



GROUP HIGHLIGHTS

- Group revenue increased by 26% to R205 million, compared to R163 million;
- Group Basic Earnings per share and Headline Earnings per share increased by 190% to 4.46 cents per share, compared to earnings of 1.54 cents per share in the prior period; and
- Profit attributable to shareholders increased by 207% to R44.3 million, compared to earnings of R14.4 million in the prior period.

COMPARED TO THE PREVIOUS CORRESPONDING PERIOD ENDED 31 AUGUST 2020:

- **THE GROUP'S NET ASSET VALUE PER SHARE INCREASED BY 8.0% FROM 31.20 CENTS TO 33.73 CENTS.**

Highlights of the Group's principal operating entities are shown below:



EASYEQUITIES HIGHLIGHTS

- EasyEquities Group revenue increased by 79% to R172 million;
- Platform assets increased by 46% to R31.5 billion;
- Funded retail investment accounts increased by 183% to 737 969;
- RISE has now secured mandates totalling R7.4 billion compared to R6.7 billion in prior period;
- Retail deposits increased by 48% to R8.5 billion;
- The Telkom Partnership was concluded;
- The Discovery Bank partnership was concluded;

- Profit before tax increased by 691% to R98.1 million, compared to a profit of R12.4 million in the prior year;
- Value of properties acquired by EasyProperties clients increased to R125 million; and
- Registered clients increased by 107% to 1.17 million



GT247.COM HIGHLIGHTS

- GT247.com revenue decreased by 56.0% to R28 million;
- GT247.com costs decreased by 9.0% to R36 million; and
- Loss before tax of R8.7 million, compared to a profit of R22.5 million in the prior period.

INNOVATION CONTINUES TO DRIVE FINANCIAL ACCESS FOR ALL

Over recent years, our theme was one of building a strong foundation and delivering, daily, on our promise of making investing easy for everyone. At the start of that singular purpose, we had many detractors who believed that retail investors were not smart enough, were too few and ultimately that the business model would not succeed. That was then.

Covid and the ensuing challenges that this global pandemic and tragedy brought, challenged all of us. These financial results show that, thanks to our solid foundation, those challenges were met and a positive tipping point has been reached in many of our metrics. EasyEquities client registrations, for example, increased by 129% now totalling over +1.1 million and growing at around 60 000 new registrants a month. Perhaps most notable about this client acquisition rate is that it's being achieved at a cost of acquisition of around R50 (marketing spend per EasyEquities direct active client acquired) or around 2.5% of the financial services industry average.

The foundation has been built and the growth achieved via an incredible team and loyal shareholders (+25% of whom are Easy INVSTRs on the platform). It has been made possible by our clients and community referring and educating their friends and families and our phenomenal partners bringing their powerful brands and excellent relationship skills to the table. Satrx, Capitec Bank, Discovery Bank, Bidvest Bank and Telkom are just a few of our partners who deserve special mention.

Our South African focus is simple and clear – to leverage our strong base and to continue to scale our products and distribution opportunities. While celebrating over 1 million registered clients, we are at the start of our journey and we know that millions more can and will benefit from what we have to offer. Our research confirms that the largest friction point preventing more clients taking up investing remains education, we will invest heavily in education in the years ahead. The success achieved in scaling EasyCrypto and EasyProperties over the last 12 months, coupled with our confirmed clients' desire for new products and services will see us place more effort and investment behind ensuring we roll these new products out faster and more deliberately than ever before.

The Purple Group culture remains one of innovation and finding new growth opportunities. And so, we are most grateful to all our shareholders, clients, and our committed team for helping us achieve the milestones detailed in this report and know that they, like us, are determined to achieve this scaling. Together, we are excited about the multitude of opportunities that lie ahead.

In just two short years we have scaled EasyCrypto to over 100 000 customers, collectively owning over half a billion rand of Crypto assets. The partnership is a great example of what we can achieve when we marry shared purpose and culture across two superb teams. The year ahead will see extensive platform and product launches building on the success of EasyCrypto 10 Bundle and more recently the launch of the first helium token in partnership with Renergen and Argonon.

EasyProperties launched in the middle of the Covid crisis. Looking back, many may find it incredible that over 35 000 EasyProperties retail investors have now invested in nearly 20 property developments accounting for more than 120 individual units. The portfolio is approaching R200 million in value, and the team is targeting growth of 100% year-on-year through a focus on acquisition, conversion, improved investor education and experiences, and broadening the investment offering to include international and commercial property opportunities. The team have done a wonderful job in a very short and demanding time frame and the business looks set to emulate EasyEquities' success in a shorter timeframe.

