





 **PSG** Financial Services

 PSG Financial Services  
INTEGRATED REPORT 2026

 **PSG** Financial Services

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

Integrated report  
**2026**

# Contents

<b>A profile of PSG</b>	7
Our guiding principles	8
Our investment case	9
Business model and capitals	14
Stakeholders	24
<b>The 2026 financial year</b>	41
Operating context	42
Our strategy	44
CEO and CFO report	46
Our position on climate change and TCFD	51
Divisional reports	53
<b>Corporate governance</b>	67
Message from the chairperson	68
Overview	70
Board of directors	74
Governance structure and reports	81
Risk report	97
<b>Remuneration report</b>	102
<b>Annual financial statements</b>	129
<b>Company financial statements</b>	235
<b>Annexures</b>	257

## Reader's tips and feedback

- Refer to the glossary in Annexure D for a list of industry-specific terms or abbreviations not explained in the body of the integrated report
- References to notes refer to the notes in the group financial statements
- A downloadable version of this report can be found on [www.psg.co.za/investor-relations/overview](http://www.psg.co.za/investor-relations/overview)
- PSG values feedback on the report from stakeholders. Please send comments or requests for further information to: [mike.smith@psg.co.za](mailto:mike.smith@psg.co.za) or engage with us on:



[www.facebook.com/PSGFinancialServices/](http://www.facebook.com/PSGFinancialServices/)



[www.linkedin.com/company/psg-financialservices/](http://www.linkedin.com/company/psg-financialservices/)



[www.x.com/PSGfinservices](http://www.x.com/PSGfinservices)



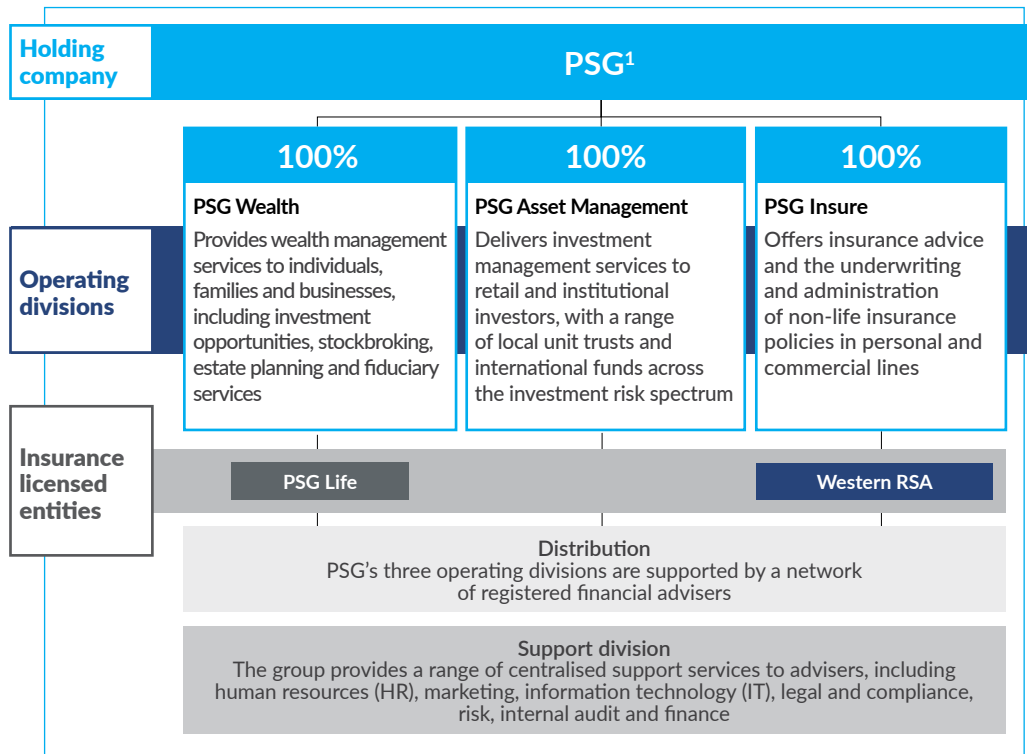
[www.youtube.com/@PSGFinancialServices](http://www.youtube.com/@PSGFinancialServices)

PSG Financial Services (previously PSG Konsult) is a leading financial services group predominantly serving individuals and enterprises in South Africa and Namibia.

- The group operates through three divisions, offering a wide range of financial services and products.
- Divisions are monitored through ongoing integrated reporting and internal assurance functions, which support performance and ensure risk and regulatory compliance.
- Each division has its own board and executive committee (Exco), aligned with the group's governance structures.
- Affiliates of PSG Financial Services Limited (PSG or the group), a licensed controlling company, are authorised financial services providers.

*“PSG’s advice-focused business is founded on personal service, lifelong relationships with clients, integrity, trust and transparency.”*

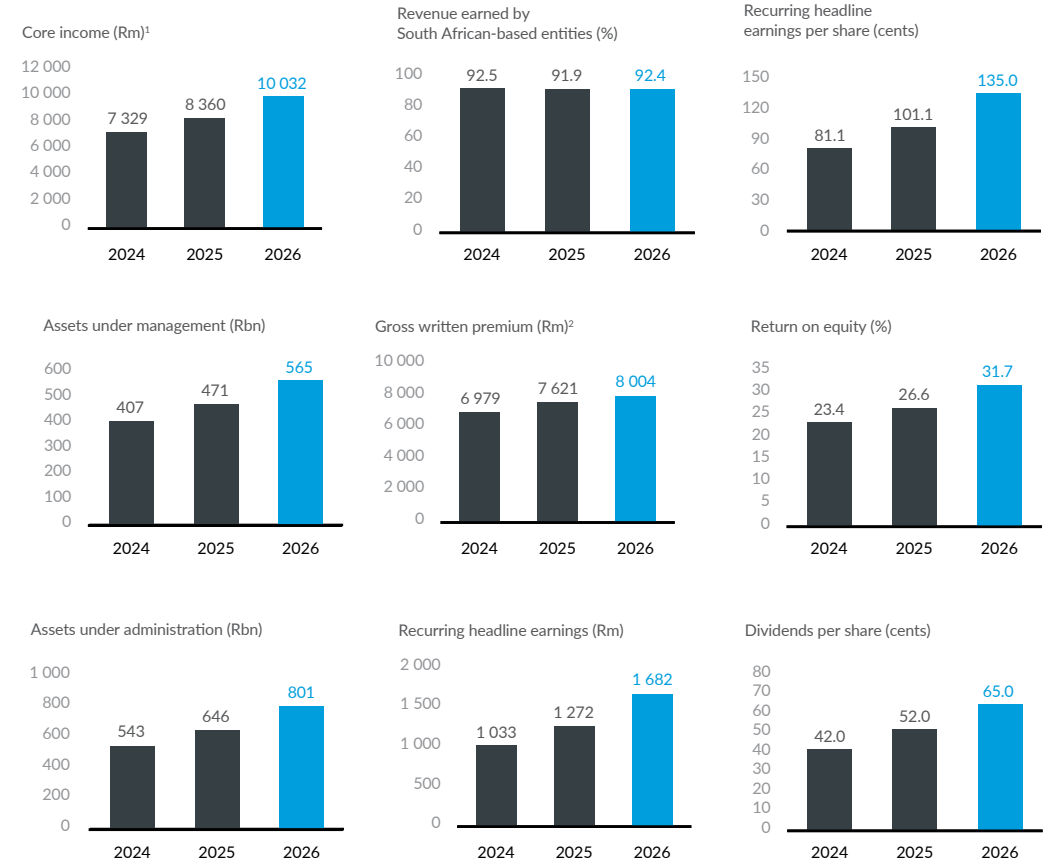
These values are encapsulated in the group's core principles (see page 8).



<sup>1</sup> Includes the PSG support functions.

PSG Financial Services listed on the Johannesburg Stock Exchange Limited's (JSE) Equity Market on 15 June 2014. This primary listing was followed by a secondary listing on the Namibian Stock Exchange (NSX) on 16 July 2014, and a secondary listing on the Stock Exchange of Mauritius (SEM) on 27 November 2018. In August 2023, PSG Konsult changed its name to PSG Financial Services, as the leadership team believes this is a more descriptive name for the group's comprehensive range of financial services. The group, through its wholly-owned subsidiary PSG Treasury Limited (PSG Treasury), concluded its maiden listing on the JSE's Interest Rate Market in 2017.

## Financial performance snapshot for 2026



<sup>1</sup> Excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability. The IFRS 17 restated core revenue amounts are R8 280 million (FY2026), R6 798 million (FY2025) and R5 879 million (FY2024).  
<sup>2</sup> Includes gross written premiums on policies administered by the Insure distribution advisers, which are placed with third-party insurers. The group earns commission income and administration fees on this. It excludes the short-term administration platform gross written premium. We continue to disclose gross written premium as a management performance metric, in line with past practice. It should be noted that this is not a metric reported under IFRS 17.

<b>Compound growth rate</b> <b>15%</b> in recurring headline earnings since 2016	During July 2025, Global Credit Rating Company (GCR) upgraded PSG Financial Services Limited's national scale long-term and short-term credit ratings to AA-(ZA) from A+(ZA) and to A1+(ZA) from A1(ZA), respectively, with a Stable Outlook	<b>Advisers</b> <b>976</b> situated in <b>265</b> adviser offices throughout South Africa and Namibia
<b>Market capitalisation</b> <b>R35.3bn</b> as at 28 February 2026	<b>Shareholders</b> <b>27 227</b>	<b>Employees</b> <b>3 371</b>
		<b>Client complement</b> <b>&gt;520 000</b> across offices

The group is proud of our divisions' industry awards

## PSG Wealth

### Krutham 2025 Top Private Banks and Wealth Managers Awards:

- Awarded Wealth Manager of the Year: Large Institutions for the seventh year in a row
- PSG Wealth delivered a strong showing across all categories, including winning the Wealthy Executive, Retiree, Successful Entrepreneur, and Lump-sum Investor archetypes

### Citywire South Africa DFM Awards 2025:

- PSG Wealth Moderate Fund of Fund won the award for the best performing multi-asset high equity fund

## PSG Asset Management

### 2026 FundHub Industry Performance Awards:

- The PSG Balanced Fund received the award for the best SA multi-asset high-equity over five years
- The Equity Fund achieved first place as the best SA equity general performance over five years
- The PSG SA Equity Fund won the SA Equity – SA General category over five years
- The PSG Global Flexible Feeder Fund received the award for the best global multi-asset performance over five years

### 2026 Profile Unit Trust Awards:

- PSG Equity Fund was the joint winner in the Best South Africa-Equity-General category for risk-adjusted performance over five years

### 2025 INN8 Invest Diamond Awards:

- Best Overall Performing Multi Asset Manager 5 Years

## PSG Insure

### 2025 Santam National Broker Awards:

- PSG Insure was recognised as the Santam National Broker of the Year for performance excellence in personal lines

## Presenting our 2026 integrated report

This integrated report (report) has been developed to assist PSG stakeholders in making an informed assessment of our ability to create and preserve value over time.

This report reflects the activities and performance of PSG for the financial year ended 28 February 2026. All references to "the year" mean the financial year, unless otherwise stated.

While this report is principally aimed at the providers of capital, our shareholders, it also considers the information needs of all our stakeholders.

This is our primary report, and the board is confident that this report provides stakeholders with an accurate and balanced view of the group's activities over the short, medium and long term. It further addresses the material matters faced by the group.

The scope of this report is in line with PSG's operational and governance approach. It includes the integrated financial and non-financial performance of the three operating divisions and the South African insurance licensed entities, subject to group supervision by the Prudential Authority in South Africa. It contains relevant comparisons to previous periods as well as detailed divisional reviews.

PSG Treasury is a wholly-owned subsidiary in the group and is governed by an approved board charter in line with the principles of the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)<sup>1</sup> and the JSE Listings Requirements pertaining to debt issuers.

The report is part of a suite of publications the group produces to best meet the needs of various stakeholders. The publications are available at: [www.psg.co.za/investor-relations](http://www.psg.co.za/investor-relations).

## Reporting compliance

This report was prepared in accordance with relevant regulations, standards and best practices. PSG aligns its reporting with the following reporting requirements and principles:

- IFRS® Accounting Standards and the IFRIC® Interpretations
- The South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides, as issued by the Accounting Practices Committee
- Financial Pronouncements as issued by the Financial Reporting Standards Council
- The Companies Act, No. 71 of 2008 (as amended) (the Companies Act)
- The JSE Listings Requirements
- The Value Reporting Foundation's Integrated Reporting <IR> Framework, 2021
- King IV
- The Financial Sector Charter
- Governance and Operational Standards for Insurance Groups (GOG) and Governance and Operational Standards for Insurers (GOI) (collectively referred to as the "Prudential Standards")

<sup>1</sup> Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all its rights are reserved.

PSG integrated report

The group and company annual financial statements

PSG Financial Services Limited notice of annual general meeting (AGM) (to be published in June 2026)

PSG King IV principles disclosure register

PSG Treasury annual financial statements and Domestic Medium Term Note (DMTN) programme memorandum

## Reporting assurance

The group applies a combined assurance model.

Element	Assurance
Financial and non-financial content and data	Ongoing internal assurance, with the support of established divisional reporting lines and oversight by the chief financial officer (CFO)
Internal controls and business risks that fall within the scope of the integrated report	Independently assessed and reviewed by the group's risk and internal audit functions
The consolidated and separate annual financial statements	External assurance by the independent auditor, Deloitte & Touche
The broad-based black economic empowerment (BBBEE) status of the group	Verified, rated and confirmed by rating agency, AQRate Proprietary Limited (AQRate)

Read more in the governance report on pages 93 and 94.

## Forward-looking statements

This report contains certain statements that are not historical facts and are based on forecasts of future results that are not yet determinable. It also contains certain forward-looking statements which relate to the group's possible future performance and financial position.

The group cannot give any assurance that forward-looking statements will prove to be correct, and readers should not place undue reliance on these statements. Forward-looking statements involve inherent risk and uncertainties, and if one or more of these risks materialise, or the underlying assumptions prove to be incorrect, actual results may differ from those expected.

Forward-looking statements apply only from the date on which they are made. PSG does not undertake any obligation to update or revise any forward-looking statements contained in this report, other than as required by the JSE Listings Requirements, whether due to new information, future events or otherwise.

## Approval by the PSG board of directors

The board acknowledges its responsibility to ensure the integrity, accuracy and fairness of PSG's 2026 integrated report.

The board of directors, assisted by the audit committee, is responsible for the content of this report. The directors have collectively applied their minds to the content and evaluated the preparation and presentation while acknowledging that the reporting process continues to evolve. The report was approved on 25 May 2026 on behalf of the board by:

**Willem Theron**  
Chairperson

**Francois Gouws**  
Chief executive officer

**Mike Smith**  
Chief financial officer

*We have removed all signatures from this document to protect the security and privacy of our signatories.*

# A profile of PSG

Our guiding principles	8
Our investment case	9
Business model and capitals	14
Stakeholders	24

*“PSG creates value by generating sustainable, consistent, inflation-beating returns.”*

# Our guiding principles

As a leading financial services firm, we help our clients secure their financial futures by offering sound financial advice and access to quality products.



## Our vision

To be the leading financial services group in southern Africa and selected regions abroad.



## Our mission

To make a difference in the lives of stakeholders by creating and preserving wealth through excellence.

## The seven core principles we apply across the group

<b>Our clients are our priority</b>	We undertake to advise clients with the highest level of good faith, integrity, professional knowledge and diligence at all times.
<b>Our people are our strength</b>	<p>We prioritise internal promotions but hire externally when necessary, ensuring new employees can integrate well into our organisation. This requires more comprehensive internal review and consultation, which we take full responsibility for.</p> <p>We will not compromise on the quality of our employees. We promote a culture of performance and meritocracy, where income, promotion, and progression are based on individual excellence and the overall betterment of the group.</p>
<b>We are a team</b>	We believe in teamwork to provide excellent service to clients and build a successful business. 'We' and 'our' take precedence over 'I' and 'my,' and we focus on clear responsibility and ownership of decisions.
<b>We will provide clients with the best products, backed by superb systems</b>	Our focus is on building long-term, multi-generational relationships with families and organisations, ensuring sustainable service through skilled and reliable employees.
<b>Growth is part of our DNA</b>	<p>We prefer organic growth over acquisitions, acquiring businesses only when there are clear synergies, cultural alignment, and thorough due diligence. We recognise that acquired revenue is often riskier than organic growth.</p> <p>We believe in detailed analysis and preparation. While we aim to make well-informed decisions, we are not afraid to act on information on hand and learn from mistakes.</p>
<b>We will adapt to the constantly changing business environment</b>	Creativity and innovation drive our business. We focus on identifying new trends, anticipating potential risks, and adapting to changes that new information may require.
<b>We are first and foremost a South African group</b>	We want to be a good corporate citizen and will contribute to the betterment of our country, complying with all legislation and regulations.

# Our investment case

## Sound financial position

PSG has no interest-bearing debt at 28 February 2026.

- In July 2025, GCR upgraded PSG's long-term and short-term credit ratings to AA-(ZA) from A+(ZA) and to A1+(ZA) from A1(ZA), respectively, with a Stable Outlook.
- PSG's capital cover ratio was 260% based on the latest insurance group return, well above the 100% minimum regulatory requirement.
- The capital cover ratio and credit rating reflect PSG's strong financial position and liquidity, supported by consistent earnings growth and strong cash flow generation.

Read more in the CEO and CFO report on page 48.

## An extensive and growing distribution network

We have a formidable network of registered advisers in South Africa and Namibia.

- Our adviser remuneration model supports client retention and growth, aligning adviser and shareholder interests.
- Bursary and learnership programmes build our adviser talent pipeline and grow our base of quality advisers.

Read more on our advisers from page 25.

## A clear and scalable growth path

The group has a relatively small market share with growth potential across our markets.

- A strong foundation supports adviser network growth, cross-selling and divisional synergies.
- As we scale, we generate higher margins and meet broad client needs with a comprehensive product suite.
- Ongoing investment in technology improves efficiency and supports scalable growth through automation and enhanced data analytics.

Read more about our strategy on pages 44 and 45.

## A well-known, admired and trusted brand

PSG continually builds and enhances our brand.

- PSG is an established and respected brand with a strong adviser network.
- Divisions and advisers benefit from group marketing and brand recognition.
- Targeted advertising and marketing attract new clients.
- We continue to evolve the brand through growth initiatives and digital platforms, such as the Think Big webinar series.

See page 4 for detail on the industry awards won by our operating divisions.

## A history of superior investor returns

PSG's prudent investment approach means the group makes the most of every rand invested with an appropriate level of risk taken.

- Shareholder returns are supported by our "three layers of defence" risk approach.
- We create wealth through share price appreciation and consistent dividends.
- Long-term performance is measured using the total return index (TRI), which reflects the compound annual growth rate (CAGR) of an investment based on share price growth, dividends and other distributions.

## Delivering consistent shareholder value since 2005

PSG has substantially outperformed the Financial Times Stock Exchange (FTSE)/JSE All Share Index (ALSI) TRI over the 20-year period to 28 February 2026.

If R100 000 had been invested in PSG shares on the day over-the-counter (OTC) trading commenced in 2005, and if dividends and other distributions received had been reinvested, this amount would be worth R15.3 million on 28 February 2026, at a CAGR of 27.2% (21.5% in US dollar terms).

Date	Number of PSG shares	PSG investment R	Annual growth in investment %	JSE ALSI TRI	JSE ALSI investment R	Annual growth in investment %
11/04/2005	250 000	100 000		1 311	100 000	
28/02/2006	260 725	286 797	187	1 926	146 929	47
28/02/2007	297 398	490 706	71	2 670	203 678	39
29/02/2008	309 914	526 854	7	3 255	248 335	22
28/02/2009	327 703	426 014	(19)	2 032	154 988	(38)
28/02/2010	351 652	509 895	20	3 013	229 848	48
28/02/2011	373 653	597 845	17	3 723	284 027	24
29/02/2012	395 168	790 336	32	4 082	311 393	10
28/02/2013	422 411	1 203 871	52	4 870	371 546	19
28/02/2014	435 546	2 177 731	81	5 981	456 251	23
28/02/2015	441 856	3 190 197	46	6 946	529 912	16
29/02/2016	447 709	3 080 237	(3)	6 643	506 779	(4)
28/02/2017	455 295	3 419 266	11	7 061	538 627	6
28/02/2018	462 322	4 022 205	18	8 292	632 573	17
28/02/2019	469 330	5 040 607	25	8 218	626 884	(1)
29/02/2020	477 453	3 771 876	(25)	7 749	591 116	(6)
28/02/2021	489 074	4 396 771	17	10 321	787 380	33
28/02/2022	497 541	6 836 217	55	12 434	948 548	20
28/02/2023	508 236	6 601 990	(3)	13 210	1 007 780	6
29/02/2024	519 749	7 894 985	20	12 833	978 948	(3)
28/02/2025	531 242	9 620 794	22	15 727	1 199 769	23
28/02/2026	542 177	15 327 336	59	24 297	1 853 517	54
CAGR %			27			15

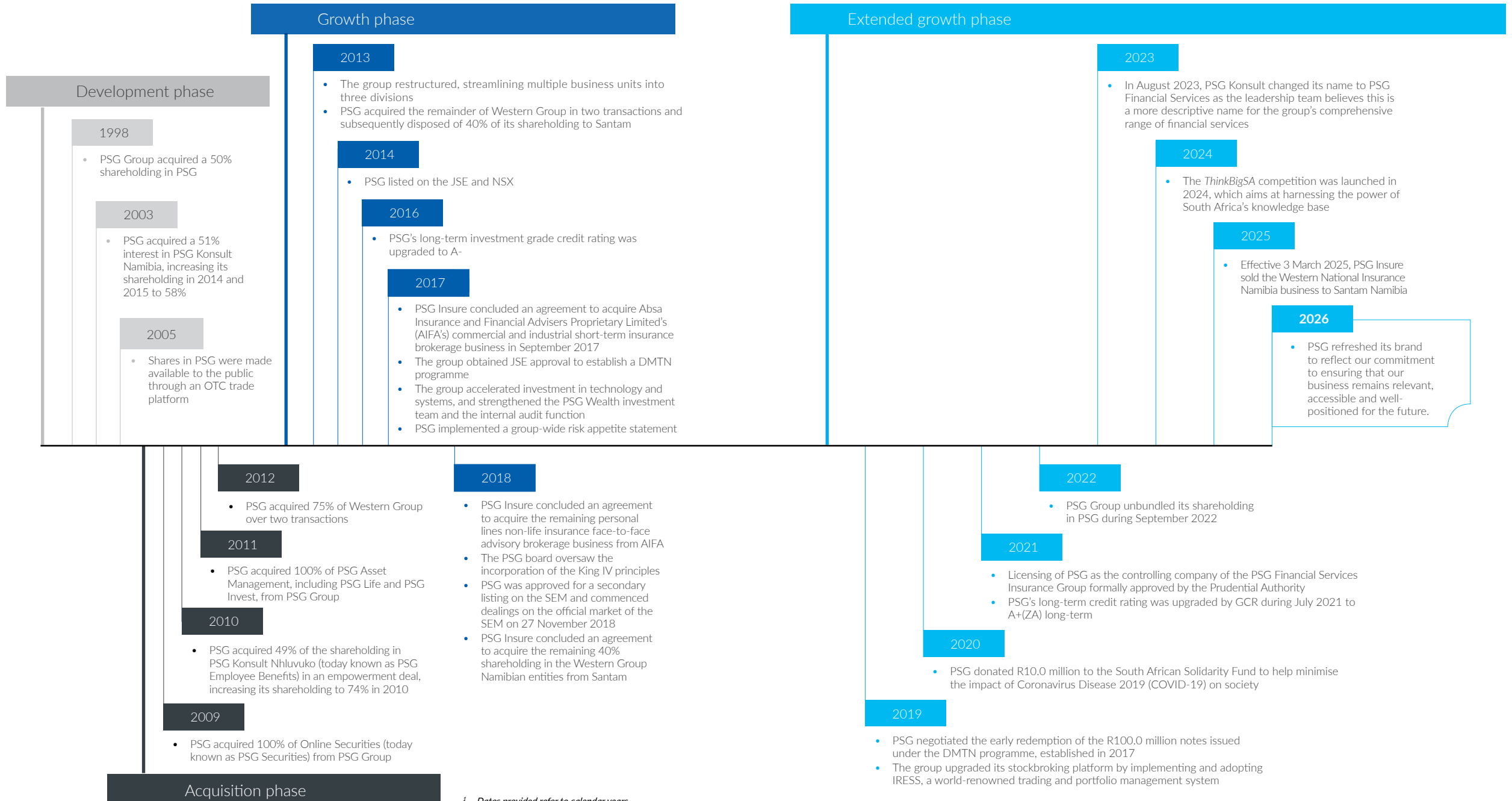
## A seven-year financial view

	2020 R000	2021 R000	2022 R000	2023 R000	2024 R000	2025 R000	2026 R000
Income	5 057 010	5 250 142	6 032 041	5 349 325	5 909 896	6 692 446	<b>8 326 870</b>
Profit before taxation	1 004 614	1 071 427	1 399 612	1 435 744	1 590 401	1 920 666	<b>2 614 773</b>
Taxation	(297 053)	(302 122)	(393 085)	(408 202)	(472 640)	(540 605)	<b>(710 234)</b>
Profit for the year	707 561	769 305	1 006 527	1 027 542	1 117 761	1 380 061	<b>1 904 539</b>
Headline earnings	644 408	696 635	920 663	948 281	1 033 276	1 272 236	<b>1 682 243</b>
Recurring	644 408	703 835	920 663	948 281	1 033 276	1 272 236	<b>1 682 243</b>
Non-recurring	-	(7 200)	-	-	-	-	-
Non-headline earnings	2 549	1 055	246	1 987	915	1 565	<b>54 515</b>
Attributable income	646 957	697 690	920 909	950 268	1 034 191	1 273 801	<b>1 736 758</b>
Earnings per share (cents)							
Headline	48.1	52.2	69.7	72.9	81.1	101.1	<b>135.0</b>
Recurring headline	48.1	52.7	69.7	72.9	81.1	101.1	<b>135.0</b>
Recurring headline (excluding intangible asset amortisation cost)	52.2	57.5	74.8	78.2	86.9	107.1	<b>141.3</b>
Attributable	48.2	52.3	69.7	73.0	81.1	101.2	<b>139.3</b>
Dividend per share (cents)	22.5	24.5	32.0	36.0	42.0	52.0	<b>65.0</b>
Interim dividend	7.5	8.0	10.0	11.0	13.5	17.0	<b>20.0</b>
Final dividend	15.0	16.5	22.0	25.0	28.5	35.0	<b>45.0</b>
Weighted average shares (000)	1 340 925	1 334 574	1 320 516	1 301 157	1 274 717	1 258 734	<b>1 239 151</b>
Actual shares in issue (000)	1 356 923	1 340 930	1 331 372	1 295 689	1 279 891	1 260 785	<b>1 248 510</b>
Market capitalisation (Rm)	10 729	12 059	18 293	16 831	19 442	22 833	<b>35 295</b>
Price (cents per share)							
Last day of trade	790	899	1 374	1 299	1 519	1 811	<b>2 827</b>
Highest	1 085	999	1 523	1 476	1 623	2 097	<b>2 873</b>
Lowest	701	431	880	981	1 146	1 411	<b>1 639</b>
Trading volume (number of shares) (000)	111 952	127 423	91 672	367 243	190 773	222 567	<b>240 108</b>
Trading value (Rm)	1 070	966	1 092	4 208	2 584	3 850	<b>5 470</b>
Net asset value per share (cents)	247.0	272.3	313.2	331.1	362.9	397.1	<b>456.1</b>
Assets under administration (Rbn)	396.9	392.3	468.0	481.5	543.2	646.4	<b>800.9</b>
Assets under management (Rbn)	229.8	267.9	314.6	354.1	406.9	470.7	<b>564.6</b>

# Our evolution<sup>1</sup>

Our business journey began in 1998 with the vision of creating an advice-led financial services group that would grow and protect our clients' wealth.

We are proud of our multi-generational relationships with clients and their families and of our track record of building a business that meets all our stakeholders' needs.



<sup>1</sup> Dates provided refer to calendar years.

# Business model and capitals

PSG's business model is proven to generate sustainable, consistent and inflation-beating returns.

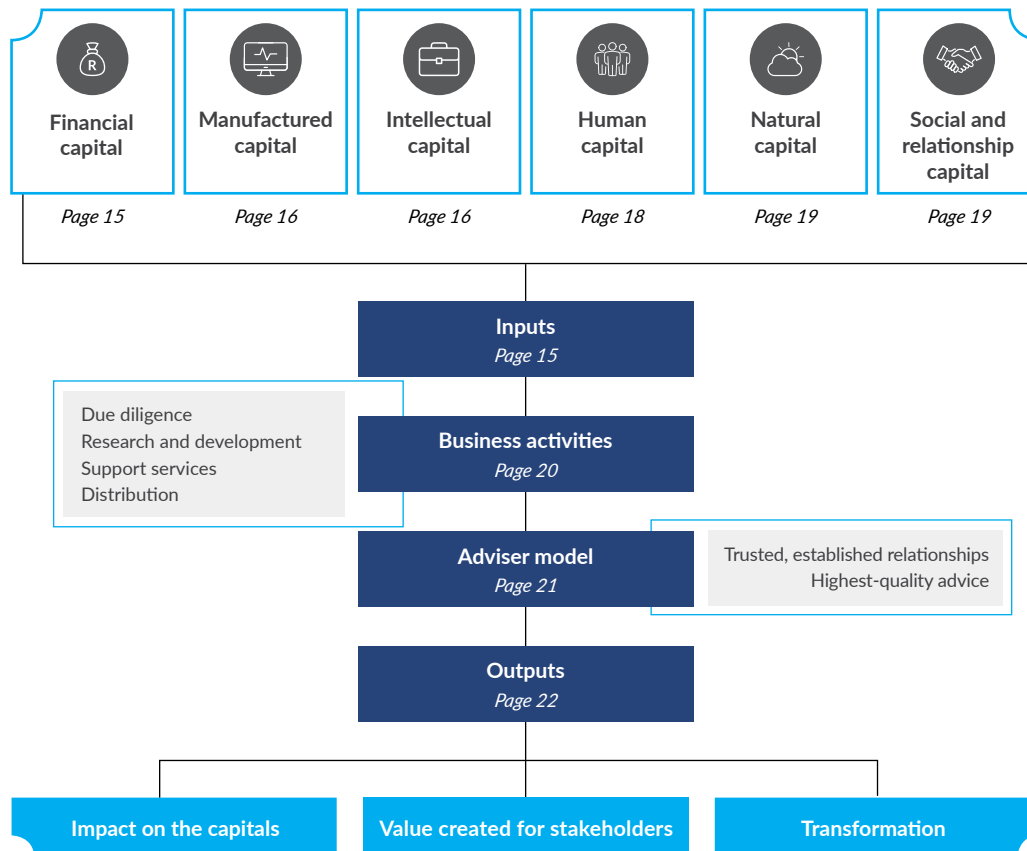
The group's business model is premised on a conservative, long-term investment approach. This approach and steady execution against strategy ensure that a broad range of stakeholders improve their livelihoods.

We deliver a diverse range of financial services and products to individuals and enterprises. We focus on wealth creation, wealth preservation, asset management and insurance.

The group's core strength is its network of highly trained, registered advisers, who are incentivised to grow their businesses by attracting and retaining clients. Our advisers are known for their advisory capability and trusted relationships with clients.

Adviser and client service experiences are supported by the group's integrated technology platforms and systems.

PSG's business model relies on the six capital inputs of value creation, which are increased, decreased or transformed through the group's business activities.



## Value creation capital inputs

PSG applies and transforms the six capital inputs to create and preserve value for stakeholders.

This process is based on the group's strategy and growth ambitions and is aligned with PSG's core business principles.

### Financial capital

#### Constitutes available shareholder equity and debt funding

Read more in the CEO and CFO report from page 46 and the annual financial statements from page 129.

PSG has a centralised monitoring process which enables effective capital allocation while meeting regulatory capital and growth requirements:

- PSG's central treasury function oversees and manages the group's financial capital
- The investment committee sets investment strategies and monitors performance
- The credit committee regularly assesses the credit quality of underlying assets

Shareholder funds are invested primarily in instruments regulated by the Reserve Bank or the Collective Investment Schemes Control Act, No. 45 of 2002. At 28 February 2026, more than 88% of investable shareholder assets were held in cash, money market or related instruments (on a see-through basis).

PSG continues to generate strong cash flows, providing flexibility to optimise our capital structure and risk-adjusted shareholder returns. Exposure to equity increased slightly to 10% (previously 9%). We continue to monitor markets and aim to gradually increase our value-at-risk exposure in line with long-term targets.

In 2026, PSG applied financial capital to, among other things:

- IT infrastructure and digital platforms to improve efficiencies and enhance the adviser and client experience
- Marketing initiatives, including hosting the successful Think Big webinar series, 165 in-person events, 37 webinars and integrated product campaigns
- Funding of bursaries and learnerships

Allocation of financial capital to these initiatives increased manufactured, human, intellectual and social and relationship capital, replenishing financial capital over the long term.

#### Future availability of financial capital

South Africa's current economic conditions put pressure on financial capital. The group's sound financial position provides stability in challenging market conditions while providing the agility to respond rapidly to investment opportunities.

Our focus remains on organic growth, although we will consider acquisitions that align with our investment criteria, including acceptable pricing, a compelling strategic rationale, synergies and ease of integration.



## Manufactured capital

### Includes the group's physical footprint and the IT systems that support business activities

Read more in the CEO and CFO report from page 46 and the IT governance section on pages 95 to 96.

Financial services groups increasingly differentiate themselves not only by their products and services, but also by the technology that supports them:

- We subscribe to open architecture (proprietary and third-party products) and stable systems, which enable effective support functions and enhance adviser and client convenience.
- The myPSG online platform and mobile app provide secure, consolidated investment views across digital platforms, giving us a competitive advantage.
- Over many years, the group has fully expensed its investment in systems and processes.

Our investment in manufactured capital:

- Improves adviser and client service levels
- Increases short-term expenditure but delivers sustainable long-term returns

Our extensive adviser network is also a key differentiator. We aim to service clients close to their homes, which requires offices and infrastructure in our territories, primarily South Africa and Namibia.

### Future availability of financial capital

Our investments in manufactured capital are critical to maintaining our competitive advantage and to meet shifting client expectations. We will continue to invest our financial capital in manufactured capital projects, including platform enhancements, data analytics, cyber security and data protection. Our investments are for the long term, and we expect the cost of future technology projects to be at a lower rate.



## Intellectual capital

### Consists of intangible assets that give PSG a competitive edge and support its brand and reputation

The group's product offering is listed on pages 22 and 23, and regulatory operating licences on page 40.

Intellectual capital refers to the research and analysis underpinning PSG's investment approach and its ability to manage risk, comply with legislation and respond to market opportunities. It also includes the due diligence applied to new products, services and acquisitions.

PSG holds several regulatory licences that:

- Allow the group to sell products and services across multiple jurisdictions
- Include Malta-based licences enabling offshore fund marketing under the Undertakings for Collective Investment in Transferable Securities regulations

By applying this intellectual capital, PSG offers investors access to the group's products and selected third-party products and services.



## Intellectual capital (continued)

### A well-respected brand

The PSG brand and reputation support advisers in growing their client base and the group's direct business. We govern and monitor our brand to protect our reputation, including:

- Tracking media coverage
- Ensuring consistency and quality across client communications (print, email, social media)
- Maintaining high standards at adviser-hosted events

The group received various industry awards across our three divisions. Refer to page 4 for further detail.

### Print and electronic media

PSG's thought leadership includes quarterly publications by PSG Asset Management (*Angles and Perspectives*) and PSG Wealth (*Wealth Perspectives*). The group regularly reviews publications to ensure their value to advisers and clients. Additional publications address topical issues.

The past year, these included:

- *Advice for Advisers*: Documents to guide PSG's advisers on some of the key questions clients have, including the potential impact of key developments shaping the investment landscape
- PSG Wealth's quarterly *Investment Research* and *Strategy Report*, which focused on investor uncertainty and the opportunities that can be found
- PSG Insure's *Insights from Insure* adviser newsletters

### Digital and social media

The group maintained strong engagement with clients and prospective investors throughout the year, hosting 165 in-person events and 37 webinars. These platforms provided advisers, employees and industry stakeholders with valuable political, economic and practical perspectives from both recognised experts and the leadership team.

High-quality research remains central to adviser and client communications and continues to be positively received. Digitally, paid and organic search initiatives consistently drive strong traffic, averaging over 1.2 million website visits per month. Social media platforms are also experiencing steady growth in followers, coupled with rising engagement levels.

Now in its sixth year, the Think Big webinar series continues to resonate with audiences, drawing viewers and subscribers to the group's YouTube and Spotify channels. With close to 60% of attendees being non-clients, the series remains an effective tool for building brand awareness and generating new leads. During the past financial year, it recorded more than 12 000 unique registrations.

The marketing team continues to execute integrated product campaigns designed to drive inflows and attract new clients. A key example is the retirement annuity and tax-free investment campaign at tax year-end, which achieved a social media reach of 1.5 million. In addition, the team develops tailored marketing plans for adviser offices to support growth.

### Future availability of intellectual capital

Knowledge has become one of the most imperative intangible assets of financial institutions in recent years. We will continue to invest in intellectual capital to manage risks and capitalise on opportunities. This investment secures our sustainability, ensures future returns and builds our strong reputation. This trusted brand and reputation attract clients and employees.



## Human capital

### The group's complement of employees, professional associates and the network of advisers distributing the group's products and services

Read more about our transformation plan and value created for PSG's employees and advisers in the stakeholder section on pages 25 to 28 and 30 to 32.

PSG is a complex financial services group that relies on the skills of its employees. The group's performance management and development frameworks support long-term retention and loyalty. We aim to create a diverse, entrepreneurial environment where professionals are empowered to take ownership and realise their potential.

We drive a culture of performance, where promotion and progression are based on individual excellence and the overall betterment of the team.

The social and ethics committee (SEC) monitors sustainability and transformation activities:

- We are making good progress against our transformation plan
- Employees have equal advancement opportunities and work in a safe environment that supports their growth

### Future availability of financial capital

A talent pipeline is essential as our employees are highly sought after for local and international roles. We continually strengthen our employer brand to retain scarce skills and attract top talent. Skills scarcity, driven by South Africa's poor educational outcomes, remains a key risk.

The group continued to invest in people, with fixed remuneration increasing by 8% year-on-year. We are proud of the progress made in growing our own talent:

- 147 newly qualified graduates joined during the year
- Our graduate programme includes the adviser development programme (ADP), which supports our future adviser pipeline

The group also invests in training programmes that cover technical subjects, systems, leadership and managerial skills.

Investment in competitive remuneration decreases financial capital in the short term, but secures the availability of skills and service capacity for the group and the industry in the long term.



## Natural capital

### The natural resources we rely on

PSG has a small environmental footprint and is mindful of natural resource use, although we do not formally measure water, electricity or fuel consumption.

We limit electricity, paper and water use in offices. Our Cape Town head office holds a five-star green building rating. We have implemented electronic processes to minimise paper usage and continue to reduce travel through:

- Increased use of video conferencing
- More virtual events

PSG Asset Management has an environmental, social and governance (ESG) policy that guides investment managers when assessing investee companies.

### Future availability of financial capital

Natural capital supports all the other capitals. We will continue to improve our environmental footprint while raising ESG issues with investee companies.

Read more from page 51.



## Social and relationship capital

### The network of internal and external relationships that constitute PSG's stakeholder universe

Read more about PSG's stakeholders from page 24.

The group values and invests in healthy stakeholder relationships:

- PSG's advisers have solid and long-term relationships with clients
- PSG provides administrative and compliance support to advisers that allows them to focus on building sound client relationships
- The group participates in industry forums and has engagements with regulators
- The group engages with shareholders and potential investors through presentations, the AGM, reports and market updates
- PSG supports African, Coloured and Indian (ACI)-owned businesses through supplier and enterprise development initiatives
- Internship and learnership opportunities train the next generation of employees
- Corporate social investment (CSI) initiatives support social development and transformation

### Future availability of financial capital

The group's proactive engagement with regulators helps maintain its 22 regulatory licences. We stay abreast of regulatory requirements and enforce these among our network of advisers.

We are mindful of investor expectations on ESG disclosures. This includes an increasing interest in climate change and reliance on the TCFD.

Read more about our TCFD commitments on page 51.

By transferring knowledge and enhancing employability, CSI educational initiatives develop the available pool of future employees and clients for PSG.

# PSG's business activities

PSG's value proposition offers best-of-breed financial management solutions that meet client needs.

## PSG

- Distributes products and services
- Builds relationships with stakeholders
- Develops new products
- Provides support

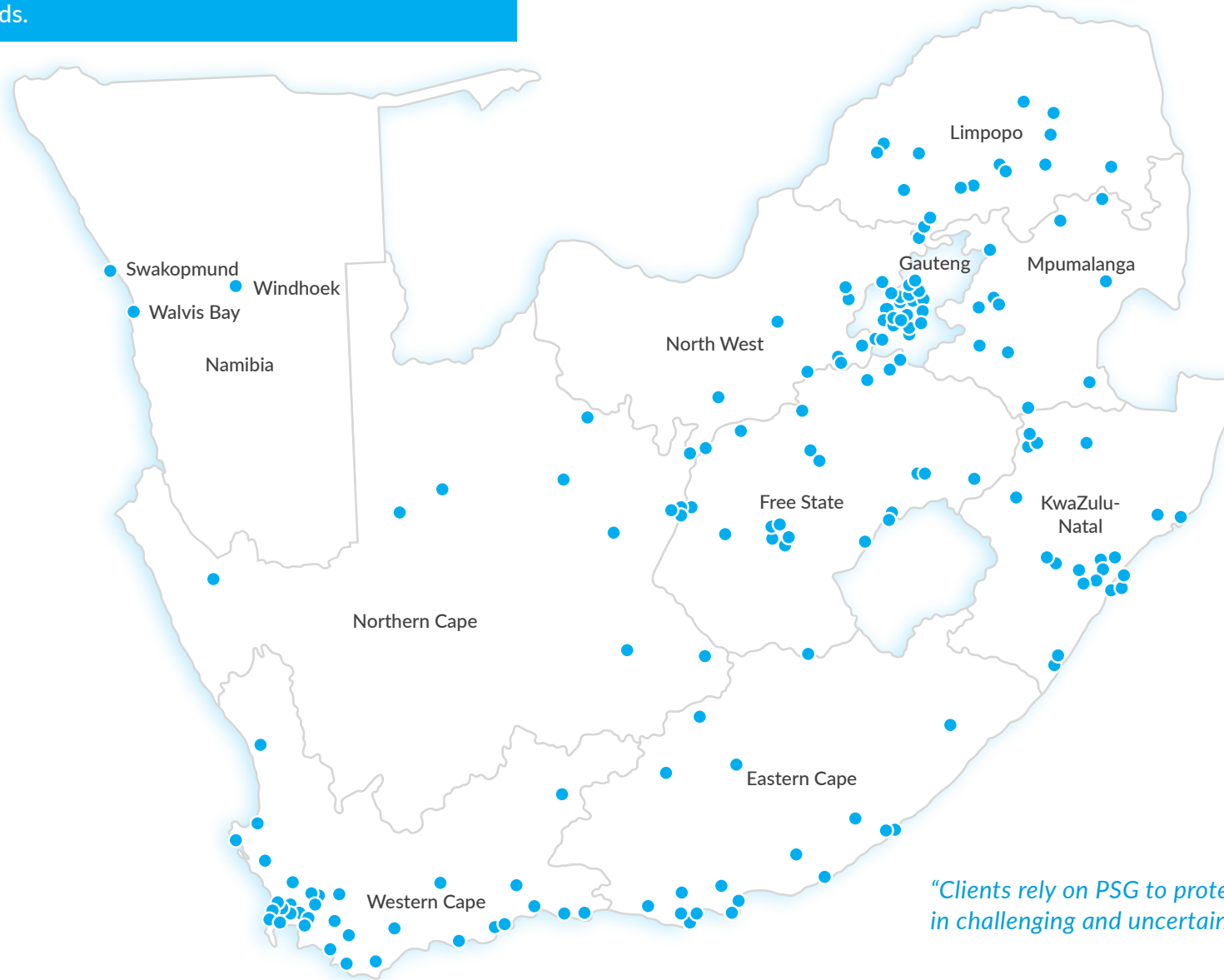
## Products and services

- Financial planning
- Investment options
- Trading platforms
- Insurance
- Employee benefits

Detail follows on pages 22 and 23.

## Countries

- South Africa
- Namibia
- Malta
- Mauritius



## Client types

- Retail
- Institutional

## Channels to market

- Advisers
- Direct
- Combined adviser and direct (multi-channel)

## Source of product types

- PSG products and services
- Third-party products and services

"Clients rely on PSG to protect their financial futures in challenging and uncertain times."

The **adviser model** is a core element of the PSG business model. It relates specifically to the PSG Wealth and PSG Insure divisions. There is a mutually beneficial relationship between the group and advisers. PSG provides support and resources to its advisers, enabling them to provide their clients with the highest-quality advice.

Detail follows from page 25

	2022	2023	2024	2025	2026
Number of advisers	952	947	953	971	976
PSG Wealth	584	590	608	635	641
PSG Insure	368	357	345	336	335
Number of offices	263	266	266	260	265

Source: PSG Distribution

## The outputs of our business activities

### PSG's product and service offering:

<b>Financial planning</b>	<ul style="list-style-type: none"> <li>Financial advice on investing, saving, stockbroking, retirement planning and insurance</li> <li>Distributed through a network of PSG's advisers</li> </ul>	<b>PSG Wealth</b>
<b>Investments</b>	<ul style="list-style-type: none"> <li>A wide variety of investment vehicles covering pre- and post-retirement investment needs, including: <ul style="list-style-type: none"> <li>Tax-free investments</li> <li>Endowments</li> <li>Retirement annuities</li> <li>Preservation funds</li> <li>Living annuities</li> <li>Discretionary unit trust investments</li> </ul> </li> <li>Underlying investment options include: <ul style="list-style-type: none"> <li>PSG Wealth multi-managed solutions</li> <li>A comprehensive suite of local and international unit trusts from PSG Asset Management and unit trusts from a wide range of other management companies for diversification</li> <li>Access to global markets through both foreign-domiciled funds and rand-denominated feeder funds that invest internationally</li> <li>Personal share portfolios both locally and offshore</li> </ul> </li> </ul>	<b>PSG Wealth</b> <b>PSG Asset Management</b>
<b>Unit trusts</b>	<ul style="list-style-type: none"> <li>A comprehensive suite of local and international unit trusts</li> <li>Access to global markets provided through foreign-domiciled funds and rand-denominated feeder funds that invest abroad</li> </ul>	<b>PSG Wealth</b> <b>PSG Asset Management</b>
<b>Stockbroking</b>	<ul style="list-style-type: none"> <li>Online trading platform providing clients with direct market access to local and international markets</li> <li>Involves building a customised portfolio of shares, exchange-traded products and derivative trading instruments</li> </ul>	<b>PSG Wealth</b>
<b>Personal non-life insurance</b>	<ul style="list-style-type: none"> <li>Access to car, household, liability and accident cover through partnerships with leading insurance providers</li> <li>Advisers evaluating available options to structure tailored insurance solutions for clients</li> </ul>	<b>PSG Insure</b>
<b>Commercial non-life insurance</b>	<ul style="list-style-type: none"> <li>Western Group's insurance underwriting capabilities provide cover internally and via business partnerships with leading insurance providers</li> <li>Access to a wide range of commercial insurance products, including commercial cover for agriculture, marine and business interruptions, etc.</li> <li>Analysis of and advice on clients' case-by-case business insurance needs</li> </ul>	<b>PSG Insure</b>

<b>Estate and trust services</b>	<ul style="list-style-type: none"> <li>A full estate planning service, including local and offshore trust services</li> <li>Assistance with drafting a last will and testament, and acting as executor in administering deceased estates</li> </ul>	<b>PSG Wealth</b>
<b>Multi-managed funds and solutions</b>	<ul style="list-style-type: none"> <li>Access to a range of local and global multi-managed funds across the risk-return spectrum</li> <li>Access to leading asset managers, locally and globally, leveraging their combined resources and specialised skills through a single product range</li> <li>Customisable asset consulting service to institutional investors, allowing clients to combine PSG's multi-managed solutions to target specific investment objectives</li> <li>Managed equity product suite</li> </ul>	<b>PSG Wealth</b>
<b>Healthcare</b>	<ul style="list-style-type: none"> <li>Access to a range of hospital plans and medical aid options through partnerships with a selection of medical aid providers</li> <li>Gap cover is available as a supplement to medical aid to contribute to hospitalisation and medical costs not covered by a specific plan</li> </ul>	<b>PSG Wealth</b>
<b>Employee benefits</b>	<ul style="list-style-type: none"> <li>Complete corporate package, including retirement, healthcare and risk benefits</li> <li>Analysing and providing customised solutions for corporates, institutions and small and medium-sized enterprises (SMEs) based on client needs</li> </ul>	<b>PSG Wealth</b>
<b>Life insurance</b>	<ul style="list-style-type: none"> <li>Access to life, disability and critical illness cover through partnerships with leading insurance providers</li> <li>Advisers evaluate available options to structure the most suitable life cover for clients on a case-by-case basis</li> </ul>	<b>PSG Wealth</b>
<b>Institutional portfolio management</b>	<ul style="list-style-type: none"> <li>Investment expertise to assist institutional clients in protecting and growing their business capital, or performing their fiduciary responsibilities towards their investors</li> <li>Managing segregated and institutional mandates tailored to clients' business requirements</li> <li>Management of a range of multi-managed solutions and unit trusts that can be included as investment options in retirement funds</li> </ul>	<b>PSG Wealth</b> <b>PSG Asset Management</b>

# Stakeholders

Our robust stakeholder engagement model allows us to better understand and respond to stakeholder concerns.







Effective stakeholder engagement is critical to the success of our group. We recognise the need to deliver value for our stakeholders consistently. Divisional management teams are responsible for executing and monitoring stakeholder engagement in their respective business areas. The board oversees stakeholder engagement across the group.

The following principles guide our approach to stakeholder engagement:

- Mutual respect
- Openness and transparency
- Supportive and responsive interaction
- Regular and structured engagement
- Treating stakeholders as existing or potential clients

Stakeholder interests and levels of influence on our operations vary according to geographic location, business area and the nature of their interest.

## Stakeholder engagement activities

 <p><b>Advisers</b></p> <p>We provide administrative and compliance support, access to products and infrastructure, ongoing learning opportunities, the benefit of a strong brand and a competitive earnings model.</p>	 <p><b>Clients</b></p> <p>We provide sound advice and leading products to help clients achieve their financial goals.</p>
 <p><b>Employees</b></p> <p>We offer a secure environment, learning and career development opportunities and an attractive employee brand experience.</p>	 <p><b>Shareholders and analysts</b></p> <p>We keep analysts and investors updated with timely, credible and transparent information. We have a calendar of engagements with analysts and investors.</p>
 <p><b>Suppliers, service providers and communities</b></p> <p>We support various educational initiatives. Through our enterprise and supplier development initiatives, we provide business opportunities to suppliers and service providers, including ACI-owned suppliers. We offer employment opportunities to communities and are a leading employer of new graduates.</p>	 <p><b>Government, regulatory bodies, and industry associates</b></p> <p>We collaborate with government and industry associations to improve the financial services industry's stability, functioning, and prospects.</p>

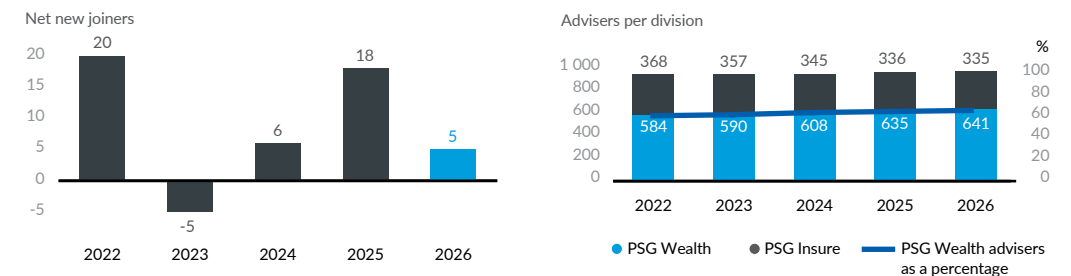
## Advisers

The success and sustainability of our advisers are critical to our overall success.

With 265 offices throughout the country and a client base of more than 520 000, PSG is one of the largest financial service providers in South Africa. This allows us to provide quality, personal service to clients in the cities and towns where they live. Our advisers' capabilities in winning over and keeping clients are critical to our success.

PSG regulates the advice process to ensure that clients receive high-quality advice.

While growth is our strategic focus, any expansion emphasises quality over quantity. We grow our adviser footprint through organic growth and selected adviser acquisitions.

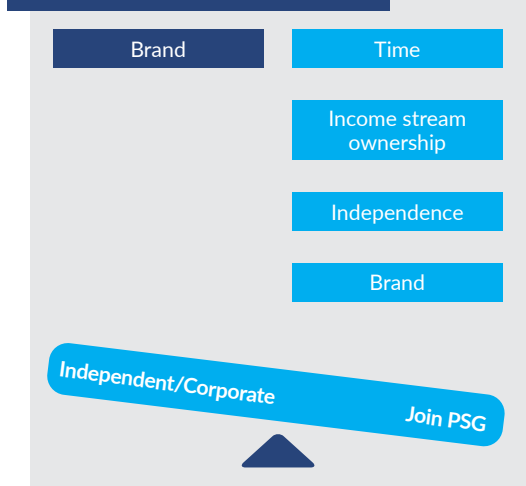


## How PSG creates value for advisers

PSG offers administrative and compliance support to advisers so they can focus on building valuable relationships with clients.

Advisers rely on PSG's business support, infrastructure and systems. They also benefit from ongoing learning and development opportunities for themselves and their staff. Lifting the administrative and regulatory burden creates an environment in which advisers can quickly scale their business while building strong relationships with clients.

### Why advisers join PSG



## Our adviser value proposition

Through this adviser model, the group aims to:

Stimulate growth

Maximise time with clients

Save money

Provide peace of mind

Increase professionalism

Fully fledged financial services business

Holistic range of products and services  
Respected brand and reputation  
High-performance track record  
Research and development

PSG best-of-breed products and services and selected third-party products and services

### Wealth management

- Financial planning
- Stockbroking
- Estate and trust planning
- Employee benefits
- Life insurance
- Investing

### Asset management

- Local asset management
- Offshore asset management

### Insurance

- Personal non-life insurance
- Commercial non-life insurance

Entrepreneurial model

Adviser development programmes  
Standardised revenue-sharing model  
Centralised support services  
Information systems

- **Training and development:** induction and ongoing development initiatives
- **Administrative support:** HR, financial and operational
- **Due diligence:** robust processes when selecting new products and services, including the respective product providers
- **Technical advisory services:** specialist in-house advice on investment planning, tax, legal and more
- **Compliance and risk management:** PSG acts as a key individual, provides a wide range of in-house compliance and risk management services, and has professional indemnity cover on behalf of advisers
- **Marketing support:** branding, design and client communication
- **Succession planning:** contingency planning
- Recurring returns over the long term
- **IT and customer relationship management:** a comprehensive practice management tool, online planning aids and disaster recovery sites

Income streams

Management fees, commission and brokerage  
Administration fees  
Insurance premiums and underwriting results  
Recurring returns over the long term



### PSG advisers are objective

PSG advisers benefit from an entrepreneurial remuneration model, allowing them to share in the ownership of their income stream and choose where to place clients' business.

Advisers sell PSG products and a wide range of local and offshore options. This diversity allows objective product selection suited to clients' needs and reduces contagion risk<sup>1</sup>.

New advisers may partner with other PSG advisers to specialise and benefit from shared expertise. Referral agreements support collaboration across different business scopes.

### PSG continually improves its products and technological capabilities

PSG gives advisers access to best-of-breed providers through agreements with multiple service and product suppliers, offering direct access and product visibility. These providers regularly update their offerings.

The adviser experience is continually enhanced through:

- Automation that reduces manual work
- Data analytics for client insights
- Ongoing data security upgrades

### PSG prepares advisers for changing market sentiment

Markets are by nature turbulent and influenced by socioeconomic events. PSG supports advisers through proactive communication, including scenario planning and long-term financial guidance tailored to individual client needs.

### The adviser model provides consistency and continuity for clients

PSG's seamless adviser onboarding ensures clients are unaffected by changes. The group helps advisers plan succession, ensuring consistent service and record-keeping throughout clients' financial life cycles. Clients benefit from PSG's cradle-to-grave approach.

<sup>1</sup> Contagion risk is defined as the risk that financial difficulties at one or more investment providers spill over to many other investment providers or the financial system.

## How we engage with advisers

We share our strategy and growth targets with advisers and offer them products and services with a solid track record. Senior management promotes open, frequent and effective communication with advisers. Meetings take place face-to-face or online.

In May 2025, advisers and their support staff attended PSG's annual adviser conference, which hosted in-person and digital attendees. The conference brought together a range of local and international speakers and presented unique content that was beneficial to our adviser offices.

The following engagement and development initiatives support value creation for advisers and PSG:

Adviser strategy sessions	Adviser work sessions	Regular communication	myPSG platform
Selected advisers and management participate in focused strategic discussions on industry affairs and share adviser success stories.	Bi-annual work sessions keep advisers and their employees abreast of changing legislative requirements and internal enhancements.	PSG distributes a range of communications via an internally developed customer relationship management platform ( <i>myPractice</i> ).  Regional managers interact with advisers to ensure practices adhere to financial and corporate governance requirements and drive growth to support strategic objectives.	Advisers can access information by using a single login for share and fund portfolio information, statements and transactional-level information.

## Developing an adviser talent pipeline

### The PSG adviser development programme

The ADP forms part of PSG's transformation strategy. The programme develops and employs historically disadvantaged graduates, giving them the opportunity to build a career in the financial services industry. Graduates are appointed as trainee planners or adviser assistants for a two-year programme. They learn about *myPractice* coordination, claims, underwriting, soft skills, products and technical aspects.

Their short-term learnership and internship programme is work-based, creating a talent pipeline of young ACI learners. Its focus is to help learners gain employment by providing them with the opportunity to study further and gain meaningful work experience. It equips them with a solid foundation of knowledge, qualifications and experience.

The ADP has expanded over the year and has added quality advisers to the network. Since the programme's inception in 2017, PSG has maintained a 44% retention rate for all graduates who have completed the programme.

### Highlights of the adviser development programme

<b>346</b> ADP graduates employed since inception of the programme	<b>100%</b> of ADP graduates employed were ACI candidates
<b>57</b> newly qualified ADP graduates employed at adviser offices	<b>40</b> ADP graduates employed at PSG Wealth adviser offices
<b>17</b> ADP graduates employed at PSG Insure adviser offices	



## Employees

As part of their long-term well-being and job security, employee development is a priority for the group.

PSG employs 3 371<sup>1</sup> people across South Africa, Namibia, Malta and Mauritius. These include bursary and internship applicants, graduates and mid- and senior-career professionals. The group rewards performance – income growth, promotion and progression acknowledge individual excellence and contribution to the group.

We provide an attractive working environment where employees can develop their skills and build careers. Career development opportunities include bursaries and study loans for part-time and full-time studies, as well as training in work-related disciplines and specialist fields to meet our future business requirements.

All employees were invited to PSG's annual hybrid conference in May 2025. With the theme "Think Forward", the conference allowed employees to hear about the group's business and strategic objectives directly from the leadership team. The conference featured international speakers and culminated in an awards session in which top performers were recognised.

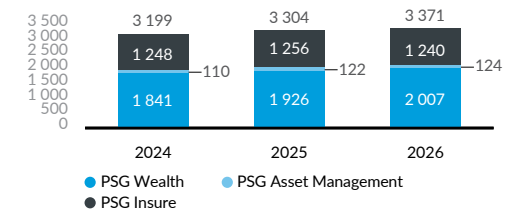
<sup>1</sup> Excludes 172 employees in learnership programmes.

As a financial service company, PSG requires a range of specialist skills in the following:

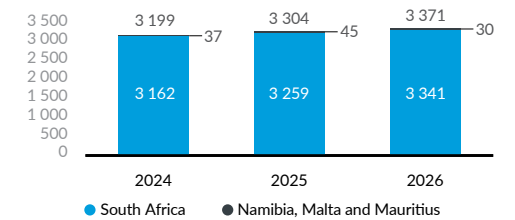
- Asset management
- Data analytics
- Legal and compliance
- Product specialists
- Actuarial
- Engineering
- Risk management
- Finance
- IT developers
- Non-life insurance underwriting
- System architects

## Our employee profile

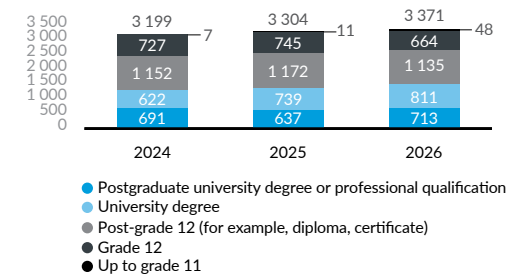
Per division (number of employees)



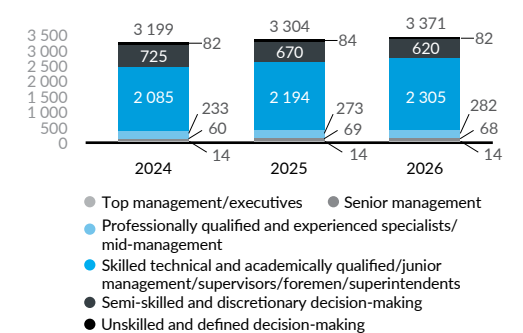
Per geography (number of employees)



Education (number of employees)



Hierarchy (number of employees)



## Continuing our transformation journey

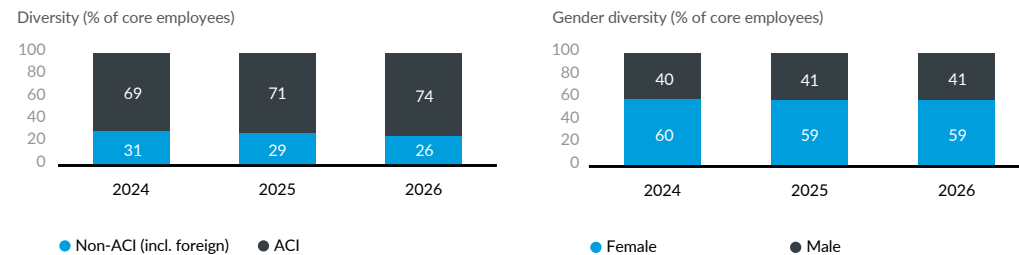
We are committed to transforming the group in line with the requirements set out by the Financial Sector Transformation Council. We believe transformation is a business imperative and essential to our business's future.

PSG has established a transformation forum comprising employees and management. The forum's main objective is to conduct a workplace analysis, prepare and implement an employment equity plan, and report on training, promotions and recruitment. The forum reports directly to the social and ethics committee, which ensures that transformation is addressed at the highest level while allowing for inclusive feedback from all employees.

The social and ethics committee was established in 2014 to monitor group activities related to sustainability and transformation.

Oversight by the committee ensures that employees receive equal advancement opportunities and work in a safe environment in which their full potential is realised.

ACI core employee demographics have increased from 62% to 74% in the last five years. We continue to monitor and improve the recruitment and retention of ACI employees. Emphasis is placed on the participation of African employees across various management levels.



### Deepening the pool of financial services talent

**Transformation within PSG is built on three pillars: employment equity, talent development and empowerment. The golden thread is our approach to education.**

The financial services industry requires specialised and scarce skills. We actively promote careers in our industry to graduates. Since 2008, we have developed young talent through employee and adviser graduate and bursary programmes. We collaborate with the Association for Savings and Investment South Africa (ASISA) and other industry players to address transformation in financial services.

In addition to our bursary, graduate and adviser development programmes, PSG has several initiatives to drive skills development. We provide financial assistance to employees to qualify themselves as designated industry professionals, such as Certified Financial Planners, Chartered Financial Analysts, and actuarial, accounting and tax professionals.

PSG partners with the Skills Development Corporation to fund learnerships for 172 ACI candidates, the majority of whom, as at 28 February 2026, are disabled.

## Our core graduate programme

The PSG core graduate programme is open to university honours students.

The programme offers financial assistance, including a monthly stipend and funds for textbooks. As technology is an enabler of our strategy, our focus includes attracting students with science, technology, engineering and mathematics (STEM) skills. After graduating, participants undergo a one-year internship, during which they receive on-the-job training and mentorship across various areas of the group.

The programme achieves business objectives such as transformation, building a talent pipeline and developing future business leaders. Many graduates gain permanent positions within the group after completing their internships. Graduates are mentored to create a talent pool for future management positions. We maintain a high retention rate of graduates who have completed the programme.

Our core graduate programme is in its tenth year, and the ADP is in its ninth year. Our progress over the years is illustrated in the table below.

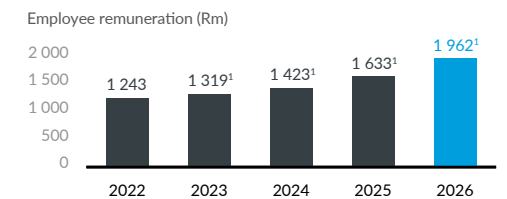
Description	2022	2023	2024	2025	2026	% change
Graduates (ACI)	124	135	144	140	139	(1)
Core	99	92	81	83	78	(6)
ADP	25	43	63	57	57	-
PDP	-	-	-	-	4	100
Graduates (white)	11	6	8	10	8	(20)
ACI % of total graduates	93%	96%	95%	93%	95%	

## How PSG creates value for employees

**We appreciate that our high-calibre teams are critical to our success.**

The group has governance and management structures in place to create value for employees. The social and ethics committee oversees sustainability and transformation, ensuring that employees have equal advancement opportunities. The committee monitors employee conditions, including ensuring that they work in a safe environment that encourages employee development and achievement.

Oversight by the remuneration committee (Remco) ensures that fair remuneration practices are consistently applied throughout the group. The Remco also ensures that remuneration is adequately competitive to attract and retain employees.



<sup>1</sup> Excludes the impact of the new insurance accounting standard (IFRS 17) for comparability. In terms of IFRS 17, adopted with effect from 1 March 2022, we are required to show a portion of employee benefit expenses within insurance service expenses per our annual financial statements. The IFRS 17 employee benefit expense amounts are R1 857 million (FY2026), R1 523 million (FY2025), R1 326 million (FY2024), and R1 239 million (FY2023).

Read more about employee remuneration in the remuneration report from page 102.

## Employee wellness

PSG hosts an annual wellness day with preventive screenings, including glucose, cholesterol, blood pressure, body mass index and HIV tests. The screenings alert employees to their current health and lifestyle risks and offer advice on managing them. Professional wellness specialists are available to provide counselling to employees throughout the day. PSG employees also have access to health and safety representatives in the workplace.

## How we engage with employees

PSG employees benefit from formal engagement events and daily engagement across the group's different divisions and functions.

<p><b>Recruitment and induction</b></p> <p>We begin employee engagement with a recruitment and induction programme, which educates employees about the group's core business principles, defining values and behaviours. The programme promotes maximum productivity and integration in the shortest possible time.</p>	<p><b>Bi-annual performance management process</b></p> <p>This bi-annual formal assessment is conducted against a list of key performance indicators (KPIs) and employee responsibilities.</p> <p>Variable compensation and salary increases are linked to these meetings, as well as to divisional and group performance.</p>
<p><b>Continuous professional development</b></p> <p>We conduct continuous employee training, information sessions and seminars, including training on presentation preparation and delivery and engagements on tax updates, regulatory requirements and new systems.</p>	<p><b>Regular newsletters</b></p> <p>Employees receive regular email newsletters from PSG's leadership. These share company news, new developments, opportunities to participate in events and social activities, and introductions to new employees.</p>



## Clients

**PSG offers clients considered advice, intuitive digital platforms and a customer experience that exceeds expectations.**

Clients rely on PSG to safeguard their financial futures through sound advice and relevant products and services. Our client base is predominantly selected South African institutional clients and retail clients in higher income brackets. With an extensive geographic footprint, PSG's advisers work with clients where they live.

PSG continually improves client experiences by enhancing platforms and providing ongoing training to employees and advisers. This improves client retention, prompts referral business and creates upselling opportunities. Client retention initiatives include after-sale services and claims management.

Due to leading international platforms available on smartphones, clients are increasingly demanding quick, personalised and intuitive service. This means we need to continually improve our digital platforms to provide a seamless customer experience. We also cater for clients who prefer a more in-person customer relationship. Our multi-channel distribution model ensures clients are reached and serviced through their preferred channels.

## We take our fiduciary duty seriously

It is PSG's fiduciary duty to protect clients' assets. The group has several processes and controls to ensure we uphold our promise of trustworthiness and quality.

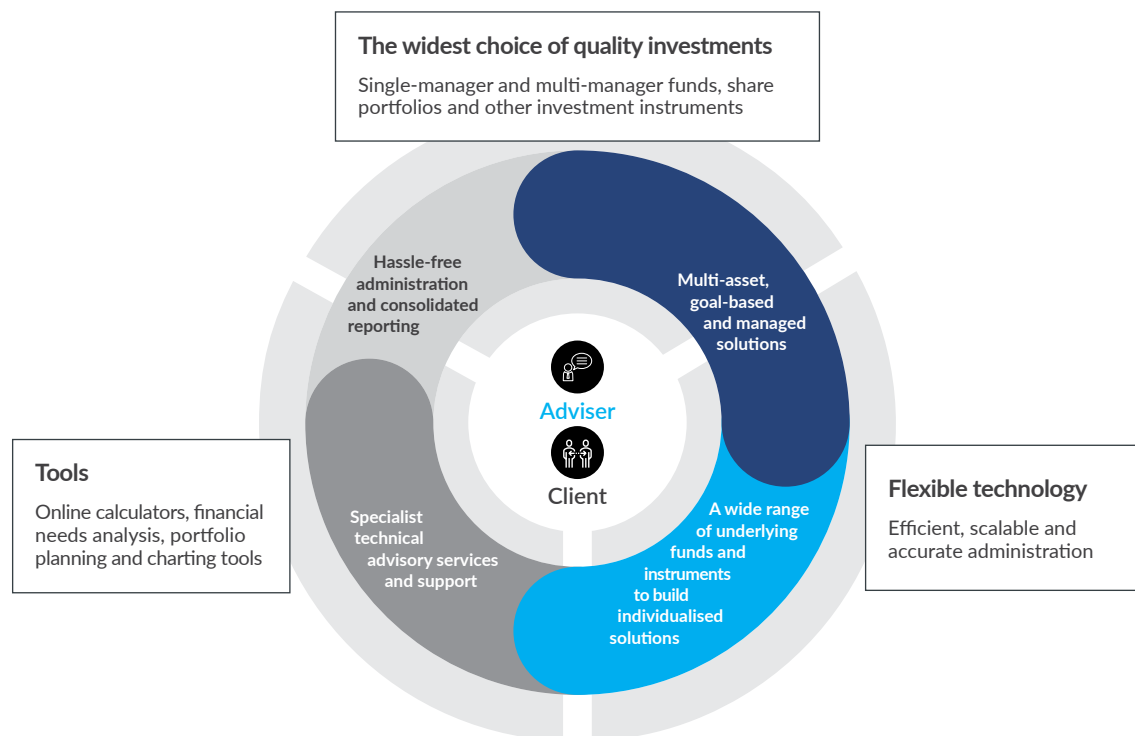
### PSG:

- Follows a robust due diligence process on new products and services and on third-party providers
- Maintains mutually beneficial relationships with business partners
- Constantly tracks the financial soundness of product providers through risk and compliance measures
- Has dedicated compliance officers who oversee compliance processes, businesses, platforms and transactions
- Fosters a culture of compliance throughout the group
- Has an independent risk management department that assesses potential risks and the implementation of any mitigating actions
- Maintains strict compliance with laws, regulations and international best practices
- Actively encourages and manages positive working relationships with regulators
- Has an internal audit function that performs reviews to ensure the controls and processes surrounding clients' assets are sufficiently secure and effective
- Has not received an adverse ruling since the establishment of the ombudsman for financial service providers, confirming the integrity of its products and its excellent service

### The group's governance structures create value for clients through the following committees:

- The customer service review committee (CSRC) ensures the necessary processes and systems are in place for PSG to comply with the Treating Customers Fairly (TCF) financial services regulatory framework. It also makes recommendations to improve customer service levels and manage risks on their behalf.
- PSG Wealth and Insure's product governance committees confirm that approved products adhere to the group's risk appetite and meet clients' risk requirements.

## How PSG creates value for clients



### Client value proposition: PSG Wealth

PSG Wealth advisers maintain strong relationships with clients and offer an end-to-end client proposition. Due to its extensive distribution network, the division makes a range of local and offshore investment products and instruments available to investors. Its online trading and investment platform offers several unit trusts, including PSG funds and other investment management companies. The platform has various tools and seamless navigation.

The division prioritises the following core capabilities:

- Innovative and profitable products and services within acceptable risk parameters
- Client services and customer relationship system
- Integrated end-to-end platforms
- Accessibility through a range of communication channels
- Quarterly, monthly and daily communications

Growth in new clients can be attributed to client referrals, which is a testament to the excellent client service provided by the division's advisers.

