PBT Group Limited
(Formerly Prescient Limited)
(Incorporated in the Republic of South Africa)
(Registration number: 1936/008278/06)
Share code: PBG
ISIN: ZAE000227781
("PBT Group" or "the Company" or "the Group")

ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017
AND NOTICE OF ANNUAL GENERAL MEETING

Further to the Condensed Consolidated Provisional Financial Statements for the year ended 31 March 2017 ("the provisional results") released on the Stock Exchange News Service of the JSE Limited ("SENS") on 30 June 2017, shareholders are advised that the Integrated Report will be distributed to shareholders on 07 August 2017. In addition, the full Annual Financial Statements, Integrated Report and Notice of Annual General Meeting ("AGM") are available on the PBT Group website at www.pbtgroup.co.za/integrated-reports/.

Since the publication of the aforementioned provisional results, the following changes have been made to the audited financial statements for the year ended 31 March 2017:

(All numbers are expressed in thousands)

- In the Segment Report, the group table, 2017 columns of the South Africa and Middle East/Africa segments, the segments' assets and liabilities were incorrectly allocated and have now been reclassified. The numbers included in the continuing and discontinued operations tables are correct and no changes have been made.

  The segment assets and liabilities for the South Africa segment have changed from R179 149 and (R24 799) to R88 039 and (R20 475) respectively. The segment assets and liabilities for the Middle East/Africa segment have changed from R40 and (R58 268) to R91 149 and (R62 593) respectively.

  No effect on the total column of the group table for segment assets and liabilities.

- On the Statement of Financial Position at 31 March 2017, a reclassification was made on loans payable between current liabilities and non-current liabilities. Previously the loans payable amount was R42 911 under non-current liabilities. This changed to R7 348 under non-current liabilities and R35 563 under current liabilities.

  The total liabilities are unchanged at R104 923.

BUSINESS ACTIVITIES AND GROUP RESULTS

During the period under review, PBT Group Limited (previously Prescient Limited) shareholders approved a transaction with Stellar Capital Partners Limited and received a distribution to an amount of R1.428 billion from Prescient Holdings Proprietary Limited ("Prescient Holdings"), resulting in the effective disposal of Prescient Holdings. Prescient Limited was renamed to PBT Group Limited to better reflect the ongoing operations and strategic vision of the Company. The pro rata income and expenses associated with Prescient Holdings are disclosed as profits from discontinued operations in the audited abridged consolidated statement of profit or loss and other comprehensive income. The comparative profit from Prescient Holdings for the prior year has been restated to reflect as profits from discontinued operations in the comparative period. The corresponding earnings per share and headline earnings per share have also been reflected as a split between continuing and discontinued operations. Total loss after tax from continuing operations after the impairment of goodwill (R31.6 million) for the period was R23.6 million (March 2016: profit of R19.7 million) with profit before tax for continuing operations being R1.8 million (March 2016: profit of R40 million). Headline earnings per share was 5.93 cents per share (March 2016: 6.79 cents per share) while headline earnings per share for continuing operations was 0.16 cents per share (March 2016: 0.98 cents per share) and headline earnings per share for discontinued operations was 5.77 cents per share (March 2016: 5.81 cents per share). The weighted average number of shares in issue for the 12 months ended 31 March 2017 was 1 619 927 367 (March 2016: 1 600 156 235).

SOUTH AFRICA AND AUSTRALIA

The South African and Australian operations continue to operate well despite the generally challenging environment. The demand for our services in these areas remains strong and resulted in satisfactory growth and profits.

MIDDLE EAST AND AFRICA

Challenges in the Middle East and Africa ("MEA") segment of our business resulted in a loss after tax of R51.8 million for the region. The negative payment culture resulted in very high finance charges and a bad debt write-off of R18.4 million. A change in the tax law resulted in withholding tax ("WHT") of R16.5 million being expensed as additional tax in the current financial year which resulted in an exceptionally high tax charge. This will be a recurring expense in future periods. WHT is deducted from payments to the Company from certain MEA countries. South Africa has Double Tax Agreements with most of these countries which disallows the deduction of WHT. The WHT was allowed as a credit against the South African Tax in terms of Section 6quin of the Income Tax Act. This Section has, however, been deleted and for all tax years commencing on or after 1 January 2016 no concession is allowed. As of this date a deduction can be claimed against the income in terms of Section 6quat(1C) of the Income Tax Act. Although WHT of R14.9 million relating to previous periods is available to be offset against future tax payable, we felt it prudent to impair this asset and expense it through profit or loss.

