



PURPLE GROUP
LIMITED

SUMMARY CONSOLIDATED RESULTS
FOR THE YEAR ENDED 31 AUGUST 2021

LETTER FROM THE BOARD

GROUP HIGHLIGHTS

- Group revenue increased by 26% to R205 million;
- Group costs increased by 30% to R157 million;
- Group Basic Earnings per share and Headline Earnings per share increased by 190% to 4.46 cents per share, compared to earnings of 1.54 cents per share in the prior period; and
- Profit attributable to shareholders increased by 207% to R44.3 million, compared to earnings of R14.4 million in the prior period.

EASYEQUITIES HIGHLIGHTS

- EasyEquities Group revenue increased by 79% to R172 million;
- Platform assets increased by 46% to R31.5 billion;
- Funded retail investment accounts increased by 183% to 737 969;
- RISE has now secured mandates totalling R7.4 billion compared to R6.7 billion in prior period;
- Retail deposits increased by 48% to R8.5 billion;
- The Telkom Partnership was concluded;
- The Discovery Bank partnership was concluded;
- Profit before tax increased by 691% to R98.1 million, compared to a profit of R12.4 million in the prior year;
- Value of properties acquired by EasyProperties clients increased to R125 million; and
- Registered clients increased by 107% to 1.17 million

GT247.COM HIGHLIGHTS

- GT247.com revenue decreased by 56.0% to R28 million;
- GT247.com costs decreased by 9.0% to R36 million;
- Loss before tax of R8.7 million, compared to a profit of R22.5 million in the prior period.

INNOVATION CONTINUES TO DRIVE FINANCIAL ACCESS FOR ALL

Over recent years, our theme was one of building a strong foundation and delivering, daily, on our promise of making investing easy for everyone. At the start of that singular purpose, we had many detractors who believed that retail investors were not smart enough, were too few and ultimately that the business model would not succeed. That was then.

Covid and the ensuing challenges that this global pandemic and tragedy brought, challenged all of us. These financial results show that, thanks to our solid foundation, those challenges were met and a positive tipping point has been reached in many of our metrics. EasyEquities client registrations, for example, increased by 129% now totalling over +1.1 million and growing at around 60 000 new registrants a month. Perhaps most notable about this client acquisition rate is that it's being achieved at a cost of acquisition of around R50 (marketing spend per EasyEquities direct active client acquired) or around 2.5% of the financial services industry average.

The foundation has been built and the growth achieved via an incredible team and loyal shareholders (+25% of whom are Easy INVSTRs on the platform). It has been made possible by our clients and community referring and educating their friends and families and our phenomenal partners bringing their powerful brands and excellent relationship skills to the table. Satrix, Capitec Bank, Discovery Bank, Bidvest Bank and Telkom are just a few of our partners who deserve special mention.

Our South African focus is simple and clear – to leverage our strong base and to continue to scale our products and distribution opportunities. While celebrating over 1 million registered clients, we are at the start of our journey and we know that millions more can and will benefit from what we have to offer. Our research confirms that the largest friction point preventing more clients taking up investing remains education, we will invest heavily in education in the years ahead. The success achieved in scaling EasyCrypto and EasyProperties over the last 12 months, coupled with our confirmed clients' desire for new products and services will see us place more effort and investment behind ensuring we roll these new products out faster and more deliberately than ever before.

The Purple Group culture remains one of innovation and finding new growth opportunities. And so, we are most grateful to all our shareholders, clients, and our committed team for helping us achieve the milestones detailed in this report and know that they, like us, are determined to achieve this scaling. Together, we are excited about the multitude of opportunities that lie ahead.

In just two short years we have scaled EasyCrypto to over 100 000 customers, collectively owning over half a billion rand of Crypto assets. The partnership is a great example of what we can achieve when we marry shared purpose and culture across two superb teams. The year ahead will see extensive platform and product launches building on the success of EasyCrypto 10 Bundle and more recently the launch of the first helium token in partnership with Renegen and Argonon.

