



Alexander Forbes
Group Holdings Limited

Unaudited interim results:

analysis of results, condensed financial
statements and cash dividend declaration

for the six months ended 30 September 2025

What we do

Alexforbes delivers integrated, advice-led financial solutions that empower individuals and institutions to reach their investment destinations. Our business is structured to deliver value across distinct but complementary lines of business; each focused on enabling better outcomes for our clients. Our structure enables us to transform every client's financial journey through inclusive advice, intelligent technology, and impactful solutions.

<p>Corporate</p> <p>We partner with employers to design and implement employee benefit solutions that support workforce well-being and productivity. We provide ESG and sustainability advice and solutions to corporates and retirement funds, including access to educational resources that promote responsible investing.</p>	<p>Our offering includes</p> <ul style="list-style-type: none"> • Retirement fund administration and consulting services • Umbrella fund solutions • Health consulting, actuarial services and health management solutions • Actuarial consulting services • Group risk administration services • Sustainability advice and solutions
<p>Retail</p> <p>We offer vertically integrated retail advice and investment solutions, including financial planning, advice, retirement benefit counselling and member education. Our goal is to empower every individual to use financial advice (whether from Alexforbes or our partners) as a mechanism to accumulate wealth.</p>	<p>Our offering includes</p> <ul style="list-style-type: none"> • Financial advice, wealth management and retirement planning • Investment solutions for individual customers • Services to retail IFAs • Automated advice and digital enablement of investment management
<p>Investments</p> <p>Our investment platform enables the delivery of best advice by delivering multi-managed and bespoke investment strategies tailored to institutional and retail clients. With over R696 billion in assets under management, we are South Africa's largest multi-manager, consistently delivering top-quartile performance.</p>	<p>Our offering includes</p> <ul style="list-style-type: none"> • Investment consulting and administration • Portfolio construction • Multi-management of investments • ESG-integrated investment strategies
<p>Growth Markets</p> <p>We support institutional and retail clients by providing retirement administration and consulting services, actuarial consulting, investment advisory and investment management services and individual and wealth consulting services through our offices in Botswana, Channel Islands and Jersey, Namibia and Nigeria. We also support multinational clients across Africa with tailored employee benefit solutions encompassing pension, life, health, actuarial, investments, mobility and benefits expertise.</p>	<p>Our offering includes</p> <ul style="list-style-type: none"> • Retirement, investment, health, risk benefit and actuarial consulting • Retirement fund administration • Investment management • Individual consulting and wealth management • Local expertise in Botswana, Channel Islands and Jersey and Namibia

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About this report

This report and the accompanying commentary cover the results of the group for the six months ended 30 September 2025. The results include a consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and the consolidated statement of changes in equity. The preparation of the group's condensed consolidated financial results was supervised by Bruce Bydawell, CA(SA), CFA.

The board of directors of Alexander Forbes Group Holdings Limited take full responsibility for the preparation of this report and that the selected financial information has been correctly extracted from the underlying audited FY2025 annual financial statements.

The results were made publicly available on 1 December 2025 on our website:
<https://investors.alexforbes.com/financial-results/>

Performance highlights

Operating income
up 9% to

R2 329 million

Headline earnings per share
up 17% to

33.2 cents per share

Closing total assets²
up 23% to

R696 billion

Normalised profit from
operations¹ up 18% to

R446 million

Interim dividend per share
up 9% to

24 cents per share

Total active members under
administration up 12%

1.2 million

Normalised headline earnings
per share up 41%

35.2 cents per share

Return on equity
(normalised)

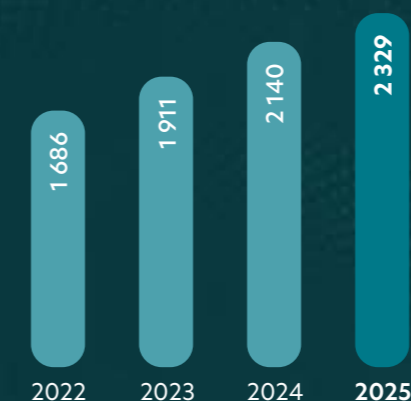
24.5%

Dawie de Villiers,

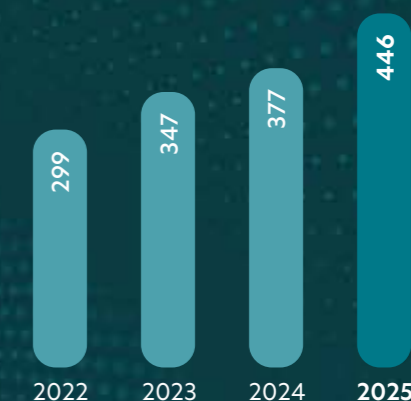
Chief executive officer, commented:

'We have focused on the implementation of our new operating model, which I believe marks an inflection point in our journey. Our core business units are now strategically positioned to capture growth opportunities across their market segments. We have brought stability and confidence to our clients by anchoring our propositions on the delivery of best advice. Our advice allays fears, creates clarity of thought and helps our clients make better decisions. It's the role that Alexforbes has played for 90 years and will continue to do so.'

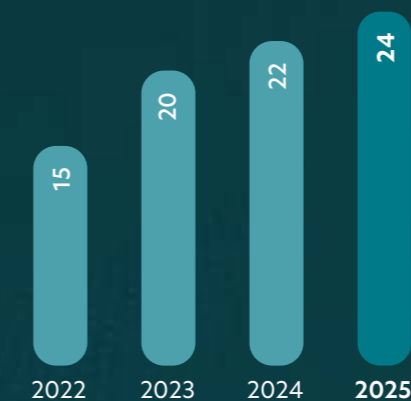
Operating income
(R million)



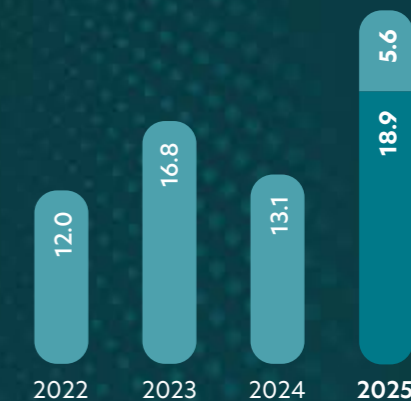
Normalised profit from operations¹
(R million)



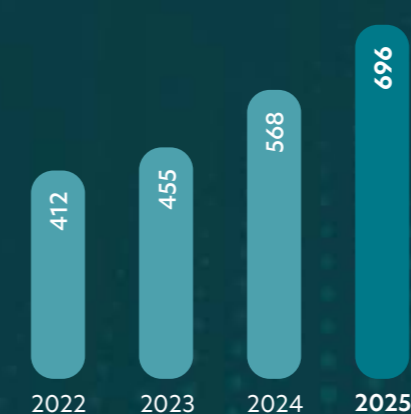
Interim dividend per share
(cps)



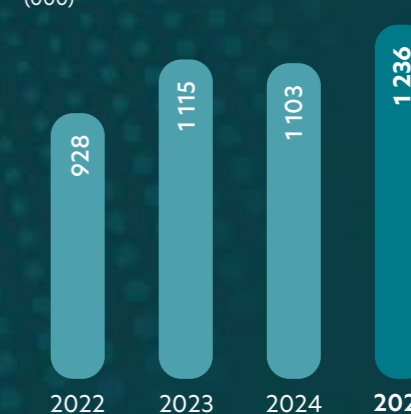
Return on equity (normalised)³
(%)



Closing total assets²
(R billion)



Total active members under
administration
(000)



¹ Normalised profit from operations before non-trading and capital items.

² Total assets include assets under administration (AuA) and assets under management (AuM).

³ Return on equity (normalised) is based on LTM. RoE in 2025 includes the impact of discontinued operations - excluding this, RoE for 2025 is 18.9%.

Group vision, strategy and structure

Our vision

Our vision is to transform every client's financial journey through inclusive advice, intelligent technology and impactful solutions – empowering each one to reach their investment destination.

Group strategy

Our strategic objectives remain relevant and unchanged:

- Extending leading positions across administration, retirement and health consulting and investments
- Transforming into the most inclusive financial advice firm in South Africa
- Having real-world impact through our sustainability intent
- Demonstrating a meaningful positive impact on the stakeholders we serve

Group structure

Our operating model has been central to delivering on our strategy and reflects the evolution of our integrated offering to clients. As we look ahead, we are raising our ambitions to fully realise the potential of our refreshed vision.

Effective 1 July 2025, we have four core business units:

- **Corporate** – strengthening partnerships with retirement funds, employers, and consultants to deliver institutional impact.
- **Investments** – enabling wealth creation through multi-managed investments, administration and consulting services.
- **Retail** – making financial advice and investing more personal, accessible and empowering for individuals and their advisers.
- **Growth Markets** – extending the reach of our advice-led solutions across the African continent and beyond.

Impact of the new operating model on segmental reporting

The implementation of the new operating model has resulted in the following changes to our segmental financial reporting:

Operating income

- The **corporate business unit** includes the retirements business, health consulting, ESG and sustainability advice and solutions. EBS International, previously reported under the retirements segment, is now reflected separately under group central as **other**.
- The **growth markets business unit** now also includes the investments assets managed in Namibia together with Channel Islands and Jersey. Investment margins from these businesses are reflected net of fees for services provided by Alexforbes Investments.
- **Investment margin** is now disaggregated and recognised across all four business units. Allocation to corporate and retail is based on margins associated with the protection and growth of assets under management.

Consolidated operating income

New structure

Rm	2025	%	2024
Corporate	958	5	913
Investments	768	16	661
Retail	353	10	321
Growth markets	228	6	215
Other	22	(27)	30
Total	2 329	9	2 140

Old structure

Rm	2025	%	2024
Retirements consulting	686	4	660
Health consulting	181	(2)	184
Investments	1 011	14	886
Individual consulting	255	12	228
Multinational consulting	196	8	182
Total	2 329	9	2 140

Expenses

- Changes in business unit structure, personnel and revenue have resulted in updates to allocation methodologies to ensure alignment. Expense allocations for the comparable period in the prior year have been restated in the segmental information for comparability.
- Expenses related to technology, central finance, human capital & transformation, marketing, group compliance and governance continue to be managed at the centre and allocated to business units using methodologies appropriate for the expense.
- We will continue to provide commentary on expenses at a group level.

For more detail, refer to the segmental note on pages 24 to 27.

Overview

Alexforbes reports financial results for the six months ended 30 September 2025 (the period or current period) delivering consistent performance.

Market and economic overview

The first half of the 2026 financial year was marked by volatility in global markets, driven by trade policy uncertainty and geopolitical tensions. Despite these challenges, markets reached record highs, supported by resilient global growth and accommodative monetary policy. Locally, while growth remains subdued, lower inflation allowed the Reserve Bank to continue cutting rates, creating a supportive environment.

