

EFFICIENT + GROUP



SUMMARISED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 AUGUST 2015

Think Efficient. Realise potential.

HIGHLIGHTS

- + Revenue increased by **207%**
- + Profit after tax for the year increased from R5 million to **R29 million**
- + Headline earnings per share increased from 9.37 cents to **32.32 cents**
- + Cash generated from operations increased from R13.6 million to **R102.4 million**
- + Dividend of **12 cents** per share declared

COMMENTARY

1. COMMENTARY

The business strategy of the Efficient Group is to be a diversified financial services provider offering customised products, professional services and added value throughout the financial services value chain.

In order to be well positioned to do this, the Group restructured during the 2015 financial year, paring down from four product-focused divisions with centralised support services to three market-focused clusters of business units that are supported by standardised and centralised processes for finance and compliance.

This structure is in line with international trends towards intrapreneurship, which aims to empower business units to function independently and so be more responsive to market needs.

The three clusters of business units are focused on:

- + Financial Services;
- + Services and Solutions; and
- + Investments.

With these structural changes, the focus is on growing and acquiring entrepreneurial, like-minded entities to expand the Group's value chain. From a strategic perspective, the Group prefers to acquire a majority shareholding in businesses, but it will consider and pursue minority interests throughout the value chain where synergistic-, cross-sell- or future consolidation opportunities exist or where the acquisition opportunities are accretive.

In support of this new structure, the Group has substantially extended its reach over the past year, specifically with reference to independent boutique asset managers. It is the intention that these boutique managers will provide access for both individual and institutional clients to quality investment solutions administered by the Group, and that the Group will be able to develop long-term relationships with like-minded boutique partners, some of whom may present future consolidation opportunities.

The Group is also extending its footprint into new areas, and has already launched a Fiduciary Services business unit. As part of its diversification strategy, it will in future also consider quality value propositions in the healthcare, short-term insurance, life and employee benefits areas.

HIGHLIGHTS OF THE YEAR INCLUDE:

+ Financial Services

- The number of financial advisors increased from 84 to 96;
- The number of financial services branches increased from 7 to 10;
- Revenue grew by 72% to R118 million;
- Assets under advice grew by 43% to R12.7 billion;
- The successful rebranding of Efficient Wealth; and
- The acquisition of Stead Wealth, Exceed Asset Management and Exceed Private Client Services.

+ Services and Solutions

- Successful rebranding of Naviga Solutions;
- An enhanced focus on the development of proprietary software; and
- The packaging and roll-out of proprietary investment solutions.

+ Investments

- The acquisition of Select Manager;
- Assets under administration grew by 54% to R63.2 billion;
- Assets under management grew by 31% to R18.2 billion;
- Assets under consulting grew by 22% to R24 billion; and
- Revenue grew by 289% to R646 million.

1.1 Financial results

In the 2014 financial year, the Group made several significant investments in order to expand its distribution network, grow its asset administration division and expand its product offering to include asset consulting. The full-year effect of these investments, which contributed 131% to the growth in revenue in the 2015 financial year, is evident in the higher profits and cash generated during the course of the year.

A substantial share of the Group's revenue accrues from the value of assets under management, assets under administration, assets under consulting and assets under advice. Assets under management are represented by amounts invested in unit trust funds, unit trust funds of funds and private share portfolios managed by the asset management division. The Group had R18 183 million (2014: R13 888 million) assets under management by the end of the 2015 financial year. Assets under administration are represented by unit trust funds and unit trust funds of funds administered by the Group. Administration of assets includes liability administration and asset administration, such as monitoring of the daily pricing of unit trust funds. The Group administers assets to the value of R63 173 million (2014: R41 041 million). Assets under consulting are represented by assets on which Boutique Investment Partners supply investment consulting services. These consist primarily of portfolio construction, strategic and tactical asset allocation, and manager selection services. The Group consults on assets to the value of R23 978 million (2014: R 19 691 million). Assets under advice are represented by client investments made on the recommendation of, or with the guidance of, financial advisors employed by the Financial Services division. Total assets under advice amount to R12 707 million (2014: R8 945 million).

Revenue increased by 207%, which is attributable to the full-year effect of investments made in the 2014 financial year (131%), organic growth (69%) and the investment in Select Manager (7%), which was made during the reporting period.

The investments made in growing the asset administration division and expanding the product range to include asset consulting during the course of the 2014 financial year were particularly successful. Not only did this division exceed its original target, but it also increased combined assets from R66 billion to R96 billion during the reporting period, contributing substantially to organic growth.

The other investments made in the previous financial year performed satisfactorily. The acquisition of Select Manager contributed R11.4 million in additional revenue to asset management and R5.1 million to financial services. Excluding fees received from the investment in Select Manager, asset management earned slightly lower performance fees compared to the previous reporting period. The base fee earned (after the re-allocation of the multi-manager fee to financial services) is 11% higher than the previous financial year.

Fixed expenses associated with the organic growth of the Group increased by 8%. The full-year effect of the previous year's investments and the acquisition of Select Manager increased the fixed expense base by 22%. Staff incentives and profit-share provisions also increased as a result of the increase in operating profit. The increase in the non-cash flow expenses is due to higher amortisation charges related to the intangible assets that formed part of this year's business combinations. Management is focused on ensuring that future increases in the expense base are kept at acceptable levels.

The Group reports an operating profit of R33 million (2014: R7 million) for the 2015 financial year. The following non-operational items impacted on the operating profit:

- AS Sure contributed R908 000 to profits, below agreed expectations. The result of this underperformance resulted in a reversal of part of the outstanding vendor loans on this transaction and an impairment of a portion of the Group's non-controlling interest in this entity.
- During the reporting period the Group disposed of its investment in Marion Technology and recouped an amount of R2.6 million on this transaction.
- The non-controlling interest in Rudiarius Fund Management contributed R824 000 to profit.

- Fair value adjustments of R2.8 million were made to the outstanding purchase price related to the Select Manager acquisition.
- Net interest received amounted to R4.4 million.

