UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

PBT group

DATA SPECIALISTS

CONTENTS

01	Highlights
01	Half-year review
02	Financial highlights
03	About us
06	Commentary
12	Unaudited condensed consolidated interim statement of financial position
13	Unaudited condensed consolidated interim statement of profit or loss and other comprehensive income
14	Unaudited condensed consolidated interim statement of changes in equity
16	Unaudited condensed consolidated interim statement of cash flows
17	Notes to the unaudited condensed consolidated interim results
38	Glossary
39	Form of election
IBC	General information

HIGHLIGHTS

Pulsent OH acquired a minority interest in PBT Group*

Pulsent OH is a majority black-owned and managed investor that focuses on investing in leading consumer and technology companies in Africa and has significant experience in sourcing and investing in globally scalable and sustainable opportunities alongside best-in-class management teams.

PBT Group achieved greater than 51% black ownership and a Level 1 B-BBEE rating*

During the period under review, PBT Group reached new milestones in terms of its transformation goals. Not only did the company achieve a Level 1 B-BBEE rating, but it also became a majority black-owned business. We are furthermore proud to announce the establishment of the PBT Foundation, through which we will continue to support our local communities.

PBT Group welcomed Pule Taukobong to the Board as a Non-Executive Director

Pule Taukobong successfully co-founded US-based CRE Venture Capital, an investor into visionary founder-led category-defining African technology companies.

He currently holds board roles at Andela, Yoco, SweepSouth, Rasello and Arfiu. He previously founded Africa Angels Network, the first angel investment group to focus on sub-Saharan Africa.

Pule has previously held investment roles at Investec in Johannesburg, Cape Town and New York. He is a Kauffman Fellow and holds a N. Dip Information Technology in Development Software and Information Systems from the Durban University of Technology.

* *Please refer to SENS for more information*

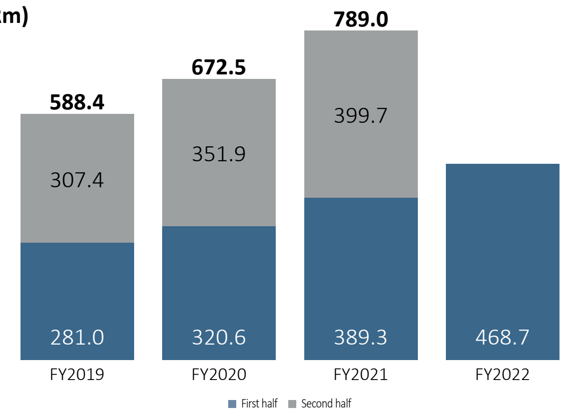
HALF-YEAR REVIEW

Rand		% Change	HY2022	HY2021	FY2021	FY2020	FY2019
Revenue	(Rm)	20.4	468.7	389.3	789.0	672.5	588.4
EBITDA	(Rm)	40.1	63.2	45.1	98.3	72.8	51.4
Profit after tax	(Rm)	39.5	41.6	29.8	65.3	46.0	33.6
Cash generated from operations	(Rm)	9.4	64.0	58.5	92.1	102.1	36.5
Normalised headline earnings	(Rm)	69.9	33.9	19.5	45.8	31.2	22.6
Headline earnings	(Rm)	54.8	29.2	18.9	44.3	29.7	22.6
Normalised headline earnings per share# (NHEPS)	(cents)	69.9	33.30	19.60	46.10	29.17	18.20
Headline earnings per share (HEPS)	(cents)	64.9	34.96	21.20	50.59	30.79	18.20
Distribution per share (DPS)	(cents)	56.3	25	16	38	23	–
Distribution cover	(NHEPS/DPS)	–	1.33	1.23	1.21	1.27	–
Cash and cash equivalents (net of borrowings)	(Rm)	(59.8)	29.9	74.3	52.5	67.0	31.0
Non-core investment in preference shares*	(Rm)	180.1	72.3	25.8	29.9	16.5	16.5
Non-core investment debt*	(Rm)	–	17.1	–	–	–	–
Weighted average number of ordinary shares	(m)	(6.1)	83.5	89.0	87.5	96.6	124.1
Normalised weighted average number of ordinary shares	(m)	2.3	101.7	99.4	99.3	107.0	124.4
End of period issued ordinary shares (net of treasury shares)	(m)	(2.8)	83.8	86.2	85.1	89.7	97.6
End of period issued ordinary shares	(m)	3.6	106.0	99.2	99.1	102.3	109.2

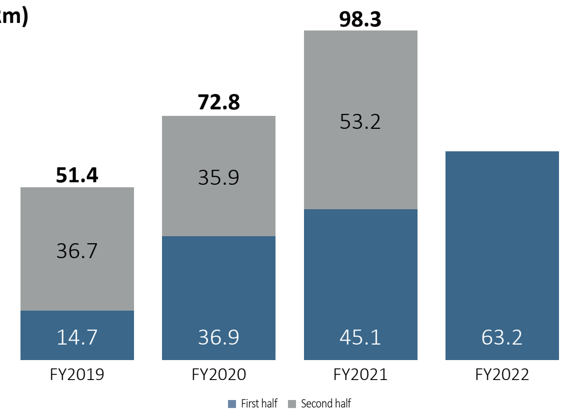
Note: Figures are rounded
Note: HY = six months ended 30 September; FY = 12 months ended 31 March
* *Security is PBT Group Limited shares. Please refer to SENS, IAR 2021 and 2021 Interim report for more information on the preference share and debt investments.*
\# *Normalised headline earnings adjusted for the impact of IFRS 2. This is a more accurate reflection of the underlying earnings generated by PBT Group. Please refer to the 2021 Interim report for more detail.*

FINANCIAL HIGHLIGHTS

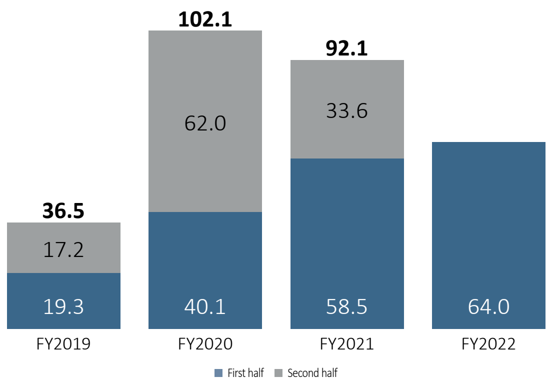
Revenue
(Rm)



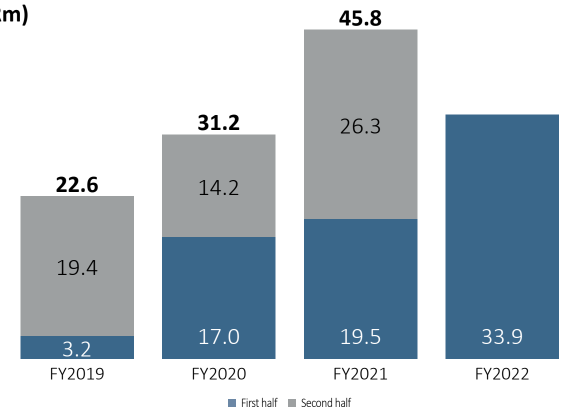
EBITDA
(Rm)



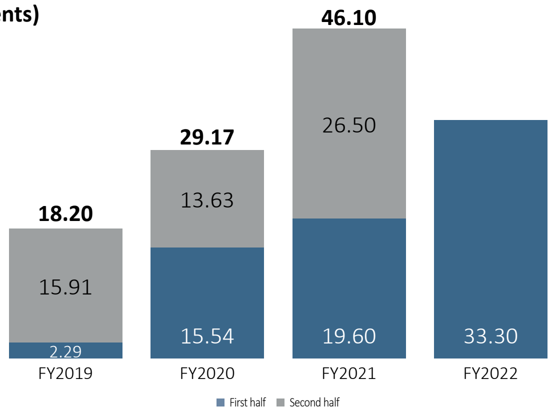
Cash generated from operations
(Rm)



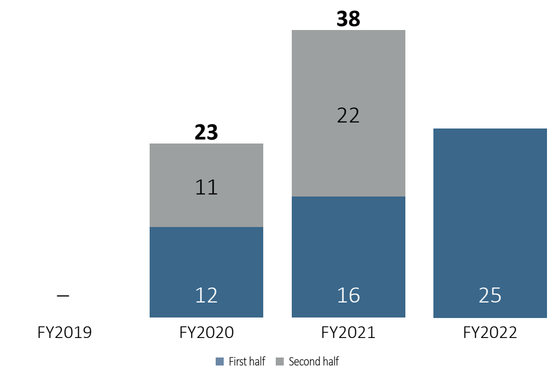
Normalised headline earnings
(Rm)



Normalised headline earnings per share*
(Cents)



Distribution per share
(Cents)



Note: HY = six months ended 30 September; FY = 12 months ended 31 March

* *Normalised headline earnings adjust for the impact of IFRS 2. This is a more accurate reflection of the underlying earnings generated by PBT Group. Please refer to the 2021 Interim report for more detail.*

ABOUT US

PBT Group consists of a core operational business and of non-core investments.

CORE BUSINESS

A technology and cloud agnostic services and solutions provider consisting of three core competencies.

- **Data and analytics**
- **Software development, cloud computing and digital**
- **Insurance technologies**

Revenue is derived in South Africa (89%), Australia (7%) and Europe (4%).

NON-CORE INVESTMENTS

Not part of PBT Group's operations. Valued at R183.3 million or R1.73 per share.

- **Investment in Zuuse valued at R93.9 million***
- **Investment in preference shares valued at R72.3 million****
- **Investment in debt valued at R17.1 million****

Core Competencies

THREE CORE COMPETENCIES

Data and analytics

Value

Effort

Data science

Business insights
Data-driven decision-making
Artificial intelligence

Data engineering

Collection | Moving and storing | Cleaning | Aggregating

Data science unlocks the business value of data. Much of the effort to enable this lies in the engineering component.

Think of data science (insights gleaned from data) as the top of a pyramid of needs. Yes, self-actualisation (data science) is great, but you first need food, water and shelter (data collection, moving and storing, cleaning, aggregating, i.e. data engineering).

Data and analytics are core competencies of PBT Technology Services Proprietary Limited, CyberPro Consulting Proprietary Limited, PBT Group UK Limited and PBT Group Europe Besloten Vennootschap.

Software development / Cloud computing / Digital

Software development

Large, data-driven line-of-business systems in corporate environments

Cloud computing

Cloud migration strategy and implementation

DevOps consulting and implementation

Digital

User experience and user interface design

Mobile and web

Customer-centric end-to-end solutions

Software development, cloud computing and digital.

Software development, cloud computing and digital are core competencies of CyberPro Consulting Proprietary Limited, PBT Technology Services Proprietary Limited, PBT Group UK Limited and PBT Group Europe Besloten Vennootschap.

Insurance technologies

Members

Process claims

Authorise claims

Software solutions specifically designed for the healthcare sector (medical aid).

Insurance technologies are core competencies of PBT Insurance Technologies Proprietary Limited and PBT Group (Australia) Proprietary Limited.

* *For further information please visit www.zuuse.com*

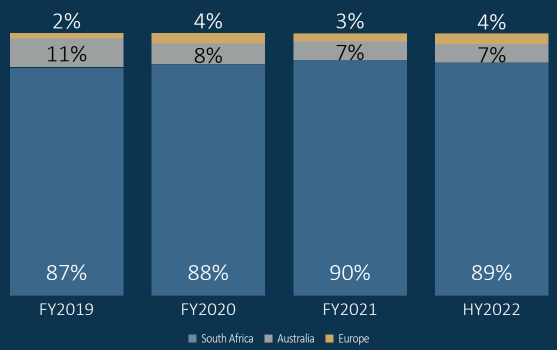
** *Please refer to SENS, IAR 2021 and the 2021 Interim report for more information on the preference share and debt investments. In terms of IFRS 2, the asset and the income derived from these investments are not accounted for in the consolidated financial statements and therefore important to highlight here.*

ABOUT US

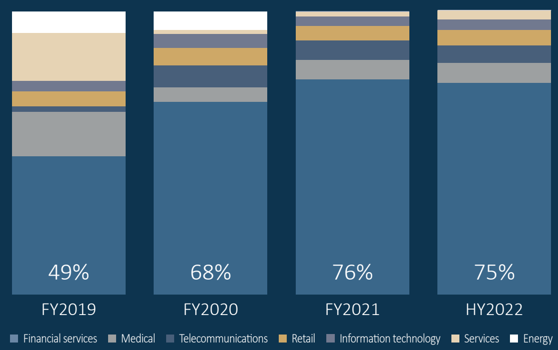
(continued)

Revenue earned

by geographic area as a % of Group revenue



by industry as a % of Group revenue



South Africa:

- Revenue increased by 21% to R420 million (HY2021: R348 million).
- Robust demand for services.

