



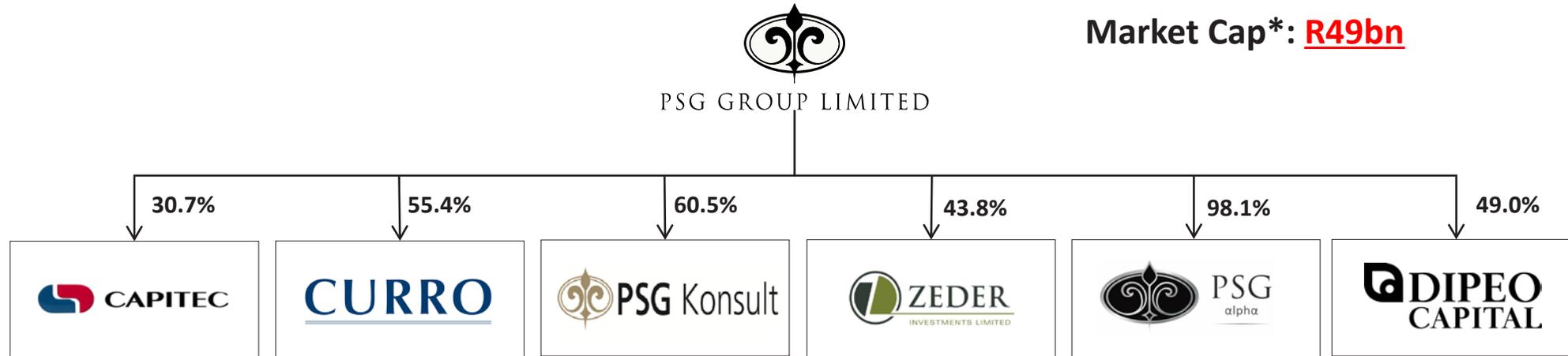
PSG GROUP LIMITED

**31 AUGUST 2019
INTERIM RESULTS
PRESENTATION**

Piet Mouton

PSG Group CEO

Group structure



* Market capitalisation as at 11 October 2019



PSG GROUP LIMITED

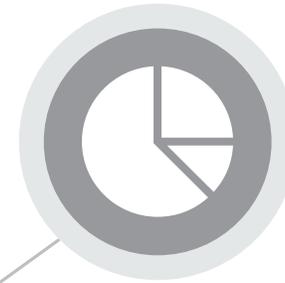
Summary

- Tough South African economic climate
- Excellent financial performance by Capitec
- Solid results from PSG Konsult and Curro, although negatively affected by prevailing conditions
- Most of PSG Alpha's "growth" companies are behind on their internal targets
- PSG Group's share price discount to its sum-of-the-parts (SOTP) value per share has widened
- Pioneer Foods deal will create significant cash liquidity for Zeder and PSG Group
- Our group companies continue to invest, and are suitably positioned to capitalise on an improvement in trading conditions



Our investment philosophy - early-stage investing

- *High-growth companies should have stronger balance sheets and make limited use of debt*
- *Management cannot simultaneously focus on high-growth (J-curve) investment opportunities and servicing debt:*
 - › *Loss of focus and conservatism*
- *Window to capture the market*



New investments should be in large markets:

- › Banking
- › Energy
- › Education

If successful, the returns should be substantial



Large inefficient incumbents:

- › “Free” services
(Education and Energy)

Fragmented:

- › IFAs
- › Retirement villages



Best management teams:

- › Think different

Best operating models:

- › Service
- › Pricing
- › Experience



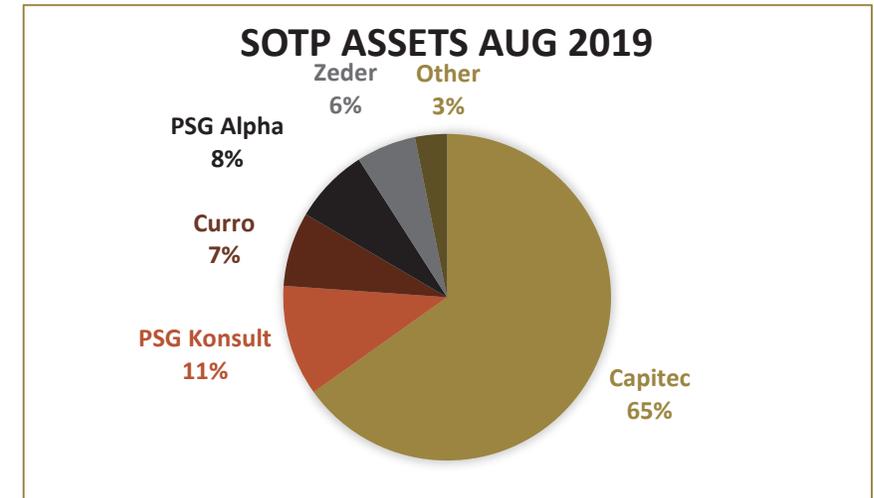
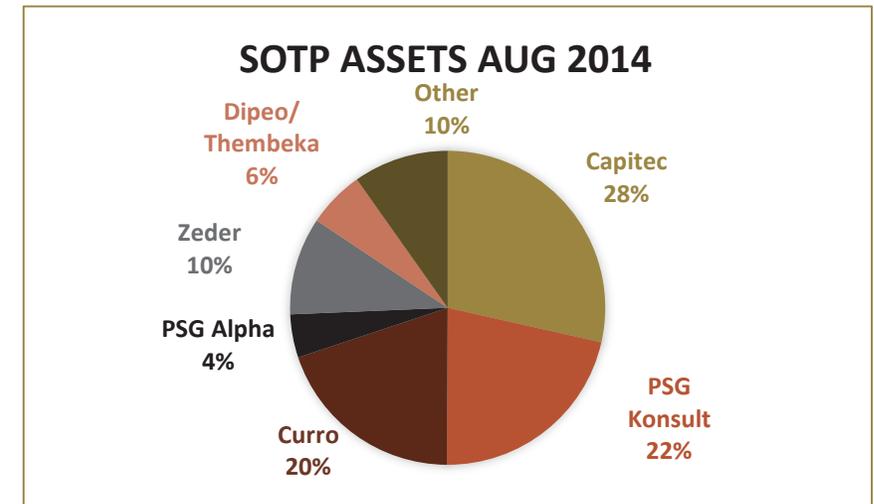
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Sum-of-the-parts (SOTP)

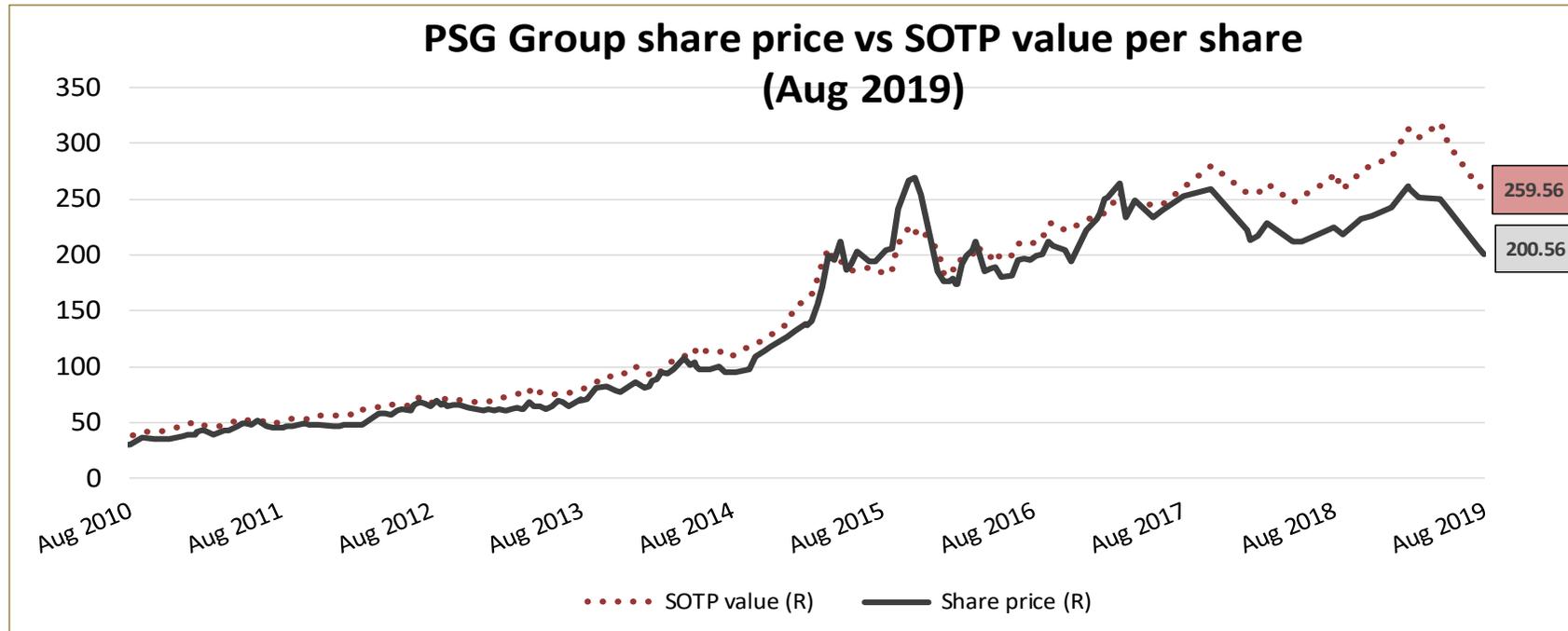
Asset / (liability)	Aug 14 Rm	Aug 18 Rm	Aug 19 Rm	Five year CAGR [^]
Capitec*	6,912	35,582	38,852	39%
PSG Konsult*	5,219	7,858	6,553	4%
Curro* (Incl. Stadio until unbundling in Oct 2017)	4,795	7,303	4,391	(6%)
PSG Alpha (Incl. Stadio since unbundling in Oct 2017)	1,078	4,961	4,427	19%
Stadio*		1,548	917	
Other investments**	1,078	3,413	3,510	
Zeder*	2,435	3,727	3,517	(4%)
Dipeo**		255		
Thembeka**	1,415			
Other assets	2,367	2,143	1,880	
Cash^	843	531	266	
Pref investments and loans receivable^	761	1,563	1,521	
PSG Corporate**	600			
Other^	163	49	93	
Total assets	24,221	61,829	59,620	
Perpetual pref funding*	(1,447)	(1,289)	(1,437)	
Other debt^	(624)	(1,020)	(1,532)	
Total SOTP value	22,150	59,520	56,651	
Shares in issue (net of treasury shares) (m)	202.3	218.1	218.3	
SOTP value per share (R)	109.52	272.94	259.56	19%
Share price (R)	93.28	225.04	200.56	17%

* Listed on the JSE Ltd ** SOTP value ** Valuation
 ^ Carrying value ^^ Based on share price/SOTP value per share

Note: PSG's live SOTP containing further information is available at www.psggroup.co.za



PSG Group share price vs SOTP value per share



Discount

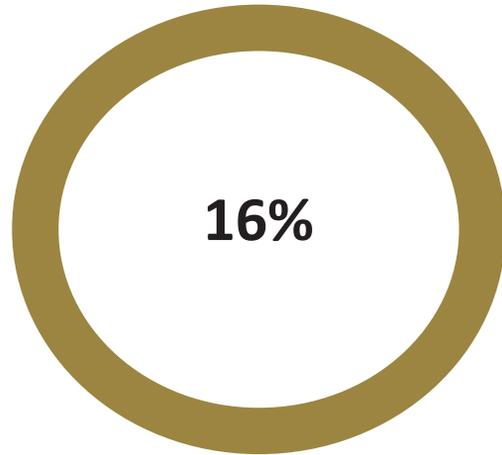
Latest *discount* ~23%
12-month average *discount* ~18%

Liquidity (per annum)	
Aug 2019	47%
Feb 2019	47%
Feb 2018	69%
Feb 2017	30%
Feb 2016	50%
Feb 2015	17%
Feb 2014	10%

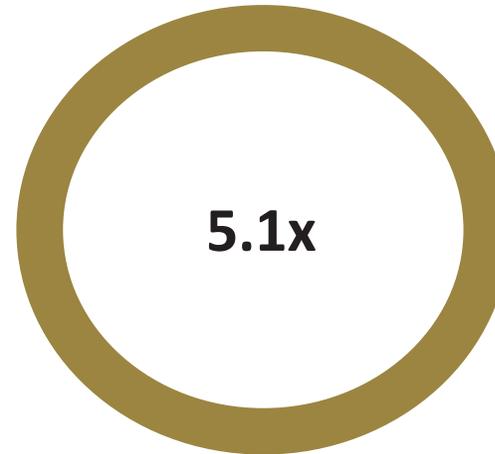


Gearing and interest cover - 31 Aug 2019

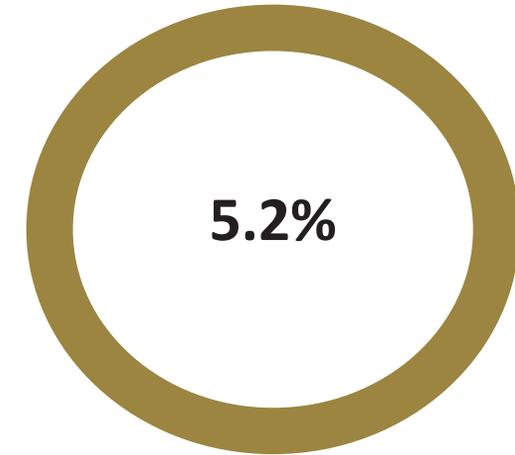
Gearing* (based on consolidated B/S NAV)



Interest cover**



Gearing* (based on SOTP value)



**Incl. perpetual pref funding at MV*

***Calculated using free cash flow*

- › PSG Group is conservatively geared
- › Has significant capacity for further debt if needed



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Recurring earnings

	Aug 2018 Rm	<i>Change</i>	Aug 2019 Rm	Feb 2019 Rm
Capitec	756		904	1,625
PSG Konsult	174		188	361
PSG Alpha	76		152	216
Curro	77		84	137
Zeder	73		27	207
Dipeo	(31)		(21)	(29)
PSG Corporate	(25)		(27)	(45)
Other (<i>mainly pref div income</i>)	82		70	84
Recurring earnings before funding	<u>1,182</u>	16%	1,377	2,556
Funding (<i>net of interest income</i>)	<u>(96)</u>		(103)	(199)
Recurring earnings	<u>1,086</u>	17%	1,274	2,357