### Client value proposition: PSG Asset Management

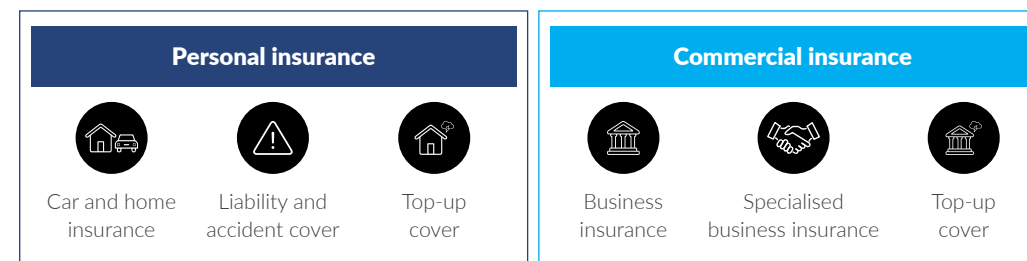
PSG Asset Management offers long-term retail and institutional investment management. The division emphasises capital preservation and risk management. Its funds are available on several platforms to enhance accessibility for clients and advisers.

PSG Asset Management prioritises the following core capabilities:

- Easy, accessible investment platforms:
  - » A simple and comprehensive range of funds over the entire investment risk spectrum
  - » Local unit trusts and access to global markets through rand-denominated unit trusts that invest abroad, and foreign currency-denominated global funds
- Long-term performance track record:
  - » A highly qualified, stable and experienced investment team
  - » House view adopted by the investment team to optimise research ideas and ensure consistency across the fund range
  - » Quarterly and monthly communications

### Client value proposition: PSG Insure

PSG Insure protects clients from unpredictable events with a suite of customised non-life insurance products, including:



PSG Insure's strategic emphasis is on profitable growth in a market characterised by intense competition and low growth rates. The division aims to increase market awareness of the Western National Insurance brand.

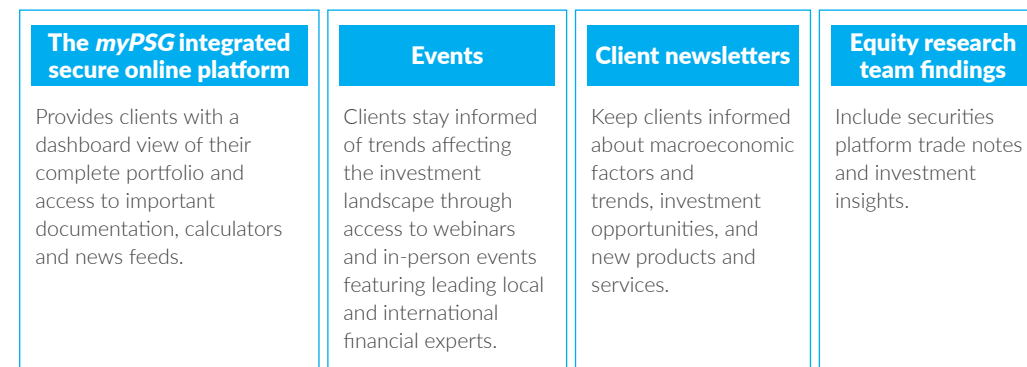
PSG Insure prioritises the following core capabilities:

- Short-term distribution:
  - » Direct sales and access to products through an extensive adviser network
  - » Established systems and processes
- Short-term administration:
  - » Dedicated administration team
  - » Skilled and experienced underwriting team
  - » Client self-service system and access to product range
- Established insurance business (Western National Insurance):
  - » Various distribution channels extending reach and accessibility
  - » Quality and diversity of product range
  - » Personalised service

### How we engage with clients

PSG builds trusted relationships with clients through continuous communication. This facilitates a better understanding of products, services and processes, which creates an environment in which upselling of additional products and services is possible. We improve our client service based on client feedback.

Client engagement happens through a variety of channels:





PSG builds trust with analysts and shareholders through consistent investment returns and strategy execution.

Our track record and prospects inform analysts' recommendations and shareholders' investment or disinvestment decisions. The group's institutional investor shareholder base constitutes 53.9% (2025: 51.8%) of the total shareholding.

Distribution of shareholders	2026		2025	
	Number of shares	% of total	Number of shares	% of total
<b>Non-public</b>				
PSG directors	273 062 996	22	263 385 219	21
Management	7 105 670	1	14 349 508	1
Treasury shares	9 358 839	1	10 784 880	1
<b>Public</b>				
Coronation Asset Management	220 048 346	18	195 177 708	16
Public Investment Corporation (including Government Employees Pension Fund)	179 642 897	14	167 147 631	13
Allan Gray	58 879 005	5	106 028 999	8
Other public shareholders	500 412 086	39	503 910 935	40
<b>Total</b>	<b>1 248 509 839</b>	<b>100</b>	<b>1 260 784 880</b>	<b>100</b>

Trading statistics	2026	% change	2025
Number of shares in issue	1 248 509 839	(1)	1 260 784 880
Number of shares traded	240 108 158	8	222 567 399
Value of shares traded (R)	5 469 696 295	42	3 850 494 971
Market price (cents per share)			
– Closing	2 827	56	1 811
– High	2 873	37	2 097
– Low	1 639	16	1 411
Recurring headline earnings per share (HEPS) (cents)	135.0	34	101.1
Recurring HEPS (excluding intangible asset amortisation cost) (cents)	141.3	32	107.1
Earnings yield percentage (recurring HEPS)	4.8	(14)	5.6
Price-earnings (PE) ratio (recurring HEPS)	20.9	17	17.9
PE ratio (recurring HEPS, excluding intangible asset amortisation cost)	20.0	18	16.9

## How PSG creates value for shareholders and analysts

The group's conservative investment approach balances growth objectives, risk tolerance and future capital requirements while delivering consistent shareholder returns.

PSG relies on recurring headline earnings and recurring headline earnings per share as non-IFRS Accounting Standards measures to evaluate performance. This provides analysts and shareholders with a clear and consistent measure of the group's sustainable earnings.

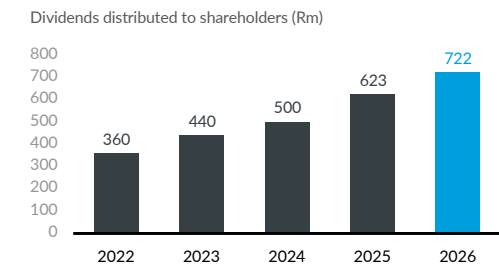
The group creates insight and understanding through open and honest dealings with the investment community. Investors can base their decisions on timely, transparent and credible information.

PSG distributes the financial value it creates to shareholders via dividend payments. The dividend is set with reference to underlying core operating earnings, considering the need to:

- Adhere to capital adequacy, financial soundness and legislative requirements
- Retain earnings and cash flows to support future growth initiatives
- Provide a sustainable dividend that will be paid out to shareholders
- Maintain a dividend pay-out ratio of between 40% and 60% of full-year recurring headline earnings, excluding intangible asset amortisation. Approximately one-third is paid as an interim dividend and two-thirds as a final dividend

The group's priority is to create value for shareholders by balancing dividend payments and capital expenditure. The reasons for expenditure are communicated clearly and regularly to shareholders.

PSG manages shareholder investment risk through its sound governance and risk management structures.



## How we engage with shareholders and analysts

Investor relations facilitate two-way communications between PSG and the financial community. Formal interaction with shareholders and analysts occurs through:

<b>Formal shareholder communication</b>	<b>AGM</b>	<b>Investor roadshows</b>
<p>The JSE and NSX's Stock Exchange News Service (SENS) and SEM announcements, results presentations, media releases, the website, and interim and year-end results (including the integrated report).</p>	<p>PSG's AGM, where shareholders vote on the appointment of directors, the audit committee, the external auditor, the group's remuneration policy and implementation report, and resolutions proposed by management and the board.</p>	<p>Investor roadshows, either conducted virtually or in-person, are attended by analysts, shareholders and potential investors.</p>



## Suppliers, service providers and communities

### Success in business is defined by relationships.

The group relies on multiple product suppliers and service providers for various products and services to support operations. External suppliers provide manufactured, human, and social and relationship capital, ranging from technology systems and services to cleaning, security and creative agency services.

Supplier relationships start with a fair selection and pricing process and are governed by comprehensive service-level agreements. We monitor these agreements regularly.

PSG pays SME suppliers promptly – in less than 30 days. Paying SMEs on time promotes mutual respect and maintains high service levels.

Communities are the source of current and future employees, suppliers, service providers, shareholders and clients. Investment in community empowerment creates a pool of skilled employees and potential clients for PSG. The communities we interact with are determined by our employees and the adviser network.

### How PSG creates value for suppliers, service providers and communities

An analysis of PSG's transformation barriers revealed the difficulty of finding appropriately qualified candidates in specialised roles, particularly within our adviser distribution network. This starts at primary school level and extends through to postgraduate level. Therefore, our education initiatives were extended beyond PSG employees to create a talent pool for recruitment and build our talent pipeline.

PSG invests in educational and social programmes that create future employment and economic empowerment prospects for South African communities. Below are a few of our CSI projects:

#### PSG graduate programme

The year-long programme develops, nurtures and employs South Africa's young graduates. The programme is in its 10th year, and during 2026 PSG employed 147 newly qualified graduates.

#### PSG Adopt-a-School programme

This programme supports and enhances disadvantaged schools' learning and teaching environment to address inequalities and inadequacies in poorer communities.

PSG has adopted 7 schools and spent R3 million. These schools are near the economic hubs, enabling PSG employees to provide hands-on support.

#### PSG bursary programme

This programme provides bursaries covering tuition, textbooks, accommodation, meal allowance, a monthly allowance and exam care gifts to each promising student every year. In the 2026 financial year, 11 students received bursaries, and the total cost invested in the bursary programme was R0.7 million.

#### Childcare and children's homes

Childcare centres and children's homes support children in need in local communities. PSG provides the care centres and homes with monthly food parcels and funding. In 2026, we contributed R3.0 million.

#### Soup kitchen

PSG supports local soup kitchens in nearby communities through monthly feeding schemes, benefiting neighbouring poorer communities, the majority being ACI communities. In 2026, we contributed R0.2 million towards the initiative.

#### Local community involvement

PSG's offices are active within their communities with historically disadvantaged backgrounds. The group's extensive footprint in South Africa enables these initiatives to have a far-reaching impact at a grassroots level. In 2026, we contributed R1.7 million towards our local community involvement.

Contributions include:

- An NPO for children with developmental disabilities and special needs
- Printing of schools' annual reports
- After-school programmes

#### Support a Matric Learner (SML)

In 2026, we contributed to 4 ACI female grade 12 learners from Langa, Mitchells Plain, and Mfuleni High Schools. Our support included the purchase of stationery, textbooks, and a laptop for each learner, as well as the payment of their school fees and any grade 12-related school attire.

In addition, we provided a grant to each learner's school to assist with any required improvements. The total cost incurred in supporting the learners was R0.1 million.

### Enterprise and supplier development

Enterprise and supplier development is an approach to stimulating economies and creating greater diversity in supply chains. The aim of enterprise and supplier development is also to create sustainable jobs and businesses.

Our investment in SMEs contributes to creating a brighter future for South Africans while achieving meaningful and measurable commercial and social impact outcomes.

#### ASISA Enterprise and Supplier Development Fund (ESD Fund)

This initiative invests in the sustainability of SMEs in South Africa, while supporting the government's drive for job creation and economic growth.

PSG invests in the Fund to help build businesses through tailored business acceleration and investment support. To date, PSG has invested R51.2 million, with R49.4 million of committed capital deployed to benefit Black South Africans. The ASISA ESD Fund provides 97% of its funding to Black SMEs in South Africa, 53% of which are Black female-owned businesses.

This investment has also supported Black stockbrokers, fund managers and intermediaries within the wealth industry. In addition, the ESD Fund focused on supporting numerous Black-owned motor body repairers within the insurance sector.

In 2026, the Fund created 16 jobs attributable to PSG's contribution.

The ESD Fund's graduation from an enterprise development beneficiary to one of our suppliers further reinforces our commitment to meaningful supplier development.

#### South African SME Fund (SA SME Fund)

The SA SME Fund was established by members of the CEO Initiative – a collaboration between government, labour and business to address some of the most pressing challenges to the country's economic growth – as a support avenue for the SME sector.

The SA SME Fund invests in funds that support and develop entrepreneurs. The Fund is mandated, through partner funds, to invest 75% of the capital into ACI-owned and managed businesses. The Fund invests in 2 types of funds: venture capital funds and growth funds.

Since 2016, PSG has invested R2 million in the SA SME Fund.

### Preferential procurement

Preferential procurement supports the use of Black-owned, Black female-owned, EME- or QSE-sized BBBEE-compliant companies with valid BBBEE certificates or affidavits as suppliers. We are constantly reviewing our suppliers' scorecards and actively encourage procurement from exempted micro-enterprises and qualifying small enterprise vendors.

Wherever a suitable vendor with a better recognition level is found and transitioning to a new vendor is practical, the approved list is updated. Future business will be conducted through the new vendor. We use the BEE123 software system to track our vendors' BBBEE scorecards. Our centralised BBBEE certificate storage repository helps the group remain abreast of vendors' BBBEE levels and compliance.



PSG's commitment to being a good corporate citizen assures government and regulatory bodies of the group's contribution towards a strong, transformed and efficient financial services industry.

The government and regulators prevent and investigate fraud, keep markets efficient and transparent, and make sure clients are treated fairly. They do this by, among other things, verifying compliance and capital adequacy. The South African government department that most affects PSG's ability to create value is the National Treasury.

PSG primarily engages with the Financial Sector Conduct Authority (FSCA) and the Prudential Authority in South Africa. In other jurisdictions, PSG mainly engages with the Namibia Financial Institutions Supervisory Authority (NAMFISA) in Namibia and the Malta Financial Services Authority (MFSA) in Malta.

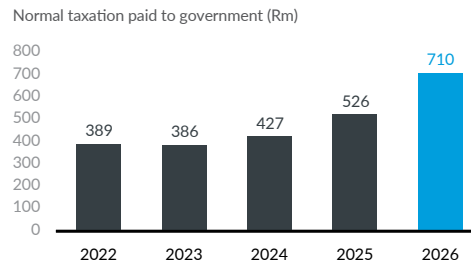
PSG has 22 regulatory operating licences across its range of financial services – 18 in South Africa and 4 in foreign jurisdictions. These necessitate a close and mutually beneficial working relationship with regulators.

### How PSG creates value for government, regulatory bodies and industry associates

PSG works with other industry players, regulators and government to improve the functioning of the financial services sector.

Regulatory changes have an ongoing impact on the financial services industry. PSG stays informed of new regulations and plays an active role in shaping regulations wherever possible.

The group pays tax, in accordance with the relevant jurisdiction's legislation, in the countries in which it operates.



### How we engage with government, regulatory bodies and industry associates

PSG engages formally through its membership of industry associations and at the invitation of regulators and government. The group has bi-annual meetings with the Prudential Authority and FSCA to provide regular business updates. The regulators perform routine regulatory licence site visits to carry out compliance checks. The group also engages informally on specific matters.

# The 2026 financial year

Operating context	42
Our strategy	44
CEO and CFO report	46
Our position on climate change and TCFD	51
Divisional reports	53

“Our strong performance demonstrates the competitive advantage of our advice-led business model.”

# Operating context

## An improving yet challenging environment

### PSG's business characteristics:

- The group's performance is linked to equity market outcomes
- Our administrative businesses are dependent on people and systems to function optimally
- The business is not very balance-sheet intensive
- We continue to generate strong free cash flows
- We are vulnerable to regulatory changes

We use the following key macro indicators to evaluate the operating context:

Key indicator	2022	2023	2024	2025	% change	2026	CAGR %
Rand/US dollar	15.45	18.36	19.18	18.57	(17)	15.92	1
All Bond Index	834	875	942	1 108	28	1 421	14
FTSE/JSE ALSI	76 091	77 734	72 730	85 943	49	128 456	14
S&P 500 (rand)	67 588	72 877	97 766	110 590	(1)	109 495	13
SA Property Index	322	313	342	385	36	523	13
Cash index - SteFI Call	439	463	500	540	7	578	7

While conditions improved during the financial year, the operating environment was complex and highly sensitive to shifts in both local policy and global market cycles.

South Africa's economy showed early signs of a gradual recovery, with growth expected to lift to 1.6% in 2026, from 1.4% in 2025, supported by easing inflation, lower interest rates and a slow improvement in sentiment.<sup>1</sup> Inflation was projected to edge up slightly from 3.2% to 3.4%, but to remain comfortably within the South African Reserve Bank's target range, helping to anchor interest rates and provide some relief to households and financial markets.<sup>2</sup>

However, the broader picture remained constrained. Unemployment persisted at elevated levels of around 32%, reflecting the structural challenges in labour absorption.<sup>3</sup>

Sovereign risk sentiment improved modestly, with rating agencies acknowledging progress in fiscal discipline and selected structural reforms, although South Africa was still below investment grade.<sup>4</sup>

In this context, the rand traded within a relatively tight but volatile range, shaped by global US dollar cycles, commodity price movements and domestic fiscal sentiment.

Looking further ahead, real GDP growth is expected to strengthen gradually to around 2.0% by 2028, provided that structural reforms continue to gain

traction and investment conditions improve in a sustained manner.<sup>1</sup>

Equity markets delivered a stronger performance phase, with the FTSE/JSE All Share Index recovering meaningfully, supported by improved inflation dynamics and expectations of a more stable interest rate environment. Global equity markets, particularly in the United States, were also supportive of risk assets.

Globally, markets continued to be shaped by geopolitical uncertainty and uneven growth trajectories across major economies. Developed markets were relatively resilient, supported by earnings strength and structural technology-sector growth.

**Volatility in sentiment and capital markets was a defining feature of the landscape. For PSG, this reinforced the importance of a disciplined and long-term approach to capital allocation and risk management.**

While our earnings are exposed to equity market performance, requiring ongoing focus, our conservative balance sheet, strong cash generation and scalable platforms provide resilience through cycles. Our focus is unchanged: to invest in platforms and people that support long-term growth.

<sup>1</sup> National Treasury of South Africa - Budget Review and Economic Outlook 2025/26: <https://www.treasury.gov.za>

<sup>2</sup> Statistics South Africa - Consumer Price Index (CPI) releases 2025: <https://www.statssa.gov.za>

<sup>3</sup> Statistics South Africa - Quarterly Labour Force Survey Q4 2025: <https://www.statssa.gov.za>

<sup>4</sup> Reuters - South Africa sovereign rating review and outlook updates 2025: <https://www.reuters.com>



# Our strategy

PSG has a strong record of strategy execution driven by a stable management team and extensive collaboration across the business.

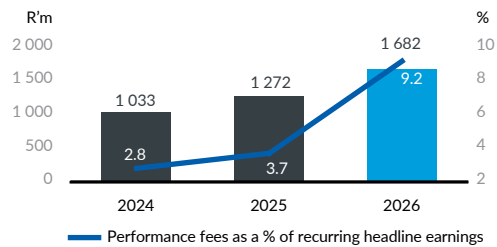
## Our group strategy

PSG's overarching strategic objective is to be a highly respected advice-led financial technology firm. Each year, progress is made in building the most cost-efficient and scalable business. The group's strategic focus remains the execution and implementation of three financial business objectives:

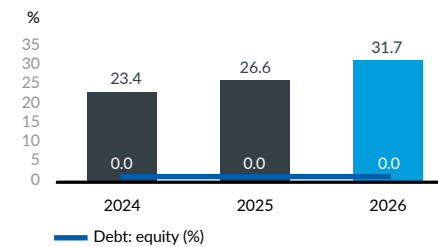
Financial business objectives	Recurring revenues	Margin enhancing	Risk versus return
<b>Strategic intent</b>	Focus on generating recurring income, which leads to enhanced sustainable earnings.	Optimise the profit margin to ensure that an acceptable return on capital is earned.	Maximise every rand earned relative to an acceptable unit of risk.
<b>Execution and implementation</b>	<ul style="list-style-type: none"> <li>Daily analysis and monitoring of new client money inflows</li> <li>Dashboards and exception reporting</li> <li>Operating costs structured as variable, where possible</li> <li>Strengthening sales and marketing focus</li> <li>Data analytics and management information systems to pinpoint growth opportunities and areas needing attention, while holding people accountable by tracking and monitoring performance against targets</li> <li>Integration and cross-selling of products and services to existing clients</li> </ul>	<ul style="list-style-type: none"> <li>Streamlined systems and processes to reduce operational risk and increase efficiency</li> <li>Focus on product and innovation for sustainability of profit margins – rather than financial leverage – to generate an acceptable return on capital</li> <li>Focus on net new money fee margin to monitor and evaluate quality of business</li> <li>Optimise client journey experience to reduce frictional costs</li> <li>System automation to achieve system scalability and straight-through processing</li> </ul>	<ul style="list-style-type: none"> <li>Exit from business areas and products that carry undue risk relative to their earnings contribution</li> <li>"Three layers of defence" risk management</li> </ul>

## Performance

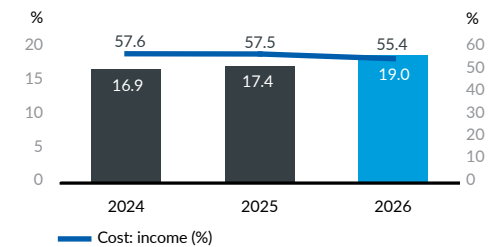
Recurring headline earnings



Risk versus return (return on equity)



Operating margins



## Executing our strategy

The group's strategy demonstrates a preference for organic growth that targets revenue growth and healthy margins at an appropriate risk level with acceptable trade-offs. To achieve the group's vision, PSG must attract and retain the right people, sell leading products and develop and maintain excellent platforms. As part of the budgeting process, each division identifies actions to support and drive:

- Net client inflows
- Client-centricity
- Transformation
- Enhanced products and platforms

# CEO and CFO report



Supportive securities markets contributed positively to the group's commendable financial performance. We saw growth in recurring headline earnings per share, return on equity, and assets under management – a testament to disciplined execution and the trust our clients place in us.

We continued to invest in our people and technology to support sustainable growth and long-term value creation.

## Performance

PSG proved its resilience and achieved its strategic objectives through profitable, sustainable growth in 2026.

The group delivered a 33.5% increase in recurring headline earnings per share and a return on equity of 31.7%.

Our key financial metrics continue to highlight the competitive advantage of the PSG advice-led business model. While operating conditions remained challenging, favourable securities markets aided the group's results during the year.

PSG's key financial performance indicators for the year are shown below.

Financial performance indicator	2026	% change	2025
Recurring headline and headline earnings (R000)	1 682 243	32	1 272 236
Recurring headline earnings (excluding intangible asset amortisation) (R000)	1 763 163	31	1 350 047
Recurring headline and headline earnings per share (cents)	135.0	34	101.1
Recurring headline earnings per share (excluding intangible amortisation) (cents)	141.3	32	107.1
Recurring headline earnings per share (excluding performance fees) (cents)	122.5	26	97.3
Cost:net income ratio (%)	55.4	(4)	57.5
Operating margin (%)	19.0	10	17.4
Operating margin (excluding performance fees) (%)	17.5	4	16.8
Assets under management (Rbn)	564.6	20	470.7
Assets under administration (Rbn)	800.9	24	646.4
Gross written premium (Rbn)*	8.0	5	7.6
Debt:equity ratio (%)	0.0	-	0.0
Return on equity (ROE) (%)	31.7	19	26.6
Return on equity (excluding performance fees) (%)	28.8	12	25.6

\* If the impact of the sale of the Western Namibia business, effective 3 March 2025, is excluded, PSG Insure's gross written premium has increased by 7.0%.

Positive markets resulted in better asset performance, improved investment income and a rise in performance fees, which constituted 9.2% (2025: 3.7%) of headline earnings. Total assets under management increased by 19.9% to R564.6 billion, comprising assets managed by PSG Wealth of R480.9 billion (17.3% increase) and PSG Asset Management of R83.7 billion (37.7% increase), while PSG Insure's gross written premium amounted to R8.0 billion (5.0% increase).

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 comparable period, our technology and infrastructure spend increased by 8.6% (these costs continue to be fully expensed), while our fixed remuneration cost grew by 8.1%. We are proud of the progress made in growing our own talent, with 147 newly qualified graduates having joined during the financial year.

## Divisional performance

### PSG Wealth's recurring headline earnings increased by 25%

The division continued its solid performance, with core income increasing by 16.3% during the current year, driven by a continued increase in management and other recurring fees, as well as transactional brokerage fees.

Client assets managed by our Wealth advisers increased by 17.3% to R480.9 billion during the current year, which included R24.9 billion of positive net inflows. The division's formidable financial adviser network consisted of 641 Wealth advisers as at 28 February 2026.

For seven consecutive years, PSG Wealth won the coveted Top Wealth Manager of the Year: Large Institutions award at the Krutham Top Private Banks and Wealth Managers Awards. The division also secured first place in four archetype award categories: Wealthy Executive, Retiree, Successful Entrepreneur, and Lump-Sum Investor.

PSG Wealth continues to advise clients to focus on their long-term goals and to maintain diversified portfolios, especially during challenging times. Our advisers provide clients with expert advice and maintain excellent relationships through integrity, trust and transparency. In addition, our sustained investment in digital capabilities to enhance the client experience enables us to operate seamlessly in a changing environment.

We remain confident about the fundamentals and prospects of this division and believe that our commitment to long-term relationships with clients will continue to differentiate us in the markets in which we compete.

Read more on page 56.

### PSG Asset Management's recurring headline earnings increased by 59%

The division's results for the year were impacted by higher performance fees and strong growth in management fees of 17.6%.

PSG Asset Management's results are testimony to the team's long-term track record of delivering top-quartile risk-adjusted investment returns for clients. Its strong fund performance was recognised at the 2026 FundHub Industry Performance Awards, with the division receiving four fund-specific awards. PSG Asset Management was also awarded as the Best Overall Performing Multi Asset Manager over 5 Years in the 2025 INN8 Invest Diamond Awards.

Client assets under management increased by 37.7% to R83.7 billion during the current year, with net client inflows of R4.9 billion. Assets administered by the division increased by 21.7% to R321.7 billion, supported by R13.0 billion of multi-managed net inflows.

PSG Asset Management continuously engages with clients on the merits of its 3M investment philosophy and the importance of staying in the market throughout the investment cycles.

Read more from page 60.

### PSG Insure's recurring headline earnings increased by 22%

PSG Insure delivered commendable results during the year, mainly due to ongoing underwriting improvement initiatives, but also benefited from a more favourable claims environment and an absence of catastrophe events across the industry. The division achieved gross written premium growth of 5.0% (7.0% if the sale of the Western Namibia business is excluded) as we continue to focus our efforts on growing our commercial lines' business, which requires specialist adviser expertise. At 28 February 2026, there were 335 insurance advisers in the group.

The comprehensive reinsurance programme we have in place, and our quality underwriting practices, allowed us to achieve a net underwriting margin of 15.1%, compared to 12.7% achieved in the prior year.

Our strategy and focus remain delivering great service to our customers, a commitment that continues to be recognised across the industry, with PSG Insure named the 2025 Santam National Broker of the Year for performance excellence in personal lines.

Read more on page 64.

## Capital management

PSG's capital cover ratio remains strong at 260% based on the latest insurance group return. This comfortably exceeds the minimum regulatory requirement of 100%.

*During July 2025, Global Credit Rating Company upgraded the group's long-term and short-term credit ratings to AA-(ZA) from A+(ZA) and to A1+(ZA) from A1(ZA), respectively, with a Stable Outlook. This is the fifth rating upgrade that the group has received over the last 10 years.*

The increase in the group's capital cover ratio and the credit rating upgrade are a 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 12.3 million shares during the year at a cost of R296.9 million as part of shareholder capital optimisation. This repurchase included an amount equivalent to all shares issued during the financial year.
- Our shareholder investable assets' exposure to equity marginally increased to 10% (9% in the comparable period). We continue to monitor investment markets and will gradually increase our value-at-risk exposure to align with our long-term target.

## Our people

**Our ongoing focus on talent development, transformation and internal promotion is reflected in the continued success of our graduate programme.**

Our graduate programme allows us to grow and promote our locally grown talent and has enhanced the depth and diversity of our talent pipeline for the future.

Competitive remuneration is vital for retaining top talent in our people-oriented, skills-driven industry, and we continuously review our remuneration framework to ensure it supports our employee value proposition and our shareholders' interests.

Although our remuneration policy and implementation report received favourable voting outcomes at the 2025 AGM, PSG believes in continuous improvement and saw an opportunity to engage with institutional investors to ensure that we consider and address any feedback. Based on this, we have implemented several improvements to our remuneration approach to ensure our policy and disclosures align with best practice.

Read more from page 102.

## Our ESG journey

PSG is dedicated to improving our ESG considerations in operations and investment decisions. We acknowledge the financial materiality of ESG matters to our group as it can impact the long-term sustainability and profitability of each of our divisions.

Read about our commitment to align our business strategy and risk management approach to ESG metrics and targets to support our business, our people and the environment in which we operate on page 51.

## Marketing initiatives

Exposing our clients, advisers and employees to the best knowledge and insight empowers them to make the best financial decisions to reach their goals. The group maintained strong engagement with clients and prospective investors throughout the year, hosting 165 in-person events and 37 webinars. These platforms provided advisers, employees and industry stakeholders with valuable political, economic and practical perspectives from both recognised experts and the leadership team.

High-quality research remains central to adviser and client communications and continues to be positively received. Digitally, paid and organic search initiatives consistently drive strong traffic, averaging over 1.2 million website visits per month. Social media platforms are also experiencing steady growth in followers, coupled with rising engagement levels.

Now in its sixth year, the *Think Big* webinar series continues to resonate with audiences, drawing viewers and subscribers to the group's YouTube and Spotify channels. With close to 60% of attendees being non-clients, the series remains an effective tool for building awareness and generating new leads. During the past financial year, it recorded more than 12 000 unique registrations.

The marketing team continues to execute integrated product campaigns designed to drive inflows and attract new clients. A key example is the retirement annuity and tax-free investment campaign at tax year-end, which achieved a social media reach of 1.5 million. In addition, the team develops tailored marketing plans for adviser offices to support growth.

## Technology investments

**The group will continue to invest in technology to improve productivity and enhance our client and adviser experience.**

Our business is based on building trusted relationships with clients. By enhancing our processes in a secure manner, we ensure a seamless client onboarding experience and an improved user journey, leading to higher client retention driven by greater satisfaction.

Leveraging technology-driven automation enables the group to scale business volumes while maintaining a low fixed cost structure. We believe that businesses embracing digital transformation are well-positioned to achieve growth and capture market share.

## Dividend declaration

Considering the strong cash position, the board declared a final gross dividend of 45.0 cents per share from income reserves for the year ended 28 February 2026 (2025: 35.0 cents per share). This brings the total dividend distribution to shareholders to 65.0 cents per share (2025: 52.0 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.

## Retirement of the board's chairperson

We would like to extend our deep appreciation to Willem Theron, who is retiring as non-executive chairperson after 28 years of leadership and contribution to PSG. Willem founded the business and played a central role in developing the group, serving as CEO until 2013 before continuing as non-executive chairperson.

In addition to his contributions to the group, we acknowledge his significant impact on the financial services industry over the past three decades. His vision helped shape the advice-led financial services business as we know it today, with a model that supports advisers through strong governance and enabling structures, allowing them to focus on delivering sustainable, client-centric advice.

## Looking forward

PSG is a proudly South African company that believes in the future of our country.

In the short term, we are concerned that both international and domestic markets have not sufficiently discounted downside risks and perhaps moved ahead of current economic fundamentals.

Developed markets are heavily indebted, and the advent of political populism makes a return to normality difficult. At the same time, global competition on trade, combined with emerging disruptive technologies, present clear risks, while military action in the Gulf is a particular concern.

Domestically, the South African Reserve Bank and National Treasury should be applauded for reducing inflation, while also reigning in the budget deficit and national debt. Along with higher commodity prices, we have experienced a better backdrop for securities markets. However, promised government reforms have lagged and professional management remains uneven, which is why we have not seen material improvements in a broad range of economic indicators. At the same time, a lack of adequate socioeconomic impact studies to support policy and legislation casts doubt on the rationale for sustained improvements in economic growth and employment. An integrated economic plan that looks beyond current crisis management is an imperative.

PSG remains optimistic regarding the ability of ordinary South Africans to engineer a better future for themselves and their families, and we are positive about a range of opportunities for the firm. As such, we will continue to increase our investment in both technology and human resources at a rate roughly consistent with our long-term historical averages. We will, however, monitor conditions as the year advances.

On behalf of PSG's management team, we would like to thank our stakeholders, including shareholders, advisers, clients, business partners, regulators, management, and employees, for their ongoing support and commitment.

**Francois Gouws**  
CEO

**Mike Smith**  
CFO

# Our position on climate change and TCFD

## What is TCFD?

Established by the Financial Stability Board in 2015, TCFD is an industry-led group that helps investors understand their financial exposure to climate risk. It also works with companies to disclose this information clearly and consistently.

As a group with a conservative, long-term investment approach, PSG is cognisant of the impact that ESG issues can have. Companies that neglect their social and environmental obligations will ultimately struggle to deliver sustainable long-term returns.

Climate change is a complex and evolving phenomenon that poses risks to the security of our clients, society and the global economy. Inversely, there are also opportunities for investors to play a role in bringing about change, including managing factors associated with the transition to a low-carbon economy.

The PSG board and executive management acknowledge the importance of the TCFD recommendations. Given the nature of our business, we support the advancement of more effective climate-related disclosures to promote better-informed investment and insurance underwriting decisions.

PSG Asset Management follows the principles outlined in the Code for Responsible Investing in South Africa (CRISA) and applies them to its philosophy and process. In addition, in March 2021, PSG Asset Management signed the United Nations Principles for Responsible Investment (UN PRI). According to the UN PRI 2021 Annual Report, investor signatories identify climate change as their number one ESG concern. Likewise, PSG recognises our responsibility in addressing climate change as a pressing sustainability risk.

The disclosure below is divided into the four categories outlined by the TCFD: governance, strategy, risk management, and metrics and targets. It represents the group's assessment of the impact climate-related risks and opportunities can have on PSG, as well as our impact on the environment over the short, medium and long term.

We view TCFD reporting as a long-term journey. The PSG board and executive management commit to honesty and transparency as we continue to monitor and oversee climate-related risks and opportunities and enhance our climate-related disclosure. The "future focus" headings on pages 51 and 52 represent realistic short- to medium-term objectives.

## Governance

### Board oversight

The PSG board is ultimately responsible for risk governance and has mandated the risk committee to oversee climate-related risks and opportunities.

### Executive management's role

Executive management is responsible for identifying risks and opportunities (including for ESG) and for developing and implementing policies, procedures and controls to address, manage and reduce these risks and prudently pursue opportunities.

### Own Risk and Solvency Assessment

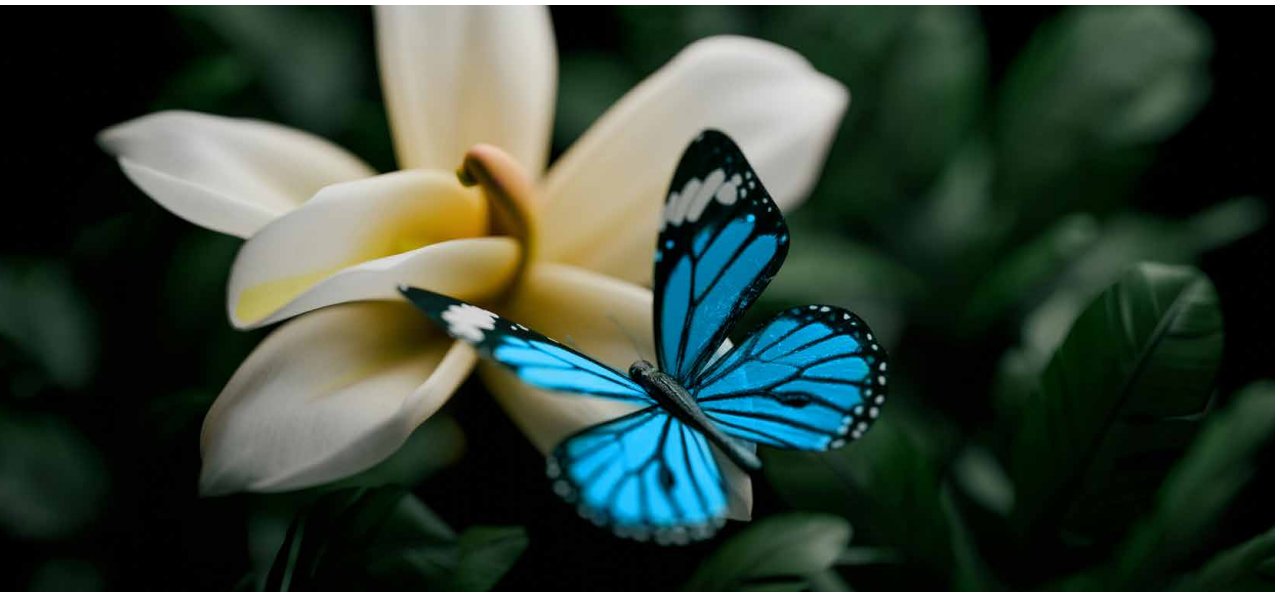
The group's annual Own Risk and Solvency Assessment (ORSA) process includes enhancements to governance processes, risk strategy and documentation. The aim of the process and the annual PSG ORSA report is to demonstrate business sustainability and resilience.

### PSG Asset Management ESG policy

In 2020, the board reviewed and updated PSG Asset Management's ESG policy, and in 2021, the division streamlined the integration of ESG in its investment process and analysis of potential investee companies. More detail can be found under the "Strategy" section.

### Future focus

Our focus will be to establish reporting lines and processes for reporting climate information to management and the board, aligned to the group's existing risk structures as outlined in the risk report on page 98.



## Strategy

We identified two key potential impacts of climate-related risks and opportunities for PSG:

### PSG Insure – climate change and insurance

The consequences of climate change are already evident in more extreme weather events. The potential increase in the scale and frequency of severe weather and natural disasters directly impacts the insurance industry.

Western will be impacted in the event of an increase in weather-related claims, especially catastrophe events, which will also impact reinsurance capacity and cost. To mitigate this risk, PSG Insure conducts diligent underwriting management and analysis of underwriting data by skilled teams. The division also ensures it is adequately reinsured to limit its exposure to significant losses and catastrophe events.

PSG Insure is committed to continually enhancing its understanding of the risks climate change poses to its business and stakeholders.

### PSG Asset Management – climate stewardship

The principles of responsible investment drive PSG Asset Management's investment philosophy and process: investing in businesses with long-term growth strategies and management teams that function as good custodians in clients' best interests. Assessing investee companies through an ESG lens offers additional insights into the strength of the management team, the moat and the risks and opportunities associated with the investments. Considering ESG factors will ultimately favour investors and improve their returns.

To obtain ESG information, the division conducts in-depth ESG research, including reviewing company disclosures and available qualitative ESG analyses. Analysts consider ESG aspects as part of each investee company's quality assessment on a case-by-case basis. Case study examples are provided in PSG Asset Management's Annual Stewardship Report, available at [www.psg.co.za/documents/for-professional-investors/PSG-AM-Stewardship-report-2025.pdf](http://www.psg.co.za/documents/for-professional-investors/PSG-AM-Stewardship-report-2025.pdf).

Key environmental aspects considered will vary by industry, but generally include carbon emissions, water stress, land use, waste treatment, air pollution and biodiversity impacts. Analysts adopt a holistic approach when evaluating investments in companies where climate change is a key risk factor, considering the crucial nuances and ESG trade-offs associated with these investments.

PSG Asset Management acknowledges that holding companies accountable for ESG issues is a key part of its fiduciary duties and the right thing to do.

## Future focus

We will continue to identify new physical and/or transition risks and opportunities as they arise, and monitor the impact of the risks and opportunities mentioned above related to our business strategy over the short, medium, and long term.

### Risk management

PSG's processes for identifying, assessing and managing risk are set out in the risk report on page 98. Robust risk management ensures that acceptable risk and adequate capital levels are maintained. We enhance our systems and processes incrementally to monitor and manage risk. This includes leveraging existing processes for identifying, qualitatively assessing, and managing ESG-related risks and opportunities.

The group currently considers the financial impact of climate-related risks on our business to be low, as it mainly relates to the impact on Western, as explained above.

## Future focus

We will formally integrate processes for identifying, assessing and managing climate-related risks into overall risk management and assign responsibilities to groups or individuals across the group for climate risk management.

### Metrics and targets

PSG limits the use of electricity, paper and water in the office environment. The group's head office in Cape Town is rated a five-star green building, while the offices in Waterfall and Centurion are both four-star green buildings. The use of video conferencing facilities at each of the major offices across the country reduces travel.

Considering the operational nature of our business, which is advice- and platform-based, PSG has a relatively low direct environmental impact. For this reason, we do not consider it practical to track and provide energy, water, waste and carbon emission metrics for the group at this stage.

## Future focus

PSG Asset Management's environmental assessments of investee companies (as discussed under "Strategy" above) include evaluating high-level metrics for climate-related risks and opportunities. The division's approach to ESG continues to evolve and grow as it weighs up the various trade-offs between competing stakeholders and imperatives.

# Divisional reports

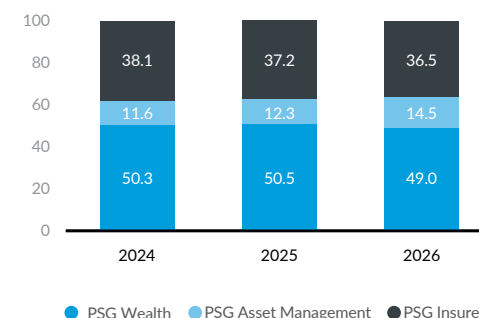
## Divisional overview

	PSG Wealth	PSG Asset Management	PSG Insure
<b>Business units</b>	<ul style="list-style-type: none"> <li>Securities</li> <li>Multi-managed solutions</li> <li>Employee benefits</li> <li>Linked investment business/linked investment service provider platform</li> <li>Wealth distribution (including fiduciary services)<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>Asset management</li> <li>Collective investments (local and offshore)</li> </ul>	<ul style="list-style-type: none"> <li>Western Group</li> <li>Short-term administration</li> <li>Insure distribution<sup>1</sup></li> </ul>
<b>CEO</b>	Etienne de Waal	Lyle Sankar <sup>2</sup>	Cedric Masondo
<b>Main office</b>	Waterfall City, Midrand, Johannesburg	Constantia, Cape Town	Tyger Valley, Bellville, Cape Town

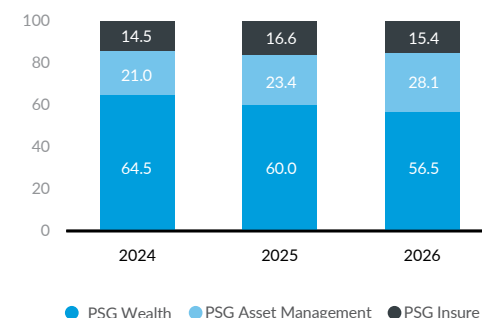
<sup>1</sup> CEO of PSG Distribution is Edward Gibbens.

<sup>2</sup> CEO of PSG Asset Management was Anet Ahern, succeeded by Lyle Sankar on 1 May 2025.

Divisional contribution to group core income (contribution %)



Divisional contribution to group recurring headline earnings (contribution %)



Note: Excludes the impact of the new insurance contracts accounting standard (IFRS 17).

# PSG Wealth



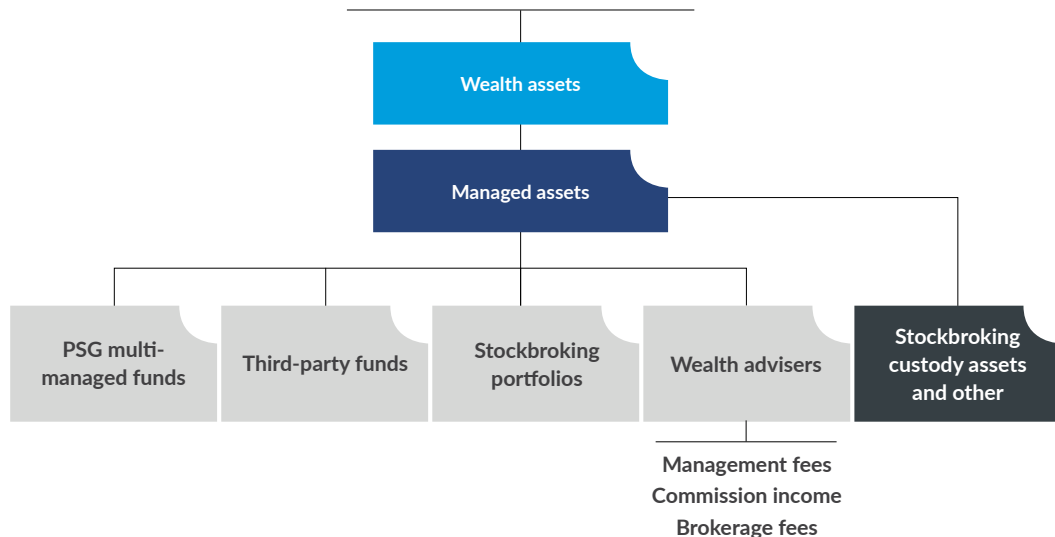
Etienne de Waal

We are seeing the benefit of several years of focused execution come through in the way PSG Wealth now operates and grows, with stronger flow dynamics and a clearer ability to scale.

## PSG Wealth overview

*“PSG Wealth offers comprehensive wealth management designed to meet the needs of individuals, families and businesses.”*

PSG Wealth works with clients to achieve their financial goals, including making appropriate investment choices, structuring an investment portfolio and arranging life and disability insurance to cover clients against risks. Clients can trade directly using an online trading platform or opt for a managed portfolio through a skilled wealth manager. PSG Wealth also offers estate planning and fiduciary services, including trusts and the administration of deceased estates. PSG Wealth further facilitates a range of employee benefits, insurance and investment solutions for business owners.



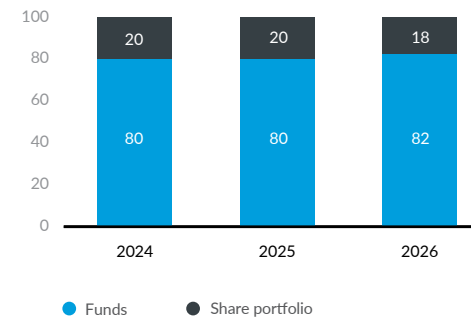
## Assets split (Rm)

	2024	Market movement	Net flows	2025	Market movement	Net flows	2026
PSG multi-managed <sup>1</sup>	175 839	14 708	12 998	203 545	21 549	12 956	238 050
Third-party funds <sup>2</sup>	109 683	8 966	7 121	125 771	16 637	12 085	154 493
Stockbroking portfolios	69 566	10 644	439	80 648	7 862	(161)	88 349
<b>Total managed assets</b>	<b>355 088</b>	<b>34 318</b>	<b>20 558</b>	<b>409 964</b>	<b>46 048</b>	<b>24 880</b>	<b>480 892</b>
Stockbroking custody assets	122 886	35 847	(402)	158 331	58 274	1 928	218 533
Third-party administration	13 398	2 031	1 943	17 372	2 219	(1 777)	17 814
<b>Total PSG Wealth assets</b>	<b>491 372</b>	<b>72 196</b>	<b>22 099</b>	<b>585 667</b>	<b>106 541</b>	<b>25 031</b>	<b>717 239</b>

<sup>1</sup> Includes PSG single-managed funds of R22.3 billion for 2026, R16.2 billion for 2025 and R13.9 billion for 2024.

<sup>2</sup> Includes PSG single-managed funds of R18.1 billion for 2026, R12.1 billion for 2025 and R9.5 billion for 2024.

Growing managed assets (%)



## Strategic insights

### PSG Wealth's top risks and associated mitigating actions

Risk	Mitigating action
Market volatility for the foreseeable future	PSG Wealth has a diversified range of products, including global solutions, and maintains strong governance in investment decision-making.
Cyber risks, which can cause financial loss, operational disruption or damage to brand and reputation due to failure or exploitation of IT systems	Comprehensive cyber preventive controls are in place, maintained and monitored centrally by PSG IT. We also have comprehensive cyber insurance cover.
Risks related to new and emerging legislation and regulation	We monitor legislative developments in all jurisdictions in which PSG Wealth operates and respond appropriately to any changes in legislation.
Erosion of investor confidence due to South Africa's economic situation, resulting in investors remaining out of the market	We are confident that our advisers can support clients through periods of volatility and that our range of local and offshore products enables diversification and helps attract new investors.

## How PSG Wealth supports the PSG Financial Services strategy

Recurring revenues	Margin enhancement	Risk versus return
PSG Wealth focuses on growing recurring revenue, which reduces our reliance on transactional revenue, particularly in the securities business.	We focus on straight-through processing to minimise marginal costs. We regularly negotiate our business partner agreements to manage our cost base. Our ongoing drive to automate improves our service levels while keeping our cost base low.	PSG Wealth applies multidimensional metrics to assess quality, risk and productivity. We grew our network of advisers to support the group's growth strategy.

## Performance overview

<b>Recurring headline earnings</b> <b>2026</b> <b>R950.6 m</b> ▲ <b>25%</b> 2025: R763.2 m      2024: R666.3 m	<b>Core income</b> <b>2026</b> <b>R4.9 bn</b> ▲ <b>16%</b> 2025: R4.2 bn      2024: R3.7 bn
<b>Managed assets</b> <b>2026</b> <b>R480.9 bn</b> ▲ <b>17%</b> 2025: R410.0 bn      2024: R355.1 bn	<b>Gross margin</b> <b>2026</b> <b>46.6%</b> 2025: 46.4%      2024: 46.0%
<b>Operating margin</b> <b>2026</b> <b>23.6%</b> 2025: 22.9%      2024: 23.5%	<b>Net inflow of managed assets</b> <b>2026</b> <b>R24.9 bn</b> 2025: R20.6 bn      2024: R19.6 bn
<b>Management fees</b> <b>2026</b> <b>R1 262.6 m</b> ▲ <b>17%</b> 2025: R1 078.1 m      2024: R953.4 m	<b>PSG Wealth adviser network</b> <b>2026</b> <b>641</b> 2025: 635      2024: 608

The year was characterised by political and economic volatility, both globally and locally. Developments in the Government of National Unity and the national budget process added complexity. Ongoing infrastructure constraints in transport, energy and logistics continued to weigh on business confidence.

Within this context, PSG Wealth delivered strong momentum, supported by disciplined execution of our long-term strategy and continued investment in our operating model.

We achieved net inflows of R24.9 billion into our managed assets, reflecting ongoing confidence in our investment approach and the quality of advice our growing adviser base provided. There has been an increase in flows onto our platform, driven by adviser adoption and the benefits of investment in enhancing our systems and processes, including automation and straight-through processing over the past several years. These have simplified the adviser and client experience while building scalable capacity.

Our advice-led, technology-enabled model continues to differentiate our offering and has supported both client retention and new business growth. Collaboration with advisers is important to ensuring that platform enhancements are aligned with practical advice processes and operational requirements.

The digitalisation and integration of core processes, particularly in new business onboarding, have reduced manual intervention, improving accuracy and turnaround times. These improvements are enabling us to support increasing volumes of clients and assets without a corresponding increase in costs. As a result, the business is demonstrating increasing operating leverage, with a growing number of clients supported per employee and improved overall efficiency.

We estimate that we are approximately halfway towards our target end-state operating model. It is important to note that we maintain a clear distinction between technology enablement and the provision of financial advice, where research, judgement, accountability and the personal relationships our advisers have with clients are central.

Cyber security continues to be a key focus area, given increasing digitalisation and the evolving risk landscape. Ongoing investment ensures that we maintain robust protection and are aligned with regulatory requirements.

From an investment perspective, our approach is consistent. We continue to position client portfolios in line with long-term objectives, maintaining a balanced allocation between local and offshore assets. While market conditions were at times volatile, our focus was on supporting clients to stay invested and committed to their financial plans.

The regulatory environment continues to evolve, increasing in both complexity and scope. We view this as reinforcing the importance of high-quality financial advice and strengthening the relevance of our advice-led model. Our governance framework is robust, with clear oversight of strategy, risk and long-term sustainability. We are well advanced in preparing for the implementation of the Conduct of Financial Institutions Bill, with no expected disruption to our core strategy.

Our performance reflects the strength of our scalable platform, disciplined operating model and advisers who enable consistent outcomes. The stability and depth of our leadership team, supported by ongoing investment in talent development and a well-established graduate programme, underpin our ability to execute consistently. We will continue to invest across these areas. With our market share still relatively low, we see significant opportunities for further growth.

# PSG Asset Management



PSG Asset Management's strong growth in assets under management reflects trust, which is a result of staying disciplined in our investment decisions and consistent in how we show up for clients.

Lyle Sankar

## PSG Asset Management overview

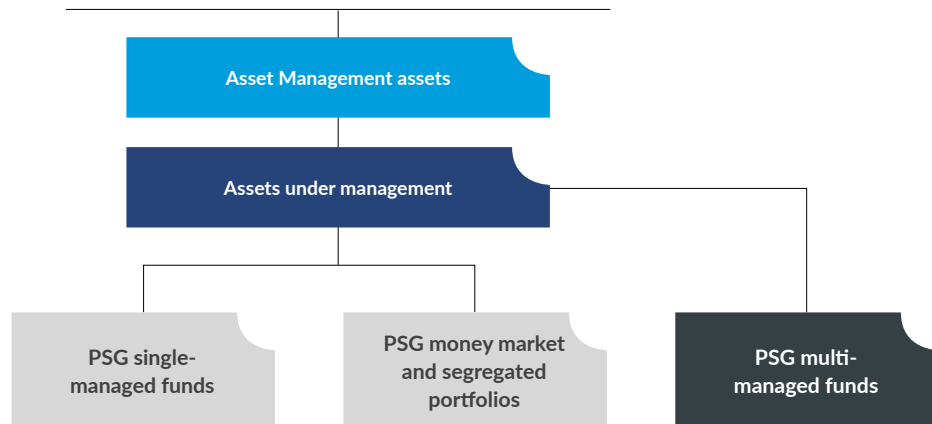
*“As stewards of our clients’ capital, we are focused on delivering consistent, long-term outcomes through a disciplined investment process. In an environment characterised by dispersion and volatility, differentiated portfolios and a clear philosophy are central to how we support clients.”*

PSG Asset Management is a leading investment management company offering a range of local and global funds, with corresponding feeder funds available from South Africa. Our long-term track record reflects a consistent, research-driven approach to investing, with a strong emphasis on risk management and capital preservation.

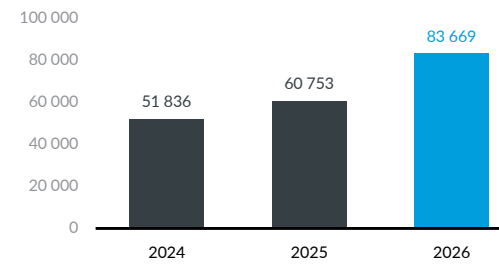
We provide investment solutions to retail and institutional clients, focusing on building diversified portfolios that can perform across market cycles. Our approach is rooted in fundamental research and independent thinking, supported by a team-based investment process.

Our portfolios are suited to investors who take a long-term view and understand that periods of short-term volatility are part of active management. In return, we aim to deliver differentiated returns and meaningful diversification within broader client portfolios.

## PSG Asset Management



Assets under management (Rm)



Assets split (Rm)

	2024	Market movement	Net flows	2025	Market movement	Net flows	2026
PSG single-managed funds	49 562	4 398	3 587	57 547	17 992	4 825	80 364
PSG money market	2 239	-	939	3 178	-	86	3 264
PSG segregated portfolios	35	2	(9)	28	15	(2)	40
<b>Total assets under management</b>	<b>51 836</b>	<b>4 400</b>	<b>4 517</b>	<b>60 753</b>	<b>18 007</b>	<b>4 909</b>	<b>83 669</b>
PSG multi-managed funds <sup>1</sup>	175 839	14 708	12 998	203 545	21 549	12 956	238 050
<b>Total PSG Asset Management assets</b>	<b>227 675</b>	<b>19 108</b>	<b>17 515</b>	<b>264 298</b>	<b>39 556</b>	<b>17 865</b>	<b>321 719</b>

<sup>1</sup> Includes the PSG Investment Management Funds.

## Strategic insights

### PSG Asset Management's top risks and associated mitigating actions

Risk	Mitigating action
Reduction in assets under management	We prioritise consistent investment performance and regular client engagement. Clear articulation of our process and outcomes supports client retention and growth in market share.
Operational risk from manual processes	We continue to invest in automation and integrated systems to improve efficiency, reduce errors and support scalability.
Brand and reputational risk	We maintain consistent, transparent communication and high service standards to reinforce trust with clients and stakeholders.
Regulatory risk	Our compliance function actively monitors regulatory developments and ensures alignment with industry standards and requirements.
Talent retention and skills availability	We focus on developing internal talent, supported by structured programmes and a strong employee value proposition to retain key skills.

## How PSG Asset Management supports the PSG strategy

Recurring revenues	Strategic execution	Margin enhancement	Risk versus return
Recurring income is a key feature of the business model, supported by AUM-linked management fees. Growth in assets contributes directly to revenue stability and quality.	The business operates with a relatively fixed cost base, allowing operational gearing as assets grow. This supports improved profitability over time.	Margins are supported by disciplined cost management and a focused product range. Performance fees provide upside in strong markets, while recurring fees underpin sustainability.	Risk management is central to our investment process. Portfolios are constructed to deliver on mandates across varying market conditions, with diversification across asset classes and clients.

## Performance overview



The 2026 financial year was characterised by strong market performance for much of the period, followed by increased volatility towards the end of the year. Despite this, PSG Asset Management delivered solid growth in assets under management, supported by both market movements and net inflows.

Flows were broadly positive across a range of funds and client segments. While investor sentiment became more cautious in response to global developments, client retention was strong, reflecting confidence in our long-term investment approach.

From a performance perspective, many of our core funds delivered competitive relative returns, with several ranked in the upper quartiles of their respective sectors. Over longer periods, performance has also been consistent.

Our investment approach continues to be anchored in fundamental research, supported by our 3M framework – moat, management and margin of safety. This ensures that portfolios are constructed with a focus on quality assets bought at mispriced valuations, with long-term return potential.

Market conditions during the year highlighted the importance of diversification and disciplined portfolio construction. Performance across asset classes and sectors was uneven, and our ability to be patient and avoid concentrated exposures supported outcomes.

A key structural strength of the business is the simplified and focused product range. Under the leadership of our former CEO Anet Ahern, the business undertook a deliberate process to rationalise and streamline the fund range, including scaling back white-label funds and reducing complexity. This created a more focused platform with better alignment between risk, return and resources. We continue to build on this foundation by concentrating on the areas where we can add the most value.

Operationally, we continued to invest in improving systems and processes, particularly in data management, automation and reporting capabilities. These enhancements support both efficiency and consistency across the business.

From a revenue perspective, recurring income increased, supported by growth in assets and stable margins. The business model continues to benefit from operational leverage, with a largely fixed cost base allowing for improved profitability as assets grow.

### Responsible investment

We incorporate ESG considerations into our investment process as part of our broader assessment of risk. This is embedded within our research framework rather than applied as a separate or exclusionary screen.

We are focused on delivering on client objectives while recognising the importance of responsible investing practices. Engagement with investee companies forms part of our approach, where we believe improvements can be made.

### Leadership and outlook

Following a well-planned succession process, I assumed the role of CEO during the year. I inherited a high-performing business, and the transition was supported by an experienced and stable leadership team, ensuring continuity in strategy and execution.

Looking ahead, we see continued opportunity to grow our market share from a relatively low base. While the operating environment is uncertain, we believe our differentiated approach, combined with a scalable platform and strong investment capability, positions us well for sustainable growth.

We will continue to focus on delivering consistent investment performance, strengthening client relationships and enhancing operational efficiency.

# PSG Insure



Cedric Masondo

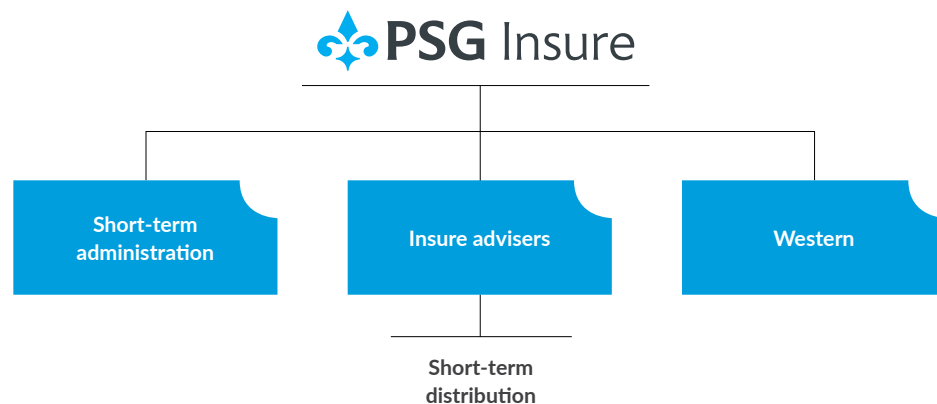
PSG Insure delivered solid results in a softer market, supported by disciplined underwriting and a continued focus on quality growth, even as weather events and economic pressure tested the environment.

## PSG Insure overview

*“PSG Insure provides non-life insurance advice and insurance solutions to individuals and businesses.”*

The division consists of three business units:

- **Short-term distribution:** Our network of specialist insurance advisers throughout South Africa caters for everyday, commercial and specialist needs. We work with leading insurance providers to offer a comprehensive range of insurance options. This enables our advisers to structure cost-effective, tailored solutions based on client needs and risk assessments. Advisers also assist clients throughout the claims process and with insurance administration requirements.
- **Short-term administration platform:** Our platform provides a full suite of insurance administration services and a comprehensive product offering (personal and commercial lines) to our advisers. This business unit services our adviser network exclusively. Clients who prefer a direct insurance model are supported through our client care centre. We continue to enhance the platform through automation and the incorporation of technology to streamline processes, improve efficiency and enhance the overall client experience.
- **Western Group:** A non-life insurance group focused on commercial clients, Western distributes its products via intermediaries and partners. The business continues to retain clients through strong service levels and the effective use of technology to scale operations.

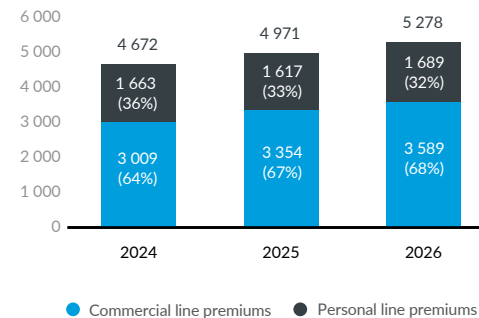


## Gross written premium split (Rm)

	2024	% change	2025	% change	2026
Short-term distribution	4 672	6%	4 971	6%	5 278
Western Group	2 307	15%	2 650	3%	2 726
Gross written premium (excluding short-term administration platform)	6 979	9%	7 621	5%	8 004
Short-term administration platform	1 723	5%	1 800	5%	1 895
<b>Total gross written premium</b>	<b>8 702</b>	<b>8%</b>	<b>9 421</b>	<b>5%</b>	<b>9 899</b>

*Note: The Western Namibia insurance book of business was sold effective 3 March 2025 and as a result no Western Namibia premium is included in the 2026 gross written premium. For comparability, excluding Western Namibia would result in gross written premium growth of 7% for PSG Insure and 9% for the Western Group for 2026.*

## Insure advisers – client premiums (Rm)



## Strategic insights

### PSG Insure's top risks and associated mitigating actions

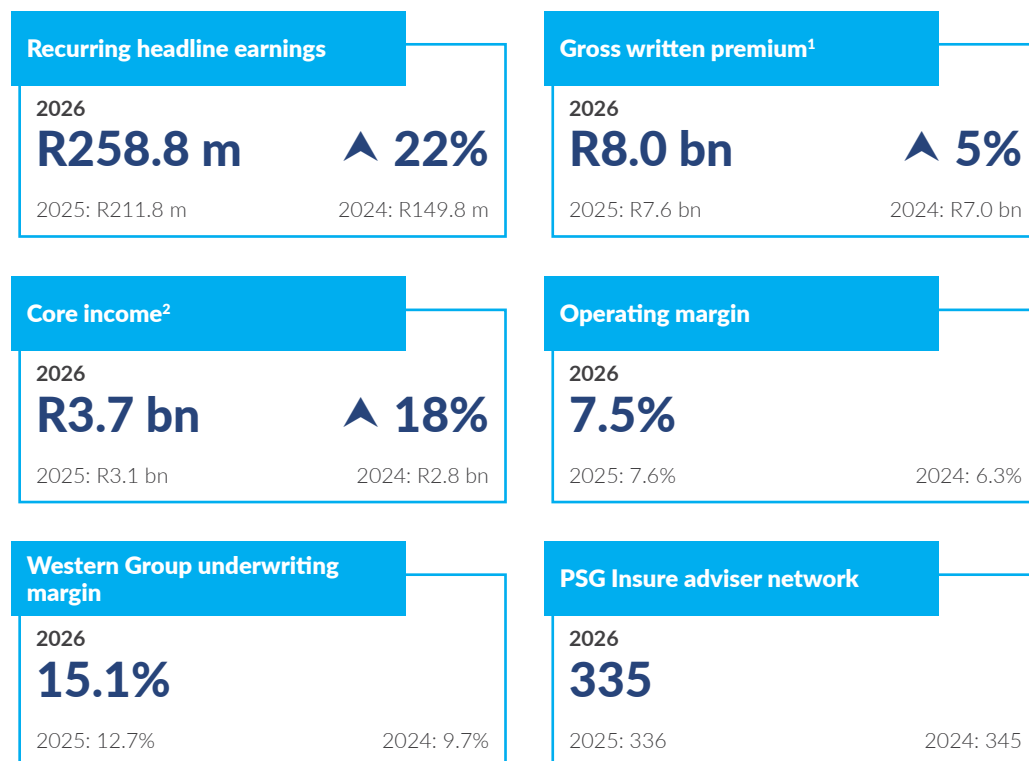
PSG Insure operates within a structured risk framework supported by group-level oversight and controls.

Risk	Mitigating action
<b>Unsuitable advisory services</b>	We conduct regular compliance reviews of adviser offices and provide ongoing technical support. A dedicated review panel provides input on large and complex proposals.
<b>Regulatory and compliance risk</b>	Group legal and compliance functions monitor adherence to applicable laws, regulations and standards across the business.
<b>Cyber risk</b>	Preventive controls are maintained and monitored by the group's IT function, supported by comprehensive cyber insurance cover.
<b>Underwriting and growth risk (Western Group)</b>	We manage this through diversified intermediary channels, strategic underwriting partnerships and a disciplined approach to risk selection.
<b>Catastrophe exposure</b>	Western Group maintains comprehensive reinsurance arrangements to mitigate the financial impact of large or systemic events.
<b>Economic environment</b>	Lower economic growth affects client income and demand. We continue to focus on client retention, service quality and adviser engagement to mitigate this impact.
<b>Infrastructure deterioration</b>	We actively monitor infrastructure-related risks and adjust pricing and risk selection accordingly.
<b>Electricity grid failure</b>	In line with industry practice, grid failure is excluded as an insured peril across policies.

## How PSG Insure supports the PSG Financial Services strategy

Recurring revenues	Strategic execution	Margin enhancement	Risk versus return
The division generates recurring revenue through its advisory model and administration platform, supported by long-standing client relationships. This provides a stable base of income and underpins the sustainability of the business.	Growth is achieved through a combination of organic expansion, adviser productivity and selective acquisitions where appropriate. This approach supports consistent expansion while maintaining alignment with overall strategic objectives.	Margin improvement is a key focus, supported by disciplined underwriting, cost control and operational efficiencies. Scale benefits are realised through platform optimisation and continued investment in systems and processes.	Risk management is embedded across the business, with a strong emphasis on balancing growth with appropriate returns. Decisions are made with consideration of both risk exposure and long-term value creation.

## Performance overview



<sup>1</sup> Includes gross written premiums on policies administered by the PSG Insure distribution advisers, placed with third-party insurers, and Western Group's gross written premiums. The group earns commission and administration fees on these. It excludes the short-term administration platform gross written premium. We continue to disclose gross written premium as a management performance metric, in line with past practice. It should be noted that this is not a metric reported under IFRS 17.

<sup>2</sup> Excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability. The IFRS 17 restated core revenue amounts: R1.9 bn (FY2026); R1.5 bn (FY2025); R1.3 bn (FY2024).

The South African insurance market continued to operate under challenging conditions. Infrastructure deterioration, climate-related catastrophe events and a constrained economic environment all influenced client behaviour and market dynamics.

Within this context, PSG Insure delivered a solid performance, underpinned by disciplined underwriting and a continued focus on service excellence.

Gross written premiums increased, reflecting growth across both distribution and Western Group, although at a moderated pace compared to prior periods due to competitive pressure and softer market conditions.

Short-term distribution recorded steady growth, driven by active adviser engagement that supported strong client retention. Western Group continued to expand its commercial footprint through a combination of intermediary relationships and disciplined underwriting.

In short-term administration, growth was consistent, supported by ongoing enhancements to the platform and improved operational efficiencies.

Underwriting performance was robust due to our continued focus on risk-appropriate pricing and disciplined selection. Despite elevated claims activity associated with weather-related events, particularly in the second half of the year, we maintained underwriting margins within acceptable levels.

Cost management was a key focus area. We continued to balance investment in technology and capabilities with disciplined expense control, thereby ensuring that growth is sustainable and margin-accretive.

The division's performance reflects the strength of our model, which combines advice-led distribution, a scalable platform and disciplined underwriting to deliver consistent outcomes in a constrained environment.

## Outlook

The operating environment is expected to remain competitive, with continued pricing pressure, constrained economic growth and evolving weather-related risks.

Within this context, our priorities will continue to be strengthening and enabling our adviser network and growing our client base while maintaining underwriting discipline. Ongoing investment in technology and platform capabilities will support internal efficiency as well as client experience.



# Corporate governance

Message from the chairperson	68
Overview	70
Board of directors	74
Governance structure and reports	81
Risk report	97

“PSG has a track record of sound corporate governance and accountability to investors.”

# Message from the chairperson



Willem Theron

This is my final message as chairperson of PSG Financial Services. It provides an opportunity to reflect not only on the past year but also on the principles that have guided the group over time. While the operating environment is ever-changing, our approach has been consistent: a disciplined, long-term perspective and an unwavering commitment to our clients.

## Reflecting on 2026 and the principles that endure

The 2026 financial year was, in many respects, a year of contrasts. For much of the period, conditions were favourable. Investment markets performed strongly, PSG Financial Services' divisions operated effectively, and we delivered positive outcomes for clients. Locally, increased political stability supported improved business confidence and contributed positively to our performance.

At the same time, underlying structural challenges in South Africa, particularly relating to infrastructure and service delivery, continued to constrain the operating environment and temper the benefits of improved local conditions. This was compounded towards the end of the year by renewed global instability, which disrupted momentum and triggered a sharp market correction.

These events are a reminder that, as a financial services business, we operate in an environment that is inherently uncertain and largely beyond our control. Our business is sensitive to the performance of securities markets, while inflationary pressures affect the broader operating environment and the costs faced by our clients. While such volatility can be unsettling to clients in the short term, it is not new to us. Over many years, we have experienced similar cycles, and we have consistently taken a long-term view in the best interests of our clients.

## Oversight priorities

The board's primary priority is ensuring that each of our divisions is well-led, appropriately resourced and operating optimally. We are satisfied with the quality of leadership across the group and the execution of PSG Financial Services' strategy at a divisional level.

Capital allocation continues to be approached with discipline and consistency. During the year, we balanced returning capital to shareholders through dividends and share buybacks with continued investment in our business. In particular, we maintained a focus on expanding the adviser base, acquiring client books and enhancing our digital platforms and IT infrastructure. This balance has served us well over time, and we did not deviate from it during the year.

The board devoted significant time to risk oversight. This included ongoing assessment of key risks across the group, with particular focus on market risk, regulatory developments and cyber security. We continue to strengthen board capabilities in these areas through external assessments, training and oversight via the risk committee. Climate-related risks are considered at a divisional level, particularly within our insurance and asset management businesses, with appropriate governance structures in place to ensure these are identified and managed.

Succession planning and the continuity of our leadership are critical priorities. Through the nominations committee, we continuously assess leadership depth across the group and at board level to ensure that we have the right people in place for the future. During the year, we further strengthened the board with the appointment of a new director, bringing fresh perspectives while maintaining continuity and institutional knowledge, with further appointments to follow.

In this regard, Anna Modi Hlobo retired from the board, and we thank her for her valuable contribution during her tenure. We welcomed Samara Totaram as an independent non-executive director, adding extensive experience in corporate finance, private equity and executive leadership.

Talent management is both a focus area and a challenge, particularly in specialised areas such as information technology. While competition for skills is intense, we are encouraged by the progress made in developing our own talent through graduate and training programmes. These initiatives are improving retention and strengthening our internal pipeline of skills, which is essential for the long-term sustainability of the business.

## Outlook, appreciation and farewell

Looking ahead, the board's focus will be on maintaining disciplined risk oversight and supporting management in navigating an uncertain global environment. While near-term conditions may be volatile, we believe there are significant long-term opportunities for growth, both within our existing client base and through expanding our market share. South Africa's potential is considerable, particularly if structural constraints can be addressed and entrepreneurial activity is encouraged.

*As I reflect on my time with PSG Financial Services, I am reminded that this is, above all, a people business. Our success has been built on strong relationships – with our clients, our advisers, our employees and our business partners. It is this foundation that has enabled the group to grow from modest beginnings into the business it is today.*

I express my sincere appreciation to the management team, led by Francois Gouws, for their leadership and commitment over many years. It has been a privilege to work alongside a team that approaches the business with a long-term perspective and a strong sense of responsibility.

My thanks also extend to our advisers and employees, whose dedication to their clients and to the group continues to underpin our success. Finally, I thank my fellow board members for their engagement, rigour and support.

