provision has been made for this cash-settled employee share award plan as it has been assessed that there is no liability at year end.

Refer to the number of phantom share awards held by directors and prescribed officers on pages 51 to 52.

Directors' and prescribed officers' remuneration

Paid to executive directors of the company by the company's subsidiary:

Executive directors	Salary R'000	Pension/ Provident fund R'000	Other benefits and allowances R'000	2020 Total R'000	2019 Total R'000
L Goosen	3 728	529	299	4 556	4 485
KJ van Haght	2 588	364	47	2 999	3 086
AJ Bell (appointed 1 February 2019, resigned 30 November 2019)	-	-	-	-	1 341
Total	6 316	893	346	7 555	8 912

Paid to prescribed officers of the company's subsidiaries by the company's subsidiaries:

Prescribed officers	Salary R'000	Pension/ Provident fund R'000	Other benefits and allowances R'000	2020 Total R'000	2019 Total R'000
A Goordeen	2 186	315	122	2 623	2 718
N Paynter (expatriate salary)	4 738	398	1 461	6 597	5 693
DB Chinnappen	2 220	315	167	2 702	2 624
SR Jones	2 243	315	38	2 596	2 625
DN Mashika	2 057	316	845	3 218	2 628
A Mayer (expatriate salary) *	3 952	337	1 513	5 802	6 141
DE Morris	2 529	357	48	2 934	3 029
HW Van Der Walt (resigned 30 November 2020)	1 946	288	336	2 570	2 660
JJ Van Wyngaardt	1 954	284	106	2 344	2 383
D McIlrath	1 444	200	3	1 647	1 698
Total	25 269	3 125	4 639	33 033	32 199

* In the prior year the prescribed officer's total remuneration was incorrectly disclosed as R8,164 million.

Other benefits and allowances comprise vehicle allowances, travel allowances and reimbursive allowances, annual leave encashments and the group's contributions to medical aid and life insurance.

Paid to non-executive directors of the company by the company:

Non-executive directors	2020 Fees R'000	2019 Fees R'000
JR Barton	919	826
AJ Bell	497	63
GW Bell	907	931
DH Lawrance	753	753
R Naidu	589	578
ME Ramathe	606	597
HR van der Merwe	534	563
Total	4 805	4 311

Remuneration committee report continued

Directors' and prescribed officers' remuneration continued

The following reconciles the number of unexercised share options held by directors and prescribed officers at the end of the year:

		Balance at 31 December 2018	Exercised	Forfeited	Balance at 31 December 2019	Exercised	Expired	Balance at 31 December 2020
Executive directors and prescribed officers	**Exercise price**	Number of options	Number of options	Number of options	Number of options	**Number of options**	**Number of options**	**Number of options**
L Goosen	**10,48**	100 000	-	-	100 000	**-**	**(100 000)**	**-**
	13,06	50 000	-	-	50 000	**-**	**-**	**50 000**
	21,35	30 000	-	-	30 000	**-**	**-**	**30 000**
Total		180 000	-	-	180 000	**-**	**(100 000)**	**80 000**
KJ van Haght	**10,48**	100 000	-	-	100 000	**-**	**(100 000)**	**-**
	13,06	50 000	-	-	50 000	**-**	**-**	**50 000**
	21,35	30 000	-	-	30 000	**-**	**-**	**30 000**
Total		180 000	-	-	180 000	**-**	**(100 000)**	**80 000**
A Goordeen	**10,48**	100 000	-	-	100 000	**-**	**(100 000)**	**-**
	13,06	50 000	-	-	50 000	**-**	**-**	**50 000**
	21,35	30 000	-	-	30 000	**-**	**-**	**30 000**
Total		180 000	-	-	180 000	**-**	**(100 000)**	**80 000**
N Paynter	**10,48**	60 000	-	-	60 000	**-**	**(60 000)**	**-**
	13,06	30 000	-	-	30 000	**-**	**-**	**30 000**
	21,35	15 000	-	-	15 000	**-**	**-**	**15 000**
Total		105 000	-	-	105 000	**-**	**(60 000)**	**45 000**
DB Chinnappen	**10,48**	100 000	-	-	100 000	**-**	**(100 000)**	**-**
	13,06	50 000	-	-	50 000	**-**	**-**	**50 000**
	21,35	30 000	-	-	30 000	**-**	**-**	**30 000**
Total		180 000	-	-	180 000	**-**	**(100 000)**	**80 000**
A Mayer	**10,48**	55 000	-	-	55 000	**-**	**(55 000)**	**-**
	13,06	30 000	-	-	30 000	**-**	**-**	**30 000**
	21,35	15 000	-	-	15 000	**-**	**-**	**15 000**
Total		100 000	-	-	100 000	**-**	**(55 000)**	**45 000**
SR Jones	**10,48**	60 000	-	-	60 000	**-**	**(60 000)**	**-**
	13,06	30 000	-	-	30 000	**-**	**-**	**30 000**
	21,35	15 000	-	-	15 000	**-**	**-**	**15 000**
Total		105 000	-	-	105 000	**-**	**(60 000)**	**45 000**
JJ Van Wyngaardt	**13,06**	7 500	-	-	7 500	**-**	**-**	**7 500**
	21,35	3 000	-	-	3 000	**-**	**-**	**3 000**
Total		10 500	-	-	10 500	**-**	**-**	**10 500**
Grand total		1 040 500	-	-	1 040 500	**-**	**(575 000)**	**465 500**

