Zarclear Holdings Limited
(Registration number 2000/13674/06)

Consolidated and Separate Financial Statements for the year ended 30 June 2022

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Investment Holding
Directors	W Chapman P Baloyi A Munro-Smith F Vawda Z Matthews
Registered office	9th Floor, Katherine Towers 1 Park Lane Wierda Valley Sandton 2196
Auditors	BDO South Africa Incorporated Chartered Accountants (SA) Registered Auditors
Secretary	CIS Company Secretaries Proprietary Limited
Company registration number	2000/013674/06
Level of assurance	These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The consolidated and separate financial statements were independently compiled by: F Moreira Associate General Accountant (SA)

Contents

Audit Committee Report

1. Members of the Audit Committee

The audit and risk committee (“the committee”) comprises three non-executive directors: Fatima Vawda, (chair), Zolani Matthews and Paul Baloyi. In accordance with the committee’s terms of reference, at the upcoming annual general meeting, all three will be eligible for re-election as members of the committee.

A short resume of each of these directors, demonstrating their suitable skills and experience to serve on this committee, is available on the Company’s website.

The committee meets at least two times per year. Special meetings are convened as required.

An internal effectiveness evaluation is performed annually in terms of which the board satisfies itself that each committee member has the suitable skills and experience to serve on the audit and risk committee.

2. Responsibilities of the Audit Committee

The responsibilities of the committee, as set out in its terms of reference, include:

- Financial governance oversight.
- Reviewing the external audit annual work plan and reports.
- Reviewing the Group’s risk framework and assessing risk-mitigation strategies.
- Reviewing legal and compliance matters that could have a significant impact on the financial statements.
- Monitoring internal control frameworks and procedures, including accounting policies, legislative compliance, regulatory matters and governance.
- Reviewing the effectiveness of internal controls and financial reporting procedures, including IT and information controls and risk management, based on reports from the chief financial officer.
- Recommending the appointment of the external auditor, who in the opinion of the committee, is independent of the Company, for approval by the shareholders at the annual general meeting.
- Approving the fees of the external auditor and an assessment of their performance.
- Performing an annual assessment of the independence and suitability of the external auditor;
- Setting the principles for recommending the use of external auditor for non-audit services.
- Advising and updating the board on issues ranging from accounting standards to published financial information and risk management systems.
- Reviewing the consolidated and separate financial statements.
- Assessing the quality and effectiveness of combined assurance from the external auditor and the executive directors and ensuring that the combined assurance received is adequate to address all material risks.
- Monitoring compliance with laws and regulations.

3. External auditor

The audit committee has recommended the appointment of the external auditor, BDO South Africa Incorporated with Soné Kock as the responsible individual, who in the opinion of the committee, is independent from the Group and Company.

The committee has considered and is satisfied that the tenure of the external auditor has not compromised their independence and that no change be recommended, particularly considering their recent appointment. The committee has further considered, and is satisfied with, the expertise and experience of the finance function.

Audit Committee Report

4. Consolidated and separate financial statements

Following a review of the annual financial statements, the committee is of the opinion that, in all material respects, they comply with the relevant provisions of the Companies Act of South Africa and International Financial Reporting Standards (IFRS) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), and that they fairly present in all material respects, the results of operations, cash flows and financial position of the Company and the Group for the year-ended 30 June 2022.

The audit and risk committee is of the opinion that it has discharged its functions in terms of its terms of reference and as prescribed by the Companies Act of South Africa.

On behalf of the audit committee

F Vawda
Chairperson
Date: 28 November 2022

Declaration by company secretary

I certify in accordance with the provisions of section 88(2)(e) of the Companies Act No. 71 of 2008 of South Africa ("Companies Act"), that to the best of my knowledge and belief, the Company has lodged with the Companies and Intellectual Property Commission, all returns, and notices due and prescribed by the Companies Act, in respect of the year ended 30 June 2022 and that all such returns and notices are true, correct and up to date.

CIS Company Secretaries Proprietary Limited
Company secretary
Date: 28 November 2022

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate financial statements fairly present the state of affairs of the group and company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate financial statements.

The consolidated and separate financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group’s and company's cash flow forecast for the year to 30 June 2023 and, in light of this review and the current financial position, they are satisfied that the group and company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's financial statements. The financial statements have been examined by the group's external auditors and their report is presented on pages 10 to 12.

The consolidated and separate financial statements set out on pages 13 to 56, which have been prepared on the going concern basis, were approved by the board of directors on 28 November 2022 and were signed on their behalf by:

Approval of financial statements

W Chapman	**P Baloyi**
Chief Executive Officer	**Non-executive director**

Directors' Report

The directors present their report which forms part of the consolidated and separate financial statements for the 12-month period ended 30 June 2022. The financial statements set out fully the financial position, results of operations and cash flows for the Company and the Group (“Zarclear”) for the financial period ended 30 June 2022. The financial statements have been prepared under the supervision of K de Almeida CA (SA), the Group Chief Financial Officer.

1. Overall performance summary

Management and the board continued to focus on generating growth in net asset value (“NAV”) per share. As such, NAV per share remained the Company’s overarching key performance indicator and NAV per share is used as the measure of financial results for trading-statement purposes.

On 30 June 2022, cash and cash equivalents amounted to R552 million (30 June 2021: R541 million). The cash balances support the Company’s hedge-fund investments and are encumbered in part. The board has every confidence that the Company’s investment strategy will utilise excess cash resources, to the benefit of shareholders.

Financial results

The Group’s results for the financial year were favourably impacted by the performance of the hedge funds which generated positive returns as we were able to take advantage of the volatility in the market as well as the buoyant equity market, where we exited our holding in Stenprop with a positive result. The Group's exposure to the major world currencies has remained relatively stable at 44% compared to prior year 45% as offshore holdings in Stenprop and SA Alpha segregated portfolio were closed out and the funds derived from the sale and redemption have been retained offshore in foreign currency. Performance and closing valuations were impacted by a weakening in Rand exchange rates, particularly against the USD which strengthened 13.9% against the ZAR over the course of the year, while GBP and EURO ended stable at 0% and 0.2% respectively. (2021 strengthened by 7.4%, 12.7% and 17.5% respectively).

Acquisitions

No significant acquisitions were made during the year.

In May 2022 the group exited the bulk of its investments in the directly managed portfolio of Equities, fixed income and other instruments and invested in an Equity index basket linked note (“EIBL”). The note provides a return which is linked to the performance of a basket of financial instruments.

In addition, minor investments in listed offshore equities were made during the year closing with an investment of 5,000,000 shares in Kropz plc valued at R8,2m.

Disposals

The following disposals were made during the financial year under review:

Over the course of the current financial year, the group realised and exited its investment in Industrials REIT Limited (formerly Stenprop Holdings Limited). All of the remaining 10,000,000 were liquidated in tranches during the year for an overall consideration of R376,629,384 and a positive final fair value adjustment recognised on realisation of the investment of R62,866,336.

Directors' Report

2. Share capital

Authorised shares

As at 30 June 2022 the authorised share capital of the Company comprised 500,000,000 (2021: 500,000,000) ordinary shares of no par value.

Issued shares

As at 30 June 2022 the issued share capital of the Company comprised 226,065,696 (2021: 226,065,696) ordinary shares of no par value.

Unissued shares

The directors may only issue unissued shares if such shares are offered to existing shareholders in proportion to their shareholding on such terms and in accordance with such procedures as the directors may determine, unless such shares are issued for the acquisition of assets by the Company. Notwithstanding the foregoing, shareholders may authorise the directors to issue unissued shares and/or grant options to subscribe for unissued shares as the directors, in their discretion, see fit.

The directors will ask shareholders for authority to place authorised, but unissued shares, under their control, at the forthcoming annual general meeting. In terms of the requested authority and subject to the provisions of the Companies Act, the directors will not issue, in any one financial year, more than 5% of the Company's issued ordinary share capital less the aggregate number of shares, if any, held by the Company and its subsidiaries from time to time, as treasury shares.

3. Dividends

The Company did not declare nor pay any dividends (2021: Nil) in respect of the current financial period. Whilst the intention remains to reinvest income derived from investments into new investment opportunities, the Board will keep all options with regards to dividends as it assesses its available cash resources and investment opportunities.

4. Directorate

The directors in office at the date of this report are as follows:

Directors			**Changes**
W Chapman	Chief Executive Officer	Executive	
P Baloyi		Non-executive Independent	
A Munro-Smith		Executive	
F Vawda		Non-executive Independent	
A Hannington	Chief Financial Officer	Executive	Resigned Thursday, 30 June 2022
Z Matthews		Non-executive Independent	

5. Directors' interests in shares

As at 30 June 2022, the current directors held in aggregate 114,745,165 Zarclear shares (2021: 110,080,919), representing 50.8% (2021: 48.7%) of the issued share capital of the Company.

The direct and indirect beneficial interests of the directors in the Company are set out in the table below. This includes the interests of persons who are no longer directors but resigned during the last 18 months. There was no change in the interests of directors and/or their associates between the end of the financial year and the date of the approval of the financial statements.

Directors' Report

Interests in shares

Directors	2022 Direct	2021 Direct	2022 Indirect	2021 Indirect
W Chapman	-	-	103 877 191	101 376 810
P Baloyi	-	-	3 552 958	2 845 947
F Vawda	-	-	7 314 088	5 857 298
A Hannington	928	864	-	-
	928	**864**	**114 744 237**	**110 080 055**

6. Shareholder profile

Shareholders at the close of the financial year, holding beneficial interest in excess of 5% of the company's issued share capital were as follows:

African Phoenix Investments Ltd	64 846 265	28,68%
Hampden Capital Proprietary Limited	56 442 751	24,97%
Zolospan Proprietary Limited	46 500 000	20,57%
SBSA ITF Sui Generis LPFP H4 QHF	31 809 984	14,07%
SUI Generis Opportunities Segregated Fund	13 750 000	6,08%
	213 349 000	**94,37%**

7. Borrowing powers

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

8. Events subsequent to reporting date and going concern

The directors are not aware of any matters or circumstances arising since the end of the financial year, not otherwise dealt with in the financial statements, which could significantly affect the financial position of the Group and Company or the results of its operations.

African Phoenix Binding Offer

As per the joint announcement published by Zarclear on 8 March 2022, African Phoenix delivered to the board a binding offer to acquire all of the issued ordinary shares of Zarclear (the "Proposed Transaction") in terms of a scheme of arrangement. A scheme circular, including all of the relevant details of the Proposed Transaction and the scheme, including a notice of scheme meeting set to take place on Tuesday, 21 June 2022 was published by Zarclear on 20 May 2022.