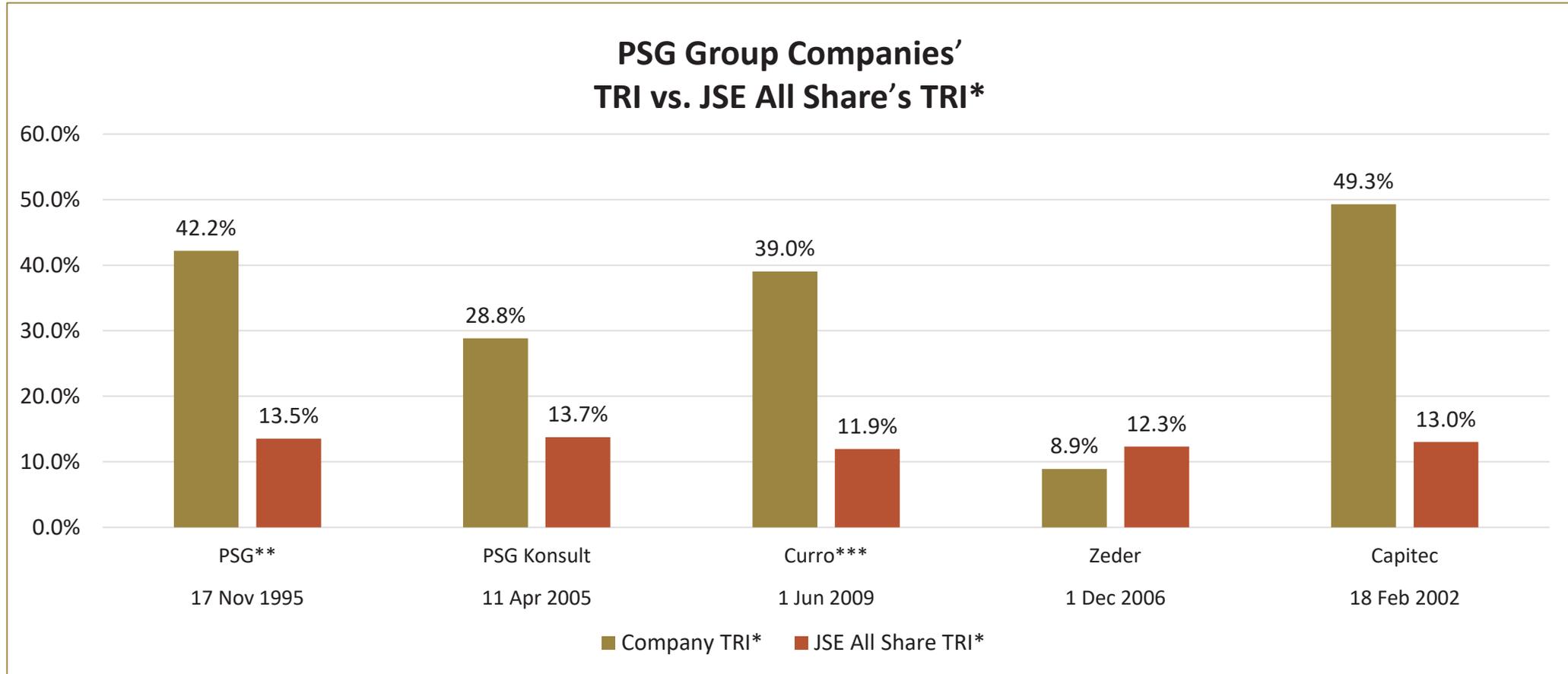
Earnings and dividend per share

	Aug 2018	<i>Change</i>	Aug 2019	Feb 2019
	Rm		Rm	Rm
Recurring earnings	1,086	17%	1,274	2,357
Non-recurring items	10		(35)	(163)
Headline earnings	1,096	13%	1,239	2,194
Non-headline items	19		156	(268)
Attributable earnings	1,115	25%	1,395	1,926
Earnings per share (R)				
- Recurring	5.03	16%	5.84	10.86
- Headline	5.07	12%	5.68	10.11
- Attributable	5.16	24%	6.39	8.88
Dividend per share (R)	1.52	8%	1.64	4.56

- Headline earnings per share increased by a lower margin than recurring earnings per share mainly due to a fair value gain recognised in the prior corresponding period by Zeder on its investment in Joy Wing Mau, which was subsequently disposed of.
- Attributable earnings per share increased by a higher margin than recurring earnings and headline earnings per share mainly due to Zeder's non-headline reversal of an impairment loss recognised in respect of its investment in Pioneer Foods at 28 February 2019.



Total return index (TRI) - 31 Aug 2019



*Measured since the respective dates noted until 31 Aug 2019

**Capitec unbundling in November 2003 treated as a dividend

***Stadio unbundling in October 2017 treated as if Curro shareholders retained such Stadio shares received



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Benchmarking TRI in Rand - 31 Aug 2019

TRI

Company	1-year*	3-year*	5-year*
PSG Group	(10%)	4%	18%
Capitec	10%	25%	41%
Curro	(51%)	(23%)	(4%)
PSG Konsult	(15%)	6%	6%
Zeder	(4%)	(10%)	(3%)
Pioneer Foods	4%	(14%)	1%
JSE Alsi	(2%)	5%	5%

*CAGR

Ranking

Company	1-year	3-year	5-year
PSG Group	5	4	2
Capitec	1	1	1
Curro	7	7	7
PSG Konsult	6	2	3
Zeder	4	5	6
Pioneer Foods	2	6	5
JSE Alsi	3	3	4



Benchmarking TRI in USD - 31 Aug 2019

TRI

Company	1-year*	3-year*	5-year*
PSG Group	(13%)	3%	10%
Capitec	7%	24%	31%
Curro	(53%)	(23%)	(10%)
PSG Konsult	(18%)	5%	(1%)
Zeder	(7%)	(11%)	(9%)
Pioneer Foods	(1%)	(14%)	(6%)
MSCI EM	(4%)	6%	1%

*CAGR

Ranking

Company	1-year	3-year	5-year
PSG Group	5	4	2
Capitec	1	1	1
Curro	7	7	7
PSG Konsult	6	3	4
Zeder	4	5	6
Pioneer Foods	2	6	5
MSCI EM	3	2	3



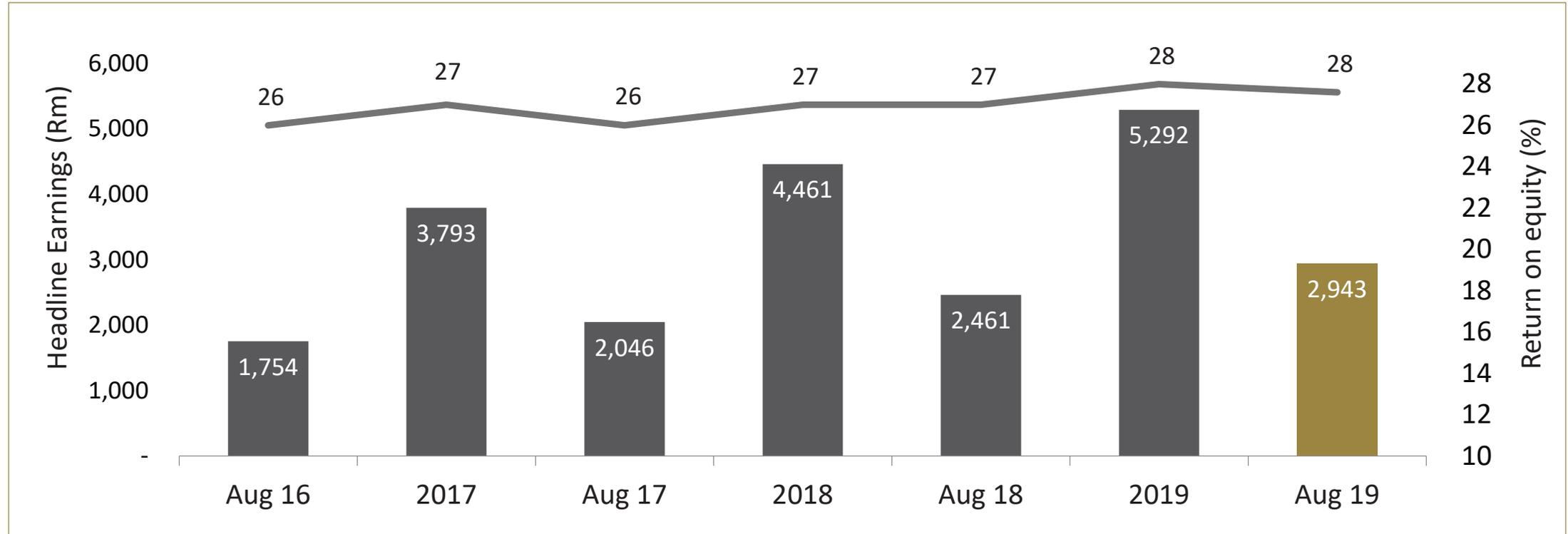


CAPITEC



PSG GROUP LIMITED

Key performance indicators - Headline Earnings



- HEPS increased by 20%



Capitec landscape - Expanding footprint and client service

- Branch network
 - › 834 active branches
 - › 122 with 'branch-of-the-future' layout
 - Cashiers replaced by Dual Note Recycler (DNR) ATMs (up to 4 per branch)
 - Increased number of workstations
 - › 21 new branch openings planned
- ATM & DNRs
 - › 2,199 owned (up by 11%)
 - › 3,110 in partnership with Spark (up by 6%)
- People employed
 - › 13,923 (2% increase year-on-year)
 - › Planning to appoint a further ±600 people by Feb 2020
 - › 496 bursaries (327 active and 169 new)
 - › 3,016 employees trained to date

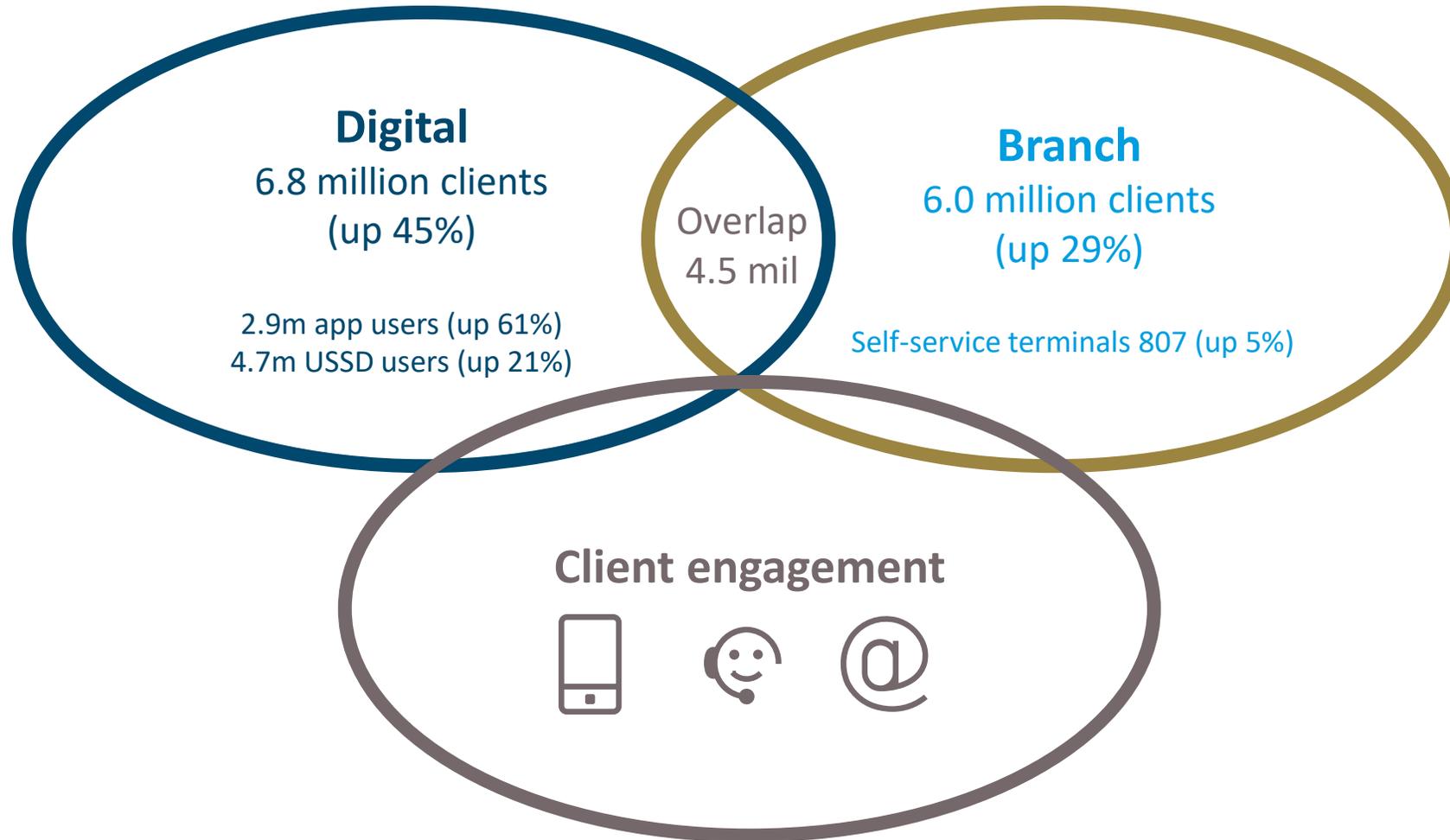


Banking - Active clients up by 20% to 12.6 million

- Acquiring on average 200,000 new clients per month since Jan 2019
- Banking clients with stable inflows, remote banking, card purchases and debit orders
 - › 3.5 million (up by 15%)
 - › More than 104,000 new banking clients in Aug 2019
- Credit clients
 - › 1.1 million in good standing (up by 6%)
- Savings clients
 - › 4.7 million (up by 21%)
 - › Clients with at least one flexible- or fixed-term savings plan with a positive balance



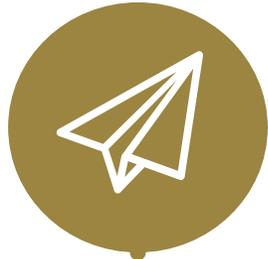
Banking - Omni-channel approach to client service



Banking - Changing behavior from cash to card (% cash)

Average inflows	% Cash vs Card - Value		% Cash vs Card - Volume	
	Aug 18	Aug 19	Aug 18	Aug 19
R1 - R2,999	70	68	45	41
R3,000 - R7,499	73	71	43	40
R7,500 - R14,999	66	64	36	33
R15,000 - R29,999	56	53	28	26
> R30,000	46	43	22	21
Grand Total	64	62	37	35





Funeral Plan Launched

Launched the funeral cover on 21 May 2018



Record sales in June and July

Over 100,000 policies sold in June and July 2019



Impact of the Funeral Plan

Over 1 million policies sold with a collection rate of 79%

Power of Branches

- › 85% policies sold in Branches
- › 15% policies sold through the App

Key Benefits for Clients

- › Up to R100,000 funeral cover
- › Up to 21 dependents
- › Double accidental death benefit
- › No automatic annual premium increases
- › Voluntary policy pause
- › New-born premium waiver
- › Managed through the App



Purpose of unsecured lending (internal data)	%
Home and home improvements	61.1
Debt consolidation	12.6
Furniture	3.9
Education	1.7
Family	0.1
Subtotal	79.4
Other/consumption	20.6
Total	100.0



South African landscape - Focus on growth

	1996	2018	Change (%)
Number of households ⁽¹⁾ ('000)	9,060	16,671	84.0
Housing - Formal ⁽¹⁾ ('000)	5,794	13,522	> 100.0
- Informal ⁽¹⁾ ('000)	1,453	2,184	50.3
- Traditional ⁽¹⁾ ('000)	1,644	831	(49.5)
Average number of people in household ⁽¹⁾	4.5	3.4	(23.4)
Number of mortgages (2008Q1 versus 2019Q1) ⁽²⁾ ⁽³⁾ ('000)	1,814	1,700	(7.3)
Access to piped water ⁽¹⁾ ('000)	7,234	14,838	> 100.0
Use of electricity for lighting ⁽¹⁾ ('000)	5,222	15,697	> 100.0

Source:

