

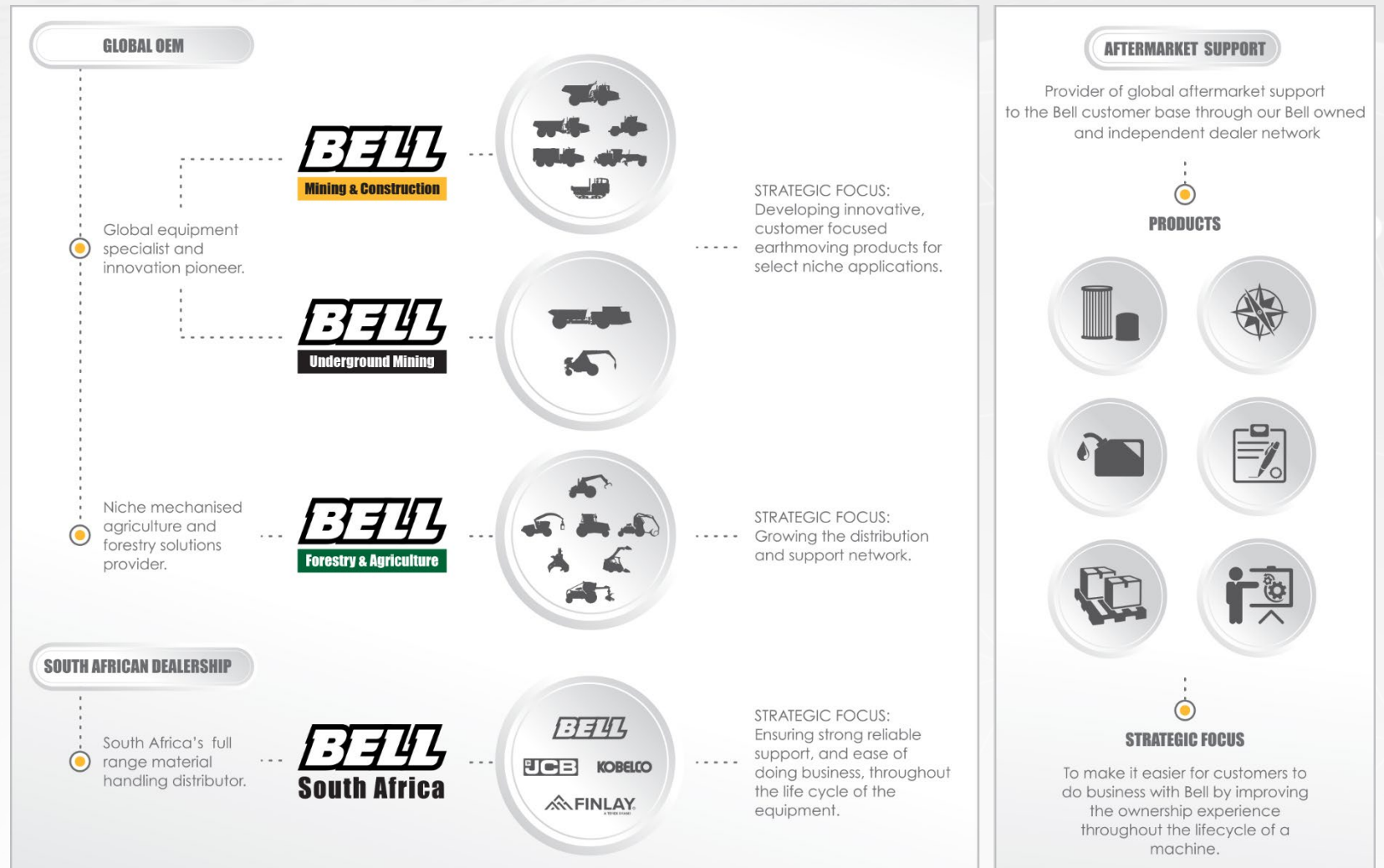


BELL

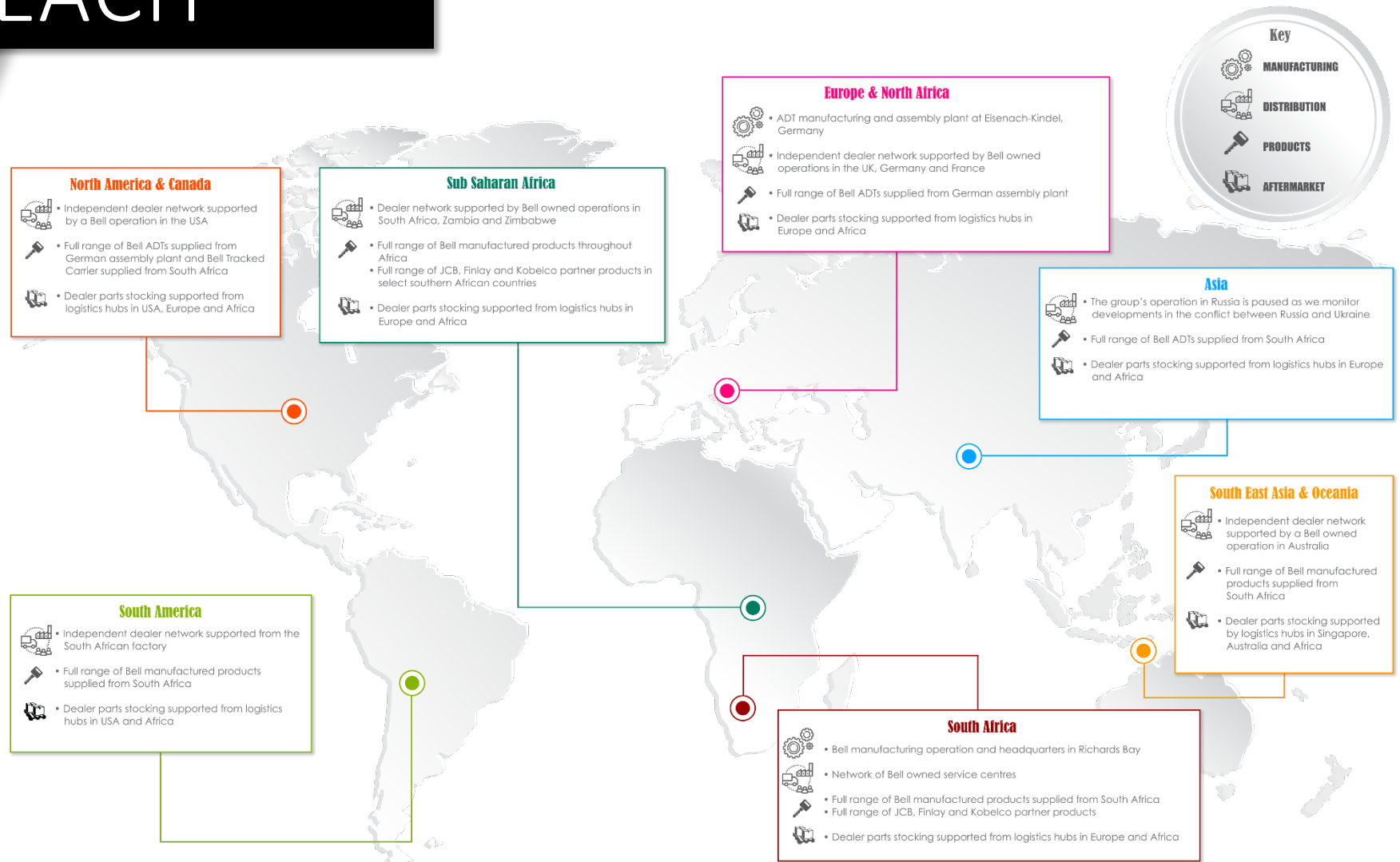
**STRONG RELIABLE MACHINES
STRONG RELIABLE SUPPORT**

UNLOCK THE STOCK - OCT 2023

BUSINESS MODEL



GLOBAL REACH



SUMMARY OF THE PERIOD

Overall contributors:

- Strong demand ensuring robust order book across the globe
- JCB's product distribution in South Africa continued to grow at healthy rate
- New product developments gained traction

Overall detractors:

- Global supply chain constraints
- Labour shortages in Germany
- Location of ADT manufacture in South Africa far from suppliers and major markets
- South African challenges (Transnet and Eskom)
- Exchange rate volatility



OEM - MANUFACTURING, ASSEMBLY, LOGISTICS & DEALER SALES OPERATIONS, SOUTH AFRICA



RICHARDS BAY RSA

Achievements and realities for the period 30 June 2023:

- External dealer sales from South Africa increased by 35,7% from the prior year and accounts for **18,6% of Group sales** (2022: 19,5%)
- **Production rate increased, driven by improved global demand**
- **A stronger operating profit of R420,7m** is up from an operating profit of R134,4m in the prior period, due to improved global volumes
- Further growth and expansion of independent dealer network
- **Increase in overall operating inventory and borrowings as geared up for higher production**
- Supply chain challenges are improving, allowing some catch-up of planned production over the next quarter, but limited shipping schedule ex SA may impact invoice timing
- New product development on track

Outlook / expectations:

- Optimistic that strong global demand will continue
- **Continued demand for commodities and large infrastructure projects globally**
- Ongoing focus on managing component shortages, increased lead times and price increases due to high global demand
- Quality, efficiencies (lean manufacturing) and cost reduction continue to be key focus
- **Continued investment in new IP generation and digitisation**
- Continued focus on optimising operating inventory and gearing
- **Leveraging our empowerment credentials (51% Black owned and Level 3) by pursuing manufacturing opportunities aligned with our core competencies through the launch of Bell Heavy Industries.**

