



**GLOBAL ASSET MANAGEMENT LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number: 2002/003192/06)  
Share Code: GAM ISIN: ZAE000173498  
("Global" or "the Company" or "the Group")

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**AUDITED CONDENSED RESULTS FOR THE YEAR ENDED 30 NOVEMBER 2017**

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The Board of Directors of Global ("Board") is pleased to present the audited condensed results of Global and its subsidiaries for the year ended 30 November 2017.

**Condensed consolidated statement of comprehensive income**

	Notes	Audited 2017 R	Audited 2016 R
<b>Revenue</b>		<b>197 886 506</b>	<b>197 100 747</b>
<b>Cost of sales</b>		<b>141 224 250</b>	<b>145 794 963</b>
<b>Gross profit</b>		<b>56 662 256</b>	<b>51 305 784</b>
Other income		2 345 500	1 186 166
Gain due to change in control	5	3 709 422	-
Operating expenses		(25 639 247)	(22 768 657)
<b>Income from operations</b>		<b>37 077 931</b>	<b>29 723 293</b>
Investment income		1 574 791	307 559
Finance costs		(30 582 104)	(31 164 902)
<b>Profit/(loss) before taxation</b>		<b>8 070 618</b>	<b>(1 134 050)</b>
Taxation		(1 639 814)	304 888
<b>Profit/(loss) and total comprehensive profit/(loss) for the year</b>		<b>6 430 804</b>	<b>(829 162)</b>
<b>Profit/(loss) and total comprehensive profit/(loss) attributable to:</b>			
Equity holders of the parent		6 967 961	(619 911)
Non-controlling interest		(537 157)	(209 251)
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Basic and diluted earnings/(loss) per share (cents)	6	10.9	(1.2)

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**Condensed consolidated statement of financial position**

	Notes	Audited 2017 R	Audited 2016 R
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>476 925 632</b>	<b>496 113 916</b>
Property, plant and equipment	2	413 642 734	440 275 371
Goodwill		37 959 099	37 959 099
Intangible asset		824 164	1 075 074
Investment in associate and joint venture		204 961	49
Loans and advances to customers		21 157 886	13 681 578
Deferred tax asset		3 136 788	3 122 745
<b>Current assets</b>		<b>103 846 824</b>	<b>56 381 072</b>
Trade and other receivables		41 852 483	43 839 909
Other financial assets		21 506 484	1 322 983
Cash and cash equivalents		39 427 737	8 220 776
Inventories		1 060 120	2 997 404
<b>Total assets</b>		<b>580 772 456</b>	<b>552 494 988</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	3	96 999 130	57 207 811
Retained earnings		97 510 649	89 688 390
Total equity attributable to equity holders of the parent		<b>194 509 779</b>	<b>146 896 201</b>
Non-controlling interest	4	34 022 502	1 461 073
<b>Total equity</b>		<b>228 532 281</b>	<b>148 357 274</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>		<b>236 723 520</b>	<b>248 725 075</b>
Loans payable		192 623 561	204 683 798
Contingent consideration payable		1 321 023	2 551 152
Deferred tax liability		42 778 936	41 490 125
<b>Current liabilities</b>		<b>115 516 655</b>	<b>155 412 639</b>
Trade and other payables		20 269 270	30 672 467
Loans payable		90 303 061	109 458 309
Other financial liabilities		3 154 763	15 235 663
Taxation		1 789 561	46 200
<b>Total equity and liabilities</b>		<b>580 772 456</b>	<b>552 494 988</b>
Net asset value per share (cents)		264.7	271.2
Shares in issue at year end		73 481 246	54 157 575