EasyProperties launched in the middle of the Covid crisis. Looking back, many may find it incredible that over 35 000 EasyProperties retail investors have now invested in nearly 20 property developments accounting for more than 120 individual units. The portfolio is approaching R200 million in value, and the team is targeting growth of 100% year-on-year through a focus on acquisition, conversion, improved investor education and experiences, and broadening the investment offering to include international and commercial property opportunities. The team have done a wonderful job in a very short and demanding time frame and the business looks set to emulate EasyEquities' success in a shorter timeframe.

The Group's 50/50 JV with NBC Fund Administration Services, called RISE (Retirement Investments and Savings for Everyone) is an integrated institutional administration and investment fund management business. Not only does RISE provide members with real-time online access to view their retirement savings, they also have access to various other EasyEquities wallets such as USD. With increasing focus on this business from our leadership team coupled with an expanding investment in growing the RISE Executive team and platform capability, this business is an early stage development business operating in a huge market. The retirement fund administration and investment management industry is ripe for disruption and presents an incredible opportunity for RISE and in turn, the Purple Group.

Alignment of the Purple Group, its respective subsidiaries, shareholders and staff around a common brand and single-minded purpose is central to our future growth strategy. In this regard more focus will be placed on the rebranding, repositioning and strategic overhaul of GT247.com and Emperor Asset Management to meet the confirmed needs of our customers.

The brand equity, trust and reach of EasyEquities is a growing asset of the group and makes the "Easy" brand and culture the obvious choice in terms of driving group wide alignment. The incredible distribution already secured must now be leveraged to deliver to more of our clients' needs and wants, locking in additional revenue opportunities whilst delighting our customers and widening our competitive moat.

The case studies and lessons learnt in scaling EasyCrypto and more recently EasyProperties, through the EasyEquities platform, demonstrates our ability to rapidly scale fintechs that meet our customers' needs, whilst delivering on our purpose and promise to democratise all things investing.

In this regard we have extensively sought to understand our client needs and where we can deliver access, through our platforms, to additional products that assist them in creating or protecting wealth. These product opportunities will include EasyLending, EasyInsure, EasyTrader, EasyRetire and EasyAssetManagement, the names speak for themselves.

Our international aspirations, headed by our Australian business, were greatly impacted by Covid conditions in that we were unable to travel and dedicate the required team and resources to ensuring our success. That said, the time has been well spent researching the market and exploring additional partnerships and destinations to expand into. We have already identified key market entry points in Asia, East Africa and Europe and are already working to launch in these regions over the next 12 to 18 months.

In order to unlock these new product opportunities and our global ambitions we will need to scale the team, operations and capital base of the group. The time to accelerate these plans is now and every effort will be made to ensure our best team and efforts are put towards building out our products and success abroad.

The Purple Group, at its core, is a collection of extraordinary people. Our team and our shareholders deserve much credit for their daily passion and commitment. All of them are part of our over one million clients. It is to those millions of pioneers, INVSTRs – our community – that we say the biggest thank you. It is our privilege to work with and for you as we all continue on our journey towards delivering on our dream to democratise investing and empower financial dignity for all, by focusing on technical excellence, beautiful design and inspiring story telling that engages all dreamers and makes investing easy, educational and fun for everyone.

EASYEQUITIES

EasyEquities was built with the deep desire and purpose to democratise all things investing by making it easy, educational and fun for everyone.

Previously, investing was seen as an elite activity, and was, to a great extent, an intimidating (and often unaffordable) option for everyone.

Industry trends and global best practices has seen the move towards the global democratisation of financial services through digitisation.

EasyEquities' platform capability caters to the evolving needs of all customer types, recognising that today's managed investor is tomorrow's day trader, the curious 20 something crypto trader, next decades advised passive parent.