PROSPECTS FOR THE PBT GROUP

Since PBT Group’s inception it has focused exclusively on the data management market and, as a result, it finds itself ideally positioned to maximise the current and future potential revenue from this sector. The key to PBT Group’s success has been its early decision to specialise rather than diversify. The decision to focus on this sector was a calculated risk that was taken as a result of experience and the foresight that data management will consistently outperform the growth figures compared to the rest of the Information and Communication Technology sector. The focused approach has resulted in PBT Group acquiring and retaining highly specialised skills in the field. With more than 550 consultants PBT Group has the capability to successfully service the end-to-end data management landscape. PBT Group has a solid business strategy that allows for rapid change without compromising on the quality of the service that is delivered to its clients. The strategic objectives that underpin PBT Group’s ongoing success are:

Be product agnostic
In a market of consolidation and technical overload, the decision to be product agnostic has proven to be the right one. Not only does it ensure that PBT Group is trusted by its clients as an objective partner, but it also allows for the consultant adjustment of its technology focus based on what it views as the best of breed, without the pressure from technology vendors to stay loyal to a brand that might no longer be delivering on client expectations. At the same time, it also allows for successful exposure to all industries.

Specialise in data
Connectivity is the number one reason for an explosion in data. It started off with the internet, but has truly gained momentum with the introduction of social media, mobile and Internet of Things (millions of devices, from cars to fridges, are connected and continuously generate petabytes of data). Data has therefore become central to every single aspect of running a business, from recruitment to procurement, from finance to strategy to planning. Customer engagement and retention is no longer possible without near real-time access to data. PBT Group acquired the skills and has the experience to capitalise on this by successfully transforming data into business value for its clients.

Worldwide expansion
The skills that PBT Group acquired and developed over the last two decades are of world-class standards. This presented an opportunity to compete internationally. PBT Group has been operating successfully and profitably in Australia since 2005 and established a fully-fledged operation in Melbourne in 2008. In the MEA region, PBT Group is following the MTN footprint across 22 countries. The change in the treatment of WHT deductions in some of these countries impacted profitable trading severely and will result in downscaling of this operation in the future, considering client requirements. Technological advancement has paved the way for the exporting of our skills. To this end, we have established a small-scale operation in the United Kingdom and will continue to expand our services in this market.

Big data
Big data originated in an attempt to differentiate it from other data. Big data is, however, becoming the norm rather than the exception and it might soon become "just data" again. A large component of PBT Group’s consulting base has been part of the industry that gave rise to the term big data. The telecommunication companies were the first to generate millions of lines of data every second. They allowed social media to get a foothold and in the process opened the door for terabytes of unstructured data in the form of videos, pictures and text to be uploaded continuously. They were also the first to realise the potential of analysing this data. Connectivity is what defined big data. Being part of this

process allowed PBT Group to gain valuable experience and is assisting greatly in all current big data initiatives.

Cloud

With the advent of big data, the move to cloud was inevitable. More and more data required scalable infrastructure which was not financially viable within a decentralised model. Cloud allows business to focus on core differentiators whilst allowing standard components to be outsourced. PBT Group has aligned itself with all the cloud players and is, at the same time, exploring providing analytics as a service in the cloud.

Business analytics

The ultimate objective of obtaining, cleaning and structuring data is to analyse it in a way that provides actionable insight that can drive an increase in bottom line returns for companies. PBT Group has a solid understanding of this concept and has aligned itself with developing technologies in this space. These include, but are not limited to, advanced analytics, machine learning, cognitive computing, data lakes and geographical information systems.

Train and mentor potential candidates

PBT Group married two components that are very specific to the South African market, namely skill shortage and empowerment, and devised a programme more than a decade ago that has seen hundreds of eager youngsters being skilled up and successfully deployed in the industry as business intelligence consultants and analysts. The success of this programme is unprecedented and the talent that has been uncovered has been tremendous. The programme has no equal in the market and the quality of the resulting skills are world-class.

Best of breed methodologies

Even though PBT Group has remained product agnostic it is constantly aligning itself with best of breed methodologies. PBT Group has established competency centres within the Company that refine methodologies such as Ralph Kimball and agile continuously, to ensure that it aligns with new developments in the market. PBT Group provides leadership in the data management space and has positioned itself well to meet, or even exceed, the growth potential that is projected for this sector. It has shown consistent growth through tough economic times, because it proactively adjusted its strategy to cater for challenges and to benefit from an extremely volatile market.

GOVERNANCE

PBT Group remains committed to sound corporate governance principles, including integrity, transparency and accountability and we subscribe to the Code of Corporate Practices and Conduct as set out in King IV. Heather Sonn resigned in July 2016 in order to focus on her demanding business interests and Michael Buckham resigned in February 2017 due to an opportunity that lured him away. Ronell van Rooyen, Keneilwe Moloko and Zane Meyer resigned on 17 March 2017 and the new Board members were appointed in their stead. Pierre de Wet, Tony Taylor and Cheree Dyers were appointed on 17 March 2017 and Arthur Winkler was appointed on 17 May 2017.

