



# reviewed results

for the year ended  
31 March 2024

# F2024 at a glance

## REVENUE

increased by **18%**  
to R950.6 million

## OPERATING PROFIT

increased by **16%**  
to R23.9 million

## PROFIT BEFORE TAXATION

increased by **20%**  
to R28.3 million

## EARNINGS PER SHARE

increased by **39%**  
to 32.57 cents

## HEADLINE EARNINGS PER SHARE

increased by **40%**  
to 32.68 cents

## TOTAL DIVIDENDS PER SHARE

increased by **39%**  
to 12.5 cents

## NET ASSET VALUE PER SHARE

increased by **10%**  
to 265 cents

## TANGIBLE NET ASSET VALUE PER SHARE

increased by **8%**  
to 226 cents

## NET CASH

increased by **7%**  
to R66.1 million

# condensed consolidated statement of profit or loss and other comprehensive income

for the year ended 31 March 2024

	Reviewed March 2024 R'000	Audited March 2023 R'000
Revenue	950 613	805 139
Cost of sales	(838 375)	(712 901)
Gross profit	112 238	92 238
Other income	331	1 410
Operating expenses	(88 703)	(73 074)
Operating profit	23 866	20 574
Interest income	4 827	3 418
Interest expense	(395)	(391)
Profit before taxation	28 298	23 601
Taxation	(3 078)	(4 599)
PROFIT AND TOTAL COMPREHENSIVE INCOME	25 220	19 002
Profit and total comprehensive income attributable to:		
Ordinary shareholders of the company	24 962	18 609
Non-controlling interests	258	393
PROFIT AND TOTAL COMPREHENSIVE INCOME	25 220	19 002
Basic earnings per share and diluted earnings per share (cents)	32.57	23.38



# condensed consolidated statement of financial position

as at 31 March 2024

	Reviewed March 2024 R'000	Audited March 2023 R'000
<b>ASSETS</b>		
NON-CURRENT ASSETS	49 372	41 104
Property, equipment and vehicles	9 204	4 075
Investment properties	3 500	3 500
Right-of-use assets	1 333	3 943
Goodwill	26 164	17 607
Intangible assets	1 720	1 874
Deferred tax asset	7 451	10 105
CURRENT ASSETS	231 670	206 276
Inventories	32	63
Trade and other receivables	164 247	143 116
Contract cost assets	1 299	1 487
Cash and cash equivalents	66 092	61 610
<b>TOTAL ASSETS</b>	<b>281 042</b>	<b>247 380</b>
<b>EQUITY AND LIABILITIES</b>		
CAPITAL AND RESERVES	191 137	176 508
Ordinary share capital and share premium	2 365	2 400
Treasury shares	(23 695)	(22 403)
Retained earnings	219 810	205 058
Equity attributable to equity holders of the company	198 480	185 055
Non-controlling interests	(7 343)	(8 547)
NON-CURRENT LIABILITIES	5 764	1 642
Finance liabilities	264	1 642
Contingent consideration	5 500	–
CURRENT LIABILITIES	84 141	69 230
Trade and other payables	76 035	64 006
Finance liabilities	1 812	2 841
Contingent consideration	3 667	–
Taxation payable	2 627	2 383
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>281 042</b>	<b>247 380</b>



# condensed consolidated statement of changes in equity

for the year ended 31 March 2024

	Reviewed March 2024 R'000	Audited March 2023 R'000
Balance at beginning of year	176 508	169 614
Total comprehensive income	24 962	18 609
Acquisition of treasury shares	(3 249)	(6 026)
Dividends paid	(7 342)	(6 082)
Non-controlling interests share of income	258	393
<b>BALANCE AT END OF YEAR</b>	<b>191 137</b>	<b>176 508</b>