The profit after tax for the year ended 31 August 2015 is R29 million (2014: R5 million). Net tangible liabilities per share is reported at 71.30 cents (2014: Net tangible assets per share of 30.84 cents). The net tangible liabilities per share is as a result of cash utilised and liabilities raised to acquire intangible assets.

On 31 August 2015 the Group had R211 million (2014: R126 million) of tangible assets, including cash and cash equivalents (including unit trust investments) of R97 million (2014: R34 million). It had R316 million (2014: R127 million) in liabilities. The increase in liabilities is directly related to the acquisition of Select Manager and consists mainly of vendor finance.

At the end of the reporting period the Group's current liabilities exceed its current assets. Management assessed the Group's cash flow forecast and its access to credit and it is of the opinion that the Group will be able to settle its short-term commitments as and when due.

Cash of R44.5 million (2014: R18.3 million) was generated from operations during the reporting period. The decrease in working capital further increased cash and cash equivalents by R58 million. Net finance income earned contributed R4.4 million to cash flow. Tax paid reduced cash by R35 million.

The cash utilised for investment activities relates mainly to the Select Manager acquisition, the acquisition of financial advisory client bases and unit trust investments. This reduced cash by R48.7 million. The investments and working capital requirements were financed through retained income and borrowings from Standard Bank.

1.2 Operating overview

From a Group perspective, the main focus during the year was on the integration of newly acquired and newly established businesses. This did not only include the integration of Select Manager, Stead Wealth, Exceed Asset Management and Exceed Private Client Services, all of which were acquired during the course of the year, but also the continued integration of Efficient Wealth (formerly Verso Investment Services) and Naviga Solutions (formerly Verso Multi Manager). Boutique Collective Investments and Boutique Investment Partners also enjoyed their first full year of operations within the Efficient Group.

During the financial year a decision was made to disinvest from the Group's previous IT partner and to outsource IT services to entities specialising in specific service categories in order to optimise the return on investment related to these services. Outsourcing provides the Group with enhanced flexibility and control, and allows for greater accountability from suppliers.

The Group has also undergone an extensive cost and functional comparison in relation to third-party software providers as this relates to key systems requirements. As a result, a decision was made to further invest in the development of proprietary software, which will be deployed across a number of entities within the Group. The software will provide the Group with a consolidated platform to view key performance indicators across a number of subsidiaries, as well as the tools to improve efficiency and accountability across the board. Development of the solution has commenced and the Group intends to start deployment during the course of the 2016 financial year.

Another major focus was the restructuring of the Group's operations in order to align these with our strategic objectives and the financial services value chain. This process included the continued decentralisation of various support functions and the strengthening of the Group's primary control functions, namely finance and compliance.

COMMENTARY

(CONTINUED)

1.3 Conclusion

In line with the Group's new business strategy, the Group will continue to concentrate on growing the business organically and by acquiring entrepreneurial, like-minded entities to expand the Group's value chain.

Key performance targets

Number of financial planners
Assets under advice
Assets under management
Assets under administration
Assets under consulting

2016 target	2015
108	96
R14.9 billion	R12.7 billion
R20.2 billion	R18.2 billion
R74.4 billion	R63.2 billion
R25.9 billion	R24 billion

1.4 Cash dividend

Dividends are declared at the discretion of the board of directors, after taking the financial position of the group into consideration. As a guideline 80% of the free cash flow is paid as a dividend. Based on this policy the directors determined that a final dividend of 6.15000 cents per share will be paid.

The salient dates for this dividend payment are as follows:

Last date to trade "cum" dividend	Friday, 27 November 2015
Securities trade "ex" dividend	Monday, 30 November 2015
Record date	Friday, 4 December 2015
Payment date	Monday, 7 December 2015

Share certificates may not be dematerialised or rematerialised between Monday, 30 November 2015 and Friday, 4 December 2015, both days inclusive.

Shareholders are advised of the following additional information:

- + the dividend has been declared out of the 2015 profits;
- + the local dividend tax rate is 15%;
- + the gross local dividend amount is 6.15000 cents per share;
- + the net local dividend amount for shareholders:
 - + exempt from payments of dividend tax is 6.15000 cents per share;
 - + liable to pay the dividends tax is 5.22750 cents per share;
- + the issued share capital of the company is 90 592 973 shares of R0.00000277 each; and
- + the company's tax reference number is 9071679170.

1.5 Basis of preparation

These summarised Group financial results for the year ended 31 August 2015 constitute a summary of the Group's audited financial statements, prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council, and the presentation and disclosure requirements of International Accounting Standard 34.

The accounting policies are in terms of International Financial Reporting Standards and consistent, except where new standards have been adopted, with those of the previous financial statements. The Group has adopted the following new standards:

- + IFRS 10, IFRS 12 and IAS 27 amendment - Investment Entities (effective 1 January 2014)
- + IAS 32 - Offsetting Financial Assets and Financial Liabilities (effective 1 January 2014)
- + IAS 36 - Recoverable amount disclosures for Non-financial Assets (effective 1 January 2014)
- + IAS 39 - Novation of Derivatives and Continuation of Hedge Accounting (effective 1 January 2014)
- + IFRIC 21 - Levies (effective 1 January 2014)
- + IAS 19 - Defined Benefit Plans: Employee Contributions (effective 1 July 2014)
- + Amendments to 6 standards: Improvements to IFRSs 2010 - 2012 Cycle (effective 1 July 2014)
- + Amendments to 4 standards: Improvements to IFRSs 2011 - 2013 Cycle (effective 1 July 2014)

The adoption of these standards had no significant impact on the measurement of the Group's assets and liabilities.

These summarised Group financial results do not include all of the information required for full financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 31 August 2015.

This summarised report is extracted from audited information, but is not itself audited. The audited consolidated financial statements and unmodified audit report, as issued by KPMG Inc., are available for inspection at the company's registered office. The directors take full responsibility for the presentation of the summarised report and for ensuring that the financial information has been correctly extracted from the underlying audited consolidated financial statements.

The summarised financial results were prepared by Ernes Smit CA(SA), the Group Financial Manager of Efficient Group.

