PURPLE GROUP
LIMITED

ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

WEWORK SHARED WORKING SPACE | ROSEBANK | JOHANNESBURG | 2092
www.purplegroup.co.za

PURPLE GROUP
LIMITED

EasyEquities

EasyProperties

EasyAssetMgmt

EasyCrypto

EasyETFs

RISE EasyRetire

<GT247.COM>

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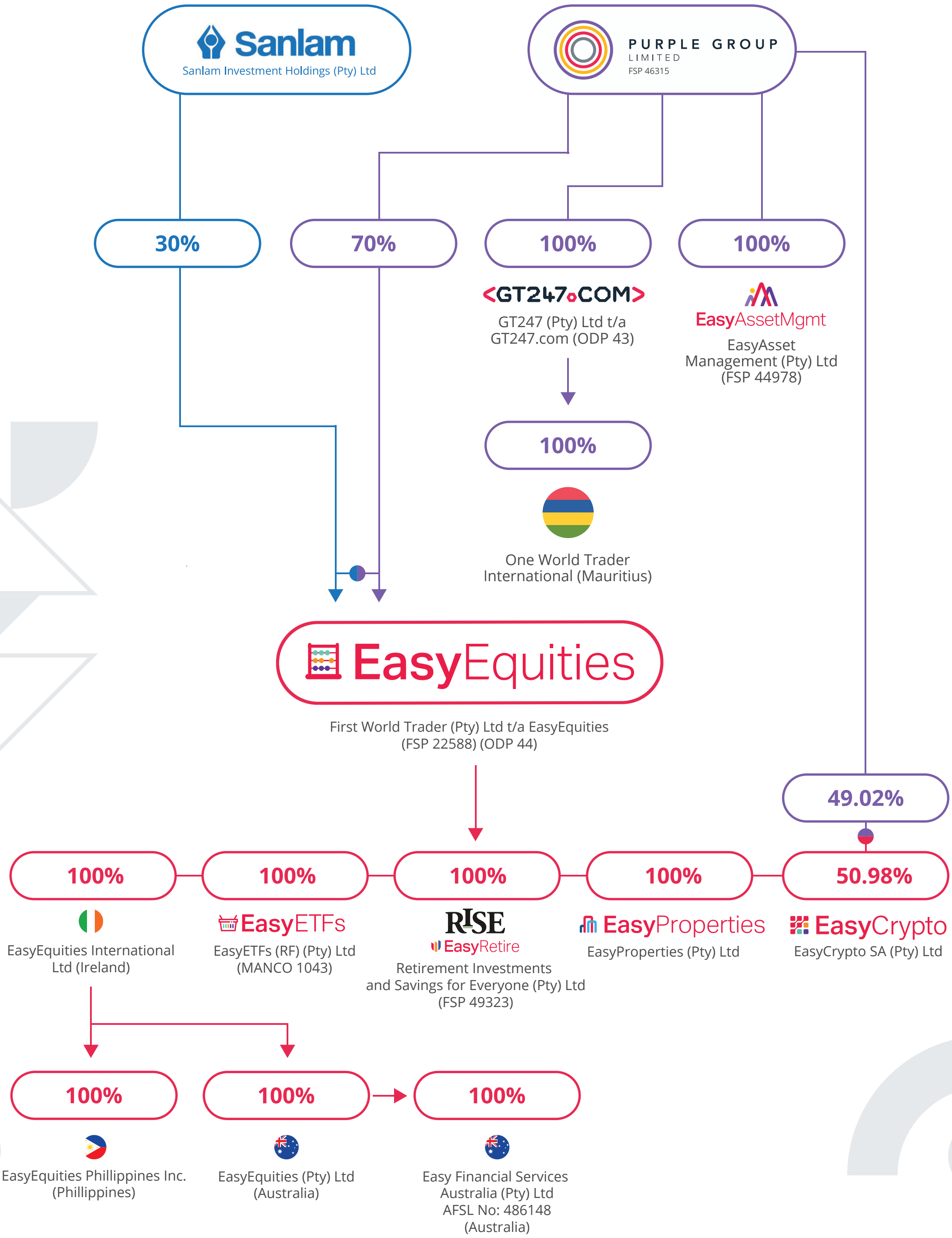
PURPLE GROUP
LIMITED

Group Structure



KEY TERMINOLOGY

The following terms have been used throughout this report:

- **Active Client:** Is a client of the EasyEquities Group that has at least one funded investment account. Clients that hold numerous investment accounts across the platforms are only counted once.

- **Client Assets**: refers to the market value (in Rands) of Active Clients' investments, administered and serviced by the EasyEquities Group's various investment platforms.

- **Activity Based Revenue**: Activity Based revenue comprises revenue that is directly driven by the level of client activity on the platform and primarily includes execution revenue, foreign exchange transfer fees and early settlement fees. These revenue types would primarily be driven by the level of client deposits, withdrawals and portfolio turnover.

- **Non-activity Based Revenue**: Non-activity Based revenue includes revenue that is more closely linked to the value of Client Assets on the platform, primarily including, asset management fees, administration revenue, cash management fees and other asset based fees.

- **Client Cohorts** : Clients have been grouped according to the financial year in which a client first registered an account on the EasyEquities platform i.e. If a client registered an account during the period 1 September 2014 to 31 August 2015, they would form part of the "2015 Cohort", similarly a client that registered during the period 1 September 2017 to 31 August 2018 would form part of the "2018 Cohort". *(The cohort classification was previously based on the calendar year in which a client registered).*

- **ARPU**: Average revenue per Active Client.

- **COS**: Cost of service refers to the annual cost to the business of servicing Active Clients.

- **COA**: Costs to acquire and onboard a new Active Client.

- **FY 2022**: 12 months ended 31 August 2022.

- **FY 2023**: 12 months ended 31 August 2023.

GROUP HIGHLIGHTS

PURPLE GROUP LIMITED

GROUP REVENUE INCREASED BY 0.8% TO	GROUP EXPENSES BEFORE OTHER INCOME, FAIR VALUE & IMPAIRMENT ADJUSTMENTS, INTEREST, DEPRECIATION & AMORTISATION INCREASED BY 31.9% TO	LOSS BEFORE FAIR VALUE ADJUSTMENTS & TAX
▲ **R276mn**	▲ **R280mn**	▼ **R49.0mn**
(2022: R274 MILLION)	(2022: R212 MILLION)	(2022: PROFIT : R40.3 MILLION)

GROUP HEADLINE LOSS PER SHARE	GROUP BASIC LOSS PER SHARE	ATTRIBUTABLE LOSS
▼ **2.05cps**	▼ **1.90cps**	▼ **R24.9mn**
(2022: EARNINGS : 1.12 CENTS PER SHARE)	(2022: EARNINGS : 3.64 CENTS PER SHARE)	(2022: PROFIT : R44.0 MILLION)

EASYEQUITIES GROUP HIGHLIGHTS

EasyEquities

EASYEQUITIES GROUP REVENUE INCREASED BY 11.1% TO ▲R238mn (2022: R214 MILLION)	REGISTERED CLIENTS INCREASED BY 18% TO ▲2.06mn (2022: 1.75MN)	ACTIVE CLIENTS INCREASED BY 17.5% TO ▲897 940 (2022: 763 233)
PLATFORM ASSETS INCREASED BY 25.3% TO ▲R46.6bn (2022: R37.3 BILLION)	RETAIL INFLOWS DECREASED BY 28.1% TO ▼R5.9bn (2022: R8.2 BILLION)	INSTITUTIONAL INFLOWS INCREASED BY 170% TO ▲R5.2bn (2022: R1.9 BILLION)
COST OF SERVICE PER ACTIVE RETAIL CLIENT DECREASED BY 10.0% TO ▼R170 (2022: R188)	LOSS BEFORE FAIR VALUE ADJUSTMENTS & TAX ▼R44.0mn (2022: PROFIT : R31.4 MILLION)	

<GT247.COM> HIGHLIGHTS

GT247.COM REVENUE DECREASED BY 34.5% TO

▼R37.3mn

(2022: R56.9 MILLION)

PROFIT AFTER TAX OF

R2.4mn

(2022: R11.3 MILLION)

Dear Stakeholders,

As I take a step back to reflect on our journey at Purple Group over the past year, I am filled with a sense of pride and optimism. Like many others, we've been up against some formidable economic challenges and still we have continued to demonstrate resilience, adaptability and a relentless focus on our core value drivers.

Our achievements in this period are a testament to the strength of our strategy, the dedication of our team and the loyalty of our customers and partners. We have navigated a path through both challenging and promising landscapes - each a vivid reminder of why we do what we do – pushing boundaries, innovating and continuously redefining what's possible in our industry. We continue making investing easy for everyone – helping people to grow and protect their wealth.

Confronting Economic Challenges

The past year has been a rollercoaster marked by economic fluctuations, including a significant downturn and escalating interest rates. Rather than seeing these as setbacks, we've embraced them as opportunities to refine our strategies, diversify our business and flex our adaptability muscles. It's in these times that true innovation emerges.

Like many of our competitors, we faced unavoidable declines in activity fuelled revenue, primarily driven by muted market volatility and the impact of inflation and, most significantly, higher interest rates.

These challenges, while impactful, have emphasized the importance of retaining strategic agility and building an increasingly diversified business.

Strategic Investments and Expansion

New markets, particularly in Southeast Asia with EasyEquities Philippines Inc. and our partnership with GCash, is more than just growth – it's about creating new worlds of possibilities. Our investments, though substantial, are deliberate and laying the groundwork for a future that's diverse, dynamic, and brimming with opportunities.

While taking our products live is proving to be much more difficult than anticipated and therefore taking longer than planned, our time in the market is being well spent. We are building strong regulatory relationships, strengthening our ties and opportunities with GCash and building a community through educational engagement with hundreds of thousands of Filipinos every single day.

Building a Customer-Centric, Resilient Business and Systems

Active Client Growth 2023 | +17.5%
Our client base is our greatest asset, and we've seen impressive growth in active clients (+17.5%).

Cost of Active Client Acquisition 2023 | R96
Our approach to client acquisition and retention isn't just about numbers; it's about building a community of engaged, loyal users. Once again, we've managed to do this cost effectively (R96 / Active Client), even in the face of economic headwinds – a testament to our relentless focus on customer-centric innovation and resilience.

Customer Retention Rate – since inception across all periods | +100 %
Our ability to not only acquire new active clients cost-effectively but importantly also maintain high client retention rates (+100% over all financial periods) is a key driver of our success and testament to the strength of our strategy and the loyalty of our community.

Cost of Service 2023 | -10% to R170
This efficiency in client acquisition and the year-on-year decline in our cost to serve (-10% to R170 / Active Client) coupled with the evidenced loyalty of our clients over 9 years now, are the assets that will continue to fuel our growth.

Retail vs Institutional Revenue Contribution | Retail: 60.3% (down from 90.3% in 2022), Institutional: 39.7% (up from 9.7% in 2022)
Easy Group's client assets increased impressively by 25.3% - totalling a record R46.6 billion. Contributions were strong across both retail and institutional client groups and resulting revenue now sees retail contributing 60.3% (down from 90.3% 2022) vs Institutions 39.7% (up from 9.7% 2022).

Net Retail Inflows | R1.16 billion
Retail clients continued to demonstrably evidence their resilience and commitment to their investment journey with us, maintaining net inflows of R1.1 billion over the period. This is a significant achievement in consideration of the economic environment and the fact that many competing investment platforms have recorded outflows over their most recent reporting period.

Retail Market Returns | Circa 11.7%
Clients' commitment has been well rewarded - on average they have enjoyed market returns of about 11.7%, lifting retail client assets across our platforms to record highs of R32.1 billion, up +17% from last year.

Institutional Client Assets | Increased to R14.5 billion, up +49% from 2022
Institutional client inflows delivered a standout performance, improving by 170% over the period and driving assets across our platform up to R14.5 billion - strengthening our business model diversification.

Product Diversification and Innovation

Our product portfolio is expanding, and is often driven by customer demand. With new introductions like EasyCredit, EasyProtect, and EasyBonds, we're leading the charge in redefining what's possible in our industry and our lives. These aren't just products; they're gateways to new experiences and opportunities for our users.

EasyCredit EasyProtect EasyBonds

EasyBonds is now in full release and enjoying great client engagement and interest. It fills a much needed savings gap on our platform and introduced SA investors to another first – fractional, easy access to government bonds.

While the other two products are still in beta releases to small client groups, they will be released to almost a million clients in the year ahead. Our product strategy is centred on improving customer experience while delivering to our clients' needs as they walk the path to financial freedom. Greater product breadth stabilizes and accelerates our future revenue streams and also positions us to capitalize on various market segments across more diverse economic climates.

Investment in Technology

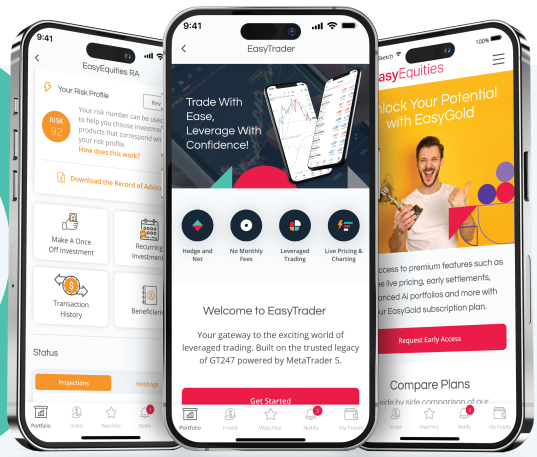
Our investment in technology continues to be a cornerstone of our strategy. The technological infrastructure we have built not only enhances our operational efficiency and customer experience but also positions us well for rapid scaling as market conditions improve. Significant investment has gone into scaling and securing our platform while making it ever easier to partner and integrate into. When we look around at the competitive landscape, we continue to retain significant advantage not just in South Africa, but globally too.

Education and Accessibility

We remain committed to investor education as a means to reduce barriers to investing. Our focus on educating potential and current clients is a long-term strategy that promises sustained growth in client engagement and loyalty.

Looking Ahead with Optimism

The year ahead will see the addition of three new products to the Easy brand family.



Upcoming Product Launches 2024

EasyRetire

Focusing on partnering and enabling financial advisors to serve their clients through and across all our platforms;

EasyTrader

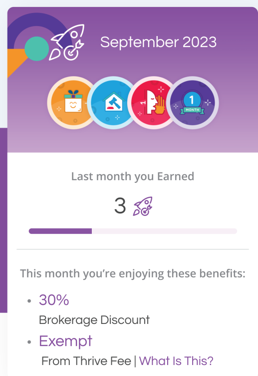
Leveraging our capability in GT247 and delivering it to satisfy the needs of more active and sophisticated traders, who already make up about 5% of our EasyEquities client base; and

EasySubscriptions

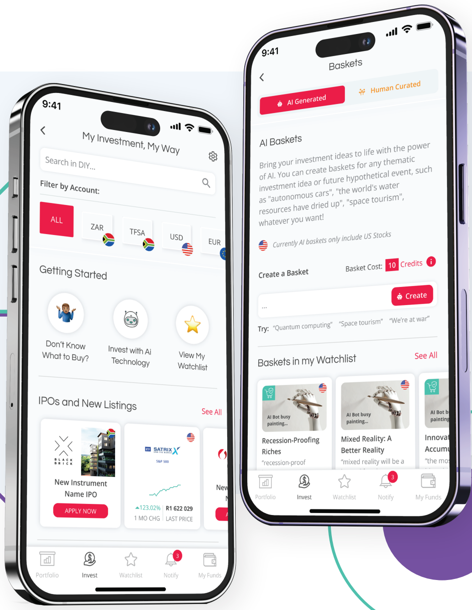
Bundling our diverse and growing product and services stack to cater to the needs of various investor archetypes - making it cheaper, easier and more rewarding for them to fulfil their investment journey with us.

THRIVE

Thrive, our loyalty program, designed to reward and incentivise good investor behaviour, was relaunched in October, to vigorous debate and positive client engagement. Our commitment to our clients is that the program will constantly be improved upon with agility and urgency. Balancing the needs and feedback from our clients while taking direction from our partners and considering the observed client behavioural data.



User Experience Improvements Coming Soon



EasyAI and new Invest Now experience

Clients can also look forward to improved program benefits and enhanced customer experiences throughout the year, starting with the launch of EasyAI and an entirely new Invest Now experience.

I'm excited about the growth trajectory we're on. The investments made during these tough times, particularly in technology, product development, market expansion and greater efficiency are setting us up for a future that's not just successful, but also transformative.

Average Client NAV Growth (CAGR) 22%

Client Product Diversification 1.45

Top 3 Performing Product Growth

RA	TFSA	USD
Clients +25% Assets +52%	Clients +20% Assets +40%	Clients +16% Assets +24%

Acknowledging Our Team and Stakeholders

I want to express my profound gratitude to our dedicated team, loyal clients, strategic partners and supportive shareholders. Your steadfast belief in our vision, especially amidst challenges, has been the cornerstone of our resilience, innovation and success.

In conclusion, we're not just building a company; we're creating a financial legacy for the people and countries we serve- making it easier for everyone and having some fun along the way.

Thank you for being a part of this incredible journey – few imagined it would be Easy 😉

Charles Savage
CEO, Purple Group

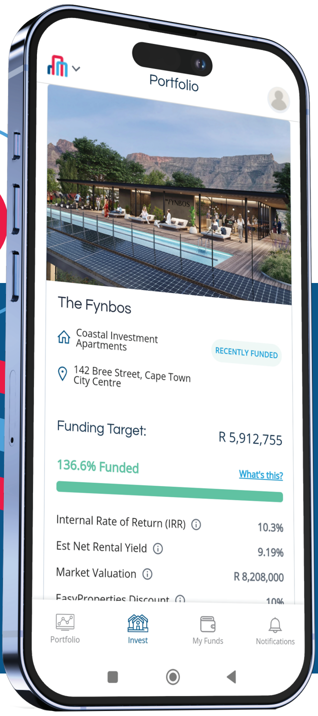
EasyProperties

Dear Investors, Development Partners and Team

As the CEO of EasyProperties, I'm proud to present our Annual Report for the year ending August 2023. As the property arm of all things Easy, it's our role to deliver on the brand purpose and promise of EasyEquities with greater focus on crowd funding into property. In doing so, we solve many of the friction points that exist in the traditional ways of purchasing property.

EasyProperties is a meaningful contributor to our community's wealth-building toolbox, with over 103,000 investors already creating diversified property portfolios. Anyone can now get in on the property ladder.

In a little over 4 years, through democratising access and crowd funding, our collective purchasing power potentially makes us one of the biggest purchasers of sectional title residential property in South Africa.



R294 m
Capital Raised on IPO

R412 m
Total Property Value Purchased

103, 946
Invested Customers

381, 054
Registered Customers

Market Dynamics & Our Strategic Position:

In a world where real estate markets have seen their fair share of ups and downs and faced with the headwinds of higher interest rates, semigration and inflation, we've continued to find opportunities across the country. While regions like Limpopo and the Western Cape continue to lead the way it's been interesting to note the emerging trend of global investors buying in Gauteng – the heart of Africa's economic vibrancy.

Our Investment Committee ensures we present the best possible opportunities these market trends offer. If one considers that our second The Fynbos in Cape Town listing was oversubscribed in half the allotted time, it's clear why significant residential property developers think about EasyProperties when launching their new developments. We're not just participants in the property landscape – as a community, we are redefining the sector.

Performance & Portfolio Expansion:

We've had a record-breaking year at EasyProperties, taking our IPOs to 31, raising almost R300 million and investing in property worth over R400 million. Our portfolio has diversified, including R50m worth of superb student accommodation deals in Pretoria and Stellenbosch and 2024 is the year that we hope to realise our international property ambitions.

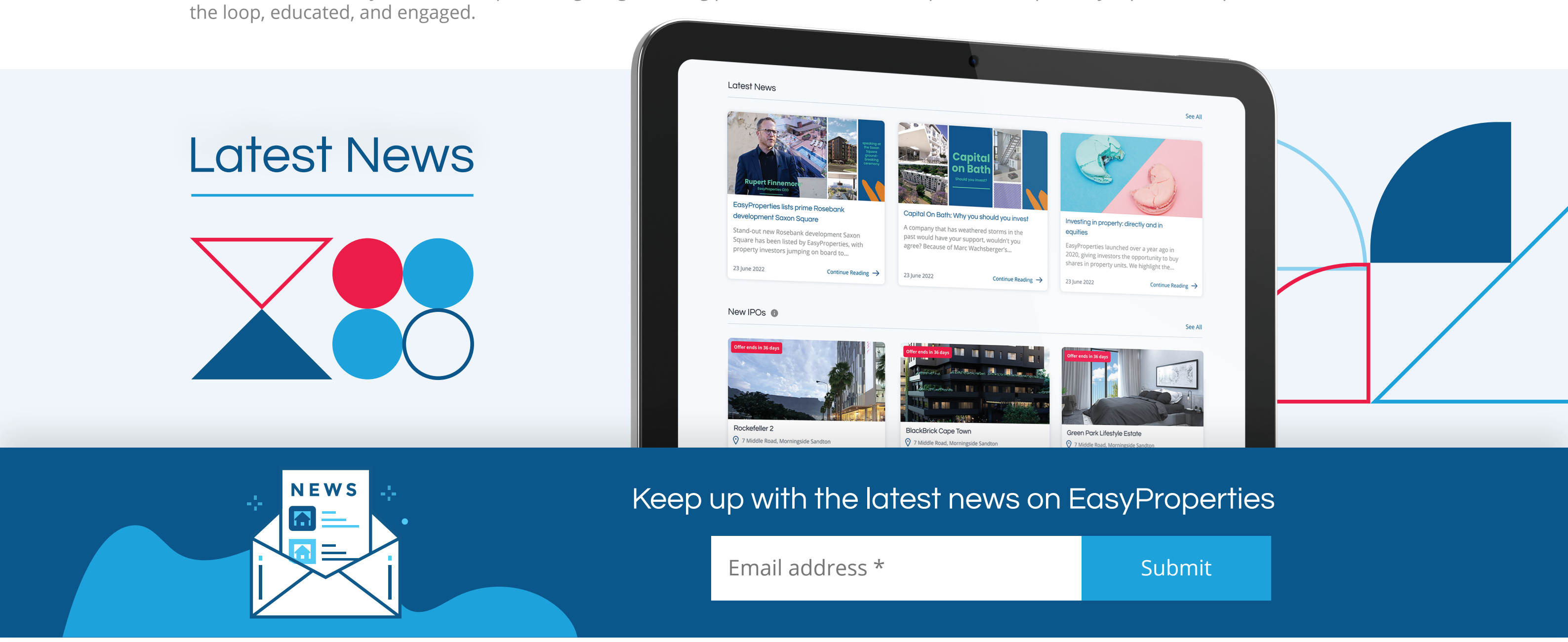
Innovative Strides in Property Investment:

Our property management approach has significantly lower-than-industry fees, thanks to our groundbreaking approaches like outsourcing through harnessing the power of our community and a gig-economy model. We're working on a payment solution, where gig economy payments will be paid into investors' Easy wallets, keeping a lot of outsourced management services in our ecosystem. Our adoption of cutting-edge systems like WeConnectU and RedRabbit is streamlining our operations, making us leaner and more agile. Using AI and technology to further improve occupancy and drive efficiencies is a big area of focus for us in the year ahead.

Our auction system resolves liquidity challenges and in the past year we've seen a staggering 78% increase in trades in our secondary market. We expect our market place to continue growing and offering opportunities for clients who may miss an initial listing.

Engaging & Empowering Our Investors:

Communication is key, and we love producing insightful blog posts, webinars and comprehensive quarterly reports to kept our investors in the loop, educated, and engaged.



Commitment to Compliance & Sustainability:

We pride ourselves on strict adherence to regulatory standards and are unwavering in our commitment to sustainable and responsible property investments. While we've faced some operational headwinds, like occupancy challenges and capital raising in a tough economic climate, our team's proactive strategies continue to yield positive results.

Embracing Technology & Digital Innovation:

We're on the cusp of a digital revolution in property management. With AI and automation, we're streamlining our operations and enhancing efficiency. A new CRM system is on the horizon, set to transform how we market, let, and sell our properties which will continue to improve our occupation and vacancy rates.

A Heartfelt Thanks:

I want to take a moment to express my deepest gratitude to our incredible team, investors, and partners. Your unwavering support and dedication have been our pillars in navigating this challenging but rewarding year. Together, we're poised to make even greater strides in the coming year. Our journey at EasyProperties, much like at EasyEquities, is one of continuous innovation, learning, and growth. We remain committed to making property investment easy, accessible, rewarding and profitable.

Here's to another year of breaking barriers and building dreams in the world of property investment! 🚀 🏡 🌟

Rupert Finnemore
CEO, EasyProperties

EasyCrypto

Dear EasyCrypto community

It gives me great pleasure to share some of the highlights of the exciting year we have had at EasyCrypto.

EasyCrypto is committed to embodying the EasyEquities principle of democratizing investment. Our objective is to provide an effortless, secure and cost-effective investment experience, positioning us as the premier cryptocurrency platform in South Africa. With our leading UI & UX, we now offer access to four index-tracking bundles for passive market participation and 34 distinct cryptocurrencies for active investment, catering to diverse investor preferences.

The cryptocurrency market from September 2022 to August 2023 was marked by significant anticipation surrounding the potential launch of a Bitcoin ETF by BlackRock, against the backdrop of a prolonged "crypto winter." The filing of BlackRock's spot Bitcoin ETF application was seen as a pivotal moment, with the finance giant bringing its substantial influence and resources to bear on the crypto market.

Despite the excitement and optimism generated by BlackRock's entry, the period was still marked by a general downturn from Bitcoin's all-time highs in previous periods. However, the potential impact of the Bitcoin ETFs was not to be understated. Crypto fund Galaxy Digital estimated that spot Bitcoin ETFs could attract at least $14.4 billion in inflows in the first year alone, with the possibility of this figure increasing significantly in subsequent years. This surge in inflows was expected to bring about a substantial increase in Bitcoin prices, potentially aiding a 74% jump in the first year. The market has since rallied in 2023 following this anticipation with Bitcoin leading the charge as the best-performing large-cap asset of the year.

Client assets up 21.8% from R372m to R453m.

Number of direct EasyCrypto funded and active clients up 185.9% to 21,714.

Revenue is down 40.1% driven largely by lower crypto prices and lower nominal traded.

- We achieved remarkable milestones at EasyCrypto during the year under review, significantly enhancing our platform's capabilities.
- We introduced instant money transfer between EasyCrypto and EasyEquities, offering our users unparalleled convenience.
- The platform now supports crypto deposits, broadening our transactional capabilities.
- On the technical front, we integrated AWS Lambda, ensuring superior performance and scalability. We've made substantial cybersecurity improvements, fortifying our platform against emerging digital threats.
- Additionally, we now offer enhanced insights through Tokenomics and a technical analysis sentiment indicator, providing users with a deeper market understanding.

Our commitment

to transparent communication and stakeholder engagement has been a cornerstone of our strategy. We have consistently disseminated detailed insights into our product offerings through thoughtfully crafted blog posts on our dedicated Investor portal and across our various social media platforms.

EasyCrypto has made significant strides in aligning with South Africa's evolving financial regulatory landscape. The Financial Sector Conduct Authority (FSCA) has now recognized crypto assets as a financial product, a pivotal development in the regulatory domain. In response, EasyCrypto is preparing to adhere to the FSCA's newly established licensing framework for crypto assets.

Compliance and integrity

Additionally, EasyCrypto is set to become a juristic representative under the Financial Service Provider (FSP) license held by EasyEquities, thereby subjecting it to the Financial Advisory and Intermediary Services (FAIS) Act regulatory framework.

Compliance with Directive 7 of the Financial Intelligence Centre (FIC) in terms of the Financial Intelligence Centre Act (FICA) is another critical area where EasyCrypto has focused its efforts. This directive mandates detailed reporting requirements, and as an accountable institution, EasyCrypto is implementing a comprehensive reporting framework to adhere to these standards.

Moreover, navigating the complexities of exchange control rules as they apply to cryptocurrencies has been a crucial focus for EasyCrypto. The company is diligently working within the Single Discretionary Allowance (SDA) limits and other relevant regulations to ensure compliance while facilitating seamless cryptocurrency transactions for clients.

These efforts underscore EasyCrypto's dedication to maintaining high standards of compliance and integrity in the rapidly evolving landscape of financial regulations.

At EasyCrypto

our team and culture have been fundamentally characterized by a dynamic, "move fast and innovate boldy" ethos, especially in our development processes. This approach has fostered a culture of innovation and agility, enabling us to rapidly respond to market changes and customer needs. However, as we evolve, we are now focusing on achieving a harmonious balance between maintaining a robust Software Development Life Cycle (SDLC) and preserving our hallmark speed.

2023

saw significant growth in active clients joining from our partners Capitec and Discovery and signs are that this trend may be accelerating.

My thanks

to the whole team and all our investors for your significant and ongoing contributions.
I am looking forward to an exciting year of crypto investing in 2024.

Earle Loxton
CEO, EasyCrypto

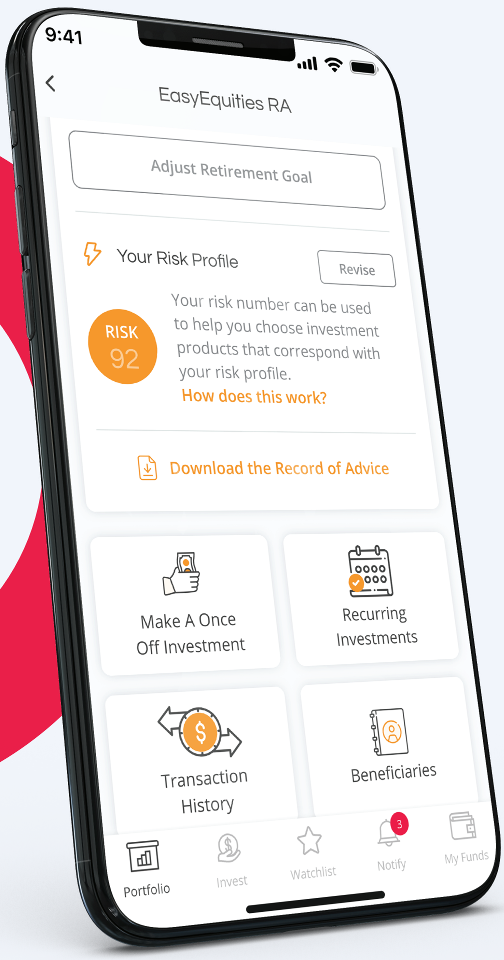
Introduction

RISE was formed in mind to extend the EasyEquities ethos of democratising investments and savings for everyone into the retirement industry. RISE achieves this by leveraging EasyEquities' fintech proven experience and capability to deliver innovative and cost-effective solutions to a mature retirement fund industry.

Company Overview and Core Services

RISE, a licensed entity in Fund Administration and Investment Management, is dedicated to providing accessible, efficient, and practical retirement solutions.

RISE provides a unified retirement dashboard, which is an extension of the EasyEquities user experience. RISE Members as such have their compulsory retirement savings, alongside their discretionary investment savings, tax-free savings and discretionary offshore investments in a single dashboard that supports holistical wealth and retirement planning. This is presented to members in a an easy to understand, unintimidating user experience.



Retirement Fund Market Analysis

The retirement fund industry is currently navigating through a transformative phase, with emerging trends and challenges reshaping the landscape. RISE's offerings are strategically designed to address these evolving needs, ensuring our clients are well-positioned to capitalize on emerging opportunities.

The Retirement Fund Market continues to experience competitive margin pressures. With investments returns lower than in the past the focus is on reducing retirement costs and expecting better more efficient service. RISE fits well into this space leveraging EasyEquities fintech capabilities to deliver superior services at lower fees.

The migration from stand-alone schemes to cost-effective umbrella funds with higher levels of governance and independent trustees continues to trend. The Easy Umbrella Fund, sponsored by EasyEquities and managed by RISE, allows EasyEquities clients who are business owners and decision-makers to create retirement solutions for their employees.

We are also on the cusp of major retirement reform in our industry. South Africa is one of the only pension systems in the world that does not have compulsory preservation built into the architecture.

This has resulted in leakages when retirement members change jobs, worsening retirement outcomes. In addition, the COVID-19 pandemic highlighted the lack of financial resilience of ordinary workers and access to capital.

With the introduction of the 2-pot system, policymakers look to address these issues by allowing access to a portion of their retirement savings before retirement on an annual basis with compulsory preservation till retirement.

The retirement reform has not been without controversy. Policymakers capitulated on earlier stances of no access to previously accumulated savings, to a model that allows a once-off transfer or 10% (capped at R30 000) of previously accumulated savings for immediate drawdown.

RISE powered by EasyEquities is uniquely positioned to advise our retirement members of responsible uses of their accessible retirement savings and we are developing an environment where the capital can continue to be responsibly invested in the EasyEquities ecosystem and fully accessible.

The once-off drawdown will initially reduce the Assets Under Management, however in the fullness of time, the compulsory preservation element of the retirement reform will be conducive to greater asset accumulation and better retirement outcomes for our members.

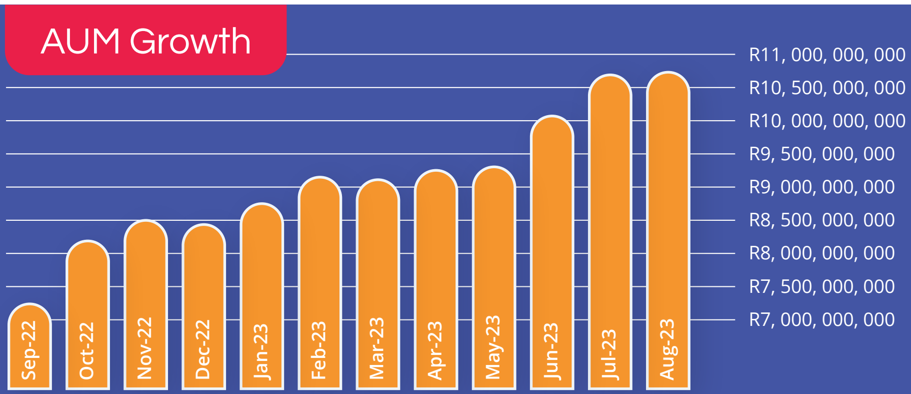
LETTER FROM THE CEO

Performance Review

This fiscal year marked further growth for RISE, with a notable increase in assets under management and client base expansion. Our asset management division showcased commendable performance, outpacing industry benchmarks and peers.

RISE has now aligned our fiscal year end to coincide with the Purple Group.

As August 2023, AUM increased to over R10bn in assets with RISE acquiring retirement and institutional clients locally as well as outside the country.



Members Under Administration has grown to approximately 34 000 members.

Innovation in Fund Management, Administration, and Consulting

Innovation is at the heart of RISE. We continually integrate advanced technologies and methodologies to refine our fund administration to enhance our client experience. We have introduced a Whatsapp Member Portal powered by AI. The portal at scale can engage with members on general queries as well as assist with updated retirement account balances and claim status queries. It is also used as an education platform assisting members to navigate the complexities and mechanics of the 2-pot system.

Sustainability and Social Responsibility

RISE integrates ESG considerations into our investment strategies, reflecting our dedication to sustainable and responsible business practices. RISE Asset Management has recently become signatories of the UNPRI aligning us with the best practices when it comes to sustainable and ethical allocation of capital.

Future Outlook and Expansion Plans

Looking ahead, RISE is poised for growth in a mature industry that is eager for holistic wealth and retirement management. Our strategic plans include expanding our service offerings and exploring new markets, with a focus on further leveraging technology to continue redefining the retirement fund management landscape. We will continue to focus on consistent risk-adjusted investment returns for dignified retirement outcomes for our members. We will focus on the Easy Umbrella Fund as the vehicle that demonstrates the benefits of the RISE and EasyEquities collaboration.

Acknowledgments

I extend my heartfelt gratitude to our shareholders, team, clients, and partners for their unwavering support and contribution to our success.

Deresh Lawangee
CEO, RISE EasyRetire

STRATEGIC OVERVIEW

Problem

The wealth gap continues to widen & although its broadly understood that investing is the greatest enabler of wealth there is still a very low participation rate in investing activities globally

Solution

Make it an easy, enjoyable, rewarding, educational & frictionless user experience & everyone will invest

Purpose

To democratize investing & empower financial dignity for all

Goal

To be recognized as the best investment platform in the world

Purpose Enablers

"To democratise investing & empower financial dignity for all"

1. Easy innovative products & partnerships, delivered through quality execution at an uncomfortable pace
2. Fun, frictionless educational & unexpected customer experiences
3. Accountable agile culture, focused on increasing the value of work done by the team
4. Transparent, fair, no exclusionary pricing & business models that are easy to understand & deliver customer value
5. Beautiful design & inspiring story telling than engages all dreamers
6. Technical excellence. Safe, secure, scalable platforms

Group Strategy Drivers

"Building the worlds best investment platform"

1. **Shareholder Alignment**

   Shareholder alignment, capital and board support to accelerate investment into the group growth strategy.

2. **Purpose, Brand & Culture Alignment**

   Group wide alignment of the "Easy Brand" equity & group culture that unifies teams around a common purpose & dream

3. **Growth Strategy**

   Accelerate investment into:
   1. Locking in dominant SA market position;
   2. Accelerating product verticalization plans;
   3. Global Expansion.

4. **Team Alignment**

   Agree, rollout & implement the Purple Group staff incentive & reward scheme detailing OKRs & expected behaviors driving short, medium & long term incentives

5. **Increased Focus on Value Factors Driving Growth**

   +Partners +ARPU
   +Customers +Trust
   +Products +Regions
   +Assets – Cost to Serve

6. **Group Re-Organisation**

   Re-organization of the group to support greater product & partner enablement, accountability & speed & quality of execution of the group strategy.

STRATEGIC OVERVIEW CONTINUED

Business Insights

"Cohort data confirms customers 10X themselves every 7 years"

1

+ Market Leader

Market dominant SA position with a contracted distribution, through partnerships, to +60% of the SA market opportunity.

2

+ Purpose, Brand People & Culture

Purpose driven business that has established, arguably, the most loved & trusted brand in SA financial services. People, culture & agile workplace that enables innovation, accountable leadership & passionate workforce that get out of bed early to change peoples' lives.

3

+ Customers +Regions +Partners

SA: 2.1M registered customers & 900k active accounts who stay, 10X their investments, consume more products & 5X their ARPU every 7 years.
Runway for SA growth = tax paying base = 5.2M
Adding partners & regions increases runway for growth, reduces cost of acquisition & lowers costs to serve

4

+ Products +Services +Markets

More products results in higher ARPU, higher retention & lower costs to serve, improving customer economics & enabling greater investment in growth, distribution & platform advantage. More markets present more trading opportunities to clients & lock out competitors who are still focused on home markets

5

+ Partner & Platform Advantage

Platform functionality stack places us +3 years ahead of SA competitors & on par with best-in-class international players.