The Resolutions pertaining to the scheme were approved at the scheme meeting held on 21 June 2022 with 99.9% of the represented Zarclear shareholders voting in favor of the Resolutions and thus, the proposed transaction.

Subsequent to year end, the proposed transaction is pending approval by the Takeover Regulation Panel and once obtained, the remaining steps necessary to finalize the transaction will be completed.

Takeover Regulation Panel Investigation

On Friday, 19 August 2022, the Takeover Regulation Panel ("the Panel") issued a SENS announcement detailing an investigation involving Zarclear. To date, no adverse findings have been identified against Zarclear or any of the impugned parties detailed in the announcement.

Zarclear is and will continue to provide its full cooperation to the Panel in relation to the Panel investigation.

It is the directors’ assessment that, while the current market situation remains extremely unpredictable and volatile, there is no reason to believe that the Group and Company does not have the ability to continue as a going concern, supported by strong cash reserves and the ability to take advantage of investing opportunities as they arise.

Directors' Report

9. Compliance with applicable laws

Zarclear has complied with the Companies Act, particularly with reference to the incorporation provisions as set out in the Companies Act and has operated in conformity with Zarclear's Memorandum of Incorporation during the period under review.

10. Auditors

BDO South Africa Incorporated will continue in office in accordance with the provisions of the Companies Act, subject to the approval of shareholders at the upcoming annual general meeting.

11. Secretary

The company secretary is CIS Company Secretaries Proprietary Limited.

12. Investment strategy

Zarclear's current investment strategy remains unchanged and is premised on the understanding that the Company's portfolio carried with it the inherent likelihood of the share value not fully reflecting the NAV of the underlying investment. The fact that the Company's shares are no longer listed on an exchange changes this situation but a clearly articulated, compelling investment case is still relevant.

The Company's investment strategy comprises two legs. The first leg consists of managing a portfolio of assets including listed equities, contracts for difference, fixed-income and other investments which provide liquidity, transparency and market-related returns (and whose liquidity underpins the second strategic leg). The second leg is concerned with developing, investing in and managing market-infrastructure and regulation technology operations.

The second leg of the Company's investment strategy entails management actively and closely deploying financial and other resources to a few high conviction financial-market infrastructure and regulation technology investments in which the Company is able to actively engage with management while adding strategic, governance and other value.

Targeted investments are in regulated exchanges, trade repositories, clearing houses, securities depositories and investment and technology platforms within the financial markets sector in general and South Africa in particular. The Company has four investments in this area. All these businesses have required relatively low initial investments, rely heavily on new technologies and look to exploit the changing regulatory landscape by fulfilling market needs brought about by new legislation.

13. Corporate activity update

In October 2021 - in accordance with circulars and notices posted in preceding months, the Company proceeded with delisting of its shares from the Main Board of the JSE and A2X and accompanied this by a cash offer to existing shareholders of R4.60 per share. 2,904,491 shares were repurchased by the company for a total consideration of R13,394,060. The aforementioned share repurchase has not altered the number of shares in issue as these shares are now held by 100% owned subsidiary African Phoenix A2X Proprietary Limited.

Independent Auditor's Report

To the shareholders of

Zarclear Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Zarclear Holdings Limited (the group and company) set out on pages 13 to 56, which comprise the consolidated and separate statements of financial position as at 30 June 2022, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Zarclear Holdings Limited as at 30 June 2022, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and 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.

Emphasis of Matter

We draw attention to Note 28 to the financial statements which indicates subsequent to the year ended 30 June 2022, the Takeover Regulation Panel has launched an investigation involving the company. The note further explains that to date, no adverse findings have been identified against the company. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Zarclear Holdings Limited Annual Consolidated and Separate financial statements for the year ended 30 June 2022", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and 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 consolidated and 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 consolidated and 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 Consolidated and Separate Financial Statements

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and 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 consolidated and 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 consolidated and 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 group's and 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 consolidated and 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 group and / or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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 Zarclear Holdings Limited for 4 years.

BDO South Africa Incorporated

BDO South Africa Incorporated
Registered Auditors

Soné Jeanette Kock
Director
Registered Auditor

15 December 2022

Statement of Financial Position as at 30 June 2022

		Group		Company	
Figures in Rand thousand	Note(s)	2022	2021	2022	2021
Assets					
Non-Current Assets					
Plant and equipment	3	1 040	1 235	-	-
Goodwill	4	14 944	14 944	-	-
Investments in subsidiaries	5	-	-	90 468	90 468
Investments in associates	6	300 215	167 718	300 215	167 718
Financial assets	7	490 662	329 317	455 878	2 189
Deferred tax	8	1 272	4 000	-	-
		808 133	**517 214**	**846 561**	**260 375**
Current Assets					
Loans receivable	12	13 394	-	13 394	-
Trade and other receivables	9	63 065	338 977	6	1 269
Financial assets	7	164	89 130	-	30 570
Current tax receivable		629	149	629	-
Cash and cash equivalents	10	552 107	541 413	9 155	454 540
		629 359	**969 669**	**23 184**	**486 379**
Total Assets		**1 437 492**	**1 486 883**	**869 745**	**746 754**
Equity and Liabilities					
Equity					
Equity and reserves					
Share capital	11	44 875	44 875	44 875	44 875
Reserves		138 190	103 657	-	-
Retained income		1 158 776	923 535	745 960	599 355
		1 341 841	1 072 067	790 835	644 230
Non-controlling interest		10 786	6 616	-	-
		1 352 627	**1 078 683**	**790 835**	**644 230**
Liabilities					
Non-Current Liabilities					
Deferred tax	8	21 958	57 920	21 958	57 920
Current Liabilities					
Trade and other payables	13	62 872	350 176	8 567	13 632
Loans payable	12	-	-	48 385	30 972
Current tax payable		35	104	-	-
		62 907	**350 280**	**56 952**	**44 604**
Total Liabilities		**84 865**	**408 200**	**78 910**	**102 524**
Total Equity and Liabilities		**1 437 492**	**1 486 883**	**869 745**	**746 754**

Net asset value per share 601 cents (2021: 474 cents)

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
Figures in Rand thousand	Note(s)	2022	2021	2022	2021
Investment income	14	295 729	289 831	203 823	388 079
Fee income	14	44 288	35 476	-	-
Operating expenses		(88 554)	(92 496)	(51 108)	(58 130)
Operating profit	15	**251 463**	**232 811**	**152 715**	**329 949**
Interest received	16	8 681	16 573	8 109	14 077
Interest paid	17	(489)	(2)	(659)	-
Profit before taxation		**259 655**	**249 382**	**160 165**	**344 026**
Taxation	18	(20 244)	(58 398)	(13 560)	(57 824)
Profit for the year		**239 411**	**190 984**	**146 605**	**286 202**
Other comprehensive income:					
Items that will be subsequently reclassified to profit or loss:					
Currency translation differences		34 533	(44 071)	-	(640)
Other comprehensive income for the year net of taxation		**34 533**	**(44 071)**	**-**	**(640)**
Total comprehensive income for the year		**273 944**	**146 913**	**146 605**	**285 562**
Profit attributable to:					
Equity holders of the company		235 241	188 726	146 605	286 202
Non-controlling interest		4 170	2 258	-	-
		239 411	**190 984**	**146 605**	**286 202**
Total comprehensive income attributable to:					
Equity holders of the company		269 774	144 655	146 605	285 562
Non-controlling interest		4 170	2 258	-	-
		273 944	**146 913**	**146 605**	**285 562**

Statement of Changes in Equity

Figures in Rand thousand	Share capital	Foreign currency translation reserve	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Group						
Balance at 01 July 2020	**474 400**	**147 728**	**734 808**	**1 356 936**	**4 358**	**1 361 294**
Total comprehensive income for the year	-	(44 071)	188 727	144 656	2 258	146 914
Total comprehensive income for the year	**-**	**(44 071)**	**188 727**	**144 656**	**2 258**	**146 914**
Capital reduction distribution to shareholders	(429 525)	-	-	(429 525)	-	(429 525)
Total contributions by and distributions to owners of company recognised directly in equity	**(429 525)**	**-**	**-**	**(429 525)**	**-**	**(429 525)**
Balance at 01 July 2021	**44 875**	**103 657**	**923 535**	**1 072 067**	**6 616**	**1 078 683**
Total comprehensive income for the year	-	34 533	235 241	269 774	4 170	273 944
Total comprehensive income for the year	**-**	**34 533**	**235 241**	**269 774**	**4 170**	**273 944**
Balance at 30 June 2022	**44 875**	**138 190**	**1 158 776**	**1 341 841**	**10 786**	**1 352 627**
Note(s)	11					

Statement of Changes in Equity

Figures in Rand thousand	Share capital	Foreign currency translation reserve	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
Company						
Balance at 01 July 2020	**474 400**	**640**	**313 153**	**788 193**	**-**	**788 193**
Total comprehensive income for the year	-	(640)	286 202	285 562	-	285 562
Total comprehensive income for the year	**-**	**(640)**	**286 202**	**285 562**	**-**	**285 562**
Capital reduction distribution to shareholders	(429 525)	-	-	(429 525)	-	(429 525)
Total contributions by and distributions to owners of company recognised directly in equity	**(429 525)**	**-**	**-**	**(429 525)**	**-**	**(429 525)**
Balance at 01 July 2021	**44 875**	**-**	**599 355**	**644 230**	**-**	**644 230**
Total comprehensive income for the year	-	-	146 605	146 605	-	146 605
Total comprehensive income for the year	**-**	**-**	**146 605**	**146 605**	**-**	**146 605**
Balance at 30 June 2022	**44 875**	**-**	**745 960**	**790 835**	**-**	**790 835**
Note(s)	11					

Statement of Cash Flows

		Group		Company	
Figures in Rand thousand	Note(s)	2022	2021	2022	2021
Cash flows from/(utilised in) operating activities					
Cash generated/(utilised) in operations	19	(31 458)	(50 176)	(54 908)	(60 110)
Interest income		8 681	16 573	8 109	14 077
Dividends received from subsidiary		-	-	-	212 639
Dividends received from private equity investment		10 418	18 521	4 006	2 222
Interest paid		(489)	(2)	(659)	-
Taxation paid	20	(54 027)	(2 623)	(50 151)	-
Investment in financial investments		(390 331)	-	(355 800)	-
Proceeds from sale of financial investments		465 119	258 390	(1)	135 221
(Increase) in loan receivable - associates		-	(7 376)	-	(1 500)
Net cash from/(utilised in) operating activities		**7 913**	**233 307**	**(449 404)**	**302 549**
Cash flows (utilised in)/from investing activities					
Purchase of plant and equipment and intangible assets	3	(146)	(70)	-	-
Loans advanced		(13 394)	-	(13 394)	-
Net cash (utilised in)/from investing activities		**(13 540)**	**(70)**	**(13 394)**	**-**
Cash flows (utilised in)/from financing activities					
Capital reduction distribution to shareholders	11	-	(429 525)	-	(429 525)
Proceeds from borrowings		-	-	17 413	-
Net cash (utilised in)/from financing activities		**-**	**(429 525)**	**17 413**	**(429 525)**
Total cash and cash equivalents movement for the year		**(5 627)**	**(196 288)**	**(445 385)**	**(126 976)**
Cash and cash equivalents at the beginning of the year		541 414	745 092	454 540	581 516
Effect of exchange rate movement on cash balances		16 320	(7 391)	-	-
Total cash and cash equivalents at end of the year	10	**552 107**	**541 413**	**9 155**	**454 540**

Accounting Policies

1. Significant accounting policies

The financial statements incorporate the following principal accounting policies for the consolidated and separate financial statements of Zarclear Holdings Limited, which are consistent with those applied in the previous year. All relevant IFRS standards and interpretations effective 30 June 2022 have been applied in the preparation of these financial statements.

