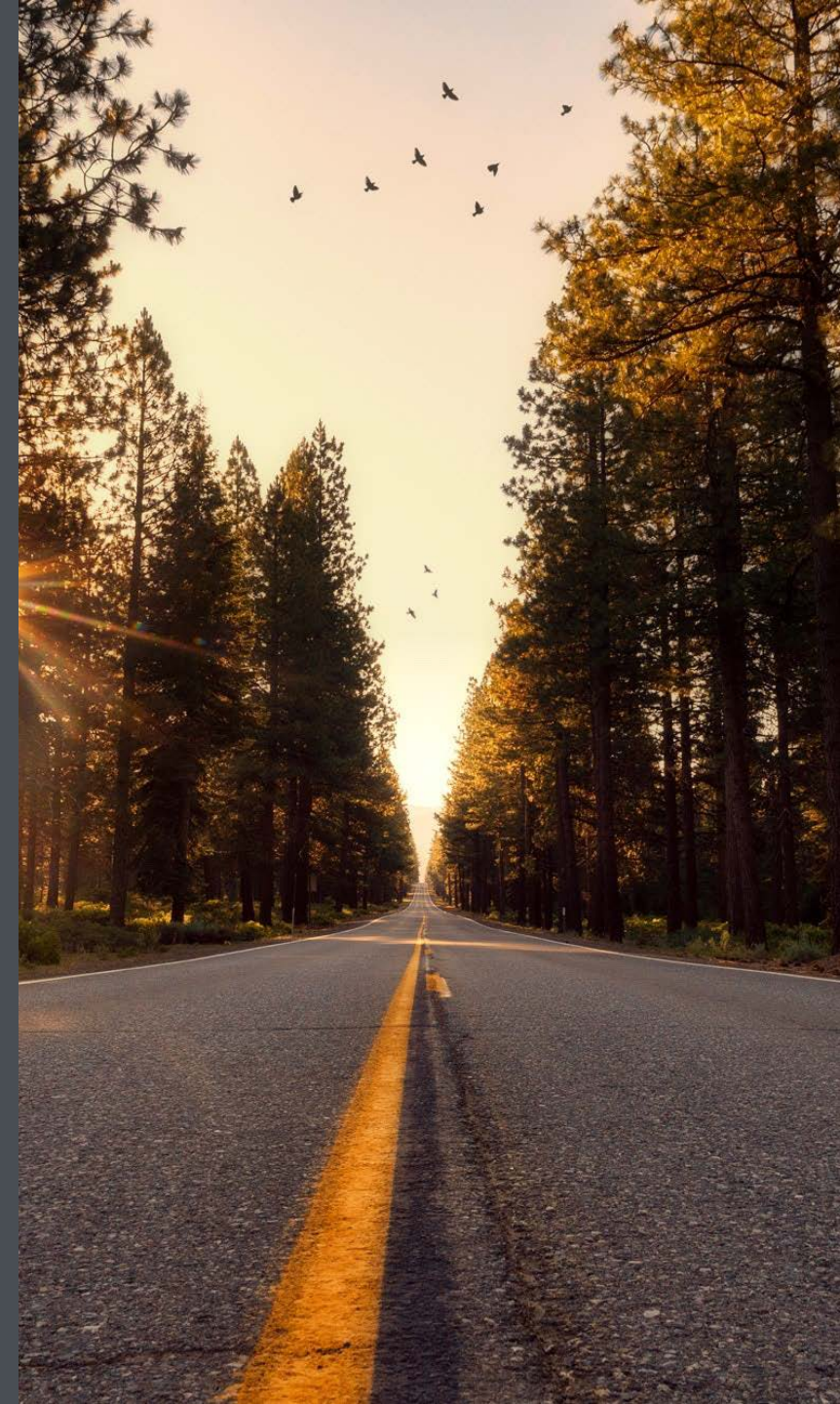




Investor Presentation 2020 Financial Results

For the year ended 29 February 2020



Contents

1. FY 2020: financial results
2. FY 2020: divisional performance
3. 2020: Focus & COVID-19
4. Return and Trading Statistics
5. Conclusion



