

PBT Group Limited  
Incorporated in the Republic of South Africa  
Registration number: 1936/008278/06  
JSE share code: PBG  
ISIN: ZAE000227781

#### ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Since the publication of the aforementioned results, the following changes have been made to the financial statements for the year ended 31 March 2017.

Take note that during the 2018 audit of the financial statements the 2017 figures have been restated. The restated 2017 figures have been used in these financial statements. Please refer to the 2018 integrated report for an explanation on this restatement. (All numbers are expressed in thousands):

Notes to be taken into account for earnings per share and headline earnings per share figures for 31 March 2017:

- Due to the Prescient Capital group being reclassified as discontinued operations, the profit from this group of R9 492 for the 2017 financial year has been reclassified to discontinued operations. The earnings per share ('EPS') and headline earnings per share ('HEPS') have been reflected as a split between continuing and discontinued operations. This change is already reflected in the 2018 integrated report.

Included in the HEPS calculation is the 'change in fair value of investments property' of R4 179 as an adjustment. This adjustment reflects under the discontinued operations.

- An impairment loss of R2 429 on intangible assets for 2017 was not added back as an adjustment for HEPS, understating the HEPS by R2 429. This change is reflected in the SENS announcement released on 30 July 2018.
- Adjustments to the EPS and HEPS in the 2017 figures released on 4 August 2017 for earnings attributable to forfeitable share plan shareholders were incorrectly added to the profit (R5 129 for continuing operations and R13 834 for discontinued operations). This resulted in an overstatement of the EPS and HEPS figures. This correction is already reflected in the 2018 comparative figures as released on 30 July 2018.

Restatement for 2017 figures published on 30 June 2017 and 2018 comparative figures published on 30 July 2018:

1. An error was noted in the profit from discontinued operations in the 2018 comparative figures. This error was due to an account being misallocated to profit instead of the equity. The profit from discontinued operations and equity were overstated by R13 627. This adjustment reflects in this SENS announcement as a correction.
2. An error was noted between the non-controlling interest (NCI) for discontinued operations and profit from discontinued operations of R126. The NCI and profit from discontinued operations were understated by 126. The adjustment to the profit from discontinued operations reflects in this SENS announcement as a correction. The adjustment to NCI was already corrected in the 2018 comparative figures.
3. An error was noted in the HEPS calculation for the 2017 figures. The foreign exchange recycled from the foreign currency translation reserve of R3 014 was excluded from the gain on sale of discontinued operations for the HEPS calculation. The adjustment is reflected in this announcement.
4. An error was noted on the comparative figures on the Statement of Cash Flows for the year ended 31 March 2017. The 'Acquisition of shares' on the comparative figures was incorrectly shown as a cash inflow of R2 074. Consequently, the 'Cash generated from operations' were understated by R4 148. The error was corrected by the restatement of the 'Acquisition of own shares' as a cash outflow of R2 074 and the 'Cash generated from operations' increasing by R4 148 for the comparative figures.

The changes made above have not been audited and will not agree to the audited financial statements. Please refer to note 11 for the reconciliation between the released financial information and the restated financial information.

The restatements were identified through the JSE proactive monitoring process of the Abridged Consolidated Financial Statements for the year ended 31 March 2017.

#### Review of operations

During the period under review, PBT Group Limited's shareholders approved a transaction with Stellar Capital Partners Limited and received a distribution to an amount of R1.428 billion from Prescient Holdings (Pty) Ltd ("Prescient Holdings") resulting in the effective disposal of Prescient Holdings. Prescient Limited was renamed to PBT Group Limited to better reflect the ongoing operations and strategic vision of the Company. The final regulatory approval had been received for the group on 10 February 2017.

The pro rata income and expenses associated with Prescient Holdings was disclosed as profits from discontinued operations in the abridged consolidated statement of profit or loss and other

comprehensive income. The comparative profit from Prescient Holdings for the prior year has been restated to reflect as profits from discontinued operations in the comparative period. The corresponding earnings per share and headline earnings per share have also been reflected as a split between continuing and discontinued operations.

- Total loss after tax from continuing operations after the impairment of goodwill (R31.6 million) for the period was R33.1 million (March 2016: profit of R19.7 million)
- Loss before tax for continuing operations being R7.8 million (March 2016: profit of R40 million).
- Headline earnings per share was 3.76 cents per share (March 2016: 6.79 cents per share)
- Headline loss per share for continuing operations was 0.64 cents per share (March 2016: 0.99 cents per share)
- Headline earnings per share for discontinued operations was 4.40 cents per share (March 2016: 5.81 cents per share).

The weighted average number of shares in issue for the 12 months ended 31 March 2017 was 1 619 927 367 (March 2016: 1 600 156 235).

#### South Africa and Australia

The South African and Australian operations continue to operate well despite the general challenging environment. The demand for our services in these two segments remain strong and resulted in satisfactory growth and profits.