# condensed consolidated statement of cash flows

for the year ended 31 March 2024

	Reviewed March 2024 R'000	Audited March 2023 R'000
Cash flows from operations	27 836	22 755
Interest income	4 827	3 418
Interest expense	(124)	(10)
Taxation paid	(3 448)	(6 134)
Cash flows generated from operating activities	29 091	20 029
Cash flows utilised in investing activities	(10 960)	(2 972)
Purchase of property, equipment and vehicles	(6 316)	(307)
Purchase of contract cost assets	(2 865)	(2 665)
Contingent consideration paid	(1 779)	–
Cash flows utilised in financing activities	(13 649)	(15 036)
Acquisition of treasury shares	(3 249)	(6 026)
Payment of finance liabilities	(3 058)	(2 928)
Dividends paid	(7 342)	(6 082)
Net increase in cash and cash equivalents	4 482	2 021
Cash and cash equivalents at beginning of year	61 610	59 589
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>66 092</b>	<b>61 610</b>



# segmental analysis

for the year ended 31 March 2024

	Reviewed March 2024 R'000	Audited March 2023 R'000
Revenue: Services rendered to external clients	950 613	805 139
TOTAL	950 613	805 139
BUSINESS SEGMENT OPERATING PROFIT RESULTS		
Integrated Business Support Services	42 297	37 138
Shared Services	(18 431)	(16 564)
Operating profit	23 866	20 574
Interest income	4 827	3 418
Interest expense	(395)	(391)
PROFIT BEFORE TAXATION	28 298	23 601
BUSINESS SEGMENT ASSETS		
Integrated Business Support Services	195 566	167 348
Shared Services	85 476	80 032
TOTAL	281 042	247 380
BUSINESS SEGMENT LIABILITIES		
Integrated Business Support Services	80 809	63 294
Shared Services	9 096	7 578
TOTAL	89 905	70 872
BUSINESS SEGMENT NET ASSETS		
Integrated Business Support Services	114 757	104 054
Shared Services	76 380	72 454
TOTAL	191 137	176 508



# notes to the reviewed condensed consolidated results

for the year ended 31 March 2024

## BASIS OF PREPARATION

The reviewed condensed consolidated results for the year ended 31 March 2024 have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and Financial Pronouncements as issued by the Financial Reporting Standards Council. The report contains the information required by International Accounting Standard (IAS) 34: Interim Financial Reporting, and are in compliance with the Companies Act and the Listings Requirements of the JSE Limited. The accounting policies as well as the methods of computation used in the preparation of the results for the year ended 31 March 2024 are in terms of IFRS and are consistent with those applied in the audited annual financial statements for the year ended 31 March 2023. The results are presented in Rand, which is Primeserv's reporting currency, and are rounded to the nearest thousand.

The company's directors are responsible for the preparation and fair presentation of the reviewed condensed consolidated results. These results have been prepared by the Group Financial Director, Mr R Sack, CA(SA).

## AUDITOR'S REVIEW

The results have been reviewed by the group's auditors, PKF Octagon Incorporated. Their unqualified review conclusion is available for inspection on the company's website. Their review was conducted in accordance with ISRE 2410: Review of interim financial information performed by the independent auditor of the entity.

## HEADLINE EARNINGS PER SHARE

	Reviewed March 2024 R'000	Audited March 2023 R'000
ATTRIBUTABLE EARNINGS	24 962	18 609
Headline earnings adjustments		
Loss on disposal of equipment and vehicles	83	35
Gross loss	113	48
Tax effect	(30)	(13)
ATTRIBUTABLE HEADLINE EARNINGS	25 045	18 644
HEADLINE EARNINGS AND DILUTED HEADLINE EARNINGS PER SHARE (CENTS)	32.68	23.42
WEIGHTED AVERAGE NUMBER OF SHARES FOR THE YEAR ('000)	76 639	79 600



