

INTERIM FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

DIVIDEND DECLARATION
SCRIP DIVIDEND CIRCULAR

INTRODUCTION

PBT Group is a pre-eminent data, analytics and software engineering consultancy delivering enterprise-scale solutions and services for mainly blue-chip, JSE Top 40 clients in South Africa, with a presence in the United Kingdom.

Technological integration is a key enabler in providing clients with custom-made solutions or services in support of their organisational objectives. As a technology agnostic consultancy, PBT Group is best positioned to optimise clients’ operations without allowing product or technology to limit their options.

The Group’s performance as a whole remained resilient and we are optimistic that South Africa’s improving economic and business conditions will have a positive impact on our Group’s performance in the coming years.

Key financial results

		For the six months ended 30 September		Year-on-year change
		2024	2023	%
Continuing operations				
Revenue	(Rm)	549.0	547.4	0.3%
Earnings before interest, taxation, depreciation and amortisation	(Rm)	67.0	66.1	1.4%
Operating profit	(Rm)	64.0	62.9	1.8%
Profit before taxation	(Rm)	65.6	65.6	0.0%
Profit for the year	(Rm)	46.9	47.9	(2.2%)
Profit attributable to owners of the parent	(Rm)	29.1	29.7	(2.2%)
Cash generated from operations [^]	(Rm)	44.1	63.6	(30.6%)
Earnings per share	(cents)	28.7	28.9	(0.7%)
Headline earnings per share	(cents)	28.7	28.9	(0.7%)
Normalised headline earnings*	(Rm)	32.6	32.8	(0.8%)
Normalised headline earnings per share*	(cents)	31.7	31.4	0.9%
Interim ordinary distribution declared	(cents)	27.0	26.0	3.8%

[^] Lower because of the timing effect on debtors’ payments. PBT Group received an inflow of R34.2 million in October 2024. Cash flows remain healthy.
^{*} PBT Group is reporting normalised headline earnings and normalised headline earnings per share figures. These figures reverse the accounting effect of IFRS 2 Share-based Payments. The Board is of the view that this is a more accurate reflection of the Company’s after-tax earnings and after-tax earnings per share.

DISTRIBUTION DECLARATION

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

On Monday, 25 November 2024, the Board resolved to declare an interim cash dividend of 27 cents per PBT share (Cash Dividend) with a scrip dividend alternative (Scrip Dividend).

PBT’s current cash position is such that it allows for the payment of a full Cash Dividend. The rationale for offering shareholders of PBT Group (Shareholders) the election to receive their interim dividend in the form of either the Cash Dividend or the Scrip Dividend is to provide Shareholders wishing to increase their shareholding in the Company with an opportunity to do so, while at the same time potentially preserving PBT’s cash resources. Consistent with PBT’s strategy and capital allocation framework, the Company intends to utilise its cash resources to enhance its current service offering by pursuing small bolt-on acquisitions, should the opportunity arise.

Shareholders will be entitled to receive the Cash Dividend of 27 cents per PBT ordinary no par value share (PBT Share) held on the Record Date, being Friday, 20 December 2024, in respect of all or a portion of their shareholding in PBT, without any action on their part. The Cash Dividend is the default option.

Shareholders will, however, be entitled to elect to receive fully paid new PBT Shares (Scrip Dividend Shares) in respect of all or a portion of their PBT Shares held by such Shareholders at the close of business on the Record Date, being Friday, 20 December 2024, in proportion to their shareholding in PBT and to the extent that they have elected to receive the Scrip Dividend.

The Scrip Dividend, if so elected, and subject, in the case of Shareholders holding certificated PBT Shares (Certificated Shareholders), to completion of a form of election, will be allocated in accordance with their holding of PBT Shares as at the close of business on the Record Date, being Friday, 20 December 2024.