OEM - MANUFACTURING, ASSEMBLY, LOGISTICS & DEALER SALES OPERATIONS, EUROPE

EISENACH GERMANY

OEM - MANUFACTURING, ASSEMBLY, LOGISTICS & DEALER SALES OPERATIONS, EUROPE



ALSFELD GERMANY

Achievements and realities for the period 30 June 2023:

- **External sales from the OEM operations in Europe** improved by 65.4% and **accounts for 40.3%** (2022: 34,6%) of Group sales
- **Production rate increases are due to higher Northern Hemisphere demand for equipment driven by large infrastructure projects**
- Operating profit of R84,2m reflects modest increase on prior year profit of R75,1m due to lower margin prior year orders carried into 2023
- North American and UK markets continued their positive trajectory
- **Increase in overall operating inventory and borrowings as geared up for higher production**
- **Supply chain challenges improving, allowing some production catch up, but labour shortages in Germany prevented operation fully capitalising on order book during period**
- Operation in Russia remains moth-balled

Outlook / expectations:

- **Outlook for the North American markets remain positive with stronger order books, with traditional European markets and the UK showing signs of levelling off**
- Strong outlook supported by restocking, large infrastructure projects and increased demand for commodities across the globe
- Ongoing focus on managing component and labour shortages, increased lead times and price increases driven by high global demand
- **Continued focus on optimising operating inventory and gearing**
- Continuous optimisation and enhancement of the Dealer network
- Russia/Ukraine/Israel remain a concern

DIRECT SALES - SOUTH AFRICA

JOHANNESBURG RSA

DIRECT SALES - SOUTH AFRICA



Achievements and realities for the period 30 June 2023:

- Sales improved by 20,9% from prior period and makes up 34,7% (2022: 40,7%) of Group sales
- Operating profit increased to R146,2m compared to R84,1m for the prior period
- Mining of commodities and demand for ADT's was strong, while construction and road building sectors remain exceptionally weak
- Third party product distribution is proving to be a great fit and invigorates the offering to the South African market
- Inventory holding has increased to cater for the market needs and the order book supports this

Outlook / expectations:

- Cautiously optimistic that momentum from commodities will continue
- Consolidation of third-party product distribution in our marketplace is proving to be beneficial
- Enhanced product and service line positions for market recovery
- Agriculture equipment dealers and underground mining equipment focus growing penetration
- South African sales entity 51% black owned, 30% black woman owned with Level 1 B-BBEE score achieved, maximising benefit for customers

DIRECT SALES – REST OF AFRICA (ZAMBIA & ZIMBABWE)

Achievements and realities for the period 30 June 2023:

- **Sales** improved by over 73,5% compared to the prior period and currently **represent 6,5% (2022: 5,3%) of Group sales**
- Operating profit increased to R37,6m from R13,0m in the prior period
- **Strong commodity led growth in Zambia**
- Zimbabwe very little activity

