



PBT *group*
Knowledge to achieve
Foresight to lead



Integrated Report
2017

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GENERAL INFORMATION

Country of incorporation:	South Africa
Nature of business and principal activities:	Information management and data analytics services
Company Secretary:	Bianca Pieters PBT House, 2 Mews Close, Waterford Mews, Century City, 7441, South Africa
Directors:	Pierre de Wet (Chief Executive Officer) Murray Louw (Chairman and Financial Director) Tony Taylor (Lead Independent Non-Executive Director) Arthur Winkler (Independent Non-Executive Director) Cheree Dyers (Independent Non-Executive Director) Herman Steyn (Non-Executive Director)
Audit and Risk Committee:	Arthur Winkler (Chairman) Tony Taylor Herman Steyn
Remuneration and Nomination Committee:	Cheree Dyers (Chairman) Tony Taylor Herman Steyn
Social and Ethics Committee:	Cheree Dyers Elizna Read Bianca Pieters
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:	KPMG Incorporated
Sponsor:	Bridge Capital Advisors Proprietary Limited
Transfer secretaries:	Link Market Services South Africa Proprietary Limited PO Box 4844, Johannesburg, 2000, South Africa 19 Ameshoff Street, Braamfontein, 2001, South Africa
JSE share code:	PBG
ISIN:	ZAE000227781
Website:	www.pbtgroup.co.za



SCOPE AND BOUNDARY

Our Integrated Report is published annually and presents an overview of the activities, practices and progress of PBT Group Limited (PBT Group) for the 12-month period from 1 April 2016 through to 31 March 2017. The 2017 Integrated Report provides both financial and non-financial information for the period. The most recent previous report was the 2016 Integrated Report, which can be accessed via PBT Group's website.

The 2017 Integrated Report covers relevant aspects of all the operations of PBT Group, which includes the businesses of Prescient Holdings Proprietary Limited (Prescient Holdings) for 10 months, Prescient Capital Proprietary Limited (Prescient Capital) and the activities of the PBT Group of companies. Apart from the restatement of prior year figures, indicating the disposal of Prescient Holdings as a discontinued operation, there has been no change in the scope and boundary of this report.

There have been no significant changes to the ownership during the current reporting period. The structure and size of the Group have changed due to the disposal of Prescient Holdings. The prior year figures have been restated to reflect Prescient Holdings as a discontinued operation, with no restatement for ongoing operations.

The information in this report has been selected to cater for the interests of providers of capital and other stakeholders who require a broad overview of the present and future direction and prospects of PBT Group – shareholders, funders, regulators, prospective employees, suppliers and community members, amongst others. Stakeholders with more in-depth needs are invited to contact PBT Group directly or visit the website at www.pbtgroup.co.za for further information.

FRAMEWORKS AND ASSURANCE

The reporting principles that have been applied in this report were guided by the International Financial Reporting Standards (IFRS), the King IV Report on Corporate Governance for South Africa, 2016 (King IV) requirements, the Global Reporting Initiative's sustainability reporting guidelines and the Framework for Integrated Reporting. It also conforms to the statutory and reporting requirements of the South African Companies Act 71 of 2008 (Companies Act) and the Johannesburg Stock Exchange (JSE) Listings Requirements.

The PBT Group Board and its subcommittees have reviewed the report and have satisfied themselves of the materiality, accuracy and balance of disclosures in this report. In addition, external assurance was sought for aspects of our reporting from a variety of sources. This includes:

- Independent auditors KPMG Incorporated, for our financial statements.
- Grant Thornton has verified our Broad-Based Black Economic Empowerment (B-BBEE) scorecard rating.

APPROVAL OF THE INTEGRATED REPORT

The Board acknowledges its responsibility to ensure the integrity of this report. The Directors confirm that they have collectively assessed the content of the Integrated Report and believe that it addresses the material issues and is a fair representation of the integrated performance of the Group. The Board has therefore approved the 2017 Integrated Report for publication.

On behalf of the Board

Pierre de Wet
Chief Executive Officer

Murray Louw
Chairman



ABOUT US

Setting the scene

Business intelligence means bigger prospects...

Because

information has become an essential financial resource and is today's leading source of **strategic advantage**

and we **know** that

investing in information pays great interest when it is accurately and opportunely applied,

but the **complex nature of data** requires a touch of brilliance in creating true **business value**.

That's **why**

the goal is to convert data into information and information into **real-world insights**.

bi (business intelligence)

That means BI is about delivering relevant information at the right time so the right people can make the best decisions and get the most rewarding results.

Now meet PBT Group

Our BI solutions transform our clients' companies with the knowledge to achieve their business goals and the foresight to:

Anticipate **change**

Uncover hidden **possibilities**

Profit from future **potential**

And become even more **competitive**

WHAT WE DO

We create business intelligence solutions that capitalise on data-driven insights, to make well-timed, intuitive business decisions that consistently position our clients ahead of the curve.

BUT WHO WE ARE IS NOT ONLY WHAT WE DO

OUR VISION is to be the preferred information management and business insight solution provider to our global client base through strong partnerships, innovation and domain expertise.

OUR MISSION is to ensure the long-term success of large business clients through the effective organisation, interpretation and publishing of company intelligence.



AS A GROUP, WE VALUE

**Integrity Quality Professionalism
Accountability Teamwork
Respect Ethics Trust**

OUR CLIENTS

The Group's global client base includes prominent companies of high regard and extends to a variety of industries, including finance, insurance, telecommunications, retail and medical healthcare.

OUR LOCATION

Currently the Group has official offices in Cape Town, Johannesburg and Melbourne.

OUR LISTING

PBT Group is listed on the JSE under the Software and Computer Services Sector.

OUR PEOPLE

More than 550 skilled PBT consultants continuously deliver quality solutions in all of the Group's operations and have over 3.5 million hours BI experience.

OUR COMMITMENT

As a black empowered company, PBT Group consistently strives to exceed guidelines with regards to social responsibility and empowerment.

COMPANY PROFILE

PBT GROUP

Established as an information management services company in 1998, PBT Group offers specialised consulting services to large national and international clients across South Africa, Africa, the Middle East and Australia.

With extensive experience as data specialists, PBT Group is a recognised leader in this field, which includes data platform, data analytics, data visualisation, application development, cloud solutions and strategic consulting.

PBT Group has a staff complement of more than 550 skilled and professional consultants and has established strategic alliances with recognised local and international vendors. Our consultants have a strong entrepreneurial culture and a sincere commitment to providing the highest levels of service and the most appropriate solutions to our clients.

PBT Group maintains a product-independent approach, enabling it to deliver real and sustainable value to clients who represent a variety of industries including banking, insurance, healthcare and telecommunications.

Our strong partner network enables the use of the Group's technology expertise to best support our clients' specific business needs.

PBT Technology Services, a certified Oracle partner, has one of the largest Oracle development facilities, supplying services throughout South Africa, Africa and the Middle East, including turnkey solutions in the data space.

PBT Insurance Technologies (PBTit) is a provider of specialist healthcare management solutions and services, and its clients include numerous reputable medical aid schemes. Aimed at the medical aid and managed care sectors, PBTit incorporates a high level of flexibility, real-time claims processing, query capabilities, electronic data interchange, document management services, membership and contribution management as well as advanced medical savings account management.

PBT Group (Australia) provides specialist healthcare management services as well as business intelligence and information management services.

