CONDENSED CONSOLIDATED UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

PEREGRINE

- ASSETS UNDER MANAGEMENT UP 7% TO R133 BILLION
- BASIC AND HEADLINE EARNINGS PER SHARE DOWN 40% TO 77.8 CENTS
- SEGMENTAL^ HEADLINE EARNINGS PER SHARE DOWN 40% TO 79.2 CENTS
- ONGOING* SEGMENTAL HEADLINE EARNINGS PER SHARE UP 15% TO 79.3 CENTS
- INTERIM DIVIDEND OF 65 CENTS PER SHARE
- NET ASSET VALUE PER SHARE 857.2 CENTS

PEREGRINE HOLDINGS LIMITED • INCORPORATED IN THE REPUBLIC OF SOUTH AFRICA • REGISTRATION NUMBER 1994/006026/06 • SHARE CODE: PGR • ISIN CODE: ZAE000078127 • "PEREGRINE" OR "THE GROUP"

The six months ended 30 September 2019 have been highlighted by the continued uncertainty imposed on the global economy by the United States/China trade talks and the effect thereof on growth expectations. The world economy had been cyclically cooling down even before these talks and global central banks have responded by stimulating economies via lower interest rates and quantitative easing. With dovish central banks as the backstop, risk appetite returned and equity markets approached previous record highs with global equities and bonds rallying strongly.

The South African landscape, however, continues to be dominated by the deteriorating fiscal and growth picture with high unemployment and wealth inequality constraining the country's growth potential and business confidence levels hitting 20-year lows.

The Group's ongoing Segmental headline earnings (*refer to the Segmental section of this announcement for the definition of ongoing Segmental earnings) increased by 12% to R166 million with ongoing Segmental headline earnings per share increasing by 15% to 79.3 cents. The increase in ongoing Segmental earnings is due, in the main, to the increase in earnings from Citadel. Annuity earnings, comprising 96% of total ongoing Segmental earnings, increased by 18% in Rand terms year on year. Due to the fact that the comparative results included a material once off fee earned by Stenham that was not repeated as well as profits from the Broking & Structuring business which was disposed of effective 1 October 2018, the first half results for this year on a total all-inclusive Segmental headline earnings per share basis were down by 40%.

Financial results

IFRS - Earnings and Headline earnings

Basic and headline earnings attributable to ordinary shareholders amounted to R158 million (2018: R272 million) with basic and headline earnings per ordinary share amounting to 77.8 cents per share (2018: 128.7 cents per share). Included in the prior period was six months earnings relating to the Broking & Structuring business which was disposed of effective 1 October 2018 as well as a once-off performance fee on exit amounting to £3 million (R58 million) received by Stenham arising out of the disposal of a property that formed part of the property portfolio sold to Stenprop in 2014 ("the ad hoc performance fee").

^Consistent with the prior period, in addition to providing the above IFRS earnings, Segmental earnings (referred to in the Introduction) are disclosed in more detail below. It needs to be noted that there are small differences between IFRS and Segmental earnings. The reconciliation between IFRS and Segmental earnings are annexed to the condensed consolidated unaudited financial statements, which forms part of this long form announcement.

Segmental

Please refer to the Segmental analysis, which forms part of the condensed consolidated unaudited interim financial statements, read together with Annexure A, for reference purposes.

Continuing operations

Core operating revenue grew by 8% to R761 million with performance fee related income increasing by 13% to R30 million. Total operating revenue remained relatively flat at R791 million (2018: R789 million, inclusive of the ad hoc performance fee). Operating expenses increased by 8% to R598 million (2018: R553 million) due primarily to increased salary related costs and bonuses as a result of increased core operating revenue and performance fee income. Income from equity accounted investees dropped by 19% to R24 million (2018: R29 million), the contributing factor being Java Capital's reduced earnings. Profit before tax decreased by 15% to R234 million (2018: R276 million) but excluding the ad hoc performance fee in the prior period, profit before tax would have increased by 7%.

Discontinued operations

The Group disposed of its investment in the Broking & Structuring business effective 1 October 2018. As a result, the Group's interest in the after tax profit of the Broking & Structuring business was separately presented on the face of the statement of comprehensive income as "Profit from discontinued operation (net of income tax)" in the prior period.

Included in the "Profit from discontinued operation" in the prior period was the profit after tax before non-controlling interests from the Broking & Structuring business of R112 million which, after tax and non-controlling interests, amounted to R77 million.

As disclosed in the 2019 year end results SENS announcement, the net residual proceeds (after retiring debt, settling tax liabilities, distributing the proportionate share to the non-controlling interest and utilising a portion of the proceeds to buy back Peregrine shares) from the disposal of the above division amounted to R343 million and at 30 September 2019 a balance of R353 million (inclusive of interest earned) remains available, providing the Group with the necessary flexibility in terms of future acquisitions and/or further share buy backs.

Segmental basic and headline earnings

Segmental basic and headline earnings decreased by 41% to R166 million (2018: R283 million), with Segmental basic and headline earnings per share decreasing by 40% to 79.2 cents (2018: 131.4 cents).

On an ongoing basis, Segmental headline earnings increased by 12% to R166 million (2018: R148 million), with Segmental headline earnings per share increasing by 15% to 79.3 cents (2018: 68.8 cents). Ongoing Segmental headline earnings excludes, in the prior period, the ad hoc performance fee and the Segmental headline earnings relating to the disposal of Broking & Structuring business.

Divisional Segmental results

Substantial non-controlling interests exist in Peregrine Capital as well as in Peregrine SA Holdings (being the effective 14% interest held by Nala and, as such, management believes that headline earnings per division (which is the basis for the commentary below) best reflects each division's specific economic benefit to the shareholders of the Group. In addition, reference to operating results are presented before tax and before non-controlling interests in the financial commentary below. Management believes that this further aids in the understanding of each division's profitability.

Wealth Management

Citadel's value proposition i.e. that of an "advice led" wealth and asset management business, is proving to be somewhat counter cyclical as clients are seeking safe haven investment opportunities and advice and thus the overall poor economic environment is having less of an effect on the core business than on other local businesses within the Group, with the client retention rate in the business increasing to over 98%. Core revenue grew by 14% to R525 million with assets under management at 30 September 2019 amounting to R56.8 billion (March 2019: R51.2 billion). The business remains geared towards the Rand/US Dollar rate with assets under management positively impacted by the currency weakness experienced during the current period. Gross inflows amounted to R5.4 billion (2018: R2.4 billion) of which R1.9 billion was via recent acquisitions. Headline earnings increased by 18% to R135 million (2018: R114 million) driven by strong annuity earnings growth, continued effective cost controls, strong vertical integration initiatives and healthy inflows.

Stenham

In rand terms, headline earnings decreased by 67% to R31 million (2018: R92 million) but decreased by only R3 million if the ad hoc performance fee in the prior period headline earnings is excluded.

