



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")

AUDITED RESULTS FOR THE YEAR ENDED 30 NOVEMBER 2016

The Board of Directors of Global ("Board") is pleased to present the audited results of Global and its subsidiaries for the year ended 30 November 2016.

Condensed consolidated statement of comprehensive income

| | Note | Audited 2016 R | Audited 2015 R |
|--|------|----------------------|----------------------|
| Revenue | | 197 100 747 | 204 514 110 |
| Cost of Sales | | 145 794 963 | 147 255 250 |
| Gross Profit | | 51 305 784 | 57 258 860 |
| Other income | | 1 186 166 | 410 815 |
| Operating expenses | | (22 768 657) | (19 275 503) |
| Income from operations | | 29 723 293 | 38 394 172 |
| Investment income | | 307 559 | 323 582 |
| Finance costs | | (31 164 902) | (29 505 016) |
| Loss before taxation | | (1 134 050) | 9 212 738 |
| Taxation | | 304 888 | (2 428 212) |
| Loss for the year | | (829 162) | 6 784 526 |
| Total loss attributable to: | | | |
| Equity holders of the parent | | (619 911) | 6 784 526 |
| Non-controlling interest | | (209 251) | - |
| Total comprehensive income | | (829 162) | 6 784 526 |
| Total comprehensive income attributable to: | | | |
| Equity holders of the parent | | (619 911) | 6 784 526 |
| Non-controlling interest | | (209 251) | - |
| | | | |
| Earnings per share (cents) | 5 | (1.2) | 14.7 |

Condensed consolidated statement of financial position

| | Notes | Audited 2016 R | Audited 2015 R |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 2 | 440 275 371 | 439 970 378 |
| Goodwill | 3 | 37 959 099 | - |
| Intangible asset | | 1 075 074 | 1 075 074 |
| Investment in financial asset | | - | 2 250 000 |
| Investment in associate | | 49 | 49 |
| Loans and advances to customers | | 13 681 578 | 12 082 221 |
| Deferred tax asset | | 3 122 745 | 1 653 726 |
| Current assets | | 56 381 072 | 67 217 432 |
| Trade and other receivables | | 43 839 909 | 55 037 346 |
| Loans receivable | | 1 322 983 | 470 468 |
| Cash and cash equivalents | | 8 220 776 | 11 673 217 |
| Inventories | | 2 997 404 | 36 401 |
| Total assets | | 552 494 988 | 524 248 880 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Ordinary share capital | 4 | 57 207 811 | 34 795 085 |
| Reserves | | 89 688 390 | 84 057 473 |
| Total equity attributable to equity holders of the parent | | 146 896 201 | 118 852 558 |
| Non-controlling interest | | 1 461 073 | - |
| Total equity | | 148 357 274 | 118 852 558 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Loans payable | | 204 683 798 | 239 932 294 |
| Contingent consideration payable | | 2 551 152 | - |
| Deferred tax liability | | 41 490 125 | 40 179 511 |
| Current liabilities | | 155 412 639 | 125 284 517 |
| Trade and other payables | | 30 672 467 | 28 873 013 |
| Loans payable | | 109 458 309 | 95 966 981 |
| Other financial liabilities | | 15 235 663 | 251 841 |
| Taxation | | 46 200 | 192 682 |
| Total equity and liabilities | | 552 494 988 | 524 248 880 |
| Net asset value per share (cents) | | 271.2 | 258.1 |
| Shares in issue at year end | | 54 157 575 | 46 046 266 |