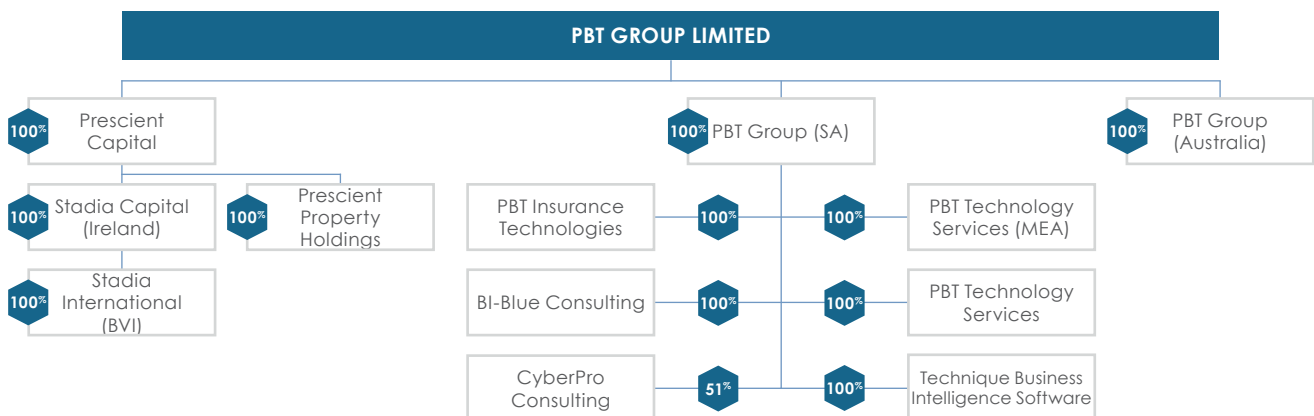
BI-Blue Consulting is a SAP business partner, offering a comprehensive set of business intelligence services, including data warehouse architecture, business analytics and information management to help clients harness their data with a view to improving decision-making. BI-Blue Consulting has expertise to deliver challenging reporting, query and analysis solutions using the SAP business user suite of products in SAP and non-SAP environments.

Technique Business Intelligence Software (TBIS) is a premier IBM business partner that provides IBM software solutions and consulting services, specialising in information integration, data warehousing and analytics. TBIS assists clients with integrating and managing key information across heterogeneous systems, to unlock business value by utilising data effectively. Its consultants have attained IBM technical mastery and solution specialist certifications in a range of disciplines, equipping them to provide services based on the IBM suite of business intelligence and data integration tools.

CyberPro Consulting is a leading Microsoft gold certified partner as well as an Oracle Java partner that develops a line of business systems, mobile applications as well as web applications. Its expertise extends to system integration, database development and business intelligence solutions, with a service offering that spans the full software development lifecycle, from business analysis, software architecture and development through to quality assurance and post-deployment support.

PRESCIENT CAPITAL

Prescient Capital was established as an investment holding company for the interests of the Group outside of its traditional services activities. Prescient Capital's assets include properties in Johannesburg and Dublin, as well as a venture capital investment.



BUSINESS MILESTONES



1998

Founded as Prescient Business Technologies, a specialised information management company.

2006

Rapid developments in the company structure, together with the need to align operations with the Group's vision of its future potential and acquisitions, lead to Prescient Business Technologies renaming itself to PBT Group.

2008

PBT Group (Australia) established in Melbourne.

2009

Strategic Medical Systems, a provider of specialist healthcare management solutions and services, renamed to PBT Insurance Technologies, to better reflect the wider application of its services and align itself with the PBT brand.

2010

PBT Group listed on the JSE, through a reverse listing via the Wooltru cash shell.

2012

PBT Group acquires three specialist technology-focused companies: BI-Blue Consulting, a recognised leader in SAP business analytics and enterprise information management, CyberPro Consulting, a leading Microsoft software services company, as well as Technique Business Intelligence Software, an IBM business partner and technical solutions authority. Prescient listed on the JSE through a reverse listing via PBT Group, continuing to operate through its two main subsidiaries, Prescient Holdings (financial services) and PBT Group (information management services).

2016

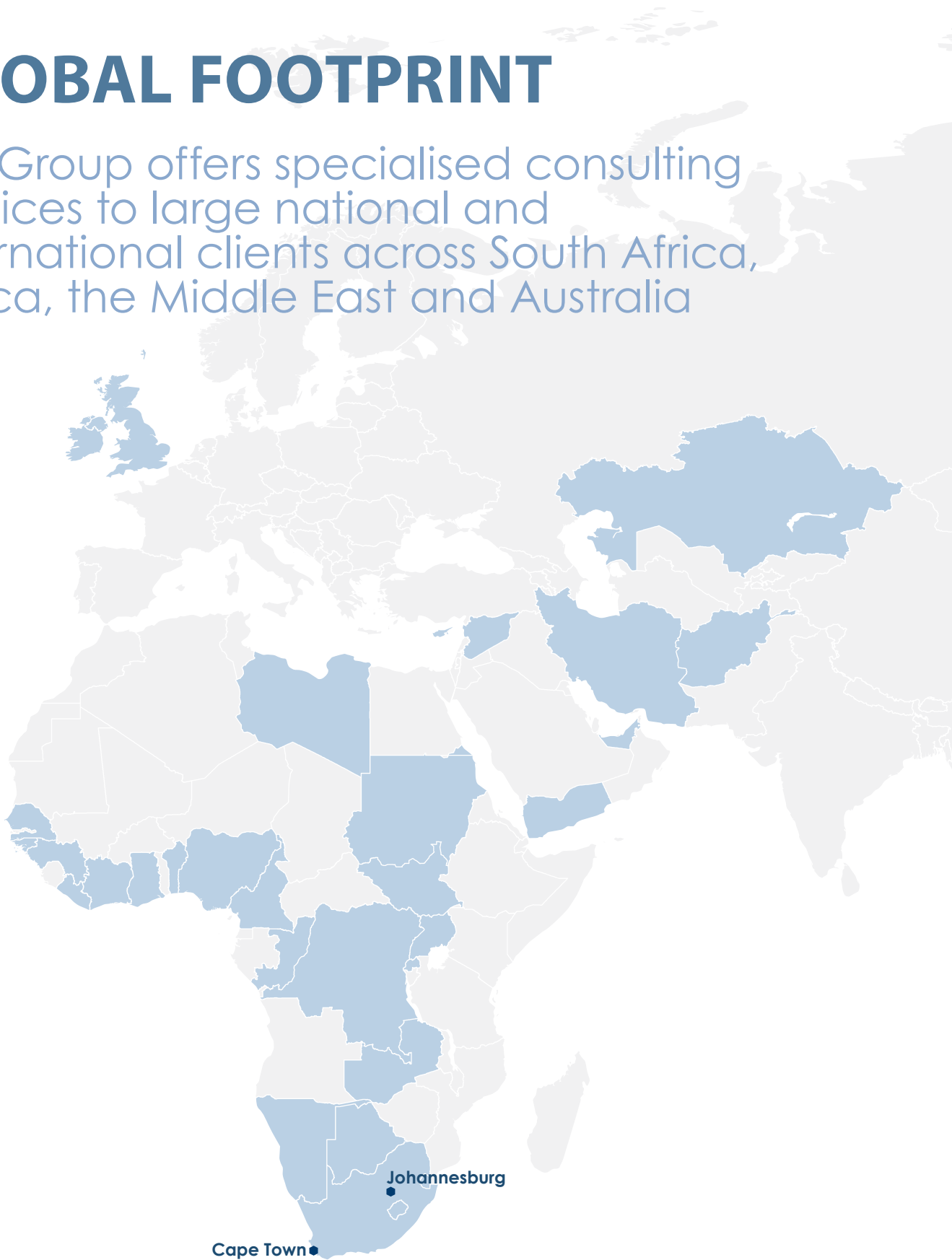
PBT Group creates individual entities for its operating units due to its growth and in terms of its geographical dispersion. Through this, PBT Technology Services and PBT Technology Services (MEA) were established.