As I step down as chairman, I do so with confidence in the future of PSG Financial Services. I am pleased to hand over to Lizé Lambrechts, whose experience and understanding of the business position her well to lead the board forward.

I am convinced that PSG Financial Services' simple approach of focusing on relationships, acting with integrity and maintaining a measured, long-term view is fundamental to the group's success. If the group continues to apply this consistently, the business will continue to grow and deliver meaningful, enduring outcomes for clients and the broader stakeholder base.

**Willem Theron**  
Chairperson

# Overview

PSG embraces the principles of good corporate governance, including sustainability, transparency and accountability.

The group remains compliant with King IV and is currently aligning its governance practices with King V recommended practices. The board continues to support integrated, outcomes-based thinking.

The skills and experience of the group's diverse board and management teams ensure leadership depth and focus. This, in turn, enables the group to create value for its stakeholders in a sustainable and ethical manner.

The appropriate systems and controls are in place to enable the board to play a meaningful oversight role in matters of strategy, sustainability, risk management, information technology, legal and compliance.

The group, with the full support of the board, continues to strengthen its corporate governance structures in line with adopted annual work plans. Governance processes are reviewed regularly to reflect best practice and to enhance alignment with regulatory and legislative changes.

The group is satisfied with the overall outcome of its consideration and application of the 17 principles of King IV. PSG's King IV application register is available on its website at [www.psg.co.za/investor-relations/corporate-governance](http://www.psg.co.za/investor-relations/corporate-governance).

## Governance milestones and focus areas for the 2027 financial year

### King IV compliance and King V alignment

### Regulatory and legislative compliance

While the board ensures continued alignment of governance practices with King IV recommendations, the company's memorandum of incorporation, the board charters, committee terms of reference and policies are being reviewed to align with King V recommendations.

PSG is the controlling company of the PSG Financial Services insurance group. The 2026 reviews confirmed that the charters, terms of reference and policies remain relevant and aligned with the company's memorandum of incorporation, relevant legislation, King IV recommendations and the Prudential Standards. Management is mindful of the ever-changing regulatory landscape and will continue to update charters, terms of reference and policies as and when required. Due to the changes in the Companies Act, No. 71 of 2008 (as amended) and the Simplified JSE Listings Requirements, the company's memorandum of incorporation, the board charters, committee terms of reference and policies are being reviewed and will be updated if necessary to ensure alignment and continued compliance.

### Oversight of ethics

### ESG matters

The board completed its annual monitoring of the group's ethical conduct standards by reviewing the code of ethical conduct in accordance with King IV recommendations.

Detail can be found on page 72.

As a group with a conservative long-term investment approach, PSG is aware of the impact of environmental, social and governance (ESG) matters on sustainable returns for our group and stakeholders. PSG acknowledges the financial materiality of ESG matters to our group as they can impact the long-term sustainability and profitability of each operating division – PSG Wealth, PSG Asset Management and PSG Insure. Considering ESG factors helps manage risks, ensures regulatory compliance, and enhances the group's reputation and stakeholders' trust, thereby influencing the group's overall financial performance and success.

While the operational nature of the business has a relatively low direct environmental impact, management has committed to building a better understanding of climate-related risks and opportunities and improving disclosure thereof.

PSG recognises the materiality of ESG matters in its operations and investment decisions, which can impact environmental sustainability, community well-being, and broader societal concerns. Understanding and managing these impacts is integral to its commitment to responsible and sustainable business practices, environmental stewardship and social responsibility.

More detail can be found from page 51.

### Board assessment

### Remuneration

The board conducted an annual self-assessment and an assessment of non-executive directors' continued independence.

Annual fit-and-proper questionnaires were completed by directors and relevant senior officers in compliance with the Prudential Standards.

Detail can be found on pages 79 and 80.

We completed an annual review of the group's remuneration policy and framework, including compliance with the JSE's requirements for shareholder engagement and voting on the group's remuneration policy and implementation report. The remuneration policy and implementation report achieved favourable non-binding advisory votes of 96.85% and 76.16%, respectively, at the AGM held on 24 July 2025.

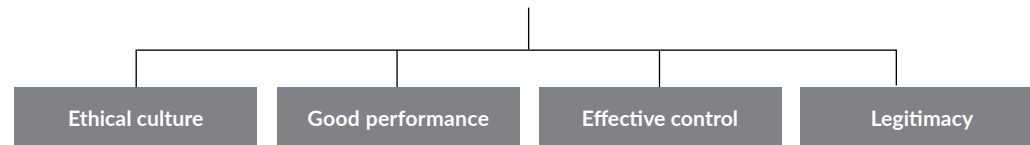
Refer to our remuneration report from page 102.

## Creating an ethical culture

The board is responsible for setting the tone for the group's values, including its core business principles and the requirements of responsible corporate citizenship, by adopting a code of ethical conduct that articulates the group's direction.

### Code of ethical conduct

The board, together with the social and ethics committee, ensures the group conducts its business ethically and effectively to achieve the following governance outcomes:



In line with King IV, the social and ethics committee regularly reviews the code of ethical conduct (the code). This code serves to, among other things:

- Outline the group's ethical commitment to stakeholders
- Guide the group's conduct and relationships with key stakeholders (including clients)
- Ensure the group is led not only effectively, but ethically

### Scope of the code

All members of the group (as defined below) are expected to adopt and promote the code, which serves as the basis for ethical conduct and the primary tool for holding members accountable to ethical best practices.

- The code applies to and is binding on all directors, managers and employees of the group (of which the latter include employees of juristic representatives, associates or affiliates)
- It is applied to establish the suitability of potential employees before their appointment, and a copy is provided to each new employee within the group as part of the employee induction process
- To the furthest extent possible, the code is also binding on all independent contractors, agents, service providers and business partners of the group

**PSG's business approach is founded on integrity, trust and transparency. The group has a high regard for ethical conduct, and these values are encapsulated in our core business principles set out on page 8.**

## Ethical governance outcomes and values

All persons to whom the code applies should cultivate the following characteristics and exhibit them in their conduct:

<b>1</b>	<b>Competence</b>	Act with due care, skill and diligence, and take reasonable, diligent steps to become informed about matters necessary for work performance. Have a working knowledge of the group, its industry, and the key laws, rules, conduct and standards applicable to the conduct of its business.
<b>2</b>	<b>Responsibility</b>	Assume responsibility for executing tasks and diligently perform duties by devoting enough time and effort thereto.
<b>3</b>	<b>Transparency</b>	Be transparent in the way duties and responsibilities are exercised.
<b>4</b>	<b>Fairness</b>	Wherever possible, ensure that actions do not adversely affect the natural environment, society or future generations.
<b>5</b>	<b>Accountability</b>	Be willing to answer (to management and clients) for the execution of responsibilities and account for personal actions, even when these were delegated.
<b>6</b>	<b>Integrity</b>	Act ethically, beyond mere compliance, in good faith and in the best interests of the group by, among other things, avoiding conflicts of interest wherever possible.

## Fraud and corruption

The group has a zero-tolerance approach to fraud and corruption. Employees are kept up to date with the latest local and international trends in crime and fraud.

PSG operates a fraud and whistle-blower hotline. Any matters of an unethical nature are submitted to the management committee (Manco) and PSG board via the PSG social and ethics committee.

Each director submits a declaration of financial, economic and other interests in related parties at least annually or whenever there are significant changes in such interests.

Directors also disclose their personal financial interests at the start of every board or committee meeting. Disclosure of related-party relationships and transactions is provided in note 32 of the annual financial statements.

## Dealing in shares

The group has a policy on dealing in PSG shares, which incorporates the most recent amendments to the JSE Listings Requirements. The policy includes an addendum addressing disclosure by members of the PSG Manco and directors of major subsidiary companies.

The policy imposes closed periods to prohibit dealing in the group's shares before the announcement of interim and year-end financial results, and in any other period considered price-sensitive by the JSE Listings Requirements.

The directors, extended family of directors, prescribed officers, company secretary and other key employees (including their associates, investment managers and brokers) of PSG and its major subsidiaries may not trade during a closed period.

The policy has been widely distributed within the group to ensure that directors and employees are familiar with its content.

# Board of directors



**Back row left to right:** ZRP Matsau, PE Burton, S Totaram, AH Sangqu, JL Johannes, PJ Mouton, B Mathews

**Front row left to right:** L Lambrechts, FJ Gouws, W Theron, MIF Smith

## Board profiles

The board is the custodian of the group's corporate governance and provides effective leadership based on an ethical foundation.

<p><b>Willem Theron (74)</b> <i>Non-executive director and chairperson</i></p> <p><b>Qualifications:</b> BCompt (Hons), CA(SA) <b>Date of appointment:</b> 1 March 1998 <b>Committees:</b> Chairperson of the nominations committee</p>	<p>Willem founded the chartered accountancy firm Theron du Plessis in 1976 in Middelburg, which eventually had 10 branch offices in the Western Cape and Eastern Cape. In 1998, he founded PSG and acted as its CEO until 30 June 2013. He was then appointed non-executive chairperson. He also served on the board of PSG Group Limited for a number of years.</p>
<p><b>Patrick Ernest Burton (73)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> BCom (Hons) Financial Management, PG Dip Tax <b>Date of appointment:</b> 2 March 2014 <b>Committees:</b> Chairperson of the audit and risk committees and member of the remuneration and nominations committees</p>	<p>Patrick served at Moores Rowland Chartered Accountants for eight years, during which he completed his training contract. He emigrated to Canada in 1982 and worked for Laventhol and Horwath (chartered accountants) from 1982 to 1984. His experience includes executive and non-executive positions in fishing, financial services, food and allied services.</p>
<p><b>Lizé Lambrechts (62)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> BSc (Hons) Applied Mathematics and qualified as an actuary <b>Date of appointment:</b> 14 July 2023 <b>Committees:</b> Member of the audit, risk and nominations committees</p>	<p>Lizé has extensive experience in the financial services industry and has fulfilled various senior executive roles within the Sanlam Group. She served for 12 years as the CEO of Sanlam Personal Finance, whereafter she assumed the role of Santam's CEO for seven years. Lizé also served as chairperson of the South African Insurance Association and Life Offices Association.</p>
<p><b>Samara Totaram (47)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> CA(SA), CFA <b>Date of appointment:</b> 1 August 2025 <b>Committees:</b> Member of the audit, risk, and social and ethics committees</p>	<p>Samara is a chartered accountant and chartered financial analyst with experience in the areas of corporate finance and private equity at operational and executive management level across various industries, including financial services and education, for both listed and unlisted entities. Samara served as chief financial officer of STADIO Holdings Limited until December 2023. Samara has also served on numerous boards of listed and unlisted companies for over 17 years.</p>
<p><b>Bridgitte Mathews (56)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> CA(SA), Postgrad Cert Adv Tax <b>Date of appointment:</b> 1 March 2023 <b>Committees:</b> Member of the audit, risk and social and ethics committees</p>	<p>Bridgitte is a chartered accountant with a postgraduate certificate in advanced taxation from the University of South Africa. She served on various boards, including PSG Group Limited and Redefine Properties Limited. Bridgitte currently serves on the boards of KAL Group Limited, CA&amp;S Group and We Buy Cars Holdings Limited, and the board of trustees of the WAT Trust.</p>

<p><b>Zodwa Reshoketsoe Pearl Matsau (70)</b> <i>Lead independent non-executive director</i></p> <p><b>Qualifications:</b> MPhil Economics, BA Economics <b>Date of appointment:</b> 20 July 2017 <b>Committees:</b> Chairperson of the social and ethics committee and member of the audit, risk and remuneration committees</p>	<p>Zodwa started her career as an economist at the Central Bank of Lesotho and was ultimately promoted to Head of Money and Capital Markets: Central Bank of Lesotho. Her career experience thereafter included 18 years at the South African Reserve Bank in various key roles, including company secretary, and finally serving as senior deputy general manager: financial markets. Zodwa also serves as a director on the board of Bidvest Bank Limited.</p>
<p><b>Petrus Johannes Mouton (Piet) (49)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> BCom (Mathematics) <b>Date of appointment:</b> 6 December 2012 <b>Committees:</b> Chairperson of the remuneration committee and member of the nominations committee</p>	<p>Piet serves as a non-executive director on various boards, including Curro Holdings, PSG Group, Capitec and Zeder Investments. Piet retired as the CEO of PSG Group upon its delisting from the JSE in September 2022. He has been active in the investment and financial services industry since 1999.</p>
<p><b>Andile Hesperus Sangqu (59)</b> <i>Independent non-executive director</i></p> <p><b>Qualifications:</b> BCompt (Hons) (CTA), HDip Tax Law, MBL, AMP, PhD (Business Administration) <b>Date of appointment:</b> 1 January 2020 <b>Committees:</b> Member of the audit and risk committees</p>	<p>Andile has spent over 20 years in management positions at several major South African corporations and has served on the boards of several JSE-listed companies. Andile was the executive head of Anglo American South Africa until 31 December 2019. His expertise and practical exposure span general management, finance, accounting, and tax administration. He is experienced in industries as diverse as broadcasting, insurance, mining, food, and financial services. Andile serves as an independent non-executive director of Growthpoint Limited and is executive-in-residence at the Gordon Institute of Business Science in Johannesburg.</p>
<p><b>Francois Johannes Gouws (61)</b> <i>Chief executive officer</i></p> <p><b>Qualifications:</b> BAcc, CA(SA) <b>Date of appointment:</b> 1 March 2013</p>	<p>Francois joined Senekal, Mouton &amp; Kitshoff as an investment and bank analyst, later becoming a partner in 1993. In 1995, he moved to UBS Investment Bank as head of research in South Africa, eventually becoming the country head for South Africa in 2000. Francois relocated to London in 2001 to become head of European equity research at UBS and was thereafter appointed as head of European equity sales in 2004. He was promoted to head of equities for Europe, Africa and the Middle East in 2006 before becoming global head of cash equities in 2008. In 2010, Francois was appointed global co-head of equities and later co-managed the UBS Securities business until the end of 2011. Francois joined PSG in 2012 and was appointed CEO in July 2013.</p>
<p><b>Michael Ian Frain Smith (Mike) (58)</b> <i>Chief financial officer</i></p> <p><b>Qualifications:</b> BCom (Hons), CA(SA), HDip Tax, HDip Company Law <b>Date of appointment:</b> 18 July 2013 <b>Committees:</b> Member of the risk committee</p>	<p>Mike has more than 20 years' experience in the financial services industry. He was appointed CFO of PSG in June 2013. Mike joined PSG in 2001 as group financial director of Appleton Limited, later becoming chief operating officer (COO) of PSG Asset Management, and thereafter served as COO for the PSG Wealth division. Before that, he worked for both RAD Investment Bank and Deloitte &amp; Touche in their corporate finance divisions, where he was involved in negotiating and implementing a variety of corporate finance deals and transactions.</p>
<p><b>Janine Loretta Johannes (60)</b> <i>Chief transformation officer</i></p> <p><b>Qualifications:</b> Certificate in Strategic Human Resource Management <b>Date of appointment:</b> 1 January 2024 <b>Committees:</b> Member of the social and ethics committee</p>	<p>Janine serves as the head of transformation at PSG. She has been passionate about spearheading transformation at PSG and has extensive knowledge in this area as the previous head of human resources for the past eight years, as well as being the co-chair of the Transformation Forum.</p>

## Board responsibility and composition

The board governs according to a formal charter, as outlined in the group's memorandum of incorporation (MOI).

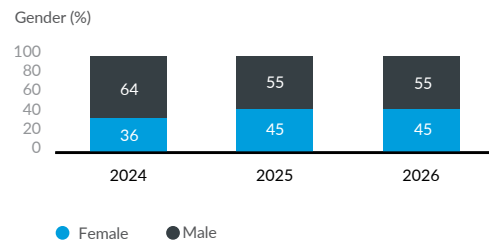
In addition, the board charter incorporates responsibilities under the Prudential Standards, including meeting fit-and-proper requirements applicable to significant owners.

The board is ultimately accountable for the effective governance and direction of the group. This requires the board to consist of an appropriate number and combination of individuals with an adequate level of knowledge, skills and expertise commensurate with the scale and complexity of the business. PSG has adopted a broader diversity policy at board level, as contemplated in the JSE Listings Requirements, and has agreed on voluntary targets. There is also a clear division of responsibilities at board level. The board is satisfied that its composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The board is assisted by the nominations committee regarding composition and succession planning.

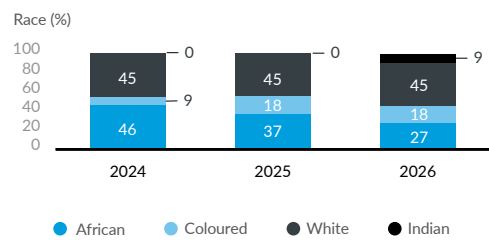
The board is further supported by appropriate internal governance practices and procedures that promote an efficient, objective and independent decision-making culture, considering the interests of all stakeholders.

The PSG board considers strategic issues and business philosophy, approves financial results and budgets, monitors delegated responsibilities and sets risk parameters. At board meetings, the various committees and divisions provide feedback on KPIs, progress on strategic objectives and various other reports.

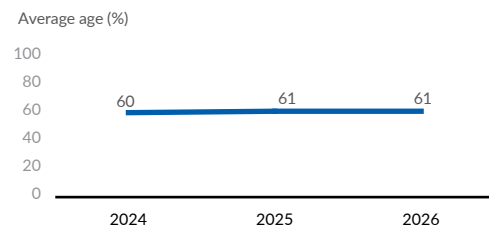
### Board composition over three years



The board aims to ensure that at least 40% of the board consists of female directors. This target has been met with the current composition.



The board aims to ensure that at least 40% of the board consists of directors who are "black people" as defined in the Broad-Based Black Economic Empowerment Act, No. 53 of 2003 (as amended). As at 28 February 2026, the board consisted of 54% of directors so defined.



The board aims to ensure that the average age of board members is below 67 years. The average age of the board as at 28 February 2026 is 61 years.

## Determination of board members' independence

The board has considered and holistically assessed the continued independence of directors in line with the King IV recommendations, read with the provisions of the JSE Listings Requirements.

The board is confident that its members apply an independent state of mind and objective judgement in their respective roles, including the continued independence of those who have served more than nine years. The board is satisfied that the majority of the directors are independent non-executive directors. The individual statuses of the directors are recorded in their respective profiles on pages 76 and 77.

Each member's independence in character and judgement is taken into consideration, together with any relationships or circumstances that are likely to affect or could appear to affect their judgement.

PSG's independent and non-executive directors are experienced and highly respected, possessing the requisite professional knowledge, skills and integrity to exercise sound judgement on key issues relevant to the group, independent of management.

The insurance-licensed entities within the group ensure that non-executive directors' independence is assessed annually.

### Appointment process

Directors are nominated for appointment by the nominations committee through a formal and transparent process.

The process includes background checks, subject to meeting fit-and-proper requirements. The selection of board members is made on merit, taking into consideration their skills, experience, independence and knowledge. Appointments are subject to shareholder and Prudential Authority approval/ratification.

The adoption of a broader diversity policy articulates PSG's approach to promoting diversity in the group's board of directors. The group is, first and foremost, a South African group and believes that diversity at board level maximises opportunities for achieving its business goals through an informed understanding of the different environments in which it operates. The board, through the nominations committee, annually reviews broader diversity targets and confirms that the agreed voluntary targets for the reporting period were achieved.

### Changes to the composition of the board of directors

The board is pleased with the appointment of Samara Totaram as an independent non-executive with effect from 1 August 2025.

Furthermore, the board is pleased with the appointment of Christopher Loewald as an independent non-executive director with effect from 1 September 2026.

These appointments are in line with the board's aim to achieve broad diversity by enhancing its composition to reflect an appropriate mix of gender, race, culture, age, knowledge, skills and experience and an appropriate balance of executive, non-executive and independent directors.

## Board evaluation

The board participates in performance evaluations, including evaluating the effectiveness of its committees in line with King IV-recommended practices and regulatory requirements where applicable.

In 2026, the board participated in a performance evaluation as an integral part of the group's commitment to adopting best corporate governance practices. The objectives were twofold:

- To apply the recommendations contained in King IV
- To identify areas for improvement

The scope of the evaluation included:

- The board's ability to adopt strategies and meet strategic objectives
- Board composition
- Review of its directors' range of skills, experience and effectiveness
- Meeting efficiency
- Competency of the chairperson to lead the board effectively
- Self-evaluation of all board members in fulfilling their duties
- Evaluation of fellow board members' skills, experience and fulfilment of their duties
- Evaluation of board sub-committees' effective fulfilment of their mandates

Each director, including the chairperson, completed the evaluation with the assistance of the company secretary.

The board is satisfied that the evaluation process is improving its performance and effectiveness. In summary, the results showed that the board is a well-functioning professional unit with a strong regard for governance that sets the ethical tone for the group. The composition of the board and the collective skills and wisdom of its members contribute to the board's agility and effectiveness while ensuring strong support for PSG's strategy and executive directors.

The evaluation found no significant matters or material concerns in respect of the board and board committees' performance, and the board is satisfied with its members' performance.

# Governance structure and reports

The board executes its duties within a clear structure and according to guiding principles that formalise established governance processes, thereby ensuring accountability and fairness.

## Governance framework and approach

The outcomes of this approach can be summarised as follows:

- The relevant accountability for and delegation of responsibilities of the board and senior management are documented in written policies aligned with the latest regulatory developments
- The board and senior management collectively possess the professional qualifications, knowledge and experience to manage the group prudently and discharge their responsibilities
- The performance of multiple tasks by any individual does not create a legal or ethical conflict of interests
- An adequately transparent organisational structure is in place with clear allocation and appropriate segregation of responsibilities
- Risk management, compliance and internal control functions are subject to policies that are maintained and reviewed regularly to ensure alignment with the latest regulatory developments and the continuity of the business
- The group has embedded and complies with the three layers of defence governance approach
- The group maintains clear reporting lines for the prompt transfer of information to ensure the integrity and transparency of information flow throughout the governance structures and to external stakeholders
- The remuneration policy and practices are consistent with the identified risk appetite and the long-term interests of stakeholders
- The board provides oversight and clear accountability for any material function or activity that is outsourced

These outcomes confirm that the group's governance structures function with clear roles and effective exercise of authority and responsibilities. Therefore, the board is satisfied that it has fulfilled its responsibilities under its terms of reference for the reporting period.

## The roles of the chairperson and lead independent director

The board is led by a chairperson who is elected by the board members with support from the nominations committee and whose objectives include:

- Ensuring proper governance of the board and all associated committees
- Ensuring all stakeholders' interests are protected
- Ensuring a good relationship exists between the board and shareholders, and between the board and senior management (specifically the CEO)
- Ensuring the brand and group profile are aligned with the group's values
- Enhancing PSG's reputation in the industry through relevant stakeholder forums

The roles of chairperson and CEO are separate. The Exco is mandated according to a clear set of authorities relating to contracting and signing powers for financial, project and personnel requirements. The board considers it imperative that all actions undertaken in the group's name are executed ethically and professionally.

Willem Theron fulfils the role of non-executive chairperson but is not classified as independent in terms of King IV, read with the JSE Listings Requirements.

Zodwa Matsau serves as PSG's lead independent director. The lead independent director's function is to provide advice to the board without detracting from the chairperson's authority when the chairperson has a conflict of interest. She also leads in the chairperson's absence, serves as a sounding board for the chairperson, and, if necessary, acts as an intermediary between the chairperson and other board members. According to the board charter, the lead independent director conducts the chairperson's performance appraisal and chairs any board meetings related to the chairperson's succession.

## Chief executive officer

The CEO was appointed by the board, and his objectives include:

- Accounting and reporting to the board
- Developing, executing and implementing the group's strategy
- Identifying and setting executive and divisional priorities
- Allocating resources
- Building strategic relationships
- Monitoring performance through daily, weekly and monthly reports
- Managing risk
- Determining incentives
- Ensuring the best people are hired
- Addressing challenges

The board is satisfied that the CEO has no other professional commitments that may interfere with his ability to achieve these objectives.

Succession planning is in place for the CEO position and is the responsibility of the board, with support from the nominations committee. The CEO's terms of employment and termination are standard conditions in his employment contract.

## Company secretary

PSG Management Services Proprietary Limited is the company secretary of PSG and acts as a conduit between the board and the group. The company secretary is responsible for board administration and liaison with the CIPC.

All board members have access to the advice and services of the company secretary, who is responsible for the proper administration of the board and the implementation of sound corporate governance procedures. This includes board induction and training programmes, and supplying all information to assist board members in the proper discharge of their duties.

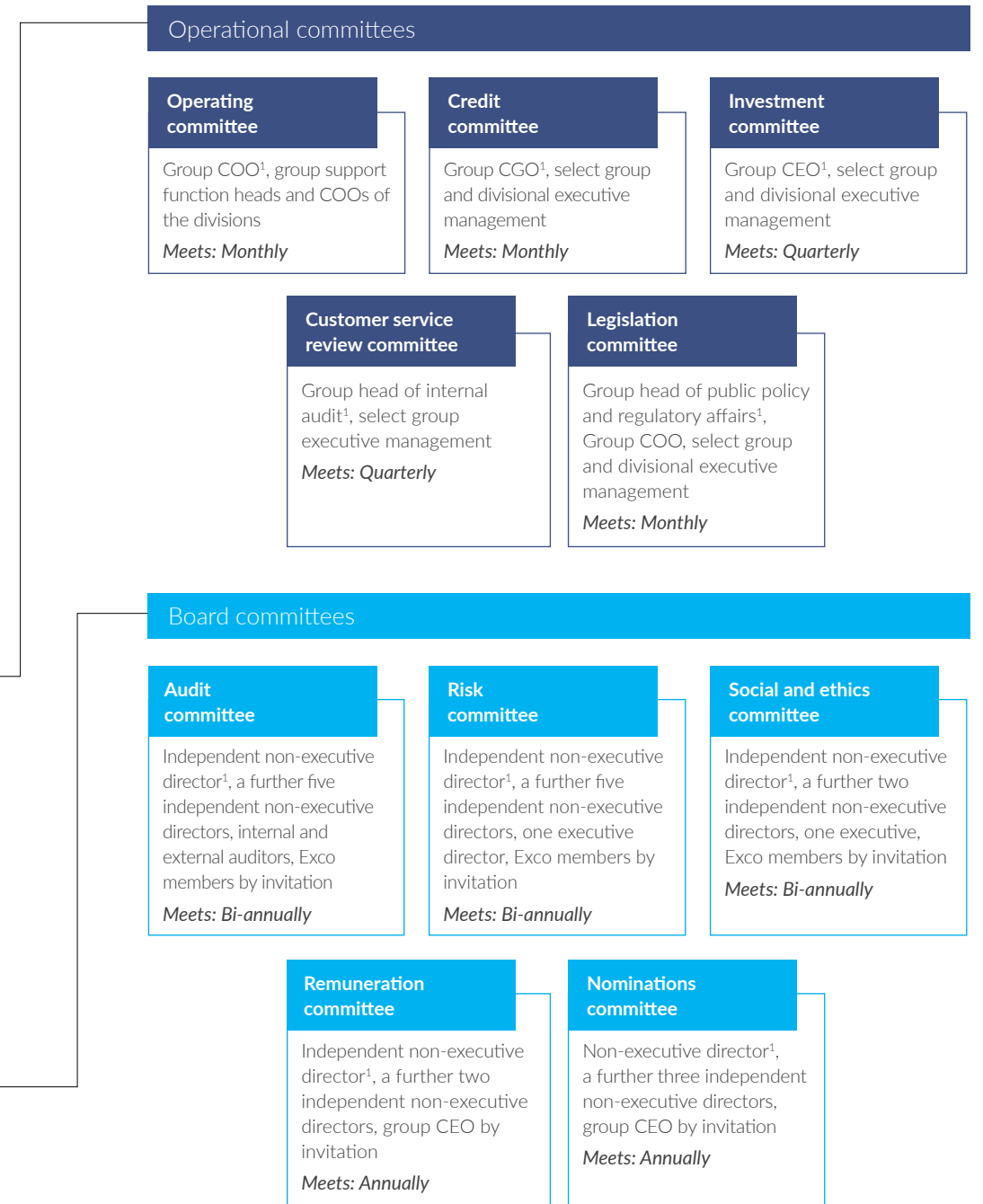
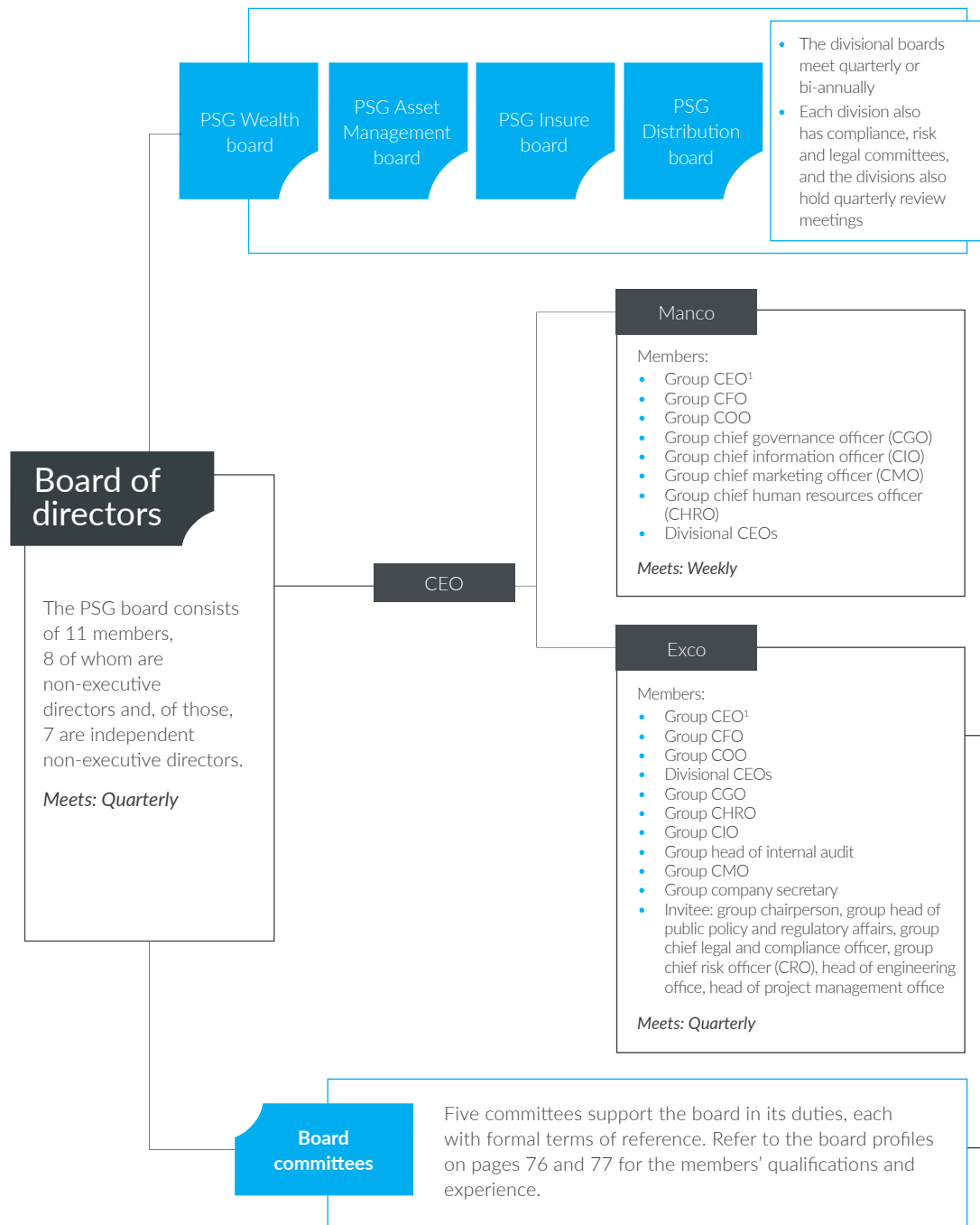
The board is satisfied that the arrangement for accessing the company secretary is effective. Through discussion and assessment, the board has reviewed the qualifications, experience and competence of the individuals employed by the company secretary. The board has also noted that the company secretary performed all formalities and substantive duties timeously and appropriately.

There is an arm's length relationship between the board and the company secretary so that the company secretary's objectivity and independence are not unduly influenced.

The certificate that the company secretary, represented by Shameemah Hamit, is required to issue in terms of the Companies Act is on page 134 of this report.



# Governance structure



<sup>1</sup> Chairs the committee.

## Board committees

Each committee operates according to formal terms of reference approved by the board in terms of the group's MOI.

The board, while retaining ultimate responsibility for overall group performance, has delegated the day-to-day running of the business to the Manco. The Manco assesses operational performance and strategy across the group and divisions. A group- and subsidiary-delegated levels of authority policy has been adopted and is reviewed regularly to ensure that the management team exercises its authority in line with clearly defined limits and roles. Matters reserved for board approval are clearly defined in its charter.

The effectiveness of each board committee was evaluated, taking into account the following criteria:

- Committee composition, skills and experience
- Proper implementation and fulfilment of its mandate
- Meeting preparation and efficiency
- Satisfactory reporting to the board after meetings are held

The board was satisfied with the performance of each of its committees as well as the progress on focus areas, as detailed below.

### Board and committee meeting attendance summary

	Board		Audit committee		Risk committee		Social and ethics committee <sup>2</sup>		Remuneration committee		Nominations committee	
	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended	Possible	Attended
W Theron	4	4									1	1
FJ Gouws	4	4										
MIF Smith	4	4			2	2						
PJ Mouton	4	4							1	1	1	1
PE Burton	4	4	2	2	2	2			1	1	1	1
ZRP Matsau	4	4	2	2	2	2	3	3	1	1		
S Totaram <sup>1</sup>	2	2	1	1	1	1	2	1				
B Mathews	4	4	2	2	2	2	3	3				
L Lambrechts	4	4	2	2	2	2					1	1
AH Sangqu	4	4	2	2	2	2						
JL Johannes	4	4					3	3				

<sup>1</sup> S Totaram was appointed independent non-executive director of the board effective 1 August 2025 (the Prudential Authority's approval was obtained on 2 February 2026, until such time she attended the meetings as an invitee).

<sup>2</sup> In addition to the two formal meetings held during the 2026 financial year, the social and ethics committee convened an ad hoc meeting on 28 August 2025.

## Audit committee

### Membership

The audit committee is a formally constituted committee of the board. Committee members are appointed by shareholders to assist the board with its corporate governance oversight duties. The committee operates independently of management and acts in accordance with its statutory duties as documented in its terms of reference, which are reviewed and approved annually by the board. The committee comprises six independent non-executive directors whose collective relevant qualifications and experience are assessed by the nominations committee prior to their appointment by shareholders. Members are elected or re-elected by the shareholders at each AGM. The current members are:

- Patrick Burton – chairperson
- Zodwa Matsau
- Andile Sangqu
- Bridgitte Mathews
- Samara Totaram
- Lizé Lambrechts

The group CEO, group CFO, group head of internal audit and the external auditor attend committee meetings by invitation. The committee also holds confidential meetings, excluding management, with the internal and external auditors as required. The external and internal auditors have unrestricted access to committee members.

### Key focus areas

During the reporting period, the committee performed its duties as detailed in its terms of reference, and specifically attended to the following:

- Recommending the annual financial statements to the board for approval
- Ensuring the integrity of the integrated report
- Ensuring the effectiveness of financial reporting, including the system of internal control
- Overseeing the business's robust control environment
- Providing an opinion on the effectiveness of the financial officers and finance function
- Monitoring and engaging with the external auditor
- Appointing and determining the external auditor's remuneration
- Overseeing the internal audit function and approving its charter
- Meeting with external and internal auditors separately from management
- Reviewing and recommending the group tax policy to the board for approval

- Ensuring that committee members receive the necessary training to make informed decisions
- Annually reviewing its terms of reference and recommending amendments to the board for approval
- Conducting a self-evaluation every two years, which includes evaluating the chairperson and fellow members, and implementing any actions following the board's evaluation of its effectiveness

### Committee evaluation

#### Self-evaluation

##### Scope:

- Reviewing the expertise, resources and experience of the group's finance function
- Reviewing the effectiveness of the company's assurance functions and services
- Evaluating the chief audit executive and the effectiveness of internal audit arrangements
- Assessing the independence and suitability of the external auditor in accordance with King IV, the JSE Listings Requirements and the Companies Act
- Making appropriate recommendations to the board concerning any fraud, illegal acts, deficiency in external financial controls or other similar issues that could significantly impact the financial reporting of the business
- Reviewing the group tax policy
- Reviewing the internal audit charter
- Reviewing committee composition
- Assessing meeting preparation and efficiency
- Assessing the chairperson's competency to lead the committee effectively
- Conducting self-evaluation of all committee members in fulfilment of their duties
- Evaluating fellow committee members' skills, experience and fulfilment of their duties

The committee is satisfied that the evaluation process is improving its performance and effectiveness.

*The audit committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.*

## Risk committee

### Membership

The risk committee is a formally constituted committee of the board. The committee operates in terms of the delegated authority of the board as recorded in its terms of reference, which are reviewed and approved annually by the board. The committee comprises seven members, including both executive and non-executive directors, the majority of whom are independent non-executive directors.

The members of the committee and its chairperson are appointed by the board. The current members are:

- Patrick Burton – chairperson
- Zodwa Matsau
- Andile Sangqu
- Bridgitte Mathews
- Samara Totaram
- Lizé Lambrechts
- Mike Smith

The group CEO, group head of internal audit, group CGO, group CRO and the group chief legal and compliance officer attend meetings of the committee by invitation. The committee also holds confidential meetings excluding management as required.

### Key focus areas

During the reporting period, the committee performed its duties as detailed within its terms of reference, and specifically attended to the following:

- Assessing the integrity, adequacy and effectiveness of the governance, compliance and risk management systems and ensuring that the strategic objectives are achieved within the risk parameters set by the board
- Ensuring risks are adequately managed while the process for monitoring compliance with laws and regulations is implemented, performed and effective
- Considering the impact of new and emerging risks, including climate, emigration and technology changes
- Continued oversight and evaluation of the group's technology and information policy, environment and governance to ensure these are appropriate, and are aligned with and support the strategy and risk appetite of the group
- Ensuring opportunities and associated risks are considered when developing strategy

- Assessing the governance, compliance and risk management systems implemented to determine if they are proportionate to the nature, scale and complexity of the various companies within the group
- Ensuring the overall risk profile is monitored and reviewed, and the responses to address these key risks are appropriately defined and resolved by management
- Annually reviewing its terms of reference and recommending amendments to the board for approval
- Conducting a self-evaluation every two years, which includes evaluating the chairperson and fellow members
- Implementing any actions following the board's evaluation of its effectiveness

### Committee evaluation

**Self-evaluation**

**Scope:**

- Ensuring committee members meet the fit-and-proper requirements as stipulated by the company's fit-and-proper policy
- Overseeing the reporting of compliance with laws, codes, rules and standards
- Reviewing the ORSA process of the business to support the board in its overall responsibility to assess its risk management framework, as well as the solvency requirements of the business
- Reviewing committee composition
- Assessing meeting preparation and efficiency
- Assessing the chairperson's competency to lead the committee effectively
- Conducting self-evaluation of all committee members in fulfilment of their duties
- Evaluating fellow committee members' skills, experience and fulfilment of their duties

The committee is satisfied that the evaluation process is improving its performance and effectiveness.

*The risk committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.*

## Social and ethics committee

### Membership

The board has reviewed the composition of the SEC against the new requirements of the Companies Act. It confirms that the committee complies with the relevant regulatory requirements and that the majority of members (three of five) have not been involved in the day-to-day management of the company for the last three financial years, have the necessary knowledge, skills and experience to enable the committee to perform its duties in accordance with regulatory requirements and its terms of reference.

The social and ethics committee is a formally constituted committee of the board. The committee operates in terms of the delegated authority of the board as recorded in its terms of reference, which are reviewed and approved annually by the board. The committee comprises four members, including both executive and non-executive directors, the majority of whom are independent, non-executive directors. The committee meets bi-annually and ad hoc meetings are arranged if required. The SEC held three meetings during the year, which were attended by all members.

Members are elected or re-elected by the shareholders at each AGM. The current members are:

- Zodwa Matsau – chairperson
- Bridgitte Mathews
- Samara Totaram
- Janine Johannes

*The social and ethics committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.*

### Key focus areas

During the reporting period, the committee performed its duties as detailed within its terms of reference, and specifically attended to the following:

- Monitoring the group's activities related to ESG matters and reporting
- Monitoring the group's sustainability and transformation activities, organisational ethics, responsible corporate citizenship, stakeholder relationships, and the ethical conduct of employees
- Monitoring all TCF outcomes reported to this committee

- Annually reviewing the group's Employment Equity Plan
- Reviewing and recommending the code of ethical conduct, which can be found on page 68, to the board for approval
- Annually reviewing its terms of reference and recommending amendments to the board for approval
- Evaluating the effectiveness of the CSRC, the primary purpose of which is to monitor the group's service levels and TCF outcomes in relation to customer service
- Approving and annually reviewing the CSRC terms of reference
- Conducting a self-evaluation every two years, which includes evaluating the chairperson and fellow members
- Implementing any actions following the board's evaluation of its effectiveness

### Committee evaluation

**Self-evaluation**

**Scope:**

- Overseeing and evaluating the implementation of the code of ethical conduct
- Monitoring the group's activities and reports in respect of, inter alia:
  - » The Employment Equity Act
  - » The Broad-Based Black Economic Empowerment Act
- Overseeing health and public safety
- Overseeing the group's employment relationships and its contribution to the educational development of its employees
- Reviewing committee composition
- Assessing meeting preparation and efficiency
- Assessing the chairperson's competency to lead the committee effectively
- Conducting self-evaluation of all committee members in fulfilment of their duties
- Evaluating fellow committee members' skills, experience and fulfilment of their duties

The committee is satisfied that the evaluation process is improving its performance and effectiveness.

## Remuneration committee

### Membership

The remuneration committee is a formally constituted committee of the board. The committee operates in terms of the delegated authority of the board as recorded in its terms of reference, which are reviewed and approved annually by the board. The committee comprises three independent non-executive directors.

The members of the committee and its chairperson are appointed by the board. The current members are:

- Piet Mouton – chairperson
- Patrick Burton
- Zodwa Matsau

### Key focus areas

During the reporting period, the committee performed its duties as detailed within its terms of reference, and specifically attended to the following:

- Developing and implementing fair remuneration practices aligned with the group's strategy and long-term interests
- Conducting an annual review of the remuneration policy and practices to ensure that the group's remuneration policy is applied consistently, including enhancements made to ensure alignment with best practice
- Serving as the Remco for the PSG Group and its insurance-licensed entities
- Ensuring the remuneration policy and implementation report are tabled every year for separate non-binding advisory votes by shareholders at the AGM
- Reviewing and recommending to the board the remuneration for the CEO, senior executives and managers who report directly to the CEO, other material risk-takers and the heads of the control functions (other than the head of the internal audit function, whose remuneration will be evaluated by the audit committee), ensuring that the remuneration is fair and responsible in the context of overall employee remuneration
- Recommending to the board how the group's non-executive directors must be remunerated, for final approval by the shareholders at the AGM
- Reviewing its terms of reference and recommending amendments to the board for approval
- Conducting a self-evaluation annually in line with regulatory requirements, which includes evaluating the chairperson and fellow members
- Implementing any actions following the board's evaluation of its effectiveness

### Committee evaluation

Self-evaluation
<p><b>Scope:</b></p> <ul style="list-style-type: none"> <li>• Overseeing the implementation and execution of the company's remuneration policy and compliance with the Prudential Standards</li> <li>• Making annual recommendations to the PSG board on the remuneration of the heads of control functions (other than internal audit), the CEO, senior executives and managers who report directly to the CEO and other material risk-takers</li> <li>• Preparing an annual remuneration report in accordance with King IV and the JSE Listings Requirements</li> <li>• Facilitating engagement with company shareholders who voted against the remuneration implementation report and/or remuneration policy, if any (only applicable where 25% or more of the votes exercised were against the report or policy)</li> <li>• Considering the recommendations made by senior management on the remuneration of non-executive directors, for final approval by the shareholders at the AGM</li> <li>• Reviewing committee composition</li> <li>• Meeting the requirements as stipulated by the company's fit-and-proper policy</li> <li>• Assessing meeting preparation and efficiency</li> <li>• Assessing the chairperson's competency to lead the committee effectively</li> <li>• Conducting self-evaluation of all committee members in fulfilment of their duties</li> <li>• Evaluating fellow committee members' skills, experience and fulfilment of their duties</li> </ul> <p>The committee is satisfied that the evaluation process is improving its performance and effectiveness.</p>

*The remuneration committee is satisfied that it has fulfilled its responsibilities in accordance with regulatory requirements and its terms of reference for the reporting period.*

## Nominations committee

### Membership

The nominations committee is a formally constituted committee of the board. The committee operates in terms of the delegated authority of the board as recorded in its terms of reference, which are reviewed and approved annually by the board. The committee comprises four members who are non-executive directors, the majority of whom are independent non-executive directors.

The members of the committee and its chairperson are appointed by the board. The current members are:

- Willem Theron – chairperson
- Patrick Burton
- Piet Mouton
- Lizé Lambrechts

### Key focus areas

During the reporting period, the committee performed its duties as detailed within its terms of reference, and specifically attended to the following:

- Ensuring a formal and transparent process is established for nominating, electing and appointing members to the board
- Ensuring the board consists of a majority of non-executive directors, with a majority of the non-executive directors being independent directors, and reflects racial, cultural, age and gender diversity in line with targets
- Recommending the broader diversity policy to the board for approval and implementation
- Ensuring the nomination of directors for re-election by shareholders at the AGM is approved by the board as a whole
- Developing and overseeing the implementation of an annual review of formal succession plans for the PSG board and executive management, PSG Treasury board and PSG's key subsidiaries, with a specific focus on insurance-licensed entities

The nominations committee also:

- Oversees the development, continued training and professional development of the directors
- Annually reviews its terms of reference and recommends amendments to the board for approval

### Committee evaluation

Self-evaluation
<p><b>Scope:</b></p> <ul style="list-style-type: none"> <li>• Recommending the appointment of additional board sub-committee members to the board in line with approved succession planning and broader diversity policy</li> <li>• Overseeing succession planning of key subsidiaries with the group, with a specific focus on insurance-licensed entities</li> <li>• Recommending to the boards of the insurance-licensed entities the appointment of additional board and sub-committee members, subject to regulatory approval, in line with approved succession planning and enhancing broader diversity</li> </ul> <p>The committee is satisfied that the evaluation process is improving its performance and effectiveness.</p>

*The nominations committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.*

## Operational committees

### Executive committee

The Exco acts as an oversight committee for the various management-level committees and divisions. It assists the group CEO in developing and implementing the group's strategy, operational plans, policies, procedures and budgets.

This involves:

- Monitoring operating and financial performance
- Assessing and controlling risk
- Assessing the appropriateness of policies, processes and controls in respect of key areas of legal, regulatory and ethical obligations
- Prioritising and allocating resources
- Monitoring factors in the operating environment
- Evaluating the effectiveness of the operating, credit and investment committees every two years

In 2026, the board evaluated the committee's effectiveness and was satisfied with its performance and progress on focus areas. The scope of the evaluation included:

- Committee composition, skills and experience
- Proper implementation and fulfilment of its mandate
- Meeting preparation and efficiency
- Satisfactory reporting to the board after meetings are held

No specific areas of improvement were identified, and the focus area for the future remains adherence to its mandate as set out in its terms of reference.

### Operating committee

The operating committee assists the group COO in developing and implementing operational plans, policies, procedures, and budgets and monitors the operational performance in each division.

In October 2024, the Exco evaluated the committee's effectiveness and was satisfied with its performance. The scope of the evaluation included:

- Proper implementation and fulfilment of its mandate and duties
- The committee's overall composition
- Satisfactory reporting to the Exco

No areas of improvement were identified. The next evaluation will take place in October 2026.

### Credit committee

The credit committee is responsible for assisting management and the board in managing default risk and monitoring direct credit exposures and limits throughout the group.

In October 2024, the Exco evaluated the committee's effectiveness and was satisfied with its performance. The scope of the evaluation included:

- Proper implementation and fulfilment of its mandate and duties
- The committee's overall composition
- Satisfactory reporting to the Exco

No areas of improvement were identified. The next evaluation will take place in October 2026.

### Investment committee

The investment committee is responsible for determining the investment strategies of each entity in the group. It is also responsible for monitoring the performance of the shareholder investment portfolio against agreed parameters.

In October 2024, the Exco evaluated the committee's effectiveness and was satisfied with its performance. The scope of the evaluation included:

- Proper implementation and fulfilment of its mandate and duties
- The committee's overall composition
- Satisfactory reporting to the Exco

No areas of improvement were identified. The next evaluation will take place in October 2026.

### Customer service review committee

The CSRC was established to ensure that PSG has the necessary processes and systems in place to comply with the FSCA's TCF Framework. The CSRC reports to the social and ethics committee and is responsible for:

- Ensuring that all PSG clients are treated fairly, according to TCF
- Identifying opportunities and making recommendations to improve customer service levels

In 2026, the social and ethics committee evaluated the committee's effectiveness and was satisfied with its performance. The scope of the evaluation included:

- Proper implementation and fulfilment of its mandate and duties
- The committee's overall composition
- Satisfactory reporting to the social and ethics committee

No areas of improvement were identified.

### Legislation committee

The legislation committee creates awareness of all legislation, including financial services legislation, that impacts the group. In terms of financial services legislation only, the committee is responsible for:

- Discussing the relevant regulatory change identified
- Discussing and determining the impact on each division in the group
- Discussing the implementation of the necessary changes to comply with the regulatory change
- Reporting back on whether the implementation plans have been successfully implemented and monitored

## Internal control and compliance processes

### Internal audit

The internal audit function is an independent, objective assurance and advisory function designed to add value and improve the organisation's operations.

It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management and control processes. Internal audit's activity is governed by an internal audit charter and mandate, which are reviewed and approved annually by the group audit committee. The objectives, scope and functions of the internal audit function are summarised below.

#### Objectives

The internal audit function evaluates and contributes to improving the group's governance, risk management and internal control processes using a systematic, disciplined and risk-based approach.

#### Scope

The scope of the internal audit function encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the group's governance, risk management, and internal controls, as well as the quality of performance in carrying out assigned responsibilities to achieve the organisation's stated goals and objectives.

The internal audit function follows an approved risk-based internal audit plan. Internal audit conducts an annual formal risk assessment of the entire group from which a comprehensive risk-based audit plan is derived. The assessment and programme are validated by executive management and approved by the responsible audit committee. The annual plan is reviewed regularly to ensure it remains relevant and responsive to risks as the operating environment changes. The audit committee approves any changes to the plan.

#### Functions

- Evaluating risk exposure relating to the achievement of the organisation's strategic objectives
- Evaluating the reliability and integrity of information and the means used to identify, measure, classify and report such information
- Evaluating the systems established to ensure compliance with policies, plans, procedures, laws, and regulations which could have a significant impact on the organisation
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets
- Evaluating the effectiveness and efficiency with which resources are employed
- Evaluating operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned
- Monitoring and evaluating governance processes
- Monitoring and evaluating the effectiveness of the organisation's risk management processes
- Performing advisory/consulting services related to governance, risk management and internal controls as appropriate for the organisation
- Reporting on significant risk exposures and internal controls issues, including fraud risks, governance issues, and other matters needed or requested by the board
- Evaluating specific operations at the request of the board or executive committee, as appropriate

In line with King IV, the audit committee ensures that a combined assurance model is applied to provide a coordinated approach to all assurance activities. Internal audit is part of this combined assurance model. A combined assurance model involves proper planning and the implementation of these plans, while reducing risk to an acceptable level through an assurance dispensation. It also ensures that the contributions of the various role players are optimised. This reduces risk and audit costs and optimises efficiency.

### Independence of internal audit

In line with King IV recommendations, the group head of internal audit confirms to the board, at least annually, the organisational independence of the internal audit function.

The internal audit function complies with the Institute of Internal Auditors' Code of Ethics.

### Increased control framework

The increased control framework was developed by management to introduce an internal control system to assist the board and senior management in fulfilling their oversight and management responsibilities.

These responsibilities relate to:

- The strategy and risk appetite determined by the board
- Effectiveness and efficiency of operations
- Reliability of financial and non-financial information
- Adequate control of risks
- The group's business aspirations
- Key business, IT and financial policies and procedures
- Compliance with laws, regulations and internal policies and procedures
- Confirmation that control procedures and processes have been implemented correctly and are operating as intended

*The board acknowledges its responsibility for ensuring the group complies with all applicable laws and regulations to maintain its operating licences. Board members are familiar with the financial services industry and the suite of regulatory requirements that characterise it. They are also aware of the importance of assessing the impact of legislative changes.*

### Legal and compliance

The legal and compliance function forms an integral part of the three layers of defence approach and is accountable for monitoring and reporting compliance risks to the board.

Ongoing training is provided to employees and advisers throughout the group to ensure awareness and embed a high standard of ethical behaviour and adherence to adopted policies.

As early adopters, the group constantly monitors shifts in the regulatory landscape to ensure it implements the necessary changes when new legislation becomes effective. The group maintains good relationships with regulators and participates in discussions around changes in the regulatory environment.

The internal audit function supports the Exco in ensuring the process is effective. This enables PSG to maintain compliance with all relevant legislation.

During the past financial year, no instances of material non-compliance were noted, including regulatory penalties, actions or fines for contraventions of, or non-compliance with, statutory obligations.

Specifically, the PSG directors have confirmed that, to the best of their knowledge, PSG:

- complied with the provisions of the Companies Act of South Africa, and
- operated in accordance with its MOI during the current year.

### Financial reporting

PSG provides financial reports to its shareholders twice a year. Detail regarding significant transactions undertaken is reported as required by the JSE Listings Requirements.

More information on the group's operating licences and membership of industry bodies is provided in the "Stakeholders" section on page 40.

## Information technology governance

**PSG operates in an increasingly technology-driven world, where IT creates differentiation and competitive advantage, generates revenue, and enables client-centricity. PSG continues to mature these capabilities and services for our advisers and clients.**

### Overview

IT plays an integral role in executing the strategy and the daily operations of PSG. The scalability, value and efficiency of business functions depend on effective IT systems, processes and data.

IT governance is conducted in accordance with a formal charter and governance framework based on King IV principles, supported by our operational and IT security policies and further regulatory guidance such as the Joint Standards.

PSG's business model is critically dependent on IT systems, as it requires a fully functional IT infrastructure to empower its vast network of advisers across South Africa and Namibia to achieve its strategic objectives.

Regulatory changes, consumer advocacy, and technological advances increasingly join forces to create significantly more informed and empowered clients. The velocity of change continues to increase in a world where technology, data and interconnection have made investments in the advancement of a fast-paced, growing technological environment a vital aspect of the group's business.

PSG continues to invest in the maturity of its digital capabilities and services. This includes both enhancements of current functionality and the development of new capabilities. The focus is on providing clients and advisers with an excellent user experience that is both seamless and efficient in delivering the highest levels of service. This model of continuous improvement is underpinned by a focused approach to system stabilisation and environment enhancements in a secure manner.

### Responsibilities

The board, while retaining ultimate responsibility for both technology and information governance, has delegated responsibility to the risk committee.

The risk committee considers technology and information separately from a risk and governance perspective, while aligning both with the group's strategic objectives.

The CIO, supported by a team of IT specialists, is responsible for ensuring sound technology and information governance, including:

- Aligning technology and information with the group's performance and sustainability objectives
- Delegating the responsibility for the implementation of the technology and information policy to management
- Monitoring and evaluating significant technology and information investments and expenditure
- Managing the integration of technology and information risks into organisation-wide risk management
- Ensuring information assets are managed effectively and securely
- Monitoring proactively to identify and respond to incidents, including cyber attacks and adverse social media events
- Ensuring tested plans are in place to provide for business resilience and continuity
- Managing the performance of, and the risks pertaining to, third-party and outsourced service providers
- Assessing the value delivered to the organisation through significant investments in technology and information, including the evaluation of projects throughout their life cycles

- Ensuring the responsible disposal of obsolete technology and information, considering environmental impact, information security and regulations
- Ensuring the ethical and responsible use of technology and information
- Providing information architecture that supports confidentiality, integrity and availability of information
- Ensuring compliance with relevant laws and regulations
- Ensuring the protection of the privacy of personal information
- Providing technology architecture that enables the achievement of strategic and operational objectives of the group
- Managing the risks pertaining to the sourcing of technology
- Monitoring and providing appropriate responses to developments in technology, including the capture of potential opportunities and the management of disruptive effects on the group and its business model

## Key developments

- We are continuing our multi-year strategy to provide clients and intermediaries with quality information and access through architecting and building a cloud-based enterprise data warehouse
- We have aligned to the latest IT governance and cyber security regulatory requirements as prescribed by our regulators

- We are continuing to gear our key systems to move to the cloud environment
- We continue to strengthen our cyber security capabilities, being proactive through penetration testing, with an additional key focus on our endpoint devices and data protection capabilities
- We have enabled multi-factor authentication for our key systems
- We tested our infrastructure and systems resiliency through cyber simulations, disaster recovery testing and business continuity plans
- Our focus remains on cyber security awareness programmes and content aimed at training and enhancing the knowledge of our staff and clients
- We continue to invest in scalable technology in an ever-changing technological world

## Future priorities

Future priorities for IT delivery and focus include continuing our journey to migrate our key services and systems to the cloud and building a modern channel and mobile capability to augment our website.

We remain focused on advancing our software engineering capabilities and building a highly scalable business. Our efforts to modernise and enhance our core practice management tool continue, with an emphasis on stability, scalability, and digital self-service. Cyber security is a critical priority and will continue to be a key focus across the entire organisation.

# Risk report

PSG's risk profile and capital position remain strong.

As the challenging environment (operating, regulatory and economic) persisted, PSG's risk management plan ensured that risks were understood and managed. Focus remained on managing the most significant risks impacting the business, mitigating undue risks and volatile risk contributors, and understanding and responding to emerging risks. It ensured that we operated at acceptable residual risk levels.

## Overview

PSG's three main risk management objectives are unchanged:

- Maintain adequate cash resources to execute our strategy, making value-enhancing investments and growing sustainably to benefit all stakeholders, especially clients, shareholders and employees
- Honour our core values and business principles in all activities undertaken
- Maintain good relationships with all regulators

To drive and support these objectives within defined risk appetites, we continue to focus on:

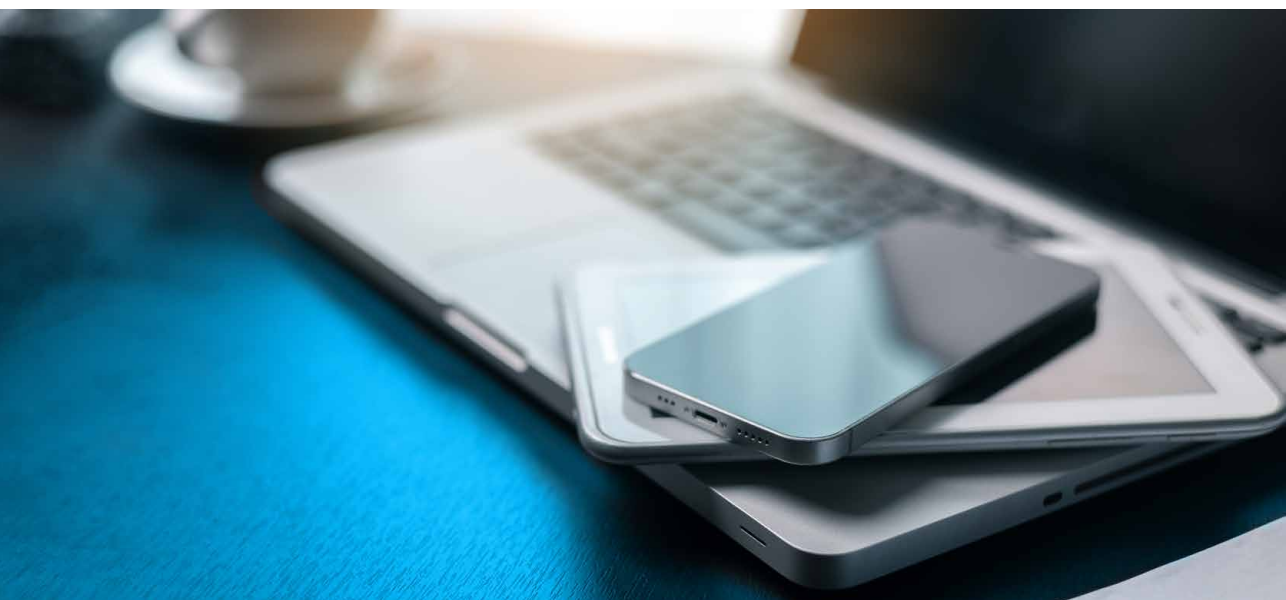
- Recurring revenues – which lead to enhanced sustainable earnings
- Sustainable margins – to ensure an acceptable return on capital is earned
- Risk vs return – to maximise every rand earned, relative to an acceptable unit of risk
- Client-centricity – to place clients at the centre of everything we do
- Capital management – to ensure business sustainability and resilience through any eventuality

PSG's risk management plan delivers an appropriate and independent oversight framework, with reporting structures in place to keep management and the board informed. Changes in the risk landscape are assessed, and material risks are managed at acceptable levels.

Components of this framework include:

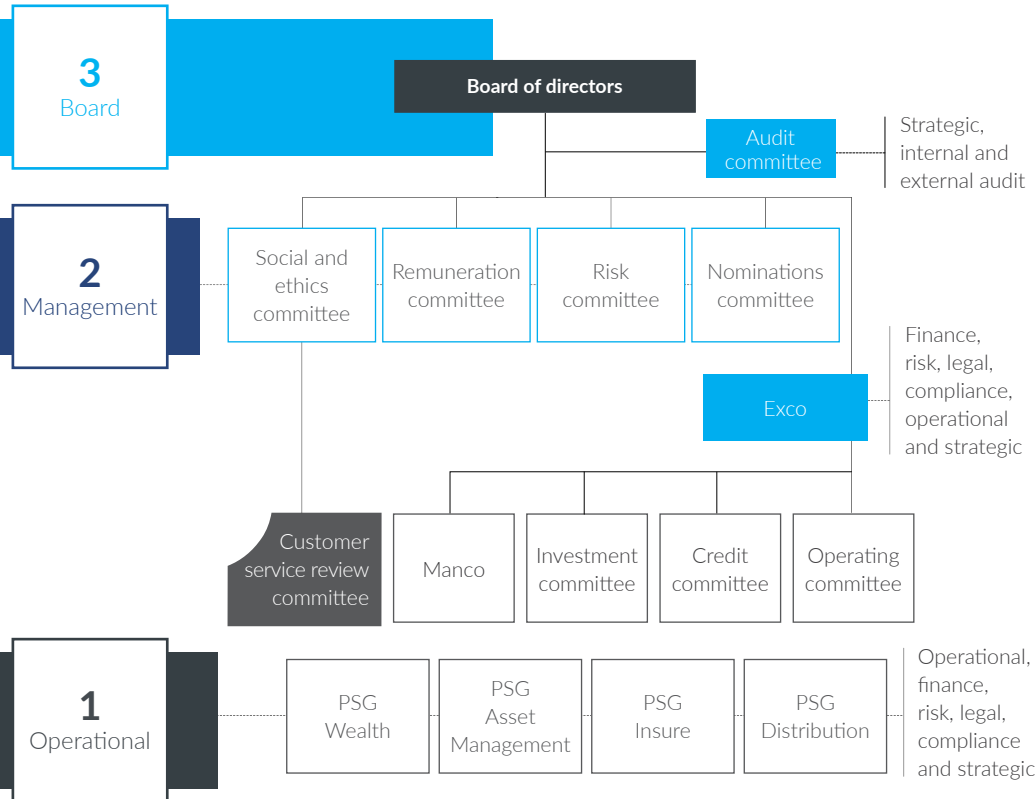
- Three layers of defence governance approach
- Various committees with risk management responsibilities assisting the board
- Risk management embedded in the strategic principles and underpinning all business activities

More detail on the execution and implementation of the strategic principles is provided in the "Strategy" section on pages 44 and 45.



## Three layers of defence approach

PSG defines the responsibility and accountability for risk management by applying the three layers of defence approach.



1

### First layer of defence

Operational management is responsible for identifying risks and weaknesses and for developing and implementing policies, procedures and controls to address, manage and reduce these risks and weaknesses to acceptable levels.

2

### Second layer of defence

Finance, risk, legal and compliance employees may assist management in implementing policies, procedures and controls. However, they are mainly responsible for providing advice and oversight to ensure policies are implemented. Level-two employees report directly to the relevant heads of finance, risk, legal and compliance.

3

### Third layer of defence

Internal and external audit are responsible for evaluating, testing and giving assurance to the board and management on the effectiveness of these policies, procedures and controls.

## Reflecting on 2026

Challenges and risks faced by PSG during the past financial year were adequately identified, assessed, and mitigated through:

- **Strengthening the control environment** – investing in people, technology, automation, and security measures
- **Long-term objectives** – applying our investment philosophy consistently and executing strategic projects
- **Addressing audit and risk findings** – appropriate actions and responses developed and agreed upon in order to respond to internal audit findings and the identified risks
- **Responding to external risks/challenges** – adequately dealing with changes in regulations, managing ongoing market volatility and ensuring operational resilience through IT and operational processes and vendor oversight

## Key risk management

PSG manages the major risks it faces and understands that risk management is key to ensuring sustainable growth and success.

Risks faced are within PSG's risk tolerance levels, and challenges experienced are adequately addressed. This is supported by the outcome documented in the ORSA report produced for the group. Our key risks and responses are summarised below and remain largely unchanged.

### Strategic risk

#### Key risk theme

Ensure business plans, strategies and decisions are appropriate to maintain acceptable levels of risk (risk vs reward), grow recurring revenues and enhance operating margins

#### Response

- Oversight by the PSG board and Exco
- Quarterly business strategy sessions focus on each division and business unit
- Key metrics defined and regularly monitored (daily, weekly, monthly and quarterly)
- Strong corporate governance and established risk management structures
- Dedicated marketing team ensuring client and brand focus remains intact
- Dedicated project management office (PMO) function to ensure we deliver on key strategic projects
- Annual ORSA report produced to demonstrate business sustainability and resilience
- Three-year growth and business strategy in place and targets tracked

### Regulatory risk<sup>1</sup>

#### Key risk theme

Comply with all regulatory requirements (including new or changed requirements), while complaints remained stable and under control

#### Response

- Dedicated independent legal and compliance function
- Overseen by the compliance, risk and legal committees
- Legislative changes centrally overseen by PSG's new legislation committee
- Implementation of any changes overseen by the PSG operating committee
- Active engagement with regulators and represented at most of the major industry and regulatory bodies
- Monthly and quarterly capital adequacy review
- Regulatory universe in place and monitored

<sup>1</sup> Components of the section were included and audited as part of the risk-based internal audit programme.

### Business and operational risk<sup>1</sup>

Key risk theme	Response
Scan, evaluate, enhance and respond to changes in the business environment	<ul style="list-style-type: none"> <li>Overseen by the PSG management and operating committees</li> <li>Complaints monitored by the PSG customer services review committee</li> <li>Established outsourcing principles and oversight</li> <li>Key projects/initiatives guided by the project management and engineering offices</li> <li>Dedicated management information system team</li> <li>Established business continuity capability (including communications, crisis management plans and testing)</li> </ul>
In-time incident response and technology environment strengthened	<ul style="list-style-type: none"> <li>Operational incident management system in place</li> <li>Processes audited and improvements actioned</li> <li>Enhancing processes via automation and IT optimisation</li> </ul>

### Information technology risk (including data)<sup>1</sup>

Key risk theme	Response
Adequate investment in technology, with governance enhancements made	<ul style="list-style-type: none"> <li>Overseen by the PSG operating committee, data governance and technical and security councils</li> <li>Continued enhancements based on regular cyber security audits</li> <li>Group-wide IT security concepts and threat awareness training</li> <li>IT business continuity, disaster recovery and cyber incident management plans in place, with defined escalation and severity levels</li> <li>Policies to align with regulations (including information security, cyber security, patch management, backups and incident management) in place</li> </ul>

### Underwriting risk (non-life)<sup>1</sup>

Key risk theme	Response
Western Group book performance monitored and corrective action taken	<ul style="list-style-type: none"> <li>Underwriting risk mainly limited to non-life insurance activities at Western Group</li> <li>Overseen by the Western Group risk committee</li> <li>Quality underwriting reports monitored by the actuarial team</li> <li>Limited insurance and investment risk retention levels</li> <li>Mitigating action taken for areas where improvements are identified</li> <li>Capital modelling and stress testing ensure adequate capital levels are maintained</li> </ul>

### Counterparty risk (including credit risk)

Key risk theme	Response
High-quality counterparty exposure and adequate margins maintained	<ul style="list-style-type: none"> <li>Combined oversight by the PSG credit, investment and relevant management committees</li> <li>Exposure mainly limited to top-rated local and international banks and corporates</li> <li>Margin business exposure monitored daily</li> <li>Sufficient collateral held for most loans and security provided</li> <li>Products and providers overseen by the product governance committees</li> <li>Reinsurance panel overseen by the Western Group risk committee</li> </ul>

<sup>1</sup> Components of the section were included and audited as part of the risk-based internal audit programme.

### Market/investment risk

Key risk theme	Response
Consistent investment philosophy applied	<ul style="list-style-type: none"> <li>Overseen by the PSG investment committee</li> <li>Shareholder assets invested mainly in cash and low-risk unit trusts</li> <li>PSG Asset Management applies risk-based investment processes</li> <li>Portfolio and fund committees in place supporting our advisers</li> <li>Internal limits aligned to appetite and fund sizes with compliance monitoring in place</li> <li>Transparent and measurable products with a relatively low level of complexity</li> </ul>

### Liquidity risk<sup>1</sup>

Key risk theme	Response
Centralised treasury function	<ul style="list-style-type: none"> <li>Overseen by the PSG investment committee</li> <li>Centralised treasury function manages group capital and funding requirements</li> <li>Monthly cash flow analysis, scenario-based forecasts, and reporting</li> <li>Monthly asset/liability matching and reconciliation</li> <li>Regulatory capital requirements managed and monitored separately</li> <li>Bank funding facilities available</li> <li>Liquidity reporting and visibility to encourage key decisions</li> </ul>

<sup>1</sup> Components of the section were included and audited as part of the risk-based internal audit programme.

### The year ahead

PSG will, as always, continue to anticipate, understand, and respond to change and new or emerging risks. Our risk profile outlook for 2027 aligns with 2026 and can be summarised as follows:

<p><b>Strategic</b></p> <ul style="list-style-type: none"> <li>Volatility/uncertainty in local/global markets</li> </ul>	<p><b>Operational/business</b></p> <ul style="list-style-type: none"> <li>Streamline and automate processes further</li> </ul>	<p><b>Regulatory</b></p> <ul style="list-style-type: none"> <li>Adapting to and absorbing regulatory change</li> </ul>	<p><b>Information technology</b></p> <ul style="list-style-type: none"> <li>Enhance systems and strengthen IT and data security measures across the firm</li> </ul>
<p><b>Underwriting</b></p> <ul style="list-style-type: none"> <li>Adequate monitoring and oversight in place</li> </ul>	<p><b>Credit</b></p> <ul style="list-style-type: none"> <li>Adequate monitoring in place</li> <li>Closely monitor the market and business environment, and the potential impact on counterparties</li> </ul>	<p><b>Market</b></p> <ul style="list-style-type: none"> <li>Volatile markets and events expected to remain</li> </ul>	<p><b>Liquidity</b></p> <ul style="list-style-type: none"> <li>Adequate facilities in place</li> </ul>

# Remuneration report

## 1. The remuneration committee chairperson's statement

I am pleased to present the 2026 remuneration report to shareholders on behalf of PSG's board of directors and the Remco. This report outlines the group's board-approved remuneration policy and framework, as well as their implementation thereof in 2026. It also showcases policy and disclosure improvements based on shareholder feedback and best practice.

### 1.1 Strategic and competitive remuneration

Remuneration aligns with the group's strategic goals, focusing on profitability, shareholder value and sustainability.

Management has continued to successfully execute the business strategy through profitable, sustainable growth in 2026. PSG delivered a 33.5% increase in recurring headline earnings per share, increased the dividend per share by 25.0%, generated a return on equity of 31.7% and grew total assets under management by 19.9%.

Competitive remuneration is vital for retaining top talent in our people-oriented, talent-driven industry. We develop entrepreneurs within an agile corporate structure, adapting to a changing environment to support individual and group performance. Our remuneration framework is competitive in our market and supports shareholder value creation.

Our "fit-for-purpose" remuneration policy and framework are set out in the "Remuneration policy" section of this report from page 105.

**We are satisfied that the 2026 remuneration policy achieved its stated objectives.**

### 1.2 The complexity of our regulatory landscape

PSG has 22 regulatory licences (18 in South Africa and 4 in foreign jurisdictions) as well as being designated as an insurance group. The Remco is mindful of the complexities of the landscape in which the group operates and acknowledges the significant number of engagements with regulators.

### 1.3 Shareholder engagement, voting outcome and enhanced disclosure

During September 2022, PSG Group unbundled their shareholding in PSG (previously PSG Konsult). This resulted in a significant increase in the number of PSG shareholders, by approximately 15 000 to 19 000 shareholders. The wider shareholder base had an impact on the AGM voting results post the unbundling, as can be seen in the table on page 103.