Australia:

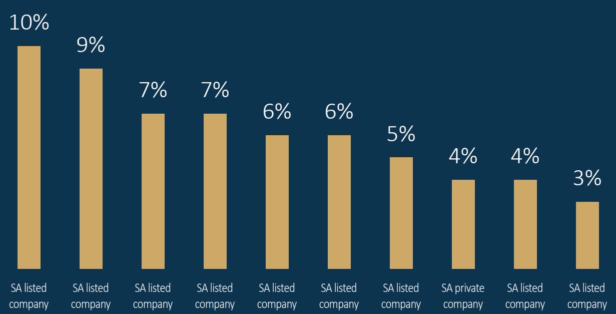
- Revenue increased by 4% to R31 million (HY2021: R29 million) (constant currency: +14% year on year).
- Limited growth prospects.

Europe:

- Revenue increased by 55% to R19 million (HY2021: R12 million) (constant currency: +79% year on year).
- Growth prospects remain promising.

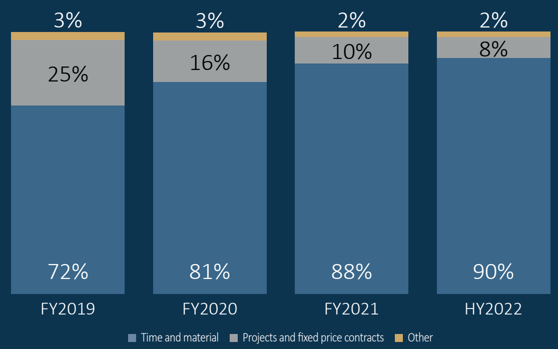
- Services to the financial services industry (75% of Group revenue) has grown significantly. Driven by digital transformation.
- Most consultants are interchangeable between industries. Reduces risk of non-billability.

by top ten clients as a % of Group revenue



- Mostly Johannesburg Stock Exchange (JSE) listed A-grade clients. Low counterparty risk.
- Revenue earned from top 10 clients account for 61% of Group revenue.

by type as a % of Group revenue



- Mostly low-risk time and material-based contracts.
- Time and material-based contracts mostly span over a 12-month period, after which it is typically renewed.

Note: Figures are rounded
Note: HY = six months ended 30 September; FY = 12 months ended 31 March

A services and solutions-based business

BUSINESS MODEL

- Headcount of c. 840 (vast majority billable consultants).
- Consultants provide services and solutions remotely or at clients' premises.
- Clients billed for services rendered.

REVENUE MODEL

- A function of number of consultants and billing rate.
- Scalable to the extent of additional contracts and available consultants.

MAIN CLIENT ENGAGEMENT MODEL

1

Consulting Services
(c. 90% of Group revenue)

- Providing relevant expertise as a professional service.
- Billing largely per consulting hour on time and material basis.

2

Projects

- Engaging a team in collaboration with a client to deliver a solution via a formalised project.
- Billing based on predefined artefacts/ scope.

3

Managed Services and Solutions

- Providing a predefined service as a managed service.
- Billing fixed for monthly service.

COMMENTARY

The first six months of the 2022 financial year have been very rewarding for PBT Group. We are pleased to share these results with stakeholders, which highlight the constant growth and overall pleasing financial performance of the Group. While the last few reporting periods brought much uncertainty due to COVID-19's possible effects on the business, the effort by staff across the Group to remain a dynamic force, positioned us well for continued growth.

Apart from the financial success of the period under review, PBT Group also reached new milestones in terms of its transformation goals. Not only did the Company achieve a Level 1 B-BBEE rating, but it also became a majority black-owned business. We are furthermore proud to announce the establishment of the PBT Foundation, through which we will continue to support local communities.

BUSINESS ACTIVITIES AND GROUP RESULTS

Financial results highlights

- Revenue for the period increased by 20.4% to **R468.7 million** (September 2020: R389.3 million).
- EBITDA increased by 40.1% to **R63.2 million** (September 2020: R45.1 million).
- Profit after taxation increased by 39.5% to **R41.6 million** (September 2020: R29.8 million).
- Cash generated from operations increased by 9.4% to **R64.0 million** (September 2020: R58.5 million).
- Headline earnings increased by 54.8% to **R29.2 million** (September 2020: R18.9 million).
- Normalised headline earnings increased by 73.8% to **R33.9 million** (September 2020: R19.5 million).
- Earnings per share (EPS) increased by 65.1% to **34.96 cents per share** (September 2020: 21.18 cents per share).
- Headline earnings per share (HEPS) increased by 64.9% to **34.96 cents per share** (September 2020: 21.20 cents per share).
- Normalised headline earnings per share (NHEPS)* increased by 69.9% to **33.30 cents per share** (September 2020:19.60 cents per share).

* *NHEPS per share is calculated as follows:*

- *The numerator, being the headline earnings attributable to ordinary shareholders, is adjusted:*
  - *to include the preference dividends earned on the preference share investments with Spalding Investments 10 Proprietary Limited (Spalding), Yonex Investments Proprietary Limited (Yonex) and Ayson Proprietary Limited (Ayson);*
  - *to exclude the IFRS 2 Share-based Payment expense for the transactions with Spalding, Yonex, Ayson, Pulsent OH GP Proprietary Limited (Pulsent OH) and PBT Foundation Proprietary Limited (PBT Foundation); and*
  - *to include interest earned from loans to Pulsent OH and PBT Foundation which were treated as treasury shares for accounting purposes.*

  Refer to the explanation below in "Share-based payment transactions".
- *The denominator, being the weighted average number of ordinary shares issued, is adjusted to include the weighted number of treasury shares held by Spalding, Yonex, Pulsent OH and PBT Foundation.*

PBT Group's financial performance was driven by:

- Organic revenue growth due to continued demand for PBT Group's services – both from existing as well as new clients.
- Operating expenses being contained, resulting in profit margin expansion.
- Continuing to convert its operating accounting earnings into operating cash earnings.

The purpose of the normalised EPS and HEPS is to reverse the accounting effect of IFRS 2 Share-based Payments, which the board feels has a material effect on the Group's financial statements. IFRS 2 creates an unavoidable decrease in the weighted average number of ordinary shares (WANOS) for the periods in which certain assets are treated as treasury shares and will result in an increase in WANOS for the periods in which those same assets are no longer treated as treasury shares. This results in an increase and then decrease in EPS and HEPS, purely due to accounting standards which management feels is not a true reflection of the value of the business and its earnings.

The effect of other accounting standards, such as IFRS 9 Financial Instruments and IFRS 16 Leases, were considered in the determination of the normalised EPS and HEPS calculation, but due to the fact that these accounting standards do not create an irregular change on EPS and HEPS, they were not taken into account in the calculation of normalised EPS and HEPS.

As a result, the board is of the view that a normalised EPS and HEPS, which removes the accounting effect of IFRS 2, is a more accurate reflection of after-tax earnings and after-tax earnings per share that will be more comparable over the years for the periods that the B-BBEE transactions have an IFRS 2 effect.

Share-based payment transactions

During the interim period PBT Group entered into three B-BBEE transactions that are discussed separately below.

YONEX INVESTMENT PROPRIETARY LIMITED

PBT Group (South Africa) Proprietary Limited, a wholly owned subsidiary of PBT Group, funded Yonex, a B-BBEE and staff-owned company, by subscribing for preference shares to the value of R65.7 million in Yonex. As the only surety for this investment in preference shares is the underlying shares in PBT Group, this investment has been treated as treasury shares for accounting purposes instead of an investment. The preference dividends received by PBT Group has also been eliminated from the unaudited condensed consolidated statement of profit or loss and other comprehensive income.

PULSENT OH GP PROPRIETARY LIMITED

On 23 July 2021 PBT Group entered into a binding subscription agreement with Pulsent OH, in its capacity as the ultimate general partner of the PBT Direct GP Partnership *en commandite*, the latter in its capacity as the general partner of the PBT Direct Partnership *en commandite* ("Pulsent OH" or "the Subscriber"), in terms of which the Subscriber subscribed for 6 900 000 ordinary shares in the capital of PBT Group Limited (the Company) (Subscription Shares).

The Subscription Shares were issued on 26 July 2021 in terms of the Company's general authority to issue shares for cash.

The Subscription Shares represented 6.7% of the issued share capital of the Company prior to the issue thereof. The shares were issued at R4.50, being a 4.7% premium to the 30-day volume weighted average price of R4.30 at the close of business on Friday, 23 July 2021, the date on which the subscription agreement was signed and became unconditional in accordance with its terms, amounting in aggregate to R31.1 million (Subscription Amount).

Pulsent OH funded R12.4 million, being 40% of the Subscription Amount, utilising its own resources, whereas the balance of the Subscription Amount was funded by way of vendor finance. The vendor finance was provided by PBT Technology Services Proprietary Limited (PBT Technology Services), a wholly owned subsidiary of PBT Group, which accordingly funded 60% of the Subscription Amount by advancing a loan to Pulsent OH. Pulsent OH's obligation under such loan is secured by a pledge and cession in securitatem debiti of 100% of the PBT Group ordinary shares subscribed for by Pulsent OH in terms of this transaction, as well as certain related claims.

As the only security for the repayment of the loan is the underlying PBT shares with no other recourse, the transaction is treated as a share-based payment transaction under IFRS 2 and the loan is treated as the issue of an option to the B-BBEE party. The loan is not recognised as an asset, but instead treated as treasury shares held by a subsidiary company. As there is no vesting or lock-in period, the full share-based payment expense is recognised immediately, for an amount of R2.1 million.

PBT FOUNDATION PROPRIETARY LIMITED

On 23 July 2021 PBT Technology Services entered into an agreement with the PBT Foundation for the purpose of providing funding to subscribe for 480 shares in Spalding for a total cash consideration of R2.8 million. Refer to note 3 Share capital for further details of the transaction. The funding will be in the format of cumulative redeemable preference shares issued to PBT Group. Due to circumstances not within the Company's control, the incorporation of the PBT Foundation was not completed by 30 September 2021 and preference shares have not been issued yet. The funding is treated as a loan until such time as the preference shares can be issued.

As the only security for the repayment of the loan is the investment in Spalding (with their only investment being the underlying PBT shares) with no other recourse, the transaction is treated as a share-based payment transaction under IFRS 2 and the loan is treated as the issue of an option to the B-BBEE party. The loan is not recognised as an asset, but instead treated as treasury shares held by a subsidiary company. As there is no vesting or lock-in period, the full share-based payment expense is recognised immediately, for an amount of R0.4 million.

SUMMARY

The effect of IFRS 2 on the Group's financial statements are summaried as follows. For the period ending 30 September 2021, IFRS 2 decreased the Group's bottom line by R3.3 million, of which R2.6 million is a once-off expense. It resulted in a total number of 22 million treasury shares being reported. Investments

COMMENTARY

(continued)

in preference shares are not treated as assets, which results in the total assets disclosed in the 30 September 2021 statement of financial position being understated by R91.4 million. IFRS 2 also had the effect of decreasing the WANOS by 18 million shares which, as a result, increased EPS and HEPS for the period.

Cash and cash equivalents

During the interim period cash and cash equivalents decreased to R31.6 million at 30 September 2021 from R62.3 million in March 2021. This decrease is largely due to PBT Group using its internal cash resources, together with a new overdraft facility to fund the above-mentioned B-BBEE transactions.

Events after reporting period

PURCHASE OF FURTHER INTEREST IN CYBERPRO CONSULTING PROPRIETARY LIMITED

PBT Group initially acquired 51% of CyberPro in 2012 and an additional 5% in the 2021 financial year. The Board was again presented with an opportunity to increase its shareholding in CyberPro and performed a comprehensive analysis to determine whether the acquisition would be aligned with the interest of all stakeholders. Careful considerations were made and it was determined that the additional investment would be earnings accretive to PBT Group, that the price was reasonable and that the investment would not introduce any business integration risk to the Group. As a result, on 1 October 2021, PBT Group increased its shareholding in CyberPro from 56% to 58% for a total cash consideration of R5 million. The investment was funded from PBT Group's internal cash resources. The original founders and key management of CyberPro would retain a significant 42% shareholding and are therefore committed to seeing the business continue to prosper.

The Board believes that by implementing this transaction, PBT Group has allocated capital at a high rate of return without introducing material additional risk to the Group.