DIVIDEND

No dividend from normal commercial operations has been declared for the six months ended 31 March 2017. Bi-annually, the board of directors ("the Board") consider the payment of a dividend, taking into account prevailing circumstances and future cash and capital requirements of the Group in order to determine the appropriate dividend in respect of a particular financial reporting period.

CAPITAL REDUCTION DISTRIBUTION

In accordance with the SENS announcement released on 26 May 2017, an excess pay-out was made post year-end to the PBT Group by the Prescient Holdings Group. The cash portion of this excess pay-out amounted to R26.2 million and will be paid out to shareholders as announced on SENS on 3 August 2017.

ACKNOWLEDGEMENTS

We would like to take this opportunity to thank our clients for their support, our staff, management and our Board for their hard work and input during this interesting but challenging year. We would especially like to thank Heather Sonn, who resigned on 31 July 2016, Michael Buckham who resigned in February 2017, Keneilwe Moloko, Zane Meyer and Ronell van Rooyen, who resigned on 17 March 2017, for their incredible contribution to the Group during the preceding years. At the same time, we wish to welcome Pierre de Wet, who was appointed as Executive Director and CEO on 17 March 2017, Tony Taylor, who

was appointed as Lead Independent Non-Executive Director on 17 March 2017, Cheree Dyers who was appointed as Independent Non-Executive Director on 17 March 2017 and Arthur Winkler who was appointed as Independent Non-Executive Director on 17 May 2017. We would also like to thank our shareholders for their continued support during a time of change within the Group. 2017 was certainly an interesting year and so will 2018 be in forming the base for our future.

Abridged Audited Consolidated Financial Statements
for the year ended 31 March 2017

ABRIDGED AUDITED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
For the year ended 31 March 2017

	Notes	2017 R'000	2016 R'000
Total income		612 741	543 136
Services fees		572 287	538 913
Interest and dividend income		17 999	907
Other investment income		22 455	3 316
Cost of information management services		(447 985)	(405 573)
Operating expenses		(128 899)	(94 868)
Impairment of goodwill	3	(31 645)	-
Share-based payment expense		(462)	(455)
Profit from operations		3 750	42 240
Other income		4 819	2 494
Finance costs		(6 724)	(4 694)
Profit before tax		1 845	40 040
Income tax expense	5	(25 449)	(20 387)
(Loss)/Profit from continuing operations		(23 604)	19 653
Discontinued operations			
Profit from discontinued operations	2	1 229 633	99 439
Profit for the year		1 206 029	119 092
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences - foreign operations		(8 183)	17 398
Tax on other comprehensive income		-	-
Other comprehensive (loss)/income for the year, net of tax		(8 183)	17 398
Total comprehensive income for the year		1 197 846	136 490
Profit attributable to:			
Owners of the Company		1 203 543	109 004
Non-controlling interests		2 486	10 088
Profit for the year		1 206 029	119 092
Total comprehensive income attributable to:			
Owners of the Company		1 195 360	123 489
Non-controlling interests		2 486	13 001
Total comprehensive income for the year		1 197 846	136 490
Earnings per share (cents)*			
Continuing operations	1	(1.53)	0.88
Discontinued operations	1	76.99	5.81
Diluted earnings per share (cents)			
Continuing operations	1	(1.53)	0.88
Discontinued operations	1	76.99	5.81
Headline earning per share (cents)*			
Continuing operations	1	0.16	0.98
Discontinued operations	1	5.77	5.81
Diluted headline earnings per share (cents)			
Continuing operations	1	0.16	0.98
Discontinued operations	1	5.77	5.81

* Refer to note 5.

ABRIDGED AUDITED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION
AT 31 March 2017

	2017	2016

	Notes	R'000	R'000
ASSETS			
Non-current assets		385 825	11 667 621
Property and equipment		23 831	29 241
Investment property		33 430	35 728
Goodwill and intangible assets	3	286 215	397 960
Deferred tax asset		7 353	14 197
Long-term loans and other receivables		2 581	54 186
Investment in equity-accounted investees		289	9 658
Financial assets at fair value through profit or loss		32 126	151 439
Linked investments backing policyholder funds		-	10 975 212
Current assets		291 547	1 077 824
Inventory		19 787	35 688
Trade and other receivables	4	227 668	214 959
Amounts owing by clearing houses		-	192 777
Amounts owing by clients		-	429 186
Taxation receivable		-	13 623
Cash and cash equivalents		44 092	191 591
Total assets		677 372	12 745 445
EQUITY			
Stated capital		144 015	667 660
Reserves		5 400	7 066
Retained income		410 600	152 451
Total equity attributable to owners of the company		560 015	827 177
Non-controlling interests		12 434	24 064
Total equity		572 449	851 241
LIABILITIES			
Non-current liabilities		13 336	11 018 427
Deferred tax liability		5 988	13 548
Policyholder investment contract liabilities		-	10 974 330
Loans payable		7 348	30 549
Current liabilities		91 587	875 777
Trade and other payables		40 108	106 393
Amounts owing to clearing houses		-	16 134
Amounts owing to clients		-	604 668
Current tax payable		7 835	9 377
Loans payable		35 563	44 126
Bank overdraft		8 081	95 079
Total liabilities		104 923	11 894 204
Total equity and liabilities		677 372	12 745 445