The remuneration policy and implementation report have received favourable voting outcomes at the 2020 to 2025 AGMs:

AGM	Shares voted disclosed as a percentage of the total issued shares	Remuneration policy		Implementation report	
		For	Against	For	Against
July 2025	85.04%	96.15%	3.85%	76.16%	23.84%
July 2024	83.48%	76.01%	23.99%	75.54%	24.46%
July 2023	82.83%	76.23%	23.77% <sup>1</sup>	76.02%	23.98% <sup>1</sup>
July 2022	89.67%	93.92%	6.08%	93.92%	6.02%
July 2021	87.17%	95.70%	4.30%	95.70%	4.30%
July 2020	90.18%	97.08%	2.92%	97.28%	2.72%

<sup>1</sup> The AGM voting was impacted by the change in shareholder composition during September 2022, as a consequence of the PSG Group unbundling as mentioned above.

Although the votes at the 2025 AGM passed with the requisite majority, PSG believes in continuous improvement and saw an opportunity to engage with institutional investors to address any feedback or concerns regarding our remuneration policy and implementation report.

Based on the feedback received, we have implemented several improvements to our remuneration approach to ensure our policy and disclosures align with best practice. The table below outlines the material feedback received and the corresponding enhancements.

Shareholder feedback	Remco response	Remuneration policy	Implementation report
<b>Short-term variable compensation</b>			
ROE threshold level to be increased	From the 2027 financial year, the ROE measurement metric benchmark will be adjusted. The key changes have been disclosed below:	Proposed scorecard changes have been disclosed in section 2.11.1	Current remuneration scorecards have been included in section 3.3.2
<b>Current:</b>			
<b>Performance measure</b>	<b>Threshold (75%)</b>	<b>Target (100%)</b>	<b>Stretch (125%)</b>
ROE	10-year government bond yield + (3% equity risk premium x PSG beta factor)	10-year government bond yield + (5% equity risk premium x PSG beta factor)	10-year government bond yield + (7% equity risk premium x PSG beta factor)
<b>Proposed:</b>			
<b>Performance measure</b>	<b>Threshold (75%)</b>	<b>Target (100%)</b>	<b>Stretch (125%)</b>
ROE	10-year government bond yield + 4% equity risk premium	10-year government bond yield + 6% equity risk premium	10-year government bond yield + 8% equity risk premium

Shareholder feedback	Remco response	Remuneration policy	Implementation report										
<b>Long-term incentive schemes</b>													
Incorporation of an additional performance hurdle and further alignment of ROE performance hurdle with shareholder interests	<p>To further align senior management incentives with shareholder returns, the Remco proposes introducing the following key changes to the vesting conditions of the LTI scheme:</p> <ol style="list-style-type: none"> <li>ROE performance hurdle threshold level be adjusted to 10-year government bond yield + 6% equity risk premium [previously 10-year government bond yield + (5% equity risk premium x PSG beta factor)], aligned to the change in ROE target level proposed on page 103.</li> <li>The performance hurdles will be measured on an average basis over the vesting period of the LTI scheme [previously the ROE was measured over a 3-year period]</li> <li>Introduction of an additional performance hurdle for the vesting of the LTI scheme, based on recurring HEPS growth threshold of CPI + GDP.</li> </ol> <p>A summary of these key changes has been provided below:</p> <p><b>Current:</b></p> <p>During the 2026 financial year, a ROE performance hurdle was introduced. Participants forfeit the right to exercise share options previously granted if, on vesting date, the average ROE % for the preceding 3-year period does not exceed the ROE threshold target level.</p> <table border="1"> <thead> <tr> <th>Performance hurdle</th> <th>Threshold</th> </tr> </thead> <tbody> <tr> <td>3-year average ROE</td> <td>10-year government bond yield + (5% equity risk premium x PSG beta factor)</td> </tr> </tbody> </table> <p><b>Proposed:</b></p> <p>For future grants, the vesting of share options is conditional upon the simultaneous achievement of two performance hurdles. Participants will forfeit the right to exercise share options previously granted if, on vesting date, either the average ROE or the average recurring HEPS growth % do not exceed the prescribed threshold levels.</p> <table border="1"> <thead> <tr> <th>Performance hurdle</th> <th>Threshold</th> </tr> </thead> <tbody> <tr> <td>Average ROE</td> <td>10-year government bond yield + 6% equity risk premium</td> </tr> <tr> <td>Average Recurring HEPS growth</td> <td>CPI + GDP</td> </tr> </tbody> </table> <p>The performance measures will be assessed on an average basis over the vesting period of the LTI scheme.</p>	Performance hurdle	Threshold	3-year average ROE	10-year government bond yield + (5% equity risk premium x PSG beta factor)	Performance hurdle	Threshold	Average ROE	10-year government bond yield + 6% equity risk premium	Average Recurring HEPS growth	CPI + GDP	Proposed changes have been disclosed in section 2.11.2	Will be disclosed from the 2027 financial year.
Performance hurdle	Threshold												
3-year average ROE	10-year government bond yield + (5% equity risk premium x PSG beta factor)												
Performance hurdle	Threshold												
Average ROE	10-year government bond yield + 6% equity risk premium												
Average Recurring HEPS growth	CPI + GDP												
<b>Other</b>													
Enhanced share ownership disclosure	To promote alignment with shareholder interests, executives are encouraged to maintain meaningful shareholdings in PSG. Disclosure relating to executive share ownership has been enhanced.	Enhanced disclosure has been provided in section 2.7.1.3	N/A										

## 1.4 Presentation of 2026 remuneration report to shareholders

On 22 May 2026, following finalisation of PSG's 2026 remuneration report and shortly prior to its publication, sections 30A and 30B of the Companies Act (introduced by the Companies Amendment Act, No. 16 of 2024) became effective, without prior warning. We will seek the applicable approvals from shareholders at PSG's upcoming 2026 AGM, with details of the resolutions to be set out in the notice for the meeting, to be distributed to shareholders in due course.

We look forward to your ongoing support and engagement on the policy.

**Piet Mouton**

Chairperson of the remuneration committee

# 2. Remuneration policy

## 2.1 Introduction

PSG is deemed to be a controlling company of an insurance group. PSG and all its subsidiary entities, including subsidiary insurance licensed entities, aim to remunerate directors, executives and employees fairly and responsibly. This approach takes cognisance of remuneration best practices to ensure the group attracts and retains appropriate skills and talent.

Sound remuneration practices are an essential component of an effective governance framework.

The remuneration policies and practices aim to align remuneration with the long-term interests of the group and other stakeholders and to discourage excessive or inappropriate risk-taking.

## 2.2 Philosophy

PSG's core remuneration philosophy is based on rewarding financial and relevant non-financial performance. It is aligned with its overall business strategy, objectives, values, target corporate culture and risk appetite (including the group's risk management practices), maintaining compliance with all relevant regulations and market practices.

Profitability, business processes and risks, clients and people are the KPIs for reward. Three performance components are considered for annual increases: group results, divisional performance and individual performance, with due consideration given to inflation.

## 2.3 Policy scope

This remuneration policy (the policy) is a general policy applicable to all employees<sup>1</sup> of the group (which, for the avoidance of doubt, includes all key persons and other persons whose actions may have a material impact on the risk exposure of the group, including persons to whom functions are outsourced). The policy outlines the group's approach to remunerating directors, executives, and employees.

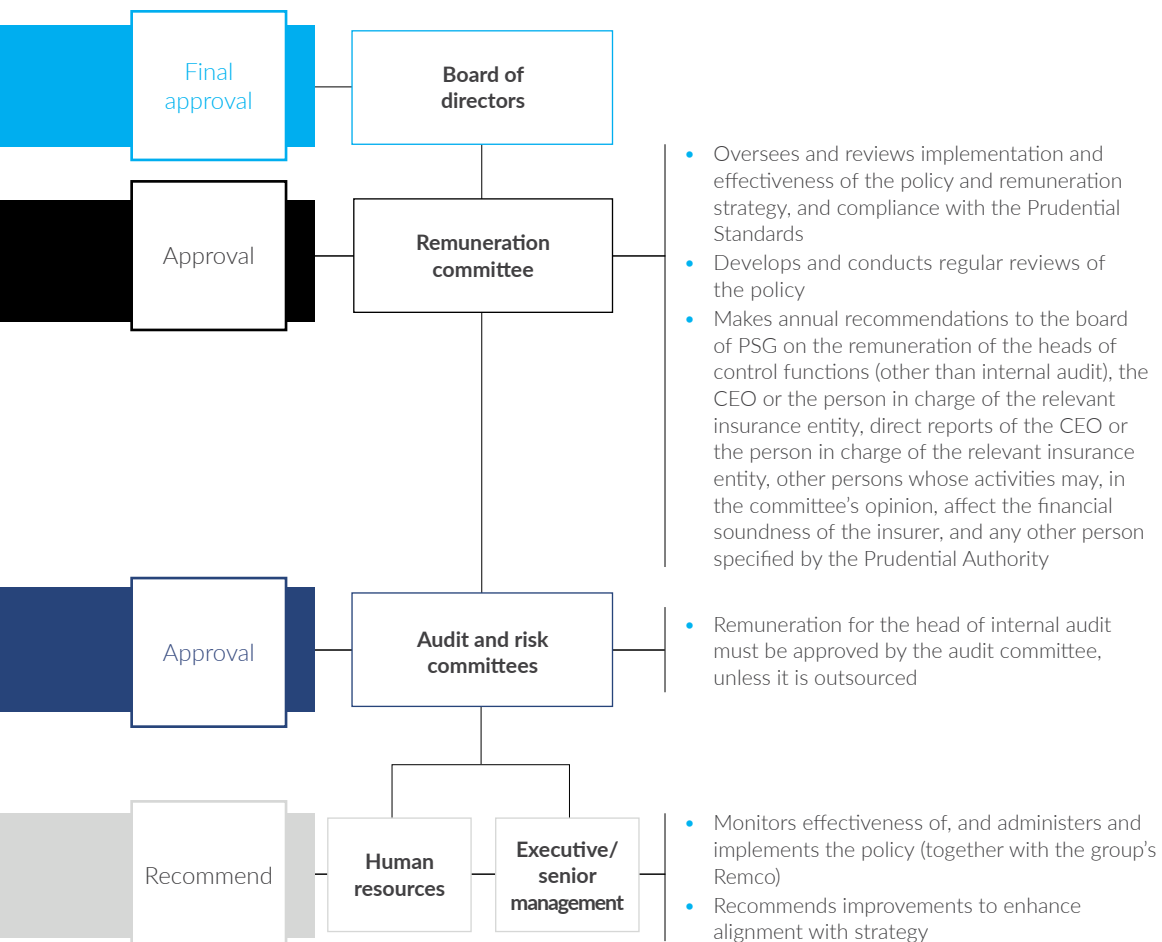
For the purpose of all remuneration considerations, 'remuneration' has the meaning as defined in section 30(6) of the Companies Act:

"(6) For the purposes of subsections (4) and (5), 'remuneration' includes –

- fees paid to directors for services rendered by them to or on behalf of the group, including any amount paid to a person in respect of the person's accepting the office of director;
- salary, bonuses and performance-related payments;
- expense allowances, to the extent that the director is not required to account for the allowance;
- contributions paid under any pension scheme not otherwise required to be disclosed in terms of subsection (4)(b);
- the value of any option or right given directly or indirectly to a director, past director or future director, or person related to any of them, as contemplated in section 42;
- financial assistance to a director, past director or future director, or person related to any of them, for the subscription of options or securities, or the purchase of securities, as contemplated in section 44; and
- with respect to any loan or other financial assistance by the group to a director, past director or future director, or a person related to any of them, or any loan made by a third party to any such person, as contemplated in section 45, if the group is a guarantor of that loan, the value of –
  - any interest deferred, waived or forgiven; or
  - the difference in value between –
    - the interest that would reasonably be charged in comparable circumstances at fair market rates in an arm's length transaction; and
    - the interest actually charged to the borrower, if less."

<sup>1</sup> Excluding all shared offices' advisers and their support staff. Various compensating controls are in place to prevent inappropriate behaviour and excessive risk-taking.

## 2.4 Roles and responsibilities relating to the policy



## 2.5 Objectives

The group aims to remunerate fairly and responsibly on the basis that equal work receives equivalent pay. It also considers remuneration best practices to ensure it attracts, develops and retains relevant skills and talent.

At the same time, remuneration practices must:

- Not induce excessive or inappropriate risk-taking
- Be in line with the group's business strategy and risk appetite statements
- Provide a clear, transparent and effective governance structure around remuneration
- Protect the long-term interests of the group, its employees, its shareholders and its policyholders
- Consider the provisions of the Employment Equity Act, No. 55 of 1998, as amended

In relation to remuneration and specifically the principle of equal pay for work of equal value, the group bases fair and responsible pay on the concept of "pay for performance", which includes financial (if relevant) and non-financial performance. Consequently, there is no pay differentiation based on gender or racial classification.

The group also offers development through career-enhancement opportunities, including bursaries and study loans for work-related disciplines or future business requirements in specialist fields.

## 2.6 Remuneration elements

The group determines its compensation pool based on its financial performance, after considering its risk appetite.

The group's risk appetite is informed by its governance and risk management structures. These structures consider both qualitative and quantitative risk factors at group, divisional and insurance entity levels as part of the risk management system, in a proportionate and risk-based manner.

Remuneration elements include:

Remuneration element	Description	Remuneration policy reference	Implementation report reference
<b>Guaranteed pay</b>	<b>To remunerate fairly and responsibly on the basis that equal work receives equivalent pay</b> Based on function, experience and market pay levels	2.6.1	3.2
<b>Short-term variable compensation</b>	<b>To encourage, recognise and reward performance and allow sufficient flexibility to respond to business needs</b> Based on a combination of individual and collective performance. Incentive to manage the group responsibly and avoid excessive risk-taking	2.6.2	3.3
<b>Long-term incentive scheme</b> (Share options to executive directors and management)	<b>To align senior management incentives to shareholder returns and the long-term interests of clients and policyholders. To attract and retain key employees who play a critical role</b> Based on a combination of individual and collective performance	2.6.3	3.4
<b>Employee benefits and wellness</b> (including life cover, disability benefit, income cover and retirement fund)	<b>To further the economic empowerment and well-being of employees</b> All full-time employees are required to be members of a medical aid scheme Career-enhancement opportunities, including bursaries and study loans for work-related disciplines	2.6.4	N/A

Performance-based compensation aimed at ensuring stakeholder performance alignment has been the cornerstone of PSG's success, and is a blended function of our adviser and core employee remuneration:

- **Advisers:** the group applies a standardised revenue-sharing model whereby the group has a contractual obligation to remunerate advisers based on their revenue generated, with PSG Wealth and PSG Insure advisers receiving 70% and 75%, respectively.
- **Core employees:** compensation is determined based on a targeted compensation ratio ("the compensation ratio"), which is approximately 35% to 40% of the group's net profit before tax, excluding remuneration. Core employee compensation includes guaranteed pay and variable compensation (consisting of short-term variable compensation and the LTIs). Short-term variable compensation is the residual element once the guaranteed pay and long-term incentive IFRS<sup>1</sup> costs have been deducted.

Refer to section 3.1 of the implementation report where this is discussed further.

<sup>1</sup> Reference to IFRS in this section refers to the IFRS Accounting Standards.

## 2.6.1 Guaranteed pay

Pay bands are broad and allow for flexibility to ensure that individual expertise and experience are duly considered.

The group Remco has structured remuneration for executives and senior employees who have authority and responsibility for planning, directing and controlling the group's activities, to allow for higher levels of variable remuneration than guaranteed pay. This ensures these employees are adequately incentivised to manage the group responsibly and avoid excessive risk-taking, and assists the group in managing operational costs.

Individual performance appraisals identify talent at all levels in the group and enable fair and competitive pay based on function, experience and market pay levels.

## 2.6.2 Short-term variable compensation

Short-term variable compensation awards are designed to encourage, recognise and reward performance and allow sufficient flexibility for responding to different business needs; however, short-term variable compensation is not guaranteed. The assessment of performance is based on a combination of assessing individual and collective performance, such as the performance of the business area and the overall results of the group or the relevant insurance entity.

The group determines the size of its short-term variable compensation pool every year, based on the compensation ratio less guaranteed pay and long-term incentive IFRS costs, linked to overall group and divisional profitability. Divisional variable compensation pools are split among divisional key individuals and executives, based on individual performance and responsible risk management. The total short-term variable compensation pool and the way in which it is allocated are agreed with the group Remco every year, giving due consideration to a range of qualitative and quantitative factors, including the group's transformation objectives.

In measuring and evaluating the business performance, the following guiding strategic principles and KPIs are considered:

- Recurring revenues and recurring headline earnings per share (optimising long-term sustainable returns per share)

- Operating margins demonstrating management's ability to attract new business and increase market share without compromising margins by controlling costs
- Risk vs return – optimising returns per unit of risk taken, by implementing various risk reduction and mitigation measures

Commission incentives earned by sales employees are linked to new business targets set. However, risk and pricing are determined independently by managing existing pricing policies and/or underwriting and related risk policies.

### 2.6.2.1 Deferral of short-term variable compensation

In respect of executive and key individuals with less than 10 years' service, 30% of their short-term variable compensation award is deferred over two years and, at participants' election, may be invested in either PSG shares or a PSG unit trust fund. Participants are eligible to receive 50% of their deferred short-term variable compensation award after the first anniversary and the remaining 50% on the second anniversary of the award date.

Executives and key individuals with more than 10 years' service are entitled to the full short-term variable compensation award annually without deferment.

### 2.6.2.2 Termination of employment

Executives and key individuals will forfeit any outstanding deferred short-term variable compensation incentive awards on the relevant vesting date if they are not in the group's employment, whether due to resignation or termination of services.

The group's short-term variable compensation policy, therefore, includes an embedded malus provision where an employee's actions result in termination of services.

## 2.6.3 Long-term incentive scheme

Annually, the group Remco awards share options to align senior management incentives to shareholder returns and the long-term interests of clients and policyholders.

This incentive also seeks to attract and retain key senior employees who play a critical role in the business successes of the group. According to the share incentive scheme, the group grants share options to executive directors and management. These share options are allocated to participants at the relevant grant date based on the 30-day volume-weighted average price (VWAP).

### 2.6.3.1 Vesting period and profile

The scheme vests over a five-year period from the date on which the share options were awarded. To gain the full benefit of the options, executives need to remain in employment for a five-year period.

Following shareholder approval at the 2025 AGM, the vesting profile applicable to future awards was amended to further align senior management incentives, including those of the executive directors, with shareholder returns. The vesting profiles are set out below:

Vesting year	Options awarded before 2025 AGM*	Options awarded post 2025 AGM*
Year 1	-	-
Year 2	25.00%	-
Year 3	25.00%	33.33%
Year 4	25.00%	33.33%
Year 5	25.00%	33.33%
	100.00%	100.00%

\* The 2025 AGM was held in July 2025.

The participants have five months to exercise options after they vest. No beneficiary shall be entitled to payment of any dividend or any other rights attached to any shares until the date of registration of such shares in the name of the beneficiary.

### 2.6.3.2 Performance conditions

The share options are fully priced options, which include embedded performance hurdles, as management only benefits if the share price increases above the vesting strike price.

For fully priced share option awards to have a favourable monetary value benefit to participants on the vesting date, an underlying performance criteria is that the management team successfully achieves growth in recurring headline earnings per share after the share option acceptance award date. Therefore, for share options to increase above the vesting strike price, an increase in the group's recurring headline earnings per share is required, ensuring long-term alignment with shareholders. Over short periods, a change in the price-earnings ratio could influence the outcome either positively or negatively. However, in the long run, value is only created for option holders if there is substantial growth in long-term earnings per share.

During the 2026 financial year, an additional performance hurdle was introduced for future grants, requiring a ROE threshold target to be met. Participants will forfeit the right to exercise share options previously granted if, on vesting date, the average ROE % for the preceding 3-year period does not exceed the ROE threshold target level [ROE threshold target = 10-year government bond yield + (5% equity risk premium x PSG beta factor)] over the same period.

### 2.6.3.3 Termination of employment

**Death, retirement or retrenchment:** Any options that can be exercised at the date of retirement or retrenchment of the beneficiary, or 12 months thereafter, can be exercised. At its discretion, the board may permit the beneficiary to exercise any or all of the unexercised options.

**Dismissal:** If a beneficiary ceases to be an employee by reason of dismissal on the grounds of misconduct, poor performance or dishonest or fraudulent conduct, then that beneficiary shall be deemed to have immediately forfeited their rights in respect of any unexercised options.

**Resignation:** If a beneficiary ceases to be an employee by reason of resignation, that beneficiary shall be deemed to have immediately forfeited their rights to any unexercised options.

## 2.6.4 Employee benefits and wellness

The group provides three times group life cover, disability benefit and income cover, which is capped at the lower of 75% of the employee's guaranteed pay or R250 000 per month (amount is adjusted annually for inflation).

All full-time employees are required to be members of a medical aid scheme and invest at least 5% of their guaranteed pay in the group's retirement fund.

## 2.7 Remuneration of key persons

### 2.7.1 Executive members of the board, senior management and employees carrying out key risk-taking functions

#### 2.7.1.1 Guaranteed pay

The guaranteed remuneration for each of these employees will be competitive. Guaranteed pay will be based on the individual employee's responsibilities, performance (including financial, if relevant, and non-financial performance) and future prospects. Employees agree with line managers on their KPIs and undergo bi-annual performance reviews.

#### 2.7.1.2 Variable compensation

Variable compensation consists of short-term variable compensation and LTIs. Short-term variable compensation is the outcome of the compensation ratio after guaranteed pay and long-term incentive IFRS costs have been deducted. Employees are entitled to variable compensation, provided that this remuneration:

- is based on the overall performance of the group, division or insurance entity and considers both financial and non-financial components, goals and targets (including the group's annual budget approved by the board);
- is based on the performance of the employee in relation to established quantitative and qualitative goals and targets;
- is aligned with the time horizons of the risk it is rewarding, and with the risk profile of the business;
- promotes sound and effective risk management and does not encourage undue or excessive risk-taking in terms of the group's risk appetite statement approved by the risk committee; and
- supports the business strategy and objectives, as set out in the integrated report.

##### 2.7.1.2.1 Executive directors' scorecards (current)

The variable compensation for the executive directors is currently determined based on the scorecards on pages 111 to 113, which were approved by shareholders at the 2025 AGM, and take into account both quantitative and qualitative KPIs. Please note that, in some instances, the Remco considers the disclosure of certain performance measures to be commercially sensitive.

The remuneration outcome for the executive directors based on the scorecards has been detailed in section 3.3.2 of the group's remuneration implementation report.

### Chief executive officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	17.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	35.0%	10-year government bond yield + (3% equity risk premium x PSG beta factor)	10-year government bond yield + (5% equity risk premium x PSG beta factor)	10-year government bond yield + (7% equity risk premium x PSG beta factor)
			100.0%	70.0%			
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5
		Governance	30.0%	9.0%	1	3	5
		Transformation	30.0%	9.0%	1	3	5
			100.0%	30.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation.

The qualitative performance measures take into consideration:

- Management and oversight:
  - » Determine strategy and provide strategic guidance and direction throughout the group, including problem-solving when needed
  - » Oversee and manage all high-risk and complex business matters
  - » Create a high-performance working environment across the group by leading by example
- Governance:
  - » Operate business within acceptable risk appetite tolerance levels
  - » Maintain and build positive strategic relationships with regulators, non-executive directors, advisers and key stakeholders
- Transformation:
  - » Progressive transformation (ensure processes are in place to reach transformation objectives)
  - » Performance management and succession planning of the Manco team

## Chief financial officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	17.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	35.0%	10-year government bond yield + (3% equity risk premium x PSG beta factor)	10-year government bond yield + (5% equity risk premium x PSG beta factor)	10-year government bond yield + (7% equity risk premium x PSG beta factor)
			100.0%	70.0%			
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5
		Governance	30.0%	9.0%	1	3	5
		Transformation	30.0%	9.0%	1	3	5
			100.0%	30.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation.

The qualitative performance measures take into consideration:

- Management and oversight:
  - » Oversee finance team (project prioritisation, staff development, performance management and succession planning)
  - » Oversee and manage all high-risk and complex finance-related business matters
  - » Create a high-performance working environment by leading by example
- Governance:
  - » Maintain a sound financial control environment (minimal operational incidents)
  - » Oversee and manage business capital, regulatory solvency and liquidity requirements
  - » Oversee financial risk exposure and assist the business to operate within acceptable risk appetite tolerance levels
  - » Build positive strategic relationships with regulators, bankers, rating agencies, professional advisers, SARS, non-executive directors, and key stakeholders
- Transformation:
  - » Reporting on transformation objectives
  - » Ensure appropriate talent management within the finance team (attract, retain, mentor and develop staff)

## Chief transformation officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	50.0%	SCR ratio	10.0%	5.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	2.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	5.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	12.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	25.0%	10-year government bond yield + (3% equity risk premium x PSG beta factor)	10-year government bond yield + (5% equity risk premium x PSG beta factor)	10-year government bond yield + (7% equity risk premium x PSG beta factor)
			100.0%	50.0%			
Qualitative	50.0%	Employment equity progression	25.0%	12.5%	1	3	5
		New talent and graduate recruitment	25.0%	12.5%	1	3	5
		Training and skills development	50.0%	25.0%	1	3	5
			100.0%	50.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation.

The qualitative performance measures take into consideration:

- Employment equity progression:
  - » Facilitate progressive transformation, taking into consideration the group's employment equity plans and targets
  - » Actively monitor BBBEE scorecard
- New talent and graduate recruitment:
  - » Appropriate processes in place to identify and attract employees (including graduates)
  - » Ensure a continuous pipeline of new talent to aid succession planning
- Training and skills development:
  - » Ensure appropriate talent management (retention, mentoring and development of staff)
  - » Processes in place to develop employees' competencies and skill sets to empower staff and ensure appropriate succession for critical roles

### 2.7.1.3 Share ownership

To drive alignment between executive and shareholder interests, executive board members, senior management and employees carrying out key risk-taking functions are encouraged to hold PSG shares. PSG's executive management team demonstrates a strong ownership culture and mindset, reflected in their substantial personal shareholdings in the business. Executive directors maintain shareholdings above prevailing market levels, with all three currently holding PSG shares in excess of 300% of their guaranteed pay. The shareholding of the executive directors has been disclosed in the report of the board of directors on page 138.

### 2.7.1.4 Termination of employment

All executive directors have a notice period of three months, which can be extended by mutual consent. Executives who are dismissed or resign are only entitled to three months' notice compensation.

## 2.7.2 Heads of control functions

### 2.7.2.1 Guaranteed pay

The guaranteed remuneration for each of these employees will be competitive. Guaranteed pay is based on the individual employee's responsibilities, performance (including financial, if relevant, and non-financial performance) and prospects.

### 2.7.2.2 Variable compensation

In addition to their guaranteed pay, these employees may also receive variable compensation, provided that this remuneration:

- is not linked to the performance of any business units that they control or oversee; and
- does not in any way undermine their independence from senior management.

### 2.7.2.3 Approval process for group heads of control functions

Group senior management recommends total compensation (both guaranteed and variable) for the group heads of control functions:

- Internal audit function: Recommendation to the group audit committee for approval
- Finance, risk and compliance functions: Recommendation to the group Remco for consideration

### 2.7.2.4 Approval process for heads of control functions for insurance entities

Senior management in each insurance entity will recommend total compensation (both guaranteed and variable) for its heads of control functions:

- Internal audit function: Recommendation to the relevant audit committee for approval, unless outsourced
- Finance, risk, compliance and actuarial functions (where relevant): Recommendation to the group Remco for consideration

## 2.7.3 Non-executive members of the board

Non-executive directors receive market-related guaranteed pay based on the type and number of board committees they are involved in. These guaranteed payments are determined and recommended by relevant senior management for consideration by the group Remco, and for final approval by the shareholders at the AGM.

Refer to section 4.2.1 of the group's remuneration report for detailed information on the non-executive director fees.

## 2.8 Remuneration of other employees

### 2.8.1 Guaranteed pay

The guaranteed remuneration for other employees is competitive. Guaranteed pay is based on the individual employee's responsibilities, performance and prospects.

### 2.8.2 Variable compensation

In addition to their guaranteed pay, these employees may also receive variable compensation provided that this remuneration is based on:

- the performance of the group, division or insurance entity; and
- the performance of the individual employee.

## 2.9 Governance

Remuneration is governed by the group Remco. This committee is mandated by the boards of PSG and its insurance entities and reports to them. The group Remco also governs how remuneration is administered. It considers the holistic compensation model and the specific remuneration of all executive directors and prescribed officers, including fees paid to all non-executive directors.

The Remco is also responsible for awarding share incentives to group executives, and ensuring they are market- and performance-related.

This committee makes annual recommendations to the board of directors on the remuneration of the CEO or the person controlling the relevant insurance entity, direct reports of the CEO or the person controlling the relevant insurance entity, other persons whose activities may, in the group Remco's opinion, affect the financial soundness of the group or relevant insurance entity, and any other person specified by the Prudential Authority.

The group Remco is responsible for developing and conducting regular reviews of this policy, as well as monitoring its implementation, effectiveness and compliance with the relevant Prudential Standard. In accordance with King IV and the Companies Act, the individual remuneration of prescribed officers is disclosed. Full compensation details are in the implementation report, which is included in section 3.

The group Remco is governed by its terms of reference.

## 2.10 Guidelines for reviewing the effectiveness of the policy

Remuneration packages designed within the scope of the policy should be successful in attracting and retaining staff. If management continually needs to exercise discretion or agree to once-off deals to attract or retain executives, the policy may need to be reviewed.

Over time, reward management may change due to changes in the group's structure, market pressures to attract and retain talent, strategic priorities, legislation, regulations, governance requirements and the organisation's values.

This policy will be reviewed once a year by the group Remco, in line with the terms of reference. Any changes to the policy, as required from time to time, are approved by the board, and material changes are communicated to the relevant subsidiary boards.

## 2.11 Future enhancements of the policy

PSG believes in continuous improvement, and following engagement with institutional shareholders post the 2025 AGM, the Remco proposes enhancing the remuneration policy as follows:

Remuneration element	Proposed enhancement
<b>Short-term variable compensation</b>	The ROE measurement metric benchmark has been adjusted to: [risk-free rate (10-year government bond yield) + equity risk premium].
<b>Long-term incentive scheme</b>	The ROE performance hurdle threshold level to be adjusted to: [risk-free rate (10-year government bond yield) + 6% equity risk premium].
	The measurement period for the ROE performance hurdle has been aligned with the vesting period of the LTI scheme.
	The introduction of a recurring HEPS growth performance hurdle into the LTI vesting conditions.

The Remco believes that this will further align the interests of the executives with those of shareholders. These changes will take effect in the 2027 financial year.

## 2.11.1 Short-term variable compensation

The Remco will assess the individual performance of the executive directors using the following scorecards:

### Chief executive officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	17.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	35.0%	10-year government bond yield + 4% equity risk premium	10-year government bond yield + 6% equity risk premium	10-year government bond yield + 8% equity risk premium
			100.0%	70.0%			
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5
		Governance	30.0%	9.0%	1	3	5
		Transformation	30.0%	9.0%	1	3	5
			100.0%	30.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation

### Chief financial officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	17.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	35.0%	10-year government bond yield + 4% equity risk premium	10-year government bond yield + 6% equity risk premium	10-year government bond yield + 8% equity risk premium
			100.0%	70.0%			
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5
		Governance	30.0%	9.0%	1	3	5
		Transformation	30.0%	9.0%	1	3	5
			100.0%	30.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation

### Chief transformation officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)
Quantitative	50.0%	SCR ratio	10.0%	5.0%	1.80 – 1.90	1.90 – 2.10	> 2.10
		Debt to equity	5.0%	2.5%	> 20%	5% – 20%	< 5%
		Credit rating	10.0%	5.0%	No decrease in ratings	A+	Upgrade in ratings
		Recurring HEPS growth (cents)	25.0%	12.5%	CPI + GDP	CPI + GDP + 2%	CPI + GDP + 5%
		ROE <sup>1</sup>	50.0%	25.0%	10-year government bond yield + 4% equity risk premium	10-year government bond yield + 6% equity risk premium	10-year government bond yield + 8% equity risk premium
			100.0%	50.0%			
Qualitative	50.0%	Employment equity progression	25.0%	12.5%	1	3	5
		New talent and graduate recruitment	25.0%	12.5%	1	3	5
		Training and skills development	50.0%	25.0%	1	3	5
			100.0%	50.0%			
<b>Total</b>	<b>100.0%</b>			<b>100.0%</b>			

<sup>1</sup> ROE is considered the best composite all-encompassing financial metric linked to both the firm's earnings generated and required capital allocation optimisation

The short-term compensation will ultimately be at the Remco's discretion to avoid any unintended consequences, and will be subject to the group's compensation ratio, which limits the overall compensation that can be paid. Refer to section 3.1 of the implementation report for further information.

On an annual basis, when the Remco determines the executive directors' short-term compensation outcome, the committee will consider the directors' individual achievement levels per the above scorecard, while ensuring the compensation ratio remains in range and that there is alignment to the golden thread.

The Remco will also assess the scaled performance targets annually and adjust where necessary.

## 2.11.2 Long-term incentive scheme

For future grants, the vesting of share options is conditional upon the simultaneous achievement of two performance hurdles. Participants will forfeit the right to exercise share options previously granted if, on vesting date, either the average ROE or the average recurring HEPS growth % does not exceed the prescribed threshold levels.

The vesting of share options will be subject to both of the following performance hurdles being met:

Performance hurdle	Threshold
Average ROE	10-year government bond yield + 6% equity risk premium
Average Recurring HEPS growth	CPI + GDP

The performance measures will be assessed on an average basis over the vesting period of the LTI scheme.

These enhancements will ensure further alignment of senior management incentives, including those of the executive directors, with shareholder returns.

# 3. Implementation report

## 3.1 Compensation overview

The compensation pool for core employees is determined based on a targeted compensation ratio of approximately 35% – 40%, which is linked to the group's net profit before tax. Adviser remuneration does not form part of the compensation pool, as the group has a contractual relationship with both the advisers (based on a revenue-sharing model) and their support staff.

The compensation ratio is calculated as core employee compensation as a percentage of the group's net profit before tax (excluding core employee compensation and IFRS adjustments). The impact of the following IFRS adjustments is excluded from the calculation:

- the amortisation of customer relationships; and
- the impact of linked investment policies and the consolidation of collective investment schemes.

Core employee compensation includes guaranteed pay and variable compensation (consisting of short-term variable compensation and LTIs). Short-term variable compensation is the residual element once the guaranteed pay and long-term incentive IFRS costs have been deducted.

The compensation ratio for the 2022 to 2026 financial years has been shown below:

	2022	2023	2024	2025	2026
<b>Core employee compensation</b>					
Employee benefit expense (per AFS)	1 243 333	1 239 311	1 325 725	1 523 230	1 857 014
Inclusions:					
– Employee benefit expense within insurance service expenses <sup>^</sup>	-	79 485	97 614	109 535	104 812
Exclusions:					
– Adviser support staff salaries <sup>*</sup>	(374 918)	(406 548)	(436 617)	(480 920)	(512 046)
<b>Core employee compensation [A]</b>	<b>868 415</b>	<b>912 248</b>	<b>986 722</b>	<b>1 151 845</b>	<b>1 449 780</b>
<b>Profit before tax (excluding IFRS adjustments)</b>					
Profit before tax (per AFS)	1 399 612	1 435 744	1 590 401	1 920 666	2 614 773
Exclusions:					
– Amortisation of customer relationships and other IFRS adjustments <sup>#</sup>	69 365	67 132	72 778	73 738	24 462
– Policyholder assets and consolidated funds	(33 403)	(36 160)	(39 430)	(50 985)	(57 200)
<b>Profit before tax (excluding IFRS adjustments) [B]</b>	<b>1 435 574</b>	<b>1 466 716</b>	<b>1 623 749</b>	<b>1 943 419</b>	<b>2 582 035</b>
<b>Compensation ratio [A]/(B+A)</b>	<b>37.7%</b>	<b>38.3%</b>	<b>37.8%</b>	<b>37.2%</b>	<b>36.0%</b>

<sup>^</sup> In terms of IFRS 17, adopted with effect from 1 March 2022, we are required to show a portion of employee benefit expenses within insurance service expenses per our annual financial statements.

<sup>\*</sup> Adviser support staff salaries are excluded as the obligation to pay these is the responsibility of the advisers, and is paid by the advisers from their financial advice fees (per our revenue-sharing model with them). IFRS requires that these salaries be included as part of our employee benefit expense per our annual financial statements.

<sup>#</sup> The other IFRS adjustments include the profit on sale of the Western Namibia business.

By maintaining a stable compensation ratio and not taking excessive risk, we have ensured that the short-term variable compensation paid aligns with earnings growth while still allowing for flexibility to respond to business needs.

This flexibility has resulted in a variation in the compensation ratio year-on-year. It is primarily driven by our continued investment in technology and people, as per the group's three-year business plan, to support sustained growth and improve efficiencies. These costs continue to be fully expensed as incurred, while the full revenue and earnings benefit unlocked from these investments is generally realised over a longer period. The long-term objective is to gradually reduce the compensation ratio as the business scales.

PSG's investment in people has resulted in steady headcount growth. This is reflected in the table below. In particular, our growth in headcount was realised without notably adjusting the compensation ratio.

	2022	2023	2024	2025	2026
Core employees	922	947	1 037	1 103	1 172

## 3.2 Guaranteed pay

The Remco approved salary increases for employees in line with the industry sector for the 2026 financial year.

After due consideration and taking into account current market conditions, the committee is satisfied that the increase levels for executive directors for the 2026 financial year are in line with the increase levels for all other employees.

## 3.3 Short-term variable compensation

### 3.3.1 Performance overview

Management has continued to successfully execute the business strategy through profitable, sustainable growth in 2026. PSG delivered a 33.5% increase in recurring headline earnings per share, increased the dividend per share by 25.0%, generated a return on equity of 31.7% and grew total assets under management by 19.9%.

The group's performance is continuously assessed against a consistent set of metrics to ensure that directors, executives and employees are remunerated fairly and responsibly.

The performance of the group's key operational and financial metrics over a five-year period has been shown below:

Key metric	2022	2023	2024	2025	CAGR		2025	2026	YoY Gwth %
					2026	%			
AUM (Rbn)	315	354	407	471	565	16%	471	565	20%
Premiums (Rbn) <sup>1</sup>	5.7	6.2	7.0	7.6	8.0	9%	7.6	8.0	5%
Core revenues (Rm) <sup>2</sup>	6 039	6 494 <sup>*</sup>	7 329 <sup>*</sup>	8 360 <sup>*</sup>	10 032 <sup>*</sup>	14%	8 360 <sup>*</sup>	10 032 <sup>*</sup>	20%
Recurring headline earnings (Rm)	921	949	1 033	1 272	1 682	16%	1 272	1 682	32%
Shares in issue (m) <sup>3</sup>	1 316	1 283	1 268	1 250	1 239	N/A	1 250	1 239	N/A
Recurring HEPS (cents)	69.7	72.9	81.1	101.1	135.0	18%	101.1	135.0	34%
Dividend per share (cents)	32.0	36.0	42.0	52.0	65.0	19%	52.0	65.0	25%
Operating margin (%) <sup>4</sup>	19.9	18.0	16.9	17.4	19.0	N/A	17.4	19.0	N/A
ROE (%)	23.8	22.7	23.4	26.6	31.7	N/A	26.6	31.7	N/A
Credit rating	A+	A+	A+	A+	AA-	N/A	A+	AA-	N/A
Debt to equity	0.0%	0.0%	0.0%	0.0%	0.0%	N/A	0.0%	0.0%	N/A
SCR ratio	2.38	2.40	2.86 <sup>**</sup>	2.99	2.60 <sup>***</sup>	N/A	2.99	2.60 <sup>***</sup>	N/A
Total employees <sup>5</sup>	3 020	3 074	3 199	3 304	3 371	3%	3 304	3 371	2%

<sup>1</sup> Excludes short-term administration platform gross written premium to avoid duplication.

<sup>2</sup> Excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability.

<sup>3</sup> Excludes treasury shares.

<sup>4</sup> Calculated as operating profit/revenue, and is impacted by performance fees earned.

<sup>5</sup> Excludes employees in learnership programmes.

<sup>\*</sup> Excludes the impact of the new insurance contracts accounting standard (IFRS 17) for comparability. The IFRS 17 restated core revenue amounts are R8 280 million (FY2026), R6 798 million (FY2025), R5 879 million (FY2024) and R5 320 million (FY2023).

<sup>\*\*</sup> Our SCR ratio was determined using the SAM framework within the Prudential Standards. Following discussions with the Prudential Authority, refinements were made to our required capital calculation, resulting in an increased capital cover ratio. These refinements include applying Basel regulations instead of the equity symmetric formula, which we believe is more suitable for our margin and credit lending activities.

<sup>\*\*\*</sup> August 2025 number, FY2026 number finalised/submitted in June 2026 only.

This performance is reflected in the growth of short-term variable compensation awarded to employees and aligns with the group's remuneration philosophy of rewarding performance.

### 3.3.2 Executive directors' scorecards

The Remco determines the short-term variable compensation awards to the executive directors based on individual performance, which is measured quantitatively and qualitatively using a scorecard.

The weightings have been assigned to each KPI to give the reader a sense of the relative importance of each measure in the current financial year. They have not been used to perform a formulaic, overall score for the executive concerned.

The scorecards used to evaluate the executive directors' performance for the 2026 financial year have been disclosed below.

#### 3.3.2.1 Chief executive officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)	Actual	Performance score	Weighted score
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10	2.60 <sup>^</sup>	125.0%	8.8%
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%	0.0%	125.0%	4.4%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings	AA-	125.0%	8.8%
		Recurring HEPS growth (cents)	25.0%	17.5%	4.4% – 6.4%	6.4% – 9.4%	>9.4%	33.5%	125.0%	21.9%
		ROE	50.0%	35.0%	10.1% – 11.4%	11.4% – 12.7%	> 12.7%	31.7%	125.0%	43.8%
					100.0%	70.0%				
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5	3.7	108.3%	13.0%
		Governance	30.0%	9.0%	1	3	5	3.5	106.3%	9.6%
		Transformation	30.0%	9.0%	1	3	5	4.5	118.8%	10.7%
					100.0%	30.0%				
<b>Overall score</b>	<b>100.0%</b>									<b>120.8%</b>

<sup>^</sup> August 2025 number, FY2026 number finalised/submitted in June 2026 only.

The CEO achieved a rating of 120.8% – above target levels for the 2026 financial year.

#### 3.3.2.2 Chief financial officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)	Actual	Performance score	Weighted score
Quantitative	70.0%	SCR ratio	10.0%	7.0%	1.80 – 1.90	1.90 – 2.10	> 2.10	2.60 <sup>^</sup>	125.0%	8.8%
		Debt to equity	5.0%	3.5%	> 20%	5% – 20%	< 5%	0.0%	125.0%	4.4%
		Credit rating	10.0%	7.0%	No decrease in ratings	A+	Upgrade in ratings	AA-	125.0%	8.8%
		Recurring HEPS growth (cents)	25.0%	17.5%	4.4% – 6.4%	6.4% – 9.4%	>9.4%	33.5%	125.0%	21.9%
		ROE	50.0%	35.0%	10.1% – 11.4%	11.4% – 12.7%	> 12.7%	31.7%	125.0%	43.8%
					100.0%	70.0%				
Qualitative	30.0%	Management and oversight	40.0%	12.0%	1	3	5	4.0	112.5%	13.5%
		Governance	30.0%	9.0%	1	3	5	3.5	106.3%	9.6%
		Transformation	30.0%	9.0%	1	3	5	3.0	100.0%	9.0%
					100.0%	30.0%				
<b>Overall score</b>	<b>100.0%</b>									<b>119.6%</b>

<sup>^</sup> August 2025 number, FY2026 number finalised/submitted in June 2026 only.

The CFO achieved a rating of 119.6% – above target levels for the 2026 financial year.

#### 3.3.2.3 Chief transformation officer

Area	Weighting	Performance measure	Sub-weighting	Overall weighting	Threshold (75%)	Target (100%)	Stretch (125%)	Actual	Performance score	Weighted score	
Quantitative	50.0%	SCR ratio	10.0%	5.0%	1.80 – 1.90	1.90 – 2.10	> 2.10	2.60 <sup>^</sup>	125.0%	6.3%	
		Debt to equity	5.0%	2.5%	> 20%	5% – 20%	< 5%	0.0%	125.0%	3.1%	
		Credit rating	10.0%	5.0%	No decrease in ratings	A+	Upgrade in ratings	AA-	125.0%	6.3%	
		Recurring HEPS growth (cents)	25.0%	12.5%	4.4% – 6.4%	6.4% – 9.4%	> 9.4%	33.5%	125.0%	15.6%	
		ROE	50.0%	25.0%	10.1% – 11.4%	11.4% – 12.7%	> 12.7%	31.7%	125.0%	31.3%	
			100.0%	50.0%						62.5%	
Qualitative	50.0%	Employment equity progression	25.0%	12.5%	1	3	5	4.0	112.5%	14.1%	
		New talent and graduate recruitment	25.0%	12.5%	1	3	5	3.5	106.3%	13.3%	
		Training and skills development	50.0%	25.0%	1	3	5	3.0	100.0%	25.0%	
					100.0%	50.0%					52.3%
		<b>Overall score</b>	<b>100.0%</b>								

<sup>^</sup> August 2025 number, FY2026 number finalised/submitted in June 2026 only.

The CTO achieved a rating of 114.8% – above target levels for the 2026 financial year.

### 3.3.3 Executive directors' remuneration outcome and the golden thread

The short-term compensation for executive directors is driven primarily by the growth in recurring headline earnings per share, and is a function of the following:

- the compensation ratio (as explained in section 3.1);
- the overall performance of the firm (as disclosed in section 3.3.1);
- the individual performance of the executive directors (as per the scorecards included in section 3.3.2); and
- the golden thread.

As a result, the short-term compensation for the executive directors is as follows:

FY	Francois Gouws (CEO) (R000)									
	2022	% change	2023	% change	2024	% change	2025	% change	2026	CAGR
Guaranteed pay	5 628	5%	5 887	5%	6 178	5%	6 463	4%	6 730	5%
Short-term variable compensation <sup>1</sup>	32 000	7%	34 200	10%	37 600	23%	46 300	29%	59 500	17%
Total short-term compensation	37 628	7%	40 087	9%	43 778	21%	52 763	26%	66 230	15%

FY	Mike Smith (CFO) (R000)									
	2022	% change	2023	% change	2024	% change	2025	% change	2026	CAGR
Guaranteed pay	2 795	5%	2 935	5%	3 080	5%	3 235	4%	3 365	5%
Short-term variable compensation	12 000	7%	12 800	10%	14 100	24%	17 500	31%	23 000	18%
Total short-term compensation	14 795	6%	15 735	9%	17 180	21%	20 735	27%	26 365	16%

FY	Janine Johannes (CTO) (R000) <sup>2</sup>									
	2022	% change	2023	% change	2024	% change	2025	% change	2026	CAGR
Guaranteed pay	N/A	N/A	N/A	N/A	N/A	N/A	1 315	5%	1 375	N/A
Short-term variable compensation <sup>3</sup>	N/A	N/A	N/A	N/A	N/A	N/A	3 050	30%	3 950	N/A
Total short-term compensation	N/A	N/A	N/A	N/A	N/A	N/A	4 365	22%	5 325	N/A

<sup>1</sup> This represents the approved amount and excludes the impact of the IFRS deferral prior to completion of 10-year service.

<sup>2</sup> J.L. Johannes was appointed as an executive director effective 1 January 2024; however, the necessary Prudential Authority approval was only received on 14 March 2024.

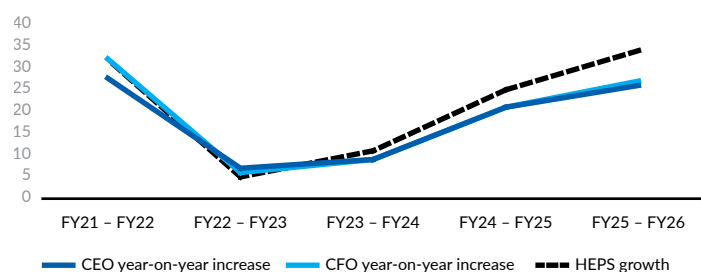
<sup>3</sup> The performance incentive bonus awarded for the 2026 financial year includes an additional cash payment award of R0.8 million (2025: R0.8 million), approved by the Remco, in line with the group's transformation objectives.

As well as considering the qualitative and quantitative factors above, the Remco considers performance holistically and can adjust any formulaic outcomes to ensure that the final remuneration for executives is linked to performance. As a reasonability check, the growth in short-term compensation is compared to the growth in recurring HEPS, with Remco discretion/judgement allowed for any differential.

FY	Recurring HEPS (cents)									
	2022	% change	2023	% change	2024	% change	2025	% change	2026	CAGR
Recurring HEPS	69.7	5%	72.9	11%	81.1	25%	101.1	34%	135.0	18%
CEO short-term compensation	37 628	7%	40 087	9%	43 778	21%	52 763	26%	66 230	15%
CFO short-term compensation	14 795	6%	15 735	9%	17 180	21%	20 735	27%	26 365	16%
CTO short-term compensation <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A	4 365	22%	5 325	N/A

<sup>1</sup> CTO was appointed effective 1 January 2024; however, the necessary Prudential Authority approval was only received on 14 March 2024.

Short-term remuneration for executive directors (%)



The total short-term compensation for the executive directors is linked to the growth in recurring HEPS. The success of our remuneration policy is the golden thread linking remuneration to performance and, ultimately, the enhancement of shareholder value over the long term.

### 3.4 Long-term incentive scheme

A key feature of the group's share incentive scheme is the alignment of senior management incentives, including those of the executive directors, with shareholder returns and the long-term interests of clients and policyholders.

This incentive also seeks to attract and retain key senior employees who play a critical role in business success.

The share options achieve this by including the following embedded performance hurdles:

- The strike price (participants will only benefit if the share price appreciates above this)
- Employees are required to be in the group's employment on each vesting date over a five-year period

#### 3.4.1 Performance overview

When evaluating the group's performance over the long term, the TRI is the most meaningful measurement tool. The TRI is the CAGR of an investment and is calculated by considering share price appreciation, dividends and other distributions. This is a sound measure of wealth creation and a reliable means of benchmarking different companies.

The group's TRI as at 28 February 2026 was 27.2% per annum (21.5% in US dollar terms) since 2005. Therefore, R100 000 worth of PSG shares purchased on 11 April 2005, with dividends reinvested, would be worth R15.3 million as at 28 February 2026. The same investment in the JSE ALSI over the same period would be worth R1.9 million.

For participants to benefit from the fully priced share options, the management team needs to successfully achieve growth in recurring headline earnings per share after the share option acceptance award date. Over short periods, a change in the price-earnings ratio could influence the outcome either positively or negatively. However, in the long term, value is only created for option holders if there is substantial growth in long-term earnings per share. Management has consistently delivered this, as illustrated in the table below.

Date	Share price	% growth	Recurring HEPS	% growth	P/E ratio (Recurring HEPS)	ROE	JSE ALSI P/E Ratio
2005/02/28	40	-	2.9	-	13.8	20.6%	18.2
2006/02/28	110	175.0%	4.4	51.7%	25.0	22.4%	16.8
2007/02/28	165	50.0%	8.7	97.7%	18.9	25.9%	15.6
2008/02/29	170	3.0%	12.0	37.2%	14.2	23.2%	13.6
2009/02/27	130	(23.5%)	13.2	10.3%	9.8	22.8%	8.3
2010/02/26	145	11.5%	12.3	(6.9%)	11.8	19.6%	17.1
2011/02/28	160	10.3%	12.5	1.6%	12.8	19.3%	18.4
2012/02/29	200	25.0%	14.1	12.8%	14.2	26.7%	15.2
2013/02/28	285	42.5%	15.4	9.2%	18.5	21.1%	14.9
2014/02/28	500	75.4%	20.6	33.8%	24.3	24.8%	17.3
2015/02/27	722	44.4%	27.0	31.1%	26.7	26.4%	17.2
2016/02/29	688	(4.7%)	32.1	18.9%	21.4	24.8%	16.8
2017/02/28	751	9.2%	37.2	15.9%	20.2	25.3%	19.1
2018/02/28	870	15.8%	43.0	15.6%	20.2	24.3%	20.6
2019/02/28	1 074	23.4%	44.6	3.7%	24.1	21.5%	17.1
2020/02/29	790	(26.4%)	48.1	7.8%	16.4	20.5%	15.3
2021/02/28	899	13.8%	52.7	9.6%	17.0	20.4%	30.3
2022/02/28	1 374	52.8%	69.7	32.3%	19.7	23.8%	13.1
2023/02/28	1 299	(5.5%)	72.9	4.6%	17.8	22.7%	10.2
2024/02/29	1 519	16.9%	81.1	11.2%	18.7	23.4%	15.7
2025/02/28	1 811	19.2%	101.1	24.7%	17.9	26.6%	13.5
2026/02/28	2 827	56.1%	135.0	33.5%	20.9	31.7%	16.5
CAGR		22.5%		20.1%			

PSG has delivered consistent value since 2005. The group has achieved a CAGR of 20.1% in recurring headline earnings per share, which is a best-in-class performance relative to other financial services companies in South Africa. The price-earnings ratio has improved from 13.8 to 20.9 over the same period, resulting in a 22.5% CAGR in the share price.

The executive directors' success in delivering this long-term value to shareholders is reflected in their LTIs.

#### 3.4.2 Long-term value creation by executive directors

Our remuneration policy ensures the alignment of the executive directors' LTIs with shareholder returns and requires the creation of long-term value. We have achieved this by not allowing for the issue of zero-strike options, which means participants receive no benefit from the options unless the share price during the vesting period exceeds the strike price on issuance of the options.

The value of the share options issued to the executive directors is therefore directly linked to the firm's share price appreciation. To illustrate this, the table below shows the long-term value the directors have been able to create over the past few years, and how they have benefited accordingly from the options that vested during the current financial year.

Issue date	Strike at issuance*	Δ%	Share price at vesting	Latest reported recurring HEPS at issuance	Δ%	Latest reported recurring HEPS at vesting	P/E Ratio (Recurring HEPS) at issuance	Δ%	P/E Ratio (Recurring HEPS) at vesting
2020/04/01	713	189.3%	2 063	48.1	110.2%	101.1	14.8	37.7%	20.4
2021/04/01	908	127.2%	2 063	52.7	91.8%	101.1	17.2	18.4%	20.4
2022/04/01	1 271	62.3%	2 063	69.7	45.1%	101.1	18.2	11.9%	20.4
2023/04/01	1 217	69.5%	2 063	72.9	38.7%	101.1	16.7	22.2%	20.4

\* The strike at issuance is the 30-day VWAP ruling market price.

For each tranche that vested during the 2026 financial year, the directors were able to continue delivering high shareholder returns and maintain a high market rating from when the options were initially issued. This resulted in the above share price appreciation and unlocked the long-term incentive benefits for the executive directors. The options ultimately have no value for participants until the strike price is reached.

### 3.4.3 Executive directors' long-term remuneration outcome

It is evident from the group's performance that it has provided its shareholders with superior returns over a number of years, with the group's executive directors having benefited accordingly from the share incentive scheme.

This is in part owing to the group attracting and retaining the services of talented executives and employees, which is only achievable if the group's remuneration practices are appropriate and competitive.

The group has never reissued options or altered the strike price of options, even in 2020 when some competitors elected to change to zero-strike options. In instances where the share price has been lower than the strike price, the options have lapsed.

The table below discloses the value of each executive director's LTIs, whether allocated, settled or forfeited, as well as the current value of share options not yet settled. The share options granted during the 2026 financial year were approved by the Remco in March 2025.

	Number of share options as at 28 Feb 2025	Number of share options during year		Market price per share on vesting date R	Vesting strike price per share R	Date granted	Number of share options as at 28 Feb 2026	Value of options redeemed/exercised during year <sup>1</sup> R000	Closing indicative expected value as at 28 Feb 2026 <sup>2</sup> R000
		Granted	Vested						
<b>Audited</b>									
FJ Gouws	1 200 000	-	(1 200 000)	20.63	7.13	1/04/2020	-	16 200	-
	4 250 000	-	(2 125 000)	20.63	9.08	1/04/2021	2 125 000	24 544	40 779
	3 937 500	-	(1 312 500)	20.63	12.71	1/04/2022	2 625 000	10 395	40 845
	5 000 000	-	(1 250 000)	20.63	12.17	1/04/2023	3 750 000	10 575	60 375
	4 650 000	-	-	-	14.70	1/04/2024	4 650 000	-	63 101
	-	2 200 000	-	-	18.03	1/04/2025	2 200 000	-	22 528
	<b>19 037 500</b>	<b>2 200 000</b>	<b>(5 887 500)</b>				<b>15 350 000</b>	<b>61 714</b>	
MIF Smith	300 000	-	(300 000)	20.63	7.13	1/04/2020	-	4 050	-
	1 050 000	-	(525 000)	20.63	9.08	1/04/2021	525 000	6 064	10 075
	1 125 000	-	(375 000)	20.63	12.71	1/04/2022	750 000	2 970	11 670
	1 250 000	-	(312 500)	20.63	12.17	1/04/2023	937 500	2 644	15 094
	1 250 000	-	-	-	14.70	1/04/2024	1 250 000	-	16 963
	-	600 000	-	-	18.03	1/04/2025	600 000	-	6 144
	<b>4 975 000</b>	<b>600 000</b>	<b>(1 512 500)</b>				<b>4 062 500</b>	<b>15 728</b>	
JL Johannes <sup>3</sup>	12 500	-	(12 500)	20.63	7.13	1/04/2020	-	169	-
	25 000	-	(12 500)	20.63	9.08	1/04/2021	12 500	144	240
	37 500	-	(12 500)	20.63	12.71	1/04/2022	25 000	99	389
	50 000	-	(12 500)	20.63	12.17	1/04/2023	37 500	106	604
	125 000	-	-	-	14.70	1/04/2024	125 000	-	1 696
	-	50 000	-	-	18.03	1/04/2025	50 000	-	512
	<b>250 000</b>	<b>50 000</b>	<b>(50 000)</b>				<b>250 000</b>	<b>518</b>	

<sup>1</sup> The value of options redeemed/exercised is the number of share options exercised in the 2026 financial year multiplied by growth in share price (market value share price at exercise less option grant price).

<sup>2</sup> This column shows the number of outstanding options at year-end multiplied by the PSG year-end share price, less the strike price of the instruments.

<sup>3</sup> JL Johannes was appointed as an executive director effective 1 January 2024; however, the necessary Prudential Authority approval was only received on 14 March 2024.

### Share option awards in 2026

The following share option awards were accepted in terms of the PSG Konsult Group Share Incentive Trust between the end of the financial year and the date of this report:

- On 1 April 2026, FJ Gouws, MIF Smith and JL Johannes accepted 3 100 000, 900 000 and 150 000 share option awards, respectively, at a strike price of R26.50 per share. These are exercisable in tranches of 33.33% each on the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> anniversary of the award date.

### 3.4.4 Share option issuance target

When issuing share options, we target a dilution impact of less than 5% on a five-year rolling basis.

The dilution impact of share options outstanding is closely monitored using the calculation below to ensure that the 5% threshold is not exceeded.

	FY2022	FY2023	FY2024	FY2025	FY2026
<b>Potential dilution impact of outstanding share options</b>					
Share options outstanding (000) [A]	75 887	74 883	73 766	74 759	59 836
Weighted average strike price of outstanding options [C]	R8.64	R9.81	R10.75	R12.18	R13.84
Year-end share price [B]	R13.74	R12.99	R15.19	R18.11	R28.27
Potential shares issued to settle options (000) [(A*(B-C)*(100% - 45%))/B] <sup>1</sup>	15 499	10 070	11 863	13 474	16 799
<b>Dilution impact of options on gross shares in issue<sup>2</sup></b>	<b>1.16%</b>	<b>0.78%</b>	<b>0.93%</b>	<b>1.07%</b>	<b>1.35%</b>

<sup>1</sup> Calculated net of PAYE at 45%.

<sup>2</sup> Calculated based on the closing balance of the gross shares in issue.

The above calculation illustrates the impact of our fully priced share option model; however, it assumes all options are net equity-settled. The dilution impact will be further reduced by the cash-settlement of options, forfeits and share repurchases, which have not been taken into account above.

### 3.4.5 Dilution impact of share options

We carefully manage the impact of share options to safeguard existing shareholder value while maintaining alignment with our compensation strategy. Our objective is zero dilution; therefore, we use methods such as cash-settlement options and share repurchases to address any dilution. For equity-settled options, we aim to, at a minimum, repurchase the equivalent number of shares in the market to avoid any dilution impact.

The table below shows the dilution impact of the share options on gross shares in issue, including the use of share repurchases as a method to reduce share issuance dilution:

	FY2022	FY2023	FY2024	FY2025	FY2026	Average
<b>Shares in issue (000)</b>						
<b>Opening balance</b>						
Net shares in issue	1 323 994	1 316 430	1 282 575	1 267 940	1 250 000	
<b>Movement for the year</b>						
New/treasury shares issued						
Equity-settled options and deferred bonus awards	1 994	1 826	1 163	1 166	1 426	
Shares repurchased	(9 558)	(35 683)	(15 798)	(19 106)	(12 275)	
	(7 564)	(33 857)	(14 635)	(17 940)	(10 849)	
<b>Closing balance</b>						
Net shares in issue	1 316 430	1 282 575	1 267 940	1 250 000	1 239 151	
New/treasury shares issued as a % of shares in issue <sup>1</sup>	0.15%	0.14%	0.09%	0.09%	0.11%	0.12%
Shares repurchased as a % of shares in issue <sup>1</sup>	(0.72%)	(2.75%)	(1.23%)	(1.52%)	(0.98%)	(1.44%)
<b>Net impact as a % of shares in issue<sup>1</sup></b>	<b>(0.57%)</b>	<b>(2.61%)</b>	<b>(1.14%)</b>	<b>(1.42%)</b>	<b>(0.87%)</b>	<b>(1.32%)</b>

<sup>1</sup> Calculated based on the closing balance of the gross shares in issue.

# 4. Conclusion

## 4.1 Executive directors

### 4.1.1 Short-term compensation

The short-term compensation for executive directors is driven primarily by the growth in recurring headline earnings per share, and is a function of the following:

- the compensation ratio (as explained in section 3.1);
- the overall performance of the firm (as disclosed in section 3.3.1);
- the individual performance of the executive directors (as per the scorecards included in section 3.3.2); and
- the golden thread.

### 4.1.2 Long-term compensation

The long-term compensation is a function of the appreciation of the firm's share price from the strike price, which is calculated at the 30-day VWAP market price on the award date, versus the ruling share price on the date on which the share options vest and are exercised. The long-term share price growth achieved by the firm is independently determined by investors based on numerous indicators – in particular, the consistent, sustainable long-term earnings growth that the management team has delivered. This ensures consistent performance by the executives and the alignment of their remuneration with the long-term interests of the group and other stakeholders. It also discourages excessive or inappropriate risk-taking.

### 4.1.3 Single-figure remuneration

The executive directors' single-figure remuneration for the 2026 and 2025 financial years is set out in the table below:

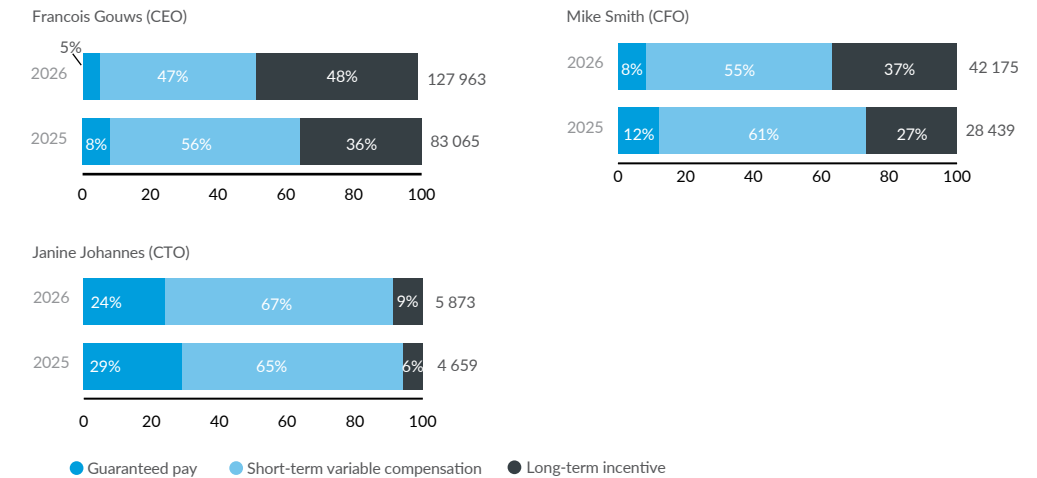
Audited	Basic salary R000	Bonuses and performance-related payments R000	Company contribution R000	Total short-term compensation R000	LTI R000	Total compensation R000
<b>For the year ended 28 February 2026</b>						
FJ Gouws	6 730	59 500	19	66 249	61 714	127 963
MIF Smith	3 365	23 000	82	26 447	15 728	42 175
JL Johannes <sup>1</sup>	1 375	3 950	30	5 355	518	5 873
	<b>11 470</b>	<b>86 450</b>	<b>131</b>	<b>98 051</b>	<b>77 960</b>	<b>176 011</b>
<b>For the year ended 28 February 2025</b>						
FJ Gouws	6 463	46 300	84	52 847	30 218	83 065
MIF Smith	3 235	17 500	76	20 811	7 628	28 439
JL Johannes <sup>1</sup>	1 315	3 050	30	4 395	264	4 659
	<b>11 013</b>	<b>66 850</b>	<b>190</b>	<b>78 053</b>	<b>38 110</b>	<b>116 163</b>

<sup>1</sup> The performance incentive bonus awarded for the 2026 financial year includes an additional cash payment award of R0.8 million (2025: R0.8 million), approved by the Remco, in line with the group's transformation objectives.

### 4.1.4 Remuneration mix

The overall remuneration mix for executive directors is weighted towards performance-based variable compensation, in order to achieve alignment with the execution of the long-term strategy and value creation for shareholders.

The remuneration mix for the executives is shown below:



The variable compensation outcomes for the executive directors are highly exposed to share price and business performance outcomes.

## 4.2 Non-executive directors

### 4.2.1 Guaranteed pay

Non-executive directors receive market-related guaranteed pay based on the type and number of board committees they are involved in. These guaranteed payments have been approved by shareholders at the AGM.

The remuneration received by the non-executive directors from entities within the PSG group of companies for the 2026 and 2025 financial years is set out in the table below:

Audited	2026			2025		
	PSG Financial Services director fees R000	Subsidiary director fees R000	Total R000	PSG Financial Services director fees R000	Subsidiary director fees R000	Total R000
W Theron	1 690	-	1 690	1 617	-	1 617
AH Sangqu	602	350	952	575	482	1 057
AM Hlobo <sup>1</sup>	329	94	423	628	181	809
B Mathews	657	318	975	628	304	932
L Lambrechts	630	334	964	602	389	991
PE Burton	832	189	1 021	796	187	983
PJ Mouton	503	-	503	481	-	481
S Totaram <sup>2</sup>	329	-	329	-	-	-
ZRP Matsau	862	211	1 073	824	202	1 026
	<b>6 434</b>	<b>1 496</b>	<b>7 930</b>	<b>6 151</b>	<b>1 745</b>	<b>7 896</b>

<sup>1</sup> Retired as a director of PSG Financial Services Limited in July 2025.

<sup>2</sup> Appointed as a director of PSG Financial Services Limited with effect from 1 August 2025.

## 4.2.2 Proposed fees for the 2027 financial year

The proposed non-executive director fees for the period 1 March 2026 to 28 February 2027, which will be approved by shareholders at the July 2026 AGM, are as follows (exclusive of VAT):

Role	FY2027 <sup>1</sup>
Board chairperson	R1 720 000
Lead independent director	R550 000
Board member	R422 000
Audit committee chairperson	R183 500
Audit committee member	R103 500
Risk committee chairperson	R183 500
Risk committee member	R103 500
Remuneration committee chairperson	R75 000
Remuneration committee member	R52 000
Social and ethics committee chairperson	R92 000
Social and ethics committee member	R57 500
Nominations committee chairperson	R46 000
Nominations committee member	R29 000

<sup>1</sup> It is proposed to increase non-executive fees by 4.5% compared to the current year.

## 5. Approval

This remuneration report was approved by the Remco on 10 March 2026. The Remco is satisfied that there are no deviations from the remuneration policy in its implementation during the 2026 financial year.

# Annual financial statements

Report of the audit committee	130
Statement of responsibility by the board of directors	133
Preparation and presentation of the annual financial statements	134
Statement on internal financial controls	134
Certificate by the company secretary	134
Report of the board of directors	135
Independent auditor's report	140
Consolidated statement of financial position	147
Consolidated income statement	148
Consolidated statement of comprehensive income	149
Consolidated statement of changes in equity	150
Consolidated statement of cash flows	151
Summary of material accounting policies	152
Segment reporting	154
Notes to the group financial statements	165
Company financial statements	235
Annexures	257

# Report of the audit committee

for the year ended 28 February 2026

The committee is pleased to present its report for the financial year ended 28 February 2026.

The audit committee is an independent statutory committee appointed by the shareholders. Further duties are delegated to the audit committee by the board of directors of the company. This report includes both sets of duties and responsibilities.

The committee is responsible for ensuring the integrity of integrated reporting and reviewing the effectiveness of the financial reporting process, the system of internal control and management of financial risks, the assurance process, and the company's process for monitoring compliance with laws and regulations and its own code of business conduct. The committee recommends the annual financial statements for approval to the board and is responsible for monitoring, engaging with, and determining the remuneration of the external auditor.

## Terms of reference

The audit committee has adopted a formal audit committee charter that has been approved by the board of directors, and the committee has executed its duties during the past financial year in compliance with the terms of reference. The terms of reference, including roles and responsibilities, were aligned with the recommendations of King IV, the requirements of the Companies Act and other regulatory requirements.

## Composition and meeting proceedings

At 28 February 2026, the audit committee consisted of six non-executive directors who act independently as described in section 94 of the Companies Act.

For the financial year ended 28 February 2026, the members of the audit committee were:

Membership and attendance	15 April 2025	15 October 2025
PE Burton – chairperson	✓	✓
AH Sangqu	✓	✓
AM Hlobo <sup>1</sup>	✓	N/A
B Mathews	✓	✓
L Lambrechts	✓	✓
S Totaram <sup>2</sup>	N/A	✓
ZRP Matsau	✓	✓

✓ Present

<sup>1</sup> AM Hlobo retired as a director and as a member of the audit committee with effect from 24 July 2025.

<sup>2</sup> Appointed as a director and as a member of the audit committee with effect from 1 August 2025.

The committee met twice, formally, in the financial year under review and had full attendance. At the meetings, the members fulfilled all their functions as prescribed by the Companies Act, as well as those additional functions as determined by the board.

In addition, the CEO and the CFO attended all audit committee meetings by invitation. The group risk management function and internal audit function were also represented.

The external auditors, in their capacity as auditor to the company, attended and reported to all meetings of the audit committee.

## Duties

In execution of its statutory duties during the past financial year, the audit committee has reviewed the interim and year-end financial statements, culminating in a recommendation to the board.

In the course of its review the committee:

- takes appropriate steps to ensure that the financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board;
- considers and, when appropriate, makes recommendations on internal financial controls;
- deals with concerns or complaints relating to:
  - » accounting policies,
  - » the auditing or content of annual financial statements; and
  - » internal financial controls;
- reviews the external audit report on the annual financial statements;
- reviews the risk management reports and, where relevant, makes recommendations to the board;
- evaluates the effectiveness of risk management, controls and the governance processes;
- verifies the independence of the external auditor and of any nominee for appointment as the designated individual auditor;
- approves the audit fees and engagement terms of the external auditor; and
- determines the nature and extent of allowable non-audit services and approves the contract terms for the provision of non-audit services by the external auditor.

## Legal requirements

The audit committee has complied with all applicable legal, regulatory and other responsibilities for the financial year.

## External auditor

The board sets a policy that governs the level and nature of non-audit services, which requires pre-approval by the audit committee for all non-audit services. In determining the independence of the external auditors, the committee considers the level and types of non-audit services provided as well as other enquiries and representations. As required by the Companies Act, the committee has satisfied itself that PSG's external auditor, Deloitte & Touche, was independent of the company, as set out in sections 90(2)(c) and 94(8) of the Companies Act and is thereby able to conduct its audit functions without any undue influence from the company.

The committee has considered the relevant audit quality indicators, including the audit firm's system of quality control. As required by section 5.7(h)(iii) of the JSE Listings Requirements, the committee was satisfied with the quality of the audit concluded by considering, inter alia, the information stated in paragraph 5.7(h)(ii) of the JSE Listings Requirements. Deloitte & Touche, being the audit firm, as well as Mr L Marshall, being PSG's designated individual auditor for the 2026 financial year, have been accredited on the JSE list of auditors in terms of the criteria in the JSE Listings Requirements.

## Financial function

In terms of the JSE Listings Requirements, the audit committee performs an annual evaluation of the financial reporting function in PSG. The committee was satisfied that the financial reporting function had appropriate resources, skills, expertise and experience. The committee ensured that the appropriate financial reporting procedures exist and are operating as contemplated in paragraph 5.7(h)(ii) of the JSE Listings Requirements. The committee also satisfied itself in terms of paragraph 5.7(h)(i) of the JSE Listings Requirements that Mr MIF Smith, the PSG group CFO, possesses the appropriate skills, expertise and experience to meet the responsibilities required for that position during his service as such.

## Report of the audit committee

for the year ended 28 February 2026

### Internal financial controls

The audit committee evaluated the company's internal financial controls including the combined assurance model and, based on the information and explanations given by management and the group internal audit function, as well as discussions with the independent external auditor regarding the results of their audit, the committee is satisfied that there was no material breakdown in the internal financial controls during the financial year under review.

The committee reviews and approves the internal audit charter, reviews the effectiveness of the internal audit structures and considers the findings of internal audit. The committee is also responsible for the assessment of the performance of the group head of internal audit.