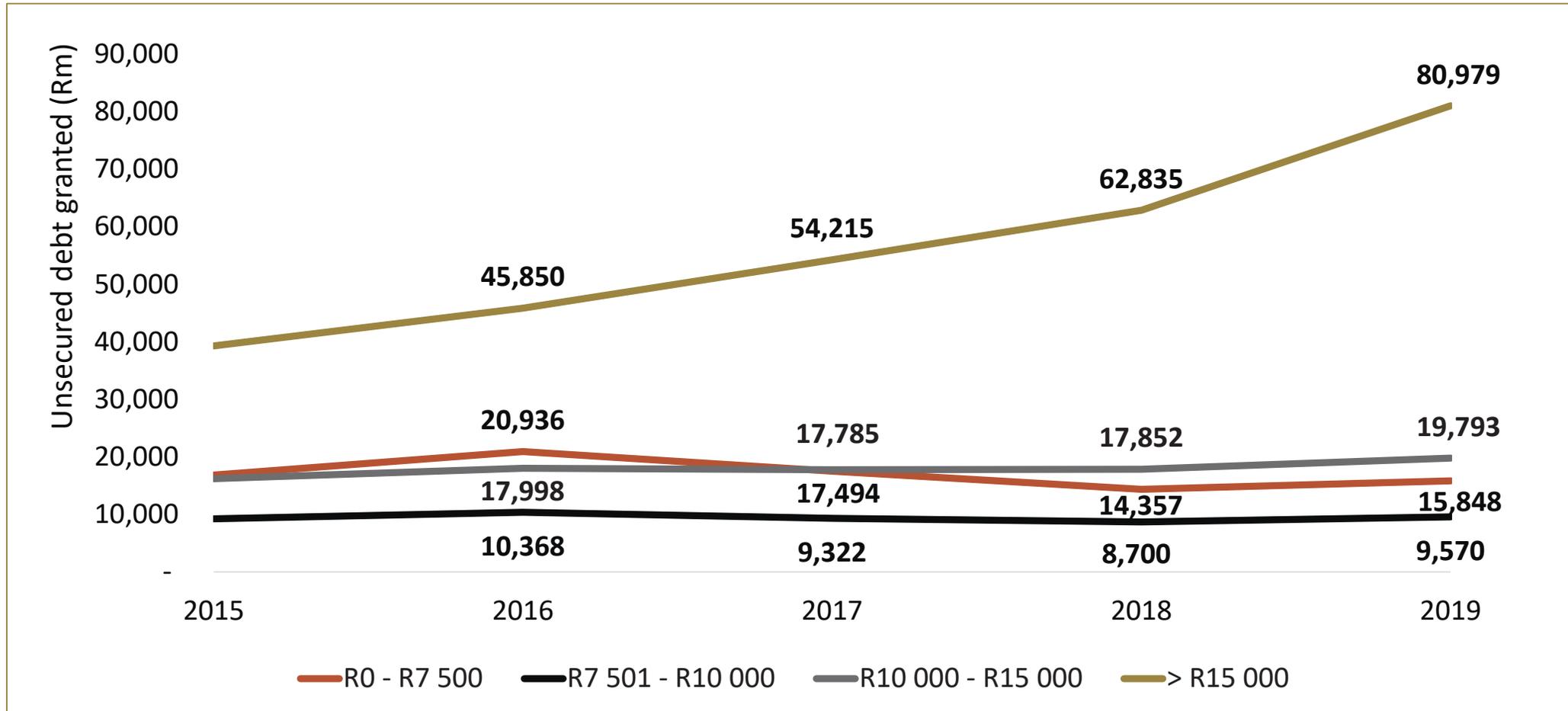
(1) CRA, Socio-Economic Survey, 2019

(2) NCR report – 2008 Q1

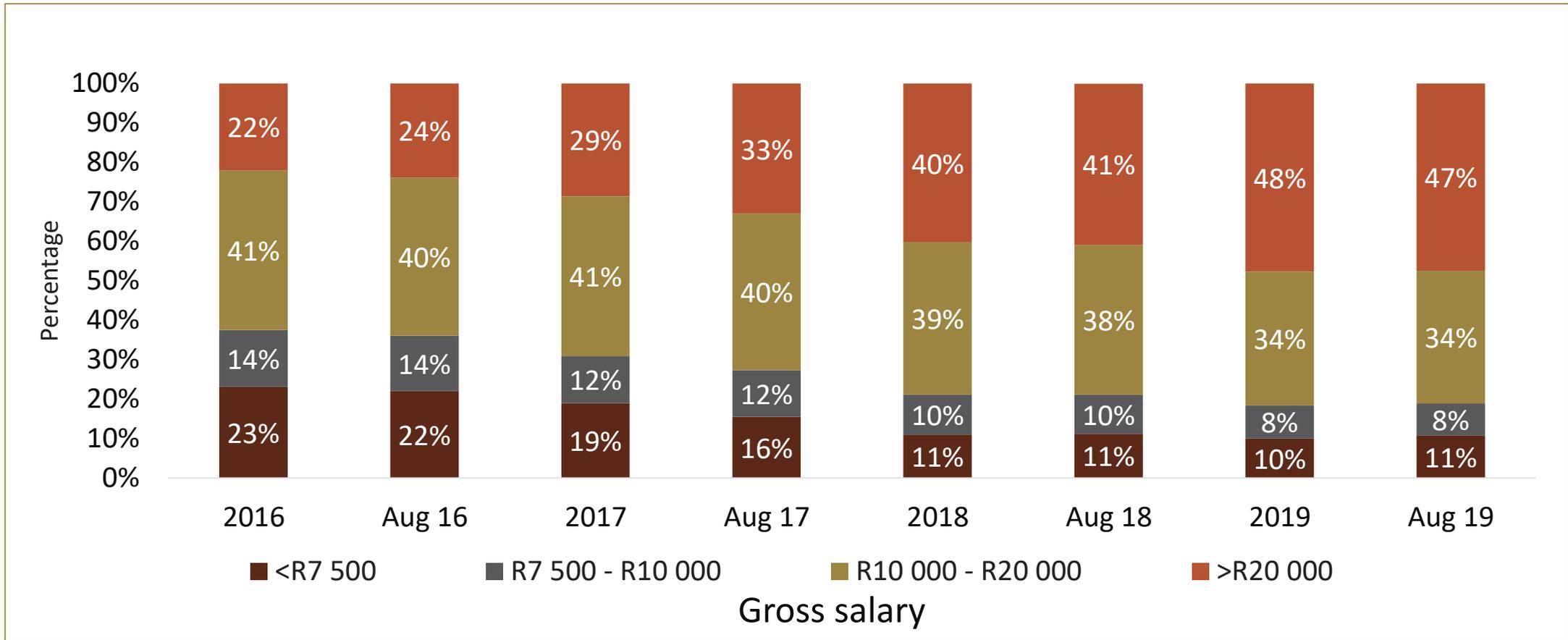
(3) NCR report – 2019 Q1



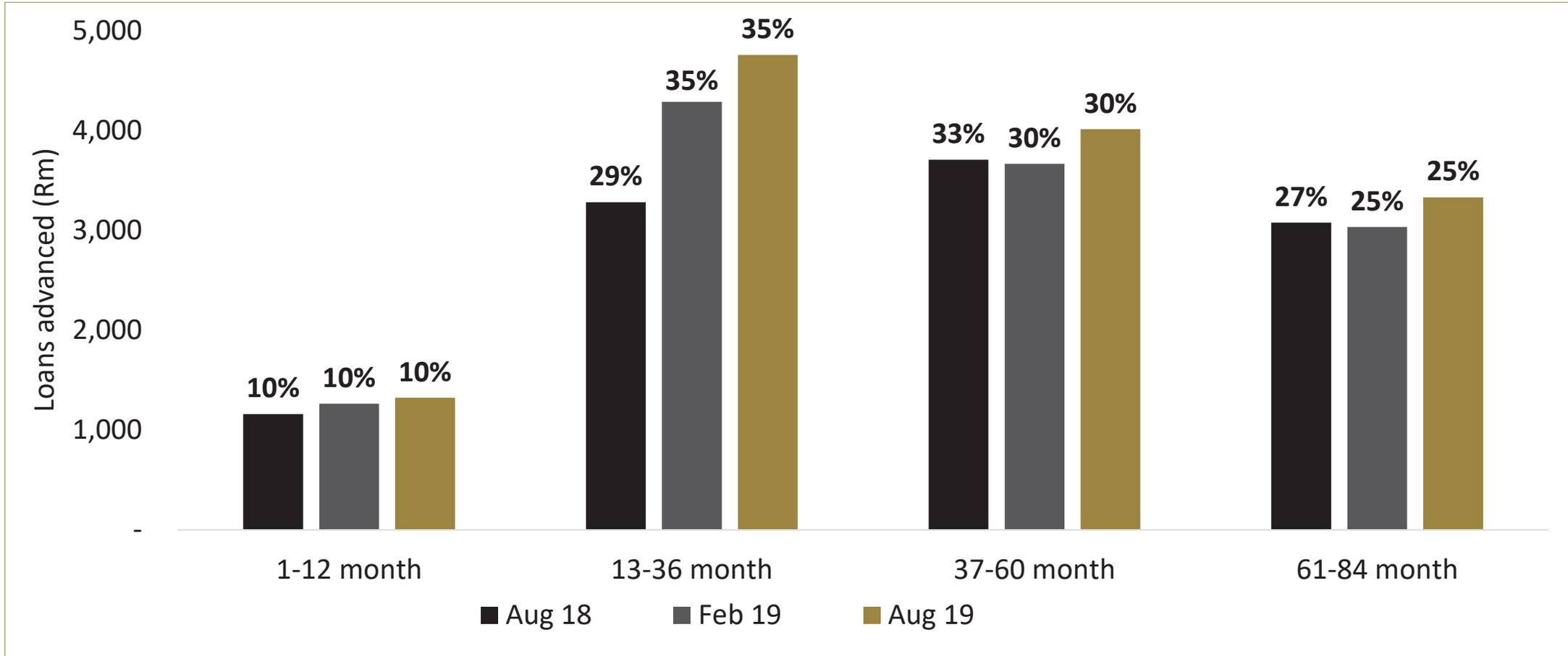
Credit market: NCR - Unsecured credit granted per income band



Credit - Term loans: Focus on higher income market (loans granted)



Credit - Term loans: Focus on longer-term loans

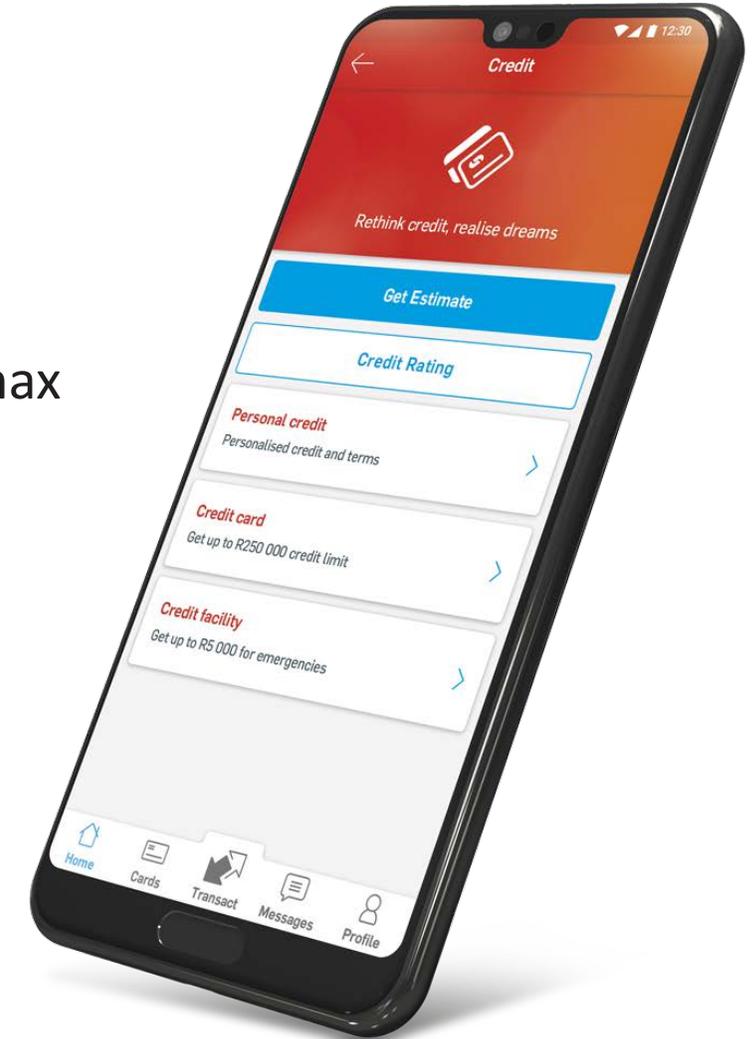


* Percentages are calculated based on total loans advanced



Credit - Term loans: Continued focus on reducing cost of credit

- Term Loan
 - › Average interest rate down from 24.4% to 23.6%
 - › 58.5% of sales over shorter period or at lower value than max (Aug 18: 50.9%; Feb 19: 56%)



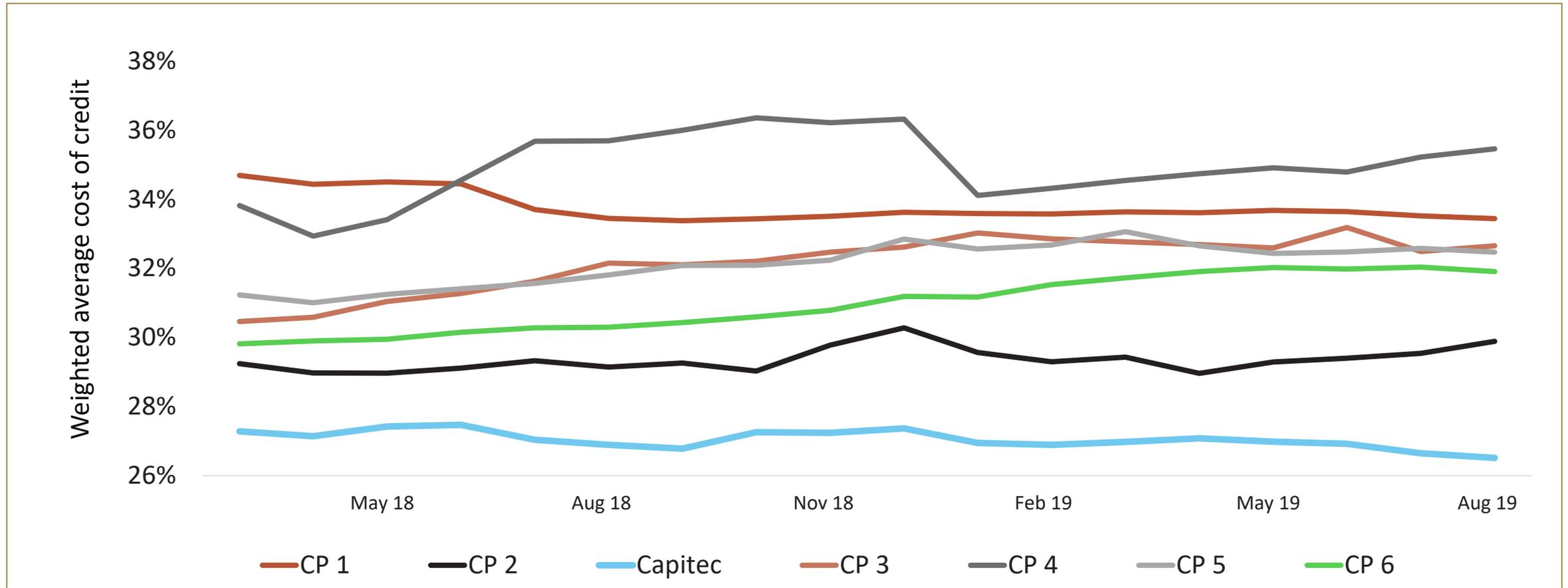
Credit - Term loans: Loan book clients' cash availability

Total book cash availability*	Feb 18 (%)	Aug 18 (%)	Feb 19 (%)	Aug 19 (%)
More than 40% cash available	75	81	77	83
Between 39% and 21% cash available	14	11	13	10
Cash stress less than 20% cash available	8	5	7	5
No inflow	3	3	3	2

*Clients where loan instalment collection account is the Global One



Credit - Term loans: Competitive pricing vs major unsecured credit providers



Source: Compuscan



Credit: Credit card - Credit card book

	Feb 18	Aug 18	Feb 19	Aug 19
Active credit card clients	274,024	360,778	445,205	516,223
Size of performing book (Rm)	2,014	2,659	3,382	4,189
% New credit clients	22.5%	24.0%	26.3%	28.5%
Maximum limit	R80,000	R150,000	R150,000	R250,000 ⁽²⁾
Minimum interest rate	14.5%	10.0%	10.25%	10.0%
Market share – balances on book ⁽¹⁾	1.9%	2.4%	3.1%	3.5% (Jul 19)

