

Investor Presentation 2024 Financial Results

For the year ended 29 February 2024





Contents

1. FY 2024: Financial Results
2. FY 2024: Divisional Performance
3. 2024 Focus
4. Return and Trading Statistics
5. Conclusion



PSG Structure



* Includes PSG Employee Benefits

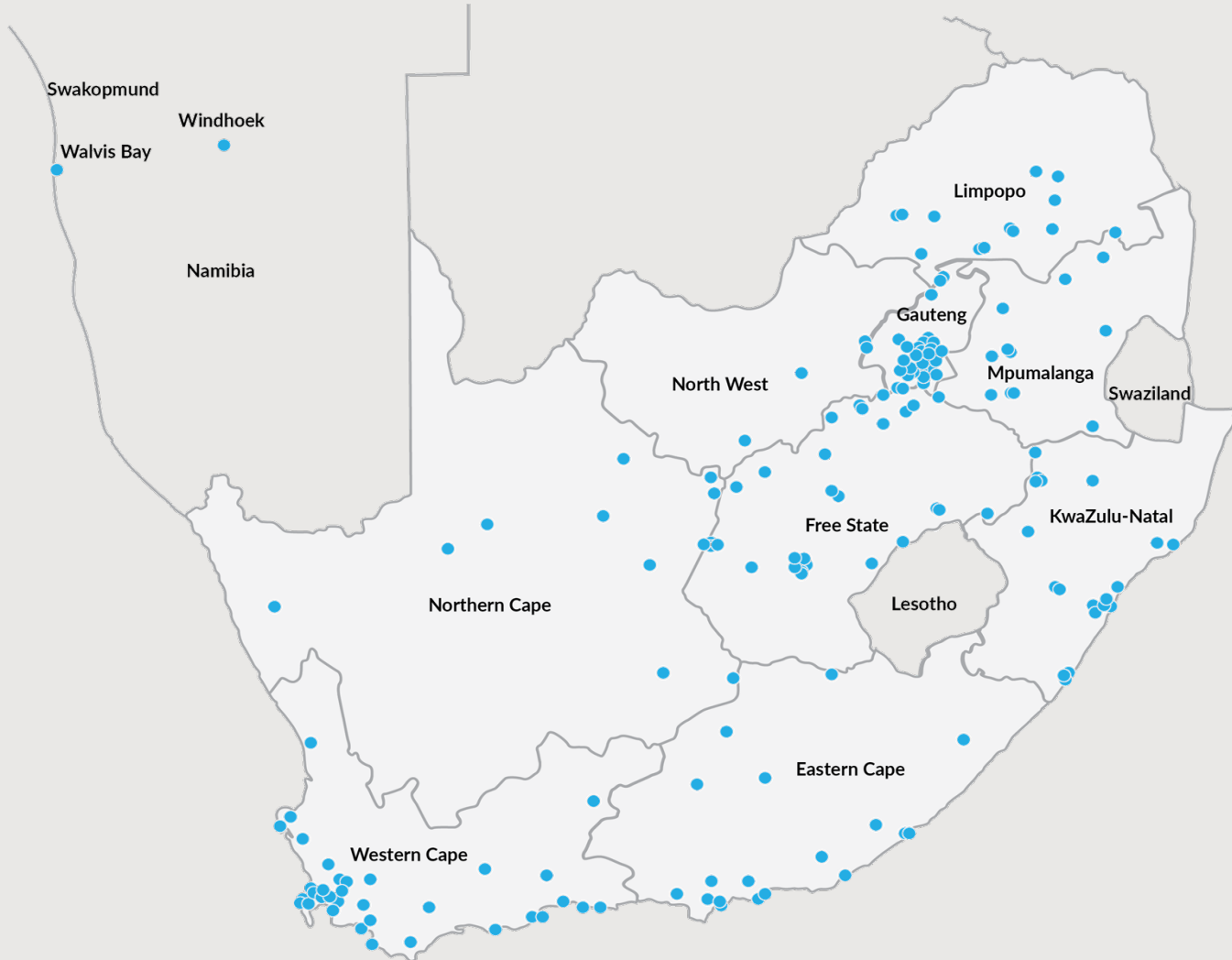
** Includes Western National Insurance

Note: PSG Group unbundled its shareholding in PSG Financial Services (previously PSG Konsult) with effect from 12 September 2022



A Great Company

Wealthy Clients serviced where they reside



266
Adviser offices



953
Advisers

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
No. of advisers	935	932	952	947	953
PSG Wealth	559	563	584	590	608
PSG Insure**	376	369	368	357	345
No. of offices	257*	263	263	266	266

Source: PSG Distribution

* Number revised from 260 to 257

** Historical decrease in insure advisers due to amalgamation and consolidation of PSG Insure adviser offices



Business characteristics

- Equity market dependent
- Administration businesses people/systems dependent
- Not very balance sheet intensive
- Free cash flow generative
- Vulnerable to regulatory change





01 | FY 2024 : Financial Results



Key macro indicators

Volatile economic environment

Key indicators	FY 2020	%Δ	FY 2021	%Δ	FY 2022	%Δ	FY 2023	%Δ	FY 2024
Rand / US\$	15.73	-4%	15.15	2%	15.45	19%	18.36	5%	19.18
S&P 500 (Rand)	46 474	24%	57 725	17%	67 588	8%	72 877	34%	97 766
SA Property Index	363	-21%	285	13%	322	-3%	313	9%	342
Cash Index – STeFI Call	407	4%	424	4%	439	5%	463	8%	500
All Bond Index	706	8%	765	9%	834	5%	875	8%	942
FTSE/JSE Index	51 038	30%	66 138	15%	76 091	2%	77 734	-6%	72 730

