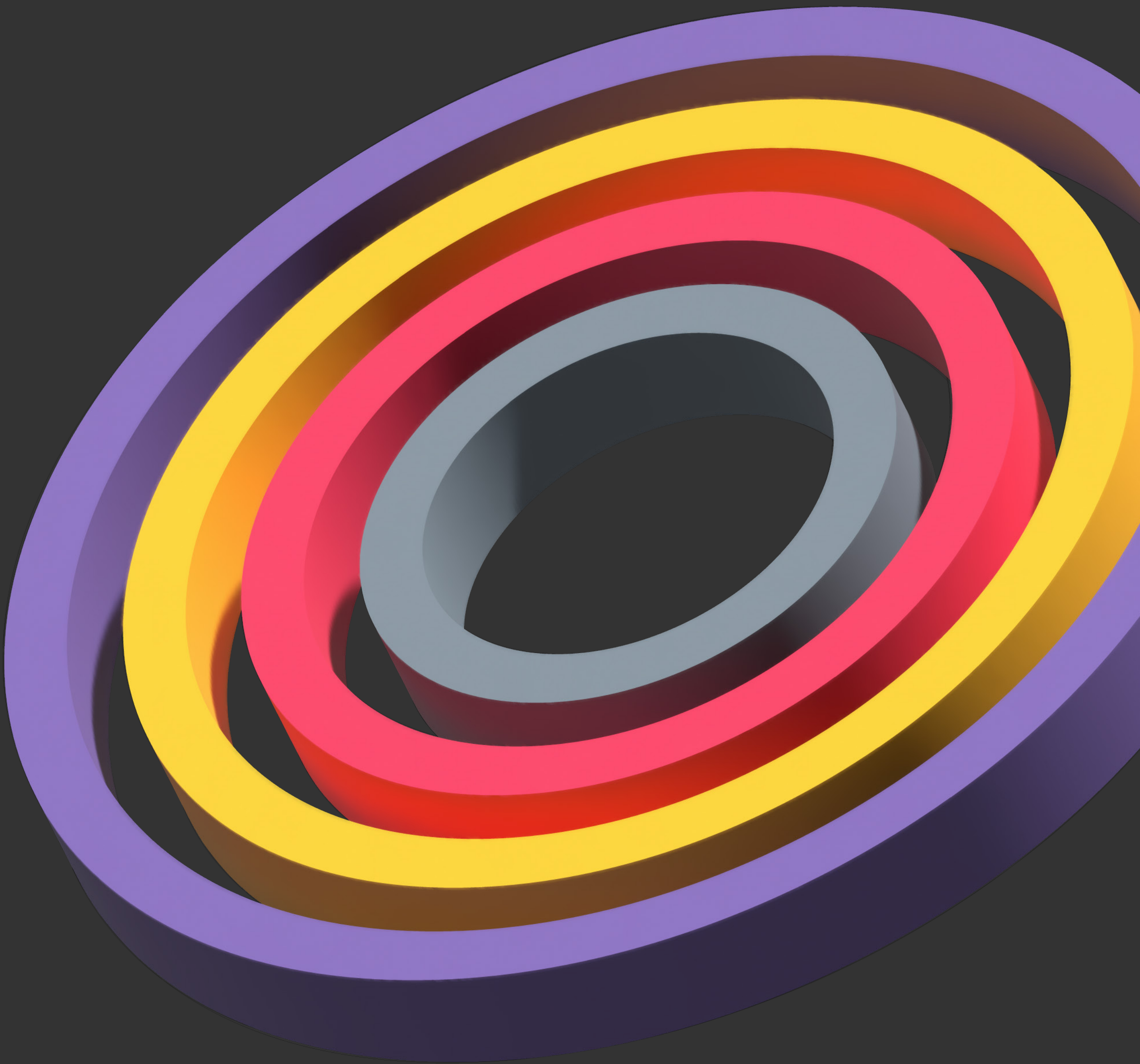
PURPLE GROUP
LIMITED



2024
Annual Financial Statements

for the year ended
31 August 2024

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www.purplegroup.co.za

CONTENTS

3

COMPANY FINANCIAL STATEMENTS

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

These Company financial statements have been audited in compliance with section 30(2)(a) of the Companies Act of South Africa.

Published 26 November 2024

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The directors are responsible for the preparation and fair presentation of the Company annual financial statements of Purple Group Limited, comprising the Company statement of financial position as at 31 August 2024, and the Company statement of profit or loss and other comprehensive income, the Company statement of changes in equity and the Company statement of cash flows for the year then ended, and notes to the Company financial statements, which include a summary of significant accounting policies and other explanatory notes in accordance with International Financial Reporting Standards (IFRS Accounting Standards), the South African financial reporting requirements, the requirements of the Companies Act of South Africa and the Listing Requirements of the JSE Limited, which are supported by prudent judgements and estimates, and the Directors' Report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of annual 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's ability to continue as a going concern and have no reason to believe that it will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the Company financial statements are fairly presented in accordance with IFRS Accounting Standards, the South African financial reporting requirements, the requirements of the Companies Act of South Africa and the Listing Requirements of the JSE Limited, and in conformity with International Standards on Auditing.

APPROVAL OF THE COMPANY ANNUAL FINANCIAL STATEMENTS

The Company annual financial statements of Purple Group Limited, which appear on pages 5 to 51 were authorised for issue by the Board of directors on 26 November 2024 and are signed on their behalf.

Charles Savage

Chief Executive Officer

Happy Ntshingila

Non-executive Chairman

DIRECTORS' REPORT

The directors submit their annual report on the activities of Purple Group Limited ("the Company") for the year ended 31 August 2024.

BUSINESS OPERATIONS

Purple Group Limited, registered and incorporated in the Republic of South Africa, is a financial services company listed on the "Financials – General Financial" sector of the JSE. It has subsidiaries that operate in trading, investing and asset management.

FINANCIAL REVIEW

The Company recognised a net loss after tax of R1.8 million (2023: net loss after tax R32.4 million) for the 2024 reporting period. Shareholders' funds have increased from R509.1 million in 2023 to R514.0 million in 2024.

DIRECTORS

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

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

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

*Independent non-executive

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

	2024				2023			
	Beneficial		**% Holding**		Beneficial		% Holding	
	Direct	**Indirect**	**Direct**	**Indirect**	Direct	Indirect	Direct	Indirect
Mark Barnes	**22,276,610**	**77,296,172**	**1.57**	**5.43**	22,276,610	77,296,172	1.59	5.51
Craig Carter	**2,129,577**	**-**	**0.15**	**-**	2,129,577	-	0.15	-
Charles Savage	**42,000,000**	**278,200**	**2.95**	**0.02**	35,444,964	296,990	2.53	0.02
Gary van Dyk	**31,825,278**	**-**	**2.24**	**-**	28,325,278	-	2.02	-
Bonang Mohale	**-**	**15,099,589**	**0.00**	**1.06**	-	15,099,589	-	1.08
William Bassie Maisela	**-**	**2,644,671**	**-**	**0.19**	-	2,644,672	-	0.19
Paul Rutherford	**-**	**2,236,537**	**-**	**0.16**	-	2,411,283	-	0.17
	98,231,465	**97,555,169**	**6.91**	**6.86**	88,176,429	97,748,705	6.29	6.97

None of the directors of the Company have traded any of the shares held by them between 31 August 2024 and the issued date of this report.