PSG Structure



* Includes PSG Employee Benefits

** Includes Western National Insurance

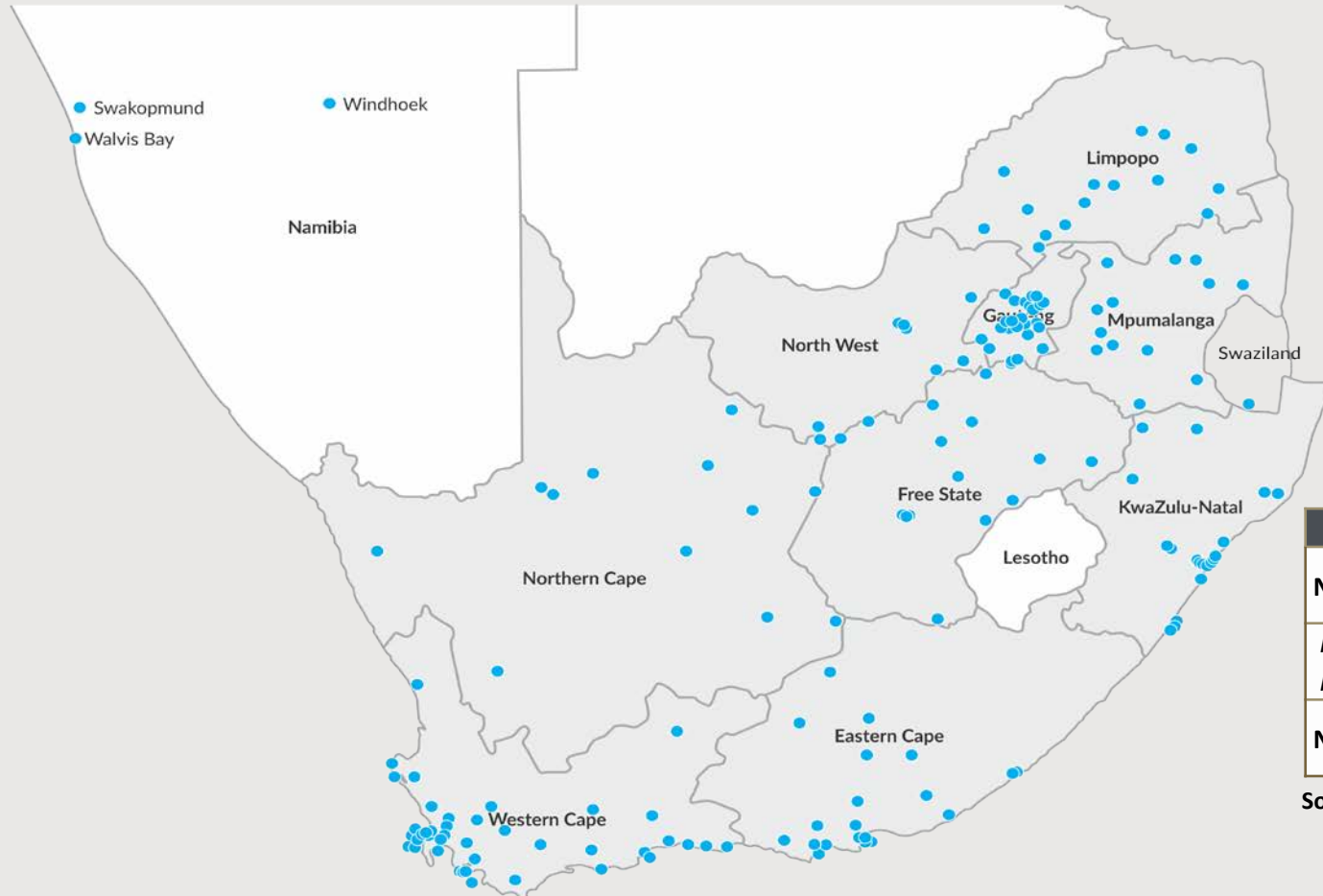
PSG Group's holding net of treasury shares = 60.5%

As at 29 February 2020



A great company

Wealthy clients serviced where they reside



260
Adviser offices



935
Advisers

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
No. of advisers	659	711	744	784	932	935
<i>PSG Wealth</i>	434	480	515	539	546	559
<i>PSG Insure</i>	225	231	229	245	386	376
No. of offices	193	206	208	211	254	260

Source: PSG Distribution



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 2020: financial results

Key macro indicators

Weakening economic environment

Key indicators	FY16	%Δ	FY17	%Δ	FY18	%Δ	FY19	%Δ	FY20	CAGR
Rand / US\$	15.84	-17%	13.13	-10%	11.79	19%	14.09	11%	15.65	0%
S&P 500 (Rand)	30 602	1%	31 033	3%	32 007	23%	39 221	18%	46 247	11%
All Bond Index	480	13%	544	14%	622	4%	649	9%	706	10%
Cash Index - STeFI Call	314	7%	335	7%	358	7%	382	7%	407	7%
FTSE/JSE Index	49 415	4%	51 146	14%	58 325	-4%	56 002	-9%	51 038	1%
SA Property Index	610	5%	640	-12%	562	-12%	492	-26%	363	-12%