ABRIDGED AUDITED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2017

R'000	Stated capital	Trans-lation reserve	Treasury shares	Share-based payment reserve	Retained income	Total	Non-control-ling interest	Total equity
Balance at 1 April 2015	664 702	6 414	(14 502)	801	138 578	795 993	14 139	810 132
Total comprehensive income for the year								
Profit for the year	-	-	-	-	109 004	109 004	10 088	119 092
Total other comprehensive income	-	14 485	-	-	-	14 485	2 913	17 398
Total comprehensive income for the year	-	14 485	-	-	109 004	123 489	13 001	136 490
Transactions with owners recognise directly in equity								
Contributions by and distributions to owners of the Company								
Treasury shares purchased	-	-	(2 074)	-	-	(2 074)	-	(2 074)
Equity-settled share-based payments	-	-	-	1 942	-	1 942	-	1 942
Dividends declared during the year	-	-	-	-	(95 131)	(95 131)	(2 548)	(97 679)
Issue of ordinary shares	2 958	-	-	-	-	2 958	-	2 958
Total contributions by and distributions to owners of the Company	2 958	-	(2 074)	1 942	(95 131)	(92 305)	(2 548)	(94 853)

Changes in ownership interests in subsidiaries								
Acquisition of NCI without a change in control	-	-	-	-	-	-	5 950	5 950
Loss of control	-	-	-	-	-	-	(6 478)	(6 478)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(528)	(528)
Total transactions with owners of the Company	2 958	-	(2 074)	1 942	(95 131)	(92 305)	(3 076)	(95 381)
Balance at 31 March 2016	667 660	20 899	(16 576)	2 743	152 451	827 177	24 064	851 241

R'000	Stated capital	Trans-lation reserve	Treasury shares	Share-based payment reserve*	Retained income	Total	Non-control-ling interest	Total equity
Balance at 1 April 2016	667 660	20 899	(16 576)	2 743	152 451	827 177	24 064	851 241
Total comprehensive income for the year								
Profit for the year	-	-	-	-	1 203 543	1 203 543	2 486	1 206 029
Total other comprehensive income	-	(8 183)	-	-	-	(8 183)	-	(8 183)
Total comprehensive income for the year	-	(8 183)	-	-	1 203 543	1 195 360	2 486	1 197 846
Transactions with owners recognised directly in equity								
Contributions by and distributions to owners of the Company								
Treasury shares sold	-	-	9 260	-	11 166	20 426	-	20 426
Equity-settled share-based payments	-	-	-	1 680	-	1 680	-	1 680
Termination of forfeitable share plan*	-	-	-	(4 423)	4 423	-	-	-
Dividends declared during the year	-	-	-	-	(69 276)	(69 276)	(3 430)	(72 706)
Capital distribution**	(469 853)	-	-	-	(957 969)	(1 427 822)	-	(1 427 822)
Adjustment to reflect the PBT Group Limited share capital after disposal of Prescient Holdings Proprietary Limited	(53 792)	-	-	-	53 792	-	-	-
Total contributions by and distributions to owners of the Company	(523 645)	-	9 260	(2 743)	(957 864)	(1 474 992)	(3 430)	(1 478 422)
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests	-	-	-	-	12 470	12 470	(12 470)	-
Disposal of subsidiary	-	-	-	-	-	-	1 784	1 784
Total changes in ownership interests i subsidiaries	-	-	-	-	12 470	12 470	(10 686)	1 784
Total transactions with owners of the Company	(523 645)	-	9 260	(2 743)	(945 394)	(1 462 522)	(14 116)	(1 476 638)
Balance at 31 March 2017	144 015	12 716	(7 316)	-	410 600	560 015	12 434	572 449

* During December 2016, the Group's forfeitable share plan had been terminated.
** Refer to note 6.

