



PSG GROUP LIMITED

FEBRUARY 2020 FINANCIAL RESULTS

Piet Mouton

PSG Group CEO

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- PSG Group response
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Covid-19

PSG Group Covid-19 response:

Way of work

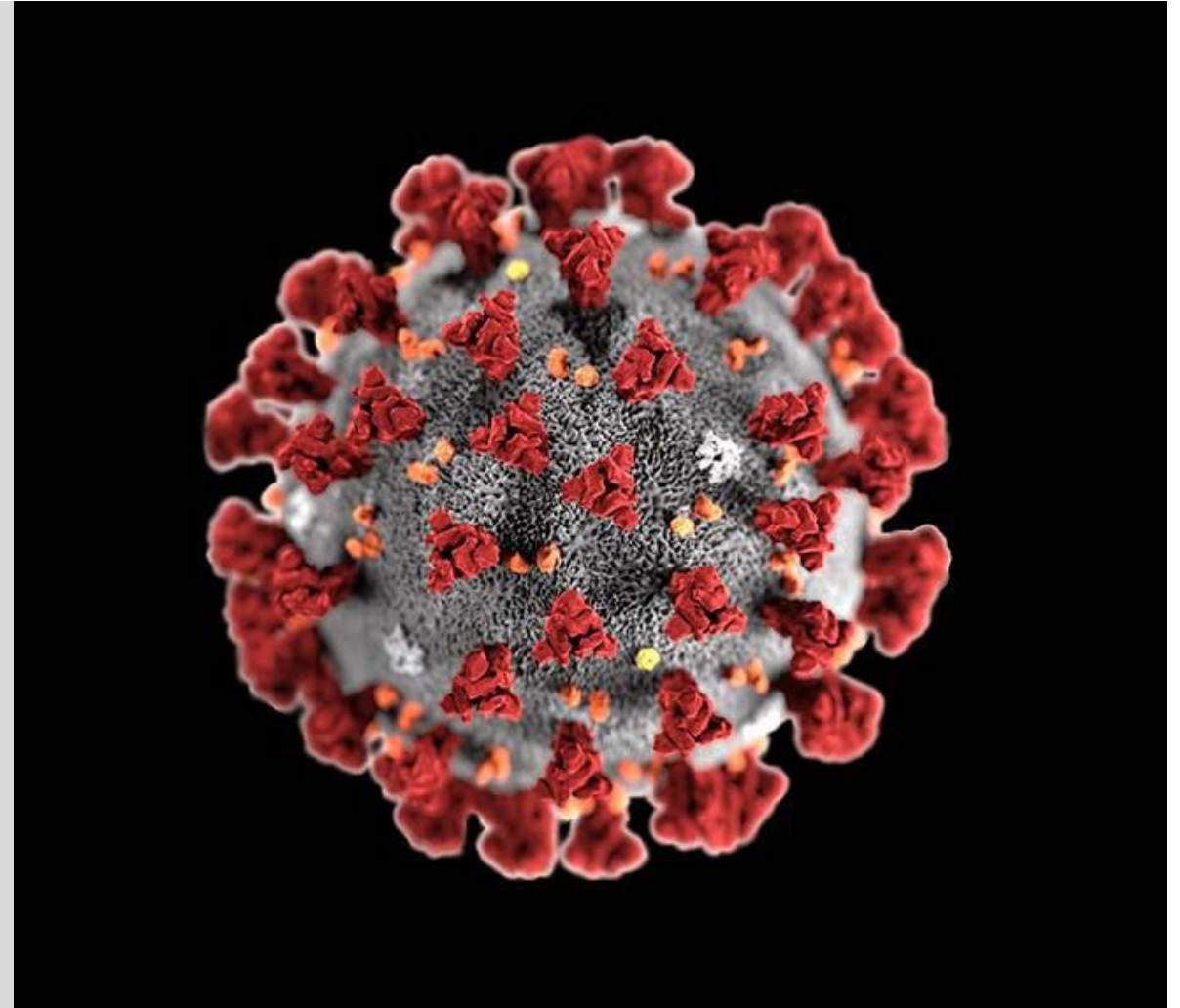
- PSG Group's employees are all working remotely
- Collaborated with investees to prepare plans in response to Covid-19
- Scenario analyses/stress testing

Capital

- Assess the capital requirements of all investees
- Assess PSG Group's liquidity position to be able to support investees if needed

Operations

- PSG Group continues to pay employees and suppliers



Covid-19 (cont.)

Major negative impact of Covid-19 on the economy:

Phase 1: National lockdown

- Negative impact on the economy correlated to duration of the lockdown
- Socio-economic impact on low income households in particular

Phase 2: Post national lockdown

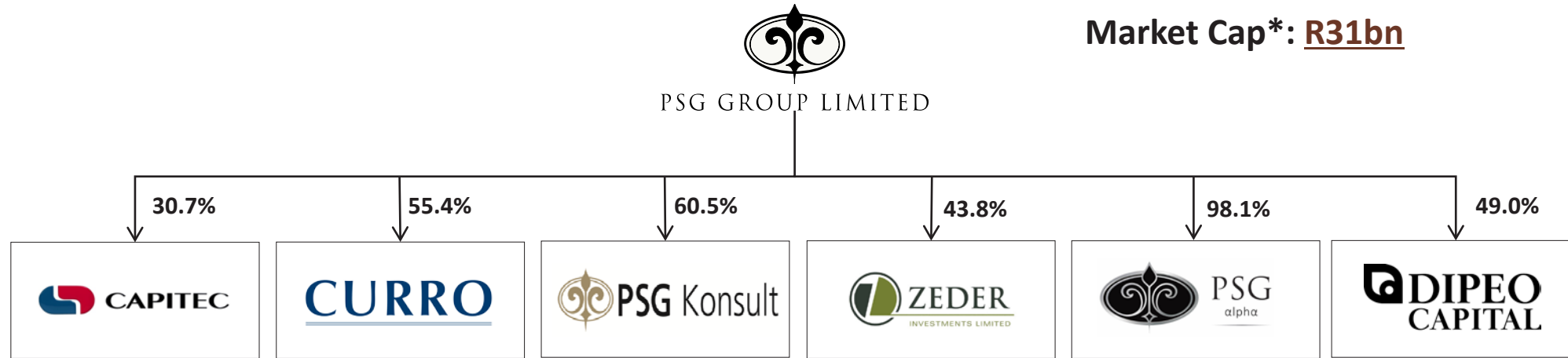
- Increase in unemployment
- Collapse of SMEs
- Economic stimuli needed for businesses
- Increase in social welfare spend

Phase 3: Long-term impact

- Severe contraction in GDP
- Significant erosion of SA's tax base
- Continued social distancing negatively impacting
 - › Tourism
 - › Hospitality



Overview – Group structure



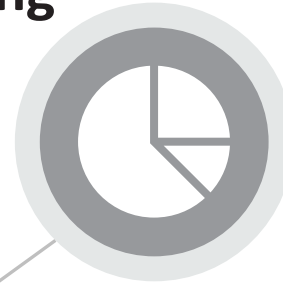
**Market capitalisation as at 17 April 2020*



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Overview – 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



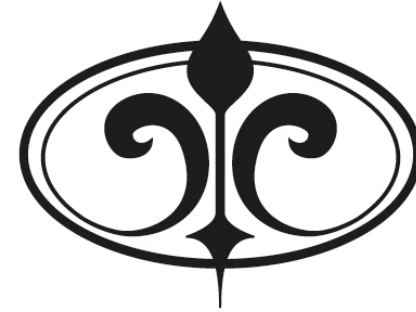
Best management teams:

- › Think different

Best operating models:

- › Service
- › Pricing
- › Experience





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FY20 PSG Group financial results



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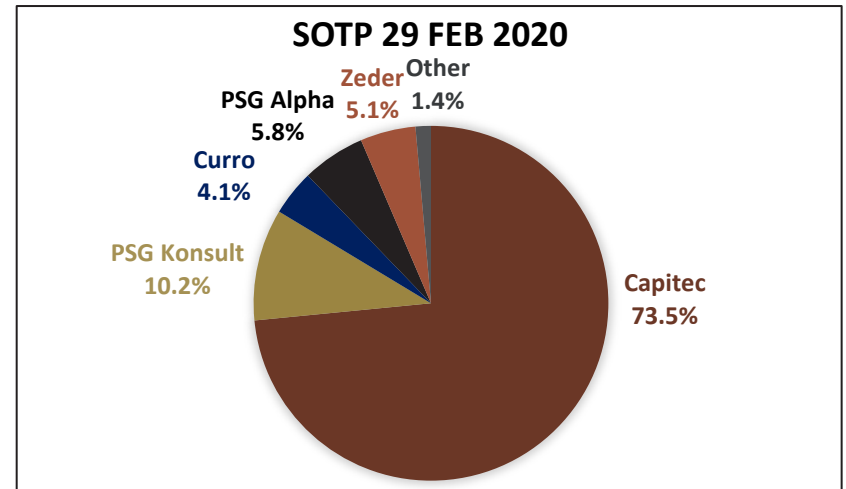
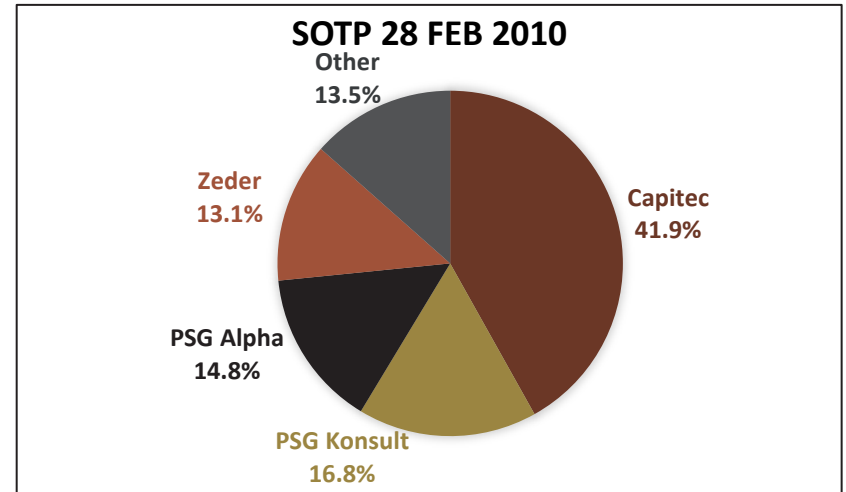
Sum-of-the-parts (SOTP) – 10-year view