1.1 Basis of preparation

These financial statements are prepared in accordance with, and comply with, IFRS and Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act of South Africa. These financial statements are prepared in accordance with the going concern principle under the historical cost basis, other than financial assets measured at fair value through profit or loss.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group’s and Company's accounting policies. The areas involving a high degree of judgement or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1.4.

1.2 Consolidation

Principles of consolidation

Subsidiaries are entities, including unincorporated entities, controlled by the Group. The Group controls an entity when it has power over and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are consolidated from the date on which the Group acquires control up to the date that control ceases.

Zarclear has two majority-held external private equity investments which, in the ordinary course, would meet the definition of subsidiary as set out above, but which, together with the Company, meet the definition of an Investment Entity (IFRS 10). The Group has applied the exception to consolidation to these subsidiaries, in line with *Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)*, and classifies these investments as “fair value through profit and loss”. These entities are identified in Note 7.

With respect to subsidiaries that either provide administrative or investment services in the group and are therefore consolidated, the acquisition method of accounting is used to account for the acquisition of subsidiaries. In these instances the cost of an acquisition is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus the value of any non-controlling interest measured in accordance with IFRS 3 plus the acquisition-date fair value of the Group’s previously held equity interest in the acquiree. Costs attributable to such acquisitions are expensed when incurred. Identifiable assets acquired (including intangible assets) and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values, with the exception of those assets held for sale in terms of IFRS 5, which are recognised at their fair value less costs to sell, at the acquisition date, irrespective of the extent of any non-controlling interest. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated on consolidation. Investments in subsidiaries are accounted for at cost less impairment where considered necessary. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments arising from additional information about facts and circumstances that existed at acquisition date. However, if the change is due to any other reason, the change is recognised consistent with the classification of the contingent consideration.

Transactions with non-controlling interest holders are accounted for as transactions with external third parties. Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The Company carries its investments in subsidiaries at cost less accumulated impairment losses.

1.3 Associates

Where an investment which meets the definition of an associate is acquired and held for purposes of the Group’s investment activities, it is not accounted for under the equity method but is classified as held at fair value through profit and loss as a result of the investment entity exemption and accounted for on the basis set out in accounting policy Note 1.6.

Accounting Policies

1.4 Critical accounting variations and judgements

Estimates and assumptions are continually evaluated and are based on historical and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The results of estimates and assumptions form the basis of making judgements about the carrying value of assets and liabilities. Actual results may differ from the estimates made.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

Fair value measurement and valuation processes

Some of the Group's assets are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset, the Group uses market-observable data to the extent that this is available. The determination of fair value requires estimates and judgements particularly where the inputs to valuations are not market observable, as is the case for many of the Group’s fair valued assets.

Unobservable inputs are mostly directors valuations based on shareholder financial information available and interactions with management of the investee.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in Note 26.

Deferred taxation

The measurement of deferred tax assets and liabilities shall reflect the tax consequences that will follow from the manner in which the entity expects, at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities.

Zarclear has a shareholding in African Phoenix. A temporary difference arises as the tax base is fixed at the base cost, but the carrying amount fluctuates due to changes in fair value as a result of the fact that the investment in the associate is carried at fair value through profit and loss.

The shareholders have approved a transaction whereby Zarclear will become a wholly owned subsidiary of African Phoenix, subject to the approval of the transaction by the Takeover Regulation Panel. The deferred taxation on the fair value adjustment is carried at nil percent due to the fact that management’s intention is to recover the carrying value of the investment through future dividends and intend to apply the group relief provisions available in the Income Taxation Act in their restructuring of the group. Due to this method of recovery not having tax consequences, a tax rate of 0% was used and no deferred tax recognised.

Estimated impairment of goodwill and intangibles

The Group will annually test whether goodwill and intangibles have suffered any impairment, in accordance with the accounting policy disclosed. The recoverable amounts of cash-generating units (CGU) will be determined based on value-in-use calculations with growth rate assumptions in line with historical achievement and discount rates approximating the determined cost of capital at the time.

Intangibles in the form of software and trade repository licences were evaluated and considered to have been impaired in the prior financial year.

The goodwill raised on the acquisition of the investment in Zarclear Securities Lending has been considered and evaluated by management, using the aforementioned approach and it has been determined that no impairment of the goodwill is required.

The inputs used in the aforementioned goodwill evaluation were cash generated, based on a five year forecast prepared by management, with no terminal value considered , in order to be prudent. Such cash flows determined were discounted to present value using an after tax rate of 20% (2021: 15%) which was determined as a reasonable, risk adjusted rate considering borrowing costs and cost of capital for the Group.

1.5 Plant and equipment

Plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Accounting Policies

1.5 Plant and equipment (continued)

Plant and equipment is initially measured at cost.

Plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

The useful lives of items of plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment	Straight line	5 years
Art	Straight line	Indefinite

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.6 Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss or asset valued at amortised cost. The classification is dependent on business the model and contractual cash flow characteristics of the asset. Management determines the classification of its investments at the time of purchase.

Financial assets at fair value through profit or loss

This includes the Group’s investment into hedge-funds and other investments, including loans to private equity portfolio companies, held as part of the Group’s investment activities.

Financial assets valued at amortised cost.

Amortised cost classification assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those which the Group has classified upon initial recognition as at fair value through profit or loss. Included in this category are trade and other receivables, non-investment-related loans and receivables and cash and cash equivalents.

Measurement

Purchases and sales of ‘regular way’ financial assets are recognised on the trade date, which is when the Group commits to purchase or sell the assets. Other financial assets are recognised when the entity becomes a party to the contractual provisions of the agreement.

All financial assets are initially measured at fair value plus – in the case of a financial asset not measured at fair value through profit or loss – transaction costs that are directly attributable to their acquisition. Transaction costs incurred in the acquisition of financial assets measured at fair value through profit or loss are expensed in profit or loss.

After initial recognition, the Group measures financial assets at fair value through profit or loss, at fair value without any deduction for transaction costs it may incur on their disposal.

Accounting Policies

1.6 Financial assets (continued)

The fair value of quoted financial assets is their mid-price at the financial year-end. If the market for a financial asset is not active or the instrument is an unlisted instrument, the fair value is estimated using valuation techniques. These include the use of prices and other relevant information generated by market transactions involving identical or similar assets, liabilities or a Group of assets and liabilities and discounted cash flow analysis. Where discounted cash flow analyses are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market-related rate at the financial year-end for a financial asset with similar terms and conditions. Where other pricing models are used, inputs are based on observable market indicators at the financial year-end. If the value of unlisted equity instruments cannot be reliably measured, which would be the case in very limited circumstances, they are measured at cost.

Realised and unrealised gains and losses arising from changes in the fair value of financial assets at fair value through profit or loss are included in profit and loss in the period in which they arise.

Impairment

Financial assets, other than those as at fair value through profit and loss, are subject to impairment in accordance with IFRS 9.

Impairment provisions for current and non-current loans and trade receivables are recognised based on the simplified approach within IFRS 9. Under the general approach an entity calculates expected credit losses for long-term loans and receivables at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime expected credit losses. A significant increase in credit risk is defined as when the debt is past due or when other objective evidence was received that a specific counterparty will default. Past due is defined as 30 days or more beyond due date.

De-recognition or written-off

Financial assets are derecognised if the Group's contractual rights to cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all of the risks and rewards of the asset or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control over the financial asset.

Financial assets are written off and derecognised when there is no reasonable expectation of recovering any of the carrying amount.

Financial liabilities

All financial liabilities are initially recognised at fair value plus transaction costs incurred other than financial liabilities classified as at fair value through profit or loss at inception.

Classification and measurement

Financial liabilities at fair value through profit or loss

Includes financial liabilities designated at fair value through profit or loss at inception.

Financial liabilities at amortised cost

These comprise loans and payables and trade and other payables. These financial liabilities are initially recognised at fair value, net of transaction cost and subsequently measured at amortised cost using the effective interest method. In the case of short-term payables, the impact of discounting is not material and cost approximates amortised cost.

De-recognition

Financial liabilities are derecognised if the Group's obligations specified in the contract expire, are discharged or cancelled.

Accounting Policies

1.6 Financial assets (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents. Cash and cash equivalents are initially recognised at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

1.7 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or directly in equity.

Current tax expense is based on the results for the period as adjusted for items that are not taxable or deductible. The Group's liability for current taxation is calculated using tax rates and laws that have been enacted or substantively enacted by financial year-end.

Deferred taxation is recognised in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is not accounted for if it arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Nor is deferred tax accounted for in respect of temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) enacted or substantially enacted at the financial year-end and expected to apply when the deferred tax asset is realised and deferred tax liability settled. Deferred tax assets are recognised to the extent that it is probable that a taxable profit will be available in future years against which the tax asset can be recovered.

Deferred taxation balances that arise with respect to controlled-foreign-Company income or losses are accounted for as Company assets and liabilities as the tax liability for tax on controlled-foreign companies is with the Company itself, not the respective foreign entities. The income and losses to which these assets and liabilities relate, being generated by subsidiaries of the Company, are recognised in the consolidated Group accounts.

1.8 Leases

Payments made on leases for premises that are short-term and variable in nature are recognised as lease payments as incurred.

1.9 Share capital and equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares are shown in equity as a deduction from proceeds, net of tax.

1.10 Income

Group income comprises two high-level categories

a. Investment income from portfolio activities:

The fair value of the consideration received or receivable as a result of investment activities performed in the ordinary course of the Group's activities. Principal sources of income comprise:

- gain on sale of financial investments.
- changes in the fair value of assets classified as at fair value through profit or loss.
- interest earned on loans made as part of the Group's investing activities.
- interest paid on hedge-fund gearing, and
- dividend income.