Stenham Asset Management's ("SAM") headline earnings decreased to R23 million (2018: R26 million). The decrease is primarily due to the market loss of £0.4 million on a forward contract taken out in March 2019 so as to hedge US Dollar based revenues against an appreciation of Sterling vs US Dollar as a positive Brexit outcome seemed likely at the time. Total assets under management and advice remained constant at $4.0 billion (March 2019: $4.0 billion), with net revenue margins having improved slightly. As announced on 24 October 2019, subject to the entering into of formal sale and shareholders agreements (and receipt of the relevant regulatory approvals) with effect from 1 April 2019, Stenham Group Limited, a wholly-owned subsidiary of Peregrine has sold 50% of its shareholding in SAM to management in a transaction which values SAM at £16 million. The transaction is in accordance with Peregrine's stated practice and philosophy of management holding a significant economic interest in their own businesses and has been implemented in order to ensure the continuity, sustainability and long term growth of the SAM business.

Stenham Trustees' revenue decreased as a result of the closure of a number of uneconomical structures as well as reduced activity linked to the slowdown of the SA economy. The non-South African focused Bellerive Trust JV increased earnings, highlighting the impact of the significantly different client base to that of Stenham Trustees. Headline earnings for the Trust business as a whole decreased to R17 million (2018: R18 million).

Asset Management

Headline earnings for the division decreased to R11 million (2018: R13 million). Increased performance fees were earned in Peregrine Capital (the dominant business unit) on the back of relatively strong performance in the first quarter of the financial year. Management fees have decreased somewhat as a result of the slightly lower asset base and a change in the mix of assets. Costs have increased due to new hires in the investment team and in business development.

Peregrine Capital's asset base reduced to R6.6 billion (March 2019: R6.8 billion) largely as a result of certain investors rebalancing their portfolios. Long term performance remains exceptional and industry leading with 5%-10% outperformance of unit trusts with similar risk profiles over 5 and 10 year periods.

Advisory

Java Capital's attributable earnings for the period decreased significantly over that of the prior period to R6 million (2018: R11 million) and continue to be adversely impacted by the weak South African economic fundamentals resulting in reduced deal flow in both the general corporate finance space and in equity capital markets. In addition, as transactional activity by JSE listed companies has declined, so has the volume of required circulars, announcements and other corporate advisory services which has translated into weaker financial performance.

The Group continues to monitor the performance of the investment against impairment indicators identified at the end of the previous financial year, which resulted in an impairment of R100 million in the carrying value of the Group's investment. At this stage, no further impairment is considered appropriate. A full re-assessment will be performed at the end of the current financial year.

Group Head Office

At an attributable level, costs net of recoveries and interest income decreased to R17 million (2018: R24 million). Contributing to this decrease is the reduction in headcount following the right sizing programme which commenced post the disposal of the Broking & Structuring business.

Issued share capital

Shares in issue at 30 September 2019 amount to 220.467 million and net of 17.286 million treasury shares amounted to 203.181 million, which is also the weighted average number of shares in issue. Treasury shares are inclusive of 6.1 million shares which were purchased to cover obligations in terms of the Citadel LTI schemes and which carry participatory rights.

Dividend

In line with the stated intention to return 80%-90% of Segmental headline earnings per share to shareholders, the directors have resolved to declare an interim cash dividend of 65 cents per share for the six months ended 30 September 2019. This dividend amounts to 82% of ongoing Segmental headline earnings per share for the year.

The salient dates applicable to the final cash dividend:

Last date to trade *cum* dividend	Tuesday, 28 January 2020
Trading *ex* dividend commences	Wednesday, 29 January 2020
Record date	Friday, 31 January 2020
Payment date	Monday, 3 February 2020

In terms of the JSE Listings Requirements the following additional information is disclosed:

1. The interim ordinary cash dividend has been declared out of income reserves;
2. The local dividend tax rate is 20%;
3. The gross local dividend amount for the interim ordinary cash dividend is 65 cents per share for shareholders exempt from paying dividends tax;
4. The net local dividend amount for the interim ordinary cash dividend is 52 cents per share for shareholders liable to pay dividends tax;
5. The issued share capital of Peregrine is 220 467 242 shares of 0.1 cent each as at the date of this announcement; and
6. Peregrine's tax reference number is 9181924847.

Shares may not be dematerialised or rematerialised between Wednesday, 29 January 2020 and Friday, 31 January 2020, both dates inclusive.

Payment of the dividend will be made to shareholders on Monday, 3 February 2020. In respect of dematerialised shares, the dividend will be transferred to the CSDP/broker accounts on Monday, 3 February 2020. Certificated shareholders' dividend payments will be deposited on or about Monday, 3 February 2020.

Directorate

At the annual general meeting of shareholders held on 5 September 2019 -

- LN Harris and S Sithole were re-elected as directors;
- the appointment of AP Moller was approved; and
- BC Beaver retired from office and elected not to stand for re-election with a requisite majority of votes being exercised in favour not to fill the vacancy created by his retirement.

On 17 September 2019, it was announced that Claire Coward would resign as Group CFO of Peregrine effective 31 October 2019. In terms of the JSE dispensation received (as announced on 3 October 2019), Robert Katz will hold the dual role of Group CEO and Group CFO.

On 6 September 2019, it was announced that Mandy Yachad would continue as the representative of Peregrine Management Services (Pty) Ltd, Peregrine's Company Secretary.

Events subsequent to 30 September 2019

As announced on 31 October 2019, the board has received a non-binding expression of interest for the acquisition of the entire issued share capital of Peregrine, which expression of interest does not constitute a firm intention to make an offer and it is possible that no offer may result from the process. The board will continue to engage with the interested party and will keep shareholders updated on the process.

PEREGRINE

Conclusion

These results have been achieved against a backdrop of very challenging local operating conditions persisting over an extended period of time, including a weakening economy, increasingly negative market sentiment and muted returns. On a global macro basis, the outlook also remains challenging, both from a trade tension relief perspective as well as for global economic growth.

Businesses in the Peregrine Group are affected differently by the current economic landscape whereby it is difficult to envisage the South African economy improving in the near term. Java Capital is impacted most adversely and this will continue until such time as there is a turnaround in the economy. Peregrine Capital funds are well positioned for a positive upturn in markets and Citadel is benefiting from the uncertainty in the country as clients seek safety in advice and investments.

Date: **13 NOVEMBER 2019**

JOHANNESBURG, SOUTH AFRICA

Signed:

ROBERT KATZ
Group CEO & CFO

SEAN MELNICK
Non-executive Chairman

FURTHER DETAIL AND A PRINT-FRIENDLY VERSION OF THESE RESULTS ARE AVAILABLE FROM THE COMPANY'S WEBSITE AT WWW.PEREGRINE.CO.ZA ON WEDNESDAY, 13 NOVEMBER 2019.