Source: Bloomberg



FY 2024 financial results overview

Recurring HEPS grew by 11% for FY 2024

Consolidated results	FY 2020	%Δ	FY 2021	%Δ	FY 2022	%Δ	FY 2023	%Δ	FY 2024	CAGR
Headline earnings	644	8%	697	32%	921	3%	948	9%	1 033	13%
Recurring headline earnings	644	9%	704	31%	921	3%	948	9%	1 033	13%
Weighted average no. of shares (millions)	1 341	0%	1 335	-1%	1 321	-1%	1 301	-2%	1 275	-1%
HEPS (Cents)	48.1	9%	52.2	34%	69.7	5%	72.9	11%	81.1	14%
Recurring HEPS (Cents) *	48.1	10%	52.7	32%	69.7	5%	72.9	11%	81.1	14%
Assets under management (Rbn)	230	17%	268	17%	315	13%	354	15%	407	15%
Assets under administration (Rbn)	397	-1%	392	19%	468	3%	481	13%	543	8%
Premiums (Rbn)**	5.5	1%	5.5	3%	5.7	9%	6.2	13%	7.0	6%

Source: PSG Finance

* FY2021- Excludes R10m (R7.2m after tax) donation to Solidarity Fund classified as non-recurring

** Excludes Short-term administration platform gross written premium to avoid duplication

Note: figures rounded to nearest R'million



Recurring Headline Earnings By Division

Total recurring headline earnings growth of 9% year on year

Recurring Headline Earnings**	FY 2020	%Δ	FY 2021*	%Δ	FY 2022	%Δ	FY 2023	%Δ	FY 2024	CAGR
Wealth	376	19%	448	14%	510	11%	569	17%	666	15%
Asset Management	146	-28%	105	133%	244	-10%	220	-1%	217	10%
Insure	122	24%	151	10%	166	-4%	159	-6%	150	5%
Total	644	9%	704	31%	921	3%	948	9%	1 033	13%

Source: PSG Finance

* FY2021- Excludes R10m (R7.2m after tax) donation to Solidarity Fund classified as non-recurring

** All overhead costs are fully allocated.

Note: figures rounded to nearest R'million



Financial Trend

We always look at our 10 year rolling track record

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	CAGR %	FY 2023	FY 2024	YoY Gwth %
AUM (Rbn)	99	133	154	175	205	222	230	268	315	354	407	15%	354	407	15%
Premiums (Rbn)*	1.8	2.1	2.5	2.9	3.3	4.5	5.5	5.5	5.7	6.2	7.0	15%	6.2	7.0	13%
Core revenues (Rm)	2 349	2 858	3 346	3 789	4 200	4 604	5 069	5 268	6 039	6 494 [^]	7 329 [^]	12%	6 494 [^]	7 329 [^]	13%
Recurring headline earnings (Rm)	251	341	409	486	566	591	644	704	921	948	1 033	15%	948	1 033	9%
Shares in issue (m)**	1 222	1 262	1 277	1 313	1 317	1 337	1 338	1 324	1 316	1 283	1 268	N/A	1 283	1 268	N/A
Recurring HEPS (cents)	20.6	27.0	32.1	37.2	43.0	44.6	48.1	52.7	69.7	72.9	81.1	15%	72.9	81.1	11%
Recurring HEPS (cents) excl. amortisation	22.3	29.4	34.6	40.4	46.3	48.4	52.2	57.5	74.8	78.2	86.9	15%	78.2	86.9	11%
Dividend per share (cents)	11.3	12.0	13.2	15.3	18.0	20.5	22.5	24.5	32.0	36.0	42.0	14%	36.0	42.0	17%
Operating margin (%) ***	13.2	14.9	15.2	15.7	16.6	16.4	16.3	16.8	19.9	18.0	16.9	N/A	18.0	16.9	N/A
Return on equity (%)	24.8	26.4	24.8	25.3	24.3	21.5	20.5	20.4	23.8	22.7	23.4	N/A	22.7	23.4	N/A
Credit rating	BBB	BBB+	BBB+	A-	A-	A-	A	A	A+	A+	A+	N/A	A+	A+	N/A
SCR ratio	1.83	2.31	2.28	2.16	2.07	2.16	2.37	2.33	2.38	2.40	2.46 ^{^^}	N/A	2.40	2.46 ^{^^}	N/A
Total advisers	618	659	711	744	784	932	935	932	952	947	953	4%	947	953	1%
Total employees****	1 841	1 985	2 169	2 435	2 488	2 886	2 917	2 936	3 020	3 074	3 199	6%	3 074	3 199	4%

Source: PSG Finance

• Excludes Short-term administration platform gross written premium to avoid duplication

** Excludes treasury shares

*** Calculated as Operating Profit/Revenue

**** Excludes employees on learnership programs

[^] Excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability. The IFRS 17 restated core revenue amounts are R5 879m (FY2024) and R5 320m (FY2023)

^{^^} Our SCR ratio was determined using the SAM framework within the Prudential Standards. Following discussions with the Prudential Authority, we are in the process of refining our required capital calculation by applying Basel regulations instead of the equity symmetric formula which we believe is more suitable for our margin and credit lending activities. The impact of making these adjustments and other changes will be to increase our SCR ratio from 2.46 to 2.84. As per normal these numbers will be audited prior to our regulatory return submission



