

PSG Konsult Limited

Annual General Meeting

12 July 2021



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1	Constitution of meeting	Willem Theron (Chairman)
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01 | Constitution of meeting



02 | Considering of resolutions



Ordinary resolutions

Nr. Ordinary resolution Nr.		Resolution
1.1	Ordinary resolution number 1	To re-elect Mr PE Burton as a director
1.2	Ordinary resolution number 2	To re-elect Ms ZRP Matsau as a director
1.3	Ordinary resolution number 3	To re-elect Mr PJ Mouton as a director
2.1	Ordinary resolution number 4	To re-appoint Mr PE Burton as a member of the audit committee
2.2	Ordinary resolution number 5	To re-appoint Mr ZL Combi as a member of the audit committee
2.3	Ordinary resolution number 6	To re-appoint Ms ZRP Matsau as a member of the audit committee
2.4	Ordinary resolution number 7	To appoint Mr AH Sangqu as a member of the audit committee
2.5	Ordinary resolution number 8	To appoint Ms TC Isaacs as a member of the audit committee
3	Ordinary resolution number 9	To appoint the auditor, Deloitte & Touche
4	Ordinary resolution number 10	General authority to issue ordinary shares for cash
5	Ordinary resolution number 11	Non-binding advisory vote on PSG Konsult's remuneration policy
6	Ordinary resolution number 12	Non-binding advisory vote on PSG Konsult's implementation report on the remuneration policy



Special resolutions

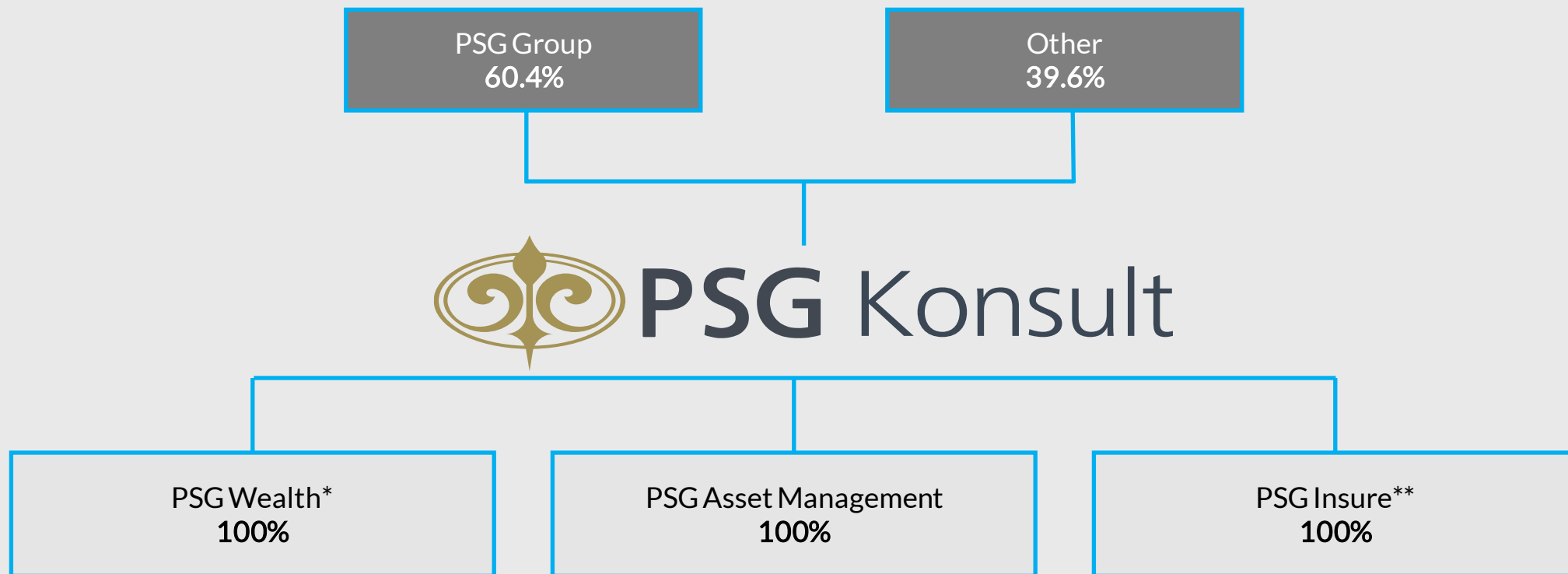
Nr. Special resolutionNr.		Resolution
7	Special resolution number 1	Remuneration of non-executive directors
8.1	Special resolution number 2	Inter-company financial assistance in terms of section 45 of the Companies Act
8.2	Special resolution number 3	Financial assistance for the acquisition of shares in the Company or in a related or inter-related company in terms of section 44 of the Companies Act
9	Special resolution number 4	Share repurchases by PSG Konsult and its subsidiaries



