



BELL

**STRONG RELIABLE MACHINES
STRONG RELIABLE SUPPORT**

BELL Celebrating our **70th** ANNIVERSARY

**RESULTS FOR THE YEAR
ENDED 31 DECEMBER 2024**

CONTENTS

○ Operational update

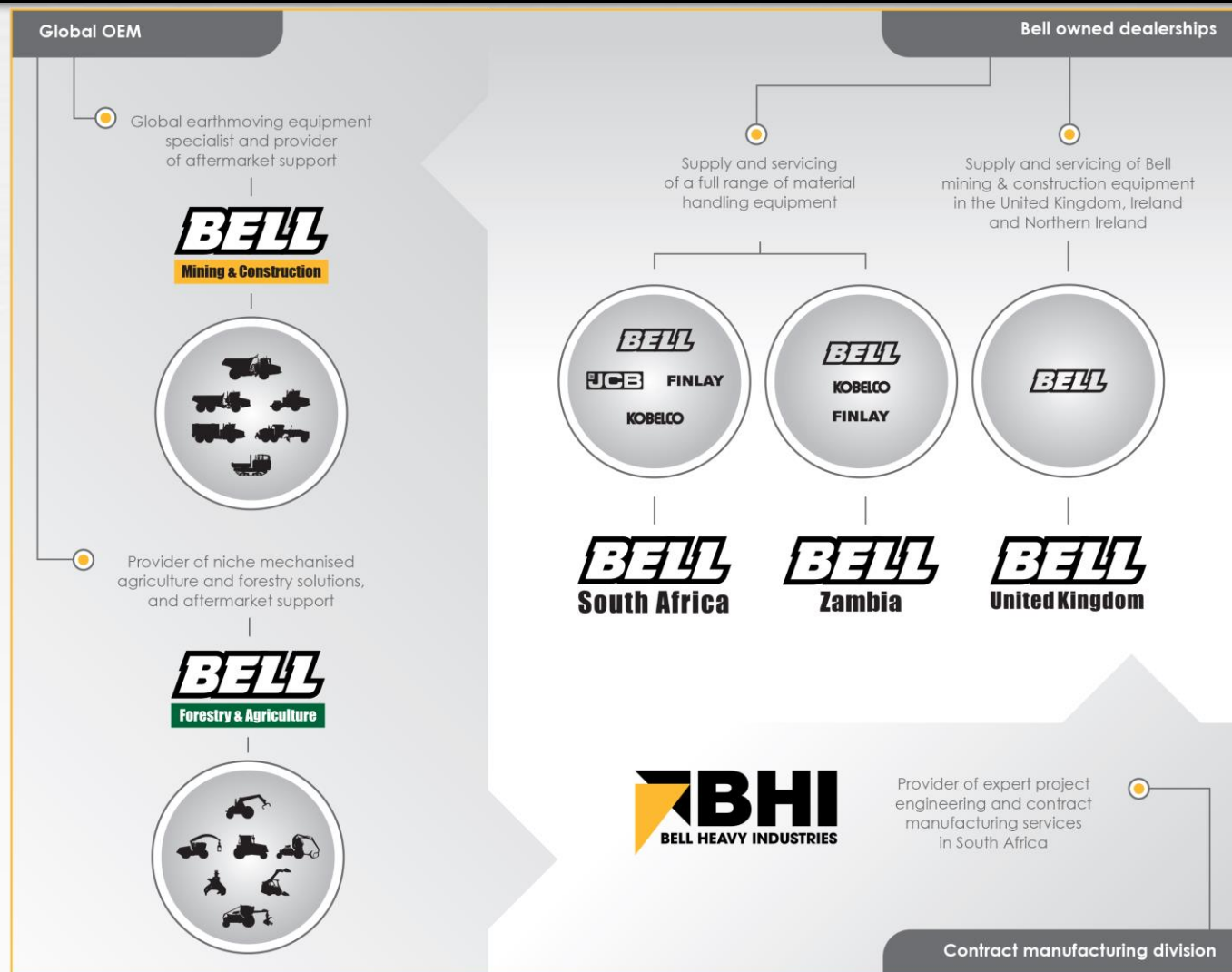
○ Financial results

○ Looking ahead

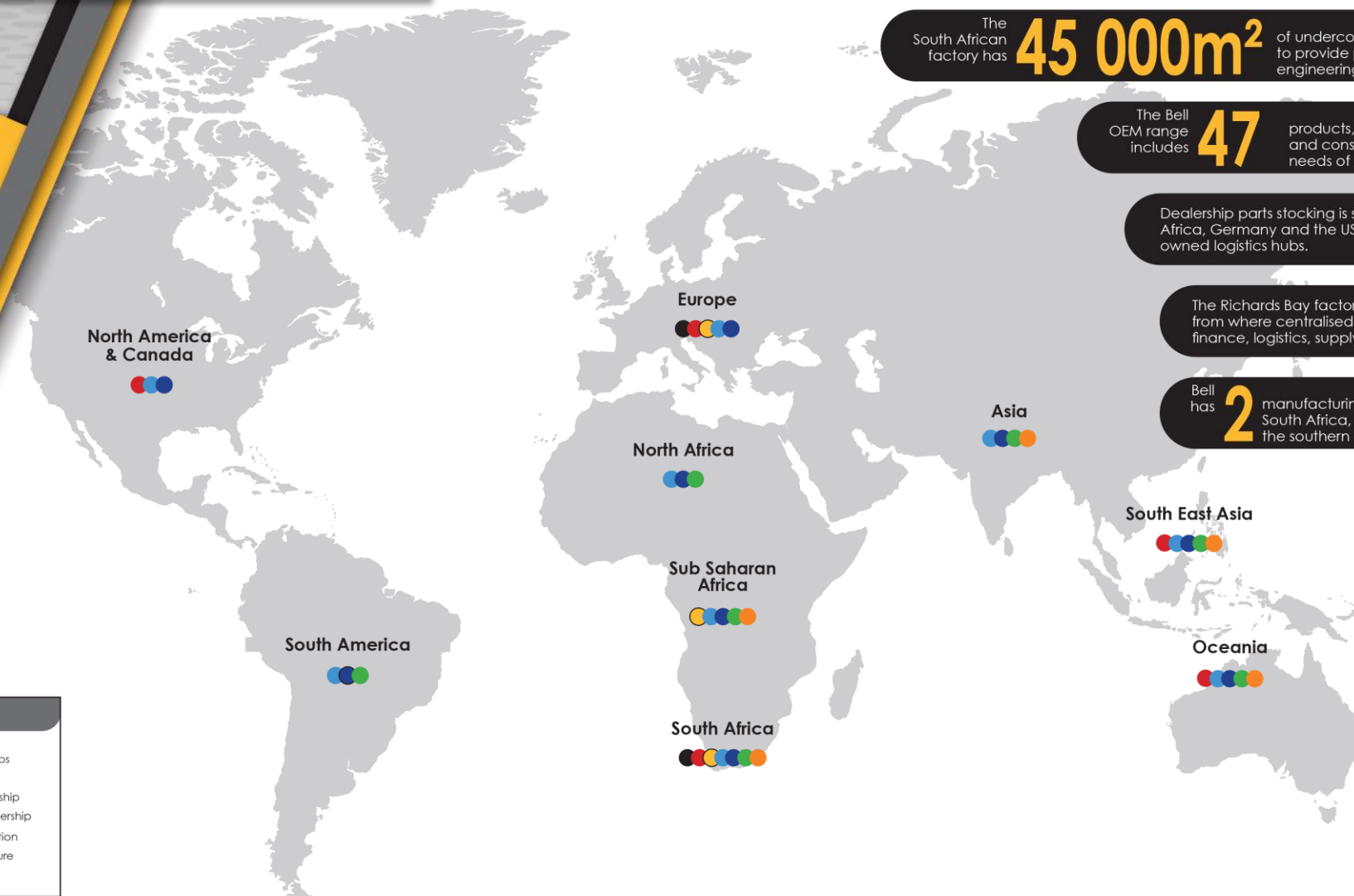
○ Appendix



BUSINESS MODEL



GLOBAL REACH



Bell has a Bell owned dealership network in

3

countries, namely the United Kingdom, Zambia, and South Africa. In all other territories Bell uses independent dealerships to support our customers.

