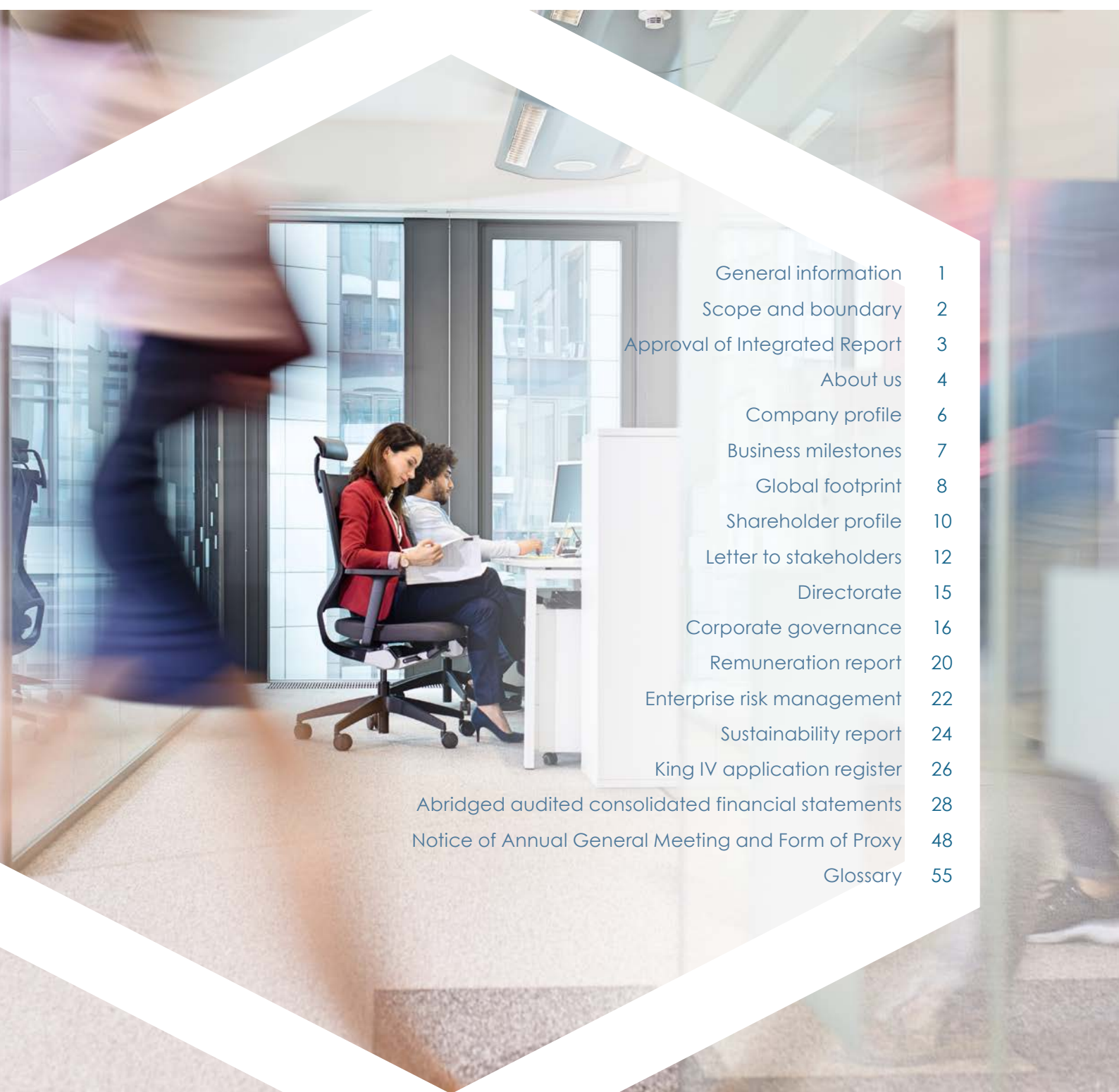




Integrated Report 2018

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GENERAL INFORMATION



Country of incorporation:	South Africa
Nature of business and principal activities:	Information management and data analytics services
Directors:	Tony Taylor (Independent Non-Executive Chairman) Pierre de Wet (Chief Executive Officer) Murray Louw (Financial Director) Cheree Dyers (Independent Non-Executive Director) Herman Steyn (Non-Executive Director) Arthur Winkler (Independent Non-Executive Director)
Audit and Risk Committee:	Arthur Winkler (Chairman) Cheree Dyers Tony Taylor
Remuneration and Nomination Committee:	Cheree Dyers (Chairman) Herman Steyn Tony Taylor Arthur Winkler
Social and Ethics Committee:	Cheree Dyers Tony Taylor Elizna Read
Company Secretary:	Bianca Pieters PBT House, 2 Mews Close, Waterford Mews, Century City, 7441, South Africa
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:	BDO Cape 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 PBG
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 2017 through to 31 March 2018. The 2018 Integrated Report provides both financial and non-financial information for the period. The most recent previous report was the 2017 Integrated Report, which can be accessed via PBT Group's website.

The 2018 Integrated Report covers relevant aspects of all the operations of PBT Group, which includes the business of the Prescient Capital Proprietary Limited Group (Prescient Capital) and the activities of the PBT Group of companies. 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, except that PBT Group has entered into an agreement with an acquiring consortium (AQC) to dispose of two non-core assets, being Prescient Capital as well as equity shares in Prescient Holdings Proprietary Limited (Prescient Holdings). The details of the transaction were published by way of a circular and a supplementary circular will be released in due course as per the SENS announcement released on 5 April 2018. The prior year figures have been restated to reflect Prescient Capital as a discontinued operation.

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 (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 BDO Cape Incorporated, for our financial statements.
- Grant Thornton Verification Services Proprietary Limited who verified our Broad-Based Black Economic Empowerment (B-BBEE) scorecard rating.



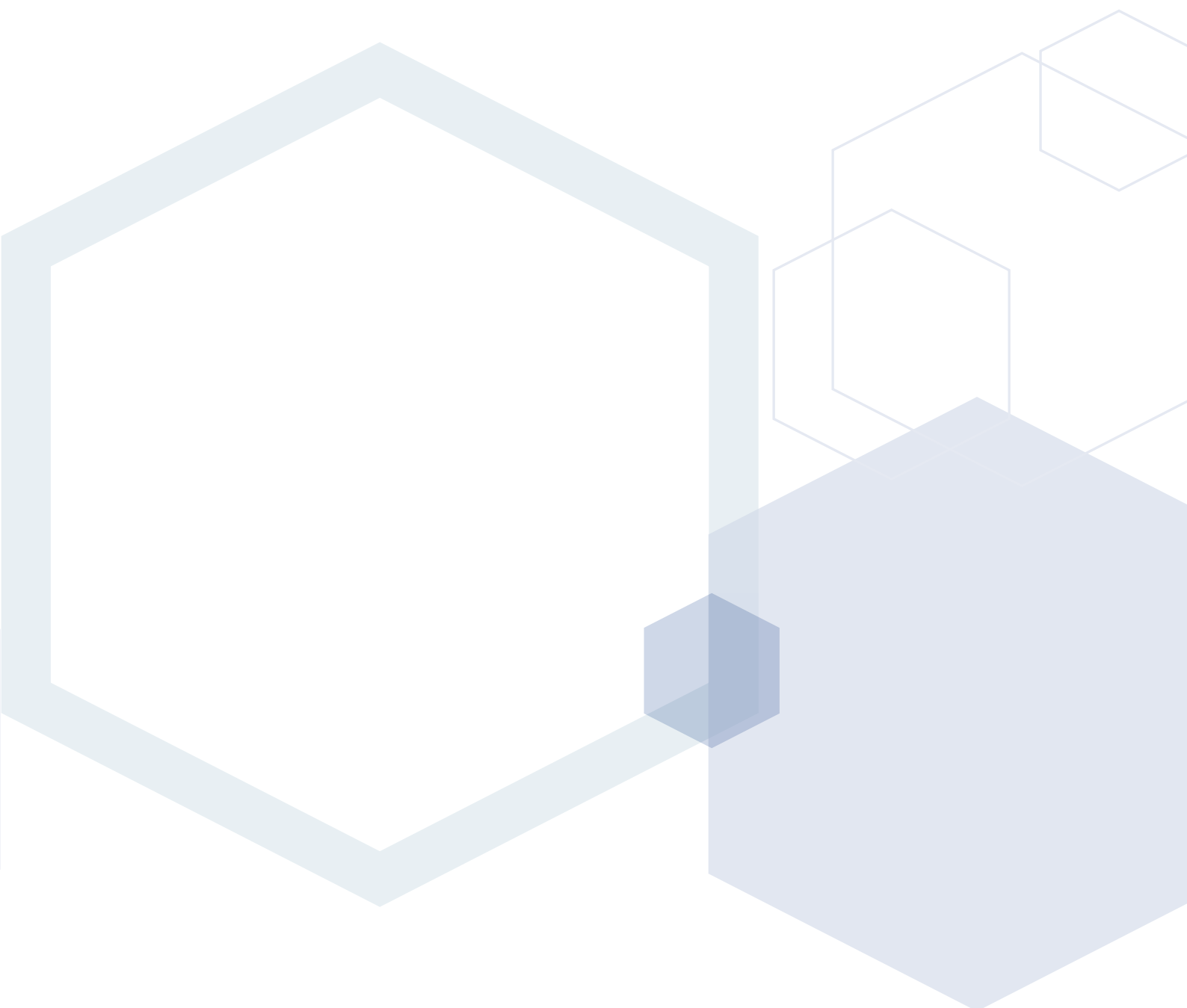
APPROVAL OF THE INTEGRATED REPORT

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 2018 Integrated Report for publication.

On behalf of the Board

Pierre de Wet
Chief Executive Officer

Tony Taylor
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**.

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.

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.

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 and Johannesburg (South Africa), Melbourne (Australia), Dublin (Ireland) and Utrecht (the Netherlands).

OUR LISTING

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

OUR PEOPLE

More than 520 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.

AS A GROUP, WE VALUE

INTEGRITY
QUALITY
PROFESSIONALISM
ACCOUNTABILITY
TEAMWORK
RESPECT
ETHICS
TRUST

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 Africa, the Middle East, Australia, the United Kingdom and Europe.

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 520 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 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.