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 |
|--|-----------------------|-----------------------------------|---------------------------|---|--------------------------------------|--------------------|
| Balances at 30 November 2014 | 34 795 085 | (6 941 028) | 84 213 975 | 112 068 032 | - | 112 068 032 |
| Total comprehensive income | - | - | 6 784 526 | 6 784 526 | - | 6 784 526 |
| Total changes | - | - | 6 784 526 | 6 784 526 | - | 6 784 526 |
| Balances at 30 November 2015 | 34 795 085 | (6 941 028) | 90 998 501 | 118 852 558 | - | 118 852 558 |
| 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) |
| Total changes | 22 412 726 | - | 5 630 917 | 28 043 643 | 1 461 073 | 29 504 716 |
| Balances at 30 November 2016 | 57 207 811 | (6 941 028) | 96 629 418 | 146 896 201 | 1 461 073 | 148 357 274 |

Condensed consolidated statement of cash flows

| | Audited 2016 R | Audited 2015 R |
|--|----------------------|----------------------|
| Cash flows from operating activities | | |
| Cash generated from operations | 136 015 908 | 120 654 531 |
| Interest income | 307 559 | 323 582 |
| Finance costs | (30 780 737) | (29 505 016) |
| Taxation | 385 366 | 1 085 066 |
| Net cash from operating activities | 105 928 096 | 92 558 163 |
| Cash flows from investing activities | | |
| Property, plant and equipment additions | (14 338 973) | (13 885 890) |
| Investment in associate | - | (49) |
| Cash inflow on acquisition of subsidiary | 12 809 | - |
| Amount advanced to a related party | (1 032 099) | - |
| Net cash from investing activities | (15 358 263) | (13 885 939) |
| Cash flows used in financing activities | | |
| Payment of share issue expenses | (824 240) | - |
| Repayment of loans payable | (102 946 193) | (84 289 137) |
| Proceeds from loans receivable | - | 1 271 845 |
| Repayment of other financial liabilities | 9 748 159 | (361 213) |
| Net cash used in financing activities | (94 022 274) | (83 378 505) |
| Total cash movement for the year | (3 452 441) | (4 706 281) |
| Cash at the beginning of the year | 11 673 217 | 16 379 498 |
| Cash at the end of the year | 8 220 776 | 11 673 217 |

1. BASIS OF PREPARATION

The Board of Directors is pleased to present the Group's audited results for the year ended 30 November 2016 in accordance with the JSE Limited ("JSE") Listings Requirements, International Financial Reporting Standards ("IFRS") and are consistent with the prior year and IAS 34 on interim reporting, and its interpretations issued by the International Accounting Standards Board ("IASB"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Council, and the Companies Act of South Africa.

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 summarised audited 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 |
|--------------------------|--------------------|----------------------------------|---------------------|
| 2016 | | | |
| 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 |
| Total | 689 519 527 | (249 244 156) | 440 275 371 |

| | Cost R | Accumulated depreciation R | Carrying value R |
|--------------------------|--------------------|----------------------------------|---------------------|
| 2015 | | | |
| Forklifts | 669 836 932 | (234 658 550) | 435 178 382 |
| Furniture and Fittings | 209 606 | (202 103) | 7 503 |
| IT equipment | 328 938 | (315 637) | 13 301 |
| Motor vehicles | 158 500 | (10 567) | 147 933 |
| Plant under construction | 4 623 259 | - | 4 623 259 |
| Total | 675 157 235 | (235 186 857) | 439 970 378 |

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

| | 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 |
|--------------------------|---|-------------------|--------------------|----------------------------------|--|---------------------|---|
| 2016 | | | | | | | |
| 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 |
| Total | 439 970 378 | 97 911 075 | (1 161 384) | (2 593 022) | (27 978 201) | (65 873 475) | 440 275 371 |

| | Carrying value opening balance R | Additions R | Impairment R | Transfers to trading operations R | Depreciation R | Carrying value closing balance R |
|--------------------------|---|--------------------|------------------|--|---------------------|---|
| 2015 | | | | | | |
| Forklifts | 441 936 990 | 96 784 995 | - | (40 137 476) | (63 406 127) | 435 178 382 |
| Furniture and Fittings | 18 067 | - | - | - | (10 564) | 7 503 |
| Office equipment | 5 832 | - | (3 998) | - | (1 834) | - |
| IT equipment | 42 168 | - | - | - | (28 867) | 13 301 |
| Tank containers | 309 920 | - | (309 920) | - | - | - |
| Motor vehicles | - | 158 500 | - | - | (10 567) | 147 933 |
| Plant under construction | - | 4 623 259 | - | - | - | 4 623 259 |
| Total | 442 312 977 | 101 566 754 | (313 918) | (40 137 476) | (63 457 959) | 439 970 378 |