Going concern

PBT Group has analysed and evaluated its business operations as at 30 September 2021 as well as cash flow forecasts for the next five years. These cash flow forecasts have been prepared based on historic cash trends and taking into consideration the current economic climate. The Group has a high tangible net asset value and has generated a significant profit for the first six months of the 2022 financial year. All indications are that the business has the ability to continue as a going concern for the foreseeable future.

REVIEW OF OPERATIONS

The first six months of the 2022 financial year have been rewarding, with significant growth in South Africa as well as Europe. Revenue growth has been supported by an increased client base in all regions within PBT Group.

Demand in Belgium has increased considerably, and there are good prospects for projects in the United States of America for a client with regional headquarters in the Netherlands. Whilst services to most of PBT Group Europe's clients have been provided through local partners to date, recent engagements have resulted in direct contracts, which provides opportunity for further growth. Interest from Irish clients has been revived, although at a small scale. Negotiations with a leading data services provider in New Zealand is at an advanced state. In South Africa, in addition to new client engagements, existing clients have contributed to revenue growth through more organic demand. There are some exciting projects in the pipeline within this segment.

The past six months have also proven that more changes and challenges await professional service providers, both with regards to practices/techniques as well as technologies. The concept of cloud-based data storage is now well under way and it has taken some time for stakeholders, including vendors, suppliers and clients, to realise the complexity of moving data from on premise to the cloud. Setting up the environments, which has its own challenges, has resulted in the realisation that there is a difference between a cloud engineer and a cloud data engineer. There is a great demand for the latter, in order to ensure successful migrations and continued data services after migration, as business depends more and more on accurate data and automation. This has resulted in the establishment of the PBT Cloud Data Engineering Academy (Academy), to assist in building capacity. We have created a fast-track curriculum to address the demand for data migration services locally and abroad, by applying our own learnings, as well as through consultation with leading local universities and international partners. PBT Group is in the fortunate position to have participated in successful data projects on three major cloud hosting providers namely Amazon Web Services (AWS), Microsoft Azure and Google Cloud Platform (GCP). Our involvement entailed data strategy, architecture, data- and business analysis, data engineering, visualisation, productionisation, as well as support and maintenance. The Academy is one of the first steps to address the migration skills shortage in a practical way.

Further changes in the digitalisation landscape and the quest for quick access to data utilisation has brought about a change in affiliation with relevant prebuilt technology stacks. These stacks complement cloud platforms such as AWS, Microsoft Azure and GCP, as well as the PBT Group core service, data engineering. Amongst others, Informatica, WhereScape and Snowflake partnerships are in progress, coupled with an intensified certification process. The objective is to be a preferred supplier of services, with a very specific systems integration approach. The PBT Group presales capabilities are essential in these relationships. PBT Group has successfully built accelerators that enable faster throughput for data engineering delivery with some of our leading clients. Most of the accelerator functions are intended for data movement, from on premise to the cloud, specifically the enterprise data lake. We are now extending our first version of the accelerators to the cloud. In addition to this exercise, further alignment with the mentioned software providers is intended. The development of adapters to complement not only our own accelerators, but also the integration and deployment of some of the mentioned software suppliers, makes end-to-end data solutions more feasible. With this process gaining momentum, it is our belief that these abilities will further increase the demand for our services and will not be limited to any region. This will also be incorporated into our Academy curriculum.

New concepts have also been adopted, such as data modelling techniques and methodologies like data vault. PBT Group has been key in the implementation and execution of such data vault modelling principles at a prominent local client in the insurance industry. The concept of data virtualisation is also part of the full data offering, and exposure to Denodo, one of the leading software solutions in the virtualisation space, is currently part of a project where PBT Group consultants are actively involved.

PBT Group is well positioned to service the data and migration needs of our clients. Considering the more than 20 years' core data specialisation expertise within the Group, combined with the above initiatives, we aim to be a global end-to-end data services provider. We are excited about the prospects for further progress and continuous growth for the remainder of the financial year.

DISTRIBUTION

The Company's distribution policy is to consider an interim and a final distribution in respect of each financial reporting period. At its discretion, the Board of Directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the Board of Directors may also elect not to pay distributions.

On Monday, 22 November 2021, the Board of Directors resolved to declare an interim distribution of 25 cents per PBT Group ordinary share for the period ended 30 September 2021. The total distribution will equate to R26.5 million. Each shareholder will be able to elect to receive the distribution as either a dividend as defined by the Income Tax Act, Act 58 of 1962 or as a capital reduction distribution. If no election is made, the default option will be that a dividend will be paid to such shareholders. An election form (for use by certificated shareholders) is included in the Interim Results booklet, containing details of the distribution, which was published on Friday, 26 November 2021. The Form of Election is also available for download on the Company's website: https://www.pbtgroup.co.za/investor-relations/.

The implications of the elections above are as follows:

- A gross dividend of 25 cents per PBT Group ordinary share from income reserves will be subject to dividend withholding tax at a rate of 20%. Consequently, a net final dividend of 20 cents per share will be distributed to those shareholders who are not exempt from paying dividend tax. In terms of dividend tax legislation, the dividend tax amount due will be withheld and paid over to the South African Revenue Service by a nominee company, stockbroker or Central Securities Depository Participant (CSDP) (collectively the "regulated intermediary") on behalf of the shareholders. However, all shareholders choosing this option should declare their status to their regulated intermediary, as they may qualify for a reduced dividend tax rate or exemption.
- A capital reduction distribution of 25 cents per PBT Group ordinary share is not subject to dividend withholding tax as the distribution is paid out of capital reserves. As the distribution will be regarded as a return of capital and may therefore have potential capital gains tax consequences, shareholders are advised to consult their tax advisers regarding the impact of the distribution.

COMMENTARY

(continued)

As at the date of declaration of the distribution there were 105 972 000 PBT Group ordinary shares in issue. The company's income tax reference number is 9725148713.

In compliance with the Companies Act, the Directors confirm and have resolved that the Company will satisfy the solvency and liquidity test immediately after the payment of the distribution.

In accordance with the provisions of Strate Proprietary Limited, the electronic settlement and custody system used by the JSE Limited, the relevant dates for the distribution are as follows:

Election period opens
Friday, 26 November 2021

Last day to trade "cum distribution"
Monday, 13 December 2021

First trading day "ex distribution"
Tuesday, 14 December 2021

Record date
Friday, 17 December 2021

Dividend/election period closes by 12:00 on
Friday, 17 December 2021

Payment date
Monday, 20 December 2021

No share certificates may be dematerialised or rematerialised between Tuesday, 14 December 2021 and Friday, 17 December 2021, both days inclusive. Only the shareholders recorded in the Company's share register as at record date are entitled to receive the distribution declared.

Payments for certificated shareholders will be transferred electronically to their bank accounts on the payment date. Shareholders who hold dematerialised shares will have their accounts at their CSDP or stockbroker credited on Monday, 20 December 2021.

CHANGES TO THE BOARD OF DIRECTORS

The Board wishes to advise that Mr Herman Steyn has resigned as Non-Executive Director of the Company, with effect from 1 October 2021.

The Board would like to extend its appreciation to Mr Steyn for his commitment and service to the Company. His involvement as partner and director of the Company spans a period of more than two decades and his contribution has been invaluable.

The Company is furthermore pleased to announce the appointment of Mr Pule Taukobong as Non-Executive Director with effect from 1 October 2021. Mr Taukobong has vast experience in the information technology industry and brings with him a wealth of knowledge and networks that will be to the benefit of PBT Group and its shareholders.

The Board welcomes Mr Taukobong and wishes him 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 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 auditors.

Tony Taylor
Chairman

Elizna Read
Chief Executive Officer

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

as at 30 September 2021

Rand	Notes	Unaudited as at 30 September 2021	Unaudited as at 30 September 2020	Audited as at 31 March 2021
ASSETS				
Non-current assets				
Plant and equipment		2 959 581	3 136 332	2 936 399
Right-of-use assets		13 492 098	15 601 783	16 748 620
Goodwill		135 668 135	135 668 135	135 668 135
Intangible assets		212 670	161 261	247 950
Loans receivable		7 489 257	7 338 033	7 495 723
Investments at fair value	2	93 898 669	103 233 904	93 532 292
Deferred tax asset		3 925 827	4 257 821	3 726 600
		257 646 237	269 397 269	260 355 719
Current assets				
Loans receivable		1 751 000	1 517 372	1 751 000
Trade and other receivables		121 698 917	93 475 334	115 888 024
Current tax receivable		525 220	1 114 869	99 417
Cash and cash equivalents		40 890 328	74 405 128	62 437 668
		164 865 465	170 512 703	180 176 109
Total assets		422 511 702	439 909 972	440 531 828
EQUITY AND LIABILITIES				
Equity				
Equity attributable to equity holders of the parent				
Share capital	3	516 908 555	498 606 104	498 402 315
Treasury shares	4	(86 851 307)	(23 500 000)	(27 355 000)
Capital distribution reserve		(524 528 723)	(512 111 900)	(516 922 283)
Share-based payment reserve	5	16 602 739	472 001	835 210
Foreign currency translation reserve		(1 247 734)	12 264 035	(726 361)
Equity revaluation reserve		74 923 023	74 923 023	74 923 023
Retained income		308 873 373	288 721 430	294 731 602
Total equity attributable to owners of the Company		304 679 926	339 374 693	323 888 506
Non-controlling interest	6	15 659 160	17 694 803	14 188 404
Total equity		320 339 086	357 069 496	338 076 910
LIABILITIES				
Non-current liabilities				
Borrowings		1 718 127	–	805 048
Lease liabilities		9 926 713	11 816 429	12 755 709
Deferred tax liability		154 035	53 949	218 553
		11 798 875	11 870 378	13 779 310
Current liabilities				
Trade and other payables		74 311 173	63 827 351	69 594 793
Borrowings		–	–	9 000 000
Lease liabilities		5 803 134	5 526 642	6 045 366
Current tax payable		958 401	1 546 895	3 871 476
Bank overdraft		9 301 033	69 210	163 973
		90 373 741	70 970 098	88 675 608
Total liabilities		102 172 616	82 840 476	102 454 918
Total equity and liabilities		422 511 702	439 909 972	440 531 828

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 September 2021

Rand	Notes	Unaudited Six months ended 30 September 2021	Unaudited Six months ended 30 September 2020	Audited for the year ended 31 March 2021
Revenue	7	468 689 458	389 306 577	788 957 456
Cost of sales		(348 932 366)	(295 329 272)	(597 067 232)
Gross profit		119 757 092	93 977 305	191 890 224
Other operating income		212 597	2 312 395	3 232 954
Other operating gains/(losses)		2 301	(23 999)	(24 630)
Movement in credit loss allowances		248 664	411 996	(762 422)
Foreign exchange (losses)/gains		(104 860)	302 569	765 940
Share-based payment expense	5	(3 347 529)	(176 278)	(539 487)
Other operating expenses		(53 585 101)	(51 711 814)	(96 263 431)
Earnings before interest, taxation, depreciation and amortisation		63 183 164	45 092 174	98 299 148
Depreciation: Plant and equipment		(650 519)	(738 681)	(1 382 237)
Depreciation: Right-of-use assets		(3 203 101)	(3 333 934)	(6 439 193)
Amortisation: Intangible assets		(49 543)	(54 710)	(85 431)
Operating profit		59 280 001	40 964 849	90 392 287
Investment income		774 962	1 019 376	2 168 155
Finance costs: Borrowings		(138 934)	(24 227)	(491 949)
Finance costs: Lease liabilities		(782 211)	(900 023)	(1 740 027)
Finance costs		(262 789)	(138)	(121 805)
Profit before taxation		58 871 029	41 059 837	90 206 661
Taxation		(17 313 323)	(11 271 144)	(24 939 067)
Profit for the period/year		41 557 706	29 788 693	65 267 594
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Gains on valuation of investments in equity instruments	10	–	61 344 838	61 344 838
Items that may be reclassified to profit or loss:				
Exchange differences on translating foreign operations		(521 373)	(502 996)	(13 493 392)
Other comprehensive (loss)/income for the period/year net of taxation		(521 373)	60 841 842	47 851 446
Total comprehensive income for the period/year		41 036 333	90 630 535	113 119 040
Profit attributable to:				
Owners of the parent		29 200 669	18 843 446	44 249 835
Non-controlling interest		12 357 037	10 945 247	21 017 759
		41 557 706	29 788 693	65 267 594
Total comprehensive income attributable to:				
Owners of the parent		28 679 296	79 685 288	92 101 281
Non-controlling interest		12 357 037	10 945 247	21 017 759
		41 036 333	90 630 535	113 119 040
Earnings per share (cents)				
Basic earnings per share	13	34.96	21.18	50.57
Diluted basic earnings per share	13	33.06	20.48*	47.78
Headline earnings per share (cents)				
Basic headline earnings per share	13	34.96	21.20	50.59
Diluted headline earnings per share	13	33.06	20.50*	47.80

* *Restated. Refer to note 14 Comparatives.*

The presentation of the statement of profit or loss and other comprehensive income has been improved in order to disaggregate certain line items that management believes will provide the users of the financial statements with a more simplified understanding of the financial performance of the Group.