Source: Bloomberg



FY 2020 financial results overview

Recurring HEPS grew by 8% for FY20

Consolidated results	FY 2016	%Δ	FY 2017	%Δ	FY 2018	%Δ	FY 2019	%Δ	FY 2020	%CAGR
Headline earnings	292	66%	486	16%	566	7%	604	7%	644	22%
Recurring headline earnings	409	19%	486	16%	566	4%	591	9%	644	12%
Recurring headline earnings (excluding amortisation)	441	20%	528	16%	610	5%	641	9%	700	12%
Weighted ave. no. of shares (millions)	1 274	3%	1 307	1%	1 318	1%	1 325	1%	1 341	1%
HEPS (cents)	22.9	62%	37.2	16%	43.0	6%	45.6	5%	48.1	20%
Recurring HEPS (cents)	32.1	16%	37.2	16%	43.0	4%	44.6	8%	48.1	11%
Recurring HEPS (excluding amortisation) (cents)	34.6	17%	40.4	15%	46.4	5%	48.4	8%	52.2	11%
Assets under management (Rbn)	154	14%	175	17%	205	8%	222	3%	230	10%
Assets under administration (Rbn)	327	13%	371	8%	402	5%	422	-6%	397	5%
Premiums* (Rbn)	2.5	15%	2.9	15%	3.3	36%	4.5	22%	5.5	22%

Source: PSG Finance

* Excludes ST admin 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 2016	%Δ	FY 2017	%Δ	FY 2018	%Δ	FY 2019	%Δ	FY 2020	%CAGR
Wealth	286	1%	287	18%	339	0%	339	11%	376	7%
Asset Management	83	57%	130	20%	156	7%	167	-12%	146	15%
Insure	40	70%	69	4%	71	19%	85	43%	122	32%
Total	409	19%	486	16%	566	4%	591	9%	644	12%

Source : PSG Finance

* All overhead costs are fully allocated



Financial trend

We always look at our 10 year rolling track record

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	CAGR %	FY 2019	FY 2020	YoY Gwth %
AUA (Rbn)	72	97	139	180	233	309	327	371	402	422	397	19%	422	397	-6%
AUM (Rbn)	28	36	51	71	99	133	154	175	205	222	230	24%	222	230	3%
Premiums (Rbn)*	1.5	1.6	1.6	1.6	1.8	2.1	2.5	2.9	3.3	4.5	5.5	14%	4.5	5.5	22%
Core Revenues (Rm)	901	1 018	1 426	1 648	2 349	2 858	3 346	3 789	4 200	4 604	5 069	19%	4 604	5 069	10%
Recurring headline earnings (Rm)	90	92	151	174	251	341	409	486	566	591	644	22%	591	644	9%
Shares in issue (m)**	730	733	1 071	1 209	1 222	1 262	1 277	1 313	1 317	1 337	1 338	6%	1 337	1 338	0%
Recurring HEPS (cents)	12.3	12.5	14.1	15.4	20.6	27.0	32.1	37.2	43.0	44.6	48.1	15%	44.6	48.1	8%
Recurring HEPS (cents) excl. amortisation	14.1	14.8	16.0	17.2	22.3	29.4	34.6	40.4	46.3	48.4	52.2	14%	48.4	52.2	8%
Return on equity (%)	19.6	19.3	26.7	21.1	24.8	26.4	24.8	25.3	24.3	21.5	20.5	N/A	21.5	20.5	N/A
Total advisers	567	597	635	613	618	659	711	744	784	932	935	5%	932	935	0%

Source: PSG Finance

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

10** Excludes treasury shares



02 | FY 2020: divisional performance

Wealth plans

Growing and protecting client wealth

Excellence in
products & services

Top advisers

Superb platform

Wealth assets split (Rm)	Feb-19	Market movement	Net flows	Feb-20	% Growth
PSG Multi Managed *	70 680	3 342	9 459	83 481	18%
Third party funds **	60 374	581	4 479	65 434	8%
Discretionary	43 789	2 356	-1 957	44 188	1%
Total managed assets	174 843	6 279	11 981	193 103	10%
Non discretionary	190 028	-27 756	-4 572	157 700	-17%
Third party administration	9 325	448	-444	9 329	0%
Total wealth assets	374 196	-21 029	6 965	360 132	-4%

Source: PSG Wealth

* Includes PSG single managed funds of R8.4bn for Feb 2019 and R6.9bn for Feb 2020

