

PSG Konsult delivered a 32% increase in recurring headline earnings per share and a return on equity of 23.8% for the current year. The performance of our key financial metrics, under dynamic trading conditions, demonstrates the competitive advantage and resilience of our advice-led business model with technology at the foundation.

The group's earnings are more than 40% above its most recent pre-COVID results for the year ended 29 February 2020, despite investment in technology and our core staff numbers which increased by 20% and 11% respectively over the past two years. Over the same period, we hired 201 newly qualified graduates (92% of whom are ACI candidates), reflecting a key desire to grow our own talent. Our unwavering commitment to invest in technology and people is consistent with the long-term growth opportunities we see.

PSG Konsult's key financial performance indicators for the year ended 28 February 2022 are shown below.

	28 Feb 2022 R000	Change %	28 Feb 2021 R000
Recurring headline earnings <sup>^</sup>	920 663	31	703 835
Non-recurring item <sup>^^</sup>	-		(7 200)
Headline earnings	920 663	32	696 635
Non-headline items	246		1 055
Earnings attributable to ordinary shareholders	920 909	32	697 690
Divisional recurring headline earnings			
PSG Wealth	510 484	14	447 656
PSG Asset Management	244 265	133	104 940
PSG Insure	165 914	10	151 239
	920 663	31	703 835
Weighted average number of shares in issue (net of treasury shares) (millions)	1 320.5	(1)	1 334.6
Earnings per share (basic) (cents)			
- Recurring headline	69.7	32	52.7
- Headline	69.7	34	52.2
- Attributable	69.7	33	52.3
- Recurring headline (excluding intangible asset amortisation cost)	74.8	30	57.5
Dividend per share (cents)	32.0	31	24.5
- Interim dividend per share	10.0		8.0
- Final dividend per share	22.0		16.5
Return on equity (ROE) (%)	23.8		20.4

### Capital management and dividend declaration

PSG Konsult's capital cover ratio increased to 240% (2021: 213%) based on the latest insurance group return, and comfortably exceeds the minimum regulatory requirement of 100%. The group's long-term credit rating was upgraded by Global Credit Rating Company during July 2021 to A<sup>+</sup><sub>(ZA)</sub>, while the short-term credit rating was affirmed at A1<sub>(ZA)</sub>, with a Stable Outlook.

The increase in the group's capital cover ratio and the credit rating upgrade is testament to the group's strong financial position and excellent liquidity.

PSG Konsult continues to generate strong cash flows which gives us various options to optimise our capital structure and risk adjusted returns to shareholders. The value at risk of our shareholder investable assets is currently at the lower end of our risk tolerance range, with equity exposure below 5%. We continue to monitor investment markets and aim to gradually increase our value at risk exposure to align with our long-term target.

During the year, the group repurchased and cancelled 9.6 million shares at a cost of R110 million.

The board decided to declare a final gross dividend of 22.0 cents per share from income reserves for the year ended 28 February 2022 (2021: 16.5 cents per share), reflecting the group's sound financial position and confidence in its prospects. The group's dividend pay-out ratio remains between 40% to 50% of recurring headline earnings excluding intangible asset amortisation.

### Looking forward

The group remains confident about its strategy and prospects for growth. Our current focus is to shift away from a pandemic mindset while still ensuring that we maintain a safe working environment. This underpins our ability to return to full engagement with clients and enables us to deliver the strong growth that makes our business sustainable. We will continue to monitor local and global events, and the associated impact on the group's clients and other stakeholders.

### Reviewed financial results

This announcement is the responsibility of the directors of the company. It is only a summary of the full announcement and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on the full announcement, which is available through the link in the short-form announcement released on SENS on Wednesday, 13 April 2022. The full announcement is also available on PSG Konsult's website at [www.psg.co.za](http://www.psg.co.za) and electronic copies may be obtained, at no charge, from the company at [company.secretary@psg.co.za](mailto:company.secretary@psg.co.za) and from PSG Capital. The company has based this short-form announcement on the financial results for the year ended 28 February 2022 which have been reviewed by the company's auditor, Deloitte & Touche, who expressed an unmodified review conclusion.

The board extends its appreciation to its stakeholders, including its shareholders, advisers, clients, business partners, management and employees for their continued support and commitment during the past year.

On behalf of the board



Willem Theron  
Chairman

Tyger Valley  
13 April 2022



Francois Gouws  
Chief executive officer

<sup>^</sup>32%  
69.7 cents

RECURRING HEADLINE  
EARNINGS PER SHARE

2021: 52.7 cents  
2020: 48.1 cents

<sup>^</sup>30%  
74.8 cents

RECURRING HEADLINE  
EARNINGS PER SHARE  
(EXCLUDING INTANGIBLE  
ASSET AMORTISATION)

2021: 57.5 cents  
2020: 52.2 cents

<sup>^</sup>31%  
32.0 cents

DIVIDEND PER SHARE

2021: 24.5 cents  
2020: 22.5 cents

<sup>^</sup>17%  
R315 bn

TOTAL ASSETS UNDER  
MANAGEMENT

2021: R268 bn  
2020: R230 bn

<sup>^</sup>3%  
R5.69 bn

GROSS WRITTEN  
PREMIUM

2021: R5.51 bn  
2020: R5.47 bn

<sup>^</sup> Performance fees earned during the year constituted 10.6% of headline earnings of the group, in comparison to 0.6% of headline earnings in the prior year.

<sup>^^</sup> The prior year non-recurring item relates to a R10.0 million (R7.2 million net of tax) donation to the South African Solidarity Fund in April 2020.

**Non-executive directors:** W Theron (Chairman), PJ Mouton, J de V du Toit<sup>^</sup>, PE Burton<sup>\*</sup>, ZL Combi<sup>\*</sup>, ZRP Matsau<sup>\*</sup>, AH Sangqu<sup>\*</sup>, TC Isaacs<sup>\*</sup> (<sup>^</sup> Lead independent; <sup>\*</sup> Independent)  
**Executive directors:** FJ Gouws (Chief executive officer), MIF Smith (Chief financial officer)  
**Company secretary:** PSG Management Services Proprietary Limited  
**PSG Konsult head office and registered office:** 4th Floor, The Edge, 3 Howick Close, Tyger Waterfront, Tyger Valley, Bellville, 7530; PO Box 3335, Tyger Valley, Bellville, 7536

**Transfer secretary:** Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196; Private Bag X9000, Saxonwold, 2132  
**Listings:** Johannesburg Stock Exchange (JSE), Namibian Stock Exchange (NSX), Stock Exchange of Mauritius (SEM) **JSE sponsor:** PSG Capital Proprietary Limited  
**Independent Joint JSE Sponsor:** Tamela Holdings Proprietary Limited **NSX sponsor:** PSG Wealth Management (Namibia) Proprietary Limited **SEM sponsor:** Perigeum Capital Ltd **JSE share code:** KST **NSX share code:** KFS **SEM share code:** PSGK.N0000

**ISIN code:** ZAE000191417 **LEI:** 378900ECF3D86FD28194  
**Auditor:** Deloitte & Touche  
**PSG Konsult Limited** (Incorporated in the Republic of South Africa)  
(<sup>^</sup>PSG Konsult<sup>^</sup> or <sup>^</sup>the company<sup>^</sup> or <sup>^</sup>the group<sup>^</sup>)  
**Registration number:** 1993/003941/06

[www.psg.co.za](http://www.psg.co.za)