⁽¹⁾ Source: BA 900 returns

⁽²⁾ Increased limit introduced on 18 August 2019

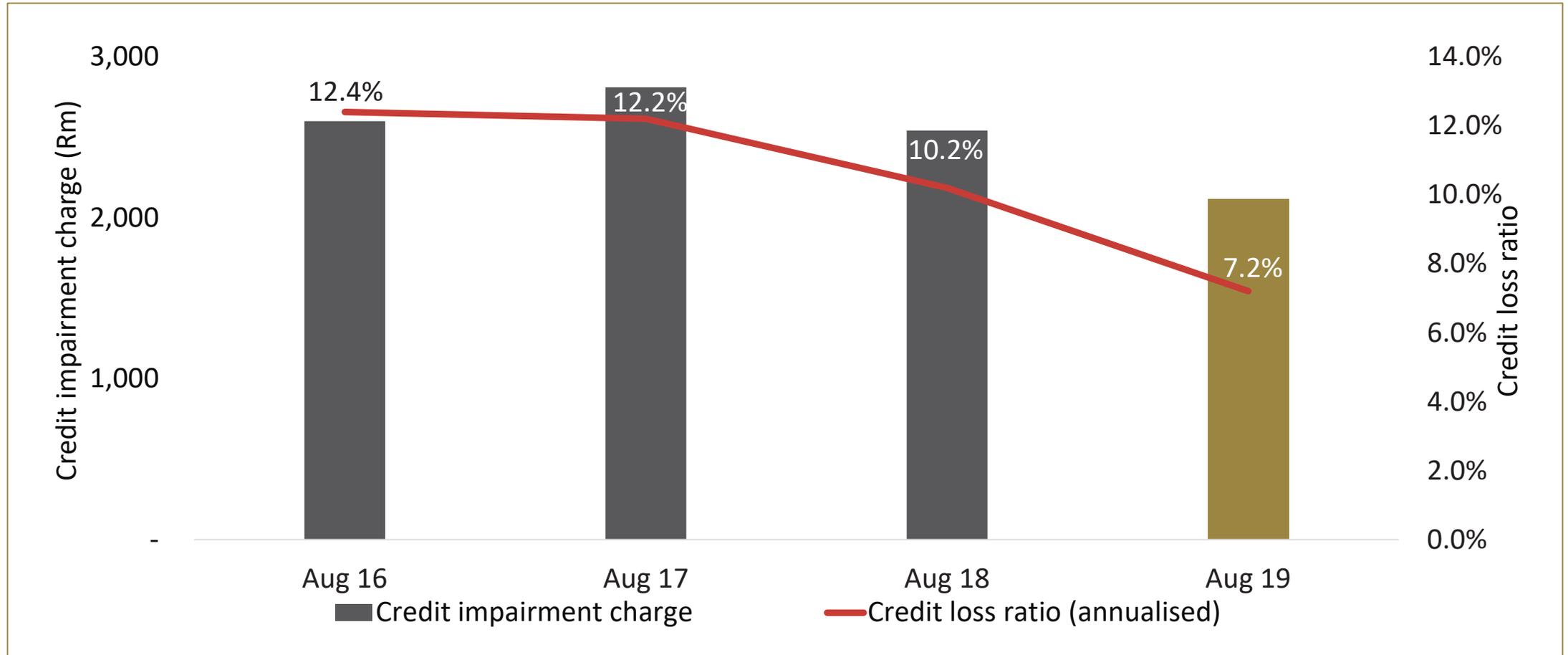


Credit: Loan book breakdown (Rm)

	Aug 18	Aug 19	Difference (%)
Up-to-date book	39,641	45,311	14.3
Up-to-date significant increase in credit risk (SICR)	3,485	3,284	(5.8)
Up to 3 months in arrears	2,428	2,161	(11.0)
Up-to-date that rescheduled from up-to-date (not yet rehabilitated)	963	1,009	4.8
Up-to-date that rescheduled from arrears (not yet rehabilitated)	1,373	1,496	9.0
More than 3 months in arrears and legal status	3,071	6,991	>100
Expected recoveries receivable	398	-	-
Total gross loans and advances	51,359	60,252	17.3



Credit: Book - Improved arrears performance



Future - Business banking

Mercantile Bank Transaction:

- Regulatory approval has been obtained
- R3.2+ billion investment with ROE of 10%
- 5 business units offer strategic opportunities
- Immediate investment in growth (Digital and IT)
- 2-year roadmap



CURRO



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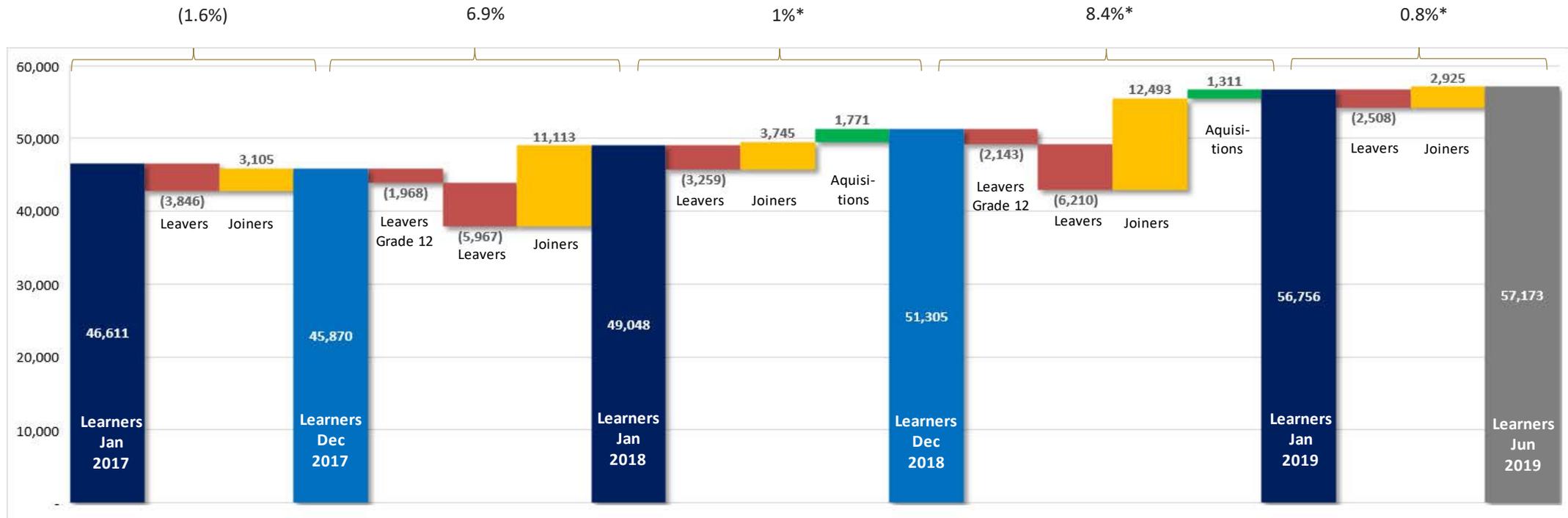
Key indicators

		Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	4-year CAGR	June 2018	June 2019	% Difference
Campuses	#	31	41	48	51	58	17%	57	68	19%
Schools	#	79	100	114	127	138	15%	139	164	18%
Learners	#	27,916	35,148	42,343	45,870	51,305	16%	50,691	57,173	13%
% of built capacity	%			69%	70%	69%		69%	70%	
% of eventual capacity	%	51%	50%	52%	53%	53%		54%	52%	
Revenue	Rm	966	1,345	1,714	2,099	2,496	27%	1,240	1,480	19%
Schools EBITDA	Rm	256	375	487	594	772	32%	409	491	20%
EBITDA	Rm	191	292	377	473	627	35%	342	415	21%
EBITDA margin	%	19%	21%	22%	23%	25%		27%	28%	
Net interest expense	Rm	55	91	70	78	138	26%	73	109	49%
Recurring HEPS	Cents	16.0	26.2	41.8	49.0	60.1	39%	34.8	37.1	7%
Learner/teacher ratio	#	15	15	17	17	17	3%	17	18	6%
Capital invested	Rm	1,305	1,030	1,486	1,136	1,746	8%	681	559	(18%)
Cumulative capital invested	Rm	3,834	4,864	6,350	7,486	9,232	25%	8,167	9,791	20%
Total building size	m ²	392,314	449,067	558,683	598,194	656,081	14%	631,287	656,777	4%



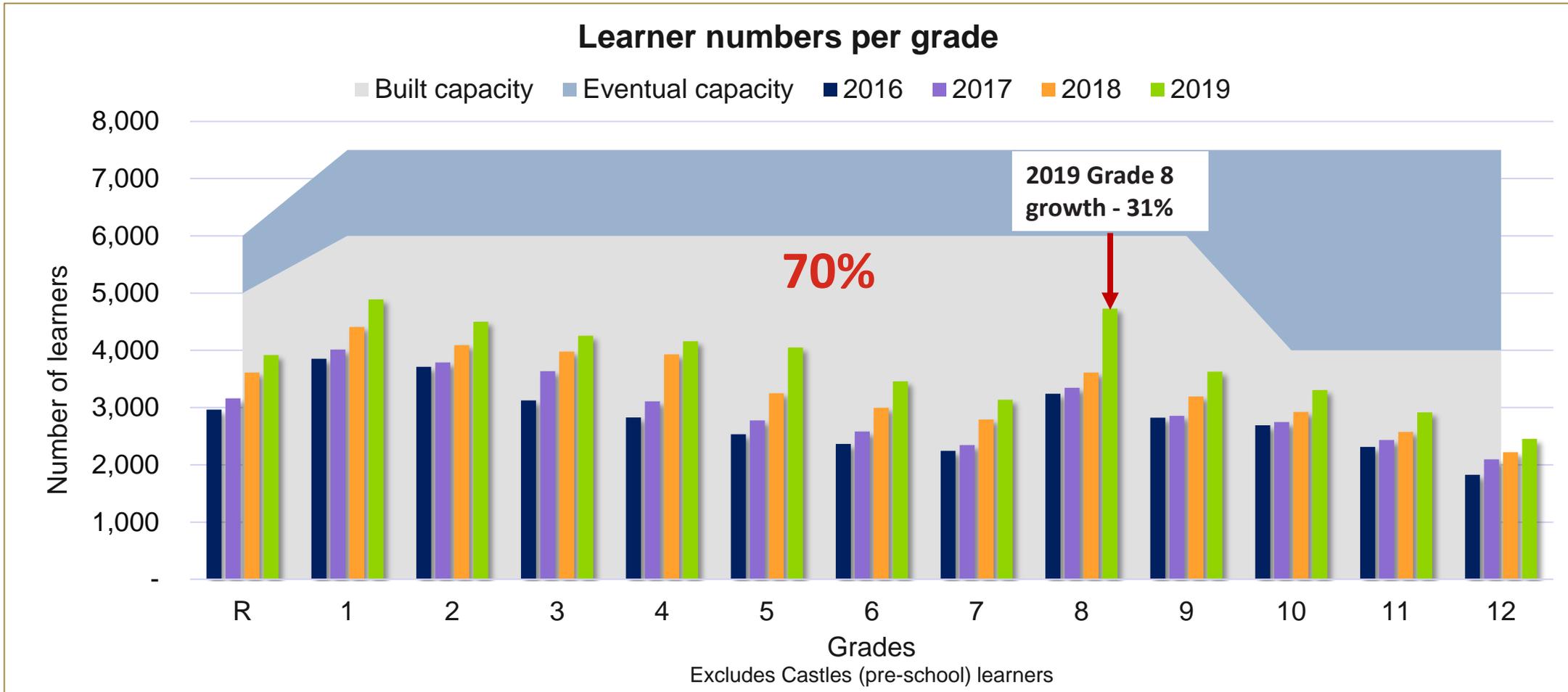
Learner movements - 30 June 2019

- Number of campuses: 68
- Number of schools: 164



* % change relates to organic growth in learner numbers, thus excludes learner numbers relating to acquisitions.





Campuses - Opened up to grade 12

	Opened up to						Total # campuses
	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12	
IEB campuses	3	1	6		3	26	39
NSC campuses	1	4		3	1	9	18
Cambridge campus		1				1	2
Special needs campus						1	1
DigiEd		1					1
NCV College				1			1
Total number of campuses	4	7	6	4	4	37	62
% in each grade	6.5%	11.3%	9.7%	6.5%	6.5%	59.7%	

Stand-alone preschools

Stand-alone preschools	6
Total number campuses	68

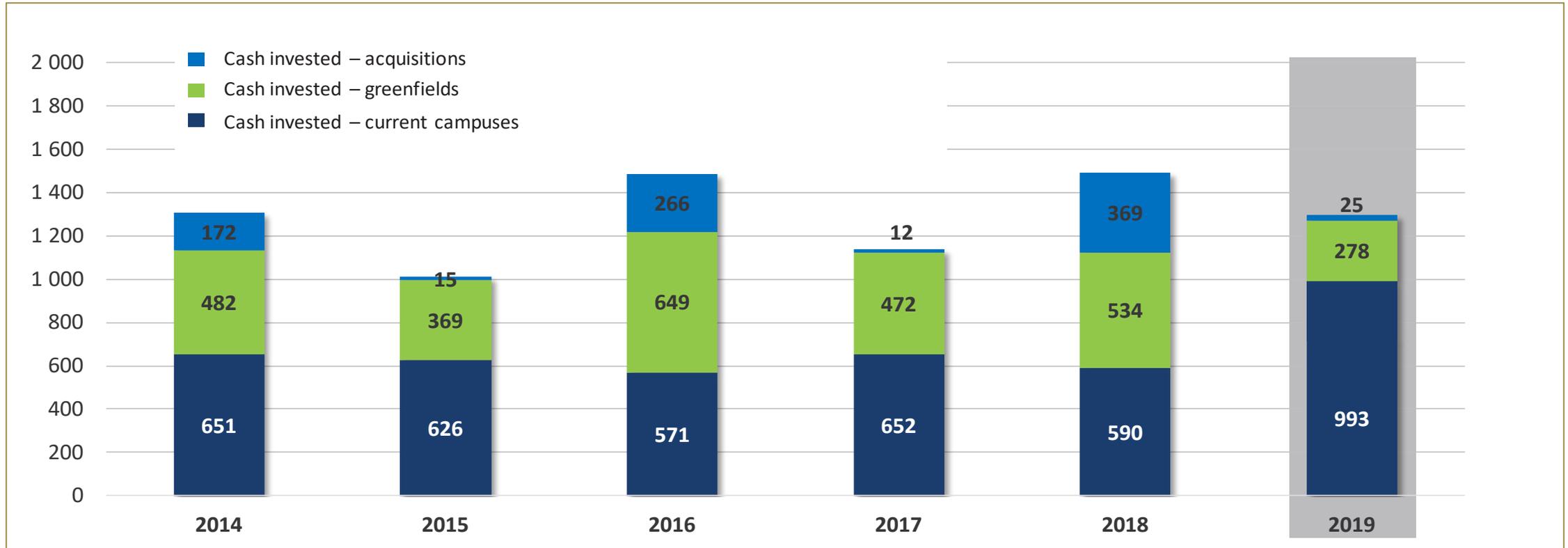
-  Total **Grade 8** learners = 4,720
-  Total **Grade 12** learners = 2,478

 **Subject choices**

 **Learner/teacher ratio low**



Capital investment (Rm)