03 | Overview



PSG Structure



* Includes PSG Employee Benefits

** Includes Western National Insurance

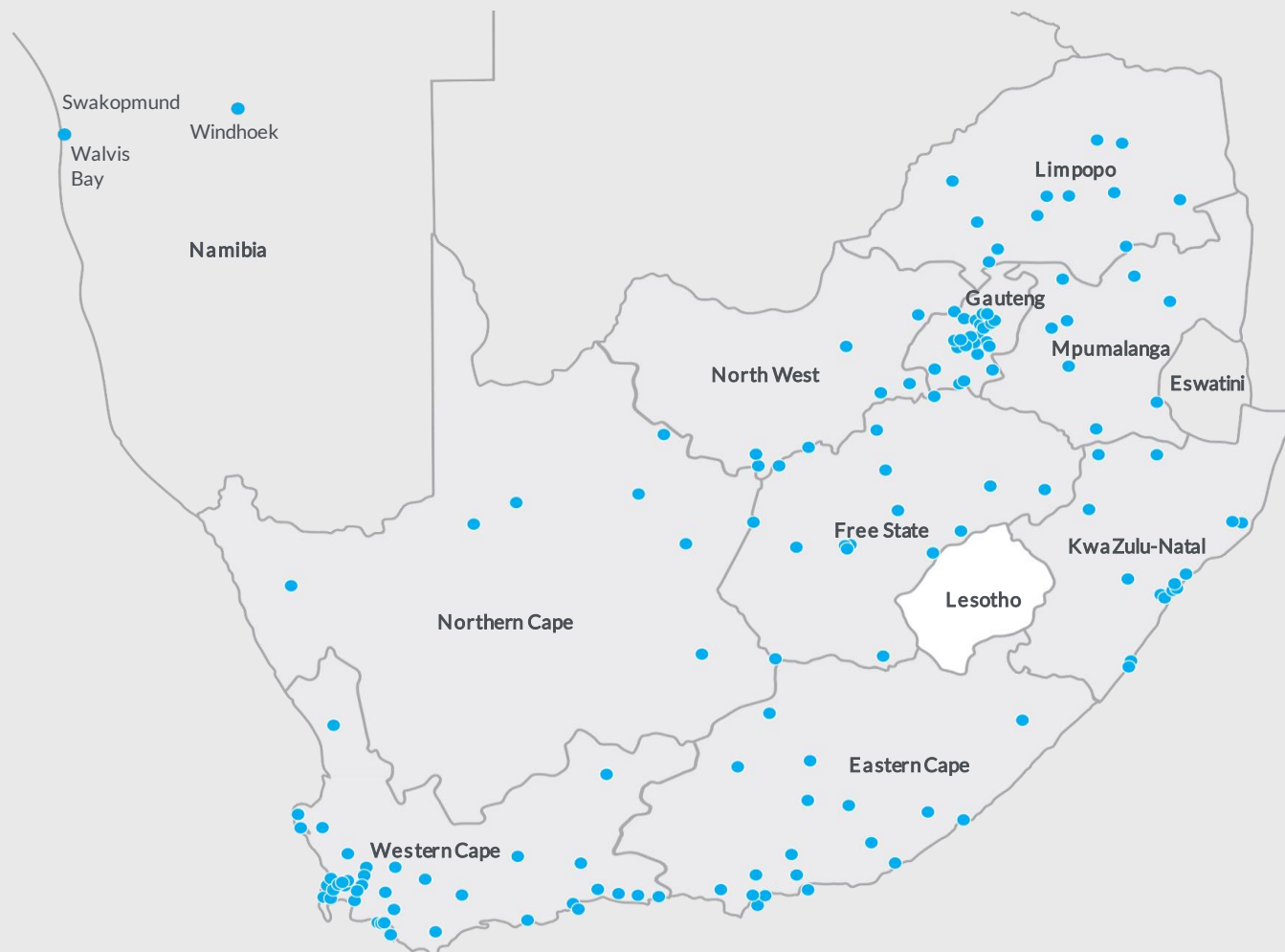
PSG Group's holding net of treasury shares = 61.2%

As at 28 February 2021



A Great Company

Wealthy Clients serviced where they reside



	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
No. of advisers	744	784	932	935	932
PSG Wealth	515	539	546	559	563
PSG Insure	229	245	386	376	369
No. of offices	208	211	254	257*	263

Source: PSG Distribution

* Number revised from 260 to 257



Business characteristics

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





04 | FY 2021: financial results



Key Macro Indicators

Volatile economic environment

Key Indicators	FY17	%Δ	FY18	%Δ	FY19	%Δ	FY20	%Δ	FY21	%CAGR
Rand / US\$	13.13	-10%	11.79	19%	14.09	11%	15.65	-3%	15.15	4%
FTSE/JSE Index	51 146	14%	58 325	-4%	56 002	-9%	51 038	30%	66 138	7%
S&P 500 (Rand)	31 033	3%	32 007	23%	39 221	18%	46 247	25%	57 725	17%
All Bond Index	544	14%	622	4%	649	9%	706	8%	765	9%
Cash Index - STeFI Call	335	7%	358	7%	382	7%	407	4%	424	6%
SA Property Index	640	-12%	562	-12%	492	-26%	363	-21%	285	-18%