02 | FY 2024: Divisional Performance



Wealth Plans

Growing and protecting client wealth

Excellence in products & services

Top advisers

Superb platform

Wealth Assets Split	Feb-23	Market movement	Net flows	Feb-24	% Growth
PSG Multi Managed *	148 962	17 341	9 536	175 839	18%
Third party funds **	93 126	5 693	10 864	109 683	18%
Stockbroking portfolios	63 413	6 933	-780	69 566	10%
Total managed assets	305 501	29 967	19 620	355 088	16%
Stockbroking custody assets	115 421	7 906	-441	122 886	6%
Third party administration	11 928	1 149	321	13 398	12%
Total wealth assets	432 850	39 023	19 500	491 372	14%

Source: PSG Wealth

* Includes PSG single managed funds of R12.6bn for Feb 2023 and R13.9bn for Feb 2024

** Includes PSG advisers single managed funds of R8.9bn for Feb 2023 and R9.5bn for Feb 2024

Average Wealth Managed Assets is R279.1bn for FY2023 and R325.3bn for FY2024

Note: figures rounded to nearest R'million



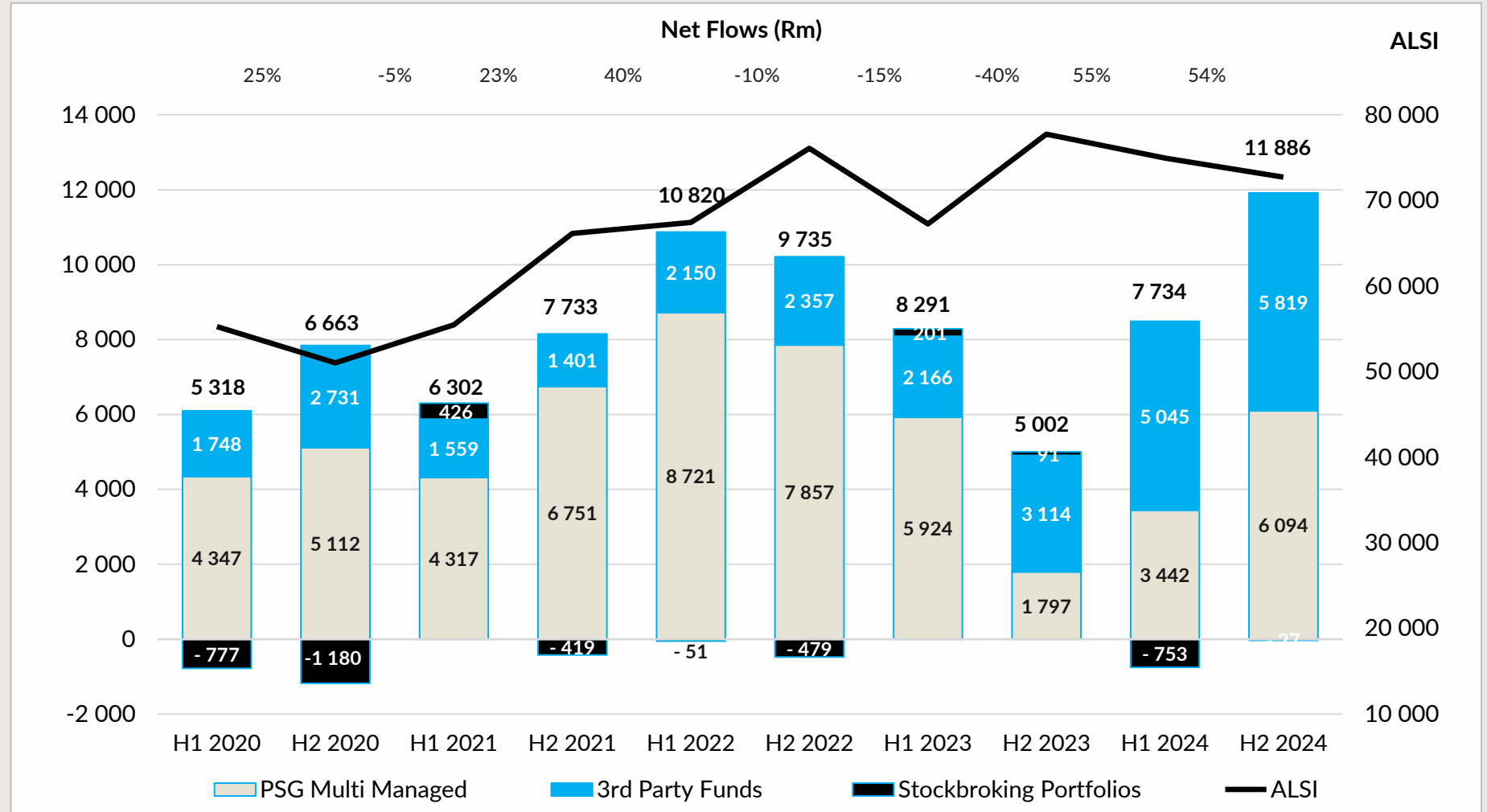
Wealth

Excellence in products and services

Independent process with advisers' oversight

Rapid growth in advisers

Negotiation with product providers



Source: PSG Wealth, Bloomberg



Top Advisers

We continue to add top advisers to our PSG Wealth distribution business

Wealth advisers (incl. EB)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Balance – opening	546	559	563	584	590
Net movement	13	4	21	6	18
Balance – closing	559	563	584	590	608
Growth	2%	1%	4%	1%	3%

Source: PSG Distribution

- Up scale existing offices via new hires
- Greater penetration in selected areas
- Growth in number of advisers & average book size
 - Financial advisers new home at PSG – unlocking and creating value for clients and themselves
 - Well positioned to support advisers: Open architecture, stable systems, risk & regulatory compliance allowing advisers to focus on client interaction