3. BUSINESS COMBINATION

Acquisition of a controlling interest in Earthwize Energy Holdings (Pty) Ltd

In the 2015 financial year the Group held a 5% interest in Earthwize Energy Holdings (Pty) Ltd, a plastic to oil proprietary technology developer. In December 2015, in two separate agreements Global increased their interest by 5% and 85.25% respectively resulting in a total interest of 95.25%.

Consideration transferred:

| | 2016 R | 2015 R |
|---|-------------------|-----------|
| 8 111 309 shares | 23 236 966 | - |
| Cash consideration | 2 368 055 | - |
| Contingent consideration | 2 551 152 | - |
| Shares in a subsidiary transferred to vendors | 6 021 152 | - |
| Acquisition of 5% in a separate agreement | 2 000 000 | - |
| Previously held interest of 5% | 2 000 000 | - |
| Less acquisition of loans acquired | (1 164 952) | - |
| | 37 012 373 | - |

Identifiable assets and liabilities acquired:

| | 2016 R | 2015 R |
|-------------------------------|----------------|-----------|
| Property, plant and equipment | 2 113 966 | - |
| Loans and borrowings | (1 173 501) | - |
| Cash and cash equivalents | 12 809 | - |
| Total net identifiable assets | 953 274 | - |

Goodwill recognised as a result of the acquisition:

| | 2016 R | 2015 R |
|---|-------------------|-----------|
| Investment in Earthwize Energy Holdings | | |
| Consideration paid | 37 012 373 | - |
| Non-controlling interest | 1 900 000 | - |
| Less, fair value of assets acquired | (953 274) | - |
| Goodwill | 37 959 099 | - |

4. SHARE CAPITAL

| | 2016 R | 2015 R |
|---|-----------|-----------|
| 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 945 842 425 (2015: 953 953 734) unissued ordinary shares in terms of the memorandum of incorporation.

| | 2016 R | 2015 R |
|------------------------|-------------------|-------------------|
| Issued: | | |
| Opening balance | 34 795 085 | 34 795 085 |
| Issued | 22 412 726 | - |
| Closing balance | 57 207 811 | 34 795 085 |

Issued share capital consists of 54 157 575 (2015: 46 046 266) ordinary shares at no par value.

5. EARNINGS PER SHARE (CENTS)

Basic and headline earnings

| | 2016 | 2015 |
|---|-----------|-----------|
| | R | R |
| Basic earnings | (619 911) | 6 784 526 |
| Adjusted for: | | |
| Impairment on used forklift trucks | 1 161 384 | - |
| Loss on the disposal of assets | - | 313 918 |
| Loss on the disposal of investment in joint venture | - | 380 470 |
| Tax effect | (325 188) | (87 897) |
| Headline earnings | 216 285 | 7 391 017 |

| | 2016 | 2015 |
|--|------------|------------|
| Weighted average number of ordinary shares | 53 647 848 | 46 046 266 |
| Basic earnings per share (cents) | (1.2) | 14.7 |
| Headline earnings per share (cents) | 0.4 | 16.1 |

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

6. BUSINESS OVERVIEW

The drive towards cleaner and greener technologies has established itself as an irreversible trend in the energy sector since the turn of the century. Having identified attractive opportunities aligned with this trend, Global intends to build a multinational renewable energy business, focussing on waste-to-energy solutions as well as solar energy. Below follows a brief overview of the various subsidiaries within Global, focussing on renewable and clean energy.