**Condensed consolidated statement of changes in equity**

	Share capital R	Common Control reserve R	Retained earnings R	Shareholders' Interest before non controlling interest R	Non- Controlling interest R	Total equity R
<b>Balances at 30 November 2015</b>	<b>34 795 085</b>	<b>(6 941 028)</b>	<b>90 998 501</b>	<b>118 852 558</b>	<b>-</b>	<b>118 852 558</b>
Shares issued related to business combination	23 236 966	-	-	23 236 966	-	23 236 966
Acquisition of non- controlling interest	-	-	-	-	1 900 000	1 900 000
Additional non- controlling interest in subsidiaries	-	-	229 676	229 676	(229 676)	-
Surplus on partial disposal of subsidiary	-	-	6 021 152	6 021 152	-	6 021 152
Share issue expenses	(824 240)	-	-	(824 240)	-	(824 240)
Total comprehensive income	-	-	(619 911)	(619 911)	(209 251)	(829 162)
<b>Total changes</b>	<b>22 412 726</b>	<b>-</b>	<b>5 630 917</b>	<b>28 043 643</b>	<b>1 461 073</b>	<b>29 504 716</b>
<b>Balances at 30 November 2016</b>	<b>57 207 811</b>	<b>(6 941 028)</b>	<b>96 629 418</b>	<b>146 896 201</b>	<b>1 461 073</b>	<b>148 357 274</b>
Shares issued	40 000 000	-	-	40 000 000	-	40 000 000
Share based payments	-	-	1 040 552	1 040 552	-	1 040 552
Share issue expenses	(208 681)	-	-	(208 681)	-	(208 681)
Previously recognized losses transferred to non- controlling interest due to change in control	-	-	(186 254)	(186 254)	186 254	-
Non-controlling interest arising from a change in ownership interests that does not result in a loss of control	-	-	-	-	32 912 332	32 912 332
Transfer of common control reserve to retained earnings*	-	6 941 028	(6 941 028)	-	-	-
Total comprehensive income	-	-	6 967 961	6 967 961	(537 157)	6 430 804
<b>Total changes</b>	<b>39 791 319</b>	<b>6 941 028</b>	<b>881 231</b>	<b>47 613 578</b>	<b>32 561 429</b>	<b>80 175 007</b>
<b>Balances at 30 November 2017</b>	<b>96 999 130</b>	<b>-</b>	<b>97 510 649</b>	<b>194 509 779</b>	<b>34 022 502</b>	<b>228 532 281</b>
<b>Notes</b>	<b>3</b>				<b>4</b>	

*\*As the common control reserve arose in the 2012 financial year, it is considered a historical event which no longer bears relevance and no longer requires a separate reserve allocation. The reserve has hence been transferred to retained earnings in the current year.*

**Condensed consolidated statement of cash flows**

	<b>Audited 2017 R</b>	<b>Audited 2016 R</b>
<b>Cash flows from operating activities</b>		
<b>Cash generated from operations</b>	<b>117 456 669</b>	<b>136 015 908</b>
Interest income	1 574 791	307 559
Finance costs	(29 982 122)	(30 780 737)
Taxation	1 470 715	385 366
<b>Net cash from operating activities</b>	<b>90 520 053</b>	<b>105 928 096</b>
<b>Cash flows from investing activities</b>		
Property, plant and equipment additions	(8 652 055)	(14 338 973)
Cash inflow on acquisition of subsidiary	-	12 809
Loans advanced to related parties	(5 578 545)	(1 032 099)
<b>Net cash from investing activities</b>	<b>(14 230 600)</b>	<b>(15 358 263)</b>
<b>Cash flows used in financing activities</b>		
Proceeds from share issue by parent	28 854 171	-
Payment of share issue expenses	(208 681)	(824 240)
Proceeds from shares issued to non-controlling shareholders of subsidiary	20 500 000	-
Proceeds from disposal of partial interest in subsidiary	12 702 000	-
Repayment of loans payable	(104 561 927)	(102 946 193)
Proceeds of other financial liabilities	-	9 748 159
Loans repaid to related parties	(2 368 055)	-
<b>Net cash used in financing activities</b>	<b>(45 082 492)</b>	<b>(94 022 274)</b>
Total cash movement for the year	31 206 961	(3 452 441)
Cash at the beginning of the year	8 220 776	11 673 217
<b>Cash at the end of the year</b>	<b>39 427 737</b>	<b>8 220 776</b>

**1. BASIS OF PREPARATION**

The Board of Directors is pleased to present the Group's audited condensed results for the year ended 30 November 2017, which have been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS"), including IAS 34 on Interim Financial Reporting, and its interpretations issued by the International Accounting Standards Board ("IASB"); the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; Financial Pronouncements as issued by Financial Reporting Standards Council; the Companies Act of South Africa, as amended; and the JSE Limited ("JSE") Listing Requirements. The accounting policies applied in the preparation of these condensed consolidated financial statements are in terms of IFRS and are consistent with those used in the prior year.

The results have been audited by Horwath Leveton Boner. Their unmodified audit report is available for inspection at the Company's registered office.

The financial results have been prepared by the financial director, Mr W Basson CA (SA).