DIRECTORS' REPORT CONTINUED

None of the directors of the Group have traded any of the shares held by them between 31 August 2024 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 3,500,000 (2023: 6,000,000) shares by exercising share options on 29 February 2024, and sold zero shares.
- Charles Savage concluded the following transactions during the year:
  - Acquired 7,000,000 shares by exercising share options on 28 February 2024;
  - Wife sold 18,790 shares in an off-market sale and;
  - Sold 444,964 shares in an off-market sale to his daughter.

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 is 1,422,539,767 (2023: 1,402,102,267).

SUBSIDIARIES

The Company has direct holdings in the following subsidiaries:

- 70% of the issued share capital of First World Trader Proprietary Limited,
- 100% of the issued share capital of EasyTrader Proprietary Limited(formerly known as GT247.com Proprietary Limited),
- 100% of the issued share capital of EasyAssetManagement Proprietary Limited(formerly known as Emperor Asset Management Proprietary Limited)
- 49.02% of the issued share capital of Easy Crypto SA Proprietary Limited

Refer to notes 6 and 19.

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.

SHARE INCENTIVE SCHEME

The Group currently operates two distinct share-based payment schemes:

- 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 7,750,000 (2023: 27,817,083) options in issue to the directors and staff of Purple Group. Details of the options in issue are disclosed in Note 14 to the financial statements.
- "The Purple Group 2022 Share Incentive Plan", was approved 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 was implemented on 30 August 2024, whereby the first allocation was made to directors and employees. Details of the plan can be found in the Circular to Shareholders issued on 4 May 2022, on the Purple Group website: www.purplegroup.co.za.

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 Company financial statements, which significantly affect the financial position at 31 August 2024 or the results of operations or cash flows for the year then ended. Refer to note 20 on page 51 of the financial statements

DIRECTORS' REPORT CONTINUED

GOING CONCERN

The financial statements have been prepared on a going-concern basis. The Company having accumulated losses and current liabilities in excess of current assets is supported by a overdraft facility of R14.5 million to meet operational needs. As at year end the Company had drawn-down R7.6 million. The Company has net equity of R514.0 million (2023 : R509.1million), which will allow for the Group companies to fund the operating costs and commitments of the Company should the need arise, and as such management prepared forecasts and the directors expect business growth to unfold over the next 12 months and are confident that the Company will continue trading as a going concern.

COMPANY SECRETARY

The Company secretary during the period was CTSE Registry Services Proprietary Limited (previously named 4 Africa Exchange Registry), 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: Jaco Du Plessis) has been the auditor for 14 years. The Board of Directors confirm that there is an arm's length relationship with the auditors.

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report
To the Shareholders of
Purple Group Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Purple Group Limited (the company) set out on pages 12 to 51, which comprise the separate statement of financial position as at 31 August 2024, and the separate statement of profit or loss and other comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Purple Group Limited as at 31 August 2024, and its separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 Separate Financial Statements* section of our report. We are independent of the company 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the separate 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
Investment in subsidiaries (Note 6 and the relevant accounting policy note "Investment in subsidiaries") At 31 August 2024, the Company's investments in subsidiaries are carried at R435m (note 6). In accordance with IAS 36: *Impairment of assets*, the company is required to consider whether there are indicators of impairment with respect to investments in subsidiaries. Where impairment indicators have been identified (EasyTrader, EasyDefi Technologies, One World Trader, Easy ETF's, Easy Asset Management and EasyProperties), significant judgements and assumptions are applied by	Our audit procedures included, amongst others: • We assessed the design and implementation of relevant controls in the impairment and reversal of impairment process as performed by management; • We evaluated management's 2025 -2033 outlook, and in particular assessed the , forecasted revenue; • We compared the key assumptions applied in the historical performance of the entity, local economic development and industry outlook,

management when calculating the discounted cash flows, in order to determine whether the recoverable amounts exceed the carrying value of investments. The impairment assessment of investment in subsidiaries is therefore considered to be a matter of most significance in our audit of the separate financial statements in the current year.	considering the sensitivity of the 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, considering specifically the operating cash flow projections, discount rates, and long-term growth rates and comparing these to external sources where appropriate, considering our knowledge of the industry and business. The key assumptions used for estimating cash flow projections in the company's impairment testing are those relating to growth in revenue, driven by trading activity; • Making use of our corporate finance expertise, we assessed the valuation models and related key inputs and assumptions for reasonability to assess whether the methods applied are consistent with IFRS Accounting standards and industry norms; and • We evaluated the adequacy of the Company's disclosures against the requirements of IFRS Accounting standards.
Deferred tax asset recoverability assessment (Note 10 and the relevant accounting policy note "Deferred taxes") In terms of IAS 12: *Income Taxes*, 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. The assessment of the recognition of the deferred tax asset is therefore considered to be a matter of most significance in our audit of the separate financial statements in the current year.	Our audit procedures included, amongst others: • Discussing with management and assessing the forecasts prepared to evaluate whether all information that is reasonably available has been considered 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; • We evaluated the reliability of the underlying data used to prepare the budgeted forecasts by comparing the significant inputs to historical performance; • We inspected relevant underlying documentation relating to the key assumptions applied in the forecasts for reasonability and, where relevant, we compared the assumptions used to external market information; • We evaluated management's tax planning opportunities and the ability to implement chosen tax planning opportunities by evaluating corporate restructuring opportunities; and • We evaluated the adequacy of the group's disclosures against the requirements of IFRS Accounting Standards.

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 2024 and the document titled Purple Group Limited Annual Report for the year ended 31 August 2024, 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 separate 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 separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate 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 Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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 company'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 company'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 separate 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 separate 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 14 years.