SUMMARISED AUDITED STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2015

	2015	2014
	R'000	R'000
ASSETS		
Non-current assets		
Property and equipment	4 103	2 668
Goodwill	153 274	66 255
Intangible assets	140 965	102 637
Investments	1 657	6 761
Equity accounted investments	10 913	16 973
Long-term receivables	1 898	3 889
Deferred tax	20 081	3 736
	332 891	202 919
Current assets		
Related party loans	39	-
Investments	41 931	-
Trade and other receivables	74 255	56 507
Cash and cash equivalents	53 833	33 552
Short-term portion of long-term receivables	1 377	727
Tax receivable	976	1 231
	172 411	92 017
Total assets	505 302	294 936
EQUITY AND LIABILITIES		
Equity		
Share capital and share premium	150 325	150 325
Treasury shares	(389)	(149)
Accumulated income	41 982	18 441
Fair value adjustment reserve	(3)	98
Equity attributable to equity holders of the parent	191 915	168 715
Non-controlling interest	(2 420)	(1 041)
Total equity	189 495	167 674
Non-current liabilities		
Long-term liabilities	95 226	25 244
Deferred tax	33 824	26 407
	129 050	51 651
Current liabilities		
Trade and other payables	136 687	64 485
Short-term portion of long-term liabilities	47 940	8 754
Tax payable	2 130	2 372
	186 757	75 611
Total liabilities	315 807	127 262
Total equity and liabilities	505 302	294 936
Net asset value per share (cents)	212.38	186.23
Net tangible asset value per share (cents)	(71.30)	30.84

SUMMARISED AUDITED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2015

	2015	2014
	R'000	R'000
Revenue	716 179	233 360
Operating expenses	(683 599)	(226 673)
Operating profit	32 580	6 687
Dividends received	258	-
Finance income	7 126	2 797
Finance cost	(2 711)	(1 210)
Profit on sale of equipment	82	24
Profit on sale of shares in associate	2 607	527
Profit on sale of financial advisory client base	73	35
Other income	765	619
Fair value adjustment of investments designated at fair value through profit or loss	(57)	926
Re-measurement of liabilities at fair value through profit or loss	3 097	-
Fair value adjustments of liabilities	(2 830)	-
Impairment of intangible assets	(420)	(1 070)
Impairment of investment in associate and loan to associate	(869)	(194)
Share of profits/(losses) from associates, net of taxation	1 808	(839)
Profit before taxation	41 509	8 302
Taxation	(12 207)	(3 342)
Profit for the year	29 302	4 960
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss	(101)	33
Unrealised fair value adjustment of available-for-sale financial assets, net of taxation	(101)	33
Total comprehensive income for the year	29 201	4 993
Profit/(loss) for the year attributable to:		
Equity holders of the parent	30 681	5 988
Non-controlling interest	(1 379)	(1 028)
	29 302	4 960
Total comprehensive income for the year attributable to:		
Equity holders of the parent	30 580	6 021
Non-controlling interest	(1 379)	(1 028)
	29 201	4 993
Basic and diluted earnings per share (cents)	33.91	8.53

SUMMARISED AUDITED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2015

	Ordinary shares and share premium	Treasury shares	Accumulated income	Fair value adjustment reserve	Total	Non- controlling interest	Total equity
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Balance at 31 August 2013	58 657	(149)	12 453	65	71 026	(13)	71 013
Issue of shares	91 668	-	-	-	91 668	-	91 668
Total comprehensive income for the year							
- Profit/(loss)	-	-	5 988	-	5 988	(1 028)	4 960
- Other comprehensive income	-	-	-	33	33	-	33
Balance at 31 August 2014	150 325	(149)	18 441	98	168 715	(1 041)	167 674
Repurchase of company's own equity instruments	-	(240)	-	-	(240)	-	(240)
Total comprehensive income for the year							
- Profit/(loss)	-	-	30 681	-	30 681	(1 379)	29 302
- Other comprehensive income	-	-	-	(101)	(101)	-	(101)
Dividends declared	-	-	(7 140)	-	(7 140)	-	(7 140)
Balance at 31 August 2015	150 325	(389)	41 982	(3)	191 915	(2 420)	189 495

SUMMARISED AUDITED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2015

	2015	2014
	R'000	R'000
Cash flows from operating activities		
Cash receipts from customers	698 431	185 418
Cash paid to suppliers and employees	(596 017)	(171 828)
Cash generated by operations	102 414	13 590
Interest received	7 126	2 671
Interest paid	(2 711)	(1 210)
Dividend received	258	-
Dividend received from associate	863	216
Taxation paid	(35 070)	(7 922)
Net cash inflow from operating activities	72 880	7 345
Cash flows from investing activities		
Acquisition and disposal of businesses	(12 239)	(34 044)
Investment in associate	-	(7 751)
Long-term loan to associate	-	(1 062)
Repayment of long-term receivables	1 727	511
Acquisition of investments	(37 225)	(1 065)
Acquisition of intangible assets	(7 048)	(14)
Decrease in long-term liabilities	-	(606)
Proceeds on the disposal of investments	-	4 514
Proceeds on the sale of investments in associates	8 743	527
Proceeds on the disposal of equipment	160	34
Acquisition of equipment	(2 826)	(2 693)
Net cash outflow from investing activities	(48 708)	(41 649)
Cash flows from financing activities		
Decrease in related party loans	(39)	-
Increase/(decrease) in long-term liabilities	3 483	(1 652)
(Decrease)/increase in loans from non-controlling shareholders of subsidiaries	(195)	1 324
Issue of share capital	-	48 924
Dividends paid	(7 140)	-
Net cash (outflow)/inflow from financing activities	(3 891)	48 596
Total cash and cash equivalents movement for the year	20 281	14 292
Total cash and cash equivalents at the beginning of the year	33 552	19 260
Total cash and cash equivalents at the end of the year	53 833	33 552

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 PROPERTY AND EQUIPMENT

Furniture, fixtures and office equipment
Computer equipment
Leasehold improvements
Other fixed assets