### Governance of risk

The board has assigned oversight of the company's risk management function to the risk committee. The chairperson of the risk committee is also the chairperson of the audit committee to ensure that information relevant to these committees is transferred effectively. The audit committee oversees financial reporting risks, internal financial controls, fraud and IT risks as these relate to financial reporting.

### Going concern

The audit committee reviewed a documented assessment prepared by management, including key assumptions, of the going concern status of the company and made a recommendation to the board in accordance with this assessment. The board's statement on the going concern status appears on page 133 of the integrated report.

### Annual report

The committee has evaluated the annual financial statements of the group and company for the year ended 28 February 2026, with specific consideration of the following significant financial reporting matters during the year:

- the key judgements used in the valuation of intangible assets.

In assessing the appropriateness of the key judgements used in the valuation of intangible assets, the committee determines whether they are reasonable in terms of the current macroeconomic climate and in line with assumptions utilised by comparable third parties. Refer to note 1 to the group financial statements for further information.

Based on the information provided to the committee, the committee considers that the group complies, in all material respects, with the requirements of the Companies Act and IFRS Accounting Standards.

### PE Burton

*Chairperson of the audit committee*

25 May 2026

## Statement of responsibility by the board of directors

for the year ended 28 February 2026

The directors of PSG are responsible for the preparation, integrity and fair presentation of the group and company financial statements of PSG. The group and company financial statements, comprising the statements of financial position at 28 February 2026, and the income statement, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies and other explanatory notes, have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act, and include amounts based on judgements and estimates made by management. In addition, the directors are responsible for preparing the report of the board of directors.

The directors consider that in preparing the annual financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements. Estimates have been used in the preparation of the annual financial statements and all statements of IFRS Accounting Standards that are considered applicable have been followed. The directors are satisfied that the information contained in the annual financial statements fairly presents the results of operations for the year and the financial position of the group and company at year-end. The directors also prepared the report of the board of directors and other information included in the annual report and are responsible for its accuracy and consistency with the annual financial statements.

The directors have the responsibility of ensuring that adequate accounting records are kept. The accounting records should disclose, with reasonable accuracy, the financial position of the companies to enable the directors to ensure that the annual financial statements comply with relevant legislation.

PSG operated in a well-established control environment, which is documented and regularly reviewed. The control environment incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that the risks facing the business are being controlled and managed. To the best of their knowledge and belief, the directors are satisfied that no material breakdown in the operation of the systems of internal financial controls and procedures occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. Based on their assessment, the directors have no reason to believe that the group or any company in the group will not be a going concern for the twelve months from the date of approval of the annual financial statements, based on forecasts and available cash resources. These annual financial statements support the viability of the group.

It is the responsibility of the independent auditor to report on the annual financial statements. In order to do so, they were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The group's external auditor, Deloitte & Touche, audited the financial statements and their report is presented on pages 140 to 145.

The annual financial statements, presented on pages 147 to 296, were approved by the board of directors on 25 May 2026 and are signed on its behalf by:

**W Theron**  
*Chairman*

**FJ Gouws**  
*Chief executive officer*

**MIF Smith**  
*Chief financial officer*

## Preparation and presentation of the annual financial statements

for the year ended 28 February 2026

The annual financial statements for the year ended 28 February 2026 have been prepared under the supervision of the CFO, Mr MIF Smith, CA(SA).

These annual financial statements have been audited by Deloitte & Touche in accordance with the requirements of the Companies Act.

## Statement on internal financial controls

for the year ended 28 February 2026

The directors, whose names are stated below, hereby confirm that:

- the annual financial statements, set out on pages 147 to 296, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

**FJ Gouws**

*Chief executive officer*

25 May 2026

**MIF Smith**

*Chief financial officer*

25 May 2026

## Certificate by the company secretary

for the year ended 28 February 2026

I hereby certify, in terms of section 88(2)(e) of the Companies Act, that to the best of my knowledge, for the year ended 28 February 2026, the company has lodged with the Companies and Intellectual Property Commission all such returns and notices as required of a public company in terms of the Companies Act and that all such returns and notices are true, correct and up to date.

**S Hamit (on behalf of PSG Management Services Proprietary Limited)**

*Company secretary*

25 May 2026

## Report of the board of directors

for the year ended 28 February 2026

The directors take pleasure in presenting their integrated report, which includes the audited financial statements of PSG Financial Services Limited (PSG or the company) and its subsidiaries (the group) for the year ended 28 February 2026 (the financial year or the year).

### Nature of business

PSG is a South African-based financial services group engaged in the offering of a comprehensive range of products and administration services, including investment management, stockbroking, insurance and investment broking, financial planning and advice, healthcare brokerage and administration, employee benefits, management of local and foreign unit trusts, managed multi-manager solutions, retirement and structured products and the issue of non-life and long-term insurance contracts.

PSG Financial Services Limited is incorporated in the Republic of South Africa and is a public company listed on the JSE, NSX and SEM.

### Corporate governance

The board has satisfied itself that appropriate principles of corporate governance were applied throughout the year under review.

### Financial results

The operating results and the state of affairs of the group and company are fully set out in the statements of financial position, income statement, statements of comprehensive income, statements of changes in equity, statements of cash flows and notes thereto. The operating results and the state of affairs of the group and company are fully set out in the statements of financial position, income statement, statements of comprehensive income, statements of changes in equity, statements of cash flows and notes thereto.

The earnings attributable to equity holders of the group for the year under review were R1 736.8 million (2025: R1 273.8 million). The group's headline earnings attributable to shareholders amounted to R1 682.2 million (2025: R1 272.2 million).

### Dividends

In line with the group's policy of paying a dividend of between 40% and 60% of recurring headline earnings excluding intangible asset amortisation, the board approved and declared a final gross dividend of 45.0 cents per share (2025: 35.0 cents per share) from income reserves on 16 April 2026. No provision has been included in the financial statements. This follows the interim dividend of 20.0 cents per share (2025: 17.0 cents per share) declared in October 2025, which brings the total gross dividend declared for the 2026 financial year to 65.0 cents per share (2025: 52.0 cents per share). The directors have performed the required solvency and liquidity tests required by the Companies Act.

### Stated capital

Details of the authorised and issued stated capital appear in note 14 to the group financial statements. No shares were issued during the year (2025: none).

Subsidiaries in the group held 9.4 million PSG shares at 28 February 2026 (2025: 10.8 million). The shares are held as treasury shares. The company has the right to reissue these shares at a later date to meet the obligations under the share incentive schemes or deferred bonus schemes.

### Subsidiaries

Details of the company's interests in subsidiaries are set out in Annexure B.

### Segment information

Refer to the segment report on pages 154 to 164.

# Report of the board of directors

for the year ended 28 February 2026

## Related parties

Related-party relationships exist between the company, subsidiaries, joint venture, company directors and key management. Intergroup transactions have been eliminated from the group's financial statements.

For related-party transactions and key management personnel, refer to note 32 to the group financial statements.

Details of directors' remuneration and their interest in the company's shares appear on pages 136 to 138.

## Companies Act

The company has approved an MOI in light of the promulgation of the Companies Act and the Companies Regulations.

## Shareholders

Details of the group's shareholders are provided in the shareholder profile section of this report in Annexure C.

## Directors

The directors of the company at the date of this report appear on pages 76 and 77.

## Directors and prescribed officers' remuneration

The Remco considers the remuneration of all executive directors and prescribed officers, as well as the fees paid to all non-executive directors. Fees payable to non-executive directors are recommended for approval by the board at the AGM.

### Cash-based remuneration

#### Executive directors

Audited	Basic salary R000	Bonuses and performance-related payments R000	Company contributions R000	Total R000
<b>For the year ended 28 February 2026</b>				
<b>Executive</b>				
FJ Gouws	6 730	59 500	19	66 249
MIF Smith	3 365	23 000	82	26 447
JL Johannes <sup>1</sup>	1 375	3 950	30	5 355
	<b>11 470</b>	<b>86 450</b>	<b>131</b>	<b>98 051</b>
<b>For the year ended 28 February 2025</b>				
<b>Executive</b>				
FJ Gouws	6 463	46 300	84	52 847
MIF Smith	3 235	17 500	76	20 811
JL Johannes <sup>1</sup>	1 315	3 050	30	4 395
	<b>11 013</b>	<b>66 850</b>	<b>190</b>	<b>78 053</b>

<sup>1</sup> The performance incentive bonus awarded for the 2026 financial year includes an additional cash payment award of R0.8 million (2025: R0.8 million), approved by the Remco, in line with the group's transformation objectives.

The prescribed officers of the group are Messrs FJ Gouws and MIF Smith, both executive directors of the company. Their remuneration is detailed above.

### Non-executive directors

Audited	2026			2025		
	PSG director fees R000	Subsidiary director fees R000	Total R000	PSG director fees R000	Subsidiary director fees R000	Total R000
W Theron	1 690	-	1 690	1 617	-	1 617
AH Sangqu	602	350	952	575	482	1 057
AM Hlobo <sup>1</sup>	329	94	423	628	181	809
B Mathews	657	318	975	628	304	932
L Lambrechts	630	334	964	602	389	991
PE Burton	832	189	1 021	796	187	983
PJ Mouton	503	-	503	481	-	481
S Totaram <sup>2</sup>	329	-	329	-	-	-
ZRP Matsau	862	211	1 073	824	202	1 026
	<b>6 434</b>	<b>1 496</b>	<b>7 930</b>	<b>6 151</b>	<b>1 745</b>	<b>7 896</b>

<sup>1</sup> Retired as a director of PSG Financial Services Limited during July 2025.

<sup>2</sup> Appointed as a director of PSG Financial Services Limited with effect from 1 August 2025.

### Equity-based remuneration

#### PSG Financial Services Limited share options in terms of the PSG Konsult Group Share Incentive Trust

Audited	Number of share options as at 28 Feb 2025	Number of share options during year		Market price per share on vesting date	Vesting strike price per share	Date granted	Number of share options as at 28 Feb 2026
		Granted	Vested				
<b>Executive</b>							
FJ Gouws	1 200 000	-	(1 200 000)	R20.63	R7.13	1/04/2020	-
	4 250 000	-	(2 125 000)	R20.63	R9.08	1/04/2021	2 125 000
	3 937 500	-	(1 312 500)	R20.63	R12.71	1/04/2022	2 625 000
	5 000 000	-	(1 250 000)	R20.63	R12.17	1/04/2023	3 750 000
	4 650 000	-	-	-	R14.70	1/04/2024	4 650 000
	-	2 200 000	-	-	R18.03	1/04/2025	2 200 000
	<b>19 037 500</b>	<b>2 200 000</b>	<b>(5 887 500)</b>				<b>15 350 000</b>
MIF Smith	300 000	-	(300 000)	R20.63	R7.13	1/04/2020	-
	1 050 000	-	(525 000)	R20.63	R9.08	1/04/2021	525 000
	1 125 000	-	(375 000)	R20.63	R12.71	1/04/2022	750 000
	1 250 000	-	(312 500)	R20.63	R12.17	1/04/2023	937 500
	1 250 000	-	-	-	R14.70	1/04/2024	1 250 000
	-	600 000	-	-	R18.03	1/04/2025	600 000
	<b>4 975 000</b>	<b>600 000</b>	<b>(1 512 500)</b>				<b>4 062 500</b>
JL Johannes	12 500	-	(12 500)	R20.63	R7.13	1/04/2020	-
	25 000	-	(12 500)	R20.63	R9.08	1/04/2021	12 500
	37 500	-	(12 500)	R20.63	R12.71	1/04/2022	25 000
	50 000	-	(12 500)	R20.63	R12.17	1/04/2023	37 500
	125 000	-	-	-	R14.70	1/04/2024	125 000
	-	50 000	-	-	R18.03	1/04/2025	50 000
	<b>250 000</b>	<b>50 000</b>	<b>(50 000)</b>				<b>250 000</b>

# Report of the board of directors

for the year ended 28 February 2026

## Shareholding of directors

The shareholding of directors in the company as at 28 February was as follows:

As at 28 February 2026 (Audited)	Beneficial		Non-beneficial		Total shareholding	
	Direct Number	Indirect Number	Direct Number	Indirect Number	Number	%
FJ Gouws	24 835 481	27 500 000	-	-	52 335 481	4.19
MIF Smith	450 000	-	-	2 300 000	2 750 000	0.22
PJ Mouton <sup>1</sup>	396 705	193 940 849	-	2 148 462	196 486 016	15.74
W Theron	-	-	-	19 859 573	19 859 573	1.59
PE Burton	30 000	-	-	1 241 496	1 271 496	0.10
JL Johannes	193 184	-	-	-	193 184	0.02
S Totaram	167 246	-	-	-	167 246	0.01
	<b>26 072 616</b>	<b>221 440 849</b>	-	<b>25 549 531</b>	<b>273 062 996</b>	<b>21.87</b>

As at 28 February 2025 (Audited)	Beneficial		Non-beneficial		Total shareholding	
	Direct Number	Indirect Number	Direct Number	Indirect Number	Number	%
FJ Gouws	24 835 481	27 500 000	-	-	52 335 481	4.15
MIF Smith	450 000	-	-	2 300 000	2 750 000	0.22
PJ Mouton	351 420	184 767 037	-	1 933 248	187 051 705	14.84
W Theron	-	-	-	19 859 573	19 859 573	1.58
PE Burton	30 000	-	-	1 200 000	1 230 000	0.10
JL Johannes	158 460	-	-	-	158 460	0.01
	<b>25 825 361</b>	<b>212 267 037</b>	-	<b>25 292 821</b>	<b>263 385 219</b>	<b>20.90</b>

<sup>1</sup> Shares acquired by PJ Mouton due to the Curro Holdings Limited scheme of arrangement during January 2026, including both beneficial and non-beneficial interest.

The following changes occurred in the directors' shareholdings between the end of the financial year and the date of this report:

- On 8 May 2026, JL Johannes acquired 19 954 PSG Financial Services Limited ordinary shares on the exercise of her share option awards.

## Secretary

The secretary of the company is S Hamit (on behalf of PSG Management Services Proprietary Limited), whose business and postal addresses are:

4th Floor, The Edge	PO Box 3335
3 Howick Close	Tyger Valley
Tyger Waterfront	Bellville
Tyger Valley	7536
Bellville	
7530	

## Independent auditors

Deloitte & Touche will continue in office in accordance with section 90(1) of the Companies Act.

## Special resolutions

The following special resolutions were passed by PSG Financial Services Limited during the year under review:

- The company is authorised to remunerate its directors for their services as directors.
- The board of the company is authorised, in terms of section 45(3)(a)(ii) of the Companies Act, to approve any direct or indirect financial assistance that the board may deem fit to any director, prescribed officer or company that is related or interrelated to the company on the terms and conditions and for amounts that the board of the company may determine.
- The board of the company is authorised, in terms of section 44(3)(a)(ii) of the Companies Act, to approve any direct or indirect financial assistance that the board may deem fit to any director, prescribed officer or company that is related or interrelated to the company, for the purpose of the subscription of any options or shares issued or to be issued by the company or a related or interrelated company, on the terms and conditions and for the amounts that the board of the company may determine.
- The company and/or its subsidiaries is authorised to repurchase its own shares upon such terms as the directors may determine, but subject to the provisions of sections 46 and 48 of the Companies Act, and the MOI of the company.

No special resolutions were passed by subsidiaries during the year under review which were material to the group.

## Borrowing powers

In terms of the company's MOI, directors have unlimited borrowing powers (subject to section 45 of the Companies Act); however, Prudential Authority approval is required for any borrowings within a life insurance company in the group.

## Capital commitments and contingent liabilities

The group had no material capital commitments at 28 February 2026 other than what is disclosed in note 30 to the group financial statements. The group is party to legal proceedings in the normal course of business, and appropriate provisions are made when losses are expected to materialise.

## Events after the reporting date

No event material to the understanding of these results has occurred between 28 February 2026 and the date of approval of the annual financial statements.

# Independent auditor's report

To the Shareholders of PSG Financial Services Limited

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated and separate financial statements of PSG Financial Services Limited and its subsidiaries (the Group and Company) set out on pages 136 to 137, and 147 to 294, which comprise the consolidated and separate statement of financial position as at 28 February 2026, and the consolidated and separate statement of profit or loss and other comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of PSG Financial Services Limited and its subsidiaries as at 28 February 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

### Final Materiality

We define materiality as the magnitude of misstatement in the consolidated and separate financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the consolidated and separate financial statements as a whole as follows:

	Financial Statements – Group	Financial Statements – Company
<b>Materiality</b>	R130.7 million (2025: R96 million)	R69.3 million (2025: R74.7 million)
<b>How we determined it</b>	Based on 5% (2025: 5%) of profit before taxation	Based on 8% (2025: 8%) of profit before taxation
<b>Rationale for benchmark applied</b>	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered what benchmarks and key performance indicators have the greatest bearing on shareholder decisions.  For Group and Company financial statements purposes, we determined that profit before tax remained the key benchmark. Profit before tax is a generally accepted benchmark for listed entities and provides shareholders with an indication of the performance of the Group and Company. The benchmark and input factors remained consistent with that used in the prior year.	

### Scope of Our Audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the structure and organisation of the Group, and assessing the risks of material misstatement at the Group level.

We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component's contribution to relevant classes of transactions, account balances or disclosures.

We identified 35 components, including consolidated mutual funds, at the Group and selected 26 components.

Of the 26 components selected, we identified:

- 19 components ("audit of the component's financial information") for which the financial information of the component was audited.
- 7 components ("audit of one or more account balances, classes of transactions or disclosures") where our procedures were limited to specific accounts that we considered had the potential for the greatest impact on the significant accounts in the consolidated financial statements given the specific risks identified.

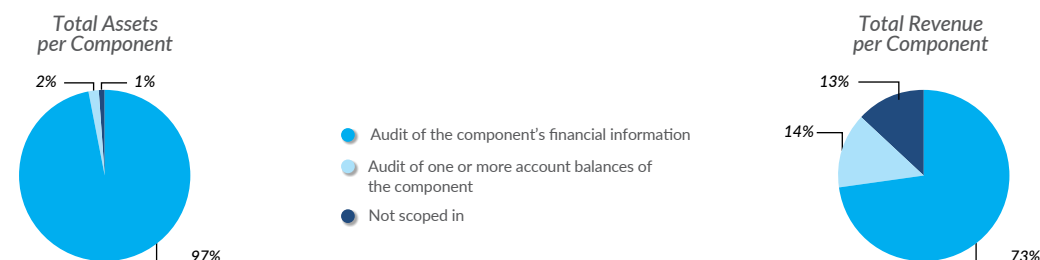
In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing analytical procedures at the Group level on the residual balances.

For the remaining components where we did not perform either an audit of financial information or an audit of one or more account balances, classes of transactions or disclosures, none individually represents a contribution of greater than 2% of profit before tax, and 1% of total assets or total liabilities.

In addition, the group audit team led specific audit procedures over certain central functions, the consolidation and certain specific account balances managed and accounted for centrally.

Based on our risk assessment procedures, we have determined that there is a less than reasonable possibility of a material misstatement in the remaining financial information not subject to further audit procedures.

The 26 components selected account for 99% of the Group's total assets and 87% of the Group's revenue.



# Independent auditor's report

To the Shareholders of PSG Financial Services Limited

## Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to report in respect of the separate financial statements.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

## Key Audit Matter

## How Matter Addressed

### Valuation of goodwill and customer relationships

Refer to pages 165 to 168 (Note 1 of the Group Financial Statements – Intangible Assets).

The intangibles assets balance consists of goodwill and customer relationships.

As at 28 February 2026, goodwill and customer relationships intangible assets amounted to R408.4 million (2025: R411.7 million) and R707.3 million (2025: R738.7 million), respectively.

Intangible assets are assessed for impairment by comparing the recoverable amount relating to the intangible asset against the carrying value. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. Where the recoverable amount is lower than the carrying value an impairment is recognised.

#### Goodwill

Goodwill is carried at cost less accumulated impairment losses and is evaluated for impairment on an annual basis.

Goodwill is allocated to CGUs (cash generating units) for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The groups of CGUs are identified at the lowest level at which goodwill is monitored for internal management purposes.

When goodwill is evaluated for impairment, management uses a PE (price-earnings) ratio calculation to identify potential indicators of impairment. The range of PE ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10.0).

Our evaluation of management's impairment assessment of goodwill and customer relationships focused on the key assumptions applied. We performed various procedures, including the following:

#### General:

- We evaluated the design and implementation of key internal controls implemented over the impairment assessment.
- We assessed the reasonability of the useful lives applied in the amortisation of the customer relationships intangible assets. Our assessment included the consideration of historical attrition rate of clients, average age and expected length of advisor's service and products sold to clients.
- We completed sensitivity analysis to evaluate the reasonability of the assumptions and inputs applied by management.
- We tested the mathematical accuracy of the valuations prepared by management.

#### Fair value less cost to sell impairment indicator assessment: PE Ratio valuation

- We reviewed the relative financial performance of the operating segments (businesses) to which the intangible assets are allocated and did not identify any evident impairment indicators.
- We tested the appropriateness of customer relationships and goodwill allocated to individual CGU's, on a sample basis, to ensure the goodwill is allocated to the CGU at the lowest level of operating activity to which it relates.
- Tested the useful lives applied in the amortisation of customer relationship intangible assets.

## Key Audit Matter

## How Matter Addressed

### Valuation of goodwill and customer relationships

#### Customer relationships

Customer relationships consist of acquired adviser books of business, as well as acquired income stream rights on existing adviser books of business. These customer relationships are shown at cost less accumulated amortization and impairment losses.

Customer relationships were evaluated for indicators of impairment using the most recent PE ratios for similar transactions in the market. The range of PE ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10)

#### Impairment Indicator:

The PE ratio valuation calculated is the impairment indicator used for both goodwill and customer relationships. In accordance with IAS36:19, if the PE ratio valuation of the customer relationship and goodwill included in the CGU exceeds its carrying value, the asset is not impaired.

#### Impairment assessment:

Where there were indicators of impairment on the fair value less costs of disposal valuations for customer relationships or the fair value less costs of disposal of a CGU to which goodwill was allocated was lower than the carrying value, management determined the value in use.

The value-in-use calculations use cash flow projections based on financial budgets approved by management covering no longer than a five-year planning period. Where appropriate, cash flows were extrapolated into perpetuity by using a terminal growth rate model.

#### Audit impact:

The impairment assessment performed by management was a matter of most significance to our current year audit due to the complexity of the assessment process and the significant judgements applied by management when determining the recoverable amount of the assets.

#### Key assumptions applied by management are:

- Price-earnings ratios applied in determining the fair value less costs to sell.
- Growth rate applied in the first five years of projected cash flows, and the terminal growth rate applied thereafter, and the discount rate applied in the discounted cash flow calculations in determining the value in use.

#### Fair value less cost to sell impairment indicator assessment: PE Ratio valuation (continued)

- For the price-earnings ratios calculated by management, we agreed that the net profit after tax assigned to the CGU's agreed with the audited net profit after tax from each Component.
- Our valuation specialists evaluated the appropriateness of the PE ratio valuation methodology used by management and compared the price-earnings ratios to our independently determined values, based on information from independent sources.

#### Value in use impairment assessment: DCF calculation

- Our valuation specialists evaluated the appropriateness of the valuation methodology used by management and compared the growth rates applied in the first five years of projected cash flows, and the terminal growth rate applied thereafter and discount rates to our independently determined values, based on information from independent sources.
- For the discounted cash flows (DCF's) calculated by management, we evaluated the reasonability of future cash flows in the context of historical financial performance, approved forecasts, and prevailing economic conditions.

#### Audit conclusion:

- Based on the procedures performed, the methodology applied, the valuation assumptions and significant judgements applied by management are appropriate for determining if goodwill and customer relationships are impaired at 28 February 2026.
- Furthermore, we evaluated the adequacy of the disclosure in the consolidated annual financial statements as these pertain to the impairment assessment of goodwill and customer relationships against the requirements of the applicable financial reporting standards, IAS 1: Presentation of Financial Statements, IAS 36: Impairment of Assets and IAS 38: Intangible Assets. Based on the procedures performed we are satisfied with the appropriateness of the disclosure in the consolidated annual financial statements.

# Independent auditor's report

To the Shareholders of PSG Financial Services Limited

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "PSG Financial Services Limited Integrated Report for the year ended 28 February 2026", which includes the Report of the Audit Committee, Statement of Responsibility by the Board of Directors, Preparation and Presentation of the Annual Financial Statements, Statement of Internal Controls, Certificate by the Company Secretary as required by the Companies Act of South Africa and the Report of the Board of Directors. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or company or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and/or company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of PSG Financial Services Limited for five years.

Signed by:  
  
E37C4BF01CA94AB...

## Deloitte & Touche

Registered Auditor

Per: Llewellyn Marshall  
Partner

25 May 2026

The Ridge Building  
6 Marina Road  
Victoria & Alfred Waterfront  
Cape Town  
8000



## Consolidated statement of financial position

as at 28 February 2026

	Notes	2026 R000	2025 R000
<b>Assets</b>			
Intangible assets	1	1 133 848	1 168 254
Property and equipment	2	105 465	96 951
Right-of-use assets	3	288 221	171 622
Investment in joint ventures	5	-	152
Deferred income tax assets	6	293 029	173 161
Loans and advances	7	326 387	329 276
Debt securities	8.1	5 555 488	4 371 461
Unit-linked investments	8.2	138 540 727	97 985 067
Equity securities	8.3	5 672 608	4 659 481
Investment in investment contracts	8.4	8 050	9 207
Insurance contract assets	9	9 603	13 679
Reinsurance contract assets	9	163 665	184 600
Derivative financial instruments	10	28 476	6 370
Receivables	11	3 491 907	2 298 823
Current income tax assets		107 731	105 895
Assets held for sale	12	-	124 260
Cash and cash equivalents (including money market funds)	13	2 671 421	2 623 328
<b>Total assets</b>		<b>158 396 626</b>	<b>114 321 587</b>
<b>Equity</b>			
<b>Equity attributable to owners of the parent</b>			
Stated capital	14	578 973	875 905
Treasury shares	14	(102 418)	(109 476)
Other reserves	15	(274 914)	(296 333)
Retained earnings		5 450 484	4 494 120
		5 652 125	4 964 216
<b>Non-controlling interest</b>	16	758 029	625 742
<b>Total equity</b>		<b>6 410 154</b>	<b>5 589 958</b>
<b>Liabilities</b>			
Deferred income tax liabilities	6	231 008	185 463
Lease liabilities	4	339 184	223 361
Derivative financial instruments	10	47 143	11 141
Investment contracts	17	66 212 012	52 819 377
Insurance contract liabilities	9	528 963	469 019
Reinsurance contract liabilities	9	-	2 123
Third-party liabilities arising on consolidation of mutual funds	18	80 074 250	51 839 062
Trade and other payables	19	4 480 906	2 969 289
Current income tax liabilities		73 006	88 534
Liabilities held for sale	12	-	124 260
<b>Total liabilities</b>		<b>151 986 472</b>	<b>108 731 629</b>
<b>Total equity and liabilities</b>		<b>158 396 626</b>	<b>114 321 587</b>

## Consolidated income statement

for the year ended 28 February 2026

	Notes	2026 R000	2025 R000
Insurance revenue		2 713 597	2 614 052
Insurance service expense	20.1	(1 980 016)	(2 135 083)
Net expense from reinsurance contracts held	20.2	(234 613)	(143 166)
<i>Insurance service result</i>		<b>498 968</b>	335 803
Finance expense from insurance contracts issued		(30 391)	(27 832)
Finance income from reinsurance contracts held		13 090	18 247
<i>Net insurance service result</i>		<b>481 667</b>	326 218
Revenue from contracts with customers and other operating income	21	7 031 085	5 829 727
Interest income on amortised cost financial instruments	22	172 805	176 906
Interest income on fair value through profit or loss financial instruments	22	245 362	221 290
Dividend income	22	18 919	12 713
Net fair value gains and losses on financial instruments	23	276 809	88 885
Net income attributable to investment contract holders and third-party liabilities	24	100 223	36 707
<b>Total income</b>		<b>8 326 870</b>	6 692 446
Financial advice fees	25.1	(2 486 741)	(2 169 543)
Depreciation and amortisation	25.2	(211 778)	(198 529)
Employee benefit expenses	25.3	(1 857 014)	(1 523 230)
Marketing, administration and other expenses	25.4	(1 116 114)	(847 318)
<b>Total expenses</b>		<b>(5 671 647)</b>	(4 738 620)
Total loss from joint ventures		(152)	(352)
<b>Profit before finance costs and taxation</b>		<b>2 655 071</b>	1 953 474
Finance costs	26	(40 298)	(32 808)
<b>Profit before taxation</b>		<b>2 614 773</b>	1 920 666
Taxation	27	(710 234)	(540 605)
<b>Profit for the year</b>		<b>1 904 539</b>	1 380 061
<b>Attributable to:</b>			
Owners of the parent		1 736 758	1 273 801
Non-controlling interest		167 781	106 260
		<b>1 904 539</b>	<b>1 380 061</b>
<b>Earnings per share</b>			
Basic earnings per share (cents)	28	139.3	101.2
Diluted earnings per share (cents)	28	137.2	99.9

## Consolidated statement of comprehensive income

for the year ended 28 February 2026

	2026 R000	2025 R000
<b>Profit for the year</b>	<b>1 904 539</b>	1 380 061
<b>Other comprehensive income for the year, net of taxation</b>	<b>(30 790)</b>	(8 114)
<i>Items that are or may be reclassified to profit or loss:</i>		
Currency translation adjustments	(30 790)	(8 114)
<b>Total comprehensive income for the year</b>	<b>1 873 749</b>	1 371 947
<b>Attributable to:</b>		
Owners of the parent	1 705 968	1 265 687
Non-controlling interest	167 781	106 260
	<b>1 873 749</b>	<b>1 371 947</b>

## Consolidated statement of changes in equity

for the year ended 28 February 2026

	Attributable to equity holders of the group					
	Stated capital R000	Treasury shares R000	Other reserves <sup>1</sup> R000	Retained earnings R000	Non-controlling interest R000	Total R000
<b>Balance at 1 March 2024</b>	1 206 174	(120 381)	(303 407)	3 818 670	568 610	5 169 666
<b>Comprehensive income</b>						
Profit for the year	-	-	-	1 273 801	106 260	1 380 061
Other comprehensive income for the year	-	-	(8 114)	-	-	(8 114)
<i>Total comprehensive income for the year</i>	-	-	(8 114)	1 273 801	106 260	1 371 947
<b>Transactions with owners</b>	(330 269)	10 905	15 188	(598 351)	(49 128)	(951 655)
Repurchase and cancellation of ordinary shares	(330 269)	-	-	-	-	(330 269)
Share-based payment costs	-	-	73 611	-	-	73 611
Treasury shares sold	-	16 415	-	-	-	16 415
Transactions with non-controlling interest	-	-	-	1 458	246	1 704
Release of profits from treasury shares to retained earnings	-	(5 510)	-	5 510	-	-
Current tax on equity-settled share-based payments	-	-	17 062	-	-	17 062
Deferred tax on equity-settled share-based payments	-	-	4 452	-	-	4 452
Loss on issue of shares in terms of share scheme <sup>2</sup>	-	-	(111 221)	-	-	(111 221)
Release of share-based payment reserve to retained earnings on vested share options	-	-	31 284	(31 284)	-	-
Dividends paid	-	-	-	(574 035)	(49 374)	(623 409)
<b>Balance at 28 February 2025</b>	875 905	(109 476)	(296 333)	4 494 120	625 742	5 589 958
<b>Comprehensive income</b>						
Profit for the year	-	-	-	1 736 758	167 781	1 904 539
Other comprehensive income for the year	-	-	(30 790)	-	-	(30 790)
<i>Total comprehensive income for the year</i>	-	-	(30 790)	1 736 758	167 781	1 873 749
<b>Transactions with owners</b>	(296 932)	7 058	52 209	(780 394)	(35 494)	(1 053 553)
Repurchase and cancellation of ordinary shares	(296 932)	-	-	-	-	(296 932)
Share-based payment costs	-	-	64 300	-	-	64 300
Treasury shares sold	-	23 330	-	-	-	23 330
Release of profits from treasury shares to retained earnings	-	(16 272)	-	16 272	-	-
Current tax on equity-settled share-based payments	-	-	41 383	-	-	41 383
Deferred tax on equity-settled share-based payments	-	-	58 323	-	-	58 323
Loss on issue of shares in terms of share scheme <sup>2</sup>	-	-	(222 135)	-	-	(222 135)
Release of share-based payment reserve to retained earnings on vested share options	-	-	110 338	(110 338)	-	-
Dividends paid	-	-	-	(686 328)	(35 494)	(721 822)
<b>Balance at 28 February 2026</b>	578 973	(102 418)	(274 914)	5 450 484	758 029	6 410 154

<sup>1</sup> Refer to note 15 for detail of the other reserves.

<sup>2</sup> Loss on sale of shares is recognised due to the market value of the shares transferred to the option holder being greater than the strike price paid.

## Consolidated statement of cash flows

for the year ended 28 February 2026

	Notes	2026 R000	2025 R000
<b>Cash flows from operating activities</b>			
Cash utilised in operations <sup>1</sup>	33.1	(2 382 251)	(577 944)
Interest received <sup>2</sup>		2 859 073	2 317 391
Dividends received <sup>2</sup>		1 557 723	1 135 159
Finance costs		(40 298)	(32 808)
Taxation paid	33.2	(709 661)	(526 372)
<i>Operating cash flows before policyholder cash movement</i>		1 284 586	2 315 426
Policyholder cash movement <sup>3</sup>		50 177	25 387
<i>Net cash flow from operating activities</i>		1 334 763	2 340 813
<b>Cash flows from investing activities</b>			
Acquisition of intangible assets		(56 784)	(45 459)
Proceeds from disposal of intangible assets		8 093	1 909
Consolidation of mutual funds	33.3	85 049	-
Net cash outflow from disposal of assets and liabilities held for sale	12	(67 338)	-
Deconsolidation of mutual funds	33.4	-	(105 141)
Proceeds from disposal of property and equipment		1 746	5 856
Purchases of property and equipment		(59 212)	(54 420)
Loans advanced to joint ventures		(1 116)	(2 026)
<i>Net cash flow from investing activities</i>		(89 562)	(199 281)
<b>Cash flows from financing activities</b>			
Dividends paid to equity holders of the group		(686 328)	(574 035)
Dividends paid to non-controlling interest		(35 494)	(49 374)
Disposal to non-controlling interest		-	1 704
Lease liabilities paid – principal portion		(81 904)	(79 328)
Treasury shares sold and share option settlement	14	(198 805)	(94 806)
Shares repurchased and cancelled	14	(296 932)	(330 269)
<i>Net cash flow from financing activities</i>		(1 299 463)	(1 126 108)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(54 262)	1 015 424
<b>Cash and cash equivalents at the beginning of the year</b>		2 741 666	1 738 508
<b>Exchange losses on cash and cash equivalents</b>		(15 983)	(12 266)
<b>Cash and cash equivalents at the end of the year</b>	33.5	2 671 421	2 741 666

<sup>1</sup> The movement in cash utilised in operations can vary significantly as a result of daily fluctuations in cash linked to investment contracts, cash held by the stockbroking business and cash utilised for the loan facilities provided to clients on their share portfolios at PSG Securities Limited. PSG Life Limited, the group's linked insurance company, issues linked policies to policyholders (where the value of policy benefits is directly linked to the fair value of the supporting assets). When these policies mature, the company raises a debtor for the money receivable from the third-party investment provider and raises a creditor for the amount owing to the client. Timing difference occurs at month-end where the money was received from the third-party investment provider but only paid out by the company after month-end, resulting in significant fluctuations in the working capital of the company. Similar working capital fluctuations occur at PSG Securities Limited, the group's stockbroking business, mainly due to the timing of the close of the JSE in terms of client settlements. Refer to pages 163 and 164 for the impact of the client-related balances on the cash utilised in operations.

<sup>2</sup> The interest and dividends received relates to the core operations of the group as well as income relating to the linked investment policies issued and the consolidation of the collective investment schemes. Refer to note 8 of the segment report for the segregation of these cash flows.

<sup>3</sup> The policyholder cash movement relates to the movement in the cash and cash equivalents backing the investment contract liabilities. Refer to note 17 for further detail.

# Summary of material accounting policies

for the year ended 28 February 2026

The principal accounting policies applied in the preparation of these group and company financial statements are set out in Annexure A. The accounting policies applied are in terms of IFRS Accounting Standards and are consistent with those applied in the previous annual financial statements.

## 1. Basis of preparation

The group and company financial statements of PSG Financial Services Limited have been prepared in accordance with the JSE Listings Requirements, the requirements of the Companies Act and IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB). The JSE Listings Requirements require annual financial statements to be prepared in accordance with the framework concepts, and the recognition and measurement requirements of IFRS Accounting Standards, as defined by IAS 1; the IFRIC interpretations; the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee; the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council, and in the manner required by the Companies Act.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) classified as 'at fair value through profit or loss', long-term insurance contract liabilities that are measured in terms of the financial soundness valuation (FSV) basis as set out in Standard of Actuarial Practice (SAP) 104 – Calculation of the value of assets, liabilities and solvency capital requirement of long-term insurers and investment in a joint venture using the equity method of accounting.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed below.

The group did not early adopt any of the IFRS Accounting Standards. The going concern basis of accounting continues to be adopted in preparing the financial statements.

## 2. Critical accounting estimates and judgements in applying accounting policies

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 2.1 Intangible assets

#### **Initial recognition as part of a business combination**

Intangible assets acquired as part of business combinations are recognised at their fair value. The fair value is determined by using a discounted cash flow valuation method based on assumptions and estimates regarding future revenue growth, weighted cost of capital, working capital and other economic factors. These assumptions reflect management's best estimates but are subject to inherent uncertainties, which may not be controlled by management.

The discount rate is based on the long-term risk-free rate with risk premiums added for market and other company and asset-specific risks. No business combinations occurred during the 2026 or 2025 financial year which resulted in the recognition of an intangible asset.

#### **Useful lives of customer relationships**

Intangible assets (excluding goodwill) are amortised over their estimated useful lives. The amortisation method used best reflects the pattern in which the asset's future economic benefits are consumed by the group.

The useful life of key customer relationships is estimated based on the historical customer attrition, the nature of the products sold and the age and expected life span of the adviser's service. A maximum useful life of 20 years was used for the other customer relationships recognised during the 2026 financial year (2025: maximum useful life of 20 years).

Refer to the intangible asset accounting policy in Annexure A and note 1 for further detail.

#### **Estimated impairment of goodwill**

Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing. The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy on goodwill. The recoverable amounts of CGUs have been determined by applying a price-earnings ratio to obtain the fair value less costs of disposal. The range of price-earnings ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10.0). Where the fair value less costs of disposal is lower than the carrying value of the CGU, a value-in-use calculation is performed to determine the recoverable amount, which is the higher of the fair value less costs of disposal and the value in use.

Customer relationships are evaluated for indicators of impairment using the most recent price-earnings ratios for similar transactions in the market. The range of price-earnings ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10.0). When these impairment tests indicated that the assets may need to be impaired, management assessed the recoverable amount of the CGUs based on value-in-use calculations. Refer to note 1 for further detail.

## Segment reporting

for the year ended 28 February 2026

The composition of the reportable segments represents the internal reporting structure and the monthly reporting to the chief operating decision-maker (CODM). The CODM, for the purpose of IFRS 8 – Operating Segments, has been identified as the CEO, supported by the group Manco. The group's internal reporting structure is reviewed in order to assess performance and allocate resources. The group is organised into three reportable segments, namely:

- PSG Wealth – deriving income mainly from total managed assets and total platform assets
- PSG Asset Management – deriving income mainly from total assets under management and administration
- PSG Insure – deriving income mainly from written premiums and underwriting

Corporate support costs refer to a variety of services and functions that are performed centrally for the individual business units within each business segment, as well as housing the group's executive office. Besides the traditional accounting and secretarial services provided to group divisions and subsidiaries, the corporate office also provides legal, risk, IT, marketing, HR, payroll, internal audit and corporate finance services. The strategic elements of IT, in terms of both services and infrastructure, are also centralised in the corporate office. The corporate costs are allocated to the three reportable segments.

### 1. Description of business segments

PSG Wealth, which consists of five business units – Distribution, Securities, LISP and Life Platform, Investment Management and Employee Benefits – is designed to meet the needs of individuals, families and businesses. Through its highly skilled wealth managers, PSG Wealth offers a wide range of personalised services (including portfolio management, stockbroking, local and offshore investments, estate planning, financial planning, local and offshore fiduciary services, multi-managed solutions and retirement products). The Wealth offices are fully equipped to deliver a high-quality personal service to customers.

PSG Asset Management is an established investment management company with a proven investment track record. It offers investors a simple, but comprehensive range of local and global investment products. The division's products include both local and international unit trust funds.

PSG Insure, through its registered insurance brokers and PSG's non-life insurance company, Western National Insurance Company Limited, offers a full range of tailor-made non-life insurance products and services from personal (home, car and household insurance) to commercial (business and agri-insurance) requirements. To harness the insurance solutions available to customers effectively, the division's expert insurance specialists, through a strict due diligence process, will simplify the process of selecting the most appropriate solution for its clients. In addition to the intermediary services which PSG Insure offers, PSG Short-Term Administration supports clients through the claim process, administrative issues and general policy maintenance, including an annual reappraisal of their portfolio.

The CODM considers the performance of reportable segments based on total core income as a measure of growth and headline earnings as a measure of profitability. In order to evaluate the core results of the group, the CODM segregates the income statement by eliminating the impact of the linked investment policies issued and the consolidation of the collective investment schemes from the core operations in the group.

A subsidiary of the group, PSG Life Limited, is a linked insurance company that issues linked policies to policyholders (where the value of policy benefits is directly linked to the fair value of the supporting assets), and as such does not expose the group to the market risk of fair value adjustments on the financial asset as this risk is assumed by the policyholder.

The group consolidates collective investment schemes, in terms of IFRS 10 – Consolidated Financial Statements<sup>1</sup>, over which the group has control. The consolidation of these funds does not impact total earnings, comprehensive income, shareholders' funds or the net asset value of the group; however, it requires the group to recognise the income statement impact as part of that of the group.

<sup>1</sup> Reference to IFRS in this section refer to the IFRS Accounting Standards.

### 2. Headline earnings per reportable segment

	Wealth R000	Asset Management R000	Insure R000	Total R000
<b>For the year ended 28 February 2026</b>				
Headline and recurring headline earnings <sup>1</sup>	950 626	472 777	258 840	1 682 243
Recurring headline earnings – excluding intangible asset amortisation cost <sup>2</sup>	1 005 567	472 777	284 819	1 763 163

	Wealth R000	Asset Management R000	Insure R000	Total R000
<b>For the year ended 28 February 2025</b>				
Headline and recurring headline earnings <sup>1</sup>	763 212	297 246	211 778	1 272 236
Recurring headline earnings – excluding intangible asset amortisation cost <sup>2</sup>	818 262	297 246	234 539	1 350 047

<sup>1</sup> Headline earnings are calculated in terms of the requirements stipulated in Circular 1/2023 as issued by SAICA. Recurring headline earnings are calculated by excluding non-recurring headline earnings to increase comparability of the performance of the group from one year to another. Non-recurring headline earnings include one-off gains and losses and the resulting tax charge on these items. Recurring headline earnings is a non-IFRS measure and is the responsibility of the Group's directors. Refer to note 28 for the reconciliation of headline earnings to the profit attributable to ordinary shareholders.

<sup>2</sup> The intangible asset amortisation cost includes the amortisation on customer relationships. It excludes the amortisation on computer software and other intangible assets.

### 3. Income per reportable segment

	Wealth R000	Asset Management R000	Insure R000	Total R000
<b>For the year ended 28 February 2026</b>				
<b>Total IFRS reported income</b>	4 960 217	1 454 070	1 912 583	8 326 870
Linked investment business and other income	(47 218)	-	-	(47 218)
<b>Total core income</b>	4 912 999	1 454 070	1 912 583	8 279 652
Total segment income	5 942 937	2 115 537	2 017 182	10 075 656
Intersegment income	(1 029 938)	(661 467)	(104 599)	(1 796 004)

	Wealth R000	Asset Management R000	Insure R000	Total R000
<b>For the year ended 28 February 2025</b>				
<b>Total IFRS reported income</b>	4 118 295	1 027 800	1 546 351	6 692 446
Linked investment business and other income	105 389	-	-	105 389
<b>Total core income</b>	4 223 684	1 027 800	1 546 351	6 797 835
Total segment income	5 115 375	1 588 247	1 640 344	8 343 966
Intersegment income	(891 691)	(560 447)	(93 993)	(1 546 131)

Intersegment income and expenses consist of fees charged at market-related rates. The group accounts for intersegment income and expenses by eliminating these transactions to only reflect transactions with third parties. Intersegment income is eliminated by deducting it from total segment income to reflect income generated by segment from external customers.

The group mainly operates in the Republic of South Africa, with 92.4% (2025: 91.9%) of the total income from external customers (total IFRS reported income) generated in the Republic of South Africa.

Given the nature of the operations, there is no single external customer that provides 10% or more of the group's income (2025: 10%).

## Segment reporting

for the year ended 28 February 2026

### 4. Income statement (client vs own)

In order to evaluate the consolidated income statement of the group, the CODM segregates the income statement by eliminating the impact of the linked investment policies issued and the consolidation of the collective investment schemes from the core operations of the group.

For the year ended 28 February 2026	Total IFRS reported R000	Core business R000	Linked investment business and other R000
Revenue from contracts with customers and other operating income <sup>1</sup>	7 031 085	7 084 090	(53 005)
Investment income <sup>2</sup>	437 086	437 086	-
Net fair value gains and losses on financial instruments	276 809	276 809	-
Net income attributable to investment contract holders and third-party liabilities	100 223	-	100 223
Net insurance service result	481 667	481 667	-
<b>Total income</b>	<b>8 326 870</b>	<b>8 279 652</b>	<b>47 218</b>
Marketing, administration and other expenses <sup>1</sup>	(1 116 114)	(1 126 096)	9 982
Other <sup>3</sup>	(4 555 533)	(4 555 533)	-
<b>Total expenses</b>	<b>(5 671 647)</b>	<b>(5 681 629)</b>	<b>9 982</b>
Total loss from joint ventures	(152)	(152)	-
<b>Profit before finance costs and taxation</b>	<b>2 655 071</b>	<b>2 597 871</b>	<b>57 200</b>
Finance costs	(40 298)	(40 298)	-
<b>Profit before taxation</b>	<b>2 614 773</b>	<b>2 557 573</b>	<b>57 200</b>
Taxation	(710 234)	(653 034)	(57 200)
<b>Profit for the year</b>	<b>1 904 539</b>	<b>1 904 539</b>	<b>-</b>
<b>Attributable to:</b>			
Owners of the parent	1 736 758	1 736 758	-
Non-controlling interest	167 781	167 781	-
	<b>1 904 539</b>	<b>1 904 539</b>	<b>-</b>

<sup>1</sup> The linked investment business and other income statement includes the impact of the fees eliminated between the collective investment schemes (consolidated under IFRS 10 - Consolidated Financial Statements) and the collective investment scheme management company, PSG Collective Investments (RF) Limited.

<sup>2</sup> Investment income consists of interest income on amortised cost financial instruments, interest income on fair value through profit or loss financial instruments and dividend income.

<sup>3</sup> Other consists of financial advice fees, depreciation and amortisation and employee benefit expenses.

### 4. Income statement (client vs own) (continued)

For the year ended 28 February 2025	Total IFRS reported R000	Core business R000	Linked investment business and other R000
Revenue from contracts with customers and other operating income <sup>1</sup>	5 829 727	5 971 823	(142 096)
Investment income <sup>2</sup>	410 909	410 909	-
Net fair value gains and losses on financial instruments	88 885	88 885	-
Net income attributable to investment contract holders and third-party liabilities	36 707	-	36 707
Net insurance service result	326 218	326 218	-
<b>Total income</b>	<b>6 692 446</b>	<b>6 797 835</b>	<b>(105 389)</b>
Marketing, administration and other expenses <sup>1</sup>	(847 318)	(1 003 692)	156 374
Other <sup>3</sup>	(3 891 302)	(3 891 302)	-
<b>Total expenses</b>	<b>(4 738 620)</b>	<b>(4 894 994)</b>	<b>156 374</b>
Total loss from joint ventures	(352)	(352)	-
<b>Profit before finance costs and taxation</b>	<b>1 953 474</b>	<b>1 902 489</b>	<b>50 985</b>
Finance costs	(32 808)	(32 808)	-
<b>Profit before taxation</b>	<b>1 920 666</b>	<b>1 869 681</b>	<b>50 985</b>
Taxation	(540 605)	(489 620)	(50 985)
<b>Profit for the year</b>	<b>1 380 061</b>	<b>1 380 061</b>	<b>-</b>
<b>Attributable to:</b>			
Owners of the parent	1 273 801	1 273 801	-
Non-controlling interest	106 260	106 260	-
	<b>1 380 061</b>	<b>1 380 061</b>	<b>-</b>

<sup>1</sup> The linked investment business and other income statement includes the impact of the fees eliminated between the collective investment schemes (consolidated under IFRS 10 - Consolidated Financial Statements) and the collective investment scheme management company, PSG Collective Investments (RF) Limited.

<sup>2</sup> Investment income consists of interest income on amortised cost financial instruments, interest income on fair value through profit or loss financial instruments and dividend income.

<sup>3</sup> Other consists of financial advice fees, depreciation and amortisation and employee benefit expenses.

## Segment reporting

for the year ended 28 February 2026

### 5. Divisional income statement

The profit or loss information follows a similar format to the consolidated income statement. The divisional income statement reflects the core business operations of the group.

For the year ended 28 February 2026	Wealth R000	Asset Management R000	Insure R000	Total R000
Revenue from contracts with customers	4 588 717	1 368 854	1 023 705	6 981 276
Other operating income <sup>1</sup>	23 200	305	79 309	102 814
Investment income	218 108	40 003	178 975	437 086
Net fair value gains and losses on financial instruments	82 974	44 908	148 927	276 809
Net insurance service result	-	-	481 667	481 667
<b>Total income</b>	<b>4 912 999</b>	<b>1 454 070</b>	<b>1 912 583</b>	<b>8 279 652</b>
Financial advice fees	(1 969 897)	(19 937)	(496 907)	(2 486 741)
Depreciation and amortisation	(132 190)	(13 222)	(66 367)	(211 779)
Employee benefit expenses	(969 966)	(344 373)	(542 674)	(1 857 013)
Marketing, administration and other expenses	(516 317)	(432 499)	(177 280)	(1 126 096)
<b>Total expenses</b>	<b>(3 588 370)</b>	<b>(810 031)</b>	<b>(1 283 228)</b>	<b>(5 681 629)</b>
Total loss from joint ventures	-	-	(152)	(152)
<b>Profit before finance costs and taxation</b>	<b>1 324 629</b>	<b>644 039</b>	<b>629 203</b>	<b>2 597 871</b>
Finance costs <sup>2</sup>	(29 462)	(3 789)	(7 047)	(40 298)
<b>Profit before taxation</b>	<b>1 295 167</b>	<b>640 250</b>	<b>622 156</b>	<b>2 557 573</b>
Taxation	(332 713)	(167 468)	(152 853)	(653 034)
<b>Profit for the year</b>	<b>962 454</b>	<b>472 782</b>	<b>469 303</b>	<b>1 904 539</b>
<b>Attributable to:</b>				
Owners of the parent	951 110	472 782	312 866	1 736 758
Non-controlling interest	11 344	-	156 437	167 781
	962 454	472 782	469 303	1 904 539
<b>Headline and recurring headline earnings</b>	<b>950 626</b>	<b>472 777</b>	<b>258 840</b>	<b>1 682 243</b>

<sup>1</sup> Other operating income in the PSG Insure division includes a R56.5 million profit on disposal of the Western National Insurance Namibia business. Refer to note 12 for further detail.

<sup>2</sup> Finance costs in the PSG Wealth division of R29.5 million consist mainly of the finance charge on the lease liabilities of R18.5 million, with the remaining portion of the finance charge on the CFD margin and the bank overdrafts.

### 5. Divisional income statement (continued)

For the year ended 28 February 2025 (Restated <sup>1</sup> )	Wealth R000	Asset Management R000	Insure R000	Total R000
Revenue from contracts with customers	3 959 122	983 616	978 643	5 921 381
Other operating income	29 601	267	20 574	50 442
Investment income	208 191	36 594	166 124	410 909
Net fair value gains and losses on financial instruments	29 355	7 323	52 207	88 885
Net insurance service result	(2 585)	-	328 803	326 218
<b>Total income</b>	<b>4 223 684</b>	<b>1 027 800</b>	<b>1 546 351</b>	<b>6 797 835</b>
Financial advice fees	(1 678 324)	(16 887)	(474 332)	(2 169 543)
Depreciation and amortisation	(127 093)	(11 780)	(59 656)	(198 529)
Employee benefit expenses	(856 637)	(234 356)	(432 237)	(1 523 230)
Marketing, administration and other expenses	(472 644)	(381 530)	(149 518)	(1 003 692)
<b>Total expenses</b>	<b>(3 134 698)</b>	<b>(644 553)</b>	<b>(1 115 743)</b>	<b>(4 894 994)</b>
Total loss from joint ventures	-	-	(352)	(352)
<b>Profit before finance costs and taxation</b>	<b>1 088 986</b>	<b>383 247</b>	<b>430 256</b>	<b>1 902 489</b>
Finance costs <sup>2</sup>	(24 039)	(3 075)	(5 694)	(32 808)
<b>Profit before taxation</b>	<b>1 064 947</b>	<b>380 172</b>	<b>424 562</b>	<b>1 869 681</b>
Taxation	(290 427)	(82 899)	(116 294)	(489 620)
<b>Profit for the year</b>	<b>774 520</b>	<b>297 273</b>	<b>308 268</b>	<b>1 380 061</b>
<b>Attributable to:</b>				
Owners of the parent	763 563	297 273	212 965	1 273 801
Non-controlling interest	10 957	-	95 303	106 260
	774 520	297 273	308 268	1 380 061
<b>Headline and recurring headline earnings</b>	<b>763 212</b>	<b>297 246</b>	<b>211 778</b>	<b>1 272 236</b>

<sup>1</sup> In order to provide more relevant information to the users of the financial statements, and to align the disclosure with information regularly provided to the CODM, management has changed the presentation of the divisional income statement to provide a further breakdown of Total income and Total expenses. The enhanced disclosure includes information previously presented in footnotes, as well as providing the divisional split for the following lines; Investment income, Net fair value gains and losses on financial instruments, Net insurance service result, Financial advice fees, and Marketing, administration and other expenses.

<sup>2</sup> The finance costs in the PSG Wealth division of R24.0 million consist mainly of the finance charge on the lease liabilities of R15.6 million with the remaining portion of the finance charge on the CFD margin and the bank overdrafts.

## Segment reporting

for the year ended 28 February 2026

### 6. Revenue from contracts with customers

The revenue from contracts with customers relating to the core business operations of the group has been disaggregated as follows in accordance with IFRS 15:

#### According to nature of the revenue

	2026 R000	2025 R000
<b>Revenue from contracts with customers</b>		
Dealing and structuring (including brokerage)		
– Brokerage <sup>1</sup>	201 924	172 814
– Offshore brokerage commission <sup>1</sup>	150 460	130 299
– Other dealing and structuring income <sup>2</sup>	200 200	185 806
Commission, administration and other fees <sup>3</sup>		
– Commission income <sup>4</sup>	2 710 485	2 410 573
– Administration fees <sup>4</sup>	882 618	768 362
– Other fees <sup>5</sup>	88 067	82 339
Management and performance fees (including rebates) <sup>4,6</sup>	2 633 671	2 063 708
Policy administration fees <sup>4,7</sup>	113 851	107 480
	<b>6 981 276</b>	<b>5 921 381</b>

<sup>1</sup> Brokerage and offshore brokerage commission earned by PSG Wealth is recognised at a point in time.

<sup>2</sup> The other dealing and structuring income includes R170.0 million (2025: R160.1 million) revenue recognised over time by PSG Wealth, with the balance of this revenue being recognised at a point in time.

<sup>3</sup> Commission, administration and other fees include R2 771.3 million (2025: R2 390.1 million) generated by PSG Wealth and R909.9 million (2025: R871.2 million) generated by PSG Insure. This quantitative split was not previously disclosed.

<sup>4</sup> This revenue from contracts with customers is recognised over time.

<sup>5</sup> The other fees include revenue recognised at a point in time and over time, with the majority of this revenue being recognised over time.

<sup>6</sup> Management and performance fees include R1 264.8 million (2025: R1 080.1 million) earned by PSG Wealth and R1 368.9 million (2025: R983.6 million) earned by PSG Asset Management. This quantitative split was not previously disclosed.

<sup>7</sup> Policy administration fees are recognised by PSG Insure.

### 7. Statement of financial position (client vs own)

In order to evaluate the consolidated financial position of the group, the CODM segregates the statement of financial position of the group between own balances and client-related balances.

Client-related balances represent the investment contract liabilities and related linked client assets of PSG Life Limited, the broker and clearing accounts, and the settlement control accounts of the stockbroking business, the collective investment schemes consolidated under IFRS 10 – Consolidated Financial Statements and corresponding third-party liabilities, the non-life claim control accounts and related bank accounts, as well as the contracts for difference (CFD) assets and related liabilities.

As at 28 February 2026	Total IFRS reported R000	Own balances R000	Client-related balances R000
<b>Assets</b>			
Equity securities	5 672 608	55 853	5 616 755
Debt securities <sup>1</sup>	5 555 488	-	5 555 488
Unit-linked investments	138 540 727	3 644 227	134 896 500
Investment in investment contracts	8 050	-	8 050
Receivables <sup>1</sup>	3 491 907	560 447	2 931 460
Derivative financial instruments	28 476	-	28 476
Cash and cash equivalents (including money market funds) <sup>1</sup>	2 671 421	2 512 199	159 222
Other assets <sup>2</sup>	2 427 949	2 427 949	-
<b>Total assets</b>	<b>158 396 626</b>	<b>9 200 675</b>	<b>149 195 951</b>
<b>Equity</b>			
Equity attributable to owners of the parent	5 652 125	5 652 125	-
Non-controlling interest	758 029	758 029	-
<b>Total equity</b>	<b>6 410 154</b>	<b>6 410 154</b>	<b>-</b>
<b>Liabilities</b>			
Investment contracts	66 212 012	-	66 212 012
Third-party liabilities arising on consolidation of mutual funds <sup>1</sup>	80 074 250	-	80 074 250
Derivative financial instruments	47 143	-	47 143
Trade and other payables <sup>1</sup>	4 480 906	1 618 360	2 862 546
Other liabilities <sup>3</sup>	1 172 161	1 172 161	-
<b>Total liabilities</b>	<b>151 986 472</b>	<b>2 790 521</b>	<b>149 195 951</b>
<b>Total equity and liabilities</b>	<b>158 396 626</b>	<b>9 200 675</b>	<b>149 195 951</b>

<sup>1</sup> The client-related balances include the impact of the consolidation of the PSG Money Market Fund. The cash invested therein is derecognised and all of the fund's underlying highly liquid debt securities, receivables and trade and other payables are recognised. Third-party cash invested in the PSG Money Market Fund is included under third-party liabilities arising on consolidation of mutual funds.

<sup>2</sup> Other assets consist of property and equipment, right-of-use assets, intangible assets, current and deferred income tax assets, loans and advances, insurance contract assets and reinsurance contract assets.

<sup>3</sup> Other liabilities consist of lease liabilities, current and deferred income tax liabilities and insurance contract liabilities.

# Segment reporting

for the year ended 28 February 2026

## 7. Statement of financial position (client vs own) (continued)

As at 28 February 2025	Total IFRS reported R000	Own balances R000	Client-related balances R000
<b>Assets</b>			
Equity securities	4 659 481	42 877	4 616 604
Debt securities <sup>1</sup>	4 371 461	-	4 371 461
Unit-linked investments	97 985 067	2 743 353	95 241 714
Investment in investment contracts	9 207	-	9 207
Receivables <sup>1</sup>	2 298 823	378 348	1 920 475
Derivative financial instruments	6 370	-	6 370
Cash and cash equivalents (including money market funds) <sup>1</sup>	2 623 328	2 375 200	248 128
Other assets <sup>2</sup>	2 367 850	2 367 850	-
<b>Total assets</b>	<b>114 321 587</b>	<b>7 907 628</b>	<b>106 413 959</b>
<b>Equity</b>			
Equity attributable to owners of the parent	4 964 216	4 964 216	-
Non-controlling interest	625 742	625 742	-
<b>Total equity</b>	<b>5 589 958</b>	<b>5 589 958</b>	<b>-</b>
<b>Liabilities</b>			
Investment contracts	52 819 377	-	52 819 377
Third-party liabilities arising on consolidation of mutual funds <sup>1</sup>	51 839 062	-	51 839 062
Derivative financial instruments	11 141	-	11 141
Trade and other payables <sup>1</sup>	2 969 289	1 224 910	1 744 379
Other liabilities <sup>3</sup>	1 092 760	1 092 760	-
<b>Total liabilities</b>	<b>108 731 629</b>	<b>2 317 670</b>	<b>106 413 959</b>
<b>Total equity and liabilities</b>	<b>114 321 587</b>	<b>7 907 628</b>	<b>106 413 959</b>

<sup>1</sup> The client-related balances include the impact of the consolidation of the PSG Money Market Fund. The cash invested therein is derecognised and all of the fund's underlying highly liquid debt securities, receivables and trade and other payables are recognised. Third-party cash invested in the PSG Money Market Fund is included under third-party liabilities arising on consolidation of mutual funds.

<sup>2</sup> Other assets consist of property and equipment, right-of-use assets, intangible assets, investment in joint ventures, current and deferred income tax assets, loans and advances, insurance contract assets, reinsurance contract assets and assets held for sale.

<sup>3</sup> Other liabilities consist of lease liabilities, current and deferred income tax liabilities, insurance contract liabilities, reinsurance contract liabilities and liabilities held for sale.

## 8. Statement of cash flows (client vs own)

In order to assist the CODM to evaluate the consolidated statement of cash flows of the group, the statement of cash flows is segregated between cash flows relating to own balances and client-related balances.

For the year ended 28 February 2026	Total IFRS reported R000	Own balances R000	Client-related balances R000
<b>Cash flow from operating activities</b>	<b>1 334 763</b>	<b>1 508 718</b>	<b>(173 955)</b>
Cash (utilised in)/generated by operations <sup>1</sup>	(2 382 251)	1 776 652	(4 158 903)
Interest received	2 859 073	418 167	2 440 906
Dividends received	1 557 723	18 919	1 538 804
Finance costs	(40 298)	(40 298)	-
Taxation paid	(709 661)	(664 722)	(44 939)
Policyholder cash movement	50 177	-	50 177
<b>Cash flow from investing activities</b>	<b>(89 562)</b>	<b>(174 611)</b>	<b>85 049</b>
Consolidation of mutual funds	85 049	-	85 049
Net cash outflow from disposal of assets and liabilities held for sale	(67 338)	(67 338)	-
Other <sup>2</sup>	(107 273)	(107 273)	-
<b>Cash flow from financing activities</b>	<b>(1 299 463)</b>	<b>(1 299 463)</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(54 262)</b>	<b>34 644</b>	<b>(88 906)</b>
<b>Cash and cash equivalents at the beginning of the year<sup>3</sup></b>	<b>2 741 666</b>	<b>2 493 538</b>	<b>248 128</b>
<b>Exchange losses on cash and cash equivalents</b>	<b>(15 983)</b>	<b>(15 983)</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year<sup>3</sup></b>	<b>2 671 421</b>	<b>2 512 199</b>	<b>159 222</b>

<sup>1</sup> The cash generated by operations under own balances includes R423.6 million excess short-term cash transferred to unit-linked investments that invest mainly in cash, money market and related instruments to enhance investment income yield.

<sup>2</sup> Other consists of cash flows relating to the acquisition of intangible assets, purchases of property and equipment, proceeds from disposal of intangible assets and other.

<sup>3</sup> The client-related balances include the impact of the consolidation entries relating to the PSG Money Market Fund. The cash invested therein is derecognised and all of the fund's underlying highly liquid debt securities, receivables and trade and other payables are recognised.

## Segment reporting

for the year ended 28 February 2026

### 8. Statement of cash flows (client vs own) (continued)

For the year ended 28 February 2025	Total IFRS reported R000	Own balances R000	Client-related balances R000
<b>Cash flow from operating activities</b>	2 340 813	1 838 058	502 755
Cash (utilised in)/generated by operations <sup>1</sup>	(577 944)	1 966 673	(2 544 617)
Interest received	2 317 391	398 196	1 919 195
Dividends received	1 135 159	12 713	1 122 446
Finance costs	(32 808)	(32 808)	-
Taxation paid	(526 372)	(506 716)	(19 656)
Policyholder cash movement	25 387	-	25 387
<b>Cash flow from investing activities</b>	(199 281)	(94 140)	(105 141)
Deconsolidation of mutual funds	(105 141)	-	(105 141)
Other <sup>2</sup>	(94 140)	(94 140)	-
<b>Cash flow from financing activities</b>	(1 126 108)	(1 126 108)	-
<b>Net increase in cash and cash equivalents</b>	1 015 424	617 810	397 614
<b>Cash and cash equivalents at the beginning of the year<sup>3</sup></b>	1 738 508	1 883 439	(144 931)
<b>Exchange losses on cash and cash equivalents</b>	(12 266)	(7 711)	(4 555)
<b>Cash and cash equivalents at the end of the year<sup>3</sup></b>	2 741 666	2 493 538	248 128

<sup>1</sup> The cash generated by operations under own balances includes a R175.0 million withdrawal from unit-linked investments for operational cash requirements.

<sup>2</sup> Other consists of cash flows relating to the acquisition of intangible assets, purchases of property and equipment, proceeds from disposal of intangible assets and other.

<sup>3</sup> The client-related balances include the impact of the consolidation entries relating to the PSG Money Market Fund. The cash invested therein is derecognised and all of the fund's underlying highly liquid debt securities, receivables and trade and other payables are recognised.

## Notes to the group financial statements

for the year ended 28 February 2026

### 1. Intangible assets

	Goodwill R000	Deferred acquisition costs R000	Customer relationships R000	Other intangibles R000	Total R000
<b>As at 28 February 2026</b>					
Cost	482 568	39 129	1 494 011	22 676	2 038 384
Accumulated amortisation and impairment	(74 087)	(21 169)	(786 703)	(22 577)	(904 536)
Balance at end of the year	408 481	17 960	707 308	99	1 133 848
<b>Reconciliation</b>					
Balance at the beginning of the year	411 703	17 622	738 742	187	1 168 254
Additions	-	1 896	55 612	20	57 528
Disposals	-	-	(7 786)	(7)	(7 793)
Impairment	(3 222)	-	-	-	(3 222)
Amortisation	-	(1 558)	(79 260)	(101)	(80 919)
Balance at the end of the year	408 481	17 960	707 308	99	1 133 848
<b>As at 28 February 2025</b>					
Cost	485 790	37 233	1 446 183	22 757	1 991 963
Accumulated amortisation and impairment	(74 087)	(19 611)	(707 441)	(22 570)	(823 709)
Balance at the end of the year	411 703	17 622	738 742	187	1 168 254
<b>Reconciliation</b>					
Balance at the beginning of the year	411 703	17 682	766 503	118	1 196 006
Additions	-	1 534	62 982	168	64 684
Disposals	-	-	(694)	-	(694)
Impairment	-	-	(13 932)	-	(13 932)
Amortisation	-	(1 594)	(76 117)	(99)	(77 810)
Balance at the end of the year	411 703	17 622	738 742	187	1 168 254

Included in other intangibles is computer software to the value of R0.07 million (2025: R0.16 million).

# Notes to the group financial statements

for the year ended 28 February 2026

## 1. Intangible assets (continued)

### Customer relationships

The CGU groups to which the customer relationships balance relates to is as follows:

CGU group	Reportable segment	2026 R000	2025 R000
Wealth distribution	PSG Wealth	441 339	435 800
Products and platform	PSG Wealth	101 450	115 197
Securities	PSG Wealth	3 788	4 932
Short-term distribution	PSG Insure	150 930	165 281
Short-term administration	PSG Insure	583	6 744
Short-term licence business	PSG Insure	9 218	10 788
		<b>707 308</b>	<b>738 742</b>

Included in customer relationships are the following material individual CGUs and their respective remaining amortisation period:

Individual CGU	CGU group	Remaining amortisation period		Carrying value	
		2026	2025	2026 R000	2025 R000
Wealth adviser office (no.8)	Products and platform	9 years and 5 months	10 years and 5 months	54 791	60 609
AIFA commercial and industrial	Short-term distribution	12 years and 3 months	13 years and 3 months	36 237	39 195
Wealth adviser office (no.4)	Products and platform	5 years	6 years	30 324	36 389
Wealth adviser office (no.1)	Wealth distribution	8 years	9 years	21 802	24 527
AIFA personal lines	Short-term distribution	12 years and 9 months	13 years and 9 months	22 434	24 194
Wealth adviser office (no.13)	Wealth distribution	18 years and 3 months	19 years and 3 months	17 708	18 679
Wealth adviser office (no.2)	Wealth distribution	8 years	9 years	16 126	18 142
Wealth adviser office (no.11)	Wealth distribution	17 years	18 years	11 099	11 752
Wealth adviser office (no.12)	Wealth distribution	17 years	18 years	11 083	11 735
Wealth adviser office (no.3)	Wealth distribution	10 years and 3 months	11 years and 3 months	8 355	9 170
Wealth adviser office (no.10)	Short-term distribution	15 years and 10 months	16 years and 10 months	7 538	8 014
Wealth adviser office (no.7)	Wealth distribution	12 years	13 years	6 659	7 214
Wealth adviser office (no.6)	Products and platform	7 years	8 years	5 801	6 628
Wealth adviser office (no.9)	Wealth distribution	14 years and 7 months	15 years and 7 months	5 508	5 886
Diagonal Street Financial Services	Short-term distribution, Short-term administration	4 years and 6 months	5 years and 6 months	3 500	6 482
				<b>258 965</b>	<b>288 616</b>

The above mentioned individual customer relationships relate to the original acquisitions of the respective books of business and/or entities and now form part of a larger CGU group.

## 1. Intangible assets (continued)

### Customer relationships (continued)

Customer relationships are amortised over a maximum period of 20 years, which represents management's best estimate of the period over which economic benefits are expected to be derived. This estimate is based on the historical customer attrition, the nature of the products sold and the age and expected life span of the adviser's service.

The amortisation charge on the customer relationships for the year ended 28 February 2026 was R79.3 million (2025: R76.1 million). The amortisation charge is sensitive to the rate of attrition of the client base which impacts management's useful life assessment, which is illustrated in the table below:

Assumptions	Scenario 1 Years	Scenario 2 Years	Scenario 1 Amortisation charge on customer relationships would have increased to R000	Scenario 2 Amortisation charge on customer relationships would have increased to R000
<b>28 February 2026</b>				
Amortisation period	15	10	97 043	145 564

### 28 February 2025

Amortisation period	15	10	96 467	144 700
---------------------	----	----	--------	---------

### Goodwill

The CGU groups to which the goodwill balance relates to is as follows:

CGU group	Reportable segment	2026 R000	2025 R000
Wealth distribution	PSG Wealth	122 426	122 426
Products and platform	PSG Wealth	18 728	18 728
Securities	PSG Wealth	23 974	23 974
Asset management	PSG Asset Management	8 719	8 719
Short-term distribution	PSG Insure	156 203	156 203
Short-term administration	PSG Insure	4 236	7 458
Short-term licence business	PSG Insure	74 195	74 195
		<b>408 481</b>	<b>411 703</b>

For impairment testing purposes, goodwill is allocated to CGUs at the lowest level of operating activity to which it relates. The wealth distribution and short-term distribution CGU groups are assessed at an individual adviser office level. The following are the material offices to which goodwill was allocated:

Individual CGU	CGU group	2026 R000	2025 R000
100% offices	Short-term distribution	99 170	99 170
Advance Wealth Management	Wealth distribution	50 310	50 310
Tlotlisa Securities (T-Sec)	Wealth distribution, Securities	37 366	37 366
AIFA commercial and industrial	Short-term distribution	20 798	20 798
AIFA personal lines	Short-term distribution	9 868	9 868
Wealth adviser office (no.5)	Wealth distribution	9 466	9 466
Insure adviser office (no.1)	Short-term distribution	9 047	9 047
Wealth adviser office (no.2)	Wealth distribution	7 457	7 457
Insure adviser office (no.2)	Short-term distribution	6 574	6 574
		<b>250 056</b>	<b>250 056</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 1. Intangible assets (continued)

### Impairment assessment

When goodwill is evaluated for impairment on an annual basis, we use a PE ratio calculation to identify potential indicators of impairment. The PE ratio is multiplied by the current year earnings of the CGU, to which the goodwill was allocated, to determine the fair value less costs of disposal. PE ratios used by management are determined with reference to similar listed companies adjusted for specific risks associated to the CGU, as well as recent transactions that occurred within the group. The range of PE ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10.0).

Customer relationships were evaluated for indicators of impairment using the most recent PE ratios for similar transactions in the market. The range of PE ratios used varied from 7.5 to 10.0 (2025: 7.5 to 10).

Where there were indicators of impairment on customer relationships or the fair value less costs of disposal of a CGU to which goodwill was allocated was lower than the carrying value, management determined the value in use. The recoverable amount is the higher of the fair value less costs of disposal and the value in use. The value-in-use calculations use cash flow projections based on financial budgets approved by management covering no longer than a five-year planning period. Where appropriate, cash flows were extrapolated into perpetuity by using a terminal growth rate model.