#### Middle-East/Africa

The headwinds in the Middle-East/Africa ("MEA") segment of our business resulted in a loss after tax of R51.8 million for the region. The negative payment culture resulted in very high interest charges and a bad debt write-off of R18.4 million. An implemented change in the tax law resulted in withholding tax ("WHT") of R16.86 million expensed as additional tax paid in the current financial year that resulted in an exceptionally high tax charge. This will be a recurring expense in future periods. WHT is deducted from payments to the Company from certain MEA countries. South Africa has Double Tax Agreements with most of these countries which disallows the deduction of WHT. The WHT was allowed as a credit against the South African Tax in terms of Section 6quin of the Income Tax Act. This Section has however been deleted and for all tax years starting on or after 1 January 2016 no concession is allowed. As of this date a deduction cannot be claimed against the income in terms of Section 6quat(1C) of the Income Tax Act. Although WHT of R14.9 million relating to previous periods is available to be offset against future tax payable, we felt it prudent to impair this asset and expense it through profit or loss.

#### Dividend

In accordance with the SENS announcement released on 26 May 2017, an excess pay-out was made post year end to PBT Group by Prescient Holdings Group. The cash portion of this excess pay-out amounted to R26.2 million and was paid out to shareholders as a capital reduction distribution on 28 August 2017. No dividend from normal commercial operations was declared for the 6 months ended 31 March 2017. Biannually, the directors consider the payment of a dividend, taking into account prevailing circumstances and future cash and capital requirements of the Group in order to determine the appropriate dividend in respect of a particular financial reporting period.

#### Prospects

Our South African and Australian operations continue to perform well and will in all likelihood continue to do so. We continue to experience good cash flows in these regions. A very small portion of revenue in these regions is based on fixed price projects resulting in a clear cut operating environment. The demand for services is very strong and exceeds the availability of skills. The trading environment in the Middle-East/Africa region has deteriorated vastly over the last two reporting periods. The change in legislation regarding the treatment of withholding tax, the payment culture and the blatant disregarding of Double Tax Agreements make profitable trading in some accounts in this region highly unlikely. Accordingly, we shall downscale our operations in this region, taking into account the reduced requirements from our clients as well as the duration of our current contract with clients.

#### Changes to Management and the Board of Directors

There were a number of changes to the Board during the period and subsequent to the end of the period under review.

KR Moloko, R van Rooyen and ZK Meyer resigned as independent non-executive directors effective 17 March 2017. PJ De Wet was appointed as CEO and AJ Taylor and CL Dyers were appointed as independent non-executive directors on 17 March 2017. AJ Taylor was appointed as lead independent non-executive director. Additionally, AL Winkler was appointed as an independent non-executive director effective 17 May 2017.

The Board wishes PJ de Wet well in his new role.

#### Forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition and results of the operations of PBT Group Limited that, by their nature, involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. These may relate to future prospects, opportunities and strategies. If one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may differ from those anticipated. By consequence, none of the forward-looking statements have been

reviewed or reported on by the Group's auditor.

ABRIDGED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
for the year ended 31 March 2017

		2017 Restated R'000	2016 Restated R'000
Continuing operations			
Total income		595 877	543 136
Service fees		563 766	538 913
Interest and dividend income		13 239	907
Other investment income		18 872	3 316
Cost of information management services		(447 985)	(405 573)
Operating expenses		(117 038)	(94 868)
Impairment of goodwill and other		(34 074)	-
Share-based payment expense		-	(455)
Profit from operations		(3 220)	42 240
Other income		1 311	2 494
Finance costs		(5 869)	(4 694)
Profit before tax		(7 778)	40 040
Income tax expense	9	(25 318)	(20 387)
Profit from continuing operations		(33 096)	19 653
Discontinued operations			
Profit for the period from discontinued operations	6	1 239 026	99 439
Profit for the year		1 205 930	119 092
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences - foreign operations		(8 183)	17 398
Tax on other comprehensive income		-	-
Other comprehensive income for the year, net of tax		(8 183)	17 398
Total comprehensive income for the year		1 197 747	136 490
Profit attributable to:			
Owners of the Company		1 203 570	109 004
Non-controlling interests		2 360	10 088
Profit for the year		1 205 930	119 092
Total comprehensive income attributable to:			
Owners of the Company		1 195 387	123 489
Non-controlling interests		2 360	13 001
Total comprehensive income for the year		1 197 747	136 490
Earnings per shares (cents)			
Continuing operations	5	(2.75)	0.88
Discontinued operations	5	75.87	5.81
Diluted earnings per share (cents)			
Continuing operations	5	(2.75)	0.88
Discontinued operations	5	75.87	5.81
Headline earnings per share (cents)			
Continuing operations	5	(0.64)	0.99
Discontinued operations	5	4.40	5.81
Diluted headline earnings per share (cents)			
Continuing operations	5	(0.64)	0.99
Discontinued operations	5	4.40	5.81