**Includes PSG advisers single managed funds of R9.8bn for Feb 2019 and R7.5bn for Feb 2020



Wealth

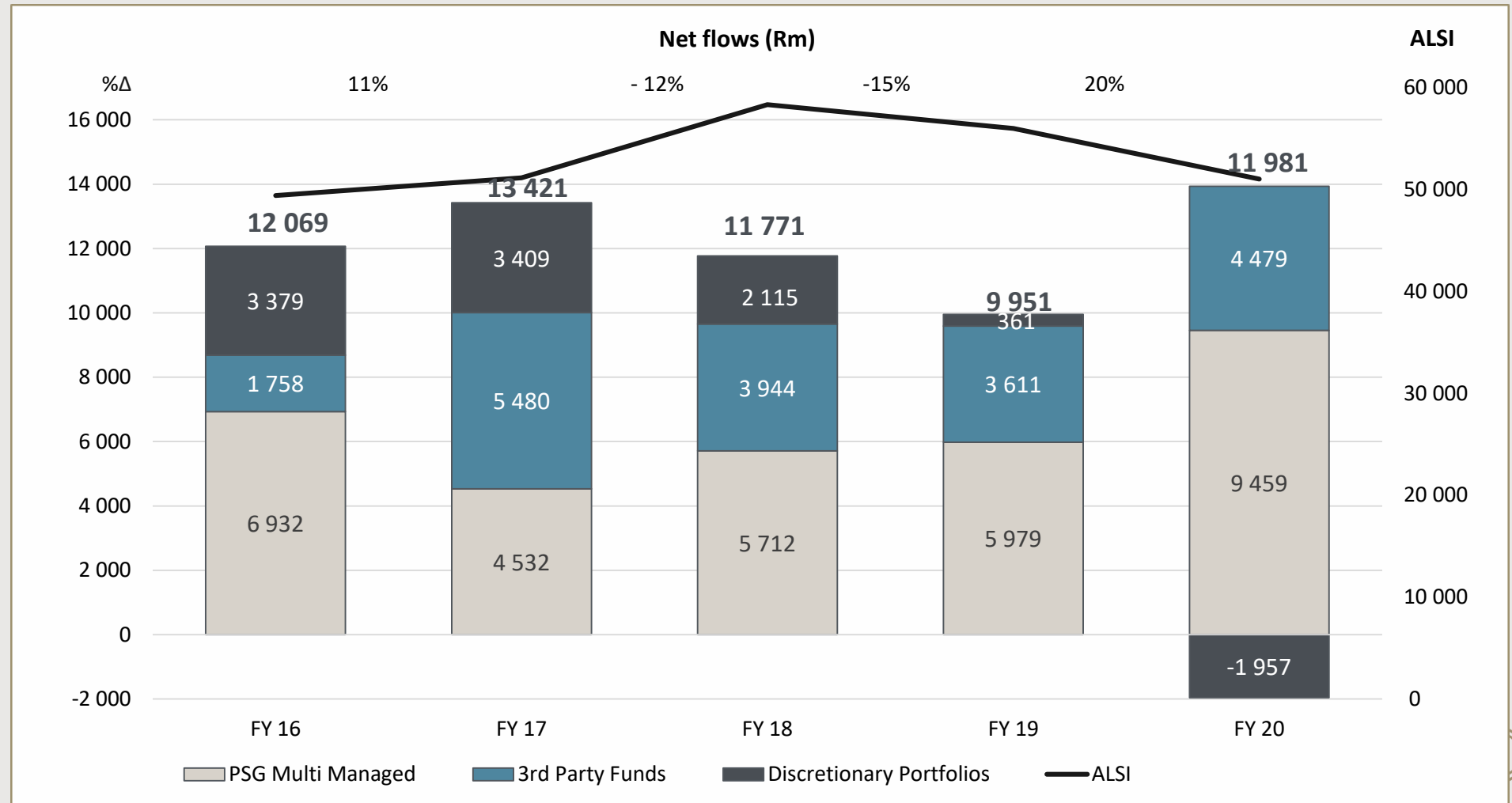
Excellence in products and services

Independent process with advisers' oversight

Rapid growth in advisers

Negotiation with product providers

13



Source: PSG Wealth, Bloomberg

Top advisers

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

Wealth advisers (incl. EB)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Balance – opening	434	480	515	539	546
Net movement	46	35	24	7	13
Balance – closing	480	515	539	546	559
Growth	11%	7%	5%	1%	2%

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-19	Market movement	Net flows	Feb-20	% Growth
PSG Single manager *	42 316	-5 982	-4 031	32 303	-24%
PSG Money market and related assets*	3 432	0	-89	3 343	-3%
PSG Segregated Portfolios***	1 561	-13	-469	1 079	-31%
Total assets under management	47 309	-5 995	-4 589	36 725	-22%
PSG Multi Managed**	70 680	3 342	9 459	83 481	18%
Total AM assets	117 989	-2 653	4 870	120 206	2%

Source: PSG Asset Management

* Includes PSG advisers single managed funds of R9.8bn for Feb 2019 and R7.5bn for Feb 2020