Asset/(liability)	28 Feb 10 Rm	29 Feb 20 Rm
Capitec*	2,367	46,130
PSG Konsult*	948	6,399
Zeder*	742	3,173
PSG Alpha	834	3,618
Stadio*		649
Other investments**	834	2,969
Curro*		2,604
Dipeo**		
Other assets	761	879
Cash^	76	
Pref investments and loans receivable^		542
PSG Corporate**	361	
Other^	324	337
Total assets	5,652	62,803
Perpetual pref funding*	(541)	(1,463)
Other debt^	(539)	(1,020)
Total SOTP value	4,572	60,320
Shares in issue (net of treasury shares) (m)	171.9	218.2
SOTP value per share (R)	26.60	276.43
Share price (R)	22.05	186.60

* Listed on the JSE Ltd ** SOTP value

**Valuation ^ Carrying value

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



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SOTP per share 26% CAGR

SOTP – as at 17 Apr 2020

Asset/(liability)	29 Feb 2020		17 Apr 2020
	Rm	Change	Rm
Capitec	46,130	(30.0%)	32,282
PSG Konsult	6,399	(2.5%)	6,237
PSG Alpha	3,618	(2.7%)	3,520
Stadio	649	(35.3%)	420
Other investments	2,969	4.4%	3,100
Zeder	3,173	(0.5%)	3,158
Curro	2,604	(15.3%)	2,205
Dipeo			
Other assets	879	(12.1%)	773
Cash	187	(1.6%)	184
Pref investments and loans receivable	542	(6.1%)	509
Other	150	(46.7%)	80
Total assets	62,803	(23.3%)	48,175
Perpetual pref funding	(1,463)	27.4%	(1,062)
Other debt	(1,020)	1.1%	(1,031)
Total SOTP value	60,320	(23.6%)	46,082
Shares in issue (net of treasury shares) (m)	218.2		218.2
SOTP value per share (R)	276.43	(23.6%)	211.18
Share price (R)	186.60	(24.5%)	140.84

JSE All Share Index decreased by 3.7% between 29 Feb 2020 and 17 April 2020

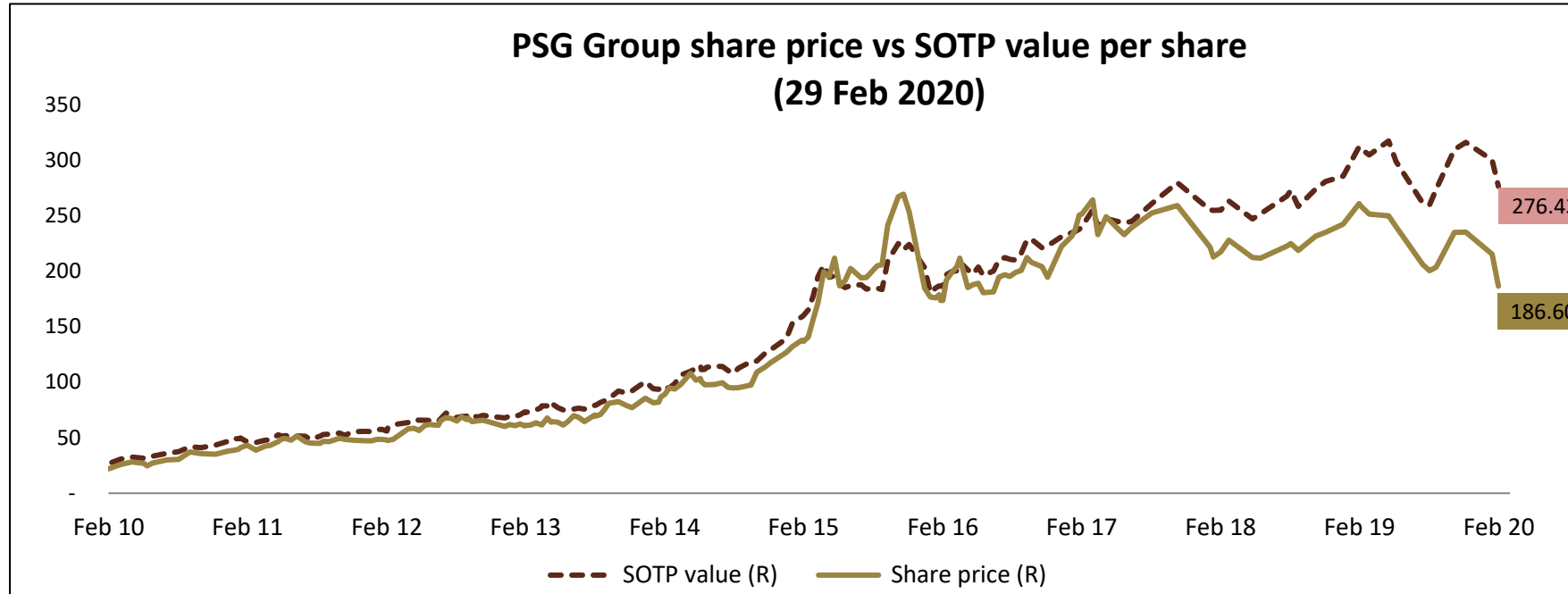


On 28 April 2020, through receipt of the Zeder special dividend of R2.30 per share, our cash will increase by R1.7bn and our share of Zeder's market cap is likely to reduce with a similar amount.



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PSG Group share price vs SOTP value per share



Discount

Latest *discount* ~32%
12-month average *discount* ~23%

Liquidity (per annum)

Feb 2020	49%
Feb 2019	47%
Feb 2018	69%
Feb 2017	30%
Feb 2016	50%
Feb 2015	17%
Feb 2014	10%



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Discount to SOTP – Reasons

Reasons for the discount:

- Capitec success
- Investment holding companies have generally fallen out of favour
- Too many listed entry points into PSG Group:
 - › Investors can construct their own portfolio
- PSG Group has struggled to get meaningful traction with its early-stage PSG Alpha investments
 - › Low economic growth the past decade
 - › Scored own goals

It is our intention to unlock the discount as far as reasonably possible when opportune:

- Share-buybacks unlikely to form part of the strategy



Is PSG Group just a Capitec proxy?

Capitec:

- Capitec is the most successful business created in South Africa the last 20 years
- Shareholders must remember that we unbundled Capitec in 2003 and subsequently reacquired the shares in the market to the benefit of PSG Group shareholders

10-year performance to end of Feb 2020:

- We analyse the SOTP per share performance, because you cannot simply allocate the discount and the debt to other investments (non-Capitec) and conclude that these investments have delivered negative returns
- 10-year CAGR on a “PSG” per share basis (excludes dividends)
 - › Capitec: 34%
 - › Other assets: 16% (all surplus cash included in this return)
 - › PSG Group SOTP: 26%
 - › JSE All Share Index: 7%

