



PSG GROUP LIMITED

UNAUDITED
RESULTS
FOR THE SIX MONTHS
ENDED 31 AUGUST 2020

HIGHLIGHTS

- **Sum-of-the-parts value of R82,80 per share as at 9 October 2020**
- **Ad hoc interim dividend of R1,64 per share**

OVERVIEW

PSG Group Ltd ("PSG Group" or "PSG" or "the Company") is an investment holding company consisting of underlying investments that operate across a diverse range of industries, which include financial services, banking, education and food and related business, as well as early-stage investments in select growth sectors.

PSG's objective remains to create long-term wealth for its shareholders through capital appreciation, investment income or both, and accordingly the key benchmark used by PSG to measure performance is its *sum-of-the-parts* ("SOTP") value per share.

MAJOR CORPORATE ACTION

During the period under review, the following major corporate action was undertaken:

- On 30 July 2020, PSG shareholders approved the unbundling of an effective 30,5m shares (or 26,4% of the 30,7% interest held) in Capitec, whereby significant value was unlocked for PSG shareholders. The unbundled Capitec shares at market value on such date represented R132,37 per PSG share. PSG retained the balance of 4,3% in Capitec for liquidity purposes and to bolster its balance sheet.
- PSG disposed of 1,7m shares (or 1,5%) in Capitec for R1,5bn cash.
- PSG received a special dividend of R1,7bn cash pursuant to Zeder's disposal of its investment in Pioneer Foods.
- PSG settled all its outstanding redeemable debt amounting to R1bn.

SOTP

The calculation of PSG's SOTP value requires limited subjectivity as more than 75% of the value is calculated using exchange-listed share prices, while other investments are included at internal valuations, of which more detail is available at www.psggroup.co.za/sotp. At 31 August 2020, the SOTP value per PSG share was R75,86, representing a decrease of 20% when compared to the R94,44 per share as at 29 February 2020 if the aforementioned unbundled Capitec shares are excluded from PSG's SOTP value at such date for comparative purposes. The decrease in PSG's SOTP value per share is indicative of depressed equity markets and the challenging trading conditions brought about by the COVID-19 pandemic and associated national lockdown. At 9 October 2020, the SOTP value per PSG share was R82,80.

Asset/(liability)	28 Feb 2019 Rm	29 Feb 2020 Rm	31 Aug 2020 Rm	9 Oct 2020 Rm	Share of total
PSG Konsult*	8 700	6 399	5 768	6 391	34%
Capitec*	46 351	46 130	2 702	3 214	17%
Curro*	5 714	2 604	1 872	3 211	17%
Zeder*	3 166	3 173	1 796	1 826	10%
PSG Alpha	4 712	3 618	3 497	3 525	19%
CA&S**	1 075	1 130	1 180	1 191	
Evergreen^	832	975	921	921	
Stadio*	1 277	662	542	582	
Optimi^	447	305	187	187	
Energy Partners^	572	118	266	277	
Other investments^	599	499	470	436	
<i>Less: Minority shareholding held by PSG Alpha management</i>	(90)	(71)	(69)	(69)	
Dipeo^					
Other net assets	1 702	879	1 842	797	3%
Cash^^	323	187	1 915	943	
Pref investments and loans receivable^^	1 297	542	448	549	
Other^^+	82	150	(521)	(695)	
Total assets	70 345	62 803	17 477	18 964	100%
Perpetual pref funding*	(1 367)	(1 463)	(1 093)	(1 080)	
Other debt^^	(1 020)	(1 020)			
Total SOTP value	67 958	60 320	16 384	17 884	
Shares in issue (net of treasury shares) (m)	218,2	218,2	216,0	216,0	
SOTP value per share (R)	311,45	276,43	75,86	82,80	
Share price (R)	259,78	186,60	45,00	47,06	

* Listed on the Johannesburg Stock Exchange ("JSE") ** Listed on the Botswana Stock Exchange ("BSE")

^ Internal valuation ^^ Carrying value

+ The 31 Aug 2020 and 9 Oct 2020 balances include a capital gains tax liability in respect of the Capitec shares disposed of and the retained Capitec interest.

Note: PSG's live SOTP containing further information is available at www.psggroup.co.za

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's focus on value creation for its shareholders has not changed, the aforementioned major corporate action has necessitated PSG 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 (i.e. *recurring earnings*) with effect from 1 March 2020 in PSG'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's head office operations).

Pursuant to the aforementioned change in Investment Entity status, PSG's financial statements prepared in accordance with IFRS are not comparable to prior periods. For the period under review, PSG reported earnings per share of R118,62 (2019: R6,39) and a headline loss per share of R14,14 (2019: earnings of R5,68). The headline loss per share is representative of mainly the decrease in the share prices of PSG's listed investments, while the earnings per share included a significant non-headline gain to the extent that the fair value of the unbundled Capitec interest exceeded its accounting carrying value as a non-current asset held for sale on the date of unbundling, being 30 July 2020 when PSG shareholder approval was obtained.

PSG KONSULT (60,6%)

PSG Konsult is a financial services company focused on providing wealth management, asset management and insurance solutions to clients.

It reported a 7% increase in *recurring headline earnings* per share for the period under review following strong performance from the Wealth and Insure divisions.

During the period under review, PSG accounted for a fair value loss of R631m following a decline in PSG Konsult's listed share price since 29 February 2020, and earned dividend income of R122m in respect of its investment in PSG Konsult.

PSG Konsult has its primary listing on the JSE, with secondary listings on the Namibian Stock Exchange and Mauritian Stock Exchange, and its comprehensive results are available at www.psg.co.za.

CAPITEC (2,8%)

Capitec is a South African retail bank focused on delivering simplified and affordable banking solutions.

It reported a 78% decrease in *headline earnings* per share for the period under review following an increase in expected credit losses and decreased trading activity with consumer liquidity constrained pursuant to the COVID-19-induced national lockdown and current state of the economy.

During the period under review, PSG accounted for a fair value loss of R2,3bn in respect of its retained interest in Capitec following a decline in its listed share price since 29 February 2020.

Capitec is listed on the JSE and its comprehensive results are available at www.capitecbank.co.za.

CURRO (55,4%)

Curro is the largest provider of private school education in Southern Africa.