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2021

Rand	Share capital	Treasury shares	Capital distribution reserve	Share-based payment reserve
GROUP				
Balance at 1 April 2020	503 830 445	(20 110 716)	(507 891 687)	295 723
Profit for the period	–	–	–	–
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	–	–	–
Share-based payment	–	–	–	176 278
Specific repurchase from subsidiary	(3 610 716)	3 610 716	–	–
Share-based payment shares included in treasury shares	–	(7 000 000)	–	–
Shares repurchased	(1 613 625)	–	–	–
Share-based payment advance in subsidiary	–	–	–	–
Changes in ownership – without loss of control	–	–	–	–
Distributions*	–	–	(4 220 213)	–
Total contributions by and distributions to owners of the Company recognised directly in equity	(5 224 341)	(3 389 284)	(4 220 213)	176 278
Balance at 30 September 2020	498 606 104	(23 500 000)	(512 111 900)	472 001
Balance at 1 October 2020	498 606 104	(23 500 000)	(512 111 900)	472 001
Profit for the period	–	–	–	–
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	–	–	–
Share-based payment	–	–	–	363 209
Shares repurchased	(203 789)	–	–	–
Purchase of additional shares in subsidiary	–	–	–	–
Share-based payment shares included in treasury shares	–	(3 855 000)	–	–
Changes in ownership – without loss of control	–	–	–	–
Distributions*	–	–	(4 810 383)	–
Total contributions by and distributions to owners of the Company recognised directly in equity	(203 789)	(3 855 000)	(4 810 383)	363 209
Balance at 31 March 2021	498 402 315	(27 355 000)	(516 922 283)	835 210
Balance at 1 April 2021	498 402 315	(27 355 000)	(516 922 283)	835 210
Profit for the period	–	–	–	–
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	–	–	–
Issue of shares	**31 050 000**	–	–	–
Share-based payment	–	–	–	**3 347 529**
Reclassification between share capital and share-based payment reserve	**(12 420 000)**	–	–	**12 420 000**
Share-based payment shares included as treasury shares	–	**(87 154 982)**	–	–
Shares repurchased	**(123 760)**	–	–	–
Reduction of treasury shares due to redemption of preference share investment	–	**27 658 675**	–	–
Distributions*	–	–	**(7 606 440)**	–
Total contributions by and distributions to owners of the Company recognised directly in equity	**18 506 240**	**(59 496 307)**	**(7 606 440)**	**15 767 529**
Balance at 30 September 2021	**516 908 555**	**(86 851 307)**	**(524 528 723)**	**16 602 739**
Notes	3	4		5

* *PBT Group allowed shareholders to elect to receive the distribution declared as either a dividend or capital reduction, as such the distribution was partly paid out of retained earnings and partly out of the capital distribution reserve.*

Foreign currency translation reserve	Equity revaluation reserve	Total reserves	Retained income	Total attributable to equity holders of the Group	Non-controlling interest	Total equity
12 767 031	13 578 185	(501 361 464)	276 024 222	278 493 203	19 394 722	297 887 925
–	–	–	18 843 446	18 843 446	10 945 247	29 788 693
(502 996)	61 344 838	60 841 842	–	60 841 842	–	60 841 842
(502 996)	61 344 838	60 841 842	18 843 446	79 685 288	10 945 247	90 630 535
–	–	176 278	–	176 278	–	176 278
–	–	3 610 716	–	–	–	–
–	–	(7 000 000)	–	(7 000 000)	–	(7 000 000)
–	–	–	–	(1 613 625)	–	(1 613 625)
–	–	–	–	–	(4 500 000)	(4 500 000)
–	–	–	(8 661)	(8 661)	128 910	120 249
–	–	(4 220 213)	(6 137 577)	(10 357 790)	(8 274 076)	(18 631 866)
–	–	(7 433 219)	(6 146 238)	(18 803 798)	(12 645 166)	(31 448 964)
12 264 035	74 923 023	(447 952 841)	288 721 430	339 374 693	17 694 803	357 069 496
12 264 035	74 923 023	(447 952 841)	288 721 430	339 374 693	17 694 803	357 069 496
–	–	–	25 406 389	25 406 389	10 072 512	35 478 901
(12 990 396)	–	(12 990 396)	–	(12 990 396)	–	(12 990 396)
(12 990 396)	–	(12 990 396)	25 406 389	12 415 993	10 072 512	22 488 505
–	–	363 209	–	363 209	–	363 209
–	–	–	–	(203 789)	–	(203 789)
–	–	–	(9 068 488)	(9 068 488)	(2 431 512)	(11 500 000)
–	–	(3 855 000)	–	(3 855 000)	–	(3 855 000)
–	–	–	262 996	262 996	(260 498)	2 498
–	–	(4 810 383)	(10 590 725)	(15 401 108)	(10 886 901)	(26 288 009)
–	–	(8 302 174)	(19 396 217)	(27 902 180)	(13 578 911)	(41 481 091)
(726 361)	74 923 023	(469 245 411)	294 731 602	323 888 506	14 188 404	338 076 910
(726 361)	74 923 023	(469 245 411)	294 731 602	323 888 506	14 188 404	338 076 910
–	**–**	**–**	**29 200 669**	**29 200 669**	**12 357 037**	**41 557 706**
(521 373)	**–**	**(521 373)**	**–**	**(521 373)**	**–**	**(521 373)**
(521 373)	**–**	**(521 373)**	**29 200 669**	**28 679 296**	**12 357 037**	**41 036 333**
–	**–**	**–**	**–**	**31 050 000**	**–**	**31 050 000**
–	**–**	**3 347 529**	**–**	**3 347 529**	**–**	**3 347 529**
–	**–**	**12 420 000**	**–**	**–**	**–**	**–**
–	**–**	**(87 154 982)**	**–**	**(87 154 982)**	**–**	**(87 154 982)**
–	**–**	**–**	**–**	**(123 760)**	**–**	**(123 760)**
–	**–**	**27 658 675**	**–**	**27 658 675**	**–**	**27 658 675**
–	**–**	**(7 606 440)**	**(15 058 898)**	**(22 665 338)**	**(10 886 281)**	**(33 551 619)**
–	**–**	**(51 335 218)**	**(15 058 898)**	**(47 887 876)**	**(10 886 281)**	**(58 774 157)**
(1 247 734)	**74 923 023**	**(521 102 002)**	**308 873 373**	**304 679 926**	**15 659 160**	**320 339 086**

UNAUDITED CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

for the six months ended 30 September 2021

Rand	Notes	Unaudited Six months ended 30 September 2021	Unaudited Six months ended 30 September 2020	Audited for the year ended 31 March 2021
Cash flows from operating activities				
Cash generated from operations	8	63 955 024	58 459 740	92 091 421
Interest income		603 972	840 892	1 820 328
Finance costs		(1 157 133)	(924 388)	(2 351 226)
Tax paid		(20 915 404)	(15 078 901)	(24 717 545)
Net cash from operating activities		42 486 459	43 297 343	66 842 978
Cash flows from investing activities				
Purchase of plant and equipment		(673 239)	(676 031)	(1 134 096)
Sale of plant and equipment		2 500	–	–
Purchase of intangible assets		(17 636)	–	–
Proceeds from loans receivable		174 600	1 081 303	1 232 634
Advances of loans receivable		–	(1 049 435)	(1 920 000)
Acquisition of subsidiary, net of cash acquired		–	122 999	122 999
Net cash from investing activities		(513 775)	(521 164)	(1 698 463)
Cash flows from financing activities				
Issue of shares	3	12 420 000	–	–
Shares repurchased	3	(123 760)	(1 613 625)	(1 817 414)
Capital distribution		(7 606 440)	(4 220 213)	(9 030 597)
Dividend paid		(15 058 898)	(6 137 577)	(16 728 302)
Dividend paid to non-controlling interests		(10 000 000)	(8 274 076)	(18 358 484)
Share-based payment advance – Yonex Investments Proprietary Limited	5	(65 700 000)	–	–
Share-based payment advance – Spalding Investments 10 Proprietary Limited		–	(7 000 000)	(10 855 000)
Share-based payment advance – Ayson Proprietary Limited		–	(4 500 000)	(4 500 000)
Reduction of treasury share due to redemption of preference share investment and repayment of loan	4	25 547 000	–	–
Repayment of lease liabilities		(3 016 347)	(2 876 864)	(5 775 539)
Proceeds from borrowings		–	–	15 000 000
Repayment of borrowings		(9 000 000)	–	(6 000 000)
Acquisition of additional shares in existing subsidiary		–	–	(11 500 000)
Net cash from financing activities		(72 538 445)	(34 622 355)	(69 565 335)
Total cash movement for the period		(30 565 761)	8 153 824	(4 420 820)
Cash at the beginning of the period		62 273 695	66 184 735	66 706 620
Effect of exchange rate movements on cash balances		(118 639)	(2 641)	(12 105)
Cash at the end of the period		31 589 295	74 335 918	62 273 695

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Reporting entity

PBT Group Limited is a holding company domiciled in South Africa, listed on the Johannesburg Stock Exchange Limited (JSE Limited) under the category Technology: Software and Computer Services. The unaudited condensed consolidated interim results of the company comprise the company and its subsidiaries (together referred to as the "Group" or "PBT Group").

Basis of preparation

The unaudited condensed consolidated interim results have been prepared in accordance with IAS 34 Interim Financial Reporting, the requirements of the JSE Limited Listings Requirements for interim reports, 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 the requirements of the Companies Act, Act 71 of 2008 of South Africa.

The accounting policies and methods of computation applied in the preparation of these unaudited condensed consolidated interim results are in terms of the International Financial Reporting Standards (IFRS) and are consistent with those applied in the previous consolidated annual financial statements. The Group has not chosen to early adopt any new standards or interpretations and it is deemed unlikely that these new standards or interpretations will have a material impact on the results.

The condensed consolidated interim results have not been audited or reviewed by the Group's external auditors, BDO South Africa Incorporated.

These unaudited condensed consolidated interim results have been prepared in accordance with the going concern basis, under the supervision of the Chief Financial Officer, Bianca Pieters (CA) SA.

The unaudited condensed consolidated interim results are presented in Rand, which is the Group's functional and presentation currency.

The Board of Directors approved these unaudited condensed consolidated interim results on 22 November 2021.

Judgements and estimates

The preparation of unaudited condensed consolidated interim results in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these unaudited condensed consolidated interim results, 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 annual financial statements for the year ended 31 March 2021.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

2. INVESTMENTS AT FAIR VALUE

Investments held by the Group which are measured at fair value are as follows:

Rand	**30 September 2021**	30 September 2020	31 March 2021
Equity investments at fair value through other comprehensive income			
Zuuse Limited	**93 898 669**	103 233 904	93 532 292
Split between non-current and current portions			
Non-current assets	**93 898 669**	103 233 904	93 532 292

Fair value information

Refer to note 10 Fair value information for details of valuation policies and processes.

Equity instruments at fair value through other comprehensive income

Zuuse Limited

As at 30 September 2021 PBT Group, through its wholly owned subsidiary, PBT Group International Besloten Vennootschap, owns 9 566 667 shares (5.81%) (September 2020: 6.7%; March 2021: 5.86%) of Zuuse Limited (Zuuse). Zuuse is a leading global provider of construction payment management solutions (Software as a Service (SaaS)) to the construction and building operations sector. Furthermore, it provides facilities management solutions and asset life cycle management solutions.

The small dilution in PBT Group's investment percentage, from 5.86% to 5.81%, is due to Zuuse share options which were exercised during September 2021. This had the effect of increasing Zuuse's issued ordinary shares by 1.223 million ordinary shares. There was no change in the number of shares held by PBT Group during the period.

In determining the fair value of its investment in Zuuse as at 30 September 2021, PBT Group referenced a price of AUD1.00 (September 2020: AUD1.00; March 2021: AUD1.00) per Zuuse share and provided for a 10% profit share fee, payable on realisation, to the promoters of PBT Group's investment in Zuuse. The price of AUD1.00 is based on recent transactions that occurred during the first quarter of Zuuse's financial year at AUD1.00.