Directors' and prescribed officers' remuneration continued

The following reconciles the number of phantom share awards held by directors and prescribed officers at the end of the year:

		Balance at 31 December 2018	Granted	Forfeited	Balance at 31 December 2019	**Granted**	**Forfeited**	**Balance at 31 December 2020**
Executive directors and prescribed officers	**Strike price**	Number of awards	Number of awards	Number of awards	Number of awards	**Number of awards**	**Number of awards**	**Number of awards**
L Goosen	**13,53**	247 000	-	-	247 000	**-**	**-**	**247 000**
	-	138 000	-	-	138 000	**-**	**-**	**138 000**
	12,68	-	247 000	-	247 000	**-**	**-**	**247 000**
	-	-	138 000	-	138 000	**-**	**-**	**138 000**
	8,88	-	-	-	-	**247 000**	**-**	**247 000**
	-	-	-	-	-	**138 000**	**-**	**138 000**
Total		385 000	385 000	-	770 000	**385 000**	**-**	**1 155 000**
KJ van Haght	**13,53**	132 000	-	-	132 000	**-**	**-**	**132 000**
	-	74 000	-	-	74 000	**-**	**-**	**74 000**
	12,68	-	132 000	-	132 000	**-**	**-**	**132 000**
	-	-	74 000	-	74 000	**-**	**-**	**74 000**
	8,88	-	-	-	-	**132 000**	**-**	**132 000**
	-	-	-	-	-	**74 000**	**-**	**74 000**
Total		206 000	206 000	-	412 000	**206 000**	**-**	**618 000**
A Goordeen	**13,53**	132 000	-	-	132 000	**-**	**-**	**132 000**
	-	74 000	-	-	74 000	**-**	**-**	**74 000**
	12,68	-	132 000	-	132 000	**-**	**-**	**132 000**
	-	-	74 000	-	74 000	**-**	**-**	**74 000**
	8,88	-	-	-	-	**132 000**	**-**	**132 000**
	-	-	-	-	-	**74 000**	**-**	**74 000**
Total		206 000	206 000	-	412 000	**206 000**	**-**	**618 000**
N Paynter	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
DE Morris	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
DB Chinnappen	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**