It reported a 9% increase in *recurring headline earnings* per share for its six months ended 30 June 2020.

During the period under review, PSG accounted for a fair value loss of R732m following a decline in Curro's listed share price since 29 February 2020, and earned dividend income of R23m in respect of its investment in Curro.

Subsequent to the reporting date, PSG Group increased its interest in Curro to 60% as detailed in note 4.

Curro is listed on the JSE and its comprehensive results are available at www.curro.co.za.

ZEDER (46,8%)

Zeder is an investor in the broad agribusiness industry.

During the period under review, PSG accounted for a fair value loss of R1,4bn following a decline in Zeder's listed share price since 29 February 2020 after it paid a special dividend pursuant to its disposal of Pioneer Foods, with PSG having received R1,7bn cash.

Zeder is listed on the JSE and its comprehensive results are available at www.zeder.co.za.

PSG ALPHA (98,1%)

PSG Alpha serves as incubator to identify and help build the businesses of tomorrow. Its major investments as at 31 August 2020 included shareholdings in CA&S (FMCG distribution – 47,3%), Evergreen (developer and operator of retirement lifestyle villages - 50%), Stadio (private higher education – 44,4%), Optimi (innovative and accessible education solutions to schools, tutors, parents and learners - 86,2%) and Energy Partners (manufacturer, owner and operator of energy assets - 54,1%).

During the period under review, PSG accounted for a fair value loss of R197m in respect of its investment in PSG Alpha following a decline in its SOTP value.

More detail on the valuations of PSG Alpha’s investments is available at www.psggroup.co.za/sotp.

DIPEO (49%)

Dipeo, a BEE investment holding company, is 51%-owned by the Dipeo BEE Education Trust of which all beneficiaries are black individuals. The trust will use its share of any value created in Dipeo to fund black students’ education.

Dipeo’s most significant investments as at 31 August 2020 included shareholdings in Curro (5,2%), Stadio (3,4%), Kaap Agri (20%) and Energy Partners (15,7%). The investment in Energy Partners remains subject to a BEE lock-in period.

During the financial year ended 28 February 2019, Dipeo’s *SOTP value* turned negative (i.e. liabilities exceeded assets) following a decline in the value of its listed investments, with a resultant negative impact on PSG Group’s *SOTP value* through reducing its investment in Dipeo to zero and impairing PSG Group’s pref investment in Dipeo to the extent required. During the period under review, PSG recognised a further impairment of R93m, with the accumulated impairment amounting to R960m as at 31 August 2020.

PROSPECTS

Despite obvious challenges, PSG believes its investment portfolio is suitably positioned to capitalise on an improvement in trading conditions. PSG is currently trading at a significant discount to its *SOTP value* per share and will continue with its objective to create wealth for shareholders on a *per share* basis by growing its underlying investments, including unlocking value through reducing the discount to the extent possible over time.

DIVIDEND

Following the aforementioned unbundling of Capitec, PSG’s policy is to pay *ad hoc* dividends as and when circumstances allow. As part of PSG’s objective of continued wealth creation, the directors have resolved to declare an *ad hoc* interim gross dividend of 164 cents (2019: 164 cents) per share from income reserves for the six months ended 31 August 2020.

The *ad hoc* interim dividend amount, net of South African dividend tax of 20%, is 131,2 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 229 936 695, and the income tax number of the Company is 9950080714.

The salient dates for this *ad hoc* dividend distribution are:

Last day to trade cum dividend	Tuesday, 3 November 2020
Trading ex-dividend commences	Wednesday, 4 November 2020
Record date	Friday, 6 November 2020
Payment date	Monday, 9 November 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 4 November 2020 and Friday, 6 November 2020, both days inclusive.

On behalf of the board



KK COMBI
Chairman



PIET MOUTON
Chief Executive Officer



WYNAND GREEFF
Chief Financial Officer

Stellenbosch
14 October 2020

PSG GROUP LTD: Registration number: 1970/008484/06;
JSE share code: PSG; ISIN code: ZAE000013017; LEI code: 378900CD0BEE79F35A34

DIRECTORS: ZL Combi (Chairman)[^], PE Burton^{^^}, FJ Gouws^{**}, WL Greeff (CFO)^{*}, AM Hlobo[^],
JA Holtzhausen^{*}, B Mathews[^], JJ Mouton^{**}, PJ Mouton (CEO)^{*}, CA Otto[^]
** Executive ** Non-executive ^ Independent non-executive ^^ Lead independent*

COMPANY SECRETARY AND REGISTERED OFFICE: PSG Corporate Services (Pty) Ltd, First Floor Ou Kollege Building,
35 Kerk Street, Stellenbosch, 7600; PO Box 7403, Stellenbosch, 7599

TRANSFER SECRETARY: Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196;
Private Bag X9000, Saxonwold, 2132

SPONSOR: PSG Capital (Pty) Ltd

INDEPENDENT JOINT SPONSOR: UBS South Africa (Pty) Ltd

AUDITOR: PricewaterhouseCoopers Inc

DATE OF ANNOUNCEMENT: 15 October 2020

INTRODUCTION TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Basis of presentation and accounting policies

These summary (i.e. condensed) interim consolidated financial statements are prepared in accordance with the requirements of the Companies Act of South Africa and the JSE Listings Requirements for interim reports. The JSE Listings Requirements require interim reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of these summary interim consolidated financial statements are in terms of IFRS; however, the accounting policies applied are materially different from those previously applied as detailed below.

In preparing these summary interim consolidated financial statements, the significant judgements made by management in applying the group's accounting policies related mainly to the fair value of unlisted investments as detailed in Annexure A.

Application of the Investment Entity exception in terms of IFRS 10 Consolidated Financial Statements

Change in Investment Entity status

An Investment Entity is typically an entity that i) obtains funds from one or more investors for the purpose of providing such investor(s) with investment management services, ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

IFRS 10 lists typical characteristics of an Investment Entity as i) it has more than one investment, ii) it has more than one investor, iii) it has investors that are not related parties of the entity, and iv) it has ownership interests in the form of equity or similar interests. PSG Group strongly exhibits all of these characteristics.