Source: Bloomberg



FY 2021 financial results overview

Recurring HEPS grew by 10% for FY 2021

Consolidated results	FY 2017	%Δ	FY 2018	%Δ	FY 2019	%Δ	FY 2020	%Δ	FY 2021	%CAGR
Headline earnings	486	16%	566	7%	604	7%	644	8%	697	9%
Recurring headline earnings	486	16%	566	4%	591	9%	644	9%	704	10%
Weighted ave. no. of shares (millions)	1 307	1%	1 318	1%	1 325	1%	1 341	0%	1 335	1%
HEPS (cents)	37.2	16%	43.0	6%	45.6	5%	48.1	9%	52.2	9%
Recurring HEPS (cents)	37.2	16%	43.0	4%	44.6	8%	48.1	10%	52.7	9%
Assets under management (Rbn)	175	17%	205	8%	222	3%	230	17%	268	11%
Assets under administration (Rbn) **	371	8%	402	5%	422	-6%	397	-1%	392	1%
Premiums* (Rbn)	2.9	15%	3.3	36%	4.5	22%	5.5	1%	5.5	17%

Source: PSG Finance

* Excludes ST admin gross written premium to avoid duplication

** Decline mainly due to the corporate activity transactions implemented by PSG Group, namely the unbundling of Capitec shares and sale by Zeder of its Pioneer Food shares during the period ended August 2020

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 2017	%Δ	FY 2018	%Δ	FY 2019	%Δ	FY 2020	%Δ	FY 2021	%CAGR
Wealth	287	18%	339	0%	339	11%	376	19%	448	12%
Asset Management	130	20%	156	7%	167	-12%	146	-28%	105	-5%
Insure	69	4%	71	19%	85	43%	122	24%	151	22%
Total	486	16%	566	4%	591	9%	644	9%	704	10%

Source: PSG Finance

*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 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	CAGR %	FY 2020	FY 2021	YoY Gwth %
AUA (Rbn)	97	139	180	233	309	327	371	402	422	397	392	15%	397	392	-1%
AUM (Rbn)	36	51	71	99	133	154	175	205	222	230	268	22%	230	268	17%
Premiums (Rbn)*	1.6	1.6	1.6	1.8	2.1	2.5	2.9	3.3	4.5	5.5	5.5	13%	5.5	5.5	1%
Core Revenues (Rm)	1 018	1 426	1 648	2 349	2 858	3 346	3 789	4 200	4 604	5 069	5 268	18%	5 069	5 268	4%
Recurring headline earnings (Rm)	92	151	174	251	341	409	486	566	591	644	704	22%	644	704	9%
Shares in issue (m)**	733	1 071	1 209	1 222	1 262	1 277	1 313	1 317	1 337	1 338	1 324	6%	1 338	1 324	0%
Recurring HEPS (cents)	12.5	14.1	15.4	20.6	27.0	32.1	37.2	43.0	44.6	48.1	52.7	15%	48.1	52.7	10%
Recurring HEPS (cents) excl. amortisation	14.8	16.0	17.2	22.3	29.4	34.6	40.4	46.3	48.4	52.2	57.5	15%	52.2	57.5	10%
Dividend per share (Cents)	8.8	10.3	10.8	11.3	12.0	13.2	15.3	18.0	20.5	22.5	24.5	11%	22.5	24.5	9%
Operating Margin (%) ****	12.1	13.7	14.7	13.2	14.9	15.2	15.7	16.6	16.4	16.3	16.8	N/A	16.3	16.8	N/A
Return on equity (%)	19.3	26.7	21.1	24.8	26.4	24.8	25.3	24.3	21.5	20.5	20.4	N/A	20.5	20.4	N/A
Total advisers	597	635	613	618	659	711	744	784	932	935	932	5%	935	932	0%
Total Employees***	1 844	1 848	1 792	1 841	1 985	2 169	2 435	2 488	2 886	2 917	2 936	5%	2 917	2 936	1%

Source: PSG Finance

* Excludes Short-term administration platform gross written premium to avoid duplication. Includes Western National Premiums from Nov 2012

** Excludes treasury shares

*** Excludes SDC learners

**** Calculated as Operating Profit/Revenue



05 | FY 2021: divisional performance



Wealth Plans

Growing and protecting client wealth

Excellence in
products & services

Top advisers

Superb platform

Wealth Assets Split (Rm)	Feb-20	Market Movement	Net flows	Feb-21	% Growth
PSG Multi Managed *	83 481	13 040	11 068	107 589	29%
Third party funds **	65 434	5 218	2 960	73 612	12%
Stockbroking portfolios	44 188	7 183	7	51 378	16%
Total managed assets	193 103	25 441	14 035	232 579	20%
Stockbroking custody assets***	157 700	-29 986	- 13 977	113 737	-28%
Third party administration	9 329	1 344	18	10 691	15%
Total wealth assets	360 132	- 3 201	76	357 007	-1%

Source: PSG Wealth

* Includes PSG single managed funds of R6.9bn for Feb 2020 and R9.6bn for Feb 2021

** Includes PSG advisers single managed funds of R7.5bn for Feb 2020 and R6.4bn for Feb 2021

*** Decline mainly due to the corporate activity transactions implemented by PSG Group, namely the unbundling of Capitec shares and sale by Zeder of its Pioneer Food shares during the period ended August 2020