The South African factory has

45 000m²

of undercover manufacturing area and is able to provide project manufacturing and contract engineering through its Bell Heavy Industries division.

The Bell OEM range includes

47

products, of which **27** are geared towards mining and construction and **20** cater to the mechanised needs of our forestry and agriculture customers.

Dealership parts stocking is supported from Bell logistics hubs in South Africa, Germany and the USA, complemented by additional dealer owned logistics hubs.

The Richards Bay factory is home to the group's head office from where centralised group services are managed, including finance, logistics, supply chain management, and marketing.

Bell has

2

manufacturing facilities based in Richards Bay, South Africa, and Eisenach-Kindel, Germany to serve the southern and northern hemisphere markets.

Bell machines operate in over

80

countries.

22

Bell owned customer service centres in South Africa.

114

independent dealers globally.

SUMMARY OF THE YEAR

Contributors to the year:

- Market share growth initiatives
- Motor grader development on track
- Cost containment and cash preservation focus
- Operational efficiency and quality process improvement
- Supply chain stability
- Independent dealer development and positive growth in partner product distribution

Challenges to the year:

- Slowing demand in key markets globally
- High finished goods inventory levels across all OEMs – highly competitive
- Global political uncertainty
- ADT manufacture location - far from suppliers and major markets





OEM

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

RICHARDS BAY RSA

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

Achievements and realities for the year 31 Dec 2024:

- External Dealer sales from South Africa increased by 0,5% from the prior year and now represents 22,1% of Group Sales (2023: 19,1%)
- Reduced market demand due to 'cooling' commodity cycle and increased competition due to high finished goods inventory levels across industry
- Reduced production volumes on the back of challenging market conditions
- A reduction in operating profit to R477,2m is down from an operating profit of R834,0m in the prior year, due to reduced production volumes
- Dealer network expansion and dealer development in both Mining and Construction, as well as Forestry and Agriculture sectors
- Reduced operating inventory and borrowings due to lower factory production volumes
- Bell Heavy Industries (BHI) division gained some traction in the procurement of non-Bell OEM contract manufacturing work
- Greater supply chain stability compared to prior year but ongoing SA port challenges

Outlook / expectations:

- Cautiously optimistic that the market cycle has reached the bottom of the trough
- Demand for commodities expected to remain under pressure
- Normalising of industry finished goods inventory levels is anticipated
- Develop stronger dealer network to grow and support global forestry and agriculture markets
- Quality, manufacturing efficiencies and cost containment continue to be key focus
- Start of production and launch of Motor Grader product to Southern Hemisphere markets
- Continued investment in new IP development
- Focus on growing Bell Heavy Industries (BHI) contract manufacturing division
- Manufacturing entity 51% black owned which is beneficial in pursuing localised BHI contract manufacturing opportunities

OEM

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

EISENACH GERMANY



OEM

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



ALSFELD GERMANY

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

Achievements and realities for the year 31 Dec 2024 :

- External sales from the OEM operations in Europe reduced by 31,7% and accounts for 33,1% (2023: 41,9%) of Group Sales
- Reduced demand due to slowdown in North America, lower EU/UK infrastructure spend and very high finished goods inventory levels across all industry competitors
- North American ADT market more resilient than anticipated, but highly competitive
- Reduced production volumes on the back of challenging market conditions
- Operating profit of R159,4m reflects a similar result to the prior year profit of R158,3m
- Reduction in operating inventory and gearing due to lower factory production volumes
- Stable supply chain and improved labour availability in EU factory
- Operation in Russia remains 'paused' with restricted cash challenge

Outlook / expectations:

- Outlook for the Northern Hemisphere markets expected to remain extremely challenging
- Key focus on growing ADT market share, particularly in North America
- Quality, manufacturing efficiencies and cost containment continue to be key focus
- Enhancing labour relations at EU factory with emphasis on skills development and retention
- Focus on growing ADT manufacturing capabilities and capacity in EU for production flexibility and working capital optimisation
- Continuous optimisation and enhancement of distribution network
- Geopolitical uncertainty and risks associated with tariffs, a potential trade war and global political tensions

DIRECT SALES

- SOUTH AFRICA

JOHANNESBURG RSA

An aerial photograph of a large industrial complex in Johannesburg, South Africa. The central feature is a massive, long, yellow warehouse with a gabled roof. To its left and in front are several other industrial buildings, including a large green one. The grounds are filled with numerous yellow excavators and other heavy machinery. A paved road runs along the right side of the complex, and a green field is visible to the right. In the background, a highway and other urban buildings are visible. The foreground shows a railway track and a road with a few vehicles.

DIRECT SALES - SOUTH AFRICA

Achievements and realities for the year 31 Dec 2024 :

- Sales improved by 1,8% from prior year and makes up 38,2% (2023: 32,5%) of Group Sales
- Operating profit increased to R247,8m compared to R220,4m for the prior year
- Mining of commodities came under pressure, while construction sector also remained volatile, which negatively impacted demand
- Despite highly competitive market conditions - achieved incremental market share gains compared to prior year
- Product availability recovery across OEM and third-party product lines amidst easing supply chain constraints
- Third-party product distribution remains a good fit with OEM product offering to the South African market
- Inventory remained stubbornly high due to reduced demand and increased competition in the market

Outlook / expectations:

- Cautiously optimistic that certain mining sectors will continue to support demand for equipment
- Hopeful that long-awaited infrastructure spend may begin to gain some traction, underpinning construction sector demand for equipment
- Deal participation and market share growth remains an ongoing priority
- Successful Motor Grader roll-out to market from mid-2025 is a key focus
- Emphasis on driving Lifetime Revenue Stream (LTRS) growth and a positive customer experience in every interaction
- 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 year 31 Dec 2024 :

- Sales reduced by 12,9% compared to the prior year due to closure of Zimbabwe operation. Sales still represent 6,6% (2023: 6,6%) of Group Sales
- Due to low business activity in Zimbabwe, decision taken to close Bell owned dealership and engage this market through an independent partner going forward
- Once off costs of approximately R15m associated with closure of Bell Zimbabwe
- Positive demand for ADTs and excavators by the commodities sector in Zambia
- Agricultural equipment demand from the sugar industry in Zambia remained stable
- Traction on ADT 're-power' programme in Zambia to support used sales