No additional investment was made into Zuuse. The movement in value of Zuuse from September 2020 to September 2021 is solely due to foreign exchange differences on translating the investment to presentation currency.

PBT Group considers its investment in Zuuse as non-core to its operations and not held for trading. The investment is therefore designated as at fair value through other comprehensive income. No dividends were received relating to this investment in the current or prior periods.

3. SHARE CAPITAL

Number of shares	30 September 2021	30 September 2020	31 March 2021
Authorised			
200 000 000 ordinary shares of no par value	–	–	–
Reconciliation of number of shares in issue			
Shares in issue at the beginning of the period	99 100 000	102 288 545	102 288 545
Issue of ordinary shares	6 900 000	–	–
Repurchase of shares	(28 000)	(3 131 404)	(3 188 545)
Repurchase of shares	(28 000)	(931 404)	(988 545)
Specific repurchase of shares from subsidiary	–	(2 200 000)	(2 200 000)
	105 972 000	99 157 141	99 100 000
Less: Treasury shares			
Treasury shares held by a wholly owned subsidiary of the Group	–	–	–
Opening balance	–	(2 200 000)	(2 200 000)
Specific repurchase of shares from subsidiary	–	2 200 000	2 200 000
Shares held by B-BBEE and staff companies treated as treasury shares	(22 165 417)	(12 950 000)	(14 000 000)
Spalding Investments 10 Proprietary Limited			
Opening balance	(14 000 000)	(10 373 282)	(10 373 282)
Shares purchased and treated as treasury shares	–	(2 576 718)	(3 626 718)
Reduction of treasury shares due to redemption of preference share investment	13 669 250	–	–
Yonex Investments Proprietary Limited			
Shares purchased and treated as treasury shares	(14 600 000)	–	–
PBT Foundation Proprietary Limited			
Shares purchased and treated as treasury shares	(672 000)	–	–
Pulsent OH GP Proprietary Limited			
Shares issued and treated as treasury shares	(6 900 000)	–	–
Reduction of treasury shares due to repayment of loan amount	337 333	–	–
Number of shares as at date of the report	83 806 583	86 207 141	85 100 000

94 028 000 unissued ordinary shares are under the control of the Directors in terms of a resolution of members passed at the last Annual General Meeting. This authority remains in force until the next Annual General Meeting.

Rand	30 September 2021	30 September 2020	31 March 2021
Issued			
Ordinary shares of no par value	516 908 555	498 606 104	498 402 315
Issued share capital reconciliation			
As previously published	498 402 315	503 830 445	503 830 445
Newly issued ordinary shares	31 050 000	–	–
Reclassification to share-based payment reserve	(12 420 000)	–	–
Repurchase of shares	(123 760)	(1 613 625)	(1 817 414)
Specific repuchase from subsidiary	–	(3 610 716)	(3 610 716)
Issued as at date of the report	516 908 555	498 606 104	498 402 315

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

3. SHARE CAPITAL (CONTINUED)

Repurchase of shares – general authority

During the period 28 000 shares were repurchased in accordance with the general authority to repurchase shares granted at the Annual General Meeting held on 6 August 2021 and subsequently cancelled and delisted. The average purchase price per share was R4.42 per share.

Issue of new shares

On 23 July 2021 the Company has entered into a binding subscription agreement with Pulsent OH GP Proprietary Limited, in its capacity as the ultimate general partner of the PBT Direct GP Partnership *en commandite*, the latter in its capacity as the general partner of the PBT Direct Partnership *en commandite* ("Pulsent OH" or "the Subscriber"), in terms of which the Subscriber subscribed for 6 900 000 ordinary shares in the capital of the Company (Subscription Shares).

Pulsent OH is a majority black-owned and managed investor that focuses on investing in leading consumer and technology companies in Africa and has significant experience in sourcing and investing in globally scalable and sustainable opportunities alongside best-in-class management teams.

The Subscription Shares were issued on 26 July 2021 in terms of the Company's general authority to issue shares for cash.

This general authority was obtained at the Annual General Meeting of PBT Group held on Friday, 21 August 2020, where the requisite majority of shareholders approved an ordinary resolution authorising the Board to issue up to 30% of the Company's shares in issue at that date for cash in accordance with paragraph 5.52 of the JSE Listings Requirements (General Authority).

The Subscription Shares represented 6.7% of the issued share capital of the Company prior to the issue thereof. The shares were issued at R4.50, being a 4.7% premium to the 30-day volume weighted average price of R4.30 at the close of business on Friday, 23 July 2021, the date on which the subscription agreement was signed and became unconditional in accordance with its terms, amounting in aggregate to R31.1 million (Subscription Amount).

Pulsent OH funded R12.4 million, being 40% of the Subscription Amount, utilising its own resources, whereas the balance of the Subscription Amount was funded by way of vendor finance. The vendor finance was provided by PBT Technology Services Proprietary Limited (PBT Technology Services), a wholly owned subsidiary of PBT Group, which accordingly funded 60% of the Subscription Amount by advancing a loan to Pulsent OH. Pulsent OH's obligation under such loan is secured by a pledge and cession *in securitatem debiti* of 100% of the PBT Group ordinary shares subscribed for by Pulsent OH in terms of this transaction, as well as certain related claims.

The dividends that Pulsent OH receive from its investment in PBT Group will be utilised to repay the interest and part capital, if the dividends received are in excess of the interest payable. Due to the terms set out, the investment of 6 900 000 shares are treated as treasury shares. Refer to note 5 Share-based payments for further information.

Increase of black ownership

PBT Group increased its black ownership by introducing two new B-BBEE partners in a formerly staff-held company and in a newly incorporated B-BBEE and staff company.

Spalding Investments 10 Proprietary Limited (Spalding)

Shareholders are referred to Spalding, an entity formerly wholly owned by employees and management of PBT Group. Spalding's sole investment is 14 000 000 PBT Group ordinary shares which are treated as treasury shares for accounting purposes. Prior to the transactions set out below, Spalding had an issued share capital of 6 400 ordinary shares (Spalding Shares).

On 23 July 2021 Spalding entered into an agreement to issue 3 120 ordinary shares in its capital (Spalding Shares) to Pulsent PBT Proprietary Limited (Pulsent), an entity with a common shareholder to Pulsent OH, for a total cash consideration of R18.4 million. The proceeds have been utilised to redeem preference shares in Spalding issued to PBT Group.

At the same time and in order to increase the black shareholding in Spalding such that it became a black-owned company:

- Elizna Read, the CEO of PBT Group, sold 300 of her Spalding Shares to Pulsent; and
- Spalding entered into an agreement to issue 480 Spalding Shares for cash to a further B-BBEE partner, the PBT Foundation Proprietary Limited (PBT Foundation), for a total cash consideration of R2.8 million. The subscription price payable by PBT Foundation has been funded by PBT Group subscribing for cumulative redeemable preference shares in PBT Foundation that will earn preference dividends at 72% of the prime interest rate and are secured by a pledge by PBT Foundation of 100% of its Spalding Shares, through which it has an indirect interest in PBT Group Shares.

The abovementioned Spalding share issues and the disposal of Elizna Read's shares in Spalding were effected at Spalding's net asset value per share (NAVPS). In calculating Spalding's NAVPS a reference price of R4.50 was used to value the 14 000 000 PBT Group Shares held by Spalding.

3. SHARE CAPITAL (CONTINUED)

Yonex Investments Proprietary Limited (Yonex) (previously K202169196 (South Africa) Proprietary Limited)

In order to increase the black ownership of the Company, counter the dilutionary impact of its B-BBEE initiatives on the original employee and management shareholders of Spalding and to align these individuals and the shareholders of PBT Group's interests, Yonex was incorporated, the shareholders of which are likewise employees and management of PBT Group, Pulsent and the PBT Foundation.

Yonex acquired 14 600 000 PBT Group shares. Shareholders are referred to "Director Dealings" SENS announcements released on 5 July 2021 and 28 July 2021.

These acquisitions of PBT Group shares were funded by PBT Group (South Africa) Proprietary Limited (a wholly owned subsidiary of PBT Group), subscribing for cumulative redeemable preference shares in Yonex that earn preference dividends at 72% of the prime interest rate and are secured by, inter alia, a negative pledge in respect of 100% of the PBT Group Shares held by Yonex.

Refer to note 5 Share-based payments for further information on the transaction.

4. TREASURY SHARES

Rand	30 September 2021	30 September 2020	31 March 2021
Opening balance as at the beginning of the period	**27 355 000**	20 110 716	20 110 716
Treasury shares purchased	**87 154 982**	7 000 000	10 855 000
Reduction of treasury share due to redemption of preference share investment* and repayment of loan	**(27 658 675)**	–	–
Specific repurchase of treasury shares held by a wholly owned subsidiary (shares delisted and cancelled)	**–**	(3 610 716)	(3 610 716)
Closing balance	**86 851 307**	23 500 000	27 355 000
Number of treasury shares movement during the period			
Opening balance as at the beginning of the period	**14 000 000**	12 573 282	12 573 282
Specific repurchase of shares by the Company from subsidiary	**–**	(2 200 000)	(2 200 000)
Reduction of treasury shares due to redemption of preference share investment*	**(14 006 583)**	–	–
Shares acquired by B-BBEE and staff company (Spalding)	**–**	2 576 718	3 626 718
Shares acquired by B-BBEE and staff company (Yonex)	**14 600 000**	–	–
Shares issued to B-BBEE partner (Pulsent OH)	**6 900 000**	–	–
Shares acquired by B-BBEE partner (PBT Foundation)	**672 000**	–	–
	22 165 417	12 950 000	14 000 000

* *During the period a large portion of the preference share investment was repaid, which therefore had the effect of reducing the Rand balance and number of shares treated as treasury shares. Please refer to Note 5 Share-based payments.*

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

5. SHARE-BASED PAYMENTS

PBT Group entered into the following share-based payment transactions during the period:

Yonex Investments Proprietary Limited

On 23 July 2021 PBT Group (South Africa) Proprietary Limited (PBT Group (SA)), a 100% subsidiary within PBT Group, entered into a preference share agreement with a B-BBEE and staff company called Yonex Investments Proprietary Limited (Yonex). A preference share investment of R65.7 million was made for the purpose of purchasing shares in PBT Group Limited. The preference shares were issued on 28 July 2021 upon fulfilment of certain conditions in terms of the agreement. The owners of Yonex are employees of PBT Group and two B-BBEE partners, namely Pulsent PBT Proprietary Limited (Pulsent) and PBT Foundation Proprietary Limited (PBT Foundation). The following conditions are included in the shareholders' agreement:

- The employees are required to remain employed and hold the shares for a period of seven years.
- Pulsent shall not be entitled to dispose of any of its shareholders' interest until the third anniversary of the commencement date, being 23 July 2021.
- PBT Foundation shall not be entitled to dispose of any of its shareholders' interest for a period of seven years.

The following are the key terms of the preference share agreement:

- The preference dividends are calculated in arrears at a rate of 72% of the prime lending rate.
- Any preference dividends not paid out on a six-monthly basis will be accumulated and accrued for payment at a later date, the latest date being the redemption date.
- The preference shares are redeemable in three tranches, being:
  - the first 33.33% five years after issue date (July 2026);
  - the next 33.33% six years after issue date (July 2027); and
  - the final 33.33% seven years after issue date (July 2028), including any rolled up or unpaid preference dividends.
- The dividends that Yonex will receive from its investment in PBT Group will be utilised to repay the preference dividends and part capital, if the dividends received are in excess of the preference dividends payable.

As the only security for the repayment of the preference shares is the underlying PBT Group shares with no other recourse, the transaction is treated as a share-based payment transaction under IFRS 2 and the preference share investment is treated as the issue of an option to the B-BBEE party. The preference share investment is not recognised as an asset but instead treated as treasury shares held by a subsidiary company. The vesting period is seven years, with the only vesting conditions as set out above.

The fair value of the share-based payment award has been calculated using share option valuation techniques on the following basis:

	Number of shares	Vesting date	Strike price	Fair value at grant date
Tranche 1	4 866 667	July 2026	Variable	133.92 cents
Tranche 2	4 866 667	July 2027	Variable	148.73 cents
Tranche 3	4 866 666	July 2028	Variable	169.63 cents
Total	14 600 000			150.76 cents*

* *Weighted average.*

The strike price has been defined as the redemption price of the preference shares with adjustments made for compounded interest payments on the preference shares, reduced by expected future PBT Group dividend payments in accordance with the terms of the agreement.