Asset Management Plans

Net new money at acceptable margin

Focused marketing

Investment performance

Superb platform

AM assets split	Feb-23	Market movement	Net flows	Feb-24	%Δ
PSG Single manager *	46 579	-349	3 332	49 562	6%
PSG Money market and related assets*	2 040	-3	217	2 274	11%
Total assets under management	48 639	-352	3 549	51 836	7%
PSG Multi Managed**	148 962	17 341	9 536	175 839	18%
Total AM assets	197 601	16 989	13 085	227 675	15%

Source: PSG Asset Management

* Includes PSG advisers single managed funds of R8.9bn for Feb 2023 and R9.6bn for Feb 2024

** Includes PSG single managed funds of R12.6bn for Feb 2023 and R13.9bn for Feb 2024

Average Asset Management Assets Under Management is R43.4bn for FY2023 and R50.0bn for FY2024

Note: PSG Money market and related assets includes segregated portfolios of R37m for Feb 2023 and R35m for Feb 2024

Note: Figures rounded to nearest R'million



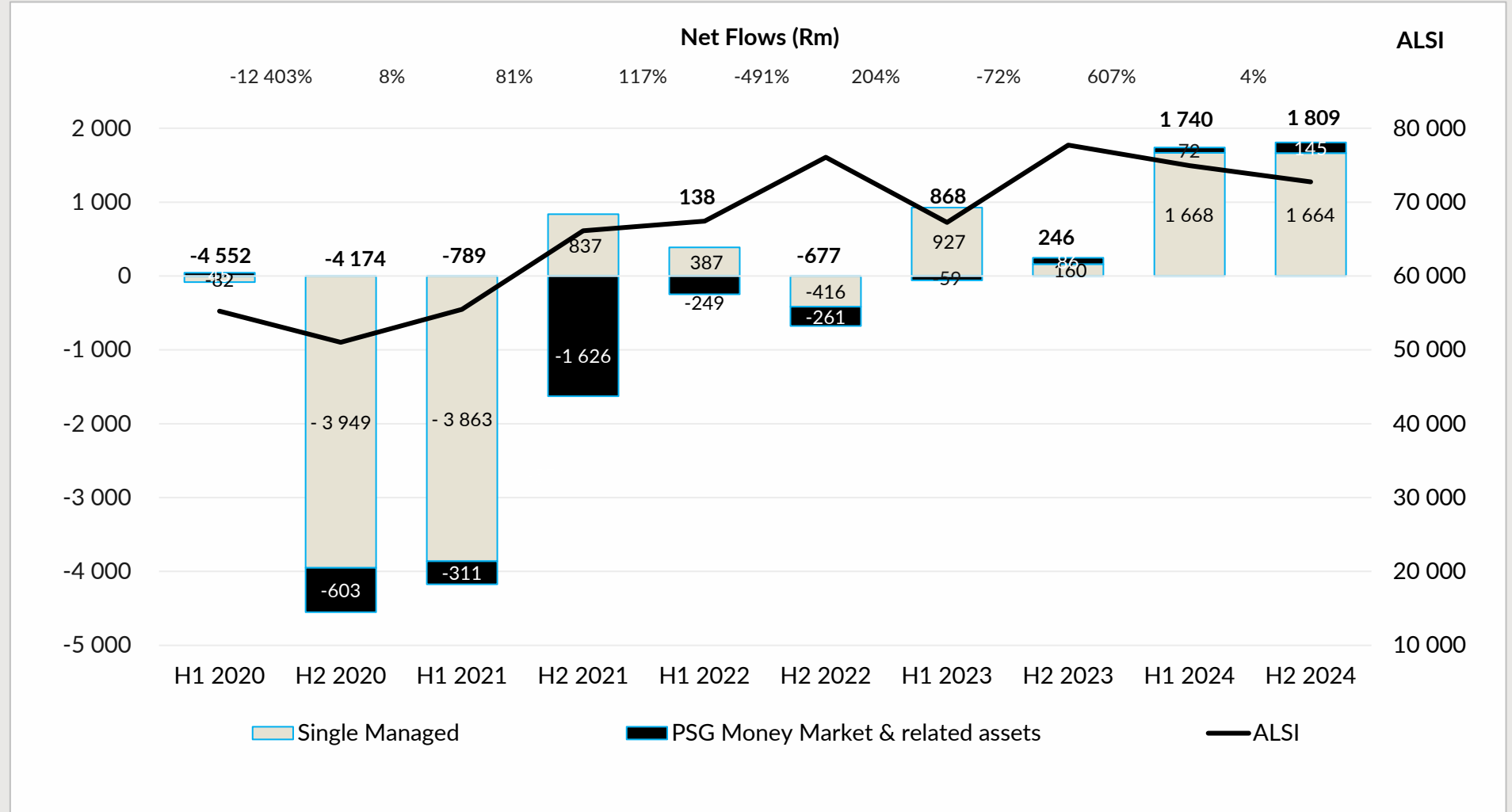
Asset Management

'Brick by Brick' strategy

Long-term assets
(retail emphasis)

Getting adequate
margins

Protect our
capacity



Source: PSG Asset Management, Bloomberg

Note: PSG Money market and related assets includes segregated portfolios' net flows