Total

Aug 2015		
Cost	Accumulated depreciation	Carrying value
R'000	R'000	R'000
4 899	(3 463)	1 436
6 935	(5 570)	1 365
1 945	(643)	1 302
247	(247)	-
14 026	(9 923)	4 103

Furniture, fixtures and office equipment
Computer equipment
Leasehold improvements
Other fixed assets

Total

Aug 2014		
Cost	Accumulated depreciation	Carrying value
R'000	R'000	R'000
3 622	(2 689)	933
5 794	(4 321)	1 473
796	(546)	250
232	(220)	12
10 444	(7 776)	2 668

Reconciliation of property and equipment

Furniture, fixtures and office equipment
Computer equipment
Leasehold improvements
Other fixed assets

Total

Aug 2015					
Opening balance	Disposals	Acquired through business combination	Additions	Depreciation	Closing balance
R'000	R'000	R'000	R'000	R'000	R'000
933	(39)	124	841	(423)	1 436
1 473	(39)	44	821	(934)	1 365
250	-	-	1 149	(97)	1 302
12	-	-	15	(27)	-
2 668	(78)	168	2 826	(1 481)	4 103

	Aug 2014					Closing balance
	Opening balance	Disposals	Acquired through business combination	Additions	Depreciation	
	R'000	R'000	R'000	R'000	R'000	
1 PROPERTY AND EQUIPMENT (CONTINUED)						
Furniture, fixtures and office equipment	252	-	103	1 086	(508)	933
Computer equipment	395	(10)	557	1 288	(757)	1 473
Leasehold improvements	5	-	-	299	(54)	250
Other fixed assets	6	-	-	20	(14)	12
Total	658	(10)	660	2 693	(1 333)	2 668

A register containing the information required by paragraph 25(3) of Part C of Chapter 2 of the Companies Regulations 2011 is available for inspection at the registered office of the company and its subsidiaries.

	2015	2014
	R'000	R'000
2 GOODWILL		
Recognised on acquisition of business combinations	153 274	66 255
Impairment testing for cash-generating units containing goodwill:		
For the purpose of impairment testing, goodwill is allocated to the group's operating divisions which represents the lowest level within the group at which the goodwill is monitored for internal management purposes.		
The aggregate carrying amounts of goodwill allocated to each cash-generating unit are as follows:		
Efficient Financial Services (Pty) Ltd	11 275	10 622
Efficient Select (Pty) Ltd	8 369	13 275
Efficient Wealth (Pty) Ltd (group of companies)	47 264	42 358
Select Manager (Pty) Ltd (group of companies)	86 366	-
	153 274	66 255
Reconciliation of goodwill:		
Opening balance	66 255	23 703
Acquisitions		
- Independent financial advisory client bases	653	194
- Efficient Wealth (Pty) Ltd (group of companies)	-	42 358
- Select Manager (Pty) Ltd (group of companies)	86 366	-
Closing balance	153 274	66 255

During the financial year the Efficient Funds of Funds were transferred from Efficient Select to Naviga. As a result of this transaction, intangible assets and goodwill related to the Efficient Funds of Funds, with carrying amounts of R2.8 million and R4.9 million respectively, were transferred from Efficient Select to the Efficient Wealth group.

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

3 INTANGIBLE ASSETS

Trade names
Customer contracts and customer relationships
Computer software

Total

Aug 2015		
Cost	Accumulated amortisation and impairments	Carrying value
R'000	R'000	R'000
5 902	(2 674)	3 228
169 631	(38 710)	130 921
7 455	(639)	6 816
182 988	(42 023)	140 965

Trade names
Customer contracts and customer relationships
Computer software

Total

Aug 2014		
Cost	Accumulated amortisation and impairments	Carrying value
R'000	R'000	R'000
5 112	(1 476)	3 636
126 928	(27 927)	99 001
-	-	-
132 040	(29 403)	102 637

Reconciliation of intangible assets

Trade names
Customer contracts and customer
relationships
Computer software

Total

Aug 2015							
Opening balance	Impairments	Disposals	Acquisitions	Acquired through business combination	Amortisation	Closing balance	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
3 636	-	-	-	790	(1 198)	3 228	
99 001	(420)	(275)	-	43 404	(10 789)	130 921	
-	-	-	7 048	319	(551)	6 816	
102 637	(420)	(275)	7 048	44 513	(12 538)	140 965	

Aug 2014							
	Opening balance	Impairments	Disposals	Acquisitions	Acquired through business combination	Amortisation	Closing balance
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
3 INTANGIBLE ASSETS (CONTINUED)							
Reconciliation of intangible assets (continued)							
Trade names	907	-	-	-	3 354	(625)	3 636
Customer contracts and customer relationships	16 914	(1 070)	(264)	14	90 088	(6 681)	99 001
Total	17 821	(1 070)	(264)	14	93 442	(7 306)	102 637

The remaining useful life of the trade names are between 2 and 20 years (2014: 3 and 13 years), customer contracts and customer relationships, between 2 and 20 years (2014: 3 and 15 years) and computer software between 4 and 7 years.

4 INVESTMENTS

Available-for-sale financial assets

Available-for-sale financial assets consists of:

Linked unit investments (Fair value hierarchy: Level 1)

Listed share portfolios (Fair value hierarchy: Level 1)

Investments designated at fair value through profit or loss

Investments designated at fair value through profit or loss consists of:

Linked unit investments (Fair value hierarchy: Level 1)

Less current portion of investments

Non-current investments

	2015	2014
	R'000	R'000
	1 298	842
	359	464
	1 657	1 306
	41 931	5 455
	41 931	5 455
	(41 931)	-
	1 657	6 761

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 EQUITY ACCOUNTED INVESTMENTS

Name	Country of incorporation	Proportion of ownership interest	Principal activities
C & A F Financial Services (Pty) Ltd	RSA	49.0%	Financial Services
Rudiarius Capital Management (Pty) Ltd	RSA	30.0%	Financial Services
AS Sure Investment Services (Pty) Ltd	RSA	25.1%	Financial Services
Efficient Financial Services (Namibia) (Pty) Ltd	NAM	50.0%	Financial Services

Efficient Financial Services (Namibia) (Pty) Ltd is an equity accounted investment because the Group does not hold the majority of the voting rights, nor does it have the ability to appoint the majority of the board.