**The 2019 figures represent a forecast.*

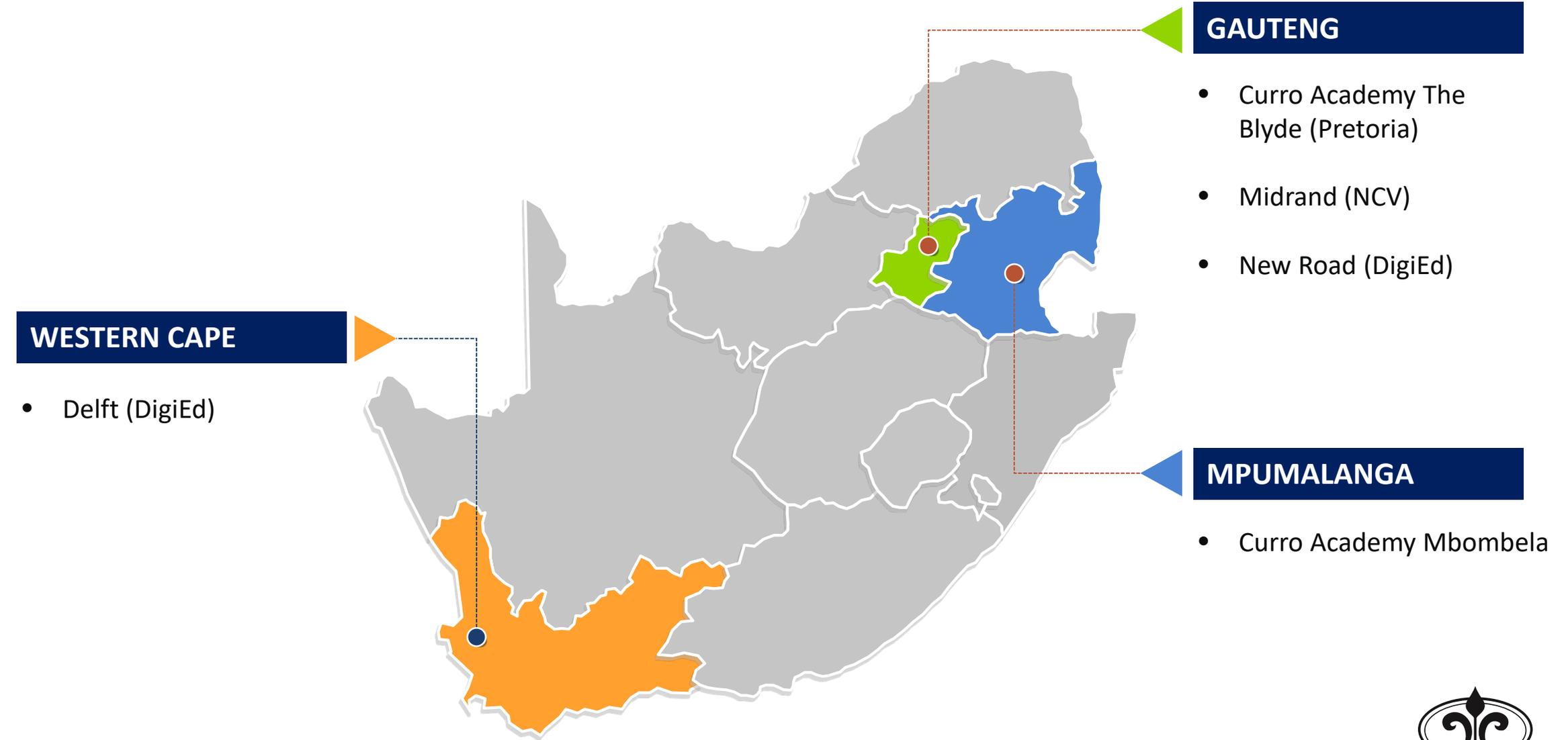


Capital investment (Rm)



	Campuses		Schools			Learner numbers			Growth		EBITDAR			Growth			EBITDA margin			Built capacity utilised			Eventual capacity utilised		
	2019	2019	2017	2018	2019	17/18	18/19	2017	2018	2019	17/18	18/19	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019	
Developed	47	113	28,315	31,872	35,747	13%	12%	179	248	296	39%	19%	30%	33%	34%	64%	63%	65%	47%	47%	46%				
2009 and before	4	9	3,897	3,872	4,131	(1%)	7%	29	37	42	28%	15%	33%	34%	35%	83%	82%	85%	71%	71%	73%				
2010	2	6	2,254	2,205	2,215	(2%)	0%	20	20	25	0%	23%	38%	35%	41%	79%	75%	75%	56%	55%	55%				
2011	5	15	4,098	4,177	4,429	2%	6%	29	34	37	18%	9%	30%	32%	32%	62%	59%	63%	49%	50%	53%				
2012	2	6	1,904	1,978	1,891	4%	(4%)	14	17	15	26%	(11%)	30%	33%	29%	72%	75%	72%	57%	59%	56%				
2013	4	12	6,149	6,445	6,357	5%	(1%)	55	70	70	28%	(1%)	40%	45%	42%	71%	74%	73%	62%	64%	64%				
2014	4	9	1,833	2,169	2,342	18%	8%	3	9	11	224%	30%	8%	20%	23%	49%	56%	56%	37%	44%	47%				
2015	8	19	5,748	6,216	6,494	8%	4%	19	26	39	38%	50%	21%	24%	31%	66%	63%	65%	44%	47%	49%				
2016	4	8	1,179	1,681	1,905	43%	13%	7	20	26	186%	30%	24%	39%	41%	35%	45%	49%	22%	32%	36%				
2017	3	8	1,253	2,499	3,143	99%	26%	3	21	29	564%	40%	14%	41%	41%	41%	72%	91%	20%	40%	51%				
2018	4	8	-	630	1,107	-	76%	-	(5)	4	-	n/a	-	(40%)	17%	-	19%	33%	-	10%	17%				
2019	7	13	-	-	1,733	-	-	-	(1)	(1)	-	-	-	-	(4%)	-	-	43%	-	-	17%				
Acquired	21	51	17,575	18,819	21,426	7%	14%	144	167	196	16%	17%	33%	34%	33%	84%	83%	80%	68%	69%	66%				
2012 and before	7	17	6,919	7,007	7,261	1%	4%	76	80	82	6%	1%	37%	38%	38%	78%	76%	79%	61%	61%	64%				
2013	2	2	4,253	3,855	3,684	(9%)	(4%)	18	17	17	(8%)	(1%)	26%	25%	26%	86%	78%	74%	86%	78%	74%				
2014	2	6	2,618	2,742	2,763	5%	1%	31	40	41	30%	1%	36%	41%	39%	92%	96%	85%	76%	80%	80%				
2015 and 2016	4	11	3,785	4,147	4,468	10%	8%	19	25	32	36%	27%	22%	24%	27%	92%	100%	99%	63%	74%	71%				
2018	3	6	-	1,068	1,881	-	76%	-	5	20	-	304%	-	29%	38%	-	70%	82%	-	52%	56%				
2019	3	9	-	-	1,369	-	-	-	-	4	-	-	-	-	11%	-	-	52%	-	-	44%				
Other								(7)	(6)	(1)															
Total developed and acquired	68	164	45,890	50,691	57,173	10%	13%	316	409	491	29%	20%	30%	33%	33%	70%	69%	70%	53%	54%	52%				





WESTERN CAPE

- Delft (DigiEd)

GAUTENG

- Curro Academy The Blyde (Pretoria)
- Midrand (NCV)
- New Road (DigiEd)

MPUMALANGA

- Curro Academy Mbombela



Curro - In conclusion

- Turnover growth = 19%; EBITDA growth = 21%
 - › Proven growth despite economic challenges (learner and HEPS growth)
- New business strain – 17 campuses in the last 18 months
- 40% of campuses are growing into high school
- Focus on increasing existing capacity – new greenfields reduced
- Improve operational efficiencies – learner retention, capacity utilisation
- Balance sheet well-gearred to fund 2019 capital investment (and beyond)





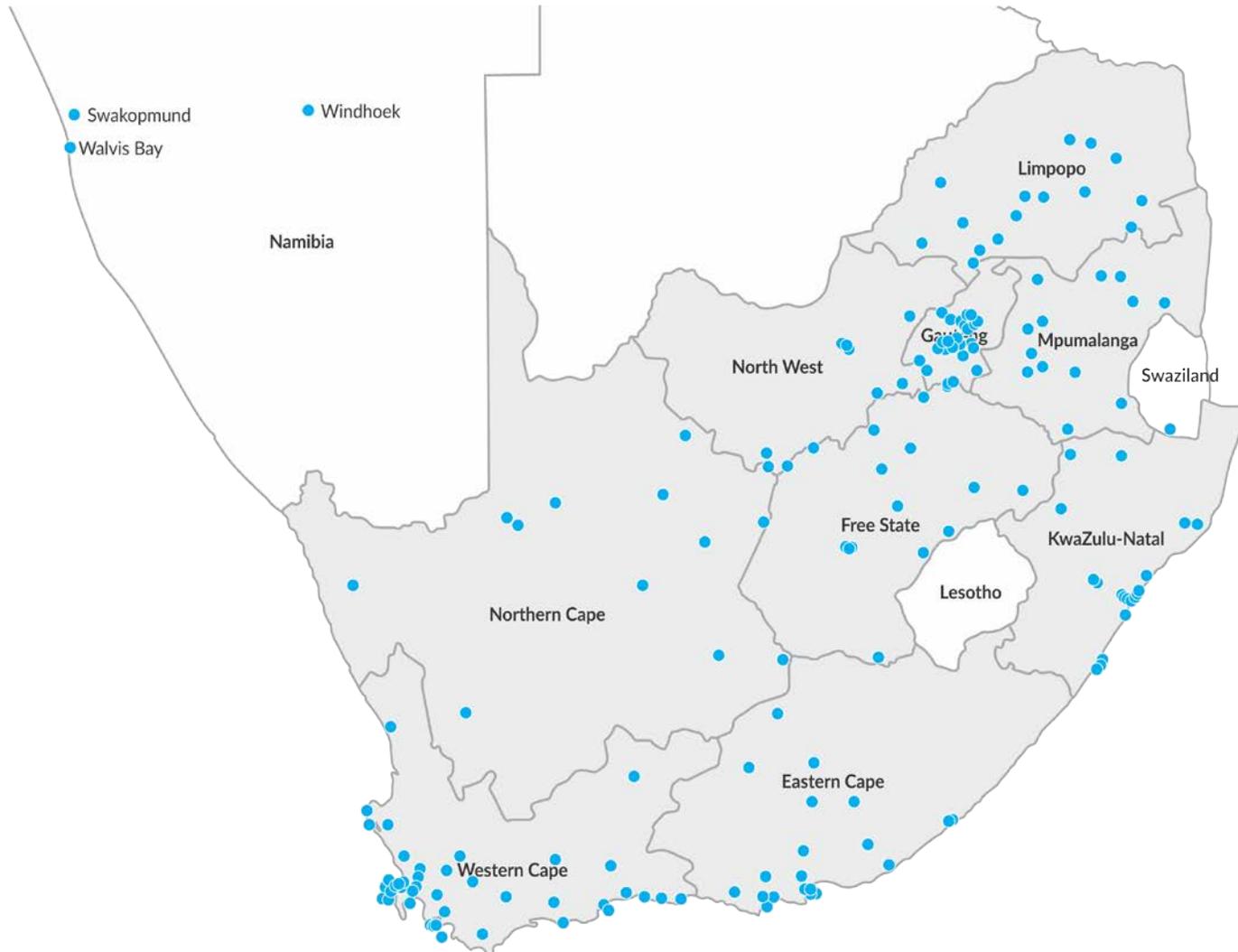
PSG Konsult



PSG GROUP LIMITED

A great company

Wealthy clients serviced where they reside



261
Adviser offices



928
Advisers

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	H1 2020
No. of advisers	659	711	744	784	932	928
<i>PSG Wealth</i>	434	480	515	539	546	549
<i>PSG Insure</i>	225	231	229	245	386	379
No. of offices	193	206	208	211	254	261

Source: PSG Distribution



PSG GROUP LIMITED

Key macro indicators

Weakening economic environment

Key indicators	H1 2015	%Δ	H1 2016	%Δ	H1 2017	%Δ	H1 2018	%Δ	H1 2019	%Δ	H1 2020
Rand / US\$	10.7	25%	13.3	11%	14.7	-12%	13	13%	14.7	3%	15.2

All Bond Index	469	5%	494	5%	516	10%	569	8%	614	11%	683
Cash Index - STeFI Call	288	6%	305	7%	324	7%	347	7%	370	7%	395
S&P 500 (Rand)	21 351	25%	26 162	1%	31 890	3%	32 148	23%	42 608	4%	44 446
FTSE/JSE Index	50 959	-2%	49 972	6%	52 733	7%	56 522	4%	58 668	-6%	55 260
SA Property Index	538	20%	646	-2%	635	3%	653	-18%	534	-14%	462

Source: PSG Finance



H1 2020 financial results overview

Recurring HEPS grew by 8% for H1 2020

Consolidated results	H1 2015 Rm	%Δ	H1 2016 Rm	%Δ	H1 2017 Rm	%Δ	H1 2018 Rm	%Δ	H1 2019 Rm	%Δ	H1 2020 Rm
Headline earnings	145	28%	187	15%	214	12%	239	18%	283	10%	311
Recurring headline earnings	147	27%	187	15%	214	12%	239	18%	283	10%	311
Weighted average no. of shares (millions)	1 260	1%	1 267	2%	1 290	2%	1 315	0%	1 318	2%	1 339
HEPS (Cents)	11.5	28%	14.7	13%	16.6	10%	18.2	18%	21.5	8%	23.2
Recurring HEPS (Cents)	11.7	26%	14.7	13%	16.6	10%	18.2	18%	21.5	8%	23.2

Assets under management (Rbn)	122	16%	142	18%	167	16%	193	19%	230	-1%	228
Assets under administration (Rbn)	266	21%	321	10%	354	12%	398	7%	426	-6%	401
Premiums (Rbn) *	1.0	20%	1.2	8%	1.3	19%	1.6	25%	2.0	35%	2.7

Source: PSG Finance

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

Note: figures rounded to nearest Rm



Recurring headline earnings by division

Total recurring headline earnings growth of 10% for H1 2020

Recurring Headline Earnings *	H1 2015 Rm	%Δ	H1 2016 Rm	%Δ	H1 2017 Rm	%Δ	H1 2018 Rm	%Δ	H1 2019 Rm	%Δ	H1 2020 Rm	CAGR %
Wealth	95	27%	120	17%	141	7%	150	7%	160	10%	176	13%
Asset Management	34	36%	46	2%	47	20%	57	53%	87	-7%	81	19%
Insure	18	12%	21	29%	26	23%	32	11%	36	50%	54	25%
Total	147	27%	187	15%	214	12%	239	18%	283	10%	311	16%

Source: PSG Finance

*All overhead costs are fully allocated. Headline earnings has remained the same as recurring headline earning for H1 2020

Note: figures rounded to nearest Rm



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	Aug-19	% Growth
PSG Multi Managed *	70 681	2 530	4 347	77 558	10%
Third party funds **	60 374	730	1 748	62 852	4%
Discretionary	43 788	1 049	-777	44 060	1%
Total managed assets	174 843	4 309	5 318	184 470	6%
Non discretionary	190 029	-25 505	-1 256	163 268	-14%
Third party administration	9 325	209	-286	9 248	-1%
Total wealth assets	374 197	-20 987	3 776	356 986	-5%