Uniquely, the EasyEquities platform capability is built to partner and can be rapidly delivered onto partner rails to uplift client experiences and engage new audiences. This ability enables partners to enhance their offering, increase customer satisfaction and engage clients more regularly on their platform.

EASYPROPERTIES

EasyProperties enables fractional access to the most trusted global and local property investment opportunities delivering an easy, educational, engaging fun user experience.

Launched in July 2020, EasyProperties is a joint venture between EasyEquities and Narrative, a residential property development company, to launch a platform to crowd fund access to large scale residential and commercial property developments.

Combining EasyEquities' no minimum, fractional, frictionless approach to all things investing with Narratives deep property ownership, management and development experience is already proving in the result.

EASYSYSTEMS

EasyCrypto is built to deliver the safest, easiest and most trusted platform to invest in and store all your crypto assets. Built on blockchain rails the platform enables the digitisation of any asset class giving the business the capability to capitalise on this mega trend into the future.

Easy Crypto Proprietary Limited ("EasyCrypto") (Previously DCX Capital Proprietary Limited) is the brainchild of entrepreneur Earle Loxton and ex-banker, venture capitalist Michael Jordaan. The duo realised the potential of blockchain technology and crypto assets at an early stage in the sector's establishment. They were also aware of the difficulties in successfully predicting which cryptographic protocols would eventually prevail. Like the early days of the internet, it was hard to identify which companies would triumph.

The founders of EasyCrypto, accordingly, diversified their holdings instead of trying to pick the winners. The result was the creation of a platform that would extend this offering to the public and institutional investors in a secure, transparent, and affordable way. The EasyCrypto10 model has since led the way as South Africa's top "index tracking" instrument of the crypto asset sector and is functionally synonymous with exchange-traded funds (ETFs).

2022 will see the extension of the offering to launch access to coins and more customised indices enabling deeper access to easily invest in all things crypto.

RISE

To democratise corporate access to low cost, best in class, retirement administration, savings and investment solutions by leveraging the EasyEquities technology stack and client engagement approach to make saving for retirement an easy, enjoyable, rewarding and educational client activity.

Rise is a joint venture (50/50) with NBC Fund Administration Services, who bring with them the retirement industry experience, understanding and context to drive the offering which when combined with EasyEquities' technology capabilities deliver a fully integrated, highly differentiated, one-stop-shop corporate administration and investment fund management business.

Through its proprietary administration and investment management system, coupled with a first-of-its-kind member savings portal, RISE is equipped to reduce the cost of administration, ease of use whilst delivering unparalleled efficiency and transparency to all stakeholders.

Contributions are seamlessly invested into selected model portfolios and supporting administration functions are delivered in market leading turn around times.

Members are provided with real-time online access to view their retirement savings coupled with the ability to complement these through democratised access to the broadest range of local and global savings and investment solutions.

GT247.COM

GT247.com enables successful trading outcomes through easy access to world class trading platforms, tools and research. Delivering these through fast, secure and low-cost access into local and global markets that are packaged together through a single account structure that ensures traders the best chance of achieving trading success.

GT247.com pioneered Spread and CFD trading in South Africa over 20 years ago and continue to lead the way in the South African market having won SA's Top Online stockbroker twice in the last five years. Their +100 years of trading experience has taught them much, but most importantly that delivering low-cost, fast mobile access to global markets is the most important enabler for trading success.

Lower fees deliver greater client profits whilst fast mobile access ensures that a world of trading opportunities are always just a swipe away.

Lessons from two decades of building out products and platforms to service day traders, coupled with the deep insights gained from analysing client outcomes give GT247.com a distinct advantage in supporting their clients through the delivery of best in breed products and platforms and access to insights that inform traders to place more emphasis on trading approaches that enable successful investment outcomes

Emperor Asset Management

Emperor delivers frictionless, transparent access to low-cost, world-class investment solutions that cater to everyone. These include thematic, quantitative, direct and self-indexing asset management products that are uniquely constructed to meet their clients individual risk profile, investment interests, objectives, preferences, and time horizons. This is all delivered through the EasyEquities platform enabling easy, fractional, no minimum access to professionally managed investments.

