

PSG FINANCIAL SERVICES LIMITED

(Incorporated in the Republic of South Africa)

Registration Number: 1993/003941/06

JSE Share Code: KST

NSX Share Code: KFS

SEM Share code: PSGK.N0000

ISIN Code: ZAE000191417

LEI Code: 378900ECF3D86FD28194

("PSG Financial Services" or "PSG" or "the company" or "the group")



SHORT-FORM ANNOUNCEMENT: REVIEWED RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2025 AND DIVIDEND DECLARATION

1. FINANCIAL RESULTS

- Recurring headline earnings per share increased by 25% to 101.1 cents per share
- Total dividend per share increased by 24% to 52.0 cents per share
- Assets under management increased by 16% to R470.7bn
- Gross written premium increased by 9% to R7.6bn

Note: All amounts contained in this short-form announcement are presented in ZAR.

PSG delivered a 24.7% increase in recurring headline earnings per share and a return on equity of 26.6%.

While operating conditions remained challenging, more favourable equity market conditions impacted positively on the group's results during the year. Our key financial metrics under these conditions highlight the competitive advantage of our advice-led business model. Total assets under management increased by 15.7% to R470.7 billion, comprising assets managed by PSG Wealth of R410.0 billion (15.5% increase) and PSG Asset Management of R60.7 billion (17.2% increase), while PSG Insure's gross written premium amounted to R7.6 billion (9.2% increase). Performance fees constituted 3.7% (2024: 2.8%) of headline earnings.

The firm remains confident about its long-term growth prospects, and we therefore continued to invest in both technology and people. Compared to the prior year, our technology and infrastructure spend increased by 18.6% (these costs continue to be fully expensed), while our fixed remuneration cost grew by 6.1%. We are proud of the progress made in growing our own talent, with 150 newly qualified graduates having joined during the financial year.

PSG's key financial performance indicators for the year ended 28 February 2025 are shown below:

	28 Feb 2025 R'000	Change %	29 Feb 2024 R'000
Core income	6 797 835	15.6	5 879 358

Headline and recurring headline earnings	1 272 236	23.1	1 033 276
Non-headline items	1 565		915
Earnings attributable to ordinary shareholders	1 273 801	23.2	1 034 191
Divisional recurring headline earnings			
PSG Wealth	763 212	14.5	666 278
PSG Asset Management	297 246	36.9	217 196
PSG Insure	211 778	41.4	149 802
	1 272 236	23.1	1 033 276
Weighted average number of shares in issue (net of treasury shares) (millions)	1 258.7	(1)	1 274.7
Earnings per share (basic) (cents)			
– Headline and recurring headline	101.1	24.7	81.1
– Recurring headline (excluding intangible asset amortisation cost)	107.1	23.3	86.9
– Recurring headline (excluding performance fees)	97.3	23.6	78.8
– Attributable	101.2	24.7	81.1
Dividend per share (cents)	52.0	23.8	42.0
– Interim dividend per share	17.0		13.5
– Final dividend per share	35.0		28.5
Return on equity (ROE) (%)	26.6		23.4

Capital management

PSG's capital cover ratio remains strong at 257% based on the latest insurance group return (29 February 2024: 286%). This comfortably exceeds the minimum regulatory requirement of 100%. During August 2024, Global Credit Rating Company affirmed the group's long-term and short-term credit ratings at A+(ZA) and A1(ZA) respectively, with a Positive Outlook. The group's capital cover ratio and the credit rating affirmation are testament to the group's strong financial position and excellent liquidity.

PSG continues to generate strong cash flows, which gives us various options to optimise our capital structure and risk-adjusted returns to the benefit of shareholders:

- The group repurchased and cancelled 19.1 million shares at a cost of R330.3 million during the year as part of shareholder capital optimisation.
- Our shareholder investable asset's exposure to equity remains at 9%. We continue to monitor investment markets and will gradually increase our value at risk exposure to align with our long-term target.