OpenEasy APIs, turnkey platform approach & our track record to rapidly partner leading brands gives us local & international advantage over everyone opportunities to clients & lock out competitors who are still focused on home markets

6

+ Customer Engagement

The high touch nature of the platform & incredible customer engagement enables exponential outcomes through referral marketing & delivering products that customers co-create

Capital Levers

1

+Marketing

Lock in market dominant brand position through increased marketing presence, direct customer acquisition & partner activations. Driving down costs of acquisition & enabling exponential referral outcomes

2

+ People

Adding more people increases speed of execution, fosters greater diversity & drives innovation. It also enables greater accountability & focus on growth drivers & fundamentally reduces the risk in executing the group strategy

3

+Regions +Partners

Accelerating our global expansion strategy & partnership program opens new runways for growth while 10X the business value as we further entrench & prove our capability beyond the borders of South Africa

4

+ Products +Services

Accelerating the verticalization of the EasyGroup enables our competitive moat, retains customers & improves customer economics

5

+ Engineering

Increased investment in our engineering, scales, stabilizes & secures our platform capability increasing confidence of all stakeholders while uplifting our customer experience & accelerating our ability to rollout new products & partners

6

+ Data Science

Increased insights from customer cohorts will drive better decision making, enable innovation & improve core metrics driving value & growth

FINANCIAL REVIEW BY THE CFO

OPERATIONAL SEGMENT REVIEW

PURPLE GROUP
LIMITED

PURPLE GROUP CONSOLIDATED

Consolidated statement of profit or loss

	2023 R'000	2022 R'000	Movement %
Revenue	**276,062**	274,003	0.8
Commissions and research expenses	**(13,381)**	(5,135)	160.6
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(280,210)**	(212,490)	31.9
Share of profit in joint venture	**-**	5,249	(100.0)
Net (loss)/ income before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(17,529)**	61,627	(128.4)
Other income	**325**	-	N/A
Net (loss)/ income before fair value & impairment adjustments, interest, depreciation & amortisation	**(17,204)**	61,627	(127.9)
Finance income	**10,952**	7,282	50.4
Finance costs	**(1,312)**	(2,168)	(39.5)
Depreciation and amortisation	**(41,442)**	(26,413)	56.9
(Loss)/ profit before fair value, impairment adjustments and tax	**(49,006)**	40,328	(221.5)
Fair value & impairment adjustments	**2,273**	44,548	(94.9)
(Loss)/ profit before tax	**(46,733)**	84,876	(155.1)
Income tax benefit/ (expense)	**11,534**	(13,926)	(182.8)
(Loss)/ profit for the period	**(35,199)**	70,950	(149.6)
(Loss)/ profit attributable to:			
Owners of the Company	**(24,872)**	43,968	(156.6)
Non-controlling interest	**(10,327)**	26,982	(138.3)
	(35,199)	70,950	(149.6)
Earnings per share[1]			
Basic (loss)/ earnings per share (cents)	**(1.90)**	3.64	(152.2)
Headline (loss)/ earnings per share (cents)	**(2.05)**	1.12	(283.0)

1 Comparative (loss)/earnings per share figures previously reported have been restated to reflect the effects of the renounceable rights offer to qualifying shareholders which took place during the 2023 financial year. Refer to note 18 for further disclosure. No other items have been restated.

- The loss attributable to ordinary shareholders of Purple Group amounts to R24.9 million YTD 2023, compared to a profit of R44.0 million in the prior comparative period.

FINANCIAL REVIEW BY THE CFO CONTINUED

- The Group generated a headline loss of 2.05 cents per share for the period, compared to headline earnings of 1.12 cents per share in the prior comparative period, representing a decrease of 283.0%.
- The Group generated a basic loss of 1.90 cents per share for the period, compared to a basic earnings per share of 3.64 cents per share in the prior comparative period, representing a decrease of 152.2%.

EasyEquities

EASY GROUP

The **Easy Group** results include the consolidated results of the various entities operating within the group, including:

- **EasyEquities** - the core EasyEquities business operations operated within First World Trader Proprietary Limited;
- **EasyProperties** - consolidated on a line by line basis as a subsidiary;
- **EasyCrypto** - consolidated on a line by line basis as a subsidiary; and
- **RISE** - up to 22 August 2022, the RISE results were accounted for as an investment in joint venture and 50% of the RISE profits were shown under "Share of Profit in Joint Venture". From 23 August 2022 RISE results have been consolidated on a line by line basis as a subsidiary; Hence for the 12 months ended 31 August 2023, RISE results have been consolidated on a line by line basis, whereas, for the 12 months ended 31 August 2022, the RISE results were accounted for as an investment in joint venture for most of the year and 50% of RISE profits were shown under "Share of profit in joint venture".

EASY GROUP STATEMENT OF PROFIT OR LOSS

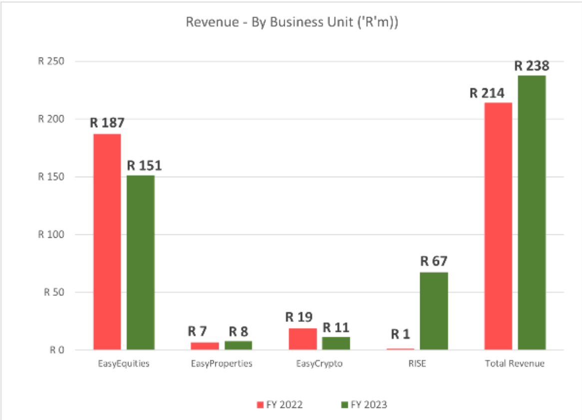
	2023 R'000	2022 R'000	Movement %
Revenue	**237,803**	214,042	11.1
Commissions and research expenses	**(9,515)**	(1,844)	416.0
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(241,227)**	(166,580)	44.8
Share of profit in joint venture	**-**	5,249	(100.0)
Net (loss)/ income before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(12,939)**	50,867	(125.4)
Other income	**362**	-	N/A
(Loss)/ profit before fair value adjustments, interest, depreciation & amortisation	**(12,577)**	50,867	(124.7)
Finance income	**10,028**	7,282	37.7
Finance costs	**(179)**	(498)	(64.1)
Depreciation and amortisation	**(41,261)**	(26,275)	57.0
(Loss)/ profit before fair value adjustments and tax	**(43,989)**	31,376	(240.2)
Fair value adjustments	**-**	48,931	(100.0)
(Loss)/ profit before tax	**(43,989)**	80,307	(154.8)
Income tax benefit/ (loss)	**10,609**	(8,363)	(226.9)
(Loss)/ profit for the period	**(33,380)**	71,944	(146.4)

FINANCIAL REVIEW BY THE CFO CONTINUED

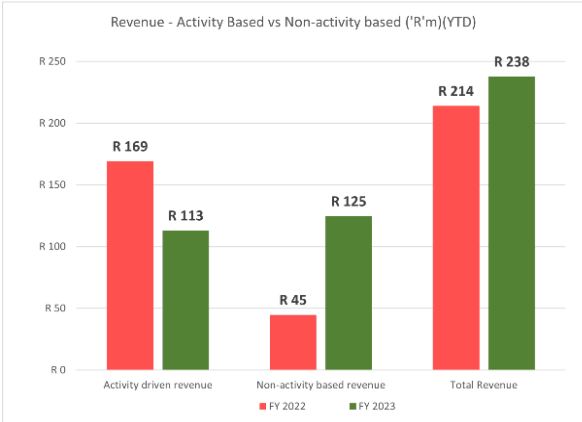
EASY GROUP REVENUE

- The spliit of the Easy Group revenue and Client Assets between retail and institutional clients has been shown below.

Revenue By Business Unit/ Platform



Activity Based Revenue vs Non-activity Based Revenue

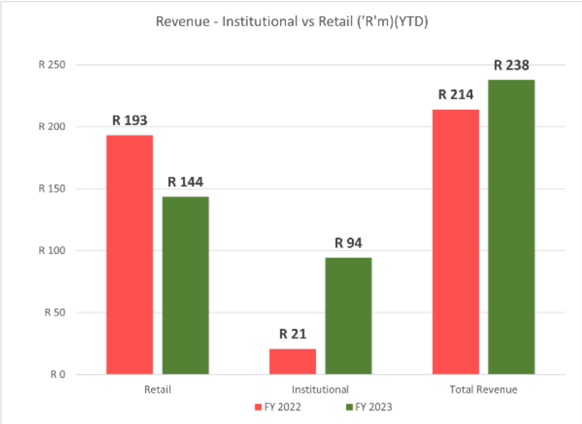


- Easy Group revenue increased by 11.1% and comprised the following contributions from the relevant business units within the Group:
  - EasyEquities Platform revenue decreased by 19.1% to R151.4 million FY 2023, driven by lower client activity during the period, comprising a 21.1% decrease in inflow driven execution revenue and a 36.4% decrease in portfolio turnover related execution revenue. Client Assets increased by 25.1% to R46.2 billion and the number of Active Clients increased by 16.1% to 886,570 Active Clients FY 2023 compared to FY 2022 (refer detailed cohort analysis for further analysis in this regard).
  - EasyProperties Platform revenue increased by 13.8% to R7.7 million, driven primarily by a 39.8% increase in Active Clients to 103,946 and an increase in the asset based revenue streams which increased by 100.4% to R2.53 million, as client deposits were down 18.3%, compared to FY 2022. Clients Assets increased by 56.7% to R0.35 billion, with R0.13 billion of new properties acquired by clients during the year.
  - EasyCrypto Platform revenue decreased by 40.1% to R11.3 million. The decrease in revenue was driven by lower crypto prices, which on average were 27.1% lower during FY 2023 compared to FY 2022. Lower asset values directly impacted on asset management fees charged. Trading fee revenue was also significantly down, with nominal value traded decreasing by 34.6% driven by the lower levels of volatility in the crypto markets during FY 2023. EasyCrypto increased its direct clients (i.e. Clients investing on the EasyCrypto Platform) by 185.9% to 21,714 Active Clients, with assets totalling R0.10 billion and the number of clients investing in the EasyCrypto Bundles on the EasyEquities platform decreased by 3.9% to 80,288 Active Clients FY 2023 compared to FY 2022 with assets totalling R0.35 billion.
  - The RISE business was consolidated for the first time during FY 2023, adding R67.4 million to Group Revenue. RISE revenue increased by 9.6% FY 2023 compared to the prior comparative period. Assets under management increased by 43.5% to R10.8 billion FY 2023, which included 7 new mandates being awarded, primarily during the second half of FY 2023, totalling R2.5 billion.

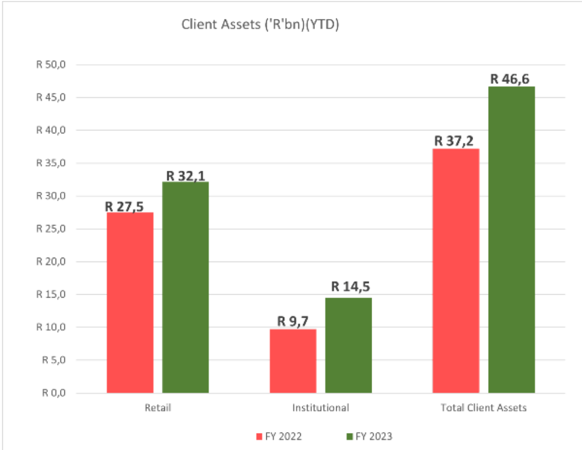
- The Easy Group revenue can be split into two distint revenue types, as follows:
  - **Activity Based Revenue**, which comprises revenue that is directly driven by the level of client activity on the platform and primarily includes execution revenue, foreign exchange transfer fees and early settlement fees. These revenue types would primarily be driven by the level of client deposits, withdrawals and portfolio turnover.
    - ***Deposits*** made by clients go on to be invested, this activity generates execution revenue and is responsible for circa 30% of ARPU, in normal market conditions; Clients' propensity to deposit and therefore invest is strongly influenced by market cycles. A boom market, which occurs typically 6-8 out of every 10 years, provides a stronger ecosystem to support and grow clients investing activities while a recessionary market, typically 1-2 out of every 10 years, places significant pressure on client's ability to deposit and invest at the same levels as achieved in a boom market.
      - Deposit driven execution revenue decreased by 21.1% during FY 2023 compared to the prior comparative period. Retail Clients deposit driven revenue decreased by 48.9%, which impact was partly off-set by an increase in institutional flows
    - ***Withdrawals*** made by clients require that they first free up funds by disinvesting. This activity generates execution revenue and is responsible for circa 20% of ARPU, in normal market conditions. Much less affected by market cycles than deposits, the number one reason clients withdraw is to fund emergency needs, however, the longer recessionary market conditions prevail the more likely investors are to draw on their investments to fund living costs.
      - Client withdrawals as a percentage of average Clients Assets increased marginally from 15.7% to 16.2% during FY 2023.
    - ***Portfolio Turnover*** occurs because of clients implementing changes to their portfolios, this activity generates execution revenue and is responsible for around 20% of ARPU, in normal market conditions. While not markedly influenced by market cycles it is highly correlated to increases and decreases in market volatility with increases in volatility driving increased levels of portfolio turnover. Volatility occurs in all market cycles but peaks in sharply declining bear markets and conversely is lowest in a slow rising bull market.
      - Portfolio turnover related execution revenue decreased by 36.4% FY 2023, compared to FY 2022, driven by lower market volatility and investor confidence during the period. The value of portfolio turnover as a percentage of average Client Assets amounted to 18.2% FY 2023, compared to 26.9% during FY 2022, which is at a historic low.
  - **Non-activity Based Revenue** includes revenue that is more closely linked to the value of Client Assets on the platform, primarily including, asset management fees, administration revenue, cash management fees and other asset based fees.
- Non-activity Based Revenue, totalling R124.7 million, comprised 52.4% of the Easy Group revenue FY 2023, compared to 20.9% FY 2022, primarily driven by the consolidation of the RISE revenue for the first time during FY 2023. RISE contributed R64.5 million of the non-activity based revenue during FY 2023. Activity Based Revenue has decreased by 33.2% from R169.2 million to R113.1 million during FY 2023 due to lower levels of client deposits and portfolio turnover.

FINANCIAL REVIEW BY THE CFO CONTINUED

Revenue Split - Retail vs Institutional



Client Assets Split - Retail vs Institutional



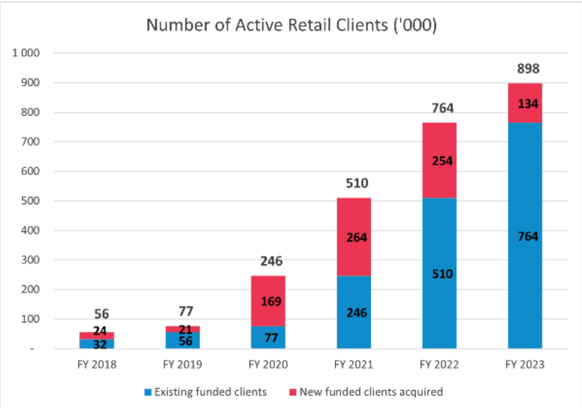
- The Easy Group's Client Assets increased by 25.3% to R46.6 billion during FY 2023 compared to FY 2022.
- The split of the Easy Group revenue between retail and institutional clients (which primarily includes RISE clients and a few others) was 60.3% : 39.7%, respectively, for FY 2023 and the split of client assets was 68.9% : 31.1%, respectively.

EASYEQUITIES RETAIL REVENUE ANALYSIS

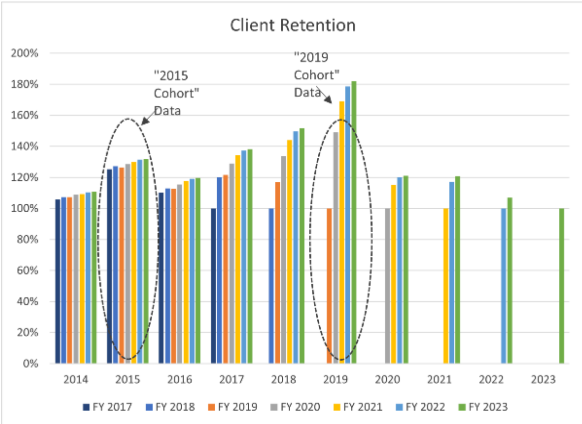
- The primary revenue drivers of retail revenue include the following:
    - Number of Active Clients.
    - The value of Client Assets on the platform.
    - Average revenue per Active Client.
- The analysis below includes all revenue generated across the EasyGroup's retail platforms, including EasyEquities, EasyProperties and EasyCrypto. In prior period reports, this analysis specifically excluded EasyProperties and EasyCrypto.
- Where an Active Client exists across the various platforms, the client is only counted once for the below analysis.

Active Clients

Active Retail Clients



Client Retention



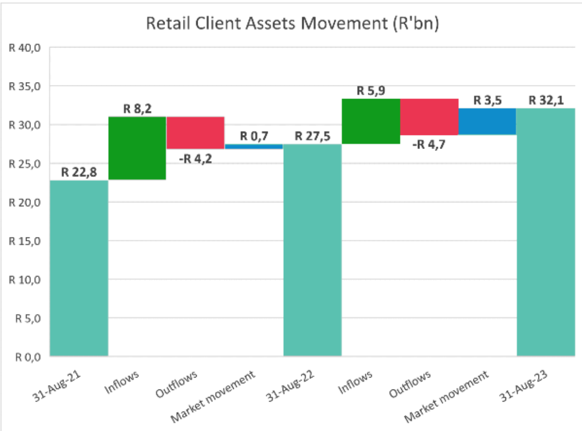
- The **number of Active Retail Clients** increased by 17.5% to 897,940 unique Active Clients at 31 August 2023, compared to 31 August 2022. New Active clients acquired during the 12 months totalled 134,033, compared to 254,463 New Active Clients acquired during the prior year.
- **Client retention** is excellent.
    - The above graph indexes the number of Active Clients in a cohort each year to the number of Active Clients in that cohort at the end of the first year during which the cohort originates i.e. In respect of the 2015 Cohort, the number of Active Clients at 31 August 2015, that registered during the period 1 September 2014 to 31 August 2015, would be indexed at 100%; hence per the above graph, the number of Active Clients at the end of FY 2017, that registered in FY 2015, amounted to 125% of the 2015 Cohorts that were active at the end of FY 2015 and similarly, the number of Active Clients at FY 2023, that registered in FY 2015, amounted to 132% of the 2015 Cohorts that were active at the end of FY 2015.

FINANCIAL REVIEW BY THE CFO CONTINUED

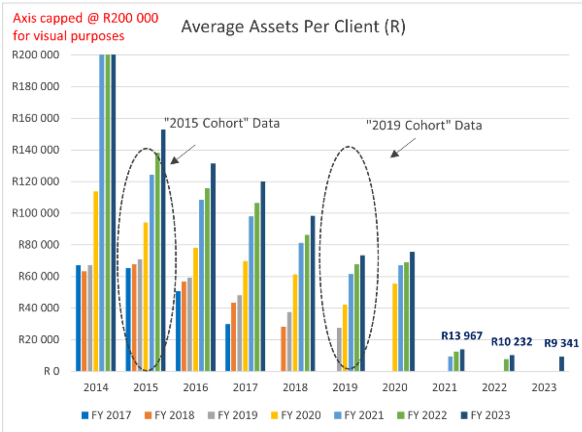
EASY GROUP REVENUE CONTINUED

Client Assets

Movement In Retail Client Assets



Average Assets Per Client Cohort

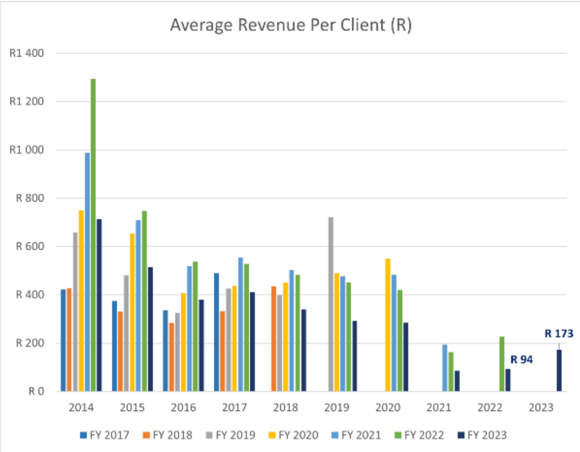


- **Retail Client Assets** increased by 17.0% to R32.1 billion since 31 August 2022, driven by inflows of R5.90 billion, outflows of R4.74 billion and positive market movements totalling R3.50 billion.
  - Retail inflows were 28.1% down, compared to the prior year, most likely driven by pressure placed on clients by rising inflation and the resultant increase in the cost of living.
  - Outflows during the 12 months were 11.9% higher than the prior year, however, amounted to 15.85% of average Client Assets, compared to 15.95% in the prior comparative period, which is a positive indicator.
  - In the result, clients maintained a net inflow during the 12 months, adding 3.88% (FY 2022: 14.95%) to their investments, despite the tough economic environment, thereby benefiting from the recovery in the markets during the period, which resulted in a return for clients, on average, of circa. 11.7% for the 12 months.
- All cohorts have shown a year on year increase in **average assets per client** driven by net inflows and positive market movements.

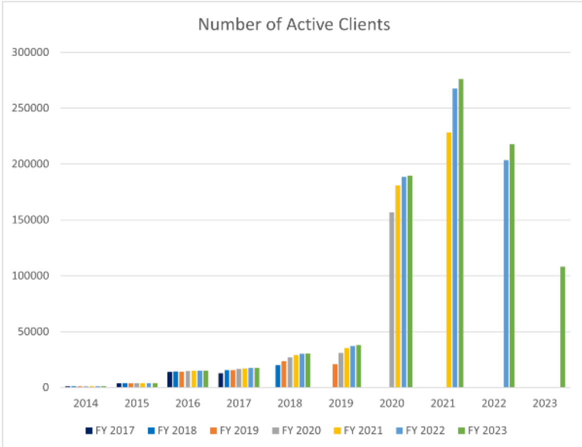
FINANCIAL REVIEW BY THE CFO CONTINUED

EASY GROUP REVENUE CONTINUED

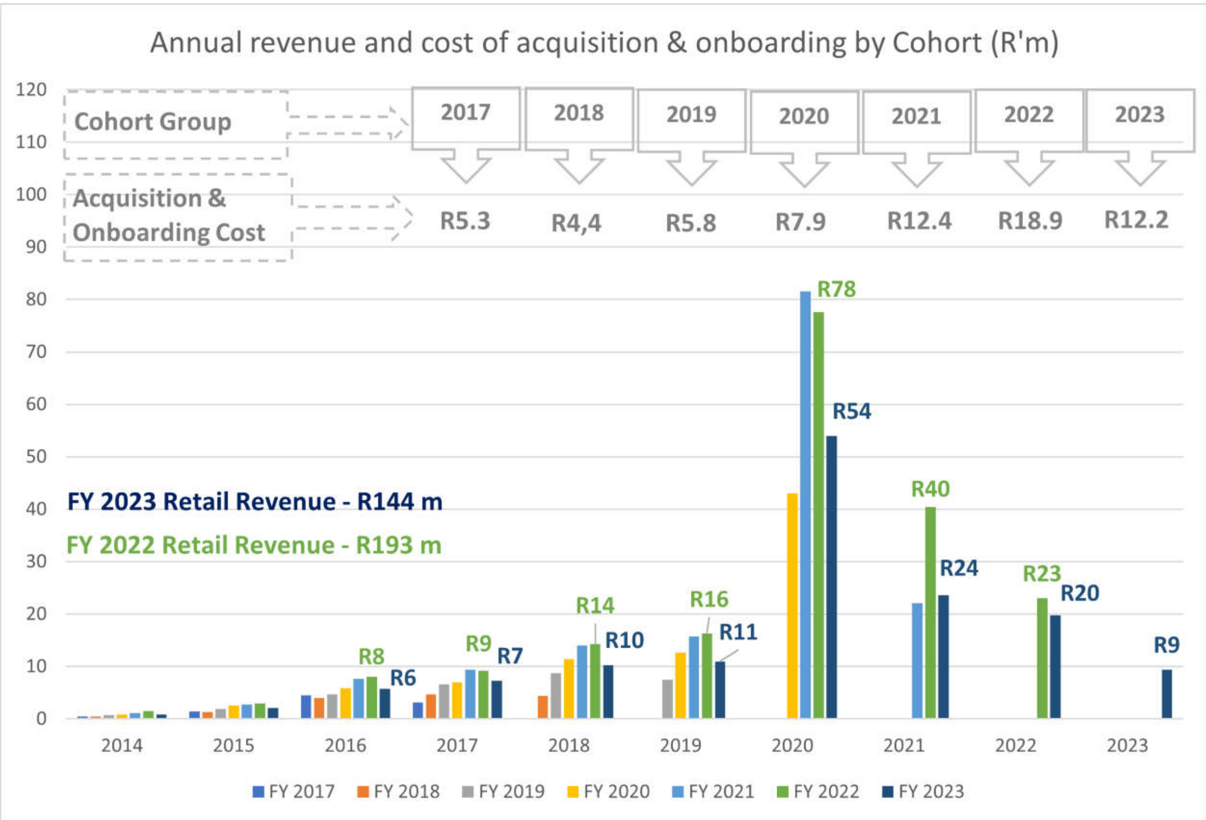
ARPU Per Client Cohort



Number Of Active Clients by Cohort



Annual Revenue And Cost Of Acquisition & Onboarding Per Client Cohort



Revenue per Client Cohort

- While the business is focused on diversifying its revenue through the addition of new products and services, 63.51% of FY 2023 (FY 2022: 78.23%) Retail revenue, generated from the EasyEquities platform, is driven by client activity on the platform, which primarily drives Activity Based Revenue. Non-Activity Based revenue generated from Retail Clients increased by 24.5% FY 2023 to R52.4 million, compared to FY 2022.

- The revenue result of the retail business is largely driven by the 2020, 2021 and 2022 Client Cohorts, which are the largest contributors to revenue and comprise the highest number of Active Clients.

- The circa. 30% decrease in ARPU during FY 2023 can largely be attributed to the recessionary pressures being experienced by our client base, which has been evidenced by the lower levels of deposits during FY 2023, however, as recessionary pressures, inflation and market conditions improve, so too will client inflows and associated client behaviours and economics.

- Additional focus is being placed on reducing the Cost Of Service per client in the current environment, which together with a recovery in ARPU per client, will increase the profitability of the business.

Cohort Acquisition & Onboarding Costs

- The EasyEquities business has a proven track record of acquiring and onboarding new Active Clients each year, at a relatively low cost, and retaining these clients for years to come.

- The costs associated with the acquisition of these clients is generally paid back, through revenue generated, within the first year. The 2021 Client Cohort, as an example, was acquired through a total cost of R12.4 million, with revenue generated in year 1 (being FY 2021) amounting to R22,1 million (being a payback of 1.8 times the cost), followed by revenue of R40 million in year two and then R24 million during the current year.

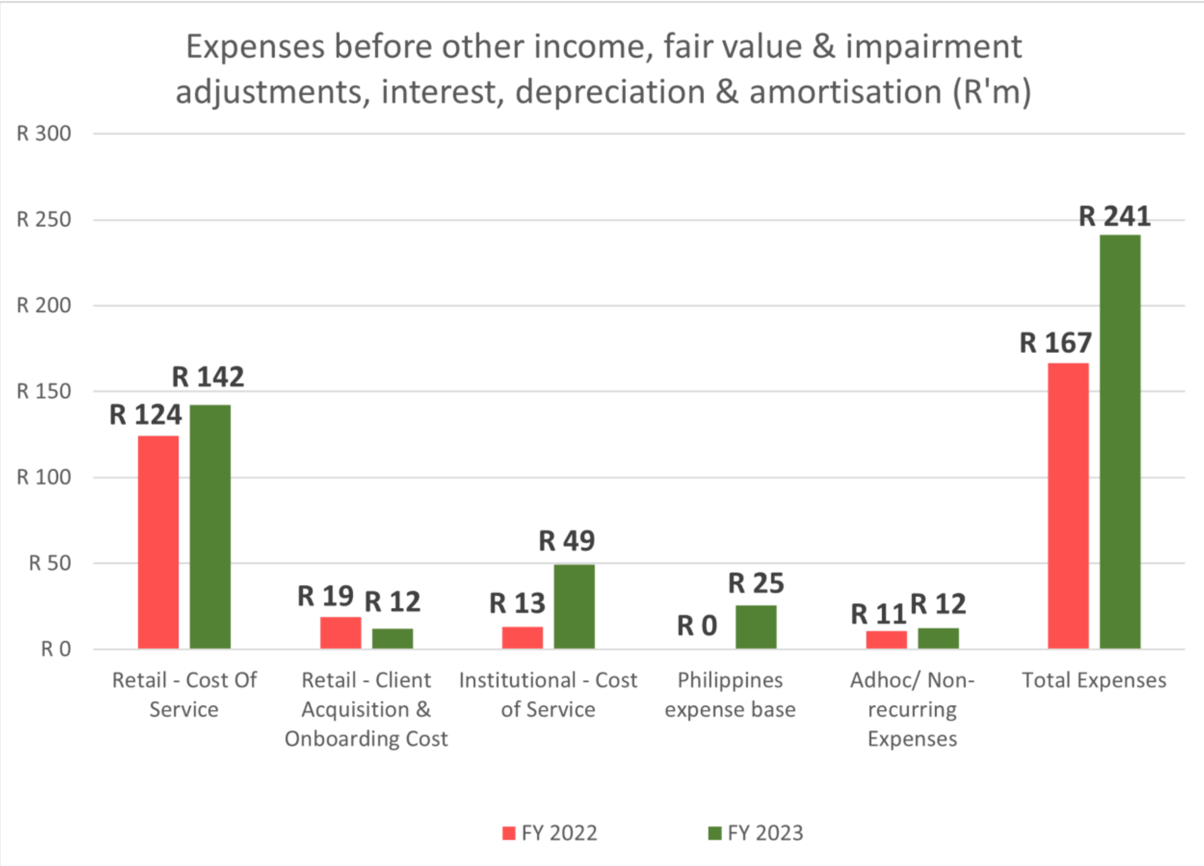
- The 2023 Client Cohort acquired during the current year, delivered R9 million of new revenue, almost paying back the acqusition and onboarding costs of R12.2 incurred, even in these tough economic conditions.

FINANCIAL REVIEW BY THE CFO CONTINUED

EASY GROUP OPERATING EXPENSES

- The composition of the Easy Group operating expenses has been broken down into various categories in the table below:

Easy Group Expenses Before Other Income, Fair Value & Impairment Adjustments, Interest, Depreciation & Amortisation - Split By Category



Retail - Cost Of Service

- The Retail - Cost of Service shown in the above tables includes the cumulative costs across all retail platforms, including EasyEquities, EasyProperties and EasyCrypto for FY 2022 and FY 2023.
- The costs associated with serving a retail client includes employment costs, IT Costs, Professional fees (which includes the cost of third party service providers) and other (which primarily includes bank charges incurred by the business in servicing client flows).
- The cost to service an Active Client decreased by 10.0% to R170 in FY 2023, despite the total cost to serve retail clients increasing by 14.5% to R142 million FY 2023. The business has various levers in place to reduce the cost to serve Active Clients, including the following:

FINANCIAL REVIEW BY THE CFO CONTINUED

- ***First lever*** - The leverage that the business achieves over its employment costs through ensuring that processes are continously improved through automation.
  - A 20.6% reduction in the employment cost per Active Client FY 2023 has been achieved, despite various teams and additional costs, being taken on during the second half of FY 2022, including:
    - Various roles to service new partnerships, including Discovery Bank and Telkom.
    - Additional Client engagement agents.
    - Trading and risk specialists to service the additional global markets offered to our clients.
    - Additional resources have been employed to facilitate the delivery of new products and various costs incurred in the development of these products.
    - The business has also increased its executive and management team to ensure that capacity is available to service the rapid expansion of the groups geographies and product offering.
- ***Second lever*** - Costs associated with the businesses IT infrastructure are also leveraged, which together with a constantly decreasing variable cost, continues to reduce the cost to serve per client.
  - During FY 2023 significant additional spend was incurred to improve infrastructure performance, monitoring, security and uptime which, primarily, resulted in a 14.5% increase in the IT Costs per Active Client and 8.1% increase in Professional Fees per Active Client. These additional costs are fixed in nature, hence the cost per client would decrease in line with an increase in the number of Active Clients. These increases were off-set by the decrease in the employment costs per Active Client.
- ***Third lever*** - as the operations continue to scale, it enables the business to obtain improved pricing (on a per transaction/ client basis) from its third party service providers.

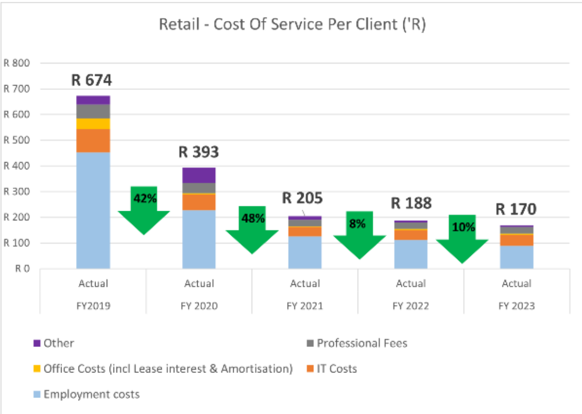
- Management have been acutely focused on implementing initiatives to reduce the COS per Retail client over the last 10 months and will continue to do so. Due to contractual notice periods in place, some savings may be subject to extended notice periods.

Institutional - Cost of Service

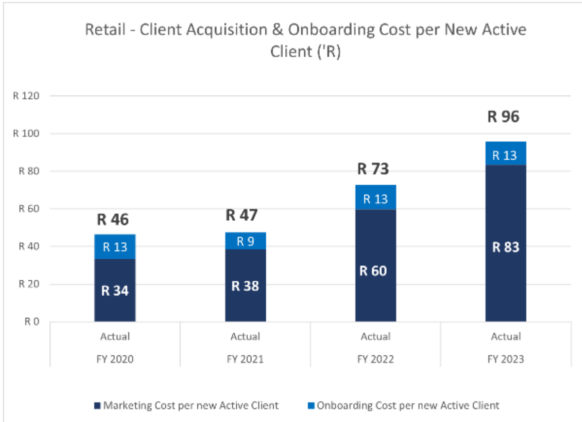
- The costs associated with serving the businesses institutional clients includes employment costs, IT Costs, Professional fees (which includes the cost of third party service providers) and other (which primarily includes bank charges incurred by the business in servicing client flows).
- The cost to serve increased from R13 million FY 2022 to R49 million YTD 2023, primarily due to the consolidation of the RISE operating expenses for the first time FY 2023, totalling R34.6 million; hence the cost to serve institutional clients, excluding RISE costs, increased from R12.2 million to R14.7 million YTD 2023, being an increase of 20.4%.
- Institutional Revenue FY 2023, excluding RISE revenue consolidated, totalled R27 million for FY 2023, compared to R19 million in the prior year, an increase of 38.4%.

FINANCIAL REVIEW BY THE CFO CONTINUED

Retail - COS per Active client



Retail - Client Acquisition & Onboarding



Retail - Client Acquisition & Onboarding Cost Per New Active Client

- The EasyEquities business applies a two pronged approach to acquiring new Active Clients, being:
  - Direct to market, through its own marketing initiatives and referral program ("EasyEquities Direct"); and
  - Through partnering with institutions with a significant client base ("Partnership Distribution Channels").
- Historically, the marketing cost incurred by the business was largely focused at the EasyEquities Direct business, however, over the last 24 months additional spend has also been incurred down Partnership Distribution Channels. As a result the Marketing Cost per New Active Client has been recalculated to include New Active Clients acquired through Partnership Distribution Channels.
- The Marketing cost per new Active Client acquired during FY 2023 amounted to R83 per New Active Client acquired , compared to R60 per New Active Client acquired during FY 2022. We believe this is indicative of the economic enviroment that we are currently operating in, where it is significantly more challenging to activate a client and get them to start their investment journey.
- The cost to onboard a new Active Client during FY 2023 was R12.54 per client.

Philippines Expense Base

EasyEquities set-up operations in the Philippines FY 2023 for three principle strategic reasons:

- To target and service partnerships in the region, starting with GCash (+ARPU).
- To support the 24 hour operations of the group and reduce the group's cost to service clients (-COS).
- To internalise engineering requirements while lowering the cost and increasing the effectiveness of the group's engineering resources (-COS).

Expenses incurred during FY 2023 totalled R25 million, which included the following:

- Replication and augmentation of the businesses IT and Operations infrastructure in the Asian region, in order to reduce redundancies, improve performance, reduce costs and establish an operational base from which to service the region. Twenty staff members currently support these functions.
- Internalisation of the group's engineering resources, migrating from our dependency on outsourced software development, will result in cost savings of around 50%. While these costs are capitalised as intangibles, it will realise cash savings and ultimately reduce the amortisation charge over the longer term.
- Marketing and supporting infrastructure to support the GCash Global Stocks Game. With the game now coming to an end, associated costs of around R7 million incurred to support the game (between June 2023 - October 2023) will no longer be incurred. The effective impact is that the monthly cost base in the region will reduce down to around R1.5 million per month, compared to the average expense of circa. R2 million incurred during FY 2023.

FINANCIAL REVIEW BY THE CFO CONTINUED

SHARE OF PROFIT IN JOINT VENTURE

- Upto 23 August 2022, EasyEquities accounted for its 50% share of the profits earned by RISE, which was included in "Share of profit in joint venture", which profit totalled R5.2 million FY 2022. For FY 2023, the results of RISE, as a 100% owned subsidiary of EasyEquities, has been consolidated on a line by line basis.

EASY GROUP PROFITABILITY

- The Easy Group has generated a loss before fair value adjustments and tax of R44.0 million FY 2023, compared to a profit of R31.4 million in the prior comparative period.

- This result was primarily driven by the following:

  - EasyEquities Platform revenue decreased by 19.1% to R151.4 million FY 2023 (a decrease of R35.7 million), driven by lower client activity during the period, comprising a 21.1% decrease in inflow driven execution revenue and a 36.4% decrease in portfolio turnover related execution revenue. Client Assets increased by 25.1% and the number of Active Clients increased by 16.1% compared to FY 2022.

  - Retail - Cost Of Service per Active Client decreased by 10.0% to R170 in FY 2023, despite the total cost to serve retail clients increasing by 14.5% to R142 million FY 2023 (an increase of R18.2 million).

  - EasyCrypto Platform revenue decreased by 40.1% to R11.3 million (a decrease of R7.5 million). The decrease in revenue was primarily driven by lower crypto prices, which on average were 27.1% lower during FY 2023 compared to FY 2022. Lower asset values directly impacted on asset management fees charged. Trading fee revenue was also significantly down, with nominal value traded decreasing by 34.6% driven by the lower levels of volatility in the crypto markets during FY 2023. EasyCrypto increased its direct clients (i.e. Clients investing on the EasyCrypto Platform) by 185.9% to 21,714 Active Clients, with assets totalling R0.10 billion and the number of clients investing in the EasyCrypto Bundles on the EasyEquities platform decreased by 3.9% to 80,288 Active Clients FY 2023 compared to FY 2022 with assets totalling R0.35 billion.

  - Retail - Client Acquisition & Onboarding Costs decreased by 35.7% to R12 million (a decrease of R6.7 million), onboarding 134,033 new Active Clients during the period at a cost of R96 per New Active Client.

  - Philippines expense base, totalling R25 million, has been established in the Philippines.

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GT247.COM STATEMENT OF PROFIT OR LOSS

	2023 R'000	2022 R'000	Movement %
Revenue	**37,285**	56,924	(34.5)
Commissions and research expenses	**(3,838)**	(3,253)	18.0
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(31,631)**	(39,481)	(19.9)
Net income before other income, interest, depreciation & amortisation	**1,816**	14,190	(87.2)
Other income	**(48)**	-	N/A
Profit before interest, depreciation & amortisation	**1,768**	14,190	(87.5)
Finance income	**800**	-	N/A
Finance costs	**-**	(1)	(100.0)
Depreciation and amortisation	**(90)**	(93)	(3.2)
Profit before tax	**2,478**	14,096	(82.4)
Income tax	**(113)**	(2,832)	(96.0)
Profit for the period	**2,365**	11,264	(79.0)

- GT247.com's revenue has decreased by 34.5%, compared to the prior period, primarily due to lower market volatility, which ultimately drives trading revenue for this business.
- The business generated a R2.4 million profit after tax for the current year, 79.0% lower than FY 2022.