** Includes PSG single managed funds of R8.4bn for Feb 2019 and R6.9bn for Feb 2020

*** Decrease includes a single terminated institutional mandate with PSG Asset Management



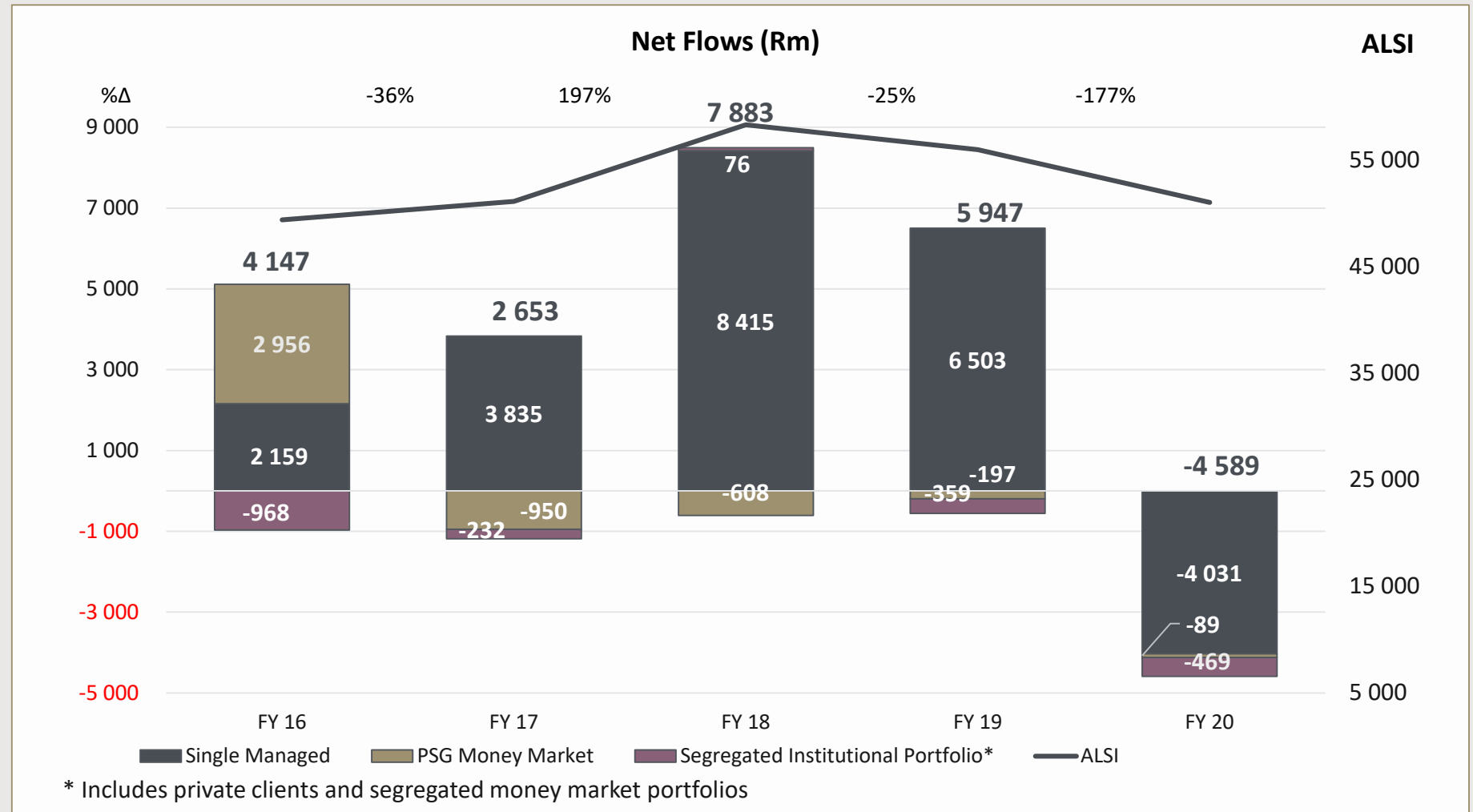
Asset management

'Brick by Brick' strategy

Long-term assets
(retail emphasis)

Getting adequate
margins

Protect our
capacity



Asset management

Solid long-term track record

Single manager funds	Performance	1-year Rank	3-year Rank	5-year Rank	10-year Rank	Rank since inception	Inception date
PSG Flexible	Rank	58	42	25	8	2	01-Nov-04
	Return	-14.61%	-3.05%	1.89%	10.08%	12.88%	
PSG Equity	Rank	157	129	86	19	6	01-Mar-02
	Return	-20.11%	-6.96%	-1.78%	9.29%	14.21%	
PSG Balanced	Rank	195	161	107	25	5	01-Jun-99
	Return	-12.14%	-2.35%	1.53%	8.27%	12.05%	
PSG Stable	Rank	149	124	73		46	13-Sep-11
	Return	-3.76%	2.26%	4.35%	N1	7.30%	

Source: MorningStar February 2020 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