BDO South Africa Incorporated
Registered Auditors

BDO South Africa Inc.
BDO South Africa Inc. (Nov 26, 2024 06:32 GMT+2)

Jaco du Plessis
Director
Registered Auditor

26 November 2024

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 August 2024

	Notes	**2024 R'000**	2023 R'000
Revenue	1	**23,384**	19,888
Expenses before other income, interest, depreciation, fair value and impairment adjustments	2	**(18,987)**	(20,122)
Earnings/(Loss) before interest, depreciation, fair value and impairment adjustments		**4,397**	(223)
Finance income received	3	**1**	124
Finance costs paid	3	**(333)**	(1,133)
Depreciation	2	**(35)**	(9)
Earnings/(Loss) before fair value, impairment adjustments and tax		**4,030**	(1,241)
Fair value and impairment adjustments	4	**(6,045)**	(40,069)
Loss before tax		**(2,015)**	(41,310)
Tax benefit	5	**188**	8,887
Loss for the period		**(1,827)**	(32,423)
Other comprehensive income/(expense)		**-**	-
Total comprehensive loss		**(1,827)**	(32,423)

STATEMENT OF FINANCIAL POSITION

as at 31 August 2024

	Notes	2024 R'000	2023 R'000
ASSETS			
Equipment		103	60
Investment in subsidiaries	6	411,911	408,607
Investments	7	8,973	18,255
Receivables	8	1,526	1,526
Loan to group company	9	10,026	10,026
Deferred tax assets	10	72,305	71,971
Total non-current assets		**504,844**	510,445
Trade and other receivables	11	21,073	5,797
Cash and cash equivalents	12	275	275
Total current assets		**21,348**	6,072
Total assets		**526,192**	516,517
EQUITY AND LIABILITIES			
Share capital	13	797,417	787,902
Accumulated loss		(284,236)	(282,409)
Share-based payment reserve	13	826	3,645
Total equity		**514,007**	509,138
Trade and other payables	15	4,391	4,956
Bank overdraft	12	7,649	2,423
Current tax payable	10	145	-
Total current liabilities		**12,185**	7,379
Total equity and liabilities		**526,192**	516,517

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 August 2024

	Notes	Share Capital R'000	Accumulated loss R'000	Share-based payment reserve R'000	Total R'000
Balance at 31 August 2022		**667,160**	**(249,986)**	**8,741**	**425,915**
Total comprehensive loss for the period					
- Loss for the period		-	(32,423)	-	(32,423)
Contributions by and distributions to owners					
- New shares issued - Purple Group Limited Rights Offer	13	102,546	-	-	102,546
- Share options exercised - paid in capital	13	12,580	-	-	12,580
- Share options exercised - transfer from share based payment reserve	13	5,616	-	(5,616)	-
- Share-based payment expense - Company	2 & 13	-	-	169	169
- Share-based payment expense - Subsidiaries	13	-	-	351	351
Balance at 31 August 2023		**787,902**	**(282,409)**	**3,645**	**509,138**
Total comprehensive loss for the period					
- Loss for the period		-	(1,827)	-	(1,827)
Contributions by and distributions to owners					
- Share options exercised - paid in capital	13	6,596	-		6,596
- Share options exercised - transfer from share based payment reserve	13	2,919	-	(2,919)	-
- Share-based payment expense - Company	2 & 13	-	-	33	33
- Share-based payment expense - Subsidiaries	13	-	-	67	67
Balance at 31 August 2024		**797,417**	**(284,236)**	**826**	**514,007**

STATEMENT OF CASH FLOWS

for the year ended 31 August 2024

	Notes	2024 R'000	2023 R'000
Cash flows generated by operating activities			
Cash generated from/(utilised by) operations		**(11,412)**	5,149
Finance income received	3	**1**	124
Finance costs paid	3 & 15	**(333)**	(1,571)
Cash flows (utilised by)generated from operating activities		**(11,744)**	3,702
Cash flows from investing activities			
Acquisition of additional shares - First World Trader Proprietary Limited	6	-	(105,001)
Acquisition of equipment		**(78)**	(64)
Disposal of equipment		-	11
Cash flows utilised in investing activities		**(78)**	(105,054)
Cash flows from financing activities			
Proceeds from the issue of share capital	13	-	102,546
Proceeds from exercised share options	13	**6,596**	12,580
Repayments of borrowings		-	(8,000)
Cash flows generated from financing activities		**6,596**	107,126
Net increase in cash and cash equivalents		**(5,226)**	5,774
Cash and cash equivalents at beginning of period		**(2,148)**	(7,922)
Cash and cash equivalents at the end of the period	12	**(7,374)**	(2,148)

NOTES TO THE STATEMENT OF CASH FLOWS

for the year ended 31 August 2024

RECONCILIATION OF CASH GENERATED (utilised BY)/from OPERATIONS

	Notes	**2024 R'000**	2023 R'000
Loss before tax		**(2,015)**	(41,310)
Adjustments for:			
– Finance income received	3	**(1)**	(124)
– Finance costs paid	3	**333**	1,133
– Depreciation	2	**35**	9
– Fair value adjustments	4	**9,282**	(31)
– Impairment adjustments	4	**(3,237)**	40,100
– Forex profit		-	(1)
– Profit on disposal of assets		-	(11)
– Share-based payment expense	2	**33**	169
		4,430	(66)
Movement in working capital			
(Increase)/decrease in trade and other receivables	11	**(15,276)**	5,836
Decrease in trade and other payables	15	**(566)**	(621)
		(11,412)	5,149

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 Space, 1F 173 Oxford Road, Rosebank, Gauteng, 2196.

Basis of preparation

The Company financial statements have been prepared in conformity with IFRS Accounting Standards, and Financial Reporting Pronouncements as issued by the Financial Reporting Standard Council, the requirements of the companies Act of South Africa and the Listing Requirements of the JSE Limited.

The Company financial statements were authorised for issue by the Board of Directors on 26 November 2024.

The Company financial statements of the Company is available for inspection on http://www.purplegroup.co.za

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

The financial statements have been prepared on the historical cost-basis except for the following:
- Share-based payments are measured at fair value at grant date; and
- Financial instruments at fair value through profit or loss.

The methods used to measure fair value are discussed further on pg 25: Determination of fair values.

These Company financial statements are presented in South African Rand, which is the Company'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 Company financial statements in conformity with IFRS Accounting Standards 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.

Significant Judgement

Investment in subsidiaries

The company assesses in the recoverable amount of the investment in subsidiaries based on the recoverable amount of the individual subsidiaries.

Estimation uncertainty

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

Deferred taxes (note 5)

The Company recognises the future tax benefits related to deferred tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Company to make estimates related to expectations of future taxable income.

Estimates of future taxable income and future taxable capital gains are based on forecast cash flows which also incorporates tax planning opportunities from operations and the application of existing tax laws in South Africa. To the extent that future cash flows, future taxable income and taxable capital gains differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted.

ACCOUNTING POLICIES CONTINUED

Investment In subsidiaries (note 6)

Determining whether investment in subsidiaries are impaired requires directors to identify indicators of impairment. Once indicators of impairment are identified an estimation of the value in use of the investment is determined. 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 the originally expected, an impairment loss may arise.

Share-based payments (note 14)

The Company issues equity-settled share-based payments to executive directors and certain employees. The fair value of these instruments is measured at grant date, using the Black-Scholes valuation model, which requires assumptions regarding the estimated term of the option, share price volatility and expected dividend yield. While the Company's management believes that these assumptions are appropriate, the use of different assumptions could have an impact on the fair value of the option granted and the related recognition of the share-based payments expense in the statement of profit or loss.

Loans to group companies (Note 16)

The company assesses expected credit losses for inter-group receivables based on the general model.