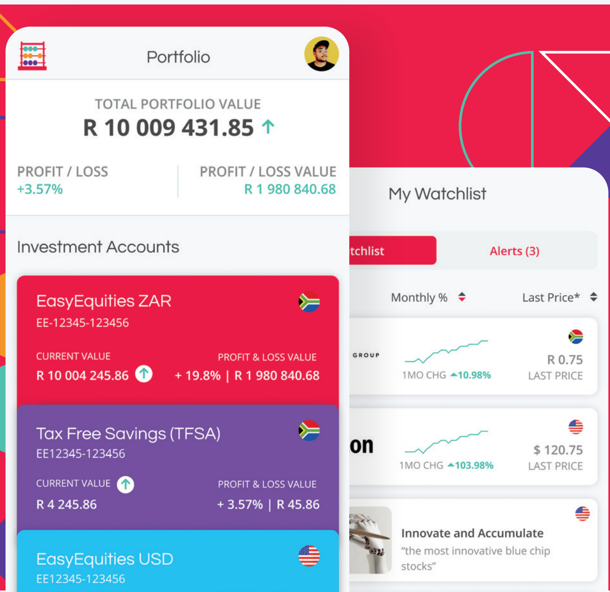
EasyEquities

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

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 have seen the move towards the global democratization of financial services through digitization. EasyEquities' platform capability caters to the evolving needs of all customer types, recognizing that today's managed investor is tomorrow's day trader, the curious 20-something crypto trader, or the next decade's 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.

Our dream is to democratize investing and empower financial dignity for all. Our dreams will be delivered through technical excellence, beautiful design, and inspiring storytelling that engages all dreamers and makes investing easy, educational, and fun for everyone.

Since Inception:	+R101 Billion Value of transactions	+2.06 Million Registrations	+886, 000 Active clients	+46 Million Trades
EE Direct Channels:	R81bn *Notional	1.5m	+629k	+39m
Partner Channels:	R20bn *Notional	543k	+257k	+7m



Transaction fees EasyEquities has saved investors when compared to our nearest competitor:

R 2.5 Billion

58% Male	42% Female	31 Median Age

EasyProperties

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

EasyProperties is owned by JSE-listed Purple Group Limited (PPE) and was launched in July 2020. It is an investment platform designed to crowdfund access to large-scale residential and commercial property developments. EasyProperties no-minimum, fractional, frictionless approach to all aspects of investing, along with partners with extensive property ownership, management, and development experience, is demonstrating positive results.

R294 m
Capital Raised on IPO

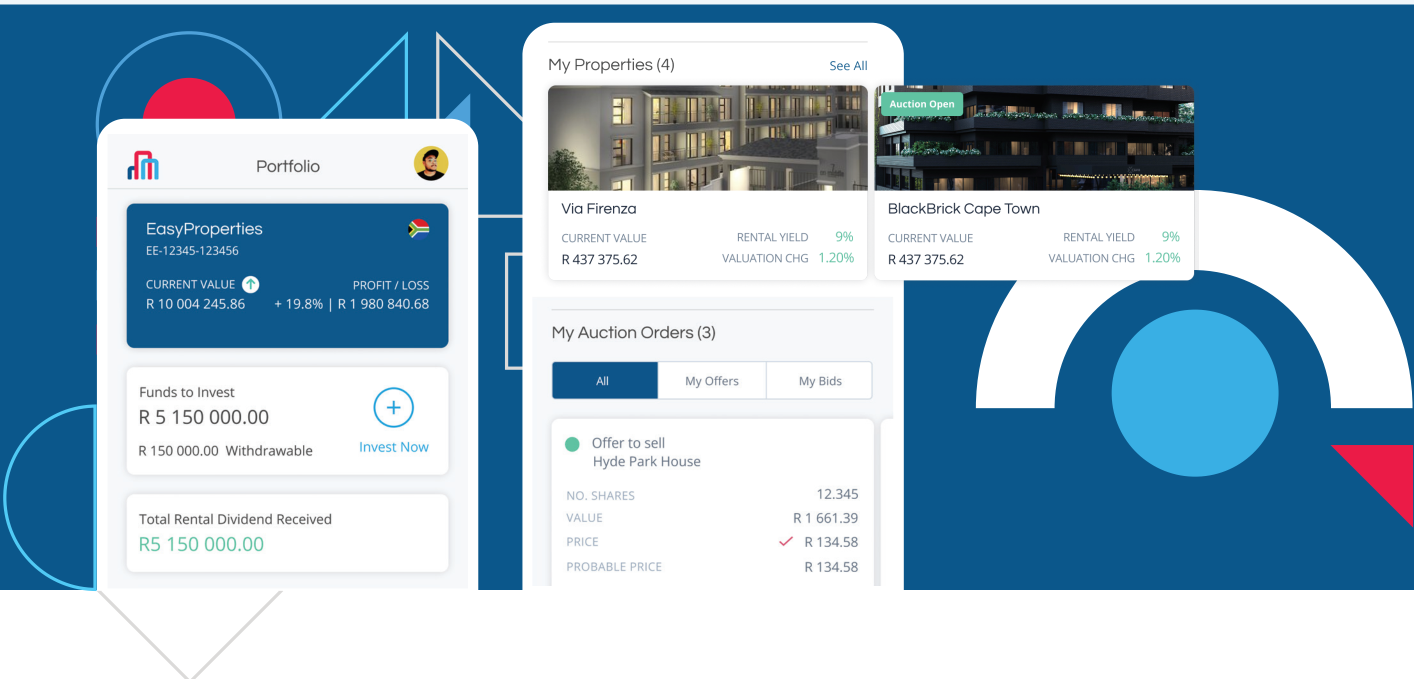
R412 m
Total Property Value Purchased

31
IPOs Successfully Closed

R1, 100
Average Investment

103, 946
Invested Customers

381, 054
Registered Customers



EasyCrypto

EasyCrypto has positioned itself as South Africa's most affordable crypto investment platform which offers a wide selection of coins and passive index-tracking bundles. EasyCrypto stays true to the fractional and frictionless investment experience.

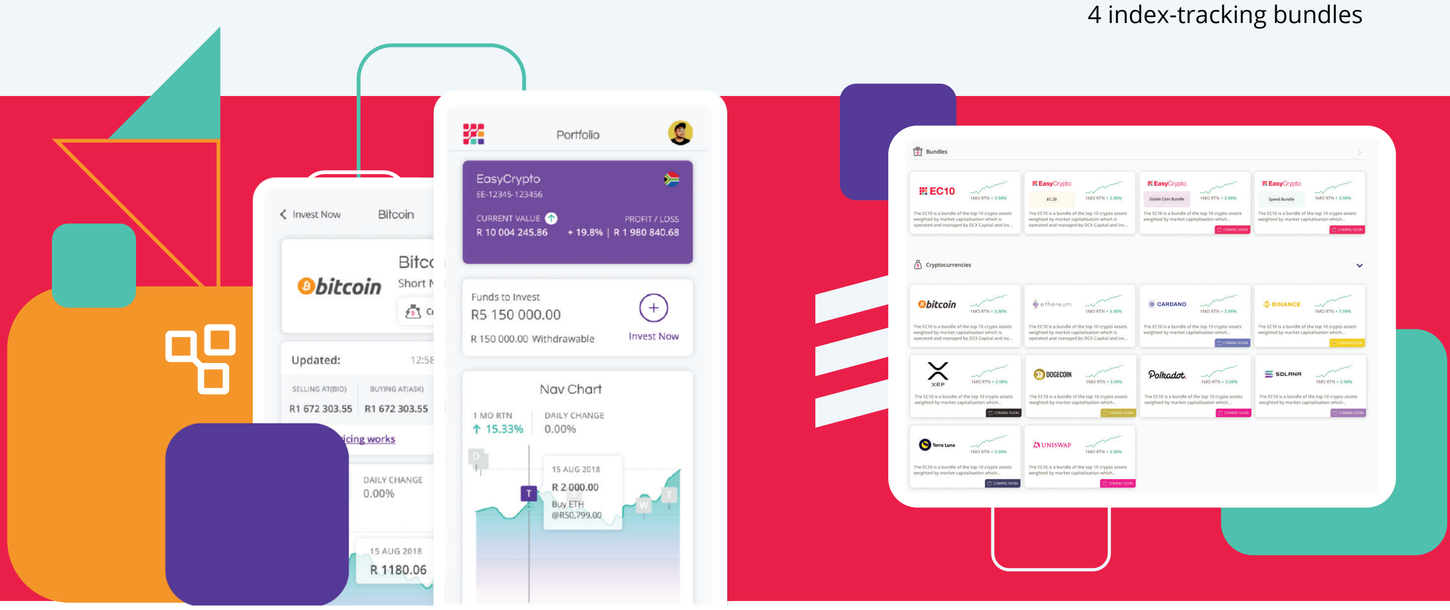
In 2023, we achieved remarkable milestones at EasyCrypto, significantly enhancing our platform's capabilities. We introduced instant money transfer between EasyCrypto and EasyEquities, offering our users unparalleled convenience. Our offerings expanded with three new index-tracking bundles and a wider selection of individual coins, catering to diverse investment strategies. The platform now supports crypto deposits, broadening our transactional capabilities. On the technical front, we integrated AWS Aurora Database layers, ensuring superior performance and scalability. We've made substantial cybersecurity improvements, fortifying our platform against emerging digital threats. Additionally, we now offer enhanced insights through Tokenomics and a technical analysis sentiment indicator, providing users with deeper market understanding. These achievements are further complemented by our internal process improvements, streamlining operations and enhancing user experience.

+102 000
Crypto
Invested Clients

+R453 m
Assets under management

Compliant
Preliminary FSCA compliance, experienced legal team, KYC, FIC, FATF

Agnostic
Trade execution at best available price with 34 cryptoassets and 4 index-tracking bundles



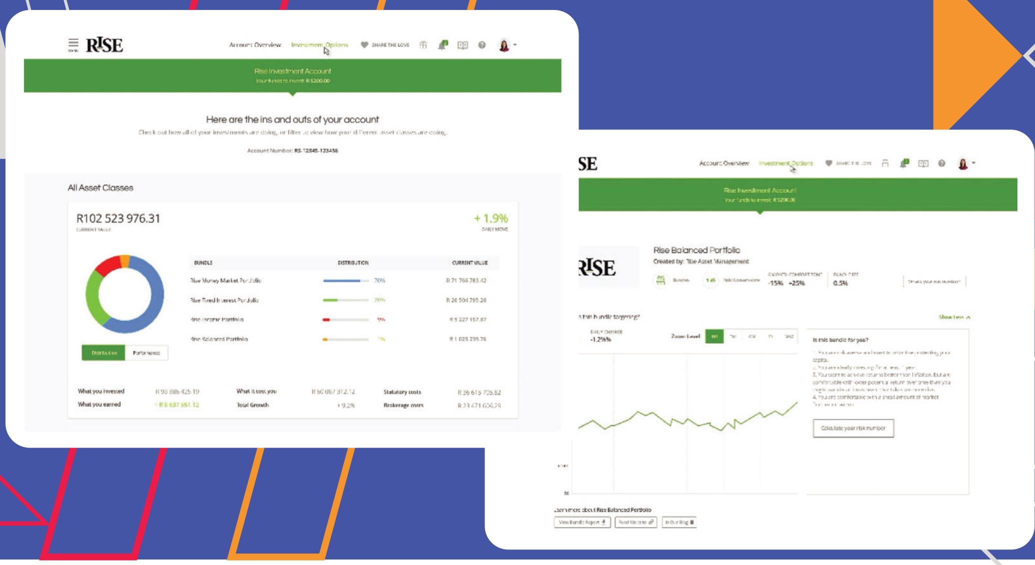
RISE EasyRetire

Retirement Investments and Savings for Everyone

RISE is a 100% owned subsidiary of Purple Group.

The purpose of RISE is to leverage EasyEquities' innovative technology and bring industry-leading and cost-effective retirement fund products and services to the market. EasyEquities made Investing easy, and now RISE makes Retirement easy and more transparent than ever before.

- RISE offers retirement fund members a unified investment dashboard ranging from compulsory retirement fund savings, tax-free savings, and discretionary savings, making holistic wealth planning easy.
- We work closely with employers to ensure that their valuable employees retire with dignity while allowing them to save for short-term needs.
- RISE EasyRetire has launched the Easy Umbrella Fund, providing small and medium-sized employers with the opportunity to extend the Easy experience to their loyal staff. This multi-employer umbrella fund offers transparency, an easy-to-understand fee structure, and diverse investment options.
- RISE administers over 34 000 retirement fund members and manages R10.8 Billion in retirement fund assets with 17 asset management mandates in force.



EasyAssetMgmt

Formerly known as Emperor Asset Management, we've evolved into EasyAssetManagement - a fresh identity more aligned with the Easy family of products alongside EasyEquities. Our rebranding reflects a seamless integration into your life, ensuring that our robust investment solutions are more accessible, intuitive, and attuned to your personal goals.

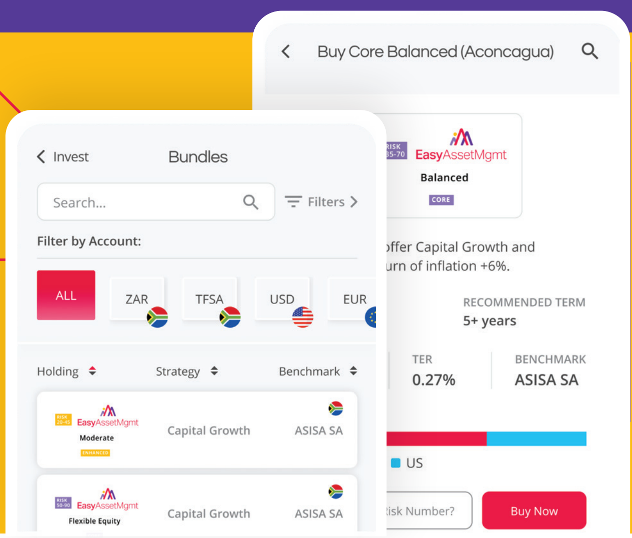
At EasyAssetManagement, we bring a personal touch to algorithm-driven investing. Our approach combines low-cost index-tracking with bespoke algorithms, offering a transparent, bias-free investment journey tailored to your risk profile. With a commitment to education and empowerment, we provide the tools and guidance necessary to navigate the financial markets confidently. Whether you're a novice or a seasoned investor, EasyAssetManagement is dedicated to demystifying the investment process, making it easier to grow your wealth in alignment with your aspirations.

We use advanced algorithms to create custom portfolios for our clients, based on risk preference.

We combine both active and passive investing, responsive to market conditions.

We use building blocks to build our portfolios, and deliver on specific investment goals.

We're here to guide. Transparency and education are important parts of the process.

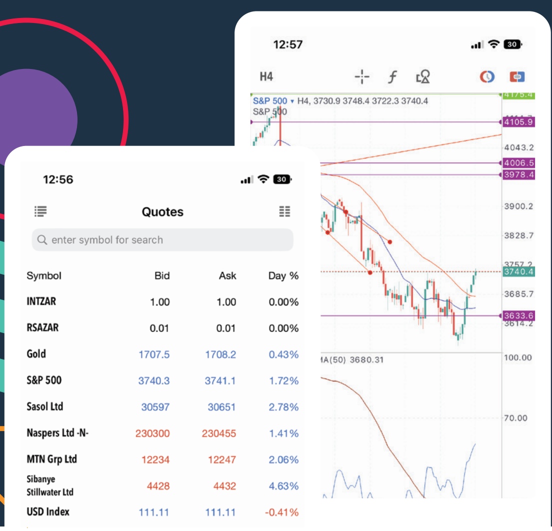


<GT247.COM>

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.

After a rigorous application process spanning 3 years, GT247, has been granted an Over-The-Counter Provider license by the Financial Sector Conduct Authority of South Africa. This license gives GT247.com a legitimate authority to market and contract to South African residents on derivative products. GT247.com pioneered Spread and CFD trading in South Africa over 20 years ago and continues to lead the way in the South African market having won SA's Top Online Stockbroker twice in the last few years. +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 on our fully integrated, internationally recognised and award-winning MetaTrader 5 trading application. Lessons from two decades of building our 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.



No monthly fees

Pioneers of CFD & spread trading

#1 online broker *

Authorized Rep of a FSP **

Low cost trading in South Africa

Forex | Commodities | Indices | JSE Equity CFDs

EasyETFs

The philosophy behind EasyETFs is to make it as easy, engaging, educational, transparent, rewarding, and affordable for retail investors in South Africa to invest in a range of actively managed funds, just as it is for institutional investors.

To date, investing in active funds, via unit trusts, has been a more costly, less transparent and friction filled process when compared with investing in passive ETFs, making them less accessible and appealing to retail investors. However, in recent years, Active ETFs in the US have driven significant growth and adoption amongst retail investors, outstripping growth in mutual fund equivalents. EasyETF's approach and philosophy is to drive the same outcomes here in South Africa making it possible for retail investors to invest in Active ETFs with the same ease and convenience as they do in passive ETFs.

- EasyETFs RF (Pty) Ltd is a registered manager of the EasyETFs Scheme, a Collective Investment Scheme approved by the Financial Sector Conduct Authority. Under the Scheme EasyETFs is an authorised Exchange Trade Fund Issuer of the Johannesburg Stock Exchange.
- Formerly known as Cloud Atlas Investing (Cloud Atlas RF (Pty) Ltd), EasyETFs was acquired by EasyEquities in February 2023 and rebranded to EasyETFs to align it with the Easy family of products alongside EasyEquities

Transparency

Liquidity

Responsive

Cost Efficient

*All graphs and financial data depicted in these images are purely for illustrative use.

OUR LEADERSHIP - BOARD OF DIRECTORS

HAPPY NTSHINGILA – 62

Independent non-executive Chairman

Happy Ntshingila is Chairman of Washirika 3 Oaks. He was previously Chief Executive Officer at SuperSport International. Prior to that he was Group Chief Marketing and Communications Officer at Barclays Africa. He is the former Deputy Chairman of Brand SA, sat on the Council of the University of Fort Hare and he is Chairman of the Eminent Persons Group (tasked with transformation in SA sport).

Former CEO and founder of the famed HerdBuoys Advertising.

Happy joined the Board in February 2019.

Happy is also a member of the Audit Committee, Remuneration Committee and Social and Ethics Committee.

MARK BARNES – 67

Non-executive director

Mark Barnes graduated from UCT with a Business Science degree in Actuarial Science and attended a Management Programme at Harvard Business School.

Mark is widely known as an investment banker in South Africa. He has 40 years of experience in financial services, holding positions of leadership at Standard Bank, Capital Alliance and Brait. Mark has had a wide exposure to financial markets previously as head of the biggest treasury operation in South Africa and as Chairman of the South African Futures Exchange. He is currently a significant shareholder in the Purple Group.

Mark is a frequent contributor in the South African media and was CEO of the South African Post Office, until September 2019.

Mark joined the Board in October 2004.

Mark is also a member of the Remuneration Committee and Chairman of the Risk Committee.

CHARLES SAVAGE – 50

Group Chief Executive Office (CEO)

Charles completed a BCom Accounting and Information Systems at the University of Cape Town in 1996. For nearly 20 years he has been active in financial markets with a strong focus on technology, business development and leadership. Charles was part of the team that pioneered CFD and spread trading in South Africa and in 2000 he led the development of the world's first fully automated online Spread Trading platform. He was elected to manage GT247.com's South African operations in 2003 where he was part of the Global Trader Executive.

Charles is now responsible for strategically leading the operating business units of the Group.

Charles joined the Board in July 2009.

Charles is also a member of the Risk Committee.

OUR LEADERSHIP - BOARD OF DIRECTORS CONTINUED

GARY VAN DYK – 46

Group Chief Financial Officer (CFO)

Gary completed his articles at KPMG at the end of 2002 at which time he qualified as a Chartered Accountant.

He then spent four years in the Transaction Advisory Division of KPMG prior to joining Purple Group in November 2006.

Gary was Head of Corporate Finance until April 2013 at which time he was appointed as the Group's CFO

Gary joined the Board in April 2013.

Gary is also a member of the Social and Ethics Committee and Risk Committee.

ARNOLD FORMAN – 59

Independent non-executive director

Arnold Forman is a chartered accountant having completed articles at Arthur Young, and having worked at PWC locally and internationally.

He is the Chief Executive Officer of The Lubner Group of Companies which portfolio includes Real Estate, Property Development, Retail, Sporting and Financial Services Interests. His 27 years of experience in strategy, operations, financial and marketing aspects of these businesses is valuable, broad and always seeking out of the box solutions to promote businesses and sustainability. He is a non-executive director on the majority of these interests with the exception of The Houghton Hotel Group where he is the Group Chief Executive Officer.

From a CSI perspective, he was one of the founders and is the Chair Person of Afrika Tikkun Investments and a Non-Executive Director of the NPO Afrika Tikkun which focuses on the cradle to career development of underprivileged township children and youth in South Africa. Today this NPO has 650 employees with more than 20 000 beneficiaries.

Arnold joined the Board in February 2019.

Arnold is Chairman of the Audit Committee and is also a member of the Risk Committee.

CRAIG CARTER – 63

Independent non-executive director

Craig has over 30 years' experience, predominantly in technology and financial services, including treasury, corporate finance, venture capital, banking and mobile payments. Craig joined Purple Group at its inception as COO and was most recently COO for WIZZIT International, and CEO of Luminous Banking.

Craig joined the Board in February 2005.

Craig is also a member of the Risk Committee, Audit Committee and Remuneration Committee.

OUR LEADERSHIP - BOARD OF DIRECTORS CONTINUED

BONANG MOHALE – 61

Non-executive director

Bonang is the President of Business Unity South Africa (BUSA), Chancellor of the University of the Free State, Professor of Practice in the Johannesburg Business School (JBS) College of Business and Economics, Chairman of both The Bidvest Group Limited and SBV Services.

Bonang Mohale was the Chief Executive Officer of Business Leadership South Africa (BLSA) till June 2019. Prior to joining BLSA, Mr Mohale ended a distinguished term as Vice President Upstream and Chairman of Shell South Africa (Pty) Limited at the end of June 2017.

Mr Mohale has had a distinguished career at the helm and in leadership roles of several major South African and multinational companies;

Mr Mohale has an impressive track record of building successful companies, delivering results and making significant advances in transformation in the companies he has been privileged to lead. He has been a vocal, courageous and active proponent of transformation since the 1980s, and played a leadership role in the Black Management Forum (BMF) for over 33 years, where he was the president.

Bonang joined the Board in February 2019. Bonang is also Chairman of the Social & Ethics Committee.

PAUL RUTHERFORD – 45

Non-executive director

Paul is the founder and managing partner at Base Capital (formerly Nire Capital). Base Capital focuses on investing in technology enabled businesses. They invest globally and across the life cycle of a business from seed and growth stage through to secondary and listed investments. The objective is to identify durable market winners and to support management on their journey. While Base Capital invest globally there is a focus on developing markets. The business is operated from Cape Town, South Africa.

Paul brings 20 years experience of growing and scaling market winning businesses both as an investor and operator. This experience and global network provides support to management teams across strategy, product, expansion, access to talent and capital partners.

Paul joined the Board during October 2021 and is also a member of the Remuneration Committee and Risk Committee of Purple Group.

WILLIAM BASSIE MAISELA – 61

Independent non-executive director

Bassie was appointed Chief Executive Officer of NBC on 1 May 2011 and is also Executive Director of NBC Holdings Proprietary Limited and its subsidiaries ("The NBC Group").

Bassie joined NBC, as a successful business man in his own right, as an executive in early 2009 and has since then played a key leadership role in all aspects of our business including serving as the chairman of NBC's Group executive committee. He has a B.A. (Hon.) degree in Communications and worked previously at ArcelorMittal South Africa, where he served as the General Manager: Human Resources. He started his career in 1986 at Amcoal (Anglo American) as an HR Trainee and proceeded to occupy numerous management positions in the mining and construction industries. Whilst with ArcelorMittal, he successfully negotiated a ground-breaking agreement which has been regarded as a benchmark in the industry.

Bassie joined the Board in August 2022.

OUR LEADERSHIP - EXECUTIVE COMMITTEE

Chief Executive Officer – Purple Group

Charles Savage EasyGrow Coach

Charles completed a B.Com Accounting and Information Systems at the University of Cape Town in 1996. For nearly 21 years he has been active in financial markets with a strong focus on technology, business development and leadership.

Charles was part of the team that pioneered CFD and spread trading in South Africa and in 2000 he led the development of the world's first fully automated online Spread Trading platform.

He was elected to manage GT247.com's South African operations in 2003 where he was part of the Global Trader Executive. Charles is now responsible for strategically leading the operating business units of the Group.

Charles joined the Board in July 2009. Charles is also a member of the Risk Committee.

"My purpose is to leverage my technology, financial markets, leadership & strategy experience to empower our incredible team to make investing easy for everyone. Measuring our impact through uplifting the financial lives of everyone that encounters us so that 100 years from now, when looking back, people recognize the contribution we made to changing the financial fabric of the countries we operated in by making investing an easy, enjoyable, fun & rewarding user experience"

OUR LEADERSHIP - EXECUTIVE COMMITTEE CONTINUED

Chief Financial Officer – Purple Group

Gary van Dyk EasyServe Coach

Gary completed his articles at KPMG at the end of 2002 at which time he qualified as a Chartered Accountant. He then spent four years in the Transaction Advisory Division of KPMG prior to joining Purple Group in November 2006. Gary was Head of Corporate Finance until April 2013 at which time he was appointed as the Group's CFO Gary joined the Board in April 2013.Gary is also a member of the Social and Ethics Committee and Risk Committee.

> Safeguarding clients' and business assets, driving cost efficiencies, and providing business intelligence to support growth is where my focus is. As the business continues to expand into new products and jurisdictions, the level of complexity within the Group will continue to increase. I have every confidence that my team is up for the task, and I look forward to the various challenges that we will face and conquer, together, in our mission to deliver financial products for everyone and exceptional value to our shareholders

Chief Risk Officer – Purple Group

Nicola Comninos EasyTrust Coach

Nicola is a CFA Charterholder and holds B.Com and B.Com Honours Investment Management degrees (both Cum Laude). With 18 years' experience in financial markets, she has occupied various leadership roles at the JSE in group strategy, sustainability, risk management, market and product development and business intelligence. She joined Purple Group in June 2022 and is responsible for the group trust functions including group risk, legal and compliance. She participates in various industry forums and amongst others, serves as independent non-executive director of CFA Society South Africa and IRMSA (Institute of Risk Management of South Africa) boards. Nicola is a member of the Risk Committee as well as the Social and Ethics Committee.

> My purpose is to leverage my empowering leadership style, problem solving mindset and financial markets experience across a wide range of disciplines including market and product development, business intelligence, strategy, sustainability, risk management and compliance to enable purple group teams to achieve our purpose of making investing easy for everyone. Priding ourselves on having built a leading, secure and sustainable fintech group

OUR LEADERSHIP - EXECUTIVE COMMITTEE CONTINUED

Chief Technology Officer – Purple Group

Paul Jansen van Vuuren EasyPlatform Coach

Paul started out in systems development in 1994 and has been levelling up on disruptive technologies ever since. Paul spent five years with Alt X-listed Zaptronix Limited delivering smart card payment solutions, a PDA-based electricity meter remittance and route management system, a biometrics-based identity enrolment and verification device for use with pension payments in rural areas and a smart card based loyalty and rewards solution. Paul spent a further six years with Mobile Wave focusing on mobile-based loyalty and rewards solutions before co-founding digital solutions agency Ad-One Digital where he developed bespoke systems for a number of customers, including being contracted to GT247.com for three years before joining Purple Group in the role of development manager in 2011 and promoted to Chief Technology Officer in 2013.

> My purpose is to constantly strive for improvement, to design efficiencies into every aspect of the platform, from architecture to processes. To deliver the same quality and aesthetics to our employees as we do our customers, and to help the team have a truly rewarding experience while delivering their best. To ensure that every aspect of our platform is safeguarded

Chief Operating Officer – Purple Group

Rish Tandapany EasyServe Coach

Rish graduated with a BSc in Information Management from University College London in 2006. He has more than 16 years' experience in investment banking, asset management and brokerage. His previous roles include being Global COO/CFO of ADSS, a broker and investment management firm, driving their international expansion and product suite. In addition, he has held senior positions at Standard Chartered and Deutsche Bank, as well as board and advisory positions in several Hong Kong and Singapore Defi, Digital Assets and Payments FinTechs. Rish holds an MBA from INSEAD and is a Chartered Financial Analyst (CFA). He joined Purple Group in early 2022 as Group COO based out of Singapore. Rish is also a member of the Risk Committee.

> Driving expected behaviors, removing barriers and scaling Purple Group are my core goals. My experience in organizational development. achieving operational excellence and cost efficiencies, should facilitate achieving our growth goal of making investing easy for everyone. Equally important to me is a desire to drive our staff to be pioneers within the agile fintech industry. Our products and ease of use is what garners more and more customers, but it is our culture, effectiveness and agility that will keep them with us longer. How do we better serve both our internal and external clients? That is the question I ask myself everyday

OUR LEADERSHIP - EXECUTIVE COMMITTEE CONTINUED

Chief Enablement Officer – Purple Group

Carel Nolte EasyEnable Coach

Carel holds a BA (Law) and MA (cum laude) from the University of Stellenbosch. After starting his career in London in Programme Acquisitions for the BBC, Carel returned to South Africa in 2000 working for the Independent News Group before joining Hollard Insurance as Head of Communications. In 2008, Carel was part of the founding team for Etana Insurance with excecutive responsibility for brand, people and procurement. In 2013 Carel founded CN&CO, a communications firm specialising in financial services, before joining Purple in 2014 as chief marketing and communications officer.Carel is responsible for all brand activities and managed products. Carel has held numerous financial services industry roles such as founding chairman of TFC for the South African Insurance Association, a Fellow of the Insurance Industry of South Africa and a member of the Professional Standards Committee for the Insurance Institute of South Africa. Carel is a former chairman of St Stithians College Council, founding chairman of Johannesburg Services for the Homeless and chair of HR and Marketing committees at Business & Arts South Africa.

> My purpose is to enable our team, customers and partners to achieve their investment goals. 1 + 1 must equal more than 2 and with our phenomenal products that is possible. Financial dignity and freedom should not be the purview of a few but is the right of all. I am passionate about enabling people to see how magical they are and how powerful they can be. We can and must make a positive difference in this world for our community and ourselves. EasyEquities must be the investment platform of choice for 50 million users by 2030

Chief People Officer – Purple Group

Bev Ferreira People Coach

Bev completed a B degree Personnel Management, Hons. Industrial Relations and 2nd Hons. in Industrial Psychology at RAU.She served as HR Director for Interpark (SA) (Pty) Ltd (wholly owned subsidiary of Excellerate Holdings Limited) before being promoted to Group General Manager: HR of Excellerate Holdings Limited.After leaving Excellerate, Bev consulted extensively to local and multinational organisations spanning retail, manufacturing, trade, technology & financial services as an independent HR consultant before taking up the role of Head of HR and then Chief HR Officer for Purple Group Limited. Bev is a certified HR Agile Professional and Reiss Motivational Profile Master. She served on the Board of Marist Brothers Linmeyer School in a volunteer capacity for 6 years, including roles as Head of HR Portfolio, Deputy Chairperson and Chairperson from 2019 – 2021.

> My purpose is to create a high-achievement, high reward, high-happiness environment that leverages our people's diversity, talent, passion and energy to deliver the group's growth strategy

Chief Product Officer – Purple Group

Almero Oosthuizen EasyGrow Enabler

With over 13 years of comprehensive experience at EasyEquities and the Purple Group, Almero currently serves as the Chief Product Officer, overseeing product strategy and UX within the investment platform. In Almero's role as VP of Business Development, Product & UX at EasyEquities from September 2015 to November 2022, he demonstrated expertise in managing the product lifecycle, identifying user needs, and planning business cases for valuable, usable, and feasible products and services. Almero played a pivotal role in driving platform monetization, leading the ideation, development, launch, and iteration of approaches to enhance revenue and user experience across desktop, mobile, and apps. Additionally, he ensured the incorporation of market and competitor analysis into product strategies, and he engaged stakeholders through consistent evangelism to foster cross-functional buy-in. His proactive approach included working directly with the group CEO to focus on revenue growth and developing highly creative strategies and products to attract and retain clients and partners.

Prior to his tenure at EasyEquities, Almero held the position of Head of Group Marketing at Purple Group Ltd for four years. Almero was responsible for the overall financial performance of all the Group brands, ensuring profitability and financial growth. His strategic skills were evident in new business development, strategic partnerships, and client profiling.

> My role is to leverage my experience and knowldge in building products and partnerships with a deep focus on user experience. My enthusiasm and commitment to excellence have served me well in managing and leading product teams while building a customer centric financial services company. In my view, success stems from collaboration between people and their ideas, working towards improving the lives of others. Following this recipe ultimately translates into better business outcomes.

CORPORATE GOVERNANCE

The Group recognises that the shareholders own the business and that the Board is required to act in the best interests of the Company.

The Board subscribes to the highest level of professionalism and integrity in conducting its business and in dealing with all its stakeholders. In adhering to its code of ethics, the Board will be guided by the following broad principles:

- Businesses should operate and compete in accordance with the principles of free enterprise;
- Free enterprise will be constrained by the observance of relevant legislation and generally accepted principles regarding ethical behaviour in business;
- Ethical behaviour is predicated on the concept of utmost good faith and characterised by integrity, reliability and a commitment to avoid harm;
- Business activities will benefit all participants through a fair exchange of value or satisfaction of needs; and
- Equivalent standards of ethical behaviour are expected from individuals and companies with whom business is conducted.

ROLE AND FUNCTION OF THE BOARD

The Board is ultimately responsible for ensuring the effective management and control of the Group and participates in the determination of the strategic direction and policy of the Group, discussions regarding transactions and disposals, approval of major capital expenditure, diverse financial and administrative activities and any other matters that may materially impact on the business of the Group.

The Board has delegated authority of the day-to-day management of the Group to the CEO and the executive teams of the businesses themselves. Management will supply the Board in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties.

The directors have unrestricted access to all Group information, records, documents and property, which they may require for the fulfilment of their duties.

Directors will furthermore have the ability to delegate certain functions, either internally or externally, in order to assist them in the performance of their duties and the decision making process.

THE BOARD OF DIRECTORS

COMPOSITION

At 31 August 2023, the Board comprised two executive and seven non-executive directors (four of whom are independent).

The Board is satisfied that it has the requisite number of directors with the skills, knowledge and resources to conduct the business of the Group. Details of the directors, together with a brief curriculum vitae of each director, can be found on pages 41 to 43.

Executive directors have standard employment contracts, requiring no more than three months' notice of termination.

Non-executive directors have standard letters of appointment and are subject to retirement by rotation and re-election by shareholders in accordance with the Memorandum of Incorporation.

DIVERSITY POLICY

Purple Group recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A diverse Board will include and make good use of differences in the skills, experience, background, race, gender and other distinctions between members of the Board. These differences will be considered in determining the optimum composition of the Board and, wherever possible, should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

In terms of Regulation 43 (5) of the Companies Act No. 71 of 2008 ("the Act"), the Purple Group Social and Ethics Committee ("the S & E Committee") is required to report on, among others, the promotion of equality, diversity and the prevention of unfair discrimination.

In reviewing the Board composition, the Board will consider the benefits of all aspects of diversity specifically including, but not limited to, gender and race diversity, in order to enable it to discharge its duties and responsibilities effectively.

In identifying suitable candidates for appointment to the Board, the Board will consider candidates on merit against objective criteria and with due regard to the benefits of diversity on the Board.

As part of the annual performance evaluation and assessment of the Board, Board committees and individual directors, the Board will consider the balance and mix of skills, experience, independence and knowledge and the diversity representation on the Board, including gender and race, how the Board works together as a unit, and any other factors relevant to its effectiveness.

Three black non-executive directors are members of the Board, of which one is the Chairman of the Board. The Group will target a majority representation of black non-executive directors of which, at least one, will be female.

CHAIRMAN

The Chairman of the Board, Happy Ntshingila, is an independent non-executive director.

The roles of Chairman and CEO are separate, each with clearly defined responsibilities.

INDEPENDENCE AND PERFORMANCE

It is the intention of the Board to maintain a majority of non-executive directors to provide independent and objective input into the decision-making process.

The Board reviews the independence of directors annually at a minimum, taking into consideration the principles as set out in the King IV code and the Companies Act.

Executive directors' performance is assessed in relation to key performance indicators as agreed annually in accordance with the Company's standard performance assessment process.

Due to the small size of the Board and the fact that all directors participate actively, the Board has not found it necessary to conduct formal assessments of the individual non-executive directors.

PROCESS FOR APPOINTMENT AND REMOVAL OF DIRECTORS

Due to the small size of the Group and the Board, no Nominations Committee has been formed. As a result, directors are appointed and/or removed by the full Board directly, based on the suitability of available candidates and the requirements of the Group.

APPOINTMENT AND RE-ELECTION OF THE BOARD

One-third of all non-executive directors retire by rotation annually, and any director appointed by the Board is subject to election by the shareholders at the first Annual General Meeting (AGM) held after their initial appointment.

CORPORATE GOVERNANCE CONTINUED

In accordance with the Company's Memorandum of Incorporation and the King code, Paul Rutherford and Craig Carter will retire by rotation and will stand for re-election by shareholders at the next AGM.

BOARD COMMITTEES

The Board has established a number of statutory and other committees to assist it in fulfilling its duties and responsibilities more effectively.

Members of the Board are appointed to committees based on their areas of expertise and experience, and in such a way that there is a distribution of authority and decision-making. One of the members is appointed as chair of that committee.

Each committee operates within specific written terms of reference under which certain functions of the Board are delegated with defined purposes, duties and reporting procedures. These terms of reference are reviewed regularly.

	Board Meetings	Audit Committee	Social and Ethics Committee	Risk Committee	Remuneration Committee
Happy Ntshingila	(2/3) (Chairperson)	(2/2)	(1/1)		(1/1)
Bonang Mohale	(3/3)		(1/1) (Chairperson)		
Mark Barnes	(3/3)			(2/2) (Chairperson)	(1/1)
Arnold Forman	(3/3)	(2/2) (Chairperson)		(2/2)	
Craig Carter	(3/3)	(2/2)		(2/2)	(1/1) (Chairperson)
Charles Savage	(3/3)			(2/2)	
Gary van Dyk	(3/3)		(1/1)	(2/2)	
Paul Rutherford	(3/3)			(2/2)	(1/1)
William Bassie Maisela	(3/3)				

REMUNERATION COMMITTEE

The Board of Directors has established a Remuneration Committee which will make recommendations to the Board within agreed terms of reference, on the Group's framework of executive remuneration and its costs. The Remuneration Committee will ensure that levels of remuneration are sufficient to attract and retain directors and executives needed to run the Group successfully. The Remuneration Committee will meet as required and comprised of Craig Carter (who chairs the committee), Happy Ntshingila, Mark Barnes, and Paul Rutherford.

REMUNERATION POLICY

The Remuneration Committee has developed a performance-orientated remuneration philosophy which fairly rewards executives and employees for their respective contributions to achieving the Group's strategic, financial and operational objectives. The remuneration structures are to encourage sustainable, long-term wealth creation. The following factors regarding the remuneration structures are highlighted:

- The remuneration philosophy is supportive of the Group's strategy;
- The cost of employment is managed while, at the same time, employees are rewarded in order to retain and motivate talented, skilled and high-calibre executives and employees;
- The Group promotes a performance-based culture; and
- The Group strives to align executive rewards with the interests of stakeholders.