Global equities delivered strong returns, with emerging markets outperforming developed markets. Local equities returned 24.4%, over the six-month period, driven by commodity and technology gains. Local bonds also benefited from a stable rand and successive rate cuts.

Looking ahead, while global growth is expected to moderate, the outlook remains positive. Central banks have room for further easing, though they will proceed cautiously given lingering uncertainties. Locally, lower inflation and gradual reforms provide a constructive environment for growth, even as sentiment indicators remain weak. However, we remain mindful of risks, including geopolitical tensions, a potential US recession, and volatility in AI-related equities.

Against this backdrop, our diversified investment strategies and multi-management approach position us well to navigate uncertainty and deliver sustainable outcomes for our clients.

Our financial performance

Operating income increased by 9% to R2 329 million, supported by higher average assets under management, positive investment performance, inflationary increases within our retirements client base, strong client retention and robust new business flows across both the investments and retail segments.

Operating expenses of R1 904 million increased 10% year-on-year influenced by two significant factors: the cash settlement of a portion of the long-term incentive plan awards expensed in the current period that was previously equity settled and the prior period IFRS 16 lease adjustment following the renewal of our head office lease in September 2024. Excluding these items, underlying operating expense growth was contained at 3% year-on-year.

Normalised profit from operations, excluding the IFRS 16 adjustment, increased 18% to R446 million. Including the adjustment, profit from operations (before non-trading and capital items) was R443 million, down 1% year-on-year.

Headline earnings per share from total operations increased 17% to 33.2 cents per share. This increase reflects the financial performance of the discontinued operations, that includes the final settlement of R93 million pertaining to phase two of the ETV liability following a mutual settlement agreement.

The group balance sheet remains strong, supported by the sustained cash flow generated from continuing operations. We maintain a sound regulatory surplus capital position of R1 065 million and available cash of R466 million, with a group cover ratio of 2.1 times – well above our target solvency ratio of 1.2 times.

A gross interim cash dividend of 24 cents per share has been declared, up 9% year-on-year.

Financial highlights

In millions of South African rands (Rm)	2025/2024 % change	Unaudited six months ended 30 September		
		2025	2024	2023
Continuing operations				
Operating income ¹	9	2 329	2 140	1 911
Profit from operations (before non-trading and capital items)	(1)	443	447	394
Normalised profit from operations (before non-trading and capital items)	18	446	377	347
Cost-to-income ratio ² (percentage)	190 bps	81.0	79.1	79.4
Normalised cost-to-income ratio (percentage)	(150 bps)	80.9	82.4	81.8
Profit for the period	(9)	335	367	339
Cash generated from operations	29	482	373	446
Basic earnings per share (cents)	(9)	26.1	28.7	27.0
Headline earnings per share (cents)	(9)	26.1	28.7	27.0
Discontinued operations				
Loss from operations (before non-trading and capital items)	42	(7)	(12)	(11)
Profit/(loss) from discontinued operations	>100	89	(4)	9
Total Group				
Basic earnings per share (cents)	17	33.2	28.4	27.7
Headline earnings per share (cents)	17	33.2	28.4	27.7
Normalised headline earnings per share (cents)	41	35.2	25.0	26.4
Interim dividend per share (cents)	9	24	22	20

¹ Operating income represents revenue net of direct expenses.

² Cost-to-income ratio is calculated as a percentage of operating expenses (before non-trading and capital items) and adjusted for other income, over operating income.

Analysis of results

Operating income commentary

Consolidated operating income

Rm	2025	%	2024
Corporate	958	5	913
Investments	768	16	661
Retail	353	10	321
Growth Markets	228	6	215
Other	22	(27)	30
Total	2 329	9	2 140

Corporate

Operating income from corporate increased by 5% to R958 million driven by:

- Retirements: up 7% owing to organic growth following the successful transition to the two-pot system, inflationary and payroll increases within our client base. Underlying growth of 11%, excluding the impact of two-pot fees, underscores the resilience of our core consulting and administration businesses. Fee income from our consulting and actuarial services grew by 9% owing to a combination of new business appointments and additional work done for existing clients.
- Health consulting: down 2% due to lower medical aid broking income resulting from lost business and competitive fee pressure experienced in the health management services business. The business remains committed to providing sound advice and support to our clients whilst driving long-term growth.

Our umbrella fund assets under management increased 17% with closing assets under management of R185.7 billion driven by positive market returns and positive net cash flows. The launch of Alexforbes One represents a significant milestone in the evolution of our institutional umbrella-fund offering. By integrating multi-manager investment expertise, digital engagement and enhanced member support into a single, scalable ecosystem, we aim to deliver improved retirement outcomes for our members.

Our active membership base exceeded 1.2 million members up 12% year-on-year and 8% higher than at 31 March 2025.

We continue to build relationships with IFAs and clients, this includes expanding our offering to group risk insurance administration services through TSA Administration and the Impact Advisory which provides sustainability, ESG and impact advisory and training to retirement fund and corporate clients.

Investments

Investments delivered a 16% increase in operating income to R768 million, supported by higher average assets under management that benefitted from new institutional inflows and positive market performance during the period. The business continues to report growth in cashflows underpinned by institutional new business, high client retention and improved retail flows. The cumulative blended market return achieved across our portfolios was 15.6% for the 12 months ending 30 September 2025. Our portfolios remain well positioned, employing a diverse set of investment strategies to which we apply our multi-management approach for enhanced returns at reduced risk over time.

Closing total assets under management and administration (AuM and AuA) increased 23% year-on-year to R696.2 billion as at 30 September 2025. Within this, our product offering (AuM) grew by 20%, while platform administration (AuA) increased by 32%. New institutional business flows for the period totalled R28.4 billion, including R24.8 billion in platform assets. Retail investments reported a positive net cash flow position, continuing the upward trend seen at the 2025 financial year-end, supported by a 36% year-on-year increase in inflows driven by the successful execution of our retail strategy.

The institutional blended margin of 26.0 bps (2024: 27.6 bps) is lower year-on-year due to the change in product and platform mix that was driven by continued growth in platform assets. The retail blended margin continues to reflect our strategy of offering retail products at institutional pricing to individual customers.

Closing total assets are segregated as follows:

R billions	30 September 2025				30 September 2024			
	Institutional	Retail	Growth Markets	Total	Institutional	Retail	Growth Markets	Total
Assets under administration (AuA)	147.1	7.3	–	154.4	110.0	6.7	–	116.7
Assets under management (AuM)	412.1	105.3	24.4	541.8	342.1	89.0	20.5	451.6
Total AuA and AuM	559.2	112.6	24.4	696.2	452.1	95.7	20.5	568.3

Our flagship portfolio, Performer, continues to deliver consistent and competitive performance over time, driving improved long-term outcomes for clients. Performer closing AuM grew 16% year-on-year to R300 billion as at 30 September 2025, supported by positive market returns over the twelve-month period. Performer ranks in the first quartile of the Alexforbes Manager Watch Survey™ over both five- and ten-year horizons.

A summary of the cash flows is shown below.

R billions	30 September 2025				30 September 2024			
	Institutional	Retail	Growth Markets	Total	Institutional	Retail	Growth Markets	Total
Controllable (product)	3.1	–	–	3.1	2.3	–	1.1	3.4
New business	3.6	–	–	3.6	4.0	–	1.3	5.3
Outflows owing to client losses	(0.5)	–	–	(0.5)	(1.7)	–	(0.2)	(1.9)
Controllable (platform)	23.9	–	–	23.9	5.4	–	1.4	6.8
New business	24.8	–	–	24.8	7.2	–	1.4	8.6
Outflows owing to client losses	(0.9)	–	–	(0.9)	(1.8)	–	–	(1.8)
Uncontrollable	(5.8)	0.8	–	(5.0)	(11.0)	(0.2)	(0.2)	(11.4)
Ongoing inflows/transfers	26.0	7.9	0.9	34.8	22.0	5.8	0.8	28.6
Withdrawals for benefit payments	(30.3)	(7.1)	(0.9)	(38.3)	(30.5)	(6.0)	(1.0)	(37.5)
Withdrawals of benefits from two-pot claims by members	(1.5)	–	–	(1.5)	(2.5)	–	–	(2.5)
Net cash flows	21.2	0.8	–	22.0	(3.3)	(0.2)	2.3	(1.2)

The institutional business delivered a strong year-on-year improvement in the net position from controllable cash flows, driven by substantial new business wins in our platform offering. These wins include onboarding the final fund acquired through the Sanlam standalone retirement fund administration business, as well as new client appointments. While most product new business during the period was directed into standalone offerings, several large inflows into our umbrella funds are expected in the second half of the 2026 financial year. Client terminations remain low and are below the levels reported in the comparable period in the prior year.

Net uncontrollable outflows have decreased 56% year-on-year owing to:

- An 18% increase in ongoing inflows from active retirement fund members, driven by new client wins and wage increases among existing clients
- Lower withdrawals for benefit payments, with volumes down year-on-year
- Reduced withdrawals from two-pot claims, continuing the downward trend. Monthly withdrawal levels have remained consistently low from the 2025 financial year-end to date

Analysis of results continued

Retail

Operating income grew by 10% to R353 million owing to higher advised new business asset inflows and positive market performance in the period. Closing assets under advisement increased 17% year-on-year to R123.5 billion as at 30 September 2025.

New business assets increased 33% to R15.6 billion in the current period. This robust performance was driven by strong growth in both advised and non-advised channels:

- Advised new business, which generates both advice and investment fee income, increased 18% to R8.4 billion, reflecting continued momentum from our internal adviser force.
- Non-advised new business, which generates investment fee income only, is up 55% to R7.1 billion. Notably, 83% of the non-advised inflows is attributable to the retention of assets within our retirement funds, underlining our unique position at the intersection of retail and employee benefits.

The distinction between these channels highlights the strength of our diversified offerings and our ability to capture growth in new business.

The key attributes of success have been underpinned by our advice-led culture, technological transformation and growth of our advisor team. The customer satisfaction score for retail customers is at a healthy level of 96.07% and the net promoter score for this segment is 49.79 affirming our focus on serving the best interests of our customers.

Aligned with our vision of transforming every client's financial journey through inclusive advice, intelligent technology and impactful solutions enabling each one to reach their investment destination, we have made access to financial advice available to every member within our corporate base. Our members have access to our advisers at key journey points complemented by Alexforbes Invest, which is available 24/7/365 to provide automated financial advice on a range of financial journeys at scale.

Alexforbes is the sole provider in the retirement fund sector currently able to make this promise to its members – a powerful differentiator that complements our corporate customer value proposition. This promise is a cornerstone of the Alexforbes One umbrella fund offering, reinforcing the symbiotic relationship between our retail and corporate businesses. It complements our retirement benefits counselling and member education services, creating a cohesive and value-driven experience for members.