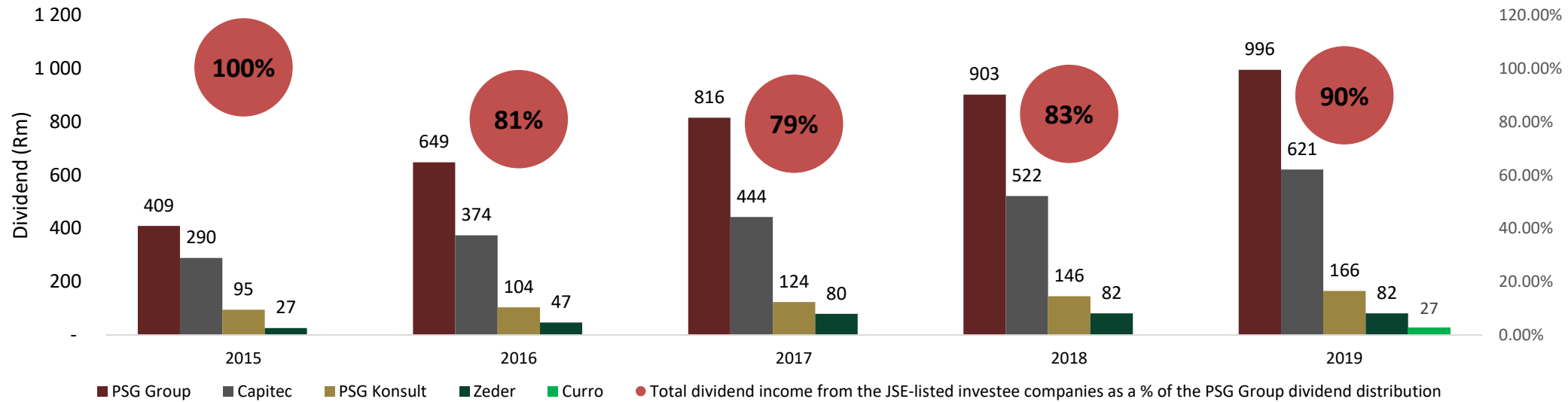
Capitec has contributed significantly to our success; however, our other assets have also materially outperformed the JSE over the last 10 years



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PSG Group dividend

PSG Group dividend distribution vs the dividend income PSG Group earned from its JSE-listed investee companies (FY15 - FY19)



PSG Group dividend distribution:

- FY16 to FY19 dividend distributions were significantly more than the dividend income earned from the PSG Group JSE-listed investee companies

PSG Group dividend policy:

- Distribute up to 100% of available free cash flow

FY20 PSG Group dividend distribution:

- The SA Reserve Bank Guidance Note 4/2020
- Final dividend of 75 cents per share



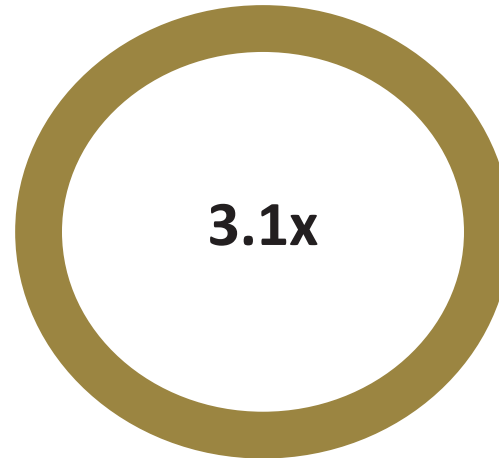
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Gearing and interest cover – Feb 2020

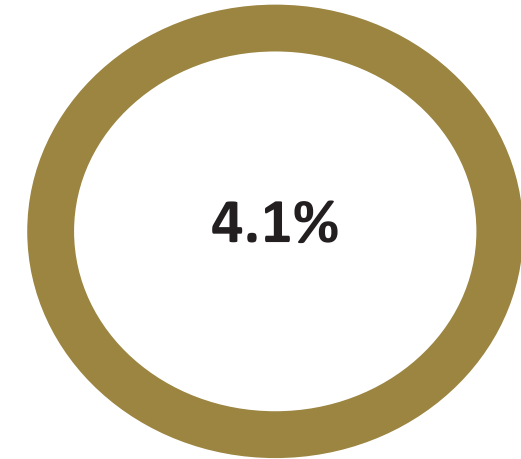
Gearing* (based on consolidated B/S NAV)



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

	28 Feb 18 Rm	28 Feb 19 Rm	Change %	29 Feb 20 Rm
Capitec	1,369	1,625		1,927
PSG Konsult	348	361		389
PSG Alpha	172	216		270
Zeder	205	207		246
Curro	110	137		117
Dipeo	(56)	(29)		(36)
PSG Corporate	(7)	(45)		(29)
Other (<i>mainly pref div income</i>)	136	84		126
Recurring earnings before funding	2,277	2,556	18	3,010
Funding (<i>net of interest income</i>)	(135)	(199)		(216)
Recurring earnings	2,142	2,357	19	2,794



Earnings and dividend per share

	28 Feb 18 Rm	28 Feb 19 Rm	Change %	29 Feb 20 Rm
Recurring earnings	2,142	2,357	19	2,794
Non-recurring items	(186)	(163)		(211)
Headline earnings	1,956	2,194	18	2,583
Non-headline items	(42)	(268)		(121)
Attributable earnings	1,914	1,926	28	2,462
Earnings per share (R)				
- Recurring	9.94	10.86	18	12.81
- Headline	9.08	10.11	17	11.84
- Attributable	8.88	8.88	27*	11.29
Dividend per share (R)	4.15	4.56	(48)**	2.39

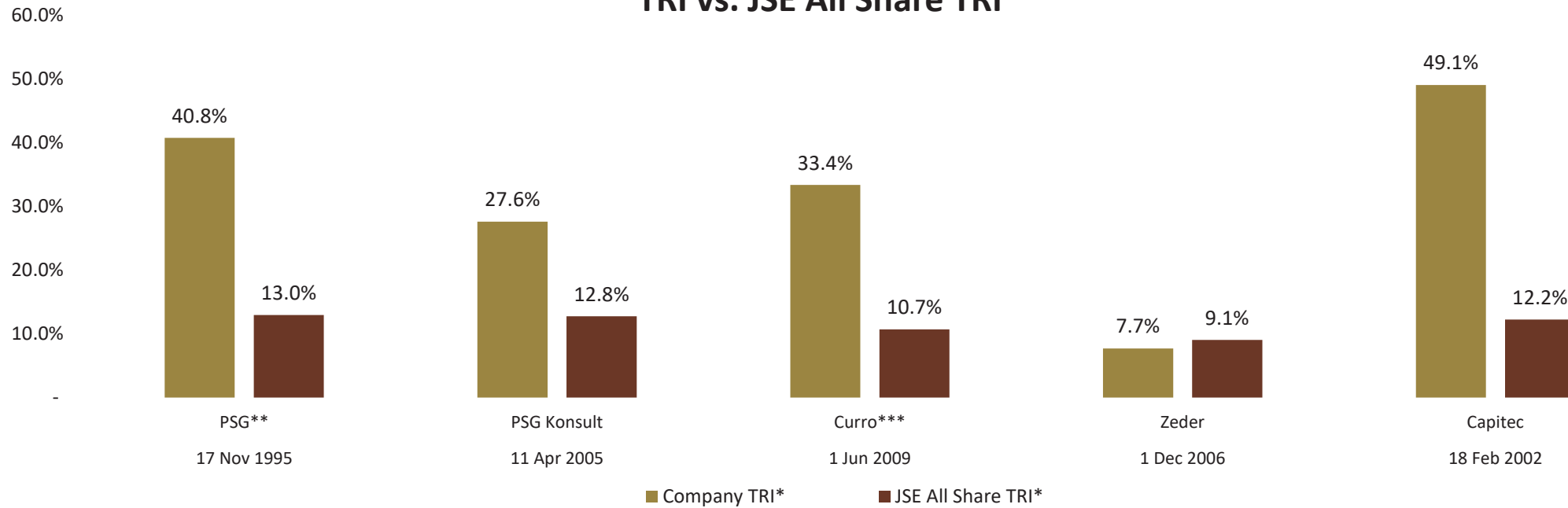
*Attributable earnings per share increased by a higher margin than recurring earnings and headline earnings per share mainly due to Zeder's non-headline reversal of an impairment loss recognised in respect of its investment in Pioneer Foods at 28 Feb 2019 following a recovery in its share price

**The 48% decline in dividend per share is attributable to Capitec complying with the SA Reserve Bank's Guidance Note 4/2020, thereby not having declared a final dividend i.r.o. FY20



Total return index (TRI) – Feb 2020

PSG Group Companies' TRI vs. JSE All Share TRI*



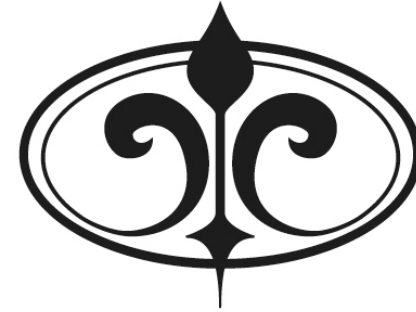
*Measured since the respective dates noted until 29 Feb 2020

**Capitec unbundling in Nov 2003 treated as a dividend

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



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FY20 Investees' financial results



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FY20 investees' financial results

- Most of PSG Group's underlying investees released financial results recently
- For the full results, please visit the respective companies' websites:
 - › Capitec: www.capitecbank.co.za
 - › PSG Konsult: www.psg.co.za
 - › Curro: www.curro.co.za
 - › Zeder: www.zeder.co.za
 - Kaap Agri: www.kaapagri.co.za
 - Quantum: www.quantumfoods.co.za
 - › PSG Alpha investments:
 - Stadio: www.stadio.co.za
 - CA Sales: www.casholdings.co.za





CAPITEC



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Capitec – Headline earnings per share increased by 19%

Loan book:

- Net retail loans and advances: ↑ 17% to R52bn
 - › Retail gross credit card book: ↑ 61% to R5.8bn
- Net retail credit impairment charge: ↓ 2% to R4.4bn
- Other:
 - › Focus on higher income earners, lower interest rates and offer new products (purpose lending and Access Facility)