Going Concern (note 21)

The financial statements have been prepared on a going-concern basis. The Company having accumulated losses and current liabilities in excess of current assets is supported by a overdraft facility of R14.5 million to meet operational needs. As at year end the Company had drawn-down R7.6 million (2023: R2.4 million). The Company has net equity of R514.0 million (2023 : R509.1million), which will allow for the Group companies to fund the operating costs and commitments of the Company should the need arise, and as such management prepared forecasts and the directors expect business growth to unfold over the next 12 months and are confident that the Company will continue trading as a going concern.

Valuation of financial instruments (note 16)

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

Fair values of financial assets and liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Company determines fair values using valuation techniques.

The Company 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 debt and 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 Company uses primarily 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. 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.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses.

The cost of an investment in a subsidiary is the aggregate of:
- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the company; plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

Loans to group companies

This includes a loan to subsidiaries and is recognised initially at fair value plus direct transaction costs. Loans to group companies are classified as financial assets measured at amortised cost. The company assesses expected credit losses for inter-group receivables.

A loan is considered to be in default when there is evidence that the borrower is in significant financial difficulty such that it will have insufficient funds to repay the loan on demand. This is assessed on a number of factors including various liquidity and solvency ratios.This is a loan to a subsidiary and is recognised initially at fair value plus direct transaction costs. The company assesses expected credit losses for inter-group receivables based on the general method.

Financial instruments

Non-derivative financial instruments

Classification and subsequent measurement

Financial assets

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

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL (Note 7).

Trade receivables are carried at amortised cost less ECLs (expected credit losses). Please refer to the accounting policy on Impairments for the treatment of expected credit losses on trade receivables. (Note 11).

Cash and cash equivalents are measured at amortised cost less ECLs (Note 12).

Financial liabilities – Classification, subsequent measurement and gains and losses

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

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.

ACCOUNTING POLICIES CONTINUED

Impairment

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost. The general model applies to staff loans and intercompany loans. 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 Company 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 Company'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 Company is exposed to credit risk.

Impairment provisions for trade and other 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 Company 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.

Share capital

Transfer between the share-based payment reserve and share capital

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

Expired and lapsed share options is elected by the Company to be transferred from the share based payment reserve to retained income.

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.

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 for the current and comparative periods are as follows:

Computer equipment	3 years (2023: 3 years)
Furniture and fittings	6 years (2023: 6 years)

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

ACCOUNTING POLICIES CONTINUED

Employee benefits

Share-based payment transactions

The share option programme (equity-settled share-based payment arrangement) allows selected Group employees to acquire shares of the Company. 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.

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.

Revenue

Management Fees are recognised as and when services are rendered over time and revenue is recognised net of VAT (where applicable)

Inter-company cost recoveries are recognised when the company's right to receive payment has been established

Finance costs

Finance costs comprises of bank overdraft and is recognised in profit or loss using the effective interest method.

Standards and interpretations effective and adopted for the first time in the 2024 financial year

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

Standard(s) Interpretation(s) Amendment(s)	Nature of the change	Salient features of the changes	Impact on financial position or performance
IAS 1 Presentation of Financial Statements	Amendment	• 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 is likely to be material.	None
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Amendment	• Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes 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.	None
IAS 12 Income Taxes	Amendment	• 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.	None

ACCOUNTING POLICIES CONTINUED

New standards and interpretations issued but not yet effective

At the date of authorisation of the Company financial statements for the year ended 31 August 2024, the following Standards and Interpretations were in issue but not yet effective that are applicable to the activities of the Company:

Standard/ Interpretation	Salient features of the changes	Annual periods beginning on or after	Estimated impact on financial position or performance
IFRS 7 Financial Instruments: Disclosures	• Annual Improvements to IFRS Accounting Standards—Volume 11 – Gain or loss on derecognition - Narrow scope amendment to delete an obsolete reference that remained in IFRS 7 following the publication of IFRS 13 Fair Value Measurement and to make the wording of the requirements of IFRS 7 relating to disclosure of a gain or loss on derecognition consistent with the wording and concepts in IFRS 13.	1 January 2026	None
IFRS 9 Financial Instruments	• Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 : Narrow scope amendments to address diversity in accounting practice by making the classification and measurement requirements of IFRS 9 more understandable and consistent, by: ◦ Clarifying the classification of financial assets with environmental, social and corporate governance(ESG) and similar features; and ◦ Clarifying the date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a company to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.	1 January 2026	None
IFRS 18 Presentation and Disclosure in Financial Statements	• IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies: ◦ Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit. ◦ Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those company-specific measures that are related to the income statement. ◦ More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses.	1 January 2027	Enhancement of Presentation and Disclosure

ACCOUNTING POLICIES CONTINUED

Standard/ Interpretation	**Salient features of the changes**	**Annual periods beginning on or after**	**Estimated impact on financial position or performance**
	• This Standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.		
IAS 1 Presentation of Financial Statements	• Classification of Liabilities as Current or Non-current : Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.	1 January 2024	None
IAS 7 Statement of Cash Flows	• Annual Improvements to IFRS Accounting Standards—Volume 11 – Cost method - Narrow scope amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of 'cost method' from IFRS Accounting Standards.	1 January 2026	None
IAS 21 The Effects of Changes in Foreign Exchange Rates	• Lack of Exchangeability : The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.	1 January 2025	None

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

The adoption of the other standards and amendments not specifically disclosed will not have a significant effect, other than potential additional disclosure.

1. Revenue

	2024 R'000	2023 R'000
Management fees	**23,384**	19,888

Revenue is recognised as and when services are rendered over time and relates to contract revenue.

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

		2024 R'000	2023 R'000
Employee benefit expenses		**15,143**	16,765
- Short-term employee benefits		15,110	16,596
- Share-based payment expense	15	33	169
IT costs		**661**	42
Professional services		**414**	661
Listing expenses		**815**	1,084
Office costs		**286**	350
Audit fees[1]		**1,250**	774
Other expenses		**418**	446
Depreciation		**35**	9
- Computer equipment		33	8
- Furniture and fittings		2	1

1 No non-audit fees incurred

3. Finance costs (received)/paid

	2024 R'000	2023 R'000
Interest income on bank deposits	(1)	(124)
Interest income received	(1)	(124)
Interest on borrowings	-	506
Interest on bank overdraft	333	627
Finance costs paid	333	1,133

4. Fair value and impairment adjustments

	Notes	**2024 R'000**	2023 R'000
Fair value movement of investment in Evolution Credit Limited	7	(9,282)	31
Reversal of impairment/(Impairment) of EasyAssetManagement Proprietary Limited	6	(5,051)	(15,855)
Reversal of impairment/(Impairment) of Easy Crypto SA Proprietary Limited	6	8,288	(24,245)
		(6,045)	(40,069)

Please refer to notes 6 and 7 for further information regarding the fair value and impairment adjustments of investments.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. Income tax