2017

Prescient disposes of its financial services arm, renamed to PBT Group and continues its listing on the main board of the JSE as a focused listed IT entity.

GLOBAL FOOTPRINT

PBT Group offers specialised consulting services to large national and international clients across South Africa, Africa, the Middle East and Australia



Offices

Cape Town (Head Office)
Johannesburg
Melbourne (Australia)

Business Operations



SHAREHOLDER PROFILE

During the 2017 financial year, no new shares were issued. Total issued shares are 1 669 250 950. Included in the total shares in issue are 9 871 888 treasury shares.

DISTRIBUTION OF SHAREHOLDERS

Number of shares held	Number of shareholders	Percentage	Numbers of shares	Percentage
1 – 10 000	1 159	61.78%	2 619 336	0.16%
10 001 – 100 000	471	25.11%	16 007 291	0.96%
100 001 – 1 000 000	139	7.41%	49 217 261	2.95%
1 000 000 – 10 000 000	81	4.32%	252 143 744	15.11%
Greater than 10 000 000	26	1.38%	1 349 263 318	80.82%
	1 876	100%	1 669 250 950	100.00%
Individuals	1 629	86.83%	305 088 099	18.31%
Nominees and trusts	109	5.81%	68 508 314	4.11%
Close corporations	16	0.85%	285 194 556	17.12%
Other corporate bodies	82	4.37%	705 622 926	42.35%
Banks	5	0.27%	167 000 519	10.02%
Insurance companies	4	0.21%	243 193	0.01%
Pension funds and medical aid schemes	6	0.32%	44 017 566	2.64%
Collective investment schemes and mutual funds	25	1.34%	90 575 777	5.44%
Total	1 876	100%	1 666 250 950	100.00%

PUBLIC AND NON-PUBLIC SHAREHOLDERS

	Number of shareholders	Numbers of shares	Percentage of total issued shares
Shareholders holding greater than 10% of issued share capital	1	283 814 784	17.00%
Directors	5	230 730 198	13.82%
Public shareholders	1 870	1 154 705 968	69.18%
	1 876	1 669 250 950	100.00%

MAJOR SHAREHOLDERS

The shareholders, other than Directors, who are directly or indirectly beneficially interested in 5% or more of the Group's issued share capital at 31 March 2017 are as follows:

	Ordinary shares	Percentage of total issued share capital
Seena Marina Financial Services Proprietary Limited	99 201 824	5.94%
Prescient Khawuleza Proprietary Limited	120 334 449	7.21%
Clearstream Banking SA Luxembourg	167 000 000	10.00%
Nimeemmi CC	283 814 784	17.00%

DIRECTORS' HOLDINGS

The Directors' holdings at 31 March 2017 were as follows:

	Direct number of shares	Percentage	Indirect number of shares	Percentage
2017				
Murray Louw	1 289 237	0.08%	2 972 113	0.18%
Herman Steyn	1 701 321	0.10%	208 692 782	12.50%
Cheree Dyers	4 784 265	0.29%	10 325 683	0.62%
Tony Taylor	964 797	0.06%	–	0.00%
	Direct number of shares	Percentage	Indirect number of shares	Percentage
2016				
Murray Louw	–	0.00%	4 261 350	0.26%
Herman Steyn	1 702 321	0.10%	329 027 231	19.71%
Cheree Dyers	4 974 144	0.30%	10 325 683	0.62%
Tony Taylor	1 064 797	0.06%	–	0.00%

LETTER TO STAKEHOLDERS



Pierre de Wet
Chief Executive Officer

Murray Louw
Chairman

From our Chief Executive Officer & Chairman

BUSINESS ACTIVITIES AND GROUP RESULTS

During the period under review, PBT Group Limited (previously Prescient Limited) shareholders approved a transaction with Stellar Capital Partners and received a distribution to an amount of R1.428 billion from 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 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 (ICT) 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 (IoT) (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.

LETTER TO STAKEHOLDERS continued

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 Directors 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 payout was made post year-end to PBT Group by Prescient Holdings Group. The cash portion of this excess payout amounted to R26.2 million, which will be paid out to shareholders as a capital reduction distribution of which the details will be announced on SENS in due course.

ACKNOWLEDGEMENTS

We would like to take this opportunity to thank our clients for their support, our staff, management and our Board of Directors 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.

Pierre de Wet
Chief Executive Officer

Murray Louw
Chairman

DIRECTORATE



Pierre de Wet
Chief Executive Director
Age 55

Appointed March 2017

Pierre de Wet started his career at Anglo American Corporation's head office as a scholarship holder. When an opportunity arose at stockbroking firm Huysamer Stals, Pierre was lured away and spent the next three years at the JSE gaining valuable experience in both the equity and capital markets. In 1992, he joined District Securities Bank in the capital market division, trading and broking capital market instruments, before co-founding PBT Group in 1998.

During the reverse listing of PBT Group via the Wooltru cash shell in June 2010, Pierre was appointed as CEO of the listed entity. He held this position until August 2012 when Prescient Holdings listed on the JSE via a reverse listing into PBT Group. He remained CEO of PBT Group during this time. Pierre was again appointed as the CEO of PBT Group after Prescient Holdings was disposed of and the listed entity became PBT Group once more.



Cheree Dyers
Independent Non-Executive Director
Age 43

Appointed March 2017

Cheree is the CEO of Prescient Securities and sits on a number of Prescient Group boards. Outside of Prescient she is a member of the Gen Re South Africa Board of Directors (a subsidiary of Berkshire Hathaway) where she is also a Chairman of the Audit Committee. She has a Bachelor of Business Science (Honours) (Marketing) degree, a BCom degree and a post-graduate diploma in Accounting (all from UCT). She is a qualified Chartered Accountant, a CFA charter holder and a member of the South African Institute of Stockbrokers.



Murray Louw
Chairman and Financial Director
Age 72

Appointed March 2004

Murray is a merchant banker with extensive corporate finance experience both locally and abroad. He was elected to the Board of PBT Group in March 2004 (then Wooltru) and appointed Non-Executive Chairman on 13 December 2012. During 2017, his role changed to Financial Director and Chairman of PBT Group. Murray is also a Non-Executive Director of Trematon Capital Investments.



Arthur Winkler
Independent Non-Executive Director
Age 40

Appointed May 2017

Arthur qualified as a Chartered Accountant having graduated from the University of Cape Town. He completed his articles at Moores Rowland where he remained as an audit manager until joining Wooltru as Company Secretary. He joined Trematon Capital Investments in 2008 where he currently fills the role of Executive Director and Chief Financial Officer of the Group.



Tony Taylor
Lead Independent Non-Executive Director
Age 70

Appointed March 2017

Tony graduated in 1967 with a BA in Social Anthropology at the University of Witwatersrand. He started his career as merchandise manager at Edgars in 1968 and held management and Director positions at several major retail companies up to 2009. Since 2009, Tony is an Executive of Pepkor Retail and is also a Non-Executive Director of Truworths.



