

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")

UNAUDITED SUMMARY OF CONDENSED CONSOLIDATED RESULTS
FOR THE SIX MONTHS ENDED 28 FEBRUARY 2022

GROUP HIGHLIGHTS

- Group revenue increased by 36.0% to R137 million;
- Group costs increased by 39.7% to R93 million, however, the operating cost per invested EasyEquities client decreased by 24.7% to R80 per client, compared to the prior comparative period; and
- Profit attributable to shareholders increased by 114.2% to R17.7 million, compared to a profit of R8.3 million in the prior comparative period.

EASYEQUITIES GROUP HIGHLIGHTS

- EasyEquities revenue increased by 27.9% to R108.7 million, despite EasyEquities' clients' portfolio turnover activity returning to normalised levels, reflective of pre-COVID levels;
- Funded retail investment accounts increased by 85.9% to 966 299 accounts;
- Platform assets increased by 36.0% to R36.5 billion;
- The EasyEquities group generated a profit after tax of R23.3 million, compared to a profit of R22.3 million in the comparative period, an increase of 4.3%;
- Operating expenses per invested client decreased by 24.7% to R80 per client, compared to the prior comparative period;
- Acquisition cost and onboarding cost per new invested EasyEquities Direct client amounted to R47.76 and R6.77, respectively, compared to R61.53 and R9.43, respectively, in the prior comparative period;
- RISE's contribution to profit after tax of the EasyEquities Group increased by 601.5% to R3.4 million;
- EasyCrypto contributed R4.5 million to profit after tax of the EasyEquities Group;
- Purple Group has acquired the remaining 49% of EasyCrypto, effective 1 March 2022; and
- EasyProperties revenue for the period is 146.4% higher than the prior comparative period, with active invested clients totalling 59 330 on 28 February 2022, an increase of 255.89% compared to the prior comparative period.

GT247.COM HIGHLIGHTS

- GT247.com's revenue increased by 98.0% to R25.9 million compared to the prior comparative period, returning to the revenue levels generated for the six months ended 29 February 2020; and
- GT247.com generated a profit after tax of R4.9 million, compared to a loss of R3.3 million in the prior comparative period, an improvement of 250.5%.

COMPARED TO THE PRIOR COMPARATIVE PERIOD ENDED 28 FEBRUARY 2021:

- PURPLE GROUP'S BASIC AND HEADLINE EARNINGS PER SHARE INCREASED BY 91.8% FROM 0.85 CENTS TO 1.63 CENTS; AND
- THE GROUP'S NET ASSET VALUE PER SHARE INCREASED BY 11.9% FROM 31.79 CENTS TO 35.56 CENTS.

LETTER FROM THE CEO

The fundamentals driving the business are really very good, we're experiencing strong growth in customers and platform assets whilst the cost of servicing and acquiring these clients continues to decrease. We have accelerated investment into new products, partnerships, and services, that will further differentiate the business and provide an extended runway for future growth in customer numbers and revenue per customer.

Revenue per EasyEquities' customer has returned to pre-Covid levels, which has partly offset the impact of the 86% increase in funded investment accounts and 36% increase in platform assets. Going forward, we expect that revenue would track the underlying fundamental drivers of the group more closely.

GT247.com delivered a positive result and all key metrics across the Group showed marked improvements over previous comparative periods, positioning the Group well to deliver an even stronger second half year result.

Purple Group has acquired the remaining 49% of EasyCrypto, effective 1 March 2022, (refer to Subsequent Events note for more details). I strongly believe that this business will grow even faster now that it is fully aligned with the Group strategy. Crypto may well be the hottest investment sector globally and I am excited by the prospects of this business and its ability to create significant shareholder value in the years ahead.

I believe that the benefits of further Group alignment around a single brand, strategy and distribution base will benefit all stakeholders markedly in other businesses which could become wholly owned.

The partnership rollouts with Discovery Bank and Telkom will be launched in the second half of the year and will then provide us with the platform to build on the numbers laid down in these results. Progress on international partnerships and, in particular, our business setup and rollout in Kenya and the Philippines are gaining momentum and I will update you as these progress.

Purple Group continues to scale resources to build capacity to meet growth opportunities which keep coming at us. Not unexpectedly, planned initiatives to accelerate this scaling, specifically raising additional growth capital and hiring in senior executives, is taking longer than anticipated, but we want to get it right. Nonetheless, it's very encouraging to reflect on the wonderful talent we have managed to secure, and the extensive interest taken by local and international capital providers in our strategy and business model.

Nicola Comminos (Chief Risk Officer) and Rish Tandapany (Chief Operating Officer) join us in the months ahead, both are welcome additions to the executive team and bring diverse and relevant skills that will greatly assist us in scaling the Group, not just locally, but abroad.

I'm sure you will join me in congratulating the Purple team on a strong and significant set of results that build on the promise of 2021 but, perhaps even more importantly, on the incredible momentum that's been building in the Group since we launched EasyEquities back in 2014.

In short, a very promising set of half year results that set us up well to deliver on the promise of 2021.

11 April 2022

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 at <https://www.purplegroup.co.za/hubfs/PPE%20Results%202022/PPE%20Full%20Results%2028th%20February%202022.pdf> or at <https://senspdf.jse.co.za/documents/2022/jse/isse/PPE/Int2022.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. This announcement has not been audited nor reviewed by the company's external auditors. 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 Ntshingila* (Chairman), Arnold Forman*, Craig Carter*, Bonang Mohale, Paul Rutherford, Mark Barnes (*Independent).
Company Secretary: CTSE Registry Services Proprietary Limited.
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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.