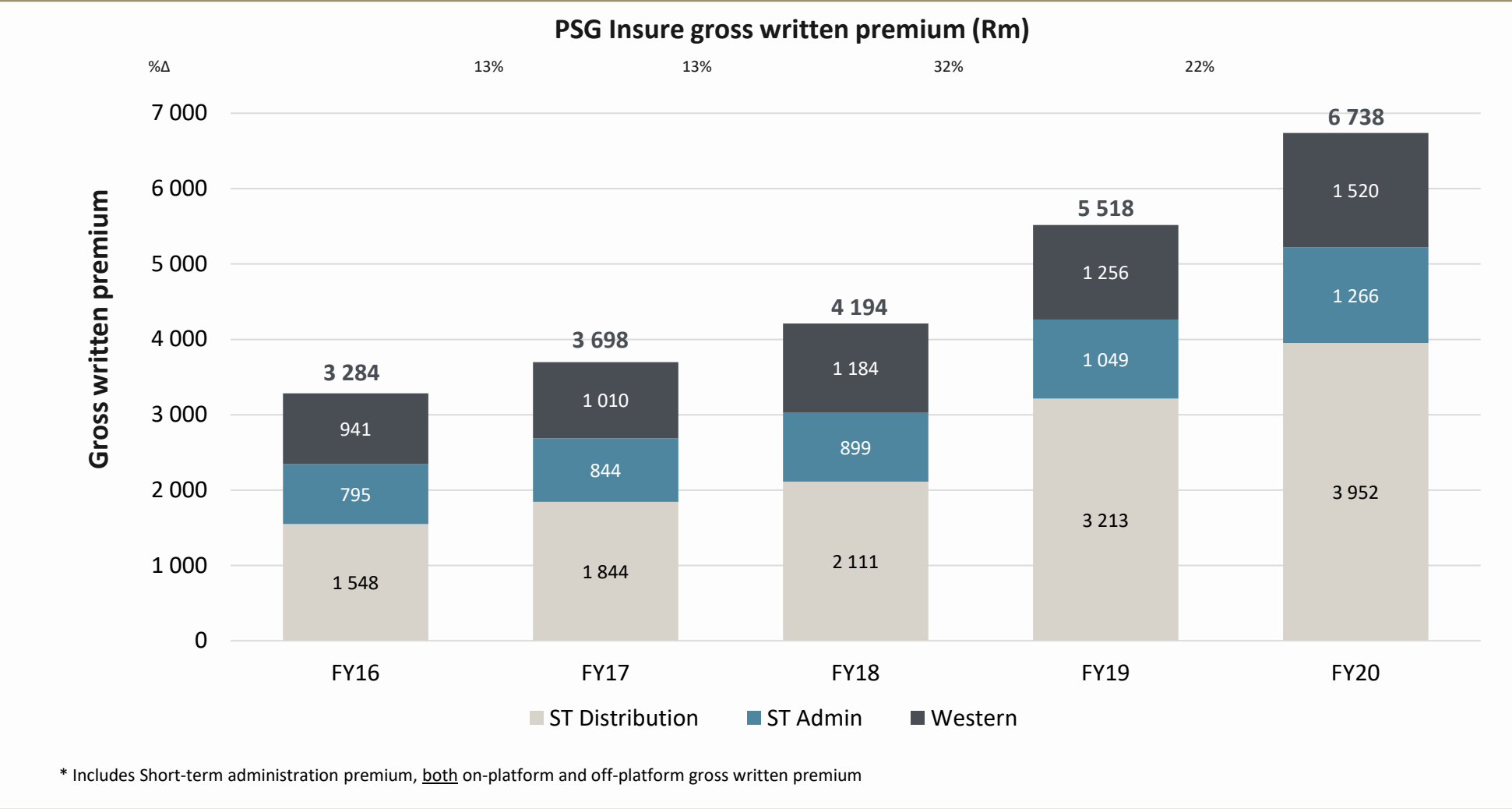
Insure

Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform



Top advisers

We continue to add top advisers to our Insure Distribution business

Insure advisers	FY 2016	FY 2017	FY 2018	FY 2019*	FY 2020
Balance – opening	225	231	229	245	386
Net movement	6	-2	16	141	-10
Balance – closing	231	229	245	386	376
Growth	3%	-1%	7%	58%	-3%

