Notes to the financial statements continued

for the year ended 30 JUNE 2021

26. Earnings per share

The calculation of basic earnings per share for the Group is based on profit and loss attributable to the parent for the year of R302.0 million (June 2020: net profit of R303.5 million), and a weighted average number of shares of 574.6 million (June 2020: 574.2 million) shares in issue. The calculation of headline earnings per share for the Group is calculated on adjusted headline earnings of R329.1 million (June 2020: R306.7 million), and a weighted average number of shares of 574.6 million (June 2020: 574.2 million) shares in issue.

	Group	
	2021 R'000	2020 R'000
Reconciliation of headline earnings per share		
Total profit and loss attributable to the parent	316 041	311 697
From discontinued operation	(14 008)	(8 122)
Basic Earnings	302 033	303 575
Adjusted for:		
Reversal of impairments of intangible assets*	2 411	2 919
Reversal of goodwill impairment reversal	771	
Reversal of loss on disposal of subsidiaries	10 014	–
Loss on disposal of tangible assets	3 947	2 130
Scrapping of intangible assets	26 793	–
Reversal of profit on disposal of investments	(1 314)	–
Reversal of fair value losses	7 653	–
Reversal of foreign currency translation reserve reclassification	10 401	
Total non-controlling interest effect of adjustments	(10 882)	(1 278)
Total tax effects of adjustments	(22 759)	(596)
Headline earnings	329 068	306 750
Earnings per share (cents)		
Basic from continued operations	55.00	54.28
Basic from discontinued operations	(2.44)	(1.41)
Basic	52.56	52.87
Diluted from continued operations	53.45	53.18
Diluted from discontinued operations	(2.37)	(1.39)
Diluted	51.08	51.79
Headline earnings per share (cents)		
Basic	57.26	53.42
Diluted	55.66	52.33
Cash earnings per share (cents)**		
Basic	176.28	163.65
Diluted	171.33	160.33
Weighted average number of ordinary shares used in the calculation of basic earnings per share	574 655 416	574 241 248
– dilutionary impact of contingent shares***	16 590 000	11 900 000
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	591 245 416	586 141 248

* *This relates to impairment of the Schema6, IFM systems and the reversal of the Gexus impairment (prior year: impairment of the Solatium system).*

** *The cash generated from operations was used to arrive at this figure.*

*** *The contingent shares relate to the share based payment awards. Refer to Note 30 for details.*