These audited condensed consolidated financial statements have been derived from the Global Group's annual financial statements. The contents of this announcement are extracted from audited information, although the announcement is not itself audited. The directors take full responsibility for the preparation of the provisional report and the financial information has been correctly extracted from the underlying annual financial statements.

The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information from the Company's registered office.

## 2. PROPERTY, PLANT AND EQUIPMENT

	Cost R	Accumulated depreciation R	Carrying value R
<b>2017</b>			
Forklifts	669 643 635	(270 682 114)	398 961 521
Furniture and Fittings	59 317	(58 836)	481
IT equipment	532 425	(362 113)	170 312
Motor vehicles	428 465	(89 591)	338 874
Plant under construction	13 453 882	-	13 453 882
Leasehold improvements	816 224	(98 560)	717 664
<b>Total</b>	<b>684 933 948</b>	<b>(271 291 214)</b>	<b>413 642 734</b>

	Cost R	Accumulated depreciation R	Carrying value R
<b>2016</b>			
Forklifts	673 797 487	(248 768 448)	425 029 039
Furniture and Fittings	97 019	(94 800)	2 219
IT equipment	367 472	(338 641)	28 831
Motor vehicles	158 500	(42 267)	116 233
Plant under construction	15 099 049	-	15 099 049
<b>Total</b>	<b>689 519 527</b>	<b>(249 244 156)</b>	<b>440 275 371</b>

Carrying amounts of Property, plant and equipment can be reconciled as follows:

	Carrying value opening balance R	Additions R	Impairment R	Transfers to trading operations** R	Disposals* R	Depreciation R	Carrying value closing balance R
<b>2017</b>							
Forklifts	425 029 039	71 994 300	(382 607)	(31 780 646)	-	(65 898 565)	398 961 521
Furniture and Fittings	2 219	-	-	-	-	(1 738)	481
IT equipment	28 831	164 953	-	-	-	(23 472)	170 312
Motor vehicles	116 233	269 966	-	-	-	(47 325)	338 874
Plant under construction	15 099 049	7 995 622	-	-	(9 640 789)	-	13 453 882
Leasehold improvements	-	816 224	-	-	-	(98 560)	717 664
<b>Total</b>	<b>440 275 371</b>	<b>81 241 065</b>	<b>(382 607)</b>	<b>(31 780 646)</b>	<b>(9 640 789)</b>	<b>(66 069 660)</b>	<b>413 642 734</b>

	Carrying value opening balance R	Additions R	Impairment R	Transfers to inventories R	Transfers to trading operations** R	Depreciation R	Carrying value closing balance R
<b>2016</b>							
Forklifts	435 178 382	87 403 891	(1 161 384)	(2 593 022)	(27 978 201)	(65 820 627)	425 029 039
Furniture and Fittings	7 503	-	-	-	-	(5 284)	2 219
IT equipment	13 301	31 394	-	-	-	(15 864)	28 831
Motor vehicles	147 933	-	-	-	-	(31 700)	116 233
Plant under construction	4 623 259	10 475 790	-	-	-	-	15 099 049
<b>Total</b>	<b>439 970 378</b>	<b>97 911 075</b>	<b>(1 161 384)</b>	<b>(2 593 022)</b>	<b>(27 978 201)</b>	<b>(65 873 475)</b>	<b>440 275 371</b>

\*Disposals of plant under construction relates to the de recognition of Enviroprotek (Pty) Ltd as a subsidiary, due to the loss of control.

\*\*Transfers to trading operations refer to the actual sales of new and used forklift trucks during the period under review.

### 3. SHARE CAPITAL

#### Authorised:

1 000 000 000 ordinary shares at no par value

1 000 000 000 Class A (fixed rate), 1 000 000 000 Class B (zero rate), 1 000 000 000 Class C (variable rate), five year, redeemable, convertible, non-voting, non-participating preference shares at no par value

There are 926 518 754 (2016: 945 842 425) unissued ordinary shares in terms of the memorandum of incorporation.

	2017 Number of shares	2016 Number of shares	2017 R	2016 R
<b>Issued:</b>				
Opening balance	54 157 575	46 046 266	57 207 811	34 795 085
Issued	19 323 671	8 111 309	39 791 319	22 412 726
<b>Closing balance</b>	<b>73 481 246</b>	<b>54 157 575</b>	<b>96 999 130</b>	<b>57 207 811</b>

Issued share capital consists of 73 481 246 (2016: 54 157 575) ordinary shares at no par value.