During the period under review, PSG Group undertook the following major corporate actions, which significantly impacted the group's composition and focus areas:

- PSG Group, through Zeder, a subsidiary in terms of IFRS 10, disposed of its entire investment in Pioneer Foods, being the second largest associate of the group, for R6,4bn cash ("Pioneer Foods Disposal");
- PSG Group disposed of 1,7m shares (or 1,5%) in Capitec, its largest associate and asset, for R1,5bn cash; and
- PSG Group subsequently unbundled a further 30,5m shares (or 26,4%) in Capitec ("Capitec Unbundling"), thereby retaining a 2,8% shareholding for liquidity purposes. Such unbundling unlocked significant value for PSG Group ordinary shareholders.

PSG Group's investment in Capitec represented more than 65% of its total asset portfolio prior to aforementioned unbundling, whereas the investments in Pioneer Foods and Capitec contributed approximately 75% to PSG Group's consolidated *recurring earnings* for the year ended 29 February 2020. Whilst PSG Group's focus on value creation for its shareholders has not changed, the aforementioned disposals and unbundling have necessitated PSG Group to reassess its Investment Entity status in terms of IFRS 10. The performance of its remaining investment portfolio is accordingly measured with reference to the fair value of each investment (i.e. *sum-of-the-parts* ("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. Fair value (i.e. *SOTP value*) is ultimately dependent on a range of factors such as the investee's market rating, growth prospects, operational performance, profitability and marketability.

Accounting treatment for an Investment Entity

IFRS 10 contains special accounting requirements for an Investment Entity. Where an entity meets the definition of an Investment Entity, it does not consolidate its subsidiaries, but rather measure subsidiaries at fair value through profit or loss ("FVTPL"). However, an Investment Entity is still required 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).

IFRS 10 requires a parent that becomes an Investment Entity to account for the change in its status prospectively from the date at which the change in status occurred. Having considered various factors, including the timelines and decision making processes leading up to aforementioned disposals and unbundling, PSG Group's application of the Investment Entity exception is effective from 1 March 2020. Accordingly, on such date the group's existing subsidiaries (other than aforementioned wholly-owned head office subsidiaries providing investment activities to PSG Group) were deemed to be disposed of and re-acquired at fair value, with the resultant gain or loss being recognised as *non-headline* in the income statement. Such investments were subsequently measured at FVTPL for the entire period under review.

INTRODUCTION TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

Discontinued operations

Pioneer Foods Disposal

As at 29 February 2020, PSG Group, through its subsidiary Zeder, classified its investment in Pioneer Foods, an associate, as a non-current asset held for sale and discontinued operation in its consolidated financial statements. Accordingly, PSG Group's consolidated income statement for the six months ended 31 August 2019 have been re-presented to disclose the contribution from the investment in Pioneer Foods as a discontinued operation.

Capitec Unbundling

With effect from 1 March 2020, PSG Group classified the portion of its associate interest in Capitec being subject to unbundling as a non-current asset held for sale and discontinued operation. PSG Group simultaneously transferred its retained equity security interest in Capitec that would not be unbundled to investments at FVTPL and continued to measure it at FVTPL throughout the period under review. Profit or losses resulting from PSG Group's shareholding in Capitec forming part of the Capitec Unbundling were disclosed as a discontinued operation in PSG Group's consolidated income statement for all periods presented, irrespective of such investment being equity accounted during the comparative periods.

Preparation

These summary interim consolidated financial statements were compiled under the supervision of the group chief financial officer, Mr WL Greeff, CA (SA), and were not reviewed or audited by PSG Group's auditor, PricewaterhouseCoopers Inc. Any reference to future financial performance included in this announcement, has also not been reviewed or reported on by the company's auditor.

Linked investment contracts, consolidated mutual funds and other client-related balances ("client-related balances")

The differentiation between own and client-related balances is with effect from 1 March 2020 no longer relevant as a result of the aforementioned change in status to that of an Investment Entity, with PSG Konsult having been deconsolidated and PSG Group's interest therein being accounted for since at FVTPL.

Prior to applying the Investment Entity exception, client-related balances previously resulted in assets and liabilities of equal value being recognised in the consolidated statement of financial position, although not directly related to PSG Group shareholders. These balances mainly stemmed from:

- PSG Life (an existing subsidiary of PSG Konsult) issuing linked investment contracts to clients in terms of which the value of policy benefits payable (included under "investment contract liabilities") is directly linked to the fair value of the supporting assets, with the group not being exposed to the financial risks associated with such assets and liabilities.
- The group consolidating mutual funds deemed to be controlled in terms of IFRS 10, with the group's own investments in such mutual funds having been derecognised and all the funds' underlying assets having been recognised. Third parties' funds invested in the respective mutual funds were recognised as a payable and included under "third-party liabilities arising on consolidation of mutual funds", with the group thus not being exposed to the financial risks associated with the assets and liabilities attributable to third parties.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited			Audited			
	Aug 20 Rm	Own balances Rm	Aug 19 Client- related balances Rm	Total Rm	Feb 20 Own balances Rm	Client- related balances Rm	Total Rm
Assets							
Investments at FVTPL (note 1.1)	15 635			–			–
Property, plant and equipment	56	11 367		11 367	12 117		12 117
Right-of-use assets	1	1 113		1 113	1 107		1 107
Intangible assets		4 550		4 550	4 483		4 483
Investment in ordinary shares of associates		16 266		16 266	10 672		10 672
Investment in preference shares of/ loans granted to associates		186		186	42		42
Investment in ordinary shares of joint ventures		918		918	986		986
Loans granted to joint ventures		20		20	35		35
Employee benefit assets		41		41	42		42
Unit-linked investments		680	48 516	49 196	682	49 722	50 404
Equity securities		472	2 366	2 838	411	2 209	2 620
Debt securities (note 1.3)	478	1 791	5 055	6 846	1 847	4 365	6 212
Deferred income tax assets	15	489		489	469		469
Biological assets		506		506	585		585
Investment in investment contracts			17	17		16	16
Loans and advances	86	386		386	330		330
Trade and other receivables	86	3 378	1 780	5 158	4 261	1 740	6 001
Derivative financial assets			15	15	1	23	24
Inventory		1 720		1 720	2 038		2 038
Current income tax assets		119		119	39		39
Reinsurance assets		171		171	134		134
Cash and cash equivalents	1 915	1 585	201	1 786	1 723	254	1 977
Assets held for sale		28		28	5 520		5 520
Total assets	18 272	45 786	57 950	103 736	47 524	58 329	105 853
Equity							
Ordinary shareholders' equity	15 826	18 602		18 602	19 083		19 083
Non-controlling interests	1 563	11 913		11 913	11 843		11 843
Total equity	17 389	30 515	–	30 515	30 926	–	30 926
Liabilities							
Insurance contracts		601		601	554		554
Investment contract liabilities			26 574	26 574		26 694	26 694
Third-party liabilities arising on consolidation of mutual funds			29 603	29 603		29 999	29 999
Deferred income tax liabilities	563	945		945	975		975
Borrowings		8 803		8 803	9 094		9 094
Lease liabilities	2	1 433		1 433	1 453		1 453
Derivative financial liabilities	53	87	18	105	87	30	117
Employee benefit liabilities	27	489		489	598		598
Trade and other payables	29	2 840	1 755	4 595	3 679	1 606	5 285
Loans payable*	116			–			–
Reinsurance liabilities		6		6	7		7
Current income tax liabilities	93	67		67	135		135
Liabilities held for sale				–	16		16
Total liabilities	883	15 271	57 950	73 221	16 598	58 329	74 927
Total equity and liabilities	18 272	45 786	57 950	103 736	47 524	58 329	105 853
SOTP value per share (R)**	75,86	259,56			276,43		
Net asset value per share (R)**	73,27	85,27			87,49		
Net tangible asset value per share (R)	73,27	64,41			66,94		