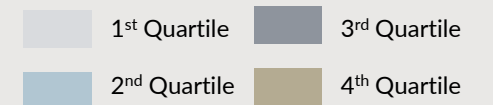
Asset Management

Investment Performance track record

Single manager funds	Performance	1-year Rank	2-year Rank	3-year Rank	5-year Rank	10-year Rank	Rank since inception	Inception date
PSG Flexible	Rank	56	11	5	27	8	1	01-Nov-04
	Return	0.5%	9.0%	15.2%	9.3%	8.7%	13.6%	
PSG Equity	Rank	64	4	4	52	26	3	01-Mar-02
	Return	0.3%	9.2%	16.3%	9.0%	7.4%	14.9%	
PSG Balanced	Rank	234	35	5	41	17	3	01-Jun-99
	Return	1.4%	8.7%	14.5%	9.8%	8.4%	12.7%	
PSG Stable	Rank	164	70	7	88	31	30	13-Sep-11
	Return	4.0%	7.3%	10.1%	7.4%	7.2%	8.3%	

Source: MorningStar February 2024 report

Note: Performance quoted is for retail investor A classes





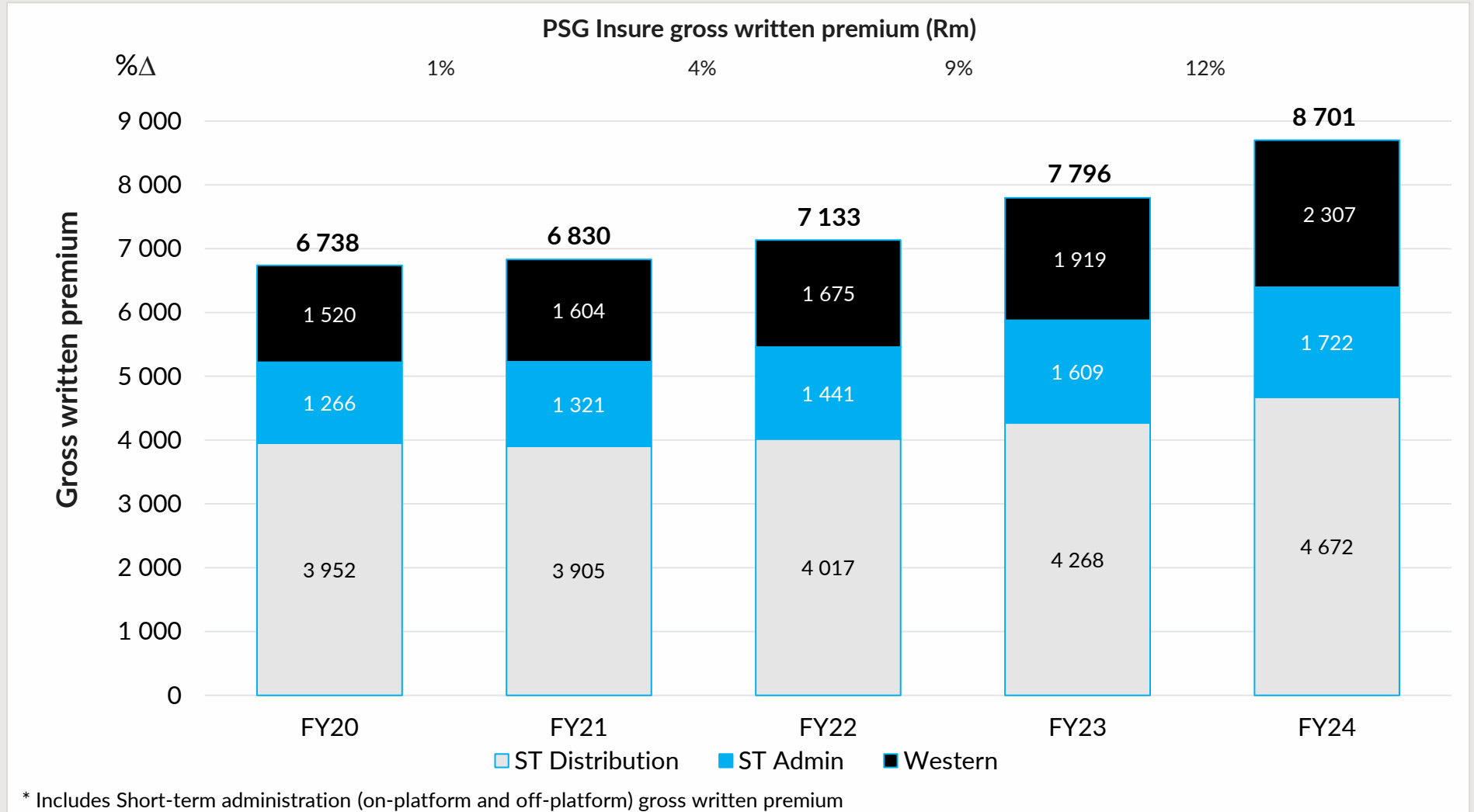
Insure

Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform



Source: PSG Insure



Top Advisers

Growing adviser base over the long term

Insure advisers	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Balance - opening	386	376	369	368	357
Net movement	-10	-7	-1	-11	-12
Balance - closing	376	369	368	357	345
Growth	-3%	-2%	0%	-3%	-3%

Source: PSG Distribution

**Decrease in Insure advisers due to amalgamation and consolidation of PSG Insure adviser offices*

- Greater penetration in selected areas
- Growth in number of advisers & average book size
 - Financial advisers new home at PSG – unlocking and creating value for clients and themselves
 - Well positioned to support advisers: Open architecture, stable systems, risk & regulatory compliance allowing advisers to focus on client interaction