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
for the year ended 31 March 2017

	Notes	2017 R'000	2016 R'000
Assets			
Non-current assets		312 968	11 667 621
Property and equipment		7 792	29 241
Investment property		-	35 728
Goodwill and intangible assets	7	263 494	397 960
Deferred tax asset		7 352	14 197
Long-term loans and other receivables		-	54 186
Investment in equity-accounted investees		-	9 658
Financial assets at fair value through profit or loss		34 330	151 439
Linked investments backing policyholder funds		-	10 975 212
Current assets		282 173	1 077 824
Inventory		19 787	35 688
Trade and other receivables	8	224 214	214 959
Amounts owing by clearing houses		-	192 777
Amounts owing by clients		-	429 186
Taxation receivable		-	13 623
Cash and cash equivalents		38 172	191 591
Non-Current assets held for sale and assets of disposal groups	6	82 234	-
Total assets		677 375	12 745 445

Equity		
Stated capital	144 015	667 660
Reserves	5 400	7 066
Retained income	410 765	152 451
Total equity attributable to owners of the Company	560 180	827 177
Non-controlling interests	12 434	24 064
Total equity	572 614	851 241
Liabilities		
Non-current liabilities	5 920	11 018 427
Deferred tax liability	5 920	13 548
Policyholder investment contract liabilities	-	10 974 330
Loans payable	-	30 549
Current liabilities	89 540	875 777
Trade and other payables	29 369	106 393
Provisions	9 421	-
Amounts owing to clearing houses	-	16 134
Amounts owing to clients	-	604 668
Current tax payable	7 669	9 377
Loans payable	35 000	44 126
Bank overdraft	8 081	95 079
Liabilities of disposal groups	6	9 301
Total liabilities	104 761	11 894 204
Total equity and liabilities	677 375	12 745 445

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 March 2017

R'000	Stated capital	Translation reserve	Treasury shares	Share-based payment reserve	Retained income	Total	Non-controlling interests	Total equity
Balance at 1 April 2015	664 702	6 414	(14 502)	801	138 578	795 993	14 139	810 132
Total comprehensive income for the year	-	-	-	-	109 004	109 004	10 088	119 092
Profit for the year	-	-	-	-	-	-	-	-
Total other comprehensive income	-	14 485	-	-	-	14 485	2 913	17 398
Total comprehensive income for the year	-	14 485	-	-	109 004	123 489	13 001	136 490
Transactions with owners recognised directly in equity								
Contributions by and distributions to owners of the Company								
Treasury shares purchased	-	-	(2 074)	-	-	(2 074)	-	(2 074)
Equity-settled share-based payments	-	-	-	1 942	-	1 942	-	1 942
Dividends declared during the year	-	-	-	-	(95 131)	(95 131)	(2 548)	(97 679)
Issue of ordinary shares	2 958	-	-	-	-	2 958	-	2 958
Total contributions by and distributions to owners of the Company	2 958	-	(2 074)	1 942	(95 131)	(92 305)	(2 548)	(94 853)
Changes in ownership interests in subsidiaries								
Acquisition of NCI without a change in control	-	-	-	-	-	-	5 950	5 950
Disposal of subsidiary	-	-	-	-	-	-	(6 478)	(6 478)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(528)	(528)
Total transactions with owners of the Company	2 958	-	(2 074)	1 942	(95 131)	(92 305)	(3 076)	(95 381)
Balance at 31 March 2016	667 660	20 899	(16 576)	2 743	152 451	827 177	24 064	851 241
R'000	Stated capital	Translation reserve	Treasury shares	Share-based payment reserve	Retained income	Total	Non-controlling interests	Total equity
Balance at 1 April 2016	667 660	20 899	(16 576)	2 743	152 451	827 177	24 064	851 241
Total comprehensive income for the year	-	-	-	-	1 217 170	1 217 170	2 360	1 219 530
Profit for the year	-	-	-	-	-	-	-	-
Total other comprehensive income	-	(8 183)	-	-	-	(8 183)	-	(8 183)
Total comprehensive income for the year	-	(8 183)	-	-	1 217 170	1 208 987	2 360	1 211 347
Transactions with owners recognised directly in equity								
Contributions by and distributions to owners of the Company								
Treasury shares sold	-	-	9 260	-	11 166	20 426	-	20 426
Dividends declared during the year	-	-	-	-	(73 832)	(73 832)	(3 304)	(77 136)
Capital distribution	(469 853)	-	-	-	(911 967)	(1 381 820)	-	(1 381 820)
Adjustment to reflect the PBT Group Limited Share Capital after disposal of Prescient Holdings (Pty) Ltd	(53 792)	-	-	-	-	(53 792)	-	(53 792)
Equity-settled share-based payments	-	-	-	1 680	-	1 680	-	1 680
Termination of forfeitable share plan	-	-	-	(4 423)	3 142	(1 281)	-	(1 281)
Total contributions by and distributions to owners of the Company	(523 645)	-	9 260	(2 743)	(971 491)	(1 488 619)	(3 304)	(1 491 923)
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests	-	-	-	-	12 635	12 635	(12 470)	165
Disposal of subsidiary	-	-	-	-	-	-	1 784	1 784
Total changes in ownership interests in subsidiaries	-	-	-	-	12 635	12 635	(10 686)	1 949
Total transactions with owners of the Company	(523 645)	-	9 260	(2 743)	(958 856)	(1 475 984)	(13 990)	(1 489 974)
Balance at 31 March 2017	144 015	12 716	(7 316)	-	410 765	560 180	12 434	572 614