* Balance as at 31 August 2020 includes loans payable to subsidiaries and head office-administered Black-Economic Empowerment Trusts not consolidated.

** Following the change in Investment Entity status, PSG Group's net asset value per share is now similar to its SOTP value per share, apart from, mainly, the difference in treatment of PSG Financial Services Limited's JSE-listed cumulative, non-redeemable, non-participating preference shares.

SUMMARY CONSOLIDATED INCOME STATEMENT

	Unaudited 6 months			Audited 12 months			
	Aug 20 Rm	Own balances Rm	Aug 19* Client- related balances Rm	Total Rm	Own balances Rm	Feb 20* Client- related balances Rm	Total Rm
CONTINUING OPERATIONS							
Fair value losses on investments at FVTPL (note 1.1)	(5 191)			–			–
Revenue from sale of goods		5 999		5 999	13 502		13 502
Cost of goods sold		(4 973)		(4 973)	(11 339)		(11 339)
Gross profit from sale of goods	–	1 026	–	1 026	2 163	–	2 163
Revenue earned from commission, school, net insurance and other fee income** ^	35	4 902	(39)	4 863	10 936	(75)	10 861
Fair value adjustments and other income							
Gain upon deemed disposal and reacquisition of subsidiaries at fair value (note 1.1)	3 945			–			–
Changes in fair value of biological assets		37		37	225		225
Investment income (note 1.1)	1 930	212	946	1 158	427	1 964	2 391
Fair value (losses)/gains	(18)	(40)	370	330	3	(125)	(122)
Fair value adjustment to investment contract liabilities			(397)	(397)		(507)	(507)
Fair value adjustment to third-party liabilities arising on consolidation of mutual funds			(890)	(890)		(1 270)	(1 270)
Other operating income		127		127	314		314
	5 857	336	29	365	969	62	1 031
Expenses							
Insurance claims and loss adjustments, net of recoveries		(328)		(328)	(663)		(663)
Impairment loss on debt securities (note 1.3)	(93)			–			–
Marketing, administration, impairment losses and other expenses**	(67)	(5 197)	23	(5 174)	(11 576)	47	(11 529)
	(160)	(5 525)	23	(5 502)	(12 239)	47	(12 192)
Net income from associates and joint ventures							
Share of profits of associates and joint ventures		370		370	648		648
Loss on impairment of associates		(47)		(47)	(323)		(323)
Profit on sale/dilution of interest in associates (note 1.2)	5 158	(12)		(12)	130		130
	5 158	311	–	311	455	–	455
Profit before finance costs and taxation	5 699	1 050	13	1 063	2 284	34	2 318
Finance costs	(128)	(416)		(416)	(889)		(889)
Profit before taxation	5 571	634	13	647	1 395	34	1 429
Taxation^^	(730)	(91)	(13)	(104)	(491)	(34)	(525)
Profit for the period from continuing operations	4 841	543	–	543	904	–	904

SUMMARY CONSOLIDATED INCOME STATEMENT *(continued)*

	Unaudited 6 months				Audited 12 months		
	Aug 20 Rm	Own balances Rm	Aug 19* Client- related balances Rm	Total Rm	Own balances Rm	Feb 20* Client- related balances Rm	Total Rm
DISCONTINUED OPERATIONS							
Profit for the period from discontinued operations	21 088	1 429	–	1 429	2 454	–	2 454
Gain upon unbundling of Capitec interest at fair value (note 1.2)	21 099			–			–
Capitec Unbundling transaction costs	(11)			–			–
Share of profit of associate		893		893	1 923		1 923
Reversal of impairment of associate		617		617	617		617
Loss on dilution of interest in associate		(81)		(81)	(86)		(86)
Profit for the period	25 929	1 972	–	1 972	3 358	–	3 358
Attributable to:							
Owners of the parent	25 872	1 395			2 462		
Continuing operations	4 784	331			453		
Discontinued operations	21 088	1 064			2 009		
Non-controlling interests	57	577			896		
	25 929	1 972			3 358		

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

** Fee income and operating costs pertaining to the wholly-owned head office subsidiaries providing investment services to PSG Group.

^ In respect of the period ended 31 August 2019, the line item wording has been amended and the amount reported has been re-presented higher up on the summary consolidated income statement being representative of the group's revenue-producing activities, with no change to the previously reported amount.

^^ Comprises the capital gains tax in respect of i) the aforementioned 1,7m Capitec shares sold and ii) the remaining 2,8% Capitec shareholding retained.