Source: PSG Wealth

*Includes PSG single managed funds of R8.4bn for Feb 2019 and R8.1bn for H1 2020

**Includes PSG advisers single managed funds of R9.8bn for Feb 2019 and R8.7bn for H1 2020

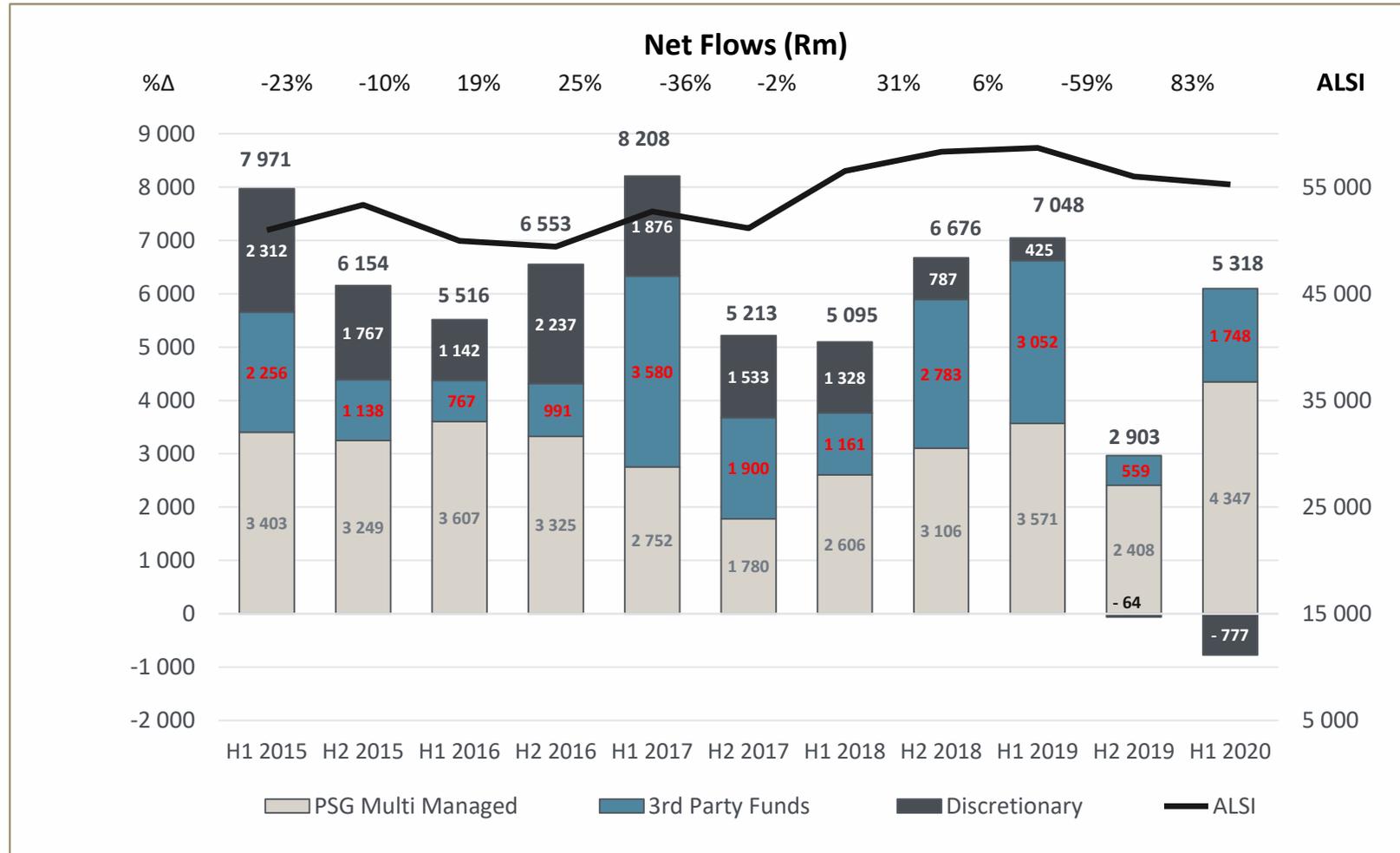


Wealth - Excellence in products and services

Independent process with advisers' oversight

Rapid growth in advisers

Negotiation with product providers



Source: PSG Wealth, Bloomberg



Wealth - Top advisers

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

Wealth advisers (incl. EB)	H1 2015*	H2 2015*	H1 2016	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018	H1 2019	H2 2019	H1 2020
Balance – opening	406	419	434	443	480	505	515	527	539	546	546
Net movement	13	15	9	37	25	10	12	12	7	0	3
Balance – closing	419	434	443	480	505	515	527	539	546	546	549
Growth	3%	4%	2%	8%	5%	2%	2%	2%	1%	0%	1%

Source: PSG Distribution

* Restated to exclude advisers moved from Wealth to Insure during FY2016

- Up scale existing offices via new hires
- Greater penetration 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

AM assets split (Rm)	Feb-19	Market movement	Net flows	Aug-19	% Growth
PSG Single manager *	42 316	-3 612	-82	38 622	-9%
PSG Money market and related assets*	3 432	0	690	4 122	20%
PSG Segregated Portfolios***	1 561	-46	-645	870	-44%
Total assets under management	47 309	-3 658	-37	43 614	-8%
PSG Multi Managed**	70 681	2 530	4 347	77 558	10%
Total AM assets	117 990	-1 128	4 310	121 172	3%

Source: PSG Asset Management

*Includes PSG advisers single managed funds of R9.8bn for Feb 2019 and R8.7bn for H1 2020

**Includes PSG single managed funds of R8.4bn for Feb 2019 and R8.1bn for H1 2020

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

Focused marketing

Investment performance

Superb platform



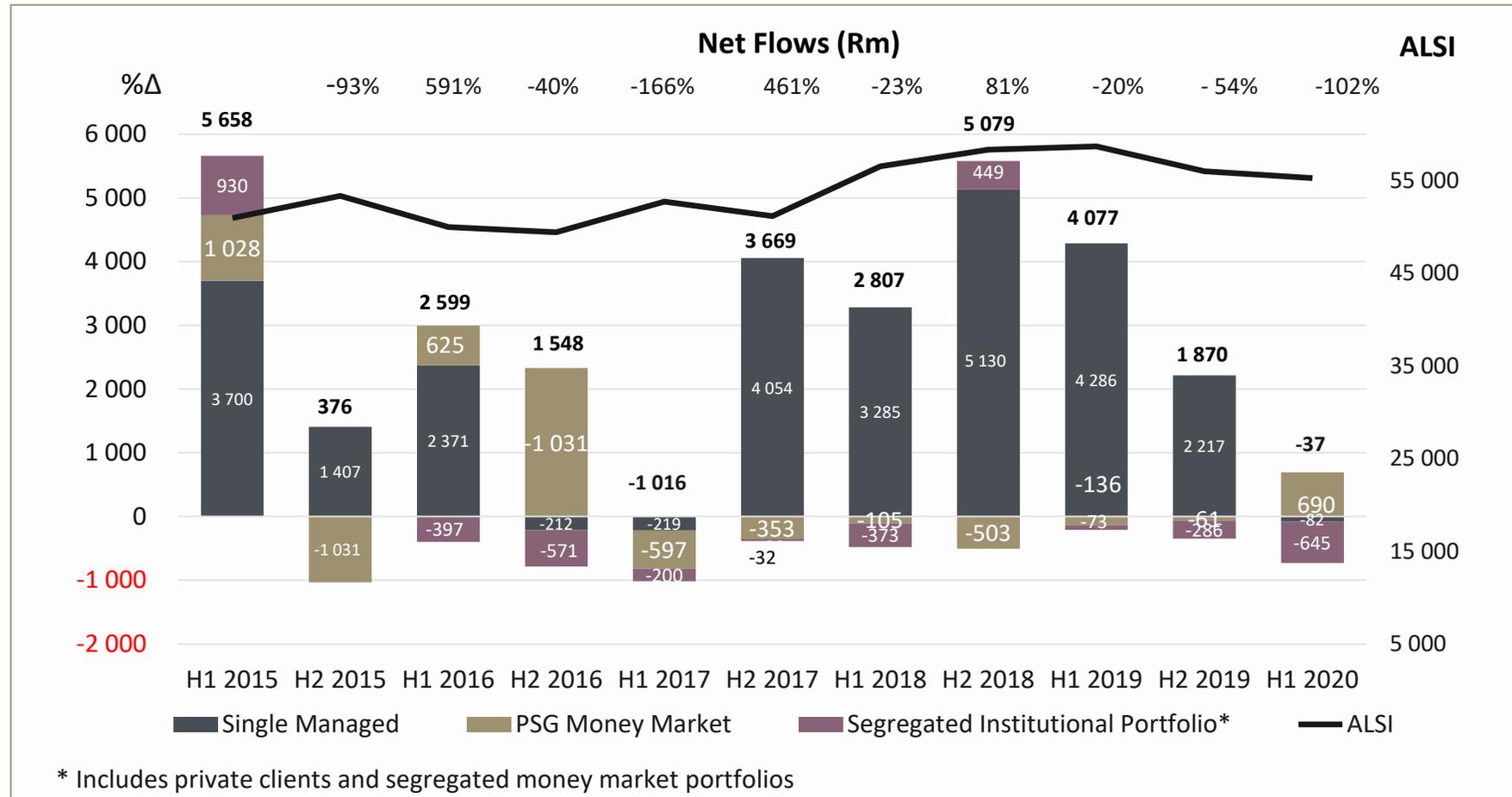
Asset management

'Brick by Brick' strategy

Long-term assets
(retail emphasis)

Getting adequate
margins

Protect our
capacity



Source: PSG Asset Management, Bloomberg

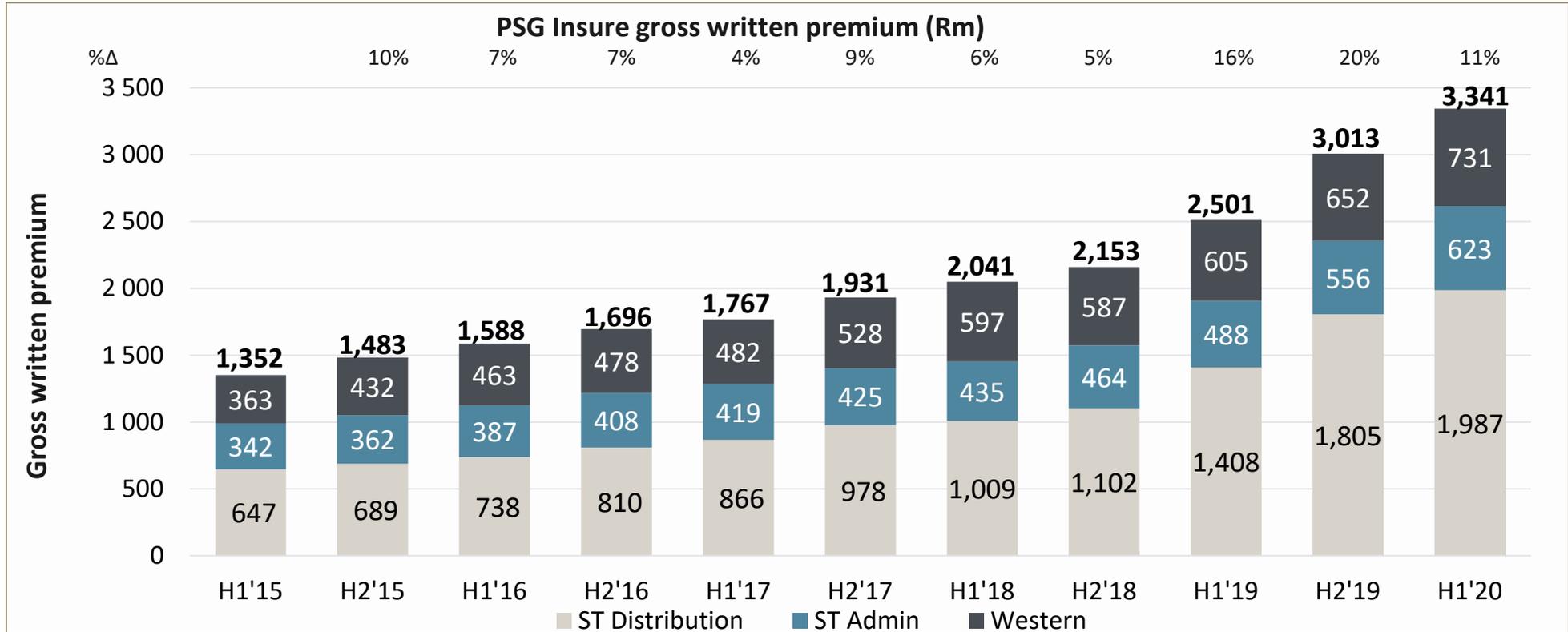


Grow gross written premium income

Top advisers

Excellence in underwriting

Superb platform



*Includes Short-term administration premium, both on-platform and off-platform gross written premium

Source: PSG Insure



Top advisers

We continue to add top advisers to our Insure Distribution business

Insure advisers	H1 2015*	H2 2015*	H1 2016	H2 2016	H1 2017	H2 2017	H1 2018	H2 2018	H1 2019**	H2 2019**	H1 2020
Balance – opening	212	210	225	224	231	233	229	226	245	316	386
Net movement	(2)	15	(1)	7	2	(4)	(3)	19	71	70	(7)
Balance – closing	210	225	224	231	233	229	226	245	316	386	379
Growth	(1%)	7%	0%	3%	1%	(2%)	(1%)	8%	29%	22%	(2%)

Source: PSG Distribution

*Restated to include advisers moved from Wealth to Insure during FY 2016

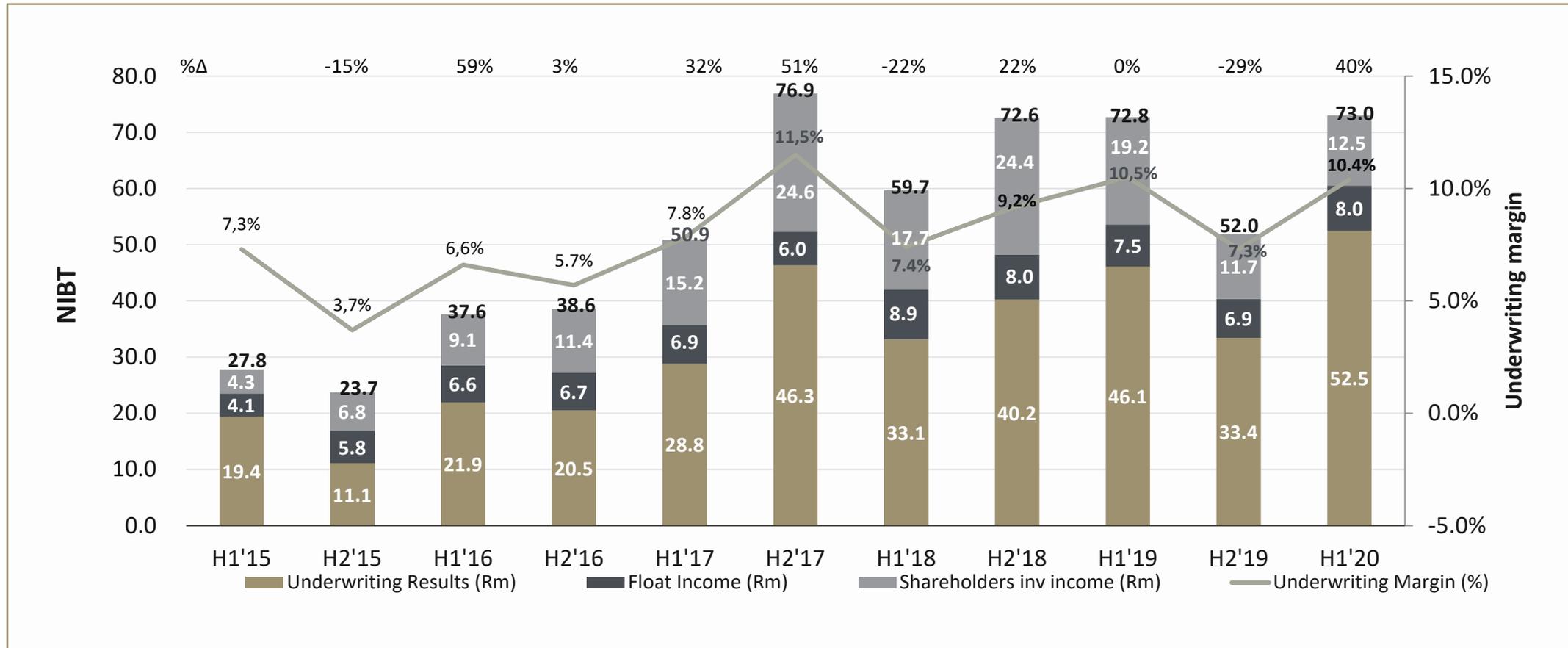
**Acquired all the Commercial and Industrial, and face to face Personal lines advisers from ABSA Insurance and Financial Advisers (Pty) Ltd

- Greater penetration 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 results and shareholders income



Source: PSG Insure



Significant progress on top priorities

- 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)





PSG GROUP LIMITED



SOTP - financial results H1FY20

Zeder's SOTP value per share increased by 11% to R6.25 as at 31 Aug 2019.