Herman Steyn
Non-Executive Director
Age 56

Appointed December 2012

Herman has been involved in the investment management industry since 1985, having held senior management positions in several asset management companies. He began his career in investments after studying a BBusSc degree majoring in Actuarial Science, Statistics and Economics at the University of Cape Town. Herman completed his BBusSc (Honours) in 1984 and in 1998 founded Prescient Investment Management. Herman was appointed as Director and CEO of Prescient in December 2012, in which position he remained until March 2017. He continues to serve on the PBT Group Board as a Non-Executive Director.

CORPORATE GOVERNANCE

We embrace sound corporate governance and the principles of integrity, transparency and accountability.

In doing so, PBT Group is committed to the Code of Corporate Governance Practices and Conduct as set out in King IV.

Our Directors seek to identify and respond to risks and to promote considered and swift decision-making to facilitate continuous improvement in operational and corporate business practices, underpinned by transparent communication with all stakeholders.

BOARD COMPOSITION

The Board was made up of five Directors at year-end: Pierre de Wet, Murray Louw, Herman Steyn, Tony Taylor and Cheree Dyers. During May 2017, one additional Director was appointed, namely Arthur Winkler.

Heather Sonn resigned in July 2016 in order to focus on her demanding business interests and Michael Buckham resigned in January 2017 due to an opportunity that lured him away. Due to the disposal of Prescient Holdings during the 2017 financial year, there were many changes to the Board. Ronell van Rooyen, Keneilwe Moloko and Zane Meyer resigned on 17 March 2017 and Tony Taylor, Cheree Dyers and Arthur Winkler were appointed in their stead. The Board, together with the Remuneration and Nomination Committee, is responsible for identifying and nominating new Directors. The appointment process is conducted in a formal and transparent manner. In making new appointments the Committee and the Board take into account the blend of skills and experience, as well as social and business concerns.

Using the guidelines of King IV, the Board confirms the classification of Independent Directors each year and is of the view that Tony Taylor, Cheree Dyers and Arthur Winkler met the requirements of independence.

The roles of Executive and Non-Executive Directors are separate to ensure that no Director can exercise unrestricted decision-making powers. The Chairman provides guidance to the Board, encouraging proper deliberation on all relevant matters while obtaining input from other Directors.

The Executive Directors are primarily responsible for implementing strategy and operational decisions while Non-Executive Directors contribute their independent and objective knowledge and experience to Board deliberations.

Murray Louw is Chairman and Financial Director of the Board, with Tony Taylor the Lead Independent Non-Executive Director and Pierre de Wet the Group's Chief Executive Officer. The responsibilities of the Chairman and CEO are separate.

Murray has accepted the role as Financial Director on top of being Chairman and is considered by the Board to be Executive. Tony Taylor has been appointed as Lead Independent Non-Executive Director to strengthen the independence requirement of King IV.

In compliance with the JSE Listings Requirements, the Audit and Risk Committee considers the expertise and experience of the Financial Director and confirms its satisfaction with his performance to shareholders annually.

The Directors hold office until the next Annual General Meeting (AGM) when one-third of Directors will retire or, being eligible, make themselves available for re-election by the shareholders. The Executive Directors will not be required to retire on a rotational basis. The Non-Executive Directors have no fixed term of appointment and no service contracts with PBT. Letters of appointment confirm the terms of their service.

The Board comprised of four Non-Executive Directors with a broad diversity of skills and experience. The details of each Director are included on page 15.

BOARD FUNCTIONING

PBT Group's Board meets at least four times a year. Meetings are convened by formal notice incorporating a detailed agenda supported by relevant written proposals and reports.

In addition, the Memorandum of Incorporation of the company provides for material decisions taken between meetings to be ratified by way of Directors' Resolutions. Details of Directors' attendance at Board and Committee meetings during the year are set out below:

Director	Meetings attended	Meetings eligible for
Herman Steyn	4	4
Michael Buckham	4	4
Murray Louw (Chairman)	4	4
Zane Meyer	4	4
Keneilwe Moloko	3	4
Heather Sonn	2	2
Ronell van Rooyen	3	4

Directors declare their interests in contracts and other appointments at all Board meetings.

The company has an induction programme for all new employees and an open invitation is extended to the Non-Executive Directors to attend this programme. In addition, ongoing formal and informal training is provided to the Directors as is appropriate.

The Board members have direct access to the Company Secretary in relation to the affairs of the Group and are entitled to obtain independent professional advice regarding Group matters at the Group's expense. All members of the Board are expected to contribute to ensuring that PBT Group maintains high standards of corporate governance.

The Board of Directors performs an annual assessment of their performance through a detailed peer review and assessment questionnaire in order to assess the effectiveness of the Board and the Board members.

BOARD COMMITTEES

The Audit and Risk, Remuneration and Nomination and Social and Ethics Committees are appointed by the Board.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee comprised Zane Meyer, Keneilwe Moloko and Heather Sonn up to 17 March 2017. The newly appointed members are Arthur Winkler, Cheree Dyers and Tony Taylor. Its composition was consistent with King IV and the Companies Act requirement for at least three Independent Non-Executive Directors.

Committee meetings are also attended by relevant Senior Executives to provide insight into items under review.

The Committee meets at least three times a year and specifically oversees the following functions:

- Nomination for appointment by the shareholders of the external auditors.
- Liaison with the external auditors and determining the external audit fee.
- Assessment of the independence of the auditor.
- Regulation of non-audit work performed by external auditors.
- Assessment of the effectiveness of the auditing processes.
- Recommendation of financial statements for approval by the Board.
- Monitoring of the adequacy and effectiveness of the internal control systems.
- Safeguarding the Group's and clients' assets.
- Assessment of the risk management process.
- Assessment of the governance processes.
- Assessment of the skills, expertise and capability of the finance function.

In terms of the requirements of the Companies Act, individual members of the Audit and Risk Committee are elected by the shareholders at the AGM.

The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibility regarding financial and auditing oversight, as well as the overall quality and integrity of financial and internal controls.

It also performs prescribed statutory requirements, including those applicable to the external auditor. This includes the annual recommendation of the external auditor to the shareholders at the AGM.

Each year, the Committee reviews the extent of non-audit services provided by the external auditors. In terms of the JSE Listings Requirements, the Audit and Risk Committee must perform an annual evaluation of the finance function of the Group. During the current year, the Committee is satisfied that the Financial Director and the finance function possessed the appropriate expertise and experience to meet their responsibilities.

The Audit and Risk Committee expressed its satisfaction with the independence of its external auditor for the 2017 financial year, KPMG Incorporated. Following the disposal of Prescient Holdings, PBT Group considered proposals from a number of auditing firms before nominating the appointment of Grant Thornton Incorporated as its external auditor for the 2018 financial year. Grant Thornton is accredited on the JSE's list of auditors in terms of the Listings Requirements of the JSE.

The Audit and Risk Committee has recommended the Integrated Report to the Board for approval.

AUDIT AND RISK COMMITTEE ATTENDANCE

Members	Meetings attended	Meetings eligible for
Zane Meyer	2	2
Keneilwe Moloko	2	2
Heather Sonn	1	1

Only two of the three meetings as stated in Audit Committee charter were held. The third meeting was cancelled as the Audit Committee members didn't think it necessary after the completion of the Stellar transaction. The new Audit Committee was appointed on 17 March 2017 and the first PBT Group Audit Committee meeting was held in May 2017.