	Note	2024 R'000	2023 R'000
Recognised in profit or loss			
- Current tax expense		**(145)**	-
- Deferred tax (expense)/benefit		**333**	8,887
Payables and accruals		(376)	(98)
Receivables and prepayments		(10)	(17)
Investments		1,305	8,655
Assessed tax loss		(578)	347
Origination and reversal of temporary differences		**341**	8,887
Prior year over provision - deferred tax		(8)	-
Total deferred tax		**333**	8,887
Total current and deferred tax		**188**	8,887
Reconciliation of effective tax rate :		**%**	%
Income tax recognised in profit or loss		**9.3**	21.5
Impairment adjustment on EasyAssetManagement Proprietary Limited		13.5	2.1
Impairment adjustment on Easy Crypto SA Proprietary Limited		24.9	3.2
Fair value adjustment of investment in Evolution Credit Limited		(22.2)	-
Prior year under provision of deferred tax		0.4	-
Non-deductible expenses:		**1.1**	0.2
Professional fees		-	0
Share-based payments expense		0.4	0.1
Penalties incurred - in respect of taxes		0.5	-
Donations		0.2	-
Domestic tax rate		**27**	27

6. Investments in subsidiaries

Name of company	2024 % holding	2024 Carrying amount	2023 % holding	2023 Carrying amount
First World Trader Proprietary Limited	**70**	**324,625**	70	324,589
EasyTrader Proprietary Limited	**100**	**13,529**	100	13,498
EasyAssetManagement Proprietary Limited	**100**	**28,440**	100	33,491
Easy Crypto SA Proprietary Limited	**49**	**45,317**	49	37,029
		411,911		408,607

	Note	2024 R'000	2023 R'000
Cost of investments - beginning of period		**502,321**	396,969
Share based expenses of subsidiaries		**68**	351
Acquisition of shares in First World Trader Proprietary Limited		**-**	105,001
Cost of investments		**502,389**	502,321
Accumulated impairment adjustments - beginning of period		**(93,714)**	(53,614)
Reversal of impairment/(Impairment) of EasyAssetManagement Proprietary Limited	4	**(5,051)**	(15,855)
Reversal of impairment/(Impairment) of Easy Crypto SA Proprietary Limited	4	**8,288**	(24,245)
Accumulated impairment adjustments		**(90,478)**	(93,714)
Carrying amount		**411,911**	408,607

The following key variables were used:

Key variables	2024	2023
Easy Crypto SA Proprietary Limited		
Discount period	**5 years**	5 years
Terminal growth rate (%)	**5.0**	4.7
Pre-tax discount rate (%)	**34.5**	36.9

A discount period of 5 years (2023: 5 years) was used in the current year. The discount rate applied during the current year reflects the lower levels of uncertainty with regards to market conditions. If the cash-generating unit achieves a 5 year compound annual growth rate in revenue of less than 16.7%, an impairment of goodwill could occur.

A reversal of impairment of R8.3million (2023: Impairment R24.2 million) was recognised in the current year due to the upward turn of the crypto currency market compared to prior year.

EasyAssetManagement Proprietary Limited

The EasyAssetManagement Proprietary Limited(formerly known as Emperor Asset Management Proprietary Limited) business is closely linked to the EasyEquities business insofar as retail distribution is concerned. EasyAssetManagement Proprietary Limited offers its asset management services to the EasyEquities client base in the form of managed segregated portfolios, called bundles on the EasyEquities platform. The bundle forecasts contracted significantly in the EasyEquities business taking into consideration the current uptake of this product on the EasyEquities platform and historical loss trending, resulting in an impairment of the EasyAssetManagment business.

The following key variables were used:

Key variables	2024	2023
EasyAssetManagement Proprietary Limited		
Discount period	**10 years**	10 years
Terminal growth rate (%)	**5.0**	5.0
Pre-tax discount rate (%)	**22.3**	23.6

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 slight improvement in the 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 23.2%, an impairment of the intangible asset could occur.

A reversal of impairment of R5.1million(2023: Impairment R15.9 million) was recognised in the current year due to current shift in market uncertainty.

The company and the subsidiary's business addresses are noted on page 52.

7. Investments

	2024 R'000 Fair Value	2023 R'000 Fair Value
The Company had the following unlisted investments		
Investments – recognised at fair value through profit or loss:		
- Evolution Credit Limited	**8,973**	18,255
Total investments	**8,973**	18,255

The value of the investment has been determined with reference to quoted market prices in an active market for identical instruments, as these are Level 2 instruments.

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

	Note	**2024 R'000**	2023 R'000
Balance at 1 September		**18,255**	18,224
Fair value adjustments	4	(9,282)	31
Balance 31 August		**8,973**	18,255

Investment in Evolution Credit Limited

Evolution Credit Limited shareholders approved a Scheme of Arrangement during July 2024 whereby various equity instruments, which included the 968 C2 preference shares and the 9,325 B preference shares previously held by Purple Group, were exchanged for ordinary shares in the company. Post the conversion to ordinary shares, a 1,000 to 1 share consolidation was approved and implemented. In the result, Purple Group Limited now holds 53,578 ordinary shares in the company, amounting to 0.45% shareholding in Evolution Credit Limited.

In addition, the Group owns 37.5% of Blockbuster Trading 3 Proprietary Limited ("BBT"). Blockbuster Trading now holds 6,010 ordinary shares in Evolution Credit, which translates to a 0.05% shareholding in Evolution Credit. The Group does not have significant influence over the investment in Blockbuster, and the value of the investment is zero.

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 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 16).

Key assumptions used – Evolution Credit Limited

	2024	2023
Discount period	**10 years**	10 years
Risk free rate (%)	**9.2**	12.4
Discount rate (%)	**19.9**	23.1
Terminal growth rate (%)	**3.0**	3.0

If the investment achieves a 10 year compound annual growth rate in revenue of less than 9%, an impairment of the investment could occur. The lower discount rate used in the current period is reflective of the lower risk-free rate and market volatility during the period.

Sensitivity analysis
Evolution Credit Limited is exposed to market risk through the underlying equity instruments held.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 R0.6 million (2023: R0.8 million).

8. Receivables

	2024 R'000	2023 R'000
Deposits - non-currrent receivable	**131**	131
Loans receivable	**1,395**	1,395
	1,526	1,526

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

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. IFRS 2 is therefore not applicable to these loans and they have been accounted for as receivables.

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

For more information regarding the Company's exposure to interest rate and credit risk please refer to note 16.

9. Loan to group company

	2024 R'000	2023 R'000
EasyAssetManagement Proprietary Limited	**10,026**	10,026

This loan is unsecured, interest free, has no set repayment terms and has been subordinated in favour of all other creditors and there is no intention to call the loan within the next 12 months.

The expected credit loss percentage was calculated to be 0.1% as there were no evidence that the borrower is in significant financial difficulty such that it will have insufficient funds to repay the loan. There is no significant increase in credit risk. This was assessed based on the number of factors including various cash flow projections and solvency ratios. This assessment was performed qualitatively by reference to the borrower's cash flow and liquid asset position. The risk that the borrower will default on a demand loan is dependent on sufficient cash or other liquid assets to repay the loan immediately which was assessed as low and therefore 0.1%.

For more information regarding the Company's exposure to interest rate and credit risk please refer to note 16.