Directors: SA Melnick^ (Chairman); RE Katz (CEO & CFO); AP Moller (Executive); P Goetsch^; LN Harris#; S Sithole*; SI Stein*; B Tlhabanelo*
*^ Non-executive *Independent non-executive #Lead independent non-executive*
Company secretary and registered office: Peregrine Management Services Proprietary Limited, 1 Park Lane, Wierda Valley, Sandton, 2196 (PO Box 650361, Benmore, 2010), Telephone: +27 11 722 7400 Fax: +27 11 722 7410
Transfer Secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107)
Joint Sponsors: Java Capital and Deloitte & Touche Sponsor Services Proprietary Limited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

PEREGRINE

	% change 2018 to 2019	**Results for the six months ended 30 September 2019**	Results for the six months ended 30 September 2018	Results for the year ended 31 March 2019
		R'000	R'000	R'000
Continuing operations				
Operating revenue	-	**790 758**	788 987	1 628 199
Investment and other income	6	**8 540**	8 047	17 645
Total revenue	-	**799 298**	797 034	1 645 844
Operating expenses	7	**(601 864)**	(561 212)	(1 188 894)
Profit from operations	-16	**197 434**	235 822	456 950
Net interest income		**7 561**	2 125	34 426
Interest income		**20 204**	11 762	52 397
Interest expense		**(12 643)**	(9 637)	(17 971)
Share of profits from equity accounted investees	-19	**23 711**	29 367	41 670
Profit before taxation and capital items		**228 706**	267 314	533 046
Capital items		**-**	-	(101 791)
Profit before taxation		**228 706**	267 314	431 255
Taxation		**(37 742)**	(37 758)	(84 667)
Profit for the period from continuing operations	-17	**190 964**	229 556	346 588
Discontinued operations [1]		**(286)**	112 422	176 438
(Loss) / Profit from discontinued operations (net of income tax)		**(286)**	112 422	113 231
Capital item from discontinued operation (net of income tax)		**-**	-	63 207
Profit for the period	-44	**190 678**	341 978	523 026
Items that may be reclassified subsequently to profit or loss:		**7 962**	79 904	83 544
Currency translation differences		**7 962**	79 904	87 091
Less: gain reclassified to profit or loss on disposal of foreign operation		**-**	-	(3 547)
Items that will not be reclassified subsequently to profit or loss:				
Share of other comprehensive income from equity accounted investee [2]		**(5 196)**	(2 440)	(6 607)
Other comprehensive income for the period net of taxation		**2 766**	77 464	76 937
Total comprehensive income for the period		**193 444**	419 442	599 963
Profit for the period attributable to:				
Equity holders of the company	-41	**162 864**	277 461	422 785
Non-controlling interests	-57	**27 814**	64 517	100 241
	-44	**190 678**	341 978	523 026
Total comprehensive income for the period attributable to:				
Equity holders of the company		**165 689**	351 280	495 942
Non-controlling interests		**27 755**	68 162	104 021
		193 444	419 442	599 963
Basic earnings per ordinary share (cents)	-40	**77,8**	128,7	197,2
Continuing Operations		**78,0**	93,1	133,8
Discontinued Operations		**(0,2)**	35,6	63,4

1 For additional information relating to the discontinued operations please refer to the Notes & Compliance section.

2 For more information regarding the reasons for the restatement of the prior period on the statements of comprehensive income please refer to the Notes & Compliance section.

RECONCILIATION OF HEADLINE EARNINGS

PEREGRINE

	% change 2018 to 2019	**Results for the six months ended 30 September 2019**	Results for the six months ended 30 September 2018	Results for the year ended 31 March 2019
		R'000	R'000	R'000
Profit for the period attributable to equity holders	-41	**162 864**	277 461	422 785
Adjustment relating to earnings attributable to participating treasury shares [1]		**(4 747)**	(5 746)	(12 323)
Basic earnings attributable to ordinary shareholders	-42	**158 117**	271 715	410 462
Capital items relating to discontinued operation [2]		**-**	-	(56 504)
Gain on disposal of interest in subsidiary		**-**	-	(56 668)
Fixed assets scrapped		**-**	-	164
Capital items relating to continuing operations		**-**	-	84 988
Loss on disposal of interest in equity accounted investee		**-**	-	1 495
Investment in equity accounted investee impaired		**-**	-	83 493
Headline earnings [3]	-42	**158 117**	271 715	438 946
Adjustment for discontinued operations [2]		**278**	(75 109)	(75 221)
Headline earnings from continuing operations [3]	-19	**158 395**	196 606	363 725
Headline earnings per ordinary share (cents)	-40	**77,8**	128,7	210,8
Continuing operations		**78,0**	93,1	174,7
Discontinued operations		**(0,2)**	35,6	36,1
Interim cash dividend per ordinary share declared subsequent to 30 September (cents)	-24	**65,0**	85,0	85,0
Final cash dividend per ordinary share declared subsequent to 31 March (cents)		**-**	-	100,0
Interim cash dividend paid per ordinary share in respect of the previous period (cents)		**85,0**	-	-
Final cash dividend paid per ordinary share in respect of the previous period (cents)		**-**	-	170,0
Number of ordinary shares in issue ('000)		**220 467**	226 066	220 467
Treasury shares held ('000)		**17 286**	16 181	17 286
Weighted average number of ordinary shares in issue ('000)		**203 181**	211 120	208 197

1 The 6.1 million (2018: 4.4 million) participating treasury shares could potentially have a dilutive effect on conversion to ordinary shares. Diluted earnings per share has not been disclosed as the participating treasury shares have an anti-dilutive effect.
2 For additional information relating to the discontinued operation please refer to the Notes & Compliance section.
3 Refer to Annexure A for the reconciliation of IFRS and Segmental headline earnings.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 September 2019 R'000	As at 31 March 2019 R'000
Assets		
Non-current assets	**8 243 368**	7 888 725
Property, plant and equipment	**130 123**	101 028
Right of use assets [1]	**327 496**	-
Intangible assets	**640 570**	638 282
Investment in equity accounted investees	**257 411**	267 280
Investments linked to policyholder investment contracts	**6 742 034**	6 756 735
Deferred taxation	**94 945**	69 960
Financial investments	**50 789**	55 440
Current assets	**1 171 042**	1 314 590
Financial investments	**308 143**	46 623
Loans and receivables	**7 170**	11 932
Trade and other receivables	**313 877**	310 204
Taxation	**22 036**	21 209
Cash and cash equivalents	**519 816**	924 622
Assets held for resale [2]	**240 144**	241 931
Total assets	**9 654 554**	9 445 246
Equity and liabilities		
Equity	**1 863 642**	1 914 033
Equity attributable to equity holders of the company	**1 793 871**	1 823 973
Non-controlling interests	**69 771**	90 060
Non-current liabilities	**7 138 936**	6 852 242
Policyholder investment contract liabilities	**6 742 034**	6 756 735
Interest-bearing borrowings	**51 887**	52 875
Lease liabilities [1]	**325 130**	-
Deferred taxation	**9 619**	9 586
Other non-financial payables	**10 266**	33 046
Current liabilities	**491 483**	518 903
Interest-bearing borrowings	**7 411**	47 082
Lease liabilities [1]	**26 453**	-
Trade and other payables	**391 824**	428 914
Taxation	**65 795**	42 907
Liabilities held for resale[2]	**160 493**	160 068
Total equity and liabilities	**9 654 554**	9 445 246
Net asset value per share (cents)	**857.2**	871.5