As one of the pioneers of quantitative (algorithmic driven) asset management in South African over a decade ago, Emperor Asset Management has the team, track record and technology stack to deliver on its purpose.

The Emperor IP Global Momentum Equity Fund returned 82.44% in 2020, placing it at the top of the fund rankings in its category over one, two and three years in the result recording a three year annual average return of 40.3% (ASISA).

Investing is personal and by combining man and machine, Emperor is able to ensure the best investment outcomes. Each portfolio is constructed with a particular risk profile in mind allowing you to easily match your unique goals, time frames and risk profile with the most suited portfolios.

To empower investors education, Emperor provides real time transparent access to the investment process and outcomes every step of the way.

FINANCIAL ANALYSIS

Consolidated statement of profit or loss

	2021 R'000	2020 R'000	Movement %
Revenue	204 778	162 672	25.9
Commissions and research expenses	(2 998)	(3 016)	(0.6)
Operating expenses	(153 903)	(117 774)	30.7
Net income	47 877	41 882	14.3
Other income	-	47	(100.0)
Earnings before interest, depreciation and amortisation	47 877	41 929	14.2
Net interest expense	(3 553)	(7 713)	(53.9)
Depreciation and amortisation	(19 776)	(14 052)	40.7
Earnings before fair value, impairment adjustments and tax	24 548	20 164	21.7
Fair value adjustments	55 919	2 405	2 225.1
Share of profit of joint venture	1 431	1 183	21.0
Profit before tax	81 898	23 752	244.8
Income tax	(9 253)	(6 615)	39.9
Profit for the period	72 645	17 137	323.9
Profit attributable to:			
Owners of the Company	44 332	14 443	206.9
Non-controlling interest	28 313	2 694	951.0
	72 645	17 137	323.9

The Group recorded an attributable profit for the period of R44.3 million compared to a profit of R14.4 million in the prior year. The basic earnings of 4.46 cents per share compares with earnings of 1.54 cents per share in the prior year, an increase of 189.6%.

EASYEQUITIES GROUP STATEMENT OF PROFIT OR LOSS (INCLUDING EASYPROPERTIES AND RISE)



www.easyequities.co.za

	2021 R'000	2020 R'000	Movement %
Revenue	172 332	96 308	78.9
Commissions and research expenses	(1 730)	(630)	174.6
Operating expenses	(106 407)	(70 135)	51.7
Net income	64 195	25 543	151.3
Other income	-	47	(100.0)
Earnings before interest, depreciation and amortisation	64 195	25 590	150.9
Net interest income/(expense)	1 913	(1 130)	(269.3)
Depreciation and amortisation	(19 483)	(13 242)	47.1
Earnings before fair value, impairment adjustments and tax	46 625	11 218	315.6
Fair value adjustments	50 000	-	N/A
Share of profit of joint venture	1 431	1 183	21.0
Profit before tax	98 056	12 401	690.7

- EasyEquities Group revenue was up 78.9% driven by a 182.9% increase in funded retail investment accounts to 737 969 accounts and a 45.7% increase in platform assets to R31.5 billion. Investment activity during the year was still at elevated levels, compared to pre-Covid comparisons.
- Operating expenses per active client for the year ended 31 August 2021 decreased by 47.9% to R205 per active client, down from R393 in the prior comparative period.
- The marketing cost incurred, per new active client (EasyEquities Direct clients) acquired during the year, amounted to R50 per client, compared to R45 per client in the prior year.
- Costs incurred to onboard a new active client amounted to R9 per client, compared to R12 per client in the prior year.
- Management remains focused on reducing the operating cost per client as the business continues to scale.
- The EasyEquities Group has reported a profit before tax of R98.1 million for the year, compared with a profit of R12.4 million in the prior year.
- The current year's profit from core operations (before fair value adjustments) increased by 315.6% to R46.6 million, compared to R11.2 million in the prior year.
- A fair value adjustment of R50.0 million was raised in relation to EasyEquities' option to acquire a 51% shareholding in Easy Crypto Proprietary Limited ("EasyCrypto") (Previously DCX Capital Proprietary Limited) for a nominal consideration, which value has increased significantly over the last six months due to increased investment activity in and client adoption of the EasyCrypto 10 product (over 100 000 EasyEquities clients are invested in the EasyCrypto 10 bundle, with an investment value in excess of R0.5 billion).