Western National Insurance

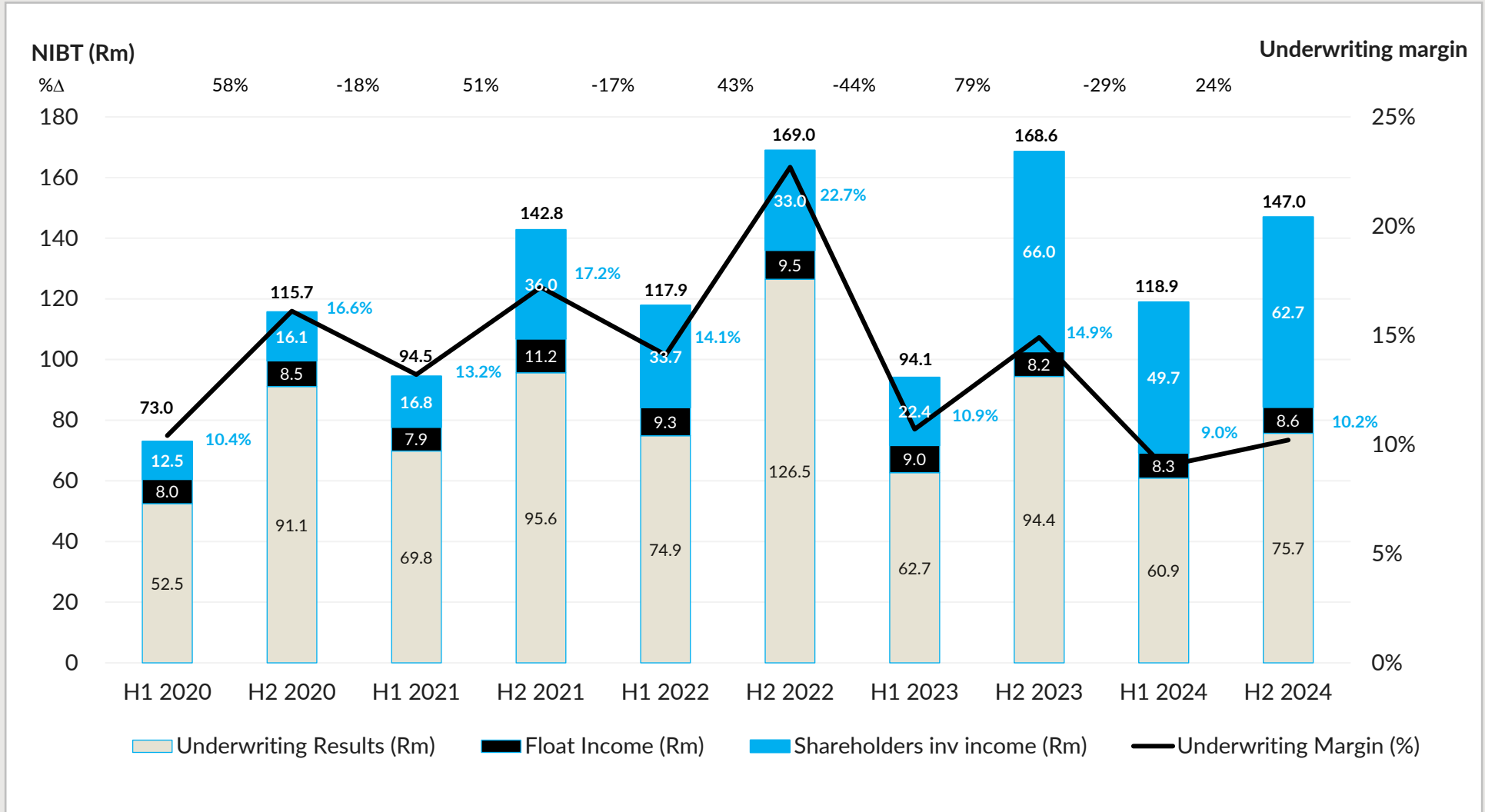
Net insurance result & shareholders income

Key differentiators

- Personalised service to brokers
- Focus on commercial business

Excellence in underwriting

- Healthy insurance float level of R391m
- Limited insurance and investment risk
- H2'24 underwriting result affected by multiple CAT events:
 - Western Cape Flooding (Sept/Oct 2023)
 - Gauteng Hailstorm (Nov 2023)