### 4. SUBSIDIARIES AND NON-CONTROLLING INTEREST

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name	%	Holding	Activity
LFS Assets (Pty) Ltd	100	Direct	Asset finance
LFS Assets Namibia (Pty) Ltd	100	Indirect	Asset finance
GAM New Energy (Pty) Ltd	100	Direct	Renewable energy
Total Rubber Recycle (Pty) Ltd	90.50	Direct	Rubber to oil pyrolysis
Earthwise Energy Holdings (Pty) Ltd	95.25	Direct	Plastic to oil pyrolysis
Plastics Green Energy (Pty) Ltd	26.67	Indirect	Plastic to oil pyrolysis

#### Details of a non-wholly owned subsidiary that have a material non-controlling interest

The table below shows details of a non-wholly owned subsidiary of the Group that has a material non-controlling interest:

Name of business	Percentage held by non-controlling interest		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	2017	2016	2017 R	2016 R	2017 R	2016 R
Plastics Green Energy (Pty) Ltd	73.33%	-%	(773 077)	-	32 139 255	-
Individually immaterial subsidiaries with non-controlling interests			235 920	(209 251)	1 883 247	1 461 073
			<b>(537 157)</b>	<b>(209 251)</b>	<b>34 022 502</b>	<b>1 461 073</b>

Summarised financial information in respect of the Group's subsidiary that has a material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

<b>Plastics Green Energy (Pty) Ltd</b>	<b>2017</b>	<b>2016</b>
	<b>R</b>	<b>R</b>
<b>Summarised Statement of Financial Position:</b>		
Current Assets	32 817 858	234 372
Non-current assets	12 001 298	808 573
Current liabilities	(652 840)	(2 202 911)
<b>Total equity</b>	<b>44 166 316</b>	<b>(1 159 966)</b>
Equity attributable to owners of the company	12 027 061	(1 159 966)
Non-controlling interests	32 139 255	-
<b>Summarised Statement of Comprehensive Income:</b>		
Expenses	(2 686 200)	(1 540 584)
Investment income	1 181 255	-
Taxation	431 226	380 617
<b>Loss and total comprehensive loss for the year</b>	<b>(1 073 719)</b>	<b>(1 159 967)</b>
Loss and total comprehensive loss attributable to:		
Equity holders of the parent	300 642	(1 159 967)
Non-controlling interest	773 077	-
<b>Summarised Statement of cash flows:</b>		
Net cash outflow from operating activities	(3 360 973)	(1 752 156)
Net cash (outflow)/inflow from investing activities	(12 941 611)	1 752 156
Net cash inflow from financing activities	46 400 000	-
<b>Net cash inflow</b>	<b>30 097 416</b>	<b>-</b>

The Group owns 26.67% equity shares of Plastics Green Energy (Pty) Ltd ("PGE"). The directors of the Group concluded that the Group has control in terms of IFRS 10: Consolidated Financial Statements over PGE and that PGE is consolidated in these financial statements due to the following reasons:

- the Group's directors are the only appointees to the PGE board of directors at financial year end;
- PGE is dependent on GAM for providing key management services and vital expertise and the PGE operations are dependent on GAM's key management personnel;
- GAM is the only appointee of key management personnel and the PGE business is run by GAM appointed personnel;
- the Group is responsible to secure PGE's suppliers and customers;
- the Group's exposure to variable returns disproportionately exceeds the exposure of the other investors due to a significant management fee being charged.

#### **Non-controlling interest**

##### **Change in the Group's ownership interest in a subsidiary**

In May 2017, the Group together with Futuregrowth Asset Management (Pty) Ltd ("Futuregrowth") subscribed to 55% and 45% of the total issued shares in Plastics Green Energy (Pty) Ltd ("PGE") for a consideration of R26.5 million and R20.5 million respectively, reducing the Groups' interest to 55%. The total proceeds from the subscription of R47 million were received in cash. An amount of R19 708 015 (being the proportionate share of the carrying amount of the net assets of PGE, attributable to Futuregrowth) has been transferred to non-controlling interest.

In November 2017, African Rainbow Capital Ltd ("ARC") bought 219 shares in Plastics Green Energy (Pty) Ltd ("PGE") from Earthwise Energy Holdings (Pty) Ltd for R12 702 000 which amount was received in cash. Prior to this agreement GAM effectively owned 52.39% (95.25% x 55%) in PGE. The purchase of shares by ARC resulted in GAM effectively owning 26.67% (95.25% x 28%) in PGE. An amount of R12 431 240 (being the proportionate share of the carrying value of the net assets of PGE, attributable to ARC) has been transferred to non-controlling interest.