The Remuneration Committee acknowledges the importance of motivating individual and team performances and therefore applies the remuneration policy equitably, fairly and consistently in relation to job responsibilities, the markets in which the Group operates and personal performance.

The Group rewards executive directors and employees as follows:

- Market-related, fair annual packages (base salary and benefits), which are competitive owing to the portability of skills;
- Market information is sourced from industry and executive remuneration surveys to benchmark executive remuneration in comparable positions;
- Annual performance bonuses related to specific Company and personal objectives; and
- Participation in the employee share scheme.

For non-executive directors' fees, the Remuneration Committee takes cognisance of market norms and practices as well as the additional responsibilities placed on Board members by new legislation and corporate governance rules. Non-executive director remuneration is fee-based and not linked to the share price of Purple Group. Purple Group non-executive directors do not receive bonuses or share options to ensure actual and perceived independence.

AUDIT COMMITTEE

The Board of Directors has established an Audit Committee whose primary objective is to provide the Board with additional assurance regarding the efficiency and reliability of the financial information used by the directors, and assurance that the regulatory structures are maintained in compliance with the applicable legislative frameworks. The members of the Audit Committee are elected by ordinary resolution at each Annual General Meeting of the Company.

The Audit Committee will meet at least twice a year and comprises of Arnold Forman (who chairs the committee), Craig Carter and Happy Ntshingila, all of whom are independent non-executive directors. The Chief Financial Officer, VP of Finance and representatives from external audit attend Audit Committee meetings by invitation.

Other functions of the Audit Committee include:

- Nomination of the external auditor for appointment;
- Approval of the terms and remuneration of the external auditor;
- Approval of non-audit services by the external auditor;
- Communication with shareholders regarding the external auditors;
- Overseeing integrated reporting;
- Satisfying itself that the finance function is appropriately staffed; and
- Considering the competence and independence of the external auditor by, amongst others, receiving and reviewing the documentation as detailed in paragraph 22.15(h) of the Listings Requirements of the JSE.

As required by the JSE, the Company has a Financial Director. The position is currently held by Gary van Dyk, who is an executive director and is deemed competent by the committee.

The committee is satisfied that the external audit function and designated auditor are accredited and have acted with unimpaired independence and free from any scope restriction.

CORPORATE GOVERNANCE CONTINUED

SOCIAL AND ETHICS COMMITTEE

The Group's Social and Ethics Committee functions in line with the requirements of the Companies Act (No. 71 of 2008). The members of the committee are Bonang Mohale (who chairs the committee), Happy Ntshingila and Gary van Dyk. Bradley Leather (VP Partnerships), Carel Nolte (Chief Enablement Officer) , Nicola Comninos (CRO), Beverley Ferreira (Chief People Officer), Justin Pearse (VP Partner & Special Operations), Sascha Graham (VP Legal) and Langelihle Nkabine (Head of Compliance) are standing invitees to all committee meetings. A formal charter has been adopted that governs the objectives of the committee and how its business shall be conducted.

RISK COMMITTEE

The Group has formed a Risk Management Committee that is responsible for the governance of risk and to set levels of risk tolerance and risk appetite. The committee comprised of Mark Barnes (who chairs the committee), Arnold Forman, Craig Carter, Paul Rutherford, Charles Savage (CEO), Gary van Dyk (CFO), Nicola Comninos (CRO), Mark Wilkes (VP of Risk), Rish Tandepany (COO) and Paul Jansen van Vuuren (CTO) , and meets when the risk position of the various companies warrants it, but at a minimum two times a year, to review the risk policies.

This committee has as its responsibility to:

- Design, implement and monitor the risk management plan;
- Ensure risk is assessed on a continual basis;
- Ensure that there are appropriate risk responses implemented; and
- Ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure.

The Board is of the view that the risk management process is effective in managing the risks that the business is faced with and in responding to unusual or abnormal risks.

The disclosure of material risks as required by JSE Listings Requirement 8.62(e) can be found on page 56.

COMPANY SECRETARY

All directors have access to the advice and services of the Company Secretary.

The Company Secretary acts in a support capacity to the directors and Chairman and provides the Board with guidance and advice regarding the directors' responsibilities, duties and powers and to ensure that the Board is aware of all the legislation relevant to or affecting the affairs of the Group.

The Company Secretary is required to ensure that the Group complies with all applicable legislation regarding its affairs including the necessary recording of meetings of the Board or shareholders.

The Board was satisfied that the Company Secretary is suitably qualified, competent, experienced and independent. The Company Secretary is a third party entity in which none of the directors or Exco members have an interest, and as a result the Board believes that an arms-length relationship exists between the Group and the Company Secretary.

GOVERNANCE OF INFORMATION TECHNOLOGY (IT)

IT forms an integral part of the three business units, namely EasyEquities Group, GT247.com and EasyAssetManagement.

IT governance, therefore, forms an integral part of the Group's risk management to ensure that the systems are able to support our clients' needs and our own internal control systems, whilst at the same time being aligned to the Group's strategic objectives.

While the Board is ultimately responsible for the governance of IT, this has been delegated to Paul Jansen van Vuuren (Group Chief Technology Officer), who is a member of Exco, and who is responsible for the implementation of an IT governance framework and for monitoring and evaluating significant IT expenditure.

As part of this framework the Group identifies any new and innovative technology that can be incorporated into its strategy and processes. Security, disaster recovery and data management are also essential focuses of the IT department.

COMPLIANCE WITH RELEVANT LAWS, RULES, CODES, STANDARDS AND THE MEMORANDUM OF INCORPORATION

The Board is responsible for ensuring the Group complies with all applicable laws that affect the different business units as well as with the Memorandum of Incorporation of the Company. This is achieved through effective delegation to management and the Group compliance and legal function that monitors the Group's compliance with the relevant rules and laws.

GOVERNING STAKEHOLDER RELATIONSHIPS

The Board is responsible for ensuring that all the Group's stakeholders are dealt with in an equitable manner and that there is transparent and effective communication with them. The Board has identified the important stakeholders in the Group and strives to achieve a balance between their various expectations. There were no requests for information lodged with the Company in terms of the Promotion of Access to Information Act, No 2 of 2000 that were denied during the year.

COMMUNICATION CHANNELS

The main stakeholders in Purple Group and the primary channels of communication with each of them, are as follows:

Employees	Human Resource function, performance management systems, management structures, team and staff meetings.
Customers	Website, emails, seminars, training, social media and client services team.
Shareholders	Integrated report, Annual General Meeting, one-on-one meetings, circulars and announcements.
Partners	Reporting and meetings.
Regulators	Submission of integrated annual reports and returns, audits and compliance with the rules and regulations of the individual regulatory bodies.
Media	Interviews, providing content to TV shows and magazines.

KING REPORTS ON CORPORATE GOVERNANCE

The Group remains committed to managing its operations in accordance with the highest ethical standards. It supports the values of corporate governance advocated in the King Reports on Corporate Governance and complies with the principles contained in the Code of Corporate Practices forming part of King IV.

A register in terms of King IV, can be found on the website at www.purplegroup.co.za.

RISK MANAGEMENT PROCESS

Risk Events

The risk events applicable to the Purple Group businesses are grouped according to 5 primary risk categories:

Financial

Operational

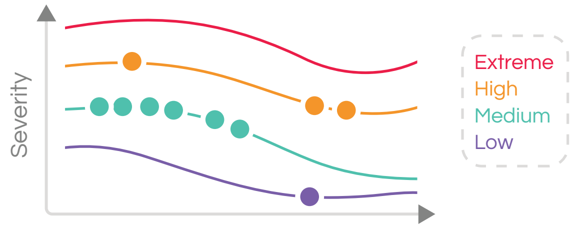
People

Strategic

Regulatory & Governance

Risk Matrix

Showing the measurement of residual risk events with existing responses and controls in place:



▲ Overall Group Risk Rating: MEDIUM

- Change Risk - Capacity, Culture, Governance & Controls
- Regional & Product Expansion Risk
- Cyber Security Risk
- Partner Risk
- Fraud Risk
- Talent Risk
- Compliance Risk
- Capital Availability Risk
- Shareholders Alignment Risk
- Market Risk - Derivatives Trading & Hedging

Risk Management Process

1. Environment

Assess external and internal environment that influences business objectives and strategies

2. Objectives

Define strategic business objectives

3. Risk Events

Identify and analyse events that may negatively impact the business and its strategic objectives. Evaluate the likelihood and severity to assign an inherent risk rating. Analyse existing controls & responses and the effectiveness thereof and subsequently determine the residual risk rating

4. Risk Response

The management teams of each function implements actions to reduce the likelihood and/or severity of an identified risk and determine which risks require additional responses and prioritisation

5. Integrate

Map each risk event to the strategic objectives it impacts

6. Review

Each risk is presented in the risk register for the review by risk owners, leadership and the Board Risk Management committee. Elements reviewed:

- Risk category
- Measurement and prioritisation according to likelihood and severity
- Strategic objectives and business impacts
- Response plans and accountable resources

7. Report

Present the group risk report at the Executive Committee and Board Risk Management Committee meetings. Include top risks in the Integrated Annual Report for disclosure to key stakeholders

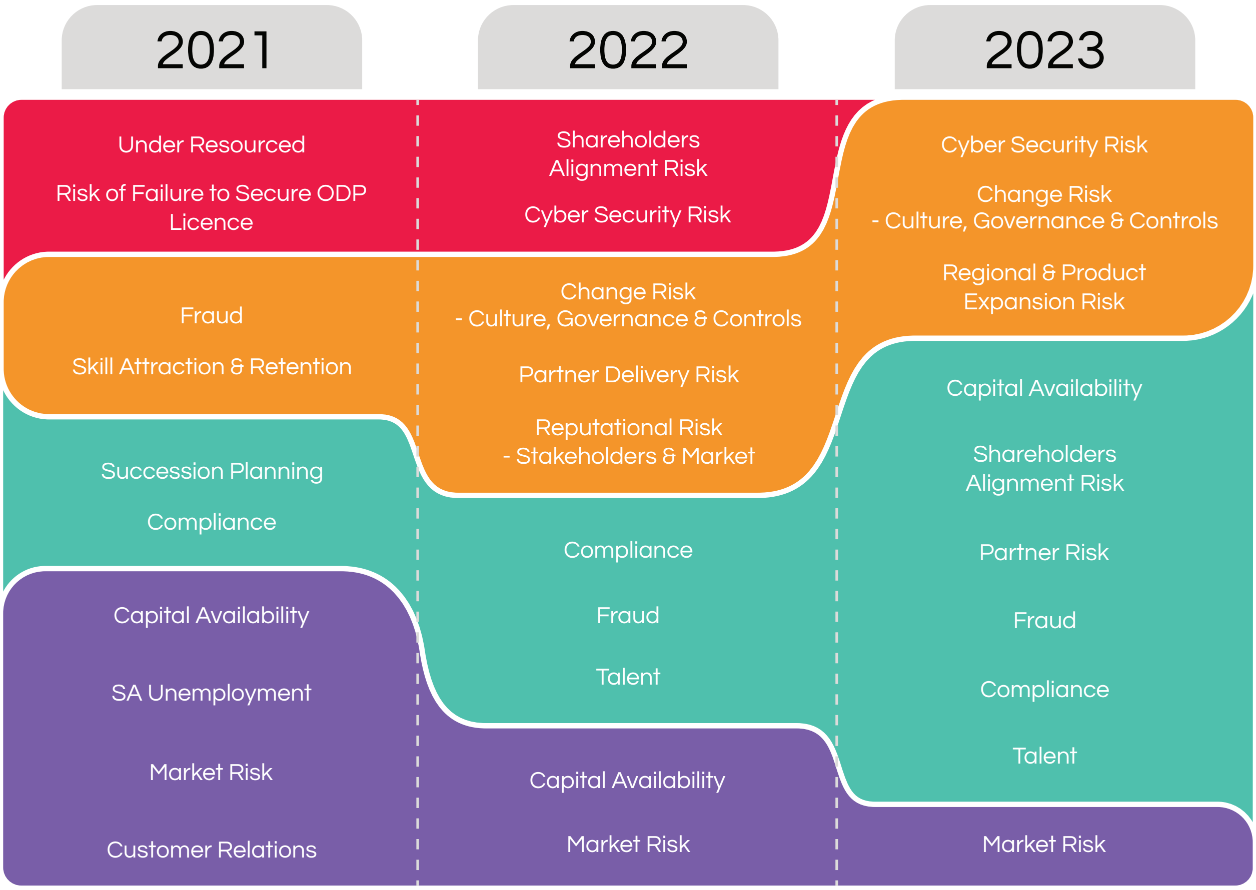
8. Monitor

Risks and the associated controls are monitored regularly. The monitoring process includes gathering information to improve the managing of risks, assist in identifying changes in the internal & external environment, as well as identifying emerging risks

Key Risks & Opportunities per Strategy Driver

Strategy Drivers	Risks	Opportunities
Shareholder Alignment	Capital Availability Shareholder Alignment Risk	Unlocking growth opportunities with shareholder support
Growth Strategy	Partner Risk Regional & Product Expansion Risk	GCash Philippines EasyCredit EasyProtect Life EasyEquities Kenya
Increased focus on value drivers	Market Risk – Derivatives Trading & Hedging Cyber Security Risk Fraud & Compliance Risks	Artificial Intelligence leveraged for operational efficiencies and growth
Purpose, Brand and Culture Alignment	Regional & Product Expansion Risk Change Risk	Emperor Asset Management, Cloud Atlas and Marketech Online name changes to EasyAssetManagement, EasyETFs and Easy Financial Services Australia
Team Alignment	Talent Risk	Group wide OKRs (Objectives and Key Results) rollout
Group Re-organisation	Change Risk	Operational efficiencies, process automation & synergies

Top 10 Risks over time - 3 year view



▲ Overall Group Risk Rating: MEDIUM

Risk Rating Legend: Extreme High Medium Low

Top 10 Risks and Mitigating Controls

Risks Types	Risk Defined	Mitigating controls
Cyber Security Risk Risk rating: High Target risk rating: Medium Risk category: Operational	The risk of a large-scale cyber attack compromising the digital assets of Purple Group, any of its subsidiaries and/or partners	The Group has a robust cyber security risk management programme applied across all access points throughout the business. This includes, but is not limited to periodic reviews and monitoring of user access rights, internal vulnerability security scans, penetration tests to identify potential vulnerabilities, and an extensive mandatory cyber security training programme.
Change Risk - Capacity, Culture, Governance & Controls Risk rating: High Target risk rating: Medium Risk category: Strategic	The risk of inadequate management processes in place to accommodate large scale change within Purple Group – new products, new business lines and new geographies	• Change management plans are designed to strengthen our agile culture, improve governance, and boost IT, financial, and operational controls to support product and geographical expansion. • The Group subscribes to good corporate governance principles and ensures effective controls, well-defined processes and procedures are in place to maintain a high governance standard.
Regional & Product Expansion Risk Risk rating: High Target risk rating: Medium Risk category: Strategic	The risk of reputational damage due to market perceptions and lack of stakeholder management as the group expands into new regions and launches new products	• Stakeholder management plans ensure consistent engagement, meeting and monitoring expectations, and reputation protection amid the group's geographic and organizational growth. • Resource and partnership plans are in place to capacitate new products and regional expansion projects with the right skills to manage these risks.
Capital Availability Risk Risk rating: Medium Target risk rating: Medium Risk category: Financial	The risk of inability to raise funding for growth and operational requirements	Group Capital plans detailing the funding required to pursue new products and jurisdictions; explaining the group aspirations, global expansion plans and recent successes are regularly reviewed, updated and communicated to various shareholder groups to secure continued capital support required to execute on group strategy.
Shareholders Alignment Risk Risk rating: Medium Target risk rating: Medium Risk category: Strategic	The risk of major shareholder groups' intent, risk appetite, capital allocation, and term structure not being in alignment with Purple Group's	• Executive management engagement with current and new major shareholder groups to communicate the group's strategic priorities, risk appetite, capital requirements and term structure. • The group capital plan is regularly reviewed and updated routinely to ensure capital needs are well understood and communicated to major shareholder groups
Partner Risk Risk rating: Medium Target risk rating: Medium Risk category: Operational	The risk of not delivering on new and existing partner expectations as well as the potential adverse impact of partners' business activities on Purple Group	• To ensure that the group delivers on new and existing partnerships, key team members have been assigned to develop, maintain and track each partner relationship in line with the signed Service Level Agreements with each partner. • For any potential new partner relationships entered, a through due diligence is conducted ahead of contracting
Fraud Risk Risk rating: Medium Target risk rating: Medium Risk category: Financial	The risk of financial loss due to fraud	• The business uses multiple safeguards, including sophisticated anti-fraud and anti-money laundering systems, deposit hold times, and thorough daily and manual deposit verifications to prevent fraud. • In addition, the Group has Crime and Civil Liability insurance cover to protect it against losses due to fraud or error that results in financial loss
Compliance Risk Risk rating: Medium Target risk rating: Medium Risk category: Regulatory & Governance	The risk of failing to comply with laws and regulations	• The Group's Compliance and Legal Functions monitor legislation changes and continuously update the business on any new requirements as well as ensure compliance within existing regulations. • In respect of any new products, new jurisdictions or significant changes in legislation, the group secures the advice and services of external legal advisors and compliance specialists as required.
Talent Risk Risk rating: Medium Target risk rating: Low Risk category: People	The risk of key man dependencies, skills attraction, retention strategies, training and domain knowledge transfer	• Capital plans detailing the human resources required to pursue new products and jurisdictions are regularly reviewed and updated. • Key-man dependencies across the group has been identified and each executive has a cluster of resources they coach to secure succession planning and knowledge transfer for key and critical roles. • A share incentive scheme was approved by the board and has been rolled out across the group. • Ongoing work underway to ensure sufficient training and domain knowledge transfer for new engineering technology resources based in Philippines
Market Risk - Derivatives Trading & Hedging Risk rating: Low Target risk rating: Low Risk category: Financial	The risk of financial loss due to ineffective market risk management controls	• The business employs various systems and controls to mitigate losses from inadequate market risk management, adjusting product margins and client exposure limits as needed. • Business expertise in derivatives trading and hedging is extensive; risk management policies are in place and the risk is monitored daily.

Our purpose of democratising investing to empower financial dignity for all is core to our value creation process and is enabled through our agile culture and values.

> “We democratise investing & empower financial dignity for all”

- Profit through purpose
- Brave enough to fail to succeed
- Culture enabling Strategy delivery

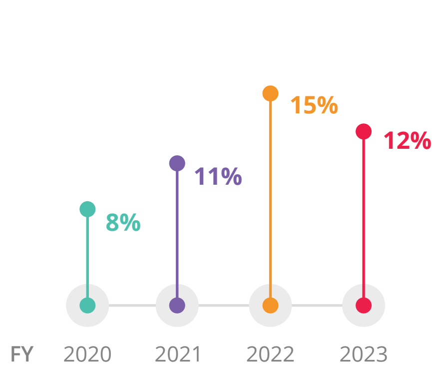
Cheap as chips and easy as pie – we’re building the worlds best investment platform

Value Drivers

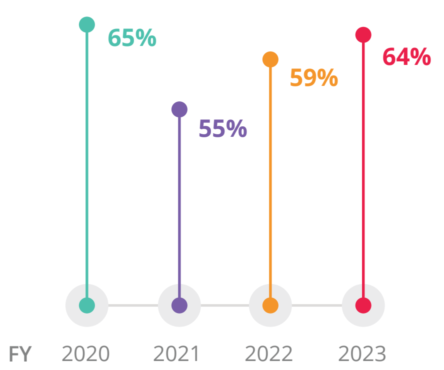
There are four key drivers through which we unlock stakeholder value

+ Customers	+ ARPU	+ Trust	- Cost
Partnerships Design Loyalty & Referrals Platform Improvements Conversion Journey	Research & Education +Products +Services +Markets +Transactions	Scalability, Stability & Security Staff training & Culture Risk Management Legal & Compliance Stakeholder Comms	Digitisation Operational efficiencies Digital Customer Experience

% of EE clients that hold PPE at 31st August each year



% Active clients referred by existing clients



We deliver on our purpose by proactively managing material matters to unlock value creation

1. High level of trust clients have in our platforms and products
2. A cross jurisdictional, agile, innovative and highly ambitious culture
3. Leading and scalable technology enabling our platforms and products
4. Macro economic conditions impact on financial markets – bear market persistent
5. Innovative, world class fintech platforms and products
6. Operational availability and stability of our platforms and products
7. Attractiveness of the Purple Group as an employer
8. Regulatory environment – constructive engagements with regulators

We have a great story to tell and look forward to purposeful sustainable business outcomes.

Our integrated approach considers impact on society, the environment, and economic outcomes, which is underpinned by good governance practices

Social

Customer responsibility
2 million users trust us with over 40% new clients referred by existing clients

Human rights and community development
We offer financial dignity for all by democratising investing

Labour standards
We have fair labour practices which are applied consistently to all businesses we run

Economic

Financial position and operations for sustainable business
Our balance sheets, income statements and cash flow supports sustainability

Inclusive Stakeholder Engagement
We make decisions taking stakeholders into account

Ethical behaviour
We operate ethically and value our clients, investors and other stakeholders' interests

Environment

Environmental Climate change
We are a digital business with a low carbon footprint

Water security
Our physical presence is insignificant with very low water usage

Pollution and waste
Our physical presence is insignificant with very low pollution and waste impact

Governance

We maintain good governance and compliance practices and have a highly risk aware culture, which underpins how we enable purposeful sustainable business outcomes.

United Nations Sustainable Development Goals we focus on SDG 10, 4 & 8:

https://sdgs.un.org/goals

10 Reduced Inequalities
Our products and platforms allow clients to build and protect their personal wealth which contributes to reducing social inequalities. Our number of active investors increased from 246,000 in 2020 to 507,000 in 2021 to 762,000 in 2022 and now sits at over 900,000 in August 2023

4 Quality Education
Through our platforms & products we provide easily understandable, unintimidating information on how to build and protect your wealth. Our clients can up their investment smarts with our online tools & research

8 Decent work and economic growth
By democratising investing and making it cheap as chips and easy as pie our clients, partners and suppliers can build and protect their personal wealth, which in turn contributes to economic growth

FINANCIAL STATEMENTS

These consolidated financial statements have been internally prepared under the supervision of Gary van Dyk CA(SA).

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The directors are responsible for the preparation and fair presentation of the consolidated financial statements of Purple Group Limited, comprising the statement of financial position at 31 August 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS), the SA financial reporting requirements, the requirements of the Companies Act of South Africa and the Listing Requirements of the JSE Limited.

The directors are ultimately responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the Company and its subsidiaries' ability to continue as going concerns and have no reason to believe that they will not be going concerns in the year ahead.

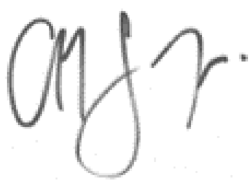
The auditor is responsible for reporting on whether the consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

CEO AND FINANCIAL DIRECTOR RESPONSIBILITY STATEMENT

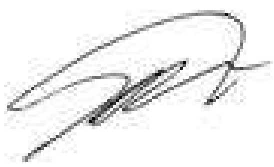
The CEO and financial director responsibility statement is made after due, careful and proper consideration as follows :

Each of the directors, whose names are stated below, hereby confirm that:

1. The consolidated financial statements set out on pages 77 to 161, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
2. To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated financial statements false or misleading;
3. Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
4. the internal financial controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
5. Where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
6. We are not aware of any fraud involving directors.



Charles Savage
Chief Executive Officer



Gary van Dyk
Chief Financial Officer

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING CONTINUED

APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements of Purple Group Limited, which appear on pages 77 to 161 were authorised for issue by the Board of directors on 30 November 2023 and are signed on their behalf.

Charles Savage
Chief Executive Officer

Happy Ntshingila
Non-executive Chairman

COMPANY SECRETARY'S REPORT

TO THE SHAREHOLDERS OF PURPLE GROUP LIMITED

We have conducted the duties of the Company Secretary for Purple Group Limited and its subsidiaries. The secretarial matters are the responsibility of the Group's directors. Our responsibility is providing the directors collectively and individually with guidance as to their duties, responsibilities and powers.

In terms of section 88(2)(e)/33(1) of the Companies Act of South Africa, I certify that to the best of my knowledge and belief the Company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act of South Africa, in respect of the reporting period ended 31 August 2023, and that all such returns are true, correct and up to date.

CTSE Registry Services Proprietary Limited
Company Secretary
Cape Town

30 November 2023

DIRECTORS' REPORT

The directors submit their annual report on the activities of Purple Group Limited (the Company) and its subsidiaries (Purple Group or the Group) for the year ended 31 August 2023.

BUSINESS OPERATIONS

Purple Group, registered and incorporated in the Republic of South Africa, is a financial services and technology company listed on the "Financials – General Financial" sector of the JSE. It has subsidiaries that operate global equity and CFD trading platforms, fractional property investing, crypto asset investing, retirement fund administration and asset management.

FINANCIAL REVIEW

The Group recognised an attributable loss of R24.9 million (2022: profit of R44.0 million) for the 2023 reporting period. Shareholders' funds have increased from R479.1 million in 2022 to R571.2 million in 2023.

The Segmental Analysis starts on page 84.

The separate financial statements of Purple Group Limited are available for inspection on the company's website www.purplegroup.co.za/our-financials.

SUBSIDIARIES AND CHANGES IN OWNERSHIP

Details of interests in subsidiaries are listed on page 158.

The following changes in ownership took place during the reporting period, with effective dates:

EasyETFs (RF) Proprietary Limited ("EasyETFs")

- First World Trader Proprietary Limited acquired EasyETFs (RF) Proprietary Limited (formerly Cloud Atlas (RF) Proprietary Limited) on 10 February 2023 for cash consideration of R2.25m. EasyEquities acquired this business to obtain access to its Collective Investment Schemes ("CIS") management company license to enable EasyEquities to operate in the Active ETFs space. The business is currently in the process of applying for the listing of two actively managed ETFs on the JSE. Refer to Note 12 for further detail.

Easy Financial Services Australia Proprietary Limited ("EFS Australia")

- EasyEquities Proprietary Limited (Australia subsidiary) acquired Easy Financial Services Australia Properietary Limited (formerly Marketech Proprietary Limited) on 12 October 2022 for cash consideration of AUD 30 000. The entity was acquired for its Australian Financial Services (AFS) license and was otherwise dormant at the time of acquisition. The acquisition was accounted for as an asset acquisition and not a business combination, as the definition of "business" per *IFRS 3: Business Combinations* was not met.

DIRECTORS' REPORT CONTINUED

SHARE CAPITAL

The total authorised share capital is 2,000,000 000 ordinary shares of no par value and the total number of ordinary shares in issue net of treasury shares is 1,399,802,267 (2022: 1,248,055,282).

At 31 August 2023 the directors' interests in the issued share capital of the Company were as follows:

	2023				2022			
	Beneficial		% Holding		Beneficial		% Holding	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Mark Barnes	22,276,610	77,296,172	1.59	5.51	16,960,321	70,138,108	1.36	5.61
Craig Carter	2,129,577	-	0.15	-	1,932,366	-	0.15	-
Charles Savage	35,444,964	296,990	2.53	0.02	32,162,559	328,200	2.89	0.08
Gary van Dyk	28,325,278	-	2.02	-	19,702,197	-	1.58	-
Bonang Mohale	-	15,099,589	-	1.08	-	21,763,282	-	1.74
William Bassie Maisela	-	2,644,672	-	0.19	-	2,399,760	-	-
Paul Rutherford	-	2,411,283	-	0.17	-	2,227,505	-	0.18
	88,176,429	97,748,705	6.29	6.97	70,757,443	96,856,855	5.98	7.61

None of the directors of the Group have traded any of the shares held by them between 31 August 2023 and the date of this report.

During the year the movement in the shares held by the directors were as follows:

- Gary van Dyk acquired 6,000,000 (2022: 6,000,000) shares by exercising share options on 26 January 2023, and a further 2,623,081shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 6,000,000).
- Charles Savage acquired 0 (zero) (2022: 12,000,000) shares by exercising share options, and 3,282,405 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 7,280,000).
- Mark Barnes acquired 5,000,000 (2022: 1,660,000) shares by exercising share options on 26 January 2023, and a further 316,289 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) (2022: 20,913,571) shares of his direct holdings.
  - Mark acquired a further 7,158,064 indirect share by following his rights in the 2023 Purple Group Limited rights offer through his investment company, Business Venture Investments No 184 Proprietary Limited.
- Bonange Mohale sold 6,663,693 of his indirect holdings during the year (2022: 2,715,000).
- Craig Carter acquired 197,211 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).
- Paul Rutherford acquired 183,778 indirect shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).
- William Bassie Masiela acquired 244,912 indirect shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).

DIRECTORS

The directors of the Group during the reporting period and up to the date of this report were as follows:

Executive directors
Charles Savage (CEO)
Gary van Dyk (CFO)

Non-executive directors
Arnold Forman*
Bassie Maisela*
Bonang Mohale
Craig Carter *
Happy Ntshingila (Chairman)*
Mark Barnes
Paul Rutherford

**Independent non-executive*

The interests of directors and remuneration paid to directors are disclosed in Note 27 and the Implementation Report of the Remuneration Policy.

SHARE INCENTIVE SCHEME

The Purple Group 2022 Share Incentive Plan, was approved in the prior reporting period at a general meeting of shareholders held on 3 June 2022. The 2022 scheme includes Performance Shares and Hurdle Share Appreciation Rights ("HSAR"). The 2022 scheme has not been implemented by the date of this report and no grants have been made. Details of the plan can be found on the Purple Group website: www.purplegroup.co.za

The legacy employee Share Option Scheme from 2005 is nearing the end of it's life with no new options being granted. The Share Option Scheme has 27,817,083 (2022: 45,996,938) options in issue to the directors and staff of Purple Group. Details of the options in issue are disclosed in Note 19 to the consolidated financial statements.

BORROWINGS

In terms of the Memorandum of Incorporation of the Company, the directors may exercise all powers of the Company to borrow money, as they consider appropriate.

SHAREHOLDING OF THE COMPANY

Details of the Company's shareholder spread is provided on page 162

CORPORATE GOVERNANCE AND SUSTAINABILITY

The corporate governance and sustainability report is set out on pages 49 to 60.

EVENTS AFTER THE REPORTING DATE

The directors are not aware of any other matters or circumstances arising since the end of the financial year, not otherwise dealt with in these consolidated financial statements, which significantly affect the financial position at 31 August 2023 or the results of operations or cash flows for the year then ended.

Refer to Note 29 on page 161 of the consolidated financial statements.

GOING CONCERN

The consolidated financial statements have been prepared on a going-concern basis. Despite the Group having accumulated losses, the Group has net equity of R571.2 million. Management prepared forecasts and the directors expect business growth to continue, over the next 12 months, despite the current loss making position, and are confident that the Group will continue trading as a going concern. Refer to note 31 in the financial statements.

COMPANY SECRETARY

The Company secretary during the period was CTSE Registry Services Proprietary Limited, as represented by Estelle de Jager. Per the JSE Listings Requirements, the Board of Directors has, during the period under review, considered and satisfied itself of the competency, qualifications and experience of the Company Secretary. The Board of Directors confirms that there is an arm's length relationship with the Company Secretary.

Business and postal address of the Company Secretary: 5th Floor, Block B, The Woodstock Exchange Building, 66-68 Albert Road, Woodstock, 7925.

AUDITORS

BDO South Africa Incorporated (Designated audit partner: Vianca Pretorius) has been the auditor for 13 years. The Board of Directors confirm that there is an arm's length relationship with the auditors.

Appointment of Auditors

In compliance with section 10(1)(a) of the Auditing Profession Act, 26 of 2005, the Independent Regulatory Board for Auditors (IRBA) published the rule on Mandatory Audit Firm Rotation (MAFR) on 1 June 2017, for auditors of all public interest entities, as defined in section 290.25 to 290.26 of the amended IRBA Code of Professional Conduct for Registered Auditors, set to become effective for financial years commencing on or after 1 April 2023.

The MAFR Rule states that:
- An audit firm, including a network firm as defined in the IRBA Code of Professional Conduct for Registered Auditors, shall not serve as the appointed auditor of a public interest entity for more than 10 consecutive financial years.
- Thereafter, the audit firm will only be eligible for reappointment as the auditor after the expiry of at least five financial years.

As BDO South Africa has audited Purple Group for 13 (thirteen) years, up to and including the audit for the financial year ended 31 August 2023, Purple Group would have needed to comply with the MAFR and appoint a new audit firm after the completion of the audit.

The Supreme Court of Appeal (SCA) has set aside the requirement for the rotation of audit firms as promulgated by the Independent Regulatory Board for Auditors (IRBA) in a judgment delivered by the Court on 31 May 2023.

The judgment means entities are no longer required to appoint new audit firms every 10 years and removes the limitations introduced by IRBA's MAFR.

On recommendation from the Audit Committee, the Board of Directors has made a decision to offer interested audit firms the opportunity to submit proposals to be appointed as Purple Group's auditor. The Audit Committee will follow a robust process of vetting and interviewing prospective auditors.

BDO South Africa has agreed to stay on as Audit Firm in the interim and will also have the opportunity to submit a proposal to the Audit Committee.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee is appointed by the Shareholders. It assists the Board by advising and making recommendations on financial reporting, risk management and internal controls, external and internal audit functions and statutory and regulatory compliance of the Group, but retains no executive powers or responsibility. Arnold Forman and Happy Ntshingila are members of the Audit Committee and Craig Carter continued as Chairman of the committee.

The Audit Committee met twice during the period. The first meeting was on 8 November 2022 to approve the 2022 consolidated financial statements, and again on 27 July 2023 to deal with the matters below and planning for the 31 August 2023 audit. The CFO of the Group, VP of Finance and representatives from the external auditors attend the committee meetings by invitation.

The external auditors have unrestricted access to the Audit Committee and are able to meet separately with the Chairman of the Audit Committee during the period if considered necessary.

In execution of its duties during the past reporting period, the Audit Committee has:

- nominated for appointment as auditor of the Group a registered auditor who, in the opinion of the Audit Committee, was independent of the Group;
- determined the fees to be paid to the auditor and the auditor's terms of engagement;
- ensured that the appointment of the auditor complies with the Companies Act and any other legislation relating to the appointment of auditors;
- performed an assessment of the competence of the auditor to perform its duties by, amongst others, receiving and reviewing the documentation as detailed in paragraph 22.15(h) of the Listings Requirements of the JSE;
- determined the nature and extent of any non-audit services which the auditor may provide to the Group;
- received and dealt appropriately with any complaints relating to the accounting practices of the Group or to the content or auditing of its consolidated financial statements, or to any related matter;
- ensured that the Group has established appropriate financial reporting procedures and that those procedures are operating which includes consideration of all entities included in the consolidated Group financial statements;
- ensured that the committee has access to all the financial information of the Group to allow the Group to effectively prepare and report on the consolidated financial statements;
- considered the JSE Proactive Monitoring report of 2023 and has taken appropriate action to apply the findings where applicable; and
- performed other functions as determined by the Board.

The Audit Committee is of the view that the size of the Group does not warrant the formation of an internal audit department. This will be reviewed on an ongoing basis to determine whether one will be required in the future.

Per the Companies Act requirements, the committee has considered the independence of the external auditors and has concluded that the external auditor has been independent of the Group throughout the period taking into account all other non-audit services performed if applicable and circumstances known to the committee.

Per the JSE Listings Requirements, the committee must consider and be satisfied, on an annual basis, with the appropriateness of the expertise and experience of the Financial Director and the Group must confirm this by reporting to the shareholders in its annual report that the Audit Committee has executed this responsibility. In this respect, we believe that Gary van Dyk, the CFO, possesses the appropriate expertise and experience to meet his responsibilities in that position. In addition, the finance function is adequately staffed and resourced, is able to fulfil its function adequately and has in place appropriate financial reporting procedures that are applied and operational.

The Audit Committee has evaluated the underlying assessment performed by the CEO and financial director to support their declaration required in terms of section 3.84(k) of the JSE Listing Requirements and is satisfied that it supports the declaration made.

KEY AUDIT MATTERS

The audit committee has satisfied itself that the auditors have addressed the key audit matters, as raised in the Independent Auditors Report, sufficiently during the audit.

FINANCIAL STATEMENTS

Following our review of the consolidated financial statements for the year ended 31 August 2023, we are of the opinion that, in all material respects, they comply with International Financial Reporting Standards and the SA financial reporting requirements and in the manner required by the Companies Act of South Africa and the Listings Requirements of the JSE Limited, and that they fairly present the financial position at 31 August 2023 for Purple Group Limited and the results of operations and cash flows for the period then ended.

On behalf of the Audit Committee

Arnold Forman
Chairman

30 November 2023

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PURPLE GROUP LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Purple Group Limited and its subsidiaries ("the group") set out on pages 77 to 161, which comprise the consolidated statement of financial position as at 31 August 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Purple Group Limited and its subsidiaries as at 31 August 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Goodwill impairment assessment *(Note 7)* Goodwill, recognised on the acquisition of the GT247, EasyCrypto and Retirement Investments and Savings for Everyone "Rise" in the prior years, represents the most significant asset in the statement of financial position. The goodwill is measured at cost less accumulated impairment losses and is not amortised in accordance with International Financial Reporting Standards ('IFRS'). The annual goodwill impairment testing in accordance with *IAS 36: Impairment of Assets*, involves value in use calculations, utilising valuation techniques, including free cash flow models, growth and discount rates which are complex and require significant judgement from management. In addition, the estimate of the recoverable amount of goodwill is sensitive to the discount rate applied to the cashflow forecast, and arriving at an appropriate discount rate in itself involves a high degree of estimation uncertainty. As a result, the impairment testing of goodwill was regarded as a matter of most significance in our audit of the consolidated financial statements in the current year.	Our audit procedures included, amongst others: • We assessed the design and implementation of key controls in the goodwill impairment process as performed by management; • We evaluated the 2024 financial budget used in the impairment assessments against the budget approved by the board of directors and evaluated the validity of the budget preparation process and the reasonability of the 2024 forecasts. Furthermore, we evaluated management's 2025 - 2033 outlook in particular to forecasted revenue; • We furthermore compared the key assumptions applied in the forecast to the historical performance of the cash generating unit, local economic development and industry outlook, taking into account the sensitivity of the goodwill balance to changes in the respective assumptions; • We assessed the key inputs and assumptions used in the value in use and impairment model for reasonability, taking into account specifically the operating cash flow projections, discount rates, and long-term growth rates and comparing these to external sources where appropriate, taking into account our knowledge of the industry and business. The key assumptions used for estimating cash flow projections in the group's impairment testing are those relating to growth in revenue, driven by trading activity; • We made use of our internal valuation expertise to assess the valuation models and related key inputs and assumptions including the discount rates for reasonability, to assess whether the methods applied are consistent with International Financial Reporting Standards and industry norms; • We evaluated the remeasurement of the provisional amounts recognised on the Rise goodwill that has been finalised in the current year; • We tested the integrity and mathematical accuracy of the value in use impairment calculations by re-performing the calculations; and • We evaluated the adequacy of the group's disclosures in terms of International Financial Reporting Standards in respect of its goodwill impairment testing.

Key audit matter	*How our audit addressed the key audit matter*

Revenue recognition – Complex IT Systems *(Note 1)*
 	
A significant part of the group’s financial processes is reliant on Information Technology (IT) systems, with automated processes and controls over the capturing, valuing and recording of transactions. This is a key part of our audit due to the:
 	
• Complex IT environment supporting diverse business processes;
• Mix of manual and automated processes and controls, with the majority of the control environment within the revenue cycle being automated;
• Complexity of the billing systems used to recognise revenue;
• Revenue consisting of high volume, low value transactions which are generated automatically by the system when clients execute transactions; and
• Revenue transactions that are electronically generated by the group’s trading platforms.
 	