Interest income is recognised on a basis that reflects the effective yield on the underlying instruments. Dividends are brought into account as at the last date of registration in respect of listed shares and when declared in respect of unlisted shares.

Accounting Policies

1.10 Income (continued)

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the cash flows considering all contractual terms of the financial asset and does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts. When it is not possible to estimate reliably the cash flows or the expected life of a financial asset, the Group uses the contractual cash flows over the full contractual term of the financial asset

b. Fee income:

Fee income arising in the course of the Group's ordinary activities related to market infrastructure and regulation technology investments which principally earn revenue from fees charged for technology services provided as well as securities lending.

A contract with a customer is recognised when all of the following criteria are met:
- The contract has been approved and all parties to the contract are committed to performing their respective obligations.
- Each party's rights regarding the goods or services to be transferred are identifiable.
- Payment terms for the goods or services to be transferred are identifiable.
- The contract has commercial substance, and
- It is probable that the consideration in exchange for the goods or services that will be transferred will be collected.

Revenue is recognised when or as the performance obligation is satisfied by transferring a promised good or service to a customer.

Measurement

When a performance obligation is satisfied, revenue is recognised as the amount of the transaction price that is allocated to the performance obligation but excluding estimates of variable consideration that are constrained and any amounts collected on behalf of third parties. The transaction price may include fixed amounts, variable amounts, or both. The Company allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

1.11 Finance costs

Interest costs are recognised in profit and loss using the effective interest method, except when they are capitalised to a qualifying asset.

Accounting Policies

1.12 Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in South African Rand which is the Company's functional currency and the Group's presentation currency. All amounts are rounded off to the nearest thousand Rand.

Transactions and balances

Transactions in foreign currencies are translated into the functional currency at the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at year-end exchange rates, of monetary assets and liabilities denominated in foreign currency are recognised in profit and loss.

Non-monetary assets and liabilities, measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the foreign exchange rates at the dates the fair value was determined.

Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows:
- Assets and liabilities are translated at the foreign exchange rate ruling at the financial year-end date, and
- Income and expenses are translated at average exchange rates for the year, to the extent that such average rates approximate rates ruling at the dates of the transactions.

Exchange differences arising on the translation are recognised directly in a separate component of other comprehensive income and presented in equity (as a foreign currency translation reserve). The relevant proportionate share of the translation difference is allocated to non-controlling interest, where applicable. When a foreign operation is sold, such exchange differences are recognised on profit and loss as part of the gain or loss on sale.

1.13 Goodwill

Goodwill represents the future economic benefits arising from a business combination which are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

Goodwill is tested annually for impairment and whenever there is an indicator of impairment.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 July 2022 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IAS 1 - Disclosure of Accounting Policies	01 January 2023	Unlikely there will be a material impact
• IAS 8 - Definition of Accounting Estimates	01 January 2023	Unlikely there will be a material impact
• IAS 12 - Deferred tax	01 January 2023	Unlikely there will be a material impact
• IAS 1 - Presentation of Financial Statements	01 January 2023	Unlikely there will be a material impact

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

3. Plant and equipment

Group	2022			2021		
	Cost	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
IT equipment	1 797	(978)	819	1 651	(637)	1 014
Art	221	-	221	221	-	221
Total	**2 018**	**(978)**	**1 040**	**1 872**	**(637)**	**1 235**

Reconciliation of plant and equipment - Group - 2022

	Opening balance	**Additions**	**Depreciation**	**Total**
IT equipment	1 014	146	(341)	819
Art	221	-	-	221
	1 235	**146**	**(341)**	**1 040**

Reconciliation of plant and equipment - Group - 2021

	Opening balance	**Additions**	**Depreciation**	**Total**
IT equipment	1 261	70	(317)	1 014
Art	221	-	-	221
	1 482	**70**	**(317)**	**1 235**

4. Goodwill

Group	2022			2021		
	Cost	**Accumulated impairment**	**Carrying value**	**Cost**	**Accumulated impairment**	**Carrying value**
Goodwill raised on acquisition of subsidiary	14 944	-	14 944	14 944	-	14 944

Goodwill recognised relates to the acquisition of a 60% shareholding in Zarclear Securities Lending on 1 March 2019. Goodwill is not amortised but assessed annually for impairment.

Critical accounting estimates and assumptions applied in testing for the impairment of goodwill and intangibles are detailed in Note 1.4.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

5. Investment in subsidiary companies

Name of company	Carrying amount 2022	Carrying amount 2021
SCIL	60 268	60 268
Peresec Technology Solutions	15 000	15 000
Zarclear Securities Lending	15 200	15 200
	90 468	90 468

The company continues to hold a 60% shareholding in Zarclear Securities Lending which was acquired on 1 March 2019. Zarclear Securities Lending's principle place of business is South Africa, where it is incorporated.

Zarclear Holdings continues to hold 100% of the issued share capital of Peresec Technology Solutions Proprietary Limited ("PTS") for which the shareholding was subscribed in the 2019 financial year. PTS principle place of business is South Africa, where it is incorporated.

SCIL, a wholly owned subsidiary of the Company, registered in Guernsey holds the offshore investments of the Group. The Company's effective shareholding in the subsidiary remains at 100%.

The afore-mentioned entities are accounted for as subsidiaries and consolidated as they are not themselves an investment entity whose main purpose and activities are providing services that relate to the investment entity's activities.

6. Investments in associates

Group

Name of company	% ownership interest 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021
African Phoenix Investments Limited	23,84 %	23,84 %	300 215	167 718

Company

Name of company	% ownership interest 2022	% ownership interest 2021	Carrying amount 2022	Carrying amount 2021
African Phoenix Investments Limited	23,84 %	23,84 %	300 215	167 718

African Phoenix Investments Limited

Zarclear continues to hold 335 435 546 African Phoenix Investments Limited shares (“AXL”) as at 30 June 2022. AXL is an investment holding company which was listed on the Main Board of the JSE and was de-listed in April 2020.

AXL has been valued based on net asset value after taking into account the cross-holding in Zarclear Holdings Limited (AXL holds 29% of Zarclear's shares in issue excluding treasury shares) as at 30 June 2022 of 89.5 (2021: 50) cents per ordinary share. Zarclear directors have assessed this to be a fair value of the investment as at 30 June 2022 considering the value of the underlying assets in AXL.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

7. Financial assets

At fair value through profit or loss				
Listed investments	8 162	298 777	-	-

Industrials REIT Limited (formerly Stenprop Holdings Limited)
Industrials REIT is listed on the LSE and the JSE investing in a diversified portfolio of multi-let industrial (MLI) properties.
As the share price of the investment has been performing well, resulting in favorable returns for Zarclear though our holding in this entity via SCIL, the Group has been realising its investment over the past years as favorable selling opportunities arose.
The final sale and exit of the Groups investment in this entity was concluded in the current financial year.
Opening 1 July 2021 shareholding in Stenprop amounted to 10,000,000 ordinary shares. The entire shareholding was liquidated in tranches during the year for an overall consideration of R376,629,384 and a positive final fair value adjustment recognised on realisation of the investment of R62,866,336. (2021: R86,057,846).
Movements in the fair value of the investment were recognised as investment income, through profit and loss with the foreign exchange translation movement recognised directly in equity

In addition, the group has made an investment in a offshore listed entity which at 30 June 2022 comprised 5,000,000 shares in Kropz PLC valued at R8,162,392. Fair value adjustments on this offshore listed entity amounted to a positive R217,030 for the current financial year.

Private equity investments - Equity Express	2 188	2 188	2 188	2 188

On 25 March 2020, Zarclear purchased a 5.47% shareholding in Equity Express for a total price paid of R2 188 235. Equity Express is a holding company incorporated in South Africa with interests in the financial services industry. The directors have considered the fair valuation of this investment based on financial information availed to them by the entity and are of the opinion that the investment is still fairly valued at the acquisition cost.

Private equity investments - Rinjani Holdings Limited	26 622	28 351	-	-

The Group continues to hold a 79.41% equity interest in Rinjani Holdings Limited (Rinjani), a property holding Company registered in the BVI.
A negative fair value adjustment of R1,726,752 (2021: positive R,11,619,421) has been recognised in investment income for the period ended 30 June 2022.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021
7. Financial assets (continued)				
Unlisted investment - African Phoenix A2X Proprietary Limited (formally Nala A2X Proprietary Limited)	-	-	-	-
Unlisted investment - Firefly Investments 61	1	1	1	1
Equity Index Basket Linked Note ("EIBL")	438 208	-	438 208	-

Unlisted investment - African Phoenix A2X Proprietary Limited (formally Nala A2X Proprietary Limited)

AP A2X holds an effective 6.97% (2021: 7.44%) shareholding in A2X Proprietary Limited.
Effective from 1 February 2021, Nala A2X changed its name to African Phoenix A2X Proprietary Limited ("AP A2X") and is 100% owned by Zarclear based on restructuring agreement with Nala Empowerment Investment Company Holdings Proprietary Limited (“NEICH”) in 2021 financial year.

The underlying investment within this investment, A2X Proprietary Limited, is still relatively immature and in the development and investment stage. Based on available shareholder financial information, management interactions and reports from the investee, the directors have determined that the likelihood of the investee being able to generate sufficient free cash flows and distributable reserves to pay dividends in the near to medium term is remote. Therefore, it is deemed prudent to evaluate the fair value of subsidiary as Nil (2021: R Nil) and as such the investment, accrued preference dividends and loans to the subsidiary have been fully impaired in the 2020 financial year in line with accounting policy Note 1.6.

Unlisted investment - Firefly Investments 61

The Group has a 50% interest a private equity fund, Firefly Investments 61 which has been valued at R1,000 as at 30 June 2022 (2021: R1,000).