	<b>2017</b>	<b>2016</b>
	<b>R</b>	<b>R</b>
<b>Non-controlling interest</b>		
Balance at beginning of year	1 461 073	-
Acquisition of non-controlling interest	-	1 900 000
Non-controlling interest arising from a change in ownership interests that does not result in a loss of control	32 912 332	-
Additional non-controlling interest in subsidiaries	-	(229 676)
De-recognition due to change in control	186 254	-
Share of profit for the year	(537 157)	(209 251)
<b>Balance at end of year</b>	<b>34 022 502</b>	<b>1 461 073</b>

## 5 GAIN DUE TO CHANGE IN CONTROL

	<b>2017</b>
	<b>R</b>
<b>Change in control</b>	
Enviroprotek	3 709 422
<b>Gain on change in control</b>	<b>3 709 422</b>

African Rainbow Capital Ltd ("ARC") subscribed for 9 614 shares in Enviroprotek (Pty) Limited ("EPT") for R9 614 in May 2017. Prior to the ARC subscription, GAM effectively owned 82.12% (90.50% x 90.74%) in EPT. Due to GAM having control, EPT was consolidated. The subscription by ARC resulted in GAM effectively owning 44.35% (90.50% x 49%) in EPT. GAM lost control of EPT through certain reserved matters requiring approval of both GAM and ARC and as a result of this the 44.35% is now equity accounted for as an investment in a joint venture. The change in control resulted in the following gain:

	<b>2017</b>
	<b>R</b>
<b>Change in control</b>	
Proceeds on disposal	-
Fair value of remaining interest	204 912
Non-controlling interest	(186 254)
Net liabilities disposed	(3 728 080)
<b>Gain on change in control</b>	<b>3 709 422</b>

## 6. BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE (CENTS)

Basic and headline earnings

	<b>2017</b>	<b>2016</b>
	<b>R</b>	<b>R</b>
Basic earnings/(loss)	<b>6 967 961</b>	<b>(619 911)</b>
Adjusted for:		
Impairment of property plant and equipment	382 607	1 161 384
Gain on change in control	(3 709 422)	-
Non-controlling interest	352 395	-
Tax effect	(107 130)	(325 188)
<b>Headline earnings</b>	<b>3 886 411</b>	<b>216 285</b>
	<b>2017</b>	<b>2016</b>
Weighted average number of ordinary shares	64 216 472	53 647 848
Basic earnings/(loss) per share (cents)	10.9	(1.2)
Headline earnings per share (cents)	6.1	0.4

There are no instruments in issue that would cause a dilutive effect.



## 7. BUSINESS OVERVIEW

Global has made good progress during the year, establishing its renewable energy businesses which focus on waste-to-energy solutions. A rising oil price has significantly added to projected future cash flows.

Enviroprotek (Pty) Ltd has successfully commissioned its second commercial waste tyre recycling reactor, which enables the company to convert approx. 300 tons of waste rubber into industrial fuel oil, carbon black and steel on a monthly basis. Cash flows are expected to turn positive during the second quarter of 2018 once the construction of a new carbon beneficiation plant has been completed. The company is supplied with waste tyres by the Waste Bureau.

Plastics Green Energy (Pty) Ltd (“PGE”) has finalised the construction of a plastics recycling pilot plant at its Springs site and has commenced with the construction of its first commercial plant. Making use of its own proprietary technology, PGE will recover the latent energy inherent in waste plastic by converting it into liquid fuel aimed at the industrial fuel oil market.

Heliosek (Pty) Ltd has completed the design for its initial pilot plant to be established during 2018. The technology allows for the highly efficient exploitation of the unlimited solar resource base of Southern Africa and creates an opportunity for expansion into other international jurisdictions. The technology offers an alternative to existing solar energy and other renewable energy solutions at a lower comparative cost.