2. FINAL DIVIDEND DECLARATION

Considering the strong cash position, the board declared a final gross dividend of 35.0 ZAR cents per share from income reserves for the year ended 28 February 2025 (2024: 28.5 ZAR cents per share). This brings the total dividend distribution to shareholders to 52.0 ZAR cents per share (2024: 42.0 ZAR cents per share) for the full year, reflecting the group's sound financial position and confidence in its prospects. The group's dividend pay-out ratio remains between 40% to 60% of full year recurring headline earnings excluding intangible asset amortisation.

The dividend is subject to a South African dividend withholding tax ("DWT") rate of 20%, unless the shareholder is exempt from paying dividend tax or is entitled to a reduced rate in terms of the applicable double-tax agreement. Including DWT at 20% results in a net

final dividend of 28.0 ZAR cents (2024: 22.8 ZAR cents) per share. The number of issued ordinary shares is 1 260 782 880 at the date of this declaration. PSG Financial Services' income tax reference number is 9550/644/07/5.

The salient dates of the dividend declaration are:

Declaration date	Wednesday, 16 April 2025
Last day to trade cum dividend	Tuesday, 6 May 2025
Trading ex-dividend commences	Wednesday, 7 May 2025
Record date	Friday, 9 May 2025
Date of payment	Monday, 12 May 2025

As the dividend has been declared and denominated in ZAR, it will be paid (in ZAR) into the bank accounts of shareholders appearing on the Mauritian register.

Share certificates may not be dematerialised or rematerialised between Wednesday, 7 May 2025 and Friday, 9 May 2025, both days inclusive.

3. LOOKING FORWARD

PSG is a proudly South African firm that believes in harnessing the power of South Africans' knowledge base to drive economic progress, and in their ability to ignite its untapped potential. Nevertheless, continued low levels of economic growth, South Africa's debt and fiscal situation and heightened geopolitical tensions remain a seemingly intractable problem. Irrespective of the short-term challenges, we remain confident in our long-term strategy and will continue to invest in our businesses, thereby securing prospects for growth. We however understand that our economic and societal challenges will not be resolved quickly. Therefore, we will continue to monitor local and global events and the associated impact on the group's clients and other stakeholders, and will adjust our approach if required.

Our inaugural Think Big SA competition, run in collaboration with Economic Research South Africa, demonstrated the eagerness of South Africans to engage with complex economic issues facing the country. The competition showcased the level of insight and innovation of participants, and based on its success, we have launched the second annual Think Big SA competition with the aim of expanding the debate to encompass the role of capital markets in enhancing economic growth and job creation in South Africa.

4. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the company. It contains only a summary of the information in the full announcement ("**Full Announcement**") and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2025/JSE/ISSE/KST/PSGFY2025.pdf>

Copies of the Full Announcement are also available for viewing on the company's website at <https://www.psg.co.za/files/investor-relations/financial-information/PSGFY2025.pdf>

In addition, electronic copies of the Full Announcement may be requested and obtained, at no charge, from the company at company.secretary@psg.co.za.

Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement, as a whole.

The content of this announcement is derived from reviewed information, but is not itself reviewed. The company has based this short-form announcement on the financial results for the year ended 28 February 2025, which have been reviewed by the company's auditor, Deloitte & Touche, who expressed an unmodified review conclusion thereon.

Tyger Valley
16 April 2025

JSE Sponsor: PSG Capital Proprietary Limited ("PSG Capital")

NSX Sponsor: PSG Wealth Management (Namibia) Proprietary Limited, member of the Namibian Stock Exchange

SEM Authorised Representative and SEM Sponsor: Perigeum Capital Ltd

This notice is issued pursuant to the JSE Limited Listings Requirements and the SEM Listing Rules. The board of directors of PSG Financial Services accepts full responsibility for the accuracy of the information contained in this communiqué.