

**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

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**REVIEWED FINANCIAL RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2021**

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**1. SALIENT FEATURES**

- At 28 February 2021, the –
  - Net asset value per share was R91,76, representing an increase of 4,9% when compared to the R87,49 as at 29 February 2020; and
  - Sum-of-the-parts ("SOTP") value per share was R94,24, representing a decrease of 0.2% when compared to the R94,44 per share as at 29 February 2020 if the unbundled Capitec Bank Holdings Ltd ("Capitec") shares, as contained in PSG Group's SOTP value at its ruling market value as at 29 February 2020, are excluded therefrom at such date for comparative purposes.
- At 16 April 2021, the SOTP value per share was R102.39.

**2. CHANGE IN INVESTMENT ENTITY STATUS AND EARNINGS**

International Financial Reporting Standards ("IFRS") require that an entity reassess whether it is an Investment Entity if facts or circumstances indicate changes to one or more of the elements making up the definition of an Investment Entity or the typical characteristics of an Investment Entity.

Whilst PSG Group's focus on value creation for its shareholders has not changed, the major corporate action detailed in the full announcement has necessitated PSG Group to reassess its Investment Entity status in terms of IFRS, whereby it was determined that it became an Investment Entity with effect from 1 March 2020. The performance of its remaining investment portfolio is accordingly measured with reference to the fair value of each investment (i.e. SOTP value) rather than the consolidated profitability of PSG Group (i.e. recurring earnings) with effect from 1 March 2020 in PSG Group's strive to meet its objective of value creation through capital appreciation, investment income or both.

Where an entity's status change to that of an Investment Entity, it does not consolidate its subsidiaries, but rather measures subsidiaries at fair value through profit or loss. Such change in accounting is applied prospectively, with no adjustment to prior year comparatives. However, an Investment Entity continues to consolidate subsidiaries that provide services related to the Investment Entity's investment activities (i.e. those wholly-owned subsidiaries comprising PSG Group's head office operations).

Pursuant to the aforementioned change in Investment Entity status, PSG Group's financial statements for the year ended 28 February 2021, prepared in accordance with IFRS, are not comparable to prior years. For the year under review, PSG Group reported earnings per share of R139,08 (2020: R11,29) and headline earnings per share of R4,81 (2020: R11,84).

### 3. REPURCHASE OF PSG FINANCIAL SERVICES LIMITED'S ("PSGFS") JSE-LISTED CUMULATIVE, NON-REDEEMABLE, NON-PARTICIPATING PREFERENCE SHARES ("PREFERENCE SHARES")

PSG Group shareholders are advised to take note of the announcement released on SENS on Tuesday, 20 April 2021 (<https://www.psggroup.co.za/PSLTA.pdf>) whereby the board of PSGFS has resolved to make an offer to repurchase and delist all the Preference Shares in issue at a clean (i.e. excluding the accrued preference dividend) price of R81 per share, equating to a total cash consideration of R1.41bn, in terms of a scheme of arrangement. Subject to shareholder and regulatory approval, it is envisaged that the repurchase will be implemented in the next three months.

### 4. SHORT-FORM ANNOUNCEMENT

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

<https://senspdf.jse.co.za/documents/2021/JSE/ISSE/PSG/PSGFY21.pdf>

The full announcement is also available for viewing on the Company's website at <https://www.psggroup.co.za/ReviewedResultsFeb2021.pdf> or may be requested and obtained in person, at no charge, at the registered office of the Company or the Company's sponsor during office hours.

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 28 February 2021, which have been reviewed by the Company's auditor, PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion thereon.

### 5. RESULTS PRESENTATION

Shareholders are invited to join the results presentation to be broadcast on YouTube at 10h00 SAST on Tuesday, 20 April 2021.

Presentation details:

- View and listen mode;
- Link: [https://youtu.be/s7\\_kVDmcJhs](https://youtu.be/s7_kVDmcJhs);
- Presentation slides will be made available on PSG Group's website shortly before the live broadcast of the results presentation;
- Questions may be e-mailed prior to and during the presentation to: [questions@psggroup.co.za](mailto:questions@psggroup.co.za).

Stellenbosch  
20 April 2021

Sponsor  
PSG Capital



PSG CAPITAL

Independent joint sponsor  
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