Banking:

- Number of active clients: ↑ 22% to 13.9m
- Retail net transaction fee income: ↑ 14% to R7.4bn
- Drive towards digital with 6.7m retail clients using digital channels
- New app allows for more personalisation and customisation (3.3m users)

Other:

- Funeral product remains a success
- Mercantile Bank acquisition completed
- Capitec's CAR: 31%
- Healthy liquidity with surplus cash of R51bn
- No FY20 final dividend was declared as a result of The SA Reserve Bank Guidance Note 4/2020



CURRO



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Curro – Recurring headline earnings per share decreased by 15%

31 Jan 2020:

- Schools: ↑ by 9 to 175 (9-year CAGR of 25%)
- Learners: ↑ by 5,101 to 62,698 (9-year CAGR of 35%)

Dec 2019 financial drivers:

- Revenue: ↑ 18% (12% learner growth plus fee inflation)
- Significant increase in finance costs
 - › Built and acquired new schools the last couple of years using debt
 - › J-curve effect of new schools: negative or low EBITDA contribution in initial years
- Bad debts as a percentage of revenue: ↑ from 0.8% to 1.7%

Covid-19 – business continuity with school closure:

- Curriculum: Remote and online learning strategies deployed (for learners up to Grade 12); specific material developed and electronically delivered for primary and high school learners
- Sport: All activities cancelled, but learners provided with home-based training programs
- Culture: Curro Create (performing arts) continues to present national Eisteddfod; all material delivered and adjudicated via online channels





PSG Konsult



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PSG Konsult – Recurring headline earnings per share increased by 8%

PSG Konsult's key earnings driver – AUM: driven by inflows and market movements

Wealth Management:

- AUM: ↑ 10% to R193bn
- Net inflows: R12bn
- Advisors: ↑ 2% to 559
- Recurring headline earnings: ↑ 11% to R376m

Asset Management:

- AUM: ↓ 22% to R36.7bn
- Net outflows: R4.6bn
- Recurring headline earnings: ↓ 12% to R146m

Insure:

- Gross written premium: ↑ 22% to R6.7bn
- Advisors: ↓ 3% to 376
- Underwriting margin increased from 8.9% to 13.6%
- Shareholders investment income: ↓ 7%
- Recurring headline earnings: ↑ 43% to R122m





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Zeder's SOTP value per share increased to R5.95 as at 7 Apr 2020

Company	28 Feb 2019		29 Feb 2020		7 Apr 2020	
	Interest (%)	Rm	Interest (%)	Rm	Interest (%)	Rm
Pioneer Foods	27.1	4 689	28.6	6 348		
Zaad	95.3	2 235	95.7	2 034	95.7	2 034
The Logistics Group	97.4	978	98.6	1 028	98.6	1 028
Capespan	97.4	1 193	96.7	999	96.7	999
Kaap Agri	41.1	959	41.0	723	41.0	652
Agrivision Africa	56.0	493	56.0	242	56.0	242
Quantum Foods	29.3	216	32.1	188	32.1	210
Other		19		19		21
Total investments		10 782		11 581		5 186
Cash and cash equivalents		254		83		4 948
Other net assets		109		40		43
Debt funding		(1 500)		(1 500)		
SOTP value		9 645		10 204		10 177
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		5.97		5.95



Application of the proceeds

Gross proceeds from the disposal of investment in Pioneer (Rm)	6,408
Settlement of debt, transaction costs and directly related obligations (Rm)	(1,547)
Net cash available following the disposal (Rm)	4,861

Distribution

Distribution to shareholders by way of special dividend (Rm)	3,935
Number of issued shares (m)	1,711
Special dividend per share (R)	2.30
PSG Group's share of special dividend (Rm)	1,721





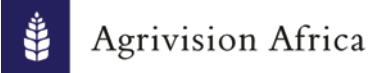


- *Zeder retains R1bn for liquidity purposes*



- 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

Company	Salient features	Zeder share	Zeder value (Rm)	Indicative value of 100% (Rm)
	<ul style="list-style-type: none"> • Leading independent non-GMO, Hybrid Seed Company • Broad basket of Agri-seeds and strategic Agri-inputs • Advanced R&D with proprietary Intellectual Property 	95.7%	2,034	2,125
	<ul style="list-style-type: none"> • SA's leading Agri-retailer • Leading Western Cape grain handler + related services • Well established Fuel-retail and wholesale division 	41.0%	723	1,763
	<ul style="list-style-type: none"> • Port and warehousing assets in CT, Dbn, PE and Maputo • Inland warehousing plus related services • Leading proprietary tech-led logistical platform 	98.6%	1,028	1,043
	<ul style="list-style-type: none"> • Fruit exporter with primary production • Global fruit marketing offices ensuring global retail access • Proprietary trading platform under development 	96.7%	999	1,033
	<ul style="list-style-type: none"> • Zambia's 2nd largest commercial grain farming enterprise • Regionally dominant maize and wheat milling operations • Significant development and acquisition completed 	56.0%	242	432
	<ul style="list-style-type: none"> • SA's largest egg supplier (vertically integrated) • Regionally dominant animal feeds operations • Leading broiler, layer (grand-parent + parent) farming ops 	32.1%	188	586
	<ul style="list-style-type: none"> • A vertical farming start-up • SA concept + patent + innovators • Unique intellectual property with global application 	34.4%	nil	nil
			5,214	6,982





PSG
alpha



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Feb		FY15	FY16	FY17	FY18	FY19	FY20	% Change (FY19 - FY20)	Five-year CAGR
Recurring earnings	Rm	59	113	133	176	220	275	25%	36%
Recurring EPS	cps	5.30	9.30	11.60	12.10	11.30	13.60	20%	21%
SOTP	Rm	1,246	1,367	1,909	5,307	4,802	3,689	(23%)	24%
SOTP per share	R	1.00	1.21	1.62	2.90	2.40	1.80	(25%)	12%

- Recurring earnings growth of 25% to R275m
- REPS growth of 20%
- Despite overall strong earnings growth, significant decline of 23% in SOTP value to R3.7bn
- The decline in SOTP value mostly driven by sharp decline in the JSE-listed share price of Stadio, as well as a downward revaluation of Energy Partners (unlisted)



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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 *Evergreen* as a leading national retirement brand
- Land banking of premier retirement locations
- Shareholders of reference (Amdec and PSG)





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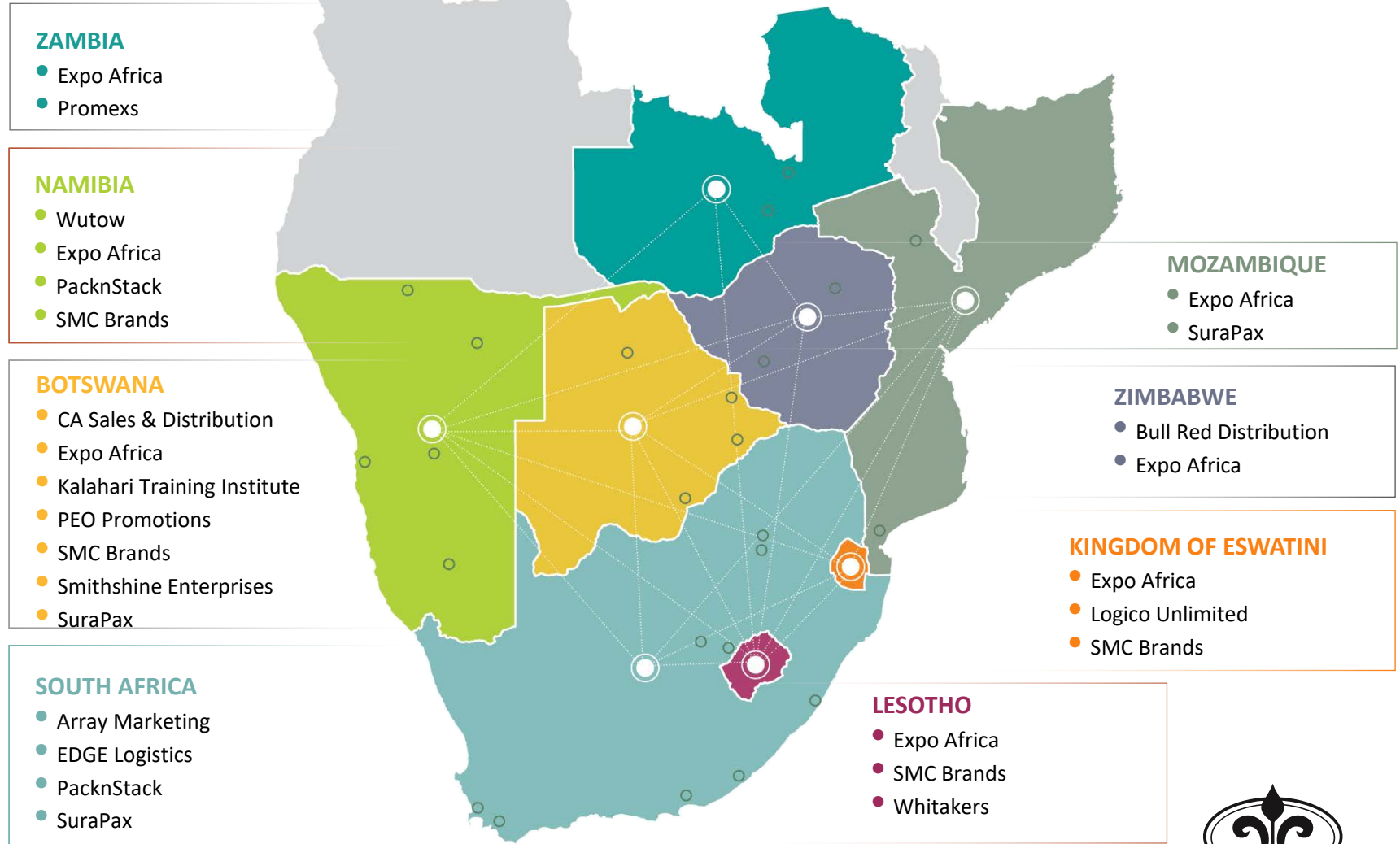
Taking brands beyond borders