Source: PSG Distribution

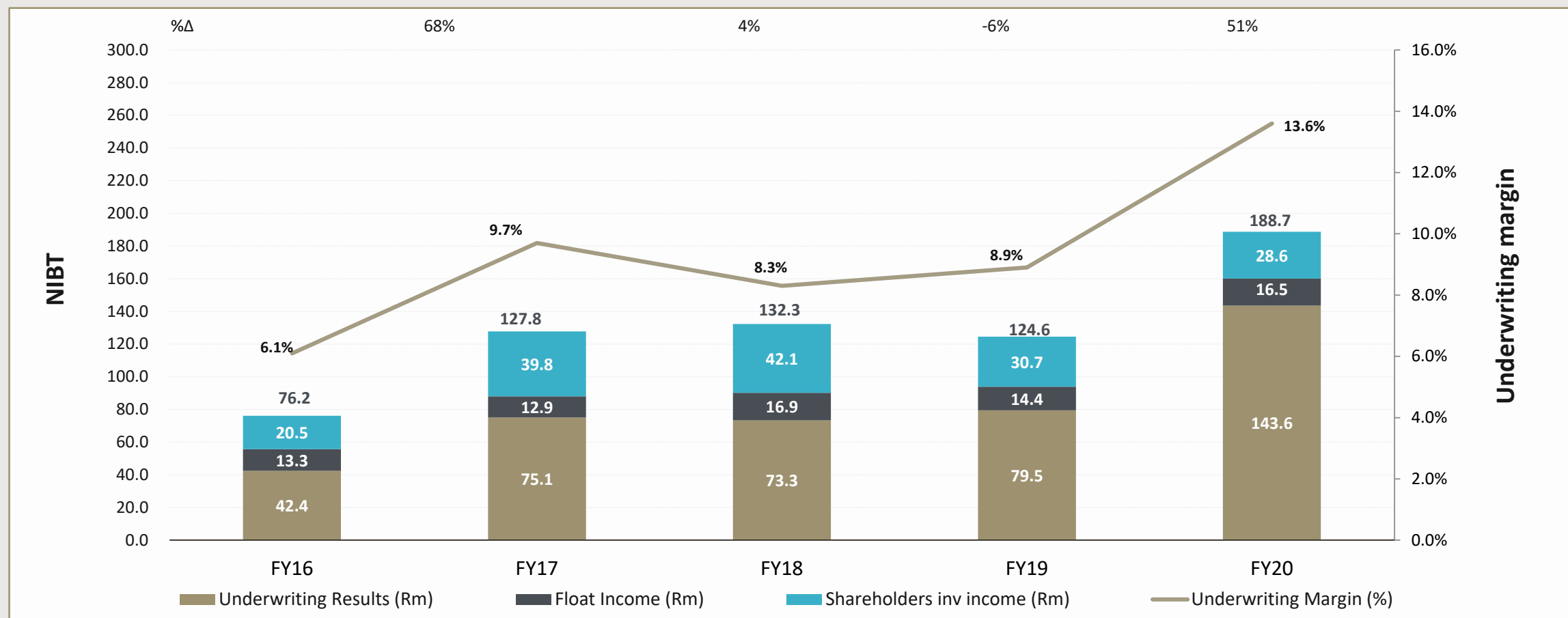
* Acquired all the Commercial and Industrial, and face-to-face Personal lines advisers from ABSA Insurance and Financial Advisers (Pty) Ltd