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS  
for the year ended 31 March 2017

Notes	2017 R'000	2016 R'000
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	Restated	Restated
Cash flows from operating activities		
Cash generated from operations	208 986	171 411
Dividends received	8 084	2 946
Dividends paid	(69 275)	(97 679)
Interest received	5 155	19 358
Interest paid	(5 869)	(10 862)
Taxation paid	(19 904)	(50 998)
Net cash inflow from operating activities	127 177	34 176
Cash flows from investing activities		
Acquisition of equipment	(2 698)	(8 040)
Disposals of equipment	60	-
Acquisition of intangible assets	(1 244)	(8 382)
Sale of other asset	429 186	-
Proceeds on loss in control of subsidiary, net of cash disposed of	-	2 155
Disposal of equity-accounted investee	-	3 064
Proceeds on disposal of discontinued operation, net of cash disposed of	1 317 935	-
Disposal/(Acquisition) of financial assets at fair value through profit or loss	(53 104)	6 026
Advancement of long-term loans receivable	-	(2 313)
Cash outflow from investing activities	1 690 135	(7 490)
Cash flows from financing activities		
Acquisition of own shares	(145)	(2 074)
Movement in loans to directors, manager and employees	(534 809)	-
Reduction of share capital or buy-back of shares	53 830	-
Capital distribution	(1 427 822)	-
Increase in loans payable	32 899	4 499
Cash inflow from financing activities	(1 876 047)	2 425
Net increase in cash and cash equivalents	(58 735)	29 111
Effect of exchange rate fluctuations on cash held	-	18 133
Cash and cash equivalents at beginning of the year	88 826	49 268
Cash and cash equivalents at end of the year	30 091	96 512

#### Notes to the abridged consolidated financial statements

##### 1. Basis of preparation and accounting policies

###### Statement of compliance

The abridged consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as well as the AC 500 standards as issued by the Accounting Practices Board, the requirements of the South African Companies Act, and the Listings Requirements of the JSE. The abridged consolidated financial statements do not include all of the information required for full annual financial statements. The abridged consolidated financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments which are stated at fair value. The abridged consolidated financial statements are presented in Rand, rounded to the nearest thousand. The accounting policies applied in the presentation of the abridged consolidated financial statements are in accordance with International Financial Reporting Standards and are consistent with those presented in the annual financial statements. The abridged consolidated financial statements have been extracted from information, but have not, in themselves, been audited. The auditor's unqualified audit report and the audited financial statements are available for inspection at the Company's registered office in terms of 3.18 (F) of the Listings Requirements.

These abridged consolidated financial statements were prepared under the supervision of the Financial Director, AM Louw. The board of directors approved these financial statements on 30 June 2017 and the changes as explained above, on 12 September 2018.

##### 2. Judgements and estimates

Preparing the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these abridged consolidated financial statements, significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2016.

##### 3. Related party transactions

PBT Group Limited and its subsidiaries ("the Group" or "the Company"), entered into various intercompany transactions with related parties. The Company has related party relationships with subsidiaries and with its key management personnel. There were no significant changes to these relationships, other than the disposal of Prescient Holdings (Pty) Ltd Group which no longer forms part of the PBT Group with effect from 21 February 2017.

##### 4. Subsequent events

Subsequent to the 31 March 2017 year-end a capital reduction distribution of 1.57 cents per share was paid on 28 August 2017.

A Circular has been released on 23 March 2018 for the disposal of Prescient Capital Proprietary Limited and its subsidiaries and a Supplementary Circular was released on 28 August 2018.