No options have vested or been exercised as the transaction was implemented in July 2021 and the first tranche only vests in five years' time. The weighted average fair value of each option granted during the year was 150.76 cents.

5. SHARE-BASED PAYMENTS (CONTINUED)

		30 September 2021
Equity settled		
Option pricing model used		Black–Scholes
Share price at date of grant	(cents)	490
Contractual life	(days)	1 826 – 2 557
Volatility relative to comparator index	(%)	28.49
Risk-free interest rate:		
5-year maturity	(%)	7.60
6-year maturity	(%)	8.26
7-year maturity	(%)	9.46
Dividend growth rate relative to comparator index	(%)	10.00

Pulsent OH GP Proprietary Limited

On 23 July 2021 the Company has entered into a binding subscription agreement with Pulsent OH in terms of which Pulsent OH subscribed for 6 900 000 ordinary shares in the capital of the Company (Subscription Shares) at R4.50 per share. These shares were issued on 26 July 2021 in terms of the Company's general authority to issue shares for cash.

Pulsent OH funded R12.4 million, being 40% of the Subscription Amount (refer to note 3 Share capital), utilising its own resources, whereas the balance of the Subscription Amount was funded by way of vendor finance. The vendor finance was provided by PBT Technology Services, a wholly owned subsidiary of PBT Group, which accordingly funded 60% of the Subscription Amount by advancing a loan to Pulsent OH. Pulsent OH's obligation under such loan is secured by a pledge and cession *in securitatem debiti* of 100% of the PBT Group ordinary shares subscribed for by Pulsent OH in terms of this transaction, as well as certain related claims.

The following are the key terms of the loan agreement:

- The interest is calculated in arrears at the prime lending rate minus 1% per annum for the first 18 months (January 2023).
- The interest thereafter is calculated in arrears at the prime lending rate.
- Any interest due and not paid on a six-monthly basis will be accumulated and accrued for payment at a later date, the latest date being the repayment date.
- The loan is repayable in three instalments, being:
  - the first R6 210 000 five years after issue date (July 2026);
  - the next R6 210 000 six years after issue date (July 2027); and
  - the final R6 210 000 seven years after issue date (July 2028), including unpaid interest.
- The dividends that Pulsent OH receive from its investment in PBT will be utilised to pay the interest and part capital, if the dividends received are in excess of the interest payable.

As the only security for the repayment of the loan is the underlying PBT Group shares with no other recourse, the transaction is treated as a share-based payment transaction under IFRS 2 and the loan is treated as the issue of an option to the B-BBEE party. The loan is not recognised as an asset but instead treated as treasury shares held by a subsidiary company. As there is no vesting or lock-in period, the full share-based payment expense is recognised immediately.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

5. SHARE-BASED PAYMENTS (CONTINUED)

The fair value of the loan granted has been calculated using share option valuation techniques on the following basis:

	Number of shares	Vesting date	Strike price	Fair value at grant date
Tranche 1	2 300 000	July 2026	Variable	194.50 cents
Tranche 2	2 300 000	July 2027	Variable	213.49 cents
Tranche 3	2 300 000	July 2028	Variable	223.70 cents
Total	6 900 000			210.56 cents*

* *Weighted average.*

The strike price has been defined as 60% of the Subscription Amount with adjustments made for compounded interest payments on the loan, reduced by expected future PBT dividend payments in accordance with the terms of the agreement.

No options have vested or been exercised as the transaction was implemented in July 2021 and the first payment is only in five years' time. The weighted average fair value of each option granted during the year was 210.56 cents.

		30 September 2021
Equity settled		
Option pricing model used		Black-Scholes
Share price at date of grant	(cents)	421
Contractual life	(days)	1 826 – 2 557
Volatility relative to comparator index	(%)	28.49
Risk-free interest rate:		
5-year maturity	(%)	7.60
6-year maturity	(%)	8.26
7-year maturity	(%)	9.46
Dividend growth rate relative to comparator index	(%)	10.00

5. SHARE-BASED PAYMENTS (CONTINUED)

PBT Foundation Proprietary Limited

On 23 July 2021 PBT Technology Services entered into an agreement with the PBT Foundation for the purpose of providing funding to subscribe for 480 shares in Spalding for a total cash consideration of R2.8 million. Refer to note 3 Share capital for further details of the transaction. The funding will be in the format of cumulative redeemable preference shares issued to PBT Group. Due to circumstances not within the Company's control, the incorporation of the PBT Foundation was not completed by 30 September 2021 and the preference shares not issued yet. The funding is treated as a loan until such time as the preference shares can be issued. The terms of the loan is set out below:

The following are the key terms of the loan agreement:

- The interest is calculated in arrears at the prime lending rate.
- Any interest due and not paid on a six-monthly basis will be accumulated and accrued for payment at a later date, the latest date being the repayment date.
- The dividends that the PBT Foundation will receive from its investment in PBT Group will be utilised to repay the interest and part capital, if the dividends received are in excess of the interest payable.

As the only security for the repayment of the loan is the investment in Spalding (with their only investment being the underlying PBT Group shares) with no other recourse, the transaction is treated as a share-based payment transaction under IFRS 2 and the loan is treated as the issue of an option to the B-BBEE party. The loan is not recognised as an asset but instead treated as treasury shares held by a subsidiary company. As there is no vesting or lock-in period, the full share-based payment expense is recognised immediately.

The fair value of the loan granted has been calculated using share option valuation techniques on the following basis:

	Number of shares	Vesting date	Strike price	Fair value at grant date
Tranche 1	224 000	February 2023	Variable	113.58 cents
Tranche 2	224 000	February 2024	Variable	209.92 cents
Tranche 3	224 000	February 2025	Variable	304.04 cents
Total	672 000			209.18 cents*

* *Weighted average.*

The strike price has been defined as the loan granted with adjustments made for compounded interest payments on the loan, reduced by expected future PBT dividend payments in accordance with the terms of the agreement.

No options have vested or been exercised as the transaction was implemented in July 2021 and the first payment is only in five years' time. The weighted average fair value of each option granted during the year was 209.18 cents.

		30 September 2021
Equity settled		
Option pricing model used		Black-Scholes
Share price at date of grant	(cents)	421
Contractual life	(days)	585 – 1 316
Volatility relative to comparator index	(%)	28.49
Risk-free interest rate:		
2-year maturity	(%)	4.36
3-year maturity	(%)	4.87
4-year maturity	(%)	5.36
Dividend growth rate relative to comparator index	(%)	10.00

Rand	30 September 2021	30 September 2020	31 March 2021
Total share-based expense included in operating expenses			
Equity settled	3 347 529	176 278	539 487

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

6. NON-CONTROLLING INTEREST

In terms of IFRS 12 Disclosure of Interests in Other Entities paragraph 12, the following information is disclosed for a material subsidiary with non-controlling interests material to the Group:

CyberPro Consulting Proprietary Limited (CyberPro) is a material subsidiary with non-controlling interest (NCI) material to the Group. CyberPro's principal place of business is in Gauteng and the Western Cape. PBT Group holds a direct 56% (September 2020: 51%, 31 March 2021: 56%) share in the company. Due to the impact of the Ayson Proprietary Limited (Ayson) preference share agreement (explained further below), the effective shareholding in the company is 57.52%.

On 1 July 2020 CyberPro entered into a preference share agreement to the value of R4.5 million with Ayson, a B-BBEE company, which used the proceeds to purchase 2.65% interest in the ordinary shares in CyberPro from a non-controlling shareholder. As the only security for the preference share investment is the underlying CyberPro shares with no recourse, the transaction is treated as the issue of an option to the B-BBEE company and the preference share investment is not recognised as an asset but instead as an adjustment to share capital in CyberPro and an adjustment to NCI in the PBT Group consolidated financial statements. As these NCI shares are treated as unissued in CyberPro, this has resulted in an effective increase in the Group's shareholding from 56% to 57.52%. A share-based payment expense of R0.09 million (September 2020: R0.04 million; March 2021: R0.13 million) was recognised during the period in respect of this arrangement.

Summarised financial information of non-controlling interests

Rand	**30 September 2021**	30 September 2020	31 March 2021
STATEMENT OF FINANCIAL POSITION			
Non-current assets	**5 019 933**	8 307 730	5 286 281
Current assets	**71 888 182**	62 719 263	64 520 223
Total assets	**76 908 115**	71 026 993	69 806 504
Non-current liabilities	**2 819 841**	1 755 121	2 253 516
Current liabilities	**30 332 239**	23 896 411	28 093 888
Total liabilities	**33 152 080**	25 651 532	30 347 404
Net assets	**43 756 035**	45 375 461	39 459 100
Carrying amount of non-controlling interests	**15 801 097**	17 565 171	14 327 636
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Revenue	**233 881 047**	184 216 148	376 632 290
Earnings before interest, taxation, depreciation and amortisation	**42 001 361**	31 338 411	63 920 252
Operating profit	**41 655 823**	31 006 263	63 234 374
Profit before taxation	**41 721 317**	31 277 180	63 676 033
Taxation	**(12 625 881)**	(8 582 938)	(17 598 548)
Profit for the period/year	**29 095 436**	22 694 242	46 077 485
Total comprehensive income for the period/year	**29 095 436**	22 694 242	46 077 485
Profit allocated to non-controlling interest	**12 359 741**	10 944 525	21 025 403
STATEMENT OF CASH FLOWS			
Cash generated from operations	**37 513 884**	36 901 145	66 235 955
Cash flows from operating activities	**22 522 278**	26 312 598	48 847 935
Cash flows from investing activities	**(96 721)**	(168 513)	(1 128 772)
Cash flows from financing activities	**(24 279 328)**	(21 214 266)	(46 174 585)
Net increase in cash and cash equivalents	**(1 853 771)**	4 929 819	1 544 578
Dividend paid to non-controlling interest*	**10 886 280**	8 274 076	19 160 977

* *A portion of the dividend declared by CyberPro to its shareholder Ayson has been retained by CyberPro and converted to borrowings. This is a non-cash movement of R886 280 (September 2020: R0; March 2021: R802 493).*

As per the preference share agreement between CyberPro and Ayson, all dividends received by Ayson are required to be utilised to repay preference dividends and preference shares to CyberPro until the full outstanding preference share amount is redeemed. The preference shares are only redeemable after three years and therefore any excess cash above the preference dividends payable by Ayson is loaned back to CyberPro, which adds additional security for the payment of the outstanding amount.

7. REVENUE

Rand	30 September 2021	30 September 2020	31 March 2021
Revenue from contracts with customers			
Sale of goods	141 835	3 234 063	6 049 231
Rendering of services	468 547 623	386 072 514	782 908 225
	468 689 458	389 306 577	788 957 456

Disaggregation of revenue from contracts with customers
The Group has disaggregated revenue into various categories as shown below which is intended to:

- depict the nature, amount and timing of revenue; and
- enable users to understand the various types of counterparties that the Group provides services to.