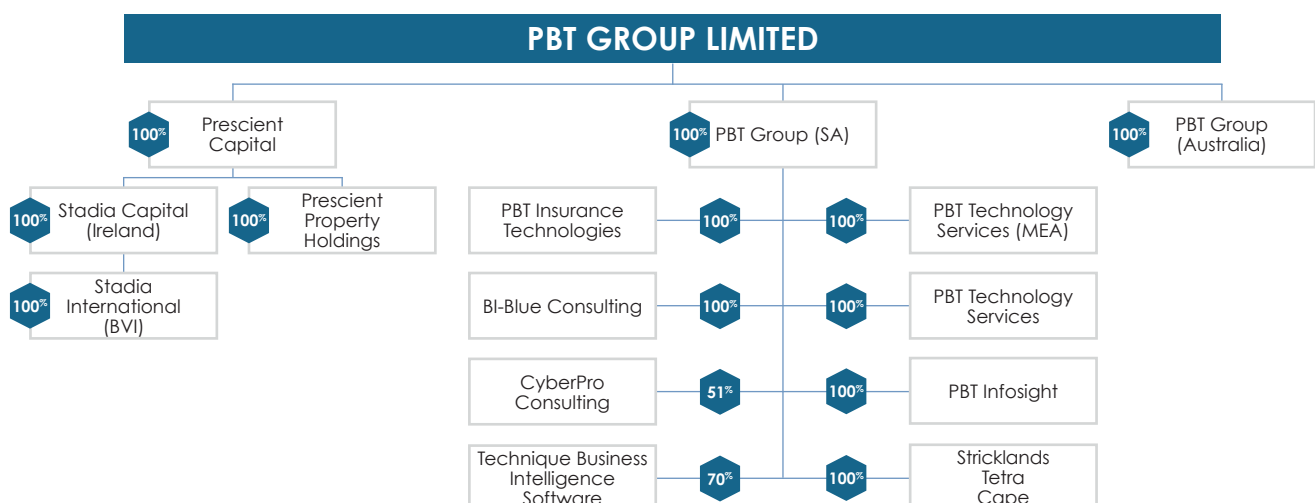
Technique Business Intelligence Software (TBIS) is a premier IBM business partner that provides IBM software solutions and consulting services, specialising in information integration, data warehousing and analytics. TBIS assists clients with integrating and managing key information across heterogeneous 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 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 venture capital investment.

In September 2017 PBT Group entered into a memorandum of agreement (the MoA) with an acquiring consortium (AQC) in relation to the disposal of Prescient Capital by PBT Group, as it does not form part of the Group's core business. Refer to the Directors' Report for more information on the transaction.



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 Information Technology entity.

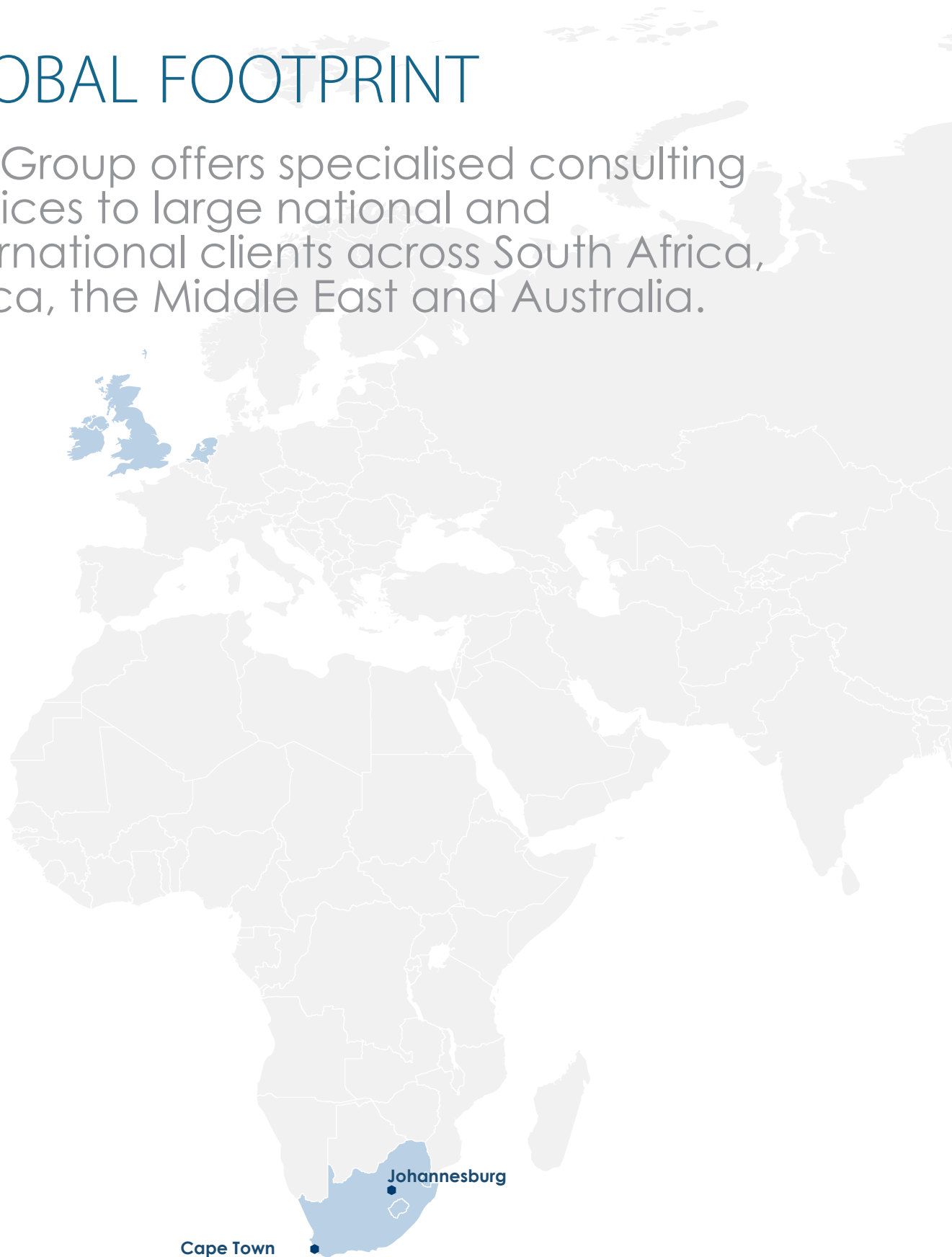
2018

Following the downscaling of the Africa and Middle East operations, PBT Group shifts its international focus to the United Kingdom and Europe. Through this, PBT Technology Services (Netherlands) and PBT Technology Services (Ireland) were established.



GLOBAL FOOTPRINT

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

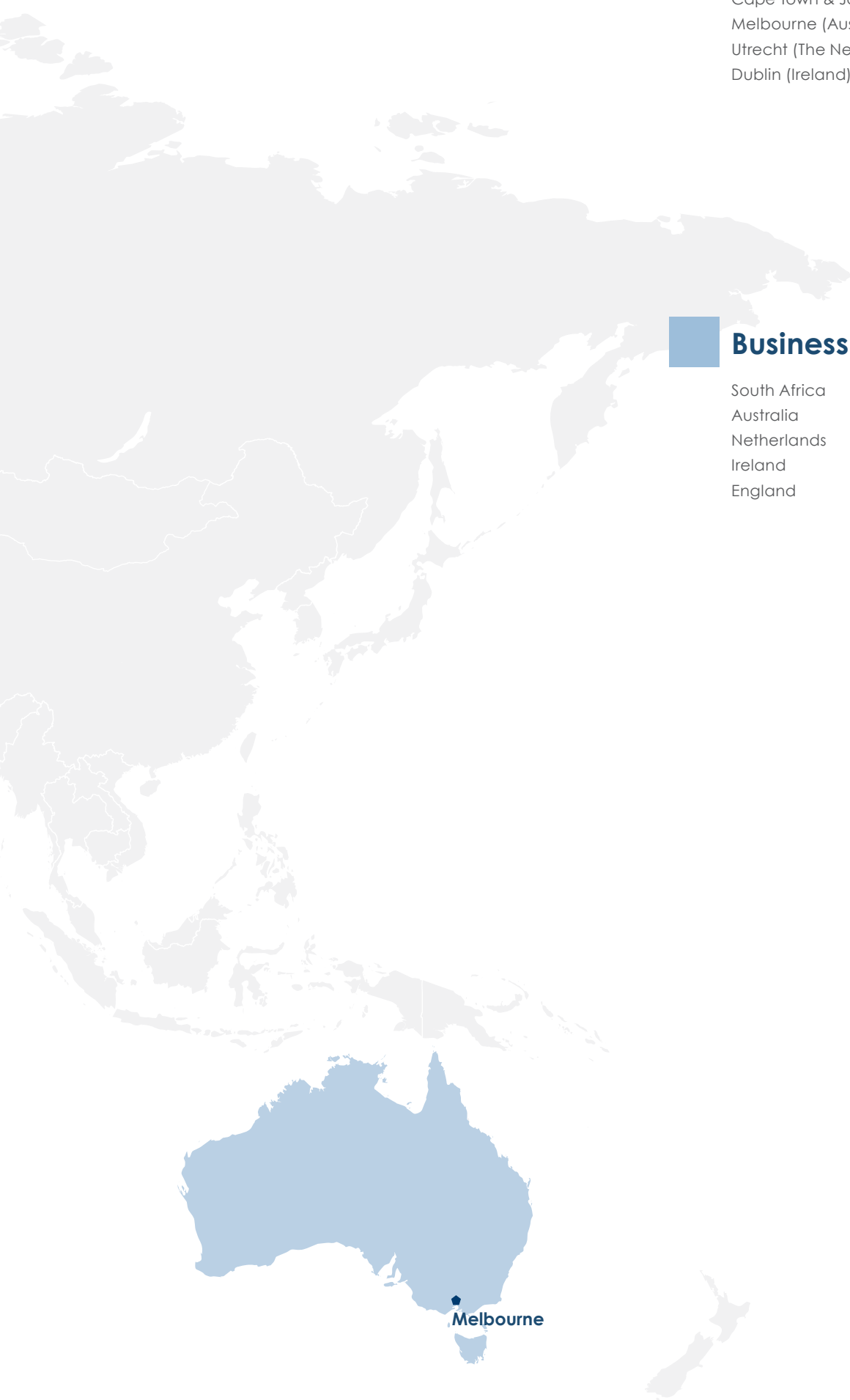


Offices

Cape Town & Johannesburg (South Africa)
Melbourne (Australia)
Utrecht (The Netherlands)
Dublin (Ireland)

Business Operations

South Africa
Australia
Netherlands
Ireland
England



SHAREHOLDER PROFILE

During the 2018 financial year, no new shares were issued. Total issued shares are 1 669 250 950. Included in the total shares in issue are 270 188 033 treasury shares.