Dividend per share (cents)	2017	2016
Interim - declared 13 December 2016 (2016: 26 November 2015)	2.25	2.85
Final - declared 30 June 2017 (2016: 29 June 2016)	-	1.90

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2017

	Note	2017 R'000	2016 R'000
Cash flows from operating activities			
Profit for the year		1 206 029	119 092
Income tax expense		25 449	47 202
Non-cash movements and adjustments to profit before tax		(1 318 195)	(970 453)
Cash generated from policyholder activities		307 697	981 892
Contributions and investment income		3 065 617	3 495 961
Withdrawals by policyholders		(2 757 920)	(2 514 069)

Changes in working capital		(54 288)	(10 470)
Dividends received		12 641	2 946
Dividends paid		(72 706)	(97 679)
Interest received		5 358	19 358
Interest paid		(6 724)	(10 862)
Taxation paid		(25 454)	(50 998)
Net cash inflow from operating activities		79 807	30 028
Cash flows from investing activities			
Acquisition of equipment		(2 843)	(8 040)
Disposals of equipment		789	-
Acquisition of intangible assets		(1 243)	(8 382)
Proceeds on loss in control of subsidiary, net of cash disposed of		-	2 155
Disposal of equity-accounted investee		-	3 064
Proceeds on disposal of discontinued operations, net of cash disposed of	2	1 317 935	-
(Acquisition)/Disposal of financial assets at fair value through profit or loss		(53 104)	6 026
Advancement of long-term loans receivable		(5 704)	(2 313)
Cash inflow/(outflow) from investing activities		1 255 830	(7 490)
Cash flows from financing activities			
Acquisition of own shares		(145)	2 074
Capital distribution		(1 427 822)	-
Increase in loans payable		32 899	4 499
Cash (outflow)/inflow from financing activities		(1 395 068)	6 573
Net (decrease)/increase in cash and cash equivalents		(59 431)	29 111
Effect of exchange rate fluctuations on cash held		(1 070)	18 133
Cash and cash equivalents at beginning of the year		96 512	49 268
Cash and cash equivalents at end of the year		36 011	96 512

Notes to the abridged audited consolidated financial statements

1. Basis of preparation and accounting policies
   The abridged audited consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as well as the AC 500 standards as issued by the Accounting Practices Board, the requirements of the South African Companies Act, and the Listings Requirements of the JSE. The abridged audited consolidated financial statements do not include all of the information required for full annual financial statements. The abridged audited consolidated financial statements have been prepared in accordance with the historical cost basis, except for certain financial instruments and investment property which are stated at fair value. The abridged audited consolidated financial statements are presented in Rand, rounded to the nearest thousand. The accounting policies applied in the presentation of the abridged audited consolidated financial statements are in accordance with International Financial Reporting Standards and are consistent with those presented in the annual financial statements. The abridged audited consolidated financial statements have been extracted from audited information, but have not, in themselves, been audited. The auditor's unqualified audit report and the audited financial statements are available for inspection at the Company's registered office in terms of 3.18 (F) of the Listings Requirements.

2. Judgements and estimates
   Preparing the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

   In preparing these abridged audited consolidated financial statements, 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 financial statements as at and for the year ended 31 March 2016.

3. Related party transactions
   PBT Group Limited (previously Prescient Limited) and its subsidiaries (the Group or the Company), in the ordinary course of business, entered into various intercompany transactions with related parties. The Company has related party relationships with subsidiaries and with its key management personnel. There were no significant changes to these relationships, other than those transactions between the Prescient Holdings Proprietary Limited Group and the remaining entities in PBT Group. Prescient Holdings Proprietary Limited Group no longer forms part of PBT Group.

4. Subsequent events
   There were no material events subsequent to the reporting date other than the capital reduction distribution. Refer to the capital reduction distribution paragraph in the letter to Stakeholders for further information.

5. Earnings per share
   BASIC EARNINGS PER SHARE
   The calculation of basic earnings per share at 31 March 2017 was based on the profit attributable to ordinary shareholders

of R1 184 580 219 (2016: R107 054 988) and a weighted average number of ordinary shares outstanding of 1 619 927 367 (2016: 1 600 156 235), calculated as follows:

Profit attributable to ordinary shareholders	31 March 2017			31 March 2016		
R'000	Continuing operations	Discontinued operations	Total	Continuing operations Restated	Discontinued operations Restated*	Total
(Loss)/Profit for the year, attributable to owners of the Company	(29 858)	1 233 401	1 203 543	14 684	94 320	109 004
Earnings attributable to FSP shareholders	(5 129)	(13 834)	(18 963)	(527)	(1 422)	(1 949)
(Loss)/Profit attributable to ordinary shareholders	(34 987)	1 219 567	1 184 580	14 157	92 898	107 055

Weighted average number of ordinary shares	2017	2016
In thousands of shares		
Ordinary shares at 1 April	1 669 251	1 648 655
Effect of treasury shares held	(23 022)	(29 672)
Effect of forfeitable share plan	(26 302)	(29 666)
Effect of shares issued and share capitalisation	-	10 839
Weighted average number of ordinary shares at 31 March	1 619 927	1 600 156

HEADLINE EARNINGS PER SHARE

Headline earnings per share has been calculated in accordance with Circular 2/2015 issued by the South African Institute of Chartered Accountants.