The performance of LFS Assets (Pty) Ltd (“LFS”), Global's largest subsidiary by assets, which focuses on asset financing in the logistics sector, has been encouraging, notwithstanding the difficult economic environment currently persisting in South Africa. Furthermore, Linde Material Handling South Africa (Pty) Ltd (“LMH”) has given notice to LFS in terms of the Country Brand Agreement, under which LFS has leased Linde forklift trucks on an exclusive basis to customers over the last 12 years. LFS is currently running down the Linde book of existing leasing transactions, and has commenced to employ its current funding base, systems and expertise to fund other logistics related assets and equipment from other manufacturers on a non-exclusive basis. LFS will also investigate the opportunity of funding renewable energy assets, such as generators that will use the diesel equivalent fuel produced by its fellow subsidiaries. Significant growth opportunities exist in this area. Margins are also expected to be more attractive than in the forklift truck financing operations.

## 8. FINANCIAL RESULTS

### Points of Interest:

#### African Rainbow Capital Ltd (“ARC”) transaction

The previously announced subscriptions to the following shares were concluded during the period under review:

- The subscription by ARC to 19 323 671 Global shares (constituting approximately 26.3% of Global's shares following such subscription) for a consideration of R40 million.
- The subscription by ARC to shares in Enviroprotek (Pty) Ltd (“EPT”) is such that ARC holds 46% of the shares in EPT.

#### Subscription of shares in Plastics Green Energy (Pty) Ltd (“PGE”)

PGE is the company that will house the Group's first commercial plastics-to-fuel conversion plant.

As previously announced, a subscription agreement providing for the subscription to shares in PGE by Futuregrowth Asset Management (Pty) Ltd (“Futuregrowth”) and Earthwise Energy Holdings (Pty) Ltd (“EWEH”), a 95.25% subsidiary within the Global Group of Companies, was concluded.

The Group and Futuregrowth subscribed to R26.5 million and R20.5 million respectively, in equity funding to PGE. This resulted in the Group owning a 55% share, and Futuregrowth owning a 45% share in PGE.

## Sale of shares in PGE

EWEH, a subsidiary of Global, entered into a sale of shares agreement with The ARC Fund, an en commandite partnership, associated with African Rainbow Capital.

This agreement relates to the disposal of 27% of the shares in PGE by Global to ARC for a cash consideration of R12.7 million.

The Group now owns 26.67% of the equity shares in PGE. The directors of the Group have concluded that the Group has control over PGE and PGE is consolidated in these financial statements.

### Points of Interest as a result of the above mentioned transactions:

- Global recorded a profit after taxation of R6.4 million for the 12 months ended 30 November 2017. A significant portion of this profit relates to the Group's recognition of the gain realised on the change in control.
- The increase in loans receivable was due to the recognition of the loan to EPT. ARC's subscription to shares in Global's then subsidiary EPT, resulted in a change in control. EPT is accordingly now being equity accounted instead of being consolidated, which resulted in the de-recognition of EPT's assets, liabilities and retained losses as part of the Group results.
- The net asset value per share has decreased by 2.4% from 271.2 cents per share to 264.7 cents per share following the ARC subscription to Global shares at a price what was lower than the net asset value per share.
- Other financial liabilities decreased in line with the capitalisation of ARC's loan as part of their subscription to Global shares.

### Other points of Interest:

- The gross profit margin increased compared to the prior period due to the profitable margins achieved on the sale of forklift trucks.
- Loans and advances to customers increased significantly due to the increase in new forklift truck sales.
- The recoverability of trade and other debtors improved compared to the prior period ended 30 November 2016.

It should be noted that the current portion of other financial liabilities reflected on the statement of financial position represents a 12-month accrual for finance associated with the Group's rental book. Trade and Other Receivables only reflect the current receivables arising from the matching rental contracts. The net current liability position of the Group is accordingly considered sound as current liabilities will be settled by ongoing monthly rental billings.

## 9. SEGMENTAL REPORTING

Segmental information has been reported by the Group in the following segments, namely rentals and maintenance, sale of forklifts, renewable energy and other income.