Remuneration committee report continued

Directors' and prescribed officers' remuneration continued

		Balance at 31 December 2018	Granted	Forfeited	Balance at 31 December 2019	**Granted**	**Forfeited**	**Balance at 31 December 2020**
Executive directors and prescribed officers	**Strike price**	Number of awards	Number of awards	Number of awards	Number of awards	**Number of awards**	**Number of awards**	**Number of awards**
SR Jones	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
D McIlrath	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
A Mayer	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
HW Van Der Walt (resigned 30 November 2020)	**13,53**	62 000	-	-	62 000	**-**	**(62 000)**	**-**
	-	35 000	-	-	35 000	**-**	**(35 000)**	**-**
	12,68	-	62 000	-	62 000	**-**	**(62 000)**	**-**
	-	-	35 000	-	35 000	**-**	**(35 000)**	**-**
	8,88	-	-	-	-	**62 000**	**(62 000)**	**-**
	-	-	-	-	-	**35 000**	**(35 000)**	**-**
Total		97 000	97 000	-	194 000	**97 000**	**(291 000)**	**-**
JJ Van Wyngaardt	**13,53**	62 000	-	-	62 000	**-**	**-**	**62 000**
	-	35 000	-	-	35 000	**-**	**-**	**35 000**
	12,68	-	62 000	-	62 000	**-**	**-**	**62 000**
	-	-	35 000	-	35 000	**-**	**-**	**35 000**
	8,88	-	-	-	-	**62 000**	**-**	**62 000**
	-	-	-	-	-	**35 000**	**-**	**35 000**
Total		97 000	97 000	-	194 000	**97 000**	**-**	**291 000**
Grand total		1 573 000	1 573 000	-	3 146 000	**1 573 000**	**(291 000)**	**4 428 000**

Non-executive directors' fees

At the AGM held on 15 July 2020, the basis for the remuneration payable to non-executive directors for the 2021 period was approved by way of a special resolution of the shareholders as follows:

	2021 Rand (Excl of VAT)
Retainer fees to be paid annually for 2021	
Non-executive chairman	**389 200**
Lead independent non-executive director	**299 450**
Non-executive directors	**209 700**
Fees per meeting payable to the chairman of the board and the chairmen of board committees	
Board	**35 460**
Audit committee	**21 320**
Risk and sustainability committee	**21 320**
Nominations committee	**16 750**
Remuneration committee	**16 750**
Social, ethics and transformation committee	**21 020**
Fees to be paid to lead independent non-executive director per board meeting	**35 230**
Fees to be paid to non-executive directors, including the chairman of the board and the chairmen of the board committees, per meeting	
Board	**34 980**
Audit committee	**28 000**
Risk and sustainability committee	**21 320**
Nominations committee	**14 320**
Remuneration committee	**14 320**
Social, ethics and transformation committee	**21 020**
Bell audit services committee	**13 940**
Ad hoc committee	**14 320**

The committee has applied its collective mind to the preparation and presentation of the information in this report. The committee believes that this report addresses the material issues and presents a balanced and fair account of the group's remuneration policy.

This remuneration committee report has been approved by the board of directors of Bell Equipment Limited.

Derek Lawrance

Chairman
Remuneration committee
23 April 2021

Social, ethics and transformation committee report

This report by the social, ethics and transformation committee ("the committee") is prepared in accordance with the requirements of the JSE Listings Requirements and the Companies Act read with the Regulations promulgated thereunder and describes how the committee has discharged its statutory duties and its additional duties assigned to it by the board in respect of the financial year ended 31 December 2020.

The committee has considered the principles and practices advocated by King IV and is committed to ensuring the desired governance outcomes.

This report should be read together with the stakeholder relations report on pages 48 to 65 of the IAR, available on the company's website at www.bellir.co.za which report will provide the stakeholders with a comprehensive review of how the group creates sustainable value.

Committee composition

The committee comprises two independent non-executive directors, one executive director and two non-executive directors as set out in the table below. The five suitably skilled and experienced members have an appropriate mix of talent with a majority of non-executive directors who are not involved in the day to day management of the business. The CEO, the human resource executive and the chief strategy officer attend the meetings of the committee as standing invitees.

During the year under review, the committee met three times.

Committee members*

Mamokete Ramathe (chairman)
Independent non-executive director

Ashley Bell
Non-executive director

Gary Bell
Non-executive chairman of the board

Rajendran Naidu
Independent non-executive director

Karen van Haght
Executive director

** Abridged curriculum vitae of all the directors of the committee are set out on pages 10 and 11.*

Role and responsibilities

The committee's role and responsibilities are governed by a formal charter as approved by the board. This charter is subject to an annual review by the board.

The role of the committee, as a statutory committee, is to assist the board with monitoring the group's activities and that of its subsidiaries, having regard to legal requirements and codes of best practice relating to matters of social and economic development as contemplated in Regulation 43 of the Companies Regulations, 2011.

The mandate of the committee continues to be the oversight of, and reporting on, organisational ethics, responsible corporate citizenship, sustainable development, and stakeholder relationships.