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 6 months		Audited 12 months
	Aug 20 Rm	Aug 19* Rm	Feb 20* Rm
Profit for the period	25 929	1 972	3 358
Other comprehensive loss for the period, net of taxation	–	(90)	(432)
Items that may be subsequently reclassified to profit or loss			
Currency translation adjustments		(122)	(181)
Cash flow hedges		(12)	(13)
Share of other comprehensive income/(losses) and equity movements of associates		49	(238)
Items that may not be subsequently reclassified to profit or loss			
Losses from changes in financial and demographic assumptions of post-employment benefit obligations		(5)	
Total comprehensive income for the period	25 929	1 882	2 926
Attributable to:			
Owners of the parent	25 872	1 346	2 263
Continuing operations	4 784	1 345	2 411
Discontinued operations	21 088	1	(148)
Non-controlling interests	57	536	663
	25 929	1 882	2 926

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited 6 months		Audited 12 months
	Aug 20 Rm	Aug 19 Rm	Feb 20 Rm
Ordinary shareholders' equity at beginning of the period	19 083	18 012	18 012
Total comprehensive income	25 872	1 346	2 263
(Share buy-back)/issue of shares*	(100)	15	15
Share-based payment costs - employees	17	33	80
Treasury shares released/(acquired)	7		(11)
Transactions with non-controlling interests	(5)	(141)	(255)
Dividends paid	(164)	(663)	(1 021)
Capitec Unbundling (note 1.2)	(28 884)		
Ordinary shareholders' equity at end of the period	15 826	18 602	19 083
Non-controlling interests at beginning of the period	11 843	11 643	11 643
Total comprehensive income	57	536	663
Subsidiaries deconsolidated upon change in status to that of an Investment Entity	(10 265)		
Issue of shares		31	20
Share-based payment costs - employees		16	48
Subsidiaries acquired			66
Subsidiaries sold			(2)
Transactions with non-controlling interests		10	(142)
Dividends paid	(72)	(323)	(453)
Non-controlling interests at end of the period	1 563	11 913	11 843
Total equity	17 389	30 515	30 926

* During the period under review, PSG Group repurchased 2 226 559 shares at an average price of R44,93 per share (including costs).

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 6 months				Audited 12 months		
	Aug 20 Rm	Own balances Rm	Aug 19* Client- related balances Rm	Total Rm	Own balances Rm	Feb 20* Client- related balances Rm	Total Rm
Net cash flow from operating activities	1 694	1 026	21	1 047	2 198	74	2 272
Cash generated from/(utilised by) operations (note 3)	10	969	(948)	21	2 184	(1 922)	262
Interest received	38	179	662	841	352	1 360	1 712
Dividends received (notes 1.1 and 1.3)							
Continuing operations	1 887	116	307	423	223	643	866
Discontinued operations		403		403	762		762
Finance costs paid	(148)	(404)		(404)	(840)		(840)
Taxation paid	(93)	(237)		(237)	(483)	(7)	(490)
Net cash flow from investing activities	956	(1 063)	–	(1 063)	(1 461)	–	(1 461)
Cash and cash equivalents deconsolidated upon change in status to that of an Investment Entity	(409)			–			–
Additions to investments at FVTPL (note 1.1)	(76)			–			–
Disposals of investments at FVTPL (note 1.1)	1 460			–			–
Cash flow from subsidiaries acquired		(34)		(34)	(235)		(235)
Cash flow from subsidiaries sold				–	54		54
Acquisition of ordinary shares in associates and joint ventures		(433)		(433)	(515)		(515)
Acquisition of property, plant and equipment		(656)		(656)	(1 672)		(1 672)
Other investing activities	(19)	60		60	907		907
Net cash flow from financing activities	(1 330)	(256)	(100)	(356)	(800)	(100)	(900)
Dividends paid to:							
PSG Group shareholders	(164)	(663)		(663)	(1 021)		(1 021)
PSG Financial Services perpetual preference shareholders and non-controlling interests	(72)	(323)		(323)	(453)		(453)
Borrowings drawn		1 392		1 392	3 165		3 165
Borrowings repaid	(1 000)	(553)	(100)	(653)	(2 057)	(100)	(2 157)
Other financing activities	(94)	(109)		(109)	(434)		(434)
Net increase/(decrease) in cash and cash equivalents	1 320	(293)	(79)	(372)	(63)	(26)	(89)
Exchange losses on cash and cash equivalents				–	(21)		(21)
Cash and cash equivalents at beginning of the period	595	425	280	705	425	280	705
Cash and cash equivalents at end of the period	1 915	132	201	333	341	254	595

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Unaudited								
Reconciliation of investments at FVTPL from 1 Mar 2020 to 31 Aug 2020								
	Carrying value 29 Feb 20 Rm	Gain/(loss) upon deemed disposal and reacquisition of subsidiaries at fair value on 1 Mar 20 Rm	Fair value* 1 Mar 20 Rm	Transfer from investment in associate Rm	Fair value losses Rm	(Disposals)/ additions** Rm	Fair value* 31 Aug 20 Rm	Invest- ment (dividend) income*** Rm
1. Investments								
1.1 Investments at FVTPL								
Capitec			–	6 416	(2 254)	(1 460)	2 702	
PSG Konsult	1 964	4 435	6 399		(631)		5 768	122
Curro	3 034	(430)	2 604		(732)		1 872	23
Zeder	3 517	(344)	3 173		(1 377)		1 796	1 721
PSG Alpha	3 111	507	3 618		(197)	76	3 497	
Other	223	(223)	–				–	
Total		3 945	15 794	6 416	(5 191)	(1 384)	15 635	1 866
Interest income on cash and cash equivalents and loans and advances, as well as preference share dividends accrued on debt securities								64
Total investment income								1 930

* The investments in Capitec, PSG Konsult, Curro and Zeder are valued with reference to their JSE-listed closing share prices, while PSG Alpha's fair value is derived from the valuation of its underlying portfolio of listed and unlisted investments as detailed in Annexure A.

** The disposal of 1,7m Capitec shares during May/June 2020 raised R1 460m in cash, while a further R76m cash was invested in PSG Alpha to support it investing in its portfolio of early-stage investments.