Diluted earnings per share is equal to basic earnings per share. Diluted headline earnings per share is equal to headline earnings per share.

R'000	Profit before tax	Tax	Non-controlling interests	Earnings attributable to FSP shareholders	Earnings attributable to ordinary shareholders	Cents per share
2017						
Continuing operations						
Per the statement of comprehensive income	1 845	(25 449)	(6 255)	5 129	(24 730)	(1.53)
Adjustments						
Impairment loss on goodwill	31 645	-	-	-	31 645	1.95
Change in fair value of investment property	(4 179)	-	-	-	(4 179)	(0.26)
Continuing operations headline earnings	29 311	(25 449)	(6 255)	5 129	2 736	0.16
Discontinued operations						
Per the statement of comprehensive income	1 259 744	(30 111)	3 769	13 834	1 247 236	76.99
Adjustments						
Gain on sale of discontinued operations*	(1 153 710)	-	-	-	(1 153 710)	(71.22)
Discontinued operations headline earnings	106 034	(30 111)	3 769	13 834	93 526	5.77
Total						
Per the statement of comprehensive income	1 261 589	(55 560)	(2 486)	18 963	1 222 506	75.46
Total group headline earnings	135 345	(55 560)	(2 486)	18 963	96 262	5.93

* Including foreign exchange recycled from the foreign currency translation reserve.

2016						
Continuing operations						
Per the statement of comprehensive income	40 040	(20 387)	(4 969)	(527)	14 157	0.88

Adjustments						
Change in fair value of investment property	(3 403)	-	-	61	(3 342)	(0.21)
Gain on partial sale of equity accounted investee	(749)	-	-	13	(736)	(0.05)
Loss on loss of control of subsidiary	5 818	-	-	(104)	5 714	0.36
Continuing operations headline earnings	41 706	(20 387)	(4 969)	(557)	15 793	0.98
Discontinued operations						
Per the statement of comprehensive income	126 254	(26 815)	(5 119)	(1 422)	92 898	5.81
Discontinued operations headline gain	126 254	(26 815)	(5 119)	(1 422)	92 898	5.81
Total						
Per the statement of comprehensive income	166 294	(47 202)	(10 088)	(1 949)	107 055	6.69
Total group headline earnings	167 960	(47 202)	(10 088)	(1 979)	108 691	6.79

6. Discontinued operations

On 10 February 2017, the final regulatory approval had been received for the Group to sell its entire investment management segment as per the Proposed Transaction with Stellar Capital as previously communicated to shareholders in the Circular posted on 30 September 2016. The proposed transaction included a subscription of Prescient Holding's "B" shares by Stellar Capital to an amount of R1.428 billion. Following the subscription, Prescient Limited declared a distribution of the same amount to its shareholders. The application of the distribution was implemented by way of a scheme with the Prescient shareholders in terms of the Companies Act. The Prescient distribution was applied on behalf of its shareholders, based on their election, to either receive the distribution in cash, subscribe for Stellar Capital shares or reinvest into Prescient Holdings and its subsidiaries by purchasing "B" ordinary shares. The Proposed Transaction has been completed, and Prescient Holdings no longer forms part of Prescient Limited. Prescient Limited was renamed to PBT Group Limited.

The investment management segment was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated provisional statement of profit or loss and OCI has been restated to present the discontinued operations separately from continuing operations.

To achieve this presentation, management has eliminated from the results of the discontinued operations the inter-segment loans, receivables and interest income and expenses.

	2017	2016
Results of discontinued operations	R'000	R'000
Revenue	340 687	367 264
Other income	1 735	1 453
Expenses	(236 388)	(242 463)
Results from operating activities	106 034	126 254
Tax	(30 111)	(26 815)
Results from operating activities, net of tax	75 923	99 439
Gain on sale of discontinued operations*	1 153 710	-
Profit for the year	1 229 633	99 439
Earnings per share (cents)	76.99	5.81

* Included in the gain on sale of discontinued operations is an amount of R92.4 million relating to the excess pay out as per the SENS announcement released on 26 May 2017.

Profit from discontinued operations of R1.2 billion (2016: R94.3 million) was attributable to the owners of the company. Of the loss from continuing operations of R23.6 million (2016: profit of R19.7 million), an amount of R29.9 million was attributable to the owners of the Company (2016: R14.7 million profit).