Equity Index Basket Linked Note ("EIBL")

During the current financial year the group exited the bulk of its investments in the directly managed portfolio of equities, fixed income and other instruments and invested in an EIBL. EIBLs are regulated but unlisted financial notes issued by Peresec Prime Brokers (Pty) Ltd that offer investors a single-entry point to a broad range of managed financial instruments. EIBLs can reference any basket of allowable instruments. At 30 June 2022 the company holds 3,588,183.31 units in the note valued at R122.13 per unit. The note provides a return which is linked to the performance of an underlying hedge fund portfolio managed by Peregrine Capital, one of the top performing hedge funds in South Africa, and other instruments.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021
7. Financial assets (continued)				
Unlisted investments	15 645	31 051	15 481	30 570
Zarclear Securities Lending remains invested in Redeemable Preference Share with a value of R164,000 (2021: R480,500) in Catalyst Advisory Proprietary Limited. Catalyst Advisory Proprietary Limited offers preference shares as part of its Supplier Development services related B-BBBEE strategy and compliance.				
The last remaining investment within the directly managed portfolio consists of an unlisted position in UIVCA - Business Venture Investments No 2137 Limited in which the company holds a position of 383,572 units with a market value of R15,480,966.				
Hedge Funds	-	58 079	-	-
During the current financial year, the Group exited the investment in the Peregrine Capital High Growth Offshore Segregated Portfolio (previously known as the SA Alpha Peregrine High Growth USD Fund [SA Alpha Fund]). Funds realised from this redemption amounted to R61,934,522 with a final fair value adjustment of R278,479 being recognised though profit and loss..				
A register of investments is available for inspection at the registered office of the Company in terms of section 26 of the Companies Act, and more detail is provided in Note 29: Schedule of investments.				
	490 826	**418 447**	**455 878**	**32 759**
Non-current assets				
At FV through profit (loss)	490 662	329 317	455 878	2 189
Current assets				
At FV through profit (loss)	164	89 130	-	30 570
	490 826	**418 447**	**455 878**	**32 759**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

8. Deferred tax

Deferred tax assets and (liabilities) are attributable to the following:

Fair value adjustments - financial investments	(20 293)	(35 277)	(20 293)	(35 277)
Estimated tax losses	1 272	4 228	-	228
Unrealised gains earned in low tax jurisdictions	(1 447)	(22 645)	(1 447)	(22 645)
Unrealised translation gain	(218)	(226)	(218)	(226)
Total deferred tax liability	**(20 686)**	**(53 920)**	**(21 958)**	**(57 920)**

Breakdown of deferred tax asset in subsidiary and liability in holding company:

Deferred tax liability	(21 958)	(58 148)	(21 958)	(57 920)
Deferred tax asset	1 272	4 228	-	-
Total net deferred tax (liability) asset	**(20 686)**	**(53 920)**	**(21 958)**	**(57 920)**

Reconciliation of deferred tax (liability)/asset

At beginning of year	(53 920)	2 355	(57 920)	(96)
Reduction due to rate change	860	-	813	-
Fair value adjustments - financial investments	14 233	(25 229)	14 233	(25 229)
Estimated assessable losses for set-off against future income	(3 003)	(11 457)	(228)	(13 006)
Realised gains/(losses) earned in low tax jurisdictions	21 533	(3 259)	21 533	(3 259)
Unrealised losses in low tax jurisdictions	(389)	(16 330)	(389)	(16 330)
	(20 686)	**(53 920)**	**(21 958)**	**(57 920)**

9. Trade and other receivables

Financial instruments:				
Investment and other receivables	12 234	9 224	6	1 269
Cash collateral and other receivables	50 212	329 183	-	-
Trade and other receivables at amortised cost	62 446	338 407	6	1 269
Non-financial instruments:				
Prepayments	619	570	-	-
Total trade and other receivables	**63 065**	**338 977**	**6**	**1 269**

Analysis of movement in trade and other receivables

Opening balance	338 977	1 069 774	1 269	5 559
Cash flow movements in trade and other receivables (decrease)/increase	(275 912)	(730 797)	(1 263)	(4 290)
	63 065	**338 977**	**6**	**1 269**

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

9. Trade and other receivables (continued)

Fair value of trade and other receivables

Cash collateral and other receivables relates to Zarclear Securities Lending. Cash collateral is delivered to lenders in order to cover loan exposure on borrowed securities. The cash collateral is returnable to Zarclear Securities Lending in the event of a reduction in exposure (due to closure of loans or market related moves) or substitution of alternate collateral.

Trade and other receivables are carried at amortised cost and their fair value approximates carrying value. Receivables have been assessed for expected credit losses (ECL) and none are anticipated based on the nature of receivables, historic credit loss rates and the credit quality of the debtors.

Investment receivables relate to the directly managed funds referred to in Note 7. In the current year the investment receivables in the directly managed fund are significantly reduced as the group has largely exited the fund.

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances in local currency	427	16 841	121	2 137
Stockbroker accounts in local currency	19 863	453 175	9 034	452 403
Stockbroker accounts in foreign currency	531 817	71 397	-	-
	552 107	**541 413**	**9 155**	**454 540**

11. Share capital

Authorised				
500,000,000 Ordinary shares of no par value	-	-	-	-
Reconciliation of number of shares issued:				
Opening balance	226 065 696	226 065 696	226 065 696	226 065 696
Treasury shares	(2 904 491)	-	-	-
	223 161 205	**226 065 696**	**226 065 696**	**226 065 696**
Issued				
Ordinary shares of no par value	44 875	44 875	44 875	44 875

In October 2021 - in accordance with circulars and notices posted in preceding months, the Company proceeded with delisting of its shares from the Main Board of the JSE and A2X and accompanied this by a cash offer to existing shareholders of R4.60 per share. 2,904,491 shares were repurchased by the company for a total consideration of R13,394,060. The aforementioned share repurchase has not altered the number of shares in issue, merely converting these repurchased shared to treasury shares. The aforementioned shares repurchased are held in the 100% owned subsidiary African Phoenix A2X.

12. Loans payable/(receivable)

SCIL	-	-	30 972	30 972
Zarclear Securities Lending	-	-	17 413	-
African Phoenix A2X	(13 394)	-	(13 394)	-
	(13 394)	**-**	**34 991**	**30 972**

The loan from SCIL is unsecured, interest free and has no fixed terms of repayment.

The loan from Zarclear Securities Lending is unsecured, bears interest at the prime lending rate - less 1.5% (6.75% at 30 June 2022) and has no fixed terms of repayment.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

12. Loans payable/(receivable) (continued)

The loan to African Phoenix A2X related to the share repurchases disclosed in note 11 and is unsecured, interest free and has no fixed terms of repayment. Due to the fact that African Phoenix A2X is not consolidated by virtue IFRS10 investment entity consolidation exemption, this loan is not consolidated out in the Group accounts.

13. Trade and other payables

Financial instruments:				
Trade and administrative	12 976	13 399	1 307	1 077
Cash collateral and other payables	41 329	323 186	-	-
Investment payables	2 909	10 183	2 909	10 183
Non-financial instruments:				
Employee related accruals	5 314	3 234	4 351	2 372
VAT	344	174	-	-
	62 872	**350 176**	**8 567**	**13 632**

Analysis of movement in trade and other payables

Opening balance	350 176	1 067 645	13 632	13 100
Cash flow movements from the year (decrease)/increase	(287 304)	(717 469)	(5 065)	532
	62 872	**350 176**	**8 567**	**13 632**

Fair value of trade and other payables

Trade and administrative payables represent the accrual for current year audit fees, offshore fiduciary-related administration costs and other sundry related expenses.

Cash collateral and other payables relates to Zarclear Securities Lending. Cash collateral is provided by borrowers in order to cover loan exposure on borrowed securities. The cash collateral is returnable to the borrower in the event of a reduction in exposure (due to closure of loans or market related moves) or substitution of alternate collateral.

The fair value of cash collateral and other payables approximates carrying value.

14. Revenue

Investment income				
Realised gain on foreign currency translation	-	-	-	160
Fair value movement on loan to associate	-	(7 376)	-	(1 500)
Income from proprietary trading	15 150	-	-	-
Investment return	67 598	147 465	67 320	141 014
Dividend income	10 420	18 521	4 006	214 861
Fair value adjustment and portfolio fee income	202 561	131 221	132 497	33 544
	295 729	**289 831**	**203 823**	**388 079**
Fee income	44 288	35 476	-	-
	340 017	**325 307**	**203 823**	**388 079**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

15. Operating profit

Operating profit for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external				
Audit fees	1 210	1 812	773	973
Audit fees - prior year overprovision	(82)	(650)	(82)	(650)
Advisory services	-	190	-	190
	1 128	**1 352**	**691**	**513**

Directors emoluments and fees

Executive directors' emoluments	6 645	5 552	6 645	5 552
Non-executive directors' fees	1 408	1 408	1 408	1 408
Total directors emoluments and fees	**8 053**	**6 960**	**8 053**	**6 960**

Leases

Variable rentals				
Premises	450	500	450	500

The leases for premises were short term and variable in nature with no contractual obligations and hence no right of use asset nor related liability were recorded.

16. Interest received

Interest income				
Investments in financial assets:				
Interest income from cash and cash equivalents	8 160	11 796	8 109	9 435
South African Revenue Services	5	-	-	-
Other interest income on financial assets at amortised cost	516	4 777	-	4 642
Total interest income	**8 681**	**16 573**	**8 109**	**14 077**

17. Interest paid

Group	-	-	646	-
Bank overdraft	6	2	-	-
Stockbroker accounts	483	-	13	-
Total finance costs	**489**	**2**	**659**	**-**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

18. Taxation

Major components of the tax expense (income)

Current				
Local income tax - current period	53 500	2 123	49 522	-
Local income tax - recognised in current tax for prior periods	(22)	-	-	-
	53 478	**2 123**	**49 522**	**-**
Deferred				
Current year (SA)	(10 777)	36 686	(13 505)	38 236
Current year (foreign CFC)	(21 207)	19 589	(21 207)	19 588
Prior year under provision (SA and CFC)	(1 250)	-	(1 250)	-
	(33 234)	**56 275**	**(35 962)**	**57 824**
	20 244	**58 398**	**13 560**	**57 824**

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	28,00 %	28,00 %	28,00 %	28,00 %
Exempt income	(1,12)%	(2,01)%	(0,70)%	(0,18)%
Capital gains tax	- %	- %	- %	(17,31)%
Lower foreign tax rates	(1,81)%	(3,37)%	9,14 %	5,69 %
Movement in tax rate	(0,30)%	- %	(0,51)%	- %
Disallowable charges	0,44 %	0,79 %	0,77 %	0,61 %
Fair value adjustment	(16,94)%	- %	(27,46)%	- %
Other	(0,48)%	- %	(0,78)%	- %
	7,79 %	**23,41 %**	**8,46 %**	**16,81 %**

19. Cash used in operations

Profit before taxation	259 655	249 382	160 165	344 026
Adjustments for:				
Depreciation	341	317	-	-
Interest income	(8 681)	(16 573)	(8 109)	(14 077)
Interest paid	489	2	659	-
Movements in provisions	-	-	-	(160)
Investment return	(67 598)	(154 269)	(67 320)	(147 817)
Fair value on private equity investment	(193 854)	(131 217)	(132 497)	(33 541)
Dividends received	(10 418)	(18 521)	(4 006)	(214 861)
Impairment of investment in and loans to associate	-	7 376	-	1 500
Changes in working capital:				
Trade and other receivables	275 913	730 797	1 263	4 290
Trade and other payables	(287 305)	(717 470)	(5 063)	530
	(31 458)	**(50 176)**	**(54 908)**	**(60 110)**

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

20. Tax paid

Balance at beginning of the year	45	(455)	-	-
Current tax for the year recognised in profit or loss	(53 478)	(2 123)	(49 522)	-
Balance at end of the year	(594)	(45)	(629)	-
	(54 027)	**(2 623)**	**(50 151)**	**-**

21. Net asset value per share

Net asset value per share as at 30 June				
Equity attributable to equity holders	1 341 841	1 072 067	-	-
Shares in issue excluding treasury shares	223 161 205	226 065 696	-	-
Net asset value per share (cents)	**601**	**474**	**-**	**-**

NAV per share is calculated on the number of ordinary shares in issue at the end of the financial period and is based on the NAV attributable to outstanding ordinary shareholders. Net asset value is the difference between total assets and total liabilities after accounting for non-controlling interest.