1 The Group adopted IFRS 16- *Leases* with effect from 1 April 2019. Please refer to the Notes & Compliance section for an explanation on the transition provisions applied on adoption.
2 For additional information relating to the discontinued operations please refer to the Notes & Compliance section.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Total capital and reserves R'000	Non-controlling interests R'000	Total equity R'000
2019			
Balance at 31 March 2019	**1 823 973**	**90 060**	**1 914 033**
Profit for the period	**162 864**	**27 814**	**190 678**
Other comprehensive income for the period	**2 825**	**(59)**	**2 766**
Transactions with owners recorded directly in equity:	**(195 791)**	**(48 044)**	**(243 835)**
Dividends paid [1]	**(203 181)**	**(48 044)**	**(251 225)**
Share-based payments	**7 390**	**-**	**7 390**
Balance at 30 September 2019	**1 793 871**	**69 771**	**1 863 642**
2018			
Balance at 31 March 2018: as previously reported	2 106 366	411 487	2 517 853
Financial effect of restatement on profit for the year	(7 243)	-	(7 243)
Financial effect of restatement on other comprehensive income	(79 298)	-	(79 298)
Financial effect of restatement on transactions with owners directly through equity	(12 449)	139 916	127 467
Balance at 31 March 2018: restated [2]	2 007 376	551 403	2 558 779
Profit for the period	277 461	64 517	341 978
Other comprehensive income for the period: restated	73 819	3 645	77 464
Other comprehensive income for the period: as previously reported	76 259	3 645	79 904
Other comprehensive income for the period: restatement [3]	(2 440)	-	(2 440)
Transactions with owners recorded directly in equity:	(379 024)	(69 415)	(448 439)
Dividends paid: as previously reported	(358 699)	(78 655)	(437 354)
Dividends paid: restatement [3]	-	9 240	9 240
Share-based payments	8 810	-	8 810
Acquisition of participating treasury shares	(11 870)	-	(11 870)
Repurchase of treasury shares	(19 470)	-	(19 470)
Disposal of Zarclear Holdings Limited shares (previously Sandown Capital Limited) (adjustment to prior year taxation effect)	2 205	-	2 205
Balance at 30 September 2018: restated	1 979 632	550 150	2 529 782
Profit for the period	145 324	35 724	181 048
Other comprehensive income for the period	(662)	135	(527)
Transactions with owners recorded directly in equity:	(300 321)	(495 949)	(796 270)
Dividends paid	(179 173)	(95 912)	(275 085)
Share-based payments	16 791	-	16 791
Disposal of investment in subsidiary companies	-	(400 037)	(400 037)
Acquisition of participating treasury shares	(34 939)	-	(34 939)
Repurchase of treasury shares	11 871	-	11 871
Repurchase and cancellation of shares of the holding company	(114 871)	-	(114 871)
Disposal of Zarclear Holdings Limited shares (adjustment to prior year taxation effect)	-	-	-
Balance at 31 March 2019	1 823 973	90 060	1 914 033

1 Dividends paid to equity holders of the Company relate to the final cash dividend of 100 cents per share which was paid on Monday, 5 August 2019.
2 Please refer to note 36 in the 2019 Annual Financial Statement for more information regarding the restatement of the prior year on the statements of changes in equity.
3 For more information regarding the reasons for the restatement of the prior period on the statements of changes in equity please refer to the Notes & Compliance section.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

PEREGRINE

	Results for the six months ended 30 September 2019	Results for the six months ended 30 September 2018
	R'000	R'000
Cash flow from operating activities	**(112 244)**	(733 165)
Cash flow from operating activities excluding stockbroking activities	**131 648**	207 532
Cash flow from stockbroking activities	**-**	(581 331)
Net interest and dividends received	**56 915**	125 458
Cash dividends paid	**(259 174)**	(420 371)
Taxation paid	**(41 633)**	(64 453)
Cash flow from investing activities	**(300 952)**	20 823
Net (acquisition) / disposal of financial investments and other assets	**(249 083)**	35 324
Net purchase of property, plant and equipment	**(36 749)**	(9 501)
Net acquisitions of subsidiary	**(16 122)**	-
Net acquisition of interest in equity accounted investee companies	**-**	(5 000)
Obtaining control over equity accounted investee, net of cash acquired	**1 002**	-
Cash flow from financing activities	**(61 798)**	7 056
Net acquisition of treasury shares	**-**	(31 340)
Loans and receivables settled	**5 023**	167 247
Net settlement of financial liabilities	**(66 821)**	(128 851)
Net decrease in cash and cash equivalents	**(474 994)**	(705 286)
Cash and cash equivalents at beginning of the period	**1 014 091**	2 666 723
Effects of exchange rate changes on cash and cash equivalents	**5 147**	44 534
Cash and cash equivalents at end of the period	**544 244**	2 005 971
Presented and disclosed in the Statement of Financial Position under:		
Current assets	**519 816**	428 006
Assets held for resale (Discontinued Operations) [1]	**24 428**	1 577 965
	544 244	2 005 971

1 Refer to the Notes & Compliance section for additional information relating to the discontinued operation.

SEGMENTAL ANALYSIS

	Total revenue [1] R'000	Interest and share of profits from equity accounted investees R'000	Profit from ordinary activities R'000	Headline earnings R'000	% change in headline earnings 2018 to 2019
For the six months ended 30 September 2019					
Wealth and Asset Management	**612 966**	**4 930**	**210 509**	**145 724**	15
Wealth Management	**556 168**	**(2 273)**	**185 134**	**134 751**	18
Asset Management	**56 798**	**7 203**	**25 375**	**10 973**	-18
Stenham	**178 977**	**11 380**	**33 379**	**30 833**	
Advisory	**-**	**7 240**	**7 240** [2]	**6 227**	-41
Subtotal from reportable segments	**791 943**	**23 550**	**251 128**	**182 784**	-21
Group	**7 355**	**8 766**	**(17 624)**	**(16 731)**	-31
Total from continuing reportable segments	**799 298**	**32 316**	**233 504**	**166 053**	-19
Discontinued reportable segments	**-**	**-**	**-**	**(286)**	>100
Segmental results	**799 298**	**32 316**	**233 504**	**165 767**	-41
Reconciling items and non-reportable segment [3]	**-**	**(1 044)**	**(4 798)**	**(7 650)**	
Total per Consolidated statement of comprehensive income	**799 298**	**31 272**	**228 706**	**158 117**	-42
For the six months ended 30 September 2018					
Wealth and Asset Management	545 254	8 666	192 155	127 182	
Wealth Management	490 404	4 084	157 424	113 859	
Asset Management	54 850	4 582	34 731	13 323	
Stenham	246 966	9 587	94 605	92 357 [4]	
Advisory	-	12 315	12 315 [2]	10 591	
Subtotal from reportable segments	792 220	30 568	299 075	230 130	
Group	1 873	4 627	(23 236)	(24 157)	
Total from continuing reportable segments	794 093	35 195	275 839	205 973	
Discontinued reportable segments	-	-	-	76 698	
Segmental results	794 093	35 195	275 839	282 671	
Reconciling items and non-reportable segment [3]	2 941	(3 703)	(8 525)	(10 956)	
Total per Consolidated statement of comprehensive income	797 034	31 492	267 314	271 715	

1 Total revenue includes annuity revenue of R769 million (2018: R767 million) and performance fee related revenue of R30 million (2018: R27 million).

2 Represents 50% of profit after taxation of the equity accounted investment. The Group continues to monitor the performance of the investment against impairment indicators identified at the end of the previous financial year which resulted in an impairment of R100 million in the carrying value of the Group's investment. At this stage, no further impairment is considered appropriate. A full re-assessment will be performed at the end of the current financial year.