*** The dividends received from PSG Konsult and Curro were paid in the normal course of business, while the dividend received from Zeder was a special dividend paid pursuant to the Pioneer Foods Disposal.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

	Unaudited					Carrying value 31 Aug 20 Rm
	Reconciliation of associate from 29 Feb 2020 to 31 Aug 2020					
	Carrying value 29 Feb 20 Rm	Gain upon remeasuring retained Capitec interest to fair value*	Gain upon unbundling of Capitec interest at fair value	Transfer to invest- ments at FVTPL*	Capitec unbundling at fair value**	
1. Investments <i>(continued)</i>						
1.2 Investment in associate (Capitec)						
Retained Capitec interest (continuing operations)	1 258	5 158		(6 416)		–
Unbundled Capitec interest (discontinued operations)	7 785		21 099		(28 884)	–
Total	9 043	5 158	21 099	(6 416)	(28 884)	–

* This portion of the investment in associate representing the retained approximately 4,9m Capitec shares not forming part of the Capitec Unbundling, and over which significant influence was lost, was transferred to investments at FVTPL at the ruling market price on 1 March 2020, being the date on which the unbundled Capitec interest was reclassified as a non-current asset held for sale.

** Representing approximately 30,5m Capitec shares worth R28 884m at the ruling share price as at 30 July 2020, being the date on which PSG Group shareholder approval for the Capitec Unbundling was obtained, with the required approval of the Prudential Authority having been obtained prior to such date.

1.3 Debt securities

Debt securities as at 31 August 2020 relate to PSG Group's investment in Dipeo redeemable preference shares. Previously, such investment was eliminated upon consolidation of Dipeo (a subsidiary in terms of IFRS 10), with PSG Group accordingly sharing in the underlying assets of Dipeo. However, following the aforementioned change in status to that of an Investment Entity, Dipeo is no longer consolidated and PSG Group had to accordingly reinstate such debt securities and account therefore at amortised cost. Below is a reconciliation of movement in such debt securities balance for the period under review:

	Unaudited Aug 20 Rm
Reinstatement following change in status to that of an Investment Entity (i.e. opening balance net of prior impairment)	567
Cash collected	(21)
Preference share dividends accrued*	25
Impairment loss	(93)
Closing balance**	478

* Preference share dividends are accounted for at the contractual rate of Prime plus 2% on the balance net of impairment losses (i.e. stage 2 under-performing financial asset).

** The carrying value of the debt securities is supported by Dipeo's investment in JSE-listed Curro (5,2%), Stadio (3,4%) and Kaap Agri (20%), as well as in unlisted Energy Partners (15,7%), and accordingly the remaining carrying value is deemed fully recoverable.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

	Unaudited 6 months						Audited 12 months Feb 20*		
	Contin- uing opera- tions Rm	Aug 20 Discon- tinued opera- tions Rm	Total Rm	Contin- uing opera- tions Rm	Aug 19* Discon- tinued opera- tions Rm	Total Rm	Contin- uing opera- tions Rm	Discon- tinued opera- tions Rm	Total Rm
2. Headline earnings and dividend per share									
Profit for the period attributable to owners of the parent	4 784	21 088	25 872	331	1 064	1 395	453	2 009	2 462
Non-headline items	(7 868)	(21 088)	(28 956)	106	(262)	(156)	338	(217)	121
Gross amounts	(9 103)	(21 088)	(30 191)	261	(593)	(332)	598	(503)	95
Gain upon deemed disposal and reacquisition of subsidiaries at fair value (note 1.1)	(3 945)		(3 945)						
Net (profit)/loss on sale/dilution of interest in associates (note 1.2)	(5 158)		(5 158)	12	81	93	(130)	86	(44)
Loss on/(reversal of) impairment of associates				47	(617)	(570)	323	(617)	(294)
Gain upon unbundling of Capitec interest at fair value (note 1.2)		(21 099)	(21 099)						
Capitec Unbundling transaction costs		11	11						
Profit from subsidiaries sold				(11)		(11)	(58)		(58)
Fair value gain on step-up from associate to subsidiary							(4)		(4)
Net loss on sale/impairment of intangible assets (including goodwill)				78		78	294		294
Net loss on sale/impairment of property, plant and equipment				110		110	209		209
Loss on impairment of biological assets				1		1	2		2
Non-headline items of associates and joint ventures				(6)	(57)	(63)	(84)	28	(56)
Impairment of assets held for sale				30		30	46		46
Non-controlling interests				(143)	331	188	(309)	286	(23)
Taxation	1 235		1 235	(12)		(12)	49		49
Headline (loss)/earnings	(3 084)	-	(3 084)	437	802	1 239	791	1 792	2 583

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2. Headline earnings and dividend per share *(continued)*

	Unaudited 6 months		Audited
	Aug 20	Aug 19*	12 months Feb 20*
Earnings per share (R)			
Recurring	N/a	5,84	12,81
Headline	(14,14)	5,68	11,84
Continuing operations	(14,14)	2,00	3,66
Discontinued operations		3,68	8,18
Attributable	118,62	6,39	11,29
Continuing operations	21,93	1,51	2,13
Discontinued operations	96,69	4,88	9,16
Diluted headline	(14,17)	5,65	11,81
Continuing operations	(14,17)	1,99	3,65
Discontinued operations		3,66	8,16
Diluted attributable	118,60	6,37	11,26
Continuing operations	21,91	1,51	2,11
Discontinued operations	96,69	4,86	9,15
Dividend per share (R)	1,64	1,64	2,39
Interim	1,64	1,64	1,64
Final			0,75
Number of shares (m)			
In issue	232,2	232,2	232,2
In issue (net of treasury shares)	216,0	218,2	218,1
Weighted average	218,1	218,1	218,1
Diluted weighted average	218,1	218,2	218,2

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

	Unaudited 6 months			Audited 12 months			
	Aug 20 Rm	Own balances Rm	Aug 19* Client- related balances Rm	Total Rm	Own balances Rm	Feb 20* Client- related balances Rm	Total Rm
3. Cash generated from/(utilised by) operations							
Profit before taxation	5 571	634	13	647	1 395	34	1 429
Share of profits of associates and joint ventures		(370)		(370)	(648)		(648)
Depreciation and amortisation	1	394		394	836		836
Investment income	(1 930)	(212)	(946)	(1 158)	(427)	(1 964)	(2 391)
Finance costs	128	416		416	889		889
Working capital changes and other non-cash items	152	95	(15)	80	269	8	277
Fair value loss on investment at FVTPL (note 1.1)	5 191			–			–
Gain upon deemed disposal and reacquisition of investments at fair value (note 1.1)	(3 945)			–			–
Profit on sale/dilution of interest in associates (note 1.2)	(5 158)	12		12	(130)		(130)
Cash generated from/(utilised by) operations	10	969	(948)	21	2 184	(1 922)	262

* Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

4. Capital commitments and contingencies

PSG Group, as an Investment Entity, has no material capital commitments or contingencies, apart from its commitment in respect of Curro's rights issue concluded on 7 September 2020, in which PSG Group invested a further R1,05bn, thereby increasing PSG Group's interest in Curro to 60%.