48%

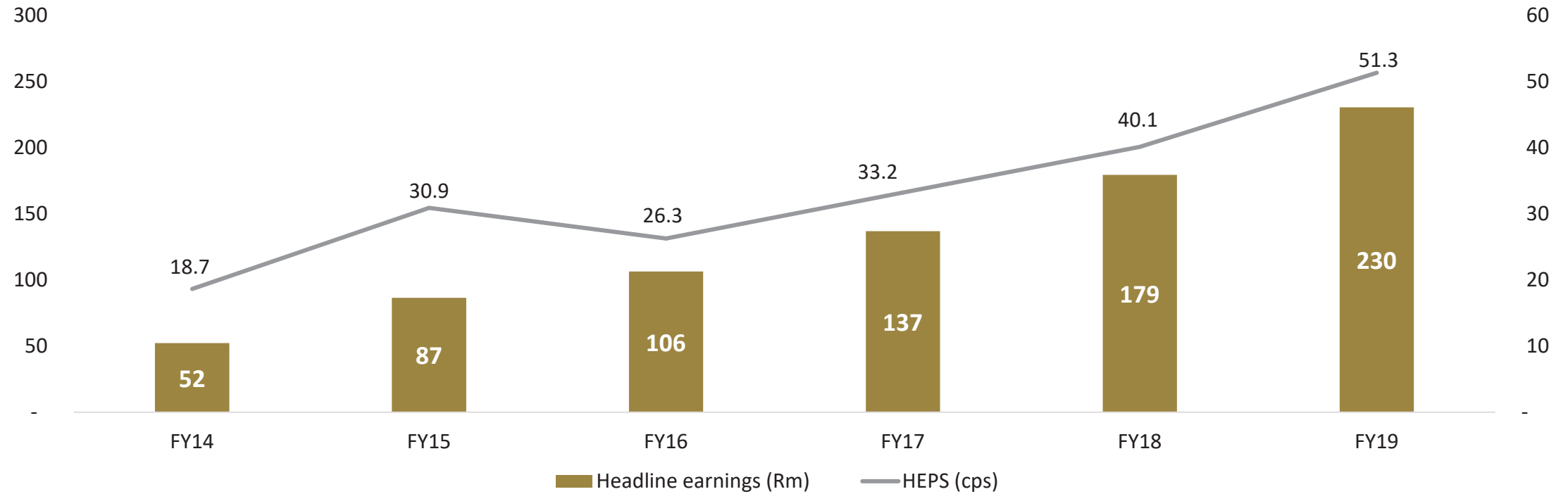
COVERAGE

Our collective footprint covers over 80% of southern Africa 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 Group a powerful competitive advantage in the region



Headline earnings and HEPS*



*December year-end





**ENERGY
PARTNERS**

POWERED BY RESULTS



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54%

Energy Partners owns & operates private energy utilities

- Significant transition accomplished from initial focus (energy efficiency & engineering consultancy) to owner and operator of private energy utilities (assets)
- Exited non-core businesses to refocus on where we have the best skills & strong investment pipeline:

Divisions retained

Brief rational

Solar

Large scope for solar projects both as cash and PPA projects as Eskom struggles

Refrigeration

Significant potential to design, build, own and operate industrial and commercial refrigeration plants exists in SA where value can be unlocked through the funding model, exceptional design, execution and operation of assets

Steam

The potential exists to design, build, own and operate boilers in SA where we have offered clients savings by superior design, control and operations. Assets are typically large and attractive on a PPA model

Energy Intelligence Solutions

The support required to track asset performance and bill utilities is invaluable to our 3 divisions building assets, as well as to large corporates like Netcare and Pick n Pay





STADIO

— HOLDINGS —



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44%

Investment rationale

- Public universities are under pressure – need for a credible alternative
- Opportunity for bigger private sector – private student enrolments as percentage of total higher education students in SA is 15% vs global average of ~35%
- Stadio to invest in:
 - › One Stadio brand – in process to merge 6 brands into *One Stadio* by August 2020
 - › Greenfield multi-faculty campuses – 3,000 to 5,000 students capacity campuses in progress in Centurion and Durbanville
 - › 93 accredited qualifications (e.g. first online SAICA accredited Post Graduate Diploma in Accounting, Engineering, etc.)
- New CEO effective 1 April 2020 - Chris Vorster, founder CEO of Southern Business School (SBS)
- Changing from investment holding company to integrated operational company with associated benefits





(previously FutureLearn)

86%

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

 <p>optimi home</p> <p>Home education and after-school tutoring.</p> <ul style="list-style-type: none">▪ >22 000 learners▪ >1 500 tutors	 <p>optimi classroom</p> <p>Schools and tertiary institutions.</p> <ul style="list-style-type: none">▪ >1 500 schools▪ 2 tertiary institutions	 <p>optimi workplace</p> <p>Corporate and public sector training.</p> <ul style="list-style-type: none">▪ >200 businesses▪ >100 000 learners	 <p>optimi college</p> <p>Accredited and short courses.</p> <ul style="list-style-type: none">▪ >5 300 students
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Other investments

Investment	%	Focus	Comments
	61	Nanofiber material science	<ul style="list-style-type: none"> Established a 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 1 million units per month
	76	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
	42	Mining support services	<ul style="list-style-type: none"> Empowerment partner (Agile Capital) increased stake to 51% during FY19 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

- Disposed of 25% interest in Alaris Holdings in Dec 2019 – focus on larger, core investments with significant influence



Questions



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PSG Alpha Appendices



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EVERGREEN
lifestyle

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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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Evergreen investment rationale



- Retirement living based on life-rights (or right of occupation) model is proven internationally
- Evergreen established the model in South Africa and owns the largest portfolio of life-rights at R2.5bn gross asset value
- Underlying economic model offers attractive long-term returns given low cost of funding as a result of interest free life-right loans
- Possible to create competitive advantage through intellectual property (not a pure property play)
- Demand for security and access to health care expected to continue to increase over long-term



Development pipeline (pre Covid-19)

Retirement units							
Province	Village	FY19	Completed in FY20	FY20	Planned construction in FY21	FY21 forecast	Total unit opportunities on owned land
Western Cape	Bergvliet	78	22	100	-	100	100
	Muizenberg	260	-	260	-	260	260
	Diep River	57	-	57	-	57	57
	Lake Michelle	31	-	31	-	31	141
	Noordhoek	46	104	150	120	270	270
	Val de Vie	2	109	111	80	191	608
	Sitari	-	-	-	30	30	370
	Somerset West	-	-	-	-	-	340
Gauteng	Broadacres	130	108	238	-	238	346
KZN	Umhlanga	-	-	-	-	-	640
	Hilton	-	-	-	-	-	900
	Zimbali	-	-	-	-	-	750
Eastern Cape	Westbrook	-	-	-	-	-	800
Total		604	343	947	230	1,177	5,582

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



Future prospects (pre Covid-19)

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.