3 The reconciling items of R8 million (2018: R11 million) relate to the following adjustments:
3.1 Accounting for the earnings attributable to participating treasury shares of R5 million (2018: R6 million); and
3.2 The difference in classification of Citadel's long term 2015 deferred remuneration scheme 2 for IFRS purposes and that applied for purposes of providing information to the Chief Operating Decision Makers of R3 million (2018: R5 million).
The Citadel 2015 deferred remuneration scheme 2 was initiated during the 2016 financial year, the terms of which provide the participants with the right to participate in an asset pool, partly comprising of Peregrine Holdings Limited shares, which is settled through an attribution of profits over the service period (with the first application thereof being in the March 2017 financial year). The IFRS effects arise from the obligation being initially measured using the projected unit method in the year of inception.

4 Includes the ad hoc performance fee of R58 million (£3 million).

PEREGRINE

ANALYSIS OF ASSETS AND LIABILITIES BY FINANCIAL INSTRUMENT CLASSIFICATION

	Financial instruments at fair value through profit or loss ¥	Financial assets at amortised cost	Financial liabilities at amortised cost	Non-financial instruments and financial instruments beyond the scope of IFRS 9	**Total**	Fair value of financial instrument
	R'000	R'000	R'000	R'000	**R'000**	R'000
Unaudited as at 30 September 2019						
Non-current assets	6 756 176	36 658	-	1 450 534	**8 243 368**	6 756 176
Property, plant and equipment	-	-	-	130 123	**130 123**	-
Right of use assets	-	-	-	327 496	**327 496**	-
Intangible assets	-	-	-	640 570	**640 570**	-
Investment in equity accounted investees	-	11	-	257 400	**257 411**	-
Investments linked to policyholder investment contracts	6 742 034	-	-	-	**6 742 034**	6 742 034
Deferred taxation	-	-	-	94 945	**94 945**	-
Financial investments	14 142	36 647	-	-	**50 789**	14 142
Current assets	308 143	827 535	-	35 364	**1 171 042**	308 143
Financial investments	308 143	-	-	-	**308 143**	308 143
Loans and receivables	-	7 170	-	-	**7 170**	-
Trade and other receivables	-	300 549	-	13 328	**313 877**	-
Taxation	-	-	-	22 036	**22 036**	-
Cash and cash equivalents	-	519 816	-	-	**519 816**	-
Assets held for resale	213 233	26 468	-	443	**240 144**	213 233
Total assets	7 277 552	890 661	-	1 486 341	**9 654 554**	7 277 552
Non-current liabilities	6 742 034	-	51 887	345 015	**7 138 936**	6 742 034
Policyholder investment contract liabilities	6 742 034	-	-	-	**6 742 034**	6 742 034
Interest-bearing borrowings*	-	-	51 887	-	**51 887**	-
Lease liabilities	-	-	-	325 130	**325 130**	-
Deferred taxation	-	-	-	9 619	**9 619**	-
Other non-financial payables	-	-	-	10 266	**10 266**	-
Current liabilities	-	-	170 890	320 593	**491 483**	-
Interest-bearing borrowings*	-	-	7 411	-	**7 411**	-
Lease liabilities	-	-	-	26 453	**26 453**	-
Trade and other payables	-	-	163 479	228 345	**391 824**	-
Taxation	-	-	-	65 795	**65 795**	-
Liabilities held for resale	159 631	-	862	-	**160 493**	159 631
Total liabilities	6 901 665	-	223 639	665 608	**7 790 912**	6 901 665

Fair value information has not been provided for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

* The difference between the fair value and the carrying value of the interest bearing borrowings is in aggregate quantitatively immaterial. The fair value was determined using discounted cash flow models, applying a market related interest rate linked to JIBAR, together with the expected settlement amounts of the loan.

The fair value of financial assets classified as loans and receivables at amortised cost and financial liabilities classified as financial liabilities at amortised cost are classified as level 2 in terms of the fair value hierarchy.

¥ All financial instruments are mandatorily measured at fair value through profit or loss, except for Policyholder investment contract liabilities and R129 million of the R160 million liabilities held for resale, both of which are designated at fair value through profit or loss.

FAIR VALUE HIERARCHY

The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Fair value is not, therefore, the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

The fair values of financial instruments traded in active markets are based on unadjusted quoted market prices at reporting date. A market is regarded as active if quoted prices for identical assets or liabilities are readily available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the mid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value the instrument are observable, the instruments are included in level 2.

If one or more significant inputs are not based on observable market data, the instrument is included in level 3.

The following table presents the Group's assets and liabilities that are measured at fair value as at 30 September 2019:

			Unaudited 2019
	Level 1	Level 2	**Total**
	R'000	R'000	**R'000**
Financial assets at fair value though profit or loss (FVTPL)			
Mandatorily measured at FVTPL:	56 375	7 007 944	**7 064 319**
Investments linked to policyholder investment contracts	-	6 742 034	**6 742 034**
Financial investments	56 375	265 910	**322 285**
Collective investment schemes	35 228	3	**35 231**
Share portfolio investments - listed	17 817	-	**17 817**
Share portfolio investments - unlisted	-	254 050	**254 050**
Equity investments - listed	3 330	-	**3 330**
Equity investments - unlisted	-	2 332	**2 332**
Property fund investments - unlisted	-	2 197	**2 197**
Hedge fund investments - unlisted	-	7 328	**7 328**
Total financial assets carried at fair value	56 375	7 007 944	**7 064 319**
Financial liabilities at fair value though profit or loss (FVTPL)			
Designated at inception:			
Policyholder investment contract liabilities	-	(6 742 034)	**(6 742 034)**
Total financial liabilities carried at fair value	-	(6 742 034)	**(6 742 034)**

FAIR VALUE HIERARCHY (CONTINUED)

The following table presents the Group's assets and liabilities held for resale that are measured at fair value as at 30 September 2019:

	Level 1 R'000	Level 2 R'000	**Unaudited 2019** **Total** **R'000**
Financial assets at fair value though profit or loss			
Mandatorily measured at FVTPL:			
Financial investments			
Hedge fund investments - unlisted	-	213 233	**213 233**
Total financial assets carried at fair value	-	213 233	**213 233**
Financial liabilities at fair value though profit or loss			
Mandatorily measured at FVTPL:			
Instruments held by Hedge Fund: Short equity positions	(30 213)	-	**(30 213)**
Designated at inception:			
Financial instruments: Net assets attributable to outside investors in the Hedge Fund	-	(129 418)	**(129 418)**
Total financial liabilities carried at fair value	(30 213)	(129 418)	**(159 631)**

Valuation techniques applied and inputs to valuation techniques:

Financial assets and liabilities at fair value though profit or loss	Valuation technique used to determine fair value	Description of significant observable inputs used in valuation technique	Description of significant unobservable inputs used in valuation technique (not applicable for Level 1)	Value of significant unobservable inputs used in valuation technique (not applicable for Level 1)	Recurring or Non-recurring fair value measurement
Investments linked to policyholder investment contracts	Quoted market prices	The sum of unadjusted quoted prices in an active market of underlying investments that consist of listed equities, listed bonds and hedge fund investments that make up the portfolio of policyholder assets	N/A	N/A	Recurring
Collective Investment Schemes	Quoted market prices	The sum of the unadjusted quoted prices in an active market of listed underlying investments linked to units in unit trusts	N/A	N/A	Recurring
Share portfolio investments - listed	Quoted market prices	The sum of unadjusted quoted prices in an active market of underlying listed shares and cash	N/A	N/A	Recurring
Share portfolio investments - unlisted	Quoted market prices	The sum of unadjusted quoted prices in an active market of underlying listed preference shares	N/A	N/A	Recurring
Equity investments - listed	Quoted market prices	Unadjusted quoted prices in an active market of underlying investments	N/A	N/A	Recurring
Equity investments - unlisted	Amortised cost of loans receivable	Market related interest rate	N/A	N/A	Recurring
Property fund investments - unlisted	Valued on an open market basis by independent external valuators, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards	N/A	Open market value is based on the estimated amount for which a property should exchange on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction	N/A	Recurring
Hedge fund investments - unlisted	Quoted market prices	The fair value is determined by an independent administrator, based on the quoted market prices of the underlying investments held by the hedge funds	Unobservable inputs are mostly expense accruals of the hedge fund entities that are deducted from the sum of the fair values of net investments held by the hedge funds	N/A	Recurring
Instruments held by Hedge Funds: Short equity positions, options and bonds	Quoted market prices	Unadjusted quoted prices in an active market of listed instruments	N/A	N/A	Recurring
Policyholder investment contract liabilities	Quoted market prices	The sum of the quoted market prices of policyholder assets less related tax liability	N/A	N/A	Recurring
Net assets attributable to outside investors in the hedge funds	Quoted market prices	The fair value is determined by an independent administrator, based on the quoted market prices of the underlying investments held by the hedge funds	Unobservable inputs are mostly expense accruals of the hedge fund entities that are deducted from the sum of the fair values of net investments held by the hedge funds	N/A	Recurring

NOTES & COMPLIANCE

The condensed consolidated unaudited interim financial statements of the Group as at and for the six months ended 30 September 2019 comprise the company and its subsidiaries ("the Group") results and the Group's interests in equity accounted investees.

Basis of preparation

The condensed consolidated unaudited interim financial statements are prepared in accordance with the JSE Listings Requirements for interim reports and the requirements of the Companies Act of South Africa. The JSE Listings Requirements require interim reports to be prepared on a consolidated basis in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 - *Interim Financial Reporting*.

The accounting policies applied in the preparation of the condensed consolidated unaudited interim financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements as at and for the year ended 31 March 2019 other than IFRS 16 - *Leases* that has been adopted with effect from 1 April 2019. The financial effects of adoption have been included in these interim financial statements.

In preparing these condensed consolidated unaudited interim financial statements management made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements as at and for the year ended 31 March 2019, except for the judgements applied on adoption of IFRS 16- *Leases*.

The Group's results were prepared under the supervision of R Katz CA (SA), the Group's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). Claire Coward resigned as the Group's CFO with effect from 31 October 2019. In terms of the JSE dispensation received (as announced on 3 October 2019), R Katz will hold the dual role of Group CEO and Group CFO.

These financial statements and any forward looking statements have not been reviewed or reported on by the Company's auditors, Deloitte & Touche.

Adoption of IFRS 16- *Leases*

The Group adopted IFRS 16 with effect from the beginning of the current reporting period and applied the modified retrospective cumulative catch - up approach on adoption of the standard, which allows for comparative figures to remain as previously reported and not to be restated. Applying this model, the Group as a lessee is required to recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments for all leases with a term of more than 12 months, unless the underlying asset is of low value. Depreciation is recognised on the right-of-use asset and interest is recognised on the lease liability, replacing the straight-line operating lease expense. As a result, the Group's leases which were previously accounted for as operating leases in terms of IAS 17- *Leases* have been brought onto the statement of financial position. Upon initial application of the standard a right of use asset of R370 million, reduced by the accrued lease payments of R24 million, with a corresponding lease liability of R370 million has been recognised. The right of use asset at the end of the reporting period amounted to R328 million, after accounting for depreciation of R18 million, with the corresponding lease liability amounting to R352 million, after accounting for interest of R8 million and lease payments of R26 million. The financial effects included in the statement of comprehensive income on adoption of this standard are immaterial. The lease liability has been measured using the incremental borrowing rate at the date of transition, which rate for onshore leases has been referenced to the Investec term loan rate applied for the funding obtained for the Group's Cape Town office development, with offshore leases referenced to the UK inflation rate (being an indicative borrowing rate). Both rates have been converted into fixed rates for purposes of lease accounting. The lease term applied takes into account the option to extend.

Discontinued operations

The Group invested seed capital of R80 million into the Flexible Opportunity Fund ("the Fund") on 1 March 2019, with a withdrawal date, as agreed between the parties, of no later than 1 March 2020. In terms of IFRS 10 - *Consolidated Financial Statements* the investment has to be consolidated. Consequently, with effect from 1 March 2019, the Group consolidated the Fund. However, due to the short term nature of this investment, the provisions of IFRS 5 - *Net Asset Held For Resale* apply to the disclosure of this investment and hence the loss after tax of the Fund has been presented as a separate line item on the condensed consolidated statement of comprehensive income.

The disposal of the Broking & Structuring business during the course of the previous financial year resulted in the profit after tax of the business being presented as a separate line item on the condensed consolidated statement of comprehensive income, in respect of the comparative period as well as for the previous financial year end, in terms of IFRS 5 - *Non-current Assets Held For Sale and Discontinued Operations.*

The results of the above discontinued operations included in the Group's results for the period ended 31 March 2019, are detailed below:

Condensed consolidated statement of comprehensive income from discontinued operations

	Results for the six months ended 30 September 2019	Results for the six months ended 30 September 2018	Results for the year ended 31 March 2019
	R'000	R'000	R'000
Total revenue	1 227	346 482	348 057
Operating expenses	(1 479)	(290 076)	(290 707)
Profit from operations	(252)	56 406	57 350
Net interest income	-	78 013	78 013
Share of profits from equity accounted investees	-	13 453	13 636
(Loss)/profit before taxation and capital items	(252)	147 872	148 999
Capital items	-	-	116 500
(Loss)/profit before taxation	(252)	147 872	265 499
Taxation	(34)	(35 450)	(89 061)
(Loss)/profit for the period from discontinued operations	(286)	112 422	176 438
Discontinued operations (loss)/profit for the period attributable to:			
Equity holders of the company	(286)	76 698	135 850
Non-controlling interests	-	35 724	40 588
	(286)	112 422	176 438
Discontinued operations (loss)/profit for the period attributable to equity holders	(286)	76 698	135 850
Adjustment relating to earnings attributable to participating treasury shares	8	(1 589)	(3 961)
Discontinued operations (loss)/profit attributable to ordinary shareholders	(278)	75 109	131 889
Gain on disposal of interest in subsidiary	-	-	(56 668)
Headline earnings from discontinued operations	(278)	75 109	75 221
Basic earnings per ordinary share (cents)	(0,2)	35,6	63,4
Headline earnings per ordinary share (cents)	(0,2)	35,6	36,1

NOTES & COMPLIANCE (CONTINUED)

The effect of the discontinued operations on the statement of financial position of the Group is detailed below:

The assets and liabilities reflected below have been recognised at the lower of their carrying value and fair value less costs to sell or using measurement principles of IFRS 9 in accordance with IFRS 5.