EASYPROPERTIES STATEMENT OF PROFIT AND LOSS



	2021 R'000	2020 R'000	Movement %
Revenue	5 169	593	771.7
Commissions and research expenses	(17)	-	N/A
Operating expenses	(6 711)	(1 545)	334.4
Net loss	(1 559)	(952)	63.8
Other income	-	-	N/A
Earnings before interest, depreciation and amortisation	(1 559)	(952)	63.8
Fiance costs	(21)	-	N/A
Depreciation and amortisation	(431)	(48)	797.9
Loss before tax	(2 011)	(1 000)	101.1

- EasyProperties generated revenue of R5.2 million during the current year, successfully concluding property acquisitions, on behalf of its clients, to the value of R124.6 million during the 12-month period.

GT247.COM STATEMENT OF PROFIT AND LOSS



	2021 R'000	2020 R'000	Movement %
Revenue	27 815	63 153	(56.0)
Commissions and research expenses	(1 234)	(2 348)	(47.4)
Operating expenses	(35 080)	(37 563)	(6.6)
Net (loss)/income	(8 499)	23 242	(136.6)
Other income	-	-	N/A
(Loss)/earnings before interest, depreciation and amortisation	(8 499)	23 242	(136.6)
Net interest expense	-	-	N/A
Depreciation and amortisation	(242)	(744)	(67.5)
(Loss)/profit before tax	(8 741)	22 498	(138.9)

- GT247.com's revenue is down 56.0%, compared to the prior comparative period. This result was largely driven by a decrease in trading activity during the current year. The Trading Revenue generated during the current year of R24.3 million is 53% below the average trading revenue of R51.6 million generated during the prior 5 years.
- Costs are 9.0% lower than the prior year.
- The business generated a loss before tax of R8.7 million for the current year, compared to a profit of R22.5 million in the prior year, a swing of R31.2 million. The current year's loss should be seen in context of the average profit before tax for the previous 5 years of R16 million.

EMPEROR ASSET MANAGEMENT STATEMENT OF PROFIT AND LOSS



	2021 R'000	2020 R'000	Movement %
Revenue	4 404	3 211	37.2
Commissions and research expenses	(34)	(38)	(10.5)
Operating expenses	(4 881)	(3 282)	48.7
Net loss	(511)	(109)	368.8
Other income	-	-	N/A
Loss before interest, depreciation and amortisation	(511)	(109)	368.8
Depreciation and amortisation	(36)	(36)	-
Loss before fair value, impairment adjustments and tax	(547)	(145)	277.2
Fair value adjustments	1 476	2 393	(38.3)
Profit before tax	929	2 248	(58.7)

- Revenue has increased by 37.2% during the period due to an increase in fees generated from its leveraged segregated portfolios, on the back of a solid performance delivered by these strategies during the year. Revenue generated from bundles offered on the EasyEquities platform also increased.
- The performance of Emperor's core strategies over the past two years stands in good stead in securing retail clients through the EasyEquities platform and increasing its institutional funds under management.