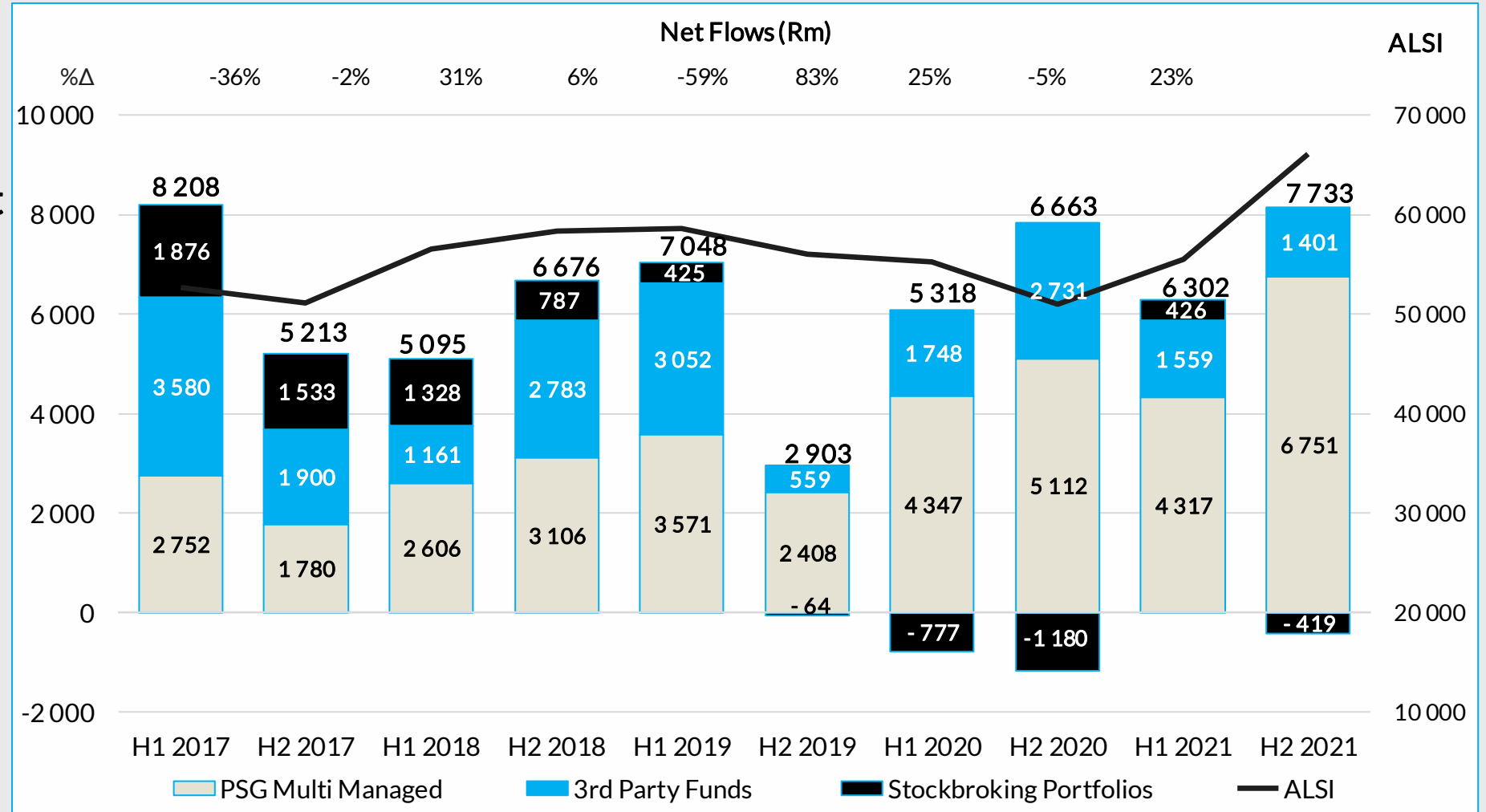
Wealth

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 2017	FY 2018	FY 2019	FY 2020	FY 2021
Balance – opening	480	515	539	546	559
Net movement	35	24	7	13	4
Balance – closing	515	539	546	559	563
<i>Growth</i>	<i>7%</i>	<i>5%</i>	<i>1%</i>	<i>2%</i>	<i>1%</i>

Source: PSG Distribution

- Up scale existing offices via new hires
- Greater penetration selected area
- 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 (Rm)	Feb-20	Market movement	Net flows	Feb-21	% Growth
PSG Single manager*	32 303	3 511	-3 026	32 788	2%
PSG Money market and related assets*	3 343	0	-836	2 507	-25%
PSG Segregated Portfolios	1 079	57	-1 101	35	-97%
Total assets under management	36 725	3 568	-4 963	35 330	-4%
PSG Multi Managed**	83 481	13 040	11 068	107 589	29%
Total AM assets	120 206	16 608	6 105	142 919	19%

Source: PSG Asset Management

* Includes PSG advisers single managed funds of R7.5bn for Feb 2020 and R6.4bn for Feb 2021