Growth markets

The growth markets business unit supports institutional and retail clients by providing retirement administration and consulting services, actuarial consulting, investment advisory and investment management services, and individual and wealth consulting services through our offices in Botswana, Channels Islands and Jersey, Namibia and Nigeria. We also support multinational clients across Africa with tailored employee benefit solutions encompassing pension, life, health, actuarial, investments, mobility, and benefits expertise.

Operating income increased by 6% to R228 million with growth reported across all countries and a steady performance from multinational consulting:

- Botswana reported 8% growth, supported by new business wins, inflationary growth in administration, and higher consulting fee income and insured commission.
- Channel Islands and Jersey delivered a 9% increase in operating income owing to growth in the employee benefits business and new wealth management mandates.
- Namibia reported 2% growth, reflecting higher administration, consulting, and advice fee revenue, partially offset by lower asset-based income due to the implementation of direct asset management fees from South Africa.

Other income

Other income of R18 million (2024: R31 million) is 42% lower year-on-year owing to a decrease in sub-rental income and lower technology-related support services rendered to external third parties.

Operating expenses commentary

Operating expenses of R1 904 million increased 10% year-on-year influenced by two significant factors:

- the cash settlement of a portion of the long-term incentive plan (LTIP) awards expensed in the current period that was previously equity settled.
- the prior period IFRS 16 lease adjustment following the renewal of our head office lease, which was concluded in September 2024.

Excluding these factors, growth in underlying operating expenses was contained at 3% year-on-year, as reflected in the table below:

	2025	%	2024
Personnel costs	1 244	9	1 138
Technology	287	10	260
Premises (operating cost)	71	(52)	149
Professional fees	80	8	74
Other expenses	168	(3)	173
Underlying operating expenses	1 850	3	1 794
Cash settlement of LTIP awards	51	nm	–
IFRS 16 lease adjustment	3	nm	(70)
Operating expenses	1 904	10	1 724

Personnel costs increased 9% owing to headcount expansion, mostly in the second half of the prior year, to strengthen client servicing capabilities and higher incentive provisions aligned with business performance.

Technology costs increased by 10% as we continued investing in digital channels and technology enhancements. Key contributors included higher US-based software licensing costs, increased depreciation on software developments and an increase in outsourced services.

The operating (cash) cost for premises decreased 52% following the implementation of the new head office lease. In line with IFRS 16 requirements, lease arrangements are accounted for as long-term finance leases separately. This accounting treatment is excluded when calculating the group's normalised earnings.

For the LTIP awards that vested in July 2025 the Remuneration Committee approved a cash settlement option for participants, given low trading volumes and limited free float in Alexforbes shares. In accordance with IFRS 2, the equity-accounted share-based liability was recognised at fair value on the settlement date, with the corresponding debit taken to equity. The dividend equivalents were also settled in cash, which resulted in an expense in the income statement, disclosed separately above.

As disclosed in the 2025 integrated annual report, the group transitioned to a new cash-settled LTIP scheme for all awards from July 2025 onwards. The existing equity-settled LTIP will be phased out over the next three vesting periods. Under the new scheme, the fair value of the liability to employees will be remeasured at each reporting date, with adjustments recognised through profit and loss. This change will impact the accounting treatment of LTIP costs, with the increased cost being recognised in the income statement, going forward.

Items below profit from operations

Non-trading and capital items

The expense in non-trading and capital items increased to R27 million (2024: R3 million) largely attributable to the performance of the insurance cell-captive facility which reported a loss of R14 million in the current period (2024: R6 million profit). The results of the cell-captive insurance entity are consolidated into operating profit and reflect the movement in provisions and payments for all error and omissions insurance claims registered by the group as part of our self-insured layer. The results captured are expected to average towards a zero profit over the medium to long term.

The accounting impact of the cell-captive facility, together with the amortisation of intangible assets of R7 million (2024: R7 million), is excluded from the calculation of the group's normalised earnings. Details of these normalised adjustments are provided in the segmental income and profit analysis on pages 24 to 27.

Investment income

Interest income earned from the group's regulatory capital and surplus cash decreased 11% to R93 million, reflecting lower average cash balances following the payment of the special dividend declared in the previous financial year and paid in July 2025.

In addition, an investment profit of R22 million (2024: R9 million) relating to individual policyholder investments is recorded in the condensed consolidated income statement, with an equal tax expense raised. Both the policyholder profit and related tax expense are excluded from normalised earnings when assessing the group's own investment income.

Finance costs

Finance costs remained unchanged at R42 million. Refer to note 6 on page 31 and note 13 on page 36 for further details.

Profit before and after tax

After accounting for non-trading and capital items, finance charges and the effect of the policyholder investments, the group reported a 5% decrease in profit before taxation from continuing operations to R489 million (2024: R515 million).

The effective tax rate, excluding policyholder tax of 28.3% is slightly above the corporate tax rate due to non-deductible expenses and withholding taxes. Profit from continuing operations decreased 9% to R335 million (2024: R367 million).

Discontinued operations

Details of discontinued operations are included in note 8 on page 32. These include the operating results of the group risk and retail life business (AF Life), classified as discontinued in 2019. Regulatory approval to transfer the remaining liabilities was received on 27 February 2025, resulting in all liabilities being extinguished and the entity ceasing operations.

In 2021 the group provided for a warrantee claim from a known error which required redress, relating to a UK subsidiary sold in 2012. This provision and subsequent payment of the claim by the group were referred to as the ETV liability matter in previous financial disclosures. This provision arose after one insurer in our layered insurance programme declined to honour its commitment. Following a legal process, the first phase was ruled in our favour on 2 April 2025, and the group received a final settlement of GBP4 million (R93 million) on 22 October 2025 for phase two under a mutual agreement.

The process for the settlement of ETV claims continues with a limited number of claims still outstanding. The claims have entered the next layer of insurance within our program with insurance receipts being received.

Headline earnings

Headline earnings from total operations increased 19% to R418 million, including the financial performance of the discontinued operations. The weighted average number of shares increased to 1 259 million (2024: 1 242 million). Headline earnings per share from total operations increased 17% to 33.2 cents per share.

Normalised segmental results

The group's normalised segmental results reflect the economic substance of the performance and the basis upon which management manages the business. These are detailed in the group segmental income and profit analysis, including adjustments between normalised results and the IFRS condensed consolidated income statement.

Financial position

Alexforbes maintains a robust balance sheet, supported by surplus regulatory capital and healthy cash reserves, placing the group in a strong financial position.

All regulated entities within the group remain fully compliant with liquidity and solvency capital requirements (SCR). At 30 September 2025, the consolidated regulatory capital requirement stood at R970 million (2024: R1 108 million), reflecting the removal of AF Life from the group's regulatory capital roll-up as it entered the final stages of wind-up.

Regulatory capital is measured under our single active linked investment life licence using the solo-plus methodology in accordance with the Insurance Act 18 of 2017 and Prudential Standards. On this basis, the group reported a regulatory surplus of R1 065 million, with a capital cover ratio of 2.1 times, comfortably above the group target solvency ratio of 1.2 times.

In July 2024, Alexander Forbes Limited (AFL) entered into an uncommitted general banking facility to support short-term operational funding. At 30 September 2025, the outstanding balance under this facility was R254 million. AFL also maintains a term loan facility, established in June 2022 to finance acquisitions, with an outstanding balance of R396 million at the reporting date.

Cash flow generation remains strong, with continued high conversion of operating profit from continuing operations into cash. Cash flow from continuing operations increased 29% year-on-year to R482 million, driven by timing differences in working capital. The group's available cash position stood at R466 million as at 30 September 2025.

Interim cash dividend declaration

Alexforbes's dividend policy is set at a target range of 1.0 to 1.5 times earnings cover. The dividend is set with reference to normalised headline earnings.

An interim dividend declaration has been considered by the board, taking into account the group's current and projected regulatory position, the available cash in the group as well as the group's high cash generation.

The board has declared a gross interim cash dividend of 24 cents per share for the period ended 30 September 2025 (2024: 22 cents per share). The board believes the cash and capital position, after the payment of the interim dividend, will continue to provide sufficient liquidity and capital strength.

The interim dividend has been declared from income reserves.

A dividend withholding tax (DWT) of 20% will apply to all shareholders who are not exempt from the dividend withholding tax, or who are entitled to a reduced rate in terms of the applicable double taxation agreement. For South African shareholders subject to DWT, the interim cash dividend net of 20% DWT will be 19.2 cents per share (2024: 17.6 cents per share).

The number of issued ordinary shares at the date of declaration is 1 299 508 372. The tax reference number of Alexander Forbes Group Holdings Limited is 9404921158.

The directors are satisfied with the solvency and liquidity test as required in terms of section 4(1) of the Companies Act 71 of 2008.

The salient dates for the interim dividend are as follows:

Declaration date	Monday 1 December 2025
Last day of trade to receive a dividend	Tuesday 6 January 2026
Shares commence trading 'ex' dividend	Wednesday 7 January 2026
Record date	Friday 9 January 2026
Payment date	Monday 12 January 2026

Share certificates may not be dematerialised or rematerialised between Wednesday 7 January 2026 and Friday 9 January 2026, both days inclusive.

Prospects

Alexforbes charts a clear course for growth and impact

Our purpose remains unwavering: to pioneer insight that delivers advice and solutions that impact people's lives. Our prospects are anchored in our ability to do so. As we look ahead, we see opportunity in a changing economic landscape, a dynamic business environment, and a future where sustainability and simplicity define success.

A new economic horizon

South Africa's move toward a 3% inflation target signals a structural shift that promises long-term benefits: lower borrowing costs, improved valuations and enhanced currency stability. With repo rates expected to settle between 5.5% and 6%, this environment creates tailwinds for equities and property while aligning the country with global standards.

For Alexforbes, this transition brings both challenges and opportunities. Slower wage growth may temper contributions and AuM growth, while lower nominal returns could pressure investment revenues. Yet, these dynamics open doors for innovation – particularly in financial advice, drawdown strategies and living annuity solutions.

Shaping tomorrow with confidence

Our strategy positions Alexforbes for sustainable growth:

Alexforbes as an investment destination

Our campaign to position Alexforbes Investments as an investment destination continues to gain traction. By shifting perceptions, together with our objective of delivering superior investment returns, we aim to win a greater share of assets from clients across institutional and retail segments.

Retail acceleration

The Alexforbes retail evolution is accelerating with increased member engagement within our corporate base, rapid digital enablement of our advisers, innovative solutions in development and a strong pipeline of opportunities in the independent financial adviser (IFA) segment.

Driving sustainability and impact

Alexforbes Impact Advisory (together with the Impact Academy) is shaping ESG and sustainability practices for retirement funds and corporates. The acquisition of the award-winning Paragon Impact platform strengthens our offering and creates new opportunities, including the launch of SDG Impact Awards and an associated impact ETF in the first half of 2026.