Outlook / expectations:

- Demand for commodities mined in Zambia supports continued growth in this market
- Ageing fleet of load and haul equipment in the sugar industry signals possible opportunity for growth
- Ongoing focus on Lifetime Revenue Stream (LTRS) growth, supported by the ADT 're-power' programme
- Prevalent threat of Chinese competitor equipment gaining traction in Zambia
- Possible investment uncertainty in Zambia leading up to planned General Elections in 2026

SUSTAINABILITY AND STRATEGIC POSITIONING

- **Organic growth**
 - Investing in ongoing new product development and bolstering existing Bell products
 - Increase deal participation and grow market share in key markets
 - Bell Heavy Industries (BHI) contract manufacturing division (Richards Bay)
- **Enhance ADT manufacturing capabilities in Northern Hemisphere**
 - Closer to market and component supplier base
 - Reduce round-tripping of materials and components
 - Improve manufacturing flexibility and responsiveness to changes in the market
 - Assessment and testing of potential contract manufacturers to ensure high quality standards and ongoing product reliability
- **Align repositioning** of ADT manufacturing (Northern Hemisphere) with growth of own product and contract manufacturing (Southern Hemisphere)
- **Empowerment**

BECSA – SA Manufacturing (Level 3)
51% black owned

BESSA – SA Sales Dealership (Level 1)
51% black owned & 30% black women owned

GROWTH AND INVESTMENT STRATEGY

▪ Bell Motor Grader

- Preproduction units manufactured during H2 2024
- Top tier global product (innovative, performance, reliability)
- To be manufactured in Richards Bay
 - Production from end Q2 2025
 - Initial launch to Southern Hemisphere markets

▪ ADT innovation

- Autonomous driver-less Bell ADT's operating on customer sites in Europe and North America – multiple technology partners
 - Agnostic stance towards control system
 - Industry leading ease of control system integration i.e. 'Autonomous Ready'
- R&D into sustainable fuel and propulsion solutions to support zero-carbon future

▪ Bell Agricultural Products

- Timber Processing Head – ongoing prototype testing
 - Pre-production units 2025
 - Step change to Bell mechanised harvesting solutions
- Skidder – ongoing prototype testing
- Rigid Tractor – 200HP upgrade for enhanced haulage capacity – 2025 roll-out to market



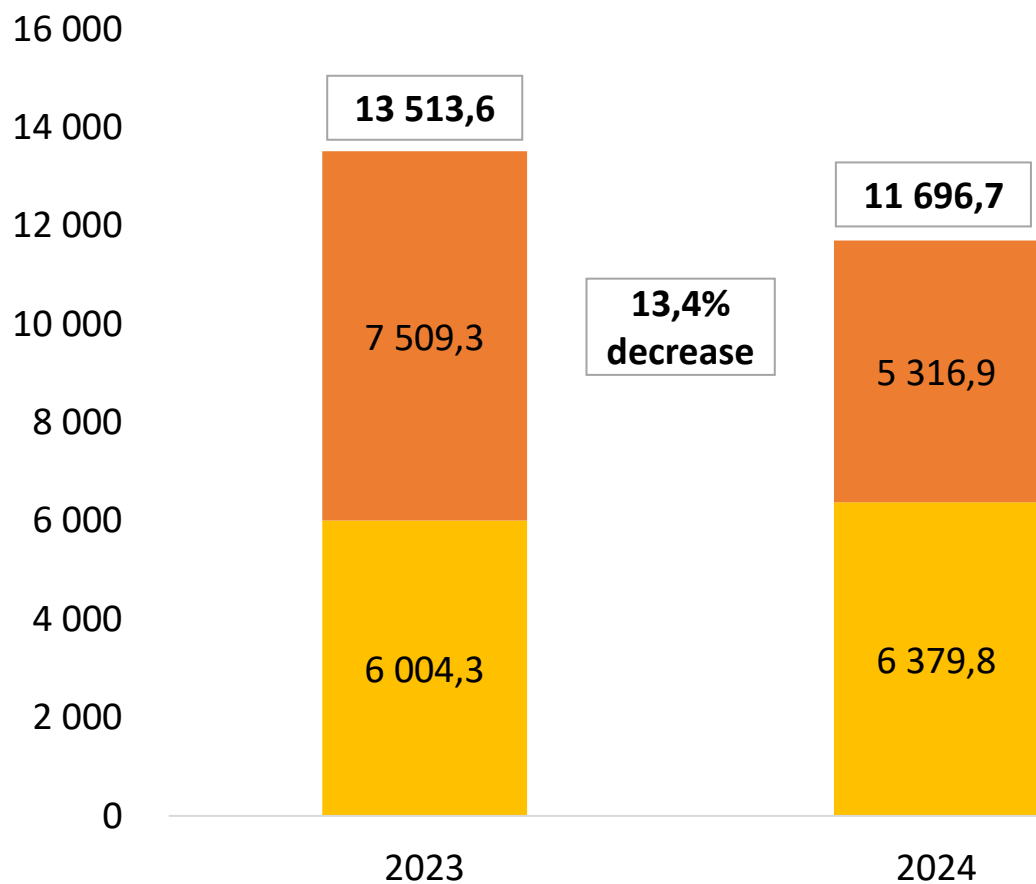
FINANCIAL RESULTS



REVENUE AND OPERATING PROFIT

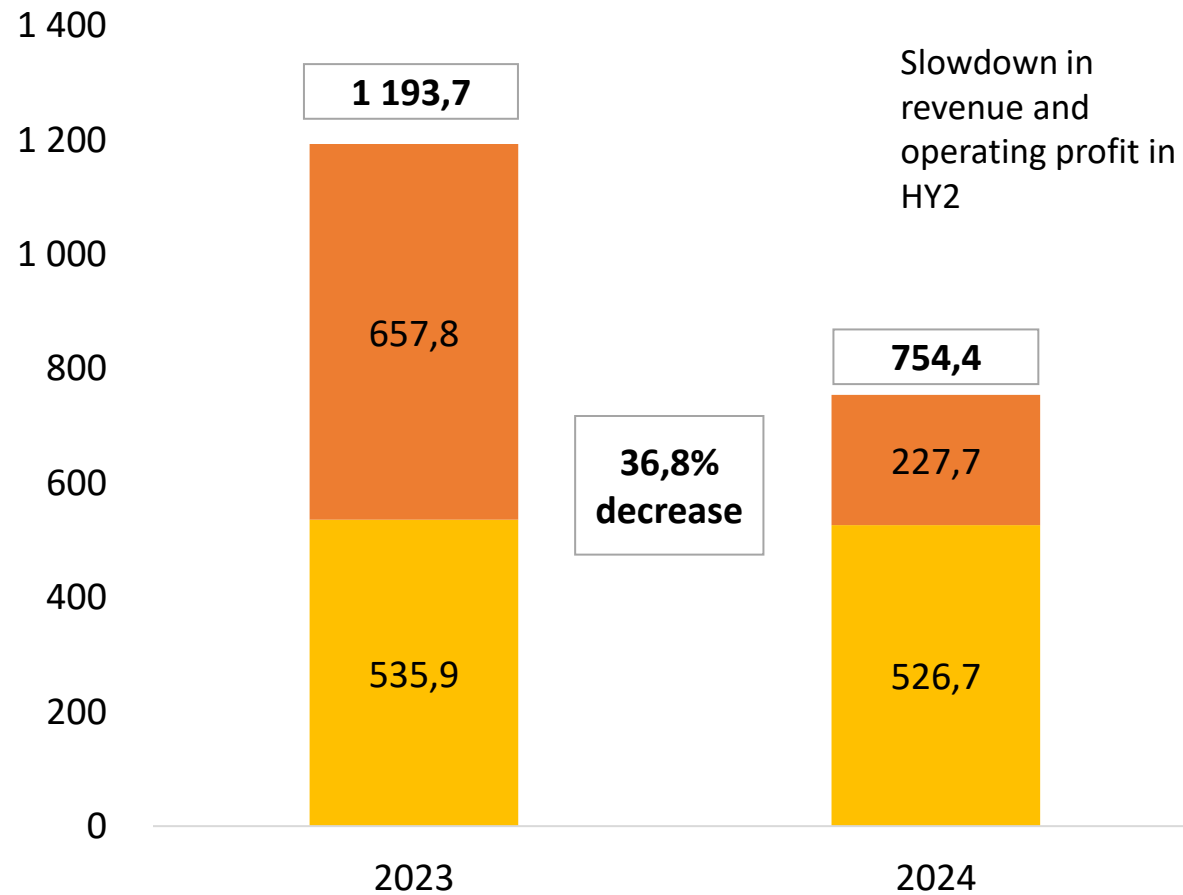
Revenue (R'million)