DISTRIBUTION OF SHAREHOLDERS

Number of shares held	Number of shareholders	Percentage	Numbers of shares	Percentage
1 – 10 000	1 062	64.64	2 201 755	0.13
10 001 – 100 000	355	21.61	11 850 858	0.71
100 001 – 1 000 000	127	7.73	46 018 818	2.76
1 000 001 – 10 000 000	77	4.69	234 798 227	14.07
Greater than 10 000 001	22	1.34	1 374 381 292	82.34
	1 643	100.00	1 669 250 950	100.00
Individuals	1 438	87.52	286 077 782	17.14
Nominees and trusts	85	5.17	67 125 309	4.02
Close corporations	14	0.85	287 133 744	17.20
Other corporate bodies	73	4.44	701 126 963	42.00
Banks	4	0.24	167 000 509	10.00
Insurance companies	3	0.18	230 842	0.01
Pension funds and medical aid schemes	6	0.37	68 067 851	4.08
Collective investment schemes and mutual funds	20	1.22	92 487 950	5.54
Total	1 643	100.00	1 669 250 950	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	3	750 682 704	44.97
Directors	5	227 157 104	13.61
Public shareholders	1 635	691 411 142	41.42
	1 643	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 2018 are as follows:

	Ordinary shares	Percentage of total issued share capital
Nimeemmi CC	283 814 784	17
PBT Group Limited	270 188 033	16
FISC Investment Management	196 679 887	12
Clearstream Banking SA Luxembourg	167 000 000	10
Seena Marina Financial Services Proprietary Limited	99 201 824	6

DIRECTORS' HOLDINGS

The directors' holdings at 31 March 2018 were as follows:

2018	Direct number of shares	Percentage	Indirect number of shares	Percentage
Murray Louw	–	0.00	3 676 113	0.22
Herman Steyn	1 701 321	0.10	205 704 925	12.32
Cheree Dyers	4 784 265	0.29	10 325 683	0.62
Tony Taylor	964 797	0.06	–	0.00

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

2017	Direct number of shares	Percentage	Indirect number of shares	Percentage
Murray Louw	1 289 237	0.08	2 972 113	0.18
Herman Steyn	1 701 321	0.10	205 704 925	12.32
Cheree Dyers	4 784 265	0.29	10 325 683	0.62
Tony Taylor	964 797	0.06	–	0.00



LETTER TO STAKEHOLDERS



Pierre de Wet
Chief Executive Officer

Tony Taylor
Chairman

From our Chief Executive Officer & Chairman

BUSINESS ACTIVITIES AND GROUP RESULTS

During the period under review, PBT Group Limited entered into an agreement with a consortium to dispose of Prescient Capital, which does not form part of the Group's core operations. A circular was released on 23 March 2018 containing the details of the proposed disposal. The date of posting the supplementary circular, as announced via SENS on 5 April 2018, will be announced in due course.

The income and expenses associated with Prescient Capital is disclosed as a loss from discontinued operations in the abridged audited consolidated statement of profit or loss and other comprehensive income. The comparative profit from Prescient Capital 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 for the period was R139.4 million (March 2017: R33.1 million) with the loss before tax for continuing operations being R117.4 million (March 2017: R7.8 million).
- Headline loss per share was 1.55 cents per share (March 2017: earnings 4.62 cents per share).
- Headline loss per share for continuing operations was 1.35 cents per share (March 2017: 0.79 cents per share).
- Headline loss per share for discontinued operations was 0.2 cents per share (March 2017: earnings 5.42 cents per share).

The weighted average number of shares in issue for the 12 months ended 31 March 2018 was 1 499 205 494 (March 2017: 1 619 927 367).

In terms of International Financial Reporting Standards, the Group performed an impairment test on goodwill based on value-in-use and an impairment of R118.3 million was recognised. Refer to note 4 to the abridged audited consolidated financial statements for further details.

SOUTH AFRICA AND AUSTRALIA

The South African operations continued to produce satisfactory growth in revenue and profit and we are pleased to report growing demand for our services.

In Australia we experienced a subdued year. In order to grow the business beyond the two major clients, we accepted lower margin contracts. However, this will provide us with the opportunity to expand into normal margin business in these clients. A significant amount of time and cost were spent on proposals and pre-sales initiatives and we hope to profit from these efforts in future.

MIDDLE-EAST/AFRICA

The headwinds experienced in the Middle-East/Africa (MEA) segment of our business resulted in a loss after tax of R46.4 million for the region. The negative payment culture resulted in very high interest charges.

An implemented change in the tax law resulted in withholding tax (WHT) of R15.7 million being expensed as additional tax paid in the period under review, causing an exceptionally high tax charge in the financial statements.

The negative trading environment in this segment of our business, necessitated complete reduction of exposure to this region. Accordingly, we are pleased to report that we have reduced this exposure by 80% and it will no longer be regarded as a separate segment of our business for future financial periods. This vast effort resulted in very positive cash flow as we succeeded in collecting the bulk of outstanding debtors in this region.

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 520 consultants PBT Group has the capability to successfully service the end-to-end data management landscape.

SOUTH AFRICA

The explosion in the volume of data created in organisations on a daily basis necessitates the extraction of information to remain competitive. We have been experiencing sustained and growing demand for our services in this field over a 19-year period and all indications are that this trend will continue. Our application development services are also in high demand and are growing at a sustainable pace. The worldwide shortage of skills creates opportunities, but is also a constraint as access to these skills is limited. Our client base is of very high quality and is still expanding in a controlled manner.

AUSTRALIA

We have spent extensively in man hours and other costs on proposals and pre-sales initiatives in order to accelerate growth in this region. Our margins are also under pressure because of our long involvement at a core client. Expansion beyond this key client should restore margins and reduce client concentration risk.

UNITED KINGDOM AND EUROPE

We have identified this region for expansion of our revenue base and have been actively exploring opportunities. This drive is costly, but we are very confident that this region will contribute significantly to the bottom line in the future. Good relationships have been formed through our partner network and a small office infrastructure established in Utrecht, the Netherlands.

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 followed the MTN footprint across 22 countries. The change in the treatment of WHT deductions in some of these countries impacted profitable trading severely and has resulted in a substantial downscaling of this operation. 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. A small office has been established in Utrecht, the Netherlands, from where our European clients will be serviced.

BIG DATA

Big data originated in 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 businesses to focus on core differentiators whilst allowing standard components to be outsourced. PBT Group has aligned itself with all the cloud players and is, at the same time, exploring providing analytics as a service in the cloud.

BUSINESS ANALYTICS

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

TRAIN AND MENTOR POTENTIAL CANDIDATES

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

BEST OF BREED METHODOLOGIES

Even though PBT Group has remained product agnostic it is constantly aligning itself with best of breed methodologies. PBT Group has established competency centres within the Company that refine methodologies such as Ralph Kimball and agile continuously, to ensure that it aligns with new developments in the market.

PBT Group provides leadership in the data management space and has positioned itself well to meet, or even exceed, the growth potential that is projected for this sector. It has shown consistent growth through tough economic times, because it proactively adjusted its strategy to cater for challenges and to benefit from an extremely volatile market.

GOVERNANCE

PBT Group remains committed to sound corporate governance principles, including integrity, transparency, and accountability and it subscribes to the Code of Corporate Practices and Conduct as set out in King IV.

AL Winkler was appointed as Independent Non-Executive Director effective 17 May 2017. AM Louw resigned as Chairman of the Board, but continues in his role as Financial Director and AJ Taylor was appointed as the Chairman of the Board on 25 August 2017.

DIVIDEND

In accordance with the SENS announcement released on 26 May 2017, an excess payout was made to PBT Group by Prescient Holdings. The cash portion of this excess payout amounted to R26.2 million, which was paid out to shareholders as a capital reduction on 28 August 2017. No dividend from normal commercial operations has been declared for the year ended 31 March 2018.

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.

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 very challenging year.

Our stakeholders deserve a special word of thanks for their continued support during a time of change within the Group. 2018 was certainly the most challenging year in our existence, but it will also form the base for the future.

We were able to eliminate a large loss-making segment of our business without subjecting the rest of the business to undue risk that could have endangered our existence. The 2019 financial results will still be impacted as we endeavour to reduce the last remaining risk and exposure to this region.

Detailed analysis of all available information is warranted when trading in the shares of the Group.

Pierre de Wet
Chief Executive Officer

Tony Taylor
Chairman

DIRECTORATE



PIERRE DE WET

Chief Executive Director
Age 56

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.



MURRAY LOUW

Financial Director
Age 73

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.



TONY TAYLOR

Lead Independent Non-Executive Chairman
Age 71

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.



CHEREE DYERS

Independent Non-Executive Director
Age 44

Appointed March 2017

Cheree holds a Bachelor of Business Science from the University of Cape Town. She is a CA(SA) and a CFA Charter holder. Cheree has vast experience in the financial industry and brings a wealth of business acumen to the Board and its audit and governance structures.



ARTHUR WINKLER

Independent Non-Executive Director
Age 41

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 the Trematon Group in 2008 where he currently fills the role of Executive Director and Chief Financial Officer of the Group.



HERMAN STEYN

Non-Executive Director
Age 57

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. Herman is Executive Chairman of Prescient. 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. PBT Group is generally compliant with all the principles of the Code with no significant exceptions.

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 six Directors at year-end: Tony Taylor, Pierre de Wet, Murray Louw, Cheree Dyers, Herman Steyn, and Arthur Winkler. There were no appointments or resignations to the Board during the financial year.

During the financial year, in compliance with paragraph 3.59(c) of the JSE Listings Requirements, Murray Louw relinquished his duties as the Chairman of the Board but continues in his role as the Financial Director. He is considered by the Board to be Executive.

Tony Taylor, who was the Lead Independent Non-Executive Director, has been appointed as the Chairman of the Board. Pierre de Wet continues as the Group's Chief Executive Officer. The responsibilities of the Chairman and CEO are separate.

The Board, together with the Remuneration and Nomination Committee, are 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 such as B-BBEE.

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.

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 Group. 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
Tony Taylor (Chairman)	5	5
Pierre de Wet	5	5
Murray Louw	4	5
Cheree Dyers	5	5
Herman Steyn	5	5
Arthur Winkler	5	5

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 perform 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. The Board expressed that the outcome of this annual assessment was satisfactory.

BOARD COMMITTEES

Composition of committee

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 Arthur Winkler (Chairman), Cheree Dyers and Tony Taylor. Its composition was consistent with King IV and the Companies Act requirement being at least three Independent Non-Executive Directors.

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act of South Africa and Regulation 42 of the Companies Regulation, 2011.

Objective and scope

The Committee 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.

Expertise and experience of Financial Director

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, possess the appropriate expertise and experience to meet their responsibilities.