The equity accounted investments in Rebalance Fund Managers (Pty) Ltd and Marion Technology (Pty) Ltd were disposed of by the Group on 1 June 2015 and 1 March 2015 respectively.

	2015	2014
	R'000	R'000
Equity accounted investments consist of:		
C & A F Financial Services (Pty) Ltd	-	-
Rudiarius Capital Management (Pty) Ltd	263	329
Rebalance Fund Managers (Pty) Ltd	-	40
AS Sure Investment Services (Pty) Ltd	10 650	11 012
Marion Technology (Pty) Ltd	-	5 592
Efficient Financial Services (Namibia) (Pty) Ltd	-	-
	10 913	16 973
Reconciliation of equity accounted investments:		
Opening balance	16 973	6 313
Profit/(loss) for the year per statement of comprehensive income	1 808	(839)
Profit/(loss) for the year	1 808	(879)
Realisation of inter-company profit on sale of equipment to associate	-	56
Deferred tax on realisation of inter-company profit on sale of equipment to associate	-	(16)
Impairment of investment in associate	(869)	-
Repayment of loan to associate	(412)	-
Long-term loan granted and transferred from long-term receivables to associate during the year	-	1 062
Impairment of loans	-	(194)
Dividend received	(863)	(216)
Acquisition of investment in associate	-	10 847
Disposal of investment in associate	(5 724)	-
Investment in associates	10 913	16 973

5 EQUITY ACCOUNTED INVESTMENTS (CONTINUED)

Aggregate amounts relating to associates:

Assets
Liabilities

Group's share of net assets

Revenues

Profit/(loss) after tax

Group's share of net profit/(loss) after tax

	2015	2014
	R'000	R'000
	8 350	14 573
	(4 571)	(19 994)
	3 779	(5 421)
	1 001	(2 686)
	39 908	23 486
	6 453	(1 591)
	1 808	(879)

The respective year-ends for some of the associates differ from the year end of the Group. C & A F Financial Services (Pty) Ltd and AS Sure Investment Services (Pty) Ltd have a February year-end. The results of these associates are equity accounted using management-prepared information on a basis co-terminus to the Group's year-end.

Due to a decrease in the expected financial performance of the entity, the recoverable amount of the investment in AS Sure Investment Services (Pty) Ltd decreased to below its carrying amount. The recoverable amount has been based on a value in use calculation. The calculation uses pre-tax cash flow projections based on financial budgets approved by management covering a five-year period, a pre-tax discount rate of 29.5% and a terminal value discount rate of 4% (2014: 3%). The recoverable amount decreased to below the asset's carrying value and an impairment loss amounting to R869 000 was recognised in profit or loss.

6 LONG-TERM RECEIVABLES

6.1 L Benade

The loan to L Benade forms part of the acquisition of a customer base. This loan is unsecured and repayable in 60 monthly instalments of R60 477 each. The loan bears interest at the prime interest rate.

Less: Short-term portion of long-term receivables

6.2 T Maree

The loan to T Maree forms part of the acquisition of a customer base. This loan is unsecured and repayable in 36 monthly instalments of R9 215 each. The loan bears interest at the prime interest rate.

Less: Short-term portion of long-term receivable

6.3 H Raath

The loan to H Raath forms part of the acquisition of a customer base. This loan is unsecured and repayable in 30 monthly instalments of R9 137 each. The loan bears interest at the prime interest rate.

Less: Short-term portion of long-term receivable

	2015	2014
	R'000	R'000
	1 470	1 922
	(1 109)	(616)
	361	1 306
	198	280
	(102)	(111)
	96	169
	177	-
	(98)	-
	79	-

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 LONG-TERM RECEIVABLES (CONTINUED)

6.4 CJ van Zyl

The loan to CJ van Zyl forms part of the acquisition of a customer base. This loan is unsecured and repayable in 24 monthly instalments of R6 451 each. The loan bears interest at the prime interest rate.

Less: Short-term portion of long-term receivable

6.5 Share purchase scheme

In terms of the Share Incentive Scheme loans were granted to fund 75% of the acquisition of Efficient Group shares by employees. The loans are repayable on 31 August 2018. The loans bear interest at the Official Rate of Interest as defined by the Income Tax Act. Employees cannot trade the shares until the debt is repaid in full.

The fair value of the long-term receivable is R1 192 458 (2014: R2 139 000) and the instrument is classified as level 3 on the fair value hierarchy. The valuation considers the present value of the payments set out in the agreement, discounted using a discount rate of 9.50%

	2015	2014
	R'000	R'000
	139	-
	(68)	-
	71	-
	1 291	2 414
	1 898	3 889

7 SHARE CAPITAL AND SHARE PREMIUM

Authorised

361 350 000 ordinary shares of R0.00000277 each

Issued

90 592 973 ordinary shares of R0.00000277 each

Share premium

	2015	2014
	R'000	R'000
	1	1
	-	-
	150 325	150 325
	150 325	150 325

The Efficient Share Incentive Trust holds 227 502 (2014: 61 695) shares in Efficient Group Ltd. These shares are disclosed as treasury shares.

The unissued ordinary shares are under the control of the directors in terms of a resolution of shareholders passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

8 LONG-TERM LIABILITIES

8.1 Vendor finance

These liabilities form part of the acquisition of customer bases. The loans are unsecured, interest free and repayable at various instalment dates and amounts. The last instalment is payable in 2018.

Less: Short-term portion

The fair value of the outstanding liabilities is R1 583 941 (2014: R557 000). The fair value hierarchy is level 3. The valuation considers the present value of the payments set out in the agreements, discounted using a discount rate of 9.50% (2014: 9.25%).

8.2 Select Manager forward purchase liability

This liability forms part of the acquisition of the Select Manager group through a forward purchase contract entered into with effective date 1 March 2015, and is payable in two phases over a period of three years.

Phase 1 liability

This liability is presented at fair value and is payable in equal instalments of R15 million over two years. The fair value hierarchy is level 3. The valuation considers the present value of the expected payments set out in the contract, discounted using a discount rate of 9.80%.