■ HY1 ■ HY2

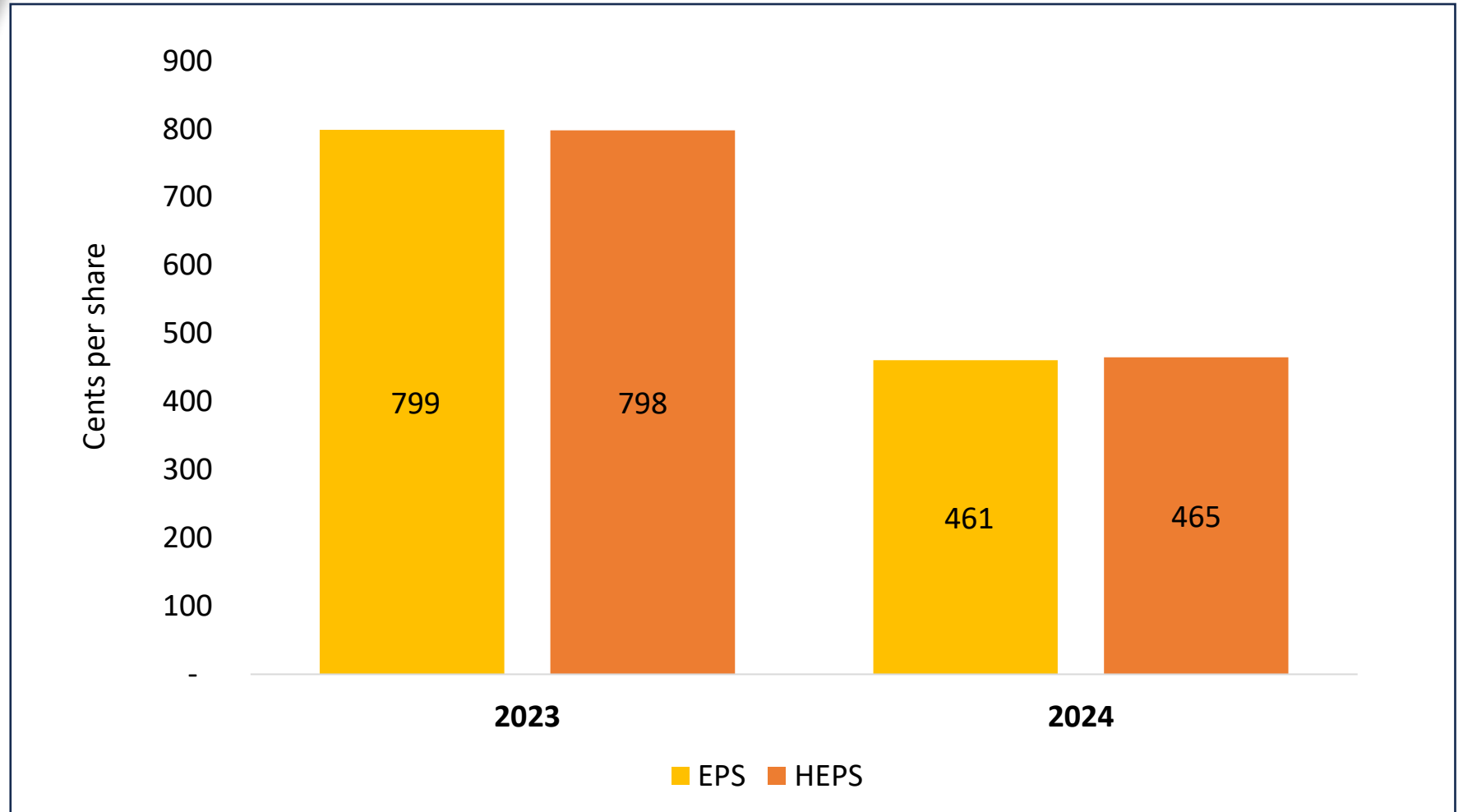


Profit from operating activities (R'million)