10. Deferred tax

	2024 R'000	2023 R'000
Recognised deferred tax assets and liabilities		
Balance at the beginning of the period	**71,971**	63,084
Investments at carrying value	**1,306**	8,655
Payables and accruals	**(376)**	(98)
Receivables and prepayments	**(10)**	(17)
Assessed tax loss	**(586)**	347
Balance at the end of the period	**72,305**	71,971
Deferred tax comprises the following:		
Receivables and prepayments	**(85)**	(75)
Deferred tax liability	**(85)**	(75)
Investments	**44,982**	43,676
Payables and accruals	**271**	648
Assessed tax loss	**24,320**	24,906
Capital loss	**2,816**	2,816
Deferred tax asset	**72,389**	72,046
Net deferred tax assets	**72,305**	71,971

The directors have assessed that the deferred tax asset will be recovered as the company will continue to:
1. Earn a share of the asset management fees in respect of the IP it owns;
2. Generate risk advisory revenue from the EasyTrader operations and;
3. The Company will take advantage of the deferred tax assets as at 31 August 2024 over the next three to seven years. The Company has accumulated tax losses of R90.1 million (2023: R91.0million) and capital losses of R13 million (2023: R13 million).

11. Trade and other receivables

	2024 R'000	2023 R'000
Related party receivables - Group companies	**14,619**	-
Other receivables	**1,281**	726
Financial Instruments	**15,900**	726
Non financial instruments		
- Prepayments	**555**	501
- Share options	**4,618**	4,570
	21,073	5,797

The Company's exposure to credit and currency risks and credit losses related to trade and other receivables is disclosed in note 16. All of the above items fall under current assets.

All of the above items fall under current assets.

Related party receivables and other receivables are:
- Interest free bearing
- No fixed terms of repayment

Trade and other receivables are recognised at amortised cost in accordance with IFRS 9: Financial Instruments.

Expected credit loss assessment for customers at 31 August 2024

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company also considers other factors that might impact the credit risk of its customer base including default risk and the economic conditions of the country in which the customer operates.

The Company is not exposed to significant credit risk due to the short dated nature of trade receivables.

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 ECL for trade and other receivables was based on the Company's understanding of the financial position of the counterparty, including the consideration of their credit risk grade.

In performing the assessment to determine the expected credit loss, it was concluded that there is no credit loss, given the Company's trading history in dealing with the relevant debtors.

12. Cash and cash equivalents

	2024 R'000	2023 R'000
Liquid cash	**275**	275
Bank overdraft	**(7,649)**	(2,423)
Cash and cash equivalents in the statement of cash flows	**(7,374)**	(2,148)

The Company's exposure to interest rate risk, credit risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 16.

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

13. Share capital and reserves

	2024 Number of shares	2023 Number of shares
Authorised		
Ordinary shares of no par value	**2,000,000,000**	2,000,000,000
The number of shares in issue is as follows:		
Ordinary share capital[1]		
Share capital in issue at 1 September	**1,402,102,267**	1,250,355,282
New shares issued - Purple Group Rights Offer	**-**	129,629,630
Share options exercised and issued	**20,437,500**	22,117,355
In issue at reporting date	**1,422,539,767**	1,402,102,267

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.

At 31 August 2024 the authorised share capital comprised 2 000 000 000 ordinary shares (2023: 2 000 000 000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

	Share Capital R'000	Total R'000
Balance at 31 August 2022	**667,160**	**667,160**
New shares issued - Purple Group Limited Rights Offer	102,546	102,546
Share options exercised - paid in capital	12,580	12,580
Share options exercised - transfer from share based payment reserve	5,616	5,616
Balance at 31 August 2023	**787,902**	**787,902**
Share options exercised - paid in capital	6,596	6,596
Share options exercised - transfer from share based payment reserve	2,919	2,919
Balance at 31 August 2024	**797,417**	**797,417**

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 Company has also issued share options to key management and staff (see note 14).

Share-based payment reserve

	2024 R'000	2023 R'000
Share-based payment reserve	**(1,070)**	(3,889)
Reconciliation of share-based payment reserves		
Balance as at 31 August	**3,645**	8,741
Share options exercised	**(2,919)**	(5,616)
Share-based payment expense	**100**	520
- Share-based payment expense - Company	**33**	169
- Share-based payment expense - Subsidiaries	**67**	351
Balance at 31 August	**826**	3,645

The above relates to share options granted by the Company to its employees under its employee share option scheme. For further information please refer to note 14.

14. Share-based payments

SHARE-BASED PAYMENT EXPENSES

The Group currently operates two distinct share-based payment schemes:

1. The legacy Share Option Scheme: approved at a general shareholders' meeting on 1 February 2005, is approaching the end of its operational life. No new options are being granted, with only 7.75 million options currently exercisable by directors and staff.
2. 2022 Share Incentive Plan: this plan was approved at a general shareholders' meeting on 3 June 2022, with the first allocation to staff and directors occurring on 30 August 2024. Details of the plan can be found in the Circular to Shareholders issued on 4 May 2022, on the Purple Group website: www.purplegroup.co.za . The 2022 Share Incentive Plan is a hybrid scheme comprising the following elements:

Hurdle Share Appreciation Rights (HSAR):

- A one-time allocation of equity-settled rights was made on 30 August 2024 and assigned to executive directors and key management, to incentivise them to drive and be rewarded for exceptional growth in shareholder value, over a seven-year period.
- The HSAR's will vest and be settled in full on the seventh anniversary from the allocation date (30 August 2031), based on share price appreciation over the seven-year period above the specified hurdle rate.
- The HSAR's were issued with a hurdle strike price of R1.00, compounded annually by the 3-year rolling return of the Financial 15 Index (JSE Code: J212T) from allocation date up to the vesting date.
- On settlement, the value accruing to participants will be the appreciation of Purple Group's share price over and above the determined hurdle strike price at the time of vesting.

Performance Shares (PS):

- A further element of long term incentivisation for Purple Group is conditional awards, each year for five years, of equity settled performance shares, with each award vesting three years from the award date.
- The first tranche of performance shares were allocated to directors and staff on 30 August 2024 and will vest on 30 August 2027.
- Vesting is contingent on meeting defined performance criteria. The number of shares that vest will depend on whether Purple Group's performance over the intervening three-year period has been on target, an under-performance, or an over performance against the targets set at the award date. Therefore, the extent to which the performance criteria imposed by the board have been achieved, determines the number of awards that ultimately vest on the vesting ate, and the balance shall be cancelled.
  - Performance Level 1:
    - Starting Price of R1.00 compounded by 2 times the 3-year rolling growth in the FINI15 index over the 3-year Vesting Period. If Performance Level 1 is attained, then 33.33% of the performance share award would be settled to Participant on the vesting date.
  - Performance Level 2:
    - Starting Price of R1.00 compounded by 3 times the 3-year rolling growth in the FINI15 index over the 3-year Vesting Period. If Performance Level 2 is attained, then an additional 33.33% of the performance share award would be settled to Participant on the vesting date.
  - Performance Level 3:
    - Starting Price of R1.00 compounded by 4 times the 3-year rolling growth in the FINI15 index over the 3-year vesting period. If Performance Level 3 is attained, then an additional 33.33% of the performance share award would be settled to participant on the vesting date.