Early view of Covid-19 impact on business

Negative

- Further softening in general residential property market
- This will lead to decreased ability for prospective purchasers to raise funds from selling their existing homes to purchase life-rights at Evergreen

Positive

- Evergreen's response to Covid-19 crises has been excellent from an operational perspective (including full lockdown of villages even before SA entered lockdown). Partnership for life promise in action.
- Increased awareness of security and health risks for older people not inside a village with appropriate care should drive demand for Evergreen's product





PSG GROUP LIMITED



Taking brands beyond borders

48%

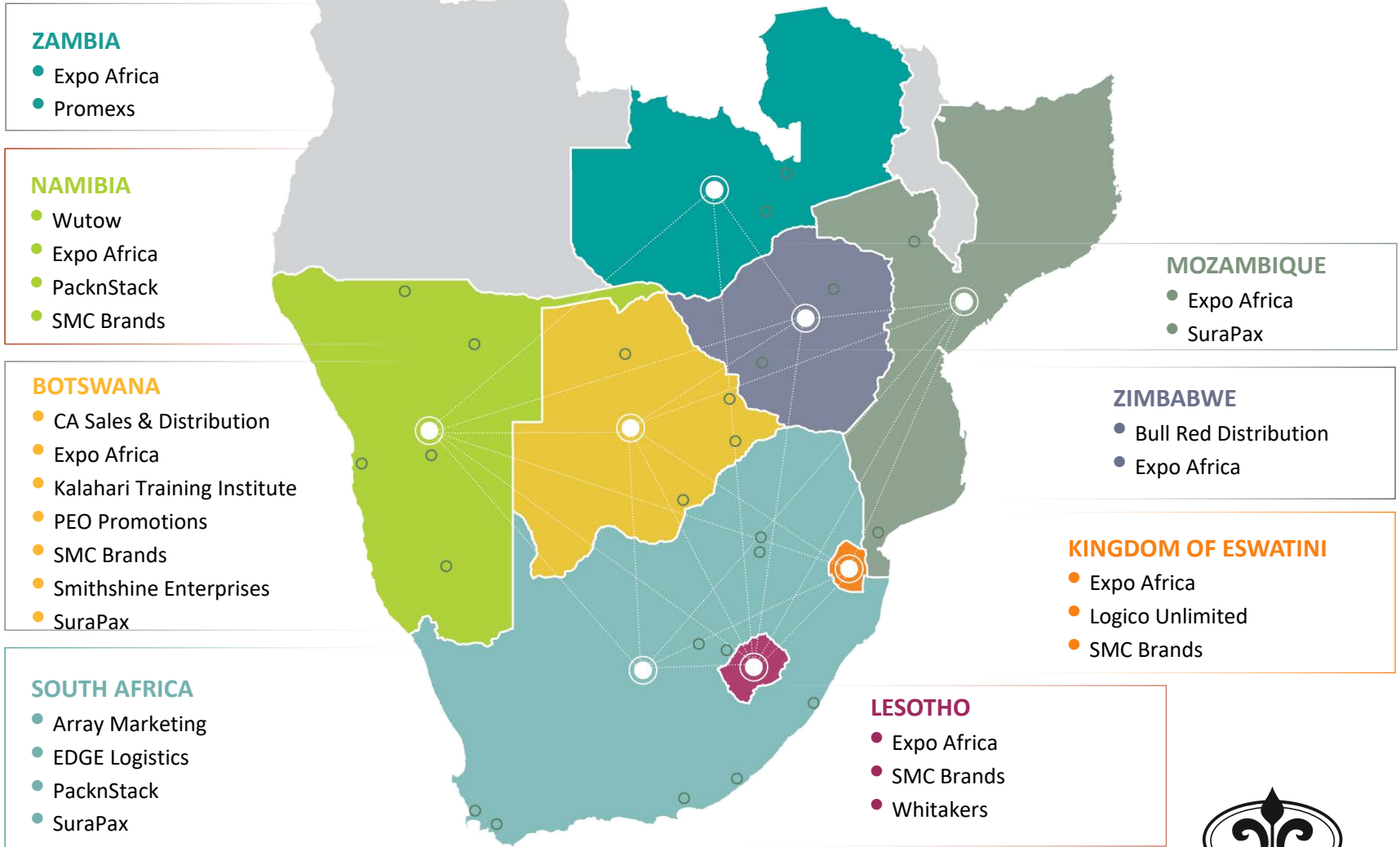
- CA&S Group operates within the **Fast-Moving Consumer Goods Industry** and **delivers route-to-market services to blue chip manufacturers** across southern Africa
- Listed on Botswana Stock Exchange and 4 Africa Exchange in SA
- Operate in 8 countries
- Specialise in:
 - › Distribution across Southern Africa
 - › Warehousing, Transport & Logistics
 - › Sales & Merchandising
 - › Shopper Marketing, Brand Activation and Promotions
 - › Specialist Training Services



COVERAGE

Our collective footprint covers over 80% of southern Africa with a presence in all major centers in 8 countries

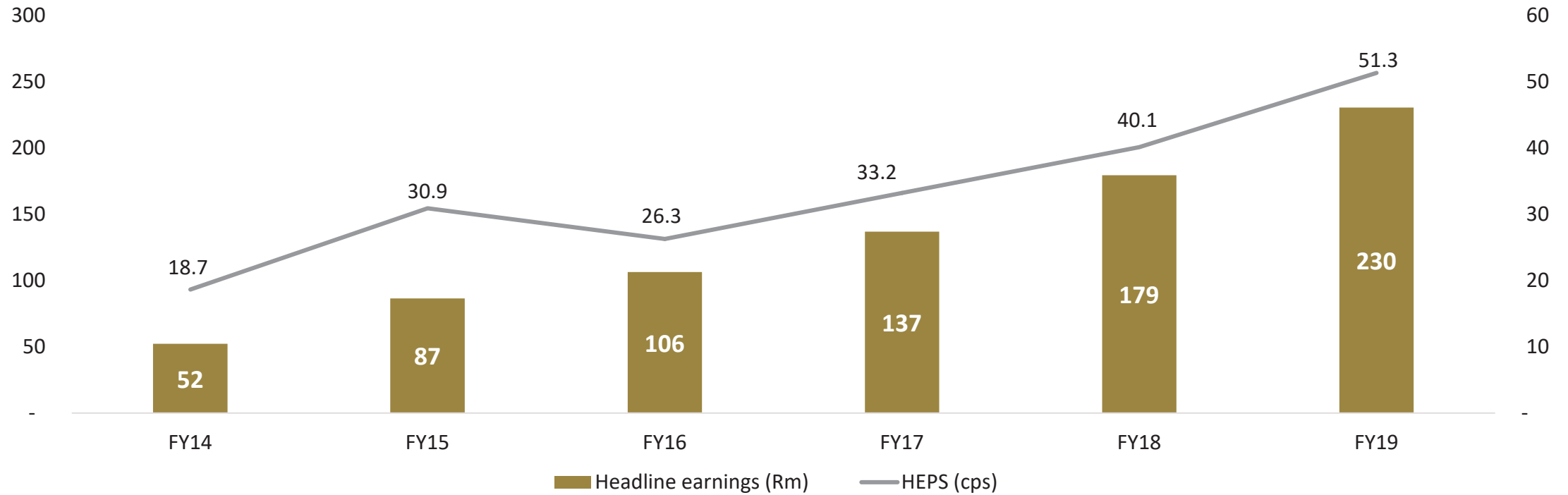
Local knowledge, understanding and customer relationships combined with regional connectivity and shared collective expertise give CA&Sales Group a powerful competitive advantage in the region



- Growing African consumer market & increasing urbanisation will drive the formalisation of retail and the demand for services in this sector
- On the ground African footprint - local knowledge, understanding and customer relationships
- Scale benefits in size and offering across region
- Recent experience from Covid-19 illustrates the necessity of the services CA&S performs



Headline earnings and HEPS*



*December year-end





**ENERGY
PARTNERS**

POWERED BY RESULTS



PSG GROUP LIMITED

54%

Energy Partners own & operate private energy utilities

- Significant transition accomplished from initial focus (energy efficiency & engineering consultancy) to owner and operator of private energy utilities (assets)
- Exited non-core businesses to refocus on where we have the best skills & good investments pipeline:

Divisions retained

Brief rational

Solar

Large scope for solar projects both as cash and PPA projects as Eskom struggles

Refrigeration

Significant potential to design, build, own and operate industrial and commercial refrigeration plants exists in SA where value can be unlocked through the funding model, exceptional design, execution and operation of assets

Steam

The potential exist to design, build, own and operate boilers in SA where we have offered clients savings by superior design, control and operations. Assets are typically large and attractive on a PPA model

Energy Intelligence Solutions

The support required to track asset performance and bill utilities is invaluable to our 3 divisions building assets as well as to large corporates like Netcare and Pick n Pay



Investment rationale (and reflections)

Investment rationale

- South Africa is still at the start of its energy deregulation process
- Private utility model is proven internationally; no large local players to date
- Attractive economics (IRR's of 18-25%)
- Market forces will drive greater adoption of private generation (solar division) and efficiency enhancing technologies (refrigeration and steam):
 - › Cost of solar photovoltaic electricity now below grid prices
 - › Grid availability will remain an issue
 - › Continued drive towards cleaner energy and energy footprint reduction
- The investment business is healthy with core divisions' assets consistently performing to expectation and with no bad debt to date
- Africa presents a large opportunity, with some promising prospects emerging