Accounting practices and internal control

Internal controls and systems have been designed to provide reasonable assurance as to the integrity and reliability of the financial information represented in the financial statements, and to safeguard, verify and maintain the assets of the group. Nothing has come to the attention of the committee to indicate that any material breakdown in the functioning of the group's key internal control systems has occurred during the year under review. The committee considers the group's accounting policies, practices and financial statements to be appropriate. The audit and risk committee has reviewed the JSE's proactive monitoring review findings and has considered making corrections/adjustments where applicable

External audit

BDO Cape Incorporated was appointed as the Group's external auditor for the 2018 financial year. The Committee expressed its satisfaction that BDO Cape Incorporated is independent of the Group. BDO Cape Incorporated is accredited on the JSE's list of auditors in terms of its Listings Requirements. Each year, the Committee reviews the extent of non-audit services provided by the external auditors.

Financial statements

The Audit and Risk Committee has evaluated the consolidated financial statements for the year ended 31 March 2018 and considers that they comply in all material aspects, with the requirements of the Companies Act and International Financial Reporting Standards. The committee has therefore recommended the Integrated Report to the Board for approval. The Board has subsequently approved the financial statements.

The external auditor's current tenure is one year. As per the Companies Act, an audit engagement partner is permitted to continue in such capacity for a period of five consecutive years. No mandatory audit engagement partner rotation is required in the current financial year.

Meetings

The audit and Risk committee performs the duties laid upon it by section 94(7) of the Companies Act by holding meetings with key role players on a regular basis and by the unrestricted access granted to the external auditors.

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

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

AUDIT AND RISK COMMITTEE ATTENDANCE

Director	Meetings attended	Meetings eligible for
Cheree Dyers	3	3
Tony Taylor	3	3
Arthur Winkler	3	3

REMUNERATION AND NOMINATION COMMITTEE

The members of the Remuneration and Nomination Committee, which meets once during the year, are Cheree Dyers (Chairman), Herman Steyn, Tony Taylor and Arthur Winkler. Arthur Winkler was appointed on the Remuneration and Nomination Committee during February 2018. All four 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.

The Committee is satisfied that it has fulfilled its responsibilities during the financial year.

REMUNERATION AND NOMINATION COMMITTEE ATTENDANCE

Director	Meetings attended	Meetings eligible for
Cheree Dyers	1	1
Herman Steyn	1	1
Tony Taylor	1	1
Arthur Winkler	1	1

SOCIAL AND ETHICS COMMITTEE

The members of the Social and Ethics Committee are Cheree Dyers, Elizna Read and Tony Taylor. During March 2018, Bianca Pieters stepped down as a member of the committee and Tony Taylor was appointed in order to comply with the requirements of King IV. Please see page 15 for details on the qualifications and experience of Cheree Dyers and Tony Taylor. Elizna Read is the Chief Operating Officer of PBT Group. All members of the Committee are considered to be suitably qualified and experienced.

The responsibilities of the Committee are 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.
- Relationship with all stakeholders.
- Labour and employment.

The Committee meets at least once a year to discuss relevant matters. The Committee Chairman brings any issues that it believes relevant, to the attention of the Board at the next Board meeting.

The Committee is satisfied that it has fulfilled its responsibilities during the financial year.

SOCIAL AND ETHICS COMMITTEE ATTENDANCE

Member	Meetings attended	Meetings eligible for
Cheree Dyers	1	1
Bianca Pieters	1	1
Elizna Read	1	1
Tony Taylor	-	-

GENDER AND RACE DIVERSITY

In terms of the JSE Listings Requirements the board is required to have a policy on the promotion of gender and race diversity at board level. A formal policy has been established and is available on our website. The board is supportive of the need for, and importance of, gender and race diversity and will be considering this when making new appointments to the board. The approach to gender and race diversity adopted by the board of the company shall be as follows:

- Should a vacancy on the board arise, or should there be a requirement for an additional board appointment, consideration will be given to the gender and race of the director/s so as to attain and maintain a level of gender and race diversity within the board that is considered appropriate at the time, having due regard to the skills, expertise, experience and background required to fill any such board position/s, the availability of suitable candidates, the development potential of candidates and to any additional requirements that may be necessary to ensure a mix of skills and experience on the board and its committees that will best serve the interests of the company and its stakeholders.
- Application of the policy in effecting new or replacement appointments to the board will be subject to the approval/ratification of the shareholders of the company to such appointments at annual general meetings of the company.

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 and the Directors.

PBT Group does not have a separate internal audit function as the Board does not consider this to be necessary based on the small 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. The policy also incorporates the 10 principles contained within the United Nations Global Compact Principles. 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 are treated with dignity and respect.

REMUNERATION REPORT

The aim of remuneration at PBT Group is to reward staff for their contribution to 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 that are of the right calibre.

BACKGROUND STATEMENT REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee comprises four members, all of whom are non-executive members. The members are Cheree Dyers (Chairman), Herman Steyn, Tony Taylor and Arthur Winkler. 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 are 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 biannually.

The remuneration policy and implementation report set out above are proposed to shareholders in separate non-binding advisory votes in terms of the notice of annual general meeting. In the event that either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised at the annual general meeting, the board of directors will engage with such shareholders in order to clarify the nature of and evaluate the validity of such objections and will, where possible and prudent, given the objectives of the remuneration policy, take those objections into consideration when formulating any amendments to the company's remuneration policy and implementation report in the following financial year.

IMPLEMENTATION REPORT

EXECUTIVE DIRECTORS' REMUNERATION

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

Name (R'000)	Director's fees	Basic salary	Bonuses	Value of non-cash benefits	Pension contributions paid	Profit share	Share-based payment	Total
Pierre de Wet	–	649	1 785	292	–	–	–	2 726
Murray Louw	–	455	–	6	–	–	–	461
Total	–	1 104	1 785	298	–	–	–	3 187

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 Director's 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 Director fees for the year were as follows:

Name/Designation	Director's Fees	Total
Cheree Dyers	231	231
Herman Steyn	211	211
Tony Taylor (Chairman)	292	292
Arthur Winkler	208	208
Total	942	942

The Remuneration Committee met once during the 2018 financial year and conducted its affairs in compliance with the remuneration policy. The committee is satisfied that the overall principles set out by King IV have been applied and that the Companies Act has been adhered to.

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 2018, 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

SKILLS DEVELOPMENT

PBT Group has a staff complement of more than 520 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 2018 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 2018 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.



KING IV APPLICATION REGISTER

APPLICATION OF THE KING IV PRINCIPLES

The table below provides a brief summary and guidance on PBT Group's application of the King IV principles:

Principles	Arrangements, achievements, measurements and future focus areas
1. The governing body should lead ethically and effectively.	The Board is comprised of members who maintain and uphold the values of integrity and transparency. All Directors' interests are declared and reviewed at board meetings. The Board is suitably competent and annual reviews of the performance of Directors are undertaken.
2. The governing body should govern the ethics of the Group in a way that supports the ethical culture of the Group.	The Board ensures that the code of ethics encompasses the ethos that the Group strives to uphold. The Board reviews and approves the Group's code of ethics and it ensures that all Directors conduct themselves in a manner that conforms with the code.
3. The governing body should ensure that the Group is and is seen to be a responsible corporate citizen.	The Social and Ethics Committee monitors the Group's corporate citizenship and recommends and manages social development spend. The Board ensures that the Group is compliant with all applicable laws and regulations in order to ensure that the Group is a responsible citizen.
4. The governing body must ensure that the Group's core purpose, its risks and strategy are all inseparable elements of the value creation process.	<p>The Group's core purpose is determined by the Board and is achieved through the implementation of the Group's strategy. The Board continuously assesses the Group's strategy with reference to financial and non-financial indicators.</p> <p>The going concern status of the Group has been formally considered by the Board and the Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future.</p>
5. The governing body should ensure that reports issued by the Group enable stakeholders to make informed assessments of the Group's performance and its short, medium and long-term prospects.	<p>The Board is ultimately responsible for the Group's financial and integrated reporting supported by internal and external controls.</p> <p>The Group's integrated annual report aims to provide the stakeholders with information about the Group's strategy, governance, performance and prospects over the short, medium and long term.</p>
6. The governing body should serve as the focal point and custodian of corporate governance of the Group.	<p>The Board records its role, responsibilities and procedural conduct in a charter which is regularly reviewed and also ensures that there is a structural approach to governance.</p> <p>There are at least four board meetings held each year and attendance at these meetings are good. The board is satisfied that it has fulfilled its responsibilities in terms of its charter for the year.</p>
7. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to properly discharge its governance role and responsibilities objectively and effectively.	<p>The Board is comprised of majority non-executive Directors, most of whom are independent. Each Director brings their own skills and experience, which is needed to govern the Group. The Directors are all adequately qualified and suitable to perform their responsibilities effectively. Brief summaries of each Directors' qualifications, capacity, status and membership can be found on page 15.</p> <p>The Board performs an annual assessment of the performance of each Director and found the current year review to be satisfactory.</p>
8. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.	<p>The Board carefully delegates specific roles and responsibilities to Directors and committees. When delegating, the Board ensures that there is a balanced distribution of power so that no member can dominate decision making.</p> <p>The roles and responsibilities delegated to the Chief Executive Officer and Financial Director are recorded and approved by the Board.</p> <p>The roles and responsibilities delegated to each committee are documented in a formal charter. Annual reviews of each charter are performed by the Board.</p>
9. The governing body should ensure that the evaluation of its own performance and that of its committees, its chairperson and its individual members supports continued improvement in its performance and effectiveness.	<p>The board and all the committees conduct an annual self-evaluation process to measure its respective performance and that of the Chairperson. These results are reviewed by the Remuneration and Nomination Committee and presented to the board for its conclusion.</p> <p>The suitability and effectiveness of the company secretary is reviewed by the board on an annual basis.</p>