Rand	30 September 2021	30 September 2020	31 March 2021
Contract type			
Fixed price contracts	36 336 951	48 624 943	71 519 578
Projects	1 370 447	2 088 080	5 286 629
Software licences	141 835	3 234 063	6 049 231
Time and material	423 871 387	328 299 958	691 800 369
Usage-based licences	6 968 838	7 059 534	14 301 649
	468 689 458	389 306 577	788 957 456
Contract counterparties			
Energy	1 242 600	2 128 683	3 138 928
Financial services	349 598 527	301 721 443	597 044 596
Information technology	16 798 812	16 790 422	25 017 971
Medical	32 615 329	21 323 326	58 034 647
Retail	28 900 923	18 830 048	41 745 544
Services	14 341 893	3 464 006	12 151 336
Telecommunications	25 191 374	25 048 649	51 824 434
	468 689 458	389 306 577	788 957 456
Timing of revenue recognition			
At a point in time			
Sale of goods	141 835	3 234 063	6 049 231
Over time			
Rendering of services	468 547 623	386 072 514	782 908 225
Total revenue from contracts with customers	468 689 458	389 306 577	788 957 456

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

8. CASH GENERATED FROM OPERATIONS

Rand	30 September 2021	30 September 2020	31 March 2021
Profit before taxation	**58 871 029**	41 059 837	90 206 661
Adjustments for			
Depreciation and amortisation	**3 903 164**	4 127 325	7 906 861
(Gains)/losses on disposal of plant and equipment	**(2 301)**	24 621	24 630
Losses/(gains) on foreign exchange	**104 860**	(302 568)	(765 940)
Interest income	**(774 962)**	(1 019 376)	(2 168 155)
Finance costs	**1 183 932**	924 388	2 353 781
Fair value gains	**–**	(623)	–
Net impairments and movements in credit loss allowances	**(248 664)**	(411 996)	762 422
Net modification to lease terms	**–**	–	(4 883)
Translation of foreign currency items	**(839 833)**	2 042 660	(1 407 538)
Share-based payment expense	**3 347 529**	176 278	539 487
Changes in working capital			
Trade and other receivables	**(6 229 591)**	10 278 894	(12 667 810)
Trade and other payables	**4 639 861**	1 560 300	7 311 905
	63 955 024	58 459 740	92 091 421

9. RELATED PARTIES

Relationships

Subsidiaries

All Claims Proprietary Limited
CyberPro Consulting Proprietary Limited
Halliard International (BVI) Limited
PBT Academy Proprietary Limited (previously BI-Blue Consulting Proprietary Limited)
PBT Consulting Proprietary Limited
PBT Group (Australia) Proprietary Limited
PBT Group (South Africa) Proprietary Limited
PBT Group (UK) Limited
PBT Group Europe Besloten Vennootschap
PBT Group International Besloten Vennootschap
PBT Innovation Proprietary Limited
PBT Insurance Technologies Proprietary Limited
PBT Technology Services Ireland Limited
PBT Technology Services Proprietary Limited
Stricklands Tetra Cape Proprietary Limited
Technique Business Intelligence Software Proprietary Limited

Companies majority owned by employees

Ayson Proprietary Limited
Spalding Investments 10 Proprietary Limited
Yonex Investments Proprietary Limited

Entities in which management has significant influence

PBT Foundation Proprietary Limited

Members of key management

JC du Toit
MN Engelbrecht
NJ Viljoen
W Viljoen
M Visser
HB Vosloo
H Woest

9. RELATED PARTIES (CONTINUED)

Rand	30 September 2021	30 September 2020	31 March 2021
Related party balances			
Loan accounts – owing by/(to) related parties			
Ayson Proprietary Limited	(1 718 127)	–	(805 048)
Ayson Proprietary Limited	1 000 000	–	1 000 000
JC du Toit	511 786	477 283	494 187
MN Engelbrecht	330 539	339 074	334 774
NJ Viljoen	511 786	477 283	494 187
W Viljoen	2 532 973	2 590 401	2 566 351
M Visser	457 902	427 032	442 155
HB Vosloo	321 840	380 389	357 944
H Woest	474 155	442 189	457 850
Amounts included in treasury shares regarding related parties			
Spalding Investments 10 Proprietary Limited	1 214 325	23 500 000	27 355 000
PBT Foundation Proprietary Limited	2 824 982	–	–
Yonex Investments Proprietary Limited	65 700 000	–	–
Amounts included in share-based payment reserve regarding related parties			
Ayson Proprietary Limited	219 204	–	131 427
PBT Foundation Proprietary Limited	447 629	–	–
Spalding Investments 10 Proprietary Limited	1 104 371	427 872	703 783
Yonex Investments Proprietary Limited	302 619	–	–
Related party transactions			
Interest (paid)/received from related parties			
Ayson Proprietary Limited	(26 799)	–	(2 555)
JC du Toit	17 600	17 266	34 169
MN Engelbrecht	11 765	12 858	24 558
NJ Viljoen	17 600	17 266	34 169
W Viljoen	76 622	82 053	158 004
M Visser	15 747	16 806	31 930
HB Vosloo	12 496	14 545	27 431
H Woest	16 305	17 172	32 832
Share-based payment expense			
Ayson Proprietary Limited	87 777	44 129	131 427
Spalding Investments 10 Proprietary Limited	400 588	132 149	408 060
PBT Foundation Proprietary Limited	447 629	–	–
Yonex Investments Proprietary Limited	302 619	–	–
Compensation to Directors and other key management			
Short-term employee benefits	19 467 994	20 873 025	38 684 106

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

10. FAIR VALUE INFORMATION

Fair value hierarchy
The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Group can access at measurement date.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

Exposure in Rand	Notes	30 September 2021	30 September 2020	31 March 2021
Levels of fair value measurements				
Level 2				
Recurring fair value measurements				
Equity investments at fair value through other comprehensive income				
Zuuse Limited	2	93 898 669	103 233 904	93 532 292

Valuation techniques:
Equity instruments at fair value through other comprehensive income
Zuuse Limited
In determining the fair value of its investment in Zuuse Limited (Zuuse) as at 30 September 2021, PBT Group referenced a price of AUD1.00 per Zuuse share and provided for a 10% profit share fee, payable on realisation, to the promoters of PBT Group's investment in Zuuse.

A transaction-based method is used to value PBT Group's investment in Zuuse. As the inputs used in the valuation of the investment in Zuuse have changed from "unobservable inputs" to "inputs other than quoted prices that are observable", the fair value category for this investment was changed from Level 3 to Level 2 during the 2021 financial year.

10. FAIR VALUE INFORMATION (CONTINUED)

Reconciliation of assets and liabilities measured at Level 3

Rand	Fair value through other comprehensive income	Fair value through profit or loss	Total
Fair value reconciliation			
Opening balance as at 1 April 2020	44 655 927	118 726	44 774 653
Gains or losses for the period recognised in profit or loss*	–	623	623
Gains or losses for the period recognised in other comprehensive income#			
– Fair value gain	61 344 838	–	61 344 838
– Foreign exchange revaluation loss	(2 766 861)	–	(2 766 861)
Transferred to investments in subsidiaries	–	(119 349)	(119 349)
Transferred to Level 2	(103 233 904)	–	(103 233 904)
Closing balance as at 30 September 2020	–	–	–

* *Gains or losses recognised in profit or loss are included in other operating gains on the statement of comprehensive income.*
\# *Gains or losses recognised in other comprehensive income are included in gains on valuation of investments in equity instruments and exchange differences on translation of foreign operations on the statement of comprehensive income.*

11. GOING CONCERN

We are pleased to report that PBT Group continues to be in a sound financial and operational position.

PBT Group has analysed and evaluated its business operations as at 30 September 2021 as well as cash flow forecasts for the next five years. These cash flow forecasts have been prepared based on historic cash trends and taking into consideration the current economic climate. The Group has a high tangible net asset value and has generated a significant profit for the first six-month period of the 2022 financial year. All indications are that the business has the ability to continue as a going concern for the foreseeable future.

Cash flow in the Group remains strong, mainly due to the Group's ability to collect payments from high-quality clients.

The Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the unaudited condensed consolidated interim results have been prepared on a going concern basis.

The Directors have satisfied themselves that the Group is in a sound financial position and has access to sufficient liquidity to meet future cash requirements. The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

12. EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant matter or circumstance arising after the reporting period up to the date of this report, not otherwise dealt with below.

NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Increase in shareholding of subsidiary

On 1 October 2021 PBT Group (South Africa) Proprietary Limited acquired an additional 2% shareholding in CyberPro Consulting Propriety Limited (CyberPro) for a total purchase consideration of R5 million. This resulted in PBT increasing its shareholding in CyberPro from 56% to 58% post year-end (excluding the effects of the Ayson Proprietary Limited (Ayson) preference share agreement as explained in note 5 Share-based payments).

Dissolution of Halliard International (BVI) Limited

On 25 October 2021 Halliard International (BVI) Limited, a wholly owned dormant subsidiary within the Group, was successfully dissolved by virtue of a voluntarily liquidation undertaken by the Group. All the requirements pursuant to the BVI Business Companies Act, 2004 in respect of the dissolution were complied with.

Distribution declaration

On Monday, 22 November 2021 the Board of Directors resolved to declare an interim distribution of 25 cents per PBT Group ordinary share for the period ended 30 September 2021. The total distribution will equate to R26.5 million. Each shareholder will be able to elect to receive the distribution as either a dividend as defined by the Income Tax Act, Act 58 of 1962 or as a capital reduction distribution. If no election is made, the default option will be that a dividend will be paid to such shareholders. An election form (for use by certificated shareholders) is included in the Interim Results booklet, containing details of the distribution, which was published on Friday, 26 November 2021. The Form of Election is also available for download on the Company's website: https://www.pbtgroup.co.za/investor-relations/.

The implications of the elections above are as follows:

- A gross dividend of 25 cents per PBT Group ordinary share from income reserves will be subject to dividend withholding tax at a rate of 20%. Consequently, a net final dividend of 20 cents per share will be distributed to those shareholders who are not exempt from paying dividend tax. In terms of dividend tax legislation, the dividend tax amount due will be withheld and paid over to the South African Revenue Service by a nominee company, stockbroker or Central Securities Depository Participant (CSDP) (collectively the "regulated intermediary") on behalf of the shareholders. However, all shareholders choosing this option should declare their status to their regulated intermediary, as they may qualify for a reduced dividend tax rate or exemption.
- A capital reduction distribution of 25 cents per PBT Group ordinary share is not subject to dividend withholding tax as the distribution is paid out of capital reserves. As the distribution will be regarded as a return of capital and may therefore have potential capital gains tax consequences, shareholders are advised to consult their tax advisers regarding the impact of the distribution.

13. EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE

		GROUP		
		30 September 2021	30 September 2020	31 March 2021
Earnings per share				
Basic earnings per share	(cents)	34.96	21.18	50.57
Diluted earnings per share	(cents)	33.06	20.48*	47.78
Net asset value per share	(Rand)	2.88	3.42	3.27
Basic earnings per share				
The calculation of basic earnings per share was based on the following:				
Profit attributable to ordinary shareholders	(Rand)	29 200 669	18 843 446	44 249 835
Weighted average number of ordinary shares outstanding	(Number of shares)	83 522 441	88 965 527	87 509 609
Diluted basic earnings per share				
The calculation of diluted basic earnings per share is based on the following:				
Profit attributable to ordinary shareholders	(Rand)	29 200 669	18 843 446	44 249 835
Diluted weighted average number of shares	(Number of shares)	88 321 682	92 005 782*	92 607 284
Weighted average number of ordinary shares outstanding	(Number of shares)	83 522 441	88 965 527	87 509 609
Dilutive effect of options due to the IFRS 2 treatment of the preference share investment and increase of black ownership transactions (refer to note 5 Share-based payments)	(Number of shares)	4 799 241	3 040 255	5 097 675

Options are dilutive when they would result in the issue of ordinary shares for less than the average market price of ordinary shares during the period. The amount of the dilution is the average market price of ordinary shares during the period minus the issue price. The transactions as mentioned in note 3 Share capital and note 5 Share-based payments are treated as options for accounting purposes. A calculation has therefore been performed to determine what the dilutive effect of these options are on earnings per share.

Net asset value per share				
The calculation of net asset value per share is based on the following:				
Total equity attributable to ordinary shareholders	(Rand)	304 679 926	339 374 693	323 888 506
Ordinary shares in issue at year-end	(Number of shares)	105 972 000	99 157 141	99 100 000
Weighted average number of ordinary shares				
Ordinary shares at the beginning of the period		87 509 609	96 616 230	96 616 230
Effect of share repurchased, delisted and cancelled		(199 429)	(6 731 471)	(6 877 504)
Effect of specific repurchase		–	(820 993)	(820 993)
Effect of general issue of shares for cash		2 601 639	–	–
Shares held by B-BBEE companies included as treasury shares		(6 389 378)	(98 239)	(1 408 124)
		83 522 441	88 965 527	87 509 609

** Restated. Refer to note 14 Comparatives.*

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

13. EARNINGS PER SHARE AND HEADLINE EARNINGS PER SHARE (CONTINUED)

Headline earnings and diluted headline earnings per share

Reconciliation between earnings and headline earnings

Rand	30 September 2021 Gross	30 September 2021 Net	30 September 2020 Gross	30 September 2020 Net	31 March 2021 Gross	31 March 2021 Net
Profit attributable to equity holders of the parent		29 200 669		18 843 446		44 249 835
(Profit)/losses on disposal of assets	(2 500)	(1 800)	24 621	17 727	24 630	17 733
Headline earnings		**29 198 869**		18 861 173		44 267 568

Cents	30 September 2021	30 September 2020	31 March 2021
Headline earnings and diluted headline earnings per share			
Headline earnings per share	34.96	21.20	50.59
Diluted headline earnings per share	33.06	20.50*	47.80
Distributions			
Interim capital reduction distribution	25.00	16.00	16.00
Final distribution			22.00

* *Restated. Refer to note 14 Comparatives.*

Headline earnings per share has been calculated in accordance with Circular 01/2021 issued by the South African Institute of Chartered Accountants.