HEAD OFFICE AND INVESTMENTS STATEMENT OF PROFIT AND LOSS



	2021 R'000	2020 R'000	Movement %
Revenue	227	-	N/A
Commissions and research expenses	-	-	N/A
Operating expenses	(7 535)	(6 794)	10.9
Net loss	(7 308)	(6 794)	7.6
Other income	-	-	N/A
Loss before interest, depreciation and amortisation	(7 308)	(6 794)	7.6
Net interest expense	(5 466)	(6 583)	(17.0)
Depreciation and amortisation	(15)	(30)	(50.0)
Loss before fair value, impairment adjustments and tax	(12 789)	(13 407)	(4.6)
Fair value adjustments	4 443	12	36 925.0
Loss before tax	(8 346)	(13 395)	(37.7)

- Operating expenses have increased by 10.9% primarily due to an increase in audit fees expensed during the current year, due to part of the FY 2021 audit fee being incurred prior to year end, for the first time, as interim audit work was performed.
- The lower interest cost is primarily due to the decrease in the debt owing to the IDC and the drop in the REPO rate.
- The fair value adjustment of R4.4 million relates to a write-up in Purple Group's investment in Real People Investment Holdings, which was required due to the improvement in the performance of the business over the last 18 months.

RISE STATEMENT OF PROFIT AND LOSS



	2021 R'000	2020 R'000	Movement %
Revenue	52 608	45 021	16.9
Operating expenses	(48 028)	(41 735)	15.1
Profit before tax	4 580	3 286	39.4
Income tax	(1 719)	(920)	86.8
Profit for the period	2 861	2 366	20.9
EasyEquities share of profit for the period	1 431	1 183	21.0

- Revenue increased by 16.9%, primarily due to full-year revenue earned in respect of new mandates awarded towards the end of the prior year. Mandated assets at 31 August 2021 totalled R7.4 billion (FY 2020: R6.7 billion).
- The current year expenses include various once-off costs, totalling circa. R4 million.
- The business is operating profitably, thanks to a concerted effort by management to streamline the business and its processes.
- It is envisaged that the business will be in a strong position to pursue new business within the next six months.

On behalf of the board

Happy Ntshingila (Non-Executive Chairman)

Charles Savage (Chief Executive Officer)

Gary van Dyk (Chief Financial and Operations Officer)

OPERATING SEGMENTS

The operating segments are distinguished by the type of business and the management team responsible for the business unit. The Group comprises the following operating segments:

- GT247.com, and Emperor Asset Management (EAM): represent the derivatives trading and asset management operations of the Group. These two businesses operate largely off the same centralised resource base of the Group and GT247.com generates a portion of its revenue for services performed for Emperor clients.
- EasyEquities is the web-based investment platform of the Group and includes EasyProperties.
- Head office and investments represent fees and dividends earned on investments and fair value adjustments made against them, as well as head office costs.

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Total R'000
2021 Segment asset				
Non-current assets	10 787	149 682	284 460	444 929
Current assets	85 985	223 025	1 600	310 610
Total assets	96 772	372 707	286 060	755 539
Segment liabilities				
Non-current liabilities	-	8 842	7 872	16 714
Current liabilities	74 101	203 733	12 860	290 694
Total liabilities	74 101	212 575	20 732	307 408
2021 Revenue	32 219	172 332	227	204 778
Commissions and research expenses	(1 268)	(1 730)	-	(2 998)
Operating expenses	(39 961)	(106 407)	(7 535)	(153 903)
Net profit/(loss)	(9 010)	64 195	(7 308)	47 877
Other income	-	-	-	-
Profit/(Loss) before interest, depreciation and amortisation	(9 010)	64 195	(7 308)	47 877
Finance income	-	4 294	4 294	4 294
Finance costs	-	(2 381)	(5 466)	(7 847)
Depreciation and amortisation	(278)	(19 483)	(15)	(19 776)

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Total R'000
Profit/(Loss) before fair value, impairment adjustments and tax	(9 288)	46 625	(12 789)	24 548
Fair value adjustments	1 476	50 000	4 443	55 919
Share of profit of joint venture	-	1 431	-	1 431
Profit/(loss) before tax	(7 812)	98 056	(8 346)	81 898