Principles

Arrangements, achievements, measurements and future focus areas

10. The governing body should ensure that the appointment of and delegation to management contributes to role clarity and the effective exercise of authority and responsibilities.	<p>The Board, together with the Remuneration and Nomination Committee, are responsible for identifying and nomination of the appointment of the CEO.</p> <p>The CEO reports to the board on a quarterly basis on the implementation and execution of approved strategy, policy and operational planning and all major business developments and proposals. Some functions are delegated to the senior management who reports to the CEO.</p> <p>Succession planning is an ongoing focus area.</p> <p>The Group's Company Secretary provides professional corporate governance services to the company. The Company Secretary reports to the board on all statutory, regulatory and governance matters concerning the group and to the Financial Director on all other duties and administrative matters.</p> <p>The performance and independence of the Company Secretary is evaluated by the board on an annual basis and the board has satisfied itself as to the appropriateness of this appointment.</p>
11. The governing body should govern risk in a way that supports the Group in setting and achieving its strategic objectives.	<p>The Audit and Risk Committee is responsible for monitoring risk in the Group and management of risk in the Group is integral to achieving strategic objectives.</p> <p>The committee ensures that management identifies potential risks, which may affect the company or its operations and implements an effective risk management policy and plan, enhancing the company's ability to achieve its strategic objectives.</p>
12. The governing body should govern technology and information in a way that supports the Group in setting and achieving its strategic objectives.	<p>The Audit and Risk committee is responsible for governance of technology and information.</p> <p>IT risks are monitored a weekly basis and any significant risks or changes are reported to management.</p> <p>The Group has an IT policy in place to manage ethical and responsible use of technology and information</p> <p>Any major IT investments are approved by management after taking into consideration costs and risks.</p>
13. The governing body should govern compliance with applicable laws, non-binding rules, codes and standards in a way that supports the Group being ethical and a good corporate citizen.	<p>Bridge Capital is the Group's Sponsor and advises the board, through the company secretary, on compliance with the JSE Listings Requirements.</p> <p>The Group had no regulatory penalties, sanction or fine issued by the JSE Limited.</p> <p>The Group also consults their legal team and auditors to ensure compliance with applicable laws.</p>
14. The governing body should ensure that the Group remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	<p>The aim of remuneration in the Group is to reward staff for their contribution to 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 that are of the right calibre.</p> <p>Details about the Group's approach to remuneration, policy and implementation are disclosed in the remuneration report.</p>
15. The governing body should ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision making and of the Groups' external reports.	<p>The board relies on internal and external assurance providers for effective control. The annual financial statements included in the 2018 Integrated Report were independently audited by BDO Cape Inc.</p> <p>Based on the small size of the group, PBT Group does not have a separate internal audit function.</p> <p>The information included in the Integrated Report is compiled to disclose information about the Group's business performance, risks, opportunities and prospects.</p>
16. In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	<p>The board takes the group's responsibility as a corporate citizen seriously, which means that it continually evaluates the group's impact on stakeholders and the environment.</p> <p>The Social and Ethics Committee is responsible for to provide guidance on and oversight of the group's activities regarding the social and economic development, corporate citizenship, environment, health and public safety, relationship with all stakeholder, labour and employment and to monitor the company's sustainability and governance performance in this regard.</p>



Abridged Audited Consolidated Financial Statements 2018

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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 2018

	Notes	2018 R'000	2017 R'000 Restated
Continuing operations			
Revenue		556 094	563 766
Cost of sales		(457 972)	(447 985)
Gross profit			
Other income		98 122	115 781
Other operating income		2 756	1 311
Loss on exchange differences		111	18 872
Operating expenses		(4 409)	(294)
Impairment losses	9	(87 682)	(116 744)
		(127 041)	(34 074)
Operating loss			
Investment income		(118 143)	(15 148)
Finance costs		6 035	13 239
Other non-operating losses		(5 191)	(5 869)
		(53)	–
Loss before taxation			
Taxation	8	(117 352)	(7 778)
		(22 018)	(25 318)
Loss from continuing operations			
Discontinued operations			
(Loss)/profit from discontinued operations	3	(139 370)	(33 096)
		(42 281)	1 252 626
(Loss)/profit for the year			
		(181 651)	1 219 530
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		193	(8 183)
Other comprehensive income/(loss) for the year net of taxation			
		193	(8 183)
Total comprehensive (loss)/income for the year			
		(181 458)	1 211 347
(Loss)/profit attributable to:			
Owners of the parent			
From continuing operations		(145 836)	(39 351)
From discontinued operations		(42 281)	1 256 521
		(188 117)	1 217 170
Non-controlling interest			
From continuing operations		6 466	6 255
From discontinued operations		–	(3 895)
		6 466	2 360
Total comprehensive (loss)/income attributable to:			
Owners of the parent		(187 924)	1 208 987
Non-controlling interest		6 466	2 360
		(181 458)	1 211 347
Earnings per share (cents)			
Continuing operations	2	(9.73)	(2.75)
Discontinued operations	2	(2.82)	76.71
Diluted earnings per share (cents)			
Continuing operations	2	(9.73)	(2.75)
Discontinued operations	2	(2.82)	76.71

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2018

	Notes	2018 R'000	2017 R'000 Restated
ASSETS			
Non-current assets			
Property, plant and equipment		6 031	7 792
Goodwill	4	135 666	253 927
Intangible assets	5	675	9 567
Other financial assets	6	25 786	34 330
Deferred tax		2 139	7 352
		170 297	312 968
Current assets			
Inventories		–	19 787
Trade and other receivables	7	91 269	224 214
Other financial assets		3 206	–
Current tax receivable		1 817	–
Cash and cash equivalents		34 202	38 172
		130 494	282 173
Non-current assets held for sale and assets of disposal groups	3	57 121	82 234
Total assets		357 912	677 375
Equity and liabilities			
EQUITY			
Equity attributable to equity holders of parent			
Share capital		117 805	144 015
Reserves		(39 537)	5 400
Retained earnings		221 402	410 765
		299 670	560 180
Non-controlling interest		6 916	12 434
		306 586	572 614
LIABILITIES			
Non-current liabilities			
Deferred tax		184	5 920
		184	5 920
Current liabilities			
Other financial liabilities		–	35 000
Trade and other payables		35 853	29 369
Current tax payable		1 774	7 669
Provisions		6 791	9 421
Bank overdraft		152	8 081
		44 570	89 540
Liabilities of disposal groups	3	6 572	9 301
Total liabilities		51 326	104 761
Total equity and liabilities		357 912	677 375

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Foreign currency translation reserve	Treasury shares	Share-based payment reserve	Total reserves	Retained earnings	Total attributable to equity holders of the group	Non-controlling interest	Total equity
R' 000									
Balance at 1 April 2016	667 660	20 899	(7 316)	2 743	16 326	152 451	836 437	24 064	860 501
Profit for the year	-	-	-	-	-	1 217 170	1 217 170	2 360	1 219 530
Other comprehensive income	-	(8 183)	-	-	(8 183)	-	(8 183)	-	(8 183)
Total comprehensive income for the year	-	(8 183)	-	-	(8 183)	1 217 170	1 208 987	2 360	1 211 347
Treasury shares sold	-	-	-	-	-	11 166	11 166	-	11 166
Equity-settled share-based payments	-	-	-	1 680	1 680	-	1 680	-	1 680
Capital distribution	(469 853)	-	-	-	-	(911 967)	(1 381 820)	-	(1 381 820)
Adjustment to reflect the PBT Group Limited share capital after the disposal of Prescient Holdings Proprietary Limited	(53 792)	-	-	-	-	-	(53 792)	-	(53 792)
Termination of forfeitable share plan	-	-	-	(4 423)	(4 423)	3 142	(1 281)	-	(1 281)
Dividends	-	-	-	-	-	(73 832)	(73 832)	(3 304)	(77 136)
Acquisitions of non-controlling interests	-	-	-	-	-	12 635	12 635	(12 470)	165
Disposal of subsidiary	-	-	-	-	-	-	-	1 784	1 784
Total contributions by and distributions to owners of Group recognised directly in equity	(523 645)	-	-	(2 743)	(2 743)	(958 856)	(1 485 244)	(13 990)	(1 499 234)
Balance at 1 April 2017	144 015	12 716	(7 316)	-	5 400	409 519	558 934	12 434	571 368
Loss for the year	-	-	-	-	-	(188 117)	(188 117)	6 466	(181 651)
Other comprehensive income	-	193	-	-	193	-	193	-	193
Total comprehensive loss for the year	-	193	-	-	193	(188 117)	(187 924)	6 466	(181 458)
Capital distribution	(26 210)	-	-	-	-	-	(26 210)	-	(26 210)
Purchase of own/treasury shares	-	-	(45 130)	-	(45 130)	-	(45 130)	-	(45 130)
Loss of control	-	-	-	-	-	-	-	(2 913)	(2 913)
Dividends	-	-	-	-	-	-	-	(9 065)	(9 065)
Change in ownership	-	-	-	-	-	-	-	(6)	(6)
Total contributions by and distributions to owners of Group recognised directly in equity	(26 210)	-	(45 130)	-	(45 130)	-	(71 340)	(11 984)	(83 324)
Balance at 31 March 2018	117 805	12 909	(52 446)	-	(39 537)	221 402	299 670	6 916	306 586

ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	2018 R'000	2017 R'000 Restated
Cash flows from operating activities		
Cash generated from operations	100 371	208 986
Interest income	4 167	5 155
Dividend income	1 868	8 084
Finance costs	(5 191)	(5 869)
Tax paid	(30 059)	(19 904)
Dividends paid	-	(69 275)
Net cash from operating activities	71 156	127 177
Cash flows from investing activities		
Purchase of equipment	(2 017)	(2 698)
Sale of equipment	340	60
Purchase of other intangible assets	(273)	(1 244)
Purchase of financial assets	(1 941)	(53 104)
Sale of financial assets	5 970	-
Sale of other asset	-	429 186
Proceeds on disposal of discontinued operations	-	1 317 935
Net cash from investing activities	2 079	1 690 135
Cash flows from financing activities		
Reduction of share capital or buy-back of shares	(26 210)	(534 809)
Repayment of other financial liabilities	(35 000)	-
Movement in loans to directors, managers and employees	-	53 830
Proceeds from loans/borrowings	-	32 899
Capital distribution	-	(1 427 822)
Acquisition of shares	(8 053)	(145)
Net cash from financing activities	(69 263)	(1 876 047)
Total cash movement for the year	3 972	(58 735)
Cash at the beginning of the year	30 091	88 826
Effect of exchange rate movement on cash balances	(13)	-
Total cash at end of the year	34 050	30 091

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

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 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.

These abridged audited consolidated financial statements were prepared under the supervision of the Financial Director, AM Louw. The Board of Directors approved these financial statements on 30 July 2018.

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 expense. 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 in the prior year.

RELATED PARTY TRANSACTIONS

PBT Group 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.

SUBSEQUENT EVENTS

There were no material events subsequent to the reporting date except for the Circular released for the disposal of Prescient Capital Proprietary Limited and its subsidiaries ("Prescient Capital"). Please refer to note 3 for the details of the transaction.

2. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

The calculation of basic earnings per share at 31 March 2018 was based on the loss attributable to ordinary shareholders of R188.1 million (2017: profit R1 198.2 million) and a weighted average of ordinary shares outstanding of 1 499 205 494 (2017: 1 611 927 367), calculated as follows:

Profit attributable to ordinary shareholders	31 March 2018			31 March 2017		
	Continuing operation	Discontinued operation	Total	Continuing operations Restated*	Discontinued operation Restated*	Total
R'000						
Profit/(loss) for the year, attributable to owners of the Company	(145 836)	(42 281)	(188 117)	(39 351)	1 256 521	1 217 170
Earnings attributable to FSP Shareholders	-	-	-	(5 129)	(13 835)	(18 964)
Profit/(loss) attributable to ordinary shareholders	(145 836)	(42 281)	(188 117)	(44 480)	1 242 686	1 198 206

Weighted average number of ordinary shares	2018	2017
In thousands of shares		
Ordinary shares at 1 April	1 669 251	1 669 251
Effect of treasury shares held	(170 045)	(23 022)
Effect of FSP shares	-	(26 302)
Weighted average number of ordinary shares at 31 March	1 499 206	1 619 927

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.

NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

2. 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
2018						
Continuing operations						
Per the statement of comprehensive income	(117 352)	(22 018)	(6 466)	–	(145 836)	(9.73)
Adjustments						
Impairment loss on goodwill and intangible asset	125 600	–	–	–	125 600	8.38
Continuing operations headline earnings	8 248	(22 018)	(6 466)	–	(20 236)	(1.35)
Discontinued operation						
Per the statement of comprehensive income	(42 118)	(163)	–	–	(42 281)	(2.82)
Adjustments						
Restatement to fair value of discontinued operation	16 371	–	–	–	16 371	1.09
Impairment loss on goodwill and investment	26 477	–	–	–	26 477	1.77
Change in fair value of investment property	(3 545)	–	–	–	(3 545)	(0.24)
Discontinued operations headline loss	(2 815)	(163)	–	–	(2 978)	(0.20)
Total						
Per the statement of comprehensive income	(159 470)	(22 181)	(6 466)	–	(188 117)	(12.55)
Total Group headline earnings	5 433	(22 181)	(6 466)	–	(23 214)	(1.55)
2017						
Continuing operations						
Per the statement of comprehensive income	(7 778)	(25 318)	(6 255)	(5 129)	(44 480)	(2.75)
Adjustments						
Impairment loss on goodwill and intangible asset	34 074	–	–	–	34 074	2.10
Change in fair value of investment property	–	–	–	–	–	–
Continuing operations headline earnings	26 296	(25 318)	(6 255)	(5 129)	(10 406)	(0.64)
Discontinued operation						
Per the statement of comprehensive income	1 282 868	(30 242)	3 895	(13 835)	1 242 686	76.71
Adjustments						
Gain on sale of discontinued operations*	(1 150 696)	–	–	–	(1 150 696)	(71.03)
Change in fair value of investment property	(4 179)	–	–	–	(4 179)	(0.26)
Discontinued operations headline gain	127 993	(30 242)	3 895	(13 835)	87 811	5.42
Total						
Per the statement of comprehensive income	1 275 090	(55 560)	(2 360)	(18 964)	1 198 206	73.97
Total Group headline earnings	154 289	(55 560)	(2 360)	(18 964)	77 405	4.78

*Including foreign exchange recycled from foreign currency translation reserve.

2. EARNINGS PER SHARE (CONTINUED)

Dividends per share	2018 Cents	2017 Cents
Interim – declared (2017: 13 December 2016)	–	2.25
Prescient distribution – declared (2017: 28 October 2016)	–	85.54
Capital reduction distribution (2017: Rnil)	1.57	–

3. DISCONTINUED OPERATIONS

The Company has entered into a memorandum of agreement ("the MoA") with an acquiring consortium ("AQC"), in relation to the disposal by the PBT Group of Prescient Capital Proprietary Limited and its subsidiaries ("Prescient Capital"), where the AQC will purchase Prescient Capital from the PBT Group by offering the PBT Group shares owned by the AQC to the PBT Group. In addition, the AQC will purchase the Prescient Holdings shares owned by the PBT Group from the PBT Group by offering the PBT Group shares owned by the AQC to the PBT Group.

The settlement of the total purchase price of R65.8 million for Prescient Capital and Prescient Holdings will be settled by way of a deposit of R4.8 million and the balance will be accounted for as a share repurchase against equity.

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

Prescient Capital consists of Prescient Capital Proprietary Limited, Prescient Property Holdings Proprietary Limited and Stadia Capital Proprietary Limited.

After this transaction PBT Group will be a focused IT business as Prescient Capital did not form part of the core business of the PBT Group.

The effective date of the Proposed Transaction is dependent on the shareholder approval date. A finalisation announcement will be released on SENS when the Proposed Transaction becomes unconditional.

Herman Steyn was the Chief Executive Officer of Prescient Limited prior to being re-named to the PBT Group and subsequently appointed as a Non-Executive Director. He is also a material shareholder who forms part of the AQC. As such, he is considered to be a related party in terms of the JSE Listings Requirements.

Cheree Dyers is an Independent Non-Executive Director and shareholder of the PBT Group and she forms part of the AQC. As such, she is considered to be a related party in terms of the JSE Listings Requirements.

The Proposed Transaction is classified as both a specific repurchase and a related party transaction in terms of the JSE Listings Requirements.

The Takeover Regulation Panel ("the TRP") requested that the PBT Group release a supplementary circular with a separate independent expert report dealing with the share repurchase portion of the Proposed Transaction. The date of posting of the supplementary circular will be announced in due course.

Prescient Capital was not previously classified as held-for-sale or as a discontinued operation. The comparative condensed consolidated provisional statement of profit or loss and other comprehensive income has been restated to show the discontinued operation separately from continuing operations.

3. DISCONTINUED OPERATIONS (CONTINUED)

	2018 R'000	2017 R'000
Results of discontinued operations		
Revenue	11 543	349 208
Other income	2 315	13 907
Expenses	(56 302)	(233 957)
Results from operating activities	(42 444)	129 158
Taxation	163	(30 242)
Results from operating activities, net of tax	(42 281)	98 916
Gain on sale of discontinued operations*	–	1 153 710
(Loss)/Profit for the year	(42 281)	1 252 626
Earnings per share (cents)	(2.82)	77.33

* Included in 2017 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.

(Loss)/profit from discontinued operations of R42.3 million (2017: profit R1.3 billion) was attributable to the owners of the Company. Of the loss from continuing operations of R139.4 million (2017: loss R33.1 million), a loss of R145.8 million (2017: loss R39.4 million) was attributable to the owners of the Company.

	2018 R'000	2017 R'000
Cash flows from/(used in) discontinued operations		
Net cash from operating activities	24 816	1 552
Net cash used in investing activities	30 405	929
Net cash from financing activities	(54 363)	(8 973)
Net cash flow for the year	858	(6 492)
Effect of disposal on the financial position of the Group		
Equipment	48	123
Investment property	36 428	49 346
Goodwill and intangible assets	–	22 722
Financial assets at fair value through profit or loss	17 777	4 483
Investment in associate	–	289
Trade and other receivables	920	3 149
Long-term loans receivable	288	673
Taxation receivable	128	–
Cash and cash equivalents	1 532	1 449
Deferred tax liability	(303)	(67)
Long-term loans payable	(5 260)	(8 106)
Trade and other payables	(1 009)	(962)
Current tax (payable)/receivable	–	(166)
Net assets and liabilities held-for-sale	50 549	72 933
Consideration received in cash	(4 789)	4 789
Cash and cash equivalents	(1 532)	(1 449)
Net cash inflow/(outflow)	(6 321)	3 340

A deposit of R4.8 million was received from Prescient Capital Proprietary Limited on 6 October 2017.

4. GOODWILL

	R'000
Cost	
Opening balance – 1 April 2016	406 762
Classified as held for sale	(22 722)
Disposal of discontinued operations	(98 468)
Closing balance – 31 March 2017	285 572
Opening balance – 1 April 2017	285 572
Additions	–
Disposals	–
Closing balance – 31 March 2018	285 572
Accumulated impairment/amortisation	
Opening balance – 1 April 2016	31 143
Impairment loss	31 645
Disposal of discontinued operations	(31 143)
Closing balance – 31 March 2017	31 645
Opening balance – 1 April 2017	31 645
Impairment loss	118 261
Closing balance – 31 March 2018	149 906
Carrying amounts	
At March 2017	253 927
At March 2018	135 666

The Goodwill on the Statement of Financial Position arose as a result of the reverse acquisition of PBT Group Limited by the Prescient Holdings Group of Companies ("Prescient Holdings") effective 1 September 2012. According to *IFRS 3 Business Combinations*, PBT Group Limited was treated as the accounting acquiree and Goodwill on the PBT Group of Companies arose as a result.

During the 2017 financial year, the financial services segment of the business, being Prescient Holdings, delisted from the group, leaving the PBT Group of Companies and Prescient Capital Group of Companies. The PBT Group comprises of information management services. The Prescient Capital Group of Companies are in the process of being disposed of and the goodwill allocated to the Group of R22.7 million has been classified as held-for-sale in the prior year. Refer to note 3 for the transaction details.

With the 2012 Goodwill calculation and allocation, the PBT Group of Companies was seen as a separate Cash Generating Unit ("CGU").

In terms of IFRS, the Group performs an annual impairment test on Goodwill based on CGUs. The recoverable amount of each CGU to which Goodwill is allocated has been determined based on the value-in-use calculation which uses cash flow projections on financial forecasts. The discount rate used to calculate the value-in-use figure is 19% and the terminal growth rate 3% (2017: 6%).

Management based its cash flow projections on historical information and taking into account discontinued operations and the downsizing of the Middle-East/Africa business. A steady and prudent revenue growth rate was used and was calculated over a period of five years.

The negative trading environment in this segment of our business, necessitated complete reduction of exposure to this region. Accordingly, we are pleased to report that we have reduced this exposure by 80% and will no longer be regarded as a separate segment of our business for future financial periods. This vast effort resulted in very positive cashflow as we succeeded in collecting the bulk of outstanding debtors in this region.

At year-end, in terms of IFRS, the PBT Group of Companies is still seen as a separate CGU and an impairment test was performed. In the 2018 financial year, the goodwill figure has been impaired from R253.9 million to R135.7 million in accordance with the Board's valuation.