A key input used in the models to determine the value in use of the CGUs is the pre-tax discount rate applied to management's forecast cash flows, which reflects the current market assessments of the time value of money and the risk specific to the CGU. The assumptions have been disclosed below:

	2026 %	2025 %
Risk-free rate (R209)	8.2	10.6
Tax rate	27.0	27.0
Growth rate	7.5 - 10.0	7.5 - 10.0
Terminal growth rate	5.0	5.0
Discount rate	17.8	19.2

Management's assessment takes into account the current economic conditions prevalent in the Republic of South Africa.

For those CGU groups where a value-in-use calculation was performed, a sensitivity analysis was performed on the calculated value. For the 2026 financial year, a 10% increase/decrease in the discount rate would result in a 18% decrease and 25% increase, respectively, to the calculated value-in-use.

For the 2025 financial year, no value-in-use calculations were necessary. Management has considered and assessed reasonably possible changes in key assumptions and has not identified any instances that could cause the carrying amount of the CGU groups to exceed the value in use. These sensitivities and other relevant factors were considered in management's determination of whether intangible assets need to be impaired. During the 2026 financial year, an intangible within the Short-term administration CGU group was impaired by R3.2 million due to a reduction in future revenue projections for the CGU. During the 2025 financial year, an intangible within the Products and platform CGU group was impaired by R13.9 million due to a reduction in future revenue projections for the CGU.

## 2. Property and equipment

	Motor Vehicles R000	Office equipment R000	Computer equipment R000	Total R000
<b>As at 28 February 2026</b>				
Cost	1 633	226 435	231 278	459 346
Accumulated depreciation and impairment	(1 339)	(163 049)	(189 493)	(353 881)
Balance at end of the year	294	63 386	41 785	105 465
<b>Reconciliation</b>				
Balance at the beginning of the year	416	49 395	47 140	96 951
Additions	-	35 709	23 503	59 212
Disposals	-	(194)	(339)	(533)
Depreciation	(122)	(20 503)	(28 498)	(49 123)
Exchange differences	-	(1 021)	(21)	(1 042)
Balance at the end of the year	294	63 386	41 785	105 465
<b>As at 28 February 2025</b>				
Cost	1 633	194 498	212 707	408 838
Accumulated depreciation and impairment	(1 217)	(145 103)	(165 567)	(311 887)
Balance at the end of the year	416	49 395	47 140	96 951
<b>Reconciliation</b>				
Balance at the beginning of the year	538	40 522	51 901	92 961
Additions	-	28 626	25 794	54 420
Disposals	-	(1 255)	(3 430)	(4 685)
Depreciation	(122)	(18 773)	(27 140)	(46 035)
Exchange differences	-	275	15	290
Balance at the end of the year	416	49 395	47 140	96 951

Depreciation expense of R49.1 million (2025: R46.0 million) has been charged as part of depreciation and amortisation as disclosed in note 25.2.

# Notes to the group financial statements

for the year ended 28 February 2026

## 3. Right-of-use assets

	Buildings R000
<b>As at 28 February 2026</b>	
Cost	553 145
Accumulated depreciation and impairment	(264 924)
Balance at end of the year	288 221
<b>Reconciliation</b>	
Balance at the beginning of the year	171 622
Additions	96 082
Modifications	107 335
Terminations	(4 188)
Depreciation	(81 736)
Exchange differences	(894)
Balance at the end of the year	288 221
<b>As at 28 February 2025</b>	
Cost	426 170
Accumulated depreciation and impairment	(254 548)
Balance at the end of the year	171 622
<b>Reconciliation</b>	
Balance at the beginning of the year	144 708
Additions	65 140
Modifications	39 260
Terminations	(2 821)
Depreciation	(74 684)
Exchange differences	19
Balance at the end of the year	171 622

Depreciation expense of R81.7 million (2025: R74.7 million) has been charged as part of depreciation and amortisation as disclosed in note 25.2.

## 4. Lease liabilities

	2026 R000	2025 R000
Balance at the beginning of the year	223 361	201 422
Additions	96 082	65 140
Lease payments <sup>1</sup>	(111 928)	(104 334)
Modifications	107 335	39 260
Terminations	(4 610)	(3 183)
Finance cost	30 024	25 006
Exchange differences	(1 080)	50
Balance at the end of the year	339 184	223 361
Current portion	68 437	75 131
Non-current portion	270 747	148 230
	339 184	223 361
<b>Maturity analysis – contractual undiscounted cash flows</b>		
Less than 1 year	100 089	95 037
Between 1 and 5 years	318 324	166 191
Over 5 years	3 132	12 927
Total	421 545	274 155
<b>Exposure to potential undiscounted cash flows which are not included in the lease liability:</b>		
Extension options	231 173	122 442

<sup>1</sup> The lease payments include interest of R30.0 million (2025: R25.0 million), which has been presented on the statement of cash flows within operating activities (as finance costs). The capital repayments of R81.9 million (2025: R79.3 million) have been disclosed within financing activities.

## 5. Investment in joint ventures

	2026 R000	2025 R000
Unlisted ordinary share investments	-	152
<b>Reconciliation</b>		
Balance at the beginning of the year	152	504
Share of losses after taxation	(152)	(352)
Balance at the end of the year	-	152
<b>Carrying value</b>		
Shares at cost	8 524	8 524
Share of profits and reserves since acquisition	8 789	8 941
Dividends received	(17 313)	(17 313)
Balance at the end of the year	-	152
Loan granted to joint venture <sup>1</sup>	11 113	9 997
Jan Jonker Property Investment Trust		
Unsecured loan bearing interest at Namibian prime rate plus 2% with no repayment terms	11 113	9 997

<sup>1</sup> The loan granted to the joint venture is recoverable on demand and is included under note 11 (Receivables).

PSG obtained the investment in Jan Jonker Property Investment Trust through the acquisition of the subsidiary, Western Group Holdings Limited, on 1 November 2012.

# Notes to the group financial statements

for the year ended 28 February 2026

## 6. Deferred income tax

	2026 R000	2025 R000
<b>Analysis of the net deferred income tax balance<sup>1</sup>:</b>		
Deferred income tax assets	293 029	173 161
Deferred income tax liabilities	(231 008)	(185 463)
Net deferred income tax assets/(liabilities)	62 021	(12 302)
Deferred income tax assets		
To be recovered within 12 months	237 826	156 104
To be recovered after 12 months	55 203	17 057
	293 029	173 161
Deferred income tax liabilities		
To be recovered within 12 months <sup>2</sup>	18 317	(56)
To be recovered after 12 months	(249 325)	(185 407)
	(231 008)	(185 463)

<sup>1</sup> Calculated on a net basis per subsidiary company, assuming that a company either has a deferred income tax asset or liability.

<sup>2</sup> Three subsidiary companies in the group reported a net deferred income tax liability at 28 February 2026, with a debit balance for the deferred income tax liability's current portion. This represents a current deferred income tax asset that exceeds the current deferred income tax liability and a non-current deferred income tax liability that exceeds the non-current deferred income tax asset.

### The gross movement of the deferred income tax is as follows:

Balance at the beginning of the year	(12 302)	12 510
Other movements	191	(60)
Tax credit to equity	58 323	4 452
Credit/(charge) to profit or loss	15 809	(29 204)
Balance at the end of the year	62 021	(12 302)

### Creation of deferred tax assets and recognition of deferred tax liabilities

The deferred income tax assets and liabilities were calculated in full on all temporary differences under the liability method using an effective tax rate of 27% (2025: 27%) in South Africa and the official tax rates in the foreign subsidiaries, where applicable.

The recoverability of the deferred income tax assets was assessed, as set out in the accounting policies in Annexure A. Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is possible.

The deferred income tax asset of R8.3 million (2025: R4.2 million) raised due to tax losses relates to subsidiaries that have suffered a loss in the previous few financial years. Based on approved budgets prepared by management of these subsidiaries, the group considers it probable that the deferred income tax asset will be used against future taxable profits. The group has unused accumulated losses of R6.9 million (2025: R7.0 million) for which no deferred income tax asset has been raised.

## 6. Deferred income tax (continued)

The gross movement in the deferred income tax assets and liabilities during the year per category is as follows<sup>1</sup>:

Deferred income tax assets	Deferred revenue R000	Provisions for other liabilities and charges R000	Lease liabilities R000	Tax losses carried forward R000	Accruals not currently deductible and other differences R000	Total R000
Carrying value at 1 March 2024	4 804	103 278	54 545	3 797	90 130	256 554
(Charge)/credit to profit or loss	(20)	398	5 085	374	15 816	21 653
Credit to equity	-	4 452	-	-	-	4 452
Other movements <sup>2</sup>	-	-	-	-	9	9
Carrying value at 28 February 2025	4 784	108 128	59 630	4 171	105 955	282 668
Credit to profit or loss	78	30 170	31 862	4 104	39 502	105 716
Credit to equity	-	58 323	-	-	-	58 323
Other movements <sup>2</sup>	-	86	(214)	-	165	37
Carrying value at 28 February 2026	4 862	196 707	91 278	8 275	145 622	446 744

Deferred income tax liabilities	Deferred acquisition cost R000	Prepaid expenses R000	Unrealised appreciation of investments R000	Right-of-use assets R000	Other intangible assets R000	Foreign exchange and other R000	Total R000
Carrying value at 1 March 2024	(4 775)	(6 476)	(146 515)	(39 220)	(45 118)	(1 940)	(244 044)
Credit/(charge) to profit or loss	16	(821)	(44 423)	(6 659)	6 204	(5 174)	(50 857)
Other movements <sup>2</sup>	-	-	(1)	-	-	(68)	(69)
Carrying value at 28 February 2025	(4 759)	(7 297)	(190 939)	(45 879)	(38 914)	(7 182)	(294 970)
(Charge)/credit to profit or loss	(91)	204	(67 758)	(31 975)	6 997	2 716	(89 907)
Other movements <sup>2</sup>	-	(2)	21	-	-	135	154
Carrying value at 28 February 2026	(4 850)	(7 095)	(258 676)	(77 854)	(31 917)	(4 331)	(384 723)

<sup>1</sup> The movement schedule shows the deferred tax on a gross basis, i.e. breaks the respective entities' net deferred income tax asset/liability into the various categories.

<sup>2</sup> The other movements mainly relate to the deferred tax impact of the exchange differences on the conversion of the group's foreign subsidiaries.

# Notes to the group financial statements

for the year ended 28 February 2026

## 7. Loans and advances

	2026 R000	2025 R000
<b>Secured</b>		
Loans to financial advisers (i)	272 443	270 960
<b>Unsecured</b>		
Loans to financial advisers (i)	53 026	57 162
Loans with non-controlling interest	468	468
Other	450	686
	53 944	58 316
<b>Total loans and advances</b>	<b>326 387</b>	<b>329 276</b>
Current portion	140 824	122 909
Non-current portion	185 563	206 367
	326 387	329 276

### (i) Loans to financial advisers

The balance of the secured loans to financial advisers is made up as follows:

- R270.8 million (2025: R269.3 million) is repayable by monthly instalments and the effective interest rates applied range between 12.60% and 13.60% (2025: 12.55% and 13.55%)
- R1.6 million (2025: R1.6 million) is interest-free and repayable on demand

The balance of the unsecured loans to financial advisers consists of:

- R16.9 million (2025: R17.1 million) is repayable by monthly instalments and the effective interest rate applied is 12.60% (2025: range between 12.55% and 13.55%)
- R46.7 million (2025: R46.5 million) is interest-free and repayable on demand
- An expected credit loss of R10.6 million (2025: R6.4 million)

### Analysis of loans to financial advisers

The loans to financial advisers have been categorised as follows:

Category	Description
Stage 1	These are loans which are up-to-date with no indication of a significant increase in credit risk.
Stage 2	These are loans which have had a significant increase in credit risk, but are not credit impaired, due to the following: <ul style="list-style-type: none"> <li>• the adviser's books of business are not performing as expected; or</li> <li>• the adviser has missed repayments, other than due to the group's administrative reasons, and this has not been rectified within a month.</li> </ul>
Stage 3	These are loans which have assessed to be credit impaired as result of: <ul style="list-style-type: none"> <li>• the adviser no longer being employed by the group;</li> <li>• legal is trying to recover the loan; or</li> <li>• the loan is more than three months in arrears.</li> </ul>
Write-off	Loans are written off when there is no reasonable expectation of further recovery.

## 7. Loans and advances (continued)

### Reconciliation of loans to financial advisers (excluding expected credit loss allowance)

	Stage 1 R000	Stage 2 R000	Stage 3 R000	Total R000
Carrying value at 1 March 2024	242 437	5 711	858	249 006
New loans granted/advances on existing loans	193 800	6 306	66	200 172
Loan repayments/derecognised (excluding write-offs)	(148 500)	(5 339)	(361)	(154 200)
Interest accrued for the year	38 709	965	-	39 674
Transfers between stages	(1 554)	239	1 315	-
Write-offs	-	-	(175)	(175)
Carrying value at 28 February 2025	324 892	7 882	1 703	334 477
New loans granted/advances on existing loans	139 931	6 056	117	146 104
Loan repayments/derecognised (excluding write-offs)	(173 563)	(8 392)	(192)	(182 147)
Interest accrued for the year	37 327	1 031	-	38 358
Transfers between stages	272	(998)	726	-
Write-offs	-	-	(753)	(753)
Carrying value at 28 February 2026	328 859	5 579	1 601	336 039

Under IFRS 9, loss allowances for loans to financial advisers are measured under the general expected credit loss model.

### Reconciliation of expected credit loss allowance on loans to financial advisers

	Stage 1 R000	Stage 2 R000	Stage 3 R000	Total R000
Carrying value at 1 March 2024	(327)	(1 923)	(858)	(3 108)
(Charge)/credit to profit or loss				
In respect of financial assets originated during the year	(1 846)	-	-	(1 846)
In respect of financial assets originated during prior years	(769)	(1 130)	323	(1 576)
Transfers between stages	1 976	(633)	(1 343)	-
Write-offs	-	-	175	175
Carrying value at 28 February 2025	(966)	(3 686)	(1 703)	(6 355)
(Charge)/credit to profit or loss				
In respect of financial assets originated during the year	(497)	-	-	(497)
In respect of financial assets originated during prior years	(5 596)	1 086	39	(4 471)
Transfers between stages	2 273	(1 583)	(690)	-
Write-offs	-	-	753	753
Carrying value at 28 February 2026	(4 786)	(4 183)	(1 601)	(10 570)

# Notes to the group financial statements

for the year ended 28 February 2026

## 8. Financial instruments

Instrument per category	2026 Fair value through profit or loss R000	2025 Fair value through profit or loss R000
Debt securities	5 555 488	4 371 461
Unit-linked investments	138 540 727	97 985 067
Equity securities	5 672 608	4 659 481
Investment in investment contracts	8 050	9 207
	<b>149 776 873</b>	<b>107 025 216</b>

### 8.1 Debt securities

Reconciliation	2026 R000	2025 R000
Balance at the beginning of the year	4 371 461	3 932 406
Additions	5 482 715	5 112 563
Disposals	(1 272 235)	(1 802 796)
Maturities	(3 526 016)	(3 219 544)
Unrealised fair value net gains	82 736	4 682
Realised gains	25 107	23 944
Interest and dividends	391 720	320 206
Balance at the end of the year	<b>5 555 488</b>	<b>4 371 461</b>

	2026 R000	2025 R000
Direct investments		
Consolidated collective investment schemes	5 555 488	4 371 461
	<b>5 555 488</b>	<b>4 371 461</b>
Current portion	2 746 996	2 621 951
Non-current portion	2 808 492	1 749 510
	<b>5 555 488</b>	<b>4 371 461</b>

## 8. Financial instruments (continued)

### 8.2 Unit-linked investments

Reconciliation	2026 R000	2025 R000
Balance at the beginning of the year	97 985 067	100 071 773
Additions	24 857 649	18 702 147
Consolidation of mutual funds (refer to note 33.3)	8 631 545	-
Disposals	(17 602 802)	(12 608 276)
Deconsolidation of mutual funds (refer to note 33.4)	-	(20 853 772)
Exchange differences	(7 476)	7 520
Unrealised fair value net gains	16 718 605	7 934 210
Realised gains	4 449 858	1 972 401
Interest and dividends	3 508 281	2 759 064
Balance at the end of the year	<b>138 540 727</b>	<b>97 985 067</b>

	2026 R000	2025 R000
Direct investments		
Consolidated collective investment schemes	74 422 266	47 110 944
Own balances	3 644 227	2 743 353
Investments linked to investment contracts	60 474 234	48 130 770
	<b>138 540 727</b>	<b>97 985 067</b>
Current portion	6 132 330	4 536 646
Non-current portion	132 408 397	93 448 421
	<b>138 540 727</b>	<b>97 985 067</b>

### 8.3 Equity securities

Reconciliation	2026 R000	2025 R000
Balance at the beginning of the year	4 659 481	3 952 005
Additions	731 934	1 954 677
Disposals	(556 096)	(1 828 698)
Unrealised fair value net gains	552 299	496 575
Exchange differences	(1 368)	(588)
Realised gains	89 878	1 404
Dividends and interest	196 480	84 106
Balance at the end of the year	<b>5 672 608</b>	<b>4 659 481</b>

	2026 R000	2025 R000
Direct investments		
Own balances	55 853	42 877
Investments linked to investment contracts	5 616 755	4 616 604
	<b>5 672 608</b>	<b>4 659 481</b>
Current portion	621 979	481 624
Non-current portion	5 050 629	4 177 857
	<b>5 672 608</b>	<b>4 659 481</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 8. Financial instruments (continued)

### 8.4 Investment in investment contracts

Reconciliation	2026 R000	2025 R000
Balance at the beginning of the year	9 207	9 443
Investment contract premiums received	-	213
Investment contracts benefits paid	(946)	-
Fair value adjustment and reinvestments to investment contracts	(211)	(449)
Balance at the end of the year	8 050	9 207

	2026 R000	2025 R000
Investments linked to investment contracts	8 050	9 207
Current portion	-	-
Non-current portion	8 050	9 207
	8 050	9 207

## 9. Insurance and reinsurance contracts

### 9.1 Insurance and reinsurance contracts analysis

	2026			2025		
	Assets R000	Liabilities R000	Net R000	Assets R000	Liabilities R000	Net R000
<b>Insurance contracts issued</b>						
Non-life insurance						
– premium allocation approach	(9 603)	528 963	519 360	(13 679)	469 019	455 340
<b>Insurance contract (assets)/liabilities</b>	(9 603)	528 963	519 360	(13 679)	469 019	455 340
Current portion	(9 603)	528 963	519 360	(13 679)	469 019	455 340
Non-current portion	-	-	-	-	-	-
<b>Reinsurance contracts held</b>						
Non-life insurance						
– premium allocation approach	(163 665)	-	(163 665)	(184 600)	2 123	(182 477)
<b>Reinsurance contract (assets)/liabilities</b>	(163 665)	-	(163 665)	(184 600)	2 123	(182 477)
Current portion	(163 665)	-	(163 665)	(184 600)	2 123	(182 477)
Non-current portion	-	-	-	-	-	-

## 9. Insurance and reinsurance contracts (continued)

### 9.2 Insurance contracts reconciliation – premium allocation approach

	2026			Total R000
	Liability for remaining coverage	Liability for incurred claims		
	Present value of future cash flows R000	Present value of future cash flows R000	Risk adjustment for non-financial risk R000	
Insurance contract assets at the beginning of the year	(21 471)	7 311	481	(13 679)
Insurance contract liabilities at the beginning of the year	(3 066)	449 269	22 816	469 019
Net insurance contract liabilities at the beginning of the year	(24 537)	456 580	23 297	455 340
Insurance revenue	(2 713 597)	-	-	(2 713 597)
Insurance service expenses	557 277	1 427 826	(5 087)	1 980 016
Incurred claims and other directly attributable insurance service expenses	-	1 420 193	-	1 420 193
Amortisation of insurance acquisition costs	557 277	-	-	557 277
Changes that relate to past service	-	7 633	(5 087)	2 546
Insurance service result	(2 156 320)	1 427 826	(5 087)	(733 581)
Finance expense on insurance contracts issued	-	30 391	-	30 391
Net movements recognised in the statement of comprehensive income	(2 156 320)	1 458 217	(5 087)	(703 190)
Net insurance contract cash flows	2 169 467	(1 402 257)	-	767 210
Premiums received	2 742 301	-	-	2 742 301
Claims and other directly attributable expenses paid	-	(1 402 257)	-	(1 402 257)
Insurance acquisition costs paid	(572 834)	-	-	(572 834)
Investment component	(9 801)	9 801	-	-
Insurance contract assets at the end of the year	(17 703)	7 802	298	(9 603)
Insurance contract liabilities at the end of the year	(3 488)	514 539	17 912	528 963
Net insurance contract liabilities at the end of the year	(21 191)	522 341	18 210	519 360

# Notes to the group financial statements

for the year ended 28 February 2026

## 9. Insurance and reinsurance contracts (continued)

### 9.2 Insurance contracts reconciliation – premium allocation approach (continued)

	2025			
	Liability for remaining coverage	Liability for incurred claims		Total R'000
	Present value of future cash flows R'000	Present value of future cash flows R'000	Risk adjustment for non-financial risk R'000	
Insurance contract liabilities at the beginning of the year	(17 346)	346 818	19 905	349 377
Insurance revenue	(2 614 052)	-	-	(2 614 052)
Insurance service expenses	524 882	1 604 307	3 309	2 132 498
Incurred claims and other directly attributable insurance service expenses	-	1 573 158	-	1 573 158
Amortisation of insurance acquisition costs	524 882	-	-	524 882
Changes that relate to past service	-	31 149	3 309	34 458
Insurance service result	(2 089 170)	1 604 307	3 309	(481 554)
Finance expense on insurance contracts issued	-	27 832	-	27 832
Net movements recognised in the statement of comprehensive income	(2 089 170)	1 632 139	3 309	(453 722)
Net insurance contract cash flows	2 116 493	(1 566 465)	-	550 028
Premiums received	2 628 877	-	-	2 628 877
Claims and other directly attributable expenses paid	-	(1 566 465)	-	(1 566 465)
Insurance acquisition costs paid	(512 384)	-	-	(512 384)
Investment component	(34 991)	34 991	-	-
Transferred to held for sale	477	9 097	83	9 657
Insurance contract assets at the end of the year	(21 471)	7 311	481	(13 679)
Insurance contract liabilities at the end of the year	(3 066)	449 269	22 816	469 019
Net insurance contract liabilities at the end of the year	(24 537)	456 580	23 297	455 340

## 9. Insurance and reinsurance contracts (continued)

### 9.3 Reinsurance contracts reconciliation – premium allocation approach

	2026			
	Asset for remaining coverage	Asset for incurred claims		Total R000
	Present value of future cash flows R000	Present value of future cash flows R000	Risk adjustment for non-financial risk R000	
Reinsurance contract assets at the beginning of the year	173 400	(348 863)	(9 137)	(184 600)
Reinsurance contract liabilities at the beginning of the year	3 542	(1 331)	(88)	2 123
Net reinsurance contract assets at the beginning of the year	176 942	(350 194)	(9 225)	(182 477)
Reinsurance expenses and other directly attributable expenses	474 483	9 675	-	484 158
Reinsurance income	-	(253 581)	4 036	(249 545)
Claims recovered and other reinsurance service income received	-	(235 769)	-	(235 769)
Adjustments to incurred claims that relate to past service	-	(17 812)	4 036	(13 776)
Insurance service result	474 483	(243 906)	4 036	234 613
Finance income from reinsurance contracts issued	-	(13 090)	-	(13 090)
Net movements recognised in the statement of comprehensive income	474 483	(256 996)	4 036	221 523
Net reinsurance contract cash flows	(569 079)	366 368	-	(202 711)
Premiums (net of ceding commissions) and other directly attributable expenses paid	(569 079)	(9 675)	-	(578 754)
Claims recovered and other reinsurance service income received	-	376 043	-	376 043
Investment component	24 121	(24 121)	-	-
Reinsurance contract assets at the end of the year	106 467	(264 943)	(5 189)	(163 665)

# Notes to the group financial statements

for the year ended 28 February 2026

## 9. Insurance and reinsurance contracts (continued)

### 9.3 Reinsurance contracts reconciliation – premium allocation approach (continued)

	2025			
	Asset for remaining coverage	Asset for incurred claims		Total R000
	Present value of future cash flows R000	Present value of future cash flows R000	Risk adjustment for non-financial risk R000	
Reinsurance contract assets at the beginning of the year	137 744	(241 723)	(7 253)	(111 232)
Reinsurance contract liabilities at the beginning of the year	8 843	(5 601)	-	3 242
Net reinsurance contract assets at the beginning of the year	146 587	(247 324)	(7 253)	(107 990)
Reinsurance expenses and other directly attributable expenses	721 192	9 178	-	730 370
Reinsurance income	-	(585 308)	(1 896)	(587 204)
Claims recovered and other reinsurance service income received	-	(540 859)	-	(540 859)
Adjustments to incurred claims that relate to past service	-	(44 449)	(1 896)	(46 345)
Insurance service result	721 192	(576 130)	(1 896)	143 166
Finance income from reinsurance contracts issued	-	(18 247)	-	(18 247)
Net movements recognised in the statement of comprehensive income	721 192	(594 377)	(1 896)	124 919
Net reinsurance contract cash flows	(734 038)	537 867	-	(196 171)
Premiums (net of ceding commissions) and other directly attributable expenses paid	(734 038)	(9 178)	-	(743 216)
Claims recovered and other reinsurance service income received	-	547 045	-	547 045
Investment component	43 989	(43 989)	-	-
Transferred to held for sale	(788)	(2 371)	(76)	(3 235)
Reinsurance contract assets at the end of the year	173 400	(348 863)	(9 137)	(184 600)
Reinsurance contract liabilities at the end of the year	3 542	(1 331)	(88)	2 123
Net reinsurance contract assets at the end of the year	176 942	(350 194)	(9 225)	(182 477)

#### Claims development tables

Due to the nature of the short-term insurance contracts, the uncertainty about the amount and timing of claims payments is typically resolved within one year. The corresponding reinsurance contracts are therefore estimated to realise within the next 12 months.

## 10. Derivative financial instruments

	2026 R000	2025 R000
Derivative financial assets	28 476	6 370
Derivative financial liabilities	(47 143)	(11 141)
Net derivative financial instruments	(18 667)	(4 771)
Derivative financial assets		
Current portion	28 476	6 370
Non-current portion	-	-
	28 476	6 370
Derivative financial liabilities		
Current portion	(47 143)	(11 141)
Non-current portion	-	-
	(47 143)	(11 141)
<b>Analysis of net derivative balance</b>		
Equity traded derivatives		
Contracts for difference	(18 667)	(4 771)
<b>Reconciliation of net derivative balance</b>		
Balance at the beginning of the year	(4 771)	(2 479)
Disposals	(13 896)	(2 292)
Balance at the end of the year	(18 667)	(4 771)

The notional principal amounts of the outstanding contracts for difference assets and liabilities at 28 February 2026 were R168.4 million (2025: R75.4 million) and R186.8 million (2025: R75.5 million) respectively.

## 11. Receivables

	2026 R000	2025 R000
Trade receivables	302 231	195 270
Receivables due from related parties (refer to note 32) (i)	185 855	120 666
Prepayments	48 878	50 100
Brokers and clearing houses and client accounts (ii)	2 935 678	1 915 013
Rental and other deposits	6 710	7 042
VAT receivable	205	16
Contracts for difference (iii)	12 279	10 661
Sundry debtors	71	55
Total receivables <sup>1</sup>	3 491 907	2 298 823
Current portion	3 480 794	2 288 826
Non-current portion	11 113	9 997
	3 491 907	2 298 823

<sup>1</sup> Includes non-financial assets of R49.2 million (2025: R50.2 million).

# Notes to the group financial statements

for the year ended 28 February 2026

## 11. Receivables (continued)

All non-current receivables are due within five years from the end of the reporting period.

### (i) Receivables due from related parties

- Includes balances of R11.1 million (2025: R10.0 million) that accrue interest. The effective interest rate applied to these balances is 12.32% (2025: 13.17%) and there are no fixed repayment terms.
- The remaining balances are interest-free and repayable on demand.

### (ii) Brokers and clearing houses and client accounts

- This represents amounts owing by the JSE for trades conducted during the last few days before the end of the financial year. These balances fluctuate on a daily basis depending on the activity in the market.
- Included in client accounts are balances of R203.8 million (2025: R179.8 million) which accrue interest at prime.
- The remaining balance is interest-free.

### (iii) Contracts for difference

- Contracts for difference consist of collateral assets and margin accounts held by the underlying banking institutions on behalf of clients and are valued at the carrying value after processing the daily market and interest adjustments.
- The balance on 28 February 2026 and 28 February 2025 only represents the margin receivable at year-end from the financial institutions and accrues interest at SAFEX plus 2%.

The group applies the simplified approach to providing for expected credit losses on the financial receivables, as prescribed by IFRS 9, which requires the use of lifetime expected loss provisions for all receivables at amortised cost. In assessing the impairment that should be raised, credit enhancements such as security held were taken into account (refer to page 215 for further detail). An insignificant portion of the receivables were not classified as stage 1. Based on this assessment, the expected credit loss allowance was immaterial.

The group has not recognised any contract assets as only the passage of time is required before payment of the consideration is due. Contract liabilities of R18.0 million (2025: R17.7 million) have been included under note 19 (Trade and other payables).

## 12. Assets and liabilities held for sale

The assets and liabilities classified as held for sale relate to the Western National Insurance Namibia business, which has been presented as held for sale since 29 February 2024, following the approval by the group's management to sell this business. The business was sold to Santam Namibia on 3 March 2025, after the fulfilment of suspensive conditions, for a consideration of R56.5 million, of which R51.0 million has been received in cash during the 2026 financial year.

	2026 R000	2025 R000
<b>Assets classified as held for sale</b>		
Reinsurance contract assets	-	5 922
Cash and cash equivalents (including money market funds)	-	118 338
	-	124 260
<b>Liabilities classified as held for sale</b>		
Insurance contract liabilities	-	(124 260)
	-	(124 260)

## 12. Assets and liabilities held for sale (continued)

The cash flow impact of the sale can be summarised as follows:

	2026 R000	2025 R000
Cash consideration received	51 000	-
Cash and cash equivalents given up	(118 338)	-
Net cash outflow	(67 338)	-

## 13. Cash and cash equivalents (including money market funds)

	2026 R000	2025 R000
Cash at bank and in hand	1 252 316	1 014 342
Short-term deposits	1 419 105	1 608 986
	2 671 421	2 623 328

The effective interest rate on cash and cash equivalents was 6.49% (2025: 7.45%). The short-term deposits have an average maturity of 30 days or less.

Impairments on cash and cash equivalents are measured on a 12-month expected credit loss basis and reflect the short-term maturities of the exposures. The group considers that its cash and cash equivalents have good credit quality based on the external credit ratings of the counterparties. No impairment is considered necessary.

Cash and cash equivalents included above relating to investment contract liabilities amounted to R113.0 million (2025: R62.8 million). Refer to note 17.

## 14. Stated capital

### Authorised

3 billion shares with no par value  
(2025: 3 billion shares with no par value)

There were no changes to the authorised stated capital during the current reporting period (2025: no changes).

	Number of shares (thousands)	Stated capital R000
<b>Issued shares</b>		
As at 1 March 2024	1 279 891	1 206 174
Repurchase and cancellation of ordinary shares	(19 106)	(330 269)
As at 28 February 2025	1 260 785	875 905
Repurchase and cancellation of ordinary shares	(12 275)	(296 932)
As at 28 February 2026	1 248 510	578 973

During the 2026 financial year, the company repurchased and cancelled 12.3 million ordinary shares at a cost of R296.9 million at a weighted average cost price of R24.19 per share. The cost was deducted from stated capital. The buy back and cancellation were approved by shareholders at the 2025 AGM.

During the 2025 financial year, the company repurchased and cancelled 19.1 million ordinary shares at a cost of R330.3 million at a weighted average cost price of R17.29 per share. The cost was deducted from stated capital. The buy back and cancellation were approved by shareholders at the 2024 AGM.

All shares issued by the company were fully paid. The unissued shares in the company are placed under the control of the directors until the next AGM. The directors are authorised to buy back shares under general approval, subject to certain limitations and the JSE Listings Requirements.

# Notes to the group financial statements

for the year ended 28 February 2026

## 14. Stated capital (continued)

### Treasury shares

	Number of shares (thousands)	Stated capital R000
<b>Analysis of treasury shares:</b>		
As at 1 March 2024	11 951	120 381
Treasury shares sold or cancelled	(1 166)	(16 415)
Release of profits on disposal from treasury shares to retained earnings	-	5 510
As at 28 February 2025	10 785	109 476
Treasury shares sold or cancelled	(1 426)	(23 330)
Release of profits on disposal from treasury shares to retained earnings	-	16 272
As at 28 February 2026	9 359	102 418

	2026 R000	2025 R000
<b>Summary of the cash flow impact of the treasury shares sold:</b>		
Treasury shares sold	23 330	16 415
Loss on issue of shares in terms of share scheme	(222 135)	(111 221)
Net cash outflow	(198 805)	(94 806)

### Share incentive scheme

During the current and prior financial years, the group operated an equity-settled share incentive scheme in terms of the PSG Konsult Group Share Incentive Scheme (number of grants under current scheme – 2026: ten; 2025: ten). In terms of the scheme, share options are granted to executive directors, and senior and middle management.

In terms of the share incentive scheme, share options are allocated to participants at grant date at market price. The settlement of the purchase consideration payable by the employee in terms of the share options granted occurs on delivery. The only vesting requirement is that the employee must remain in the employment of the group at the relevant tranche vesting date in order to exercise options.

The assumptions made regarding share options issued are set out in this note.

The total equity-settled share-based payment costs recognised in the income statement for the scheme were R64.3 million (2025: R73.6 million). The share-based payment costs expensed during the year were credited to other reserves (as part of equity – refer to note 15).

The weighted average strike price of share options exercised in terms of the equity-settled share scheme during the year under review was R10.28 per share (2025: R9.76 per share).

The total fair value of the 342.5 million share options granted is R672.8 million (2025: 332.4 million share options granted is R619.0 million) and was determined using the Black-Scholes valuation model for share options issued prior to 1 March 2019, and using a Modified Binomial Tree model for share options issued subsequent to this date. The fair value of the options granted during 2026 is R53.9 million (2025: R103.0 million).

Vesting of shares occurs as follows:	%
2 years after grant date	25
3 years after grant date	25
4 years after grant date	25
5 years after grant date	25
	100

## 14. Stated capital (continued)

### Share incentive scheme (continued)

Granting of share options occurred as follows:	Number of share options	Strike price R	Volatility used <sup>1</sup> %	Dividend yield %	Risk-free rate %	Fair value of share price R
1 March 2011	27 761 084	1.54	4.74	5.65	7.89	1.75
1 July 2012	11 753 248	1.83	2.93	5.85	7.38	1.85
1 March 2013	46 250 000	2.83	30.00	6.00	6.20	2.40
1 June 2013	1 000 000	2.80	24.00	4.20	7.26	2.55
1 August 2013	300 000	3.40	24.00	3.46	7.26	3.50
1 March 2014	25 000 000	5.06	29.25	2.23	8.07	4.30
1 April 2014	240 000	0.00	29.25	2.23	8.07	4.30
1 April 2015	14 755 778	7.27	24.74	1.99	7.06	7.25
1 April 2016	27 700 778	6.81	34.72	2.24	8.42	6.84
1 August 2016	150 000	6.83	34.14	2.26	7.79	6.77
1 April 2017	22 739 006	7.59	26.76	2.35	7.62	7.55
1 April 2018	20 475 000	8.74	22.06	2.45	7.81	8.90
1 April 2019 <sup>2</sup>	18 000 000	10.15	28.17	2.51 – 2.59	7.03 – 7.38	9.95
1 June 2019 <sup>3</sup>	300 000	10.27	27.99	2.46 – 2.51	6.92 – 7.29	9.60
1 November 2019 <sup>4</sup>	250 000	8.20	28.21	2.08 – 2.34	6.76 – 7.24	9.12
1 February 2020 <sup>5</sup>	1 500 000	9.26	28.28	2.75 – 2.87	6.29 – 6.72	9.00
1 April 2020 <sup>6</sup>	20 000 000	7.13	32.34	3.44 – 3.63	5.56 – 7.27	6.80
1 April 2021 <sup>7</sup>	30 000 000	9.08	33.33	3.41 – 3.92	4.72 – 6.34	9.25
16 August 2021 <sup>8</sup>	300 000	10.97	32.82	2.74 – 3.22	4.85 – 6.04	10.95
1 April 2022 <sup>9</sup>	20 200 000	12.71	34.20	3.08 – 3.63	6.18 – 7.15	13.00
1 July 2022 <sup>10</sup>	1 000 000	12.04	34.51	2.77 – 3.40	7.39 – 8.22	13.19
1 April 2023 <sup>11</sup>	20 765 000	12.17	35.75	3.76 – 4.29	7.78 – 8.22	15.19
1 April 2024 <sup>12</sup>	21 500 000	14.70	34.61	3.39 – 3.67	8.09 – 8.73	15.30
7 June 2024	500 000	15.86	34.69	2.71 – 3.27	7.98 – 8.56	16.07
1 April 2025 <sup>13</sup>	10 050 000	18.03	33.61	3.42 – 3.90	7.34 – 7.84	18.76
	342 489 894					

<sup>1</sup> Volatility set at historic trend levels of PSG Financial Services shares.

<sup>2</sup> During the 2025 financial year 3.70 million shares vested with a weighted average strike price of R10.15 per share.

<sup>3</sup> During the 2025 financial year, 0.03 million shares vested with a weighted average strike price of R10.27 per share.

<sup>4</sup> During the 2025 financial year, 0.06 million shares vested with a weighted average strike price of R8.20.

<sup>5</sup> During the 2026 financial year, 0.38 million shares vested with a weighted average strike price of R9.26 per share (2025: 0.38 million shares vested with a weighted average strike price of R9.26 per share).

<sup>6</sup> During the 2026 financial year, 4.37 million shares vested with a weighted average strike price of R7.13 (2025: 4.40 million shares vested with a weighted average strike price of R7.13 and 0.03 million shares were cancelled).

<sup>7</sup> During the 2026 financial year, 6.63 million shares vested with a weighted average strike price of R9.08 and 0.73 million shares were cancelled (2025: 6.65 million shares vested with a weighted average strike price of R9.08 and 0.08 million shares were cancelled).

<sup>8</sup> During the 2026 financial year, 0.08 million shares vested with a weighted average strike price of R10.97 (2025: 0.08 million shares vested with a weighted average strike price of R10.97).

<sup>9</sup> During the 2026 financial year, 4.77 million shares vested with a weighted average strike price of R12.71 and 1.15 million shares were cancelled (2025: 4.81 million shares vested with a weighted average strike price of R12.71 and 0.15 million shares were cancelled).

<sup>10</sup> During the 2026 financial year, 0.25 million shares vested with a weighted average strike price of R12.04 (2025: 0.25 million shares vested with a weighted average strike price of R12.04).

<sup>11</sup> During the 2026 financial year, 5.05 million shares vested with a weighted average strike price of R12.17 and 1.56 million shares were cancelled (2025: 0.24 million shares were cancelled).

<sup>12</sup> During the 2026 financial year, 0.37 million shares were cancelled (2025: 0.17 million shares were cancelled).

<sup>13</sup> During the 2026 financial year, 0.03 million shares were cancelled.

# Notes to the group financial statements

for the year ended 28 February 2026

## 14. Stated capital (continued)

### Share incentive scheme (continued)

Analysis of outstanding share options by financial year of maturity	2026		2025	
	Weighted average strike price R	Number	Weighted average strike price R	Number
28 February 2026	-	-	10.28	21 138 750
28 February 2027	12.06	20 302 500	11.99	22 167 500
29 February 2028	13.99	16 790 000	13.23	15 498 750
28 February 2029	14.46	12 372 500	13.50	10 495 000
28 February 2030	15.78	7 865 000	14.73	5 458 750
28 February 2031	18.03	2 506 250	-	-
		<b>59 836 250</b>		<b>74 758 750</b>

Analysis of share options	2026 Number	2025 Number
Number of share options allocated at the beginning of the year	74 758 750	73 766 250
Number of share options cancelled during the year	(3 833 750)	(666 250)
Number of share options vested during the year	(21 138 750)	(20 341 250)
Number of share options allocated during the year	10 050 000	22 000 000
Number of share options allocated at the end of the year	<b>59 836 250</b>	<b>74 758 750</b>
<b>Analysis of outstanding scheme shares per award</b>		
1 April 2020	-	4 368 750
1 April 2021	5 862 500	13 218 750
16 August 2021	75 000	150 000
1 April 2022	8 360 000	14 276 250
1 July 2022	500 000	750 000
1 April 2023	13 547 500	20 160 000
1 April 2024	20 966 250	21 335 000
7 June 2024	500 000	500 000
1 April 2025	10 025 000	-
	<b>59 836 250</b>	<b>74 758 750</b>

The weighted average PSG Financial Services share price for the year was R22.78 (2025: R17.30).

## 15. Other reserves

	Foreign currency translation R000	Share-based payment R000	Common control R000	Total R000
Carrying value at 1 March 2024	66 370	89 560	(459 337)	(303 407)
Share-based payment costs	-	73 611	-	73 611
Currency translation adjustments	(8 114)	-	-	(8 114)
Deferred tax on equity-settled share-based payments	-	4 452	-	4 452
Current tax on equity-settled share-based payments	-	17 062	-	17 062
Loss on issue of shares in terms of share scheme	-	(111 221)	-	(111 221)
Release of share-based payment reserve to retained earnings	-	31 284	-	31 284
Carrying value at 28 February 2025	58 256	104 748	(459 337)	(296 333)
Share-based payment costs	-	64 300	-	64 300
Currency translation adjustments	(30 790)	-	-	(30 790)
Deferred tax on equity-settled share-based payments	-	58 323	-	58 323
Current tax on equity-settled share-based payments	-	41 383	-	41 383
Loss on issue of shares in terms of share scheme	-	(222 135)	-	(222 135)
Release of share-based payment reserve to retained earnings	-	110 338	-	110 338
Carrying value at 28 February 2026	<b>27 466</b>	<b>156 957</b>	<b>(459 337)</b>	<b>(274 914)</b>

The common control reserve originated from various business combinations concluded with companies within the PSG Group. IFRS 3 – Business Combinations did not apply to these business combinations, as it was effected between parties that are ultimately controlled by the PSG Group, otherwise known as a common control transaction. The group elected to apply 'predecessor accounting'. Refer to note 3.3 of the detailed accounting policies for further explanation of the common control accounting policy.

The material transactions concluded in prior financial years were the acquisition of PSG Securities Limited on 1 November 2006 and the acquisition of PSG Asset Management Holdings Proprietary Limited on 1 March 2011. These companies were all bought from subsidiaries within the PSG Group, with the ultimate holding company being PSG Group Limited.

## 16. Non-controlling interest

	2026 R000	2025 R000
Balance at the beginning of the year	625 742	568 610
Profit for the year	167 781	106 260
Dividends paid	(35 494)	(49 374)
Transactions with non-controlling interest	-	246
Balance at the end of the year	<b>758 029</b>	<b>625 742</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 17. Investment contracts

	2026 R000	2025 R000
Balance at the beginning of the year	52 819 377	45 506 258
Investment contract receipts	8 382 851	6 472 496
Investment contract benefits paid	(4 935 322)	(4 377 349)
Commission and administration expenses	(642 834)	(541 057)
Fair value adjustment to investment contract liabilities	10 587 940	5 759 029
Balance at the end of the year	66 212 012	52 819 377
Current portion	66 212 012	52 819 377
Non-current portion	-	-
	66 212 012	52 819 377
Fair value through profit or loss	66 212 012	52 819 377
At amortised cost	-	-
	66 212 012	52 819 377
<b>Investment contracts are represented by the following investments:</b>		
Unit-linked investments	60 474 234	48 130 770
Equity securities	5 616 755	4 616 604
Investment in investment contracts	8 050	9 207
Cash and cash equivalents	112 973	62 796
	66 212 012	52 819 377

## 18. Third-party liabilities arising on consolidation of mutual funds

	2026 R000	2025 R000
Balance at the beginning of the year	51 839 062	59 655 531
Net capital contributions received or change in effective ownership	4 593 171	5 547 812
Fair value adjustment to third-party liabilities	14 925 337	7 598 443
Consolidation of mutual funds (refer to note 33.3)	8 716 680	-
Deconsolidation of mutual funds (refer to note 33.4)	-	(20 962 724)
Balance at the end of the year	80 074 250	51 839 062
Current portion	80 074 250	51 839 062
Non-current portion	-	-
	80 074 250	51 839 062

These mutual fund liabilities relate to certain collective investment schemes which have been classified as investments in subsidiaries – refer to Annexure B. Consequently, fund interests not held by the group are classified as third-party liabilities as they represent demand deposit liabilities measured at fair value. A maturity analysis is not possible as it is dependent on external unitholders' behaviour outside of the group's control.

The group's own credit risk is not applicable in the measurement of these liabilities, as these liabilities are specifically referenced to assets and liabilities contained in separate legal structures that could not be attached in the event of a group entity holding the controlling units defaulting.

## 19. Trade and other payables

	2026 R000	2025 R000
Trade payables and other accruals <sup>1</sup>	1 410 338	1 006 992
Contracts for difference (i)	29 441	12 495
Deferred revenue	18 012	17 723
Purchase consideration payable (ii)	54 915	54 171
Unallocated premiums	149 881	152 251
Settlement control account (iii)	2 818 319	1 725 657
Total trade and other payables <sup>2</sup>	4 480 906	2 969 289
Current portion	4 466 676	2 951 997
Non-current portion	14 230	17 292
	4 480 906	2 969 289

<sup>1</sup> The trade payables and other accruals includes employee benefit accruals.

<sup>2</sup> Includes non-financial liabilities of R843.6 million (2025: R557.9 million).

### (i) Contracts for difference

- The balance represents the margin payable at year-end by the group to clients and accrues interest at SAFEX less 2%.

### (ii) Purchase consideration payable

- Relates to balances payable to advisers for books of business acquired during the current and previous financial years, which will be settled in cash on varying dates based on the respective agreements, subject to profit guarantees.
- The amounts payable are interest-free.

### (iii) Settlement control account

- Represents the settlement of trades done by clients in the last few days before year-end.
- The settlement to the clients takes place within three days after the transaction date.

# Notes to the group financial statements

for the year ended 28 February 2026

## 20. Insurance service result

	2026 R000	2025 R000
<b>20.1 Insurance service expense</b>		
<b>Non-life insurance contracts measured under the PAA</b>		
Incurred claims and other directly attributable insurance service expenses	1 420 193	1 573 158
Amortisation of insurance acquisition costs	557 277	524 882
Changes that relate to past service	2 546	34 458
	<b>1 980 016</b>	<b>2 132 498</b>
<b>Life Insurance contracts measured under the GMM</b>		
Incurred claims and other directly attributable insurance service expenses	-	2 585
<b>Total insurance service expense</b>	<b>1 980 016</b>	<b>2 135 083</b>
<b>20.2 Net expense from reinsurance contracts held</b>		
<b>Non-life insurance contracts measured under the PAA</b>		
Reinsurance expenses	474 483	721 192
Incurred claims recovered	(235 769)	(540 859)
Changes that relate to past service	(13 776)	(46 345)
Other incurred directly attributable expenses	9 675	9 178
	<b>234 613</b>	<b>143 166</b>

## 21. Revenue from contracts with customers and other operating income

	2026 R000	2025 R000
<b>Revenue from contracts with customers</b>		
Commission, administration and other fees		
Commission income	2 710 485	2 410 573
Administration fees	939 818	819 347
Other fees	88 067	82 340
Management and performance fees <sup>1</sup>	2 222 226	1 649 763
Management fee rebates <sup>2</sup>	299 185	218 911
Dealing and structuring (including brokerage)		
Brokerage	201 924	172 814
Offshore brokerage commission	150 460	130 299
Other dealing and structuring income	200 200	185 806
Policy administration fees	113 851	107 480
	<b>6 926 216</b>	<b>5 777 333</b>
<b>Other operating income</b>		
Profit on disposal of property and equipment	1 215	1 176
Profit on disposal of intangible assets	300	1 215
Gain arising from partial or full termination of lease	422	362
Profit on disposal of assets and liabilities held for sale (refer to note 12)	56 517	-
Sundry income	46 415	49 641
	<b>104 869</b>	<b>52 394</b>
	<b>7 031 085</b>	<b>5 829 727</b>

<sup>1</sup> Includes management and performance fees received from related-party local and offshore unit trusts of R1 608.8 million (2025: R1 122.1 million). Refer to note 32.

<sup>2</sup> Management fee rebates accrue to the collective investment schemes which are consolidated under IFRS 10 - Consolidated Financial Statements.

Refer to note 6 of the segment report for the disaggregation of revenue recognised in accordance with IFRS 15.

# Notes to the group financial statements

for the year ended 28 February 2026

## 22. Investment income

	2026 R000	2025 R000
<b>Interest income</b>		
<b>Interest income on amortised cost financial instruments</b>		
Loans and advances	38 670	40 145
Receivables	15 822	14 758
Contracts for difference – interest received on margin	10 306	8 884
Interest received from related parties (refer to note 32)	1 051	938
Cash and short-term funds (including money market funds)	106 902	112 119
Other	54	62
	<b>172 805</b>	<b>176 906</b>
<b>Interest income on fair value through profit or loss financial instruments<sup>1</sup></b>		
Equity securities	121	149
Unit-linked investments <sup>2</sup>	167 729	163 038
Cash and short-term funds (including money market funds) <sup>2</sup>	77 512	58 103
	<b>245 362</b>	<b>221 290</b>
	<b>418 167</b>	<b>398 196</b>
<b>Dividend income<sup>1</sup></b>		
Equity securities – at fair value through profit or loss	1 702	1 683
Unit-linked investments – at fair value through profit or loss <sup>2</sup>	17 217	11 030
	<b>18 919</b>	<b>12 713</b>
<b>Total investment income</b>	<b>437 086</b>	<b>410 909</b>

<sup>1</sup> The interest income on fair value through profit or loss financial instruments and the dividend income are recognised on financial instruments mandatorily at fair value through profit or loss.

<sup>2</sup> Includes interest received of R244.1 million (2025: R219.8 million) and dividends received of R17.2 million (2025: R11.0 million) from related-party local collective investment schemes. Refer to note 32.

R1.3 million interest income (2025: R1.2 million) was earned on impaired financial assets during the year.

## 23. Net fair value gains and losses on financial instruments

	2026 R000	2025 R000
Foreign exchange gains	1 833	2 382
Foreign exchange losses	(9 512)	(6 755)
Net fair value gains on financial assets designated at fair value through profit or loss:		
Unrealised fair value gains	276 400	35 273
Realised fair value gains	8 088	57 985
	<b>276 809</b>	<b>88 885</b>

## 24. Net income attributable to investment contract holders and third-party liabilities

	2026 R000	2025 R000
<b>Investment income<sup>1</sup></b>		
Interest income on amortised cost financial instruments	151 129	116 754
Interest income on fair value through profit or loss financial instruments	2 289 777	1 802 441
Dividend income	1 538 804	1 122 446
Net fair value gains and losses		
Net foreign exchange gains	-	4 557
Net fair value gains on financial assets at fair value through profit or loss	21 633 790	10 347 981
Fair value adjustment to investment contract liabilities	(10 587 940)	(5 759 029)
Fair value adjustment to third-party liabilities	(14 925 337)	(7 598 443)
	<b>100 223</b>	<b>36 707</b>
The investment income and net fair value gains and losses shown above can be analysed as follows according to their IFRS 9 categorisations:		
Designated at fair value through profit or loss	(33 234 844)	(17 165 806)
Mandatorily at fair value through profit or loss	33 183 937	17 085 759
Amortised cost	151 130	116 754
	<b>100 223</b>	<b>36 707</b>

<sup>1</sup> Includes investment income of R920.5 million (2025: R713.5.0 million) from related-party local collective investment schemes. Refer to note 32.

## 25. Expenses (excluding insurance and reinsurance expenses)

	2026 R000	2025 R000
<b>25.1 Financial advice fees</b>		
Financial advice fees paid to brokers and financial planners	2 486 741	2 169 543
<b>25.2 Depreciation and amortisation</b>		
Depreciation	130 859	120 719
Motor vehicles	122	122
Office equipment	20 503	18 773
Computer equipment	28 498	27 140
Right-of-use assets	81 736	74 684
Amortisation of intangible assets	80 919	77 810
Customer relationships	79 260	76 117
Other	1 659	1 693
	<b>211 778</b>	<b>198 529</b>
<b>25.3 Employee benefit expenses</b>		
Salaries, wages, allowances and terminations	1 584 384	1 260 997
Social security costs (e.g. Unemployment Insurance Fund, group life, skills development levy, medical benefits, national insurance)	119 458	105 053
Equity-settled share-based payment costs	64 300	73 612
Pension/provident costs – defined contribution plans	88 872	83 568
	<b>1 857 014</b>	<b>1 523 230</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 25. Expenses (excluding insurance and reinsurance expenses) (continued)

	2026 R000	2025 R000
<b>25.4 Marketing, administration and other expenses</b>		
Lease expenses	12 705	9 508
Lease expense in respect of short-term leases	12 509	9 214
Lease expense in respect of low-value items	196	294
Auditor's remuneration	19 571	18 422
Audit services <sup>1</sup>	16 878	16 100
Regulatory services	2 275	2 126
Tax services	418	196
Management fees paid <sup>2</sup>	368 243	175 865
Marketing expenses	86 153	74 519
Professional fees	37 680	31 115
Other administration expenses	583 412	520 530
JSE and STRATE expenses	43 166	43 836
Research and administration systems	85 583	83 678
IT expenses	198 750	182 649
Office expenses	53 645	49 360
Telephone expenses	12 470	12 470
Travel expenses	26 802	26 218
Professional indemnity insurance	13 870	13 870
Bank charges	11 735	11 735
Other expenses	137 391	96 714
Impairment of financial assets	5 126	3 422
Impairment of intangible assets	3 222	13 932
Loss on disposal of property and equipment	2	5
	<b>1 116 114</b>	<b>847 318</b>

<sup>1</sup> The audit services includes the audit of the group's annual consolidated and separate financial statements.

<sup>2</sup> The increase in management fees paid is due to the elimination of fees as a result of the consolidation of the PSG Wealth Global Creator Feeder Fund during the 2025 financial year.

Refer to the report of the board of directors for detail of directors' remuneration on pages 136 and 137.

## 26. Finance cost

	2026 R000	2025 R000
Contracts for difference – interest paid on margin	10 057	7 444
Lease liabilities	30 024	25 006
Other borrowings	217	358
	<b>40 298</b>	<b>32 808</b>

## 27. Taxation

	2026 R000	2025 R000
<b>Current taxation</b>		
Current year	679 368	491 593
Prior year	28 045	381
	<b>707 413</b>	<b>491 974</b>
<b>Deferred taxation</b>		
Current year	7 374	26 457
Prior year	(6 358)	2
	<b>1 016</b>	<b>26 459</b>
<b>Foreign current taxation</b>		
Current year	18 927	18 907
Prior year	(297)	520
	<b>18 630</b>	<b>19 427</b>
<b>Foreign deferred taxation</b>		
Current year	(17 070)	2 745
Prior year	245	-
	<b>(16 825)</b>	<b>2 745</b>
<b>Total income statement charge</b>	<b>710 234</b>	<b>540 605</b>

	2026 %	2025 %
<b>Reconciliation of effective rate of taxation</b>		
South African normal taxation rate	27.0	27.0
Adjusted for:		
Non-taxable income <sup>1</sup>	(1.2)	(1.3)
Capital gains tax differential in rates	(0.8)	(0.2)
Non-deductible charges <sup>2</sup>	0.8	1.0
Prior year current tax adjustment	1.1	-
Prior year deferred tax adjustment	(0.2)	-
Foreign tax rate differential	(1.4)	(0.8)
Dividend withholding tax	-	0.2
Tax in policyholder funds	2.1	2.6
Tax deductible expenses not accounted for in income statement	(0.2)	(0.4)
Effective rate of taxation	<b>27.2</b>	<b>28.1</b>

<sup>1</sup> Non-taxable income relates primarily to dividend income, unrealised fair value gains and the non-taxable portion of the returns generated by PSG Life Limited.

<sup>2</sup> Amortisation on customer relationships is the major contributor to the non-deductible charges.

	2026 R000	2025 R000
<b>Unutilised tax losses</b>		
Gross calculated tax losses at the end of the year available for utilisation against future taxable income	35 287	22 219
Deferred income tax asset provided on	(28 389)	(15 203)
Available for future utilisation	<b>6 898</b>	<b>7 016</b>

The total deferred income tax, recognised in equity, relating to share-based payment transactions, was a credit of R7.6 million on 28 February 2026 (2025: debit of R38.6 million).

# Notes to the group financial statements

for the year ended 28 February 2026

## 28. Earnings per share

	2026 R000	2025 R000
<b>The calculations of earnings per share is based on the following:</b>		
Profit attributable to ordinary shareholders	1 736 758	1 273 801
<i>Non-headline earnings (net of non-controlling interest and related tax effect):</i>		
Profit on disposal of assets and liabilities held for sale (refer to note 12)	(56 517)	-
Gross amount	(56 517)	-
Non-controlling interest	-	-
Tax effect	-	-
Profit on disposal of intangible assets (including goodwill)	(300)	(953)
Gross amount	(300)	(1 215)
Non-controlling interest	-	-
Tax effect	-	262
Impairment of goodwill	3 222	-
Gross amount	3 222	-
Non-controlling interest	-	-
Tax effect	-	-
Profit on disposal of property and equipment	(920)	(897)
Gross amount	(1 213)	(1 171)
Non-controlling interest	17	6
Tax effect	276	268
Other	-	285
Gross amount	-	285
Non-controlling interest	-	-
Tax effect	-	-
<b>Headline earnings</b>	<b>1 682 243</b>	<b>1 272 236</b>

The weighted average number of shares and diluted weighted average number of shares were calculated as follows:

	2026 Number of shares 000	2025 Number of shares 000
Number of shares at the beginning of the year	1 260 785	1 279 891
Weighted number of shares issued/repurchased and cancelled during the year	(3 908)	(8 798)
Net impact of treasury shares	(10 469)	(12 359)
<b>Weighted number of shares at the end of the year</b>	<b>1 246 408</b>	<b>1 258 734</b>
Number of bonus element shares to be issued in terms of share option scheme	19 712	16 614
<b>Diluted weighted number of shares at the end of the year</b>	<b>1 266 120</b>	<b>1 275 348</b>

## 28. Earnings per share (continued)

	2026 R000	2025 R000
<b>Basic</b>		
Profit attributable to ordinary shareholders	1 736 758	1 273 801
Headline earnings	1 682 243	1 272 236
Weighted average number of ordinary shares in issue (000)	1 246 408	1 258 734
Attributable earnings per share (cents)	139.3	101.2
Headline earnings per share (cents)	135.0	101.1
Net asset value per share (cents)	456.1	397.1
Tangible net asset value per share (cents) <sup>1</sup>	364.6	303.7
<b>Diluted</b>		
Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares (arising from the share incentive schemes set out in note 14). A calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the volume weighted average annual JSE-listed share price of the company's shares) based on the monetary value of the equity-settled share options granted to participants.		
Profit attributable to ordinary shareholders	1 736 758	1 273 801
Headline earnings	1 682 243	1 272 236
Diluted weighted average number of ordinary shares in issue (000)	1 266 120	1 275 348
Diluted attributable earnings per share (cents)	137.2	99.9
Diluted headline earnings per share (cents)	132.9	99.8

<sup>1</sup> The tangible net asset value excludes intangible assets.

## 29. Dividend per share

	2026 R000	2025 R000
Normal dividend	686 328	574 035

### Interim

20.0 cents per share (2025: 17.0 cents per share)

### Final

45.0 cents per share (2025: 35.0 cents per share)

Dividends are not accounted for until they have been approved by the company's board of directors.

# Notes to the group financial statements

for the year ended 28 February 2026

## 30. Capital commitments and contingencies

The group had the following capital commitments and contingencies as at 28 February 2026:

- PSG Financial Services Limited has issued letters of support, in the ordinary course of business, for the activities of certain subsidiaries in the group.
- The group, like all other financial services groups in South Africa, is subject to litigation in the normal course of its business. Appropriate provisions are made when losses are expected to materialise. There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened) of which the group is aware, which may have, or have during the previous 12 months, had a material effect on the financial position of the group.

## 31. Borrowing powers

In terms of the company's MOI, borrowing powers are unlimited. The amount of borrowings as at 28 February 2026 is Rnil (2025: Rnil).

## 32. Related-party transactions

PSG Financial Services Limited, its subsidiaries and joint venture enter into various financial services transactions with members of the PSG Financial Services Limited Group. These transactions include a range of investment, administrative, advisory and corporate services in the normal course of business. All intergroup transactions have been eliminated on consolidation.

The related-party transactions are similar to those disclosed in the prior financial year.

Related-party balances	2026 R000	2025 R000
<b>Receivables</b>		
<i>Due from companies in the PSG Financial Services Limited Group</i>		
PSG Financial Services Employee Trust	1 200	1 000
Jan Jonker Property Investment Trust	11 113	9 997
<i>Due from PSG unit trusts</i>		
Local unit trusts	119 659	65 254
Offshore unit trusts	53 883	44 415
	<b>185 855</b>	<b>120 666</b>
Refer to note 11 for the detail of the receivables due from related parties.		
<b>Trade and other payables</b>		
<i>Due to PSG unit trusts</i>		
Local unit trusts	5 181	4 602
Offshore unit trusts	14 467	14 473
	<b>19 648</b>	<b>19 075</b>
<b>Unit-linked investments</b>		
<i>Investments in PSG unit trusts</i>		
Unit trusts	58 300 456	46 332 387

## 32. Related-party transactions (continued)

Related-party balances	2026 R000	2025 R000
<b>Revenue from contracts with customers and other operating income</b>		
<i>Received from PSG unit trusts</i>		
Local unit trusts	1 062 338	675 050
Offshore unit trusts	546 431	447 005
	<b>1 608 769</b>	<b>1 122 055</b>
<b>Interest income</b>		
<i>Received from companies in the PSG Financial Services Limited Group</i>		
Jan Jonker Property Investment Trust	1 051	938
<i>Received from PSG unit trusts</i>		
Local unit trusts (including money market funds)	244 137	219 837
	<b>245 188</b>	<b>220 775</b>
<b>Dividend income</b>		
<i>Received from PSG unit trusts</i>		
Local unit trusts	17 217	11 030
<b>Net income attributable to investment contract holders and third-party liabilities</b>		
<i>Received from PSG unit trusts</i>		
Local unit trusts <sup>1</sup>	920 526	713 517
<b>Marketing, administration and other expenses</b>		
<i>Paid to PSG unit trusts</i>		
Local unit trusts	72 999	32 834
Offshore unit trusts	191 114	44 151
	<b>264 113</b>	<b>76 985</b>

<sup>1</sup> The net income attributable to investment contract holders and third-party liabilities received from local unit trusts includes interest and dividend income.

The shareholding of directors and the directors' remuneration is set out in the report of the board of directors on pages 136 to 138.

### Key management

Key management refers to those persons who have authority and responsibility for planning, directing and controlling the activities of the group. Key management is considered to be the board of directors and the prescribed officers. For the detail of the audited directors' and prescribed officers' remuneration, refer to the report of the board of directors on pages 136 and 137.

# Notes to the group financial statements

for the year ended 28 February 2026

## 33. Notes to the statement of cash flows

	2026 R000	2025 R000
<b>33.1 Cash utilised in operations</b>		
Profit before finance costs and taxation	2 655 071	1 953 474
<i>Adjustment for non-cash items and other:</i>		
Depreciation of property and equipment and right-of-use assets	130 859	120 719
Impairment charges	8 348	17 354
Amortisation of intangible assets	80 919	77 810
Interest income	(418 167)	(398 196)
Dividend income	(18 919)	(12 713)
Share of losses of joint ventures	152	352
Profit on disposal of property and equipment	(1 215)	(1 176)
Profit on disposal of intangible assets	(300)	(1 215)
Profit on disposal of assets and liabilities held for sale	(56 517)	-
Gain arising from partial or full termination of lease	(422)	(362)
Loss on disposal of property and equipment	2	5
Net fair value gains on financial instruments	(284 487)	(93 258)
Net income attributable to investment contract holders and third-party liabilities	(100 223)	(36 707)
Equity-settled share-based payment costs	64 300	73 612
Net foreign exchange losses	7 679	4 373
	<b>2 067 080</b>	<b>1 704 072</b>
<i>Changes in working capital</i>		
Insurance contract assets	4 076	(13 679)
Reinsurance contract assets	20 935	(73 368)
Insurance contract liabilities	59 944	108 741
Reinsurance contract liabilities	(2 123)	(1 119)
Receivables	(1 188 988)	(54 811)
Loans and advances	(2 437)	(85 352)
Other financial instruments	(9 444 853)	(7 818 547)
Third-party liabilities arising on consolidation of mutual funds	4 593 171	5 547 812
Trade and other payables	1 510 944	108 307
	<b>(2 382 251)</b>	<b>(577 944)</b>
<b>33.2 Taxation paid</b>		
Charge to profit or loss	(710 234)	(540 605)
Movement in deferred taxation	(15 809)	29 204
Charge to other reserves	33 746	16 640
Movement in net taxation asset/liability	(17 364)	(31 611)
	<b>(709 661)</b>	<b>(526 372)</b>

## 33. Notes to the statement of cash flows (continued)

### 33.3 Consolidation of mutual funds

#### For the year ended 28 February 2026

The group obtained control of the PSG Wealth Income Fund of Funds on 1 September 2025. This fund was consolidated in accordance with IFRS 10 – Consolidated Financial Statements and is a collective investment scheme managed by PSG Investment Management.

	PSG Wealth Income Fund of Funds R000
<b>Details of the net assets acquired are as follows:</b>	
% interest in fund on effective date	30
Date of acquisition	<b>1 September 2025</b>
Unit-linked investments	12 399 481
Receivables	4 839
Cash and cash equivalents (including money market funds)	85 049
Third-party liabilities arising on consolidation of mutual funds	(8 716 680)
Trade and other payables	(4 753)
Net asset value	<b>3 767 936</b>
Fair value of interest held before the business combination	<b>(3 767 936)</b>
Total consideration paid	-

The detail of the net assets acquired, as disclosed above represent fair value. All the gross contractual receivables are expected to be collected.

The total income and profit and loss that were included in the consolidated income statement during the 2026 financial year, as a result of consolidating the PSG Wealth Income Fund of Funds, was R31.0 million and Rnil respectively.

### 33.4 Deconsolidation of mutual funds

#### For the year ended 28 February 2025

The group deconsolidated the PSG Wealth Global Creator Feeder Fund during the 2025 financial year as the group lost control of this fund due to a decrease in the effective interest in the fund.

	PSG Wealth Global Creator Feeder Fund R000
<b>Details of the net assets disposed of are as follows:</b>	
Unit-linked investments	28 873 731
Receivables	14 595
Cash and cash equivalents (including money market funds)	105 141
Third-party liabilities arising on consolidation of mutual funds	(20 962 725)
Trade and other payables	(10 783)
Net asset value	8 019 959
Transfer to unit-linked investments	(8 019 959)
Cash consideration received	-
Cash and cash equivalents given up	(105 141)
Net cash outflow in the 2025 financial year	<b>(105 141)</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 33. Notes to the statement of cash flows (continued)

	2026 R000	2025 R000
<b>33.5 Cash and equivalents at the end of the year</b>		
Cash and cash equivalents (including money market funds)	2 671 421	2 623 328
Cash and cash equivalents classified as assets held for sale	-	118 338
	<b>2 671 421</b>	<b>2 741 666</b>

## 34. Events after the reporting date

No event material to the understanding of these results has occurred between the end of the reporting period and the date of approval of the consolidated financial statements.

## 35. Risk management

Risk management is a priority because it affects every part of the business. It is a pre-emptive process that allows the group to assess and analyse risk in an integrated fashion, identifying potential areas in advance and then proactively create processes and measures for compliance. PSG Financial Services believes that risk management is key in ensuring the sustainability of the business model.

Fundamentally, the board of directors' responsibility in managing risk is to protect the interests of all of the group's stakeholders, being the shareholders, policyholders, employees, regulatory bodies and related parties, while increasing shareholder value. It fully accepts responsibility for risk management and internal controls, and in so doing the board of directors has deployed a number of control mechanisms to prevent and mitigate the potential impact of risk.

The primary responsibility for risk management at an operational level rests with the Exco. Management and various specialist board committees are tasked with integrating the management of risk into the day-to-day activities of the group. The group defines the roles, responsibility and accountability for managing, reporting and escalating risks and issues throughout the group by applying the three layers of defence approach. This approach incorporates the oversight, management and assurance of risk management, essentially giving three independent views of risk in the organisation.

The group is continuously enhancing its risk management capabilities, particularly in line with the Prudential Authority requirements. Its framework, policies and support processes are regularly updated to reflect these enhancements.

Financial instruments and insurance assets and liabilities are grouped into classes in order to facilitate effective financial risk management and disclosure in terms of IFRS 7 – Financial Instruments: Disclosures and IFRS 13 – Fair Value Measurement. Refer to the following pages for further detail.

## 35. Risk management (continued)

### Financial risk management

	2026			2025		
	Own balances R000	Client- related balances R000	Total R000	Own balances R000	Client- related balances R000	Total R000
<b>Assets</b>						
<b>Financial instruments carried at fair value through profit or loss</b>						
Equity securities	55 853	5 616 755	5 672 608	42 877	4 616 604	4 659 481
Quoted	55 613	5 616 755	5 672 368	42 637	4 616 604	4 659 241
Unquoted	240	-	240	240	-	240
Debt securities	-	3 117 182	3 117 182	-	2 253 976	2 253 976
Government debt securities – quoted	-	1 310 558	1 310 558	-	771 557	771 557
Other debt securities – quoted	-	1 806 624	1 806 624	-	1 482 419	1 482 419
Unit-linked investments	3 644 227	134 896 500	138 540 727	2 743 353	95 241 714	97 985 067
Collective investment schemes	3 606 588	134 890 513	138 497 101	2 697 303	95 210 350	97 907 653
Other unit-linked investments	37 639	5 987	43 626	46 050	31 364	77 414
Investment in investment contracts	-	8 050	8 050	-	9 207	9 207
Derivative financial instruments	-	28 476	28 476	-	6 370	6 370
Cash and cash equivalents <sup>1</sup>	1 273 823	(1 273 823)	-	1 082 027	(1 082 027)	-
<b>Designated</b>						
Debt securities	-	2 438 306	2 438 306	-	2 117 485	2 117 485
Government debt securities – quoted	-	732 789	732 789	-	695 750	695 750
Other debt securities – quoted	-	1 705 517	1 705 517	-	1 421 735	1 421 735
<b>Financial instruments carried at amortised cost</b>						
Loans and advances <sup>2</sup>	326 387	-	326 387	329 276	-	329 276
Secured	272 443	-	272 443	270 960	-	270 960
Unsecured	53 944	-	53 944	58 316	-	58 316
Receivables <sup>2</sup>	511 270	2 931 458	3 442 728	328 191	1 920 474	2 248 665
Trade receivables	318 655	(16 499)	302 156	200 470	(5 200)	195 270
Brokers and clearing houses and client accounts	-	2 935 678	2 935 678	-	1 915 013	1 915 013
Contracts for difference	-	12 279	12 279	-	10 661	10 661
Receivables due from related parties	185 855	-	185 855	120 666	-	120 666
Rental and other deposits and sundry debtors	6 760	-	6 760	7 055	-	7 055
Cash and cash equivalents <sup>2</sup>	1 238 376	1 433 045	2 671 421	1 293 173	1 330 155	2 623 328
<b>Insurance assets</b>						
Insurance contract assets	9 603	-	9 603	13 679	-	13 679
Reinsurance contract assets	163 665	-	163 665	184 600	-	184 600
<b>Total financial and insurance assets</b>	<b>7 223 204</b>	<b>149 195 949</b>	<b>156 419 153</b>	<b>6 017 176</b>	<b>106 413 958</b>	<b>112 431 134</b>

<sup>1</sup> The investment in the PSG Money Market Fund is classified at fair value through profit or loss on adoption of IFRS 9. The client-related balances include the impact of the consolidation of the PSG Money Market Fund.

<sup>2</sup> Carrying value approximates fair value.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

Liabilities	2026			2025		
	Own balances R000	Client-related balances R000	Total R000	Own balances R000	Client-related balances R000	Total R000
<b>Financial liabilities carried at fair value through profit or loss</b>						
Derivative financial instruments	-	47 143	47 143	-	11 141	11 141
Trade and other payables	54 915	-	54 915	54 171	-	54 171
Purchase consideration payable	54 915	-	54 915	54 171	-	54 171
<b>Designated</b>						
Investment contracts	-	66 212 012	66 212 012	-	52 819 377	52 819 377
Third-party liabilities arising on consolidation of mutual funds	-	80 074 250	80 074 250	-	51 839 062	51 839 062
<b>Financial liabilities carried at amortised cost</b>						
Lease liabilities	339 184	-	339 184	223 361	-	223 361
Trade and other payables <sup>1</sup>	745 098	2 837 255	3 582 353	638 147	1 719 085	2 357 232
Trade payables, settlement control accounts and other payables	745 098	2 807 814	3 552 912	638 147	1 706 590	2 344 737
Contracts for difference	-	29 441	29 441	-	12 495	12 495
<b>Insurance liabilities</b>						
Insurance contract liabilities	528 963	-	528 963	469 019	-	469 019
Reinsurance contract liabilities	-	-	-	2 123	-	2 123
<b>Total financial and insurance liabilities</b>	<b>1 668 160</b>	<b>149 170 660</b>	<b>150 838 820</b>	<b>1 386 821</b>	<b>106 388 665</b>	<b>107 775 486</b>

<sup>1</sup> Carrying value approximates fair value.