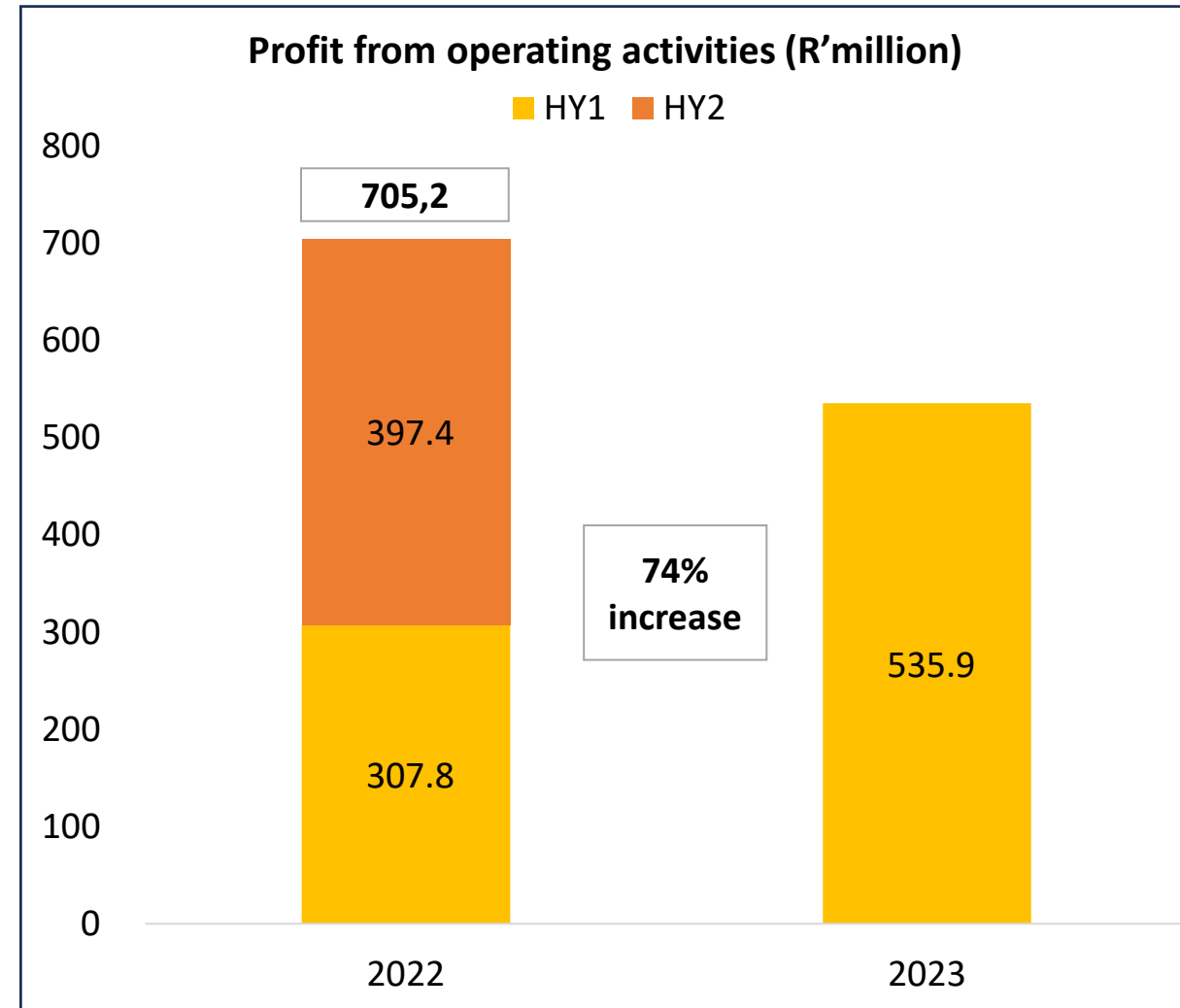