22. Capital commitments and guarantees

Zarclear has issued guarantees to certain lenders of scrip as a result of the securities lending activities undertaken by Zarclear Securities Lending . The guaranteed obligations are for all existing and future obligations arising under and in terms of the Global Master Securities Lending Agreement (“GMSLA”) entered into between Zarclear Securities Lending and the lenders.

Note 25 provides further details of the obligations assumed by Zarclear Securities Lending as a result of the securities lending activities undertaken. Zarclear Securities Lending’s borrowers are required to provide sufficient collateral in relation to their scrip loans and Zarclear Securities Lending provides collateral to their lenders to ensure that their obligations can be met in the event that the borrower is unable to return borrowed securities. The value of the collateral provided always exceeds the value of the scrip loan.

As a result of this practice, the obligations of Zarclear Securities Lending are adequately secured as part of the collateral management process that is in place and the likelihood of Zarclear having to act on the guarantee provided is remote.

Notes to the Consolidated And Separate Financial Statements

	Group		Company	
Figures in Rand thousand	2022	2021	2022	2021

23. Related parties

Relationships

Subsidiaries	Refer to note 5 and note 7
Associates	Refer to note 6
Major shareholders	Hampden Capital Proprietary Limited Zolospan Proprietary Limited African Phoenix Investments Limited
Entities within the same group of companies due to shareholding	Peresec Prime Brokers Proprietary Limited Extract Group Limited MCC Contracts Proprietary Limited (a subsidiary of Extract Group Limited

Related party balances

	Group 2022	Group 2021	Company 2022	Company 2021
Loan accounts - Owing (to) by related parties				
SCIL	-	-	(30 972)	(30 972)
Zarclear Securities Lending	-	-	(17 413)	-
African Phoenix A2X	13 394	-	13 394	-
Peresec Prime Brokers				
Structured note investment	438 208	-	438 208	-
Local currency stockbroker accounts	103	100	-	-
Foreign currency stockbroker accounts	531 795	71 299	-	-
Investments in related parties				
African Phoenix Investments Limited	300 215	167 718	300 215	167 718

Related party transactions

	Group 2022	Group 2021	Company 2022	Company 2021
Peresec Prime Brokers				
Fees paid on stockbroking accounts	(421)	(940)	(1)	(312)
Commission paid on trades	(441)	(123)	-	-
Interest (paid)/earned on stockbroking accounts	(469)	2 360	-	-
Fair value adjustment on structured note investment	77 784	-	77 784	-
Peresec Technology Services				
Payroll and related costs	-	-	15 744	13 623
Zarclear Securities Lending				
Payroll and related costs	-	-	7 754	7 218
Interest on loan	-	-	(646)	-
MCC Contracts				
Management fees paid	-	(1 000)	-	(1 000)
Hampden Capital				
Rent and related costs	(450)	-	(450)	-

Directors

Details of directors’ shareholding in the Company are disclosed in the Directors’ Report. Directors’ emoluments are disclosed in Note 24.

Figures in Rand thousand

24. Directors' emoluments

Paid to executive directors of the company for managerial services

2022

	Emoluments	Allowances and contributions	Performance bonus	Total
W Chapman	900	41	3 000	3 941
A Munro-Smith	1 300	13	-	1 313
A Hannington (Resigned June 2022)	1 375	16	-	1 391
	3 575	**70**	**3 000**	**6 645**

2021

	Emoluments	Allowances and contributions	Performance bonus	Total
W Chapman	900	9	-	909
A Munro-Smith	1 913	309	400	2 622
A Hannington	1 500	21	500	2 021
	4 313	**339**	**900**	**5 552**

Non-executive

2022

	Directors' fees	Committee fees	Total
P Baloyi	440	198	638
F Vawda	176	231	407
Z Matthews	176	187	363
	792	**616**	**1 408**

2021

	Directors' fees	Committee fees	Total
P Baloyi	440	198	638
F Vawda	176	231	407
Z Matthews	176	187	363
	792	**616**	**1 408**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management

Analysis of assets and liabilities by financial instrument classification

Categories of financial assets

Group - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instruments	Total	Fair value *
Plant and equipment	3	-	-	1 040	1 040	-
Investments in associates	6	300 215	-	-	300 215	300 215
Intangible assets and goodwill	4	-	-	14 944	14 944	-
Financial investments (non-current)	7	490 662	-	-	490 662	490 662
Deferred tax	8	-	-	1 272	1 272	-
Financial investments (current)	7	164	-	-	164	164
Trade and other receivables	9	-	62 446	619	63 065	-
Cash and cash equivalents	10	-	552 107	-	552 107	-
Taxation		-	-	629	629	-
		791 041	**614 553**	**18 504**	**1 424 098**	**791 041**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Group - 2021

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instruments	Total	Fair value *
Plant and equipment	3	-	-	1 235	1 235	-
Investments in associates	6	167 718	-	-	167 718	167 718
Intangible assets and goodwill	4	-	-	14 944	14 944	-
Financial investments (non-current)	7	329 317	-	-	329 317	329 317
Deferred tax	8	-	-	4 228	4 228	-
Financial investments (current)	7	89 130	-	-	89 130	89 130
Trade and other receivables	9	-	338 407	570	338 977	-
Cash and cash equivalents	10	-	541 413	-	541 413	-
Taxation		-	-	149	149	-
		586 165	**879 820**	**21 126**	**1 487 111**	**586 165**

Company - 2022

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instruments	Total	Fair value *
Investments in subsidiaries	5	-	-	90 468	90 468	-
Investments in associates	6	300 215	-	-	300 215	300 215
Financial investments (non-current)	7	455 878	-	-	455 878	455 878
Financial investments (current)	7	-	-	-	-	15 481
Trade and other receivables	9	-	6	-	6	-
Cash and cash equivalents	10	-	9 155	-	9 155	-
Taxation		-	-	629	629	-
		756 093	**9 161**	**91 097**	**856 351**	**771 574**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Company - 2021

	Note(s)	Fair value through profit or loss	Amortised cost	Non-financial instruments	Total	Fair value *
Investments in subsidiaries	5	-	-	90 468	90 468	-
Financial investments (non-current)	7	2 189	-	-	2 189	2 189
Investments in associates	6	167 718	-	-	167 718	167 718
Financial investments (current)	7	30 570	-	-	30 570	30 570
Trade and other receivables	9	-	1 269	-	1 269	-
Cash and cash equivalents	10	-	454 540	-	454 540	-
		200 477	**455 809**	**90 468**	**746 754**	**200 477**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - 2022

	Note(s)	Amortised cost	Non-financial instruments	Total	Fair value *
Trade and other payables	13	57 212	5 658	62 870	-
Taxation		-	35	35	-
Loans payble	12	(13 394)	-	(13 394)	-
Deferred taxation	8	-	22 771	22 771	-
		43 818	**28 464**	**72 282**	**-**

Group - 2021

	Note(s)	Amortised cost	Non-financial instruments	Total	Fair value *
Trade and other payables	13	346 942	3 234	350 176	-
Taxation		-	104	104	-
Deferred taxation	8	-	58 148	58 148	-
		346 942	**61 486**	**408 428**	**-**

Company - 2022

	Note(s)	Amortised cost	Non-financial instruments	Total	Fair value *
Trade and other payables	13	4 216	4 351	8 567	-
Loans payable	12	43 385	-	43 385	-
Deferred taxation	8	-	22 771	22 771	-
		47 601	**27 122**	**74 723**	**-**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Company - 2021

	Note(s)	Amortised cost	Non-financial instruments	Total	Fair value *
Trade and other payables	13	11 260	2 372	13 632	-
Loans payble	12	30 972	-	30 972	-
Deferred taxation	8	-	57 920	57 920	-
		42 232	**60 292**	**102 524**	**-**

*** For items where no fair value is indicated, the carrying value equates to fair value.**

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Financial risk management

Overview

Having regard to the fact that managing risk is an inherent part of the Group's activities, risk management and the ongoing improvement in corresponding control structures remain a key focus in building a successful and sustainable business. Within a complex financial services environment, the board recognises that risk management is a dynamic process and that the risk framework should be sufficiently robust to effectively manage and react to change in an efficient and timeous manner.

Formalisation of a risk management framework for the Group is the responsibility of the board of directors. The framework ensures:
- Efficient allocation of capital across various activities in order to maximise returns and diversification of income streams.
- Risk taking within levels acceptable to the Group as a whole.
- Efficient liquidity management and control of funding costs, and
- Appropriate risk management and control.

Whilst the board is ultimately responsible for the management of risk, the board relies on the executive directors to operate within the control structures and group risk management framework established by the board and has delegated the responsibility for implementation of the risk framework to the executive directors.

The executive directors take an active role in the risk management process and are responsible for the implementation, ongoing maintenance of, and ultimate compliance with, the risk process as it applies to the Group. The board is kept abreast of developments through formalised reporting structures, ongoing communication with the executive directors, and through regular meetings of the Group Audit and Risk Committee.

Risk management structure

The key responsibilities provided for in the Group's risk management framework are as follows:

The Board of directors is responsible for the strategic direction, supervision and oversight of risk within the Group and for defining the Group's tolerance and appetite for risk.

The Audit and Risk Committee is responsible for assisting the board of the Group and subsidiary entities, in fulfilling their responsibilities by providing guidance and oversight regarding risk governance and the development of the Group's risk profile, including regular review of major risk exposures and the management of risk limits. In addition, the committee is responsible for monitoring management's approach with respect to financial reporting, internal controls, accounting and legal and regulatory compliance. The chairperson of the Audit and Risk Committee reports back to the board of directors of the Group in this regard.

The nature of the key risks to which the Group is exposed are categorised as follows:

Credit risk

Credit risk is the risk of loss resulting from the default of a counterparty. Credit risk includes settlement risk.

Default of a counterparty is defined as non-payment 30 days or more beyond due date as this is determined to be an indicator of potential default.