## 35. Risk management (continued)

### Financial risk management (continued)

The group's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

In addition to the shareholder asset and liability balances, known as 'own balances', the group has client-related assets and liabilities relating to the following stakeholders:

Policyholders of the linked investment contracts	A subsidiary of the group, PSG Life Limited, is a linked insurance company and issues linked policies to policyholders (where the value of policy benefits is directly linked to the fair value of the supporting assets). Investment contracts included within financial liabilities on the statement of financial position are therefore fully matched by investments as analysed in note 17.
Third-party mutual fund investors	The group consolidates collective investment schemes, in terms of IFRS 10 – Consolidated Financial Statements, over which the group has control. The consolidation of these funds does not impact total earnings, comprehensive income, shareholders' funds or the net asset value of the group; however, it requires the group to recognise the income statement and statement of financial position impact as part of that of the group.
CFD clients	The group enters into CFD with clients whereby the group provides leveraged exposure to equities specified by the clients. The holders of the CFD carry the financial risk of these instruments and therefore a movement in the individual share prices, for example, would not have an impact on the group's profit after taxation, but would result in a corresponding movement in the value of the CFD liabilities.
Stockbroking clients	Included under receivables are broker and clearing accounts at the stockbroking business which represents amounts owing by the JSE for trades conducted during the last few days before the end of the financial year. These balances fluctuate on a daily basis depending on the activity in the market. The control account for the settlement of these transactions is included under trade and other payables, with the settlement to the clients taking place within three days after the transaction date.

The financial risks arising from the client-related assets and liabilities are assumed by the respective stakeholders and therefore do not have a direct impact on the group's profit after taxation. The movement in client-related balances will indirectly impact the fee which PSG Financial Services receives for managing and administering assets on behalf of clients. This impact has been taken into consideration in the respective sensitivities performed.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in equity prices, foreign currency exchange rates and interest rates.

Summary of assets and liabilities subject to market risk	2026 R000	2025 R000
<b>Assets</b>		
Price risk	144 213 335	102 644 548
Equity securities	5 672 608	4 659 481
Unit-linked investments	138 540 727	97 985 067
Foreign exchange risk	12 294 647	12 031 295
Equity securities	1 469 418	1 608 868
Unit-linked investments	10 746 346	10 343 910
Investment in investment contracts	8 050	9 207
Receivables	39 740	38 852
Cash and cash equivalents	31 093	30 458
Interest rate risk	150 536 751	107 557 797
Debt securities	5 555 488	4 371 461
Unit-linked investments	138 540 727	97 985 067
Loans and advances	326 387	329 276
Receivables	3 442 728	2 248 665
Cash and cash equivalents	2 671 421	2 623 328
<b>Liabilities</b>		
Price risk	(140 507 268)	(99 826 954)
Investment contracts	(66 085 002)	(52 716 010)
Third-party liabilities arising on consolidation of mutual funds	(74 422 266)	(47 110 944)
Foreign exchange risk	(12 216 029)	(11 972 740)
Lease liabilities	(2 912)	(460)
Investment contracts	(12 209 014)	(11 949 044)
Trade and other payables	(4 103)	(23 236)
Interest rate risk	(144 637 909)	(102 667 392)
Lease liabilities	(339 184)	(223 361)
Investment contracts	(60 587 207)	(48 193 566)
Third-party liabilities arising on consolidation of mutual funds	(80 074 250)	(51 839 062)
Trade and other payables	(3 637 268)	(2 411 403)

#### Risk management

Refer to page 101 for the mitigating controls put in place as part of the risk management framework to address market risk.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk (continued)

#### Price risk

#### Equity securities

The group is exposed to price risk due to changes in the market values of its equity securities held by the group and classified on the consolidated statement of financial position at fair value through profit or loss.

Although the group follows a policy of diversification, some concentration of price risk towards certain sectors exists and is analysed below:

Composition of quoted equity securities	Investments linked to investment contracts		Direct investments – own balances	
	2026 R000	2025 R000	2026 R000	2025 R000
Agriculture, travel and leisure and other sectors	44 129	42 592	1 672	1 852
Banks, financial services and insurance	1 502 723	1 316 710	16 793	14 184
Healthcare	189 734	237 344	1 576	1 356
Industrial, retail, food and beverage and personal and household goods	764 520	700 450	10 945	9 480
Property, construction and materials	1 908 938	1 396 818	3 439	3 701
Resources, chemicals and oil and gas	428 438	208 363	15 701	7 188
Technology, media and telecommunications	778 273	714 327	5 487	4 876
	5 616 755	4 616 604	55 613	42 637

Included in the group's quoted equity securities are those equity securities relating to:

- Investments linked to investment contracts amounting to R5.6 billion (2025: R4.6 billion).

The price risk of these instruments is carried by the policyholders of the linked investment contracts.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk (continued)

#### Price risk

##### Unit-linked investments

The group is exposed to price risk due to changes in the market values of the unit-linked investments held by the group and classified on the consolidated statement of financial position at fair value through profit or loss.

Although the group follows a policy of diversification, some concentration of price risk towards certain asset types exists and is analysed below:

Composition of quoted unit-linked investments	Investments linked to investment contracts		Direct investments – consolidated collective investment schemes		Direct investments – own balances	
	2026 R000	2025 R000	2026 R000	2025 R000	2026 R000	2025 R000
Equity	25 647 024	19 628 300	26 406 671	17 352 337	264 814	174 234
Multi-asset	31 726 778	25 590 452	44 700 150	26 784 941	1 546 057	1 303 285
Real estate	99 540	161 015	-	-	-	-
Interest bearing	2 994 905	2 719 639	3 315 445	2 973 666	1 795 717	1 219 784
	<b>60 468 247</b>	<b>48 099 406</b>	<b>74 422 266</b>	<b>47 110 944</b>	<b>3 606 588</b>	<b>2 697 303</b>

Included in the group's quoted unit-linked investments are those unit-linked investments relating to:

- Investments linked to investment contracts amounting to R60.5 billion (2025: R48.1 billion); and
- Unit-linked investments relating to the consolidated collective investment schemes amounting to R74.4 billion (2025: R47.1 billion).

The price risk of these instruments is carried by the policyholders of the linked investment contracts and the third-party mutual fund investors, respectively.

#### Sensitivity

The table below summarises the sensitivity of the group's post-tax profit for the year as a result of market price fluctuations. The analysis is based on the assumption that marked-to-market prices increase/decrease by 20% (2025: 20%) taking into account the opposite move of the corresponding linked liability in the case of the linked investment contracts, with all other variables held constant.

	2026 20% increase R000	2025 20% increase R000	2026 20% decrease R000	2025 20% decrease R000
Impact on post-tax profit and equity:				
Equity securities	8 119	6 225	(8 119)	(6 225)
Unit-linked investments	118 098	88 374	(118 098)	(88 374)
	<b>126 217</b>	<b>94 599</b>	<b>(126 217)</b>	<b>(94 599)</b>

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk (continued)

#### Foreign exchange risk

The group has limited investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Transactions incurred by the group did not lead to a significant foreign exchange risk.

The South African rand is the functional currency of most of the group's subsidiaries. The group's financial assets and liabilities denominated in foreign currency other than the functional currency are analysed according to geographical area in the following table:

	British pound sterling R000	United States dollar R000	Euro R000	Other currencies R000	Total R000
<b>At 28 February 2026</b>					
<b>Financial assets</b>					
Equity securities <sup>1</sup>	28 841	1 256 317	149 398	34 862	1 469 418
Unit-linked investments <sup>1</sup>	42 284	10 429 527	98 878	175 657	10 746 346
Investment in investment contracts <sup>1</sup>	1 192	3 317	3 541	-	8 050
Receivables	4 300	32 539	2 261	640	39 740
Cash and cash equivalents	2 091	25 717	2 412	873	31 093
<b>Financial liabilities</b>					
Trade and other payables	(141)	(1 971)	(1 672)	(319)	(4 103)
Investment contracts	(69 814)	(11 680 544)	(249 446)	(209 210)	(12 209 014)
Lease liabilities	-	-	(2 912)	-	(2 912)
	<b>8 753</b>	<b>64 902</b>	<b>2 460</b>	<b>2 503</b>	<b>78 618</b>

	British pound sterling R000	United States dollar R000	Euro R000	Other currencies R000	Total R000
<b>At 28 February 2025</b>					
<b>Financial assets</b>					
Equity securities <sup>1</sup>	34 934	1 397 660	148 200	28 074	1 608 868
Unit-linked investments <sup>1</sup>	32 351	10 112 028	71 140	128 391	10 343 910
Investment in investment contracts <sup>1</sup>	1 315	4 748	3 144	-	9 207
Receivables	4 959	31 245	1 868	780	38 852
Cash and cash equivalents	877	27 983	1 450	148	30 458
<b>Financial liabilities</b>					
Trade and other payables	(258)	(22 006)	(946)	(26)	(23 236)
Investment contracts	(66 294)	(11 507 212)	(220 603)	(154 935)	(11 949 044)
Lease liabilities	-	-	(460)	-	(460)
	<b>7 884</b>	<b>44 446</b>	<b>3 793</b>	<b>2 432</b>	<b>58 555</b>

<sup>1</sup> Largely linked to policyholder investments and, as such, do not directly expose the group to foreign currency risk.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk (continued)

#### Foreign exchange risk (continued)

#### Risk management

Management monitors this exposure and cover is used where appropriate. The group did not take cover on foreign currency transactions and balances during the financial years under review.

#### Sensitivity

The table below shows the sensitivity of post-tax profits of the group to a 20% (2025: 20%) move in the rand exchange rates. The analysis is based on the assumption that movements in the assets would be offset by a move in the corresponding linked liability in the case of the linked investment contracts, with all other variables held constant.

	2026 20% appreciation R000	2025 20% appreciation R000	2026 20% depreciation R000	2025 20% depreciation R000
Impact on post-tax profit and equity	(11 523)	(13 816)	11 523	13 816

#### Cash flow and fair value interest rate risk

The group's interest rate risk arises from interest-bearing investments, loans and advances, receivables, cash and cash equivalents and trade and other payables. Investments issued at variable rates expose the group to cash flow interest rate risk. Investments issued at fixed rates expose the group to fair value interest rate risk. However, where the investments are held to back linked investment contract liabilities, the risk is transferred to the policyholders through the contract terms of the policy.

	2026			2025		
	Floating rate R000	Fixed interest and non-interest bearing R000	Carrying value R000	Floating rate R000	Fixed interest and non-interest bearing R000	Carrying value R000
Debt securities <sup>1</sup>	2 179 040	3 376 448	5 555 488	1 759 004	2 612 457	4 371 461
Unit linked investments <sup>2</sup>	332 639	138 208 088	138 540 727	289 568	97 695 499	97 985 067
Loans and advances	280 295	46 092	326 387	281 611	47 665	329 276
Receivables <sup>3</sup>	228 342	3 214 386	3 442 728	201 471	2 047 194	2 248 665
Cash and cash equivalents	2 556 598	114 823	2 671 421	2 528 278	95 050	2 623 328
Lease liabilities	-	(339 184)	(339 184)	-	(223 361)	(223 361)
Investment contracts	(112 973)	(60 474 234)	(60 587 207)	(62 796)	(48 130 770)	(48 193 566)
Third-party liabilities arising on consolidation of mutual funds	(886 075)	(79 188 175)	(80 074 250)	(1 205 165)	(50 633 897)	(51 839 062)
Trade and other payables	(29 441)	(3 607 827)	(3 637 268)	(12 495)	(2 398 908)	(2 411 403)
<b>Total</b>	<b>4 548 425</b>	<b>1 350 417</b>	<b>5 898 842</b>	<b>3 779 476</b>	<b>1 110 929</b>	<b>4 890 405</b>

<sup>1</sup> Debt securities of R5.6 billion (2025: R4.4 billion) relate to the consolidated collective investment schemes and as such do not directly expose the group to interest rate risk.

<sup>2</sup> Unit-linked investments of R60.5 billion (2025: R48.1 billion) are linked to policyholder investments, and R74.4 billion (2025: R47.1 billion) of the unit-linked investments relate to the consolidated collective investment schemes and as such do not directly expose the group to interest rate risk.

<sup>3</sup> Receivables of R36.7 million (2025: R30.5 million) relate to the consolidated collective investment schemes and as such do not directly expose the group to interest rate risk.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Market risk (continued)

#### Cash flow and fair value interest rate risk (continued)

#### Risk management

The group manages its cash flow interest rate risk by monitoring interest rates on a regular basis.

#### Sensitivity

Based on simulations performed, the impact on post-tax profit of a 1% (2025: 1%) shift in interest rates is analysed in the following table. The analysis is based on the assumption that movements in the assets would be offset by a move in the corresponding linked liability in the case of the linked investment contracts, with all other variables held constant.

	2026 1% increase R000	2025 1% increase R000	2026 1% decrease R000	2025 1% decrease R000
Impact on post-tax profit and equity	33 204	27 590	(33 204)	(27 590)

#### Credit risk

Credit risk arises from the inability or unwillingness of a counterparty to a financial instrument to discharge its contractual obligations. Credit risk comprises default, settlement and migration risk (if credit ratings change).

The table below shows the group's maximum exposure to credit risk by class of asset at the end of each reporting period:

	2026		2025	
	Floating rate R000	Collateral fair value R000	Floating rate R000	Collateral fair value R000
Debt securities	5 555 488	-	4 371 461	-
Government debt securities – quoted	2 043 347	-	1 467 307	-
Other debt securities – quoted	3 512 141	-	2 904 154	-
Investment in investment contracts	8 050	-	9 207	-
Loans and advances	326 387	-	329 276	-
Secured	272 443	-	270 960	-
Unsecured	53 944	-	58 316	-
Unit-linked investments	138 540 727	-	97 985 067	-
Collective investment schemes	138 497 101	-	97 907 653	-
Other unit-linked investments	43 626	-	77 414	-
Derivative financial instruments	28 476	-	6 370	-
Insurance contract assets	9 603	-	13 679	-
Reinsurance contract assets	163 665	-	184 600	-
Receivables	3 442 728	203 751	2 248 665	179 813
Trade receivables	302 156	-	195 270	-
Brokers and clearing houses and client accounts	2 935 678	203 751	1 915 013	179 813
Contracts for difference	12 279	-	10 661	-
Receivables due from related parties	185 855	-	120 666	-
Rental and other deposits and sundry debtors	6 760	-	7 055	-
Cash and cash equivalents	2 671 421	-	2 623 328	-
<b>Total</b>	<b>150 746 545</b>	<b>203 751</b>	<b>107 771 653</b>	<b>179 813</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

The credit exposure is attributable to:	2026 R000	2025 R000
Own balances	7 167 349	5 974 298
Client-related balances	143 579 196	101 797 355
	<b>150 746 545</b>	<b>107 771 653</b>

The value of policy benefits on linked business is directly linked to the fair value of the supporting assets and, as such, the group does not assume any credit risk on the linked policyholder assets. However, it has a responsibility to manage these assets properly within set mandates.

Investment in investment contracts of R8.1 million (2025: R9.2 million), unit-linked investments of R60.5 billion (2025: R48.1 billion) and cash and cash equivalents of R113.0 million (2025: R62.8 million) are linked to investment contracts and thus credit risk is carried by the policyholders of the linked investment contracts.

At year-end, R5.6 billion (2025: R4.4 billion) of the debt securities, R74.4 billion (2025: R47.1 billion) of the unit-linked investments and R36.7 million (2025: R30.5 million) of the receivables relate to the collective investment schemes consolidated in terms of IFRS 10 – Consolidated Financial Statements. The group is exposed to the credit risk of the underlying assets in which the collective investment schemes are invested. The group's exposure to collective investment schemes is classified at fund level and not at the underlying asset level, and although collective investment schemes are not rated, the fund managers of these collective investment schemes are required to invest in assets within the defined parameters stipulated in the fund's mandate. These rules limit the extent to which fund managers can invest in unlisted and/or unrated assets and generally restrict funds to the acquisition of investment-grade assets.

#### Risk management

Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions. In the case of loans and advances, management would take or insist on collateral or other forms of securitisation as it deems fit. Credit limits for each counterparty, are set based on default probabilities that are, in turn, based on the ratings of the counterparty concerned.

The shareholders' capital in PSG Life Limited and Western Group is primarily invested in cash or other highly liquid unit trust investments. All items that expose PSG Life Limited and Western Group to credit risk are monitored by the credit committee. The credit committee reviews on a monthly basis the exposure of the group to external parties. As part of this meeting, a credit specialist reports to the committee whether any new information has become available in the market which indicates that the group should reconsider its exposure to that counterparty. As at February for each of the respective financial years, this committee did not note any significant concerns as to the exposure that this group has to any counterparties.

Refer to page 100 for the mitigating controls put in place as part of the risk management framework to address credit risk.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

##### Security/collateral

For some assets, the group may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

##### Loans and advances

The loans to financial advisers are secured by the cession and pledge of the revenue generated by the adviser from their book of business. The security is valued by applying a market-related factor to the adviser's share of the revenue from the book of business. Refer to note 7 for more detail.

##### Brokers and clearing houses and client accounts

PSG Scriptfin provides facilities to qualifying retail clients (following a rigorous credit check process) based on the value of their share portfolios at PSG Securities. The balance outstanding as at 28 February 2026 is R203.8 million (2025: R179.8 million). The balance is secured by the underlying JSE Top 100 equity securities held, which are in excess of four times the value of the loan facilities.

##### Credit quality

The credit quality of financial assets is assessed by reference to Moody's external credit ratings (if available) or to historical information about counterparty default rates. Financial assets which fall outside Moody's published rates or are rated by other external rating agencies are classified as 'other rated assets'. The definitions regarding the various ratings are available on the relevant websites of the credit rating agencies (i.e. Moody's, Fitch, S&P and GCR).

	2026 R000	2025 R000
Government stock <sup>1</sup>	2 043 347	1 467 307
Aaa	75 227	290
Aa1	67 142	66 526
Aa3	208 667	3 275
P1	4 664 253	4 957 669
Other rated assets	1 152 669	553 689
Non-rated assets	3 994 513	2 737 830
Unit-linked investments (including collective investment schemes)	138 540 727	97 985 067
	<b>150 746 545</b>	<b>107 771 653</b>

<sup>1</sup> The government stock relates to instruments issued by the South African government, which have a Moody's short-term rating of Ba2 at 28 February 2026 (2025: Ba2).

The credit risk associated with 52.3% (2025: 46.9%) of non-rated assets and unit-linked investments (including collective investment schemes) is assessed by reference to the investment mandates of linked policyholder investments which specify what type of underlying investments can be purchased.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

Financial risk management (continued)

Credit risk (continued)

Credit quality (continued)

The table below analyses the group's external credit rating by class of asset:

2026	External credit rating				P1 R000	External credit rating			Total R000
	Government stock <sup>1</sup> R000	Aaa R000	Aa1 R000	Aa3 R000		Unit-linked (incl. CIS) R000	Other rated assets <sup>2</sup> R000	Non-rated assets <sup>2</sup> R000	
Debt securities	2 043 347	74 594	63 744	205 035	2 068 604	-	963 826	136 338	5 555 488
Government <sup>1</sup>	2 043 347	-	-	-	-	-	-	-	2 043 347
Bank	-	-	-	-	1 917 682	-	-	-	1 917 682
Other	-	74 594	63 744	205 035	150 922	-	963 826	136 338	1 594 459
Investment in investment contracts	-	-	-	-	-	-	-	8 050	8 050
Loans and advances	-	-	-	-	-	-	-	326 387	326 387
Secured	-	-	-	-	-	-	-	272 443	272 443
Unsecured	-	-	-	-	-	-	-	53 944	53 944
Derivative financial instruments	-	-	-	-	-	-	-	28 476	28 476
Insurance contract assets	-	-	-	-	-	-	-	9 603	9 603
Reinsurance contract assets	-	-	-	399	-	-	150 304	12 962	163 665
Receivables	-	633	3 398	3 233	-	-	17 327	3 418 137	3 442 728
Trade receivables	-	633	3 398	3 233	-	-	17 327	277 565	302 156
Brokers and clearing houses and client accounts	-	-	-	-	-	-	-	2 935 678	2 935 678
Contracts for difference	-	-	-	-	-	-	-	12 279	12 279
Receivables due from related parties	-	-	-	-	-	-	-	185 855	185 855
Rental and other deposits and sundry debtors	-	-	-	-	-	-	-	6 760	6 760
Unit-linked investments	-	-	-	-	-	138 540 727	-	-	138 540 727
Collective investment schemes	-	-	-	-	-	138 497 101	-	-	138 497 101
Other unit-linked investments	-	-	-	-	-	43 626	-	-	43 626
Cash and cash equivalents	-	-	-	-	2 595 649	-	21 212	54 560	2 671 421
	2 043 347	75 227	67 142	208 667	4 664 253	138 540 727	1 152 669	3 994 513	150 746 545

<sup>1</sup> The government debt securities relate to instruments issued by the South African government, which have a Moody's short term rating of Ba2 at 28 February 2026.

<sup>2</sup> Refer to pages 220 and 221 for further detail on the 'other rated' and 'non-rated' assets.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

Financial risk management (continued)

Credit risk (continued)

Credit quality (continued)

The table below analyses the group's external credit rating by class of asset:

2025	External credit rating				P1 R000	External credit rating			Total R000
	Government stock <sup>1</sup> R000	Aaa R000	Aa1 R000	Aa3 R000		Unit-linked (incl. CIS) R000	Other rated assets <sup>2</sup> R000	Non-rated assets <sup>2</sup> R000	
Debt securities	1 467 307	-	63 760	-	2 398 085	-	354 569	87 740	4 371 461
Government <sup>1</sup>	1 467 307	-	-	-	-	-	-	-	1 467 307
Bank	-	-	-	-	2 323 746	-	-	-	2 323 746
Other	-	-	63 760	-	74 339	-	354 569	87 740	580 408
Investment in investment contracts	-	-	-	-	-	-	-	9 207	9 207
Loans and advances	-	-	-	-	-	-	-	329 276	329 276
Secured	-	-	-	-	-	-	-	270 960	270 960
Unsecured	-	-	-	-	-	-	-	58 316	58 316
Derivative financial instruments	-	-	-	-	-	-	-	6 370	6 370
Insurance contract assets	-	-	-	-	-	-	-	13 679	13 679
Reinsurance contract assets	-	-	-	161	-	-	159 040	25 399	184 600
Receivables	-	290	2 766	3 114	-	-	18 002	2 224 493	2 248 665
Trade receivables	-	290	2 766	3 114	-	-	18 002	171 098	195 270
Brokers and clearing houses and client accounts	-	-	-	-	-	-	-	1 915 013	1 915 013
Contracts for difference	-	-	-	-	-	-	-	10 661	10 661
Receivables due from related parties	-	-	-	-	-	-	-	120 666	120 666
Rental and other deposits and sundry debtors	-	-	-	-	-	-	-	7 055	7 055
Unit-linked investments	-	-	-	-	-	97 985 067	-	-	97 985 067
Collective investment schemes	-	-	-	-	-	97 907 653	-	-	97 907 653
Other unit-linked investments	-	-	-	-	-	77 414	-	-	77 414
Cash and cash equivalents	-	-	-	-	2 559 584	-	22 078	41 666	2 623 328
	1 467 307	290	66 526	3 275	4 957 669	97 985 067	553 689	2 737 830	107 771 653

<sup>1</sup> The government debt securities relate to instruments issued by the South African government, which have a Moody's short term rating of Ba2 at 28 February 2025.

<sup>2</sup> Refer to pages 220 and 221 for further detail on the 'other rated' and 'non-rated' assets.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

#### Credit quality (continued)

The other rated assets can be broken down as follows:

Class of financial assets	Rating agency	External credit rating	2026 R000	2025 R000
Receivables	Fitch	F1+(ZAF)	1 392	2 565
Receivables	S&P	A1+(ZA) to AAA(ZA)	15 935	15 437
Debt securities	Fitch	F1+(ZAF)	50 864	50 890
Debt securities	GCR	A1+(ZA) to A1(ZA)	89 294	70 899
Debt securities	S&P	A1+(ZA) to AAA(ZA)	78 729	78 766
Reinsurance contract assets	AM Best	A-	29 305	32 972
Reinsurance contract assets	S&P	AA-(ZA) to BB+(ZA)	120 999	126 068
			<b>386 518</b>	<b>377 597</b>
Debt securities	Moody's <sup>1</sup>	Baa3(ZA)	457 349	154 014
Debt securities	Moody's <sup>1</sup>	NP(ZA)	287 590	-
Cash and cash equivalents	Moody's <sup>1</sup>	NP(ZA)	21 212	22 078
			<b>1 152 669</b>	<b>553 689</b>

<sup>1</sup> Moody's ratings of financial assets which fell out of the range disclosed in the Moody's credit rating table disclosed on the previous pages.

#### Debt securities

The non-rated debt securities of R136.3 million (2025: R87.7 million) relates to client-related balances, and as such does not expose the business to the credit risk of these securities.

#### Investment in investment contracts

The investment in investment contracts is an amount invested with a foreign insurer and is linked to the investment contract liability. Therefore the credit risk is carried by the policyholder.

#### Loans and advances

Loans and advances consist mainly of amounts due from financial advisers which have been deemed to be high quality assets. Balances due from financial advisers are monitored against the income generated by these advisers to ensure that sufficient collateral for the amounts owed is available.

#### Derivative financial instruments

These represent CFDs facilitated by PSG Securities between the client and RMB, and as such the client bears the credit risk.

#### Receivables

Non-rated receivables consist mainly of the following:

- Balances due from brokers and clearing houses, which relate to client-related balances, are settled within three days after the transaction occurred in terms of the clearing house rules of the JSE.
- Contracts for difference consisting of collateral assets and margin accounts held by the underlying banking institutions on behalf of clients.
- Receivables due from related parties relate mainly to the February management fees due from the PSG collective investment schemes, which are settled within a week of the financial year-end.
- Other receivables consist mainly of commission and other fee income due from third-party asset management and insurance companies, fees due from the JSE, as well as policyholder receivables due from investment houses (in the case where the policy matured or was redeemed by the policyholder). These receivables are assessed individually for any indications that the counterparties might not be able to honour their commitments. The risk of default is low as it relates to reputable financial services institutions.
- Of the non-rated trade receivables of R277.6 million (2025: R171.1 million), R26.7 million (2025: R24.3 million) relates to client-related balances and, as such, does not expose the business to the credit risk of these assets.
- The receivables which expose the group to credit risk have been assessed to be high quality assets.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

#### Credit quality (continued)

#### Cash and cash equivalents

The non-rated cash and cash equivalents relate mainly to offshore bank accounts held by foreign subsidiaries and the PSG Securities trading account. The credit committee assesses the default risk of the foreign banks, taking into consideration the alternative counterparties available in the respective countries, and sets limits on the group's exposure. The cash held in the trading account is highly liquid, earns competitive interest yield and has a weighted average maturity of less than 90 days.

#### Impairment history

Receivables are tested for impairment using a variety of techniques including assessing credit risk and monthly monitoring of individual debtors. As at 28 February 2026, R10.6 million (2025: R6.4 million) of unsecured loans to advisers were impaired.

Refer to note 7 for the expected credit loss considerations on the loans and advances.

#### Concentration

Although the group follows a policy of diversification, some concentration of credit risk towards certain counterparties exists:

- A large portion of the quoted debt securities is invested in the large four South African banks, and relates to investments linked to investment contracts and the consolidated collective investment schemes.
- Reinsurance contract assets are largely due from Santam re and African re (refer to the 'reinsurance credit exposures' section on page 222 for further detail).
- The derivative financial instruments and contracts for difference represent client assets relating to the stockbroking business and are held mainly with RMB.
- The cash and cash equivalents predominantly include balances at the larger South African banks.

The investment committee closely monitors the performance and concentration of the shareholder assets to ensure that the group is not overly exposed to a particular counterparty.

The collective investment schemes consolidated in terms of IFRS 10 – Consolidated Financial Statements are managed in terms of the respective fund mandates.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

#### Impairment history (continued)

#### Reinsurance credit exposures

Reinsurance is used to manage insurance risk. However, this does not discharge the group's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the group remains liable for the payment to the policyholder. The group has some exposure to concentration risk with individual reinsurers due to the nature of the reinsurance market and the restricted range of reinsurers that have acceptable credit ratings. The creditworthiness of reinsurers is considered annually by reviewing their financial strength prior to finalisation of any contract. The group's largest reinsurance counterparties are African re and Santam re (2025: African re and Santam re). This exposure is monitored on a regular basis with the forecast to completion monitored for any shortfall in the claims history to verify that the contract is progressing as expected and that no further exposure for the group will arise.

The following table presents the concentration risk with the individual reinsurers at year-end:

	2026		2025	
	R000	%	R000	%
African re	67 535	41	67 238	36
Santam re	29 305	18	32 972	18
Swiss re	20 558	13	30 668	17
R&V Versicherung	25 585	15	20 786	11
Namib re	-	-	18 636	10
GIC re	7 321	5	7 376	4
Other	13 361	8	6 924	4
<b>Reinsurance contract assets</b>	<b>163 665</b>	<b>100</b>	<b>184 600</b>	<b>100</b>

#### Financial liabilities at fair value through profit or loss

Certain financial liabilities in the group's statement of financial position have been designated at fair value through profit or loss. These include investment contracts and third-party liabilities arising on consolidation of mutual funds. The determination of fair value requires an assessment of PSG Financial Services' own credit risk.

The current year and cumulative fair value movements in these instruments were mainly due to market movements relating to the underlying instruments which back the related investment contracts and third-party liabilities, with no significant fair value movement attributable to credit risk.

The investment contract liabilities relate to the group's linked life business, therefore the fair value of the investment contract liabilities are directly linked to the underlying policyholder assets. PSG Financial Services has considered the impact of the entity's own credit risk and has determined the impact is not significant based on the liquidity and the underlying asset position which support such liabilities. PSG Financial Services remains well capitalised and, accordingly, no adjustment to the valuation for credit risk has been made for the financial years under review.

PSG Financial Services' own credit risk is not applicable in the measurement of third-party financial liabilities arising on consolidation of mutual funds as these liabilities are specifically referenced to assets and liabilities contained in a separate legal structure (collective investments schemes) that could not be attached in the event of a group entity holding the controlling units defaulting.

PSG Financial Services' own credit risk is also not applicable in the measurement of purchase consideration payable as the amount payable is directly linked to the underlying book of business acquired and its profitability over a contracted period and not that of the group.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Liquidity risk

Liquidity risk is the risk that the group will not be able to raise sufficient funds to meet the commitments associated with its liabilities. This risk arises when investments are not marketable and therefore cannot be realised in the short term.

The table below analyses the group's liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying values as the impact of discounting is not significant.

At 28 February 2026	Carrying value R000	Less than 1 year R000	Between 1 and 5 years R000	Over 5 years R000
Lease liabilities	339 184	100 089	318 324	3 132
Derivative financial instruments	47 143	47 143	-	-
Investment contracts	66 212 012	66 212 012	-	-
Insurance contract liabilities	528 963	528 963	-	-
Third-party liabilities arising on consolidation of mutual funds	80 074 250	80 074 250	-	-
Trade and other payables				
Trade payables, settlement control account and other payables	3 552 912	3 552 912	-	-
Contracts for difference	29 441	29 441	-	-
Purchase consideration payable	54 915	40 684	14 231	-
	<b>150 838 820</b>	<b>150 585 494</b>	<b>332 555</b>	<b>3 132</b>

At 28 February 2025	Carrying value R000	Less than 1 year R000	Between 1 and 5 years R000	Over 5 years R000
Lease liabilities	223 361	95 037	166 191	12 927
Derivative financial instruments	11 141	11 141	-	-
Investment contracts	52 819 377	52 819 377	-	-
Insurance contract liabilities	469 019	469 019	-	-
Reinsurance contract liabilities	2 123	2 123	-	-
Third-party liabilities arising on consolidation of mutual funds	51 839 062	51 839 062	-	-
Trade and other payables				
Trade payables, settlement control account and other payables	2 344 737	2 344 737	-	-
Contracts for difference	12 495	12 495	-	-
Purchase consideration payable	54 171	36 879	17 292	-
	<b>107 775 486</b>	<b>107 629 870</b>	<b>183 483</b>	<b>12 927</b>

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Liquidity risk (continued)

##### Investment contract liabilities

The value of the investment contract liabilities is linked to the value of the underlying matching assets portfolio. Equity securities of R5.6 billion (2025: R4.6 billion), unit-linked investments of R60.5 billion (2025: R41.8 billion), investment in investment contracts of R8.1 million (2025: R9.2 million) and cash and cash equivalents of R113.0 million (2025: R62.8 million) are linked to investment contract liabilities.

With regard to the linked investment policy business, it is the group's policy to pay a policyholder once the amount disinvested has been collected. Accordingly, the underlying assets' maturity profile should approximate that of the investment contracts. The investment contracts do not expose the group to significant liquidity risk. The investment policy and mandates take the expected liquidity cash flow into account. By limiting the cash flow mismatch, the risk of premature realisation of assets or reinvestment of excess cash is mitigated. In addition, investment guidelines and limits are used to limit exposure to illiquid assets. With regard to the investments linked to guaranteed investment contracts, these products have very specific guaranteed repayment profiles. The expected liability outflow is matched by assets that provide the required cash flows as and when they become payable.

##### Third-party liabilities arising on consolidation of mutual funds

Third-party liabilities arising on consolidation of mutual funds represent demand liabilities of collective investment scheme interests not held by the group arising as a result of consolidation. Maturity analysis is not possible as it is dependent on external unitholders' behaviour outside of the group's control.

##### Insurance contracts

The group is exposed to daily calls on its available cash resources, mainly from claims arising from non-life insurance contracts through its subsidiary, Western Group. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. Management actively manages the maturity profile of investments made in order to meet obligations. Investments are only made at reputable institutions and in short-duration instruments.

##### Trade and other payables

Included in trade and other payables is the settlement control account of R2.8 billion (2025: R1.7 billion), which represents the settlement of trades done by clients in the last few days before year-end, with the settlement to the clients taking place within three days after the transaction date. The settlement control account is matched with current assets in the form of the broker and clearing accounts and cash and cash equivalents (if a portion was received from the JSE before year-end), which reduces the liquidity risk.

##### Financing facilities

The group has access to the following undrawn borrowing facilities at the end of the financial year:

- A recourse facility from Investec Bank Limited of R150.0 million (2025: R150.0 million).
- An approved DMTN programme of R3.0 billion (2025: R3.0 billion).
- An undrawn overdraft facility of R50.0 million (2025: R50.0 million) with Absa Bank Limited.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Risk management

Refer to page 101 for the mitigating controls put in place as part of the risk management framework to address liquidity risk.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, each entity aims to maintain flexibility in funding by keeping committed credit lines available.

#### Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value are disclosed by level based on the following fair value measurement hierarchy, as required by IFRS 7 – Financial Instruments: Disclosures and IFRS 13 – Fair Value Measurement:

- **Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities**

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The quoted market price used for financial assets held by the group is the current bid price. Instruments included in level 1 comprise primarily JSE equity investments classified as at fair value through profit or loss.

- **Level 2 – Input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)**

Financial instruments that trade in markets that are not considered to be active but are valued (using valuation techniques) based on quoted market prices, dealer quotations or alternative pricing sources supported by observable input are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. If all significant input required to fair value an instrument is observable, the instrument is included in level 2.

- **Level 3 – Input for the asset or liability that is not based on observable market data (that is, unobservable input)**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments classified within level 3 have significant unobservable input, as they trade infrequently.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Financial risk management (continued)

#### Fair value estimation (continued)

#### Valuation techniques and assumptions used in determining the fair value of level 2 instruments

Valuation techniques and main assumptions used in determining the fair value of financial assets and liabilities classified within level 2 can be summarised as follows:

Instrument	Valuation basis/techniques	Main assumptions
Derivative financial instruments	Exit price on recognised OTC platforms	Not applicable
Debt securities	Valuation model that uses the market inputs (yield of benchmark bonds)	Bond interest rate curves Issuer credit ratings Liquidity spreads
Unit-linked investments	Quoted put (exit) price provided by the fund manager based on the net asset value of the fund	Not applicable – daily prices are publicly available
Investment in investment contracts	Unit prices are obtained from the insurer of the particular investment contract	Not applicable – prices provided by registered long-term insurers
Investment contracts liabilities – unit-linked	Current unit price of underlying unitised financial asset that is linked to the liability, multiplied by the number of units held	Not applicable
Third-party financial liabilities arising on consolidation of mutual funds	Quoted put (exit) price provided by the fund manager based on the net asset value of the fund	Not applicable – daily prices are publicly available

Unit-linked investments, investments in investment contracts and debt securities are mostly held to match investment contract liabilities and, as such, any change in measurement would result in a similar adjustment to investment contract liabilities. The group's overall profit or loss is therefore not materially sensitive to the input of the models applied to derive fair value.

#### Valuation techniques and assumptions used in determining the fair value of level 3 instruments

Unit-linked investments relate mainly to units held in hedge funds and are priced monthly. The group has determined that the reported net asset value represents fair value at the end of the reporting period. The prices are obtained from the asset managers of the particular hedge funds. These are held to match investment contract liabilities, and as such any change in measurement would result in a similar adjustment to investment contract liabilities. The group's overall profit or loss is therefore not materially sensitive to the input of the models applied to derive fair value.

Purchase consideration payable classified within level 3 has significant unobservable input, as the valuation technique used to determine the fair values takes into account the probability (at year-end) that the contracted party will achieve the profit guarantee as stipulated in the business agreement.

## 35. Risk management (continued)

### Financial risk management (continued)

#### Fair value estimation (continued)

#### Fair value hierarchy

The following financial instruments are measured at fair value:

At 28 February 2026	Level 1 R000	Level 2 R000	Level 3 R000	Total R000
<b>Financial assets</b>				
Derivative financial instruments	-	28 476	-	28 476
Equity securities	5 672 368	-	240	5 672 608
Listed and quoted	5 672 368	-	-	5 672 368
Unquoted	-	-	240	240
Debt securities	3 084 511	2 470 977	-	5 555 488
Government debt securities – quoted	1 310 558	732 789	-	2 043 347
Other debt securities – quoted	1 773 953	1 738 188	-	3 512 141
Unit-linked investments	-	138 497 101	43 626	138 540 727
Collective investment schemes	-	138 497 101	-	138 497 101
Other unit-linked investments	-	-	43 626	43 626
Investment in investment contracts	-	8 050	-	8 050
	8 756 879	141 004 604	43 866	149 805 349
Own balances	55 613	4 880 411	37 879	4 973 903
Client-related balances	8 701 266	136 124 193	5 987	144 831 446
<b>Financial liabilities</b>				
Derivative financial instruments	-	47 143	-	47 143
Investment contracts	-	66 206 025	5 987	66 212 012
Purchase consideration payable	-	-	54 915	54 915
Third-party liabilities arising on consolidation of mutual funds	-	80 074 250	-	80 074 250
	-	146 327 418	60 902	146 388 320
Own balances	-	-	54 915	54 915
Client-related balances	-	146 327 418	5 987	146 333 405

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

Financial risk management (continued)

Fair value estimation (continued)

Fair value hierarchy (continued)

The following financial instruments are measured at fair value:

At 28 February 2025	Level 1 R000	Level 2 R000	Level 3 R000	Total R000
<b>Financial assets</b>				
Derivative financial instruments	-	6 370	-	6 370
Equity securities	4 659 241	-	240	4 659 481
Listed and quoted	4 659 241	-	-	4 659 241
Unquoted	-	-	240	240
Debt securities	1 363 521	3 007 940	-	4 371 461
Government debt securities	-	-	-	-
- quoted	618 556	848 751	-	1 467 307
Other debt securities	-	-	-	-
- quoted	744 965	2 159 189	-	2 904 154
Unit-linked investments	-	97 907 653	77 414	97 985 067
Collective investment schemes	-	97 907 653	-	97 907 653
Other unit-linked investments	-	-	77 414	77 414
Investment in investment contracts	-	9 207	-	9 207
	6 022 762	100 931 170	77 654	107 031 586
Own balances	42 637	3 779 330	46 290	3 868 257
Client-related balances	5 980 125	97 151 840	31 364	103 163 329
<b>Financial liabilities</b>				
Derivative financial instruments	-	11 141	-	11 141
Investment contracts	-	52 788 013	31 364	52 819 377
Purchase consideration payable	-	-	54 171	54 171
Third-party liabilities arising on consolidation of mutual funds	-	51 839 062	-	51 839 062
	-	104 638 216	85 535	104 723 751
Own balances	-	-	54 171	54 171
Client-related balances	-	104 638 216	31 364	104 669 580

## 35. Risk management (continued)

Financial risk management (continued)

Fair value estimation (continued)

Level 3 financial instruments

The following tables present the changes in level 3 financial instruments during the reporting periods under review:

	Unit-linked investments <sup>1</sup> R000	Equity securities R000	Total R000
<b>Assets</b>			
Carrying value at 1 March 2024	129 032	240	129 272
Additions	106 487	-	106 487
Disposals	(165 607)	-	(165 607)
Gains recognised in profit or loss <sup>2</sup>	7 502	-	7 502
Carrying value at 28 February 2025	77 414	240	77 654
Additions	718	-	718
Disposals	(28 448)	-	(28 448)
Losses recognised in profit or loss <sup>2</sup>	(6 058)	-	(6 058)
Carrying value at 28 February 2026	43 626	240	43 866

<sup>1</sup> Gains on these items were recognised in profit or loss under 'net fair value gains and losses on financial instruments' and 'net income attributable to investment contract holders and third-party liabilities'.

<sup>2</sup> Losses recognised in profit or loss include unrealised losses of R8.3 million and realised gains of R2.2 million for the 2026 financial year (2025: unrealised gains of R6.9 million and realised gains of R0.6 million).

	Purchase consideration payable R000	Investment contracts <sup>3</sup> R000	Total R000
<b>Liabilities</b>			
Carrying value at 1 March 2024	34 855	87 390	122 245
Additions	42 860	101 179	144 039
Settlements	(23 544)	(165 607)	(189 151)
Losses recognised in profit or loss <sup>4</sup>	-	8 402	8 402
Carrying value at 28 February 2025	54 171	31 364	85 535
Additions	26 122	701	26 823
Settlements	(25 378)	(28 448)	(53 826)
Losses recognised in profit or loss <sup>4</sup>	-	2 370	2 370
Carrying value at 28 February 2026	54 915	5 987	60 902

<sup>3</sup> Losses on these items were recognised in profit or loss under the line item 'net income attributable to investment contract holders and third-party liabilities'.

<sup>4</sup> Losses recognised in profit or loss include unrealised losses of R0.2 million and realised losses of R2.2 million for the 2026 financial year (2025: unrealised losses of R7.8 million and realised losses of R0.6 million).

### Offsetting

The group does not have any financial assets or financial liabilities that are currently subject to offsetting in accordance with IAS 32 – Financial Instruments: Presentation.

However, the derivative assets of R28.5 million (2025: R6.4 million) and derivative liabilities of R47.1 million (2025: R11.1 million) are subject to a master netting arrangement, with a net exposure of R18.7 million (2025: R4.8 million).

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

### Insurance risk

Insurance activities expose the group to insurance risk (including pricing risk, reserving risk, underwriting risk and reinsurance risk).

Insurance risk is the risk that future claims and expenses will exceed the allowance for expected claims and expenses in the measurement of policyholder liabilities and in product pricing.

### Non-life insurance contracts

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, the materialisation of risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur when the frequency or severity of claims and benefits is greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques. Changing risk parameters and unforeseen factors, such as patterns of crime, economic and geographical circumstances, may result in unexpectedly large claims.

### Pricing and reserving

The group bases its pricing policy on the theory of probability. Underwriting limits are set for underwriting managers and brokers to ensure that this policy is consistently applied. The group also has the right to reprice and change the conditions for accepting risks on renewal. It also has the ability to impose deductibles and reject fraudulent claims.

The group is exposed to accumulation risk in the form of geographical (large metropolitan areas), as well as class of business concentrations of risk. The risk appetite policy dictates how much capital the group is willing to put at risk in the pursuit of value. It is within this risk appetite framework that the reinsurance programme has been selected to mitigate accumulation risk within its portfolio.

The reinsurance arrangements include excess, stop-loss and catastrophe coverage.

Claim provisions for all classes of business are regularly reviewed to make sure they are sufficient. These analyses draw on the expertise and experience of a wide range of specialists, such as underwriting and accounting experts.

Capital adequacy management aims to manage the risk that the net technical reserves held on the statement of financial position to fund reported and future claims as well as their associated expenses may prove insufficient.

The group holds its technical reserves at the minimum levels of sufficiency in accordance with prudential guidelines and legal requirements. The group aims to be conservative in the holding of technical reserves to protect its capital.

## 35. Risk management (continued)

### Insurance risk (continued)

#### Non-life insurance contracts (continued)

#### Underwriting risk

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

The concentration of insurance risk in relation to the type of insurance risk accepted, as well as the relative geographical concentration of the risk is summarised in the table below:

Geographical location	2026		2025	
	Type of insurance risk		Type of insurance risk	
	Motor %	Non-motor %	Motor %	Non-motor %
South Africa	100	100	41	59
Namibia	-	-	36	64
	100	100	41	59

Of the group's insurance revenue of R2.7 billion for the year ending 28 February 2026 (2025: R2.6 billion), 100% (2025: 96%) was generated within South Africa (2025: 4% within Namibia).

Refer to page 100 for mitigating controls put in place as part of the risk management framework to address underwriting risk.

### Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography.

### Sources of uncertainty in the estimation of future claim payments

Claims are payable on a claims-occurrence basis. The group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time, and a larger element of the claims provision relates to incurred but not reported claims. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by the individual contract holders and the risk management procedures they adopted.

In calculating the estimated cost of unpaid claims (both reported and not), the group's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based on actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

### Development of claims

Due to the nature of the insurance contracts, the uncertainty about the amount and timing of claims payments is typically resolved within one year.

# Notes to the group financial statements

for the year ended 28 February 2026

## 35. Risk management (continued)

**Insurance risk** (continued)

**Non-life insurance contracts** (continued)

**Capital risk management**

The group's objectives when managing capital (which comprises shareholder's equity) are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. The group considers the optimal capital structure to be a structure in which the optimal level of capital is maintained in the most effective way by balancing the needs of shareholders, policyholders and regulators, with the main focus being one of maximising shareholder value. This requires the group to manage the levels of capital within each regulated entity in the group to keep these in line with the capital requirements for that entity, as well as to ensure that this reflects and is consistent with the group's risk profile and risk appetite.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

When funding is required, management will consider the various forms of paper available for issue, taking into account current market conditions, anticipated trends in market indicators and the financial position of the group at the time. Management will consider issuing ordinary shares, or short, long or medium-term borrowings with variable or fixed rates accordingly.

PSG Financial Services Limited facilitates the efficient deployment of capital to the various subsidiaries in the group. The company will therefore retain sufficient capital to satisfy the groups risk appetite as well as to facilitate growth. The Exco and Manco provide oversight for the capital management of the group.

Certain subsidiaries have regulatory capital adequacy requirements as a result of the respective industries in which they operate. PSG Life Limited is required to hold a minimum amount of capital in order to reduce the policyholders' exposure to the company's liquidity risk. The Prudential Authority regularly reviews compliance with these minimum capital requirements as the regulatory authority. The company must maintain shareholders' funds that will be sufficient to meet obligations in the event of substantial deviations from the main assumptions affecting the company's business. PSG Life Limited met the solvency requirements, in accordance with the regulations and the guidelines issued by the Prudential Authority, as at 28 February 2026 and 28 February 2025.

A subsidiary of the group, Western Group Holdings Limited (Western Group), operates in the non-life insurance industry. The objectives when managing capital are to safeguard its ability to continue as a going concern and to ensure optimal capital adequacy management in order to manage the risk that the net technical reserves held on the statement of financial position are sufficient to fund reported and future claims as well as their associated expenses. Capital management is done through reinsurance and reserving. The group is exposed to accumulation risk in the form of geographical (large metropolitan areas) as well as class of business concentrations of risk. The risk appetite policy dictates how much capital the group is willing to put at risk in the pursuit of value. It is within this risk appetite framework that the reinsurance programme has been selected to mitigate accumulation risk within its portfolio. The reinsurance arrangements include excess, stop-loss and catastrophe coverage. The group manages its capital requirements in accordance with the guidelines and statutory regulations of each regulator in the various jurisdictions. The group holds its technical reserves at the minimum levels of sufficiency in accordance with prudential guidelines and legal requirements. The group aims to be conservative in the holding of technical reserves to protect its capital. The entities within the Western Group met their capital requirements as at 28 February 2026 and 28 February 2025.

The capital levels of the non-insurance companies and subsidiaries are based on operational requirements (subject to any regulatory capital requirements), taking into account new business targets.

## 35. Risk management (continued)

**Group restrictions on assets and liabilities**

The group does not have any significant restrictions on its ability to access or use its assets and settle its liabilities other than those required by supervisory regulatory frameworks.

**Group credit risk**

During July 2025, Global Credit Rating Company upgraded the group's long-term and short-term credit ratings to AA-(ZA) from A+(ZA) and to A1+(ZA) from A1(ZA) respectively, with a Stable Outlook.

**Financial risk inherent in consolidated mutual funds**

The group consolidates a number of collective investment schemes as a result of exercising control over these funds, and the risk management framework is therefore applicable to the risk management of the fund. Refer to Annexure B for information on the mutual funds consolidated.

Because of the specific nature of the business of the schemes, the risk management principles may be applied differently to managing the risks relevant to the schemes from the way the overall financial risks are managed. This section describes how the financial risk management of the schemes differs from the overall financial risk management.

The management company of the scheme has a dedicated independent risk function that continuously monitors the overall risk of the portfolios against stated mandate limits and the portfolio risk appetites over time. To avoid conflicts of interest, the function is separate from the investment team and reports directly to the COO of the management company.

When considering any new investment for a scheme, the risks and expected returns are critical elements in the investment decision. Before an instrument is included in a portfolio, risks are carefully considered at instrument and portfolio levels. The scheme mandate is also assessed.

A portfolio market risk appetite is measured as a function of current market conditions and a benchmark, which translates into a targeted tracking error that is monitored by the independent risk unit. Credit and liquidity risks are mitigated through diversification of issuers in line with the policy.



# Company financial statements

Company statement of financial position	236
Company statement of comprehensive income	237
Company statement of changes in equity	238
Company statement of cash flows	239
Notes to the company financial statements	240

## Company statement of financial position

as at 28 February 2026

	Notes	2026 R000	2025 R000
<b>Assets</b>			
Investment in subsidiaries	1	1 678 138	1 678 138
Unit-linked investments	2	540 903	256 744
Loans and advances	3	314 183	281 965
Receivables	4	1 273	1 797
Current income tax asset		-	118
Cash and cash equivalents (including money market funds)	5	225 339	285 617
<b>Total assets</b>		<b>2 759 836</b>	<b>2 504 379</b>
<b>Equity</b>			
<b>Equity attributable to owners of the company</b>			
Stated capital	6	577 270	874 202
Retained earnings		2 044 903	1 550 879
<b>Total equity</b>		<b>2 622 173</b>	<b>2 425 081</b>
<b>Liabilities</b>			
Borrowings	7	25 880	459
Deferred income tax liability	8	28 420	7 304
Trade and other payables	9	82 765	71 535
Current income tax liability		598	-
<b>Total liabilities</b>		<b>137 663</b>	<b>79 298</b>
<b>Total equity and liabilities</b>		<b>2 759 836</b>	<b>2 504 379</b>

## Company statement of comprehensive income

for the year ended 28 February 2026

	Notes	2026 R000	2025 R000
Interest income on amortised cost financial instruments	10	6 963	8 442
Interest income on fair value through profit or loss financial instruments	10	19 212	11 120
Dividend income	10	1 089 504	891 219
Net fair value gains and losses on financial instruments	11	101 410	25 175
<b>Total income</b>		<b>1 217 089</b>	<b>935 956</b>
Marketing, administration and other expenses	12	(2 060)	(1 948)
<b>Total expenses</b>		<b>(2 060)</b>	<b>(1 948)</b>
<b>Profit before finance costs and taxation</b>		<b>1 215 029</b>	<b>934 008</b>
Finance costs	13	(62)	(69)
<b>Profit before taxation</b>		<b>1 214 967</b>	<b>933 939</b>
Taxation	14	(28 969)	(10 828)
<b>Profit for the year</b>		<b>1 185 998</b>	<b>923 111</b>
<b>Total comprehensive income for the year</b>		<b>1 185 998</b>	<b>923 111</b>

## Company statement of changes in equity

for the year ended 28 February 2026

	Stated capital R000	Retained earnings R000	Total R000
<b>Balance at 1 March 2024</b>	1 204 471	1 207 168	2 411 639
<b>Comprehensive income</b>			
Total comprehensive income for the year	-	923 111	923 111
<b>Transactions with owners</b>	(330 269)	(579 400)	(909 669)
Repurchase and cancellation of ordinary shares	(330 269)	-	(330 269)
Dividends paid	-	(579 400)	(579 400)
<b>Balance at 28 February 2025</b>	874 202	1 550 879	2 425 081
<b>Comprehensive income</b>			
Total comprehensive income for the year	-	1 185 998	1 185 998
<b>Transactions with owners</b>	(296 932)	(691 974)	(988 906)
Repurchase and cancellation of ordinary shares	(296 932)	-	(296 932)
Dividends paid	-	(691 974)	(691 974)
<b>Balance at 28 February 2026</b>	577 270	2 044 903	2 622 173

## Company statement of cash flows

for the year ended 28 February 2026

	Notes	2026 R000	2025 R000
<b>Cash flows from operating activities</b>			
Cash generated by/(utilised in) operations	18.1	2 897	(32 660)
Interest received		17 056	15 967
Dividends received		1 079 393	887 391
Finance costs		(62)	(69)
Taxation paid	18.2	(7 137)	(5 419)
<i>Net cash flow from operating activities</i>		<b>1 092 147</b>	<b>865 210</b>
<b>Cash flows from investing activities</b>			
Acquisition of unit-linked investments		(180 000)	(65 000)
Disposal of unit-linked investments		16 481	105 000
<i>Net cash flow from investing activities</i>		<b>(163 519)</b>	<b>40 000</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(691 974)	(579 400)
Repurchase of ordinary shares		(296 932)	(330 269)
<i>Net cash flow from financing activities</i>		<b>(988 906)</b>	<b>(909 669)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(60 278)</b>	<b>(4 459)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>285 617</b>	<b>290 076</b>
<b>Cash and cash equivalents at the end of the year</b>	18.3	<b>225 339</b>	<b>285 617</b>

# Notes to the company financial statements

for the year ended 28 February 2026

## Basis of preparation and accounting policies

The basis of preparation and accounting policies of the company are the same as that of the group, as set out in Annexure A. These financial statements should be read in conjunction with the group financial statements.

### 1. Investment in subsidiaries

	2026 R000	2025 R000
Unlisted shares at cost less impairment	1 678 138	1 678 138

#### Interest in subsidiaries acquired and sold

There were no changes to the investment in subsidiaries during the current reporting period (2025: no changes).

#### Impairment

An assessment for impairment was performed by comparing the carrying value of the individual subsidiaries with the calculated fair value less cost to sell. The fair value is determined by applying a PE ratio to the profit after tax for each subsidiary for the respective financial years. The PE ratios are determined with reference to similar listed companies, adjusted for specific risks applicable to each subsidiary, as well as recent transactions concluded in the market and were determined as between 7.5 and 10.0 (2025: 7.5 and 10.0).

#### General

Refer to Annexure B for the schedule of interests in subsidiaries.

### 2. Unit linked investments

	2026 R000	2025 R000
Carrying value at the beginning of the year	256 744	264 146
Additions	180 000	65 000
Disposals	(16 481)	(105 000)
Unrealised fair value net gains	98 608	25 175
Realised fair value net gains	2 802	-
Interest and dividends reinvested	19 230	7 423
Carrying value at the end of the year	540 903	256 744
Current portion	355 700	16 069
Non-current portion	185 203	240 675
	540 903	256 744

### 3. Loans and advances

	2026 R000	2025 R000
Loans to related parties (refer to note 17)	314 183	281 965
Current portion	314 183	281 965
Non-current portion	-	-
	314 183	281 965

The loans to related parties are repayable on demand and interest-free.

The fair values of the loans and advances approximate their carrying values. Loans and advances are shown net of amounts which are not expected to be recoverable.

#### Expected credit losses

Expected credit losses for loans to related parties are measured under the general model as prescribed by IFRS 9.

### 3. Loans and advances (continued)

The period over which the expected credit loss is calculated is limited to the maximum contractual period of the loan. For loans that are repayable on demand, the contractual period is the period needed to transfer the cash once demanded. The expected credit losses are based on the assumption that the repayment of the loan is demanded at the reporting date. As such, the impact of incorporating forward-looking information is immaterial, due to the short period over which the expected credit loss assessment is performed.

The financial information of the borrower at the reporting date is inspected to determine:

- if the borrower has sufficient accessible highly liquid assets or facilities in order to repay the loan if demanded at the reporting date, and
- that there is no senior debt which the borrower would need to repay before the intergroup loan being assessed.

In such a scenario, assuming that the entity has no restrictions on its liquid assets and could meet a demand to repay the loan at the reporting date, no expected credit loss would be recognised unless the impact of discounting from when the repayment is demanded until it is paid is material.

The related parties were assessed to have sufficient accessible liquid assets or facilities available to repay the loans in full, taking into consideration any senior debt which the borrower would need to repay first, should repayment be demanded on the reporting date. Management therefore determined that any expected credit losses as well as the impact of discounting would be immaterial.

The maximum exposure to credit risk at the reporting date is the fair value of the loans and advances mentioned above.

### 4. Receivables

	2026 R000	2025 R000
Trade receivables	1 223	1 742
Prepayments	50	55
	1 273	1 797
Current portion	1 273	1 797
Non-current portion	-	-
	1 273	1 797

The receivables are interest-free and repayable on demand. The carrying value approximates fair value.

In terms of IFRS 9, the company has applied the simplified approach to determine the expected credit loss, which was deemed to be immaterial.

### 5. Cash and cash equivalents (including money market funds)

	2026 R000	2025 R000
Cash at bank	14 133	8 129
Money market funds	106 606	187 288
Short-term deposits	104 600	90 200
	225 339	285 617

The effective-interest rate on cash and cash equivalents (including money market funds) was 6.91% (2025: 7.91%). The money market funds and the short-term deposits have an average maturity of 30 days or less.

Impairments on cash and cash equivalents carried at amortised cost are measured on a 12-month expected credit loss basis and reflect the short-term maturities of the exposures. The company considers that its cash and cash equivalents have good credit quality based on the external credit ratings of the counterparties. Management therefore determined that any expected credit losses would be immaterial.

# Notes to the company financial statements

for the year ended 28 February 2026

## 6. Stated capital

### Authorised

3 billion shares with no par value  
(2025: 3 billion shares with no par value)

There were no changes to the authorised stated capital during the current reporting period (2025: no changes).

Issued shares	Number of shares (thousands)	Stated capital R000
As at 1 March 2024	1 279 891	1 204 471
Repurchase and cancellation of shares	(19 106)	(330 269)
As at 28 February 2025	1 260 785	874 202
Repurchase and cancellation of shares	(12 275)	(296 932)
As at 28 February 2026	1 248 510	577 270

During the 2026 financial year, the company repurchased and cancelled 12.3 million ordinary shares at a cost of R296.9 million at a weighted average cost price of R24.19 per share. The cost was deducted from stated capital. The buy back and cancellation were approved by shareholders at the 2025 AGM.

During the 2025 financial year, the company repurchased and cancelled 19.1 million ordinary shares at a cost of R330.3 million at a weighted average cost price of R17.29 per share. The cost was deducted from stated capital. The buy back and cancellation were approved by shareholders at the 2024 AGM.

All shares issued by the company were fully paid. The unissued shares in the company are placed under the control of the directors until the next AGM. The directors are authorised to buy back shares under general approval, subject to certain limitations and the JSE Listings Requirements.

## 7. Borrowings

	2026 R000	2025 R000
Related-party loans (refer to note 17)	25 880	459
Current portion	25 880	459
Non-current portion	-	-
	25 880	459

The related-party loans are unsecured, interest-free and repayable on demand.

The carrying value of the borrowings approximates their fair values.

## 8. Deferred income tax

	2026 R000	2025 R000
Deferred income tax asset	176	18
Deferred income tax liability	(28 596)	(7 322)
Net deferred income tax liability	(28 420)	(7 304)
Deferred income tax asset		
To be recovered within 12 months	176	18
To be recovered after 12 months	-	-
	176	18
Deferred income tax liability		
To be recovered within 12 months	(13)	(761)
To be recovered after 12 months	(28 583)	(6 561)
	(28 596)	(7 322)

The movement in the deferred income tax asset during the year was as follows:

	Accruals not currently deductible R000	Total R000
Deferred income tax asset		
Carrying value at 1 March 2024	220	220
Debit to profit or loss	(202)	(202)
Carrying value at 28 February 2025	18	18
Credit to profit or loss	158	158
Carrying value at 28 February 2026	176	176

The movement in the deferred income tax liability during the year was as follows:

	Unrealised appreciation of investments R000	Total R000
Deferred income tax liability		
Carrying value at 1 March 2024	(2 007)	(2 007)
Debit to profit and loss	(5 315)	(5 315)
Carrying value at 28 February 2025	(7 322)	(7 322)
Debit to profit or loss	(21 274)	(21 274)
Carrying value at 28 February 2026	(28 596)	(28 596)

The deferred income tax asset and liability were calculated on all temporary differences under the liability method using the effective tax rate of 27% (2025: 27%).

The recoverability of the deferred income tax asset was assessed as set out in the detailed accounting policies in Annexure A.

# Notes to the company financial statements

for the year ended 28 February 2026

## 9. Trade and other payables

	2026 R000	2025 R000
Trade payables	82 756	71 526
VAT payable	9	9
Total trade and other payables <sup>1</sup>	82 765	71 535
Current portion	82 765	71 535
Non-current portion	-	-
	82 765	71 535

<sup>1</sup> Includes non-financial liabilities of R0.009 million (2025: R0.009 million).

The carrying amount of trade and other payables approximates their fair value.

## 10. Investment income

	2026 R000	2025 R000
<b>Interest income</b>		
<b>Interest income on amortised cost financial instruments</b>		
Cash and short-term funds (including money market funds)	6 960	8 442
Other	3	-
	6 963	8 442
<b>Interest income on fair value through profit or loss financial instruments<sup>1</sup></b>		
Interest received from related parties (refer to note 17)	19 212	11 120
	19 212	11 120
	26 175	19 562
<b>Dividend income<sup>1</sup></b>		
Dividend income from related parties (refer to note 17)	1 089 504	890 816
Dividend income on equity securities	-	403
	1 089 504	891 219
<b>Total investment income</b>	<b>1 115 679</b>	<b>910 781</b>

<sup>1</sup> The interest income on fair value through profit or loss financial instruments and the dividend income are recognised on financial instruments mandatorily at fair value through profit or loss.

## 11. Net fair value gains and losses on financial instruments

	2026 R000	2025 R000
Unrealised net fair value gains on unit-linked investments	98 608	25 175
Realised net fair value gains on unit-linked investments	2 802	-
	101 410	25 175

## 12. Marketing, administration and other expenses

	2026 R000	2025 R000
Auditor's remuneration	116	112
Professional fees	1 610	1 487
Administration costs	334	349
	2 060	1 948

## 13. Finance cost

	2026 R000	2025 R000
Other payables	62	69

## 14. Taxation

	2026 R000	2025 R000
<b>Current taxation</b>		
Current year	7 853	5 310
<b>Deferred taxation</b>		
Current year	21 116	5 518
<b>Total income statement charge</b>	<b>28 969</b>	<b>10 828</b>

The company has no unutilised tax losses available at 28 February 2026 (28 February 2025: Rnil) for utilisation against future taxable income.

	2026 %	2025 %
<b>Reconciliation of effective rate of taxation</b>		
South African normal taxation rate	27.0	27.0
Adjusted for:		
Non-taxable income <sup>1</sup>	(24.2)	(25.8)
Non-deductible charges	0.1	0.1
Capital gains tax differential in rates	(0.5)	(0.1)
Effective rate of taxation	2.4	1.2

<sup>1</sup> The non-taxable income relates to dividend income.

## 15. Dividend per share

	2026 R000	2025 R000
Normal dividend	691 974	579 400

### Interim

20.0 cents per share (2025: 17.0 cents per share)

### Final

45.0 cents per share (2025: 35.0 cents per share)

Dividends are not accounted for until they have been approved by the company's board of directors.

## 16. Borrowing powers

In terms of the company's MOI, borrowing powers are unlimited. Details of actual borrowings of the company are disclosed in note 7 to the company financial statements.

# Notes to the company financial statements

for the year ended 28 February 2026

## 17. Related-party transactions

PSG Financial Services Limited and its subsidiaries enter into various transactions with members of the PSG Financial Services Group. These transactions include a range of investment, administrative and corporate services in the normal course of business.

Related-party balances	2026 R000	2025 R000
<b>Loans and advances</b>		
<b><i>Due from companies in the PSG Financial Services Group</i></b>		
PSG Management Services Proprietary Limited	169 550	140 909
PSG Treasury Limited	144 633	127 532
PSG Konsult Group Share Incentive Trust	-	13 524
	<b>314 183</b>	<b>281 965</b>
Refer to note 3 for the detail of the terms of the loans to related parties.		
<b>Borrowings</b>		
<b><i>Due to companies in the PSG Financial Services Group</i></b>		
PSG Konsult Group Share Incentive Trust	25 466	-
PSG Insure Holdings Proprietary Limited	414	459
	<b>25 880</b>	<b>459</b>
Refer to note 7 for the detail of the terms of the related-party loans.		
<b>Unit-linked investments</b>		
<b><i>Investments in related parties</i></b>		
Local unit trusts	540 904	256 744
	<b>540 904</b>	<b>256 744</b>
<b>Cash and cash equivalents (including money market funds)</b>		
<b><i>Investments in related parties</i></b>		
Local unit trusts	106 606	187 288
	<b>106 606</b>	<b>187 288</b>

## 17. Related-party transactions (continued)

Related-party transactions	2026 R000	2025 R000
<b>Interest income</b>		
<b><i>Received from related parties</i></b>		
Local unit trusts	19 212	11 120
	<b>19 212</b>	<b>11 120</b>
<b>Dividend income</b>		
<b><i>Received from companies in the PSG Financial Services Group</i></b>		
PSG Wealth Holdings Proprietary Limited	343 331	314 500
PSG Distribution Holdings Proprietary Limited	372 170	330 488
PSG Asset Management Holdings Proprietary Limited	310 000	242 000
PSG Insure Holdings Proprietary Limited	53 892	-
<b><i>Received from related parties</i></b>		
Local unit trusts	10 111	3 828
	<b>1 089 504</b>	<b>890 816</b>

The shareholding of directors and the directors' remuneration are set out in the report of the board of directors.

### Key management compensation

Key management are those persons who have authority and responsibility for planning, directing and controlling the activities of the group. Key management is considered to be the board of directors and the prescribed officers. For the detail of the audited directors' and prescribed officers' remuneration, refer to the report of the board of directors on pages 136 and 137.

# Notes to the company financial statements

for the year ended 28 February 2026

## 18. Notes to the statement of cash flows

	2026 R000	2025 R000
<b>18.1 Cash generated by/(utilised in) operations</b>		
Profit before finance costs and taxation	1 215 029	934 008
<b>Adjustment for non-cash items and other:</b>		
Interest income	(26 175)	(19 562)
Dividend income	(1 089 504)	(891 219)
Net fair value gains and losses on financial instruments	(101 410)	(25 175)
	<b>(2 060)</b>	<b>(1 948)</b>
<b>Changes in working capital</b>		
Receivables	524	287
Loans and advances	(32 218)	(40 301)
Borrowings	25 421	(16)
Trade and other payables	11 230	9 318
	<b>2 897</b>	<b>(32 660)</b>
<b>18.2 Taxation paid</b>		
Charge to profit or loss	(28 969)	(10 828)
Movement in deferred taxation	21 116	5 518
Movement in net taxation liability	716	(109)
	<b>(7 137)</b>	<b>(5 419)</b>
<b>18.3 Cash and equivalents at the end of the year</b>		
Cash and cash equivalents (including money market funds)	<b>225 339</b>	<b>285 617</b>

## 19. Events after the reporting period

No event material to the understanding of these results has occurred between the end of the reporting period and the date of approval of the company financial statements.

## 20. Risk management

### Financial risk management

#### Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including cash flow and fair value interest rate risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

Risk management is carried out under policies approved by the board of directors. The management of PSG Financial Services identifies, evaluates and mitigates financial risks. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

Financial instruments are grouped into the following classes in order to facilitate effective financial risk management and disclosure in terms of IFRS 7 – Financial Instruments: Disclosures and IFRS 13 – Fair Value Measurement:

Assets	2026 R000	2025 R000
<b>Financial assets carried at amortised cost</b>		
Loans and advances <sup>1</sup>	314 183	281 965
Receivables <sup>1</sup>	1 223	1 742
Cash and cash equivalents (including money market funds) <sup>1</sup>	118 733	98 329
<b>Financial assets carried at fair value through profit or loss</b>		
Unit-linked investments	540 904	256 744
Cash and cash equivalents (including money market funds)	106 606	187 288
<b>Total financial assets</b>	<b>1 081 649</b>	<b>826 068</b>

Liabilities	2026 R000	2025 R000
<b>Financial liabilities carried at amortised cost</b>		
Borrowings <sup>1</sup>	25 880	459
Trade and other payables <sup>1</sup>	82 756	71 525
<b>Total financial liabilities</b>	<b>108 636</b>	<b>71 984</b>

<sup>1</sup> Carrying value approximates fair value.

# Notes to the company financial statements

for the year ended 28 February 2026

## 20. Risk management (continued)

### Financial risk management (continued)

#### Market risk

##### Cash flow and fair value interest rate risk

The company's interest rate risk arises from unit-linked investments, loans and advances, receivables, cash and cash equivalents, borrowings and trade and other payables.

	2026			2025		
	Floating rate R000	Interest-free and non-interest bearing R000	Carrying value R000	Floating rate R000	Interest-free and non-interest bearing R000	Carrying value R000
Unit-linked investments	207 594	333 310	540 904	26 141	230 603	256 744
Loans and advances	-	314 183	314 183	-	281 965	281 965
Receivables	-	1 223	1 223	-	1 742	1 742
Cash and cash equivalents	225 339	-	225 339	285 617	-	285 617
Borrowings	-	(25 880)	(25 880)	-	(459)	(459)
Trade and other payables	-	(82 756)	(82 756)	-	(71 525)	(71 525)
	<b>432 933</b>	<b>540 080</b>	<b>973 013</b>	<b>311 758</b>	<b>442 326</b>	<b>754 084</b>

The company manages its cash flow interest rate risk by monitoring interest rates on a regular basis.

Based on simulations performed, the impact on post-tax profit of a 1% (2025: 1%) movement in interest rates is analysed below:

	2026 1% increase R000	2025 1% increase R000	2026 1% decrease R000	2025 1% decrease R000
Impact on post-tax profit and equity	<b>3 160</b>	2 276	<b>(3 160)</b>	(2 276)

## 20. Risk management (continued)

### Financial risk management (continued)

#### Credit risk

Credit risk arises from the inability or unwillingness of a counterparty to a financial instrument to discharge its contractual obligations. Credit risk comprises default, settlement and migration risk (if credit ratings change).

Credit risk arises from unit-linked investments, cash and cash equivalents, loans and advances and receivables. Counterparties and cash transactions are limited to high-credit-quality financial institutions.

The table below shows the company's maximum exposure to credit risk by class of asset:

	2026		2025	
	Balance R000	Collateral fair value R000	Balance R000	Collateral fair value R000
Unit-linked investments	540 904	-	256 744	-
Loans and advances	314 183	-	281 965	-
Receivables	1 223	-	1 742	-
Cash and cash equivalents	225 339	-	285 617	-
	<b>1 081 649</b>	<b>-</b>	<b>826 068</b>	<b>-</b>

Receivables are tested for impairment using a variety of techniques, including assessing credit risk and monthly monitoring of individual debtors. At 28 February 2026 and 28 February 2025, the expected credit loss calculated in terms of IFRS 9 was immaterial.

Financial assets are assessed based on their credit ratings as published by Moody's. Financial assets which fall outside this range are classified as not rated. Credit limits, for each counterparty, are set based on default probabilities that are, in turn, based on the ratings of the counterparty concerned.

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2026 R000	2025 R000
P1	107 070	92 718
Other non-rated assets	327 069	289 318
Unit-linked investments (including CIS)	647 510	444 032
	<b>1 081 649</b>	<b>826 068</b>

# Notes to the company financial statements

for the year ended 28 February 2026

## 20. Risk management (continued)

### Financial risk management (continued)

#### Credit risk (continued)

The table below analyses the company's external credit rating by class of asset:

	P1 R000	Unit-linked investments (incl. CIS) R000	Other non-rated assets R000	Total R000
<b>At 28 February 2026</b>				
Unit-linked investments	-	540 904	-	540 904
Loans and advances	-	-	314 183	314 183
Receivables	-	-	1 223	1 223
Cash and cash equivalents	107 070	106 606	11 663	225 339
	<b>107 070</b>	<b>647 510</b>	<b>327 069</b>	<b>1 081 649</b>
<b>At 28 February 2025</b>				
Unit-linked investments	-	256 744	-	256 744
Loans and advances	-	-	281 965	281 965
Receivables	-	-	1 742	1 742
Cash and cash equivalents	92 718	187 288	5 611	285 617
	<b>92 718</b>	<b>444 032</b>	<b>289 318</b>	<b>826 068</b>

The unit-linked investments relate to the company's investment in related-party collective investment schemes. The company's exposure to collective investment schemes is classified at fund level and not at the underlying asset level, and although collective investment schemes are not rated, the fund managers of these collective investment schemes are required to invest in assets within the defined parameters stipulated in the fund's mandate. These rules limit the extent to which fund managers can invest in unlisted and/or unrated assets and generally restrict funds to the acquisition of investment grade assets.