Focus areas of the committee

During the year under review, the following focus areas were considered by the committee:

- the second half of the year was dominated by the COVID-19 impact on the group's stakeholders. The group's focus as a result of COVID-19 and the resultant lockdowns in South Africa and globally, was on protecting its employees' health and safety. Initiatives such as flexible practices, including work from home strategies, and leveraging a full suite of technology tools, were implemented. Bell has taken every possible precaution to ensure the health and safety of its staff and customers;

Good corporate citizenship

- the monitoring of the code of ethics and the application of such ethical leadership principles throughout the group, to ensure continued ethics awareness, remains a key focus area for the committee;
- the group endeavours to achieve a positive impact on its workforce in executing this mandate. During 2019 and 2020 the group engaged with a service provider to undertake a climate survey of the group to measure employee engagement. Follow up sessions were held with employees to achieve improved employee engagement and continued alignment across the organisation. The entire organisation is encouraged to live out company values and to uphold acceptable ethical conduct at all times. During 2021 these efforts will be supplemented with leadership and diversity training to empower employees and management alike, in order to achieve group sustainability and targeted growth objectives;
- the group's continued commitment to zero tolerance of fraud, theft, corruption or any similar illegal behaviour and to ensure compliance with all applicable anti-bribery and corruption laws, regulations, as well as the UK Modern Slavery Act, remains a key focus area for the committee. The code of business conduct was reviewed and updated, training was provided internally, and any identified risks continue to be monitored and managed effectively;
- reports on material disclosures received through the group's anonymous tip offs reporting line administered by Deloitte & Touche as well as any resultant investigations that had taken place during 2020 were reviewed, in conformance with the formalised tip-offs policy. Tip offs training and awareness sessions continue to be conducted periodically to promote utilisation of the facility;
- the committee considered the annual budget in line with the group's social and economic development. COVID-19 had a serious impact on the business of the group and as a result the CSI and SED spend for the year was also affected, and although lower than what was spent in 2019, Bell ensured its CSI and SED spend was undertaken with the best possible impact in mind in making its communities self-sufficient and empowered. The group CSI and SED spend for 2020 was in the sum of R865 852 and was directed at community based projects as highlighted in the stakeholder relations report on page 59 of the IAR;

Corporate governance

- the committee undertook the annual review of the charter to ensure that the correct focus was being maintained by the committee in terms of its roles and responsibilities;
- the annual work plan was reviewed to continue to align the plan with the committee's mandate, as guided by the Companies Act and King IV. Greater emphasis has been placed on the committee's monitoring indicators and how they relate to the business of the group;
- the committee received updates on proposed and new relevant legislation and other legal requirements or prevailing codes of best practice specifically relating to matters affecting the committee's mandate as and when applicable. This included feedback on the legislation affecting the committee, including the group's responsibilities under the Protection of Personal Information Act and the Modern Slavery Act;

Social and economic development

- the group's subsidiaries, BECSA and BESSA, achieved a level 2 and a level 1 BBBEE score in 2020 respectively, based on the measurement criteria contained in the BBBEE codes of good practice;
- following the implementation of the BEE transaction at both BECSA and BESSA effective 1 January 2020, the committee continues to monitor the progress of the group's South African operations in relation to its transformation targets to ensure alignment with the group's business objectives and strategies. The committee monitors the company's BEE progress in order to improve the group's competitiveness within the South African environment and to ensure compliance with the reporting duties required of it in terms of the regulations to the BEE Act and Employment Equity Act, and the BEE legislation in general;
- the group has recommitted to observing the ten principles advocated by the Universal Declaration of Human Rights and the International Labour Organisation;
- the board published its voluntary commitment to reach more than 25% female representation on its board and black member representation on its board of 30%. Whilst the board's composition at the time of the publication of this report had not reached its voluntary targets, going forward the board will endeavour to reach those percentage targets and the committee will continue to actively monitor the progress made by the board in this regard. The committee deliberated on matters of diversity in a much broader sense in the past year and will continue to review progress at all levels of the organisation to promote diversity in terms of gender, race, culture, age, field of knowledge, skills and experience;