**Includes PSG single managed funds of R6.9bn for Feb 2020 and R9.6bn for Feb 2021



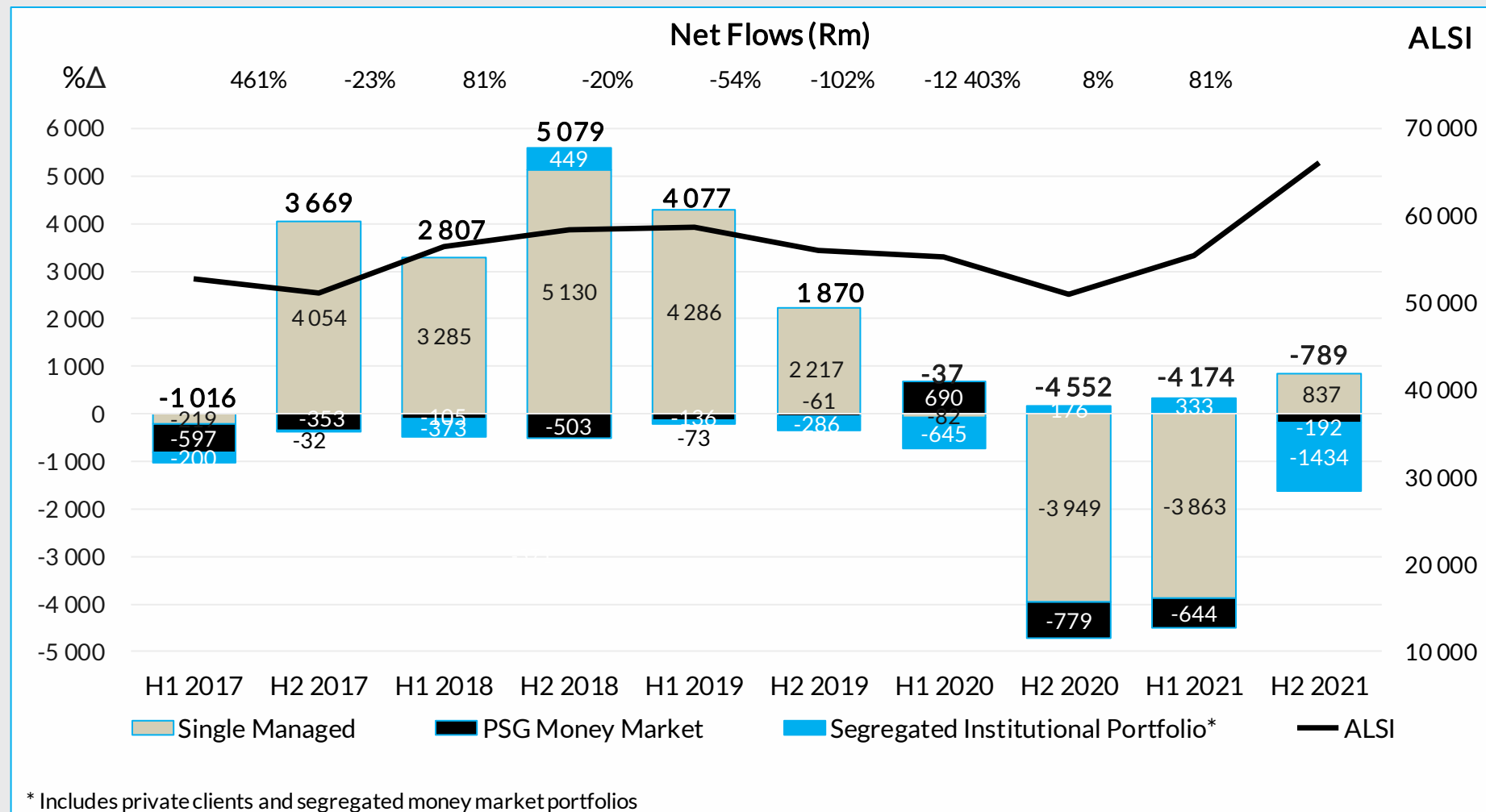
Asset Management

'Brick by Brick' strategy

Long-term assets
(retail emphasis)

Getting adequate
margins

Protect our
capacity



Source: PSG Asset Management



Asset Management

Investment Performance track record

Single manager funds	Performance	1 month Rank	3 months Rank	6 months Rank	1-year Rank	3-year Rank	5-year Rank	10-year Rank	Ranksince inception	Inception date
PSG Flexible	Rank	1	5	4	27	39	24	11	3	01-Nov-04
	Return	7.2%	14.6%	24.2%	19.7%	0.30%	5.0%	9.5%	10.6%	
PSG Equity	Rank	5	39	10	94	136	74	23	7	01-Mar-02
	Return	7.4%	15.4%	26.4%	22.9%	-2.9%	4.6%	9.0%	12.2%	
PSG Balanced	Rank	3	5	1	22	169	104	28	5	01-Jun-99
	Return	6.3%	12.9%	22.3%	21.3%	1.2%	5.1%	8.7%	12.5%	
PSG Stable	Rank	4	8	5	32	128	74		36	13-Sep-11
	Return	3.5%	7.2%	12.4%	11.4%	2.9%	5.6%	N1	7.7%	