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Total R'000
2020 Revenue	66 364	96 308	-	162 672
Commissions and research expenses	(2 386)	(630)	-	(3 016)
Operating expenses	(40 845)	(70 135)	(6 794)	(117 774)
Net profit/(loss)	23 133	25 543	(6 794)	41 882
Other income	-	47	-	47
Profit/(loss) before interest, depreciation and amortisation	23 133	25 590	(6 794)	41 929
Finance income	-	1 303	1 303	2 606
Finance costs	-	(2 433)	(6 583)	(9 016)
Depreciation and amortisation	(780)	(13 242)	(30)	(14 052)
Profit/(loss) before fair value, impairment adjustments and tax	22 353	11 218	(13 407)	20 164
Fair value adjustments	2 393	-	13	2 406
Share of profit of joint venture	-	1 183	-	1 183
Profit/(loss) before tax	24 746	12 401	(13 394)	23 753

EVENTS AFTER THE REPORTING DATE

The Sanlam loan of R28.8 million was repaid in full on 15 September 2021.

The directors are not aware of any other matter or circumstance arising since reporting date up to the date of this report, not otherwise dealt with in this report.

ANNUAL GENERAL MEETING

The Annual General Meeting of ordinary shareholders ("shareholders") of the Company will be held Virtually on Friday, 21 January 2022 at 10:00.

BASIS OF PREPARATION OF THE SUMMARY CONSOLIDATED RESULTS

The summary consolidated financial results are prepared in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, and the requirements of the Companies Act of South Africa applicable to summary financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. This announcement does not include the information required pursuant to paragraph 16A(j) of IAS 34 as this is included in the full report which is available on the issuer's website, at the issuer's registered offices and upon request. The accounting policies applied in the preparation of the consolidated financial statements from which the summary financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements, except for the adoption of new, improved and revised standards and interpretations, which had no material effect on the financial results. This report was compiled under the supervision of Gary van Dyk CA(SA), Chief Financial and Operations Officer.

The summary consolidated financial statements do not include all of the information required for full consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 August 2021. The directors take full responsibility for the preparation of the abridged report. This abridged report is correctly extracted from audited information but is not itself audited.

REPORT OF THE INDEPENDENT AUDITORS

The auditor, BDO South Africa Incorporated, expressed an unmodified audit opinion on the consolidated financial statements from which these summary consolidated financial results were derived. A copy of the auditor's unmodified report, which includes Key Audit Matters on the consolidated financial statements is available for inspection at the Company's registered office, together with the financial statements identified in the auditor's report.

The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the Company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's auditor.

On behalf of the board

Happy Ntshingila (Non-Executive Chairman)

Charles Savage (Chief Executive Officer)

Johannesburg

10 November 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 August 2021

	2021 R'000	2020 R'000
ASSETS		
Equipment	2 201	2 839
Intangible assets	101 262	76 719
Goodwill	254 568	204 568
Right-of-use asset	2 724	4 209
Investments	18 224	13 781
Investment in joint venture	5 604	4 832
Receivables	2 293	2 954
Deferred tax assets	58 053	59 396
Total non-current assets	444 929	369 298
Trade and other receivables	50 703	23 372
Current tax receivable	-	1 333
Investments	1 591	6 356
Cash and cash equivalents	258 316	225 104
Total current assets	310 610	256 165
Total assets	755 539	625 463
EQUITY AND LIABILITIES		
Share capital and premium	539 815	481 430
Accumulated loss	(182 535)	(226 867)
Equity component of compound financial instrument	-	3 496
Other reserves	31 832	39 915
Equity attributable to owners	389 112	297 974
Non-controlling interests	59 019	27 535
Total equity	448 131	325 509
Lease liability	1 562	3 368
Borrowings	7 872	39 131
Deferred tax liability	7 280	1 474
Total non-current liabilities	16 714	43 973
Client open position liability	164 930	128 831
Borrowings	34 822	29 875
Lease liability	1 806	1 507
Current tax payable	2 415	-
Trade and other payables	82 855	85 921
Bank overdraft	3 866	9 847
Total current liabilities	290 694	255 981
Total equity and liabilities	755 539	625 463
Net asset value per share (cents)	33,73	31,20