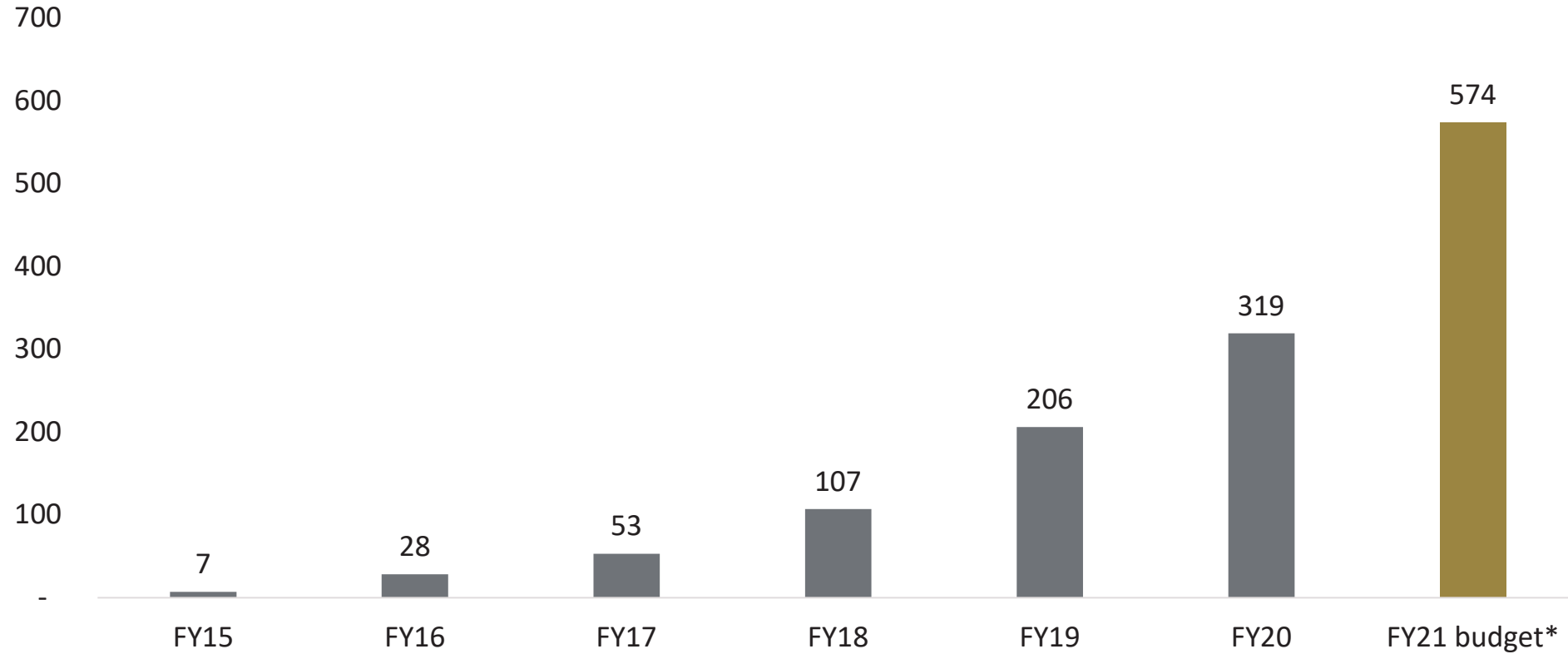
Reflections

- We investigated/invested in various opportunities and paid some school fees along the way
- The stagnant economy certainly did not help



Asset investments showing continued growth

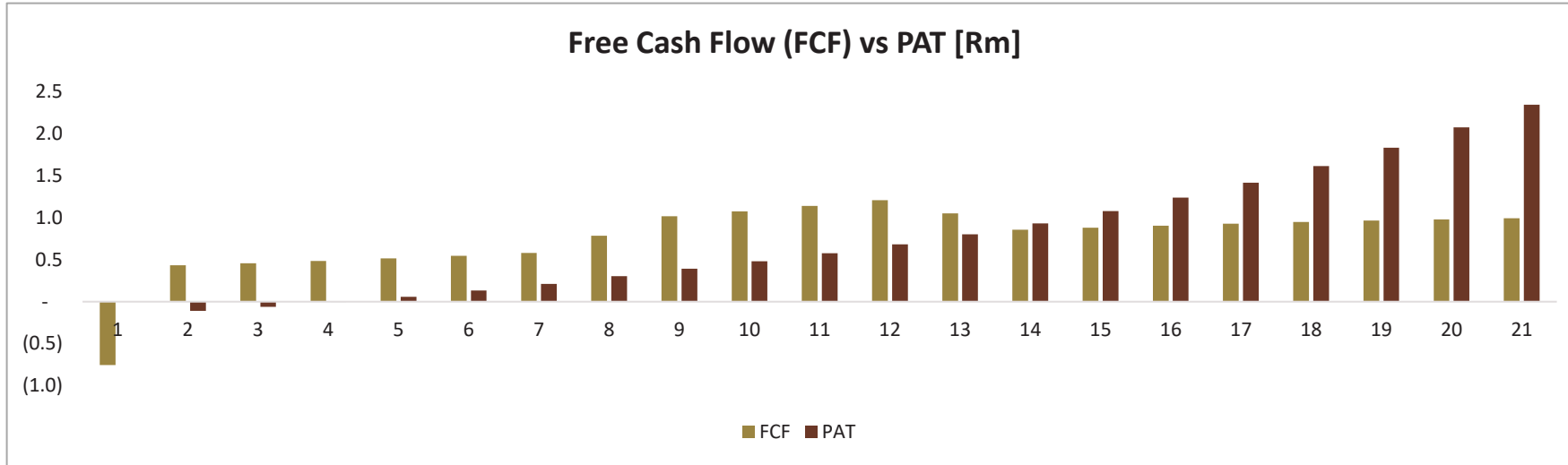
Cumulative energy assets (Rm)



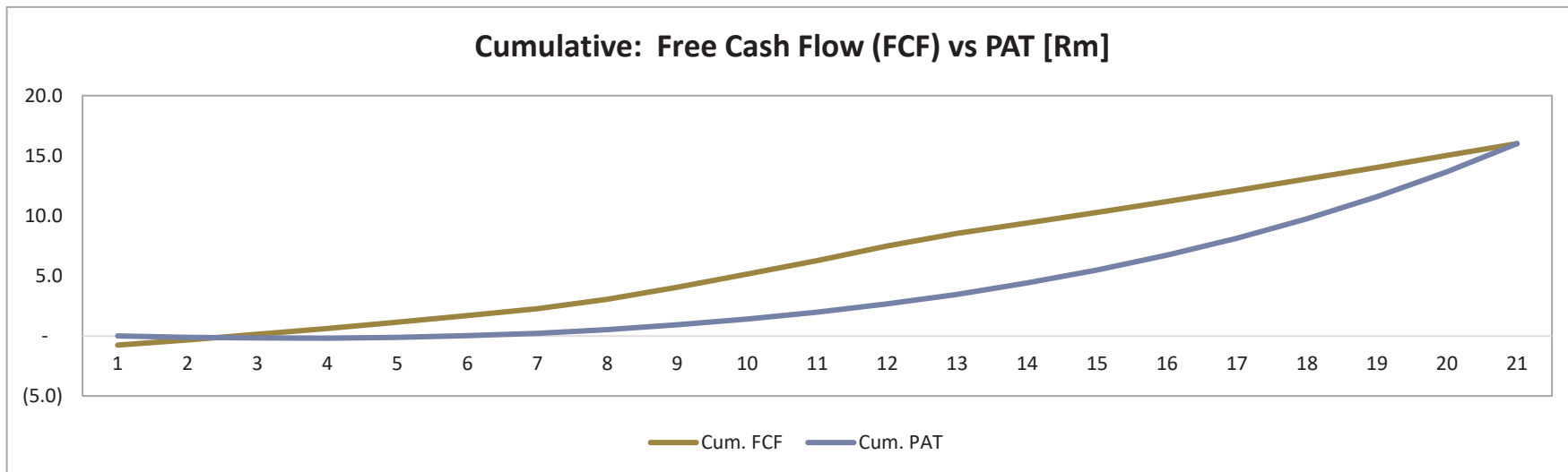
*Excluding potential impacts from Covid-19



Profitability of utilities business is delayed ("cash flow rich but profit poor in early years")



- Example:
 - › 1MW solar plant
 - › R10m CAPEX
- Profit in initial years is depressed due to relatively low starting yields compared to initial financing costs and depreciation being straight-lined





STADIO

— HOLDINGS —



PSG GROUP LIMITED

44%

Building a credible private university for 100,000+ students

- Vision: “To be a leading higher education provider, offering qualifications aligned with the needs of societies, students, and the world of work”
- Through several acquisitions in 2017 - 2019, Stadio created a base to build from. Currently:
 - › ~32,000 students
 - › 93 accredited qualifications (45 in pipeline)
 - › 14 existing sites of delivery (single faculty)
 - › 80% of students off-campus, 20% on-campus students – similar ratio expected in future
 - › Service school leavers, adults and corporates



- Public universities are under pressure – need for a credible alternative
- Opportunity for bigger private sector – private student enrolments as percentage of total higher education students in SA is 15% vs global average of ~35%
- Stadio to invest in:
 - › One Stadio brand – in process to merge 6 brands into *One Stadio* by August 2020
 - › Greenfield multi-faculty campuses – 3,000 to 5,000 students capacity campuses in progress in Centurion and Durbanville
 - › 93 accredited qualifications (e.g. first online SAICA accredited Post Graduate Diploma in Accounting, Engineering, etc.)
- New CEO effective 1 April 2020 - Chris Vorster, founder CEO of Southern Business School (SBS)
- Changing from investment holding company to integrated operational company with associated benefits