As a result of the above mentioned factors, Revenue recognition is considered to be a matter of most significance in our audit of the consolidated financial statements of the current year.
	Our audit procedures included amongst others:
	
	• We made use of our internal IT expertise to assess the design, implementation and operating effectiveness of relevant IT general controls;
	• Through the use of our IT assurance expertise, we tested the key automated controls in the system by means of test data;
	• We further performed substantive procedures on significant revenue streams to test existence, completeness and accuracy. These procedures included but were not limited to:
	    ○ Extracting datasets from the trading platform and tying these back to the trial balance;
	    ○ Recalculating fee categories, and assessing the fees charged per product and trade to ensure that the fee charged is correct and agrees to the cost profile accepted by the customer for fees charged;
	    ○ Extracting deposits and withdrawals from the trading platform and agreeing to bank statements.
	• The relevant operational systems and databases were reconciled to the general ledger;
	• We selected a sample of customer complaints from the management's register that was tested for completeness, to identify any potential misstatement with regards to customer balances that could impact the completeness, accuracy and existence of revenue recognition;
	• We selected a sample of customer trades from the trading platform and agreed the transaction value to the customer statement and compared transaction values to official listed prices;
	• We also performed substantive detail testing on the remaining population of revenue to obtain assurance on the existence, completeness and accuracy of transactions within the system on a sample basis, by verifying transactions to supporting evidence and the requirements of IFRS 15;
	• Where counterparties were used, revenue transactions were confirmed on a sample basis to external supporting evidence; and
	• We evaluated the adequacy of disclosures in terms of IFRS.

Key audit matter	*How our audit addressed the key audit matter*
Recognition of Intangible assets - Software Development *(Note 7)* Recognition of Intangible assets - Software Development (Note 7) Intangible assets, specifically software development, represent the second most significant asset in the statement of financial position amounting to R 186.8mn (2022: R 133.1mn). The software development is measured at cost less accumulated amortisation and impairment losses in accordance with International Financial Reporting Standards ('IFRS'). Judgement is involved when determining if cost could be capitalized in terms of IAS 38: Intangible assets, and therefore the recognition of software development was regarded as a matter of most significance in our audit of the consolidated financial statements in the current year.	Our audit procedures included, amongst others: • We assessed the design and implementation of key controls in the intangible asset recognition process as performed by management; • We obtained an understanding of the nature of the various categories of additions to software development in the current year through discussions with management, and confirmed existence on a sample of additions; • We assessed a sample of items capitalised during the year against the recognition criteria of IAS 38; • We made use of our internal IFRS expertise to evaluate the accounting treatment in terms of IAS 38; • We evaluated the adequacy of disclosure in terms of International Financial Reporting Standards.

Key audit matter	*How our audit addressed the key audit matter*
Deferred tax asset recoverability assessment (*Note 14)* In terms of IAS 12, a deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Recoverability of the deferred tax asset assessment by management involves making significant judgements and estimates about the future and underpins the recognition of a deferred tax asset. In addition, the deferred tax asset is recognised in the financial statements to the extent that it is probable that future taxable profits will be available against which the tax losses can be utilised. As a result of the above, the assessment of the recognition of the deferred tax asset of R 61mn (2022: R 56mn) was considered to be a matter of most significance in our audit of the consolidated financial statements of the current year.	Our audit procedures included, amongst others: • Discussed with management and assessed the forecasts prepared to determine whether all information that is reasonably available had been taken into account for purposes of assessing the probability of sufficient taxable profits and taxable capital profits that will be available against which the tax losses, and capital losses can be utilised; • Evaluated the reliability of the underlying data used to prepare the budgeted forecasts by comparing the significant inputs to historical performance; • Inspected supporting evidence relating to the key assumptions applied in the forecasts for reasonability and where possible compared the assumptions used to external market factors; • Evaluated management's tax planning opportunities and ability of implementing chosen tax planning opportunities as support for the recognition of the deferred tax asset, by challenging assumptions and evaluating implementation of prior tax planning opportunities; and • Evaluated the adequacy of disclosures in terms of International Financial Reporting Standards.

INDEPENDENT AUDITOR'S REPORT CONTINUED

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Purple Group Limited Annual Financial Statements for the year ended 31 August 2023" and in the document titled "Purple Group Limited Financial Statements for the year ended 31 August 2023", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Purple Group Limited for 13 years.

BDO South Africa Inc.

BDO South Africa Inc. (Nov 30, 2023 15:52 GMT+2)

BDO South Africa Incorporated
Registered Auditors

V Pretorius
Director
Registered Auditor

30 November 2023

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	**2023 R'000**	2022 R'000
Revenue	1	**276,062**	274,003
Commissions and research expenses	2	**(13,381)**	(5,135)
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	2	**(280,210)**	(212,490)
Share of profit in joint venture	12	**-**	5,249
Net (loss)/income before other income, fair value & impairment adjustments, interest, depreciation and amortisation		**(17,529)**	61,627
Other income		**325**	-
(Loss)/profit before fair value & impairment adjustments, interest, depreciation & amortisation		**(17,204)**	61,627
Depreciation and amortisation	2	**(41,442)**	(26,413)
Finance income	3	**10,952**	7,282
Finance costs	3	**(1,312)**	(2,168)
(Loss)/profit before fair value & impairment adjustments and tax		**(49,006)**	40,328
Fair value and impairment adjustments	4	**2,273**	44,548
(Loss)/profit before tax		**(46,733)**	84,876
Income tax	5	**11,534**	(13,926)
(Loss)/profit for the period		**(35,199)**	70,950
(Loss)/profit attributable to:			
Owners of the Company		**(24,872)**	43,968
Non-controlling interests		**(10,327)**	26,982
		(35,199)	70,950
(Loss)/earnings per share[1]			
Basic (loss)/earnings per share (cents)	18	**(1.90)**	3.64
Diluted (loss)/earnings per share (cents)	18	**(1.90)**	3.53

1 Comparative (loss)/earnings per share figures previously reported have been restated to reflect the effects of the renounceable rights offer to qualifying shareholders which took place during the 2023 financial year. Refer to note 18 for further disclosure. No other items have been restated.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Note	**2023 R'000**	2022 R'000
(Loss)/profit for the period		(35,199)	70,950
Other comprehensive income			
Items that will subsequently be reclassified to profit or loss:			
Foreign currency translation reserve	17	139	134
Items that will not subsequently be reclassified to profit or loss:			
Crypto assets revaluation reserve	17	1,905	865
Tax effect		(514)	(242)
Total comprehensive (loss)/income		**(33,669)**	71,707
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(23,555)	44,630
Non-controlling interest		(10,114)	27,077
		(33,669)	71,707

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2023 R'000	2022 R'000
ASSETS			
Goodwill	7	291,194	290,848
Equipment	6	3,233	3,017
Intangible assets	7	216,753	162,298
Right of use asset	23	445	2,277
Investments	10	18,435	18,224
Receivables	13	5,536	2,314
Deferred tax assets	14	61,917	56,780
Total non-current assets		**597,513**	**535,758**
Receivables	13	196	-
Current tax receivable		2,522	-
Trade and other receivables	15	84,789	52,988
Investments	10	2,926	2,616
Crypto assets	8	73	692
Financial assets	9	185,465	154,394
Cash and cash equivalents	16	187,273	94,554
Total current assets		**463,244**	**305,244**
Total assets		**1,060,757**	**841,002**
EQUITY AND LIABILITIES			
Stated capital	17	787,797	667,055
Accumulated loss		(121,064)	(96,192)
Other reserves	17	(95,566)	(91,787)
Equity attributable to owners		**571,167**	**479,076**
Non-controlling interests		**107,062**	**72,325**
Total equity		**678,229**	**551,401**
Lease liability	23	-	617
Deferred tax liability	14	7,767	18,262
Total non-current liabilities		**7,767**	**18,879**
Client open position liability	21	203,129	169,345
Borrowings	22	-	8,438
Lease liability	23	615	2,281
Current tax payable		5,802	10,017
Trade and other payables	20	162,792	72,444
Bank overdraft	16	2,423	8,197
Total current liabilities		**374,761**	**270,722**
Total equity and liabilities		**1,060,757**	**841,002**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Balance at 31 August 2021
Total comprehensive income for the period
Profit for the period
Other comprehensive income
Foreign currency translation reserve
Crypto assets revaluation reserve
Contributions by and distributions to owners
Change in ownership, EasyCrypto
Change in ownership - EasyProperties
Business combination - RISE
Shares issued to non-controlling interest
Dividends declared and paid to non-controlling interests
Treasury shares disposed of - EasyProperties
Treasury shares disposed of - RISE
Share options exercised - transfer from share-based payment reserve to share capital
Share options exercised - exercise price paid
Transfer to retained earnings
Reclassification of share-based payment reserve
Share-based payment expense
Balance at 31 August 2022
Total comprehensive income for the period
Loss for the period
Other comprehensive income
Foreign currency translation reserve
Crypto assets revaluation reserve
Contributions by and distributions to owners
Purple Group Limited rights offer
EasyEquities rights offer - shares issued to non-controlling interest
Business combination - EasyETFs (RF) Proprietary Limited
Share options exercised - transfer from share-based payment reserve to share capital
Share options exercised - exercise price paid
Share-based payment expense
Balance at 31 August 2023

Notes	Share capital R'000	Accumulated loss R'000	Foreign currency translation reserve R'000	Crypto assets revaluation surplus R'000	Share-based payment reserve R'000	Change in ownership reserve R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
	539,815	**(182,375)**	**(4,669)**	**-**	**36,501**	**-**	**389,272**	**43,859**	**433,131**
	-	43,968	-	-	-	-	43,968	26,982	70,950
17	-	-	134	-	-	-	134	-	134
17	-	-	-	528	-	-	528	94	622
12	61,275	-	-	-	-	(70,498)	(9,223)	9,271	48
12	-	980	-	-	-	(26,655)	(25,675)	1,360	(24,315)
12	22,570	-	-	-	-	-	22,570	(21,977)	593
17	-	-	-	-	-	-	-	9,673	9,673
	-	-	-	-	-	-	-	(2,853)	(2,853)
17	5,563	11,605	-	-	-	-	17,168	3,400	20,568
17	8,235	8,610	-	-	-	-	16,845	2,516	19,361
19	9,229	-	-	-	(9,229)	-	-	-	-
19	20,785	-	-	-	-	-	20,785	-	20,785
17	-	21,020	-	-	(21,020)	-	-	-	-
	(417)	-	-	-	417	-	-	-	-
17	-	-	-	-	2,704	-	2,704	-	2,704
	667,055	**(96,192)**	**(4,535)**	**528**	**9,373**	**(97,153)**	**479,076**	**72,325**	**551,401**
	-	(24,872)	-	-	-	-	**(24,872)**	(10,327)	**(35,199)**
17	-	-	139	-	-	-	**139**	-	**139**
17	-	-	-	1,178	-	-	**1,178**	213	**1,391**
17	102,546	-	-	-	-	-	**102,546**	-	**102,546**
17	-	-	-	-	-	-	**-**	45,000	**45,000**
12	-	-	-	-	-	-	**-**	(149)	**(149)**
19	5,616	-	-	-	(5,616)	-	**-**	-	**-**
19	12,580	-	-	-	-	-	**12,580**	-	**12,580**
17	-	-	-	-	520	-	**520**	-	**520**
	787,797	**(121,064)**	**(4,396)**	**1,706**	**4,277**	**(97,153)**	**571,167**	**107,062**	**678,229**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	**2023 R'000**	2022 R'000
Cash flows generated by operating activities			
Cash generated by operations		**36,519**	32,686
Tax paid		**(12,760)**	(14,553)
Finance income	3	**10,952**	7,282
Finance costs	3	**(1,750)**	(2,103)
Cash flows generated by operating activities		**32,961**	23,312
Cash flows from investing activities			
Acquisition of intangible assets	7	**(79,660)**	(63,935)
Business combination - acquisition of subsidiary	12	**(2,250)**	20,442
Acquisition of equipment	6	**(2,303)**	(1,388)
Proceeds from disposal of equipment	6	**518**	-
Disposal/(acquisition) of crypto assets	8	**2,524**	(692)
Proceeds from disposal of investment	10	**387**	-
Purchase of other financial assets	10	**(180)**	(1,000)
Rental deposit paid		**(3,420)**	(22)
Cash flows utilised in investing activities		**(84,384)**	(46,595)
Cash flows from financing activities			
Proceeds from the exercise of share options	17	**12,580**	17,580
Proceeds from the issue of share capital	17	**147,546**	9,673
Dividend paid to non-controlling interests		**-**	(2,854)
Repayments of borrowings	22	**(8,000)**	(34,322)
Repayments of lease liability	23	**(2,349)**	(1,805)
Cash flows generated from/(utilised in) financing activities		**149,777**	(11,728)
Net increase/(decrease) in cash and cash equivalents		**98,354**	(35,011)
Effect of foreign exchange on cash held		**139**	134
Cash and cash equivalents at beginning of period	16	**86,357**	121,234
Cash and cash equivalents at the end of the period	16	**184,850**	86,357

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

RECONCILIATION OF CASH GENERATED BY OPERATIONS

	Notes	**2023 R'000**	2022 R'000
(Loss)/profit before tax		**(46,219)**	84,876
Adjustments for:			
– Depreciation and amortisation	2	**41,442**	26,413
– Impairment of intangible assets	7	**(1,970)**	3,842
– Interest income	3	**(10,952)**	(7,282)
– Finance costs	3	**1,312**	2,168
– Fair value adjustments on investments	4	**(341)**	(48,957)
– Loss on disposal/scrapping of Equipment and Intangible assets	6 & 7	**89**	-
– Share of profit in joint venture	11	**-**	(5,249)
– Share-based payment expense	2	**520**	2,704
		(16,119)	58,515
Movement in working capital			
(Increase)/decrease in trade and other receivables	15	**(31,659)**	7,393
Increase in financial assets	9	**(31,070)**	(21,179)
Increase/(decrease) in trade and other payables	20	**81,583**	(16,458)
Increase in client open position liability	21	**33,784**	4,415
		36,519	32,686

Tax paid

	Notes	**2023 R'000**	2022 R'000
Balance at beginning of period		**(10,017)**	(2,415)
Current tax	5	**(6,017)**	(19,151)
Business combination	12	**(6)**	(3,004)
Balance at end of period		**3,280**	10,017
Tax paid		**(12,760)**	(14,553)

SEGMENTAL ANALYSIS

OPERATING SEGMENTS

Operating segments are distinguishable components of the Group that the Chief Executive Officer and the Chief Financial Officer, as the chief operating decision-makers in the Group, review on a regular basis, assess performance and to allocate resources. Operating segment results, assets, and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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 EasyAssetManagement (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 EAM clients.
- EasyEquities Group is the web-based investment platform of the Group and includes EasyProperties, EasyCrypto, and RISE.
- 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	Intercompany Elimination R'000	Total R'000
2023					
Segment assets					
Non-current assets	6,215	336,658	276,731	(22,091)	597,513
Current assets	105,877	445,424	7,579	(95,636)	463,244
Total assets	**112,092**	**782,082**	**284,310**	**(117,727)**	**1,060,757**
Segment liabilities					
Non-current liabilities	16,153	14,500	(795)	(22,091)	7,767
Current liabilities	70,395	390,825	9,177	(95,636)	374,761
Total liabilities	**86,548**	**405,325**	**8,382**	**(117,727)**	**382,528**

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Intercompany Elimination R'000	Total R'000
2022					
Segment assets					
Non-current assets	8,404	212,521	324,836	(10,003)	535,758
Current assets	72,463	227,800	10,286	(5,305)	305,244
Total assets	**80,867**	**440,321**	**335,122**	**(15,308)**	**841,002**
Segment liabilities					
Non-current liabilities	11,577	17,304	-	(10,003)	18,879
Current liabilities	37,249	218,210	20,568	(5,305)	270,722
Total liabilities	**48,826**	**235,514**	**20,568**	**(15,308)**	**289,600**

SEGMENTAL ANALYSIS CONTINUED

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Total R'000
2023				
Equity investing fees	-	149,050	-	149,050
Property investing fees and commissions	-	6,685	-	6,685
Property management fees	-	1,010	-	1,010
Crypto asset investing fees	-	1,924	-	1,924
Crypto asset management fees	-	7,763	-	7,763
Asset management execution revenue	4,236	-	-	4,236
Derivatives trading revenue	28,404	-	-	28,404
Funding income	4,047	-	-	4,047
Asset management fees	1,572	70,063	-	71,635
Other revenue	-	1,308	-	1,308
Revenue	**38,259**	**237,803**	**-**	**276,062**
Commissions and research expenses	(3,866)	(9,515)	-	(13,381)
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	(35,572)	(241,227)	(3,411)	(280,210)
Loss before other income, fair value & impairment adjustments, interest, depreciation & amortisation	**(1,179)**	**(12,939)**	**(3,411)**	**(17,529)**
Other income	**(48)**	**362**	**11**	**325**
Loss before fair value & impairment adjustments, interest, depreciation & amortisation	**(1,227)**	**(12,577)**	**(3,400)**	**(17,204)**
Depreciation and amortisation	(172)	(41,261)	(9)	(41,442)
Finance income	800	10,028	124	10,952
Finance costs	-	(179)	(1,133)	(1,312)
Loss before fair value, impairment adjustments and tax	**(599)**	**(43,989)**	**(4,418)**	**(49,006)**
Fair value adjustments	2,243	-	30	2,273
Profit/(loss) before tax	**1,644**	**(43,989)**	**(4,388)**	**(46,733)**
Income tax	699	10,609	226	11,534
Profit/(loss) for the period	**2,343**	**(33,380)**	**(4,162)**	**(35,199)**

SEGMENTAL ANALYSIS CONTINUED

	GT247.com and EAM R'000	EasyEquities Group R'000	Head Office and Investments R'000	Total R'000
2022				
Equity investing fees	-	187,115	-	187,115
Property investing fees and commissions	-	5,937	-	5,937
Property management fees	-	824	-	824
Crypto asset investing fees	-	10,088	-	10,088
Crypto asset management fees	-	8,735	-	8,735
Asset management execution revenue	4,328	-	-	4,328
Derivatives trading revenue	35,997	-	-	35,997
Funding income	16,600	-	-	16,600
Asset management fees	3,037	-	-	3,037
Other revenue	-	1,342	-	1,342
Revenue	**59,962**	**214,041**	**-**	**274,003**
Commissions and research expenses	(3,291)	(1,844)	-	(5,135)
Expenses before other income, fair value & impairment adjustments, interest, depreciation & amortisation	(43,954)	(166,579)	(1,957)	(212,490)
Share of profit in joint venture	-	5,249	-	5,249
Profit/(loss) before fair value & impairment adjustments, interest, depreciation & amortisation	**12,717**	**50,867**	**(1,957)**	**61,627**
Depreciation and amortisation	(124)	(26,275)	(14)	(26,413)
Finance income	-	7,282	-	7,282
Finance costs	(1)	(498)	(1,669)	(2,168)
Profit/(loss) before fair value, impairment adjustments and tax	**12,592**	**31,376**	**(3,640)**	**40,328**
Fair value adjustments	(4,383)	48,931	-	44,548
Profit/ (loss) before tax	**8,209**	**80,307**	**(3,640)**	**84,876**
Income tax	(2,318)	(8,363)	(3,245)	(13,926)
Profit for the period	**5,891**	**71,945**	**(6,885)**	**70,951**

ACCOUNTING POLICIES

Reporting entity

Purple Group Limited (the Company) is a company domiciled in South Africa. The address of the Company's registered office is WeWork - Coworking & Office Space1F, 173 Oxford Road, Rosebank, Johannesburg, 2196. The consolidated financial statements of the Group as at and for the year ended 31 August 2023 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities). The Group is primarily involved in financial services.

Basis of preparation

The consolidated financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS), the SA financial reporting requirements, the requirements of the Companies Act of South Africa and the Listing Requirements of the JSE Limited.

The consolidated financial statements were authorised for issue by the Board of Directors on 30 November 2023.

The separate financial statements of the issuer and parent of the Group, Purple Group Ltd, are available for inspection on the company's website www.purplegroup.co.za

The accounting policies set out below have been applied consistently to all the periods presented in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost-basis except for the following:

- Derivative financial instruments are measured at fair value;
- Financial instruments at fair value through profit or loss; and
- Crypto assets revalued above cost, to fair value through other comprehensive income, in accordance with *IAS 38: Intangible Assets.*

The methods used to measure fair value are discussed further on page 140.

The new and revised accounting standards, amendments to standards and new interpretations adopted by the Group as disclosed on page 101 have had no material effect on the financial statements in the current year.

These consolidated financial statements are presented in South African Rand, which is the Group's functional currency. All financial information presented in South African Rand has been rounded to the nearest thousand, unless specified otherwise.

Use of judgement and estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Information on significant areas of judgement can be found in the following sections/notes:

Use of judgement

Control or significant influence assessment of EasyProperties Special Purpose Vehicles ("SPV's")

EasyProperties permits investors to subscribe for fractional units (portions) in property. This is achieved by EasyProperties creating a property Special Purpose Vehicle (SPV) for each property and inviting investors to purchase ordinary shares in the SPV. Management considered whether EasyProperties controls the SPV's. Management has determined that despite EasyProperties controlling the board of the SPV via the A shares class, none of the entities in the Purple Group control the SPV's, due to not meeting all the elements of control as defined by IFRS 10: Consolidated Financial Statements.

Please refer to Note 25

Significant transactions in prior year:

- **Consolidation and acquisition of EasyCrypto SA Proprietary Limited ("EasyCrypto")**
  As explained in the 2021 financial year, the call options to acquire a 50.98% interest in EasyCrypto were assessed as being substantive potential voting rights and resulted in EasyEquities obtaining control of EasyCrypto on 13 August 2021 in terms of IFRS 10: Consolidated Financial Statements ("IFRS 10"). During the 2022 financial year, and effective 1 September 2022, the Group exercised it's options to acquire the 50.98% equity interest. On 1 March 2022, Purple Group Limited directly acquired the remaining 49.02% equity interest in EasyCrypto from the non-controlling interests. Refer to Note 12 for details.

- **Step acquisition of Retirement Investments and Savings for Everyone Proprietary Limited ("RISE")**
  EasyEquities held a 50% shareholding in RISE and it was accounted for as a joint venture using the equity method of accounting per *IAS 28: Investments in Associates and Joint Ventures*. On 23 August 2022, EasyEquities acquired the remaining 50% shareholding in RISE from NBC Fund Administration Services Proprietary Limited. Purple Group's new effective holding increased from 35% to 70%. EasyEquitities has the ability to control RISE in terms of IFRS 10: Consolidated Financial Statements, and all criteria of the definition of 'control' over RISE were met on this date. Refer to Note 12 for details.
- **Acquisition of non-controlling interests in EasyProperties Proprietary Limited ("EasyProperties")**
  On 1 June 2022, FWT acquired the remaining 49% shareholding in EasyProperties from the non-controlling shareholders. This did not result in a change in control because EasyProperties was previously consolidated. The Group's effective percentage shareholding in EasyProperties increased from 35.7% to 70%. FWT paid consideration of R25.3m by disposing of and transferring ownership of 10,115,800 treasury shares at a price of R2.50 per share.

Capitalisation of intangible assets – software development

Management makes judgements in assessing whether costs relating to internally generated intangible assets are permitted to be capitalised in accordance with the criteria in IAS 38.

Research and development costs (note 7)
These costs related to internally generated software. Although management makes judgements and uses estimates in splitting the costs into research phase and a development phase, this does not require significant judgement because the research team is separate from the development team. No work is done by the development team until the research team has identified that there is an identifiable asset that will generate expected future economic benefits. All costs related to the research team are expensed immediately in profit or loss.

Development costs are only capitalised when the criteria in IAS 38.57 are met. Although management makes judgements and uses estimates in determine when the capitalisation criteria are met and in determining the cost of the intangible asset reliably, the fact that the research and development teams are split makes this easier. In the current year R87.9m (2022: R63.9m) has been capitalised which relates to development costs. Research costs have been expensed immediately in profit or loss.

Subsequent expenditure on intangible assets (note 7)
Management applies significant judgement in determining whether subsequent expenditure on intangible assets qualifies for capitalisation under IAS 38.20 and IAS 38.18. Costs are analysed to ensure that only those costs which enhance future economic benefits (rather than merely maintaining the future economic benefits) have been capitalised. Repairs and maintenance costs (which maintain the future economic benefits) are expensed immediately in profit or loss.

Management carefully assess these costs to ensure that: management is able to attribute each subsequent expenditure directly to a particular intangible asset rather than to the business as a whole; and they give rise to future economic benefits either in the form of (i) increased revenue from the sale of products and services, or (ii) cost savings. In addition, prior to being capitalised, these costs are assessed against the definition of an intangible asset and the recognition criteria.

Estimation uncertainty

Information on significant areas of estimation uncertainty can be found in the following sections/notes:

Useful life of intangibles (Note 7)

The useful life of developed software is assessed at each reporting date based on information and data obtained from the Chief Technology Officer, Chief Financial Officer and Chief Executive Officer. Judgement is applied in determining the appropriate useful life based on previous technical experience with products of this nature and similar platforms in the industry.

Indefinite useful life intangible assets include a Australian Financial Services License acquired in the current year (Note 7), and contracts related to proprietary trading algorithms and intellectual property (Note 7). A customer relationship intangible asset has been recognised as part of both the EasyCrypto and RISE business combinations (Note 12) which is estimated to have a useful life of 5 and 7 years, respectively.

Indefinite useful life intangible assets are assessed for impairment annually, and there is estimation uncertainty in determining the recoverable amount.

Impairment of goodwill (Note 7)

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than originally expected, an impairment loss may arise.

Income taxes (Note 5)

The Group has assessed the future profitability of subsidiaries where deferred tax assets have arose from deductible temporary differences. To substantiate the likelihood of generating future taxable profits estimated future taxable incomes were based on forecasted cash flows. To the extent that future cash flows, future taxable income and taxable capital gains differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

The tax losses incurred by the subsidiaries can be carried forward indefinitely and have no expiry date.

Valuation of financial instruments (Note 24)

Management makes judgements and estimates in measuring fair values of the various financial instruments disclosed in the financial statements. Management applies the fair value hierarchy that reflects the significance of the inputs used in making the measurements. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and prepayments and selection of appropriate discount rates, forecasted and terminal growth rates and other model inputs.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Non-controlling interest

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation are initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Provisional accounting

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group uses provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the acquirer receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. However, the measurement period does not exceed 12 months from the acquisition date.

Foreign currency

Foreign currency transactions

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recognised at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised in profit or loss.

Foreign operations

On consolidation, the results of foreign operations are translated into South African Rand at rates approximating those ruling when the transactions took place. All assets and liabilities of foreign operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of foreign operations at actual rate are recognised in other comprehensive income and accumulated in the Foreign Currency Translation Reserve (FCTR).

Exchange differences recognised in profit or loss in Group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in the FCTR on consolidation.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the FCTR, is reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal of the foreign operation is recognised.

Financial instruments

Recognition and initial measurement
Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at
- Amortised cost; or
- FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- It is held within a business model whose objective is to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
    - Trade receivables are carried at amortised cost less ECLs (expected credit losses) using the Group's business model for managing its financial assets. Please refer to the accounting policy on Impairments for the treatment of expected credit losses on trade receivables (Note 15).
    - Cash and cash equivalents are measured at amortised cost less ECLs (Note 16).
    - Derivative financial assets are measured at fair value through profit or loss (FVTPL) (Note 9).
    - Financial assets are measured at fair value through profit or loss (FVTPL) (Note 9).
    - Investments are measured at fair value through profit or loss (FVTPL) (Note 10).

Financial liabilities – Classification, subsequent measurement and gains and losses

On initial recognition, a financial liability is classified as measured
- at amortised cost;
- or FVTPL.

A financial liability is classified as at FVTPL if
- it is classified as held-for-trading; or
- it is a derivative, or
- it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value, and net gains and losses including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The client open position liability (note 21) is a derivative financial liabilty classified as at FVTPL.

Impairment

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost. The general model applies to staff loans, deposits and other receivables. In terms of the general model, a loss allowance for lifetime expected credit losses is recognised for a financial instrument if there has been a significant increase in credit risk since initial recognition of the financial asset. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and subsequently remeasured to their fair value with changes therein recognised in revenue in the case of derivatives trading in GT247. Refer to the revenue accounting policy.

Crypto Assets

Crypto Assets are an emerging technology and asset class, and as such, no accounting standards have been issued to cover the accounting treatment. The IFRS Interpretations Committee ("IFRS IC") issued an Agenda Decision and Comments letter in June 2019 on a Crypto Asset subset – Cryptocurrency, and concluded that *IAS 2 Inventories* applies to Cryptocurrency when they are held for sale in the ordinary course of business. If *IAS 2 Inventories* is not applicable, an entity applies *IAS 38 Intangible Assets* to holdings of crypto assets.

The Group does not hold Crypto Assets as inventory and has therefore not applied the accounting treatment under *IAS 2: Inventories*.

The Group has applied *IAS 38: Intangible Assets* to its holdings of crypto assets. Crypto assets have an indefinite useful life.

Initial recognition and measurement

Crypto Assets are initially recognised when they are acquired and the risks and rewards of ownership has transferred to the Group. They are initially measured at cost plus transactions costs. Crypto Assets are presented as a separate category of asset in the Statement of Financial Position.

Subsequent measurement

After initial recognition, crypto assets are carried at a revalued amount, being the fair value at the reporting date. Crypto Assets are measured using quoted prices from three different high-volume exchanges. Management considers this fair value to be a Level 1 input under the *IFRS 13: Fair Value Measurement* fair value hierarchy, as the price is extracted from an active market for identical assets.

If a crypto asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in equity under the heading of 'crypto asset revaluation surplus'. However, increases in fair value are recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

If a crypto asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance in the crypto asset revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity.

Derecognition

The Group derecognises a Crypto Asset when the risks and rewards of ownership have been transferred. The cumulative crypto asset revaluation surplus included in equity is transferred directly to retained earnings when the surplus is realised. The transfer from crypto asset revaluation surplus to retained earnings is not made through profit or loss.

ACCOUNTING POLICIES CONTINUED

Stated capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are cancelled until they are re-issued later. When treasury shares are sold or re-issued subsequently, the amount received is recognised as an increase in equity.

Transfers between the share-based payment reserve and share capital

Share options exercised result in a transfer from the share-based payment reserve to share capital at the initial grant date fair value of the options expensed over the vesting period. This transfer is recognised within the statement of changes in equity and does not affect profit or loss.

Equipment

Recognition and measurement

Equipment is measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of equipment, and are recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other expenditure is recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis, over the estimated useful life of each asset to its residual value.

The estimated useful lives are as follows:

Computer equipment	3 years
Fixtures, fittings and improvements	5 years
Office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date, and adjusted if required.

Goodwill

Goodwill that arises on the acquisition of a business is measured at cost less accumulated impairment losses. Goodwill is not amortised and is assessed for impairment at least annually and whenever there is an indication of impairment.

Intangible assets

Contracts

Contracts that arise from separate acquisition are measured at cost less accumulated impairment losses. The contracts include proprietary trading algorithms and these have been assessed as having indefinite useful lives, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. These are assessed for impairment at least annually, and whenever there is an indication of impairment.

Customer relationships

Customer relationships acquired as part of the EasyCrypto business combination (refer Note 12) are measured at cost less accumulated amortisation and accumulated impairment losses. EasyCrypto customer relationships are assessed as having a useful life of 5 years.

Customer relationships acquired as part of the RISE business combination (refer Note 12) are measured at cost less accumulated amortisation and accumulated impairment losses. RISE customer relationships are assessed as having a useful life of 7 years.

Licenses

The license acquired as part of the EasyETFs business combination (refer Note 12) are measured at cost less accumulated amortisation and accumulated impairment losses. The license acquired in the EasyETFs business combination is assessed as having a definite useful life of 10 years.

Licenses - indefinite useful life

The license acquired as part of the acquisition of Easy Financial Services Australia Proprietary Limited has been accounted for as an asset acquisition and is measured at cost and assessed as having an indefinite useful life. Indefinite useful life licenses are reviewed for impairment annually.

The useful life of licenses that is not amortised is reviewed each period to determine whether events and circumstances continue to support the indefinite useful life assessment. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities (specifically software development) involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditure capitalised includes the cost of professional services and direct labour that are directly attributable to preparing the asset for its intended use. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Purchased software

Purchased software that is acquired by the Group, which has a finite useful life, is measured at cost less accumulated amortisation and accumulated impairment losses. Purchased software is only recognised when it meets the recognition criteria and the definition of an intangible asset in IAS 38: Intangible Assets. Purchased software which gives right of access to the software only over the contract term is accounted for as a service contract, and is expensed in profit or loss over the contract term. Any prepayments are recognised as an asset and expensed over the term of service.

Subsequent expenditure

Subsequent expenditure is capitalised only when it meets the definition of an intangible asset and when the recognition criteria is met. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis, over the estimated useful lives of intangible assets. Indefinite life intangible assets and goodwill are not amortised.

The estimated useful lives for the current and comparative periods are as follows:

Capitalised software development costs	7 years
Customer relationships - EasyCrypto	5 years
Customer relationships - RISE	7 years
Purchased software	3 years
Licenses	10 years

The amortisation methods and useful lives are reviewed at each reporting date and adjusted if required.

Impairment

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is an indication of impairment.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payment transactions

The share option programme (equity-settled share-based payment arrangement) allows selected Group employees to acquire shares of the Group. The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the vesting period that the employees become unconditionally entitled to the options and are not subsequently revalued.

The fair value of the options granted is measured using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. Measurement inputs include the share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Transfers to retained earnings from the Share-Based Payment Reserve

Transfers are made to retained earnings from the share-based payment reserve for amounts expensed and accumulated in the reserve that relate to options which have been forfeited, lapsed, or where an employee has resigned.

Revenue

Revenue from contracts with customers:
Revenue is recognised net of VAT (where applicable). Revenue is measured based on the consideration specified in a contract with the customer. The Group's revenue is derived from the following sources:

Components of revenue	Nature and timing of revenue recognition
Equity investing fees	Revenue is recognised at a point in time.
Asset management execution revenue	Revenue is recognised at a point in time.
Asset management fees	Revenue is recognised over time.
Crypto asset investing fees	Revenue is recognised at a point in time.
Crypto asset management fees	Revenue is recognised over time.
Derivatives trading revenue	Revenue is recognised at a point in time.
Funding income	Revenue is recognised over time.
Property investing fees and commissions	Revenue is recognised at a point in time.
Property management fees	Revenue is recognised over time.

Nature and timing of satisfaction of performance obligations

Customers pay a brokerage fee to transact (buy or sell shares, crypto or property) on the platform that they invest on. The brokerage fee is a certain percentage of the value of the customer's transaction, and the revenue is recognised when the transaction takes place.

Revenue from the derivatives business represents:
- fees paid by clients for spread, commissions and funding charges in respect of the opening, holding and closing of CFD contracts, together with gains and losses for the Group arising on client trading activity; less
- fees paid by the Group in spread, commissions and funding charges arising in respect of hedging the risk associated with the client trading activity, together with gains and losses incurred by the Group arising on hedging activity. Open

client and hedging positions are fair valued daily with gains and losses arising on this valuation recognised in revenue. The policies and methodologies associated with the determination of fair value are disclosed in Note 24.

Customers are also charged management fees for services provided to them, and this revenue is recognised over time.

The revenue described above is the only performance obligations and the contracts do not contain any further performance obligations.

As the period of time between customer payment and performance will always be one year or less, the group applies the practical expedient and does not adjust the promised amount of consideration for the effects of financing.

Non-contract revenue:
The Group recognises revenue that does not originate from contracts with customers, namely settlement profit or loss, which is recognised as the difference between consideration paid by clients and the purchase cost paid by the Group to fulfil those trades. This revenue is recognised at a point in time, as and when transactions take place. Settlement profit or loss is included in Equity Investing Fees in Note 1.

Finance income

Finance income comprises finance income on funds invested and is recognised in profit or loss using the effective interest method.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Subsequent to initial recognition, the right-of-use asset is accounted for in accordance with the accounting policy applicable to that asset (cost less accumulated amortisation). Depreciation of the right-of-use asset is calculated using the straight-line method to allocate its cost over the estimated useful life, being the lesser of the remaining lease term and the life of the asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Finance costs

Finance costs comprise finance costs on borrowings and are recognised in profit or loss using the effective interest method.

Income tax

Income tax expense/benefit comprises current and deferred tax. Current and deferred tax is recognised either as income or an expense and included in profit or loss for the period, or is recognised directly in equity if it relates to items of other comprehensive income.

Current tax is the expected tax payable/receivable on the estimated taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable/receivable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Detailed forecasts are prepared. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Standards and interpretations effective and adopted for the first time in the 2023 financial year

During the financial year, the following new and revised accounting standards, amendments to standards and new interpretations were adopted by the Group:

Standard(s) Interpretation(s) Amendment(s)	Nature of the change	Salient features of the changes	Impact on financial position or performance
IFRS 9 Financial Instruments	Amendment	Annual Improvements to IFRS Standards 2018–2020: The amendment clarifies which fees an entity includes when it applies the ’10 per cent’ test in assessing whether to derecognise a financial liability.	None
IAS 16 Property, Plant and Equipment	Amendment	Property, Plant and Equipment: Proceeds before Intended Use: The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.	None
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Amendment	Onerous Contracts—Cost of Fulfilling a Contract: The amendments specify which costs should be included in an entity’s assessment whether a contract will be loss-making.	None

New standards and interpretations issued but not yet effective

At the date of authorisation of the financial statements for the year ended 31 August 2023, the following Standards and Interpretations were in issue but not yet effective that are applicable to the activities of the Group:

Standard/ Interpretation	Salient features of the changes	Annual periods beginning on or after	Estimated impact on financial position or performance
IAS 1 Presentation of Financial Statements	• Classification of Liabilities as Current or Non-current: Narrowscope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. • Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.	1 January 2024 1 January 2023	None None; however, disclosures will be affected.
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	• Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.	1 January 2023	None
IAS 12 Income Taxes	• Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.	1 January 2023	None
IFRS 16 Leases	• The IFRS Interpretations Committee issued an agenda decision in June 2020 – Sale and leaseback with Variable Payments. This matter was referred to the IASB for standard setting for some aspects. The IASB issued the final amendments in September 2022. The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.	1 January 2023	None

The Group does not intend to early adopt the standards or amendments.

1. Revenue

	Note	**2023 R'000**	2022 R'000
Equity investing fees		**149,050**	187,115
Asset management execution revenue		**4,236**	4,328
Derivatives trading revenue		**28,404**	35,997
Funding income		**4,047**	16,600
Asset management fees		**71,635**	3,037
Property investing fees and commissions		**6,685**	5,937
Property management fees		**1,010**	824
Crypto asset investing fees		**1,924**	10,088
Crypto asset management fees		**7,763**	8,735
Other revenue		**1,308**	1,342
Total revenue		**276,062**	274,003
Revenue recognised over time		**86,133**	29,196
Revenue recognised at a point in time		**189,929**	244,807
Total revenue		**276,062**	274,003
Split between contract and non-contract revenue:			
Equity investing fees		**149,050**	187,115
- Contract revenue (IFRS 15)		**130,306**	150,063
- Non-contract revenue (at a point in time)		**18,744**	37,052

The Group generates revenue primarily from equity, crypto and property investing fees, asset management execution revenue and revenue from its derivatives trading business (derivatives trading revenue and funding income).

The disaggregation of revenue above is consistent with the revenue information disclosed for each reportable segment under IFRS 8: Operating Segments - refer to the Segmental Analysis on page 84.