# notes to the reviewed condensed consolidated results (continued)

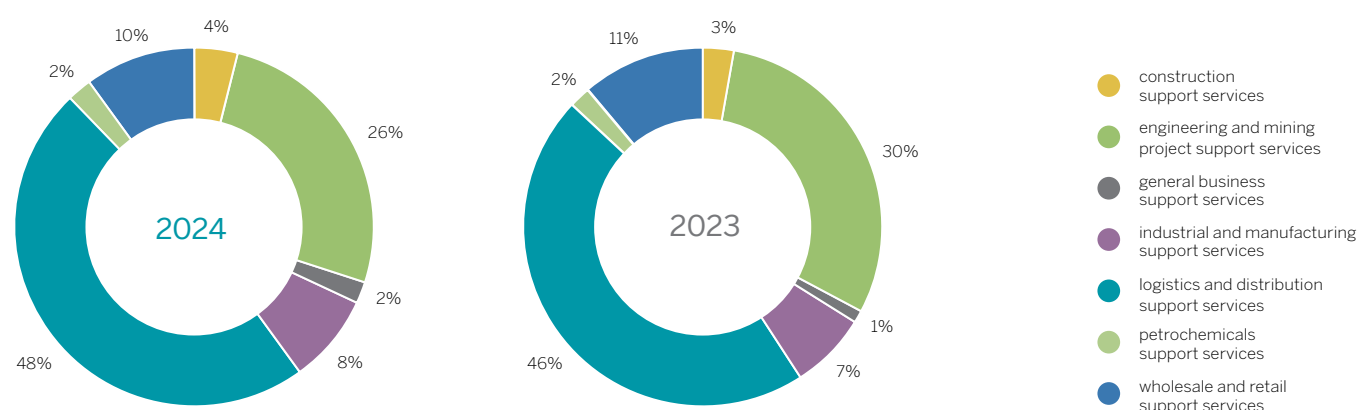
for the year ended 31 March 2024

## NET ASSET VALUE PER SHARE

	Reviewed March 2024 R'000	Audited March 2023 R'000
NUMBER OF SHARES IN ISSUE AT YEAR-END (NET OF TREASURY SHARES) ('000)	74 825	77 000
NET ASSET VALUE PER SHARE (CENTS)	265	240
TANGIBLE NET ASSET VALUE PER SHARE (CENTS)	226	210

## DISAGGREGATION OF REVENUE

revenue by sector

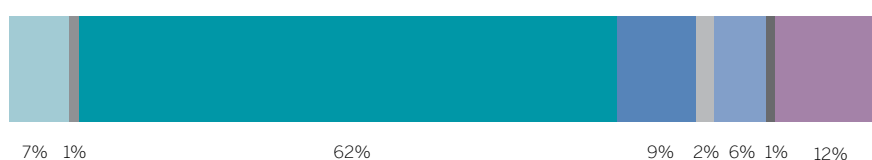


revenue by region

2024



2023



- eastern cape
- free state
- gauteng
- kwazulu-natal
- limpopo
- mpumalanga
- rest of south africa
- western cape



# notes to the reviewed condensed consolidated results (continued)

for the year ended 31 March 2024

## FINAL DIVIDEND

Notice is hereby given that a final gross cash dividend of 10.00 cents per share (2023: 7.00 cents per share) for the year ended 31 March 2024 was declared on Wednesday, 26 June 2024, payable to shareholders recorded in the share register of the company at the close of business on the record date appearing below. The salient dates pertaining to the final dividend are as follows:

	2024
Last date to trade "cum" dividend	Tuesday, 27 August
Date trading commences "ex" dividend	Wednesday, 28 August
Record date	Friday, 30 August
Date of payment	Monday, 2 September

Ordinary share certificates may not be dematerialised or rematerialised between Wednesday, 28 August 2024 and Friday, 30 August 2024, both days inclusive.

Shareholders who are not exempt from the Dividend Withholding Tax of 20% will therefore receive a net dividend of 8.00 cents per share. The company has 116 747 100 ordinary shares in issue and its income tax reference number is 9408/002/71/6. The dividend is being paid out of income reserves. Shareholders are further advised that the dividend declared is the final dividend for the year ended 31 March 2024.

All times provided in this announcement are South African local times.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. Ordinary shareholders who hold dematerialised shares will have their accounts credited at their CSDP or broker on Monday, 2 September 2024.