REMUNERATION AND NOMINATION COMMITTEE

The members of the Remuneration and Nomination Committee, which meets once during the year, are Cheree Dyers, Herman Steyn and Tony Taylor. All three members of the Committee are Non-Executive Directors of the company, the majority being Independent. The primary responsibilities of this Committee include:

- Ensuring that the Group's Chairman, Directors and Senior Executives are rewarded for their contributions in accordance with individual performance.
- Ensuring the retention of key personnel through benchmarking Executive remuneration against industry norms and taking individual and Group performance targets into account in determining Executive remuneration.
- Ensuring appropriate human resources strategies, policies and practices.
- Reviewing the composition and performance of the Board and its Committees.
- Overseeing the Board appointment process.
- Approving the remuneration of Directors and Senior Executives.

REMUNERATION AND NOMINATION COMMITTEE ATTENDANCE

Members	Meetings attended	Meetings eligible for
Zane Meyer	1	1
Keneilwe Moloko	1	1
Heather Sonn	1	1

CORPORATE GOVERNANCE continued

SOCIAL AND ETHICS COMMITTEE

The members of the Social and Ethics Committee are Cheree Dyers, Elizna Read and Bianca Pieters. The purpose of the Committee is to monitor the Group's activities, taking into account relevant legislation, other legal requirements or prevailing codes of best practice, with regard to:

- Social and economic development.
- Corporate citizenship.
- Environment, health and public safety.
- Labour and employment.

COMPANY SECRETARY

Bianca Pieters is the Company Secretary for PBT Group. In terms of the JSE Listings Requirements regulations 3.84(i) and 7.F.6(j), the Board of Directors must satisfy itself, on an annual basis, on the competence, qualifications and experience of the Company Secretary. The Board has satisfied itself on these criteria by confirming the Company Secretary's qualifications and experience through verification with third parties. In terms of regulation 4.8(c) of the JSE Listings Requirements, the Company Secretary should maintain an arm's-length relationship with the Board of Directors and should ideally not be a Director. The Board is satisfied that an arm's-length relationship does exist between the Company Secretary and itself, thus addressing any possible conflict of interest and/or dilution of the Company Secretary's independence.

STAKEHOLDER COMMUNICATION

PBT Group strives in its communication with stakeholders, particularly the investment community, to present a balanced and easily understandable assessment of the Group's position. In our financial reporting, formal announcements, media releases, annual meetings, presentations and dialogue with analysts and institutional shareholders, the objective is to provide clear and accurate information, disseminated as widely as possible.

INTERNAL AUDIT AND INTERNAL CONTROL

The Board and management are responsible for maintaining effective systems of internal control.

These are designed to provide reasonable assurance as to the integrity and reliability of the financial statements, to safeguard, verify and maintain accountability of the Group's assets and to detect and minimise significant fraud, potential liability, loss and material misstatement while complying with applicable statutory laws and regulations.

We strive to maintain internal controls that ensure financial reporting systems contain complete, accurate and reliable information and safeguard the Group's assets. The external auditors report to the shareholders and have ready access to the Chairman of the Audit and Risk Committee as well as the Directors.

PBT Group does not have a separate internal audit function as it does not consider an internal audit function necessary due to the smaller size of the Group.

Nothing has come to the attention of the Directors to suggest that the accounting records and systems of internal control were not appropriate or satisfactory, neither has any material loss, exposure or misstatement arising from a material breakdown in the functioning of the systems of internal control or accounting been reported to the Directors in respect of the period under review.

CODE OF ETHICS

PBT Group's human resources policy includes the parameters within which staff and Directors are expected to conduct themselves. The policy includes a code of ethics which forms the foundation for the values and ethics of the Group. Staff and Directors are expected to:

- Conduct themselves in a professional manner.
- Abide by the strictest code of ethical behaviour.
- Maintain an absolute degree of client and corporate confidentiality.
- Ensure that their personal positions are never placed before those of a client.
- Encourage an environment that is productive, efficient and entrepreneurial.
- Facilitate teamwork amongst peers, ensuring that all staff is treated with dignity and respect.

REMUNERATION REPORT

The aim of remuneration at PBT Group is to reward staff for their contribution to the long-term operating and financial performance of the Group. The overall philosophy is to ensure that the remuneration of employees is competitive and ensures that the Group attracts, motivates and retains individuals of the highest calibre.

REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee is comprised of three members (Cheree Dyers, Herman Steyn and Tony Tayler), who are Non-Executive Directors of the company. The Remuneration and Nomination Committee meets once a year.

To ensure that the policy of remuneration is implemented and adhered to, the Remuneration and Nomination Committee is tasked with several responsibilities:

- Determine and approve the Group's general remuneration policy, which is presented at each Annual General Meeting for approval by the shareholders.
- Ensure the retention of key personnel through benchmarking Executive remuneration against industry norms and taking individual and Group performance targets into account in determining Executive remuneration.
- Appraise the performance of the Chief Executive Officer.
- Approve the appointment and promotion of key Executives.
- Approve the annual increase percentages.
- Undertake an annual assessment of the effectiveness of the Committee and to report the findings to the Board.
- Approve any changes to the remuneration structure of the Group.
- Approve the performance targets for any long-term incentive awards.
- Prepare an annual remuneration report for inclusion in the Group's Integrated Report.

Due to the operational diversity of the Group and the number of employees across these units, the Committee has delegated the responsibility of allocating percentage increases of individual staff at a non-management level to the operational heads.

The Remuneration and Nomination Committee and the operational heads are fully supported through this process by the human resources function.

THE REMUNERATION POLICY

The remuneration policy aims to follow the guidelines and recommendations of King IV and is based on the following principles:

- Remuneration practices are aligned with corporate strategy.
- Total rewards are set at levels that are competitive relative to the ICT industry.
- Incentive awards are earned through achieving performance measures and targets that ensures that they are sustainable and aligned to the well-being of all stakeholders over the short-, medium-, and long-term.
- Incentive plans, performance measures and targets are structured to operate effectively throughout the business cycle.
- The design of the incentive plans is prudent and does not expose stakeholders to a position where the Group is placed at risk.

Staff salaries are subject to an annual review which considers the Group's performance, the performance of the individual, cost of living adjustments and changes in scope of an employee's role. Various industry surveys are utilised and all employees are benchmarked against their respective industry peers to ensure that the remuneration levels are fair and competitive. Each employee is assessed in relation to a comprehensive peer review process that is conducted bi-annually.

REMUNERATION REPORT continued

EXECUTIVE DIRECTORS' REMUNERATION

The remuneration paid to Executive Directors is set out in the table below:

Name R'000	Director's fees	Basic salary	Value of non-cash benefits	Pension contributions paid	Bonus	Share-based payment	Total
Herman Steyn*	633	–	9	–	1 000	–	1 642
Michael Buckham	–	1 687	163	253	–	48	2 151
Pierre de Wet**	–	–	–	–	–	–	–
Total	633	1 687	172	253	1 000	48	3 793

NON-EXECUTIVE DIRECTORS' REMUNERATION

The Board, in reviewing Non-Executive Directors' fees, makes recommendations to shareholders considering, firstly, fees payable to Non-Executive Directors of comparable companies and, secondly, the importance attached to the retention and attraction of high calibre individuals as Non-Executive Directors. Remuneration is reviewed annually, with reference to surveys of Non-Executive Directors' remuneration. This remuneration is not linked to the company's share price or performance. Levels of fees are also set by reference to the responsibilities assumed by the Non-Executive Directors in chairing the Board and in chairing or participation in its Committees. To avoid a conflict of interest, the Remuneration and Nomination Committee, which consists entirely of Independent Non-Executive Directors, takes no part in the determination of Non-Executive Directors' fees or in the recommendation to the Board and shareholders. The Board annually recommends remuneration of Non-Executive Directors for approval by shareholders in advance.