2. Expenses before other income, fair value & impairment adjustments and interest

	Notes	2023 R'000	2022 R'000
Commissions and research expenses		**13,381**	5,135
- Introducing broker commission		3,780	3,807
- Fund manager costs		8,487	-
- Sales commission		509	798
- Research costs		605	530
Employee benefit expenses		**133,360**	105,645
- Short-term employee benefits		132,840	102,941
- Share-based payment expense		520	2,704
Marketing		**11,491**	15,766
IT Costs		**60,374**	37,736
Professional services		**54,573**	31,514
Bank charges		**6,709**	9,763
Legal fees		**2,177**	2,055
Listing expenses		**1,115**	832
Office costs		**7,240**	3,855
Other expenses		**3,171**	5,324
Depreciation and amortisation		**41,442**	26,413
- Computer equipment	6	1,462	546
- Furniture and fittings	6	163	193
- Lease improvements	6	399	437
- Office equipment	6	46	23
- Amortisation of intangible assets	7	37,540	23,728
- Depreciation of right of use asset (premises)	23	1,832	1,486

3. Net finance income/(costs)

	Notes	2023 R'000	2022 R'000
Interest income on bank deposits		10,952	7,282
Total interest income		**10,952**	7,282
Interest on borrowings	22	(506)	(899)
Interest on lease liability	23	(147)	(258)
Interest on bank overdraft		(659)	(1,011)
Total finance costs		**(1,312)**	(2,168)
Net finance income		**9,640**	5,114

4. Fair value and impairment adjustments

	Note	2023 R'000	2022 R'000
Investment accounts in Group's Asset Management Division - fair value adjustment	10	274	(540)
Reversal of impairment/(impairment) of intangible asset - Contracts	7	1,969	(3,843)
Revaluation of investment in Evolution Credit Limited	10	30	-
Retirement Investments and Savings for Everyone Proprietary Limited	12	-	48,931
		2,273	44,548

Regarding the below fair value adjustments, refer to Note 24 disclosures related to the determination of fair value.

Reversal of impairment of Contracts
Intellectual property rights, algorithms and developed systems related thereto, utilised by EasyAssetManagement, were impaired by R3.8 million during the prior reporting period. In the current year, a reversal of this impairment was processed for R1.97m in line with an expected increase in future economic benefits that will be derived from these assets.

Evolution Credit Limited
The fair vaue of Evolution Credit Limited increased by R30k from the prior period.

Retirement Investments and Savings for Everyone Proprietary Limited
On 23 August 2022, First World Trader Proprietary Limited ("FWT") acquired the remaining 50% shareholding in Retirement Investments and Savings for Everyone Proprietary Limited ("RISE"), resulting in RISE being a 100% owned subsidiary. In accordance with *IFRS 3: Business Combinations* paragraph 32(a)(iii), the acquirer must remeasure its previously held equity interest in the acquiree to its acquisition-date fair value. The carrying amount of FWT's investment in RISE before the remeasurement was R10.9 million and the fair value was determined to be R59.8 million, resulting in a fair value adjustment of R48.9 million being recognised in profit or loss.

5. Income tax

	Note	**2022 R'000**	2021 R'000
Recognised in:			
- Statement of profit and loss		5,503	8,193
- Equity		514	10,958
Current tax expense		**6,017**	19,151
Deferred tax expense			
Payables and accruals		1,469	(91)
Accrued income		175	-
Prepayments		(683)	(299)
Investments at fair value - Statement of profit and loss		66	126
Investments at fair value - Equity		-	(10,958)
Right of use assets		(702)	(675)
Lease liability		878	820
Unrealised gains on derivative positions		130	2,586
Intangible assets		2,522	1,699
Origination and reversal of temporary differences		**3,855**	(6,792)
Recognition of tax loss	14	(21,437)	(585)
Tax rate change		-	2,083
Under provision of deferred tax for prior periods		30	69
Total deferred tax expense		**(17,552)**	(5,225)
Total current and deferred tax		**(11,535)**	13,926

	Note	2022 R'000	2021 R'000
Reconciliation of effective tax rate:		%	%
Income tax rate recognised in profit or loss		**24.7**	16.4
Non-taxable share of profit in joint venture		-	1.7
Fair value adjustments - investment: RISE		-	16.6
Tax rate change		-	(2.5)
Reversal/(impairment) - intangible asset		**1.1**	(1.3)
Non-deductible expenses:		**1.2**	(2.9)
- Equity-settled share-based payment expenses		**0.2**	(0.9)
- Fair value adjustment to investments		-	(1.0)
- Leasehold improvements - depreciation		**0.1**	(0.1)
- Legal fees - Capital expenditure		**1.1**	(0.6)
- Penalties incurred - in respect of taxes		**0.1**	(0.1)
- Prior year deferred tax underprovided		-	(0.1)
- Other		**(0.3)**[1]	(0.1)[2]
Domestic tax rate		**27.0**	28.0

1 This includes donations, interest on taxes and research and development expenditure

2 This includes donations and research and development expenditure

6. Equipment

	Note	Computer equipment R'000	Fixtures fittings R'000	Lease improvements R'000	Office equipment R'000	Total R'000
Cost						
Balance at 31 August 2021		2,670	1,660	2,100	873	7,303
Additions		1,388	-	-	-	1,388
Business combination - Retirement Investments and Savings for Everyone Proprietary Limited		453	82	56	36	627
Balance at 31 August 2022		4,511	1,742	2,156	909	9,318
Additions		2,241	14	-	48	2,303
Disposals		-	(97)	-	-	(97)
Scrapped assets[1]		(719)	(800)	(2,100)	(581)	(4,200)
Balance at 31 August 2023		**6,033**	**859**	**56**	**376**	**7,324**
Accumulated depreciation and impairment losses						
Balance at 31 August 2021		1,749	1,244	1,310	799	5,102
Depreciation for the period	2	546	193	437	23	1,199
Balance at 31 August 2022		2,295	1,437	1,747	822	6,301
Depreciation for the period	2	1,462	163	399	46	2,070
Disposals		-	(96)	-	-	(96)
Scrapped assets		(719)	(784)	(2,100)	(581)	(4,184)
Balance at 31 August 2023		**3,038**	**720**	**46**	**287**	**4,091**
Carrying amounts						
At 31 August 2021		921	416	790	74	2,201
At 31 August 2022		2,216	305	409	87	3,017
At 31 August 2023		**2,995**	**139**	**10**	**89**	**3,233**

1 Fixed assets assessed as no longer in use and from which no future economic benefits are expected to be derived were scrapped during the 2023 financial year. The majority of these assets were fully depreciated and have been derecognised together with the accumulated depreciation thereon.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

7. Intangible assets and goodwill

Cost
Balance at 31 August 2021
Additions
Scrapped assets
Business combination - EasyCrypto Proprietary Limited
Provisional accounting adjustment - EasyCrypto Proprietary Limited
Balance at 31 August 2022
Additions
Scrapped assets
Balance at 31 August 2023
Accumulated amortisation and impairment losses
Balance at 31 August 2021
Amortisation for the period
Scrapped assets
Impairment
Provisional accounting adjustment - EasyCrypto Proprietary Limited
Balance at 31 August 2022
Amortisation for the period
Scrapped assets
Reversal of impairment
Balance at 31 August 2023
Carrying amounts
At 31 August 2021
At 31 August 2022
At 31 August 2023

1 Addition of Collective Investment Schemes license acquired in the EasyETFs (RF) Proprietary Limited business combination for R2.24m. Refer to Note 12 for further disclosure.

2 Addition arising from the Australian Financial Services licenses acquired in Easy Financial Services Australia Proprietary Limited for R0.36m. This has been accounted for as an asse

3 Intangible assets assessed as no longer in use and from which no future economic benefits are expected to be derived were scrapped during the 2023 financial year. These assets

4 Fully depreciated assets which are no longer in use were scrapped and derecognised during the 2023 financial year.

Notes	Customer relationships R'000	Contracts R'000	Licenses R'000	Licenses - indefinite useful life R'000	Software Development R'000	Purchased Software R'000	Total Intangible Assets R'000	Goodwill R'000	Total R'000
	1,530	8,807	-	-	134,456	6,614	151,407	247,999	399,406
	-	-	-	-	63,935	-	63,935	-	63,935
	-	-	-	-	-	(4,507)	(4,507)	-	(4,507)
	23,890	-	-	-	-	-	23,890	51,280	75,170
	-	-	-	-	1,468	-	1,468	-	1,468
	25,420	8,807	-	-	199,859	2,107	236,193	299,279	535,472
12	-	-	2,250[1]	364[2]	87,975	-	90,589	346.00	90,935
	-	-	-	-	(906)[3]	(95)[4]	(1,001)	-	(1,001)
	25,420	**8,807**	**2,250**	**364**	**286,928**	**2,012**	**325,781**	**299,625**	**625,406**
	-	894	-	-	42,647	6,605	50,146	8,431	58,577
2	321	-	-	-	23,392	15	23,728	-	23,728
	-	-	-	-	-	(4,513)	(4,513)	-	(4,513)
	-	3,843	-	-	-	-	3,843	-	3,843
	-	-	-	-	691	-	691	-	691
	321	4,737	-	-	66,730	2,107	73,895	8,431	82,326
2	3,718	53	125	-	33,618	-	37,514	-	37,514
	-	-	-	-	(316)[3]	(95)[4]	(411)	-	(411)
	-	(1,970)	-	-	-	-	(1,970)	-	(1,970)
	4,039	**2,820**	**125**	**-**	**100,032**	**2,012**	**109,028**	**8,431**	**117,459**
	-	7,914	-	-	68,448	358	76,720	204,568	281,288
	21,702	4,070	-	-	133,129	-	162,298	290,848	453,146
	21,381	**5,987**	**2,125**	**364**	**186,896**	**0**	**216,753**	**291,194**	**507,947**

t acquistion and an indefinite useful life intangible asset.

have been derecognised together with the accumulated amortisation thereon.

The average remaining useful lives is as follows:
- Software Development: 5.54 years
- Customer relationships: 5.75 years
- Licenses: 9.45 years

IMPAIRMENT TESTING FOR CASH-GENERATING UNITS CONTAINING GOODWILL

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes. The aggregate carrying amount of goodwill allocated to each cash generating unit is as follows:

Carrying amounts of goodwill	**2023 R'000**	2022 R'000
GT247 Proprietary Limited - GT247.com	**204,568**	204,568
EasyCrypto SA Proprietary Limited	**35,000**	35,000
Retirement Investments and Savings for Everyone Proprietary Limited	**51,280**	51,280
EasyETFs Proprietary Limited	**346**	-
	291,194	290,848

The values assigned to the key assumptions in the discounted cash flow model represent management's assessment of future trends in the online trading and asset management sectors and are based on both external sources and internal sources (historical data). The main drivers of the model are the assumptions around income growth and expenses that have been based on past trends and management's view of future prospects. The valuation technique is consistent with prior years.

Key variables	**2023**	2022
GT247 Proprietary Limited		
Discount period	**10 years**	10 years
Terminal growth rate (%)	**5.0**	3.0
Pre-tax discount rate	**32.6**	32.0

The 10 year discount period is attributed to the time frame management uses to forecast and budget cash flows, and takes into account the longer period that the cash-generating unit will contribute to the carrying amount. The discount rate applied during the current year reflects similar levels of uncertainty with regards to market conditions as it pertains to GT247 at the date of the valuation. If the cash-generating unit achieves a 10 year compound annual growth rate in revenue of less than 16.6%, an impairment of goodwill could occur.

Key variables	2023	2022
EasyCrypto SA Proprietary Limited		
Discount period	**5**	10 years
Terminal growth rate (%)	**4.7**	5.0
Pre-tax discount rate	**36.9**	36.5

A discount period of 5 years was used in the current year and is attributed to the increased uncertainty with regard to forecasting the crypto asset market conditions due to general market volatility. The discount rate applied during the current year reflects the slightly higher risk-free rate used over the five year forecast period, as opposed to the ten-year rate used in the prior year. If the cash-generating unit achieves a five year compound annual growth rate in revenue of less than 29.4%, an impairment of goodwill could occur.

Key variables	2023	2022
Retirement Investments and Savings for Everyone Proprietary Limited		
Discount period	**10 years**	10 years
Terminal growth rate (%)	**5.0**	5.0
Pre-tax discount rate	**29.5**	31.0

The 10 year discount period is attributed to the time-frame management uses to forecast and budget cash flows, and takes into account the longer period that the cash-generating unit will contribute to the carrying amount. A pre-tax discount rate of 29.5% was used. If the cash-generating unit achieves a 10 year compound annual decrease in revenue of greater than -12.9%, an impairment of goodwill could occur.

Contracts with an indefinite useful life

Key variables	2023	2022
EasyAssetManagement Proprietary Limited		
Discount period	**10 years**	10 years
Terminal growth rate (%)	**5.0**	5.0
Pre-tax discount rate	**23.6**	22.9

Contracts have been assessed as having indefinite useful lives as the rights to which the Group is entitled, are in respect of contracts that are currently held and includes intellectual property rights, algorithms and developed systems related thereto.

The discount rate applied during the current year reflects a similar level of uncertainty, to the prior year, with regards to market conditions at the date of valuation. The 10 year discount period is attributed to the time-frame management uses to forecast and budget cash flows, and takes into account the longer period that the intangible asset will contribute to the carrying amount. If the contracts achieve a 10 year compound annual growth rate in revenue of less than 24.3%, an impairment of the intangible asset could occur.

8. Crypto assets

	Notes	2023 R'000	2022 R'000
Crypto assets:			
EasyCrypto10 Bundle (EC10)		**3**	16
Bitcoin (BTC)		**48**	664
Ethereum (ETH)		**4**	12
Binance Coin (BNB)		**18**	-
Total crypto assets	24	**73**	692

Reconciliation of crypto assets	Notes	2023 R'000	2022 R'000
Crypto assets:			
Opening balance		**692**	16
Fair value adjustments		**1,905**	-
Additions		**-**	664
Disposals		**(2,524)**	12
Total crypto assets	24	**73**	692

9. Financial assets

	2023 R'000	2022 R'000
Financial assets at fair value through profit or loss:		
Listed equities and ETF's	**167,694**	134,010
Derivative CFD contracts	**17,771**	20,384
Total financial assets	**185,465**	154,394

- Fair value adjustments on derivative CFD contracts are recognised in revenue. Refer to the revenue accounting policy on page 97 and Note 1.
- Listed equities and ETF's are held to hedge the fractional share holdings of clients, and the associated client open position liability (refer Note 21). Fair value adjustments are therefore offset against fair value adjustments on the client open position liability and do not impact the profit or loss insofar as it relates to hedging, as these are the profits or losses attributable to clients and not the business. The portion of the fractional shares which is directly attributable to FWT and not related to hedging, together with associated gains and losses, is recognised in profit or loss although this is immaterial.
- Please refer to Note 24 for asociated fair value and additional financial instrument disclosures.

10. Investments

	Note	2023 R'000 Fair Value	2022 R'000 Fair Value
The Group has the following unlisted investments			
Investments – recognised at fair value through profit or loss:			
Evolution Credit Limited	24	**18,255**	18,224
Investment accounts in Group's Asset Management Division[1]	24	**2,926**	2,616
Investment in Akaru EP32 Proprietary Limited	24	**180**	-
Total investments		**21,361**	20,840

1 This relates to Unit Trust investments held through Emperor Asset Management Proprietary Limited.

The value of the investment accounts held by the Group with its asset management division has been determined with reference to quoted market prices in an active market for identical instruments, as these are Level 2 instruments.

The fair values of investments are reassessed at the reporting date and adjusted accordingly.

	2023 R'000	2022 R'000
Non-current asset - investments :		
Evolution Credit Limited	**18,255**	18,224
Investment in Akaru EP32 Proprietary Limited	**180**	-
Current asset - investments:		
Investment accounts in Group's Asset Management Division	**2,926**	2,616
Total investments	**21,361**	20,840

	Note	2023 R'000	2022 R'000
Balance 1 September		**20,840**	19,815
Fair value adjustments		**341**	(540)
Additions		**180**	1,565
Additions - EasyETFs business combination	12	**387**	-
Disposals		**(387)**	-
Balance 31 August		**21,361**	20,840

Investment in Evolution Credit Limited

The Group holds a direct investment in Evolution Credit Limited comprising the following instruments:
- 506 793 ordinary shares (0.42% of issued ordinary shares);
- 968 C2 preference shares; and
- 9 325 B preference shares.

In addition, the Group owns 37.5% of Blockbuster Trading 3 Proprietary Limited ("BBT"). Blockbuster Trading holds 6,009,787 ordinary shares in Evolution Credit, which translates to a 5% shareholding in Evolution Credit.

ASSUMPTIONS APPLIED IN DETERMINING FAIR VALUE

The fair value in respect of the Group's direct and indirect investment in Evolution Credit was calculated by management using a discounted cash flow model in order to arrive at an indicative valuation for the business. The valuation arrived at was then allocated across the various instruments in issue, in accordance with the cash flow waterfall agreed with the Evolution Credit creditors. The cash flow waterfall sets out the order of prioritising the use and distribution of cash flows.

The values assigned to the key assumptions in the discounted cash flow model represent management's assessment of future trends and are based on both external sources and internal sources (historical data). The main drivers of the model are the assumptions around income growth and net yields that have been based on past trends and managements view of the future prospects. The fair value measurement technique results in Level 3 fair value in the fair value hierarchy (Note 24).

Key assumptions used – Evolution Credit Limited/Blockbuster Trading 3 Proprietary Limited

	2023	2022
Discount period	**9.5 years**	9.5 years
Risk free rate (%)	**12.4**	10.9
Discount rate (%)	**20.40**	15.83
Terminal growth rate (%)	**3%**	3%

If the investment achieves a 9.5 year compound annual growth rate in revenue of less than 9%, an impairment of the investment could occur. The increased discount rate used in the current period is reflective of the increased risk-free rate and market volatility during the period.

Sensitivity analysis
If the free cash flows in the discounted cash flow valuation had been 5% higher/lower, the Group's profit or loss would decrease/increase by R0.8 million (2022: R0.7 million).

11. Investment in joint venture

Up until 22 August 2022, the Group held a 50% shareholding in Retirement Investments and Savings for Everyone Proprietary Limited ("RISE") which was accounted as an investment in joint venture. On 23 August 2022, the Group acquired the remaining 50% shareholding, thereby gaining control of RISE, resulting in a business combination in terms of *IFRS 3: Business Combinations*. Please refer to Note 12 for further disclosure.

	2022 R'000
Effective rate of interest held (%)	100
Reconciliation between proportionate investment and current investment value:	
Investment at cost	-
Share in profit in prior periods	5,604
Investment in joint venture	5,604
Share in profit for the period up until 22 August 2022	5,249
Carrying amount in joint venture on 22 August 2022	10,853
Derecognition of joint venture as part of business combination	(10,853)

12. Business combinations

Retirement Investments and Savings for Everyone Proprietary Limited ("RISE")

In the prior reporting period, the Company previously held a 50% shareholding in RISE and the investment was classified as a joint venture and was accounted for using the equity method in terms of *IAS 28: Investments in Associates and Joint Ventures*, refer Note 11.

On 23 August 2022, the Group acquired the remaining 50% shareholding in RISE from NBC Fund Administration Services Proprietary Limited ("NBC"). The acquisition of the remaining 50% shareholding resulted in the Group obtaining control of RISE and has been accounted for as a business combination in terms of *IFRS 3: Business combinations* and *IFRS 10: Consolidated Financial Statements*. In compliance with IFRS 3, the Group revalued its previously held 50% equity interest in RISE to its acquisition date fair value of R59.8m, resulting in a positive fair value adjustment of R48.9m being recognised in profit or loss. The Group's effective percentage shareholding in RISE is 70%.

FWT paid consideration of R50.1m for the 50% by disposing of and transferring ownership of 24,000,000 Purple Group shares at a price of R2.12 per share. At the time of the transaction, FWT owned 14,971,920 Purple Group shares, so a further 9,028,080 shares were issued by Purple Group to NBC, on behalf of FWT, bringing the total number of Purple Group shares disposed of and transferred to NBC to 24 million.

The shares issued by Purple Group, on behalf of FWT, resulted in a loan of R22.6 million being owed by FWT to Purple Group.

FWT extinguished its debt owed to Purple Group for the additional shares by issuing shares of its own to the value of R32.2 million. The non-controlling interests (Sanlam Investment Holdings Proprietary Limited) followed their rights to the value of R9.7 million and is reflected in the Statement of Changes in Equity.

Included in the sale of shares agreement, is contingent consideration, which may result in the seller returning to FWT a portion of the consideration paid, being Purple Group shares, up to a maximum of one third of the 24 million Purple Group shares transferred to the seller, should certain growth targets not be met by RISE. Management has estimated and reassessed the fair value of the contingent consideration to be zero in the 2023 finanical year, as there is a very high probability that growth targets will be met and no contingent consideration will be received by FWT.

The fair value of the previously held equity interest in RISE at acquisition date was revalued through profit or loss in terms of *IFRS 3: Business Combinations*, paragraph 32(a)(iii), 41 and 42:

	Notes	2022 R'000
Effective rate of interest held (%)		**50**
Reconciliation between proportionate investment and current investment value:		
Investment at cost		-
Share in profit in prior periods		5,604
Investment in joint venture		5,604
Share in profit for the period[1]		5,249
Carrying amount in joint venture[2]		**10,853**
Remeasurement recognised in profit or loss:	4	**48,931**
Fair value of previously held equity interest		**59,784**
Fair value of consideration transferred - 24 million shares at R2.12	18	50,880
Non-controlling interest recognised		(21,977)
Acquisition date fair value of assets acquired and liabilities assumed:		(37,408)
Goodwill		**51,279**

1 RISE is accounted for as a joint venture up until 22 August 2022, at which point the investment in joint venture is derecognised.

2 This is the carrying amount as at 22 August 2022, which is remeasured to the acquisition date fair value of R59.8 million, and taken into account in the calculation of Goodwill in terms of IFRS 3.

Goodwill primarily consists of intangible assets that do not qualify for separate recognition, including workforce intangible assets, and synergies from combining operations.

Provisional amounts

As disclosed in the prior reporting period ended 2022, the fair value of the identifiable net assets of RISE had been determined on a provisional basis as the accounting was incomplete at the time. The accounting for the RISE business combination has since been finalised and there were no measurement period adjustments from the initial amounts recognised.

Net assets acquired, liabilities assumed and non-controlling interest

	23 August 2022 R'000
Assets	**46,632**
Non current assets	**19,717**
Property and equipment	627
Right-of-use asset	1,039
Customer relationships	23,890
Deferred tax assets	(5,839)
Current assets	**26,915**
Trade and other receivables	6,473
Cash and cash equivalents	20,442
Liabilities	**9,224**
Non current liabilities	**1,335**
Lease liability	1,335
Deferred tax liabilities	-
Current liabilities	**7,889**
Trade and other payables	6,050
Current tax payable	1,839
VAT liability	-
Employee related payables	-
Net assets on 23 August 2022	**37,408**

EasyCrypto SA Proprietary Limited

In the prior reporting period, on 1 March 2022, Purple Group Limited acquired the remaining 49.02% shareholding in EasyCrypto from the founding shareholders, increasing the Group's total effective shareholding to 84.706%. The consideration of R61.3 million was paid by Purple Group issuing 24,509,804 of its own shares at R2.50 per Purple Group share, to the sellers.

This increase in Purple Group's ownership percentage was accounted for as an equity transaction i.e. a transaction with owners in their capacity as owners, and has been presented in the prior period statement of changes in equity under the change in ownership reserve and non-controlling interests.

EasyETFs (RF) Properietary Limited

First World Trader Proprietary Limited acquired EasyETFs (RF) Proprietary Limited (formerly Cloud Atlas (RF) Proprietary Limited) on 10 February 2023 for cash consideration of R2.25m. EasyEquities acquired this business to obtain access to its Collective Investment Schemes ("CIS") management company license to enable EasyEquities to operate in the Active ETFs space. The business is currently in the process of applying for the listing of two actively managed ETFs on the JSE.

Net assets acquired, liabilities assumed and non-controlling interest

	10 February 2023 R'000
Assets	**2,815**
Non current assets	**2,250**
Intangible asset - license	2,250
Current assets	**565**
VAT receivable	109
Trade and other receivables	69
Investments	387
Liabilities	**1,060**
Non current liabilities	**608**
Deferred tax liabilities	608
Current liabilities	**452**
Trade and other payables	363
Employee related payables	89
Acquisition date fair value of assets acquired and liabilities assumed	**1,755**
Consideration transferred	2,250
Goodwill	495
Goodwill allocated to NCI	(149)
Goodwill recognised	346
Non-controlling interest	(149)

Goodwill primarily consists of intangible assets that do not qualify for separate recognition, including synergies from combining operations.

Provisional amounts
The accounting for the EasyETFs business combination has been accounted for provisionally. Amounts recognised are subject to change in accordance with the requirements of IFRS 3 which permits the acquirer to use provisional amounts for the items for which the accounting is incomplete (i.e. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs). This is due to the different financial year end of EasyETFs being 31 December. The Group is working with EasyETFs to finalise the accounting.

13. Receivables

	2023 R'000	2022 R'000
Deposits - currrent receivable	**196**	-
Deposits - non-currrent receivable[1]	**4,125**	919
Loan receivable - non-currrent receivable	**1,411**	1,395
	5,732	2,314

1 The deposits consist of rental deposits of R1m and staff outsourcing deposits paid of R3.1m.

Loans were provided to staff members, other than directors for the purchase of shares in the Purple Group.

Terms of the loan:
- loans were issued at Prime rate;
- there are no fixed terms of repayment; and
- shares purchased are held as security, together with a cession of the employee's salary to the value of the outstanding loan balance, in the event of default or non-payment of the amount due. These loans have been accounted for as receivables.

The Group has no intention or expectation to call on these loans in the next 12 months.

For more information regarding the Group's exposure to interest rate risk, credit risk and credit losses, please refer to Note 24.

14. Deferred tax

	2023 R'000	2022 R'000
Recognised deferred tax assets and liabilities		
Balance at the beginning of the period	**38,518**	50,773
Investments at fair value	**717**	(1,803)
Equipment	**878**	(730)
Crypto Asset Revaluation	**(748)**	
Payables and accruals	**(3,362)**	4,220
Prepayments	**520**	342
Tax loss recognised in current period	**21,436**	(686)
Intangible assets	**(3,521)**	(7,681)
Right of use assets	**(1,444)**	1,661
Lease liabilities	**1,286**	(1,622)
Unrealised gains on derivative positions	**(130)**	(5,956)
Balance at the end of the period	**54,150**	38,518

	2023 R'000	2022 R'000
Deferred tax comprises the following:		
Prepayments	**(618)**	(1,138)
Intangible assets	**(21,232)**	(17,711)
Equipment	**-**	(730)
Crypto Asset Revaluation	**(748)**	-
Unrealised gains on derivative positions	**(6,086)**	(5,956)
Lease liabilities	**(336)**	(1,622)
Deferred tax liability	**(29,020)**	(27,157)
Right of use assets	**216**	1,661
Equipment	**148**	-
Investments at fair value	**23,271**	22,554
Payables and accruals	**3,266**	6,628
Capital loss	**2,816**	2,816
Assessed tax loss	**53,453**	32,017
Deferred tax asset	**83,170**	65,675
Net deferred tax assets	**54,150**	38,518

	2023 R'000	2022 R'000
As disclosed in terms of IAS 12:		
- Deferred tax asset	61,917	56,780
- Deferred tax liability	(7,767)	(18,262)
	54,150	38,518

The directors have assessed that the deferred tax asset will be recovered as the group will continue to:

1. Earn a share of the asset management fees in respect of the IP it owns; and
2. Generate risk advisory revenue from the GT247.com operations;
3. The Group will take advantage of the deferred tax assets as at 31 August 2023 over the next three to seven years. The Group has accumulated tax losses of R197.0 million (2022: R118.6 million) and capital losses of R13.0 million (2022: R13.0 million).

15. Trade and other receivables

	2023 R'000	2022 R'000
Trade receivables	**27,660**[1]	9,475
Prepayments	**11,877**	9,265
VAT receivable	**10,635**	8,084
Accrued trade income	**19,228**[2]	11,611
Other receivables	**15,389**[3]	14,553
	84,789	52,988

1 Included in the current year closing balance of trade receivables is an amount receivable from Satrix Nominees (RF) Proprietary Limited of R18.1m. The amount was settled on 29 September 2023.

2 Accrued trade income relates to interest receivable, and accrued fees charged to customers which are due for settlement after the reporting period.

3 In the current reporting period, other receivables includes balances held with attorneys of R7m, compared to R8.2m in the prior period. The remaining receivable balance relates to amounts owing by staff for options tax and has been settled since the end of the current financial year.

The Group's exposure to credit risk, credit losses and currency risk related to trade and other receivables is disclosed in Note 24.

The above receivables are all classified as current assets.

Other receivables are:
- Interest free and
- Have no fixed terms of repayment.

Expected credit loss assessment for customers at 31 August 2023

The Group's exposure to credit risk is primarily affected by the idiosyncratic characteristics of each customer and nature of the balance receivable. The Group considers relevant factors that impact the credit risk of its receivables, including specific credit default risk per customer and credit ratings, trading and repayment history, financial position, current and forecasted economic conditions affecting customers, including inflation and the prime lending rate. The Group is however not exposed to significant credit risk due to the short dated nature of trade receivables and a history of no credit losses.

Impairment of trade receivables, carried at amortised cost, has been determined using the simplified expected credit loss ("ECL") approach and reflects the short-term maturities of the exposures. The simplified approach allows the Group to recognise lifetime expected losses on trade receivables without the need to identify significant increases in credit risk.

- In performing the assessment to determine expected credit losses, it was concluded that credit losses of 0.1% (i.e. R8k) are expected over the next 12-months on trade and other receivables and is considered insignificant.

All other receivables balances are assessed for ECL using the general approach, which requires that loss allowances for lifetime expected credit losses is recognised for if there has been a significant increase in credit risk since initial recognition:

- Included in accrued income (general approach) of R21.8m, is R 9.7m which relates to interest receivable from banks and is paid on the next day by banks, as well as R1.7m in cash management fees which is collected from client accounts on the next day after the end of the financial year.
- It's been assessed that there has been no significant increase in credit risk since initial recognition of the other receivablesas, as a significant portion of the balance has been collected after the end of the current financial year and therefore no ECL is raised.

16. Cash and cash equivalents

	2023 R'000	2022 R'000
Bank deposit	**187,273**	94,554
Cash and cash equivalents	**187,273**	94,554
Bank overdraft	**(2,423)**	(8,197)
Cash and cash equivalents in the statement of cash flows	**184,850**	86,357

The Group's exposure to currency risk, credit risk, interest rate risk, and a sensitivity analysis for financial assets and liabilities are disclosed in Note 24. The Group holds R1.7 billion (2022: R1.8 billion) of client funds which are not reflected on the statement of financial position. These are restricted funds held in trust and are not available for use by the Group.

R17.90 million (2022: R0.57 million) of the cash and cash equivalents balance is held in foreign currency bank and broker accounts and are denominated in USD, GBP, PHP and AUD.

The Group has an overdraft facility totalling R14.5million with Mercantile Bank. The overdraft is secured by an unlimited pledge and cession over the Group's investment in Blockbuster Trading 3 Proprietary Limited, Evolution Credit Limited and First World Trader Proprietary Limited. Refer to Note 24 for ECL considerations.

17. Capital and reserves

	Notes	Number of shares 2023	Number of shares 2022
The number of shares in issue is as follows:			
Ordinary share capital[1]			
Ordinary share capital in issue at 1 September		**1,250,355,282**	1,181,004,638
New shares issued - EasyCrypto change in ownership		**-**	24,509,804
New shares issued - RISE business combination		**-**	9,028,080
New shares issued - Purple Group Rights Offer		**129,629,630**	
Share options exercised and issued	19	**22,117,355**	35,812,760
In issue at 31 August – fully paid up		**1,402,102,267**	1,250,355,282
Less: Treasury shares		**(2,300,000)**	(2,300,000)
In issue at reporting date		**1,399,802,267**	1,248,055,282

1 Holders of the shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

	Notes	Number of shares 2023	Number of shares 2022
Reconciliation of treasury shares held:			
Treasury shares held on 1 September		**2,300,000**	27,387,720
Treasury shares disposed - EasyProperties change in ownership		**-**	(10,115,800)
Treasury shares disposed of - RISE business combination	12	**-**	(14,971,920)
		2,300,000	2,300,000[1]

1 2,300,000 (2022: 2,300,000) shares (acquired at an average price of 16 cents) are held by GT247.com and are eliminated on consolidation. First World Trader disposed of all its treasury shares in the prior year.

Group	Notes	Stated capital R'000
Balance at 31 August 2021		**539,815**
Treasury shares disposed of		13,798
New shares issued - EasyCrypto change in ownership		61,275
New shares issued - RISE business combination		22,570
Share options exercised - paid in capital		20,785
Share options exercised - transfer from share based payment reserve		9,229
Reclassification of share-based payment reserve		(417)
Balance at 31 August 2022		**667,055**
New shares issued - Purple Group Limited Rights Offer		102,546
Share options exercised - paid in capital		12,580
Share options exercised - transfer from share based payment reserve		5,616
Balance at 31 August 2023		**787,797**

At 31 August 2023 the authorised share capital comprised 2 000 000 000 ordinary shares (2022: 2 000 000 000).

The unissued shares were placed under the control and authority of the directors until the next Annual General Meeting, and they have been empowered to allot, issue or otherwise dispose of the shares as they may in their discretion deem fit, subject to the provisions of the Companies Act of South Africa and the Listings Requirements of the JSE Limited. The Group has also issued share options to key management and staff (Note 19).

OTHER RESERVES

	Notes	**2023 R'000**	2022 R'000
Foreign currency translation reserve		(4,396)	(4,535)
Share-based payment reserve		4,277	9,373
Change in ownership reserve	12	(97,153)	(97,153)
Crypto assets revaluation surplus		1,705	528
Balance 31 August		**(95,567)**	(91,787)
Reconciliation of foreign currency translation reserve			
Balance as at 31 August of prior year		**(4,535)**	(4,669)
Translation of foreign operations through other comprehensive income		**139**	134
Balance as at 31 August		**(4,396)**	(4,535)
Reconciliation of share-based payment reserve			
Balance as at 31 August of prior year		**9,373**	36,501
Share options exercised	19	**(5,616)**	(9,229)
Transfers to retained earnings[1]		**-**	(21,020)
Reclassification of share-based payment reserve		**-**	417
Share-based payment expense	2	**520**	2,704
Balance as at 31 August		**4,277**	9,373

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

	Notes	2023 R'000	2022 R'000
Reconciliation of change in ownership reserve			
Balance as at 31 August of prior year		**97,153**	-
EasyCrypto			
Consideration paid		**-**	61,275
Non-controlling interest acquired		**-**	9,223
Recognition of change in ownership reserve		**-**	70,498
EasyProperties			
Consideration paid		**-**	25,290
Non-controlling interest acquired		**-**	1,365
Recognition of change in ownership reserve		**-**	26,655
Balance as at 31 August 2023		**97,153**	97,153
Reconciliation of crypto asset revaluation surplus			
Balance as at 31 August of prior year		**528**	-
Other comprehensive income for the year		**1,178**	528
Balance as at 31 August		**1,706**	528

1 In accordance with the accounting policy, transfers are made to retained earnings from the share-based payment reserve for amounts expensed and accumulated in the reserve that relate to options which have been forfeited, have expired or where an employee has resigned.

18. Earnings per share

Comparative figures previously reported have been amended to reflect the effects of the Purple Group Limited renounceable rights offer to qualifying shareholders, which was resulted in the issue of 129 629 630 shares for gross proceeds of R105m at a subscription price of 81 cents per share (refer Note 17).

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

Basic (loss)/earnings per share:	**2023 R'000**	2022 (Restated) R'000
(Loss)/earnings attributable to owners of Purple Group Limited	**(24,872)**	43,968
Weighted average number of ordinary shares in issue	**1,312,456,147**	1,209,148,714
Basic (loss)/earnings per share (cents)	**(1.90)**	3.64
Diluted weighted average number of ordinary shares in issue	**1,312,456,147**	1,246,321,755
Diluted (loss)/earnings per share	**(1.90)**	3.53

There are currently 27.8 million (2022: 46.0 million) share options in issue in terms of the Group's share incentive scheme (Note 19) of which 17.8 million (2022: 25.1million) are exercisable and are anti-dilutive, and therefore basic earnings and diluted earnings are equal for the year ended 31 August 2023.

Headline (loss)/earnings per share:	**2023 R'000**	2022 (Restated) R'000
Headline (loss)/earnings attributable to owners of Purple Group Limited	**(26,869)**	13,560
Weighted average number of ordinary shares in issue	**1,312,456,147**	1,209,937,728
Basic (loss)/earnings per share (cents)	**(2.05)**	1.12
Diluted weighted average number of ordinary shares in issue	**1,312,456,147**	1,246,321,755
Diluted (loss)/earnings per share	**(2.05)**	1.09

Reconciliation between earnings, headline earnings and diluted headline earnings:	2023 R'000		2022 R'000	
	Gross	Net	Gross	Net
(Loss)/earnings attributable to owners of Purple Group Limited	**(35,199)**	(24,872)	**70,950**	43,968
Adjusted for:				
- Remeasurement of previously held equity interest in RISE	**-**	-	**(48,931)**	(34,251)
- (Reversal of impairment)/ impairment of intangible assets	**(1,970)**	(1,970)	**3,843**	3,843
- Profit on disposal of assets	**(89)**	(27)	**-**	-
Headline (loss)/earnings attributable to owners of Purple Group Limited	**(37,258)**	(26,869)	**25,862**	13,560

19. Share-based payments

SHARE-BASED PAYMENT EXPENSES

On 1 February 2005, an employee share option scheme was introduced by approval at the general meeting of the Company. The terms and conditions of the options, as well as details of the options granted, are as follows:

Options granted to key management and staff	Number of options
Total at 31 August 2018	**133,543,523**
Expired February 2019	(13,120,000)
Forfeiture 31 August 2019	(6,199,603)
Total at 31 August 2019	**114,223,920**
Issued 6 December 2019	41,000,000
Issued 28 May 2020	2,000,000
Issued 9 July 2020	2,000,000
Exercised 7 July 2020	(5,555,905)
Total at 31 August 2020	**153,668,015**
Exercised 24 November 2020	(28,979,899)
Forfeited 31 December 2020	(1,312,500)
Exercised 25 January 2021	(20,481,321)
Forfeited 31 March 2021	(68,043)
Exercised 26 May 2021	(7,007,652)
Forfeited 30 June 2021	(3,000,000)
Exercised 2 July 2021	(5,744,331)
Exercised 30 August 2021	(983,020)
Total at 31 August 2021	**86,091,249**

Options granted to key management and staff	Number of options
Exercised 9 December 2021	(16,000,615)
Exercised 16 February 2022	(5,409,137)
Forfeited 28 February 2022	(281,551)
Exercised 10 May 2022	(13,875,969)
Exercised 26 July 2022	(527,039)
Exercised 31 August 2022	(4,000,000)
Total at 31 August 2022	**45,996,938**
Exercised 26 January 2023	(16,992,355)
Exercised 27 February 2023	(1,125,000)
Forfeited 31 May 2023	(62,500)
Total at 31 August 2023	**27,817,083**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

The options granted to directors are:

2023	**Closing balance average exercise price (cents)**	**Opening Balance**	**Exercised**	**Closing balance**
Mark Barnes	n/a	5,000,000	(5,000,000)	**-**
Charles Savage	31	7,000,000	-	**7,000,000**
Gary van Dyk	31	11,500,000	(6,000,000)	**5,500,000**
		23,500,000	(11,000,000)	**12,500,000**

2022	Closing balance average exercise price (cents)	Opening Balance	Exercised	Closing balance
Mark Barnes	75	6,660,000	(1,660,000)	**5,000,000**
Charles Savage	31	19,000,000	(12,000,000)	**7,000,000**
Gary van Dyk	54	17,500,000	(6,000,000)	**11,500,000**
		43,160,000	(19,660,000)	**23,500,000**

	2023		2022	
	Weighted average exercise price (cents)	**Number of options**	Weighted average exercise price (cents)	Number of options
Outstanding at the beginning of the period	**47**	**45,996,938**	49	86,091,249
Forfeited during the period	**31**	**(62,500)**	39	(281,551)
Granted during the period	**-**	**-**	-	-
Exercised during the period	**69**	**(18,117,355)**	52	(39,812,760)
Outstanding at the end of the period	**32**	**27,817,083**	47	45,996,938
Exercisable at the end of the period	**32**	**17,817,083**	59	25,121,938

The options outstanding at 31 August 2023 have been issued in a price range from 31 cents to 75 cents (2022: 31 cents to 76 cents) and have a weighted average exercise price of 32.00 cents (2022: 46.74 cents) and a weighted average contractual life of 3.30 years (2022: 2.91 years).