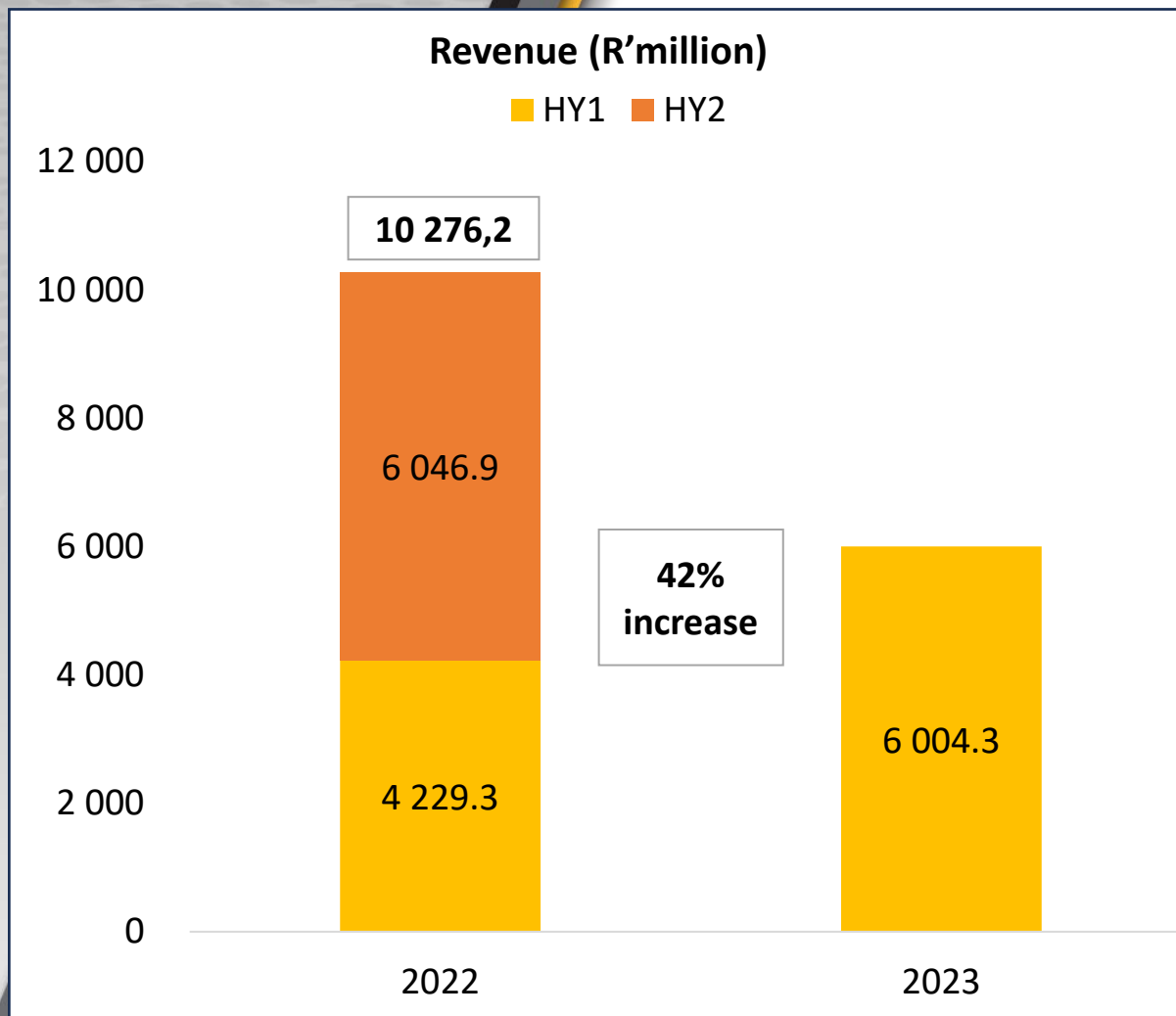
Outlook / expectations:

- Two consecutive years of growth is encouraging
- **Positive sentiment and commodities continue to support growth.**
- Continued focus on aftermarket support in both markets
- Economic and political challenges in Zimbabwe expected to continue

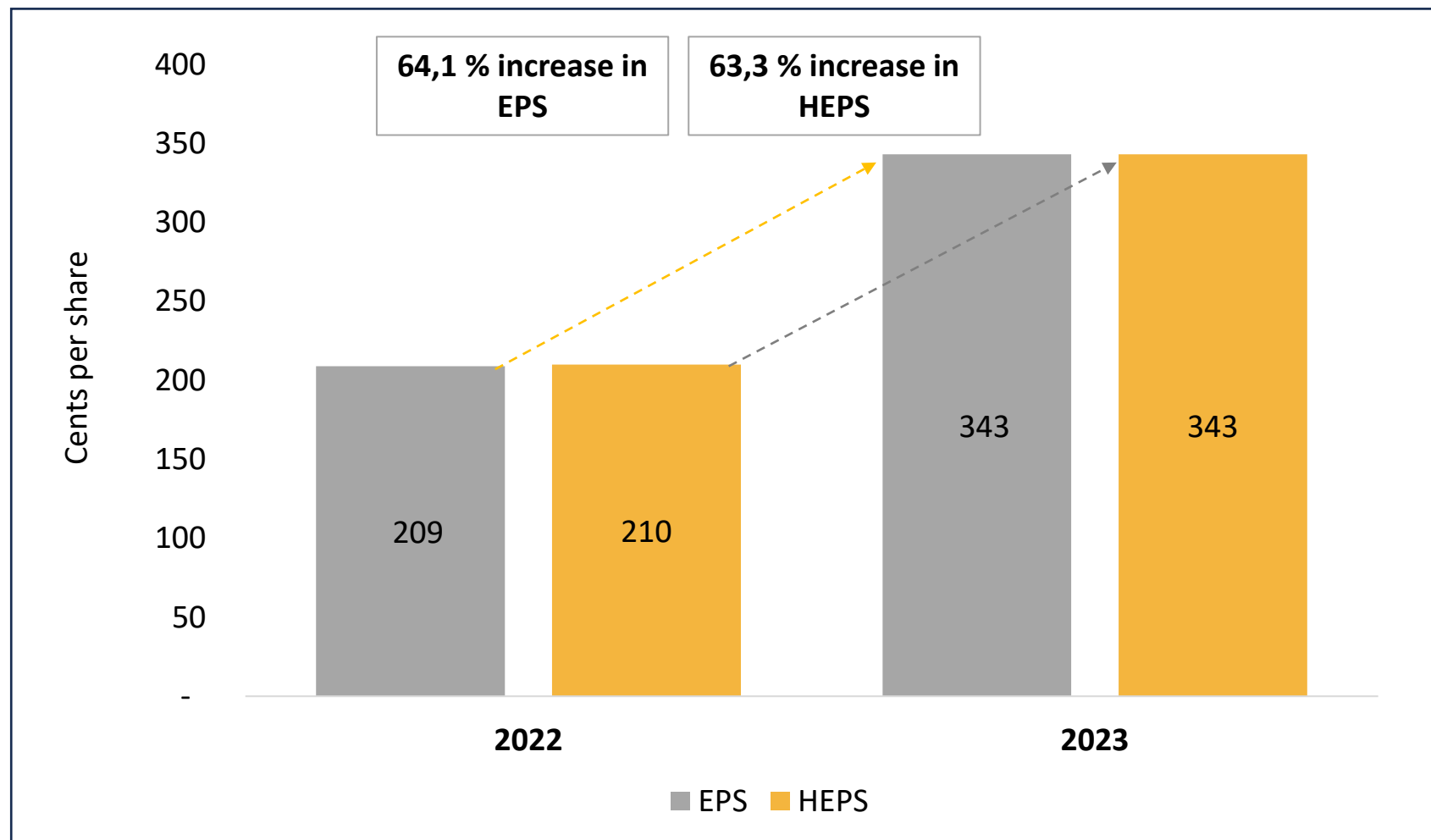
FINANCIAL RESULTS



REVENUE AND OPERATING PROFIT



EPS AND HEPS



NOTES ON INVENTORY

R'm		Unaudited 30 Jun 2023	Audited 31 Dec 2022	% change
Finished goods – Manufactured	➡	804,4	462,7	73,9
Finished goods – Third Party		563,5	499,4	12,8
Finished goods – Used		342,3	278,0	23,1
Spares, components & raw materials		3 235,6	2 969,1	9,0
Work in progress	➡	930,9	542,8	71,5
Total		5 876,7	4 752,0	23,7

- 220 inventory days at 30 June 2023 is similar to the level at 31 December 2022 and lower than the 256 days at the end of June 2022

NET DEBT AND FINANCE COST

	Unaudited 30 Jun 2023	Audited 31 Dec 2022	% change
Net debt – close (Rm)	1 513	1 148	31,8
Net debt – average (Rm)	1 331	922	44,4
Interest paid for the period (annualised, Rm)	183,6	137,0	34,0
Gearing % (net debt)	30,8	26,3	17,1
Interest cover (times) (underlying EBIT)	5,8	5,2	11,5
Net debt to EBITDA (times, annualised)	1,24	1,29	(3,9)

- Net debt and gearing increased during period
- Interest cover and net debt to EBITDA improved due to higher earnings

* Net debt excludes lease liabilities in respect of right-of-use assets

LOOKING AHEAD



LOOKING AHEAD

- **We remain cautiously optimistic, with most markets reflecting strong order books through to 2024**
- **Continued focus on growth in the USA, the world's largest ADT market**
- For South Africa, the mining sector remains strong, but the construction industry outlook remains depressed as the country grapples with low infrastructure spending in a weakened economy
- Third party product distribution in South Africa continues to grow and complements our own products and offerings to our customers
- Continued attention to the reduction of total cost of ownership and developing user-friendly digital tools to enhance the ease of doing business for our customers
- **Ongoing investment in innovation, development and introduction of new products, and digitisation**
- **Autonomous ready ADT piloted in global markets**
- Supporting and growing the aftermarket, through customer and dealer relationships and leveraging our active fleet globally
- **Continued focus on expanding facilities and capabilities in the Northern Hemisphere to move closer to global markets**
- Current evaluation of the benefits of potential changes to the group's operating structure



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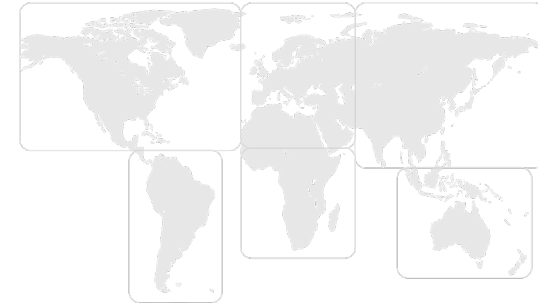
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BELL

MINING & CONSTRUCTION SOLUTIONS PROVIDER



BELL

Mining & Construction

Lowest cost per tonne/
reduced overall operating
costs

Leading engine technology

First to market with innovations,
class leading fuel economy
and proprietary fleet
management system