The Non-Executive Directors' fees for the year were as follows:

Name R'000	Director's fees	Total
Murray Louw	258	258
Zane Meyer	266	266
Heather Sonn	50	50
Keneilwe Moloko	153	153
Ronell van Rooyen	163	163
Arthur Winkler**	–	–
Tony Taylor**	–	–
Cheree Dryers**	–	–
Total	890	890

* Herman Steyn earned a Director's fee of €45 000 (2016: €45 000) in respect of the Prescient Global Funds, QIF funds and Prescient Fund Services Ireland.

** The Directors have been appointed on or after 17 March 2017. The benefits reflected in this table are for the period during which they acted as directors.

ENTERPRISE RISK MANAGEMENT

RISK PHILOSOPHY AND GOVERNANCE

PBT Group's vision for risk management is for decisions to be made based on an informed understanding of the risks involved and for risks to be managed within risk appetite and tolerance in the achievement of PBT Group's objectives.

PBT Group is committed to its operations and innovation without compromising quality or assuming risk that is above what we are willing to accept.

Risk management plays a vital role in assisting PBT Group to understand the impacts and opportunities associated with achieving business priorities.

The Board is ultimately responsible for the governance of risk. The Audit and Risk Committee, as a subcommittee of the Board, assists the Board in carrying out these responsibilities by providing oversight of the adequacy of the risk management process.

Risk management is integral to promoting accountability and good governance. We are committed to embedding risk management into our business decision-making.

In creating shareholder value, the objectives of the risk management are as follows:

- Achieve the Group's performance and profitability goals.
- Prevent loss of resources.
- Ensure effective reporting and compliance with relevant laws and regulations.
- Protect the Group's reputation.
- Achieve our strategic objectives and effectively manage pitfalls and surprises along the way.

SUSTAINABILITY REPORT

BLACK ECONOMIC EMPOWERMENT (BEE)

PBT Group considers transformation and the creation of sustainable B-BBEE an important part of the South African business landscape.

As at 31 March 2017, the PBT Group of companies held the following B-BBEE certifications:

PBT Technology Services Proprietary Limited:	Level 2 Contributor
PBT Technology Services (MEA) Proprietary Limited:	Level 2 Contributor
Technique Business Intelligence Software Proprietary Limited:	Level 1 Contributor
BI-Blue Consulting Proprietary Limited:	Level 1 Contributor
CyberPro Consulting Proprietary Limited:	Level 3 Contributor

EMPLOYMENT EQUITY AND HUMAN RESOURCES

The profile of PBT Group's workforce in terms of the Employment Equity Act is detailed below:

Occupational level	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Executive Directors	1	2	2	8	-	-	2	1	-	-	16
Senior Management	1	1	2	8	1	-	-	2	1	-	16
Middle Management	1	1	1	22	3	2	1	8	1	-	40
Skilled Technical Workers, Junior Management and Supervisors	56	22	18	125	25	6	9	39	14	2	316
Semi-Skilled and Discretionary Decision-Making	1	1	1	3	3	2	1	11	-	-	23
Unskilled	-	-	-	-	1	1	-	-	-	1	3
Total permanent	60	27	24	166	33	11	13	61	16	3	414
Temporary employees	-	-	-	-	3	-	-	-	-	-	-
Total temporary	-	-	-	-	3	-	-	-	-	-	3
Grand total	60	27	24	166	36	11	13	61	16	3	417

These figures exclude independent contractors.

Furthermore, based on the requirements of the Australian Government's Racial Discrimination Act 1975, PBT Group (Australia)'s figures have been separately listed as follows:

Occupational level	Total
Executive Directors	3
Senior Management	1
Middle Management	2
Skilled Technical Workers, Junior Management and Supervisors	16
Semi-Skilled and Discretionary Decision-Making	-
Unskilled	-
Total permanent	22
Temporary employees	15
Total temporary	15
Grand total	37

The Company supports the principles and aims of gender diversity at Board level. With this in mind and having regard to changes to the JSE Listings Requirement, the Board is in the process of implementing a Board Gender Diversity Policy.

SKILLS DEVELOPMENT

PBT Group has a staff complement of more than 550 highly skilled and professional consultants having worked in more than 25 countries worldwide. Our consultants have been exposed to various technologies and industries and their wealth of experience has ensured the success of every client engagement. PBT Group is also committed to growing the available skills base and enhancing the quality of skills currently in the marketplace. This is being addressed through a specialised internship programme, which has allowed entry into a very competitive market for more than 140 BEE candidates to date. This programme was established in 2004 and is repeated annually.

CORPORATE SOCIAL INVESTMENT (CSI)

PBT Group is a responsible corporate citizen, whereby the brand is involved in various CSI initiatives ranging from local soup kitchens, to the provision of IT equipment to schools in previously disadvantaged communities. During the 2017 financial year, PBT Group's main CSI beneficiary was the Prescient Foundation.

THE PRESCIENT FOUNDATION

Founded in 2005, the Prescient Foundation was established as a vehicle to invest in the human capital potential of South Africa. The Foundation believes in the inherent human ability to, with the provision of opportunities and support, become "more". As a registered public benefit organisation, the Foundation strives to facilitate real and sustainable change and maximise impact. The Foundation is committed to support initiatives that fall within three broad areas, namely education, social projects and entrepreneurial business ideas. In addition, the Foundation aims to ground the sustainability of its projects and establish ways where different communities and projects can work together and learn from each other.

During the 2017 financial year, PBT Group's contribution towards The Prescient Foundation was largely focused on the **Sakhikamva Foundation**, a registered non-profit organisation involved in aviation awareness and skills development for youth in the aerospace industry, with the focus on STEM education (Science, Technology, Engineering and Mathematics). Sakhikamva's 2017 flagship project is the Robotics Skills Development Project in conjunction with AppShed, which focuses on the introduction and development of an array of skills from robotics, application building, application design, IoT and coding for grade 8 and 9 learners.



A decorative graphic consisting of several overlapping, light blue hexagonal outlines is positioned on the left side of the dark blue banner.

Abridged Audited Consolidated Financial Statements

for the year ended 31 March 2017

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These financial statements have been prepared under the supervision of the Financial Director, Murray Louw.

Audited in compliance with the applicable requirements of the Companies Act.

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

	Notes	2017 R'000	2016 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	Translation reserve	Treasury shares	Share-based payment reserve	Retained income	Total	Non-controlling 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 recognised 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

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

R'000	Stated capital	Translation reserve	Treasury shares	Share-based payment reserve*	Retained income	Total	Non-controlling 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 in 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 (Acquisition)/Disposal of financial assets at fair value through profit or loss	2	1 317 935 (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		Total
	Continuing operations	Discontinued operations	Total	Continuing operations Restated	Discontinued operations Restated*	
R'000						
(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.

5. EARNINGS PER SHARE (CONTINUED)

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

NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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 R'000	2016 R'000
Results of discontinued operations		
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 R'000	2016 R'000
Cash flows from/(used in) discontinued operations		
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

6. DISCONTINUED OPERATIONS (CONTINUED)

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

NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

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

NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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, 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 OPERATIONS

	South Africa		Australia		Middle East/Africa		Other		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
R'000										
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	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
R'000										
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	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
R'000										
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.

NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. SEGMENT REPORT (CONTINUED)

	2017 R'000	2016 R'000
Reconciliation of reportable segment profit or loss		
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

This document is important and requires your immediate attention. If you are in any doubt about what action you should take, consult your broker, Central Securities Depository Participant (CSDP), legal adviser, banker, financial adviser, accountant or other professional adviser immediately.