## 5. Earnings per share

The calculation of basic earnings per share at 31 March 2017 was based on the profit attributable to ordinary shareholders of R1 184 606 601 (2016: R107 054 988), and a weighted average of ordinary shares outstanding of 1 619 927 367 (2016: 1 600 156 235), calculated as follows:

Profit attributable to ordinary shareholders (basic)	31 March 2017			31 March 2016		
	Continuing operation	Discontinued operation	Total	Continuing operations Restated	Discontinued operation Restated	Total
R'000						
(Loss)/profit for the year, attributable to owners of the Company	(39 351)	1 242 921	1 203 570	14 684	94 320	109 004
Earnings attributable to forfeitable share plan (FSP) Shareholders	(5 129)	(13 835)	(18 964)	(527)	(1 422)	(1 949)
(Loss)/profit attributable to ordinary shareholders	(44 480)	1 229 086	1 184 606	14 157	92 898	107 055
Weighted average number of ordinary shares (basic)					2017	2016
In thousands of shares						
Ordinary shares at 1 April					1 669 251	1 648 655
Effect of treasury shares held					(23 022)	(29 672)
Effect of FSP shares					(26 302)	(29 666)
Effect of shares issued and share capitalisation					-	10 839
Weighted average number of ordinary shares at 31 March					1 619 927	1 600 156

### Headline earnings per share

Headline earnings per share has been calculated in accordance with Circular 2/2015 issued by the South African Institute of Chartered Accountants.

Diluted earnings per share is equal to basic earnings per share. Diluted headline earnings per share is equal to headline earnings per share.

2017	Profit before tax		Non-controlling interests	Earnings attributable to FSP shareholders		Earnings attributable to ordinary shareholders	Cents per share
	Tax						
Continuing operations							
Per the statement of comprehensive income	(7 778)	(25 318)	(6 255)	(5 129)	(44 480)	(2.75)	
Adjustments							
Impairment loss on goodwill and intangible asset	34 074	-	-	-	34 074	2.10	
Change in fair value of investment property	-	-	-	-	-	-	
Continuing operations headline earnings	26 296	(25 318)	(6 255)	(5 129)	(10 406)	(0.64)	
Discontinued operation							
Per the statement of comprehensive income	1 269 268	(30 242)	3 895	(13 835)	1 229 086	75.87	
Adjustments							
Gain on sale of discontinued operations*	(1 153 710)	-	-	-	(1 153 710)	(71.22)	
Change in fair value of investment property	(4 179)	-	-	-	(4 179)	(0.26)	
Discontinued operations headline gain	111 379	(30 242)	3 895	(13 835)	71 197	4.40	
Per the statement of comprehensive income	1 261 490	(55 560)	(2 360)	(18 964)	1 184 606	73.97	
Total Group headline earnings	137 675	(55 560)	(2 360)	(18 964)	60 791	3.76	

\* Including foreign exchange recycled from the foreign currency translation reserve.

2016	Profit before tax		Non-controlling interests	Earnings attributable to FSP shareholders		Earnings attributable to ordinary shareholders	Cents per share
	Tax						
Continuing operations							
Per the statement of comprehensive income	40 040	(20 387)	(4 969)	(527)	14 157	0.88	
Adjustments							
Change in fair value of investment property	(3 403)	-	-	61	(3 342)	(0.21)	
Gain on partial sale of equity accounted investee	(749)	-	-	13	(736)	(0.05)	
Loss on loss of control of subsidiary	5 818	-	-	(104)	5 714	0.36	
Continuing operations headline earnings	41 706	(20 387)	(4 969)	(557)	15 793	0.98	
Discontinued operation							
Per the statement of comprehensive income	126 254	(26 815)	(5 119)	(1 422)	92 898	5.81	
Discontinued operations headline earnings	126 254	(26 815)	(5 119)	(1 422)	92 898	5.81	
Total							
Per the statement of comprehensive income	166 294	(47 202)	(10 088)	(1 949)	107 055	6.69	
Total Group headline earnings	167 960	(47 202)	(10 088)	(1 979)	108 691	6.79	

## 6. Discontinued operations

Results of discontinued operation	2017	2016
	R'000	R'000
Revenue	335 608	367 264
Other income	13 907	1 453
Expenses	(233 957)	(242 463)
Share of profit/(loss) of equity accounted investment		
Segment finance costs		

Results from operating activities	115 558	126 254
Tax	(30 242)	(26 815)
Results from operating activities, net of tax	85 316	99 439
Gain on sale of discontinued operation*	1 153 710	-
Profit for the year	1 239 026	99 439
Basic earnings per share	76.49	5.81

\* Included in the gain on sale of discontinued operations is an amount of R92.4million relating to the excess payout as per the SENS announcement released on 26 May 2017.

Profit from discontinued operations of R1.2 billion (2016: R94.3 million) was attributable to the owners of the company. Of the loss from continuing operations of R33.1 million (2016: profit of R19.7 million), an amount of R39.4 million was attributable to the owners of the Company (2016: R14.7 million profit).