Enviroprotek (Pty) Ltd is in the process of establishing a commercial waste tyre recycling plant, which converts waste rubber into industrial fuel oil, carbon black and steel. Cashflows are expected to turn positive during the 3rd quarter of 2017, once a second reactor has been added to the current operations. The Company has secured a supply contract with REDISA (Recycling and Economic Development Initiative of South Africa) and is in the process of finalising the supply of waste mining tyres from various mining companies.

Plastics Green Energy (Pty) Ltd ("PGE"), has finalised the construction of the plastic pilot plant at its Springs recycling site and will commence with the construction of its first commercial plant during the second quarter of 2017. 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 2017. 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.

LFS Assets (Pty) Ltd ("LFS"), the main subsidiary of Global focussing on asset financing in the logistics sector, has experienced some headwinds during 2016, as the market for forklift sales was subdued due to the difficult economic environment prevalent in South Africa. LFS will employ its current funding base to assist in the funding of renewable energy assets being established in its fellow subsidiaries. Significant growth opportunities exist in this area. Margins are also expected to be more attractive than in the forklift asset finance operations.

7. FINANCIAL RESULTS

Points of Interest:

- The gross profit is down by approximately 12% compared to the prior period due to a higher than expected cost of sale. This was mainly due to pressure on margins.
- Global recorded a loss for 2016 of R0.8 million, due to incurring operating and development costs on its early-stage renewable energy businesses in the Group in line with Global's long term strategy. Revenue in relation to these businesses are expected to be generated over the next six to eighteen months.
- Property, plant and equipment in the statement of financial position remained consistent compared to the previous financial year. Additional forklift trucks acquired for the primary rental book and the plant under construction approximated the transfer of used forklift trucks to trading operations.
- The Group has acquired the majority share in Earthwise Energy Holdings (Pty) Ltd.
- The recoverability of trade and other debtors improved considerably compared to the prior period ending 30 November 2015.
- The net asset value per share has increased by 5,1% from 258,1 cents per share to 271,2 cents per share.
- Loans payable, other financial liabilities and trade and other payables decreased marginally compared to the same period last year.

It should be noted that the current portion of loans payable reflected in the statement of financial position represents a 12 month period. Under current assets, the trade and other receivables reflect approximately one month of receivables arising from the rental contracts. The net current liability position of the Group is considered sound as current liabilities will be settled by ongoing monthly rental billings.

8. 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.

| 2016 | Rentals and maintenance R | Sale of forklifts R | Renewable energy R | Other R | Intergroup R | Total R |
|--|------------------------------|------------------------|-----------------------|------------------|--------------------|---------------------|
| 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) |
| Gross profit | 54 858 850 | (2 273 977) | - | 3 473 996 | (4 753 085) | 51 305 784 |
| Operating expenses, finance costs and other income | (48 039 109) | - | (6 150 426) | (3 003 384) | 4 753 085 | (52 439 834) |
| Taxation | (1 833 479) | 611 355 | 1 653 535 | (126 523) | - | 304 888 |
| Profit after tax | 4 986 262 | (1 662 622) | (4 496 891) | 344 089 | - | (829 162) |
| Depreciation and impairment | (66 982 011) | - | - | (52 848) | - | (67 034 859) |
| Additional information | | | | | | |
| Segment assets | 485 254 857 | - | 14 389 123 | 135 599 194 | (82 748 186) | 552 494 988 |
| Additions to property plant and equipment | 87 403 891 | - | 10 475 790 | 31 394 | - | 97 911 075 |
| Deferred tax asset | - | - | 3 122 745 | - | - | 3 122 745 |
| Deferred tax liability | (50 789 865) | - | - | - | 9 299 740 | (41 490 125) |
| Segment liability | (349 355 559) | - | (21 176 786) | (26 054 603) | 33 939 359 | (362 647 589) |