## EVENTS AFTER THE REPORTING DATE

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

## DIRECTORS at 31 March 2024

DL Rose # (Chairperson), M Abel (CEO), KM Matjila #, LM Maisela #, R Sack (FD)

# Independent non-executive

On behalf of the board

DL Rose  
Chairperson

M Abel  
CEO

R Sack  
FD

26 June 2024  
Illovo, Sandton



# commentary

Primeserv delivered a robust set of results for the year ended 31 March 2024. Revenue for the year grew by 18 percent from R805.1 million to R950.6 million, due to a combination of organic and acquisitive activity. The group's gross profit increased by 22 percent, from R92.2 million to R112.2 million, primarily as a consequence of revenue growth and some margin improvements due to changes in the client and operating sector mix. Operating expenses, which were well managed, increased as a consequence of the R145.5 million year-on-year growth in revenue. Operating profit increased by 16 percent from R20.6 million to R23.9 million. Interest income has tracked the continuing solid cash generation. Profit before taxation increased by 20 percent from R23.6 million to R28.3 million with attributable income improving by 34 percent from R18.6 million to R25.0 million. Earnings per share increased strongly by 39 percent from 23.38 cents per share to 32.57 cents per share. Similarly, headline earnings per share is up by 40 percent from 23.42 cents per share to 32.68 cents per share.

Cash flows from operating activities were strong, increasing by 45 percent from R20.0 million to R29.1 million. Days sales outstanding improved from 55 days to 53 days at the end of the reporting period. Substantial investment was made over the course of the year in additional equipment and vehicles, as well as in the purchase of offices in Cape Town and a payment related to the acquisition of the Pinnacle business. Further cash outflows were made in returning value to shareholders through the group's share repurchase programme and through the payment of higher dividends. Notwithstanding these substantial outflows the group was strongly cash generative, increasing its net cash by R4.5 million. The group remains ungeared and closed the year with net cash of R66.1 million.

The group's balance sheet reflects the improved performance with the net asset value per share increasing by 10 percent from 240 cents per share to 265 cents per share.

Given the continuing improvement in performance and cash generation, the group has increased its final gross dividend for the year by 43 percent to 10.0 cents per share. This takes the total gross dividend in respect of the full year from 9.0 cents per share to 12.5 cents per share, an increase of 39 percent year-on-year.

The year under review was characterised by an extremely volatile and uncertain world-wide macro-environment, compounded by persistent socio-economic challenges within South Africa. This tough trading environment was harshly impacted by constant power supply constraints and their associated added costs, supply chain delays affecting key industries serviced by the group, exacerbated by container delivery backlogs at the Port of Durban that resulted in uneven trading across some of the group's support services operations to the logistics and related wholesale and retail sectors, high levels of inflation and ongoing operating margin pressures. Notwithstanding these, the operational performance of the various units making up Primeserv's nationwide Integrated Business Support Services segment performed solidly. All of the group's operating units continued to deliver their distinctive brand of market leading service excellence within a constantly changing and uncertain environment. Costs within the group's Shared Services segment increased in line with servicing the growth in business activity and demand for the group's services and investment in an expanded operational network and infrastructure. In general, the various operating units were, in the main, subject to tough and inconsistent market conditions. In particular, the group's units providing support services to the logistics and distribution and wholesale and retail sectors experienced fluctuating service demand, while units servicing engineering, construction, mining and related projects felt pressure from delayed starts on certain major projects. The training services unit continued to deliver better outcomes, providing strategic value-added services to its clients.

The trading outlook remains constrained by low levels of economic growth and the prevailing broader macro conditions. The group nevertheless continues to invest in expanding its capability and capacity to meet any increased demand for its services and to respond to opportunities as and when they become apparent.



# corporate information

## PRIMESERV GROUP LIMITED

(Incorporated in the Republic of South Africa)  
Registration number 1997/013448/06  
Share code: PMV  
ISIN: ZAE000039277

## REGISTERED OFFICE

25 Rudd Road  
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Sandton, 2196

## CONTACT INFORMATION

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## COMPANY SECRETARY

ER Goodman Secretarial Services Proprietary Limited  
(represented by Marilis Janse van Rensburg)  
4-6 Skeen Boulevard  
Bedfordview, 2007

## LEGAL ADVISORS

Beech Veltman  
DLA Cliffe Dekker Hofmeyr  
Harris Marcus Mahlangu  
Werksmans

## SPONSOR

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## BANKERS

FirstRand Bank Limited  
Investec Bank Limited  
Nedbank Group Limited

## AUDITORS

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Johannesburg, 2090

## TRANSFER SECRETARIES

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