5. INTANGIBLE ASSETS

R'000	Patents and trademarks	Internally developed software	Computer software	System development costs	Other intangible	Total
Cost						
Opening balance – 1 April 2016	2 024	33 020	2 689	7 367	7 339	52 439
Additions	–	485	758	–	–	1 243
Disposal of discontinued operations	(2 024)	–	–	(7 367)	–	(9 391)
Closing balance – 31 March 2017	–	33 505	3 447	–	7 339	44 291
Opening balance – 1 April 2017	–	33 505	3 447	–	7 339	44 291
Additions	–	273	–	–	–	273
Disposals	–	–	–	–	–	–
Closing balance – 31 March 2018	–	33 778	3 447	–	7 339	44 564
Accumulated impairment/amortisation						
Opening balance – 1 April 2016	904	26 588	2 055	550	–	30 097
Amortisation for the year	–	3 308	521	–	–	3 829
Impairment loss	–	2 252	–	–	–	2 252
Disposal of discontinued operations	(904)	–	–	(550)	–	(1 454)
Closing balance – 31 March 2017	–	32 148	2 576	–	–	34 724
Opening balance – 1 April 2017	–	32 148	2 576	–	–	34 724
Amortisation for the year	–	1 194	666	–	–	1 860
Impairment loss	–	–	–	–	7 339	7 339
Other changes, movements	–	(34)	–	–	–	(34)
Closing balance – 31 March 2018	–	33 308	3 242	–	7 339	43 889
Carrying amounts						
At March 2017	–	1 357	871	–	7 339	9 567
At March 2018	–	470	205	–	–	675

6. OTHER FINANCIAL ASSETS

	2018 R'000	2017 R'000
Designated at fair value through profit (loss)		
Investments	23 844	22 787
Although this investment is classified as an asset held at fair value through profit or loss, it is recorded at cost. The investment is a minority interest in a private internet based software company which is in a growth phase. However, it will require additional cash injections through future capital raising to be sustainable. This investment is volatile in nature and as a result has an extremely wide valuation matrix. The investment has therefore been valued at cost by the directors.		
Bonds and unlisted debt	433	722
	24 277	23 509
Loans and receivables		
Other loans and receivables	2 875	7 185
<i>The unsecured loan bears interest at prime and has no fixed terms of repayment.</i>		
Share plan loans	–	2 216
<i>The unsecured loan bears no interest and has been settled in the current financial year.</i>		
Enterprise development loans	1 840	1 420
<i>The unsecured loan bears no interest and will be settled within the next 12 months.</i>		
	4 715	10 821
Total other financial assets	28 992	34 330
Non-current assets		
Designated at fair value through profit (loss)	24 277	23 509
Loans and receivables	1 509	10 821
Total non-current assets	25 786	34 330
Current assets		
Loans and receivables	3 206	–
Total current assets	3 206	–
Total	28 992	34 330

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables include the following:

	2018 R'000	2017 R'000
Trade receivables	88 709	129 033
Accrued income	1 078	656
Deposits	1 440	1 408
Prepayments	42	720
Dividend receivable	-	92 397
	91 269	224 214

8. INCOME TAX EXPENSE

	2018 R'000	2017 R'000
Tax recognised in profit or loss		
Current year		
Current year expense	8 431	15 201
Adjustment to prior years	(1 570)	(50)
Securities transfers tax	22	-
Withholding tax – Section 6quat(1C) – prior year	6 826	16 584
Withholding tax – Section 6quat(1C)	8 832	-
	22 541	31 735
Deferred tax expense		
Originating and reversal of temporary differences		
on provision for overtime	85	240
on provision for leave pay	(225)	69
on provision for bonuses	(122)	249
on accrued income	(12)	(15)
on income received in advance	222	(320)
on prepaid expenses	12	118
on tax losses not raised	(483)	(60)
on work in progress	-	(4 452)
on straight lining of leases	-	(37)
on bad debts	-	(1 046)
on deferred revenue	-	(1 163)
	(523)	(6 417)
Income tax expense on continuing operations	22 018	25 318

PBT Technology Services (MEA) has an estimated tax loss carried forward of R38 513 866.

9. IMPAIRMENT LOSSES

	2018 R'000	2017 R'000
Goodwill The Group performs an annual impairment test on goodwill based on cash-generating units (CGU). Please see note 4 for details.	118 261	31 645
Intangible assets The Group performs impairment tests in relation to intangible assets. The current year impairment relates to the write-off of the purchase price allocation, as management determined that the recoverable amount was less than the carrying amount.	7 339	2 429
Other financial assets Current year impairments relate to the recoverable amount being less than the carrying amount, which was determined by management. Management's key assumptions are based on past experience in the market with reference to cash flow assumptions.	1 368	–
Total impairment losses recognised	126 968	34 074

10. COMPARATIVE FIGURES

Certain prior year amounts have been reclassified for consistency with the current year presentation of the consolidated financial statements. These reclassifications had no effect on the reported results of operations.

The effects of the reclassifications are as follows:

	2018 R'000	2017 R'000
Statement of financial position		
Provisions	–	9 422
Trade and other payables	–	(9 422)

11. SEGMENT REPORT

The reportable segments for the current financial year are according to geographical areas, namely South Africa, Middle-East/Africa and Australia.

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

CONTINUING OPERATIONS

	South Africa		Australia		Middle-East/Africa		Other		Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Revenue	410 270	329 141	64 383	78 932	80 958	155 693	483	–	556 094	563 766
Other income	52	589	273	715	2 427	–	1 983	28 434	4 736	29 738
Interest revenue	2 026	827	116	91	1 929	3 980	96	1 389	4 167	6 287
Cost of sales	(305 493)	(248 849)	(55 010)	(54 709)	(97 470)	(144 427)	–	–	(457 973)	(447 985)
Depreciation and amortisation	(1 774)	(1 815)	(516)	–	(3 012)	(2 925)	–	–	(5 302)	(4 740)
Impairments	(75)	(51)	–	–	(1 366)	–	–	–	(1 441)	(51)
Operating expenses	(65 569)	(53 823)	(6 867)	(12 959)	(12 407)	(47 440)	(1 997)	(3 058)	(86 840)	(117 280)
Share of profit/(loss) of equity accounted investments	–	–	–	–	–	–	–	–	–	–
Finance costs	(1 785)	(273)	(5)	(9)	(3 397)	(5 586)	(4)	–	(5 191)	(5 868)
Income tax expense	(7 116)	(6 242)	(681)	(7 845)	(14 039)	(11 057)	(182)	(174)	(22 018)	(25 318)
Profit/(loss) for the year	30 536	19 504	1 693	4 216	(46 377)	(51 762)	380	26 591	(13 768)	(1 450)

DISCONTINUED OPERATIONS

	South Africa		Australia		Middle-East/Africa		Other		Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Revenue	–	–	–	–	–	–	11 543	383 144	11 543	383 144
Other income	–	–	–	–	–	–	3 693	1 144 028	3 693	1 144 028
Interest revenue	–	–	–	–	–	–	127	231	127	231
Cost of sales	–	–	–	–	–	–	–	–	–	–
Depreciation and amortisation	–	–	–	–	–	–	(52)	(5 725)	(52)	(5 725)
Impairments	–	–	–	–	–	–	(14 287)	–	(14 287)	–
Operating expenses	–	–	–	–	–	–	(19 610)	(230 704)	(19 610)	(230 704)
Share of profit/(loss) of equity accounted investments	–	–	–	–	–	–	–	(759)	–	(759)
Finance costs	–	–	–	–	–	–	(1 136)	(7 346)	(1 136)	(7 346)
Income tax expense	–	–	–	–	–	–	163	(30 242)	163	(30 242)
Profit/(loss) for the year	–	–	–	–	–	–	(19 559)	1 252 627	(19 559)	1 252 627

11. SEGMENT REPORT (CONTINUED)

	GROUP									
	South Africa		Australia		Middle-East/Africa		Other		Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Revenue	410 270	329 141	64 383	78 932	80 958	155 693	12 025	383 144	567 636	946 910
Other income	52	589	273	715	2 427	–	5 562	1 172 463	8 429	1 173 766
Interest revenue	2 026	827	116	91	1 929	3 980	224	1 620	4 294	6 518
Cost of sales	(305 493)	(248 849)	(55 010)	(54 709)	(97 469)	(144 427)	–	–	(457 973)	(447 985)
Depreciation and amortisation	(1 774)	(1 815)	(516)	–	(3 012)	(2 925)	(52)	(5 725)	(5 354)	(10 465)
Impairments	(75)	(51)	–	–	(1 366)	–	(14 287)	–	(15 728)	(51)
Operating expenses	(65 569)	(53 823)	(6 867)	(12 959)	(12 407)	(47 440)	(21 606)	(233 761)	(106 460)	(347 984)
Share of profit/(loss) of equity accounted investments	–	–	–	–	–	–	–	(759)	–	(759)
Finance costs	(1 785)	(273)	(5)	(9)	(3 397)	(5 586)	(1 140)	(7 346)	(6 327)	(13 215)
Income tax expense	(7 116)	(6 242)	(681)	(7 845)	(14 039)	(11 057)	(20)	(30 416)	(21 856)	(55 560)
Profit/(loss) for the year	30 536	19 504	1 693	4 216	(46 377)	(51 762)	(19 179)	1 279 218	(33 328)	1 251 175
	CONTINUING OPERATIONS									
	South Africa		Australia		Middle-East/Africa		Other		Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Segment assets*	90 013	86 682	20 283	28 862	25 850	91 149	28 305	124 953	164 450	331 647
Intangible assets	479	1 357	–	–	196	–	–	8 209	675	9 566
Investment in equity-accounted investees	–	–	–	–	–	–	–	–	–	–
Total assets	90 493	88 039	20 283	28 862	26 046	91 149	28 305	133 163	165 125	341 213
Segment liabilities	(27 633)	(20 475)	(4 748)	(10 135)	(7 424)	(62 593)	(4 948)	2 257	(44 754)	(95 461)
Total liabilities	(27 633)	(20 475)	(4 748)	(10 135)	(7 424)	(62 593)	(4 948)	2 257	(44 754)	(95 461)

11. SEGMENT REPORT (CONTINUED)

	DISCONTINUED OPERATIONS													
	South Africa			Australia			Middle-East/Africa			Other			Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Segment assets*	-	-	-	-	-	-	-	-	57 121	59 056	57 121	59 056	57 121	59 056
Intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in equity-accounted investees	-	-	-	-	-	-	-	-	-	-	-	289	-	289
Total assets	-	-	-	-	-	-	-	-	57 121	59 345	57 121	59 345	57 121	59 345
Segment liabilities	-	-	-	-	-	-	-	-	(6 572)	(9 302)	(6 572)	(9 302)	(6 572)	(9 302)
Total liabilities	-	-	-	-	-	-	-	-	(6 572)	(9 302)	(6 572)	(9 302)	(6 572)	(9 302)
	GROUP													
	South Africa			Australia			Middle-East/Africa			Other			Total	
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000	2018 R'000	2017 R'000
Segment assets*	90 013	86 682	20 283	28 862	25 850	91 149	184 009	85 425	85 425	184 009	221 571	390 703	221 571	390 703
Intangible assets	479	1 357	-	-	196	-	8 209	-	-	8 209	675	9 566	675	9 566
Investment in equity-accounted investees	-	-	-	-	-	-	-	-	-	289	-	289	-	289
Total assets	90 493	88 039	20 283	28 862	26 046	91 149	192 508	85 425	85 425	192 508	222 246	400 558	222 246	400 558
Segment liabilities	(27 633)	(20 475)	(4 748)	(10 135)	(7 424)	(62 593)	(11 558)	(11 521)	(11 521)	(11 558)	(51 326)	(104 762)	(51 326)	(104 762)
Total liabilities	(27 633)	(20 475)	(4 748)	(10 135)	(7 424)	(62 593)	(11 558)	(11 521)	(11 521)	(11 558)	(51 326)	(104 762)	(51 326)	(104 762)

11. SEGMENT REPORT (CONTINUED)

	2018 R'000	2017 R'000
Reconciliation of reportable segment revenue		
Total consolidated income for reportable segments	567 636	946 910
Elimination of discontinued operations	(11 543)	(383 144)
Consolidated total income	556 094	563 766
Profit before tax		
Total consolidated profit before tax for reportable segments	(11 472)	1 306 736
Less impairment of goodwill	(125 600)	(31 645)
Elimination of discontinued operations	19 720	(1 282 868)
Consolidated profit before tax	(117 352)	(7 778)
Assets		
Total assets for reportable segments	136 821	208 050
Goodwill	135 666	253 928
Assets for other segments	85 425	192 219
Equity accounted investees	–	289
Elimination of discontinued operations	(57 121)	(59 345)
Consolidated total assets	300 791	595 141
Liabilities		
Total liabilities for reportable segments	(39 806)	(93 204)
Liabilities for other segments	(11 521)	(11 558)
Other unallocated amounts	–	–
Elimination of discontinued operations	6 572	9 301
Consolidated total liabilities	(44 754)	(95 461)

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.