Source: MorningStar February 2021 report

N1 – The PSG Stable fund does not have a 10-year history

Note: Performance quoted is for retail investor A classes

	1 st Quartile		3 rd Quartile
	2 nd Quartile		4 th Quartile



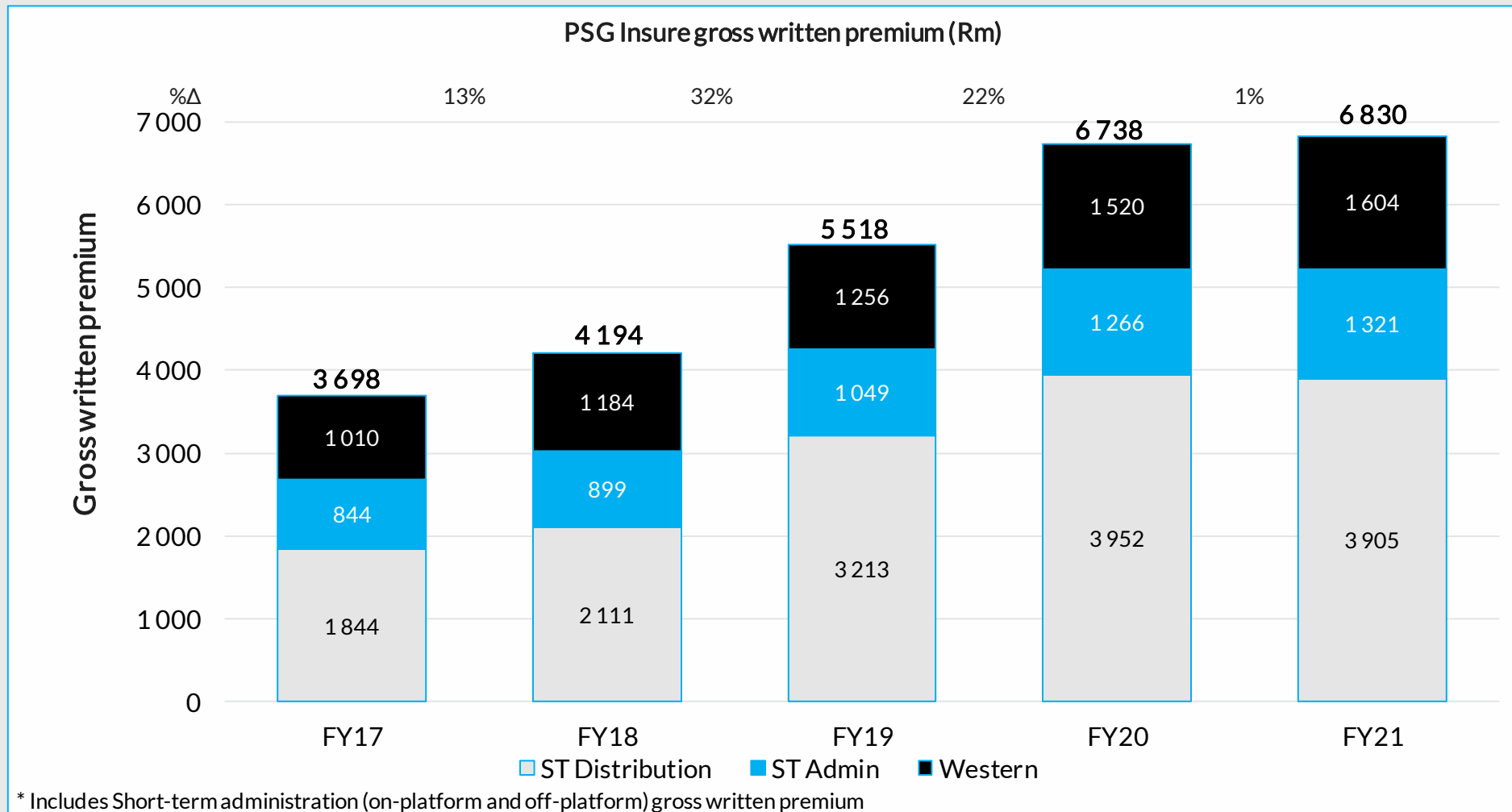
Insure

Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform



Source: PSG Insure



Top Advisers

We continue to add top advisers to our Insure Distribution business

Insure advisers	FY 2017	FY 2018	FY 2019*	FY 2020	FY 2021
Balance – opening	231	229	245	386	376
Net movement	-2	16	141	-10	-7
Balance – closing	229	245	386	376	369
<i>Growth</i>	<i>-1%</i>	<i>7%</i>	<i>58%</i>	<i>-3%</i>	<i>-2%</i>

Source: PSG Distribution

** Acquired all the Commercial and Industrial, and face-to-face Personal lines advisers from ABSA Insurance and Financial Advisers (Pty) Ltd*

- Greater penetration selected area
- 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 Insure