	2017	2016
Cash flows from/(used in) discontinued operations	R'000	R'000
Net cash from operating activities	88 180	62 309
Net cash used in investing activities	(87 036)	(27 932)
Net cash from financing activities	3 631	7 931
Net cash flow for the year	4 775	42 308

	2017
Major classes of assets and liabilities disposed of	R'000

Property and equipment	7 705
Goodwill and intangible assets	75 262
Deferred tax asset	9 261
Long-term loans receivable	68 301
Investment in equity-accounted investee	2 382
Financial assets at fair value through profit or loss	190 692
Linked investments backing policyholder funds	11 192 166
Trade and other receivables	1 213 416
Taxation receivable	568
Cash and cash equivalents	168 366
Deferred tax liability	(729)
Policyholder investment contract liabilities	(11 192 166)
Long-term loans payable	(74 216)
Trade and other payables	(1 218 056)
Current tax payable	(12 093)
Bank overdraft	(58 479)
Net assets and liabilities	372 380
Consideration received in cash	1 427 822
Cash and cash equivalents disposed of	(109 887)
Net cash inflow	1 317 935

7. Goodwill and intangible assets

R'000	Goodwill	Patents and trademarks	Internally developed software	Computer software	System development costs	Total
Cost						
Opening balance - 1 April 2015	424 253	2 024	35 765	270	-	462 312
Additions	-	-	359	656	7 367	8 382
Disposals	(17 491)	-	-	-	-	(17 491)
Closing balance - 31 March 2016	406 762	2 024	36 124	926	7 367	453 203
Opening balance - 1 April 2016	406 762	2 024	36 124	926	7 367	453 203
Additions	-	-	485	758	-	1 243
Disposal of discontinued operations	(98 468)	(2 024)	-	-	(7 367)	(107 859)
Closing balance - 31 March 2017	308 294	-	36 609	1 684	-	346 587

R'000	Goodwill	Patents and trademarks	Internally developed software	Computer software	System development costs	Total
Accumulated impairment/amortisation						
Opening balance - 1 April 2015	31 143	704	16 161	256	-	48 264
Amortisation for the year	-	200	6 192	37	550	6 979
Closing balance - 31 March 2016	31 143	904	22 353	293	550	55 243
Opening balance - 1 April 2016	31 143	904	22 353	293	550	55 243
Amortisation for the year	-	-	5 560	521	-	6 081
Impairment loss	31 645	-	-	-	-	31 645
Disposal of discontinued operations	(31 143)	(904)	-	-	(550)	(32 597)
Closing balance - 31 March 2017	31 645	-	27 913	814	-	60 372
Carrying amounts						
At 31 March 2016	375 619	1 120	13 771	633	6 817	397 960
At 31 March 2017	276 649	-	8 696	870	-	286 215

IMPAIRMENT TEST OF GOODWILL

The Group has recognised an impairment loss of R31.6 million in profit or loss relating to goodwill of PBT Group's CGUs based on the value-in-use method to determine the recoverable amount. The value-in-use was determined by discounting future cash flows of the Group as a single CGU.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represented management's assessment of future trends in the relevant industries and were based on historical data from both external and internal sources.

	2017	2016
Discount rate	17%	16%

Terminal value growth rate	6%	6%
Budgeted EBITDA growth rate	8%	8%

The discount rate was a post-tax measure estimate based on the historical industry average weighted-average cost of capital.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make.

A sensitivity analysis was performed to analyse the impact of increasing the forecast risk premium from 2% to 5%. This would result in a discount rate of 20%. Increasing the forecast risk premium by this factor, results in an impairment of approximately R94 million.

8. Trade and other receivables

	2017 R'000	2016 R'000
Trade and other receivables include the following:		
Trade receivables	132 415	208 086
VAT receivable	72	833
Deposits	1 408	1 177
Prepayments	720	3 059
Accrued income	656	708
Interest receivable	-	1 096
Dividend receivable	92 397	-
	227 668	214 959

9. Income tax expense

	2017 R'000	2016 R'000
Tax recognised in profit or loss		
Current tax expense		
Current year	15 781	9 545
Adjustment to prior years	(50)	3 934
	15 731	13 479
Withholding tax - Section 6quat(1C)	16 584	5 272
	32 315	18 751
Deferred tax expense		
Origination and reversal of temporary differences	(6 866)	1 636
	(6 866)	1 636
Income tax expense on continuing operations	25 449	20 387

10. Fair value disclosure and hierarchy

The table below analyses financial instruments carried at fair value by valuation method. Fair values are determined according to the following hierarchy based on the requirements in IFRS 13 Fair Value Measurement:

Level 1 Unadjusted quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2 Valuation techniques using observable inputs: quoted prices (other than those included in level 1) for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are less than active and financial assets and liabilities valued using models where all significant inputs are observable directly or indirectly from market data.