	As at 30 September 2019 R'000	As at 31 March 2019 R'000
Assets held for resale	240 144	241 931
Financial investments	213 233	150 148
Deferred taxation	443	-
Trade and other receivables	2 040	2 314
Cash and cash equivalents	24 428	89 469
Liabilities held for resale	(160 493)	(160 068)
Financial instrument liabilities	(159 631)	(159 275)
Trade and other payables	(862)	(486)
Taxation	-	(307)
Attributable surplus net assets	79 651	81 863

The effect of the discontinued operations on the statement of cash flows of the Group is detailed below:

	For the six months ended 30 September 2019 [1] R'000	For the six months ended 30 September 2018 [2] R'000
Cash flow from discontinued operations		
Net operating cash flows from discontinued operations	(66 026)	(481 491)
Net investing cash flows from discontinued operations	-	(4 830)
Net financing cash flows from discontinued operations	2 911	27 321
Net decrease in cash and cash equivalents from the discontinued operations	(63 115)	(459 000)

[1] Represents the effect of the Fund on the statement of cash flows for the current reporting period.
[2] Represents the effect of the Broking & Structuring business on the statement of cash flows for the prior reporting period.

NOTES & COMPLIANCE (CONTINUED)

Acquisitions

Citadel Holdings Proprietary Limited ("Citadel') acquired the entire issued share capital of Purpose Wealth Proprietary Limited ("Purpose Wealth") with effect from 1 April 2019 for a total cash consideration of R16.4 million. Purpose Wealth was acquired as it is aligned with the business profile of Citadel. In the six months to 30 September 2019, Purpose Wealth contributed revenue of R3.2 million and profit after taxation of R216 017.

The acquisition had the following effect on the Group's assets and liabilities assumed at the acquisition date. The fair values reflected below represent their carrying values at the date of acquisition and therefore no fair value adjustments were recognised on acquisition.

	2 019 R'000
Identifiable assets	16 762
Intangible assets - customer relationships	16 430
Trade and other receivables	19
Taxation	5
Cash and cash equivalents	308
Identifiable liabilities	
Trade and other payables	(332)
Fair value of identified net assets assumed	16 430

NOTES & COMPLIANCE (CONTINUED)

PEREGRINE

Restatement of prior period

1. Adoption of IFRS 9- Financial Instruments (IFRS 9)
The Group adopted IFRS 9 for the first time in the 2019 financial year and elected to restate comparative figures. The adoption of this standard resulted in the reassessment of the classification of the Group's financial instruments in accordance with IFRS 9. The impact of which was concentrated to the treatment of Nala PGR SA Holdings Proprietary Limited's (Nala) (in which the Group has a 30% equity accounted interest) underlying listed equity investment which was designated at Fair Value through Other Comprehensive Income (FVOCI), the quantification of which is detailed below.

	Restated as at 30 September 2018 R'000 Dr/(Cr)	Recognition of attributable share of losses in equity accounted associate R'000 Dr/(Cr)	As previously reported as at 30 September 2018 R'000 Dr/(Cr)
Statements of comprehensive income			
Profit for the period	(341 978)	-	(341 978)
Other comprehensive income for the period net of taxation	(77 464)	2 440	(79 904)
Total comprehensive income for the period	(419 442)	2 440	(421 882)
Profit for the period attributable to:			
Equity holders of the company	(277 461)	-	(277 461)
Non-controlling interests	(64 517)	-	(64 517)
	(341 978)	-	(341 978)
Total comprehensive income for the period attributable to:			
Equity holders of the company	(351 280)	2 440	(353 720)
Non-controlling interests	(68 162)	-	(68 162)
	(419 442)	2 440	(421 882)

2. Accounting treatment of non-controlling interests (NCIs)
Nala holds 20% of the ordinary shares of Peregrine SA Holdings Proprietary Limited (PSAH). Peregrine Holdings Limited holds 30% of the ordinary shares of Nala and thus the effective NCI percentage held in PSAH is 14%.

Both IFRS 10 - *Consolidated Financial Statements* and IAS 28 - *Investments in Associates* and Joint Ventures are silent on the appropriate accounting treatment to be applied to a situation in which the Group holds an investment in an associate that in turn holds an investment in a subsidiary of the Group. There are two options that are considered appropriate for the accounting of NCIs in this structure, the Group upon advice has to date consistently and appropriately applied the 'look through approach' in accounting for the allocation of profit to Nala at its effective shareholding of 14%. The 6% differential between the shareholding and the effective interest is akin to an increase in Peregrine's associate interest in Nala and as a result should have been, and has subsequently been, accounted for as an increase in Peregrine's investment in Nala, with a corresponding increase in NCI. Please refer to note 36 in the 2019 Annual Financial Statements for the quantification of this matter on the prior financial year. The impact of accounting for the 6% differential on the prior period amounted to R9 million, which amount has been separately disclosed on the face of the statement of changes in equity.

NOTES & COMPLIANCE (CONTINUED)

Events subsequent to reporting date

Subsequent to 30 September 2019, as announced on SENS on 24 October 2019, Peregrine management concluded a deal for the sale of 50% of Stenham Asset Management Holdings Limited to a management consortium with effect from 1 April 2019, led by Kevin Arenson. Whilst a formal sale and shareholder agreement still needs to be entered into the salient terms have been agreed upon. The deal values Stenham Asset Management at £16 million. The financial effect of this transaction, had it been in effect for the full 2019 financial year, would have been a reduction in Group earnings and headline earnings of 3%.

Shareholders were advised on 31 October 2019 that the Company had received a non-binding expression of interest for the acquisition of its entire issued share capital. The expression of interest does not constitute a firm intention to make an offer and it is possible that no offer may result from the process.

Other than the above, the directors are not aware of any other matters or circumstances arising since the end of the reporting period which significantly affect the financial position of the Group or the results of its operations.

Commitments

The Group adopted IFRS 16- *Leases w*ith effect from 1 April 2019 and as a result thereof there are no operating lease commitments that require separate disclosure as at the end of the current reporting period.

Supplementary information
Applicable exchange rates

	Average rates	Closing rates
USD:ZAR		
30 September 2019	14,53	15,16
31 March 2019	13,76	14,42
30 September 2018	13,36	14,15
GBP:ZAR		
30 September 2019	18,28	18,68
31 March 2019	18,04	18,79
30 September 2018	17,76	18,45