The Group's 50/50 JV with NBC Fund Administration Services, called RISE (Retirement Investments and Savings for Everyone) is an integrated institutional administration and investment fund management business. Not only does RISE provide members with real-time online access to view their retirement savings, they also have access to various other EasyEquities wallets such as USD. With increasing focus on this business from our leadership team coupled with an expanding investment in growing the RISE Executive team and platform capability, this business is an early stage development business operating in a huge market. The retirement fund administration and investment management industry is ripe for disruption and presents an incredible opportunity for RISE and in turn, the Purple Group.

Alignment of the Purple Group, its respective subsidiaries, shareholders and staff around a common brand and single-minded purpose is central to our future growth strategy. In this regard more focus will be placed on the rebranding, repositioning and strategic overhaul of GT247.com and Emperor Asset Management to meet the confirmed needs of our customers.

The brand equity, trust and reach of EasyEquities is a growing asset of the group and makes the "Easy" brand and culture the obvious choice in terms of driving group wide alignment. The incredible distribution already secured must now be leveraged to deliver to more of our clients' needs and wants, locking in additional revenue opportunities whilst delighting our customers and widening our competitive moat.

The case studies and lessons learnt in scaling EasyCrypto and more recently EasyProperties, through the EasyEquities platform, demonstrates our ability to rapidly scale fintechs that meet our customers' needs, whilst delivering on our purpose and promise to democratise all things investing.

In this regard we have extensively sought to understand our client needs and where we can deliver access, through our platforms, to additional products that assist them in creating or protecting wealth. These product opportunities will include EasyLending, EasyInsure, EasyTrader, EasyRetire and EasyAssetManagement, the names speak for themselves.

Our international aspirations, headed by our Australian business, were greatly impacted by Covid conditions in that we were unable to travel and dedicate the required team and resources to ensuring our success. That said, the time has been well spent researching the market and exploring additional partnerships and destinations to expand into. We have already identified key market entry points in Asia, East Africa and Europe and are already working to launch in these regions over the next 12 to 18 months.

In order to unlock these new product opportunities and our global ambitions we will need to scale the team, operations and capital base of the group. The time to accelerate these plans is now and every effort will be made to ensure our best team and efforts are put towards building out our products and success abroad.

The Purple Group, at its core, is a collection of extraordinary people. Our team and our shareholders deserve much credit for their daily passion and commitment. All of them are part of our over one million clients. It is to those millions of pioneers, INVSTRs – our community – that we say the biggest thank you. It is our privilege to work with and for you as we all continue on our journey towards delivering on our dream to democratise investing and empower financial dignity for all, by focusing on technical excellence, beautiful design and inspiring story telling that engages all dreamers and makes investing easy, educational and fun for everyone.

10 November 2021

Short-form Announcement

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details. Any investment decision should be based on the full announcement which is available on our website www.purplegroup.co.za/our-financials or at <https://senspdf.jse.co.za/documents/2021/jse/isse/PPE/PPE2021.pdf>. Copies of the full announcement may also be requested at the offices of our sponsors and at our registered offices at no charge, during office hours. The annual results for the year ended 31 August 2021, from which this announcement is extracted, have been audited by the Company's auditors, BDO South Africa Incorporated, who expressed an unmodified audit opinion thereon. The audit opinion also includes communication of key audit matters. The audit opinion is available, along with the annual financial statements, and the summary financial results, on the Company's website at www.purplegroup.co.za/our-financials. This announcement is not itself audited. Any forward-looking statement has not been reviewed or reported on by the company's external auditors.

Executive directors: Charles Savage (Chief Executive Officer), Gary van Dyk (Chief Financial Operations Officer). **Non-executive directors:** Happy Ntshingilal* (Chairman), Arnold Forman*, Craig Carter*, Bonang Mohale, Mark Barnes, Paul Rutherford (*Independent). **Company Secretary:** CTSE Registry Services Proprietary Limited. **Registered office:** 16th Floor, 25 Owl Street, Braamfontein Werf, 2092. PO Box 411449, Craighall, 2024. **Auditors:** BDO South Africa Incorporated, Registered Auditors, Wanderers Office Park, 52 Corlett Drive, Illovo, 2196. **Share registrars:** CTSE Registry Services Proprietary Limited. **Sponsors:** Deloitte and Touche Sponsor Services Proprietary Limited. Deloitte, 5 Magwa Crescent, Waterfall City, Midrand, 2090.

Purple Group Limited (Incorporated in the Republic of South Africa) (Registration number 1998/013637/06) **Share code:** PPE **ISIN:** ZAE000185526 ("Purple Group" or "the Company" or "the Group").