Net insurance result & shareholders income

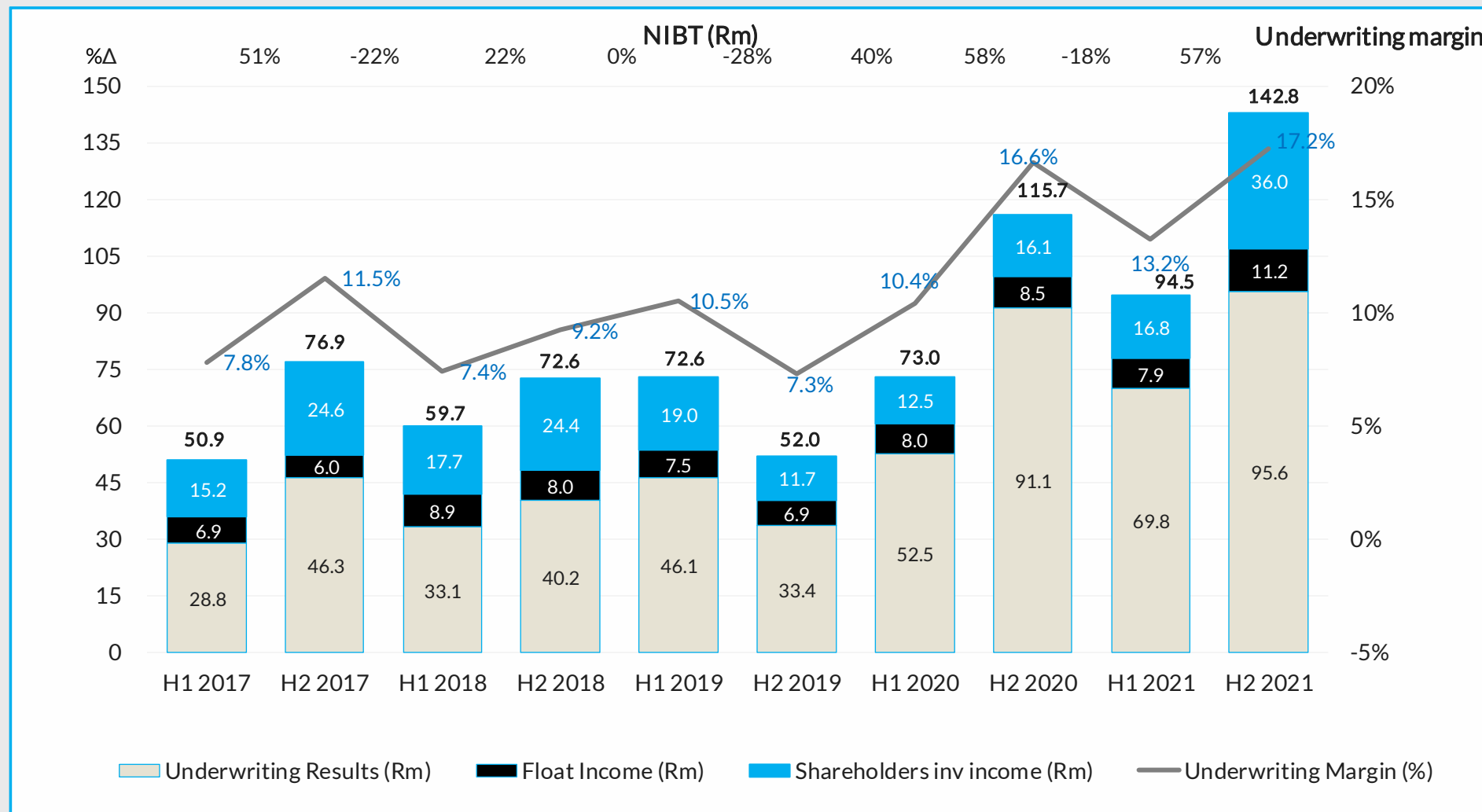
Key differentiators

- Personalised service to brokers
- Focus on commercial business

Excellence in underwriting

- Healthy insurance float level of R403m
- Limited insurance and investment risk retention levels