5. Events subsequent to the reporting date

No material event has occurred between the reporting date and the date of approval of these summary interim consolidated financial statements, other than that detailed in note 4 above and the disposal of a further 0,2% interest in Capitec for R212m cash proceeds.

6. Financial instruments

6.1 Financial risk factors

PSG Group's activities as an Investment Entity expose it mainly to i) price risk in respect of its investments at FVTPL and ii) credit risk in respect of its debt securities and cash and cash equivalents.

Risk management continues to be carried out by each investee of PSG Group under policies approved by the respective boards of directors. In light of the change in status to that of an Investment Entity, PSG Group's comparative financial risk disclosures have not been provided as it does not provide any information relevant to an understanding of PSG Group's financial risks during the period under review or as at the reporting date.

6.2 Price risk

The information below analyses financial assets and liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 13. The different levels in the hierarchy are defined below:

Level 1: quoted prices (unadjusted) in active markets.

Level 2: input other than quoted prices included within level 1 that is observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: input for the asset or liability that is not based on observable market data (that is, unobservable input).

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

6. Financial instruments *(continued)*

6.2 Price risk *(continued)*

The carrying value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value can be summarised as follows:

31 August 2020 (unaudited)	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Assets				
Investments at FVTPL	13 827		1 808	15 635
Liabilities				
Derivative financial liabilities		53		53

The following table presents changes in level 3 assets during the period under review:

	Unaudited Aug 20 Rm
Opening balance	346
Movement as a result of the change in status to that of an Investment Entity	1 514
Additions	76
Fair value gains	(128)
Closing balance	1 808

Valuation techniques and main inputs used to determine fair value for assets are detailed in Annexure A.

6.3 Credit risk

Debt securities

Debt securities as at 31 August 2020 relate to PSG Group's investment in Dipeo preference shares, as detailed in note 1.3. Dipeo has no external borrowings or funding obligations apart from the preference shares held by PSG Group (also being a 49% ordinary shareholder in Dipeo) and the Dipeo BEE Education Trust (being the remaining 51% shareholder in Dipeo). However, PSG Group holds approximately 94% of Dipeo's total preference share exposure.

As noted in note 1.3, the carrying value of the debt securities is mostly supported by JSE-listed investments at their respective fair values. Such JSE-listed investments (i.e. level 1 fair value measurement) supports approximately 87% of the carrying value of the debt securities, with the remainder being supported by unlisted investments.

Cash and cash equivalents

PSG Group's cash and cash equivalents comprise current/call accounts and term deposits (with a maturity of 7 days or less) spread across two South African banks (both rated by Moody's as having short-term and long-term counterparty risk ratings of P-3 and Baa3, respectively) in an aggregate of R1 844m, with the remainder of R71m being invested in the PSG Money Market Fund.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7. Segment report

The group has seven reportable segments, namely Capitec, PSG Konsult, Curro, Zeder, PSG Alpha, Dipeo and PSG Corporate. Apart from PSG Corporate, these segments represent the major investments of the group. The products and services offered by the respective segments are detailed in the commentary section to this announcement. All segments operate predominantly in South Africa. However, the group has exposure to operations outside of South Africa through, inter alia, Curro, PSG Alpha's investment in CA&S and through Zeder's investments in The Logistics Group, Capespan, Zaad and Agrivision Africa.

Previously, to provide context to its consolidated income statement, the group presented consolidated *recurring earnings* which was calculated on a proportional basis, and included the proportional earnings of underlying investments, excluding marked-to-market adjustments and once-off items. The result was that investments in which PSG Group held less than 20% and which were generally not equity accountable in terms of accounting standards, were equity accounted for the purpose of calculating the consolidated *recurring earnings*. *Non-recurring earnings* included, inter alia, once-off gains and losses and marked-to-market fluctuations, as well as the resulting taxation charge on these items. However, following PSG Group's change in status to that of an Investment Entity, consolidated *recurring earnings* is no longer presented to or evaluated by the chief operating decision-maker (the PSG Group Executive Committee) and therefore it is no longer presented as part of PSG Group's segment report.

SOTP value remains a key valuation tool used to measure PSG Group's performance pursuant to its objective of shareholder value creation through, inter alia, capital appreciation. In determining *SOTP value*, listed assets and liabilities are valued using quoted market prices, whereas unlisted assets and liabilities are valued internally using appropriate valuation methods. These values in the comparative periods will not necessarily correspond with the values per the summary consolidated statement of financial position since the latter were measured using the relevant accounting standards which included historical cost and the equity method of accounting.

The segments' performance can be analysed as set out below and also in Annexure A:

Six months ended 31 August 2020 (unaudited)	Fair value losses on investments at FVTPL Rm	Investment (dividend) income Rm	Other income and expenses Rm	Headline earnings Rm	SOTP value Rm
Capitec	(2 254)		505	(1 749)	2 702
PSG Konsult	(631)	122		(509)	5 768
Curro	(732)	23		(709)	1 872
Zeder	(1 377)	1 721		344	1 796
PSG Alpha	(197)			(197)	3 497
Dipeo				-	
PSG Corporate			(32)	(32)	
Funding and other			(232)	(232)	749
Cash and cash equivalents					1 915
Preference share investments and net loans receivable					448
Other*					(521)
PSG Financial Services perpetual preference shares					(1 093)
Total				(3 084)	16 384
Non-headline items (note 2)				28 956	
Earnings attributable to non-controlling interests				57	
Taxation				730	
Profit before taxation				26 659	
Profit before taxation from continuing operations				5 571	
Profit for the period from discontinued operations				21 088	

* Includes a capital gains tax provision on the retained Capitec interest.