Source: PSG Insure

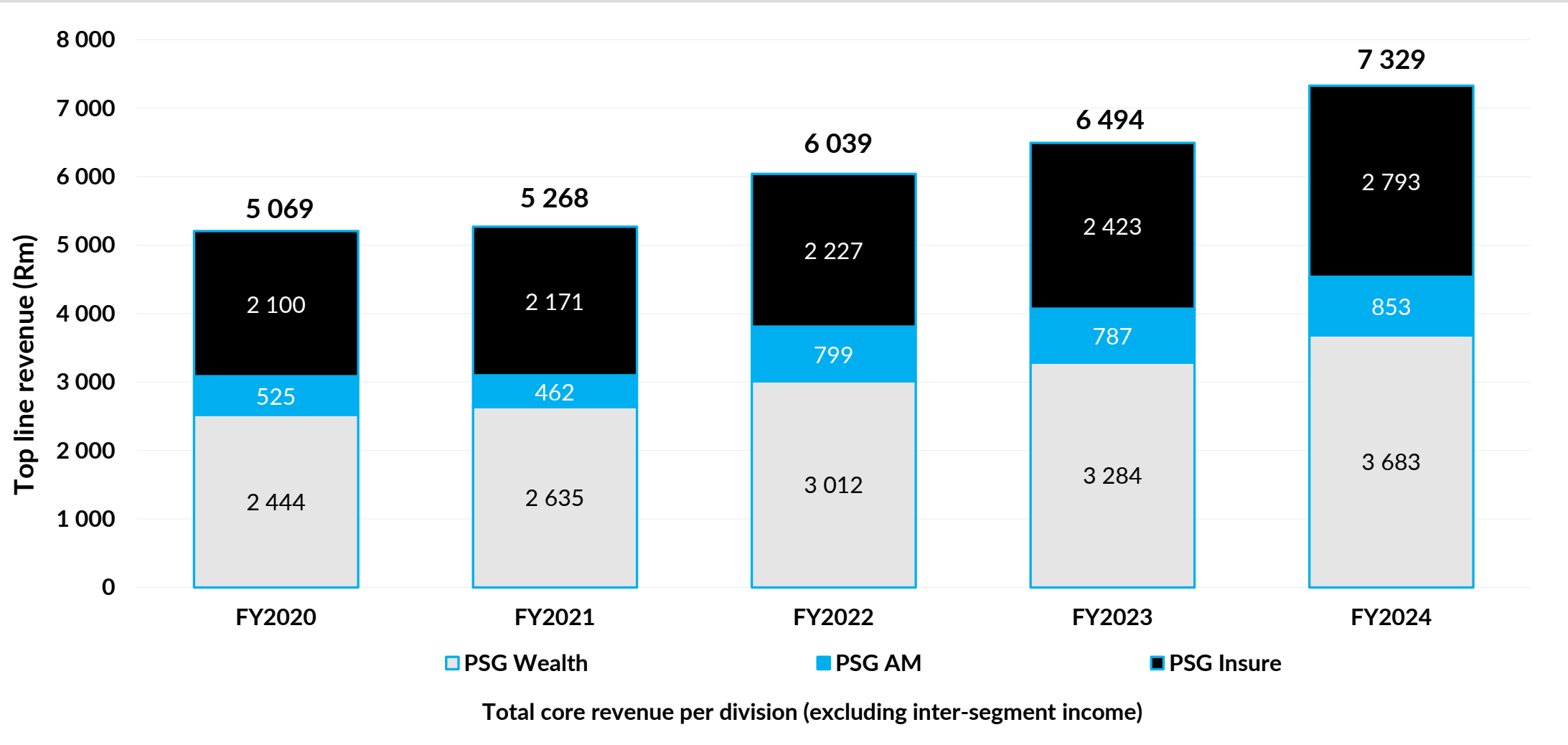


03 | 2024: Focus



Top Line Focus

Core operations (excl. IFRS Consolidated fund and policyholder related income)



Source: PSG Finance

Note: FY2023 and FY2024 excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability. The IFRS 17 restated core revenue amounts: PSG Insure (FY2024: R1 343m; FY2023: R1 249m); PSG consolidated (FY2024: R5 879m; FY2023: R5 320m)



Reducing risk



	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Perf fees / HE*	0.0%	0.6%	10.6%	6.5%	2.8%
Recurring HEPS	48.1c	52.7c	69.7c	72.9c	81.1c

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
Op margin	16.3%	16.8%	19.9%	18.0%	16.9%
Op margin (excl perf fees)	16.3%	16.8%	18.4%	17.0%	16.5%
C:1%	59.2%	58.5%	54.3%	57.0%	57.6%

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
ROE*	20.5%	20.4%	23.8%	22.7%	23.4%
ROE* (excl perf fees)	20.5%	20.2%	21.3%	21.2%	22.7%
Debt : Equity	0.0%	0.0%	0.0%	0.0%	0.0%

Source : PSG Finance

* Based on recurring headline earnings



04 | Return and Trading Statistics



TRI of PSG Financial Services

PSG Financial Services performed better than JSE ALSI since 2005

Investment of R100 000 in PSG Financial Services shares on 11 April 2005, and reinvesting all dividends received (net of DWT) and other distributions over period vs R100 000 invested on JSE ALSI

Date	Number of PSG Financial Services shares	PSG Financial Services investment (R)	PSG Financial Services investment (USD)	Annual growth in investment (R)	Annual growth in investment (USD)	JSE ALSI Total Return Index	JSE ALSI Investment (R)	JSE ALSI Investment (USD)	Annual growth in investment (R)	Annual growth in investment (USD)
2005/04/11	250 000	100 000	16 379			1 311	100 000	16 379		
2006/02/28	260 725	286 797	46 461	187%	184%	1 926	146 929	23 802	47%	45%
2007/02/28	297 398	490 706	67 645	71%	46%	2 670	203 678	28 078	39%	18%
2008/02/29	309 914	526 854	69 012	7%	2%	3 255	248 335	32 529	22%	16%
2009/02/27	327 703	426 014	42 816	-19%	-38%	2 032	154 988	15 577	-38%	-52%
2010/02/26	351 652	509 895	65 490	20%	53%	3 013	229 848	29 521	48%	90%
2011/02/28	373 653	597 845	85 553	17%	31%	3 723	284 027	40 645	24%	38%
2012/02/29	395 168	790 336	105 692	32%	24%	4 082	311 393	41 643	10%	2%
2013/02/28	422 411	1 203 871	136 169	52%	29%	4 870	371 546	42 025	19%	1%
2014/02/28	435 546	2 177 731	203 194	81%	49%	5 981	456 251	42 571	23%	1%
2015/02/27	441 856	3 190 197	277 314	46%	36%	6 946	529 912	46 064	16%	8%
2016/02/29	447 709	3 080 237	190 833	-3%	-31%	6 643	506 779	31 397	-4%	-32%
2017/02/28	455 295	3 419 266	262 736	11%	38%	7 061	538 627	41 388	6%	32%
2018/02/28	462 322	4 022 205	341 632	18%	30%	8 292	632 573	53 729	17%	30%
2019/02/28	469 330	5 040 607	361 251	25%	6%	8 218	626 884	44 928	-1%	-16%
2020/02/29	477 453	3 771 876	241 522	-25%	-33%	7 749	591 116	37 851	-6%	-16%
2021/02/28	489 074	4 396 771	290 768	17%	20%	10 321	787 380	52 071	33%	38%
2022/02/28	497 541	6 836 217	442 474	55%	52%	12 434	948 548	61 395	20%	18%
2023/02/28	508 236	6 601 990	357 245	-3%	-19%	13 210	1 007 780	54 533	6%	-11%
2024/02/29	519 749	7 894 985	410 865	20%	15%	12 833	978 948	50 946	-3%	-7%
CAGR				26.0%	18.6%				12.8%	6.2%