The maximum number of shares to be acquired by participants over the duration of the 2022 Share Incentive Plan is not to exceed 203 700 000 (two hundred and three million seven hundred thousand) shares, amounting to 16.6% of the shares currently in issue; and for any one participant in terms of the plan is not to exceed 20 370 000 (twenty million three hundred and seventy thousand) shares, amounting to 1.66% of the shares currently in issue.

These schemes underscore the Group's commitment to aligning the interests of directors, staff, and shareholders, fostering sustained performance and value creation.

Disclosures relating to the 2022 Share Incentive Plan:

The number of HSAR's and Performance Shares granted to all staff is as follows:

	Number of HSAR's	Number of Performance Shares
Total at 31 August 2023	**-**	**-**
Issued 30 August 2024	48,070,366	27,105,880
Total at 31 August 2024	**48,070,366**	**27,105,880**

Executive Director	Number of HSAR's	Number of Performance Shares
Charles Savage	1,576,203	2,894,771
Gary van Dyk	1,110,002	2,038,571
Total at 31 August 2024	**2,686,206**	**4,933,342**

Disclosures relating to the legacy Employee Share Option Scheme:

Options granted to key management and staff	Number of options
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**
Exercised 4 March 2024	(375,000)
Exercised 31 May 2024	(14,442,083)
Exercised 12 August 2024	(5,250,000)
Total at 31 August 2024	**7,750,000**

The number of HSAR's and Performance Shares granted to directors is as follows:

The options granted to directors are:

2024	Closing balance average exercise price (cents)	Opening Balance	Exercised	Closing balance	Number of options 2023
Charles Savage	31	7,000,000	(7,000,000)	**-**	7,000,000
Gary van Dyk	31	5,500,000	(3,500,000)	**2,000,000**	5,500,000
		12,500,000	(10,500,000)	**2,000,000**	12,500,000

2023	Closing balance average exercise price (cents)	Opening Balance	Exercised	Closing balance	Number of options 2022
Mark Barnes	-	5,000,000	(5,000,000)	**-**	6,660,000
Charles Savage	31	7,000,000	-	**7,000,000**	19,000,000
Gary van Dyk	31	11,500,000	(6,000,000)	**5,500,000**	17,500,000
		23,500,000	(11,000,000)	**12,500,000**	43,160,000

	2024		2023	
	Weighted average exercise price (cents)	**Number of options**	Weighted average exercise price (cents)	Number of options
Outstanding at the beginning of the period	**32**	**27,817,083**	47	45,996,938
Forfeited during the period	-	-	31	(62,500)
Exercised during the period	**32**	**(20,067,083)**	69	(18,117,355)
Outstanding at the end of the period	**31**	**7,750,000**	32	27,817,083
Exercisable at the end of the period	**31**	**7,750,000**	32	17,817,083

The options outstanding at 31 August 2024 have been issued at 31 cents (2023: range of 31 cents to 76 cents) and have a weighted average exercise price of 31.00 cents (2023: 32.00 cents) and a weighted average contractual life of 2.30 years (2023: 3.30 years).

Share-based payment expenses of R0.03 million (2023: R0.17 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 (2023: 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.

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

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

15. Trade and other payables

	2024 R'000	2023 R'000
Trade payables	**68**	-
Related party payables - Group companies	**-**	293
Other payables and accrued expenses	**10**	1,095
Financial instruments	**78**	1,388
Non financial instruments		
- VAT payable	**2,466**	1,705
- Employee benefit accruals	**1,847**	1,863
	4,391	4,956

The Company's exposure to liquidity risk related to trade and other payables is disclosed in note 16.

16. Financial instruments

Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities.

The Company 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 debt and 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 Company uses primarily 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. 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.

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 2024 Investments (at fair value through profit or loss)	**7**	**-**	**-**	**8,973**	**8,973**
31 August 2023 Investments (at fair value through profit or loss)	7	-	-	18,255	18,255

The movement in financial instruments measured under Level 3 is as follows:

	2024 R'000	2023 R'000
Balance at 1 September	18,255	18,224
Fair value recognised in profit and loss	(9,282)	31
Balance at 31 August	8,973	18,255

Financial assets and investments

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 Company'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 11).
  - Cash and cash equivalents are measured at amortised cost less ECLs (Note 12).

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.

Investment in Evolution Credit Limited (previously known as Real People Investment Holdings Limited)

This investment (note7) is carried at their estimated fair value as determined by the Board at the reporting date. The resultant increase or decrease in fair value is recognised in profit or loss.

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 Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Overview

The Company 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 Company's risk management framework and has delegated this responsibility to the Risk Management Committee. The management of the various Company divisions are responsible for implementing the risk policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities. The Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations and arises principally from the Company's 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	**2024 R'000**	2023 R'000
Receivables	8	**1,526**	1,526
Loan to group companies	9	**10,026**	10,026
Trade and other receivables	11	**15,900**	726
Cash and cash equivalents	12	**275**	275
		36,700	30,808

In respect of the staff loans the collateral held as security exceeds the loan amount thereby reducing the credit risk on these receivables.

The expected credit loss on loans to group companies, trade and other receivables was quantified at 0.1% and deemed insignificant due to the short-dated nature of trade receivables and loan receivables.

There are currently no other items that expose Purple Group Limited to credit risk.

LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company'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 Company's reputation.

Liquidity risk is managed by ensuring the Company 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 2024:

	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	15	**78**	**78**	**78**	**-**	**-**	**78**
Bank Overdraft	12	**7,649**	**7,649**	**7,649**	**-**	**-**	**7,649**
		7,727	**7,727**	**7,727**	**-**	**-**	**7,727**

The following were 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	15	1,388	1,388	1,388	-	-	1,388
Bank Overdraft	12	2,423	2,423	2,423	-	-	2,423
		3,811	3,811	3,811	-	-	3,811

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company'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 Asset Management Business (EAM) buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board and the Risk Committee.

Currency risk

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

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

No foreign currency is held by the Company.

INTEREST RATE RISK

The Company is exposed to interest rate risk on its cash and cash equivalents and bank overdraft that are linked to prime interest rates. The Company does not hedge these presently but would do so if it felt that it was necessary. Trade receivables and payables are not exposed to interest rate risks.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

The Company'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.

Interest rate risk is mitigated primarily by matching variable rate financial assets with variable rate financial liabilities, as far as possible. The Company 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 Company's interest-bearing financial instruments was:

	Note	Interest rates applicable	Carrying amount 2024 R'000	Carrying amount 2023 R'000
Variable rate instruments				
Bank overdraft	12	Prime	**7,649**	2,423
			7,649	2,423

Cash flow sensitivity analysis for variable rate instruments

A change of 200 (2023:200) basis points in interest rates has been applied 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.