An electronic proxy voting solution has been made available to PBT Group Limited shareholders holding share certificates and shareholders who have dematerialised their share certificates and have elected "own-name" registration through a Central Securities Depository Participant or broker. Please go to <https://votingplatform.corporateactions.co.za/PBT> to vote electronically online.

If you are a shareholder and have dematerialised your share certificate through a CSDP or broker and have not selected own-name registration in the sub-register maintained by a CSDP, you must not complete this form of proxy, but must instruct your CSDP or broker to issue you with the necessary authority to attend the Annual General Meeting, or if you do not wish to attend, you may provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into with your CSDP or broker.

If you have disposed of all your shares in PBT Group, please forward this document, together with the enclosed form of proxy, to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

Included in this document are:

- The notice of meeting, setting out the Resolutions to be proposed thereat, together with explanatory notes.
- A form of proxy for use by shareholders holding ordinary shares in the company in certificated form or recorded in sub-registered electronic form in "own-name" (which form must be lodged with the company's transfer secretary, being Link Market Services Proprietary Limited, 13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001, PO Box 4844, Johannesburg, 2000) to be received by no later than 12:00 on Monday, 18 September 2017. If you do not lodge or post the form of proxy to reach the Transfer Secretaries by the relevant date and time, you will nevertheless be entitled to have the Form of Proxy lodged immediately prior to Annual General Meeting with the Chairman.
- Shareholders who have dematerialised their shares and are not registered as "own-name" dematerialised shareholders who wish to attend the AGM, must instruct their CSDP or broker to provide them with the relevant letter of representation to enable them to attend such meeting or, alternatively, should they wish to vote but not to attend the AGM, they must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. Such shareholders must not complete this form of proxy.
- A shareholder (including certificated shareholders and dematerialised shareholders who hold their shares with "own-name" registration) entitled to attend and vote at the meeting may appoint one or more proxies to attend, participate and vote in his/her/its stead. A proxy does not have to be a shareholder of the company. The appointment of a proxy will not preclude the shareholder who appointed that proxy from attending the AGM and participating and voting in person thereat to the exclusion of any such proxy. A form of proxy for use at the meeting is attached.

Notice is hereby given to all shareholders of 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 the following business:

To consider and, if thought fit, pass with or without modification, the following Special and Ordinary Resolutions, as well as any matters raised by shareholders at this AGM, with or without advance notice, which may be transacted at an AGM as determined by the Companies Act, and as read with the JSE Listings Requirements, which meeting is to be participated in and voted at by shareholders reflected in the share register as at the record date of Friday, 15 September 2017. Accordingly, the last day to trade PBT Group shares in order to be recorded in the share register to be entitled to vote will be Tuesday, 12 September 2017.

IDENTIFICATION OF MEETING PARTICIPANTS

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a shareholders' meeting. Forms of identification include valid identity documents, driver's licences and passports.

PRESENTATION OF FINANCIAL STATEMENTS

The audited annual financial statements of the company for the year ended 31 March 2017 (as approved by the Board of Directors) and including the Directors' Report, the Audit and Risk Committee Report and the External Auditors' Report have been distributed as required and will be presented to shareholders. The abridged audited consolidated financial statements are set out on pages 24 to 40 of the Integrated Report.

ORDINARY RESOLUTIONS

Each of the below Ordinary Resolutions requires the support of a simple majority (that is, 50% +1%) of the votes exercised in respect of each Resolution in order to be adopted.

1. Ordinary Resolution Number One

Receive and adopt financial statements

To receive and adopt the financial statements for the year ended 31 March 2017 including the Directors' report and the Report of the auditors thereon.

2. Ordinary Resolution Number Two

The appointment of the auditor of the company

The appointment of the auditor of the company for the ensuing year ending 31 March 2018.

To consider and, if deemed fit, to pass, without modification, the following Ordinary Resolution:

To appoint, on recommendation of the Audit and Risk Committee:

2.1 Grant Thornton Incorporated as the auditors of the company.

2.2 B van der Walt is hereby appointed as the designated auditor to hold office for the ensuing year in compliance with the requirements of Section 90(2) of the Companies Act.

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

3. Ordinary Resolution Number Three

The re-appointment of Herman Steyn as Non-Executive Director

To resolve that the re-appointment of Herman Steyn as Non-Executive Director, who retires by rotation, but being eligible, offers himself for re-election in accordance with the company's Memorandum of Incorporation for a further term of office be authorised and confirmed.

Herman Steyn was first appointed to the Board in December 2012. A brief CV appears on page 15 of the Integrated Report.

4. Ordinary Resolution Number Four

The appointment of Cheree Dyers as an Independent Non-Executive Director

To resolve that the appointment of Cheree Dyers as an Independent Non-Executive Director be authorised and confirmed.

A brief CV appears on page 15 of the Integrated Report.

5. Ordinary Resolution Number Five

The appointment of Tony Taylor as Lead Independent Non-Executive Director

To resolve that the appointment of Tony Taylor as Lead Independent Non-Executive Director, be authorised and confirmed.

A brief CV appears on page 15 of the Integrated Report.

6. Ordinary Resolution Number Six

The appointment of Arthur Winkler as an Independent Non-Executive Director

To resolve that the appointment of Arthur Winkler as an Independent Non-Executive Director be authorised and confirmed.

A brief CV appears on page 15 of the Integrated Report.

7. Ordinary Resolution Number Seven

The appointment of Arthur Winkler as an Audit and Risk Committee member

To resolve that the appointment of Arthur Winkler as an Audit and Risk Committee member, be authorised and confirmed.

Information in respect of Arthur Winkler is set out on page 15 of the Integrated Report.

8. Ordinary Resolution Number Eight

The appointment of Cheree Dyers as an Audit and Risk Committee member

To resolve that the appointment of Cheree Dyers as an Audit and Risk Committee member, be authorised and confirmed.

Information in respect of Cheree Dyers is set out on page 15 of the Integrated Report.

9. Ordinary Resolution Number Nine

The appointment of Tony Taylor as an Audit and Risk Committee member

To resolve that the appointment of Tony Taylor as an Audit and Risk Committee member, be authorised and confirmed.

Information in respect of Tony Taylor is set out on page 15 of the Integrated Report.

10. Ordinary Resolution Number Ten

Fees paid to Directors

To resolve that the fees paid to the Directors of the company in respect of the year ended 31 March 2017, as set out in the annual financial statements on page 20, be approved.

11. Ordinary Resolution Number Eleven

Control of authorised but unissued shares

To resolve that all the unissued shares in the authorised share capital of the company be and are hereby placed under the control of the Directors of the company, who are authorised to allot and issue the same to such persons and on such terms and conditions as they may determine in their sole and absolute discretion, subject to the provisions of the Companies Act and the JSE Listings Requirements.

12. Ordinary Resolution Number Twelve

Directors' or Company Secretary's authority to implement Special and Ordinary Resolutions

To consider and, if deemed fit, to pass, without modification, the following Ordinary Resolution:

To resolve that, as an Ordinary Resolution, that each and every Director of the company or the Company Secretary be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the Resolutions passed at this meeting.