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 Wednesday, 19 September 2018.

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 Friday, 21 September 2018 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, 14 September 2018. 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, 11 September 2018.

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 2018 (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 30 to 47 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 2018 including the Directors' Report and the report of the auditors thereon.

2. Ordinary Resolution Number Two

Re-appointment of the independent auditor and designated auditor of the Company

To resolve the re-appointment of auditor of the Company for the ensuing year ending 31 March 2019.

To re-appoint, on recommendation of the Audit and Risk Committee.

2.1 BDO Cape Incorporated as the auditors of the Company.

2.2 B van der Walt is hereby re-appointed as the designated auditor to hold office for the ensuing year in compliance with the requirements of S90 (2) of the Companies Act.

3. Ordinary Resolution Number Three

Re-appointment of Cheree Dyers as Independent Non-Executive Director

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

Cheree Dyers was first appointed to the Board in March 2017. A brief CV appears on page 15 of the Integrated Report.

4. Ordinary Resolution Number Four

Re-appointment of Tony Taylor as Independent Non-Executive Director

To resolve that the re-appointment of Tony Taylor as Independent 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.

Tony Taylor was first appointed to the Board in March 2017. A brief CV appears on page 15 of the Integrated Report.

5. Ordinary Resolution Number Five

Appointment of Tony Taylor as Chairman of the Board

To resolve that the appointment of Tony Taylor as Chairman of the Board, be authorised and confirmed.

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

6. Ordinary Resolution Number Six

Appointment of Arthur Winkler as a Remuneration and Nomination Committee member

To resolve that the appointment of Arthur Winkler as a Remuneration and Nomination Committee member, be authorised and confirmed.

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

7. Ordinary Resolution Number Seven

Fees paid to Directors

To resolve that the fees paid to the Directors of the Company in respect of the year ended 31 March 2018, as set out in the annual financial statements on page 21, be approved.

8. Ordinary Resolution Number Eight

General authority to issue securities for cash

To authorise the Directors of the Company, by way of a general authority, to allot and issue for cash any or all of its authorised but unissued ordinary shares as they in their discretion may deem fit, without restriction, subject to the provisions of the Listings Requirements, the Act and the MOI of the Company, and provided further that:

- a) the approval shall be valid until the date of the next annual general meeting, provided it shall not extend beyond 15 ("fifteen") months from the date of this resolution;
- b) the number of ordinary shares issued for cash shall, in any one financial year in the aggregate, not exceed 209 859 437 ("two hundred and nine million eight hundred fifty nine thousand four hundred and thirty seven") shares, being 15% ("fifteen percent") of the Company's issued shares as at the date of this notice, excluding treasury shares;
- c) after the Company has issued shares in terms of this general authority representing, on a cumulative basis within a financial year, 5% ("five percent") or more of the number of shares in issue prior to that issue, the Company will publish an announcement

containing full details of the issue, including the effects of the issue on the net asset value per share, net tangible asset value per share, earnings per share, headline earnings per share, and diluted earnings and headline earnings per share;

- d) in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount at which such shares may be issued will be 10% ("ten percent") of the weighted average traded price on the JSE of those shares over the 30 ("thirty") business days prior to the date that the price of the issue is determined or agreed between the issuer and the party subscribing for the securities. The JSE should be consulted for a ruling if the Company's shares have not traded in such 30-business-day period;
- e) any shares issued under this authority during the period contemplated in paragraph (a) above, must be deducted from the number in paragraph (b) above;
- f) in the event of a sub-division or consolidation of issued shares during the period contemplated in paragraph (a) above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
- g) any such issue will only be made to public shareholders as defined in the JSE Listings Requirements and not to related parties; and
- h) the shares, which are the subject of the issue for cash, will be of a class already in issue, or where this is not the case, will be limited to such shares or rights that are convertible to a class already in issue."

Explanatory note

The reason for this Ordinary Resolution is, and the effect thereof will be, to authorise the Directors to allot and issue, for cash, any of the Company's unissued ordinary shares, as they in their discretion deem fit, subject to the applicable provisions of the JSE Listings Requirements, the Act, the MOI and this resolution. As mentioned above, in terms of the Listings Requirements, these Ordinary Resolutions require the support of at least 75% ("seventy-five percent") of the total number of votes exercisable by shareholders present or represented by proxy at the meeting.

9. Ordinary Resolution Number Nine

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.

10. Ordinary Resolution Number Ten

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 2019. 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.

NON-BINDING ADVISORY VOTES

The holders are required to consider and vote on the Resolutions set out below, in the manner required by the JSE Listings Requirements and therefore the holders are required to:

11. Ordinary Resolution Number Eleven

Remuneration policy of the Company

Endorse on an advisory basis the Company's remuneration policy (excluding the remuneration of the non-executive Directors for their services as Directors and members of board committees) as set out on page 20 of the Company's integrated annual report; and

12. Ordinary Resolution Number Twelve

Implementation report of the Company's remuneration policy

Endorse on an advisory basis the implementation report of the Company's remuneration policy set out on page 20 of the Company's integrated annual report.

Reason for advisory endorsement

In terms of the JSE Listings Requirements and King IV advisory votes should be obtained from the shareholders on the Company's remuneration policy and implementation report of the Company's remuneration policy. The votes allow shareholders to express their views on the remuneration policy adopted and the extent of the implementation of the group's remuneration policy, but votes are not binding on the Company.

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.

1. 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."

2. Special Resolution Number Two

General authority to repurchase shares

Resolved that the Company and/or its subsidiaries be and are hereby authorised, by way of general authority, to acquire ordinary shares issued by the Company, in terms of paragraph 16 of the Company's memorandum of incorporation and in terms of the Listings Requirements of the JSE, being that:

- any such acquisition of ordinary shares shall be implemented on the open market of the JSE;
- any such acquisition is authorised by the Company's memorandum of incorporation;
- this general authority shall only be valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of the passing of this Special Resolution;
- an announcement will be published on SENS as soon as the Company has acquired ordinary shares since the previous AGM constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition, pursuant to which the aforesaid 3% (three percent) threshold is reached, containing full details of such repurchases;
- acquisitions in the aggregate in any one financial year may not exceed 10% (ten percent) of the Company's ordinary issued shares, nor may acquisitions in the aggregate, from the date of passing of this

Special Resolution, exceed 10% (ten percent) of the Company's ordinary issued shares at the date of passing of this Special Resolution;

- in determining the price at which ordinary shares issued by the Company are acquired by it in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the volume weighted average price at which such ordinary shares are traded on the JSE, as determined over the five (5) trading days immediately preceding the date of repurchase of such ordinary shares by the Company;
- at any point in time, the Company will only appoint one agent to effect any repurchase(s) on the Company's behalf;
- the Company will satisfy the solvency and liquidity test immediately after any repurchase; and
- the Company or its subsidiaries will not repurchase securities during a prohibited period in accordance with the JSE Listings Requirements.

3. 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 2018, as set out on page 21 of this report, be and are hereby approved.

Resolved further, that the Non-Executive Directors' fees payable for the period from 1 April 2018 to 31 March 2019 be and are hereby approved:

Name	2019 R'000	2018 R'000
Tony Taylor	264 900	292 125
Cheree Dyers	232 500	231 250
Herman Steyn	210 500	211 250
Arthur Winkler	227 000	207 500

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 FRIDAY, 21 SEPTEMBER 2018, 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 and Special 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>Re-appointment of the independent auditor and designated auditor of the Company</i>			
Ordinary Resolution Number Three <i>Re-appointment of Cheree Dyers as Independent Non-Executive Director</i>			
Ordinary Resolution Number Four <i>Re-appointment of Tony Taylor as Independent Non-Executive Director</i>			
Ordinary Resolution Number Five <i>Appointment of Tony Taylor as Chairman of the Board</i>			
Ordinary Resolution Number Six <i>Appointment of Arthur Winkler as a Remuneration and Nomination Committee member</i>			
Ordinary Resolution Number Seven <i>Fees paid to Directors</i>			
Ordinary Resolution Number Eight <i>General authority to issue securities for cash</i>			
Ordinary Resolution Number Nine <i>Directors' or Company Secretary's authority to implement Special and Ordinary Resolutions</i>			
Ordinary Resolution Number Ten <i>General payments</i>			
Ordinary Resolution Number Eleven Non-Binding Advisory Vote 1 <i>Remuneration Policy</i>			
Ordinary Resolution Number Twelve Non-Binding Advisory Vote 2 <i>Implementation Report</i>			
Special Resolution Number One <i>Financial assistance</i>			
Special Resolution Number Two <i>General 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 2018.

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
CGU	Cash Generating Unit
Companies Act	Companies Act of South Africa No. 71 of 2008
CSDP	Central Securities Depository Participant
CSI	Corporate Social Investment
FSP	Forfeitable Share Plan
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
OCI	Other Comprehensive Income
PBT Group	PBT Group Limited
PBTit	PBT Insurance Technologies (Proprietary) Limited
Prescient Capital	Prescient Capital (Proprietary) Limited
Prescient Holdings	Prescient Holdings (Proprietary) Limited
SAICA	South African Institute of Chartered Accountants
TBIS	Technique Business Intelligence Software (Proprietary) Limited
WHT	Withholding Tax