Share-based payment expenses of R0.52 million (2022: R2.7 million) were accounted for in profit or loss.

The vesting conditions of all the options granted to date are:
- Up to 25% on or after the first anniversary date of acceptance of the options;
- Up to 50% on or after the second anniversary of the acceptance date;
- Up to 75% on or after the third anniversary date; and
- Up to 100% on or after the fourth anniversary date.

The contractual life of all options is seven years from date of grant.

The aggregate number of share options granted under the scheme is limited to 164 million shares (2022: 164 million shares).

The aggregate number of share options to any one participant under the scheme shall not exceed 41 million shares.

Share options under this scheme were last granted and accepted in the 2020 financial year.

No grants have been issued under the new 2022 Purple Group Incentive Scheme.

20. Trade and other payables

	2023 R'000	2022 R'000
Trade payables[1]	**112,061**	29,334
Trading account[2]	**20,856**	11,964
Accrued expenses	**11,810**	10,469
Employee-related accruals	**18,065**	20,677
	162,792	72,444

1 Included in the current year closing balance of trade payables is a Dividends Withholding Tax liability of R84.7m. The amount was paid to SARS on 29 September 2023.

2 Trading account balance relates to trades that are settled 3 business days after trading has been concluded on the JSE, which have not yet been paid as at 31 August.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 24.

21. Client open position liability

	Note	2023 R'000	2022 R'000
Derivative financial liabilities at fair value through profit or loss:			
Client open position liability - GT247 CFD	9	**35,435**	35,335
Client open position liability - EasyEquities CFD's	9	**167,694**	134,010
		203,129	169,345

- Fair value adjustments on the derivative CFD client open position liability are recognised in revenue. Refer to the revenue accounting policy on page 97 and the revenue disclosed in Note 1. The related financial assets held to hedge the CFD client open position liability are disclosed in Note 9, and do not necessarily offset the liability and is based on the hedging and risk management strategy of the Group.
- The EasyEquities client open position liability relates to the fractional share holdings of clients, and is hedged by the listed equities and ETF holdings of FWT, as reported under financial assets in Note 9. Fair value adjustments on the liability are offset against fair value adjustments on the financial assets and do not impact the profit or loss, as these are the profits or losses attributable to clients and not the business.

The Group's exposure to currency and liquidity risk related to client open position liability is disclosed in Note 24.

22. Borrowings

	Note	2023 R'000	2022 R'000
Industrial Development Corporation of South Africa Limited[1]		**-**	8,438
		-	8,438

1 This loan was settled in full on 31 August 2023 with a final installment of R1.89m. Total payments of R8.9 million (2022: R6.4 million) were made during the year of which R8.0 million (2022: R5.5 million) was for capital and R0.9 million (2022: R0.9 million) was for interest. The loan is unsecured and bears interest at prime +1% per annum, compounded monthly and was repayable in monthly instalments.

	2023 R'000	2022 R'000
Balance at beginning of period	**8,438**	42,694
Capital portion of loans repaid	**(8,000)**	(34,322)
Interest paid	**(944)**	(899)
Interest accrued	**506**	965
Balance at end of period	**-**	8,438
Current payable	**-**	8,438
Non-current payable	**-**	-
	-	8,438

23. Lease assets and lease liabilities

The right-of-use asset and lease liability relate to RISE for rental of its offices situated at Max Maisela Park, 2nd Floor, 7 Junction Avenue, Parktown, 2193. The RISE lease payments are fixed. The office rental lease of FWT expired in May 2023 and was not renewed. The Group has moved to an office space renting model, which is disclosed as a short-term lease.

Right-of-use asset is comprised of the following:

	Notes	2023 R'000	2022 R'000
Cost		**8,467**	7,428
Accumulated depreciation		**(6,190)**	(4,704)
Net carrying amount at 1 September		**2,277**	2,724
Opening net carrying amount at 1 September		**2,277**	2,724
Change in ownership business combination - Retirement Investments and Savings for Everyone Proprietary Limited	13	**-**	1,039
Right of use asset derecognised during the year :			
- Cost		(7,428)	
- Accumulated depreciation		7,428	
Depreciation	2	(1,832)	(1,486)
Closing net carrying amount at 31 August		**445**	2,277

Lease liability is comprised of the following:

	Notes	2023 R'000	2022 R'000
Balance at the beginning of the year		**2,898**	3,368
Change in ownership business combination - Retirement Investments and Savings for Everyone Proprietary Limited	13	**-**	1,335
Interest expense	3	**147**	258
Repayments		**(2,430)**	(2,063)
Balance at the end of the year		**615**	2,898
Current portion of lease liability		**(615)**	(2,281)
Non-current portion of lease liability		**-**	617
Lease liabilities are payable as follows:			
Future lease payments			
– within one year		**636**	2,428
– later than one and not later than five years		**-**	637
– later than five years		**-**	-
Total		**636**	3,065
Interest			
– within one year		**21**	147
– later than one and not later than five years		**-**	20
– later than five years		**-**	-
Total		**21**	167
Present value of lease payments			
– within one year		**615**	2,281
– later than one and not later than five years		**-**	617
– later than five years		**-**	-
Total		**615**	2,898

24. Financial instruments

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument;

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data; and

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer price quotations.

The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments. Observable prices and model inputs are usually available in the market for listed equity securities, exchange traded derivatives and over the counter derivatives. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values.

Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments such as investments in unlisted equities, the Group primarily uses the Discounted Cash Flow valuation model. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates such as comparable beta ratios, or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value.

Fair value hierarchy

The table below analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Note	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
31 August 2023					
Financial assets at fair value through profit or loss:					
- Investments	**10**	**-**	**3,106**	**18,255**	**21,361**
- Derivative CFD contracts	**9**	**-**	**17,771**	**-**	**17,771**
- Listed equities and ETF's	**9**	**167,694**	**-**	**-**	**167,694**
Crypto assets through other comprehensive income	**8**	**73**	**-**	**-**	**73**
Financial liabilities at fair value through profit or loss:					
Client open position liability	**21**	**-**	**203,129**	**-**	**203,129**
Total		**167,767**	**224,006**	**18,255**	**410,028**
31 August 2022					
Financial assets at fair value through profit or loss:					
- Investments	10	-	2,616	18,224	20,840
- Derivative CFD contracts	9	-	20,384	-	20,384
- Listed equities and ETF's	9	134,010	-	-	134,010
Crypto assets through other comprehensive income	8	692	-	-	692
Financial liabilities at fair value through profit or loss:					
Client open position liability	21	-	169,345	-	169,345
Total		**134,702**	**192,345**	**18,224**	**345,271**

Financial assets and investments

Financial assets at fair value through profit/loss:
- Unlisted investments (Note 10) are measured at their estimated fair value as determined by the Board at the reporting date.
- Derivative CFD contracts are measured at fair value with reference to quoted market prices of the underlying instruments.
- Client open position liability is measured at fair value with reference to quoted market prices of the underlying instruments.
- Listed equities and ETF's are measured at fair value with reference to quoted market prices for identical instruments.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values should be first calculated with reference to observable inputs where these are available in the market. Only where these are unavailable should fair value techniques be applied which employ less observable inputs. Unobservable inputs may only be used where observable inputs or less observable inputs are unavailable.

IFRS 13: Fair Value Measurement does not mandate the use of a particular valuation technique but rather sets out a principle requiring an entity to determine a valuation technique that is appropriate in the circumstances for which sufficient data is available and for which the use of relevant observable inputs can be maximised. Where management is required to place greater reliance on unobservable inputs, the fair values may be more sensitive to assumption changes and different valuation methodologies that may be applied. For this reason, there is a direct correlation between the extent of disclosures required by IFRS and the degree to which data applied in the valuation is unobservable.

The principal methodologies applied in valuing unlisted investments are as follows:
- Discounted cash flow or earnings (of the underlying business); and
- Available market prices and multiples.

Where the discounted cash flow methodology is applied, the directors discount the projected cash flows of the underlying business at an appropriate weighted average cost of capital.

Crypto assets through other comprehensive income

Crypto assets are measured at fair value with reference to quoted market prices for identical instruments.

Trade and other receivables and payables

Due to the short-term nature of these receivables and payables the fair value approximates the carrying values.

Financial risk management

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. No policy changes were effected during the 2023 financial year. The Group aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Overview

The Group has exposure to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework and has delegated this responsibility to the Risk Management Committee. The management of the various Group companies are responsible for implementing the risk policies. Different units of the business require different approaches to risk management to be developed.

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, resulting in a difference between all contractual cash flows that are due to be collected in accordance with the contract, and all the cash flows that the Group expects to receive.

The Group is exposed to credit risk arising from the following receivables:
- Trade receivables;
- Cash and cash equivalents i.e. bank balances and balances held with brokers and trading counterparties;
- Other recivables; and
- Accrued trade income.

The Group evaluates counterparty credit risk on an ongoing basis to determine whether any new information is available in assessing expected credit losses, such as changes in the macroeconomic environment, media or news events that could impact customers or trading partners and other relevant information.

The Group establishes an allowance for credit losses that represents its estimate of expected losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures. The expected credit loss is also based on the Group's understanding of the financial position of the counterparty, including the consideration of their credit risk grade. Default has been defined as the counterparty's failure to meet its contractual obligations.

Refer to Note 15 for the current year assessment of ECL related to trade and other receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was:

	Notes	**2023 R'000**	2022 R'000
Receivables	13	**1,411**	1,395
Trade and other receivables[1]	15	**62,277**	35,639
Cash and cash equivalents	16	**187,273**	94,554
		250,961	131,588

1 Excludes prepayments and VAT receivables

The exposure to credit risk for financial assets at the reporting date relates to financial assets that are based in South Africa, the United States of America and Australia. The Group's receivables are predominantly with a few large corporates and banks whom management deems to be credit worthy. In respect of the staff loans the collateral held as security exceeds the loan amount thereby reducing the credit risk on these receivables.

Financial assets which potentially subject the Group to concentrations of credit risk consist principally of amounts owing due to unsettled trades with broking counterparties and are limited to high credit quality financial institutions. The maximum credit risk exposure is represented by the carrying amount of the assets, except where otherwise stated. All trades are settled daily through the mark-to-market process.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, the Group only holds accounts with major South African and international banks, with credit ratings ranging from Baa1 to Baa3, to reduce risk.

The expected credit loss from trade receivables (Note 15) was quantified at 0.1% (2022: 0.1%) and deemed insignificant due to the short dated nature of trade receivables.

No expected credit losses have been recognised on cash and cash equivalents as bank balances are considered unimpaired based on available information at the end of the current reporting period ended 31 August 2023 and there has been no significant increase in credit risk since initial recognition.

The Group's credit policy is set by the Board on advice from the Risk Management Committee, which is responsible for:

- formulating the principles and guidelines on setting counterparty and product limits, approving transactions with credit risk, cash equity trading and prime broking exposures. The purpose of these policies is to articulate the minimum standard for credit across the group and to define the roles and responsibilities necessary for the management of credit on a timely, accurate and complete basis; and
- setting cash equity trading policy, which addresses the risk of cash trading with a settlement cycle of T+3.

Trading counterparties

The Derivatives Business (GT247.com) has various trading counterparties and mitigates the risk of default through using multiple counterparties and evaluating the counterparty credit-worthiness on an ongoing basis. In addition, a certain percentage is held as margin for all trades.

Credit risk is dispersed through a wide range of individual investors from whom margin is withheld for every trade. The Group establishes an allowance for credit losses that represents its estimate of expected losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to individually significant exposures. The expected credit loss is also based on the Group's understanding of the financial position of the counterparty, including the consideration of their credit risk grade.

Default has been defined as the customer's or counterparty's failure to meet its contractual obligations.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity and access to facilities to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk is managed by ensuring the Group has sufficient liquid assets and stable sources of funding to cover the repayment of liabilities as they fall due. This is monitored and managed on an ongoing basis, for both operational and regulatory purposes. Revenue is generally settled in cash, whereas creditors are paid in arrears.

The following are the contractual undiscounted maturities of financial liabilities, including estimated interest payments as at 31 August 2023:

	Notes	Carrying amount R'000	Contractual cash flows R'000	Less than one year R'000	One to two years R'000	Two to five years R'000	Total R'000
Trade and other payables[1]	20	**144,727**	**144,727**	**144,727**	**-**	**-**	**144,727**
Client open position liability	21	**203,129**	**203,129**	**203,129**	**-**	**-**	**203,129**
Overdraft	16	**2,423**	**2,423**	**2,423**	**-**	**-**	**2,423**
Lease liabilities	23	**636**	**636**	**636**	**-**	**-**	**636**
		350,915	**350,915**	**350,915**	**-**	**-**	**350,915**

1 Excludes employee related benefits

The following were the contractual undiscounted maturities of financial liabilities including estimated interest payments as at 31 August 2022:

	Notes	Carrying amount R'000	Contractual cash flows R'000	Less than one year R'000	One to two years R'000	Two to five years R'000	Total R'000
Trade and other payables[1]	20	51,767	51,767	51,767	-	-	51,767
Client open position liability	21	169,345	169,345	169,345	-	-	169,345
Borrowings	22	8,438	8,887	8,887	-	-	8,887
Overdraft	16	8,197	8,197	8,197	-	-	8,197
Lease liabilities	23	2,898	3,065	2,428	637	-	3,065
		240,645	241,261	240,624	637	-	241,261

1 Excludes employee related benefits

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, crypto asset prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Derivatives Business and Asset Management Business (EAM) buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. The Equity Trading Business (EE) is also exposed to market risk through timing on transactions and the whole shares owned to cover fractional shares owned by clients. All such transactions are carried out within the guidelines set by the Board and the Risk Committee.

CURRENCY RISK

The Group is exposed to currency risk on expenses that are denominated in a currency other than the respective functional currencies of Group entities, primarily the South African Rand, Philippine peso and USD.

Interest on bank overdrafts is denominated in South African Rand that matched the cash flows generated by the underlying operations of the Group.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

All of the Group's products based on off-shore foreign denominated instruments are Rand-settled. There is no foreign exchange risk on trading of foreign instruments.

The Group is exposed to currency risk related to foreign currency held at its subsidiary One World Trader (OWT) in Mauritius, which is used for off-shore hedging purposes, foreign currency held by First World Trader, EasyEquities Philippines and EasyEquities Proprietary Limited (Australia). At the reporting date the amount of foreign currency held was R17.90 million (2022: R0.57 million). The closing rate used was 18.76 (2022: R16.88).

For foreign currency held, the impact on profit or loss after tax of a 10% change in the exchange rate at the reporting date would have the following impact:

	2023 Profit or loss		2022 Profit or loss	
	10% increase R'000	**10% decrease R'000**	10% increase R'000	10% decrease R'000
Foreign currency held:				
- PHP	**679**	**(679)**	-	-
- AUD	**3**	**(3)**	-	-
- USD	**619**	**(619)**	74	(74)

INTEREST RATE RISK

The Group is exposed to interest rate risk on its cash and cash equivalents, bank overdraft and investments that are linked to prime interest rates. The Group does not hedge these presently but would do so if it felt that it was necessary. The Group's investments are subject to variable interest rates and are exposed to a risk of change in cash flows due to changes in interest rates. Equity investments and trade receivables and payables are not exposed to interest rate risks.

Interest rate risk is mitigated primarily by matching variable rate financial assets with variable rate financial liabilities, as far as possible. The Group reviews the minutes of meetings held by the SARB Monetary Policy Committee, as part of assessing interest rate forecasts.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Notes	Interest rates applicable	Carrying amount 2023 R'000	Carrying amount 2022 R'000
Borrowings	22	Various[1]	**-**	(8,438)
Variable rate instruments				
- Cash and cash equivalents	16	Daily call rate	**187,273**	94,554
- Overdraft	16	Prime	**(2,423)**	(8,197)

1 Note 22 discloses the individual interest rates.

Cash flow sensitivity analysis for variable rate instruments

A change of 200 (2022: 200) basis points in interest rates at the reporting date would have increased/(decreased) profit or loss after tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	2023 Profit or loss		2022 Profit or loss	
	200 basis point increase R'000	**200 basis point decrease R'000**	200 basis point increase R'000	200 basis point decrease R'000
Variable rate instruments				
- Cash and cash equivalents	**2,759**	**(2,759)**	1,374	(1,374)
- Overdraft	**(36)**	**36**	(242)	242
	2,724	**(2,724)**	1,132	1,132

Other market price risk

Equity price risk has an impact on the fair value of the Group's investments. Material investments are constantly monitored and buy and sell decisions approved by the Board.

The Derivatives Business operations are subject to equity, commodity, indices and currency price movements. Detailed value-at-risk analysis is performed on a continual basis to ensure the Derivatives Business limits are not breached and appropriate hedges are in place.

Exposure to these risks is also mitigated through the buying and selling of derivative instruments.

Price risk
GT247.com purchases and sells derivatives in the ordinary course of business and incurs financial liabilities in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Committee.

Management of price risk
The principal tool used to measure and control market risk exposure within the Group's trading portfolios is value at risk (VaR).

The VaR of a portfolio is the maximum loss that could arise on a given confidence level. The VaR model used by the Group is based on a 95% confidence level and assumes a 21-day holding period. The VaR model is based on historical simulation using market data from the last 250 trading days with a maximum time lag of one month.

Although VaR is an important tool for measuring and managing the Group's exposure to market risk, there are certain limitations due to the assumptions on which the model is based.

This includes the use of historical data as a basis for determining the possible range of future outcomes that may not always cover all possible scenarios, especially those of an exceptional nature.

The Group uses VaR analysis for the measurement and management of market risk. The VaR limits are determined at a management level and are subject to review and approval by the Risk Management Committee. VaR limits are allocated to each trading portfolio.

Although VaR is a primary indicator of risk, the full intra-day exposure risk is monitored in real-time by the Risk Committee and the risk tolerance for the day is assessed and monitored, taking into account market conditions. All risk on our book is capable of being extinguished intra-day due to the liquidity available in the instruments that we offer our clients.

A summary of the VaR position of the Company's trading portfolio at 31 August and during the period is as follows:

	At 31 August R'000	Average R'000	Maximum R'000	Minimum R'000
2023				
Other price risk	**2,538**	**2,792**	**3,883**	**1,229**
2022				
Other price risk	2,837	3,920	6,016	1,969

CLASSES OF FINANCIAL ASSETS AND LIABILITIES

The table below sets out the classification of each class of financial assets and liabilities, and their fair values:

	Notes	**2023 R'000**	2022 R'000
Financial assets at amortised cost			
– Trade and other receivables[1]	15	**62,277**	35,639
– Receivables	13	**1,411**	1,395
– Cash and cash equivalents	16	**187,273**	94,554
		250,961	131,588
Financial assets at fair value through profit or loss			
– Investments	10	**21,361**	20,840
– Financial assets	9	**185,465**	154,394
		206,826	175,234
Financial liabilities at fair value through profit or loss			
– Client open position liability	21	**203,129**	169,345
		203,129	169,345
Financial liabilities at amortised cost			
– Trade and other payables[2]	20	**(144,727)**	(51,767)
– Borrowings	22	**-**	(8,438)
– Bank overdraft	16	**(2,423)**	(8,197)
		(147,150)	(68,402)

1 Excludes prepayments and VAT receivables

2 Excludes employee related accruals

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board considers its equity as its capital and manages this to ensure the Group is adequately funded to continue its growth and fund its investments. There were no changes in the Group's approach to capital management during the period.

The Group operates in a rapidly evolving industry and capital investments are made to maintain and enhance returns.

The Group's objectives when maintaining capital are:

- Safe guard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits of other stakeholders, and
- To provide an adequate return to shareholders by expanding the business, and when the expected economic returns are present and outweighs the cost of capital to distribute dividends.

The Group's dividend policy is designed to ensure payment of a supportable returns to its investors, Dividend distributions are reviewed by the Board, after considering the economic conditions and liquidity position of the Group.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments when economic conditions and the risk characteristics of the underlying assets become apparent. To maintain or adjust the capital structure, the Group may adjust the amount of the dividend paid to the shareholders.

Consistent with other entities in the industry, the Group monitors capital on the basis of the debt to capital ratio. The Group strives to achieve a debt ratio with the objective to maintain a high credit rating and secure access to funding.

	Notes	**2023 R'000**	2022 R'000
Borrowings	22	**-**	(8,438)
Lease liabilities	23	**(615)**	(2,898)
Cash and cash equivalents	16	**184,850**	86,357
Net cash		**184,235**	**75,021**
EBITDA		**(17,204)**	61,627
Interest cover (times)		**n/a**	28
Total equity		**678,229**	551,401
Debt to equity ratio (%)		**0.1%**	2.1%

25. Special purpose vehicles

EasyProperties Proprietary Limited ("EasyProperties") is a 100% owned subsidiary of First World Trader Proprietary Limited ("FWT"). EasyProperties permits investors to subscribe for fractional units (portions) in property. This is achieved by EasyProperties creating a property Special Purpose Vehicle (SPV) for each property and inviting investors to purchase ordinary shares in the SPV.

The SPV purchases the property and funds any development using funds obtained from investors and loans from SA Home Loans. The aim is to fund the SPV via 70% investor equity funding (ordinary shares) and a maximum of 30% debt funding.

The SPV has two classes of shares:
- Class A shares – which are owned by EasyProperties; and
- Ordinary shares – which are owned by investors.

EasyProperties manages the SPV via the Class A shares which enables EasyProperties board to:
- appoint the directors.
- manage the rental of the property.
- manager all other functions related to the property.
- administer the SPV. For example, investors will be given an opportunity to dispose of their ordinary shares via an auction process (as determined by the board of EasyProperties).
- decide when to sell the property in the SPV.
- have 25% vote on any matter to be decided on in any shareholder meetings.

Management considered whether EasyProperties controls the SPV. Management has determined that despite EasyProperties controlling the board of the SPV via the A shares class, none of the entities in the Purple Group control the SPV, due to not meeting all the elements of control as defined by IFRS 10: Consolidated Financial Statements. Management concluded the SPVs are unconsolidated structured entities and the key reasons to support this judgement are:
- Purple Group (and its related parties as defined in the JSE LR, the Companies Act and IFRS) is not exposed to gains or losses in the value of the property owned by the SPV. It also is not entitled to any rental income, dividends or other returns. The investors, as ordinary shareholders, are fully exposed to changes in the value of the property and to the related rental returns.

- The only fees earned by EasyProperties [including Purple Group and its related parties] are market-related fees. The fees are calculated using a variable percentage and relate to:
  - Commission paid by the seller of the property when the SPV purchases it. This is calculated on the purchase price of the property and is paid to EasyProperties by the seller.
  - Commission paid by the bond originator. This is calculated inclusive of VAT on the net bond (i.e. total bond less raising fees on the bond) and is paid to EasyProperties by the bond originator.
  - Property management fee is paid by the SPV to EasyProperties and is derived from the rental income generated.
  - Brokerage (IPO) fee paid by the investors to EasyProperties. This is a once-off fee that is charged per investment transaction on the subscription amount.
  - Platform fee paid by the investors to EasyProperties. This is an annual fee based on the total investment value.
  - Auction fee paid by the investors to EasyProperties. This fee is only payable if the investor chooses to sell the ordinary share it owns in the SPV before the property is sold and is based on the total repurchase value or total subscription amount.
  - Early settlement fee paid by the investors to EasyProperties. This fee is only payable if the investor chooses to sell the ordinary it owns in the SPV before the property is sold and withdrawn.
  - Settlement and administration fee paid by investors to Easy Properties on the basis of the value invested, when the property is disposed of.

- Purple Group (and its related parties as defined in the JSE LR, the Companies Act and IFRS) has not provided any funding to the SPV for the purposes of purchasing or developing the property. It has also not provided any guarantees or sureties. As such, it is not exposed to any funding risk or exposure.

- The properties purchased by the SPVs were not previously owned by any person, trust or entity that is a related party of any person or entity in Purple Group.

The tabular information sets out the financial information of the SPV's:

Special Purpose Entity	Property Value R'000	Net asset value R'000
Blackbrick EP1	5,400	3,812
Greenreef EP1	2,960	2,481
Rockefeller EP1	8,400	6,014
Greenpark EP3	22,910	15,101
The Blyde EP2	13,400	10,833
Seven on Main EP5	9,500	6,397
Exchange Lofts EP6	14,750	10,501
Polofields	24,800	17,556
Kikuyu	26,000	18,704
Ballito groves	21,940	14,992
The Reid EP 13	28,350	18,942
Ballito Hills EP16	24,273	16,506
Sea Point Four EP11	18,700	13,331
Monroe EP8	17,500	13,671
Blackbrick CT EP4	18,000	12,218
Capital on Bath EP19	14,550	9,009
The Bailey EP12	23,400	17,065
HP House	7,420	4,850
The Duke	10,371	6,761
Carrington	10,262	7,121
Six on N	10,422	7,530
BB Sandton 2	10,697	6,387
	344,005	**239,782**

26. Contingencies and commitment

There are no contingencies at the reporting date.

The committtment in the current year relates to the outstanding lease liability (refer note 23).

	2023 R'000	2022 R'000
Within 1 year	**615**	**871**
1-3 years	**-**	**1,306**
	615	**2,177**

27. Related parties

IDENTITY OF RELATED PARTIES

Related transactions are created from the transfer of resources, benefits or obligations between parties related to the Group. Related parties are key management,

Details of transactions with related parties not disclosed elsewhere in the financial statements are set out below.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The key management personnel compensation is as follows and is included in employee benefit expense (Note 2):

	2023 R'000	2022 R'000
Employee benefits		
Non-executive directors		
Arnold Forman – fees	**373**	339
William Bassie Maisela	**373**	-
Bonang Mohale – fees	**180**	164
Craig Carter – fees	**373**	339
Happy Ntshingila – fees (Chairman)	**641**	582
Mark Barnes		
– fees (Purple Group Limited)	**205**	232
– fees (Subsidiary)	**500**	500
Paul Rutherford	**205**	162
	2,850	2,318
Employee benefits		
Executive directors		
Charles Savage		
– salary and benefits	**5,169**	4,969
– bonus paid	**1200**	2150
– share option expenses	**82**	173
Gary van Dyk		
– salary and benefits	**3,997**	3,865
– bonus paid	**900**	1670
– share option expenses	**64**	136
	11,412	12,963

At 31 August the directors' interests in the issued share capital of the Company were as follows:

	2023				2022			
	Beneficial		% Holding		Beneficial		% Holding	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Mark Barnes	**22,276,610**	**77,296,172**	**1.59**	**5.51**	16,960,321	70,138,108	1.36	5.6
Craig Carter	**2,129,577**	**-**	**0.15**	**-**	1,932,366	-	0.15	-
Charles Savage	**35,444,964**	**296,990**	**2.53**	**0.02**	32,162,559	328,200	2.89	0.08
Gary van Dyk	**28,325,278**	**-**	**2.02**	**-**	19,702,197	-	1.58	-
Bonang Mohale	**-**	**15,099,589**	**0.00**	**1.08**	-	21,763,282	-	1.74
William Bassie Maisela	**-**	**2,644,672**	**-**	**0.19**	-	2,399,760	-	-
Paul Rutherford	**-**	**2,411,283**	**-**	**0.17**	-	2,227,505	-	0.18
	88,176,429	**97,748,705**	**6.29**	**6.97**	70,757,443	96,856,855	5.98	7.61

None of the directors of the Group have traded any of the shares held by them between 31 August 2023 and the date of this report.

During the year the movement in the shares held by the directors were as follows:

- Gary van Dyk acquired 6,000,000 (2022: 6,000,000) shares by exercising share options on 26 January 2023, and a further 2,623,081shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 6,000,000).
- Charles Savage acquired 0 (zero) (2022: 12,000,000) shares by exercising share options, and 3,282,405 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 7,280,000).
- Mark Barnes acquired 5,000,000 (2022: 1,660,000) shares by exercising share options on 26 January 2023, and a further 316,289 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) (2022: 20,913,571) shares of his direct holdings.
  - Mark acquired a further 7,158,064 indirect share by following his rights in the 2023 Purple Group Limited rights offer through his investment company, Business Venture Investments No 184 Proprietary Limited.
- Bonange Mohale sold 6,663,693 of his indirect holdings during the year (2022: 2,715,000).
- Craig Carter acquired 197,211 shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).
- Paul Rutherford acquired 183,778 indirect shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).
- William Bassie Masiela acquired 244,912 indirect shares by following his rights in the 2023 Purple Group Limited rights offer, and sold 0 (zero) shares (2022: 0 (zero)).

	Note	**2023 R'000**	2022 R'000
Amount receivable from related party – revenue:			
- Sanlam Investment Holdings Limited	15	**18,055**	-

During the current year, revenue of R18.0 million (2022: R18.1 million) was earned from EasyEquities' partnership with Satrix. Satrix is part of the Sanlam Ltd group of companies and is a related party.

28. List of subsidiaries

Subsidiaries Name	Country incorporated	Principal place of business
First World Trader Proprietary Limited (Includes the operations of EasyEquities)	South Africa	South Africa
First World Trader Nominees (RF) Proprietary Limited (Subsidiary of First World Trader Proprietary Limited)	South Africa	South Africa
GT247 Proprietary Limited	South Africa	South Africa
One World Trader Proprietary Limited (Subsidiary of GT247 Proprietary Limited)	Mauritius	Mauritius
EasyAssetManagement Proprietary Limited	South Africa	South Africa
Emperor Asset Management Nominees (RF) Proprietary Limited (Subsidiary of EasyAssetManagement Proprietary Limited)	South Africa	South Africa
Emperor Asset Management GP 1 (RF) Proprietary Limited (Subsidiary of Emperor Asset Management Proprietary Limited)	South Africa	South Africa
Global Trader Europe Limited[1]	United Kingdom	United Kingdom
EasyEquities International Limited (Subsidiary of First World Trader Proprietary Limited)	Ireland	Ireland
EasyEquities Philippines Incorporated (Subsidiary of EasyEquities International Limited)	Philippines	Philippines
EasyEquities Proprietary Limited (Subsidiary EasyEquities International Limited)	Australia	Australia
Easy Financial Services Australia Proprietary Limited (Subsidiary EasyEquities Proprietary Limited)	Australia	Australia
EasyCrypto SA Proprietary Limited (Subsidiary of First World Trader Proprietary Limited)	South Africa	South Africa
EasyETFs (RF) Proprietary Limited	South Africa	South Africa
Retirement Investments and Savings for Everyone Proprietary Limited[2]	South Africa	South Africa
EasyProperties Proprietary Limited (Subsidiary of First World Trader Proprietary Limited)	South Africa	South Africa

1 Placed into liquidation in 2008 and still ongoing.

2 Note 12 discloses the business combination details for Retirement Investments and Savings for Everyone Proprietary Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Nature of business	Ownership interest 2023 %	Ownership interest 2022 %	Non-controlling interest 2023 R'000	Non-controlling interest 2022 %	Investment 2023 R'000	Investment 2022 R'000
Brokerage and investment platform	**70**	70	**30**	30	**324,589**	219,400
Nominnee	**100**	100	**-**	-	**-**	-
CFD derivatives trading business	**100**	100	**-**	-	**13,498**	13,338
CFD derivatives trading business	**100**	100	**-**	-	**-**	-
Asset management	**100**	100	**-**	-	**33,491**	53,614
Nominnee	**100**	100	**-**	-	**-**	-
Dormant entity	**100**	100	**-**	-	**-**	-
Dormant entity	**100**	100	**-**	-	**-**	-
Holding company	**70**	70	**30**	30	**17**	17
Brokerage and investment platform	**70**	n/a	**30**	n/a	**9,795**	n/a
Brokerage and investment platform	**70**	70	**30**	30	**-**	-
Brokerage and investment platform	**70**	n/a	**30**	n/a	**364**	n/a
Cryptocurrency investment platform	**84.71**	84.71	**15.3**	15.3	**80,251**	111,275
Collective Investment Scheme manager	**70**	n/a	**30.0**	n/a	**2,250**	n/a
Retirement fund administration and asset management	**70**	70	**30**	30	**108,932**	108,932
Property investment platform	**70**	70	**30**	30	**25,290**	25,290

First World Trader, a 70% owned subsidiary of the Company, has material non-controlling interests (NCI). Summarised financial information in relation to First World Trader, before intra-group eliminations, is presented below together with amounts attributable to NCI:

	2023 R'000	2022 R'000
Statement of profit or loss and other comprehensive income:		
Revenue	**237,803**	210,276
(Loss)/profit after tax	**(33,380)**	77,195
Total comprehensive (loss)/income	**(31,989)**	77,195
Statement of financial position:		
Non-current assets	**336,658**	314,281
Current assets	**445,424**	189,504
Non-current liabilities	**14,500**	10,998
Current liabilities	**390,825**	172,332
Allocations to NCI:		
(Loss)/profit	**(9,597)**	24,995
Accumulated non-controlling interests	**107,062**	72,325

	2023 R'000	2022 R'000
Statement of profit or loss and other comprehensive income:		
Cash flows generated by operating activities	**(12,967)**	35,957
Cash flows utilised in investing activities	**(92,816)**	(44,472)
Cash flows generated from/(utilised in) financing activities	**158,748**	(22,764)
Net increase/(decrease) in cash and cash equivalents	**52,966**	**(31,279)**

29. Events after the reporting date

The directors are not aware of any other matters or circumstances arising since the end of the financial year, not otherwise dealt with in these Group consolidated financial statements, which significantly affect the financial position at 31 August 2023 or the results of operations or cash flows for the year then ended.

30. Net asset value per share

The Group net asset value is 40.80 cents per share (2022: 38.39 cents per share) and is based on the number of ordinary shares in issue net of treasury shares at reporting date of 1,399,802,267 (2022: 1,248,055,282) and net assets of R571.2 million (2022: R479.1 million).

31. Going concern

The consolidated financial statements have been prepared on a going-concern basis. Despite the Group having accumulated losses, the Group has net equity of R571.2 million (R479.1 million). Management prepared forecasts and the directors expect business growth to continue, over the next 12 months, despite the current loss making position, and are confident that the Group will continue trading as a going concern.

Current assets exceed current liabilities by 23.6% (2022: 12.8%), and the Group is satisfied that it has sufficient liquid assets and access to financing to cover short-term liabilities in the ordinary course of business.

SHAREHOLDERS ANALYSIS

	Number of shareholders	% of total shareholders	Number of shares	% of total issued share capital
Analysis of shareholdings				
1-999	**78,368**	**79.53%**	**10,638,490**	**0.76%**
1 000-9 999	**14,659**	**14.88%**	**47,807,182**	**3.41%**
10 000-99 999	**4,730**	**4.80%**	**131,758,028**	**9.40%**
100 000-999 999	**670**	**0.68%**	**156,666,779**	**11.17%**
1 000 000 +	**106**	**0.11%**	**1,055,231,788**	**75.26%**
Total	**98,533**	**100.00%**	**1,402,102,267**	**100.00%**
Distribution of shareholders				
PRIVATE COMPANIES	**265**	**0.27%**	**171,438,367**	**12.23%**
INDIVIDUAL	**97,908**	**99.37%**	**608,538,804**	**43.40%**
BANKS	**3**	**0.00%**	**125,252**	**0.01%**
BROKER	**2**	**0.00%**	**373,112**	**0.03%**
NOMINEES AND TRUSTS	**190**	**0.19%**	**38,410,244**	**2.74%**
INVESTMENT COMPANIES	**110**	**0.11%**	**576,720,390**	**41.13%**
CLOSE CORPORATION	**53**	**0.05%**	**6,454,116**	**0.46%**
OTHER CORPORATIONS	**2**	**0.00%**	**41,982**	**0.00%**
Total	**98,533**	**100.00%**	**1,402,102,267**	**100.00%**
Shareholder spread				
Non-public	**42**	**0.04%**	**502,162,286**	**35.81%**
10% OF ISSUED CAPITAL OR MORE	**1**	**0.00%**	**254,645,488**	**18.16%**
DIRECTORS	**9**	**0.01%**	**185,925,134**	**13.26%**
EMPLOYEES	**32**	**0.03%**	**61,591,664**	**4.39%**
Public	**98,491**	**99.96%**	**899,939,981**	**64.19%**
Total	**98,533**	**100.00%**	**1,402,102,267**	**100.00%**

SHAREHOLDERS ANALYSIS CONTINUED

	Number of shareholders	% of total shareholders	Number of shares	% of total issued share capital
Beneficial shareholding of 3% or more				
BASE SPV PARTNERSHIP A			156,291,678	11.15%
SERIALONG FINANCIAL INVESTMENTS PTY			83,423,144	5.95%
BUSINESS VENTURE INVESTMENTS NO 184			77,296,172	5.51%
MONTEGRAY CAPITAL (PTY) LTD			52,428,657	3.74%
Foreign Custodians Holding 3% or more				
BANQUE LOMBARD ODIER & CIE SA			107,086,410	7.64%
JP MORGAN CHASE BANK OMNIBUS CLIENTS ONSHORE			70,000,000	4.99%
Country				
Australia	7	0.01%	41,367	0.00%
Austria	2	0.00%	247	0.00%
Belgium	2	0.00%	2,411	0.00%
Bermuda	1	0.00%	60	0.00%
Botswana	4	0.00%	310,282	0.02%
British Indian Ocean Territory	1	0.00%	45,309	0.00%
Cabo Verde	1	0.00%	1	0.00%
Canada	5	0.01%	58,588	0.00%
Central African Republic	5	0.01%	139	0.00%
Chile	1	0.00%	551	0.00%
China	42	0.04%	102,919	0.01%
Denmark	2	0.00%	3,513	0.00%
Ethiopia	1	0.00%	105,300	0.01%
France	3	0.00%	534	0.00%
French Guiana	1	0.00%	1	0.00%
French Southern Territories	12	0.01%	790	0.00%
Germany	1	0.00%	983	0.00%
Guernsey	1	0.00%	88	0.00%
Hong Kong	1	0.00%	9181	0.00%
Hungary	1	0.00%	500	0.00%
India	3	0.00%	9,406	0.00%
Ireland	5	0.01%	14,806	0.00%

SHAREHOLDERS ANALYSIS CONTINUED

	Number of shareholders	% of total shareholders	Number of shares	% of total issued share capital
Japan	3	0.00%	1,504	0.00%
Kenya	3	0.00%	66,999	0.00%
Korea, Democratic People's Republic of	1	0.00%	2,325	0.00%
Korea, Republic of	17	0.02%	35839	0.00%
Lesotho	241	0.24%	180,308	0.01%
Luxembourg	2	0.00%	65,677	0.00%
Malawi	1	0.00%	243	0.00%
Mauritius	2	0.00%	14,027,596	1.00%
Montenegro	1	0.00%	16,660	0.00%
Mozambique	1	0.00%	2,129	0.00%
Namibia	547	0.56%	3,133,547	0.22%
Netherlands	7	0.01%	162,285	0.01%
New Zealand	2	0.00%	5,203	0.00%
Oman	2	0.00%	124,333	0.01%
Portugal	6	0.01%	127,281	0.01%
Qatar	8	0.01%	2,621	0.00%
Romania	2	0.00%	164,292	0.01%
Russia Federation	1	0.00%	6	0.00%
Saudi Arabia	1	0.00%	338	0.00%
South Africa	97,300	98.75%	1,183,596,894	84.42%
South Georgia & The South Sandwich Islands	8	0.01%	4538	0.00%
South Sudan	5	0.01%	147	0.00%
Spain	4	0.00%	235,372	0.02%
Swaziland	171	0.17%	214,801	0.02%
Switzerland	4	0.00%	107,557,213	7.67%
Taiwan, Province of China	5	0.01%	4,594	0.00%
Ukraine	1	0.00%	91	0.00%
United Arab Emirates	15	0.02%	74,422	0.01%
United Kingdom	42	0.04%	72,333,924	5.16%
United States	6	0.01%	7,783,493	0.56%
Vietnam	5	0.01%	15,620	0.00%
Virgin Islands, British	1	0.00%	11,364,843	0.81%
Zimbabwe	16	0.02%	90,153	0.01%

SHAREHOLDERS ANALYSIS CONTINUED

	Number of shareholders	% of total shareholders	Number of shares	% of total issued share capital
Total	**98,533**	**100%**	**1,402,102,267**	**100.00%**
Certificated	**207**	**0.21%**	**478,587**	**0.03%**
Dematerialised	**98,326**	**99.79%**	**1,401,623,680**	**99.97%**
Total	**98,533**	**100%**	**1,402,102,267**	**100.00%**

NOTICE OF ANNUAL GENERAL MEETING

This document is important and requires your immediate attention. If you are in any doubt as to the action you should take, please consult your stockbroker, accountant, attorney, banker or other independent professional adviser immediately.

