

PSG GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1970/008484/06)

JSE Limited ("JSE") share code: PSG

ISIN code: ZAE000013017

LEI code: 378900CD0BEE79F35A34

("PSG Group" or "the company")



PSG GROUP LIMITED

REVIEWED FINANCIAL RESULTS AND FINAL DIVIDEND DECLARATION FOR THE YEAR ENDED 29 FEBRUARY 2020

1. FINANCIAL RESULTS – SALIENT FEATURES

Recurring earnings per share increased by 18% to R12.81 (2019: R10.86).

Headline earnings per share increased by 17% to R11.84 (2019: R10.11).

Attributable earnings per share increased by 27% to R11.29 (2019: R8.88).

As a result of Capitec not declaring a final dividend for the year ended 29 February 2020, in line with the SA Reserve Bank's guidance to banks, the PSG Group dividend per share for the year under review decreased by 48% to R2.39 (2019: R4.56).

At 29 February 2020, the sum-of-the-parts value per share was R276.43 (28 February 2019: R311.45), whilst at 17 April 2020 it was R211.18.

2. DIVIDEND DECLARATION**PSG Group's dividend policy**

PSG Group's policy remains to pay up to 100% of available free cash flow as an ordinary dividend, of which approximately one third is payable as an interim and the balance as a final dividend at year-end.

Capitec Bank Holdings Limited ("Capitec") dividend

Capitec's ordinary dividend policy is to pay 40% of headline earnings. However, the SA Reserve Bank published Guidance Note 4/2020 on 6 April 2020 directing banks to act prudently in preserving capital in the absence of appropriate factual information to determine the full impact of the COVID-19 pandemic on the SA economy. The Guidance Note communicated a clear expectation that banks should not declare ordinary dividends for the time being. Although Capitec's capital base and liquidity ratios remain strong, the Capitec board in support of the SA Reserve Bank's guidance decided against the declaration of a final ordinary dividend for the financial year ended 29 February 2020. This preserved in excess of R1.5bn capital for Capitec.

PSG Group dividend

In the absence of aforementioned Capitec dividend, PSG Group's available free cash flow to pay as an ordinary dividend for the financial year under review is much lower than originally anticipated.

The directors have consequently resolved to declare a final gross dividend of 75 cents (2019: 304 cents) per share from income reserves for a total gross dividend of 239 cents (2019: 456 cents) per share in respect of the year ended 29 February 2020.

The final dividend amount, net of South African dividend tax of 20%, is 60 cents per share for those shareholders that are not exempt from dividend tax or are not entitled to a reduced rate in terms of the applicable double-tax agreement. The number of ordinary

shares in issue at the declaration date is 232 163 254, and the income tax number of the company is 9950080714.

The salient dates for this dividend distribution are:

Last day to trade cum dividend	Tuesday, 12 May 2020
Trading ex-dividend commences	Wednesday, 13 May 2020
Record date	Friday, 15 May 2020
Payment date	Monday, 18 May 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 May 2020, and Friday, 15 May 2020, both days inclusive.

3. SHORT-FORM ANNOUNCEMENT

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

<https://senspdf.jse.co.za/documents/2020/JSE/ISSE/PSG/PSGFY20.pdf>

The full announcement is also available for viewing on the company's website at <http://www.psggroup.co.za/ReviewedResultsFeb2020.pdf>. In addition, electronic copies of the full announcement may be requested and obtained, at no charge, from the company at cosec@psggroup.co.za or from the company's sponsor, PSG Capital.

Any investment decisions should be based on consideration of the full announcement.

The company has based this short-form announcement on the financial results for the year ended 29 February 2020, which have been reviewed by the company's auditor, PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion thereon.

4. RESULTS PRESENTATION

Shareholders are invited to view PSG Group's year-end results presentation to be broadcasted on Youtube at 09:00 am SAST on Thursday, 23 April 2020.

Presentation details:

- View and listen mode;
- Link: <https://www.youtube.com/watch?v=XHI0C-tMyGI>;
- Presentation slides will be made available on PSG Group's website shortly before the live broadcast of the presentation.

Questions and Answers facility:

- Q&A facility will be available during the presentation;
- Questions may be e-mailed during the presentation to: questions@psggroup.co.za.

Stellenbosch
23 April 2020

Sponsor
PSG Capital



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