Phase 2 liability

This liability is presented at fair value and payable on 1 March 2018. The fair value hierarchy is level 3. The valuation considers the present value of the expected payments set out in the contract, discounted using a discount rate of 6.60%.

Less: Short-term portion

The unobservable inputs for calculating the forward purchase liability include budgets and forecasts, the conversion ratio of independent financial advisor book buys, profit targets and free cash flows.

8.3 Select Manager dividend liability

This liability is presented at fair value and payable over a period of three years. The fair value hierarchy is level 3. The valuation considers the present value of the expected payments set out in the contract, discounted using a discount rate of 6.60%.

Less: Short-term portion

The unobservable inputs for calculating the dividend liability include budgets and forecasts, the conversion ratio of independent financial advisor book buys, profit targets and free cash flows.

	2015	2014
	R'000	R'000
	1 744	652
	(524)	(285)
	1 220	367
	42 243	-
	52 763	-
	(27 957)	-
	67 049	-
	15 336	-
	(7 267)	-
	8 069	-

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

8 LONG-TERM LIABILITIES (CONTINUED)

8.4 Incentive liability

This liability relates to a percentage of an incentive scheme payment that is due to the asset managers, that is retained and payable after an agreed employment period.

Less: Short-term portion

8.5 Working capital loan

The liability relates to an amortising term loan from Standard Bank of South Africa to assist the subsidiaries with their respective working capital requirements, and consists of two facilities.

Facility 1

The loan bears interest at JIBAR plus 3.75% per annum and is repayable in 16 equal and quarterly payments of R1 912 500 plus interest accrued for the period. The loan is guaranteed by Efficient Wealth (Pty) Ltd, Naviga Solutions (Pty) Ltd, Boutique Investment Partners (Pty) Ltd and Efficient Financial Services (Pty) Ltd. All loan covenants have been met.

Facility 2

The loan bears interest at JIBAR plus 3.5% per annum and is repayable in 12 variable quarterly capital payments plus interest accrued for the period. The loan is guaranteed by Efficient Wealth (Pty) Ltd, Naviga Solutions (Pty) Ltd, Boutique Investment Partners (Pty) Ltd and Efficient Financial Services (Pty) Ltd. All loan covenants have been met.

Less: Short-term portion

8.6 P S J Dynes and Associates

This loan is unsecured and bears no interest. The capital is repayable in 10 instalments, with a payment every six months, with the first instalment paid on 1 December 2011 and the last instalment payable on 1 June 2016.

Less: Short-term portion

8.7 A Knowles

On 1 August 2014 the company acquired 25.1% of the shares and voting interest in AS Sure Investment Services (Pty) Ltd. R7 750 000 of the purchase price was settled in cash. The balance is payable on 1 August 2017 subject to the achievement of a profit target. No interest is charged on this liability.

The fair value hierarchy is level 3. The valuation considers the present value of the expected payment. The expected payment is determined by considering the possible scenarios of forecast profit after tax, the amount to be paid under each scenario and the probability of each scenario. After assessing the performance of AS Sure Investment Services (Pty) Ltd during the 2015 financial year, as well as the forecast performance presented in the budgets, the liability was remeasured at Rnil.

	2015	2014
	R'000	R'000
	662	928
	(662)	(607)
	-	321
	21 038	28 687
	9 167	-
	(11 317)	(7 650)
	18 888	21 037
	212	635
	(212)	(212)
	-	423
	-	3 096
	95 226	25 244

9 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Efficient Group issued a guarantee to the amount of R300 000 in terms of a lease agreement for Efficient Select's offices in Cape Town.

Efficient Wealth issued a guarantee to the amount of R317 550 in terms of a lease agreement for their offices in Cape Town.

10 IMPAIRMENTS

Impairment of intangible asset

In 2012 Efficient Asset Finance (Pty) Ltd acquired an asset-based finance business to expand the product offering of the Group. Due to industry changes the asset based finance product was scaled down to the extent that the acquired business was no longer profitable, and was subsequently impaired during 2014.

Impairment of other intangible assets

Impairment of loans to associates

The loans to Efficient Financial Services Namibia (Pty) Ltd and C & A F Financial Services (Pty) Ltd are not recoverable and were impaired.

Impairment of investment in associate

Due to a decrease in the expected financial performance of the entity, the recoverable amount of the investment in AS Sure Investment Services (Pty) Ltd decreased to below its carrying amount. The recoverable amount has been based on a value in use calculation. The calculation uses pre-tax cash flow projections based on financial budgets approved by management covering a five-year period, a pre-tax discount rate of 29.5% and a terminal value discount rate of 4% (2014: 3%). The recoverable amount decreased to below the asset's carrying value and an impairment loss amounting to R869 790 was recognised in profit or loss.

Total impairments included in the statement of comprehensive income

	2015	2014
	R'000	R'000
	-	1 052
	420	18
	-	194
	869	-
	1 289	1 264

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Weighted average number of ordinary shares in issue

Number of shares in issue at the end of the year

Less: Issue of ordinary shares during the year

Add: Rights issue bonus element

Add: Weighted average number of ordinary shares issued/(repurchased) during the year

Weighted average number of ordinary shares in issue

Basic and diluted earnings per share (cents)

Attributable earnings (R'000)

Weighted average number of ordinary shares in issue

Headline and diluted headline earnings per share (cents)

Headline earnings (R'000)

Weighted average number of ordinary shares in issue

Headline and diluted headline earnings are calculated as follows

Attributable earnings

Profit on sale of equipment

Taxation on profit on sale of equipment

Profit on sale of shares in associate

Taxation on profit on sale of share in associate

Impairment of intangible asset

Impairment of investment in associate

Profit on sale of financial advisor client base

Taxation on profit on sale of financial advisor client base

	2015	2014
	'000	'000
	90 593	90 593
	-	(49 833)
	90 593	40 760
	-	4 476
	(121)	24 975
	90 472	70 211
	33.91	8.53
	30 681	5 988
	90 472	70 211
	32.32	9.37
	29 245	6 577
	90 472	70 211
	R'000	R'000
	29 245	6 577
	30 681	5 988
	(82)	(24)
	23	7
	(2 607)	(527)
	-	98
	420	1 070
	869	-
	(73)	(35)
	14	-