Uncompromising safety standards

Superior ride quality

Highest level of automated
machine protection

BELL

Underground Mining

Unlock the Stock, October 2023

BELL

AGRICULTURE & FORESTRY SOLUTIONS PROVIDER



Maximum availability
and utilisation

Robust for harsh African
conditions

Loading and haulage
solutions

Designed for
ease of operation

Purpose built machines

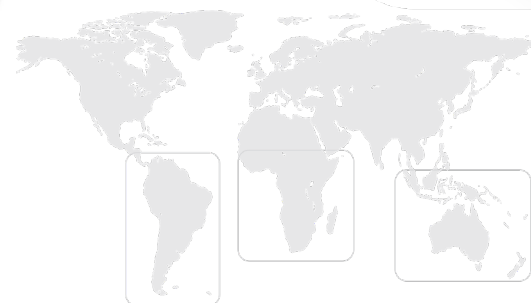
Low to medium volume
operations

First stage mechanisation

Lowest cost per tonne



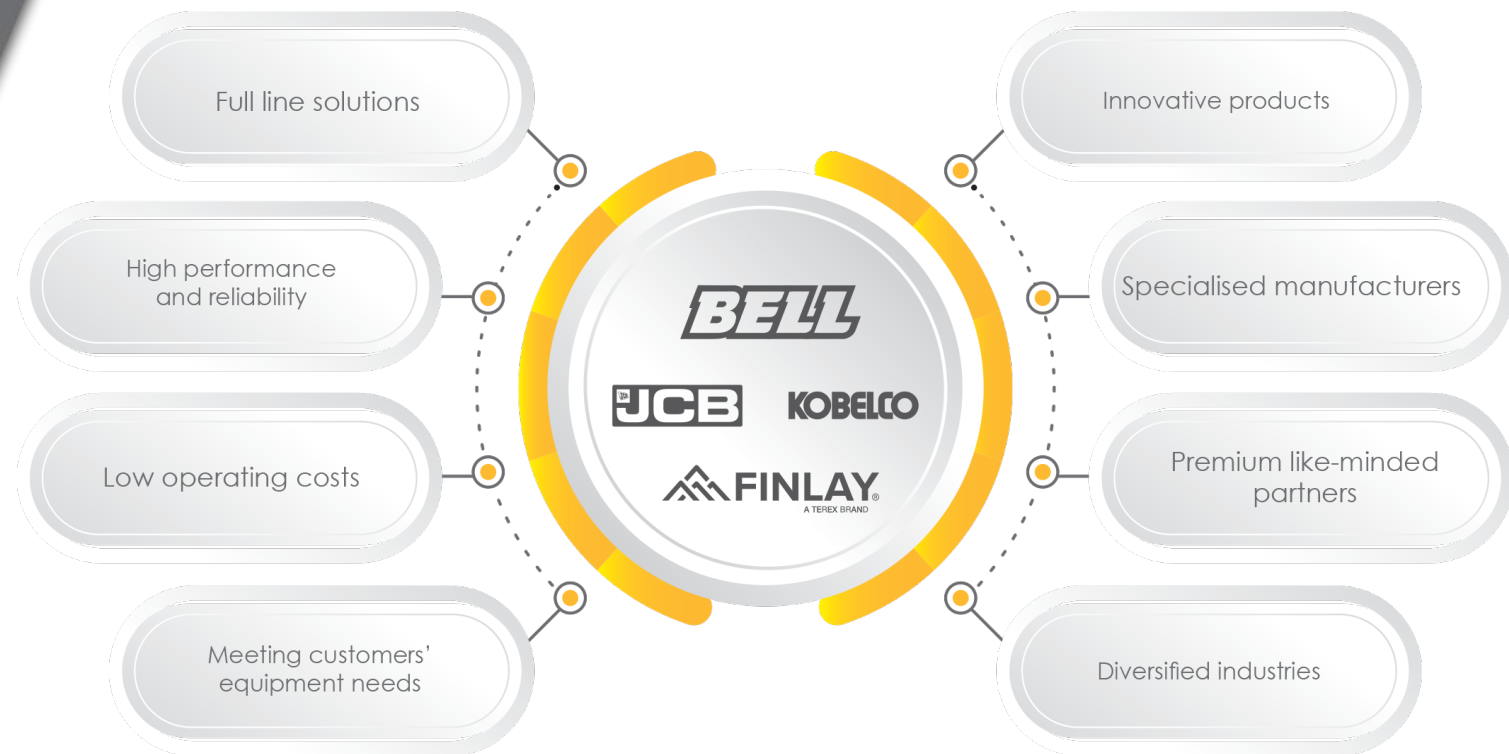
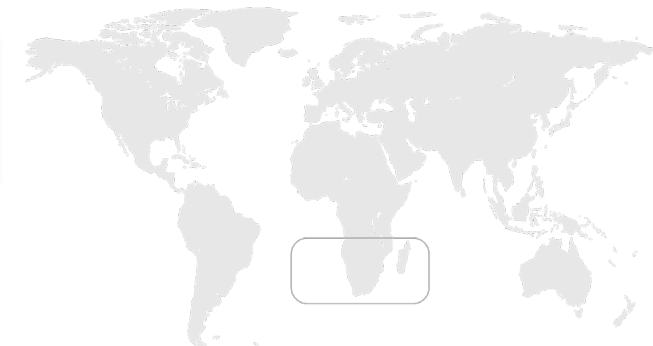
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Forestry & Agriculture