We continue to influence sustainability-focused regulatory reform through collaboration with the CIPC and dtic, following our inaugural national sustainability reporting survey. Alexforbes is strategically positioned to help clients transition to a sustainable future while benefiting from growing demand for simplified, expert-led solutions and advice to help navigate the complex and evolving sustainability landscape.

Unifying employee benefits through Alexforbes One

Alexforbes One integrates retirement, healthcare, sustainability, and investments into a single umbrella solution, enabling holistic advice for employers and members. This unique umbrella fund solution enables internal and external advisers to apply their best advice holistically to employers and members. The launch of Alexforbes One has been well received and we are building a strong pipeline of prospects.

Modernising fund administration for operational efficiency

Alexforbes has initiated a process to decommission legacy fund administration platforms and to consolidate its administration offering into a single system across South Africa, Namibia and Botswana. This is expected to enhance client experience, deliver cost efficiencies and improve scalability over the medium-to long-term. The multi-year project, launched mid-2025, is progressing on schedule.

Navigating the waters ahead

While the outlook is positive, we remain vigilant to potential headwinds:

- Market volatility and geopolitical uncertainty could impact investment flows.
- Regulatory complexity, compliance and cybersecurity risks require ongoing investment in systems and processes.
- Economic pressures may affect discretionary savings and employer contributions.

Our diversified business model, strong capital position and disciplined cost management provide resilience and flexibility to adapt. Our purpose-driven strategy, trusted brand and talented people position us to deliver meaningful impact for clients and sustainable value for stakeholders. We are committed to shaping a future where financial advice empowers better outcomes for all.

Events after reporting period

On 22 October 2025 the group received the final settlement of GBP 4 million (R93 million) pertaining to phase two of the ETV liability following a mutual settlement agreement.

Board changes

The following changes to the board were announced during the year:

- Mr P Dhamija resigned as non-executive director of the company with effect from 24 April 2025.
- Ms AL Tedesco was appointed as a non-executive director of the company with effect from 24 April 2025.
- Ms MR Nkadimeng resigned as non-executive director of the company, member of the Social, Ethics and Transformation committee and trustee of the Alexander Forbes Community Trust with effect from 11 August 2025.
- Mr TMZ Zuma was appointed as a non-executive director of the company with effect from 11 August 2025.

Corporate governance

The company's application of the principles contained in the King IV Report on Corporate Governance™ for South Africa is disclosed in the FY2025 integrated annual report available on the company's website. No material changes in application have occurred since the publication of that report.

On behalf of the board of directors



Kuseni Dlamini
Chair

1 December 2025



Dawie de Villiers
Chief executive officer



Unaudited condensed consolidated financial statements

Condensed consolidated income statement

For the six months ended 30 September 2025

Rm	Notes	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Continuing operations				
Fee and commission revenue	2	3 010	2 746	5 651
Fee and commission expenses		(681)	(606)	(1 254)
Operating income net of direct expenses		2 329	2 140	4 397
Other income	3	18	31	52
Operating expenses		(1 904)	(1 724)	(3 538)
Profit from operations before non-trading and capital items		443	447	911
Non-trading and capital items	4	(27)	(3)	(39)
Operating profit		416	444	872
Investment income	5	115	113	256
Finance costs	6	(42)	(42)	(88)
Profit before taxation		489	515	1 040
Income tax expense	7	(154)	(148)	(295)
Income tax expense relating to group profits		(132)	(139)	(268)
Income tax expense relating to policyholder investment returns		(22)	(9)	(27)
Profit for the period from continuing operations		335	367	745
Discontinued operations				
Profit/(loss) from discontinued operations (net of tax)	8	89	(4)	161
Profit for the period		424	363	906
<i>Profit attributable to:</i>				
Owners of the company		418	352	883
Non-controlling interest		6	11	23
		424	363	906
Basic earnings per share (cents)	9	33.2	28.4	70.8
Diluted earnings per share (cents)	9	33.2	28.0	69.7
Weighted average number of shares in issue (net of treasury shares) (millions)	9	1 259	1 242	1 248

Condensed consolidated statement of comprehensive income

For the six months ended 30 September 2025

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Profit for the period	424	363	906
<i>Other comprehensive income</i>			
Other comprehensive income that may be reclassified to profit or loss¹	(10)	(5)	1
Foreign currency translation differences - foreign operations	(10)	(5)	1
Other comprehensive income for the period that will not be reclassified to profit or loss¹	3	4	11
Remeasurement of post-employment benefit obligations	3	4	11
Total comprehensive income for the period	417	362	918
<i>Total comprehensive income attributable to:</i>			
Owners of the company	411	351	895
Non-controlling interest	6	11	23
Total comprehensive income for the period	417	362	918

¹ Net of related taxes.

Condensed consolidated statement of financial position

At 30 September 2025

Rm	Notes	Six months 30 Sep 2025	Restated Six months 30 Sep 2024 ¹	Twelve months 31 Mar 2025
Assets				
Financial assets held under multi-manager investment contracts	10	537 649	449 665	463 353
Goodwill		1 435	1 435	1 435
Intangible assets		234	271	255
Property and equipment		452	515	481
Purchased and developed computer software		404	316	345
Deferred tax assets		128	106	118
Financial assets	11	1 107	1 055	1 347
Tax assets		13	16	11
Trade and other receivables	12	552	494	558
Cash and cash equivalents		1 590	1 690	1 654
Assets of disposal group classified as held for sale		–	46	–
Total assets		543 564	455 609	469 557
Equity and liabilities				
Owners of the company		3 716	3 647	3 958
Non-controlling interest		56	48	52
Total equity		3 772	3 695	4 010
Financial liabilities held under multi-manager investment contracts	10	537 652	449 669	463 357
Borrowings	13	675	788	630
Employee benefits		190	164	144
Deferred tax liabilities		121	124	119
Provisions		148	172	153
Lease liabilities		222	263	239
Trade and other payables	14	760	666	867
Tax liabilities		24	9	38
Liabilities of disposal group classified as held for sale		–	59	–
Total liabilities		539 792	451 914	465 547
Total equity and liabilities		543 564	455 609	469 557

¹ Refer to note 18.

Condensed consolidated statement of cash flows

For the six months ended 30 September 2025

Rm	Notes	Six months 30 Sep 2025	Restated Six months 30 Sep 2024 ¹	Twelve months 31 Mar 2025
Cash flows from operating activities				
Cash generated from operations		482	373	1 230
Interest received		48	62	120
Interest paid		(40)	(34)	(86)
Net cash flows received from insurance and policyholder contracts		32	10	22
Net cash flows (paid to)/received from policyholder investment contracts		(610)	(2 170)	171
Taxation paid		(179)	(155)	(290)
Dividends paid		(559)	(1 161)	(1 440)
Dividend payments made to non-controlling interests		(9)	(11)	(19)
Cash (outflow)/inflow from operating activities – discontinued operations		(3)	1	6
Net cash outflow from operating activities		(838)	(3 085)	(286)
Cash flows from investing activities				
Purchase of financial assets	11	(382)	(54)	(473)
Proceeds from disposal of financial assets	11	660	260	427
Payments for capital expenditure incurred on property, equipment and computer software		(131)	(71)	(167)
Purchase of customer relationships		(1)	(5)	(9)
Acquisition of subsidiary (net of cash acquired)		–	(9)	(9)
Proceeds from sale of subsidiaries and businesses – discontinued operations		–	–	40
Net cash inflow/(outflow) from investing activities		146	121	(191)
Cash flows from financing activities				
Repayment of borrowings	13	(4)	(3)	(155)
Borrowings raised	13	47	411	411
Payments of lease liabilities		(25)	(83)	(107)
Purchase of shares in terms of share incentive schemes		–	(161)	(168)
Transactions with non-controlling interest		7	–	–
Net inflow/(outflow) from financing activities		25	164	(19)
Decrease in cash and cash equivalents		(667)	(2 800)	(496)
Cash and cash equivalents at the beginning of the period		8 816	9 314	9 314
Effects of exchange rate changes on cash and cash equivalents		(7)	(3)	(2)
Cash and cash equivalents at the end of the period		8 142	6 511	8 816
<i>Analysed as follows:</i>				
Cash and cash equivalents of continuing operations		1 590	1 690	1 654
Cash held under multi-manager investment contracts²		6 552	4 821	7 162
		8 142	6 511	8 816

¹ Refer to note 18.

² This amount relates to cash and cash equivalents held for short-term commitments within the multi-manager investment portfolios.

Condensed consolidated statement of changes in equity

For the six months ended 30 September 2025

Rm	Share capital	Treasury shares	Other reserves	Accumulated loss	Total equity holders' funds	Non-controlling interest	Total equity
At 31 March 2024	5 980	(268)	291	(1 461)	4 542	48	4 590
Total comprehensive income	-	-	(5)	356	351	11	362
Profit for the period	-	-	-	352	352	11	363
Other comprehensive income	-	-	(5)	4	(1)	-	(1)
Total transactions with owners of the company	-	85	(170)	(1 161)	(1 246)	(11)	(1 257)
Shares purchased in terms of share incentive schemes	-	(161)	-	-	(161)	-	(161)
Settlement of share incentive schemes	-	246	(246)	-	-	-	-
Dividends paid	-	-	-	(1 161)	(1 161)	(11)	(1 172)
Movement in share-based payment reserve	-	-	76	-	76	-	76
At 30 September 2024	5 980	(183)	116	(2 266)	3 647	48	3 695
Total comprehensive income	-	-	6	538	544	12	556
Profit for the period	-	-	-	531	531	12	543
Other comprehensive income	-	-	6	7	13	-	13
Total transactions with owners of the company	-	(4)	50	(279)	(233)	(8)	(241)
Shares purchased in terms of share incentive schemes	-	(7)	-	-	(7)	-	(7)
Settlement of share incentive schemes	-	3	(3)	-	-	-	-
Dividends paid	-	-	-	(279)	(279)	(8)	(287)
Movement in share-based payment reserve	-	-	52	-	52	-	52
Movement in other reserves ¹	-	-	1	-	1	-	1
At 31 March 2025	5 980	(187)	172	(2 007)	3 958	52	4 010
Total comprehensive income	-	-	(10)	421	411	6	417
Profit for the period	-	-	-	418	418	6	424
Other comprehensive income	-	-	(10)	3	(7)	-	(7)
Total transactions with owners of the company	94	22	(210)	(559)	(653)	(2)	(655)
Share issue ²	94	(94)	-	-	-	-	-
Transactions with non-controlling interests ³	-	-	-	-	-	7	7
Settlement of share incentive schemes ⁴	-	116	(116)	-	-	-	-
Dividends paid	-	-	-	(559)	(559)	(9)	(568)
Movement in share-based payment reserve ⁵	-	-	(94)	-	(94)	-	(94)
At 30 September 2025	6 074	(165)	(48)	(2 145)	3 716	56	3 772

¹ Movement in other reserves comprises of a self-insurance reserve fund of one of the group's subsidiaries outside of South Africa.