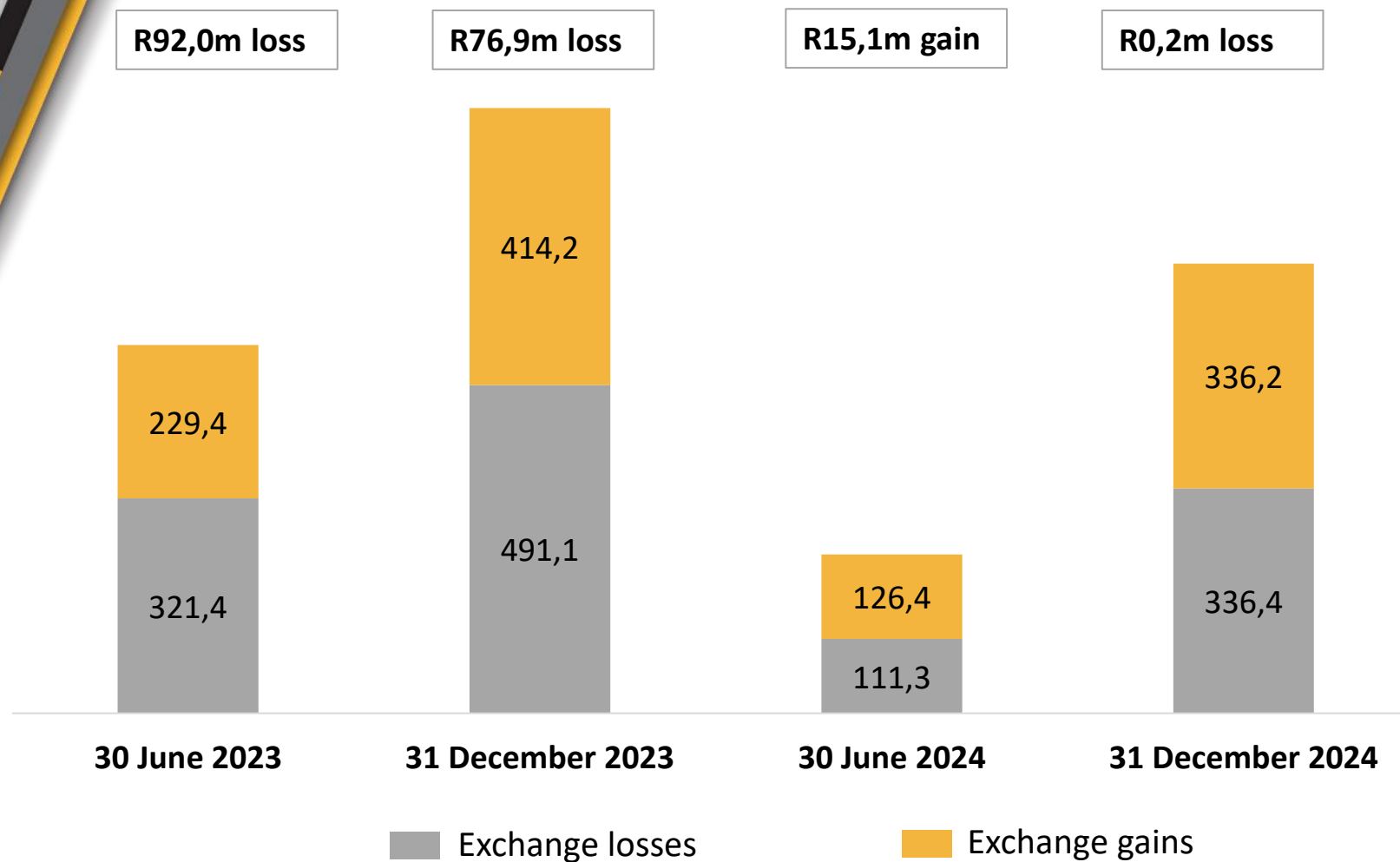
■ HY1 ■ HY2



EPS AND HEPS



CURRENCY EXCHANGE GAINS/(LOSSES)



BALANCE SHEET - ASSETS

R'm	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Non-current assets	2 038,3	2 025,1	1
Property, plant and equipment	1 040,7	1 006,1	
Right-of-use assets	342,1	414,6	(17)
Intangible assets	320,9	279,4	15
Investments	23,9	35,7	
Interest-bearing receivables and contract assets	27,6	15,1	
Deferred taxation	283,1	274,2	
Current assets	7 053,8	8 509,5	(17)
Inventory	5 076,5	5 726,6	(11)
Trade and other receivables	1 339,6	1 989,4	(33)
Interest-bearing receivables and contract assets	186,8	179,0	
Prepayments and other assets	132,5	318,9	(58)
Current taxation assets	35,1	43,8	
Cash and bank balances	283,3	251,8	
Total assets	9 092,1	10 534,6	(14)

- Lower production and sales required less investment in inventory and receivables than in 2023
- Receivables days reduced to 42 vs 54 days in 2023 when machine sales volumes invoiced to North America for 2024 season were at a record high
- Prepayments reduced due to less advance payments for components inventory for the manufacturing operations

BALANCE SHEET – EQUITY & LIABILITIES

R'm	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Capital and reserves	5 676,9	5 285,0	7
Non-current liabilities	969,0	1 030,7	(6)
Current liabilities	2 446,2	4 218,9	(42)
Trade and other payables	1 046,5	1 903,6	(45)
Interest-bearing liabilities	250,9	637,9	(61)
Lease liabilities	93,4	76,4	
Contract liabilities	276,0	281,5	
Repurchase obligations and refund liabilities	38,0	34,3	
Provisions	217,6	206,1	
Share-based payments and other liabilities	47,7	24,3	
Current taxation liabilities	53,1	62,8	
Bank overdrafts and overnight call loans	423,0	992,0	(57)
Total equities and liabilities	9 092,1	10 534,6	(14)

- Weaker market demand and lower production volumes resulted in lower working capital requirements, lower debt levels and lower trade payables in 2024

INCOME STATEMENT

R'm	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Revenue	11 696,7	13 513,6	(13)
Cost of sales	(9 229,1)	(10 812,1)	(15)
Gross profit	2 467,6	2 701,5	(9)
<i>Gross profit margin</i>	<i>21,1%</i>	<i>20,0%</i>	
Other operating income	311,1	339,5	(8)
Expenses	(2 024,3)	(1 847,3)	10
Profit from operating activities	754,4	1 193,7	
Net interest expense	(82,1)	(113,6)	(28)
Profit before taxation	672,3	1 080,1	
Taxation	(201,2)	(286,5)	
Profit for the year	471,1	793,6	(41)

NOTES ON INVENTORY

R'm	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Finished machines – Manufactured	1 220,2	774,4	58
Finished machines – Third Party	674,4	682,7	(1)
Finished machines – Used	201,4	316,9	(36)
Spares, components & raw materials	2 191,1	3 226,3	(32)
Work in progress	789,4	726,3	9
Total	5 076,5	5 726,6	(11)

- The Rand investment in inventory decreased as a result of weaker global demand and lower production volumes
- Days inventory increased to 201 days in 2024 from 193 days in 2023
- Higher than planned number of manufactured machines in inventory at year end shipped to customers in 2025
- Reduction in components and raw materials inventory reflects the lower production activity
- Re-positioning ADT manufacturing closer to suppliers and key markets will, in the longer-term, improve efficiency

CASH FLOW STATEMENT

R'm	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Cash operating profit before working capital changes	1 047,8	1 488,3	
Cash generated from (utilised in) working capital	1 187,6	(816,3)	245
Cash generated from operations	2 235,4	672,0	233
Interest paid	(191,3)	(214,1)	
Interest received	98,2	124,0	
Taxation paid	(216,2)	(330,5)	
Net cash generated from operating activities	1 926,1	251,4	666
Net cash utilised in investing activities	(160,4)	(207,8)	
Net cash utilised in financing activities	(1 307,4)	(547,7)	139
Net increase (decrease) in cash for the year	458,3	(504,1)	
Net bank overdrafts at beginning of year	(486,3)	17,8	
Net bank overdrafts at end of year	(28,0)	(486,3)	(94)