#### Loans and advances

Loans and advances consist of loans to related parties and are repayable on demand. The loans and advances have been assessed to have good credit quality. Refer to note 3 for detail on the credit loss assessment performed.

## 20. Risk management (continued)

### Financial risk management (continued)

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business, it aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying values as the impact of discounting is not significant.

	Carrying value R000	Less than 1 year R000	Between 1 and 5 years R000	Over 5 years R000
<b>At 28 February 2026</b>				
Borrowings	25 880	25 880	-	-
Trade and other payables	82 756	82 756	-	-
	<b>108 636</b>	<b>108 636</b>	-	-
<b>At 28 February 2025</b>				
Borrowings	459	459	-	-
Trade and other payables	71 525	71 525	-	-
	<b>71 984</b>	<b>71 984</b>	-	-

#### Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value are disclosed by level based on the following fair value measurement hierarchy, as required by IFRS 7 – Financial Instruments: Disclosures and IFRS 13 – Fair Value Measurement:

#### Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. Instruments included in level 1 comprise primarily JSE equity investments classified as at fair value through profit or loss.

#### Level 2 – Input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Financial instruments that trade in markets that are not considered to be active but are valued (using valuation techniques) based on quoted market prices, dealer quotations or alternative pricing sources supported by observable input are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

# Notes to the company financial statements

for the year ended 28 February 2026

## 20. Risk management (continued)

**Financial risk management** (continued)

**Fair value estimation** (continued)

**Level 3 – Input for the asset or liability that is not based on observable market data (that is, unobservable input)**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Investments classified within level 3 have significant unobservable input, as they trade infrequently.

**Valuation techniques and assumptions used in determining the fair value of level 2 instruments**

Valuation techniques and main assumptions used in determining the fair value of financial assets and liabilities classified within level 2 can be summarised as follows:

Instrument	Valuation basis/techniques	Main assumptions
Unit-linked investments	Quoted put (exit) price provided by the fund manager based on the net asset value of the fund	Not applicable – daily prices are publicly available
Cash and cash equivalents (including money-market funds)	Quoted put (exit) price provided by the fund manager based on the net asset value of the fund	Not applicable – daily prices are publicly available

**Fair value hierarchy**

The following financial assets are measured at fair value:

	Level 1 R000	Level 2 R000	Level 3 R000	Total R000
<b>At 28 February 2026</b>				
Unit-linked investments	-	540 904	-	540 904
Cash and cash equivalents (including money market funds)	-	106 606	-	106 606
	-	647 510	-	647 510
<b>At 28 February 2025</b>				
Unit-linked investments	-	256 744	-	256 744
Cash and cash equivalents (including money market funds)	-	187 288	-	187 288
	-	444 032	-	444 032

## 20. Risk management (continued)

**Financial risk management** (continued)

**Fair value estimation** (continued)

**Capital risk management**

The company's objectives when managing capital (which comprises shareholder's equity) are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

When funding is required, management will consider the various forms of paper available for issue, taking into account current market conditions, anticipated trends in market indicators and the financial position of the company at the time. Management will accordingly consider issuing ordinary shares, or short-, long- or medium-term borrowings with variable or fixed rates.

**Credit rating**

During July 2025, Global Credit Rating Company upgraded the group's long-term and short-term credit ratings to AA-(ZA) from A+(ZA) and to A1+(ZA) from A1(ZA) respectively, with a Stable Outlook.

## 21. Capital commitments and contingencies

PSG Financial Services Limited has issued letters of support in the ordinary course of business for the activities of certain of its subsidiaries.

The background features a dark blue gradient with several circular cutouts showing financial data. One cutout shows a line graph with a peak at 4637 and a trough at 1326. Another shows a line graph with a peak at 4637 and a trough at 3852. A third shows a line graph with a peak at 4637 and a trough at 37. The word 'Annexures' is written in large white font on the right side of the page.

# Annexures

Annexure A – Detailed accounting policies	258
Annexure B – Interests in subsidiaries	288
Annexure C – Share analysis	294
Annexure D – Glossary	295

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

The principal accounting policies applied in the preparation of these group and company financial statements are set out below. The accounting policies applied are in terms of IFRS Accounting Standards and are consistent with those applied in the previous group annual financial statements.

## 1. Standards, interpretations and amendments to published standards that are effective for the first time in 2026

- **Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates – Lack of exchangeability (effective 1 January 2025)**

These narrow-scope amendments specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it's not.

When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions. Additional disclosure requirements are also added when a spot exchange rate is estimated.

The adoption of this amendment did not have a material impact on the measurement of amounts or disclosures in the current or prior financial years.

## 2. Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, interpretations and amendments have been published and are mandatory for the group's accounting periods beginning on or after 1 March 2026 or later periods and have not been early adopted by the group:

- IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027)<sup>^</sup>
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)\*
- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates – Hyperinflationary presentation currency (effective 1 January 2027)\*
- Amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures – Classification and measurement of financial instruments (effective 1 January 2026)\*
- Annual Improvements – Volume 11 (effective 1 January 2026)\*

<sup>^</sup> Management is in the process of assessing the impact of this standard on the reported results of the group and company.

\* Management has assessed the impact of these standards and amendments on the reported results of the group and company and does not foresee any impact.

## 3. Group financial statements

The group annual financial statements comprise those of the company, its subsidiaries, joint venture and the share incentive trust (share trust). Accounting policies of the subsidiaries and joint venture have been changed, where necessary, to ensure consistency with policies adopted by the group.

### 3.1 Subsidiaries (including mutual funds) and business combinations

Subsidiaries are all entities (including structured entities, special-purpose entities (SPEs), collective investment schemes and hedge funds) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group and are deconsolidated from the date that control ceases. SPEs are also consolidated where the substance of the relationship indicates that the SPE is controlled by the group.

## 3. Group financial statements (continued)

### 3.1 Subsidiaries (including mutual funds) and business combinations (continued)

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises a non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If a business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurements are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss, or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Shares in the company held by the share trust have been consolidated into the financial results of the group, as the group effectively controls these shares, and are accounted for as treasury shares.

Investments in subsidiaries are accounted for at cost less impairment in the separate financial statements. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

### 3.2 Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with owners in their capacity as owners. The difference between fair value of any consideration paid or received, and the relevant share acquired or disposed of the carrying value of net assets of the subsidiary, is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 3. Group financial statements (continued)

### 3.3 Accounting for the group's acquisition of the controlling interest in subsidiaries under common control

IFRS 3 – Business Combinations does not apply to business combinations effected between parties that are ultimately controlled by the same entity, both before and after the business combination (and where that control is not transitory), otherwise known as common control transactions. The group has elected to apply the principle of predecessor accounting (as determined by the generally accepted accounting principles in the United States of America) to such transactions.

The accounting policy for the acquiring entity would be to account for the transaction at book values in its consolidated financial statements. The book values of the acquired entity are the consolidated book values as reflected in the consolidated financial statements of the selling entity (highest level of consolidation). The excess of the cost of the transaction over the acquirer's proportionate share of the net asset value acquired in common control transactions will be allocated to the existing common control reserve in equity. As a result, no goodwill is recognised on acquisition. Where comparative periods are presented, the financial statements and financial information presented are not restated as the group elected to account for common control transactions from the date of the acquisition, therefore prospectively.

### 3.4 Joint arrangements

The group has applied IFRS 11 to all joint arrangements since 1 March 2014. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method of accounting.

Under the equity method, the investment in joint ventures is initially recognised at cost and subsequently measured in the consolidated statement of financial position at an amount that reflects the group's share of the net assets of the joint venture (including goodwill). The equity method of accounting involves recognising the group's share of its joint ventures' post-acquisition profits or losses in the income statement, and its share of post-acquisition movements in other comprehensive income and movements in other reserves, in the statement of comprehensive income and the statement of changes in equity respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in the joint ventures. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

Equity accounting is discontinued when the group no longer has joint control over the investment.

### 3.5 Interests in subsidiaries – mutual funds

The group has assessed its interests in the various mutual fund investments in which the group has the irrevocable asset management agreement over the mutual funds and in which the group has invested significantly. For other mutual funds, other factors such as the existence of control through voting rights held by the group in the fund, or significant economic power in the fund, are considered in the assessment of control. Judgement is required in the assessment of whether the group has control or significant influence in terms of the variability of returns from the group's involvement in the funds, the ability to use power to affect those returns and the significance of the group's investment in the funds. Based on the assessment of control or significant influence over these mutual funds, certain funds have been consolidated and others not. In terms of IFRS 10, the group considers itself to have control of a fund when it both owns the asset manager of the fund and holds approximately 30% economic interest thereof.

## 3. Group financial statements (continued)

### 3.6 Unconsolidated structured entities – mutual funds

The group invests in various mutual funds which are widely recognised as investment trusts that are regulated by government agencies, marketed and open to public investment. These funds provide investors with access to returns on underlying assets in terms of predefined mandates. Pricing information is publicly available.

Management does not consider these vehicles to be unconsolidated structured entities as defined under IFRS 12, as these funds are vanilla in nature and do not have a complicated funding structure.

## 4. Segment reporting

The CEO, supported by the group Manco, is the group's CODM as it is responsible for the overall strategic decision-making. Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance of the operating segments. The composition of the reportable segments represents the internal reporting structure and the monthly reporting to the CODM.

## 5. Foreign currency translation

### 5.1 Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which those entities operate (the functional currency).

The group and company financial statements are presented in South African rand, being PSG Financial Services' functional and presentation currency.

### 5.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. The foreign exchange gains and losses on shareholder assets are included as part of net fair value gains and losses on financial instruments and within net income attributable to investment contract holders and third-party liabilities for the foreign exchange gains and losses arising from policyholder investment contracts and consolidated collective investment schemes.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities carried at fair value through profit or loss are recognised in profit or loss as part of foreign exchange gains or losses and translation differences on non-monetary assets carried at fair value through other comprehensive income are recognised in other comprehensive income.

### 5.3 Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- Assets and liabilities for each statement of financial position presented are translated at closing exchange rate at the date of that statement of financial position.
- All resulting exchange differences are recognised in other comprehensive income and as a separate component of equity.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 5. Foreign currency translation (continued)

### 5.3 Group companies (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as the foreign entity's assets and liabilities and are translated at the closing rate. Exchange differences are recognised in the statement of comprehensive income.

Group entities with functional currencies other than the presentation currency, mainly have the following functional currencies:

	2026		2025	
	Average	Closing	Average	Closing
British pound	23.37	21.49	23.28	23.35
United States dollar	17.49	15.93	18.28	18.55

Exchanges rates used are based on interbank bid rates.

## 6. Property and equipment

All property and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method at rates considered appropriate to reduce book values to estimated residual values over the useful lives of the assets, as follows:

Leasehold improvements	over the remaining lease period
Motor vehicles	4 to 5 years
Office equipment	5 to 10 years
Computer equipment	3 to 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. If the estimates of the remaining useful lives or residual values change, the remaining carrying values are depreciated prospectively, taking into account the revised estimates.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

## 7. Intangible assets

### 7.1 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary or joint venture undertaking at the date of acquisition. Goodwill is reported in the statement of financial position as an intangible asset. Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The groups of CGUs are identified at the lowest level at which goodwill is monitored for internal management purposes.

## 7. Intangible assets (continued)

### 7.2 Trademarks and licences

Separately acquired trademarks and licences are shown at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over their estimated useful lives, which varies from 5 to 20 years and is reassessed annually.

### 7.3 Customer relationships

Customer relationships consist of acquired adviser books of business, as well as acquired income stream rights on existing adviser books of business. These customer relationships are shown at cost less accumulated amortisation and impairment. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is calculated using the straight-line method over their estimated useful lives ranging between 5 and 20 years, which reflects the expected life of the customer relationships acquired.

### 7.4 Deferred acquisition costs (DAC)

Commissions, fees and other incremental costs that vary with and are related to securing new investment contracts and renewing existing investment contracts are capitalised as a DAC intangible asset, since these costs relate to future economic benefits being generated beyond one year. Subsequent changes to the DAC payable are reversed/capitalised against the relevant intangible asset. The DAC intangible asset is subsequently amortised over the expected life of the investment contracts. All other costs are recognised as expenses when incurred.

An impairment test is conducted annually at reporting date on the DAC intangible asset balance to ensure that the amount will be recovered from future revenue generated by the applicable remaining investment management contracts.

### 7.5 Other intangible assets

Other intangible assets consist mainly of intellectual property rights and computer software.

Intellectual property rights are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the cost of these rights over their estimated useful lives of 20 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives ranging between 2 and 12 years. The carrying amount is reviewed for impairment when an impairment indicator is identified.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 8. Impairment of non-financial assets

Goodwill and intangible assets that have indefinite useful lives and are not subject to amortisation, or that are not yet available for use, are tested annually for impairment. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered. The recoverable amount, being the higher of fair value less costs to sell and value in use, is determined for any asset for which an indication of impairment is identified. If the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount.

For the purpose of assessing impairment, assets are grouped together into CGUs which represent the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount.

Impairment losses are recognised as an expense in profit or loss in the period in which they are identified. An impairment loss in respect of goodwill is not reversed. In respect of other assets, reversal of impairment losses is recognised in profit or loss in the period in which the reversal is identified, to the extent that the asset is not increased to a carrying value higher than it would have been had no impairment loss been recognised for the asset in prior years.

## 9. Financial instruments

Financial instruments recognised on the statement of financial position include financial assets, consisting of equity securities, debt securities, unit-linked investments, investment in investment contracts, loans and advances, derivative financial assets, receivables, cash and cash equivalents, as well as financial liabilities, consisting of borrowings, derivative financial liabilities, investment contracts, third-party liabilities arising on consolidation of mutual funds and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

## 10. Financial assets

### 10.1 Classification

Financial assets are classified based on the business model and nature of cash flows associated with the instrument.

#### **Financial assets at amortised cost**

A debt instrument is classified in this category if it meets both of the following criteria and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows, on specified dates, that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income**

The group and company have not currently elected to measure any equity instruments at fair value through other comprehensive income.

A debt instrument is classified in this category if it meets both of the following criteria and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise to cash flows, on specified dates, that are solely payments of principal and interest on the principal amount outstanding.

## 10. Financial assets (continued)

### 10.1 Classification (continued)

#### **Financial assets at fair value through profit or loss**

Financial assets not measured at amortised cost or fair value through other comprehensive income as described above are mandatorily measured at fair value through profit or loss. The group also designates certain financial assets that would otherwise meet the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Where financial assets are not specified as being designated at fair value through profit or loss these are mandatorily measured at fair value through profit or loss.

### 10.2 Recognition and measurement of financial assets

Purchases and sales of financial assets are recognised on trade date – the date on which the group commits to purchase or sell the asset. Financial assets not carried at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses recognised in the income statement are calculated as the difference between the fair value and carrying value of a financial instrument (after taking into account other income statement movements, such as interest and dividend income) which is still held at year-end. Realised gains and losses are recognised in the income statement when a financial instrument is sold and represents the value of the proceeds received or consideration paid for the financial instrument less the carrying value of the financial instrument (excluding previously recognised unrealised gains and losses). The group utilises the information provided from various product and investment houses to assist with the classification of the gains and losses.

Interest and dividend income arising on financial assets at fair value through profit or loss for shareholder assets is recognised and disclosed separately in the income statement. The interest and dividend income arising from the policyholder investment contracts and consolidated collective investment schemes is recognised within net income attributable to investment contract holders and third-party liabilities in the income statement.

When applicable, the group measures the fair value of an instrument using the quoted price in an active market for that instrument. The fair values of quoted investments are based on current stock exchange prices at the close of business on the statement of financial position date. If the market for a financial asset is not active, or if it is unquoted, the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis refined to reflect the issuer's specific circumstances, premium/discount to net asset value and PE techniques. The group's main valuation techniques incorporate all factors that market participants would consider and make maximum use of observable market data.

The existence of published price quotations in an active market is the best evidence of fair value. The phrase 'quoted in an active market' means that quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis.

Readily available means that the pricing information is currently accessible and regularly available means that transactions occur with sufficient frequency to provide pricing information on an ongoing basis.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 10. Financial assets (continued)

### 10.2 Recognition and measurement of financial assets (continued)

It is not necessary for quoted prices to be obtained from regulated markets. Prices can be obtained from other sources, although the available information may vary. For example, some industry groups or pricing services publish price information about certain instruments, while little or no information may be available about prices of other instruments.

An entity is not generally required to perform an exhaustive search for price information, but should consider any information that is publicly available, or that can be obtained reasonably from brokers, industry groups, publications of regulatory agencies or similar sources, such as journals and websites. It should be noted that these prices may be indicative prices only. It should not be assumed that these prices reflect the price in an active market.

Sources from which prices can be obtained (to qualify as 'quoted') include:

- Regulated exchange (e.g. JSE, BESA, SAFEX)
- Company secretary, transfer secretary or website
- Brokers
- Daily newspapers and related sources (e.g. Business Day, Bloomberg)

Financial assets classified as at amortised cost are measured at amortised cost using the effective interest method, less any impairment, with income recognised on an effective yield base.

The group does not apply hedge accounting.

### 10.3 Impairment of financial assets

The group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost.

Expected credit losses are a probability-weighted estimate of credit losses and are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive).

The impairment methodology applied depends on whether there has been a significant increase in credit risk. The group determines whether the credit risk on a financial instrument has increased significantly by comparing this risk of default occurring on the financial instrument as at the reporting date with the risk of default occurring on the financial instrument as at the date of initial recognition together with reasonable and supporting information that indicates a significant increase in credit risk since initial recognition.

If there is no indication that there has been a significant increase in a financial instrument's credit risk since initial recognition, the loss allowance is measured at an amount equal to the 12-month expected credit loss. However, if the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowances are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument, whereas 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The expected credit loss is calculated as the unbiased, probability weighted amount which is determined by evaluating the range of reasonably possible outcomes, the time value of money and considering all reasonable and supportable information including that which is forward-looking.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

An impairment gain or loss is recognised in profit or loss for the amount of expected credit losses (or reversals) that is required to adjust the loss allowance at the reporting date.

The gross carrying amount of a financial asset is written off and reduced when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

## 10. Financial assets (continued)

### 10.4 Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the financial asset has expired or has been transferred, and the group has transferred substantially all risks and rewards of ownership. The group also derecognises a financial asset when the group retains the contractual rights of the assets but assumes a corresponding liability to transfer these contractual rights to another party and thereby transfers substantially all the risks and benefits associated with the asset.

### 10.5 Investment in investment contracts

These are valued at the fair value of the underlying investments supporting the investment contract policy. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

## 11. Derivative financial instruments

Derivative financial instruments are recognised initially at fair value on the date on which a derivative contract is entered into. Subsequent to initial recognition, derivative financial instruments are measured at fair value through profit or loss. Fair values of OTC derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models.

The best evidence of fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only observable market data.

## 12. Receivables

Receivables are amounts due for services performed in the ordinary course of business. Receivables are initially measured at fair value and subsequently recognised at amortised cost using the effective interest rate method, less provision for impairment. Under IFRS 9, the group applies the simplified approach to calculate the provision for impairment, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The movement in the amount of the provision is recognised in profit or loss. If collection is expected within one year or less, they are classified as current assets.

## 13. Contracts for differences (CFD)

The group enters into contracts for difference with clients whereby the group provides leveraged exposure to equities specified by the client. CFD exposure is limited to the JSE Top 100 shares and Satrix exchange traded funds (ETFs). The client pays an initial margin of between 15% (for JSE Top 40 shares and Satrix ETFs) and 17.5% (for JSE Top 41 – 100 shares) of the value of the equities. Margin calls are made for the full value of any decrease in value of the equities on a daily basis. The margin accounts are included within receivables and trade and other payables.

CFD positions with clients are funded with equal and opposite CFD positions with other financial institutions. External funding is only used on an intraday basis to purchase the underlying equity positions which are then delivered to the financial institution, at the end of each business day, for settlement of the intraday funding provided.

The group is contractually bound to pay out or recover any fair value adjustments from the parties entering into the CFD, based on the fair value movement of the specified listed equities invested in for the client.

## 14. Cash and cash equivalents (including money market funds)

Cash and cash equivalents consist of cash held at call with banks and other short-term highly liquid investments with maturities of three months or less. Investments in money market funds are classified as cash equivalents, since these funds are held to meet short-term cash requirements, are highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included within borrowings in the statement of financial position.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 15. Insurance and investment contracts – classification

The group issues contracts that transfer insurance risk, financial risk or both.

A distinction is made between investment contracts (which fall within the scope of the financial instruments standards) and insurance contracts (where IFRS 17 – Insurance Contracts applies). A contract is classified as insurance where the group accepts significant insurance risk by agreeing with the policyholder to pay benefits if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary. Significant insurance risk exists where it is expected that, for the duration of the policy or part thereof, policy benefits payable on the occurrence of the insured event will exceed the amount payable on early termination before allowance for expense deductions at early termination. Once a contract has been classified as an insurance contract, the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during this period. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating, credit index or other variable provided, in the case of a non-financial variable, that the variable is not specific to a party to the contract. Insurance contracts may also transfer some financial risk.

Investment contracts are those contracts that transfer financial risk with no significant insurance risk. These contracts are measured at the fair value of the corresponding financial assets.

A subsidiary of the group, PSG Life Limited, is a linked insurance company and issues linked policies to policyholders (where the value of policy benefits is directly linked to the fair value of the supporting assets).

## 16. Insurance contracts

Insurance contracts are classified into two categories, depending on the duration of or type of insurance risks, namely non-life and long-term insurance contracts.

### Non-life insurance

Non-life insurance provides benefits under non-life policies, which include property, business interruption, transportation, motor, personal all risk, accident and health, professional indemnity, public liability, marine, employers' liability, group personal accident, natural disasters and miscellaneous. Non-life insurance contracts are further classified into the following categories:

- personal insurance, consisting of insurance provided to individuals and their personal property; and
- commercial insurance, providing cover on the assets and liabilities of business enterprises.

### Classification

The group applies IFRS 17 to insurance contracts it issues and reinsurance contracts held.

Once a contract has been classified as an insurance contract the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

### Insurance and reinsurance contracts

A contract is classified as an insurance contract where the group provides insurance coverage by accepting significant insurance risk when agreeing with the policyholder to pay benefits if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary. Significant insurance risk is assessed on a contract level and exists where there is at least one scenario in which the insured event results both in significant additional payments and also in an overall loss to the group on a present value basis.

In the normal course of business, the group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

## 16. Insurance contracts (continued)

### Classification (continued)

#### Insurance and reinsurance contracts (continued)

The accounting model applied to these insurance contracts (including reinsurance contracts issued and/or held) for liability measurement purposes is the Premium Allocation Approach (PAA). The PAA is a modification of the General Measurement Model (GMM) that allows the use of a simplified approach for measuring the insurance contract liabilities for certain eligible types of contracts. The group applies the PAA to simplify the measurement of all its insurance contracts and reinsurance contracts.

#### Separation and combination of insurance contracts

Contracts entered into with the same or related counterparty and that are designed to achieve an overall commercial effect are considered a single contract for the purpose of assessing whether significant insurance risk was transferred to the group.

Some reinsurance contracts issued contain various commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive, either in the form of a commission, or as claims, or another contractual payment irrespective of the insured event happening. Reinsurance commissions that are not contingent on claims of the underlying contracts issued reduce reinsurance premiums and are accounted for as part of reinsurance expenses.

#### Aggregation

IFRS 17 requires a company to determine the level of aggregation at which to apply the standard. The standard requires that when insurance contracts are measured, they are placed into a portfolio of contracts with other contracts that are managed together and that have similar risk profiles. IFRS 17 portfolios are allocated at a class of insurance level. Inwards reinsurance is allocated to individual separate portfolios from the remainder business as these products are managed differently.

Portfolios are further divided into groups of insurance contracts, based on whether:

- contracts are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- groups of remaining contracts.

An insurance contract is expected to be onerous if the fulfilment cash flows allocated to the contract at initial recognition in total are a net outflow. For insurance contracts measured under the PAA, the group may assume that these contracts are not onerous at initial recognition, unless facts and circumstances indicate otherwise.

The group's focus is to grow a profitable and sustainable business and does not anticipate the recognition of onerous contracts except where the following facts and circumstances have been identified:

- relevant pricing decisions;
- initial stages of a new business acquired where the underlying contracts are onerous; or
- any other strategic decisions the board considers appropriate.

Management will review all contracts that have been identified and disclosed as onerous to consider the appropriate action required to ensure the future profitability of the identified contracts. For reinsurance contracts the references to onerous contracts are replaced with references to contracts on which there is a net gain at initial recognition.

Each profitability grouping does not include contracts issued more than one year apart. These profitability groups represent the level of aggregation at which insurance revenue is measured. Such groups are not subsequently reconsidered. For each portfolio of contracts, the group determines the appropriate level at which reasonable and supportable information is available to determine the profitability grouping of contracts.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 16. Insurance contracts (continued)

### Derecognition and modification

The group derecognises a contract when the rights and obligations relating to the contract are extinguished, i.e. expired, discharged, or cancelled. The group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, consistent with the criteria set out in the standard, or if the contract is transferred to a third party. Where terms are modified, a new contract on the modified terms is recognised.

For a contract measured under the PAA, the liability for remaining coverage of the group of insurance contracts is adjusted to reflect the amount refunded to the policyholder (or the premium that would have been received for a new contract in the case of a contract modification or the amount paid to a third party in the case of a transfer) other than for settlement of incurred claims.

### Measurement

The group measures insurance contracts by performing year-to-date estimates of the carrying amount of the insurance liabilities.

### Recognition

Groups of insurance contracts issued are initially recognised from the earliest of either the beginning of the coverage period, or the date when the first payment from the policyholder is due or actually received, if there is no due date.

Onerous contracts are recognised when the contract is accepted, if this is earlier than when the first premium is due, and the coverage starts. Insurance contracts acquired in a business combination, or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

The group recognises a group of reinsurance contracts held at the beginning of the coverage period, except where:

- the group of reinsurance contracts relate to an onerous group of underlying insurance contracts, the recognition date is when the group recognises the onerous group of underlying insurance contracts; or
- the group of reinsurance contracts held provides proportionate coverage, the recognition date is not earlier than the date that any underlying insurance contract is initially recognised.

### Contract boundaries

Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the group can compel the policyholder to pay premiums; or the group has a substantive obligation to provide the policyholder with insurance contract services.

A substantive obligation ends when:

- the group has the practical ability to reprice the risks of the policyholder or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
  - » the group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - » the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the group, such as insurance risk and financial risk, are considered. Other risks, such as lapse or surrender and expense risk, are not included.

## 16. Insurance contracts (continued)

### Measurement (continued)

#### Contract boundaries (continued)

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the group that exist during the reporting period in which the group is compelled to pay amounts to the reinsurer or in which the group has a substantive right to receive services from the reinsurer.

The group considers the legal rights and the commercial substance of the contracts in this assessment. Cash flows outside of the boundary of the insurance contract relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For most insurance contracts issued, the group has the practical ability to reassess the risks of a policyholder and set an appropriate premium to reflect those risks on short notice. Consequently, for most insurance contracts the contract boundary will be shorter than a year.

The practical ability to reprice is not removed when management makes a commercial decision to price, or not price, at a certain level.

Most facultative reinsurance contract boundaries will align with the contract boundary of the underlying direct insurance contracts. Certain risk-attaching treaty reinsurance contracts, however, cover underlying direct business that begins during a one-year coverage period of the reinsurance contract (risk-attaching reinsurance contracts). Because of this feature, the contract boundary of these reinsurance contracts can be more than one year. Such contracts will be subjected to the PAA eligibility test, described below.

The contract boundary of loss occurring treaty reinsurance contracts is equal to the coverage period of the reinsurance contract. That is, losses must occur within the treaty's cover period.

The PAA will be applied to all contracts with a coverage period of one year or less. The PAA is also applied for the measurement of groups of insurance contracts where the group reasonably expects that the measurement under the PAA model would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced by applying the GMM.

#### Initial measurement

On initial recognition, the group measures the liability for remaining coverage under the PAA as the amount of premiums received if any, less any insurance acquisition cash flows at that date (if not recognised as an expense in profit and loss). The premiums received exclude value added tax. Cash flows relating to such transaction-based taxes are recognised as loans and receivables. Premiums received from intermediaries are recognised as part of the liability for remaining coverage.

#### Discount rates

The estimates of future cash flows are adjusted to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of future cash flows.

The discount rates applied to the estimates of the future cash flows:

- reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- are consistent with observable current market prices (if any); and
- exclude the effect of factors that influence such observable market prices, but do not affect the future cash flows of the insurance contracts.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 16. Insurance contracts (continued)

### Measurement (continued)

#### Subsequent measurement

On subsequent measurement, the group measures the liability or remaining coverage under the PAA as the carrying amount at the beginning of the reporting period:

- plus the premiums received in the period;
- minus insurance acquisition cash flows (if not recognised as an expense in profit and loss);
- plus any amounts relating to the amortisation of insurance acquisition cash flows (if not recognised as an expense in profit or loss);
- plus any adjustment to a finance component (refer below);
- minus the amount recognised as insurance revenue for services provided in that period;
- minus any investment component paid or transferred to the liability for incurred claims.

The time value of money and the effect of financial risk are not allowed for when calculating the liability for remaining coverage except for when the time between receiving premiums and providing coverage is more than a year.

The group will allow for the time value of money and the effect of financial risk on cash flows related to the liability for incurred claims. Refer to the other accounting estimates and judgements in applying accounting policies section of the detailed accounting policies for further details on the discount rate applied.

A risk adjustment is determined for the liabilities for incurred claims where there is uncertainty in the size of the estimate and/or the timing of the underlying cash flows.

Insurance acquisition costs are defined as those costs related to the selling, underwriting and starting a group of insurance contracts. The group's policy is to defer acquisition costs. Acquisition costs are amortised on a straight-line basis over the coverage period of the group of contracts. If there are facts and circumstances that indicate that a group of contracts is onerous, a loss will be recognised in profit or loss equal to the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. The loss recognised for an onerous group of contracts will be rebalanced at each reporting date, with any change in the loss component recognised as an increase or reversal of losses in profit or loss. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

Where the group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the group expects to recover from the group of reinsurance contracts held. The group uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

## 17. Financial liabilities

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity.

Financial liabilities include borrowings, derivative financial liabilities, investment contracts, third-party liabilities arising on consolidation of mutual funds and trade and other payables. The group issues investments contracts without fixed terms (unit-linked) and with fixed and guaranteed terms (fixed-interest rate).

Financial liabilities are initially recognised at fair value less transaction costs that are directly attributable to the raising of the funds, for all financial liabilities carried at amortised cost. All financial liabilities measured at fair value through profit or loss are initially recognised at fair value. The best evidence of the fair value at initial recognition is the transaction price (i.e. the fair value of the consideration received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

Financial liabilities at fair value through profit or loss are subsequently measured at fair value, with any resultant gains and losses recognised in the income statement. The net gain or loss recognised in the income statement incorporates any measurement gains or losses and interest expense on the financial liability. These financial liabilities are classified as current liabilities if they are either held for trading or expected to be settled within 12 months of the reporting date.

Third-party financial liabilities on consolidation of mutual funds are effectively demand deposits of external investors' interests in consolidated mutual funds and are consequently measured at fair value, which is the quoted unit values as derived by the fund administrator with reference to the rules of each particular fund. Fair value gains or losses are recognised in profit or loss.

Financial liabilities, or a portion thereof, are derecognised when the obligation specified in the contract is discharged, cancelled or expired. On derecognition, the difference between the carrying amount of the financial liability, including related unamortised costs, and settlement amounts paid are included in the income statement.

Financial liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

The group uses its own credit risk spreads in determining the current value for its derivative liabilities and all other liabilities for which it has elected the fair value option. When the group's credit spreads widen, the group recognises a gain on these liabilities because the value of the liabilities has decreased. When the group's credit spreads narrow, the group recognises a loss on these liabilities because the value of the liabilities has increased.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 17. Financial liabilities (continued)

### 17.1 Investment contracts

The fair value of a unit-linked financial liability is determined using the current unit price reflecting the fair values of the financial assets contained within the group's unitised investment funds linked to the financial liability, multiplied by the number of units attributed to the policyholder at a reporting date. No initial profit is recognised immediately as any profit on initial recognition is amortised in line with cash flow projections over the life of the contract.

For investment contracts with fixed and guaranteed terms, the amortised cost basis is used. In this case, the liability is initially measured at its fair value less transaction costs that are incremental and directly attributable to the acquisition or issue of the contract.

Subsequent measurement of investment contracts at amortised cost uses the effective interest method. This method requires the determination of an interest rate (the effective interest rate) that exactly discounts to the net carrying amount of the financial liability, the estimated future cash payments or receipts through the expected life of the financial instrument.

All other investment contract liabilities are designated on initial recognition at fair value through profit or loss. This designation significantly reduces a measurement inconsistency that would otherwise arise if these financial liabilities were not measured at fair value, since the assets held to back the investment contract liabilities are also measured at fair value.

The liability under investment contracts is derecognised when the contract expires, is discharged or is cancelled by the policyholder. For a contract that can be cancelled by the policyholder, the fair value cannot be less than the surrender value.

### 17.2 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

### 17.3 Trade and other payables

Trade and other payables are recognised when the group has a present obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits from the group. Trade and other payables are recognised initially at fair value, net of transaction costs incurred. Trade and other payables are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

## 18. Stated capital and treasury shares

Stated capital represented the par value of ordinary shares issued, being classified as equity. During the 2014 financial year, the ordinary shares were converted to no par value shares, resulting in share capital and share premium being transferred to stated share capital.

Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

### Treasury shares

The cost of treasury shares acquired are debited to the treasury share reserve, and upon disposal of such shares, the reserve is credited with the weighted average calculated cost attributable to the shares disposed of.

Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects. Any net income in relation to treasury shares (both fair value movements and dividends) is eliminated from group profits for the year. The number of shares in the earnings per share calculation is reduced for treasury shares held during the period on a weighted average basis.

### Share trust

Certain of the group's remuneration schemes are operated through the PSG Konsult Group Share Incentive Trust. The share trust is considered to be a SPE controlled by the group and is therefore consolidated.

The shares purchased by the share trust are considered to be treasury shares and are treated in accordance with the group's policy for treasury shares.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 19. Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the group's subsidiaries and joint venture operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and joint ventures, except where the group controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

### 19.1 Dividend withholding tax (DWT)

DWT is levied on the shareholders (or beneficial owners) receiving the dividend. Shareholders are subject to DWT on dividends received, unless they are exempt in terms of the amended tax law. DWT is levied at 20% of the dividend received. The DWT is categorised as a withholding tax, as the tax is withheld and paid to tax authorities by the company paying the dividend or by a regulated intermediary and not the beneficial owner of the dividend. Where a non-exempt group company is a beneficial owner of the dividend, the DWT is recorded as an expense in the income statement when the dividend income is earned.

## 20. Trust and fiduciary activities

The group acts as a trustee or in other fiduciary capacities that result in the holding, placing or managing of assets for the account of and the risk of clients. As these are not the assets of the group, they are not reflected on the statement of financial position.

## 21. Employee benefits

### 21.1 Pension obligations

The group only has defined contribution plans. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 21.2 Other post-retirement benefits

The group offers no other post-retirement benefits.

### 21.3 Share-based compensation

The group grants share options to certain employees under various equity-settled share-based compensation schemes.

The share-based compensation scheme is treated on a PSG Financial Services subsidiary level as a cash-settled share-based compensation scheme. The accounting treatment of the cash-settled share-based compensation scheme by the subsidiaries is reversed on consolidation and replaced with the equity-settled share-based compensation scheme.

The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense in the income statement, with the corresponding increase in a share-based payment reserve in the statement of changes in equity and represents the fair value at grant date of the share options that will be delivered on vesting. The total amount to be expensed over the vesting period, which is five years, is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions. Nonmarket vesting conditions are included in assumptions about the number of share options that are expected to become exercisable. At each reporting date, the entity revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity.

On a group level, the deferred income tax and income tax charge relating to the expense are limited to the actual equity-settled share-based scheme expense, and the excess deferred income tax and income tax charge relating to the subsidiaries are recognised in equity. When the share options have vested, the relevant amount recognised in equity for the employee services, up to the vesting date, and the related deferred income tax and income tax are transferred from the share-based payment reserve to retained earnings through an equity transfer. On exercise of the equity-settled share-based payment, any proceeds received are credited to stated capital. The difference between the market value of the shares transferred to the option holder on exercise date and strike price paid by the option holder is recognised in equity as part of the share-based payment reserve. If the market value of the shares transferred to the option holder is greater than the strike price paid, it would result in a decrease in the share-based payment reserve; if the market value of the shares transferred to the option holder is less than the strike price paid, it would result in an increase in the share-based payment reserve.

The fair value is determined by using the Black-Scholes valuation model for share options issued prior to 1 March 2019, and using a Modified Binomial Tree model for share options issued subsequent to this date. The assumptions used to determine the fair value are detailed in note 14 to the group financial statements.

If the group cancels or settles a grant of equity instruments during the vesting period, the group accounts for the cancellation or settlement of the grant and recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 21. Employee benefits (continued)

### 21.4 Annual leave

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated annual leave as a result of services rendered by employees up to the reporting date.

### 21.5 Profit sharing and bonus plans

The group recognises a liability and an expense for bonuses and profit sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognises a provision where contractually obliged, or where there is a past practice that has created a constructive obligation.

### 21.6 Termination benefits

Termination benefits are employee benefits payable as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits. The group recognises these termination benefits when the group is demonstrably committed either to terminating the employment of an employee or group of employees before the normal retirement date, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. The group is demonstrably committed to a termination when the group has a detailed formal plan (with specified minimum contents) for the termination and it is without realistic possibility of withdrawal. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. Where termination benefits fall due more than 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. In the case of an offer made to encourage voluntary redundancy, benefits are immediately recognised as an expense.

## 22. Provisions, contingent liabilities and assets

### 22.1 Provisions

Provisions are recognised when:

- the group has a present legal or constructive obligation, which has uncertain timing or amount, as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

### 22.2 Contingent liabilities and assets

A contingent liability is either a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. These contingent liabilities are not recognised in the statement of financial position, but disclosed in the notes to the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. These contingent assets are not recognised in the statement of financial position, but are disclosed in the notes to the financial statements if the inflow of financial benefits is probable.

## 23. Leases

Under IFRS 16 leases are recognised as a lease liability and corresponding right-of-use asset at the date which the leased asset is available for use by the company.

The group leases various corporate and adviser offices, the terms and conditions of which are negotiated on an individual basis. Each lease generally imposes a restriction that the property can only be used by the group unless permission is given by the lessor to sublet, and that the buildings must be returned to their original condition at the end of the lease.

Extension and termination options are included in a number of leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

### Lease liability

The lease liability is initially measured at the present value of the following lease payments:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the company under residual value guarantees;
- the exercise price of purchase options, if the company is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Lease agreements may contain both lease and non-lease components. The group elected not to separate lease and non-lease components, for leases of buildings for which the group is a lessee, and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, which is the case for leases in the group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- uses recent third-party financing received by the companies within the group as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received; and
- makes adjustments specific to the lease, e.g. term, credit standing, economic environment and security.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

## Annexure A – Detailed accounting policies

for the year ended 28 February 2026

### 23. Leases (continued)

#### Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the company incurs an obligation to do so; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The depreciation charge for each year is recognised in profit or loss.

#### Deferred income tax

The deferred income tax on leases has been accounted for by considering the lease liability and right-of-use assets separately. This gives rise to temporary differences on initial recognition on which deferred income tax has been recognised.

### 24. Assets and liabilities held for sale

Assets and liabilities are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered to be highly probable. Assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

### 25. Dividend distributions

Dividend distributions to the company's shareholders are recognised as a liability in the period in which the dividends are approved by the company's board of directors.

### 26. Revenue from contracts with customers

Revenue comprises the fair value of the consideration received or receivable for services rendered in the ordinary course of the group's activities. The group's activities include financial advice, stockbroking, fund management, financing and the issue of non-life and long-term insurance contracts.

Revenue is shown net of value-added tax, returns, rebates, discounts and after eliminating sales within the group.

Revenue type	Description	Recognition and measurement
<b>Commission, policy administration and other fees</b>	Revenue arising from advisory and portfolio management activities (including commission, management fees, performance fees and administration fees)	<p><b>Commission:</b> Commission is recognised as services are rendered. In terms of IFRS 15, these commissions are recognised either at a point in time or over time, depending on when the performance obligations are satisfied. This is predominantly earned by the group through its network of financial advisers that provide financial advisory services (which typically includes, but is not limited to, financial planning, investment advice and portfolio management) to clients on an ongoing basis. This commission is predominantly based on the value of assets managed on behalf of clients and the fee rate stipulated in the client agreement.</p> <p><b>Management fees:</b> Management fees on assets under management are recognised over the period for which the services are rendered, in accordance with the substance of the relevant agreements. All management fees are recognised over time based on the assets under management.</p> <p><b>Performance fees:</b> Performance fees are earned, over and above management fees, on superior fund performance which exceeds specific agreed targets (typically market-related benchmarks) and are recognised when the performance obligation has been satisfied. Performance fees are recognised over time based on the assets under management. Performance fees include variable consideration and therefore revenue is recognised only to the extent that it is highly probable that no significant revenue reversal will occur.</p>

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 26. Revenue from contracts with customers (continued)

Revenue type	Description	Recognition and measurement
<b>Commission, policy administration and other fees</b> (continued)	Revenue arising from advisory and portfolio management activities (including commission, management fees, performance fees and administration fees) (continued)	<p><b>Administration fees:</b> Administration fees are earned for the continuous administration of policyholder investment contracts and non-life insurance policies on behalf of clients in accordance with the terms and the substance of the relevant agreements as follows:</p> <ul style="list-style-type: none"> <li>Administration fees earned on policyholder investment contracts (which relates to the group's linked life investment business) are based on the assets administered on behalf of clients.</li> <li>Administration fees earned on non-life insurance policies are based on the premium value of insurance policies administered on behalf of clients.</li> </ul> <p>Administration fees are determined using the values indicated above and the fee rate stipulated in the client agreement.</p> <p>Administration fees are earned over time with the exception of upfront fees earned on single premium investment contracts in certain instances. The consideration received for these policies is deferred as a liability and recognised over the life of the contract on a straight-line basis.</p>
<b>Dealing and structuring</b>	Revenue arising from stockbroking activities (including brokerage, custodian fees, settlement fees, income from dealing in listed securities)	<p>Revenue relating to stockbroking activities is recognised as services are rendered, by reference to the completion of the specific transaction. In terms of IFRS 15, this revenue is recognised either at a point in time or over time, depending on when the performance obligations are satisfied.</p> <p>The fee income earned from providing stockbroking services includes brokerage, custodian fees and settlement fees. The brokerage and settlement fees are recognised at a point in time as these fees are earned from assisting clients with specific transactions on their portfolios. The remainder of the fees are recognised over time with reference to the contract terms.</p>

## 26. Revenue from contracts with customers (continued)

Revenue is recognised either when the performance obligation has been satisfied ('point in time') or when control of the goods or service is transferred to the customer ('over time'). This requires an assessment of the group and company's performance obligations and of when control is transferred to the customer. Where revenue is recognised over time, this is in general due to the group and company performing and the customer simultaneously receiving and consuming the benefits over the life of the contract as services are rendered on a continuous basis.

For revenue recognised over time, and provided the group meets the specific requirements, the group accounts for each service type contained in agreements with clients as a single performance obligation in accordance with IFRS 15.22(b), because it is providing a series of distinct services that are substantially the same and have the same pattern of transfer (the services transfer to the customer over time and use the same method to measure progress – that is, a time-based measure of progress as an input method). Where the group enters into agreements with clients to provide multiple services, the fee is separately disclosed in the agreement for each service and revenue is recognised using these standalone prices.

For each performance obligation over time, the group (as an advice-focused business) and company apply a time-based revenue recognition method that faithfully depicts the group and company's performance in transferring control of the service to the customer. Due to the nature of the group's business, with services being provided to clients on an ongoing basis, which includes being available to provide financial advisory and administrative services to clients at all times, the majority of its revenue from contracts with customers is considered to be recognised over time. If performance obligations in a contract do not meet the over time criteria, the group recognises revenue at a point in time.

Revenue is measured based on the consideration specified in contracts with customers, excluding amounts collected on behalf of third parties and including an assessment of any variable consideration dependent on the achievement of agreed KPIs. Such amounts are only included based on the expected value or most likely outcome method, and only to the extent that it is highly probable that no significant revenue reversal will occur. In assessing whether a significant reversal will occur, the group considers both the likelihood and the magnitude of the potential revenue reversal.

## 27. Investment income

### Interest income

For financial instruments measured at amortised cost, interest income is recognised using the effective interest method and disclosed as interest income on amortised cost financial instruments in the income statement for shareholder assets.

Interest income on financial instruments measured at fair value through profit or loss for shareholder assets is recognised within interest income on fair value through profit or loss financial instruments.

Interest income arising from the policyholder investment contracts and consolidated collective investment schemes is recognised within net income attributable to investment contract holders and third-party liabilities in the income statement.

### Dividend income

Dividend income is recognised when the right to receive payment is established. Dividend income is separately disclosed in the income statement for shareholder assets.

Dividend income arising from the policyholder investment contracts and consolidated collective investment schemes is recognised within net income attributable to investment contract holders and third-party liabilities in the income statement.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 28. Managed funds activities

Certain companies within the group operate unit trusts and hold and invest funds on behalf of clients. Assets and liabilities representing such activities are not reflected on the statement of financial position, as these relate directly to clients. The values of these items are disclosed in the notes. Income from these activities is brought to account over the period to which the service relates.

## 29. Other accounting estimates and judgements in applying accounting policies

The group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 29.1 Fair value of derivatives and other unlisted financial instruments

The fair value of financial instruments that are trading on recognised OTC platforms is based on the closing bid price and classified as quoted instruments. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques as disclosed in the policy relating to financial assets. Please refer to accounting policy regarding derivative financial instruments for further detail regarding fair value valuation techniques. The assumptions used in these valuation techniques are described as part of the fair value hierarchy analysis included in note 35.

### 29.2 Investment contracts

The group issues a significant number of investment contracts that are designated as at fair value through profit or loss. These financial instruments are not quoted in active markets, and their fair values are determined by using valuation techniques. Such techniques (for example, valuation models) are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are validated before they are used and calibrated to ensure that outputs reflect actual experience and comparable market prices. The investment contract liabilities held at fair value are fully matched with the underlying assets. As such, the fair value of the investment contract liabilities is determined with reference to the fair value of the underlying asset. The carrying amount of the investment contract liabilities is R66.2 billion (2025: R52.8 billion).

### 29.3 Non-life insurance liabilities

The purpose of insurance is to enable policyholders to protect themselves against uncertain future events. Insurance companies accept the transfer of uncertainty from policyholders and seek to add value through the aggregation and management of these risks. The uncertainty inherent in insurance is inevitably reflected in the financial statements of the insurance company, principally in respect of the insurance liabilities of the company.

#### **Process to determine significant assumptions**

Insurance risks are unpredictable and the group recognises that it is not always possible to forecast, with absolute precision, future claims payable under existing insurance contracts. Over time, the group has developed a methodology that is aimed at establishing insurance provisions that have an above-average likelihood of being adequate to settle all its insurance obligations.

#### **i) Unit of account**

The lowest unit of account explicitly mentioned in IFRS 17 is the contract, and there is a presumption that an insurance arrangement with the legal form of a single contract would generally be considered a single unit of account.

There might be certain cases where the legal form of a contract does not reflect the substance, and thus where separation is required for accounting purposes. In such instances, the group writes multiple risks into a single contract and has concluded that each risk within the policy document is the unit of account for IFRS 17 based on the following reasons:

- Each risk in the policy is a separate transaction and therefore a separate contract concluded with the policyholder due to the risk being acquired independently by the policyholder, independently underwritten and priced and monitored and reported on separately by management.

## 29. Other accounting estimates and judgements in applying accounting policies (continued)

### 29.3 Non-life insurance liabilities (continued)

#### **Process to determine significant assumptions (continued)**

#### **i) Unit of account (continued)**

- Depending on when the risks were acquired and added to a policy document, the risks would expire at different times. Practically, however, when the earliest of the contracts renew in a policy, all risks in the policy are renewed to ease the administrative burden for the policyholder. This is also permissible as in the commercial and personal lines contracts the group is allowed to give 30 days' written notice of the changes that will be made to the policy.
- The different risks covered in a policy do not have similar characteristics and commercial risks and have no bearing to each other in consideration of future fulfilment net cash flows.
- Fulfilment cash flows for each risk is considered independently of other risks covered in a policy.

#### **ii) PAA eligibility**

The group will apply the PAA to measure a group of insurance contracts issued or reinsurance contracts held if, at inception of the group: the coverage period of each contract in the group of insurance contracts is one year or less; or the group reasonably expects that the PAA would produce a measurement of the liability for remaining coverage for a group of insurance contracts that would not differ materially from the measurement that would be achieved by applying the GMM requirements.

Relative materiality threshold will be defined for each portfolio based on ensuring that the combined absolute impacts of all IFRS 17 groups with coverage periods longer than a year applying the PAA falls within an absolute measure of materiality for the entity for each future year.

#### **iii) Liability for incurred claims**

The best estimate provision (probability weighted cash flows) for liability for incurred claims relates to claim events that have occurred before or at the reporting date, whether the claims arising from these events have been reported (OCR) or not (IBNR). The cash flow projections comprise all future claim payments, receivables from salvage as well as the claims administration expenses arising from these events.

Historic claims triangulations that cross-tabulate claims incurred by their date of loss and date of payment and/or estimate movements are used to determine the expected cost of future claims (equivalent to the OCR plus IBNR).

A payment pattern based on the historic claims paid triangulation is used to determine the rate at which the claims provision runs off into the future. These future claims payments are then discounted back to the reporting date using a term-dependent discount rate. Refer to section iv below for detail on the discount rate applied.

The historic claims incurred includes an amount for directly attributable claims-related expenses (i.e. allocated loss adjustment expenses (ALAE)) which are implicitly projected into the future with the claim payments (and hence form part of the LIC). In addition, a provision for overheads which are determined to be directly attributable to fulfilment of the insurance contract (i.e. unallocated attributable expenses (ULAE)) is added to the best-estimate liability to allow for the cost of administering the ultimate run-off of the claims provision.

The best-estimate liability is then equal to the sum of the discounted claims and expense provisions.

The Bornhuetter-Ferguson (BF) method assists in developing a greater understanding of the trends inherent in the data being projected to estimate the ultimate cost of claims, while allowing for trends seen in overall loss experience, where these trends may not yet be fully represented in the data. This process is performed separately for each insurance class or a group of similar classes where there is insufficient data.

# Annexure A – Detailed accounting policies

for the year ended 28 February 2026

## 29. Other accounting estimates and judgements in applying accounting policies (continued)

### 29.3 Non-life insurance liabilities (continued)

#### Process to determine significant assumptions (continued)

##### iii) Liability for incurred claims (continued)

The BF methodology involves analysing historical claims development factors, gross of reinsurance, and development factors based on this historical pattern. The development factors are used to derive an estimate of the ultimate claims cost for each year, and to calculate a credibility weight.

There is a further input required for the BF method, being the prior expected loss ratio. This primarily calculated by analysing recent loss ratio experience and allowing for any business/accident period trends. The expected loss ratio is then used to calculate a second estimate of the ultimate claims cost per accident year. This estimate would also have a credibility weight equal to one minus the credibility weight above (calculated from the triangulation). The final ultimate claims cost per accident year is calculated by applying the credibility weights above to each of the estimate respectively.

It is the nature of this technique that a weighted average of claims inflation within the past data will be projected into the future.

The claims provisions are subject to close scrutiny both within the group's business units and at a company level. In addition, for major insurance classes where the risks and uncertainties inherent in the provisions are greatest, regular and ad hoc detailed reviews are undertaken by advisers who are able to draw upon their specialist expertise and a broader knowledge of current industry trends in claims development. The results of these reviews are considered when establishing the appropriate levels of provisions for the outstanding claims.

The claims provisions for reinsurance contracts is calculated by applying the ceded percentage, to gross claims provisions, for all proportional reinsurance contracts. For non-proportional contracts, the reinsurance portion is calculated on a case-by-case basis considering the terms of the contract.

The LIC is to be held to be at least sufficient at the 75th percentile of the ultimate loss distribution. As at 28 February 2026 and 28 February 2025 the reserves held were at the 75th percentile.

The LIC is considered to be the most sensitive to changes in the expected loss ratio; therefore, a sensitivity analysis is performed. A 1% upward adjustment in the expected loss ratio would result in an additional charge of approximately R1.95 million (before taxation) (2025: R1.8 million), while a 1% downward adjustment in the expected loss ratio would result in a release of reserves in the statement of comprehensive income of approximately R1.95 million (before taxation) (2025: R1.8 million).

As this method uses historical claims development and loss experience information, it assumes that the historical trends and patterns will occur again in future. There are reasons why this may not be the case. Such reasons include:

- Change in processes that affect the development/recording of claims paid and incurred;
- Economic, legal, political, and social trends;
- Change in mix of business; or
- Random fluctuations, including the impact of large losses.

The degree of uncertainty will vary by policy class according to the characteristics of the insured risks and the cost of a claim will be determined by the actual loss suffered by the policyholder. There may be significant reporting lags between the occurrence of the insured event and the time it is actually reported to the group. Following the identification and notification of an insured loss, there may still be uncertainty as to the magnitude and timing of the settlement of the claim.

## 29. Other accounting estimates and judgements in applying accounting policies (continued)

### 29.3 Non-life insurance liabilities (continued)

#### Process to determine significant assumptions (continued)

##### iii) Liability for incurred claims (continued)

The establishment of insurance liabilities is an inherently uncertain process and as a consequence of this uncertainty, the eventual cost of settlement of outstanding claims can vary substantially from the initial estimates, particularly for the group's longer tail lines of business. The group seeks to provide appropriate levels of claims provisions taking the known facts and experience into account. It should be emphasised that the estimation techniques for the determination of insurance liabilities involve obtaining corroborative evidence from as wide a range of sources as possible and combining these to form the overall estimate.

##### iv) Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. The risk-free rates applied would be the risk-free curves as published by the prudential authority, as at the valuation date.

The risk-free rates are deemed appropriate given that:

- the risk-free rate adequately reflects the characteristics of the insurance contracts as the risk-free rate generally increases for longer durations. Further, any differences in characteristics between the risk-free rates and the insurance contracts should not be material given the short-term nature of the liabilities; and
- the risk-free rates are consistent with current market prices as they reflect the rates provided in the market and will be the latest available rates.

##### v) Risk-adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects the amount that an insurer would require to remove the uncertainty that future cash flows will exceed the expected value amount.

The first step in the process is to calculate a best estimate reserve where there is an equally likely chance that the actual amount needed to pay future claims will be higher or lower than the calculated best estimate. The group will aim to use a confidence level approach (value at risk) under IFRS 17. The group's calibrated risk adjustment (using value at risk) is such that the technical reserves held are above the 75th percentile of the net ultimate loss distribution.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the group to the reinsurer.

### 29.4 Money market funds

Cash and cash equivalents disclosed on the statement of financial position include investments in money market funds, being short-term, highly liquid investments with maturities of three months or less. Money market funds are classified as cash equivalents, since these funds are held to meet short-term cash requirements, are highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The underlying instruments in the money market funds are mainly (> 85%) issued credit papers and call accounts of four of South Africa's largest banks, all of which had a Moody's short-term national rating of P1(ZA) on 28 February 2026 (28 February 2025: P1(ZA)) with the remainder in government treasury bills. The classification of money market funds as cash equivalents is only judgemental for purposes of disclosure and judgement applied could not have any impact on disclosed carrying value of assets or liabilities.

## Annexure B – Interests in subsidiaries

for the year ended 28 February 2026

### Investment in subsidiaries

Subsidiary	Country of incorporation	Nature of business	Effective interest held directly or indirectly <sup>1</sup>		Issued stated/share capital		Cost of investment	
			2026 %	2025 %	2026 R	2025 R	2026 R000	2025 R000
<b>PSG Wealth Holdings Proprietary Limited</b>	<b>South Africa</b>	<b>Investment holding company</b>	<b>100</b>	<b>100</b>	<b>508 999 120</b>	<b>508 999 120</b>	<b>495 225</b>	<b>495 225</b>
PSG Securities Limited	South Africa	Stockbroking	100	100	4 738	4 738	-	-
PSG Scriptfin Proprietary Limited	South Africa	Securitised lending business	100	100	200	200	-	-
PSG Investment Management Proprietary Limited	South Africa	Multi-manager	100	100	121	121	-	-
PSG Investment Management Mauritius Limited	Mauritius	Multi-manager	100	-	99 718	-	-	-
PSG Life Limited	South Africa	Linked insurance company	100	100	305 500	305 500	-	-
PSG Invest Proprietary Limited	South Africa	LISP functionality	100	100	20 500 100	20 500 100	-	-
<b>PSG Distribution Holdings Proprietary Limited</b>	<b>South Africa</b>	<b>Investment holding company</b>	<b>100</b>	<b>100</b>	<b>816 486 372</b>	<b>816 486 372</b>	<b>599 775</b>	<b>599 775</b>
PSG Wealth Financial Planning Proprietary Limited	South Africa	Financial, investment planning, advice and stockbroking	100	100	113	113	-	-
PSG Trust Proprietary Limited	South Africa	Trust and fiduciary services	100	100	111	111	-	-
PSG Employee Benefits Limited	South Africa	Healthcare, brokerage and administration	74	74	1 962	1 962	-	-
PSG Namibia Proprietary Limited	Namibia	Investment management, insurance and investment brokers, financial planning and advice	56	56	300 000	300 000	-	-
<b>PSG Insure Holdings Proprietary Limited</b>	<b>South Africa</b>	<b>Investment holding company</b>	<b>100</b>	<b>100</b>	<b>103</b>	<b>103</b>	<b>230 604</b>	<b>230 604</b>
Western Group Holdings Limited	Namibia	Investment holding company with investment in two non-life insurance companies	100	100	80 540 385	80 540 385	-	-
Western National Insurance Company Limited (Namibia)	Namibia	Non-life insurance company focusing on commercial and agricultural markets	100	100	146 600	146 600	-	-
Western National Insurance Company Limited (South Africa)	South Africa	Non-life insurance company focusing on commercial and agricultural markets	60	60	810	810	-	-
Hi-Five Corporate Finance Proprietary Limited	Namibia	Debtor financing	100	100	100	100	-	-
Western Administration Services Proprietary Limited	South Africa	Group administration services	100	100	200	200	-	-
Western Engineering Insurance Proprietary Limited	South Africa	Non-life underwriting business	100	100	100	100	-	-
Zenith For The Accomplished Proprietary Limited	South Africa	Non-life underwriting business	100	100	4 000	4 000	-	-

<sup>1</sup> Ownership interest equal voting rights.

## Annexure B – Interests in subsidiaries

for the year ended 28 February 2026

### Investment in subsidiaries (continued)

Subsidiary	Country of incorporation	Nature of business	Effective interest held directly or indirectly <sup>1</sup>		Issued stated/share capital		Cost of investment	
			2026 %	2025 %	2026 R	2025 R	2026 R000	2025 R000
<b>PSG Asset Management Holdings Proprietary Limited</b>	<b>South Africa</b>	<b>Investment holding company</b>	<b>100</b>	<b>100</b>	<b>121</b>	<b>121</b>	<b>344 616</b>	<b>344 616</b>
PSG Asset Management Proprietary Limited	South Africa	Local management company	100	100	2 797 121	2 797 121	-	-
PSG Asset Management Group Services Proprietary Limited	South Africa	Provision of corporate, financial administrative and advisory services	100	100	1 351	1 351	-	-
PSG Collective Investments (RF) Limited	South Africa	Local unit trusts	100	100	50 099	50 099	-	-
PSG Malta Holdings Proprietary Limited	Malta	Investment holding company	100	100	149 276 801	149 276 801	-	-
PSG Fund Management (Malta) Limited	Malta	Offshore unit trusts	100	100	13 738 493	13 738 493	-	-
<b>Other</b>								
PSG Management Services Proprietary Limited	South Africa	Provision of corporate financial administrative and advisory services	100	100	100	100	-	-
PSG Konsult MS (UK) Limited	United Kingdom	Provision of corporate financial administrative and advisory services	100	100	14	14	-	-
PSG Treasury Limited	South Africa	Centralised treasury activities for group	100	100	100	100	-	-
Delerus Proprietary Limited	South Africa	Debtor financing	100	100	100	100	-	-
PSG Konsult Group Share Incentive Trust	South Africa	Share trust <sup>2</sup>	-	-	-	-	1	1
PSG MS Mau Limited	Mauritius	Provision of corporate financial administrative and advisory services	100	100	98 205	98 205	-	-
PSG Mauritius Limited	Mauritius	Investment holding company	100	100	7 787 740	7 787 740	7 917	7 917
							<b>1 678 138</b>	<b>1 678 138</b>

<sup>1</sup> Ownership interest equal voting rights.

<sup>2</sup> PSG Konsult Group Share Incentive Trust consolidated in terms of requirement of IFRS 10 – Consolidated Financial Statements.

All the subsidiaries of the group are included in the consolidation. The proportion of the voting rights in the subsidiaries held directly do not differ from the proportion of ordinary shares held.

The following dormant or immaterial subsidiaries form part of the group: PSG Nominees Proprietary Limited, PSG Invest Nominees Proprietary Limited, PSG Online Proprietary Limited, Erf 1070 Ballot Street Proprietary Limited (Namibia), Topexec Management Bureau Proprietary Limited, Allfinanz Board of Executors & Trust Company Proprietary Limited, PSG Asset Management Namibia Proprietary Limited, PSG Wealth Management Namibia Proprietary Limited, PSG Financial Planning Namibia Proprietary Limited, PSG Konsult Securities Proprietary Limited, PSG Konsult Verre-Noord Proprietary Limited, NFA Proprietary Limited, Utrade Nominees Proprietary Limited, and PSG Short-Term Insurance Brokers Proprietary Limited.

## Annexure B – Interests in subsidiaries

for the year ended 28 February 2026

### Consolidated collective investment schemes

At 28 February 2026 and 28 February 2025, the following significant collective investment schemes, managed by PSG Collective Investments (RF) Limited, were subsidiaries of the group:

Collective investment scheme	ASISA classification	Fund manager	Economic interest			
			2026 %	2025 %	2026 R000	2025 R000
PSG Income Fund	South African – Interest Bearing – Short-term	PSG Asset Management Proprietary Limited	47	48	1 445 777	1 149 740
PSG Money Market Fund	South African – Interest Bearing – Money Market	PSG Asset Management Proprietary Limited	55	52	1 818 744	1 655 997
PSG Bond Fund	South African – Interest Bearing – Variable Term	PSG Asset Management Proprietary Limited	39	96	65 600	51 187
PSG Wealth Enhanced Interest Fund of Funds	South African – Interest Bearing – Short-term	PSG Investment Management Proprietary Limited	36	34	2 880 860	2 294 032
PSG Wealth Creator Fund of Funds	South African – Equity – General	PSG Investment Management Proprietary Limited	37	38	15 303 847	10 288 018
PSG Wealth Moderate Fund of Funds	South African – Multi Asset – High equity	PSG Investment Management Proprietary Limited	31	31	16 130 206	12 593 219
PSG Investment Management Cautious Fund of Funds	South African – Multi Asset – Low Equity	PSG Investment Management Proprietary Limited	92	95	139 417	119 654
PSG Investment Management Growth Fund of Funds	South African – Multi Asset – High Equity	PSG Investment Management Proprietary Limited	89	92	494 382	356 783
PSG Investment Management Multi-Asset Income Fund of Funds	South African – Multi Asset – Income	PSG Investment Management Proprietary Limited	87	85	153 896	143 706
PSG Investment Management Opportunity Equity Fund of Funds	South African – Equity – General	PSG Investment Management Proprietary Limited	79	85	114 035	70 463
PSG Wealth Income Fund of Fund	South African – Multi Asset – Income	PSG Investment Management Proprietary Limited	31	N/A	4 115 543	N/A

Further details of investments are available at the registered offices of the relevant group companies.

### Subsidiaries with significant non-controlling interest (NCI)

The following tables summarise the information relating to the group's subsidiaries that have material non-controlling interest, before any intergroup eliminations:

Non-controlling interest in subsidiaries	Western Group		Employee Benefits	
	2026 %	2025 %	2026 %	2025 %
Ownership and voting rights	40	40	26	26

	Carrying value of NCI		Profit or loss attributable to NCI		Dividends paid to NCI	
	2026 R000	2025 R000	2026 R000	2025 R000	2026 R000	2025 R000
Western Group	733 781	600 204	156 659	95 525	(23 080)	(40 000)
Employee Benefits	18 215	18 611	4 986	5 737	(5 382)	(4 576)
Other <sup>1</sup>	6 033	6 927	6 136	4 998	(7 032)	(4 798)
Total	758 029	625 742	167 781	106 260	(35 494)	(49 374)

<sup>1</sup> Includes information relating to PSG Namibia Proprietary Limited and PSG Konsult Insurance Solutions Proprietary Limited.

Summarised financial information	Western Group		Employee Benefits	
	2026 R000	2025 R000	2026 R000	2025 R000
<b>Statement of financial position</b>				
Current assets	989 572	1 046 890	77 633	73 473
Non-current assets	1 888 201	1 461 975	38 146	30 947
Current liabilities	(647 718)	(748 807)	(33 732)	(30 985)
Non-current liabilities	(63 325)	(42 688)	(11 887)	(1 752)
Net assets	2 166 730	1 717 370	70 160	71 683
<b>Statement of comprehensive income</b>				
Revenue	727 283	446 410	234 907	200 098
Profit for the year	472 440	281 906	19 178	22 065
Total comprehensive income	472 440	281 906	19 178	22 065
<b>Statement of cash flows</b>				
Cash flows from operating activities	472 514	296 488	37 424	36 291
Cash flows from investing activities	(319 112)	120 749	(3 378)	(1 466)
Cash flows from financing activities	(79 507)	(40 373)	(25 310)	(23 381)
Net increase in cash and cash equivalents	73 895	376 864	8 736	11 444

There are also no significant restrictions on the subsidiaries' ability to transfer funds in the form of cash for the repayment of loans made to the subsidiaries or to pay dividends other than the 22 regulated subsidiaries. These regulated subsidiaries are licensed asset management, long-term and non-life insurance entities that are regulated and therefore subject to statutory capital requirements set by each jurisdiction's regulators. These require that the entities hold a prescribed minimum capital, and dividend distributions from these entities are only available from excess net assets over the required minimum capital.

## Annexure C – Share analysis

for the year ended 28 February 2026

	Shareholders		Shares held	
	Number	%	Number	%
<b>Range of shareholding</b>				
1 – 50 000	26 258	96.5	57 550 021	4.6
50 001 – 100 000	303	1.1	22 181 024	1.9
100 001 – 500 000	390	1.4	88 419 704	7.1
500 001 – 1 000 000	114	0.4	80 338 350	6.5
Over 1 000 000	157	0.6	990 661 901	79.9
	<b>27 222</b>	<b>100.0</b>	<b>1 239 151 000</b>	<b>100.0</b>
<b>Treasury shares</b>	5		9 358 839	
	<b>27 227</b>		<b>1 248 509 839</b>	
<b>Public and non-public shareholding</b>				
Non-public				
Directors and management <sup>1</sup>	22	0.1	280 168 666	22.6
Public	27 200	99.9	958 982 334	77.4
	<b>27 222</b>	<b>100.0</b>	<b>1 239 151 000</b>	<b>100.0</b>
<b>Individual shareholders holding 5% or more of shares in issue (net of treasury shares) at 28 February 2026</b>				
Coronation Asset Management			220 048 346	17.8
Public Investment Corporation			179 642 897	14.5
JF Mouton Familietrust <sup>2</sup>			171 654 324	13.9
			<b>571 345 567</b>	<b>46.2</b>

<sup>1</sup> Includes beneficial and non-beneficial interest.

<sup>2</sup> PJ Mouton has an indirect beneficial interest in the JF Mouton Familietrust.

## Annexure D – Glossary

for the year ended 28 February 2026

ACI	African, Coloured and Indian
ADP	Adviser development programme
AGM	Annual general meeting
AIFA	Absa Insurance and Financial Advisers Proprietary Limited
ALSI	All Share Index
AQRate	AQRate Proprietary Limited
ASISA	Association for Savings and Investment South Africa
BBBEE	Broad-based black economic empowerment
BESA	Bond Exchange of South Africa
CAGR	Compound annual growth rate
CEO	Chief executive officer
CFD	Contracts for difference
CFO	Chief financial officer
CGO	Chief governance officer
CGU	Cash-generating unit
CIO	Chief information officer
CIS	Collective investment scheme
CMO	Chief marketing officer
CODM	Chief operating decision-maker
Companies Act	Companies Act, No. 71 of 2008, as amended
COO	Chief operating officer
COVID-19	Coronavirus Disease 2019
CRISA	Code for Responsible Investing in South Africa
CRO	Chief Risk Officer
CSI	Corporate social investment
CSRC	Customer service review committee
DAC	Deferred acquisition costs
DMTN	Domestic Medium Term Note
DWT	Dividend withholding tax
ESD Fund	ASISA Enterprise and Supplier Development Fund
ESG	Environmental, social and governance
ETF	Exchange traded fund
Exco	Executive committee
FSCA	Financial Sector Conduct Authority
FSV	Financial soundness valuation
FTSE	Financial Times Stock Exchange
GCR	Global Credit Rating Co.
GOG	Governance and Operational Standard for Insurance Groups
GOI	Governance and Operational Standard for Insurers
GDP	Gross domestic product
HEPS	Headline earnings per share
HR	Human resources
IASB	International Accounting Standards Board
IBNR	Incurred but not reported

## Annexure D – Glossary

for the year ended 28 February 2026

<b>IFRIC</b>	International Financial Reporting Interpretations Committee
<b>IT</b>	Information technology
<b>JSE</b>	Johannesburg Stock Exchange Limited
<b>King IV</b>	King IV Report on Corporate Governance™ for South Africa, 2016
<b>KPI</b>	Key performance indicator
<b>LTIs</b>	Long-term incentives
<b>Manco</b>	Management committee
<b>MFSA</b>	Malta Financial Services Authority
<b>MOI</b>	Memorandum of incorporation
<b>NAMFISA</b>	Namibia Financial Institutions Supervisory Authority
<b>NCI</b>	Non-controlling interest
<b>NSX</b>	Namibian Stock Exchange
<b>ORSA</b>	Own Risk and Solvency Assessment
<b>OTC</b>	Over-the-counter
<b>PE ratio</b>	Price-earnings ratio
<b>POPIA</b>	Protection of Personal Information Act, No. 4 of 2013
<b>PSG Treasury</b>	PSG Treasury Limited
<b>PSG Life</b>	PSG Life Limited
<b>Remco</b>	Remuneration committee
<b>SAFEX</b>	South African Futures Exchange
<b>SAICA</b>	South African Institute of Chartered Accountants
<b>SA SME Fund</b>	South African SME Fund
<b>SAP</b>	Standard of Actuarial Practice
<b>SEM</b>	Stock Exchange of Mauritius
<b>SENS</b>	Stock Exchange News Service
<b>SMEs</b>	Small and medium-sized enterprises
<b>SPE</b>	Special-purpose entity
<b>STEM</b>	Science, technology, engineering and mathematics
<b>STI</b>	Short-term variable incentive awards
<b>TCF</b>	Treating Customers Fairly
<b>TCFD</b>	Task Force on Climate-related Financial Disclosure
<b>TRI</b>	Total return index
<b>UN PRI</b>	United Nations Principles for Responsible Investment
<b>VWAP</b>	Volume-weighted average price
<b>Western</b>	Western Group Holdings Limited
<b>Western RSA</b>	Western National Insurance Company Proprietary Limited (RSA)

## Corporate information

### Registered name

PSG Financial Services Limited  
 (Registration number: 1993/003941/06)  
 (Tax reference number: 9550/644/07/5)  
 JSE share code (Primary listing): KST  
 NSX share code: KFS  
 SEM share code: PSGK.N0000  
 Abbreviated name: PSG KST  
 ISIN: ZAE000191417  
 LEI: 378900ECF3D86FD28194

### Country of incorporation

Republic of South Africa

### Date of incorporation

14 July 1993

### PSG Financial Services head office and registered office

4th Floor, The Edge, 3 Howick Close  
 Tyger Waterfront  
 Tyger Valley  
 Bellville  
 7530  
 Tel: 021 918 7800  
 Fax: 021 918 7921

### Postal address

PO Box 3335  
 Tyger Valley  
 Bellville  
 7536

### Company secretary

PSG Management Services Proprietary Limited  
 (Registration number 2000/009351/07)

### Website address

www.psg.co.za

### Auditor

Deloitte & Touche

### Bankers

Absa Bank Limited  
 Standard Bank of South Africa Limited  
 First National Bank Limited  
 Rand Merchant Bank Limited  
 Bank of New York Mellon  
 Investec Bank Limited  
 Nedbank Limited

### Transaction adviser and Sponsor – JSE

PSG Capital Proprietary Limited

### Transaction adviser and Sponsor – NSX

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

### Transaction adviser and Sponsor – SEM

Perigeum Capital Ltd

### Transfer secretary

Computershare Investor Services Proprietary Limited  
 (Registration number 2004/003647/07)  
 Rosebank Towers  
 15 Biermann Avenue  
 Rosebank  
 2196  
 (Private Bag X90000, Saxonwold, 2132)  
 Tel: 011 373 0000  
 Fax: 011 688 5200

## Shareholder diary

Financial year-end 28 February  
 Financial half year 31 August

### Financial reporting

Annual general meeting Thursday, 23 July 2026  
 Announcement of interim results Thursday, 15 October 2026

### Ordinary dividends

Final dividend  
 • Declared 16 April 2026  
 • Paid 11 May 2026