Cash flow from/(used in) discontinued operation		
Net cash from/(used in) operating activities	1 552	62 309
Net cash used in investing activities	929	(27 932)
Net cash from financing activities	(8 973)	7 931
Net cash flow for the year	(6 492)	42 308

#### Major classes of assets and liabilities disposed of

Property & equipment	123	
Investment property	49 346	
Goodwill and intangible assets	22 722	
Investment in associate	289	
Financial assets at fair value through profit or loss	4 483	
Trade and other receivables	3 149	
Long-term loans receivable	673	
Cash and cash equivalents	1 449	
Deferred tax liability	(67)	
Long-term loans payable	(8 106)	
Trade and other payables	(962)	
Current tax payable	(166)	
Net assets and liabilities	72 933	
Consideration received in cash	4 789	
Cash and cash equivalents disposed off	(1 449)	
Net cash inflow	3 340	

#### 7. Goodwill and intangible assets

R'000	Goodwill	Patents and trademarks	Internally developed software	Computer software	System development costs	Other intangible	Total
Cost							
Opening balance - 1 April 2015	424 253	2 024	35 765	270	-	-	462 312
Additions	-	-	359	656	7 367	-	8 382
Disposal	(17 491)	-	-	-	-	-	(17 491)
Closing balance - 31 March 2016	406 762	2 024	36 124	926	7 367	-	453 203
Opening balance - 1 April 2016	406 762	2 024	33 020	2 689	7 367	7 339	459 201
Additions	-	-	485	758	-	-	1 243
Classified as held for sale	(22 722)	-	-	-	-	-	(22 722)
Disposal of discontinued operation	(98 468)	(2 024)	-	-	(7 367)	-	(107 859)
Closing balance - 31 March 2017	285 572	-	33 505	3 447	-	7 339	329 863
Accumulated amortisation							
Opening balance - 1 April 2015	31 143	704	16 161	256	-	-	48 264
Amortisation for the year	-	200	6 192	37	550	-	6 979
Closing balance - 31 March 2016	31 143	904	22 353	293	550	-	55 243
Opening balance - 1 April 2016	31 143	904	26 588	2 055	550	-	61 240
Amortisation for the year	-	-	3 308	521	-	-	3 829
Impairment loss	31 645	-	2 252	-	-	-	33 897
Disposal of discontinued operation	(31 143)	(904)	-	-	(550)	-	(32 597)
Closing balance - 31 March 2017	31 645	-	32 148	2 576	-	-	66 369
Carrying amounts							
At 31 March 2016	375 619	1 120	13 771	633	6 817	-	397 960
At 31 March 2017	253 927	-	1 357	871	-	7 339	263 494

#### Impairment test of goodwill

The Group has recognised an impairment loss of R31.6 million in profit or loss relating to goodwill of PBT Group's CGUs based on the value-in-use method to determine the recoverable amount. The value-in-use was determined by discounting future cash flows of the Group as a single CGU.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represented management's assessment of future trends in the relevant industries and were based on historical data from both external and internal sources.

Discount rate	2017	2016
Terminal value growth rate	17%	16%
Budgeted EBITDA growth rate	8%	8%

The discount rate was a post-tax measure estimated based on the historical industry average weighted-average cost of capital.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make.

A sensitivity was performed to analyse the impact of increasing the forecast risk premium from 2% to 5%. This would result in a discount rate of 20%. Increasing the forecast risk premium by this factor, results in an impairment of approximately R94 million.

#### 8. Trade and other receivables

	2017	2016
	R'000	R'000
Trade and other receivables include the following:		
Trade receivables	129 033	208 086
VAT receivable	-	833
Deposits	1 408	1 177
Prepayments	720	3 059
Accrued income	656	708
Interest receivable	-	1 096
Dividend receivable	92 397	-
	224 214	214 959

#### 9. Income tax expense

Tax recognized in profit or loss		
Current tax expense		
Current year	15 201	9 545
Adjustment to prior years	(50)	3 934
	15 151	13 479
Withholding tax - Section 6quat(1C)	16 584	5 272
	31 735	18 751
Deferred tax expense		
Origination and reversal of temporary differences	(6 417)	1 636
	(6 417)	1 636
Income tax expense on continuing operations	25 318	20 387

#### 10. Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. Fair values are determined according to the following hierarchy based on the requirements in IFRS 13 Fair Value Measurement:

Level 1	Unadjusted quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets that the Company can access at the measurement date.
Level 2	Valuation techniques using observable inputs: quoted prices (other than those included in level 1) for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are less than active and financial assets and liabilities valued using models where all significant inputs are observable directly or indirectly from market data.
Level 3	Valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more inputs are unobservable and have a significant effect on the instrument's valuation.