NET DEBT AND FINANCE COST

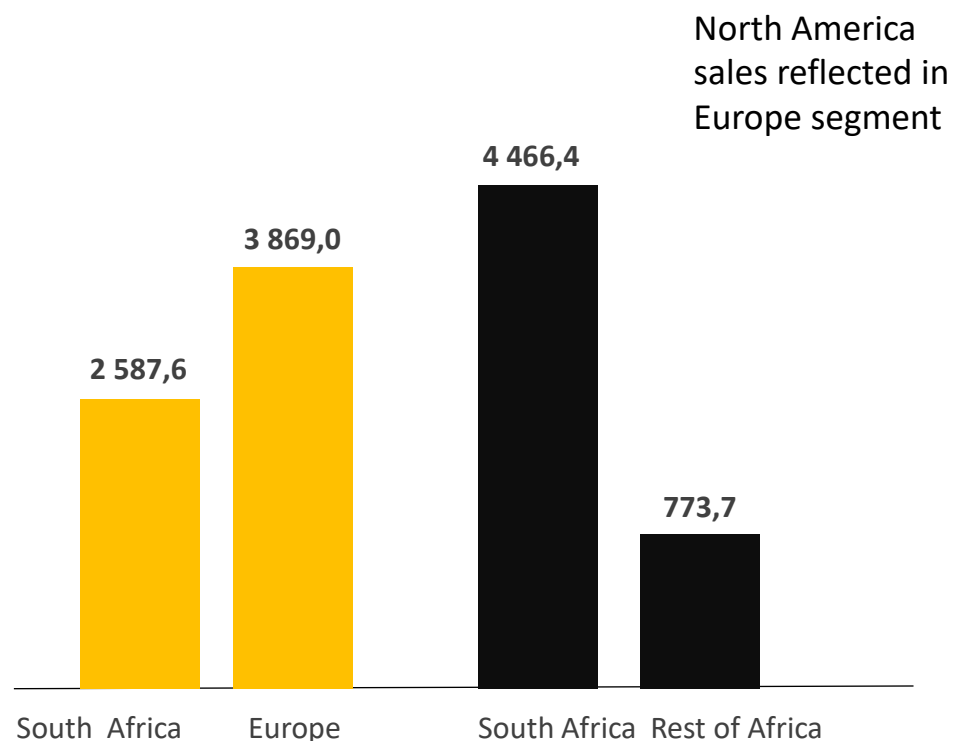
	Audited 31 Dec 2024	Audited 31 Dec 2023	% change
Net debt – close (Rm)	542	1 536	(65)
Net debt – average (Rm)	1 039	1 342	(23)
Interest paid on debt for the period (Rm)	128,8	146,5	(12)
Gearing % (net debt)	9,5	29,1	(67)
Interest cover (times) (underlying EBIT)	4,1	6,1	(33)
Net debt to EBITDA (times)	0,6	1,1	(45)

- Net debt and gearing reduced during period
- Interest cover reduced due to lower EBIT
- Net debt to EBITDA improved due to lower debt levels

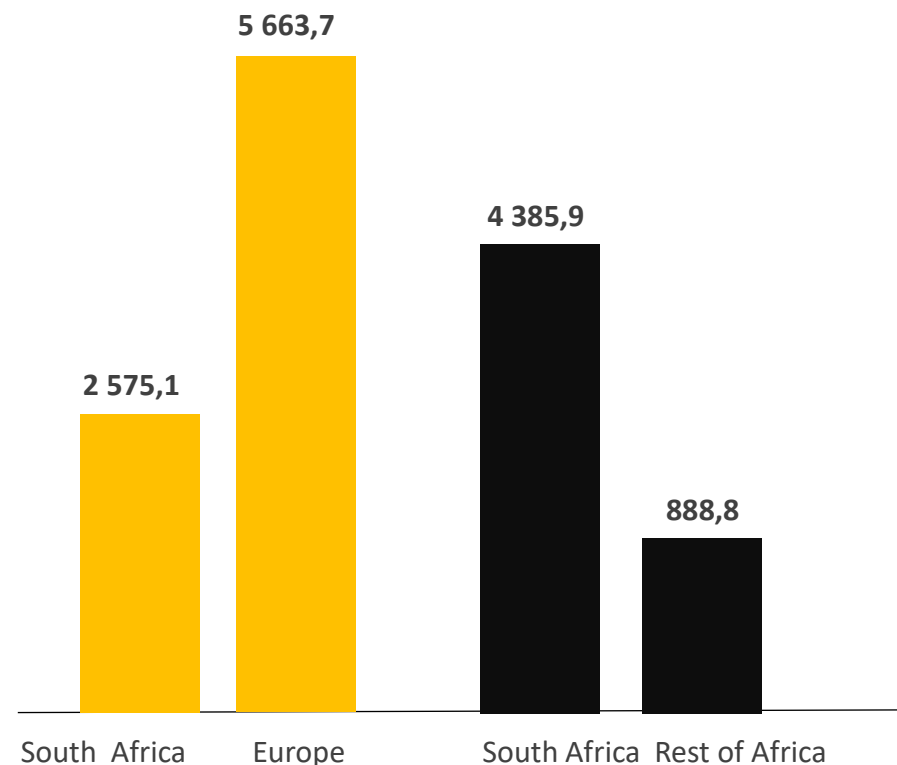
* Net debt excludes lease liabilities in respect of right-of-use assets