The number of Scrip Dividend Shares to which each Shareholder will be entitled pursuant to the Scrip Dividend will be determined with reference to such Shareholder’s shareholding in PBT at the close of business on the Record Date, being Friday, 20 December 2024, in relation to the ratio that 27 cents bears to the PBT Share reference price of 537 cents per PBT Share (being the 30-day volume weighted average price (VWAP) of PBT Shares up to Friday, 15 November 2024 of 564 cents less 27 cents). Where a Shareholder’s entitlement under the Scrip Dividend to Scrip Dividend Shares calculated in accordance with the above formula gives rise to a fraction of a Scrip Dividend Share, such fraction will be rounded down to the nearest whole number, resulting in allocations of whole Scrip Dividend Shares and a cash payment in respect of the fraction, in terms of the Listings Requirements of the JSE Limited (JSE) and as detailed in the circular to Shareholders referred to in this announcement below.

The Cash Dividend will be paid out of the Company’s income reserves while the issue price of the Scrip Dividend Shares will be settled by way of capitalisation of the Company’s distributable retained profits. The Scrip Dividend Shares will, upon their issue, rank pari passu in all respects with all other PBT Shares then in issue.

The Cash Dividend and the Scrip Dividend may have tax implications for both resident and non-resident Shareholders. Shareholders are therefore encouraged to consult their professional tax advisers should they be in any doubt as to the appropriate action to take.

In terms of the Income Tax Act, Act 58 of 1962 (Income Tax Act), the gross Cash Dividend of 27 cents per PBT Share from income reserves will be subject to dividend withholding tax (DWT) at a rate of 20%. Consequently, a net final Cash Dividend of 21.6 cents per PBT Share will be distributed to those Shareholders who are not exempt from paying DWT. In terms of dividend tax legislation, the DWT amount due will be withheld and paid over to the South African Revenue Service by a nominee company, broker or Central Securities Depository Participant (CSDP) on behalf of the Shareholders. Non-resident Shareholders may be subject to DWT at a rate of less than 20% depending on their country of residence and any double tax treaty between South Africa and their country of residence that may be applicable.

The Scrip Dividend is not subject to DWT in terms of the Income Tax Act, but any subsequent disposal of PBT Shares obtained as a result of the Scrip Dividend is likely to have Income Tax or Capital Gains Tax (CGT) implications. Where any future disposals of PBT Shares obtained as a result of the Scrip Dividend falls within the CGT regime, the base cost of such PBT Shares will be regarded as nil in terms of the Income Tax Act (or the value at which such shares will be included in the determination of the weighted average base cost method will be zero).

The Company’s issued ordinary share capital at the date of this Circular is 103 564 475 PBT Shares and it holds no PBT Shares in treasury. The Company’s income tax reference number is 9725148713.

In compliance with the Companies Act, the Board confirms and has resolved that the Company will satisfy the solvency and liquidity test immediately after payment of the maximum Cash Dividend and/or settling the maximum number of Scrip Dividend Shares in terms of the Scrip Dividend.

DISTRIBUTION OF CIRCULAR IN RESPECT OF CASH DIVIDEND AND SCRIP DIVIDEND

The Company has today, 29 November 2024, distributed a circular, including a form of election for Certificated Shareholders (Form of Election), to Shareholders, detailing the Cash Dividend and the terms of the Scrip Dividend (Circular).

The salient dates and times in relation to the Cash Dividend and the Scrip Dividend are set out below:

	2024
Circular and Form of Election distributed to Shareholders on	Friday, 29 November
Last day to trade in order to be eligible to receive the Cash Dividend or the Scrip Dividend	Tuesday, 17 December
PBT Shares commence trading “ex” the Cash Dividend and the Scrip Dividend on	Wednesday, 18 December
Listing on the JSE of maximum possible number of PBT Shares that can be issued if all Shareholders elect to receive the Scrip Dividend	Wednesday, 18 December
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements, based on the volume weighted average price of PBT Shares traded on Wednesday, 18 December 2024, less 10%, by 11:00 on	Thursday, 19 December
Last day to elect to receive the Scrip Dividend instead of the Cash Dividend, with Forms of Election to reach the Transfer Secretaries by 12:00 on	Friday, 20 December
Record date on which Shareholders must be recorded in the Shareholder register of PBT in order to be eligible to receive the Cash Dividend or the Scrip Dividend alternative (Record Date)	Friday, 20 December
Offer of Scrip Dividend closes	Friday, 20 December
Scrip Dividend Share certificates posted, Cash Dividend payments made and CSDP/broker accounts credited/updated, as applicable on	Monday, 23 December
Announcement released on SENS in respect of the results of the Scrip Dividend elections	Monday, 23 December
Adjustment of number of Scrip Dividend Shares listed – JSE listing of PBT Shares in respect of the Scrip Dividend adjusted to reflect the actual number of PBT Shares issued in terms of the Scrip Dividend elections	Friday, 27 December

Share certificates may not be dematerialised or rematerialised between the “ex” Cash Dividend/Scrip Dividend date, being Wednesday, 18 December 2024 and the Record Date, Friday, 20 December 2024, both days inclusive. Only the Shareholders recorded in the Company’s share register as at Friday, 20 December 2024 are entitled to receive the Cash Dividend and/or Scrip Dividend.

Payments for Certificated Shareholders will be transferred electronically to their bank accounts on Monday, 23 December 2024. Shareholders who hold dematerialised shares will have their accounts at their CSDP or stockbroker credited/updated on Monday, 23 December 2024.

The distribution of the Circular and the rights to receive the Scrip Dividend in jurisdictions other than the Republic of South Africa may be restricted by law and any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Accordingly, Shareholders will not be entitled to receive the Scrip Dividend, directly or indirectly, in those jurisdictions and will receive the Cash Dividend. Such non-resident Shareholders should inform themselves about and observe any applicable legal requirements in such jurisdictions. It is the responsibility of non-resident Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdictions in respect of the Scrip Dividend, including the obtaining of any governmental, exchange control or other consents or the making of any filing which may be required, compliance with other necessary formalities and payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions. Shareholders who have any doubts as to their position, including, without limitation, their tax status, should consult an appropriate adviser in the relevant jurisdictions without delay.

The Circular will be available on the Company’s website at <https://www.pbtgroup.co.za/investor-relations/> from today, 29 November 2024. In addition, copies of the Circular will be available for inspection, in English only, during normal business hours until Friday, 20 December 2024 at the Company’s registered office at PBT House, 2 Mews Close, Waterford Mews, Century City, Cape Town and the offices of its sponsor, Questco Corporate Advisory Proprietary Limited, at Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, Gauteng.

By order of the Board

Tony Taylor Non-Executive Chairman	Elizna Read Chief Executive Officer	Cape Town 29 November 2024
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PBT GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1936/008278/06)
JSE share code: PBG
ISIN: ZAE000256319
Main Board – General Segment
(“PBT Group” or “the Company” or “the Group”)

Registered office

PBT House
2 Mews Close
Waterford Mews
Century City, 7441

Sponsor

Questco Corporate Advisory Proprietary Limited

This short-form announcement is the responsibility of the Board, it is extracted from the Interim Report and is therefore a summary of the financial information in the Interim Report that does not contain full or complete details of the Company’s interim financial results.

Any investment decision by investors and/or shareholders should be based on consideration of the full Interim Report, which has been published in accordance with paragraph 3.46A of the JSE Limited Listings Requirements as follows:

Company’s website: <https://www.pbtgroup.co.za/investor-relations>
JSE website: <https://senspdf.jse.co.za/documents/2024/JSE/ISSE/PBGE/PBG0924.pdf>

Electronic copies of the Interim Report can be requested from the Company Secretary at no charge via e-mail at the following address: anastassia.sousa@pbtgroup.co.za and are also available for inspection at the Company’s registered office (by appointment) during office hours.