² On 20 June 2025 the group issued a new listing of 10 996 918 ordinary shares for share incentive schemes. The share issue and allotment was concluded in terms of the Alexforbes LTIP 2019 scheme rules which governs awards granted prior to 2022.

³ Transactions with non-controlling interest in the current period relate to a share issue equating to 13.6% interest in one of the group's subsidiaries outside of South Africa.

⁴ The group settled shares amounting to R38 million relating to the forfeitable share scheme. In addition, shares amounting to R78 million relating to the conditional share scheme were settled.

⁵ Movement in share-based payment reserve consists of share incentive scheme charges of R55 million for the period, offset by a once-off adjustment of R149 million from the cash-settlement of the shares that vested in July 2025.

Condensed consolidated segmental income and profit analysis

For the six months ended 30 September 2025

Rm	Corporate		Investments		Retail		Growth Markets		Group Central		Group total	
	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024
Continuing operations												
Fee and commission revenue	986	936	1 206	1 047	511	460	280	266	27	37	3 010	2 746
Fee and commission expenses	(28)	(23)	(438)	(386)	(158)	(139)	(52)	(51)	(5)	(7)	(681)	(606)
Operating income net of direct expenses	958	913	768	661	353	321	228	215	22	30	2 329	2 140
Other income	11	10	–	–	–	–	–	–	7	21	18	31
Operating expenses ²	(953)	(904)	(410)	(388)	(310)	(275)	(184)	(179)	(44)	(48)	(1 901)	(1 794)
Normalised profit from operations before non-trading and capital items	16	19	358	273	43	46	44	36	(15)	3	446	377
Normalised non-trading and capital items	–	20	–	–	–	–	(1)	–	(5)	(22)	(6)	(2)
Normalised operating profit/(loss)	16	39	358	273	43	46	43	36	(20)	(19)	440	375
Normalised investment income	22	30	46	49	5	5	4	(3)	16	23	93	104
Normalised finance cost	(9)	(11)	(5)	(1)	(3)	(2)	(1)	(2)	(13)	(13)	(31)	(29)
Normalised profit/(loss) before taxation	29	58	399	321	45	49	46	31	(17)	(9)	502	450
Normalised income tax expense	(8)	(16)	(113)	(87)	(13)	(14)	(13)	(9)	5	2	(142)	(124)
Normalised profit/(loss) for the period from continuing operations	21	42	286	234	32	35	33	22	(12)	(7)	360	326
Discontinued operations												
Normalised profit/(loss) from discontinued operations (net of tax)	–	–	–	–	–	–	–	–	89	(4)	89	(4)
Normalised profit/(loss) for the period	21	42	286	234	32	35	33	22	77	(11)	449	322
Normalised adjustments	(1)	(1)	–	–	–	–	(1)	(2)	(23)	44	(25)	41
Accounting for property leases	(1)	(1)	–	–	–	–	(1)	(2)	(11)	60	(13)	57
Amortisation of intangible assets arising from the 2007 private equity business combination	–	–	–	–	–	–	–	–	(7)	(7)	(7)	(7)
Professional indemnity insurance cell-captive result	–	–	–	–	–	–	–	–	(14)	6	(14)	6
Investment income on behalf of policyholders	–	–	22	9	–	–	–	–	–	–	22	9
Tax effects on normalised adjustments	–	–	(22)	(9)	–	–	–	–	9	(15)	(13)	(24)
Profit for the period	20	41	286	234	32	35	32	20	54	33	424	363
Normalised basic earnings per share (cents)											35.2	25.0
Normalised headline earnings per share (cents)											35.2	25.0
Normalised weighted average number of shares in issue (millions)											1 259	1 243

¹ Restated. Refer to segmental note on pages 26 to 27.

² Operating expenses comprise personnel costs of R1 244 million (2024: R1 138 million), technology costs of R287 million (2024: R260 million), and professional fees of R80 million (2024: R74 million). The majority of these costs are attributable to the Corporate segment.

Condensed consolidated segmental income and profit analysis continued

In the current reporting period the group introduced a new operating model, designed to empower individual business units for growth and entrepreneurship, clarify lines of ownership and accountability, foster performance and innovation and to sharpen market competitiveness through a more focused approach, automations and efficiencies.

The change in the operating structure and reallocation of certain business lines has resulted in comparative figures being restated to reflect the following:

- The inclusion of a new segment, Growth Markets.
- Costs associated with the Solutions & Enablement platform have been reallocated to each of the four operating segments.
- Disaggregation of the investment margin into all four operating segments. The allocation of the margin to the Corporate and Retail operating segments is based on the protection and growth of assets under management. The investment margin in the Growth Markets segment is reflected net of fees for services provided by Alexforbes Investments.
- Operating expenses include costs allocated from Group Central based on the new cost allocation methodology.
- Direct operating expenses and operating expenses from recoveries are no longer disclosed separately.
- EBS International (EBS) (previously included in the retirements business segment under the old structure) is now reported under Group Central as Other. This entity earns technology services fees. EBS is considered immaterial and does not directly align with the principal operating segments under which management reports.

The restatements have no impact on the group's previously reported financial results. The segmental note and disaggregation of revenue under the previous operating model are included on pages 42 to 45 of these results.

The segmental analysis on the previous page reflects the new operating structure under which management currently reports and is based on the group's service offering. Under this structure the group is segmented into the following distinct segments:

Corporate – provides retirement fund administration and consulting services, umbrella fund solutions, actuarial consulting services and sustainability advice and solutions. In addition, this business unit includes health consulting, actuarial services and health management solutions as well as revenue earned from clients for group risk administration services.

Investments – multi-managed investment strategies tailored to institutional and retail clients through investment consulting and administration, portfolio construction, management of investments and ESG-integrated investment strategies.

Retail – offers vertically integrated retail advice and investment solutions, including financial planning, advice, retirement benefit counselling and member education.

Growth Markets – supports institutional and retail clients by providing retirement administration and consulting services, actuarial consulting, investment advisory and investment management services, and individual and wealth consulting services through our offices in Namibia, Botswana, Channel Islands and Jersey, as well as a representative office in Nigeria. We also support multinational clients across Africa with tailored employee benefit solutions encompassing pension, life, health, actuarial, investments, mobility, and benefits expertise.

In terms of IFRS 8 *Operating Segments*, support functions would generally not be operating segments as the revenues earned and expenses incurred are only incidental to the entity's business. These activities only arise to support the main business units. The Group Central business unit is therefore not a segment as defined, however financial information relating to this business unit is regularly reviewed by management.

Group Central – includes the following enabling group services functions: technology, central finance, human capital & transformation, marketing, group legal, compliance and governance, internal audit, sustainability and strategy. These costs are allocated to the segmented business units above in our segmental reporting. Costs pertaining to EBS, results of which are now included in Group Central, are not reallocated to the operating segments.

Cost allocation methodology

Each reportable segment includes the direct operating expenses relating to the segment. These are defined as those expenses that fully reside within and are controlled by the segment. The direct operating expenses of Group Central are allocated to reportable segments using various allocation methods specific to the actual costs.

Direct recoveries include:

- Technology costs directly attributable to the segments, including software licence fees, hardware and depreciation. Part of these costs has been allocated based on headcount. A portion of these costs has been allocated under operating expenses in each segment, while the remainder has been recorded under controllable recoveries.
- Other shared services functions include human capital, finance, premises and facilities management, compliance, internal audit, legal, strategy and customer experience and finance. These costs are allocated based on the segmental contribution to gross revenue and headcount.

Normalised segmental results

The group's segmental results include normalised results, a non-IFRS measure, which is the basis upon which management manages the group and reflect the economic substance of the group's performance. Non-IFRS measures are not defined by IFRS Accounting standards (IFRS), are not uniformly defined or used by all entities and may not be comparable with similarly labelled measures and disclosures provided by other entities.

The adjustments between the condensed consolidated income statement in terms of IFRS and the normalised results are as follows:

Amortisation of intangible assets arising from the 2007 private equity business combination

Non-trading and capital items include the ongoing accounting amortisation of these intangible assets. The capitalisation of these intangible assets, including goodwill, resulted from the required accounting treatment at the time of the private equity acquisition of the group in 2007. The amortisation will continue over the expected useful lives established at the time of the transaction. The accounting for amortisation has no impact on the cash flows of the group.

Professional indemnity insurance cell-captive results

The profits and losses of the facility are a result of the premiums paid, claims experienced and the changes made to the provision for expected future claims. The recorded profits and losses of the cell-captive facility should trend to zero over the longer term. The annual premiums paid for this insurance are included in the operating expenses of each segment. The group is required to consolidate the financial results of the cell-captive, reporting a loss of R14 million for the period ended 30 September 2025 (2024: R6 million profit) which is recorded in non-trading and capital items.

Accounting for property lease

IFRS 16 requires an on-balance sheet recognition and measurement model for lessees, which includes the recognition of right-of-use assets as well as lease liabilities resulting in depreciation and finance costs being recognised in the income statement. These costs replace rental expenses which were recognised on a straight-line basis under the previous IAS 17. The group previously isolated and removed the accounting impact, under IAS 17, for property leases from the normalised results to afford a better comparison and to reflect the true premises cost over the long term. In order to ensure comparability and to again reflect the true premises cost, adjustments amounting to R3 million (2024: R70 million) have been effected to profit before non-trading and capital items in addition to finance costs of R11 million (2024: R13 million), resulting in a net adjustment of R14 million (2024: R57 million) to profit before tax.

Reported profit or loss arising from accounting for policyholder investment in treasury shares

In terms of IFRS, any Alexforbes shares acquired by underlying asset managers (under a discretionary mandate) and held by the group's multi-manager investment subsidiary for policyholders (the shares) are required to be accounted for in Alexforbes's consolidated financial statements as treasury shares. As a result, any fair value gains or losses made on the shares, which are economically matched to the policyholder liabilities, are recognised in the group's income statement.

Investment income and taxation payable on behalf of policyholders

The group's tax expense includes both deferred and income taxation payable on behalf of policyholders within the AF investments insurance licensed entity. The recognition of the recovery of this tax expense is included in the group's investment income. The normalised results exclude the policyholder tax expense and the related investment income which directly off-set this tax expense.

Condensed notes

For the six months ended 30 September 2025

1. Basis of preparation

The Alexander Forbes Group Holdings Limited (Alexforbes or the group) condensed consolidated financial statements for the six months ended 30 September 2025 (the results) include the condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and notes to the condensed consolidated financial statements.

The results are prepared in accordance with the requirements of the JSE Limited (JSE) Listings Requirements (Listings Requirements) and the requirements of the Companies Act No. 71 of 2008 of South Africa. The Listings Requirements require condensed financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and South African Institute of Chartered Accountants' (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also contain the information required by IAS 34 Interim Financial Reporting.