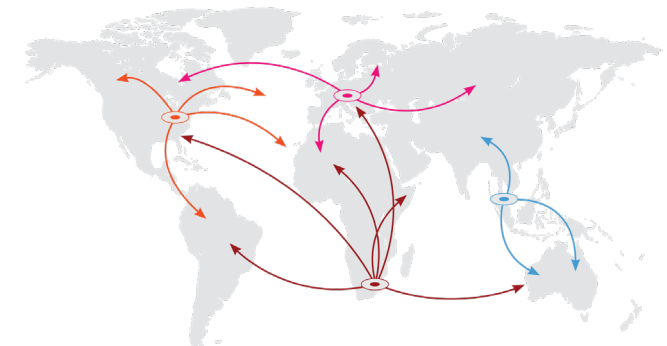
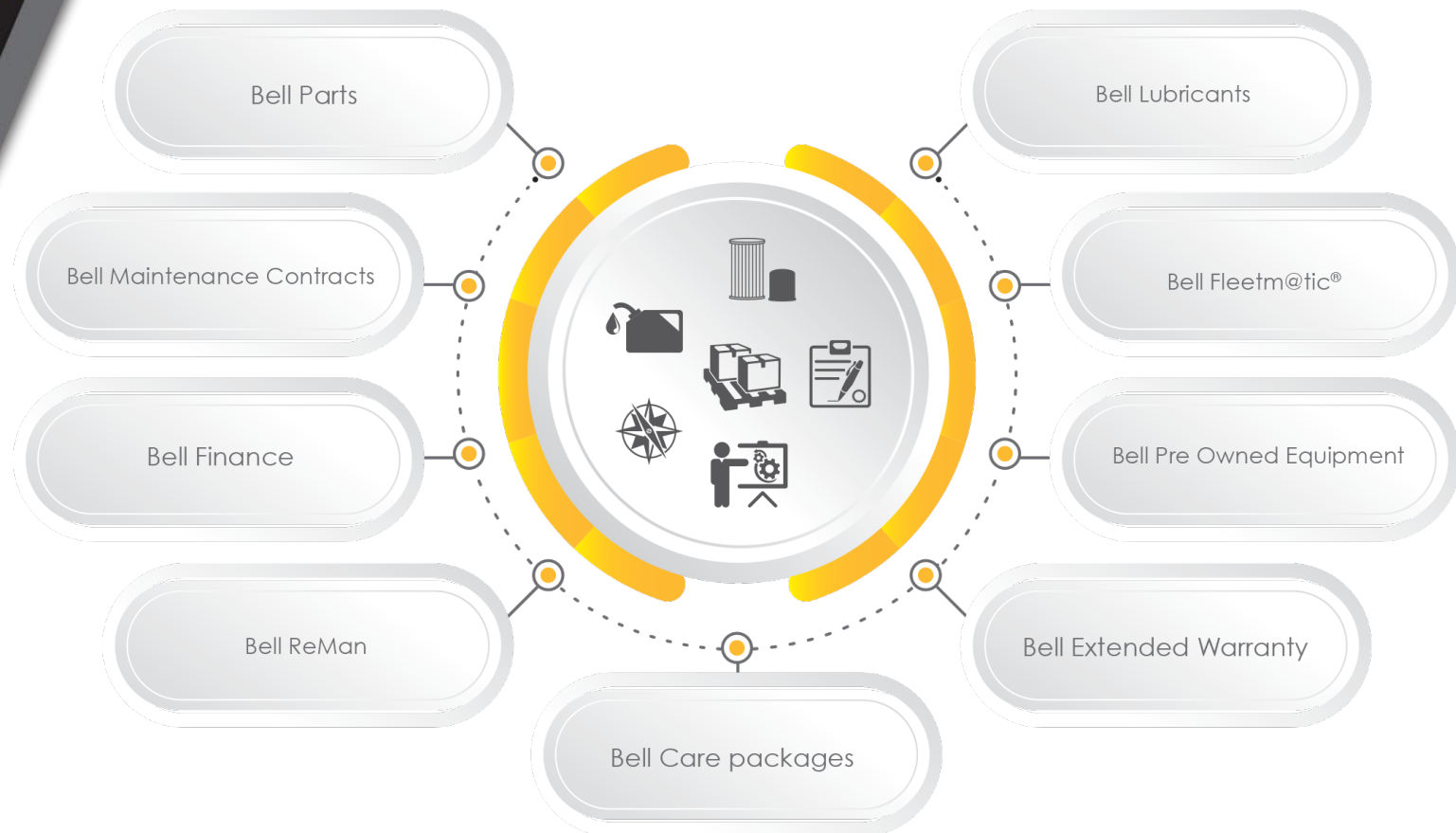
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MATERIAL-HANDLING DISTRIBUTOR



AFTERMARKET SUPPORT



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