Company	28 Feb 2019		31 Aug 2019		30 Sep 2019	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Pioneer Foods	27.1	4 689	28.6	6 145	28.6	6 175
Zaad	95.3	2 235	95.3	2 243	95.7	2 243
Capespan	97.4	1 193	97.4	1 081	97.4	1 081
The Logistics Group	97.4	978	97.4	1 028	97.4	1 028
Kaap Agri	41.1	959	41.0	865	41.0	949
Agrivision Africa	56.0	493	56.0	398	56.0	398
Quantum Foods	29.3	216	30.8	228	30.8	225
Other		19		15		17
Total investments		10 782		12 003		12 116
Cash and cash equivalents		254		72		
Other net assets		109		119		121
Debt funding		(1 500)		(1 500)		(1 593)
SOTP value		9 645		10 694		10 644
Number of shares in issue (<i>net of treasury shares</i>) (million)		1 710		1 710		1 710
SOTP value per share (rand)		5.64		6.25		6.22

Note: Zeder's live SOTP is available at www.zeder.co.za.



Proforma net impact of the Category 1 disposal of Pioneer and the potential application of the proceeds

Gross proceeds from the disposal of investment in Pioneer (Rm)	6,410
Provision for settlement of debt, transaction costs and directly related obligations (Rm)	(1,590)
Estimated net cash available following the disposal (Rm)	4,820

	Range	
Intended distribution to shareholders by way of special dividend (Rm)	4,250	4,750
Number of issued shares (m)	1,710	1,710
Intended special dividend per share (R)	2.49	2.78
<i>PSG Group's share of special dividend (Rm)</i>	<i>1,862</i>	<i>2,080</i>

- *PSG Group will likely use its share of Zeder's special dividend to reduce debt and/or make further investments.*



Overview

- Pioneer transaction - awaiting regulatory approval
- Most of the underlying companies are finding the operating environment tough
- Consumer remains constrained
- Abnormal weather patterns continue
- International trade wars – lead to dumping, resulting in weaker commodity prices
- African economies struggling
- Land expropriation



Portfolio companies

Investment	%	Zeder SOTP value	Focus	Comments
	95.7	R2,243m	Specialist agricultural seed company	<ul style="list-style-type: none"> • Lower sales than anticipated in South African operations; summer conditions expected to normalise • Concluded transaction agreements for a 40% stake in the EAS group of companies in Kenya • In terms of previously concluded agreements, acquired all the remaining shares in Farm-Ag (agrochemicals)
	97.4	R1,081m	Fruit marketing and farming	<ul style="list-style-type: none"> • Unbundling of The Logistics Group (TLG) completed – stand-alone Fruit & Farming Business • New operating model launched – restructuring underway • Farming operations acceptable but Northern Cape grape farm losses must be reversed
	97.4	R1,028m	Integrated logistics provider	<ul style="list-style-type: none"> • Diversification of cargo capabilities well advanced and delivering results • Positive momentum with business positioning and expansion
	41.0	R949m	Retail, trade & services group	<ul style="list-style-type: none"> • Operating and consumer environment remain tough • Fuel expansion in terms of The Fuel Company (TFC) gaining good momentum • Interim reporting period (31 March 2019) reported growth of 3.2% in recurring headline earnings
	56.0	R398m	Zambian farming and milling operation	<ul style="list-style-type: none"> • Zambian economy in challenging cycle with constrained consumer spending and trading environment • Volatility of raw material pricing and interference causing issues at milling operations (political) • Good rainfall and full availability of water should lead to improved wheat crop
	30.8	R225m	Integrated egg and broiler business	<ul style="list-style-type: none"> • Egg prices normalised after Avian flu highs • Raw material cost increases • Strong cash generation
	34.4	R81m	Vertical farming start-up	<ul style="list-style-type: none"> • Exciting start-up • KPIs being measured, then focus on produce sales • Roll-out anticipated during 2020





PSG
alpha



PSG GROUP LIMITED

PSG Alpha - Financial performance

		PSG Alpha 1 st half results								PSG Alpha full year results
		FY15	FY16	FY17	FY18	FY19	FY20	% Change (FY19-FY20)	Five-year CAGR	FY19
Recurring Earnings	Rm	16	47	50	68	77	155	101%	57%	220
Recurring EPS	cps	1.6	3.9	4.4	5.4	4.1	7.7	88%	37%	11.3
SOTP	Rm	1,078	1,394	1,729	2,576	5,060	4,541	(10%)	33%	4,802
SOTP per share	cps	95.8	117.6	155.4	205.9	254.0	223.9	(12%)	19%	240





PSG GROUP LIMITED



EVERGREEN
lifestyle

50%

Business model

- Vertically integrated developer and operator of retirement villages
- Exclusively sells retirement accommodation via life-right model
 - › Essentially amounts to capital growth accruing to Evergreen
 - › Evergreen earns this return through providing genuine peace of mind and great service (compared to alternatives)

Competitive advantages

- Significant ongoing investment in village operations
 - › Hospitality focused retirement model with continuous care underpin
- Property-development expertise
- Strength of the Evergreen brand as a leading national retirement brand
- Land banking of premier retirement locations
- Shareholders of reference (Amdec and PSG)



Value proposition



Our residents' **physical security** is our first priority.



Our business model contributes to our residents' **financial peace of mind.**



Partnership for Life

We take pride in providing **continuous care** with dignity.



The **sense of community** in our villages enhances the lived experience.



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Development pipeline

Retirement units							
Province	Village	FY19	Additional in FY20		FY20 forecast	Additional units currently in construction (for completion in FY21)	Total unit opportunities on owned land
			Completed	In construction			
Western Cape	Bergvliet	78	22	-	100	-	100
	Muizenberg	260	-	-	260	-	260
	Diep River	57	-	-	57	-	57
	Lake Michelle	31	-	-	31	-	141
	Noordhoek	46	104	-	150	120	270
	Val de Vie	2	32	103	137	-	608
	Sitari	-	-	-	-	50	370
	Somerset West	-	-	-	-	-	340
Gauteng	Broadacres	130	48	60	238	-	346
KZN	Umhlanga	-	-	-	-	-	640
	Hilton	-	-	-	-	-	900
	Zimbali	-	-	-	-	-	750
	Westbrook	-	-	-	-	-	800
			206	163			
Total		604	369		973	170	5,582

Care units				
Muizenberg	32	-	-	-
Broadacres	32	-	-	-
Total	64	-	-	-



Future prospects

5-year target to 2024:	
Number of villages:	13 operating villages
Number of life-right units:	4,000
Village locations:	Main metropolitan areas and important development nodes most likely consisting of Cape Town, Johannesburg, Durban and Port Elizabeth
Gross asset value:	Approximately R10bn

10-year target to 2029:	
Number of villages:	More than 22 operating villages
Number of life-right units:	10,000
Gross asset value:	More than R30bn

10,000 units would still represent an insignificant share of the total opportunity.





CA Sales Holdings



PSG GROUP LIMITED

48%

Overview



CA Sales Holdings, with its **primary listing on the BSE** (Botswana) and a secondary listing on the 4AX (SA), operates within the **Fast-Moving Consumer Goods Industry** and **delivers route-to-market services to blue chip manufacturers** across southern Africa. Our service offering includes:

- Selling
- Merchandising
- Warehousing
- Distribution
- Shopper promotions
- Training
- Debtor's administration
- Transport



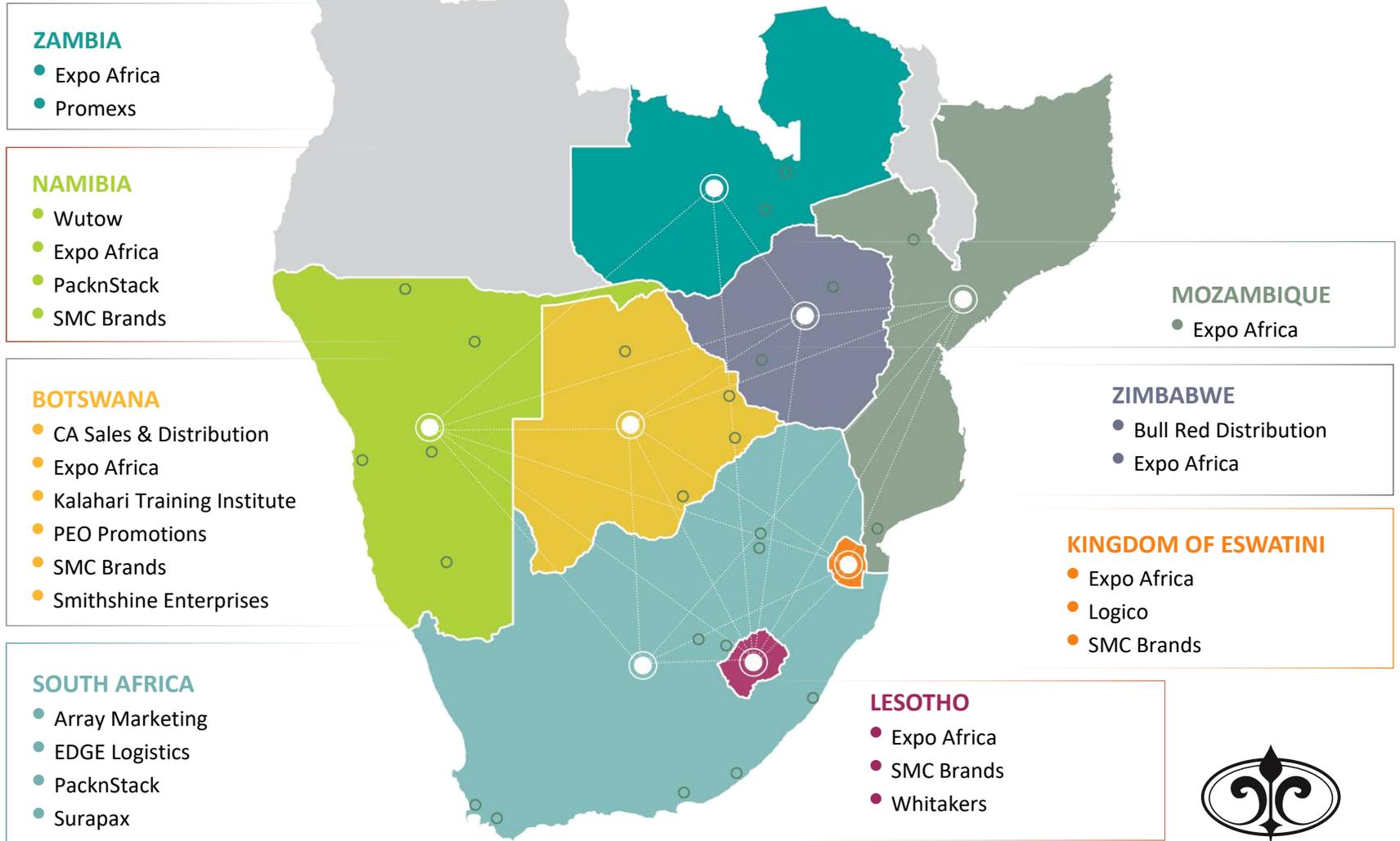
CA Sales footprint

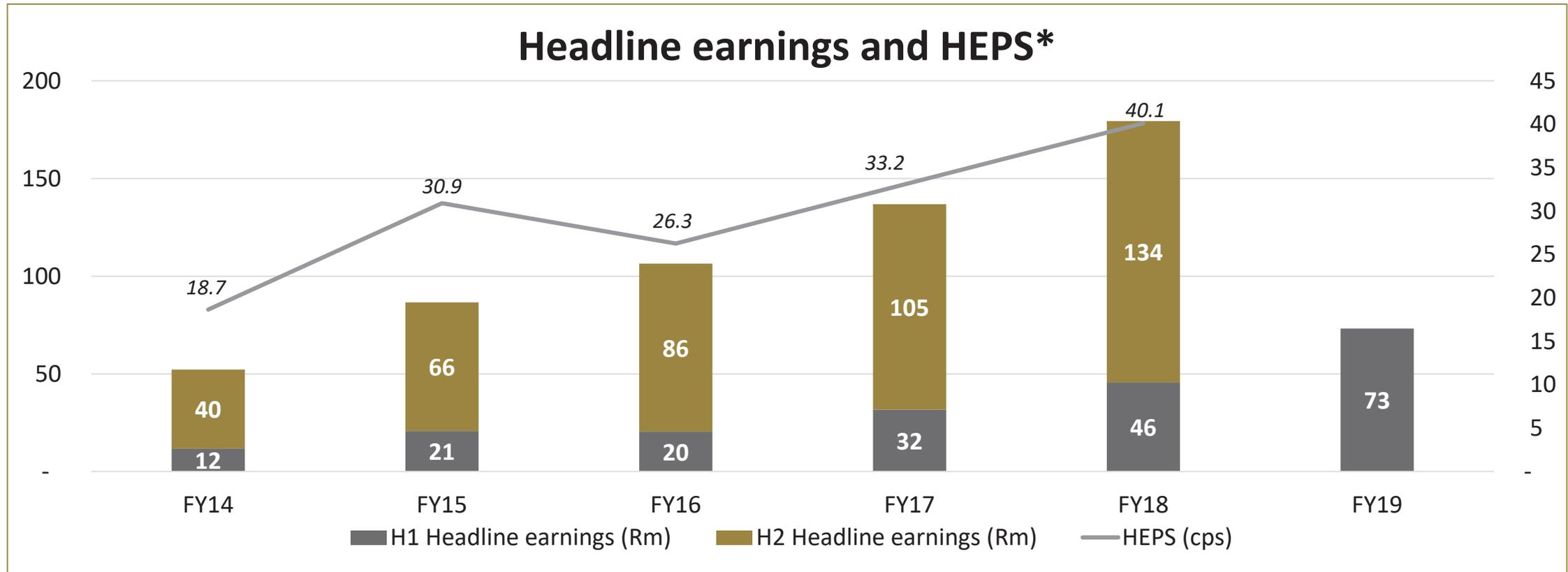


COVERAGE

Our collective footprint with a presence in all major centers in 8 countries.

Local knowledge, understanding and customer relationships combined with regional connectivity and shared collective expertise give CA Sales Holdings a powerful competitive advantage in the region.





*December year-end.