* Conventional float R232m & ART float R171m



Source: PSG Insure

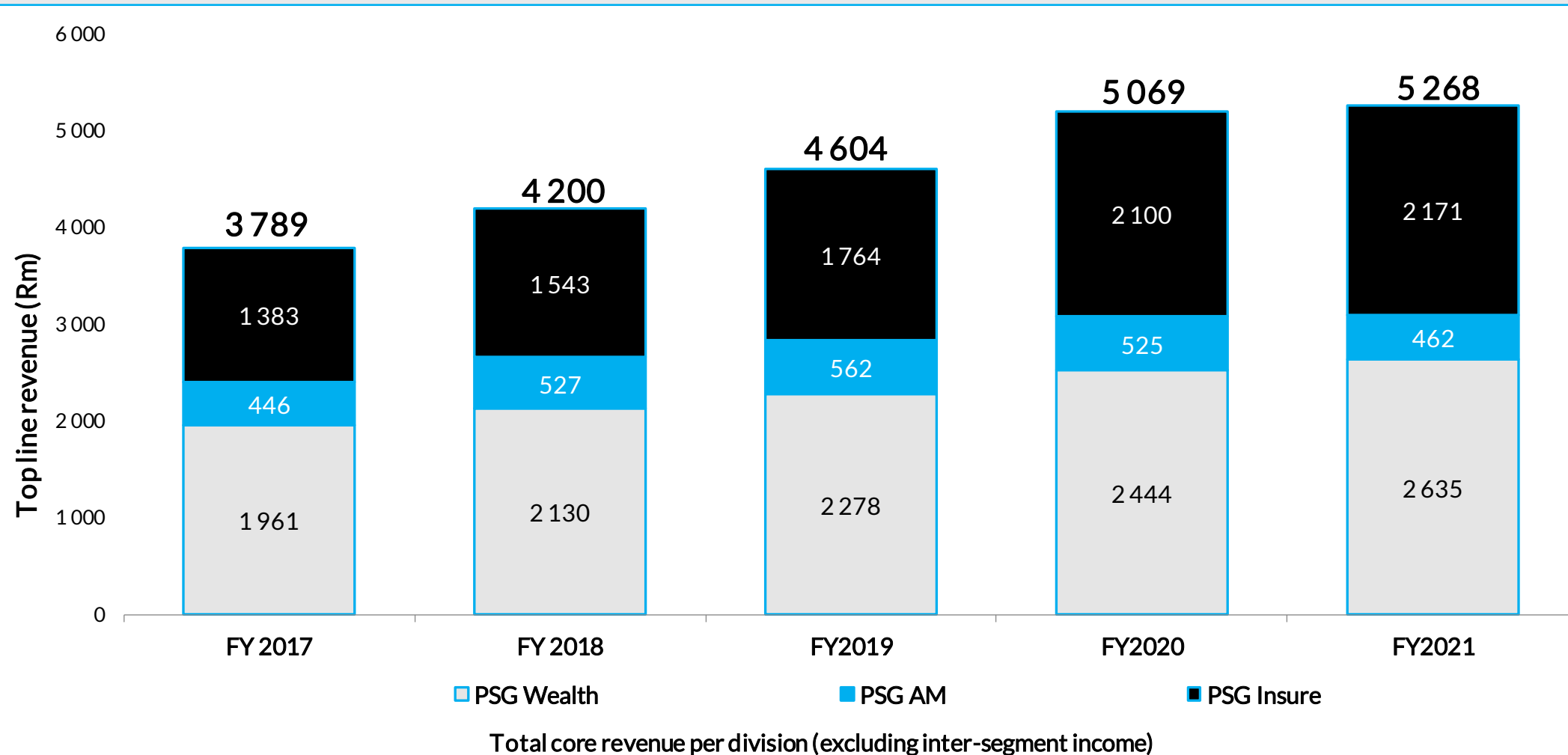


06 | 2021: Focus



Top Line Focus

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



Source: PSG Finance



Reducing risk



	FY17	FY18	FY19	FY20	FY21
Perf fees / HE*	8.8%	8.6%	2.9%	0.0%	0.6%
Recurring HEPS	37.2c	43.0c	44.6c	48.1c	52.7c

	FY17	FY18	FY19	FY20	FY21
Op margin	15.7%	16.6%	16.4%	16.3%	16.8%
Op margin (excl perf fees)	14.5%	15.1%	16.0%	16.3%	16.8%
C:1%	60.0%	57.2%	58.6%	59.2%	58.5%

	FY17	FY18	FY19	FY20	FY21
ROE*	25.3%	24.3%	21.5% ¹	20.5%	20.4% ²
ROE* (excl perf fees)	23.4%	22.2%	20.9% ¹	20.5%	20.2% ²
Debt:Equity	0.2%	4.3%	4.0%	0.0%	0.0%

Source: PSG Finance

* Based on recurring headline earnings.

¹ FY 2019 (Headline ROE: 22.0% and Headline ROE (excl. perf. fees): 21.4%)

² FY 2021 (Headline ROE: 20.2% and Headline ROE (excl. perf. fees): 20.0%)



07 | Return and Trading Statistics



TRI of PSG Konsult

PSG Konsult performed better than JSE ALSI since 2005

Investment of R100 000 in PSG Konsult 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 Konsult shares	PSG Konsult investment (R)	PSG Konsult 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%
		4 396 771					787 380			
CAGR				26.7%	19.7%				13.8%	7.5%

Source: PSG Finance

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Historical P/E ratio & ROE trend

Recurring HEPS CAGR of 20% 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%
CAGR	-	21.5%	-	19.9%	-	20.3%	-	-	-	-	-

Source: Bloomberg & PSG Finance

*Headline CPI aligned to each financial year (1 March - 28 February)



Trading Statistics

Creating shareholder value

Statistic	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21
No. of shares in issue (millions)	733	1 072	1 210	1 222	1 262	1 279	1 322	1 342	1 365	1 358	1 341
No. of shares traded (millions)	9.5	14.9	21.2	31.4	61.8	113.9	111.7	91.9	83.5	112.0	127.4
% of shares traded	1.3%	1.4%	1.8%	2.6%	4.9%	8.9%	8.4%	6.8%	6.1%	8.3%	9.5%
Market capitalisation (Rm)	1 173	2 145	3 447	6 110	9 115	8 800	9 929	11 678	14 659	10 729	12 059
Value of shares traded (Rm)	13	24	47	129	429	900	783	767	813	1 070	966
% of market cap traded	1.1%	1.1%	1.4%	2.1%	4.7%	10.2%	7.9%	6.6%	5.5%	10.0%	8.0%

Source: PSG Finance



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)



08 | Corporate Social Initiatives



Creating value for all stakeholders

We keep on investing in Developmental, Educational and Social Programs

PSG Adopt a school

- We have adopted 4 schools that have more than 2 100 learners
- Schools are situated close to PSG Hubs, ensuring our employees can provide hands on support



ASISA Enterprise and development & South African SME fund

- ASISA invests in the sustainability of local small and medium sized enterprises (SMEs)
- It also supports government's drive for job creation and economic growth
- We have invested in excess of R30.4m in the ASISA fund since February 2015
- We have also invested R2m in the South African SME fund since August 2016



Bursary and Core Graduate Program

- Bursaries of R125 000 each are provided to at least 10 promising students (presently 9 students) every year (100% ACI)
- The graduate program is a 12-month program aimed at bringing young talent into the group
- The programme is in it's sixth year and during 2021 PSG Konsult employed 65 newly qualified graduates (92% of which are ACI candidates)
- The graduate programme develops and nurtures graduates, enabling them to take ownership of decisions and realise their full potential
- It also adds value in terms of achieving business objectives such as transformation, building a talent pipeline and developing future leaders of the business





09 | AGM Voting results



10 | Q&A and closure



END | Thank you