Historical P/E ratio & ROE trend

Recurring HEPS CAGR of 19% since 2005

Date	Share Price	% Growth	Recurring HEPS	% Growth	Recurring HEPS (before amortisation)	% Growth	P/E Ratio (Recurring HEPS)	P/E Ratio (Recurring HEPS before amortisation)	ROE	CPI*	ROE - CPI
2005/02/28	40	-	2.9	-	3.0	-	13.8	13.3	20.6%	2.7%	17.9%
2006/02/28	110	175.0%	4.4	51.7%	4.9	62.3%	25.0	22.6	22.4%	3.8%	18.6%
2007/02/28	165	50.0%	8.7	97.7%	9.9	103.3%	18.9	16.7	25.9%	5.8%	20.1%
2008/02/29	170	3.0%	12.0	37.2%	13.2	33.3%	14.2	12.9	23.2%	9.7%	13.5%
2009/02/27	130	-23.5%	13.2	10.3%	14.7	11.4%	9.8	8.8	22.8%	9.6%	13.2%
2010/02/26	145	11.5%	12.3	-6.9%	14.1	-4.1%	11.8	10.3	19.6%	5.8%	13.8%
2011/02/28	160	10.3%	12.5	1.6%	14.8	5.0%	12.8	10.8	19.3%	3.6%	15.7%
2012/02/29	200	25.0%	14.1	12.8%	16.0	8.1%	14.2	12.5	26.7%	6.1%	20.6%
2013/02/28	285	42.5%	15.4	9.2%	17.2	7.5%	18.5	16.6	21.1%	5.9%	15.2%
2014/02/28	500	75.4%	20.6	33.8%	22.3	29.7%	24.3	22.4	24.8%	5.9%	18.9%
2015/02/27	722	44.4%	27.0	31.1%	29.4	31.8%	26.7	24.6	26.4%	4.0%	22.4%
2016/02/29	688	-4.7%	32.1	18.9%	34.6	17.7%	21.4	19.9	24.8%	7.0%	17.8%
2017/02/28	751	9.2%	37.2	15.9%	40.4	16.8%	20.2	18.6	25.3%	6.3%	19.0%
2018/02/28	870	15.8%	43.0	15.6%	46.4	14.9%	20.2	18.8	24.3%	4.0%	20.3%
2019/02/28	1 074	23.4%	44.6	3.7%	48.4	4.3%	24.1	22.2	21.5%	4.1%	17.4%
2020/02/29	790	-26.4%	48.1	7.8%	52.2	7.9%	16.4	15.1	20.5%	4.6%	15.9%
2021/02/28	899	13.8%	52.7	9.6%	57.5	10.2%	17.0	15.6	20.4%	2.9%	17.5%
2022/02/28	1 374	52.8%	69.7	32.3%	74.8	30.1%	19.7	18.4	23.8%	5.7%	18.1%
2023/02/28	1 299	-5.5%	72.9	4.6%	78.2	4.5%	17.8	16.6	22.7%	7.0%	15.7%
2024/02/29	1 519	16.9%	81.1	11.2%	86.9	11.1%	18.7	17.5	23.4%	5.6%	17.8%
CAGR	-	21.1%	-	19.2%	-	19.4%	-	-	-	-	-



Trading Statistics

Creating shareholder value

Statistic%	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23*	FY 24
No. of shares in issue (millions)	1 222	1 262	1 279	1 322	1 342	1 365	1 358	1 341	1 331	1 296	1 280
No. of shares traded (millions)	31.4	61.8	113.9	111.7	91.9	83.5	112.0	127.4	91.7	367.2	190.8
% of shares traded	2.6%	4.9%	8.9%	8.4%	6.8%	6.1%	8.3%	9.5%	6.9%	28.3%	14.9%
Market capitalisation (Rm)	6 110	9 115	8 800	9 929	11 678	14 659	10 729	12 059	18 293	16 831	19 442
Value of shares traded (Rm)	129	429	900	783	767	813	1 070	966	1 092	4 208	2 584
% of market cap traded	2.1%	4.7%	10.2%	7.9%	6.6%	5.5%	10.0%	8.0%	6.0%	25.0%	13.3%

Source: PSG Finance

*Large increase in volumes due to September 2022 unbundling of PSG Group shares

Note: Net shares in issue (excluding treasury shares) 1 268m for FY2024



05 | Conclusion



Conclusion

Business features underpinning our expectations for future success

- Formidable adviser network in South Africa, with a broad geographic footprint that continues to expand
- Strong governance structures
- Clear growth opportunities for our businesses
- History of superior shareholder returns
- Focus on optimising risk adjusted return per share (restrict issuance of new shares)



End - Thank You