Labour and employment activities

- in line with the Employment Equity Act, the committee monitored the group's development in employment practices locally and internationally and monitored progress against transformation targets and the group's employment equity plan, a summary of such plan can be found on pages 50 to 52 of the stakeholder relations report;
- the committee received assurance that the group is committed to promoting equal opportunities and fair employment practices globally, across all its businesses, observing the principles advocated by the International Labour Organisation Protocol on decent work conditions;
- the committee reviewed and monitored the Employment Equity legislation relating to ensuring equal pay for work of equal value;
- the group recognises its most valuable asset is its human capital. A great deal of time and money is invested in the recruitment, training and development of employees and as such every effort is made to retain its current scarce and critical skills, and to recruit new talent with already developed scarce and critical skills. Bell wants to ensure that its team members thrive in an environment that is free from discrimination, harassment, and victimisation. The group believes that by maintaining such an environment, Bell will continue to attract, retain, develop, and fully engage talent that will result in greater innovation, creativity and enhanced business performance;

Environment, health and safety

- during 2020, the group continued to focus on initiatives and interventions in respect of mental and financial health and physical wellbeing of its workforce. This was specifically applicable due to pressures of the COVID-19 pandemic on employees who had to sacrifice salaries, having been placed on short time for three months, and having to adapt to working remotely and coping with the toll that the pandemic took on them. The group initiated efforts to assist employees in claiming TERS in South Africa, registering employees for furloughs and other government sponsored assistance across its global operations that aided in minimising financial distress. Employees were also assisted with appointments with psychologists and placed on Employee Assistance Programs ("EAP") with other institutions such as SANCA and Lifeline to assist with the pressures and depression resulting from the COVID-19 pandemic;
- reports on the environment, health and public safety, including the impact of the group's activities and products on the environment and society and the group's continued responsible use of natural resources were considered by the committee and any issues relating to potential risk of non compliance were addressed. All risk mitigations put in place were applied and there is strict adherence to rules when it comes to matters of environment, health and safety. The group's safety management system based on behaviour-based safety, an identification of appropriate control measures to mitigate the risks at the individual operations, visibly felt leadership and ongoing training requirements were complied with;

Stakeholder relationships

- the committee reviewed the group's consumer relationships reports, including the group's engagement with its customers, employees and other material stakeholder groups; and considered the group's public relations publications, both internal and external undertaken during 2020. The committee is considering revisiting its stakeholder engagement approach. Further detail can be found on page 48 of the stakeholder relations report;
- following the self assessment of the committee as part of the board and committee self evaluation process undertaken in December 2019, the committee considered the results thereof to ensure that the committee remains

Social, ethics and transformation committee report *continued*

relevant and effective. Continued awareness and clarity on the mandate of the committee is being undertaken to ensure the effectiveness of the committee.

The committee has considered the relevant laws and regulations applicable to the group's operations during the reporting period and its compliance with these. The committee is further satisfied that it has fulfilled its mandate as set out in the Companies Act, read with Regulation 43 of the Companies Regulations and in its terms of reference.

For the period under review, there have been no instances of material non compliance with relevant legislation or non-adherence to codes of best practice that fall within the committee's mandate.

As chairman of this committee, I will be available at the group's AGM to respond to any enquiries regarding the statutory obligations of the committee.

Mamokete Ramathe
Chairman
Social, ethics and transformation committee
23 April 2021

Form of proxy

BELL EQUIPMENT LIMITED
Company registration number: 1968/013656/06
Share code: BEL
ISIN code: ZAE000028304
("Bell Equipment" or "the company")

All terms defined in the notice of AGM of which this form of proxy forms part, or in the glossary, apply to this form of proxy. If you are a Dematerialised Shareholder do not complete this form.
An ordinary shareholder entitled to attend and vote at the AGM to be held by electronic communication on Friday, 18 June 2021 at 11:00, is entitled to appoint a proxy/ies to attend, speak or vote thereat in its/ his/ her stead. A proxy/ies need not be a shareholder of the company. The proxy will also participate by electronic communication.