R'000	Level 1	Level 2	Level 3	Total
2017				
Financial assets				
Financial assets at fair value through profit or loss	-	722	-	722
Loans and receivables	-	-	10 385	10 385
Investments	-	-	22 787	22 787
Total financial assets measured at fair value	-	722	33 172	33 894
Total financial liabilities measured at fair value	-	-	-	-

R'000	Level 1	Level 2	Level 3	Total
2016				
Financial assets				
Financial assets at fair value through profit or loss	112 716	38 723	-	151 439
Linked investments backing policyholder contract funds	10 244 977	730 235	-	10 975 212
Investment Property	-	35 728	-	35 728
Total financial assets measured at fair value	10 357 693	804 686	-	11 162 379
Financial liabilities				
Policyholder investment contract liabilities	-	10 974 330	-	10 974 330
Total financial liabilities measured at fair value	-	10 974 330	-	10 974 330

#### 11. Prior period error

##### Restatement 1,2 & 3

- An error was noted in the profit from discontinued operations in the 2018 comparative figures. This error was due to an account being misallocated to profit instead of the equity. The profit from discontinued operations and equity were overstated by R13 627.
- An error was noted between the non-controlling interest (NCI) for discontinued operations and profit from discontinued operations of R126. The NCI and profit from discontinued operations were understated by 126. The adjustment to NCI was already corrected in the 2018 comparative figures.



3. An error was noted in the HEPS calculation for the 2017 figures. The foreign exchange recycled from the foreign currency translation reserve of R3 014 was excluded from the Gain on sale of discontinued operations for the HEPS calculation.

Weighted average number of ordinary shares In thousands of shares	2017
Ordinary shares at 1 April	1 669 251
Effect of treasury shares held	(23 022)
Effect of FSP shares	(26 302)
Effect of shares issued	
Weighted average number of ordinary shares at 31 March 2017	1 619 927

HEADLINE EARNINGS PER SHARE  
R'000

	Profit before tax	Tax	Non- controlling interests	Earnings attributable to FSP shareholders	Earnings attributable to ordinary shareholders	Cents per share
2017						
Continuing operations						
Per the statement of comprehensive income	(7 778)	(25 318)	(6 255)	(5 129)	(44 480)	(2.75)
Adjustments						
Impairment loss on goodwill	34 074	-	-	-	34 074	2.10
Continuing operations headline earnings	26 296	(25 318)	(6 255)	(5 129)	(10 406)	(0.64)
Discontinued operation						
Per the statement of comprehensive income	1 282 868	(30 242)	3 895	(13 835)	1 242 686	76.71
Restatement nr.1	(13 627)	-	-	-	(13 627)	(0.84)
Restatement nr.2	126	-	-	-	126	0.01
	1 269 367	(30 242)	3 895	(13 835)	1 229 185	75.88
Adjustments						
Gain on sale of discontinued operations	(1 150 696)	-	-	-	(1 150 696)	(71.03)
Restatement nr.3	(3 014)	-	-	-	(3 014)	(0.19)
Change in fair value of investment property	(4 179)	-	-	-	(4 179)	(0.26)
	(1 157 889)	-	-	-	(1 157 889)	(71.48)
Discontinued operations headline earnings	111 478	(30 242)	3 895	(13 835)	71 296	4.40
Total						
Per the statement of comprehensive income	1 261 589	(55 560)	(2 360)	(18 964)	1 184 705	73.13
Total Group headline earnings	137 774	(55 560)	(2 360)	(18 964)	60 890	3.76

Restatement 1 & 2:

Refer to above restatement for explanation.

ABRIDGED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
for the year ended 31 March 2017

	As previously reported R'000	Impact of correction of error Adjustments R'000	As restated R'000
Continuing operations	595 877		595 877
Total income	563 766		563 766
Service fees	13 239		13 239
Interest and dividend income	18 872		18 872
Other investment income			
Cost of information management services	(447 985)		(447 985)
Operating expenses	(117 038)		(117 038)
Impairment of goodwill and other	(34 074)		(34 074)
Share-based payment expense	-		-
Profit from operations	(3,220)		(3,220)
Other income	1 311		1 311
Finance costs	(5 869)		(5 869)
Profit before tax	(7 778)		(7 778)
Income tax expense	(25 318)		(25 318)
Profit from continuing operations	(33 096)		(33 096)
Discontinued operations			
Profit for the period from discontinued operations	1,252 626	(13 501)	1 239 125
Profit for the year	1 219,530	(13 501)	1 206 029
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences - foreign operations	(8 183)		(8 183)
Tax on other comprehensive income	-		-
Other comprehensive income for the year, net of tax	(8 183)		(8 183)
Total comprehensive income for the year	1 211 347		1 197 846

Restatement 3:

An error was noted on the comparative figures on the Statement of Cash Flows for the year ended 31 March 2017. The 'Acquisition of shares' on the comparative figures was incorrectly shown as a cash inflow of R2 074. Consequently the 'Cash generated from operations' were understated by R4 148. The error was corrected by the restatement of the 'Acquisition of own shares' as a cash outflow of R2 074 and the 'Cash generated from operations' increasing by R4 148 for the comparative figures.