The group's results are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS. This report is presented in South African Rand, which is the presentation currency of the group. All amounts are stated in millions of Rand (Rm), unless indicated otherwise.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the preparation of previous consolidated annual financial statements. Amendments to standards effective for annual reporting periods beginning 1 January 2025 do not have a material effect on the group's condensed consolidated interim results.

These interim results have not been audited or reviewed by the group's external auditors. The results were compiled under the supervision of Bruce Bydawell (Chief Financial Officer), CA(SA), CFA.

The board of directors of Alexander Forbes Group Holdings Limited take full responsibility for the preparation of the results and that the selected financial information has been correctly extracted from the underlying audited FY2025 annual financial statements.

2. Fee and commission revenue

The group's operations and main revenue streams are those described in the latest annual financial statements. The group's revenue is derived from contracts with customers involving the transfer of services at a point in time and over time. If the services rendered exceed the payment, a contract asset is recognised. If payments exceed the services rendered, a contract liability is recognised.

Disaggregation of revenue

Rm	Corporate		Investments		Retail		Growth Markets		Group Central		Group total	
	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹	2025	2024 ¹
Revenue by type												
Consulting and advice fees	179	158	19	18	389	346	103	86	–	–	690	608
Administration fees	505	493	–	–	21	19	86	82	–	–	612	594
Commission	193	190	–	–	–	–	10	9	–	–	203	199
Investment management fees	109	95	1 187	1 029	101	95	81	89	–	–	1 478	1 308
Technology services fees	–	–	–	–	–	–	–	–	27	37	27	37
Total	986	936	1 206	1 047	511	460	280	266	27	37	3 010	2 746
Revenue by region												
South Africa	986	936	1 206	1 047	511	460	–	–	18	27	2 721	2 470
Namibia	–	–	–	–	–	–	79	71	3	3	82	74
Botswana	–	–	–	–	–	–	87	80	–	1	87	81
Jersey and Channel Islands	–	–	–	–	–	–	104	104	–	–	104	104
Other	–	–	–	–	–	–	10	11	6	6	16	17
Total	986	936	1 206	1 047	511	460	280	266	27	37	3 010	2 746
Timing of revenue recognition												
Products transferred at a point in time	78	91	–	–	37	28	–	3	–	–	115	122
Services transferred over time	908	845	1 206	1 047	474	432	280	263	27	37	2 895	2 624
Total	986	936	1 206	1 047	511	460	280	266	27	37	3 010	2 746

¹ The 2024 figures have been restated to reflect the change in the group's operating model. Refer to pages 24 to 27.

3. Other income

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Sub-rental income ¹	–	12	13
Other fees ²	18	19	39
Total other income	18	31	52

¹ Sub-lease agreements with third parties were terminated in the prior year.

² Other fees mainly comprise of interim support services charged on operations that have been disposed.

4. Non-trading and capital items

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Amortisation of intangible assets arising from the 2007 private equity transaction	(7)	(7)	(15)
Professional indemnity insurance cell-captive result	(14)	6	(3)
Professional costs for corporate transactions and other	(3)	(2)	(2)
Remeasurement of put option liability ¹	(3)	–	(19)
Total non-trading and capital items	(27)	(3)	(39)

¹ The remeasurement of the put option liability relates to the put options granted to minority interests shareholding arising from the acquisition of TSA. Refer to note 14.1.

5. Investment income

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Interest income	88	104	190
Investment and dividend income	5	–	5
Interest income - Enhanced Transfer Values (ETV) ¹	–	–	34
	93	104	229
Multi-manager operations			
Investment returns linked to policyholder tax expense	22	9	27
Total investment income	115	113	256
Investment income is derived from the following categories of financial assets:			
Amortised cost	88	104	224
Financial assets at fair value	27	9	32
Total investment income	115	113	256

¹ Interest income earned on ETV is from the successful litigation of phase one of the ETV liability matter. Refer to note 25.3 in the FY2025 group annual financial statements.

6. Finance costs

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Interest on lease liabilities	(11)	(13)	(25)
Interest on borrowings	(30)	(27)	(58)
Other interest	(1)	(2)	(5)
Total finance costs	(42)	(42)	(88)

7. Income tax expense

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
South African income tax			
Current tax	(138)	(118)	(250)
Current year	(137)	(113)	(246)
Prior years	(1)	(5)	(4)
Deferred tax	16	(14)	–
Current year	16	(16)	(2)
Prior years	–	2	2
Foreign income tax	(7)	(4)	(11)
Current tax	(6)	(6)	(15)
Deferred tax	(1)	2	4
Foreign withholding tax	(3)	(3)	(7)
Income tax expense relating to corporate profits	(132)	(139)	(268)
Income tax expense on policyholder investment returns	(22)	(9)	(27)
Current tax - current year	(15)	(6)	(25)
Deferred tax - current year	(7)	(3)	(1)
Income tax expense	(154)	(148)	(295)

8. Discontinued operations

The results of operations of the discontinued entities are reported separately in the income statement.

Discontinued operations include the operating results of the group risk and retail life business operations (AF Life). Following the receipt of regulatory approval on 27 February 2025, the remaining insurance contract liabilities and reinsurance contract assets were transferred at the end of the 2025 financial year and the entity is no longer in operation.

8.1 Net profit or loss of business units discontinued

Rm	Notes	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Insurance service result		–	(2)	9
Insurance service income		–	1	8
Net income from reinsurance contracts		–	(3)	1
Net insurance finance expense		–	(2)	–
Operating expenses		(7)	(8)	(9)
Loss from operations before non-trading and capital items		(7)	(12)	–
Non-trading and capital items ¹		93	–	152
Operating profit/(loss)		86	(12)	152
Investment income		4	8	14
Profit/(loss) before tax		90	(4)	166
Income tax expense		(1)	–	(5)
Total profit/(loss) from discontinued operations		89	(4)	161
<i>Profit/(loss) attributable to:</i>				
Owners of the company		89	(4)	161

¹ Non-trading and capital items in the current period consist of the reimbursement award from phase 2 of the ETV liability matter resulting from a mutual agreement, whilst the prior year pertains to the successful litigation of phase one of the same matter.

9. Earnings per share

9.1 Basic earnings per ordinary share

Basic earnings per share is calculated by dividing the profit for the period attributable to equity holders by the weighted average number of ordinary shares in issue during the period.

9.2 Headline earnings per ordinary share

Headline earnings per share is calculated by excluding applicable non-trading and capital gains and losses from the profit attributable to ordinary shareholders and dividing the resultant headline earnings by the weighted average number of ordinary shares in issue during the year. Headline earnings is defined in Circular 1/2023 issued by the South African Institute of Chartered Accountants.

9.3 Diluted earnings per ordinary share

Diluted earnings per ordinary share is calculated by adjusting the profit attributable to equity holders for any changes in income or expense that would result from the conversion of dilutive potential ordinary shares and dividing the result by the weighted average number of ordinary shares increased by the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential shares.

9.4 Normalised earnings per share

Normalised earnings per share is calculated by dividing the normalised profit for the period attributable to owners of the company per the group segmental income and profit analysis by the weighted average number of shares in issue, adjusted for shares held by policyholders classified as treasury shares.

9.5 Number of shares

Millions	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Weighted average number of shares	1 294	1 328	1 324
Weighted average shares held by policyholders classified as treasury shares	–	(1)	(1)
Weighted average treasury shares	(35)	(85)	(75)
Weighted average number of shares in issue (net of treasury shares)	1 259	1 242	1 248
Dilutive shares	2	19	19
Diluted weighted average number of shares	1 261	1 261	1 267
Actual number of shares in issue	1 300	1 328	1 289
Actual treasury shares	(27)	(72)	(34)
Forfeitable share plan (FSP)	(27)	(32)	(33)
Employee share option plan (ESOP)	–	(39)	–
Policyholder investment in treasury shares ¹	–	(1)	(1)
Shares in issue net of treasury shares	1 273	1 256	1 255
Normalised number of shares			
Weighted average number of shares in issue	1 259	1 242	1 248
Shares held by policyholders classified as treasury shares ¹	–	1	1
Normalised number of shares in issue	1 259	1 243	1 249

¹ The actual unrounded number of policyholder investment in treasury shares for the current period is 376 420.

9.6 Calculation of basic and headline earnings from total operations

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Profit attributable to owners of the company	418	352	883
Headline earnings for the period	418	352	883
Earnings per share from total operations¹			
Basic earnings per share (cents)	33.2	28.4	70.8
Headline earnings per share (cents)	33.2	28.4	70.8
Diluted basic earnings per share (cents)	33.2	28.0	69.7
Diluted headline earnings per share (cents)	33.2	28.0	69.7

¹ Amounts computed using unrounded numbers.

9.7 Calculation of normalised earnings from total operations

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Normalised profit for the period per the group segmental income and profit analysis	449	322	886
Less: profit attributable to non-controlling interests	(6)	(11)	(23)
Normalised headline earnings attributable to owners of the company	443	311	863
Normalised earnings per share from total operations¹			
Normalised basic earnings per share (cents)	35.2	25.0	69.1
Normalised headline earnings per share (cents)	35.2	25.0	69.1

¹ Amounts computed using unrounded numbers.

9. Earnings per share continued

9.8 Calculation of basic and headline earnings from continuing operations

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Profit after tax from continuing operations	335	367	745
Less: profit attributable to non-controlling interests	(6)	(11)	(23)
Headline earnings attributable to owners of the company	329	356	722
Earnings per share from continuing operations¹			
Basic earnings per share (cents)	26.1	28.7	57.9
Headline earnings per share (cents)	26.1	28.7	57.9
Diluted basic earnings per share (cents)	26.1	28.3	57.0
Diluted headline earnings per share (cents)	26.1	28.3	57.0

¹ Amounts computed using unrounded numbers.

9.9 Calculation of basic and headline earnings from discontinued operations

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Profit/(loss) after tax from discontinued operations	89	(4)	161
Headline profit/(loss) from discontinued operations attributable to owners of the company	89	(4)	161
Earnings per share from discontinued operations¹			
Basic earnings/(loss) per share (cents)	7.1	(0.3)	12.9
Headline earnings/(loss) per share (cents)	7.1	(0.3)	12.9
Diluted basic earnings/(loss) per share (cents)	7.1	(0.3)	12.7
Diluted headline earnings/(loss) per share (cents)	7.1	(0.3)	12.7

¹ Amounts computed using unrounded numbers.

10. Financial assets and liabilities held under multi-manager investment contracts

As a result of the group being listed, the investments by underlying asset managers in the Alexander Forbes Group Holdings' listed shares are recognised as treasury shares and all fair value adjustments recognised on these treasury shares are reversed, while the corresponding fair value adjustments on the financial liability continue to be recognised in the income statement. The impact on profit in the current period is Rnil (2024: Rnil) and has been disclosed separately on the face of the income statement. This treatment also affects the number of shares in issue, the impact of which is disclosed in note 9.