There is no significant concentration of credit risk for the Group.

Assets that expose the Group to credit risk consist principally of cash deposits, trade and other receivables and loans and receivables. Cash is placed on deposit with high credit-rated financial institutions. Credit risk is limited due to the high credit rating of counterparties. Other than off-balance sheet exposures, detailed below, the carrying value of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

The maximum exposure to credit risk is presented in the table below:

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Group		2022			2021		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Trade and other receivables	9	62 706	-	62 706	338 977	-	338 977
Cash and cash equivalents	10	552 107	-	552 107	541 413	-	541 413
		614 813	**-**	**614 813**	**880 390**	**-**	**880 390**

Impairment

Management has considered and evaluated the key credit risk exposures in line with the accounting policy and methodology described in policy 1.7 (Financial Assets) and concludes that no impairment on financial assets held at amortised cost is required other than the impairment of the loans and receivables from associates as detailed in Note 7 for the current financial year.

Off-balance sheet credit risk exposure

Zarclear Securities Lending engages in securities lending activities whereby it borrows securities (scrip) from lenders (typically banks and large security holders) and simultaneously lends those borrowed securities to borrowers. Zarclear Securities Lending does not borrow any securities for proprietary purposes. Borrowers must provide sufficient collateral to Zarclear Securities Lending against the loan of the securities.

Collateral may be provided in the form of either scrip or cash. Cash collateral provided by its borrowers is reflected on balance sheet within Trade and other Payables (Note 13) and in relation to cash collateral provided by Zarclear Securities Lending to its' lenders within Trade and other Receivables (Note 9). Any scrip collateral provided is transferred outright and thus does not reflect on balance sheet.

Given that any scrip provided as collateral to lenders does not reflect on the Zarclear Securities Lending balance sheet this results in off balance sheet credit risk exposure. The lender is obliged to return any collateral provided by Zarclear back to the company on the return of the borrowed securities (closure of the loan). The lender also has the right to realise any collateral provided by Zarclear Securities Lending in the event that Zarclear Securities Lending's borrowers are unable to return any of the borrowed securities.

Zarclear Securities Lending assumes a remote credit risk in that some of the securities lending transactions are offered to lenders (typically banks and large securities holders) with an indemnification of the borrowers' (typically short sellers) obligations arising under the transaction in terms of a Global Master Securities Lending Agreement. It is standard practice that the borrower must provide collateral greater than the value of the scrip loaned in the form of cash or scrip and therefore the risk of a claim is remote. To date there have been no defaults.

As the return of the borrowed securities and the collateral provided must happen simultaneously (one cannot take place without the other), Zarclear Securities Lending only assumes credit risk to the extent that the collateral provided of R10,5 billion (2021: R7,8 billion) loan book value of R8,8 billion (2021: R6,3 billion).

Liquidity risk

Liquidity risk refers to the ability to meet funding obligations as they fall due. The centralised nature of the Group's treasury function ensures that capital is appropriately allocated across the Group and that funding and commitments are met timeously.

The Group is currently funded by internal cash resources. The Group has the ability to redeem units of the Structure Note should a liquidity shortfall arise.

There were no breaches or defaults on any loan obligations during the current year and all funding loans were settled in full during the year.

A summary of the Group's undiscounted liquidity profile is reflected in the table following. Assets and liabilities are allocated according to their contractual maturity dates. Other investment assets (including listed equities) are shown as realisable in greater than a year.

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Liquidity mismatch table

2022	Demand	1-6 months	1-5 years	Non-financial instruments	Total
Assets	552 107	77 567	775 560	18 468	1 423 702
Liabilities	-	(57 261)	-	(28 022)	(85 283)
	552 107	20 306	775 560	(9 554)	1 338 419
Equity	-	-	-	1 338 419	1 338 419
Liquidity gap	552 107	20 306	775 560	(1 347 973)	-
Cumulative liquidity gap	552 107	572 413	1 347 973	-	-

2021	Demand	1-6 months	1-5 years	Non-financial instruments	Total
Assets	541 413	427 537	497 035	20 898	1 486 883
Liabilities	-	(346 942)	-	(61 258)	(408 200)
	541 413	80 595	497 035	(40 360)	1 078 683
Equity	-	-	-	1 078 683	1 078 683
Liquidity gap	541 413	80 595	497 035	(1 119 043)	-
Cumulative liquidity gap	541 413	622 008	1 119 043	-	-

Foreign currency risk

Foreign exchange translation exposure which arises from the translation of the Group’s international operations into Rand is not considered a foreign currency exposure under IFRS. However, a significant portion of the Group’s assets are held by its offshore subsidiary, SCIL, in foreign currency and the volatility of these currencies relative to the Rand will impact the Group’s Rand profit or loss and asset values.

Exposure in foreign currency amounts

The carrying value of the Group’s foreign currency-denominated assets and liabilities at the reporting date are as follows:

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)
US Dollar exposure:

Current assets:				
Current assets - Cash and cash equivalents	297 982	107 868	-	-

Euro exposure:

Current assets:				
Current assets - Cash and cash equivalents	27 026	-	-	-

GBP exposure:

Non-current assets:				
Non-current assets	34 784	327 128	-	-
Current assets:				
Current assets - Cash and cash equivalents	206 810	21 608	6 028	6 028
Net GBP exposure	**241 594**	**348 736**	**-**	**6 028**

Exchange rates

Rand per unit of foreign currency:				
US Dollar	16,290	14,300	-	-
Euro	17,020	16,990	-	-
UK Pound	19,790	19,790	19,790	19,790

Foreign currency sensitivity analysis

Assuming a reasonable change of 10% in the currency exchange rates applied to the above balances, the impact on profit or loss would be:

Group	2022	2022	2021	2021
Increase or decrease in rate	**Increase**	**Decrease**	**Increase**	**Decrease**
Impact on pre-tax profit or loss:				
Combined foreign currency exposure	56 660	(56 660)	45 660	(45 660)
Impact on post-tax profit or loss:				
Combined foreign currency exposure	40 795	(40 795)	32 875	(32 875)
	-	-	-	-

Interest rate risk

Interest rate risk refers to the impact on future cash flows and earnings of interest rate-sensitive assets and liabilities as a result of interest rate repricing.

Financial assets and liabilities that are sensitive to interest rate risk comprise those financial instruments carried at amortised cost. These include cash balances, loans and receivables and loans and payables.

The Group manages interest rate exposure arising from other borrowings as part of its overall risk management strategy. Decisions to borrow and the levels at which borrowings are maintained are evaluated on a regular basis. Considerations include historical and anticipated investment yields and the cost of borrowing, the Group’s liquidity requirements and the current state of credit markets. The efficient allocation of capital is expected to enhance profitability over the longer term.

The repricing profile of financial assets and liabilities carried at amortised cost that are sensitive to interest rate fluctuations is presented in the table below. Short-term financial assets and liabilities carried at amortised cost whereby the effects of discounting that are considered to be immaterial are reflected as “non-rate” in the sensitivity analysis. Non-interest bearing asset and liabilities carried at amortised cost are specifically classified as non-rate financial instruments.

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

Interest rate sensitivity analysis

A 2% (2021: 1%) (South Africa) and 1% (2021: 0.3%) (offshore) increase or decrease in interest rates represents management's assessment of the reasonable possible change in interest rates. The table depicts the sensitivity of a 2% (2021: 1%) (South Africa) and 1% (2021: 0.3%) (offshore) parallel shift in the applicable rates respectively.

Group	2022	2022	2021	2021
	Pre-tax	**Post-tax**	**Pre-tax**	**Post-tax**
Interest bearing financial assets				
Trade and other receivables	-	-	-	-
Receivables in directly managed hedge funds	-	-	-	-
Cash collateral and other receivables	-	-	-	-
Cash and cash equivalents - local currency	406	292	4 700	3 384
Cash and cash equivalents - foreign currency	5 318	3 892	214	154
	5 724	**4 184**	**4 914**	**3 538**
Interest bearing liabilities				
Trade and administrative payables	-	-	-	-
Cash collateral and other payables	-	-	-	-
Payables in directly managed hedge funds	-	-	-	-
	-	**-**	**-**	**-**

Market risk

Market risk is the potential change in the value of a financial instrument resulting from changes in market prices. The Group's activities expose it primarily to the financial risks of changes in equity prices and interest and foreign exchange rates. The Group's investment activities include investments into hedge funds and listed and unlisted private equity investment opportunities. The Group is exposed to market risk associated with the underlying instruments held by hedge funds and has exposure to equity price movements and fluctuations in interest and foreign currency exchange rates as a result of listed and unlisted investments held directly as part of its investment activities.

Price risk sensitivity analysis

As at the reporting date, the Group's capital was allocated per concentration of risk, which is by type of instrument:

	Group		Company	
	2022	**2021**	**2022**	**2021**
EIBL	438 208	-	438 208	-
Hedge fund	-	58 079	-	-
Unlisted equities	15 646	31 052	15 482	30 571
Listed equities	8 162	298 777	-	-
Private equity investments	28 810	30 539	2 188	2 188
Investment in subsidiaries	-	-	90 468	90 468
Investment in associates	300 215	167 718	300 215	167 718
	791 041	**586 165**	**846 561**	**290 945**

In the current financial year the group exited its investment in the SA Alpha offshore segregated portfolio and also exited bulk of its investments in the directly managed portfolio of equities, fixed income and other instruments and invested in an EIBL. EIBLs are regulated but unlisted financial notes issued by Peresec Prime Brokers (Pty) Ltd that offer investors a single-entry point to a broad range of managed financial instruments. EIBLs can reference any basket of allowable instruments. The bulk of the underlying basket of instruments is managed by Peregrine Capital, as a hedge fund.

Notes to the Consolidated And Separate Financial Statements

25. Financial instruments and risk management (continued)

In all cases referred to above, fund managers are subject to appropriate due diligence and selected on the basis of the managers' track record and experience, their approach to investment and risk management as well as their ability to demonstrate sound operational procedures and acceptable legal infrastructure. Investment into the funds is on an arm's length basis.

Operational controls relating to the investment process include:
- Management according to a fund mandate, which sets out investment parameters including target investments, maximum holdings and exposures, and various investment limits.
- Investor review by way of daily access to portfolio information and regular reporting.
- Monitoring of positions against mandate limits.
- Utilisation of external administrators for the provision of independent accounting, administration and valuation services.
- Utilisation of an appropriate prime broker;
- Internal audit of controls and procedures surrounding fund valuations, mandate monitoring and know your customer compliance, and
- An annual audit of the funds by external auditors.

Any investment made by the Group into the EIBL is diversified through the utilisation of a variety of underlying trading systems employed by the managers. The selection of funds and managers is part of the on-going and active management of the Group's stated investment strategy.