IMPACT OF COVID-19

Leading up to the announcement of the lockdown in South Africa on 23 March 2020, all businesses within the Group finalised their plans to ensure all staff members were equipped to work from home. As all our business systems and applications are hosted virtually, the transition from office

to home was relatively seamless. At this point in time we have no plans to call staff back to the office, firstly to ensure their safety and secondly all aspects of the business are operating efficiently and effectively from home.

The business has performed various tests of its disaster recovery and business continuity plans, and we are satisfied that these plans are effective and will result in minimum down time in the event of a disaster at our primary hosting site. The business has continued to deliver significant growth throughout the Covid pandemic and management do not expect this to change.

All loan commitments and covenants have been met, where applicable.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 August 2021

	2021 R'000	2020 R'000
Revenue	204 778	162 672
Commissions and research expenses	(2 998)	(3 016)
Operating expenses	(153 903)	(117 774)
Net income	47 877	41 882
Other income	-	47
Earnings before interest, depreciation and amortisation	47 877	41 929
Finance income	4 294	2 606
Finance costs	(7 847)	(9 016)
Depreciation and amortisation	(19 776)	(14 052)
Earnings before fair value, impairment adjustments and tax	24 548	20 164
Fair value adjustments	55 919	2 406
Share of profit of joint venture	1 431	1 183
Profit before tax	81 898	23 752
Income tax	(9 253)	(6 615)
Profit for the period	72 645	17 137
Profit attributable to:		
Owners of the Company	44 332	14 443
Non-controlling interest	28 313	2 694
	72 645	17 137
<i>Earnings per share</i>		
Basic earnings per share (cents)	4.46	1.54
Headline earnings per share (cents)	4.46	1.54
Diluted earnings per share (cents)	4.27	1.47

GROUP CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 31 August 2021

	2021 R'000	2020 R'000
Profit for the period	72 645	17 137
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss:		
Foreign currency translation reserve	(575)	76
Total comprehensive income	72 070	17 213
Total comprehensive income attributable to:		
Owners of the Company	43 757	14 519
Non-controlling interest	28 313	2 694
	72 070	17 213

SUMMARY GROUP CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 August 2021

	2021 R'000	2020 R'000
Cash flows from operating activities		
Cash generated by operations	54 735	182 125
Tax received/(paid)	1 643	(3 182)
Finance income	4 294	1 303
Finance costs	(3 371)	(4 222)
Cash flows generated by operating activities	57 301	176 024
Cash flows from investing activities		
Acquisition of intangible assets	(38 182)	(34 993)
Acquisition of subsidiary - EasyCrypto SA (Pty) Ltd	1 278	-
Proceeds from disposal of ownership interest in EasyProperties (Pty) Ltd	-	980
Acquisition of equipment	(593)	(768)
Repayment from joint venture	658	229
Proceeds from sale of investment	6 241	-
Rental deposit paid	-	(128)
Cash flows utilised in investing activities	(30 598)	(34 680)
Cash flows from financing activities		
Proceeds from the issue of share capital	18 268	6 724
Proceeds from disposal of treasury shares	-	1 000
Proceeds from borrowings raised	-	10 000
Repayment of staff loans relating to share options exercised	661	-
Dividend paid by EasyCrypto SA (Pty) Ltd	(1 000)	-
Repayments of borrowings	(2 936)	(4 020)
Repayments of lease liability	(1 928)	(1 169)
Cash flows generated by financing activities	13 065	12 535
Net increase in cash and cash equivalents	39 768	153 879
Effect of foreign exchange on cash	(575)	77
Cash and cash equivalents at beginning of period	215 257	61 301
Cash and cash equivalents at end of period	254 450	215 257

SUMMARY GROUP CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 August 2021

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