Below is a reconciliation of the assets held under multi-manager investment contracts with the linked liabilities under such contracts:

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024 ¹	Twelve months 31 Mar 2025
Total financial assets held under multi-manager investment contracts (per statement of financial position)	537 649	449 665	463 353
<i>Reversal of adjustments made under IFRS:</i>			
Alexander Forbes shares held as policyholder assets and reclassified in the group statement of financial position as treasury shares	24	25	25
Financial effects of accounting for policyholder investments as treasury shares – prior year	(21)	(21)	(21)
Total financial liabilities held for policyholders under multi-manager investment contracts	537 652	449 669	463 357

¹ Refer to note 18.

11. Financial assets

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024 ¹	Twelve months 31 Mar 2025
11.1 Total financial assets			
Non-current financial assets	26	26	26
Current financial assets	1 081	1 029	1 321
Total financial assets	1 107	1 055	1 347
11.2 Analysis of financial assets			
Financial assets designated at fair value through profit and loss	1 081	1 029	1 321
Financial assets classified at amortised cost	13	13	13
Financial assets designated as fair value through other comprehensive income	13	13	13
Total financial assets	1 107	1 055	1 347
11.3 Reconciliation of movements in financial assets			
Opening balance	1 347	1 226	1 226
Purchases	382	54	473
Withdrawals	(660)	(260)	(427)
Reinvested interest	44	42	75
Impact of currency exchange differences on foreign operations	(6)	(7)	–
Closing balance	1 107	1 055	1 347

¹ Refer to note 18.

12. Trade and other receivables

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Financial assets			
Trade receivables ¹	192	188	192
Other receivables	73	118	67
Other receivables – Enhanced Transfer Values (ETV) ²	97	–	186
Total financial assets	362	306	445
Non-financial assets			
Contract assets	43	38	39
Prepayments	147	150	74
Total trade and other receivables	552	494	558

¹ Included in trade and other receivables is a loss allowance on trade receivables of R12.4 million (R14 million at March 2025).

² In the current period the group recognised a reimbursement award of R93 million from phase 2 of the ETV liability matter following a mutual agreement on settlement, whilst the prior year pertains to the successful litigation of phase one of the same matter.

13. Borrowings

Rm	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
13.1 Analysis of borrowings			
Term loan facility – South Africa	396	349	349
General banking facility – South Africa	254	408	253
Term loan facility – Botswana	9	12	11
Senior debt facility – Namibia	16	19	17
Total	675	788	630
13.2 Reconciliation of movements in borrowings			
Opening balance	630	372	372
Borrowings raised	47	411	411
Interest accrued	30	27	58
Interest paid	(28)	(19)	(56)
Borrowings repaid	(4)	(3)	(155)
Closing balance	675	788	630
13.3 Discounted maturity analysis of borrowings			
Due within one year	273	418	270

Term loan facility – South Africa

In June 2022 Alexander Forbes Limited (AFL), a wholly owned subsidiary of the group, entered into a loan facility agreement with a South African bank to finance acquisitions. The total funding available under this facility is R600 million and may be drawn at any time, in whole or in part during the availability period of five years. The holding company of AFL, Alexander Forbes Acquisition Proprietary Limited, has provided a guarantee to the bank for this facility.

The interest on the draw downs range from JIBAR plus 1.65% to JIBAR plus 1.77% compounded quarterly. The repayments over the term of the loan will comprise interest only, whilst the principal is payable at maturity in June 2027.

General banking facility – South Africa

In July 2024 AFL entered into a short-term uncommitted working capital facility agreement with a South African bank. The total funding available under this facility is R400 million and may be drawn at any time, in whole or in part during the availability period of twelve months. The facility bears interest at JIBAR plus 1.42% compounded monthly. The repayment at the end of the term will comprise of both interest and principal.

Term loan facility – Botswana

In November 2023 Alexander Forbes Financial Services Botswana Proprietary Limited obtained a term loan facility of BWP10.15 million (R14 million) to finance the capital expenditure on the refurbishment of the Botswana head office. The facility is a secured five-year term loan and bears interest at the Botswana prime rate plus 1.25% per annum compounded quarterly. The facility is repayable in quarterly instalments consisting of both interest and principal.

Senior debt facility – Namibia

In December 2020 Alexander Forbes Namibia Holdings Proprietary Limited (AF Namibia Holdings) obtained a senior debt facility (SDF) of N\$28 million dollars to finance the capital expenditure on the refurbishment of the Namibia head office. The SDF is an unsecured five-year term loan facility. Alexander Forbes Financial Services Namibia Proprietary Limited has provided a guarantee to the lender for this obligation.

The SDF bears interest at the Namibian prime lending rate plus 1.20% margin per annum compounded monthly. The facility is repayable over five years in ten equal instalments of principal (N\$1.4 million) and interest, both paid semi-annually in arrears. The outstanding principal of N\$14 million and outstanding interest are payable at maturity.

Financial covenants

There are financial covenants in favour of the lenders under the facilities which are assessed at each reporting date. For the term loan facility, the group is required to maintain an interest cover of not less than 3.5 times and a senior debt net leverage ratio not greater than 2.75 times, whereas AF Namibia Holdings is required to maintain a debt service cover ratio of less than 1.5 times and cash coverage above 1.2 times for the SDF. The group's ratios did not breach the stipulated thresholds during the period and none of the financial covenants were in breach as at 30 September 2025.

14. Trade and other payables

Rm	Notes	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Financial liabilities				
Trade payables		157	179	169
Accrued expenses		186	162	170
Other payables ¹		201	171	171
Put option liability	14.1	61	41	58
		605	553	568
Non-financial liabilities				
Employee-based accruals		155	113	299
Total		760	666	867

¹ The increase in other payables compared to prior year is largely attributable to premiums held on behalf of insurers in the group's binder administration business.

14.1 Put option liability

The group has written put options over the non-controlling interests' shares which grant the minorities an irrevocable right to sell 100% of their interest in TSA Administration Proprietary Limited (TSA) to Alexander Forbes Financial Services Proprietary Limited, a subsidiary of the group. The first and second put options are exercisable 36 and 48 months from the effective date of the acquisition of TSA, respectively.

The group recognises the value of the non-controlling interests put options, being the present value of the estimated future purchase price, as a financial liability. The unwinding on the present value of the put option liability is recognised as an interest expense in profit or loss using the effective interest rate method. Changes to the estimated cash flows are treated as a remeasurement of the financial liability and a gain or loss on remeasurement is recognised in profit or loss. The put option liability is remeasured at each reporting period.

15. Financial risk management and financial instruments

15.1 Financial risk factors

The group's activities expose it to various financial risks arising from its financial assets and liabilities. Financial risks comprise credit risk, liquidity risk and market risk. The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and this disclosure should be read in conjunction with the FY2025 group annual financial statements.

There have been no material changes in the risk management or in any risk management policies since the year ended 31 March 2025.

15.2 Liquidity risk

Compared to the financial year ended 31 March 2025, there has been no material change in the contractual undiscounted cash outflows for financial liabilities.

15.3 Exchange rate risk

Certain transactions of the group occur in foreign currencies, and in the current period the most significant foreign currency is the British pound (GBP). These transactions have been translated using the exchange rates in the table below. Other less material foreign subsidiaries have been translated to rand in line with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, using the weighted average rates for income statement items and the closing rates for items in the statement of financial position.

	Six months 30 Sep 2025	Six months 30 Sep 2024	Twelve months 31 Mar 2025
Weighted average rate (Rand: Sterling)	23.4	23.2	23.4
Closing rate (Rand: Sterling)	23.1	23.1	23.8

15. Financial risk management and financial instruments continued

15.4 Fair value hierarchy

The group classifies financial instruments measured at fair value in the statement of financial position using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- **Level 1** - Unadjusted quoted prices in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.
- **Level 3** - Inputs for valuation that are not based on observable market data (that is, inputs are unobservable).

The table below analyses financial instruments carried at fair value, by valuation method.

Rm	Level 1	Level 2	Level 3	Total
30 September 2025				
Financial assets measured at fair value				
Financial assets held under multi-manager investment contracts ¹	428 273	93 992	15 384	537 649
General operations	–	1 081	13	1 094
Total financial assets measured at fair value	428 273	95 073	15 397	538 743
Financial liabilities measured at fair value				
Financial liabilities held under multi-manager investment contracts	–	537 652	–	537 652
Total financial liabilities measured at fair value	–	537 652	–	537 652
31 March 2025				
Financial assets measured at fair value				
Financial assets held under multi-manager investment contracts ²	370 422	78 561	14 370	463 353
General operations	–	1 321	13	1 334
Total financial assets measured at fair value	370 422	79 882	14 383	464 687
Financial liabilities measured at fair value				
Financial liabilities held under multi-manager investment contracts	–	463 357	–	463 357
Total financial liabilities measured at fair value	–	463 357	–	463 357

¹ Included in the level 2 balance are cash and cash equivalents amounting to R6 552 million measured at amortised cost. Amortised cost is considered a reasonable estimate of fair value due to the short-term nature of cash and cash equivalents.

² Included in the level 2 balance are cash and cash equivalents amounting to R7 162 million measured at amortised cost. Amortised cost is considered a reasonable estimate of fair value due to the short-term nature of cash and cash equivalents.

Transfers between Levels 1 and 2

Movements in financial assets associated with multi-manager investment contracts are directed by clients. These movements are a result of investments and withdrawals made. There were no transfers between Levels 1 and 2 during the period as a result of a change in valuation methodology.

Reconciliation of Level 3 instruments

Level 3 financial assets and liabilities comprise mainly of policyholder assets and liabilities. Financial assets and liabilities in this level are insignificant in relation to the total financial assets and financial liabilities respectively. In addition, the financial assets and liabilities are linked and all movements in these assets will be met with a converse movement in the associated liabilities. Any fair value gains and losses resulting from policyholder financial assets and financial liabilities have no impact on profit or loss. There was no change in the valuation methodology of Level 3 assets during the period under review.

Summary of changes in group Level 3 instruments are noted in the table below:

Rm	Financial assets under multi-manager assets
Financial assets	
Opening balance at 1 April 2025	14 370
Total gains recognised in profit or loss	508
Purchases	980
Disposals	(474)
Closing balance at 30 September 2025	15 384
Financial liabilities	
Opening balance at 1 April 2024	12 139
Total gains recognised in profit or loss	1 191
Purchases	1 860
Disposals	(820)
Closing balance at 31 March 2025	14 370

Sensitivity analysis for Level 3 financial assets

The following table presents significant inputs to show the sensitivity of Level 3 measurements and assumptions used to determine the fair value of the financial assets:

Instrument	Valuation techniques	Significant inputs
Suspended listed equities	Peer valuation multiples	Last exchange traded price and liquidity discounts
Community property company assets	Discounted cash flow model	Capitalisation rates and discount rates
Infrastructure and development assets	Equity Distribution discount model, cost, mark to market, price-earnings multiple and liquidation value	Equity Interest rates and exchange-traded prices
	Debt Discounted cash flow model	Debt Interest rates fixed and floating

15.5 Valuation methods and assumptions for valuation techniques

There have been no changes in the valuation methods and assumptions for valuation techniques since 31 March 2025. A detailed description of the valuation methods and assumptions for valuation techniques is available in our annual financial statements for the year ended 31 March 2025.