| 2015 | Rentals and maintenance R | Sale of forklifts R | Renewable energy R | Other R | Intergroup R | Total R |
|--|------------------------------|------------------------|-----------------------|------------------|--------------------|---------------------|
| Revenue | 194 106 685 | 31 489 857 | - | 6 394 916 | (27 477 348) | 204 514 110 |
| Cost of sales | (127 566 839) | (40 137 476) | - | (3 752 995) | 24 202 060 | (147 255 250) |
| Gross profit | 66 539 846 | (8 647 619) | - | 2 641 921 | (3 275 288) | 57 258 860 |
| Operating expenses, finance costs and other income | (43 579 535) | - | (3 826 419) | (3 915 456) | 3 275 288 | (48 046 122) |
| Taxation | (6 051 676) | 2 279 263 | 1 008 534 | 335 667 | - | (2 428 212) |
| Profit after tax | 16 908 635 | (6 368 356) | (2 817 885) | (937 868) | - | 6 784 526 |
| Depreciation and impairment | (63 406 127) | - | - | (51 832) | - | (63 457 959) |
| Additional information | | | | | | |
| Segment assets | 502 080 242 | - | 6 667 606 | 94 532 298 | (79 031 266) | 524 248 880 |
| Additions to property plant and equipment | 96 784 995 | - | 1 970 606 | 2 811 153 | - | 101 566 754 |
| Deferred tax asset | - | - | 1 557 831 | 95 895 | - | 1 653 726 |
| Deferred tax liability | (47 672 129) | - | - | 65 736 | 7 426 882 | (40 179 511) |
| Segment liability | (430 798 241) | - | (461 816) | (3 670 028) | 29 533 763 | (405 396 322) |

9. DIRECTORS

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

| Name | Position/title |
|--|---|
| Niels Penzhorn | Chief Executive Officer |
| Werner Petrus Basson | Chief Financial Officer |
| Marinus Cornelis Christoffel ("Koos") van Ettinger | Chief Operating Officer |
| Alan Jerome Naidoo | Independent Non-Executive Director |
| Gabriel Thono Magomola | Independent Non-Executive Director |
| Gordon Kenneth Cunliffe | Independent Non-Executive Director and Chairman |

10. SHARE CAPITAL / REPURCHASE OF SHARES

During the period presented, the Company issued 8 111 309 Global shares with the acquisition of a controlling interest in Earthwise Energy Holdings (Pty) Ltd. The consideration of the shares at date of issue was R 23 236 966. Global did not repurchase any shares during the period under review.

11. DIVIDEND

The Company did not declare a dividend for the year ended 30 November 2016 (2015: R Nil).

12. 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.

13. CONTINGENT LIABILITIES

At the financial year end the Group did not have any contingent liabilities (2015: R Nil).

14. COMMITMENTS

The commitment for software development at 30 November 2016 was R424 926 (2015: R424 926).

15. SUBSEQUENT EVENTS

There are no other major events subsequent to 30 November 2016 that require disclosure.

16. FUTURE PROSPECTS

The Global Group will continue to build on its formidable platform of assets and skills, linking financial management prowess and structuring expertise within the Group, to become the investment vehicle and financing partner of choice for investors, business owners and clients. Being listed on the Johannesburg Stock Exchange provides Global with an enhanced standing and visibility in the market, allowing the Company to access an increased set of funding options.

The Board believes that the Group has excellent prospects to significantly expand its operations over the near term. Based on its current pipeline of projects and initiatives and strong management skills, coupled with an excellent reputation and proven track record.

This prospect 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
01 March 2017

Registered Office

Ruimsig Country Office Park
Block E, 129 Hole in One Avenue
Ruimsig North
Roodepoort, 1724

Directors

GK Cunliffe*; MCC van Ettinger; N Penzhorn; WP Basson; GT Magomola*; AJ Naidoo*

* - independent non-executive

Designated Advisor

Arbor Capital Sponsors Proprietary Limited

Transfer Office

Link Market Services Proprietary Limited