Level 3 Valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more inputs are unobservable and have a significant effect on the instrument's valuation.

R'000	Level 1	Level 2	Level 3	Total
2017				
Financial assets				
Financial assets at fair value through profit or loss	31 404	722	-	32 126
Investment property	-	33 430	-	33 430
Total financial assets measured at fair value	31 404	34 152	-	65 556
2016				
Financial assets				
Financial assets at fair value through profit or loss	112 716	38 723	-	151 439
Investment property	-	35 728	-	35 728

Linked investments backing policyholder funds	10 244 977	730 235	-	10 975 212
Total financial assets measured at fair value	10 357 693	804 686	-	11 162 379
Financial liabilities				
Policyholder investment contract liabilities	-	10 974 330	-	10 974 330
Total financial liabilities measured at fair value	-	10 974 330	-	10 974 330

11. Segment report

In 2016 the Group had two reportable segments according to strategic divisions. These two segments were financial services and information management services. After the disposal of the financial services segment, the Group's core operations consisted of mainly information management services. The reportable segments for the current financial year are according to geographical areas, namely South Africa, Middle East/Africa and Australia.

- South Africa includes consulting and implementation of data, management information software and healthcare administration services.
- Australia includes consulting and implementation of data, management information software and healthcare administration services.
- Middle East/Africa includes consulting and implementation of data and management information software.

CONTINUING OPERATION

	South Africa		Australia		Middle East/Africa		Other		Total	
R'000	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	330 557	279 347	79 738	82 333	159 673	173 344	47 592	10 606	617 560	545 630
Segment profit/(loss) before tax	25 746	26 142	12 061	8 738	(40 704)	8 135	36 387	(2 975)	33 490	40 040
Segment assets*	88 039	77 758	28 862	30 793	91 149	136 897	192 673	153 160	400 723	398 608
Segment liabilities	(20 475)	(102 262)	(10 135)	(9 724)	(62 593)	(47 766)	(11 720)	(13 292)	(104 923)	(173 044)

DISCONTINUED OPERATIONS

	South Africa		Australia		Middle East/Africa		Other		Total	
R'000	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	322 322	351 226	–	–	–	–	20 100	17 491	342 422	368 717
Segment profit before tax	94 146	120 533	–	–	–	–	11 888	5 721	106 034	126 254
Segment assets*	–	11 940 949	–	–	–	–	–	30 269	–	11 971 218
Segment liabilities	–	(11 719 256)	–	–	–	–	–	(1 904)	–	(11 721 160)

GROUP

	South Africa		Australia		Middle East/Africa		Other		Total	
R'000	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Segment external total income	652 879	630 573	79 738	82 333	159 673	173 344	67 692	28 097	959 982	914 347
Segment profit/(loss) before tax	119 892	146 675	12 061	8 738	(40 704)	8 135	48 275	2 746	139 524	166 294
Segment assets*	88 039	12 018 707	28 862	30 793	91 149	136 897	192 673	183 429	400 723	12 369 826
Segment liabilities	(20 475)	(11 821 518)	(10 135)	(9 724)	(62 593)	(47 766)	(11 720)	(15 196)	(104 923)	(11 894 204)

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

	2017	2016
Reconciliation of reportable segment profit or loss	R'000	R'000
Total consolidated profit before tax for reportable segments	139 524	166 294
Less impairment of goodwill	(31 645)	-
Elimination of discontinued operations	(106 034)	(126 254)
Profit before tax	1 845	40 040

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to all shareholders of the PBT Group as at the record date set out below that the AGM of shareholders will be held at 12:00 on Wednesday, 20 September 2017 at PBT House, 2 Mews Close, Waterford Mews, Century City, 7441 to transact such business as is set out in the Notice of AGM. The record date for shareholders to be recorded as such in the securities' register of the Company in order to be able to attend, participate and vote at the AGM is Friday, 15 September 2017. Accordingly, the last date to trade to be eligible to attend, participate and vote at the AGM is Tuesday, 12 September 2017. The Notice of AGM is contained in the Integrated Report posted to shareholders on 07 August 2017.

AUDIT OPINION

This abridged report is extracted from the audited information, but is not itself audited. The financial statements from which these results were extracted were audited by KPMG Inc. and their unmodified opinion is included in the financial statements. The directors take full responsibility for the preparation of this abridged report and confirm that the financial information has been correctly extracted from the underlying annual financial statements.

By order of the Board

PJ de Wet	AM Louw
CEO	Chairman

Cape Town
4 August 2017
Sponsor: Bridge Capital Advisors Proprietary Limited