NOTES TO THE SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

7. Segment report *(continued)*

Six months ended 31 August 2019 (unaudited)	Revenue (own balances) Rm	Recurring earnings (segment profit)* Rm	Non- recurring earnings* Rm	Headline earnings* Rm	SOTP value Rm
Capitec		904		904	38 852
PSG Konsult	2 453	188		188	6 553
Curro	1 495	84	29	113	4 391
Zeder	3 184	27	(8)	19	3 517
PSG Alpha	3 931	152	(75)	77	4 427
Dipeo	5	(21)	27	6	
PSG Corporate	27	(27)		(27)	
Funding and other	18	(33)	(8)	(41)	(1 089)
Total	11 113	1 274	(35)	1 239	56 651
Revenue from contracts with customers					
Revenue from sale of goods	5 999				
Revenue earned from commission, school, net insurance and other fee income	4 902				
Investment income	212				
Non-headline items (note 2)				156	
Earnings attributable to non-controlling interests				577	
Taxation				104	
Profit before taxation				2 076	
Profit before taxation from continuing operations**				647	
Profit for the period from discontinued operations**				1 429	

Year ended 29 February 2020 (audited)	Revenue (own balances) Rm	Recurring earnings (segment profit)* Rm	Non- recurring earnings* Rm	Headline earnings* Rm	SOTP value Rm
Capitec		1 927		1 927	46 130
PSG Konsult	4 954	389		389	6 399
Curro	2 980	117	23	140	2 604
Zeder	7 543	246	(65)	181	3 173
PSG Alpha	9 245	270	(164)	106	3 618
Dipeo	18	(36)	(1)	(37)	
PSG Corporate	93	(29)		(29)	
Funding and other	32	(90)	(4)	(94)	(1 604)
Total	24 865	2 794	(211)	2 583	60 320
Revenue from contracts with customers					
Revenue from sale of goods	13 502				
Revenue earned from commission, school, net insurance and other fee income	10 936				
Investment income	427				
Non-headline items (note 2)				(121)	
Earnings attributable to non-controlling interests				896	
Taxation				525	
Profit before taxation				3 883	
Profit before taxation from continuing operations**				1 429	
Profit for the year from discontinued operations**				2 454	

* Reported net of non-controlling interests.

** Re-presented for the discontinued operations as detailed in the introduction to these summary interim consolidated financial statements.

ANNEXURE A: SOTP VALUE

Investment	Aug 20		Industry	Listed/ unlisted	Classification at Aug 20	SOTP value			Portion	Valuation method	IFRS 13 Fair value	
	Shareholding	Nr of shares held m				Feb 20 Rm	Movement Rm	Aug 20 Rm			Categorisation	R/share
PSG Konsult	60,6%	810,1	Financial services	JSE-listed*	Subsidiary	6 399	(631)	5 768	33%	Closing JSE-listed share price	Level 1	7,12
Capitec	2,8%	3,2	Banking	JSE-listed	Equity securities	46 130	(43 428)	2 702	15%	Closing JSE-listed share price	Level 1	835,00
Unbundled interest at fair value on 1 Mar 2020							39 714					
Shareholding sold (note 1.1)							1 460					
Fair value loss on retained interest							(2 254)					
Curro	55,4%	228,2	Private education	JSE-listed	Subsidiary	2 604	(732)	1 872	11%	Closing JSE-listed share price	Level 1	8,20
Zeder	46,8%	748,4	Investment holding (food and related business)	JSE-listed	Subsidiary	3 173	(1 377)	1 796	10%	Closing JSE-listed share price	Level 1	2,40
PSG Alpha	98,1%		Investment holding (early-stage investments)	Unlisted	Subsidiary	3 618		3 497	20%			
CA&S	47,3%		Route-to-market services for fast-moving consumer goods in Sub-Saharan Africa	BSE-listed**	Subsidiary	1 130	50	1 180	7%	Closing BSE-listed share price converted from Botswana pula to South African rand at the spot exchange rate	Level 1	5,51
Stadio	44,4%		Private higher education	JSE-listed	Subsidiary	662	(120)	542	3%	Closing JSE-listed share price	Level 1	1,49
Evergreen	50,0%		Retirement lifestyle villages	Unlisted	Joint venture	975	(54)	921	5%	Net asset value, underpinned by investment property subject to external valuation annually	Level 3	
Energy Partners	56,0%		Private energy utility	Unlisted	Subsidiary	118	148	266	2%	6x and 10x EBITDA multiples applied to 12-month rolling and annualised recurring EBITDA for the operations and investment businesses, respectively, plus cash and work-in-progress, less all debt	Level 3	
Optimi	86,2%		Innovative and accessible education solutions to schools, tutors, parents and learners	Unlisted	Subsidiary	305	(118)	187	1%	13,3x PE multiple	Level 3	
Other			Various	Unlisted	Various	499	(29)	470	2%	Various	Level 3	
Sub-total						3 689		3 566				
Less: minority shareholding held by PSG Alpha management***						(71)	2	(69)				
Additions (note 1.1)							(76)					
Fair value loss							(197)					
Dipeo	49,0%											
Sub-total						61 924		15 635				
Other net assets						879		1 842	11%			
Cash and cash equivalents						187		1 915				
Preference share investments and net loans receivable						542		448				
Other^						150		(521)				
Total assets						62 803		17 477	100%			
Funding						(2 483)		(1 093)				
PSG Financial Services perpetual preference shares		17,4				(1 463)		(1 093)		Closing JSE-listed share price	Level 1	62,75
Redeemable preference shares^^						(1 020)						
Total SOTP value						60 320		16 384				
SOTP value per share (R)						276,43		75,86				
Fair value losses from investments at FVTPL (note 1.1)							(5 191)					
Fair value loss from derivative financial instruments							(18)					
Fair value losses reported in the income statement							(5 209)					

* Secondary listings on the Namibian Stock Exchange ("NSE") and Mauritian Stock Exchange ("MSE").

** Secondary listing on the 4AX Exchange.

*** PSG Alpha management holds ±1,9% in PSG Alpha.

^ The 31 Aug 2020 balance includes a capital gains tax liability in respect of the Capitec shares disposed of and the retained Capitec interest.

^^ Redeemed in full during the period under review.

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