14. COMPARATIVE FIGURES

Restatement

Certain prior-period comparative figures have been restated as follows:

Rand	Adjustments	30 September 2020 As originally presented	Restatement	30 September 2020 As restated
Statement of profit or loss and other comprehensive income				
Earnings per share (cents)				
Diluted earnings per share	(a)	21.18	(0.70)	20.48
Headline earnings per share (cents)				
Diluted headline earnings per share	(a)	21.20	(0.70)	20.50

(a) Following an internal review process, during which a recalculation of the dilutionary effect on the earnings and headline earnings per share was performed, PBT Group has identified the following changes to the Unaudited Condensed Consolidated Interim Results for the six months ended 30 September 2020, which were published on 27 November 2020 (2020 Interims).

- Diluted earnings per share (DEPS) and diluted headline earnings per share (DHEPS) were both overstated by 0.70 cents each. The error was corrected by the restatement of the DEPS from 21.18 cents per share to 20.48 cents per share and DHEPS from 21.20 cents per share to 20.50 cents per share.
- The difference results from the dilutionary effect of the Company's B-BBEE transactions on the weighted average number of ordinary shares figure, that was inadvertently not taken into consideration, during preparation of the 2020 Interims.

These changes only relate to the 2020 Interims and do not affect the 2021 Interim Results.

Reclassification

Certain prior-period comparative figures have been reclassified as follows:

Rand	Adjustments	31 March 2021 As originally presented	Reclassification	31 March 2021 As restated
Statement of financial position				
Foreign currency translation reserve	(b)	**8 747 463**	**(9 473 824)**	**(726 361)**
Equity revaluation reserve	(b)	**65 449 199**	**9 473 824**	**74 923 023**
Statement of profit or loss and other comprehensive income				
Gains on valuation of investment in equity instruments	(b)	**51 871 014**	**9 473 824**	**61 344 838**
Exchange differences on translating foreign operations	(b)	**(4 019 568)**	**(9 473 824)**	**(13 493 392)**

(b) It was identified that the translation of the equity revaluation reserve into the Group's presentation currency was performed at the incorrect exchange rate at 31 March 2021. Therefore a reclassification between the equity revalution reserve and the foreign currency translation reserve was required. This reclassification only affects equity on the statement of financial position and other comprehensive income on the statement of profit or loss and other comprehensive income.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

for the six months ended 30 September 2021 (continued)

15. SEGMENT REPORT

The reportable segments for the period are according geographical areas, namely South Africa, Australia and Europe.

- South Africa includes consulting and implementation of data, information management software and healthcare administration services in the Republic of South Africa.
- Australia includes consulting and implementation of data, information management software and healthcare administration services in Australia.
- Europe includes consulting and implementation of data, and information management software in Europe.

PBT Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS but excluding non-recurring losses such as goodwill impairment and the effects of share-based payments.

Rand	South Africa			Australia		
	30 September 2021	30 September 2020	31 March 2021	**30 September 2021**	30 September 2020	31 March 2021
Segment revenue	**419 562 892**	347 865 583	706 107 295	**30 532 162**	29 467 911	55 867 959
Segment profit/(loss) before tax	**59 057 481**	42 007 026	67 678 658	**3 099 666**	3 101 166	3 046 895
Segment assets*	**154 105 002**	145 336 194	160 946 071	**20 666 430**	37 114 926	34 755 945
Segment liabilities	**(80 372 874)**	(65 545 625)	(88 394 379)	**(9 728 480)**	(10 630 336)	(9 147 567)

* *Goodwill is not managed as part of segment assets and has therefore been excluded.*

Rand	**30 September 2021**	30 September 2020	31 March 2021
Reconciliation of profit before taxation			
Total consolidated profit before taxation for reportable segments	**62 072 454**	40 545 550	90 767 260
Reconciling items:			
Less share-based payment expense	**(3 347 529)**	(176 278)	(539 487)
Add other operating gains/(losses)	**2 301**	(23 999)	(24 630)
Add (losses)/gains on exchange differences	**(104 860)**	302 569	765 940
Less movement in credit loss allowances	**248 664**	411 996	(762 422)
Consolidated profit before taxation	**58 871 029**	41 059 837	90 206 661

Europe			Other			Total		
30 September 2021	30 September 2020	31 March 2021	**30 September 2021**	30 September 2020	31 March 2021	**30 September 2021**	30 September 2020	31 March 2021
18 594 404	11 973 083	26 982 202	**–**	–	–	**468 689 458**	389 306 577	788 957 456
2 558 978	(3 114 928)	(2 759 317)	**(2 643 671)**	(1 447 714)	(2 138 043)	**62 072 454**	40 545 550	65 828 192
111 803 034	17 904 392	109 022 513	**269 100**	103 886 325	139 164	**286 843 566**	304 241 837	304 863 693
(9 244 308)	(3 966 849)	(2 079 750)	**(2 826 955)**	(2 697 666)	(2 833 222)	**(102 172 616)**	(82 840 476)	(102 454 918)

GLOSSARY

Ayson	Ayson Proprietary Limited
B-BBEE	Broad-based Black Economic Empowerment
Board	the Board of Directors of the Company
CEO	Chief Executive Officer
Companies Act	South African Companies Act, Act 71 of 2008 (as amended)
Company	PBT Group Limited
CSDP	Central Securities Depository Participant
CyberPro	CyberPro Consulting Proprietary Limited
EBITDA	Earnings before interest, taxation, depreciation and amortisation
EPS	Earnings per share
HEPS	Headline earnings per share
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
JSE	the stock exchange operated by the JSE Limited
Listings Requirements	the Listings Requirements of the JSE
NCI	Non-controlling interest
OCI	Other comprehensive income
PBT Foundation	PBT Foundation Proprietary Limited
PBT Group	PBT Group Limited
Pulsent OH	Pulsent OH GP Proprietary Limited, in its capacity as the ultimate general partner of the PBT Direct GP Partnership *en commandite*, the latter in its capacity as the general partner of the PBT Direct Partnership *en commandite*
SAICA	South African Institute of Chartered Accountants
SENS	Stock Exchange News Service
Spalding	Spalding Investments 10 Proprietary Limited
WANOS	Weighted average number of ordinary shares
Yonex	Yonex Investments Proprietary Limited

FORM OF ELECTION

PBT GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1936/008278/06)
JSE share code: PBG ISIN: ZAE000256319
("PBT Group" or "the Company" or "the Group")

(FOR USE BY CERTIFICATED SHAREHOLDERS ONLY)

INTERIM DISTRIBUTION DECLARATION
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

PART A: FORM OF ELECTION (TO BE COMPLETED BY ALL CERTIFICATED SHAREHOLDERS)

If you do not wish to receive the default option as described in the Commentary included in the Interim Results booklet, being a dividend from income reserves, you must complete this form of election.

By completing this form, you confirm that you are the rightful shareholder of the relevant PBT Group ordinary shares (PBT Shares), that you have full legal capacity to contract, and that you understand the implications of the elections offered to you in the Interim Results booklet to which this form is attached.

	PBT Group Limited dividend from income reserves	PBT Group Limited capital reduction distribution
Election – Election regarding the PBT Group Limited distribution *(insert the number of PBT Shares that you wish to apply to each of the options)*		

Notes

1. Elections made as part of this form are irrevocable and may not be withdrawn once submitted.
2. The Form of Election must only be used by certificated shareholders.
3. All dematerialised shareholders are reminded that the onus is on them to communicate with their Central Securities Depository Participant (CSDP) or broker.
4. Forms of election should be lodged with or mailed to:
   JSE Investor Services Proprietary Limited
   13th Floor Rennie House, 19 Ameshoff Street, Braamfontein, 2001
   PO Box 4844
   Johannesburg, 2000
   meetfax@jseinvestorservices.co.za

   To be received by no later than 12:00 on Friday, 17 December 2021.
5. Any alteration or correction made to this Form of Election, other than the deletion of alternatives, must be initialled by the signatory/ies.

Signed at ______________________________ on ______________________ 2021.

Signature ______________________________

Assisted by (if applicable) ______________________________

Address ______________________________

Telephone number ______________________________

Cell phone number ______________________________

PART B: DIRECT CREDIT – BANK ACCOUNT DETAILS FORM

FOR COMPLETION ONLY BY CERTIFICATED SHAREHOLDERS OF PBT GROUP WHO HAVE NOT PREVIOUSLY PROVIDED THE TRANSFER SECRETARIES WITH THEIR LATEST BANKING DETAILS

Full name of registered shareholder													
Identity number of person signing this form													
Your shareholder number (if known)													
E-mail address													
Cell phone number													
Office phone number													
Home phone number													

REQUEST FOR DIRECT CREDITING OF PAYMENTS – BANK ACCOUNT DETAILS

PLEASE NOTE: We cannot accept banking details in the name of a third party

Name of bank account holder			
Name of South African Bank			
Name of bank branch	Bank account number		
Bank branch code	Account type ☐ Cheque ☐ Transmission ☐ Savings		
I/We			hereby authorise
JSE Investor Services Proprietary Limited and/or PBT to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions relating to payments to which I/we am/are entitled to be paid in cash, but do not override any previous reinvestment instructions.			
Signature of shareholder	Day	Month	Year
If you are signing this form in a representative capacity, please indicate which capacity (see notes below)			
BANK VERIFICATION I/We confirm that the above information about the abovementioned shareholder's account at this Bank is correct **Signed on behalf of Bank** THIS MUST BE COMPLETED BY YOUR BANK	BANK STAMP HERE		

THIS FORM MUST BE SIGNED AND ACCOMPANIED BY AN ORIGINAL CERTIFIED COPY OF YOUR IDENTITY DOCUMENT. (COPIES OF CERTIFIED COPIES WILL NOT BE ACCEPTED).

PLEASE BE ADVISED THAT FACSIMILE/ELECTRONIC COPIES WILL NOT BE ACCEPTED.

Notes

1. Any alteration to this Election Form must be signed in full and not merely initialled.
2. No receipt will be issued for documents lodged, unless specifically requested. Persons requiring receipts must prepare a receipt and forward it together with their Documents of Title surrendered.
3. If this Election Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Election Form (unless it has already been noted by the Company or its Transfer Secretaries). If the power of attorney is not yet noted by the Company or its Transfer Secretaries, the original document will have to be provided in order to process the election.
4. Where the certificated shareholder is a company, close corporation or other juristic person, unless it has already been registered with the Company or its Transfer Secretaries, a certified copy of the directors or members or other resolution authorising the signing of this Election Form must be submitted with this Election Form, unless this requirement is waived by PBT Group.
5. Note 4 above does not apply in the case of a form bearing a JSE broker's stamp.
6. A minor must be assisted by his parent or guardian, unless the relevant documents establishing his legal capacity are produced or have been registered by the Company or the Transfer Secretaries.
7. Where there are joint holders of any shares, only that holder whose name stands first in the Register in respect of those shares need to sign this Election Form.
8. Certificated shareholders who have not previously provided the Transfer Secretaries with their banking details will need to do so by completing PART B: Direct Credit – Bank Account Details attached hereto and returning same to the Transfer Secretaries for the cash payment of the fraction portion.

GENERAL INFORMATION

Country of incorporation	South Africa
Nature of business and principal activities	Information management and data analytics services
Directors	Tony Taylor (Independent Non-Executive Chairman) Elizna Read (Chief Executive Officer) Bianca Pieters (Chief Financial Officer) Cheree Dyers (Independent Non-Executive Director) Pule Taukobong (Non-Executive Director) Arthur Winkler (Independent Non-Executive Director)
Audit and Risk Committee	Arthur Winkler (Chairman) Cheree Dyers Tony Taylor
Remuneration and Nomination Committee	Cheree Dyers (Chairman) Tony Taylor Arthur Winkler
Social and Ethics Committee	Cheree Dyers (Chairman) Elizna Read Tony Taylor
Company Secretary	Anastassia Sousa PBT House, 2 Mews Close, Waterford Mews, Century City, 7441, South Africa
Investor relations	Francois de Wet PBT House, 2 Mews Close, Waterford Mews, Century City, 7441, South Africa francois.dewet@pbtgroup.nl
Registered office	PBT House, 2 Mews Close, Waterford Mews, Century City, 7441, South Africa
Postal address	PO Box 276, Century City, 7446, South Africa
Registration number	1936/008278/06
Auditors	BDO South Africa Incorporated
Sponsor	Sasfin Capital (a Member of the Sasfin Group)
Transfer Secretaries	JSE Investor Services Proprietary Limited PO Box 4844, Johannesburg, 2000, South Africa 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001, South Africa
JSE share code	PBG
ISIN	ZAE000256319
Website	www.pbtgroup.co.za

www.pbtgroup.co.za

PBT group

DATA SPECIALISTS