- 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 Insurance

Net insurance result & shareholders income



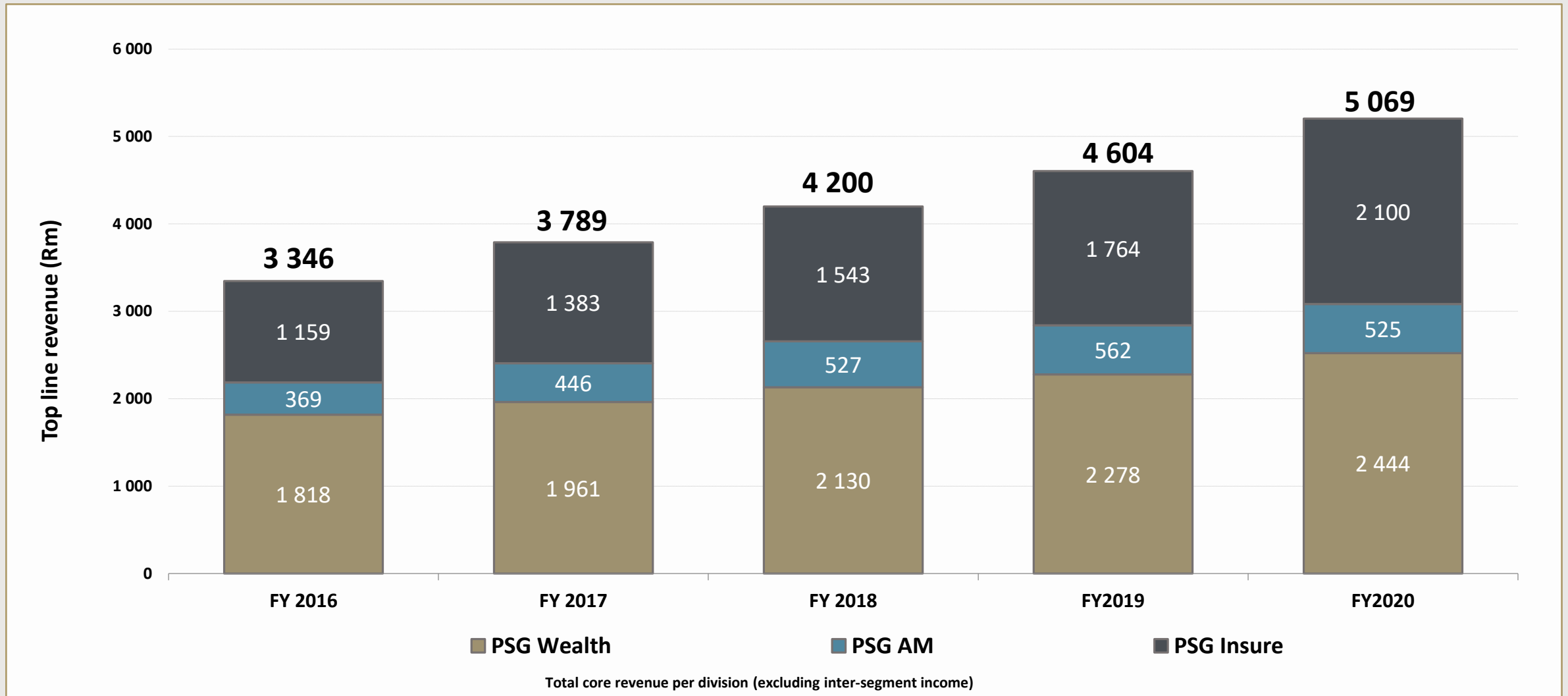
Source: PSG Insure



03 | 2020 Focus & COVID-19

Top line focus

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



Source: PSG Finance

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COVID-19

Resilient robust business model

- First priority ensure staff safety and business continuity for our clients
- PSG Konsult, as an essential service, remains fully operational during this lock down period with overall 99% of staff and advisers working remotely from home
- Strong balance sheet and excellent liquidity
- We take a prudent approach regarding the assets backing our regulatory capital requirements, as such circa 90% of investable shareholder assets are invested in cash and money market type instruments
- Market movement during March 2020 had an impact of less than 1% on investable shareholder assets
- Resilient business model – advisers cover full cost of their own office and staff and a substantial portion of Corporate Staff remuneration is variable
- New Business Opportunities – growing adviser footprint will be easier during current turbulent times but new client inflows will be more challenging



Reducing risk



	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Perf fees / HE*	3.8%	8.8%	8.6%	2.9%	0.0%
Recurring HEPS	32.1c	37.2c	43.0c	44.6c	48.1c

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Op margin	15.2%	15.7%	16.6%	16.4%	16.1%
Op margin (excl perf fees)	14.7%	14.5%	15.1%	16.0%	16.1%
C:I%	59.0%	60.0%	57.2%	58.6%	59.2%

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
ROE*	24.8 ¹	25.3%	24.3%	21.5% ²	20.5%
ROE* (excl perf fees)	24.0 ¹	23.4%	22.2%	20.9% ²	20.5%
Debt : Equity	0.7%	0.2%	4.3%	4.0%	0.0%

Source: PSG Finance

* Based on recurring headline earnings.

¹. FY 16 (Headline ROE: 18.4% and Headline ROE (excl. perf. Fees): 17.6%).

². FY 19 (Headline ROE: 22% and Headline ROE (excl. perf. Fees): 21.4%%)



04 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%
2008/02/28	309 914	526 854	69 012	7%	2%	3 255	248 335	32 529	22%	16%
2009/02/28	327 703	426 014	42 816	(19%)	(38%)	2 032	154 988	15 577	(38%)	(52%)
2010/02/28	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%
2012/02/28	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%
2015/02/28	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%)
		3 771 876					591 116			
CAGR				28%	20%				13%	6%

Source: PSG Finance



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
No. of shares in issue (millions)	733	1 072	1 210	1 222	1 262	1 279	1 322	1 342	1 365	1 357
No. of shares traded (millions)	9.5	14.9	21.2	31.4	61.8	113.9	111.7	91.9	83.5	112
% of shares traded	1.3%	1.4%	1.8%	2.6%	4.9%	8.9%	8.4%	6.8%	6.1%	8.3%
Market capitalisation (Rm)	1 173	2 145	3 447	6 110	9 115	8 800	9 929	11 678	14 659	10 729
Value of shares traded (Rm)	13	24	47	129	429	900	783	767	813	1 070
% of market cap traded	1.1%	1.1%	1.4%	2.1%	4.7%	10.2%	7.9%	6.6%	5.5%	10%

Source: PSG Finance



Conclusion

Business features underpinning our expectations for future success

- Largest independent 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)