The error only impacted the Statement of Cash Flows and was correctly accounted for in the other Statements to the Consolidated Financial Statements.

The following tables summarise the impacts on the Group's consolidated Statement of Cash Flows

	Impact of correction of error		
	As previously reported R'000	Adjustments R'000	As restated R'000
Cash flows from operating activities			
Cash generated from operations	167 263	4 148	171 411
Dividends received	2 946	-	2 946
Dividends paid	(97 679)	-	(97 679)
Interest received	19 358	-	19 358
Interest paid	(10 862)	-	(10 862)
Taxation paid	(50 998)	-	(50 998)
Net cash inflow from operating activities	30 028	4,148	34 176
Cash flows from investing activities			
Acquisition of equipment	(8 040)	-	(8 040)
Acquisition of intangible assets	(8 382)	-	(8 382)
Proceeds on loss in control of subsidiary, net of cash disposed of	2 155	-	2 155
Disposal of equity-accounted investee	3 064	-	3 064
Disposal/(Acquisition) of financial assets at fair value through profit or loss	6 026	-	6 026
Advancement of long-term loans receivable	(2 313)	-	(2 313)
Cash outflow from investing activities	(7 490)	-	(7 490)
Cash flows from financing activities			
Acquisition of own shares	2 074	(4 148)	(2 074)
Increase in loans payable	4 499	-	4 499
Cash inflow from financing activities	2 425	(4,148)	2 425
Net increase in cash and cash equivalents	29 111	-	29 111
Effect of exchange rate fluctuations on cash held	18 133	-	18 133
Cash and cash equivalents at beginning of the year	49 268	-	49 268
Cash and cash equivalents at end of the year	96 512	-	96 512

## 12. Segment Report

In 2016 the Group had two reportable segments according to strategic divisions. These two segments were financial services and information management services. After the disposal of the financial services segment, the Group's core operations consisted of mainly information management services. The reportable segments for the current financial year are according to geographical areas, namely South Africa, Middle East/Africa and Australia.

- South Africa includes consulting and implementation of data, management information software and healthcare administration services.
- Australia includes consulting and implementation of data, management information software and healthcare administration services.
- Middle East/Africa includes consulting and implementation of data and management information software.

	CONTINUING OPERATIONS									
	South Africa		Australia		Middle East Africa		Other		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	330 557	279 347	79 738	82 333	159 673	173 344	29 823	10 606	599 791	545 630
Segment profit before tax	25 746	26 142	12 061	8 738	(40 704)	8 135	26 765	(2 975)	23 868	40 040
Segment assets *	88 039	77 758	28 862	30 793	91 149	136 897	133 163	153 160	341 213	398 608
Segment liabilities	(20 475)	(102 262)	(10 135)	(9 724)	(62 593)	(47 766)	(2 257)	(13 292)	(95 460)	(173 044)
	DISCONTINUED OPERATIONS									
	South Africa		Australia		Middle East Africa		Other		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	-	351 226	-	-	-	-	1 527 403	17 491	1 527 403	368 717
Segment profit before tax	-	120 533	-	-	-	-	1 269 268	5 721	1 269 268	126 254
Segment assets *	-	11 940 949	-	-	-	-	59 345	30 269	59 345	11 971 218
Segment liabilities	-	(11 719 256)	-	-	-	-	(9 302)	(1 904)	(9 302)	(11 721 160)
	GROUP									
	South Africa		Australia		Middle East Africa		Other		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	330 557	630 573	79 738	82 333	159 673	173 344	557 226	28 097	2 127 194	914 347
Segment profit before tax	25 746	146 675	12 061	8 738	(40 704)	8 135	1 296 033	2 746	1 293 136	166 294
Segment assets *	88 039	12 018 707	28 862	30 793	91 149	136 897	192 508	183 429	400 558	12 369 826
Segment liabilities	(20 475)	(11 821 518)	(10 135)	(9 724)	(62 593)	(47 766)	(11 559)	(15 196)	(104 762)	(11 894 204)
Reconciliation of reportable segment profit or loss									2017	2016
Total consolidated profit before tax for reportable segments									1 293 136	166 294
Less impairment of goodwill									(31 645)	-
Elimination of discontinued operations									(1 269 268)	(126 254)
Profit before tax									(7 777)	40 040

## Company information

Directors:  
AJ Taylor (Independent Non-Executive Chairman)  
PJ de Wet (Chief Executive Officer)  
AM Louw (Financial Director)  
CL Dyers (Independent Non-Executive Director)  
HC Steyn (Non-executive Director)  
AL Winkler (Independent Non-Executive Director)

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Sponsor:  
Transfer secretaries:  
Website:

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Bridge Capital Advisors Proprietary Limited  
Link Market Services  
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Cape Town  
05 October 2018