Notice is hereby given that the Annual General Meeting of ordinary shareholders ("shareholders") of the Company will be held Virtually on Friday, 19 January 2024 at 10:00.

ATTENDANCE AND VOTING

In terms of section 59(1)(a) and (b) of the Companies Act, 2008 (Act 71 of 2008), as amended ("the Act"), the Board of Directors has set the record date for the purpose of determining which shareholders are entitled to:

- Receive the notice of the Annual General Meeting, i.e. the Notice Record Date (being the date on which a shareholder must be registered in the Company's share register in order to receive notice of Annual General Meeting) as Friday, 24 November 2023; and
- participate in and vote at the Annual General Meeting, i.e. the Meeting Record Date (being the date on which a shareholder must be registered in the Company's share register in order to participate in and vote at the Annual General Meeting) as Friday, 12 January 2024.

Should any shareholder (or representative or proxy for a shareholder) wish to participate in the Virtual AGM, that shareholder should apply in writing (including details on how the shareholder or representative (including proxy) can be contacted) to the Company and Transfer Secretaries via email at purple@4axregistry.co.za for the Company and Transfer Secretaries to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification for the purposes of section 63(1) of the Companies Act 71 of 2008, as amended (Companies Act) and for the Company and Transfer Secretaries to provide the shareholder (or representative or proxy) with the link to the Online Registration and Voting Platform as well as the process to register and vote online. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Shareholders are advised to ensure that they are identified and registered to attend the Virtual AGM by preferably no later than Thursday, 18 January 2024 at 12:00, to ensure that they do not experience any delays in accessing the Virtual AGM.

PURPOSE OF THE MEETING

Ordinary Resolutions

The purpose of this meeting is for shareholders to consider and if deemed fit, pass the following ordinary resolutions.

1. To receive, consider and present the audited financial statements of the Company for the year ended 31 August 2023, together with the reports of the auditors and directors;
2. To authorise the directors to fix the remuneration of the auditors for the past audit;
3. To authorise the directors to confirm the appointment of the auditors, BDO South Africa Incorporated, as auditors and Vianca Pretorius, as the registered auditor responsible for the audit, until the conclusion of the next Annual General Meeting and to fix their remuneration;
4. To re-elect directors for positions to the Board:
   a. in terms of the Memorandum of Incorporation, the following directors retire by rotation, but being eligible, hereby offer themselves for re-election:
      - Paul Rutherford; and
      - Craig Carter.

4.1 Ordinary resolution number : "Resolved that Mr. Paul Rutherford is re-elected as a member of the Board of the Company."
4.2 Ordinary resolution number : "Resolved that Mr. Craig Carter is re-elected as a member of the Board of the Company."

(A brief curriculum vitae in respect of these directors is contained on page 177 of this integrated annual report).

Special business shareholders will be asked to consider and, if deemed fit, to pass the following resolutions with or without amendment:

Ordinary resolution number 5– Unissued shares to be placed under the control of the directors

"Resolved that, all of the authorised but unissued ordinary shares of the Company be and are hereby placed under the control and authority of the directors of the Company and that the directors be and are hereby authorised and empowered to allot and issue all or any such ordinary shares to such person or persons on such terms and conditions and at such times as the directors may from time to time in their discretion deem fit, subject to the proviso that the aggregate number of shares allotted and issued in terms of this resolution shall be limited to 15% (fifteen percent) of the authorised share capital and subject to the provisions of the Act and the Listings Requirements of the JSE Limited ("JSE")."

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Ordinary resolution number 6– General authority to issue shares and to sell treasury shares for cash

"Resolved that, subject to not less than 75% of the votes exercisable by ordinary shareholders in aggregate of the Company, present in person or by proxy or represented and entitled to vote at the Annual General Meeting at which this ordinary resolution is to be considered, being cast in favour thereof, the directors of the Company and/or any of its subsidiaries from time to time be and are hereby authorised by way of a general authority to allot and issue all or any of the authorised but unissued ordinary shares in the Company and/or sell or otherwise dispose of or transfer, or issue any options in respect of ordinary shares in the Company, for cash, to such person/s on such terms and conditions and at such times as the directors in their discretion deem fit, subject to the Act, the memorandum of incorporation of the Company and Listings Requirements of the JSE, which Listings Requirements currently provide, inter alia, that:

- the equity securities which are the subject of the issue for cash must be of a class already in issue,
- or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- the equity securities must be issued to public shareholders, as defined by the Listings Requirements of the JSE, and not to related parties (as defined in the JSE Listings Requirements), subject to related parties being able to participate in a general issue of Ordinary Shares for cash through a bookbuild process where the related parties will participate at a maximum bid price at which they are prepared to take up Ordinary Shares or at the book close price. In the event of a maximum bid price and the book closing at a higher price, the relevant related party will be “out of the book” and will not be allocated shares;
- this general authority is valid and will extend to the date of the next Annual General Meeting of the Company, provided that it will not extend beyond 15 (fifteen) months from the date of this Annual General Meeting;
- the number of ordinary shares issued for cash shall not in the aggregate in any one financial year of the Company exceed 15% (fifteen percent) or 210 315 340 shares of the Company’s issued ordinary shares, including instruments which are convertible into ordinary shares. The number of ordinary shares which may be issued for cash shall be based on the number of ordinary shares in issue at the date of the application, less any ordinary shares issued by the Company during the current financial year, provided that any ordinary shares to be issued for cash pursuant to a rights issue (announced, irrevocable and fully underwritten) or acquisition (concluded up to the date of application) may be included as if they were ordinary shares in issue at the date of application;
- a press announcement giving full details, including the impact on net asset value, net tangible asset value, headline earnings and earnings per share, will be published at the time of any issue representing, on a cumulative basis within any 1 (one) financial year, 5% (five percent) or more of the number of ordinary shares in issue prior to such issue;
- in determining the price at which an issue of ordinary shares will be made in terms of this authority, the maximum discount permitted will be 10% (ten percent) of the weighted average traded price on the JSE of such ordinary shares, as determined over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors of the Company; and
- whenever the Company wishes to use ordinary shares, held as treasury stock by a subsidiary of the Company, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of ordinary shares."

Ordinary resolution number 7 – Authorised signatories

"Resolved that, any director of the Company or the Company Secretary be and is hereby authorised to do all such things and to sign all such documents issued by the Company to give effect to Ordinary Resolutions numbers 5 and 6 and Special Resolutions number 1, 2, and 3."

Ordinary resolution number 8 – Non-binding advisory vote on remuneration policy

“To endorse by way of a non-binding advisory vote, the Company’s remuneration policy, as set out in the integrated annual report on pages 173 to 176."

In order for this resolution to be approved, it must be supported by more than 50% of the voting rights exercised on the resolution.

Reason for and effect of ordinary resolution 8

The reason for Ordinary Resolution number 8 is that the King IV Report on Corporate Governance for South Africa 2016, recommends and the JSE Listings Requirements in paragraph 3.84(j) stipulates that the Remuneration Policy of the Company be endorsed through separate nonbinding advisory votes by shareholders. Should Ordinary Resolution number 8 be voted against by 25% or more of the voting rights exercised, the Board will enter into an engagement process to ascertain the reasons for the dissenting votes and appropriately address legitimate and reasonable objections and concerns raised. Details of such engagement will be provided in the Annual

General Meeting results announcement as per the listings requirements, if necessary.

Ordinary resolution number 9: Non-binding advisory vote on implementation report of the remuneration policy

“Resolved that, by way of a non-binding advisory vote, the remuneration implementation report of the Company, as contained in the Remuneration Committee report set out below on pages 173 to 176, be, and is hereby, endorsed. In order for this resolution to be approved, it must be supported by more than 50% of the voting rights exercised on the resolution.”

To the extent that 25% or more votes are cast against this Ordinary Resolution 9, dissenting shareholders will be invited to engage with the Remuneration Committee to discuss their concerns. Details of such engagement will be provided in the Annual General Meeting results announcement as per the listings requirements, if necessary.

Reason for and effect of ordinary resolution 9
The reason for the Ordinary Resolution number 9 is that the King IV Report on Corporate Governance for South Africa, 2016 recommends, and the JSE Listings Requirements stipulate, that the Implementation Report of the Remuneration Policy be endorsed through separate non-binding advisory votes by shareholders.

Ordinary resolution number 10: Appointment of the Audit Committee members

"Resolved that the following Directors of the Company be, and are hereby, elected as members of the Company’s Audit Committee until the conclusion of the next Annual General Meeting, being appointed in accordance with the Companies Act."

10.1 Ordinary resolution number
"Resolved that Mr Arnold Forman is elected as a member and Chair of the Audit Committee of the Company, subject to the approval of ordinary resolution 4.2."

10.2 Ordinary resolution number
"Resolved that Mr Happy Ntshingila is elected as a member of the Audit Committee of the Company."

10.3 Ordinary resolution number
"Resolved that Mr Craig Carter is elected as a member of the Audit Committee of the Company."

Reason for and effect of ordinary resolution 10
The reason for, and effect of, Ordinary Resolution 10.1-10.3 are that the members of the Audit Committee of the Company are required, in terms of Section 94(2) of the Companies Act, to be appointed by Shareholders.

Special Resolutions

Special resolution no. 1 – Approval of non-executive directors’ remuneration

"Resolved that unless otherwise determined by the Company in general meeting, the fees payable to non-executive directors for their services as directors, until the next AGM, as set out below, be approved:

Non-executive Chairman
Annual fee of – R675 379 per year

Independent non-executive directors
Annual fee of – R393 391 per year

Non-executive directors
Attendance fee per Board meeting – R54 090

Attendance fee per sub-committee meeting – R27 044"

The minimum percentage of voting rights that is required for this resolution to be adopted is 75% of the voting rights to be cast on the resolution.

Special resolution no. 2 – Financial assistance to related and inter-related entities

"Resolved that the directors of the Company may, subject to compliance with the requirements of the articles of association of the Company and the Act, authorise the provision by the Company, at any time and from time to time during the period of two (2) years commencing on the date of adoption of this special resolution, of direct or indirect financial assistance, by way of a loan, guarantee of a loan or other obligation or the securing of a debt or other obligation to any one or more related or interrelated companies or corporations of the Company and/ or to any one or more members of any such related or inter-related company or corporation related to any such company or corporation as outlined in section 2 of the Act, on such terms and conditions as the directors may deem fit”.

Reasons for and effect of the special resolution 2
The reason for the passing of this special resolution is that, on a strict interpretation of section 45 of the Act, the Company may not provide the financial assistance contemplated in such section without a special resolution.

The above resolution gives the directors the authority to authorise the Company to provide direct or indirect financial assistance, by way of a loan, guaranteeing of a loan or other obligation or securing of a debt or other obligation, to the recipients contemplated in Special Resolution number 2. It is difficult to foresee the exact details of financial assistance that the Company may be required to provide over the next two (2) years.

It is essential, however, that the Company is able to organise effectively its internal financial administration. For these reasons and because it would be impractical and difficult to obtain shareholder approval every time the Company wishes to provide financial assistance as contemplated above, it is necessary to obtain the approval of shareholders, as set out in Special Resolution number 2.

Special resolution number 3: Awarding of shares and provision of financial assistance in connection therewith

"Resolved that the Company be and is hereby authorised to implement a reward programme which shall entail the following, and be on the following basis:

- The Company may issue investment vouchers to selected employees of the Company or of Group companies (excluding Directors), on a monthly basis or such other basis, all as may be determined from time to time by the Company, such vouchers shall be utilised by the recipients to acquire ordinary shares in the Company on the open market (collectively "Awards");
- The Company may grant Awards to selected clients or potential clients of the Company or of Group companies, for loyalty, retention and/or marketing purposes;
- Such Awards may be free of charge and for no consideration payable by the employees or clients or potential clients, as the case may be, and accordingly the Company shall be entitled to provide any necessary financial assistance in implementing such Awards;
- The authority contained in this resolution shall endure until the next Annual General Meeting of the Company;
- The aggregate of Awards which may be Awarded to employees is a maximum of R75 000; and
- The aggregate of Awards which may be Awarded to clients and potential clients is a maximum of R1 200 000.00 and to the extent that the implementation of any Awards is to entail the provision of financial assistance by the Company as contemplated in section 45 of the Act (to directors or prescribed officers of the Company or of Group companies) and/or section 44 of the Act (for the purpose of or in connection with the acquisition of securities of the Company) and/or the relevant JSE Listings Requirements, such financial assistance be and is hereby authorised."

Reason for and effect of the special resolution 3

The Company's Board is desirous of implementing a share awards program for purposes of incentivising its staff and clientele. To the extent that "financial assistance" is given by the Company in connection with the Awards, as regulated by the Act, the Board is obliged by the Act to pass resolutions pertaining to the solvency and liquidity of the Company and the fairness and reasonableness of the terms of the financial assistance. The Company shall not proceed to provide any such financial assistance unless such requirements are complied with. The authority contained herein constitutes specific authority for the issuance of ordinary shares of the Company as contemplated in the JSE Listings Requirements and, to the extent applicable, section 41(1) of the Act (if shares are to be issued to directors or prescribed officers), as well as authority for the financial assistance.

Special resolution number 4: Acquisition of own shares

"Resolved that, the Company hereby approves, as a general approval, the acquisition from time to time, by the Company and/or any of its subsidiary companies, of issued shares of the Company upon such terms and conditions and in such amounts as the directors of the Company may from time to time decide, subject to the articles of association of the Company, the provisions of the Act and the Listings Requirements of the JSE and on the basis that the directors will, at the time of each repurchase undertaken, ensure that following each repurchase, (a) the Company will satisfy the solvency and liquidity tests contemplated in section 46 (1)(b) of the Act and (b) there will be no subsequent material change to the financial position of any company in the Purple Group group, provided that:

- any such repurchase of shares is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- the Company is authorised thereto by its articles of association;
- the general authority shall only be valid until the Company's next annual general meeting provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- provided that the repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the issued shares for the 5 (five) business days immediately preceding the date on which any acquisition by the Company and/or any of its subsidiary companies is effected;
- at any point in time the Company may only appoint one agent to effect any repurchase(s) on the Company's behalf;
- the Company or its subsidiary may not repurchase shares during a prohibited period as defined in paragraph 3.67 of the Listings Requirements of the JSE;
- repurchases of shares, by the Company, and/or its subsidiaries, in aggregate in any one financial year may not exceed 20% [EdJ1] (twenty percent) of the Company's issued share capital pursuant to this general authority;

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

- subsidiaries of the Company shall not acquire, in aggregate, more than 10% of the Company's issued share capital; and
- an announcement will be published as soon as the Company has cumulatively repurchased 3% of the initial number (the number of that class of share in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter, containing full details of such repurchases."

In terms of the Listings Requirements of the JSE, on the date of this notice the directors consider that were the Company to effect the maximum repurchase contemplated above:

- the Company and its subsidiaries will be able in the ordinary course of business to pay its debts as they become due, for a period of 12 months after the date of the notice of the annual general meeting;
- the consolidated assets of the Company and its subsidiaries, will be in excess of the consolidated liabilities of the Company and its subsidiaries for a period of 12 months after the date of the notice of the annual general meeting, For this purpose, the assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest annual group financial statements;
- the issued ordinary shares capital and reserves of the Company and its subsidiaries for a period of 12 months after the date of the notice of the annual general meeting will be adequate for the purpose of the business of the Company and its subsidiaries; and
- the working capital available to the Company and its subsidiaries for a period of 12 months after the date of the notice of the annual general meeting will be adequate for the requirements of the Company and its subsidiaries
- Shareholders' attention is drawn to the following relevant general information, which is required by the Listings Requirements of the JSE, with regard to the resolution granting a general authority to the Company to repurchase securities:
  - Directors of the Company (refer to page 67 of the Company's annual report)
  - Major shareholders (refer to page 162 of the Company's annual report)
  - Directors' interest in securities (refer to page 66 of the Company's annual report)
  - Share capital of the Company (refer to page 126 of the Company's annual report)
  - Responsibility statement: the directors, whose names are given on page 62 of the Company's annual report, collectively and individually accept full responsibility for the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the annual report and notice of annual general meeting contains all information required by the Listings Requirements of the JSE.
  - Material changes: other than the transactions mentioned in "Subsequent events" on page 161 of the Company's annual report, there has been no material change in the financial or trading position of the Company since 31 August 2016.
- At the present time the directors have no specific intention with regard to the utilisation of this authority, which will only be used if the circumstances are appropriate.

Reasons for and effect of the special resolution

The reason for and effect of the passing of the aforesaid special resolution is so as to enable the Company and/or any of its subsidiary companies to acquire the issued shares of the Company from time to time upon the terms and conditions and in the amounts as the directors of the Company may from time to time decide, subject to the requirements of the Act and the Listings Requirements of the JSE at any time while the general authority exists.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

SALIENT DATES

See the section titled Salient Dates and Times situated below after the resolutions.

Record date to receive notice of AGM	Friday, 24 November 2023
Notice of AGM distributed to shareholders via email on	Thursday, 30 November 2023
Notice of AGM distributed to shareholders by post by no later than	Friday, 1 December 2023
Last day to trade to be recorded in the register on the record date for participation in AGM	Tuesday, 9 January 2024
Record date to participate in and vote at the AGM	Friday, 12 January 2024
Last day for lodging forms of proxy at 10:00 on	Wednesday, 17 January 2024
AGM at 10:00 on	Friday, 19 January 2024

Note: Any changes to the above dates will be announced on SENS subject to JSE approval.

In compliance with section 62(3)(c) of the Act and/or the Listings Requirements it is confirmed that a voting majority of 50% is required for the approval of ordinary resolutions number 1 to 5 and 7 to 10. For the Special Resolutions and Ordinary Resolution number 6, a 75% voting majority is required by law and the JSE Listings Requirements.

VOTING AND PROXIES

All shareholders will be entitled to attend and vote at the Annual General Meeting or any adjournment thereof, every shareholder of the Company who, being an individual, is present or is present by proxy at the Annual General Meeting or which, being a company or body corporate, is represented thereat by a representative appointed, shall have one vote only and on a poll every shareholder of the Company (whether an individual or a company or a body corporate) or represented by a proxy at the Annual General Meeting shall have one vote for every ordinary share held by such shareholder.

Holders of dematerialised shares, other than with "own-name" registration intending to attend the Annual General Meeting, must inform their Central Securities Depository Participant ("CSDP") or broker of their intention and must obtain the necessary authorisation from their CSDP or broker to attend. Such authorisation must be submitted to the Company and Transfer Secretaries on submission of the required proof of identification before the link to the Online Registration and Voting Platform will be provided. If a Dematerialised Holder is unable to attend the Annual General Meeting in person, they should provide their CSDP or broker with their voting instructions in terms of their agreement with the CSDP or broker in the manner and time stipulated therein.

The necessary form of proxy is attached for the convenience of certificated shareholders and dematerialised shareholders with "own-name" registration who cannot attend the Annual General Meeting but who wish to be represented thereat, Any shareholder entitled to attend and vote at the Annual General Meeting may appoint one or more persons to attend, speak and vote in place of such shareholder. A proxy so appointed need not be a shareholder of the Company. In order to be valid, duly completed proxy forms must be received by hand at CTSE Registry Services, 5th Floor, Block B, The Woodstock Exchange Building, 66-68 Albert Road, Woodstock, 7925 or by email at purple@4axregistry.co.za by no later than 10:00 on Wednesday, 17 January 2024. A duly appointed proxy will be required to follow the Online Registration process to attend the Virtual AGM.

Shareholders who require more information about the Online Registration and Voting Process, can contact the Company and Transfer Secretaries telephonically at 011 100 8352 or by email at purple@4axregistry.co.za.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

RECORD DATES

The posting record date, being the date that shareholders must be recorded in the register to be eligible to receive this notice of Annual General Meeting, is Friday, 24 November 2023.

The last day to trade in order to be eligible to vote at the Annual General Meeting is Tuesday, 9 January 2024.

The voting record date, being the date that shareholders must be recorded in the register to be eligible to speak and vote at the Annual General Meeting is Friday, 12 January 2024.

By order of the Board

CTSE Registry Services Proprietary Limited

Company Secretary

30 November 2023

IMPLEMENTATION REPORT OF THE REMUNERATION POLICY

REMUNERATION IMPLEMENTATION REPORT FOR THE YEAR ENDED 31 AUGUST 2023

We are pleased to present Purple Group's Remuneration Implementation Report for the financial year ended 31 August 2023. The report aligns to the reporting structure recommended in the fourth King Report on Corporate Governance for South Africa (King IV).

We believe this report provides stakeholders with improved clarity on how our remuneration policy informs the actual pay and awards received by Purple Group's executive directors, senior executives and prescribed officers as defined by the Companies Act, and how it supports our strategy to attract and retain talent.

At the Annual General Meeting (AGM) held on 20 January 2023, 95.97% of our shareholders voted in favour of our remuneration policy. Following the Remuneration Committee's review of its processes and the remuneration policy, to ensure alignment with shareholder expectations, the remuneration principles have not changed for this financial year.

We will continue to actively engage with shareholders on changes to our remuneration policy and its implementation as part of our commitment to enhance our reporting, meet shareholder expectations, where feasible, and maintain accurate, transparent and relevant disclosure on the performance measures used to determine the award of short- and long-term incentives.

The Remuneration Committee has developed a performance orientated remuneration philosophy which fairly rewards executives and employees for their respective contributions to achieving the Group's strategic, financial and operational objectives. The remuneration structures are to encourage sustainable, long-term wealth creation. The following factors regarding the remuneration structures are highlighted:

- The remuneration philosophy is supportive of the Group's strategy;
- The cost of employment is managed while, at the same time, employees are rewarded in order to retain and motivate talented, skilled and high-calibre executives and employees;
- The Group promotes a performance-based culture; and
- The Group strives to align executive rewards with the interests of stakeholders.

The Remuneration Committee acknowledges the importance of motivating individual and team performances and therefore applies the remuneration policy equitably, fairly and consistently in relation to job responsibilities, the markets in which the Group operates and personal performance.

The Group rewards executive directors and employees as follows:

- Market-related, fair annual packages (base salary and benefits), which are competitive owing to the portability of skills;
- Market information is sourced from industry and executive remuneration surveys to benchmark executive remuneration in comparable positions;
- Annual performance bonuses related to specific Company and personal objectives; and
- Participation in the employee share scheme.

For non-executive directors' fees, the Remuneration Committee takes cognisance of market norms and practices as well as the additional responsibilities placed on Board members by new legislation and corporate governance rules. Non-executive director remuneration is fee-based and not linked to the share price of Purple Group. Purple Group non-executive directors do not receive bonuses or share options to ensure actual and perceived independence, except for Mark Barnes, who has share options from his time as an executive. It was approved at a general meeting of shareholders that these could be retained.

EXECUTIVE DIRECTORS AND SENIOR MANAGEMENT REMUNERATION

GUARANTEED PACKAGES

	2023 R'000	2022 R'000	Movement %
C Savage	**5,169**	4,969	4.0
G van Dyk	**3,997**	3,865	3.4
Executive Committee (6 members)	**18,778**	12,356	52.0

The senior management members include the Chief Technology Officer, Chief Marketing & Communications Officer, Chief People Officer, Chief Operations Officer (joined 1 April 2022), Chief Risk Officer (joined 1 June 2022) and Chief Product Officer (joined 1 November 2022).

The increase in the Executive Committee remuneration in the current period compared to the prior 2022 financial year, is due to the new Executive Committee members having been employed for a full year in 2023.

INCENTIVES – SHORT-TERM

Short-term bonuses for Executives and Senior Management are currently awarded at the discretion of the Remuneration Committee. Although various metrics are taken into account in evaluating performance, the overriding criteria is Group profitability.

The bonuses paid to the executives and senior management disclosed below relate to payments made during the current reporitng period for bonuses declared in relation to the 2022 financial year:

	2023 R'000	2022 R'000	Movement %
C Savage	**1,200**	2,150	-44.2
G van Dyk	**900**	1,670	-46.1
Executive Committee (6 members)	**1,935**	3,290	-41.2

IMPLEMENTATION REPORT OF THE REMUNERATION POLICY CONTINUED

INCENTIVES – LONG-TERM

The Group rewards its staff through the Employee Share Option Scheme which translates into future value to the staff through increasing profits and in return, the share price of Purple Group.

On 1 February 2005, an employee share option scheme was introduced by approval at the general meeting of the Company. The movement in the options during the year and the terms and conditions of the options are detailed below.

	2023		2022	
	Weighted average exercise price	Number of options	**Weighted average exercise price**	Number of options
Outstanding at the beginning of the period	**47**	**45,996,938**	49	86,091,249
Issued during the period	**-**	**-**	-	-
Exercised during the period	**69**	**(18,117,355)**	52	(39,812,760)
Expired during the period	**-**	**-**	-	-
Forfeited during the period	**31**	**(62,500)**	39	(281,551)
Outstanding at the end of the period	**32**	**27,817,083**	47	45,996,938
Exercisable at the end of the period	**32**	**17,817,083**	59	25,121,938

The vesting conditions of all the options granted to date are:

- Up to 25% on or after the first anniversary date of acceptance of the options;
- Up to 50% on or after the second anniversary of the acceptance date;
- Up to 75% on or after the third anniversary date; and
- Up to 100% on or after the fourth anniversary date.

The contractual life of all options is seven years from date of grant.

The options outstanding at 31 August 2023 have been issued in a price range from 31 cents to 75 cents (2022: 31 cents to 76 cents) and have a weighted average exercise price of 32.00 cents (2022: 46.74 cents) and a weighted average contractual life of 3.30 years (2022: 2.91 years).

The existing share option scheme has run its course and has been replaced by The Purple Group 2022 Share Incentive Plan which was approved by shareholders at a general meeting held on 3 June 2022. No issuances have been made under this new plan.

The number of share options held by executive directors and senior management are:

	2022	**Issued**	**Exercised**	**2023**	Movement %
C Savage	7,000,000	-	**-**	**7,000,000**	0.0
G van Dyk	11,500,000	-	**(6,000,000)**	**5,500,000**	(52.2)
Executive Committee (6 members)	8,937,500	-	**(2,687,500)**	**6,250,000**	(30.1)

IMPLEMENTATION REPORT OF THE REMUNERATION POLICY CONTINUED

NON-EXECUTIVE DIRECTORS' REMUNERATION

The remuneration of non-executive directors is reviewed annually by the Board and the Remuneration Committee. The Remuneration Committee proposed a 5.4% (2022: 7.5%) increase in non-executive directors' fees.

Non-executive directors are paid a fixed fee for services rendered and fees are set at levels that will attract and retain the calibre of directors necessary to contribute to a highly productive board.

FEES PAID TO EACH NON-EXECUTIVE DIRECTOR FOR SERVICES PERFORMED AS DIRECTORS OF THE COMPANY

	2023 R'000	2022 R'000	Movement %
Arnold Forman – Independent non-executive director's fees	**373**	339	10.0
Total director's fees	**373**	339	10.0
William Bassie Maisela – Independent non-executive director's fees	**373**	-	N/A
Total director's fees	**373**	-	N/A
Bonang Mohale			
- Board meetings attendance fee	**154**	140	10.0
- Sub-committee meeting attendance fees	**26**	24	8.3
Total director's fees	**180**	153	17.6
Craig Carter – Independent non-executive director's fees	**373**	339	10.0
Total director's fees	**373**	339	10.0
Happy Ntshingila – Chairman of the Board	**641**	582	10.1
Total director's fees	**641**	582	10.1
Mark Barnes			
- Board meetings attendance fee	**154**	140	10.0
- Sub-committee meeting attendance fees[1]	**51**	92	- 44.6
Total director's fees	**205**	232	- 11.6
Paul Rutherford			
- Board meetings attendance fee	**154**	140	10.0
- Sub-committee meeting attendance fees	**51**	22	131.8
Total director's fees	**205**	162	26.5

1 Mark Barnes attended two sub-committee meetings during FY 2023, compared to 4 during FY 2022; hence the decrease.

BRIEF CURRICULUM VITAE OF DIRECTORS STANDING FOR RE-ELECTION

PAUL RUTHERFORD – 45

Non-executive director

Paul is the founder and managing partner at Base Capital (formerly Nire Capital). Base Capital focuses on investing in technology enabled businesses. They invest globally and across the life cycle of a business from seed and growth stage through to secondary and listed investments. The objective is to identify durable market winners and to support management on their journey. While Base Capital invest globally there is a focus on developing markets. The business is operated from Cape Town, South Africa. Paul brings 20 years experience of growing and scaling market winning businesses both as an investor and operator. This experience and global network provides support to management teams across strategy, product, expansion, access to talent and capital partners.

Paul joined the Board during October 2021 and is also a member of the Remuneration Committee and Risk Committee of Purple Group.

CRAIG CARTER – 63

Independent non-executive director

Craig has over 30 years' experience, predominantly in technology and financial services, including treasury, corporate finance, venture capital, banking and mobile payments. Craig joined Purple Group at its inception as COO and was most recently COO for WIZZIT International, and CEO of Luminous Banking.

Craig joined the Board in February 2005. Craig is also a member of the Risk Committee, Audit Committee and Remuneration Committee.

SHAREHOLDER RIGHTS

In terms of section 58 of the Companies Act, No. 71 of 2008 (as amended), shareholders have rights to be represented by proxy as herewith stated.

1. At any time, a shareholder of the Company may appoint any individual, including an individual who is not a shareholder of the Company, as a proxy to:

    a. participate in, and speak and vote at, a shareholders meeting on behalf of the shareholder; or
    b. give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

Provided that the shareholder may appoint more than one proxy to exercise voting rights attached to different shares held by the shareholder.

2. A proxy appointment:

    b. must be in writing, dated and signed by the shareholder; and
    c. remains valid for:
        ii. one year after the date on which it was signed; or
        iii. any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8) (d).

3. Except to the extent that the Memorandum of Incorporation of the Company provides otherwise:

    c. a shareholder of the Company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;
    d. a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
    e. a copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders meeting.

4. Irrespective of the form of instrument used to appoint a proxy:

    d. the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
    e. the appointment is revocable unless the proxy appointment expressly states otherwise; and

5. If the appointment is revocable, a shareholder may revoke the proxy appointment by:
    a. cancelling it in writing, or making a later inconsistent appointment of a proxy; and
    b. delivering a copy of the revocation instrument to the proxy, and to the Company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:

    d. the date stated in the revocation instrument, if any; or
    e. the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).

7. If the instrument appointing a proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by this Act or the Company's Memorandum of Incorporation to be delivered by the Company to the shareholder must be delivered by the Company to:

    g. the shareholder; or
    h. the proxy or proxies, if the shareholder has
        vii. directed the Company to do so, in writing; and
        viii. paid any reasonable fee charged by the Company for doing so.

8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.

9. If the Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of instrument for appointing a proxy:

    i. the invitation must be sent to every shareholder which is entitled to notice of the meeting at which the proxy is intended to be exercised;
    j. the invitation, or form of instrument supplied by the Company for the purpose of appointing a proxy, must:
        ix. bear a reasonably prominent summary of the rights established by this section;
        x. contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and

  - xi. provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;

- k. the Company must not require that the proxy appointment be made irrevocable; and
- l. the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).

10. Subsection (8)(b) and (d) do not apply if the Company merely supplies a generally available standard form of proxy appointment on request by a shareholder.

FORM OF PROXY

PURPLE GROUP LIMITED
Incorporated in the Republic of South Africa
Registration Number: 1998/013637/06
JSE Share Code: PPE
ISIN: ZAE000185526
("**Purple Group**" or "**the Company**")

FOR USE BY SHAREHOLDERS WHO CANNOT ATTEND THE ANNUAL GENERAL MEETING OF THE COMPANY BUT WISHES TO BE REPRESENTED THEREAT

Where appropriate and applicable, the terms defined in the notice of Annual General Meeting to which this form of proxy is attached bear the same meanings in this form of proxy.

For use by shareholders of the Company, registered as such at the close of business on **Friday, 12 January 2024**, being the voting record date ("**Voting Record Date**"), at the annual general meeting of the Company to be held entirely by electronic communication on **Friday, 19 January 2024** at **10:00** (hereinafter referred to as "**Annual General Meeting**" or "**AGM**") or any postponement of this meeting.

I/We (FULL NAME IN BLOCK LETTERS) ____

of (ADDRESS) ____

being the holder/s of _______________________ issued shares in the Company hereby appoint:

1. ____or failing him/her,
2. ____or failing him/her,
3. the chairperson of the annual general meeting,

as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting and/or at any postponement or adjournment thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the Annual General Meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner:

	NUMBER OF SHARES		
RESOLUTIONS	***IN FAVOUR OF**	***AGAINST**	***ABSTAIN**
Ordinary resolution number 1: Adoption of annual financial statements for the year ended 31 August 2023			
Ordinary resolution number 2: Remuneration of auditors			
Ordinary resolution number 3: Appointment of auditors			
Ordinary resolution number 4.1: Re-election of Mr. Paul Rutherford			
Ordinary resolution number 4.2: Re-election of Mr. Craig Carter			
Ordinary resolution number 5: To place the unissued shares of the Company under the control of the directors			
Ordinary resolution number 6: To authorise the Company to issue shares and to sell treasury shares for cash under a general authority			
Ordinary resolution number 7: To authorise the directors as signatories			
Ordinary resolution number 8: Non-binding advisory note on remuneration policy			
Ordinary resolution number 9: Non-binding advisory note on implementation report of remuneration policy			
Ordinary resolution number 10.1: Election of Mr. Arnold Forman as Chairman of the Audit Committee			
Ordinary resolution number 10.2: Election of Mr. Happy Ntshingila as a member of the Audit Committee			
Ordinary resolution number 10.3: Election of Mr. Craig Carter as a member of the Audit Committee			
Special resolution number 1: Non-executive directors' remuneration to next AGM			
Special resolution number 2: Financial assistance to related and inter-related entities			
Special resolution number 3: Awarding of shares and the provision of financial assistance in connection therewith			
Special resolution number 4: Acquisition of own shares			
**** One vote per share held by shareholders recorded in the register on the Voting Record Date.*** ** Mark "in Favour of", "against" or "abstain" as required. If no options are marked, the proxy will be entitled to vote as he/she thinks fit.*			

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

Signed this ______________________ day of ______________________ 2023/2024

Signature of shareholder(s) ____

Assisted by me (where applicable) ____

NOTES TO THE FORM OF PROXY

1. Purple Group shareholders who have dematerialised their shares through a CSDP or broker must not complete this form of proxy but must provide their CSDP or broker with their voting instructions, except for Purple Group shareholders who have elected "own-name" registration in the sub-register through a CSDP or broker, It is these shareholders who must complete this form of proxy and lodge it with the transfer secretaries.
2. Holders of dematerialised Purple Group shares wishing to attend the Annual General Meeting must inform their CSDP or broker of such intention and request their CSDP or broker to issue them with the relevant authorisation to attend.
3. A member entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend, vote and speak in his/her/its stead at the Annual General Meeting, A proxy need not be a member of the Company.
4. A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space/s provided, with or without deleting "the Chairman of the Annual General Meeting", but any such deletion must be initialled by the member. The person whose name stands first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast, However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/ she deems fit in respect of all the member's votes exercisable thereat. A member or his/her proxy is not obliged to use all the votes exercisable by the member or by his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the member or by his/her proxy. Holders of dematerialised shares, other than with "own-name" registration must inform their CSDP or broker of whether or not they intend to attend the Annual General Meeting and obtain the necessary authorisation from their CSDP or broker to attend the Annual General Meeting or provide their CSDP or broker with their voting instructions should they not be able to attend the Annual General Meeting.
6. Forms of proxy must be received at the Company's Transfer Secretaries by hand at CTSE Registry Services, 5th Floor, Block B, The Woodstock Exchange Building, 66-68 Albert Road, Woodstock, 7925 or by email at purple@4axregistry.co.za by no later than 10:00 on Wednesday, 17 January 2024.
7. The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's Transfer Secretaries or waived by the Chairman of the Annual General Meeting.
9. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
10. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.
11. The Chairman of the Annual General Meeting may reject or accept a form of proxy which is completed and/or received, other than in accordance with these notes, if the Chairman is satisfied as to the manner in which the member wishes to vote.

CORPORATE INFORMATION

NATURE OF BUSINESS

Purple Group Limited is a financial services company.

DIRECTORS

Happy Ntshingila	Independent non-executive Chairman
Mark Barnes	Non-executive director
Charles Savage	Group CEO
Gary van Dyk	Group CFO
Arnold Forman	Independent non-executive director
Craig Carter	Independent non-executive director
Bonang Mohale	Non-executive director
Paul Rutherford	Non-executive director
William Bassie Maisela	Independent non-executive director

BUSINESS ADDRESS

WeWork - Coworking & Office Space1F
173 Oxford Road
Rosebank
Johannesburg
2196

POSTAL ADDRESS

PO Box 411449
Craighall
2024

BANKERS

Capitec Bank Limited

AUDITORS

BDO South Africa Incorporated
Registered Auditors

GROUP SECRETARY

CTSE Registry Services Proprietary Limited
5th Floor, Block B
The Woodstock Exchange Building
66-68 Albert Road
Woodstock
7925

SHARE REGISTRARS

CTSE Registry Services Proprietary Limited
5th Floor, Block B
The Woodstock Exchange Building
66-68 Albert Road
Woodstock
7925

COMPANY REGISTRATION NUMBER

1998/013637/06

ISIN

ZAE000185526

VAT REGISTRATION NUMBER

4640178168

TAX NUMBER

9552/065/64/2

PURPLE GROUP
LIMITED