	2024 Profit or loss		2023 Profit or loss	
	200bp increase R'000	200bp decrease R'000	200bp increase R'000	200bp decrease R'000
Variable rate instruments				
Bank overdraft	**(113)**	**113**	(36)	36

CLASSES OF FINANCIAL ASSETS AND LIABILITIES

	Notes	**2024 R'000**	2023 R'000
Financial assets at amortised cost			
– Receivables	8	**1,395**	1,395
– Loans to group companies	9	**10,026**	10,026
– Trade and other receivables	11	**15,900**	726
– Cash and cash equivalents	12	**275**	275
		27,596	12,422
Investments at fair value through profit or loss			
– Investments	7	**8,973**	18,286
		8,973	18,286
Financial liabilities at amortised cost			
– Trade and other payables	15	**(78)**	(1,388)
– Bank overdraft	12	**(7,649)**	(2,423)
		(7,727)	(3,811)

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 Company is adequately funded to continue its growth and fund its investments. There were no changes in the Company's approach to capital management during the period.

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

The Company'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 Company'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 Company.

The Company sets the amount of capital it requires in proportion to risk. The Company 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 Company may adjust the amount of the dividend paid to the shareholders.

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

17. Contingencies

There are no contingencies at the reporting date.

18. Related parties

IDENTITY OF RELATED PARTIES

The Company has related party relationships as disclosed below.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

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

	2024 R'000	2023 R'000
Employee benefits		
Non-executive directors		
Arnold Forman – fees	**387**	373
William Bassie Maisela - fees	**387**	373
Bonang Mohale – fees	**81**	180
Craig Carter – fees	**387**	373
Happy Ntshingila – fees (Chairman)		
– fees (Purple Group Limited)	**664**	641
– fees (Subsidiary)	**385**	-
Mark Barnes		
– fees (Purple Group Limited)	**241**	205
– fees (Subsidiary)	**500**	500
Paul Rutherford	**241**	205
	3,271	2,850
Employee benefits		
Executive directors		
Charles Savage		
– salary and benefits	**5,134**	5,169
– bonus paid	**400**	1200
– share option expenses	**16**	82
Gary van Dyk		
– salary and benefits	**3,985**	3,997
– bonus paid	**300**	900
– share option expenses	**12**	64
	9,847	11,299

The directors' interests in the issued share capital of the Company were as follows:

	2024				2023			
	Beneficial		**% Holding**		Beneficial		% Holding	
	Direct	**Indirect**	**Direct**	**Indirect**	Direct	Indirect	Direct	Indirect
Mark Barnes	**22,276,610**	**77,296,172**	**1.57**	**5.43**	22,276,610	77,296,172	1.59	5.51
Craig Carter	**2,129,577**	**-**	**0.15**	**-**	2,129,577	-	0.15	-
Charles Savage	**42,000,000**	**278,200**	**2.95**	**0.02**	35,444,964	296,990	2.53	0.02
Gary van Dyk	**31,825,278**	**-**	**2.24**	**-**	28,325,278	-	2.02	-
Bonang Mohale	**-**	**15,099,589**	**0.00**	**1.06**	-	15,099,589	-	1.08
William Bassie Maisela	**-**	**2,644,671**	**-**	**0.19**	-	2,644,672	-	0.19
Paul Rutherford	**-**	**2,236,537**	**-**	**0.16**	-	2,411,283	-	0.17
	98,231,465	**97,555,169**	**6.91**	**6.86**	88,176,429	97,748,705	6.29	6.97

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

- Gary van Dyk acquired 3,500,000 (2023: 6,000,000) shares by exercising share options on 29 February 2024, and sold zero shares.
- Charles Savage concluded the following transactions during the year:
  - Acquired 7,000,000 shares by exercising share options on 28 February 2024;
  - Wife sold 18,790 shares in an off-market sale and;
  - Sold 444,964 shares in an off-market sale to his daughter.

	2024 R'000	2023 R'000
Related party balances		
- Receivable from related parties		
First World Trader Proprietary Limited	**7,465**	751
Easy Crypto SA Proprietary Limited	**82**	82
EasyTrader Proprietary Limited	**7,367**	229
EasyProperties Proprietary Limited	**57**	46
Staff loans	**1,395**	1,395
These receivables are interest free and have no set repayment terms.		
- Payable to related parties		
EasyAssetManagement Proprietary Limited	**(351)**	(1,401)
Mark Barnes	**-**	(154)
These payables are interest free and have no set repayment terms.		
- Loan accounts - Owing from related parties		
EasyAssetManagement Proprietary Limited	**10,026**	10,026
This loan is interest free and has no set repayment terms.		
Related party transactions		
First World Trader Proprietary Limited management fee received	**13,046**	11,249
First World Trader Proprietary Limited management fee cost	**(65)**	-
First World Trader Proprietary Limited cost recovery	**(110)**	-
EasyTrader Limited management fee received	**8,744**	3,342
EasyAssetManagement Proprietary Limited management fees received	**730**	1,339

19. List of subsidiaries

Subsidiaries Name	Country incorporated	Principle place of business	Nature of business	Ownership interest 2024 %	Ownership interest 2023 %	Non-controlling interest 2024 %	Non-controlling interest 2023 %	Investment 2024 R'000	Investment 2023 R'000
First World Trader Proprietary Limited	South Africa	South Africa	Equity investing platform	**70**	70	**30**	30	**324,625**	324,589
EasyTrader Proprietary Limited	South Africa	South Africa	Equity trading services	**100**	100	**-**	-	**13,529**	13,498
EasyAssetManagement Proprietary Limited	South Africa	South Africa	Assset management	**100**	100	**-**	-	**28,440**	33,491
Easy Crypto SA Proprietary Limited (Subsidiary of First World Trader Proprietary Limited)	South Africa	South Africa	Cryptocurrency investing platform	**49.02**	49.02	**50.98**	50.98	**45,317**	37,029

20. Events after the reporting date

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

21. Going concern

The financial statements have been prepared on a going-concern basis. The Company having accumulated losses and current liabilities in excess of current assets is supported by a overdraft facility of R14.5 million to meet operational needs. As at year end the Company had drawn-down R7.6 million. The Company has a positive net equity of R514.0 million (2023 : R509.1million), which will allow for the Group companies to fund the operating costs and commitments of the Company should the need arise, and as such management prepared forecasts and the directors expect business growth to unfold over the next 12 months and are confident that the Company will continue trading as a going concern.

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 Space
1F 173 Oxford Road
Rosebank
Gauteng
2196

POSTAL ADDRESS

WeWork - CoWorking Office Space
1F 173 Oxford Road
Rosebank
Gauteng
2196

BANKERS

Mercantile Bank Limited

AUDITORS

BDO South Africa Incorporated
Registered Auditors

GROUP SECRETARY

4 Africa Exchange Registry Proprietary Limited
5th Floor, Block B
The Woodstock Exchange Building
66-68 Albert Road
Woodstock
7925

SHARE REGISTRARS

4 Africa Exchange Registry 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

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