15.6 Fair value of financial assets and financial liabilities measured at amortised cost

For financial assets and financial liabilities not measured at fair value, the amortised cost value approximates the fair value due to the short-term nature of the instruments.

16. Contingencies

In the conduct of its ordinary course of business the group is exposed to various actual and potential claims, lawsuits and other proceedings relating to alleged errors and omissions, or non-compliance with laws and regulations. The directors are satisfied, based on present information and the assessed probability of claims eventuating, that the group has adequate insurance programmes and provisions in place to meet such claims.

16.1 Client settlements arising from historical business practices - bulking

The bulking matter has been disclosed in prior years and reference can be made to previously published financial statements. As of the date of these results, most clients and past clients have accepted settlement offers and the necessary payments have been made. The group continues to make progress with settlement payments to remaining parties, namely for members and participating employers in respect of closed and liquidated funds.

16.2 Errors and omissions - warranty claim

In the 2025 financial year, the group became aware of a potential warranty claim relating to a subsidiary which was disposed in prior years. At reporting date, the timing and amount of a potential outflow that may result from this claim is uncertain.

17. Events after the reporting period

17.1 Enhance Transfer Values (ETV) liability matter

On 22 October 2025 the group received the final settlement of GBP 4 million (R93 million) pertaining to phase two of the ETV liability following a mutual settlement agreement.

18. Restatement of comparative information

During the financial year ended 31 March 2025, management identified a classification error pertaining to certain short-term highly liquid unit trust investments. These investments were presented as cash and cash equivalents rather than financial assets in the statement of financial position and the statement of cash flows. In addition, the group identified an error in the presentation of financial assets and financial liabilities held under multi-manager investment contracts in the group statement of financial position stemming from an incorrect consolidation elimination entry. Consistent with the audited results for the year ended 31 March 2025, management has effected corrections to the presentation of the group's statement of financial position and the statement of cash flows for the six months ended 30 September 2024.

The restatements have no impact on previously disclosed earnings per share and return on equity measures. In addition, the group's liquidity and available cash positions are not impacted.

The impact of the restatements on the group's statement of financial position and statement of cash flows are detailed below:

Group statement of financial position

Rm	As reported 2024	Adjustment	Restated 2024
Assets			
Financial assets held under multi-manager investment contracts	449 486	179	449 665
Financial assets	654	401	1 055
Cash and cash equivalents	2 091	(401)	1 690
Liabilities			
Financial liabilities held under multi-manager investment contracts	449 490	179	449 669

Group statement of cash flows

Rm	As reported 2024	Adjustment	Restated 2024
Cash flows from investing activities			
Purchase of financial assets	(522)	468	(54)
Proceeds from disposal of financial assets	661	(401)	260
Net cash outflow from investing activities	54	67	121
Decrease in cash and cash equivalents	(2 867)	67	(2 800)
Cash and cash equivalents at the beginning of the year	9 782	(468)	9 314
Effects of exchange rate changes on cash and cash equivalents	(3)	–	(3)
Cash and cash equivalents at the end of the year	6 912	(401)	6 511
<i>Analysed as follows:</i>			
Cash and cash equivalents of continuing operations	2 091	(401)	1 690
Cash held under multi-manager investment contracts	4 821	–	4 821
	6 912	(401)	6 511

Annexures

Condensed consolidated segmental income and profit analysis

For the six months ended 30 September 2025

The below segmental note and disaggregation of revenue note are presented in terms of the old operating model and are included for reference and information purposes only.

Rm	Retirement consulting		Healthcare consulting		Investments		Individual consulting		Multinational consulting		Total consulting		Solutions & Enablement (S&E)		Client Services & Business Optimisation (CSBO)		Group total		
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	
Continuing operations																			
Fee and commission revenue	717	688	184	188	1 470	1 306	413	364	226	200	3 010	2 746	-	-	-	-	3 010	2 746	
Fee and commission expenses	(31)	(28)	(3)	(4)	(459)	(420)	(158)	(136)	(30)	(18)	(681)	(606)	-	-	-	-	(681)	(606)	
Operating income net of direct expenses	686	660	181	184	1 011	886	255	228	196	182	2 329	2 140	-	-	-	-	2 329	2 140	
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18	31	18	31	
Operating expenses	(696)	(638)	(142)	(145)	(625)	(598)	(232)	(209)	(188)	(173)	(1 883)	(1 763)	-	-	(18)	(31)	(1 901)	(1 794)	
Operating expenses before recoveries	(250)	(212)	(84)	(69)	(121)	(90)	(167)	(130)	(166)	(147)	(788)	(648)	(99)	(100)	(1 014)	(1 046)	(1 901)	(1 794)	
Recoveries from S&E	2	(6)	(9)	(11)	(86)	(75)	(4)	(5)	(2)	(3)	(99)	(100)	99	100	-	-	-	-	
Recoveries from CSBO	(448)	(420)	(49)	(65)	(418)	(433)	(61)	(74)	(20)	(23)	(996)	(1 015)	-	-	996	1 015	-	-	
Normalised (loss)/profit from operations before non-trading and capital items	(10)	22	39	39	386	288	23	19	8	9	446	377	-	-	-	-	446	377	
Normalised non-trading and capital items	-	-	-	-	-	-	-	-	(1)	-	(1)	-	-	-	(5)	(2)	(6)	(2)	
Normalised operating (loss)/profit	(10)	22	39	39	386	288	23	19	7	9	445	377	-	-	(5)	(2)	440	375	
Normalised investment income	-	-	-	-	1	1	5	4	4	(2)	10	3	1	2	82	99	93	104	
Normalised finance cost	(8)	(10)	-	-	-	-	(2)	-	(1)	(2)	(11)	(12)	-	-	(20)	(17)	(31)	(29)	
Normalised (loss)/profit before taxation	(18)	12	39	39	387	289	26	23	10	5	444	368	1	2	57	80	502	450	
Normalised income tax expense	5	(3)	(11)	(11)	(109)	(80)	(8)	(6)	(3)	(1)	(126)	(101)	-	(1)	(16)	(22)	(142)	(124)	
Normalised (loss)/profit for the period from continuing operations	(13)	9	28	28	278	209	18	17	7	4	318	267	1	1	41	58	360	326	
Discontinued operations																			
Normalised profit/(loss) from discontinued operations (net of tax)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89	(4)	89	(4)	
Normalised (loss)/profit for the period	(13)	9	28	28	278	209	18	17	7	4	318	267	1	1	130	54	449	322	
Normalised adjustments																			
Accounting for property leases	-	(1)	-	-	-	-	-	-	(1)	(2)	(1)	(3)	-	-	(12)	60	(13)	57	
Amortisation of intangible assets arising from the 2007 private equity business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7)	(7)	(7)	(7)	
Professional indemnity insurance cell-captive result	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14)	6	(14)	6	
Investment income on behalf of policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	9	22	9	
Tax effects on normalised adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13)	(24)	(13)	(24)	
(Loss)/profit for the period	(13)	8	28	28	278	209	18	17	6	2	317	264	1	1	106	98	424	363	
Normalised basic earnings per share (cents)																		35.2	25.0
Normalised headline earnings per share (cents)																		35.2	25.0
Normalised weighted average number of shares in issue (millions)																		1 259	1 243

Annexures continued

Disaggregation of revenue

For the six months ended 30 September 2025

Rm	Retirement consulting		Healthcare consulting		Investments		Individual consulting		Multinational consulting		Group total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue by type												
Consulting and advice fees	138	114	40	42	19	18	392	345	101	89	690	608
Administration fees	501	494	2	2	–	–	21	19	88	82	612	597
Commission	51	46	142	144	–	–	–	–	10	9	203	199
Investment management fees	–	–	–	–	1 451	1 288	–	–	27	20	1 478	1 308
Technology services fees	27	34	–	–	–	–	–	–	–	–	27	34
Total	717	688	184	188	1 470	1 306	413	364	226	200	3 010	2 746
Revenue by region												
South Africa	708	678	184	188	1 470	1 306	413	364	–	–	2 775	2 536
Namibia	3	3	–	–	–	–	–	–	79	71	82	74
Botswana	–	1	–	–	–	–	–	–	87	80	87	81
Jersey and Channel Islands	–	–	–	–	–	–	–	–	50	38	50	38
Other	6	6	–	–	–	–	–	–	10	11	16	17
Total	717	688	184	188	1 470	1 306	413	364	226	200	3 010	2 746
Timing of revenue recognition												
Products transferred at a point in time	77	89	1	2	–	–	37	28	–	3	115	122
Services transferred over time	640	599	183	186	1 470	1 306	376	336	226	197	2 895	2 624
Total	717	688	184	188	1 470	1 306	413	364	226	200	3 010	2 746

Corporate information



Forward-looking statements

This report contains certain unaudited forward-looking statements and targets. These, by their nature, involve risk and uncertainty as they relate to future events and may be influenced by factors outside the group's control. There are various factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. We cannot guarantee that any forward-looking statements will materialise, and accordingly readers are cautioned not to place undue reliance on any forward-looking statements. Alexforbes disclaims any intention and assumes no responsibility or obligation to update or revise any forward-looking statements, even if new information becomes available as a result of future events or for any other reason, other than as is required by the JSE Listings Requirements.

Alexander Forbes Group Holdings Limited

Registration number: 2006/025226/06
 Tax reference number: 9404/921/15/8
 JSE share code: AFH
 ISIN: ZAE000191516
 (Incorporated in the Republic of South Africa)

Independent directors

Kuseni Dlamini (Chair), Andile Mazwai, Ndumi Ketwa, Nosipho Molope, Robert Roux

Non-executive directors

Marinda Dippenaar, Gary Herbert, Amy Tedesco, Trurman Zuma

Executive directors

Dawie de Villiers (Chief executive officer)
 Bruce Bydawell (Chief financial officer)

Executive: Chief governance, risk and compliance officer (Group company secretary)

Carina Wessels

Investor relations

Zakira Amra

Registered office

Alexforbes, 115 West Street, Sandown, 2196

Transfer secretaries

JSE Investor Services (Pty) Limited, One Exchange Square,
 2 Gwen Lane, Sandown, Sandton, 2196

P.O. Box 4844, Johannesburg, 2000

Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)
 1 Merchant Place, corner of Fredman Drive and Rivonia Road, Sandton, 2196

www.alexforbes.com

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