The completed forms of proxy must be lodged electronically with the transfer secretaries, JSE Investor Services Proprietary Limited ("JIS"). Shareholders are strongly urged to electronically deliver their completed forms of proxy by no later than 11:00 on Thursday, 17 June 2021 to **meetfax@jseinvestorservices.co.za**

I/We ________________________________ (please print full names)

________________________________ (address)

Being an ordinary shareholder(s) of the company holding ________________________________ (ordinary shares)

ordinary shares in the company, do hereby appoint:

1. ________________________________ or failing him/her
2. ________________________________ or failing him/her
3. the chairman of the AGM as my/our proxy/ies to attend, speak and on a poll to vote or abstain from voting on my/our behalf at the AGM or at any adjournment thereof for the purpose of considering and, if deemed fit, passing with or without modification, the following resolutions to be considered at the AGM in accordance with the following instructions:

Ordinary Resolution Number		For	against	abstain
1.	Elect A Goordeen as executive alternate director			
2.	To re-elect directors who retire by rotation			
2.1	R Naidu			
2.2	M Ramathe			
2.3	A Bell			
3.	To elect the members of the audit committee			
3.1	Election of D Lawrance, an independent non-executive director, as a member of the audit committee until the conclusion of the annual general meeting to be held in 2022			
3.2	Election of R Naidu, an independent non-executive director, as a member of the audit committee until the conclusion of the annual general meeting to be held in 2022			
3.3	Election of M Ramathe, an independent non-executive director, as a member of the audit committee until the conclusion of the annual general meeting to be held in 2022			
3.4	Election of J Barton, an independent non-executive director, as a member of the audit committee until the conclusion of the annual general meeting to be held in 2022			
4.	Appointment of Deloitte & Touche as the independent auditors of the company until the conclusion of the AGM to be held in 2022			
5.	Placement of certain of the authorised but unissued shares under the control of the directors			
6.	Non-binding advisory vote on the company's remuneration policy			
7.	Non-binding advisory vote on the company's remuneration implementation report			
Special Resolution Number		**For**	**against**	**abstain**
1.	General authority for the provision of financial assistance in terms of Section 44 of the Companies Act			
2.	General authority for the provision of financial assistance in terms of Section 45 of the Companies Act			
3.	Approval of the basis of the remuneration payable to non-executive directors			
	Annual retainer fees			
3.1	Non-executive chairman			
3.2	Lead independent non-executive director			
3.3	Non-executive directors			
	Fees paid per meeting to the chairman of the board and the chairmen of the board committees			
3.4	Board			
3.5	Audit committee			
3.6	Risk and sustainability committee			
3.7	Nominations committee			
3.8	Remuneration committee			
3.9	Social, ethics and transformation committee			
3.10	Fees paid to lead independent non-executive director per board meeting			
	Fees paid to non-executive directors including the charirman of the board and the chairmen of the board committees per meeting			
3.11	Board			
3.12	Audit committee			
3.13	Risk and sustainability committee			
3.14	Nominations committee			
3.15	Remuneration committee			
3.16	Social, ethics and transformation committee			
3.17	Bell Equipment audit services committee			
3.18	Ad hoc committees			
4.	General authority to repurchase shares			

Please read the notes following this form of proxy. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been previously registered by the transfer secretaries.

Signed at ________________________ (place) on ________________________ 2021.

Shareholder's signature/s ________________________ assisted by ________________________ (if applicable)

Notes to the form of proxy

Summary of the rights to be represented by proxy as contained in section 58 of the Companies Act and notes to the form of proxy:

In accordance with Section 58 of the Companies Act, a person who holds ordinary shares in Bell Equipment is entitled to attend and vote at the AGM and to appoint one or more proxies to attend, participate in, speak and vote or abstain from voting in his/her stead. Further, a shareholder may appoint more than one proxy to exercise voting rights attached to different securities held by that shareholder.

A proxy need not be a shareholder of the company.

A shareholder may make a proxy appointment in writing, dated and signed by the shareholder; and said appointment will remain valid until the end of the AGM, unless it is revoked in a manner contemplated in subsection (4)(c).

A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided overleaf, with or without deleting "the chairman of the AGM", but any such deletion must be initialled by the shareholder. Should this space be left blank, the proxy will be exercised by the chairman of the AGM. The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.

A proxy may not delegate the proxy's authority to act on behalf of the shareholder to another person.