SEGMENTAL ANALYSIS - SUMMARY


External revenue (R'm) – Dec 2024



External revenue (R'm) – Dec 2023

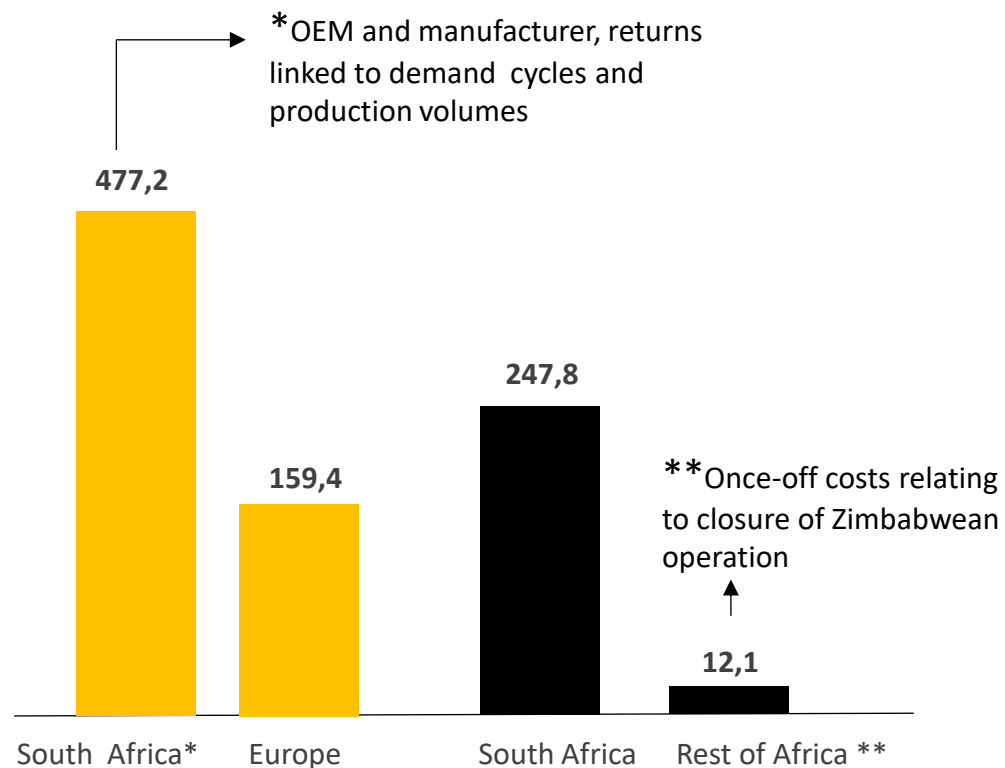


 Manufacturing, assembly, logistics and dealer sales operations

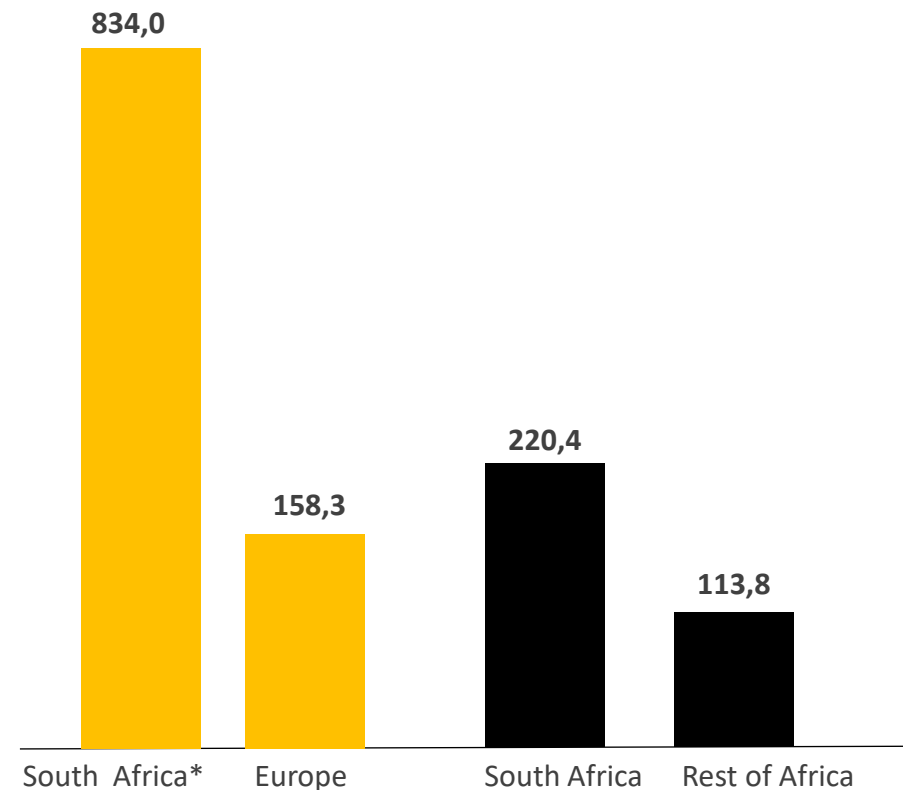
 Direct sales operations

SEGMENTAL ANALYSIS - SUMMARY

Operating profit (R'm) – Dec 2024



Operating profit (R'm) – Dec 2023



Manufacturing, assembly, logistics and dealer sales operations

Direct sales operations

LOOKING AHEAD



LOOKING AHEAD

- We remain cautious in our outlook on global markets for 2025 given rising geopolitical tensions and uncertainty
- Strategic focus on USA growth, the world's largest ADT market – risk of potential imposition of import tariffs is key
- Pursue growth opportunities in new and existing markets through distributor/dealer development and enhancing reach
- Continue to drive technology innovation on existing product lines and through new product developments
- Planned launch of complementary global products, with the successful launch of the Motor Grader an immediate priority
- Grow existing third-party product sales in South Africa – complementary to Bell OEM product offering
- Growing our Lifetime Revenue Stream (LTRS) contribution, through customer and dealer relationships and leveraging active fleet globally
- Continued focus on expanding ADT manufacturing capabilities and capacity in the Northern Hemisphere, coupled with growing our BHI contract manufacturing division in South Africa
- Ongoing roll-out of the 'Building Us Stronger' organisational development programme, empowering every Bell team member with a renewed sense of pride, energy and commitment to each other, our business and our customers
- Continual evaluation of operating structure and priorities for most efficient deployment of strategies

Our customer focus, world class products and continuous innovation, coupled with our strategy to better balance the business globally, will ensure resilience and sustainability

Thank you for listening to the recording.



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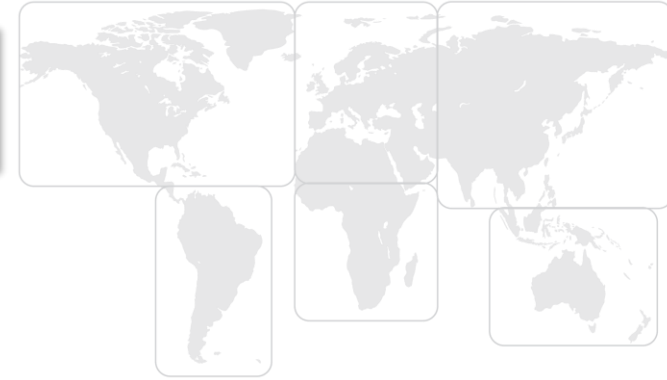
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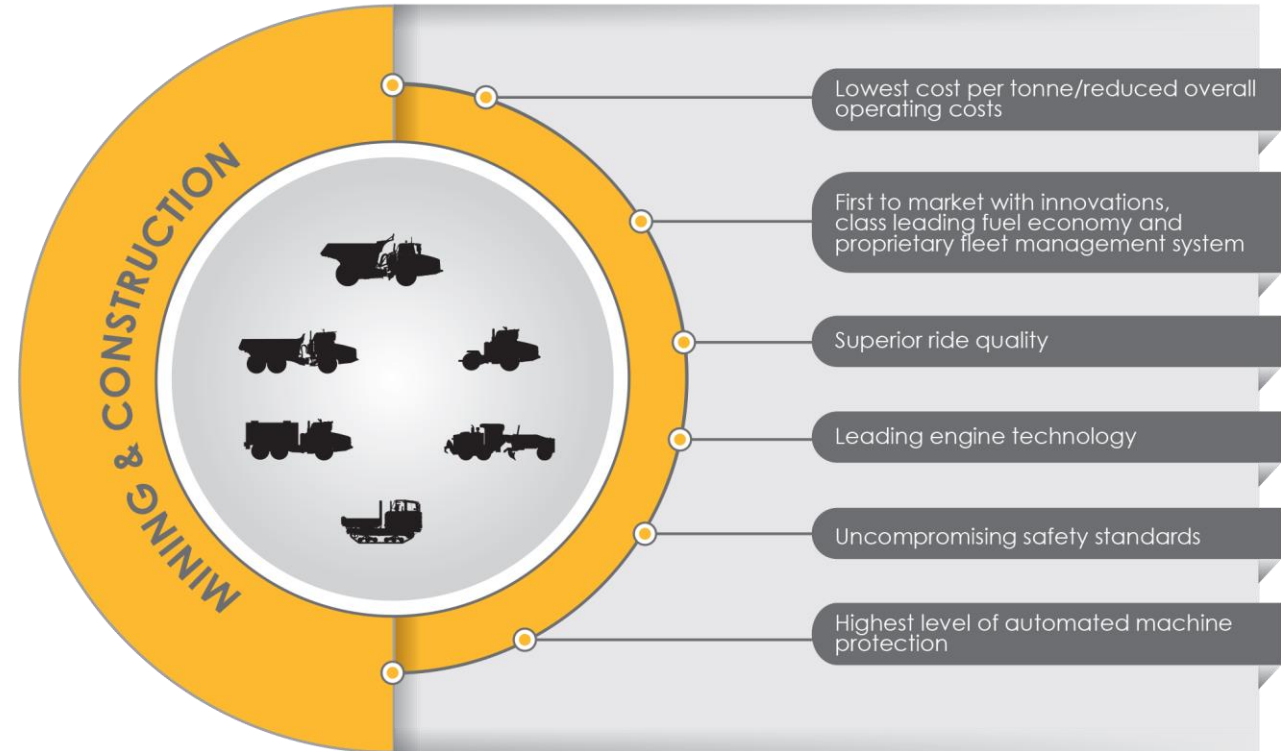
BELL