**ENERGY
PARTNERS**

POWERED BY RESULTS



PSG GROUP LIMITED

54%

Reason to exist

To power Africa's growth with sustainable energy

5-yr goal

Be recognised as a leading IEP* by owning & operating energy assets

Current forms of energy sales



Power
(‘Solar’)



R/kWhr



Heating
(‘Steam’)



R/ton



Cooling
(‘Refrigeration’)



R/kWhrR



Water

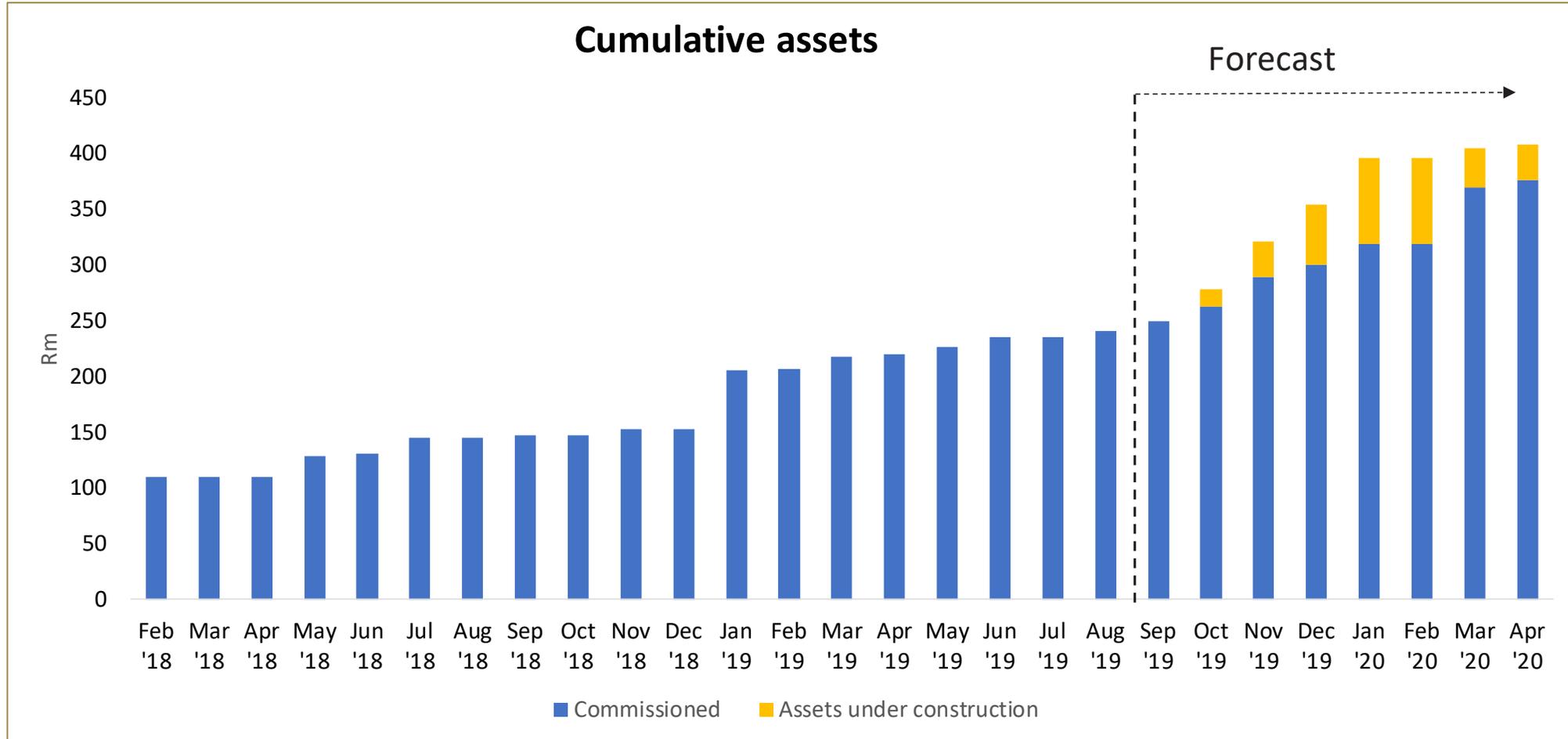


R/kl

*Independent Energy Producer



Investment portfolio is gaining traction

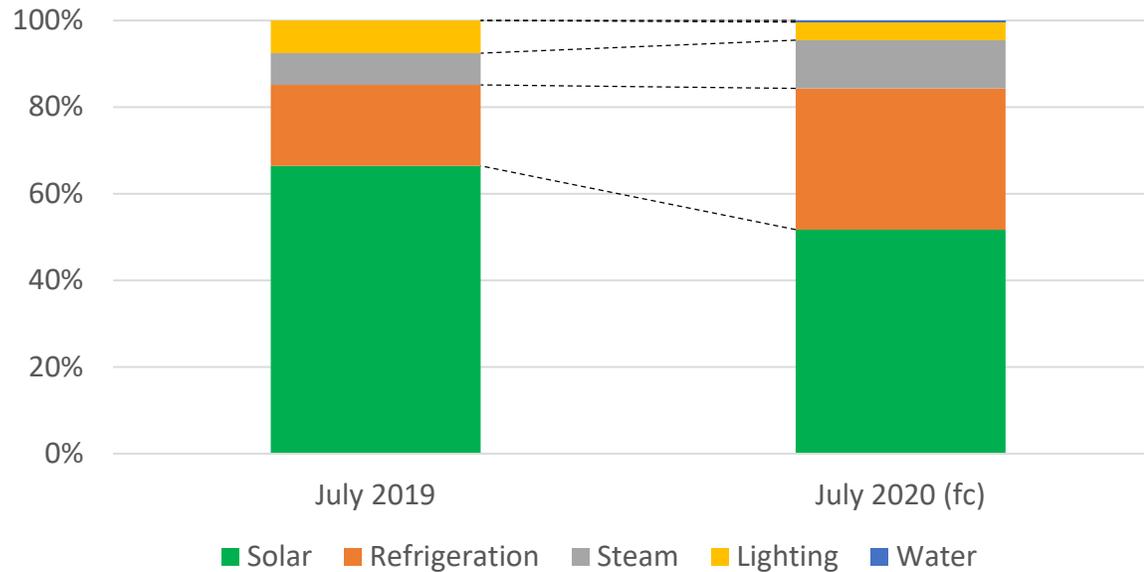


- › Contracting of R200m in additional assets in progress.



Portfolio is performing well and diversification is improving

Investments by asset class



Asset Performance

- Weighted average pre-tax IRR = **~19%**
- Weighted average post-tax geared IRR = **~26%**
(based on typical gearing structure and amortizing profile)
- Although the contracting of assets are currently lagging internal targets, those signed up are performing to expectation

Total Contracted Assets	R235m	R422m
Total Number of Assets	46	69
Avg. Investment Value	R5m	R6m





STADIO

— HOLDINGS —



PSG GROUP LIMITED

44%

Stadio overview

- Building a credible private university for 100,000+ students
- Acquired 7 brands; in process to merge all into *One Stadio Multiversity* by July 2020
- Change from investment to fully operational company
- Current split 78/22 between off-campus/on-campus students
- Service school leavers, adults and corporates
- 14 current sites plus new greenfield multi-faculty campuses:
 - › Centurion opening 2021
 - › Durbanville opening 2022
 - › Actively exploring Johannesburg opportunity
- 82 accredited qualifications
- Pipeline of 57 new qualifications, including engineering
- Got accreditation for first-of-its-kind completely online Post-Graduate Diploma in Accounting - as from July 2019

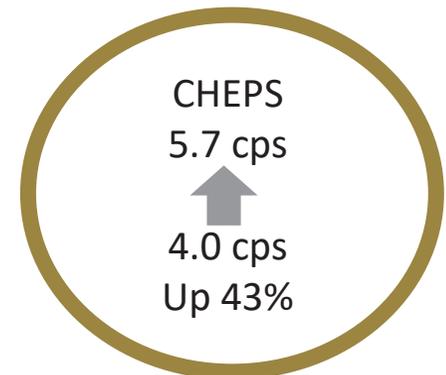
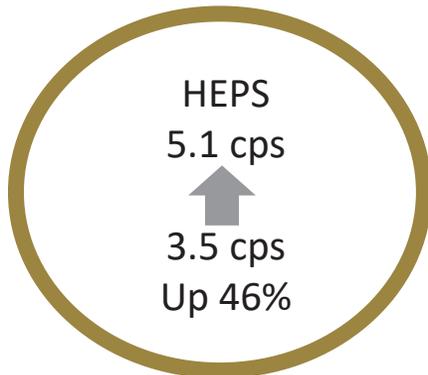
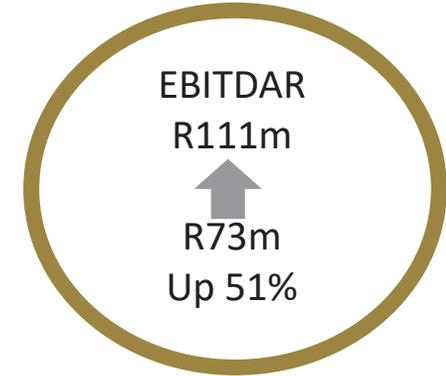
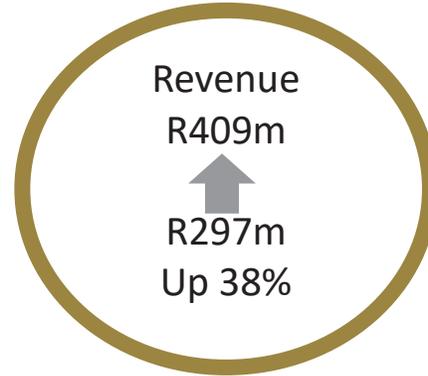
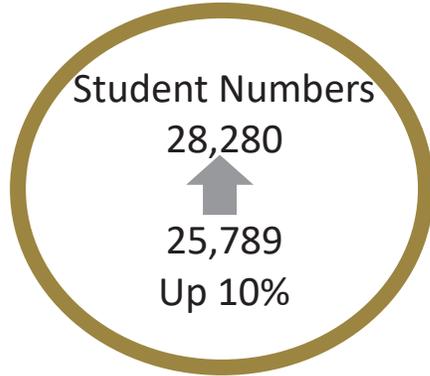


R1.5bn invested to date

CAPITAL INVESTED (Rm)	DECEMBER			JUNE
	2016	2017	2018	2019 H1
Acquisitions	-	594	440	-
Infrastructure development and capital assets	73	272	26	23
Programme development	12	11	15	11
Total	85	877	481	34
Cumulative investment	85	962	1,443	1,477



Financial metrics from June 2018 - June 2019





PSG GROUP LIMITED



**Name change w.e.f. 15 October 2019
(previously FutureLearn)**

83%

Optimi provides a range of education products & services



- Accessible learning solutions through unique GuidED™ learning model.
- Based on latest research in learning sciences and enabled by technology and centralised support.
- Well positioned to make significant impact in SA education and beyond.

	Home education and after-school tutoring.					>22,000 learners >1,500 tutors
	Schools and tertiary institutions.					>1,500 schools 2 tertiary institutions
	Corporate and public sector training.					>200 businesses >100,000 learners
	Accredited and short courses.					>5,300 students



Corporate action



Incorporating various offerings to build fully integrated GuidED™ learning offering:

- **Merged with ITSI** (previously 73%-owned by PSG Alpha), fully integrated from 1 Aug 2019.
- **Acquired CollegeSA** on 1 Aug 2019 to target large post-school vocational market through distance education.
- **Acquired EXCOM Publishers** outright effective 1 July 2019 to bolster content resources to home education and school clients.
- **Integrating MediaWorks** into organisational structure and offerings from 1 Jan 2020 following earn-out.
- **Acquired Tuta-Me** outright effective 1 Nov 2019 to fully integrate tutor technology platform into Optimi's GuidED™ learning offering.

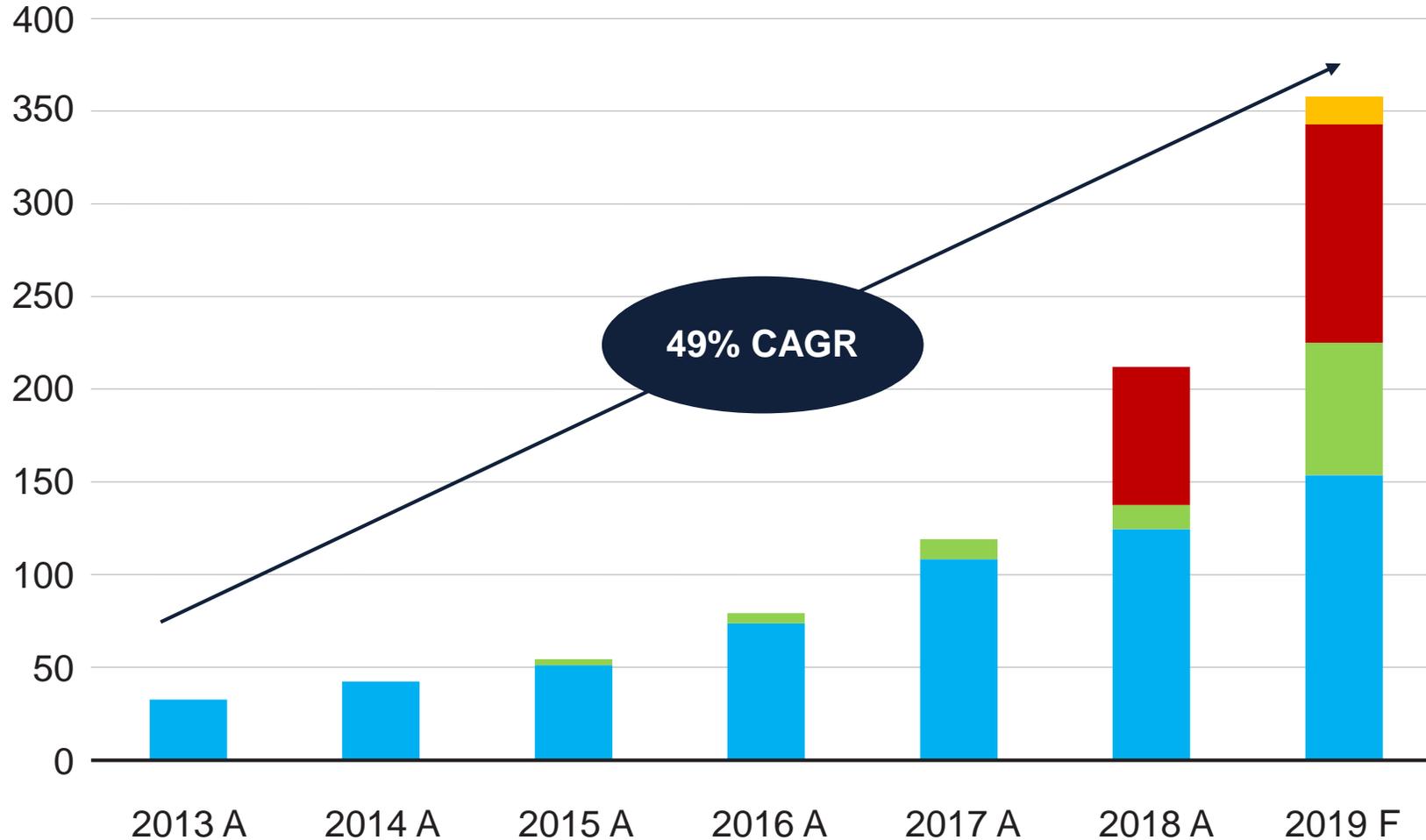


Strong organic and acquisitive growth over past 6 years



Optimi revenue

ZARm; historic actual, 2019 forecast



- College
- Workplace
- Classroom
- Home

- R358m revenue expected in 2019.
- 49% CAGR (32% organic) over past 6 years.



PSG GROUP LIMITED

Other investments

Investment	%	Focus	Comments
	60	Nanofiber material science	<ul style="list-style-type: none"> Have signed terms to form JV in USA with Taiki International (Japanese cosmetics manufacturer) to produce and sell nanofiber-based cosmetic facial masks and related products JV will include building new machine that can manufacture 1million units per month
	74	Disrupt new car sales experience	<ul style="list-style-type: none"> Systems approach and digital marketing proving successful Carter's own dealership #1 Renault dealership in South Africa; opened Mitsubishi at existing site and looking for opportunity to add more brands through acquisitions
	25	Specialist antenna & communications	<ul style="list-style-type: none"> Exports account for > 90% of sales Finnish and US acquisition performing well CEO focussed on building international business
	42	Mining support services	<ul style="list-style-type: none"> Empowerment partner (Agile Capital) increased stake to 51% in order to further strengthen empowerment credentials
	49	LBO specialist	<ul style="list-style-type: none"> Results in line with prior year Continue to look for acquisitions



Thank you



PSG GROUP LIMITED