A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

Irrespective of the form of instrument used to appoint a proxy, the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder or if the appointment is revoked. A shareholder may revoke the proxy appointment by:

- cancelling it in writing, or making a later inconsistent appointment of a proxy; and
- delivering a copy of the revocation instrument to the proxy, and to the company.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as required in subsection (4) (c) (ii) of the Companies Act.

If the instrument appointing a proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's MOI to be delivered by the company to the shareholder must be delivered by the company to:

- the shareholder; or
- the proxy or proxies, if the shareholder has directed the company to do so, in writing, and paid any reasonable fee charged by the company for doing so.

A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the instrument appointing the proxy, provides otherwise.

A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that shareholder, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the AGM, as it/he/ she thinks fit in respect of all the shareholder's exercisable votes. A proxy is not obliged to use all the votes exercisable by it/him/her, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholder.

Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the chairman of the AGM. The chairman of the AGM shall be entitled to decline or accept the authority of a person signing the proxy form:

- under a power of attorney; or
- on behalf of a company,

unless his power of attorney or authority is deposited at the offices of the company secretary or that of the transfer secretaries no later than 48 hours before the meeting.

The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.

Electronic participation and verification application form in respect of the Bell Equipment Limited AGM to be held on Friday, 18 June 2021 at 11:00

All terms defined in the Notice of AGM, bear the same meaning in this Form.
This Form must be completed by any Certificated Shareholder, any Own Name Shareholder and any Dematerialised Shareholder in possession of a letter of representation and any CSDP or broker or its nominee company which is a shareholder wishing to attend the AGM in person and by any proxy wishing to attend the AGM. The completed Form must be emailed to the email address of Bell Equipment's meeting scrutineers, The Meeting Specialists ("TMS") at email proxy@tmsmeetings.co.za by no later than 11:00 (SA time) on Thursday, 17 June 2021.

Name and surname of shareholder (Participant)	
Name and surname of shareholder representative (if applicable)	
Copy of letter of representation or document reflecting authority of representative of shareholder or form of proxy attached	
Registration number/Identity number/passport number of Participant or representative	
Copy of identity document or passport attached of Participant	
Email Address	
Mobile/Cell Number	
Telephone Number	
Name of CSDP or broker (if shares are held in dematerialised format)	
Shareholder number/ SCA number / broker account number/ own name account number or custodian number	
Number of shares	
Signature	
Date	

TERMS AND CONDITIONS FOR PARTICIPATION AT THE BELL EQUIPMENT ANNUAL GENERAL MEETING VIA ELECTRONIC COMMUNICATION

1. The cost of dialling in using a telecommunication line/ webcast/ web-streaming to participate in the AGM is for the expense of the Participant and will be billed separately by the Participant's own service provider.
2. The Participant acknowledges that the telecommunication lines/ webcast/ web-streaming are provided by a third party and indemnifies Bell Equipment, the JSE, JIS and TMS against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/ webcast/ web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that it/ he/ she will have no claim against Bell Equipment, the JSE, JIS and TMS, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/ webcast/ web-streaming or any defect in it or from total or partial failure of the telecommunication lines/ webcast/ web-streaming and connections linking the telecommunication lines/ webcast/ web-streaming to the AGM.
3. Once the Participant has received the unique link, the onus to safeguard this information rests with the Participant. The Participant is not permitted to make this unique link available to anyone else. Only the Participant, as verified, is permitted to use the unique link.
4. The application will only be deemed successful if this Form has been fully completed and signed by the Participant and delivered or emailed timeously to TMS at proxy@tmsmeetings.co.za.

By signing this Form I agree and consent to the processing of my personal information above for the purpose of participating in the AGM.

Shareholder name:

Signature:

Date:

IMPORTANT: You are required to attach a copy of your proof of authority / letter of representation / identity document /passport document when submitting the Form.

Corporate information

BELL EQUIPMENT LIMITED
Registration Number: 1968/013656/06

JSE SHARE CODE
BEL

ISIN CODE
ZAE000028304

GROUP COMPANY SECRETARY
Diana McIlrath
Tel: +27 (0)35 907 9111
diana.mcllrath@bellequipment.com

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AUDITORS
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Edward Nathan Sonnenberg Inc.

JSE SPONSOR
Investec Bank Limited

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INVESTOR RELATIONS WEB ADDRESS
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