2017	Rentals and maintenance R	Sale of forklifts R	Renewable energy R	Other R	Inter-group R	Total R
Revenue	181 819 162	32 930 636	-	11 957 474	(28 820 766)	197 886 506
Cost of sales	(130 253 298)	(31 809 933)	-	-	20 838 981	(141 224 250)
<b>Gross profit/(loss)</b>	<b>51 565 864</b>	<b>1 120 703</b>	<b>-</b>	<b>11 957 474</b>	<b>(7 981 785)</b>	<b>56 662 256</b>
Interest income	-	-	1 408 547	1 860 609	(1 694 365)	1 574 791
Interest expense	(29 839 103)	-	(1 686 837)	(750 529)	1 694 365	(30 582 104)
Operating expense	(16 191 683)	-	(7 037 794)	(4 336 633)	7 981 785	(19 584 325)
other income	(1 124 635)	(227 708)	1 486 505	(1 773 976)	-	(1 639 814)
Taxation	(1 124 635)	(227 708)	1 486 505	(1 773 976)	-	(1 639 814)
<b>Profit/(loss) after tax</b>	<b>4 410 443</b>	<b>892 995</b>	<b>(5 829 579)</b>	<b>6 956 945</b>	<b>-</b>	<b>6 430 804</b>
<b>Depreciation and impairment</b>	<b>(66 281 172)</b>	<b>-</b>	<b>-</b>	<b>(171 095)</b>	<b>-</b>	<b>(66 452 267)</b>

<b>Additional information</b>						
Additions to property plant and equipment	71 994 300	-	8 130 906	1 115 859	-	81 241 065
Investment in associate and joint venture	-	-	204 961	-	-	204 961
Share of loss of equity method investees	-	-	(1 141 175)	-	-	(1 141 175)
<b>Total segment assets</b>	<b>456 020 000</b>	<b>-</b>	<b>65 959 377</b>	<b>163 108 496</b>	<b>(104 315 417)</b>	<b>580 772 456</b>
Segment assets	456 020 000	-	62 822 589	163 108 496	(104 315 417)	577 635 668
Deferred tax asset	-	-	3 136 788	-	-	3 136 788
<b>Total segment liabilities</b>	<b>(363 609 035)</b>	<b>-</b>	<b>(41 977 238)</b>	<b>(11 339 866)</b>	<b>64 685 964</b>	<b>(352 240 175)</b>
Segment liability	(311 908 919)	-	(41 977 238)	(11 339 866)	55 764 784	(309 461 239)
Deferred tax liability	(51 700 116)	-	-	-	8 921 180	(42 778 936)

	<b>Rentals and maintenance</b>	<b>Sale of forklifts</b>	<b>Renewable energy</b>	<b>Other</b>	<b>Intergroup</b>	<b>Total</b>
<b>2016</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>	<b>R</b>
Revenue	197 419 648	25 704 224	-	3 473 996	(29 497 121)	197 100 747
Cost of sales	(142 560 798)	(27 978 201)	-	-	24 744 036	(145 794 963)
<b>Gross profit/(loss)</b>	<b>54 858 850</b>	<b>(2 273 977)</b>	<b>-</b>	<b>3 473 996</b>	<b>(4 753 085)</b>	<b>51 305 784</b>
Interest income	-	-	65 013	265 403	(22 857)	307 559
Interest expense	(30 803 594)	-	-	(384 165)	22 857	(31 164 902)
Operating expense and other income	(17 235 515)	-	(6 215 439)	(2 884 622)	4 753 085	(21 582 491)
Taxation	(1 833 479)	611 355	1 653 535	(126 523)	-	304 888
<b>Profit/(loss) after tax</b>	<b>4 986 262</b>	<b>(1 662 622)</b>	<b>(4 496 891)</b>	<b>344 089</b>	<b>-</b>	<b>(829 162)</b>
<b>Depreciation and impairment</b>	<b>(66 982 011)</b>	<b>-</b>	<b>-</b>	<b>(52 848)</b>	<b>-</b>	<b>(67 034 859)</b>
<b>Additional information</b>						
Additions to property plant and equipment	87 403 891	-	10 475 790	31 394	-	97 911 075
Investment in associate	-	-	49	-	-	49
Share of loss of equity method investee	-	-	(229 932)	-	-	(229 932)
<b>Total segment assets</b>	<b>485 254 857</b>	<b>-</b>	<b>14 389 123</b>	<b>135 599 194</b>	<b>(82 748 186)</b>	<b>552 494 988</b>
Segment assets	485 254 857	-	11 266 378	135 599 194	(82 748 186)	549 372 243
Deferred tax asset	-	-	3 122 745	-	-	3 122 745
<b>Total segment liabilities</b>	<b>(400 145 424)</b>	<b>-</b>	<b>(21 176 786)</b>	<b>(26 054 603)</b>	<b>43 239 099</b>	<b>(404 137 714)</b>
Segment liability	(349 355 559)	-	(21 176 786)	(26 054 603)	33 939 359	(362 647 589)
Deferred tax liability	(50 789 865)	-	-	-	9 299 740	(41 490 125)

## 10. RELATED PARTY TRANSACTIONS

The Group's consolidated financial statements for the year ended 30 November 2016 contains details of the Group's related party relationships and should be read in conjunction with this report.