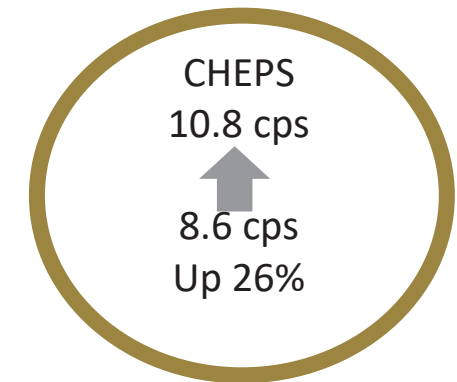
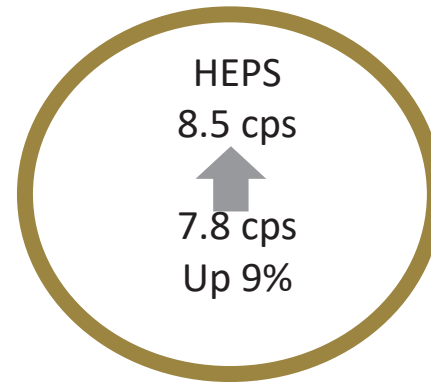
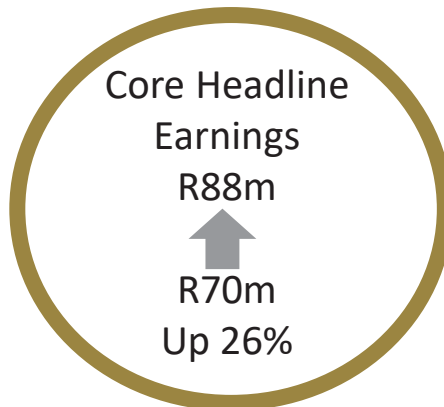
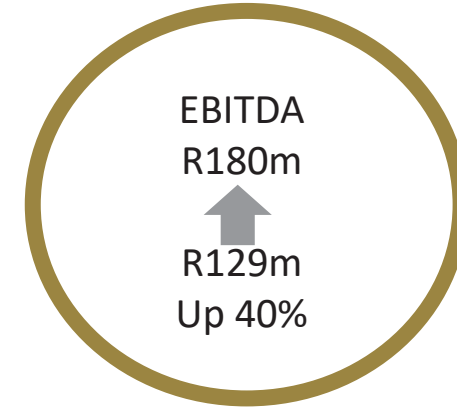
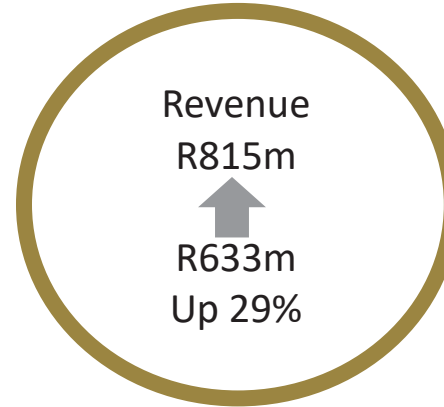
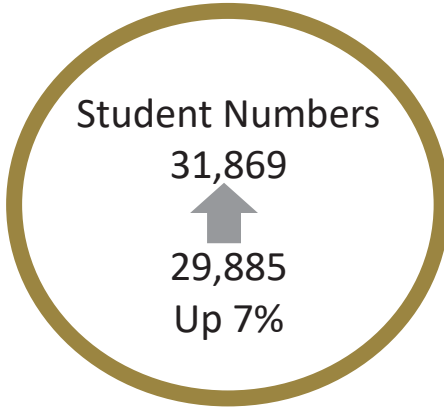
Greenfield operations – Centurion



Greenfield operations – Durbanville



Financial metrics FY18 to FY19





(previously FutureLearn)

86%

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

 <p>optimi home</p> <p>Home education and after-school tutoring.</p> <ul style="list-style-type: none">▪ >22 000 learners▪ >1 500 tutors	 <p>optimi classroom</p> <p>Schools and tertiary institutions.</p> <ul style="list-style-type: none">▪ >1 500 schools▪ 2 tertiary institutions	 <p>optimi workplace</p> <p>Corporate and public sector training.</p> <ul style="list-style-type: none">▪ >200 businesses▪ >100 000 learners	 <p>optimi college</p> <p>Accredited and short courses.</p> <ul style="list-style-type: none">▪ >5 300 students
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Investment rationale



- Demand for access to affordable quality education will continue to grow
- Optimi has developed scalable systems that delivered 6-year compound growth in learner numbers of 20% (to 18,200) and revenue growth of 28% (to R153m) in initial Impaq brand (home school product)
- Several acquisitions were made over the last 2 years to build an integrated education business with a bigger scope where the systems and experience from Impaq can be leveraged
- Strategic development areas for 2020:
 - › Establish and grow a single Optimi brand and rebrand the existing businesses and offerings accordingly
 - › Implement the GuidED learning methodology and platform as the foundation for all offerings across the business, enabling further consolidation of learning platforms, resources, and content
 - › Consolidate & expand offerings with mass-market appeal to serve full spectrum of the education landscape through the Group's 4 divisions
 - › Further integrate Optimi's Central Services organisation's processes & systems to drive efficiency & scalability

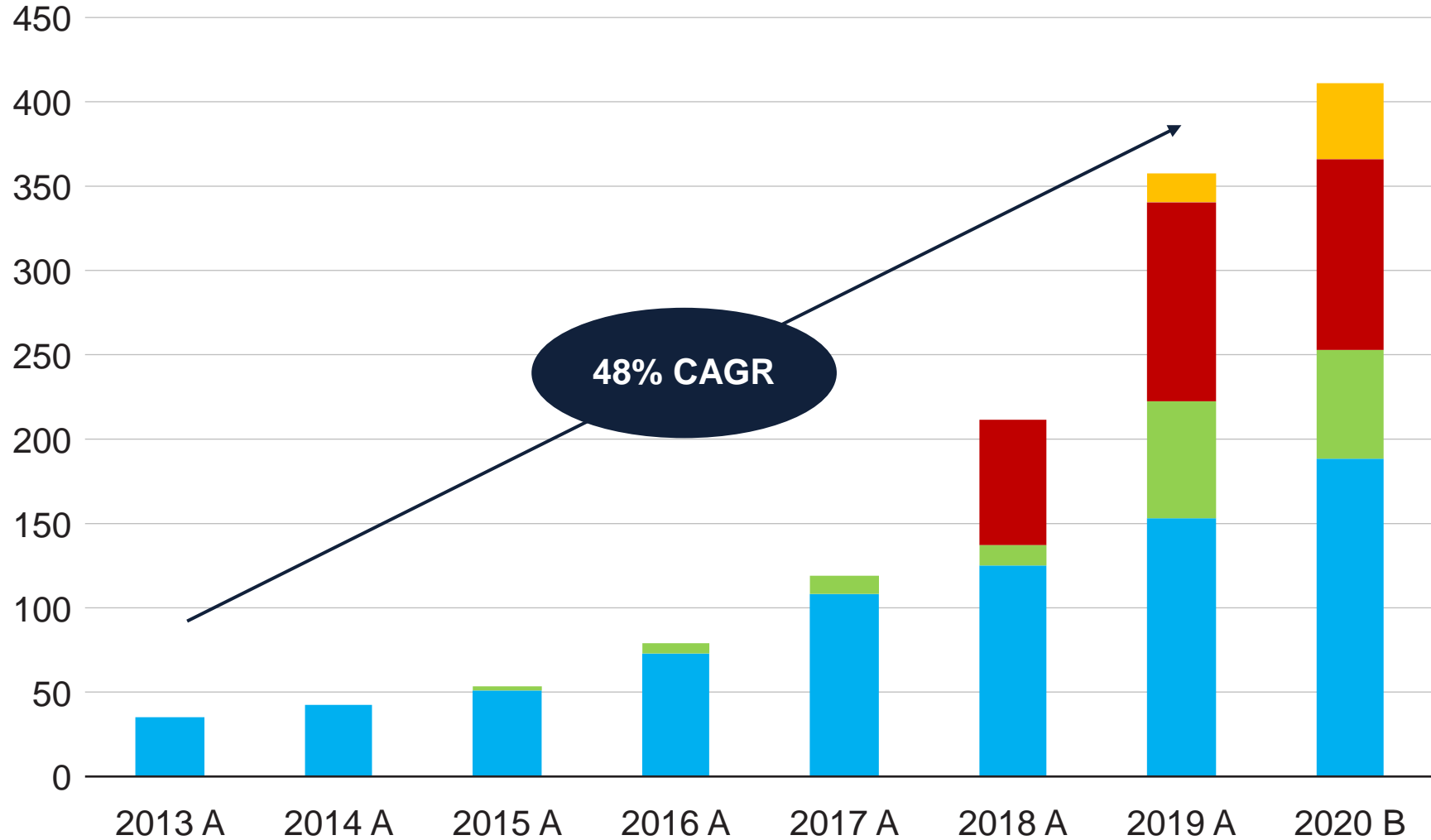


Strong organic and acquisitive growth over past 6 years



Optimi revenue

Rm; historic actual, FY 20 budget



- College
- Workplace
- Classroom
- Home

- R411m revenue expected in 2020
- 48% CAGR (30% organic) over past 6 years



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Thank you



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