GLOBAL OEM - MINING & CONSTRUCTION



BELL

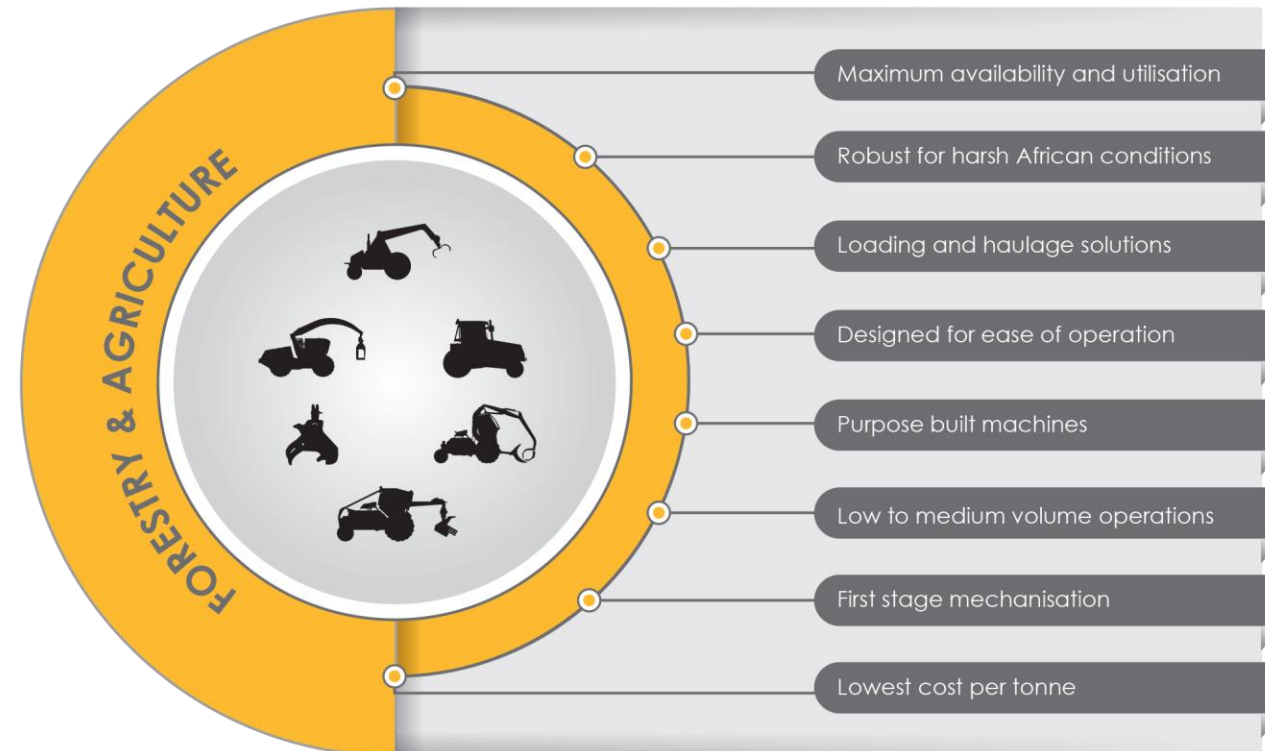
Mining & Construction



GLOBAL OEM – AGRICULTURE & FORESTRY

BELL

Forestry & Agriculture



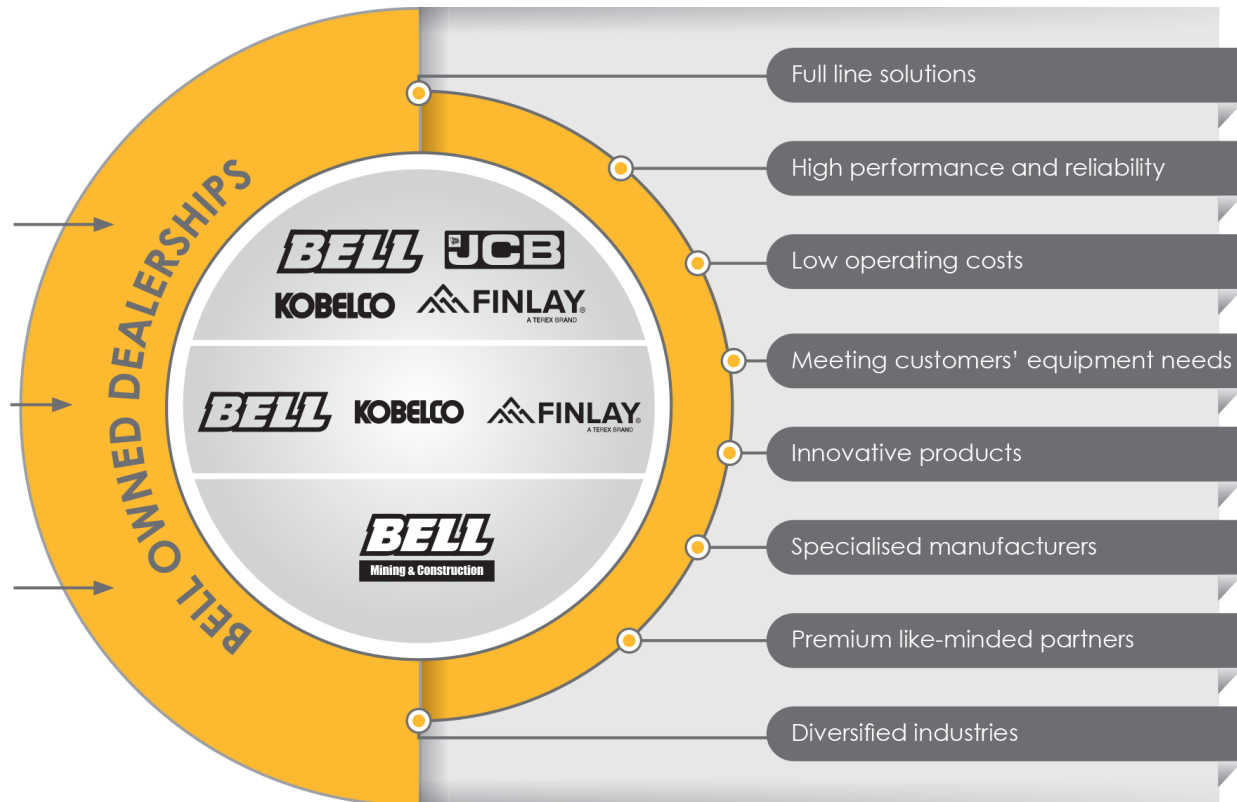
BELL OWNED DEALERSHIPS



BELL
South Africa

BELL
Zambia

BELL
United Kingdom



AFTERMARKET SUPPORT