The related party transactions during the period ended 30 November 2017, with the exception of Enviroprotek (Pty) Ltd ("EPT") being derecognised as a subsidiary due to the change in control and African Rainbow Capital Ltd ("ARC") purchasing shares in Plastics Green Energy (Pty) Ltd ("PGE") from Earthwise Energy Holdings (Pty) Ltd, do not materially deviate from the transactions as reflected in the financial statements for the year ended 30 November 2016.

The de-recognition of EPT as a subsidiary resulted in the recognition of a loan to EPT of R10.8 million. The loan is unsecured and is payable on demand. Related party transactions are at arm's length.

The proceeds of R12.7 million received from ARC for the sale of the PGE shares.

## 11. DIRECTORS

During the year under review, the Board of directors was constituted as follows:

<b>Name</b>	<b>Position/title</b>
N Penzhorn	Chief Executive Officer
WP Basson	Chief Financial Officer
MCC ("Koos") van Ettinger	Chief Operating Officer
MJ Reyneke	Non-Executive Director
NB Matyolo	Non-Executive Director
AJ Naidoo	Independent Non-Executive Director
GT Magomola	Independent Non-Executive Director
GK Cunliffe	Independent Non-Executive Director and Chairman

*Subsequent to the financial year end, the Board has appointed Mr CJP Cilliers, a representative of one of the large shareholders in Global, as a non-executive director.*

## 12. SHARE CAPITAL / REPURCHASE OF SHARES

19 323 671 Global shares (constituting approximately 26.3% of Global's shares following such subscription) were issued for a consideration of R40 million. Global did not repurchase any shares during the reporting period.

## 13. DIVIDEND

The Company did not declare a dividend for the year ended 30 November 2017 (2016: R Nil).

## 14. LITIGATION

As at year end, there was no litigation pending against the Company or its Subsidiaries, which is expected to have a material impact on the results of the Group.

## 15. CONTINGENT LIABILITIES

At the reporting date the Group does not have any contingent liabilities (2016: R Nil).

## 16. COMMITMENT

The Group had a commitment of R7 244 000 towards the purchase of Jabumart (Pty) Ltd subject to certain conditions precedent at 30 November 2017. A deposit of R5 659 002 was paid towards this commitment. Refer to note 17.

The Group had no other major commitments at 30 November 2017 that requires disclosure.

## 17. SUBSEQUENT EVENTS

The Group acquired all the shares in issue of Jabumart (Pty) Ltd for a consideration of R7 244 000. The transaction had certain conditions precedent of which the final condition, being the transfer of a property into Jabumart (Pty) Ltd was met on 11 December 2017, subsequent to the Group's financial year end. Jabumart (Pty) Ltd does not constitute a business combination as there were no set of activities in the company up to the date of transfer. The property will be used by the Group to further develop its plastic to oil and rubber to oil pyrolysis operations. An estimate of the financial effect cannot be made yet.

There are no other major events subsequent to 30 November 2017 that require disclosure.

## 18. FUTURE PROSPECTS

The Global Group will continue to establish its renewable energy businesses. Following the commissioning of the second waste tyre recycling plant, the main focus will be on the construction and commissioning of the commercial waste plastic recycling facility.

The Board believes that the Group has excellent prospects to significantly expand its operations over the near term. With a renewed worldwide focus on recycling, the management of waste streams, and rising energy prices, Global is well placed to exploit attractive opportunities on an international basis.

This prospects statement has not been review or audited by the Company's auditors.

### By order of the Board

GK Cunliffe  
Chairman

N Penzhorn  
Chief Executive Officer

### Johannesburg

20 March 2018

### Registered Office

Building 2, Clearwater Office Park  
Cnr Christiaan de Wet & Millennium Boulevard  
Strubensvalley  
Roodepoort, 1724

### Directors

GK Cunliffe\*; N Penzhorn; MCC van Ettinger; WP Basson; GT Magomola\*; AJ Naidoo\*; MJ Reyneke^; NB Matyolo^; CJP Cilliers^

\* - independent non-executive, ^ - non-executive

### Designated Advisor

Arbor Capital Sponsors Proprietary Limited

### Transfer Office

Link Market Services Proprietary Limited