The fair value of the EIBL is determined using the underlying market values of the investments held within the EIBL. The underlying instruments within the EIBL are largely exposed to movements in the prices of equity instruments listed on the JSE Limited.

Investments held as part of the Group's private equity investment activities:

The Group holds listed equities and unlisted private equity investments. Investment decisions are structured within a mandate, approved by the board and implemented and managed as part of the investment of Group capital.

Applying a 10% variation in equity/fund prices, the impact on the fair value carrying value of the financial investments as at 30 June would have been:

Impact on fair value (FV) carrying values

	2022 Increase	**2022 Decrease**	**2021 Increase**	**2021 Decrease**
Financial investments	44 637	(44 637)	38 743	(38 743)
Increase (decrease in FV)	**44 637**	**(44 637)**	**38 743**	**(38 743)**

Figures in Rand thousand

26. Fair value information

Fair value hierarchy

The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Fair value is not, therefore, the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

The fair value of financial instruments traded in active markets is based on unadjusted quoted market prices at reporting date. A market is regarded as active if quoted prices for identical assets or liabilities are readily available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis. The quoted market price used for financial assets held by the Group is the mid-price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of the instrument are observable, the instruments are included in level 2.

If one or more significant inputs are not based on observable market data, the instrument is included in level 3.

The following table presents the Group's assets that are measured at fair value as at 30 June 2022 and 30 June 2021:

Levels of fair value measurements

Level 1

Recurring fair value measurements

Assets	Note(s)				
Financial assets at fair value through profit (loss)	7				
Listed equities		8 162	298 777	-	-
Fixed income and other instruments		-	30 570	-	30 570
Total financial assets at fair value through profit (loss)		**8 162**	**329 347**	**-**	**30 570**
Total		**8 162**	**329 347**	**-**	**30 570**

Level 2

Recurring fair value measurements

Assets	Note(s)				
Financial assets at fair value through profit (loss)	7				
EIBL		438 208	-	438 208	-
Hedge fund investments		-	58 079	-	-
Total financial assets designated at fair value through profit (loss)		**438 208**	**58 079**	**438 208**	**-**
Total		**438 208**	**58 079**	**438 208**	**-**

Level 3

Notes to the Consolidated And Separate Financial Statements

26. Fair value information (continued)

Recurring fair value measurements

Assets	Note(s)				
Financial assets at fair value through profit (loss)	6&7				
Private equity investments		44 456	31 051	17 670	2 189
Investment in associates		300 215	167 718	300 215	167 718
Total financial assets designated at fair value through profit (loss)		**344 671**	**198 769**	**317 885**	**169 907**
Total		**344 671**	**198 769**	**317 885**	**169 907**

Notes to the Consolidated And Separate Financial Statements

26. Fair value information (continued)

Reconciliation of assets and liabilities measured at level 3

	Note(s)	Opening balance	Fair value adjustment	Purchases, loan advances and disposals	Transfers into/out level 3	Closing balance
Group - 2022						
Assets						
Financial assets at fair value through profit (loss)						
Private equity investments		31 051	(1 729)	(15 406)	30 570	44 486
Investment in associates		167 718	132 497	-	-	300 215
Total financial assets designated at fair value through profit (loss)		**198 769**	**130 768**	**(15 406)**	**30 570**	**344 701**
Total		**198 769**	**130 768**	**(15 406)**	**30 570**	**344 701**
Group - 2021						
Assets						
Financial assets at fair value through profit (loss)						
Private equity investments		2 699	(7 376)	7 376	28 352	31 051
Investments in associates		-	-	-	167 718	167 718
Total financial assets designated at fair value through profit (loss)		**2 699**	**(7 376)**	**7 376**	**196 070**	**198 769**
Total		**2 699**	**(7 376)**	**7 376**	**196 070**	**198 769**

Notes to the Consolidated And Separate Financial Statements

26. Fair value information (continued)

	Note(s)	Opening balance	Gains/losses recognised in profit or loss	Purchases	Transfers into level 3	Closing balance
Company - 2022						
Assets						
Financial assets at fair value through profit (loss)						
Private equity investments		2 189	-	(15 089)	30 570	17 670
Investment in associate		167 718	132 497	-	-	300 215
Total financial assets designated at fair value through profit (loss)		**169 907**	**132 497**	**(15 089)**	**30 570**	**317 885**
Total		**169 907**	**132 497**	**(15 089)**	**30 570**	**317 885**
Company - 2021						
Assets						
Financial assets at fair value through profit (loss)						
Private equity investment		2 188	(1 500)	1 500	1	2 189
Investment in associate		-	-	-	167 718	167 718
Total financial assets designated at fair value through profit (loss)		**2 188**	**(1 500)**	**1 500**	**167 719**	**169 907**
Total		**2 188**	**(1 500)**	**1 500**	**167 719**	**169 907**

The closing balance of the assets categorised in level 3 are valued at fair value through profit and loss.

Notes to the Consolidated And Separate Financial Statements

26. Fair value information (continued)

Valuation techniques applied and inputs to valuation techniques

Financial assets at fair value through profit and loss	**Valuation technique used to determine fair value**	**Description of significant observable inputs used in valuation technique**	**Description of significant unobservable inputs used in valuation technique (not applicable for level 1)**	**Value of significant unobservable inputs used in valuation technique (not applicable for level 1)**	**Recurring or non-recurring fair value measurement**
Private equity investments - Listed equities, fixed income, other instruments and listed associates	Quoted market prices	Unadjusted quoted prices in an active market of underlying investments	N/A	N/A	Recurring
Private equity investments - unlisted/ investments in associates	Techniques used includes amortised cost of loans receivable and independent valuation and cost	Market related interest rate	Unobservable inputs are mostly directors valuations based on shareholder financial information available and interactions with management of the investee	R344,671 million	Recurring
Hedge Fund investments - unlisted	Quoted market prices	The fair value is determined by an independent administrator, based on the quoted market prices of the underlying investments held by the hedge funds	Unobservable inputs are mostly expense accruals of the hedge-fund entities that are deducted from the sum of the fair values of net investments held by the hedge funds	N/A	Recurring

Sensitivities around unobservable inputs:

Unobservable inputs related to the investments disclosed in Level 2 and 3 are mostly directors valuations based on shareholder financial information available and interactions with management of the investee. Should the valuations prove to be inaccurate, a 10% variance to the valuations is determined to be material. The impact of such a variance is as follows:

	Carrying value of financial assets at fair value R'000	Impact of 10% investment valuation on pre-tax profit and loss R'000	Impact of 10% investment valuation on post-tax profit and loss R'000
Private Equity investments	44,456	4,446	3,201
Investments in associates	300,215	30,022	21,615
Total	344,671	34,468	24,816

Notes to the Consolidated And Separate Financial Statements

27. Going concern

These financial statements have been prepared on the basis of accounting policies applicable to a going concern.

It is the directors' assessment that, while the current market situation remains extremely unpredictable and volatile, there is no reason to believe that the Group does not have the ability to continue as a going concern, supported by strong cash reserves and the ability to take advantage of investing opportunities as they arise.

28. Events after the reporting period

African Phoenix Binding Offer

As per the joint announcement published by Zarclear on 8 March 2022, African Phoenix delivered to the board a binding offer to acquire all of the issued ordinary shares of Zarclear (the "Proposed Transaction") in terms of a scheme of arrangement. A scheme circular, including all of the relevant details of the Proposed Transaction and the scheme, including a notice of scheme meeting set to take place on Tuesday, 21 June 2022 was published by Zarclear on 20 May 2022.

The Resolutions pertaining to the scheme were approved at the scheme meeting held on 21 June 2022 with 99.9% of the represented Zarclear shareholders voting in favor of the Resolutions and thus, the proposed transaction.

Subsequent to year end, the proposed transaction is pending approval by the Takeover Regulation Panel and once obtained, the remaining steps necessary to finalize the transaction will be completed.

Takeover Regulation Panel Investigation

On Friday, 19 August 2022, the Takeover Regulation Panel ("the Panel") issued a SENS announcement detailing an investigation involving the Company. To date, no adverse findings have been identified against Zarclear or any of the impugned parties detailed in the announcement.

The Company is and will continue to provide its full cooperation to the Panel in relation to the Panel investigation.

Notes to the Consolidated And Separate Financial Statements

29. Schedule of Investments

Investment	*Description*	Proportion Owned	Fair Value 30-Jun-22 R'000s	Cost* R'000s	Fund Managers	Fee Basis	Redemption Notice Period	Fair Value 30-Jun-21 R'000s
Private equity - Listed								
Stenprop Limited *(incorporated in Guernsey)*	*Property investment company, dual-listed on the Johannesburg (JSE) and Bermuda stock exchanges*	0.0%	-	-	n/a	-	-	298,777
Kropz PLC	*UK Listed equities*	0%	8,162	5,265				
Private equity - Unlisted								
African Phoenix Investments Limited *(incorporated in South Africa)*	*Unlisted investment holding company De-listed from JSE in June 2020*	23.8%	300,215	127,872	n/a	-	-	167,718
Rinjani Holdings Limited *(incorporated in the BVI)*	*Unlisted investment SPV, holding various listed and unlisted real estate assets in the UK and Germany*	79.4%	26,622	10,478	n/a	-	-	28,351
African Phoenix A2X Proprietary Limited *(incorporated in South Africa)*	*BEE SPV, with 6.97% holding in A2X (unlisted)*	100%	-	-	n/a	-	-	-
Equity Express Securities Exchange Proprietary Limited *(incorporated in South Africa)*	*Holding company with interests in the financial services industry*	5.47%	2,188	2,188	n/a	-	-	2,188
Firefly Investments 61 *(domicled in South Africa)*	*Private Equity Fund (in run off)*	50%	1	-	n/a	-	-	1
Catalyst Advisory Proprietary Limited (incorporated in South Africa)		n/a	164	164	n/a	-	-	481
Listed Equities, Fixed Income & Other Instruments								
Directly Managed Portfolio *(domiciled in South Africa)*	*Equities, Contracts for Difference, Fixed Income and other Instruments*	100%	15,481	23,558	Peregrine Capital	2/20	Monthly	30,570
Hedge Funds								
Peregrine Capital High Growth Offshore Segregated Portfolio (USD) *(domiciled in Cayman Islands)*	*Feeder fund into Peregrine High Growth Fund*	0.00%	0	44,392	Peregrine Capital	2/20	Monthly	58,079
Equity index basket linked note (“EIBL”)		n/a	438,208	360,424	Peresec Prime Brokers	-	-	-

** The indicated cost of the non-Portfolio Investments reflects their market-value as at the date of the Peregrine restructure (4 October 2017)*