12 ACQUISITION AND DISPOSAL OF BUSINESSES

The Group made the following acquisitions during the year under review as part of its strategy to increase assets under management and assets under advice:

On 1 March 2015 the Group entered into a forward purchase agreement to acquire 100% of the shares and voting interest in Select Manager (Pty) Ltd and its subsidiaries (70% on the acquisition date and 30% on 1 March 2018), a group providing asset management and financial advisory services, obtaining control of Select Manager (Pty) Ltd. All the suspensive conditions were met on 27 April 2015 (the acquisition date). The purchase consideration of R122.5 million will be settled by cash payments and the issue of the company's own equity over a period of three years from the date of acquisition. During the four months leading up to 31 August 2015, Select Manager contributed revenue of R16.5 million and profit after tax of R4.0 million to the Group's results. If the acquisition had occurred on 1 September 2014, management estimates that the consolidated revenue would have been R49.4 million and consolidated profit after tax for the year R13.2 million. In determining these amounts management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 September 2014.

In addition to the above acquisition, the Group also acquired 11 financial advisory client bases from various independent financial advisors for a total purchase price of R2.6 million which will be settled on different dates, in cash, based on the respective agreements. These acquisitions were accounted for as business combinations.

12 ACQUISITION AND DISPOSAL OF BUSINESSES (CONTINUED)

Consideration transferred

The table below summarises the acquisition date fair value of each major class of consideration transferred:

	Select Manager	Financial advisory client bases	Total
	R'000	R'000	R'000
Cash	15 000	1 305	16 305
Liability raised as part of business combination	107 512	1 270	108 782
	122 512	2 575	125 087

Financial advisory client bases

The consideration for the financial advisory client bases is structured as a lump sum cash payment with the remaining balance paid in future instalments over a period of 12 to 36 months.

Select Manager

The agreement for the acquisition of Select Manager constitutes a forward purchase contract whereby the Group acquires 100% of Select Manager over a three-year period. The Group accounts for forward purchase acquisitions using the anticipated-acquisition method, resulting in the recognition of a forward purchase and dividend liability measured at fair value. Refer to note 8.

Acquisition-related costs

The Group incurred acquisition-related costs on legal fees, due diligence costs and other expenses. The table below summarises the costs:

	Select Manager	Financial advisory client bases	Total
	R'000	R'000	R'000
Costs included in operating expenses	742	-	742
	742	-	742
Identifiable assets acquired and liabilities assumed			
Identifiable assets acquired and liabilities assumed	47 799	2 575	50 374
Less: Deferred tax raised on intangible assets	(11 653)	(653)	(12 306)
	36 146	1 922	38 068

The valuation techniques used for measuring the fair value of intangible assets acquired were as follows:

Trade names

Relief-from-royalty method was used to calculate the intangible assets for trade names. This method considers the discounted estimated royalty payments that are expected to be avoided as a result of trade names being owned.

Customer related intangible assets

Multi-period excess earnings method was used to calculate the customer related intangible assets. This method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

12 ACQUISITION AND DISPOSAL OF BUSINESSES (CONTINUED)

Goodwill

Goodwill arising from the acquisitions has been recognised as follows:

	Select Manager	Financial advisory client bases	Total
	R'000	R'000	R'000
Consideration transferred	122 512	2 575	125 087
Fair value of identifiable net assets	(36 146)	(1 922)	(38 068)
Goodwill	86 366	653	87 019

The goodwill is attributable mainly to the skills and technical talent of Select Manager and the synergies expected to be achieved from integrating the company into Efficient Group's existing Financial Services and Investments businesses. None of the goodwill recognised is expected to be deductible for tax purposes.

	2015	2014
	R'000	R'000
Net cash paid on acquisition and disposal of businesses:		
Gross trade receivables	5 247	2 510
Equipment	168	660
Intangible assets	44 513	93 443
Deferred tax asset	(34)	161
Trade payables	(2 017)	(8 828)
Taxation payable	(1 607)	(480)
Cash and cash equivalents	4 104	11 927
Long-term liabilities	-	(31 474)
Identifiable assets acquired and liabilities assumed	50 374	67 919
Goodwill	87 019	42 551
<i>Add:</i> Long-term receivable raised as part of the purchase price	386	280
<i>Less:</i> Long-term liability raised as part of the purchase price	(108 782)	(488)
<i>Less:</i> Deferred tax raised on intangible asset acquired	(12 306)	(25 721)
<i>Less:</i> Cash acquired	(4 104)	(11 927)
<i>Less:</i> Fair value of shares issued as part of the purchase price	-	(38 272)
Net cash paid on acquisition of businesses	12 587	34 342
Disposal:		
Intangible assets	(348)	(298)
Net cash received on disposal of businesses	(348)	(298)
Net cash paid on acquisition and disposal of businesses	12 239	34 044

13 RELATED PARTIES

13.1 Related party loans

Loans to related parties

Rudiarius Capital Management (Pty) Ltd

Accounts receivable from related parties

Rudiarius Capital Management (Pty) Ltd

Accounts payable to related party

Midnight Storm Investments 299 (Pty) Ltd

Rudiarius Capital Management (Pty) Ltd

	2015	2014
	R'000	R'000
	39	-
	39	-
	15	-
	15	-
	(97)	-
	(1 256)	-
	(1 353)	-

The current loans are unsecured, bear no interest and have no fixed repayment terms.

During the year, Efficient Group Ltd provided financial support to the Efficient Share Incentive Scheme Trust to enable the structured entity to purchase some of Efficient Group's own equity instruments. Efficient Group provided assistance of R254 000 (2014: Rnil) during the 2015 financial year for this purpose.