Date of release of this announcement on SENS: 13 November 2019

ANNEXURE A - SEGMENT STATEMENT OF COMPREHENSIVE INCOME VS. IFRS STATEMENT OF COMPREHENSIVE INCOME

PEREGRINE

	Segment disclosure		IFRS disclosure		Impact [1]	
	Results for the six months ended 30 September 2019 R'000	Results for the six months ended 30 September 2018 R'000	Results for the six months ended 30 September 2019 R'000	Results for the six months ended 30 September 2018 R'000	Impact [1] Results for the six months ended 30 September 2019 R'000	Results for the six months ended 30 September 2018 R'000
Continuing operations						
Operating revenue	790 758	788 987	790 758	788 987	-	-
Investment and other income	8 540	5 106	8 540	8 047	-	2 941
Total revenue	799 298	794 093	799 298	797 034	-	2 941
Operating expenses	(598 110)	(553 449)	(601 864)	(561 212)	(3 754)	(7 763)
Profit from operations	201 188	240 644	197 434	235 822	(3 754)	(4 822)
Net interest income	8 605	5 828	7 561	2 125	(1 044)	(3 703)
Interest income	19 945	11 469	20 204	11 762	259	293
Interest expense	(11 340)	(5 641)	(12 643)	(9 637)	(1 303)	(3 996)
Share of profits from equity accounted investees	23 711	29 367	23 711	29 367	-	-
Profit before taxation	233 504	275 839	228 706	267 314	(4 798)	(8 525)
Taxation	(38 983)	(40 043)	(37 742)	(37 758)	1 241	2 285
Profit for the period from continuing operations	194 521	235 796	190 964	229 556	(3 557)	(6 240)
Discontinued operations						
Profit from discontinued operation (net of income tax) - Broking & Structuring	-	112 422	-	112 422	-	-
Loss from discontinued operation (net of income tax) - the Fund	(286)	-	(286)	-	-	-
Profit for the period	194 235	348 218	190 678	341 978	(3 557)	(6 240)
Profit for the period attributable to:						
Equity holders of the company	165 767	282 671	162 864	277 461	(2 903)	(5 210)
Non-controlling interests	28 468	65 547	27 814	64 517	(654)	(1 030)
	194 235	348 218	190 678	341 978	(3 557)	(6 240)
Basic earnings	165 767	282 671	158 117	271 715	(7 650)	(10 956)
Continuing Operations	166 053	205 973	158 395	196 606	(7 658)	(9 367)
Discontinued Operation	(286)	76 698	(278)	75 109	8	(1 589)
Headline earnings	165 767	282 671	158 117	271 715	(7 650)	(10 956)
Continuing Operations	166 053	205 973	158 395	196 606	(7 658)	(9 367)
Discontinued Operations	(286)	76 698	(278)	75 109	8	(1 589)
Ongoing Headline earnings [2]	166 053	147 840	158 395	138 473	(7 658)	(9 367)
Basic earnings per ordinary share (cents)	79,2	131,4	77,8	128,7	(1,4)	(2,7)
Continuing Operations	79,3	95,8	78,0	93,1	(1,4)	(2,7)
Discontinued Operations	(0,1)	35,6	(0,2)	35,6	(0,1)	-
Headline earnings per ordinary share (cents)	79,2	131,4	77,8	128,7	(1,4)	(2,7)
Continuing Operations	79,3	95,8	78,0	93,1	(1,4)	(2,7)
Discontinued Operations	(0,1)	35,6	(0,2)	35,6	(0,1)	-
Ongoing Headline earnings per ordinary share (cents) [2]	79,3	68,8	78,0	65,7	(1,3)	(3,1)
Number of ordinary shares in issue ('000)	220 467	226 066	220 467	226 066	-	-
Number of treasury shares ('000)	11 186	11 743	17 286	16 181	6 100	4 438
Weighted average number of ordinary shares in issue ('000)	209 281	215 054	203 181	211 120	(6 100)	(3 934)

1 Refer to "Segmental analysis" for reconciling items.
2 Excludes the Stenham ad hoc performance fee of R58 million (£3 million) (27 c/ps) in the prior period.

The Directors have disclosed the above information on the basis of the Group's segmental reporting approach. The Directors' take responsibility for the reporting on this basis, as it provides information to users which is consistent with the manner in which the Directors' manage the business and is provided for illustrative purposes only, and because of its nature may not fairly present the company's results of operations. It should not be used for any other purposes.

ANNEXURE B - RECONCILIATION OF SEGMENT STATEMENT OF FINANCIAL POSITION TO IFRS STATEMENT OF FINANCIAL POSITION

PEREGRINE

	Segment disclosure		IFRS disclosure		Impact [1]	
	As at 30 September 2019 R'000	As at 31 March 2019 R'000	As at 30 September 2019 R'000	As at 31 March 2019 R'000	As at 30 September 2019 R'000	As at 31 March 2019 R'000
Assets						
Non - current assets	8 403 008	8 029 995	8 243 368	7 888 725	(159 640)	(141 270)
Property, plant and equipment	130 123	101 028	130 123	101 028	-	-
Right of use asset [2]	347 107	-	327 496	-	(19 611)	-
Intangible assets	640 570	638 282	640 570	638 282	-	-
Investment in equity accounted investees	257 411	267 280	257 411	267 280	-	-
Investments linked to policyholder investment contracts	6 742 034	6 756 735	6 742 034	6 756 735	-	-
Deferred taxation	90 695	66 951	94 945	69 960	4 250	3 009
Financial investments	195 068	199 719	50 789	55 440	(144 279)	(144 279)
Current assets	1 158 665	1 308 573	1 171 042	1 314 590	12 377	6 017
Financial investments	308 143	46 623	308 143	46 623	-	-
Loans and receivables	7 170	11 932	7 170	11 932	-	-
Trade and other receivables	313 877	310 204	313 877	310 204	-	-
Taxation	22 036	21 209	22 036	21 209	-	-
Cash and cash equivalents	507 439	918 605	519 816	924 622	12 377	6 017
Assets held for resale	240 144	241 931	240 144	241 931	-	-
Total assets	9 801 817	9 580 499	9 654 554	9 445 246	(147 263)	(135 253)
Equity and liabilities						
Equity	1 975 304	2 031 221	1 863 642	1 914 033	(111 662)	(117 188)
Equity attributable to equity holders of the company	1 893 867	1 930 149	1 793 871	1 823 973	(99 996)	(106 176)
Non-controlling interests	81 437	101 072	69 771	90 060	(11 666)	(11 012)
Non - current liabilities	7 138 936	6 832 631	7 138 936	6 852 242	-	19 611
Policyholder investment contract liabilities	6 742 034	6 756 735	6 742 034	6 756 735	-	-
Interest-bearing borrowings	51 887	52 875	51 887	52 875	-	-
Lease liabilities	325 130	-	325 130	-	-	-
Deferred taxation	9 619	9 586	9 619	9 586	-	-
Other non-financial payables	10 266	13 435	10 266	33 046	-	19 611
Current liabilities	527 084	556 579	491 483	518 903	(35 601)	(37 676)
Interest-bearing borrowings	7 411	47 082	7 411	47 082	-	-
Lease liabilities	26 453	-	26 453	-	-	-
Trade and other payables	427 425	466 590	391 824	428 914	(35 601)	(37 676)
Taxation	65 795	42 907	65 795	42 907	-	-
Liabilities held for resale	160 493	160 068	160 493	160 068	-	-
Total equity and liabilities	9 801 817	9 580 499	9 654 554	9 445 246	(147 263)	(135 253)

1 Refers to Citadel deferred remuneration schemes, in terms of which the participants have the right to participate in an asset pool, partly comprising of Peregrine shares.
2 There is a difference of R19.6 million between accrued lease payments on the segmental statement of financial position vs. IFRS accrued lease payments, which are set-off against the right of use asset in terms of IFRS 16- *Leases,* as Management of Citadel previously recognised the payments made under the Cape Town property lease as an expense in profit or loss, but for IFRS purposes these payments were recognised in profit or loss on a straight line basis over the term of the lease.

The Directors have disclosed the above information on the basis of the Group's segmental reporting approach. The Directors' take responsibility for the reporting on this basis, as it provides information to users which is consistent with the manner in which the Directors' manage the business and is provided for illustrative purposes only, and because of its nature may not fairly present the company's results of operations. It should not be used for any other purposes.