13. Ordinary Resolution Number Thirteen

General payments

To resolve that, in terms of the Memorandum of Incorporation and subject to the provisions of the Companies Act and the JSE Listings Requirements, the Directors of the company shall be entitled, from time to time, to pay by way of a reduction of share premium, capital distributions to shareholders of the company *in lieu* of a dividend. Such distributions shall be made *pro rata* to all shareholders and shall be amounts equal to the amounts which the Directors would have declared and paid out of profits of the company as interim and final dividends in respect of the financial year ending 31 March 2018. This authority shall not extend beyond the date of the AGM following the date of the AGM at which this Resolution is being proposed, or 15 months from the date of the Resolution, whichever is shorter.

It is the intention of the company and/or any of its subsidiaries to utilise the general authority to make a general payment to shareholders, if at some future date the cash resources of the company are in excess of its requirements. In this regard, the Directors will take account of, *inter alia*, appropriate capitalisation structures for the company as well as the long-term cash needs of the company and will ensure that any such payments are in the interests of shareholders.

The method by which the company intends to make general payments to shareholders in terms of a general authority and the date on which such payments will take place has not yet been determined.

SPECIAL RESOLUTIONS

Each of the Special Resolutions below require the support of at least 75% of the votes cast by shareholders or represented by proxy at this meeting, in respect of each Resolution in order to be adopted.

14. Special Resolution Number One

Financial assistance

To consider and, if deemed fit, to pass, without modification, the following Special Resolution:

Resolved as a Special Resolution, in accordance with Sections 45(2) and 45(3) of the Companies Act, No 71 of 2008, it is hereby resolved that the Directors of the company be and are hereby authorised to provide direct or indirect financial assistance to a Director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, Director, prescribed officer or member, subject to Subsections (3) and (4) of the Companies Act and the JSE Listings Requirements; and resolved further, in accordance with Sections 44(2) and 44(3) of the Companies Act, the company's Board of Directors be and they are hereby authorised to provide financial assistance by way of a loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription of any option, or any shares, issued or to be issued by the company or a related or inter-related company, or for the purchase of any shares of the company or a related or inter-related company, subject to Subsection (3) of the Companies Act and the JSE Listings Requirements.

15. Special Resolution Number Two

Authority to repurchase shares

Resolved that, in accordance with the Memorandum of Incorporation of PBT Group and with effect from 12 August 2016, it is hereby approved as a general authority contemplated in the JSE Listings Requirements, the acquisition by PBT Group, or any of its subsidiaries from time-to-time, of the issued Ordinary Shares of PBT Group, upon such terms and conditions and in such amounts as the Directors of PBT Group or any of its subsidiaries may from time-to-time decide, but subject to the provisions of the JSE Listings Requirements (as presently constituted and as amended from time-to-time).

16. Special Resolution Number Three

Authority to pay Non-Executive Directors' fees

Resolved that, the Non-Executive Directors' fees paid for the period ended 31 March 2017, as set out on page 20 of this report, be and are hereby approved.

Resolved further, that the Non-Executive Directors' fees payable for the period from 1 April 2017 to 31 March 2018 be and are hereby approved:

Name R'000	2018	2017
Murray Louw*	–	258
Zane Meyer	–	266
Keneilwe Moloko	–	153
Ronell van Rooyen	–	163
Heather Sonn	–	50
Tony Taylor	240	–
Cheree Dyers	215	–
Arthur Winkler	205	–
Herman Steyn	195	–

*Murray Louw is an Executive Director for the 2018 financial year.

PARTICIPATION IN MEETING ELECTRONICALLY

Shareholders may participate (but not vote) in the AGM via teleconference, details of which are available from Bianca Pieters. Access to the meeting by way of electronic participation will be at the shareholder's expense. However, only persons physically present at the AGM or represented by a valid proxy will be entitled to cast a vote on any matter put to a vote of shareholders.

By order of the Board

Bianca Pieters
Company Secretary

Registered office:

PBT House
2 Mews Close
Waterford Mews
Century City
7441
South Africa

Sponsor:

Bridge Capital Advisors Proprietary Limited

FORM OF PROXY

FOR USE AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD AT 12:00 ON WEDNESDAY, 20 SEPTEMBER 2017, AT PBT HOUSE, 2 MEWS CLOSE, WATERFORD MEWS, CENTURY CITY, 7441, AND AT ANY ADJOURNMENT THEREOF.

For use by the holders of the company's certificated ordinary shares (certificated shareholder) and/or dematerialised ordinary shares held through a CSDP who have selected own-name registration ("own-name" dematerialised shareholders). Not for the use by holders of the company's dematerialised ordinary shares who are not own-name dematerialised shareholders. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the AGM and request that they be issued with the necessary authorisation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the AGM in order for the CSDP or broker to vote thereat in accordance with their instructions.

I/We (full name in block letters)

of (please print address)

being a shareholder of PBT Group and holding ordinary shares in the company, hereby appoint

1. of or failing him/her

2. of or failing him/her

3. the Chairman of the AGM, as my/our proxy to act for me/us and on my/our behalf at the AGM which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the Ordinary Resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the Ordinary Resolutions and/or abstain from voting in respect of the PBT Group ordinary shares registered in my/our name(s), in accordance with the following instructions:

	FOR	AGAINST	ABSTAIN
Ordinary Resolution Number One <i>Receive and adopt the annual financial statements</i>			
Ordinary Resolution Number Two <i>Appointment of the auditor of the company</i>			
Ordinary Resolution Number Three <i>Re-appointment of Herman Steyn as Non-Executive Director</i>			
Ordinary Resolution Number Four <i>Appointment of Cheree Dyers as an Independent Non-Executive Director</i>			
Ordinary Resolution Number Five <i>Appointment of Tony Taylor as Lead Independent Non-Executive Director</i>			
Ordinary Resolution Number Six <i>Appointment of Arthur Winkler as an Independent Non-Executive Director</i>			
Ordinary Resolution Number Seven <i>Appointment of Arthur Winkler as an Audit and Risk Committee member</i>			
Ordinary Resolution Number Eight <i>Appointment of Cheree Dyers as an Audit and Risk Committee member</i>			
Ordinary Resolution Number Nine <i>Appointment of Tony Taylor as an Audit and Risk Committee member</i>			
Ordinary Resolution Number Ten <i>Fees paid to Directors</i>			
Ordinary Resolution Number Eleven <i>Control of authorised but unissued shares</i>			
Ordinary Resolution Number Twelve <i>Directors' or Company Secretary's authority to implement Special and Ordinary Resolutions</i>			
Ordinary Resolution Number Thirteen <i>General payments</i>			
Special Resolution Number One <i>Financial assistance</i>			
Special Resolution Number Two <i>Authority to repurchase shares</i>			
Special Resolution Number Three <i>Authority to pay Non-Executive Directors' fees</i>			

*Please indicate with an "x" in the appropriate spaces above how you wish your votes to be cast.

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at on 2017.

Member's signature

Assisted by (if applicable)

GLOSSARY

AGM	Annual General Meeting
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
CEO	Chief Executive Officer
Companies Act	South African Companies Act 71 of 2008
CSDP	Central Securities Depository Participant
CSI	Corporate Social Investment
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IoT	Internet of Things
JSE	Johannesburg Stock Exchange
King IV	King IV Report on Corporate Governance for South Africa, 2016
MEA	Middle East and Africa
PBT Group	PBT Group Limited
PBTit	PBT Insurance Technologies Proprietary Limited
Prescient Capital	Prescient Capital Proprietary Limited
Prescient Holdings	Prescient Holdings Proprietary Limited
TBIS	Technique Business Intelligence Software Proprietary Limited
WHT	Withholding Tax
OCI	Other Comprehensive Income
CGU	Cash Generating Unit
FSP	Forfeitable share plan





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