13.2 Related party transactions

Rent paid to Midnight Storm Investments 299 (Pty) Ltd

Administration fees received:

Rudiarius Capital Management (Pty) Ltd

Rebalance Fund Managers (Pty) Ltd

Dividends received:

C & A F Financial Services (Pty) Ltd

Rudiarius Capital Management (Pty) Ltd

Rebalance Fund Managers (Pty) Ltd

AS Sure Investment Services (Pty) Ltd

Marion Technology (Pty) Ltd:

Information Technology Services paid and software development

Interest received

Service fees paid to Rudiarius Capital Management (Pty) Ltd by

Boutique Collective Investments (RF) (Pty) Ltd

13.3 Transactions with directors and prescribed officers (including their families)

Remuneration paid and accrued to directors and prescribed officers

- Remuneration

- Share-based payments

	2015	2014
	R'000	R'000
	976	830
	55	-
	78	-
	-	216
	450	-
	11	-
	402	-
	2 155	1 416
	26	59
	10 106	2 021
	63 287	13 251
	504	304
	63 791	13 555

NOTES TO THE SUMMARISED AUDITED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14 SEGMENTAL ANALYSIS

The Group changed the reporting segments from the previous financial year to better reflect the core business activities in the Group. The Asset Management, Consulting and Administration businesses were combined in one segment. The Services and Solutions segment, a new segment, now contains Naviga Solutions (Pty) Ltd.

The Group is organised into three main business segments:

Financial Services

The following entities are included in this segment: Efficient Financial Services, Efficient Asset Finance, Efficient Wealth, Twist Street Securities, Efficient Fiduciary Services, Stead Wealth Management, Exceed Asset Management, Exceed Private Clients and AS Sure Investment Services.

Services and Solutions

The following entity is included in this segment: Naviga Solutions.

Investments

The following entities are included in this segment: Efficient Select, Efficient International Investments, Boutique Collective Investments, Boutique Investment Partners, Select Manager, Rudiarius and Rebalance.

	2015				Total
	Financial Services	Services and Solutions	Investments	Other	
	R'000	R'000	R'000	R'000	R'000
Revenue	118 363	35 974	645 918	(84 076)	716 179
- External	111 537	1 398	602 790	454	716 179
- Inter-segment	6 826	34 576	43 128	(84 530)	-
Operating expenses	(117 930)	(10 475)	(625 258)	70 064	(683 599)
Finance cost	(1 255)	-	(318)	(1 138)	(2 711)
Finance income	1 183	368	5 213	362	7 126
Impairment of investment in associates	(869)	-	-	-	(869)
Impairment of intangible assets	(420)	-	-	-	(420)
Profit/(loss) for the year	383	18 623	19 348	(9 052)	29 302
Taxation	(718)	(7 245)	(7 692)	3 448	(12 207)
Net asset value	(8 574)	15 754	66 486	115 829	189 495
Assets	45 410	20 802	189 236	249 854	505 302
Liabilities	(53 983)	(5 048)	(122 750)	(134 026)	(315 807)
Depreciation and amortisation	(1 228)	(1 378)	(1 914)	(9 499)	(14 019)
Share of profit from associates	908	-	890	10	1 808

14 SEGMENTAL ANALYSIS (CONTINUED)

	2014 (Restated)				
	Financial Services	Services and Solutions	Investments	Other	Total
	R'000	R'000	R'000	R'000	R'000
Revenue	68 628	22 170	165 705	(23 143)	233 360
- External	65 468	15 529	151 938	425	233 360
- Inter-segment	3 160	6 641	13 767	(23 568)	-
Operating expenses	(68 828)	(7 484)	(165 425)	15 064	(226 673)
Finance cost	(913)	-	(4)	(293)	(1 210)
Finance income	633	166	1 258	740	2 797
Impairment of investment in associates	(101)	-	-	(93)	(194)
Impairment of intangible assets	(1 070)	-	-	-	(1 070)
Net (loss)/profit for the year	(1 173)	10 523	959	(5 349)	4 960
Taxation	251	4 159	492	(1 560)	3 342
Net asset value	(12 973)	(2 869)	29 915	153 601	167 674
Assets	27 823	8 502	107 710	150 901	294 936
Liabilities	(40 807)	(11 371)	(77 790)	2 706	(127 262)
Depreciation and amortisation	(939)	(3)	(2 824)	(4 875)	(8 641)
Share of loss from associates	(2)	-	-	(837)	(839)

Other consists of consolidation entries, amortisation of intangible assets, C & A F Financial Services, Efficient Capital, Efficient Select Swaziland, Efficient Share Incentive Scheme Trust and Efficient Group. All operations take place in southern Africa.

15 LIQUIDITY

At the end of the reporting period the Group's current liabilities exceed its current assets. Management assessed the Group's cash flow forecasts and its access to secured credit, which includes the realisation of net deferred tax assets of R21 million in the next 12 months. Based on the cash flow forecast and the timing of cash inflows and outflows, management is of the opinion that the Group will be able to settle its short-term commitments as and when they become due.

16 EVENTS AFTER REPORTING DATE

No significant events occurred subsequent to the financial year that requires any additional disclosure or adjustments to the financial statements.

17 DIVIDEND PAID

A dividend of 2 cents per share and a dividend of 5.88235 cents per share were paid in December 2014 and May 2015 respectively (2014: nil).

CORPORATE INFORMATION

NON-EXECUTIVE DIRECTORS

Dr SF Booysen (Chairman)*, LC Cele*, L Taylor*, J Rosen*, JA Mabena , AP du Preez and MM du Preez#

(*) *Independent*; (#) *Alternate*

EXECUTIVE DIRECTORS

DD Roodt, H Weidhase, AT De Klerk, RH Walton and CP Burger.

REGISTERED AND BUSINESS ADDRESS

81 Dely Road, Hazelwood, 0081

COMPANY SECRETARY

Adv Rudi Barnard

SPONSOR

Java Capital

REPORTING ACCOUNTANTS AND AUDITORS

KPMG Inc.

TRANSFER SECRETARIES

Link Market Services South Africa (Pty) Ltd

13 November 2014

(Incorporated in the Republic of South Africa)

(Registration No 2006/036947/06)

JSE share code: EFG

ISIN: ZAE000151841

("Efficient Group" or "the Company")

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